UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 98th CONGRESS

FIRST SESSION

VOLUME 129—PART 3

FEBRUARY 23, 1983 TO MARCH 3, 1983

(PAGES 2727 TO 4053)

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PROCEEDINGS AND DEBATES OF THE 98th CONGRESS, SECOND SESSION

SENATE—*Wednesday, February 23, 1983*

The Senate met at 11 a.m. and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, Lord of truth and righteousness and justice, as bills are drafted and committees respond, grant grace and wisdom to Thy servants in the Senate. May the unity of the Nation dominate their thinking. Deliver from parochialism and partisanship which is divisive. May we take seriously the warning in George Washington's Farewell Address, "against the baneful effects of the spirit of party * * * the common and continual mischiefs of the spirit of the party * * *" its tendency to "distract public councils, enfeeble the public administration, agitate the community with ill found jealousies and false alarms, which kindle the animosity of one party toward another * * *."

Grant, O God, that present crises will not suffer neglect because of preoccupation with the future election. Free the Senators from every spirit that would divide and demean and destroy. May this body lead the Nation in a demonstration of unity, national purpose, justice, and love. We pray this in the name of the One who loved unconditionally, inclusively and sacrificially. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

ELLIS "BUD" MEREDITH HONORED BY APPAREL INDUSTRY

Mr. BAKER. Mr. President, recently, a good friend of mine and I am certain a good friend of many in this Chamber, was honored by his chosen profession, and I would like to take just a moment this morning to congratulate him.

For more than 20 years, Ellis "Bud" Meredith has represented the apparel industry in Washington. Those of us who are fortunate to have garment manufacturers in our States and to have worked with Bud Meredith can attest to how well he represents his industry.

So it came as no surprise to us to learn that the publication "Association Trends," which serves not only the apparel industry but a wide variety of industries and interests, named Bud Meredith its "1982 Association Executive of the Year."

Mr. President, this is a well deserved recognition. In 1961, Bud came to Washington to represent the relatively small Southern Garment Manufacturers Association, but has since been instrumental in expanding that organization into the American Apparel Manufacturers Association. Bud is now president of the association which represents the manufacturers of more than 70 percent of all garments made in this country.

I am most pleased for Bud and his family, and send to them my best wishes and congratulations for such a distinguished recognition.

THE PATUXENT WILDLIFE RESEARCH CENTER

Mr. BAKER. Mr. President, imagine this: Thousands and thousands of undomesticated and protected wilderness embraced by trails and trees and ponds and lakes, dedicated to understanding, researching and saving some of our country's most important species.

One might guess that such a place was a land of the past, or merely a dream for the future. Or one might think that such a place could only exist in the Western part of these United States. One would probably be shocked to learn that not only does such a place exist, but that it lies nearby, outside of Laurel, Md.

I am speaking of course about the Patuxent Wildlife Research Center, and I was most fortunate to have visited there this past Monday. One of the benefits to having a reputation as an avid photographer is that from time to time you are the recipient of gracious invitations to unusual and spectacular places. Such was my invitation to visit Patuxent, because, Patuxent is spectacular.

I had originally thought that I would travel to the center, take my pictures of some eagles and whatever, and then go home. But as I learned more about the center from my hosts, Dr. Russell Hall, the acting director of the center, Dr. James Clayton, a lab investigator, and Dr. James Fleming, a wildlife biologist at the center, I realized that I was in a truly unique environment, and that I would go home with more than pictures.

As I learned about the efforts of the center, I began to realize the importance that such a program can have. The whopping cranes that reside there are being protected to the point where the research program is now having a substantial impact on that crane population in the United States. The Andean condors, are being studied with the hopes that they will be instrumental in saving this country's largest bird in danger of extinction, the California condor. And the eagles. Our national symbol. They were in life, a hundred times more breathtaking than on television or in a book, and despite that fact that they did not always cooperate with my picture taking, I was able to witness a program which is providing States who no longer have eagles, with eagles of their own. This program is most successful, and there is an increasing demand from States all across the country for the eagles.

Mr. President, I believe it is not an exaggeration to state that the future of our wildlife programs in this country, depend, to a large degree, on programs like the Patuxent Research Center, I am sure that Secretary of the Interior Watt is most proud of this facility, and despite the fact that funds for such programs are in high demand, I cannot picture a better use for them.

I wish to commend and thank once again, Drs. Hall, Carpenter, and Flem-

ing for their time, guidance and hospitality. We are indeed fortunate to have their knowledge being put to work, and they are indeed fortunate to be able to work at such an important center.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that I may be recognized for the purpose of making a statement, and, perhaps, propounding a unanimous-consent request without prejudice to the rights of any Senator under the rules of the Senate.

The PRESIDING OFFICER (Mr. PRESSLER). Is there objection to the request of the Senator from Tennessee?

Mr. BYRD. Mr. President, reserving the right to object, and I shall not object, I think this is a good suggestion.

The majority leader, when he uses the words "without prejudice," means without prejudice to the right of any Senator to object to the dispensing with the reading of the Journal, and so forth?

Mr. BAKER. Yes, I do.

Mr. BYRD. I do not object.

Mr. BAKER. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—SHIPPING ACT OF 1983

Mr. BAKER. Mr. President, having adjourned on last evening, under the rules and precedents of the Senate after the prayer the Journal would be read.

The proceedings of the Senate then are prescribed in rather exact detail to follow on for a period of time for 2 hours of business of the Senate and perhaps longer in the ordinary course of affairs.

In a moment, I intend to propound a unanimous-consent request that I believe may be agreeable to all parties. I hope so. In the event that unanimous-consent agreement is entered into, it would be my intention to ask unanimous consent that the Journal of proceedings of the Senate be approved to date and ask then that there be a period for the transaction of routine morning business.

After that, it will be my intention to ask the Senate to turn to the consideration of the shipping bill once again if the unanimous-consent agreement is entered into.

If that agreement is entered into, I anticipate that the shipping bill then would be laid before the Senate as the pending business and the regular proceedings of the Senate prescribed by the rules following on after an adjournment of the Senate would be dispensed with, having agreed to the presentation of the bill for debate and consideration.

Mr. President, as we all know, there has been a considerable controversy about the shipping bill, and I suppose there will continue to be. Indeed, I have had extended conversations with the distinguished Senator from Ohio, with the distinguished Senator from Alaska, with the distinguished President pro tempore, and with others on this subject, and I wish I could report that all the problems have been worked out, but they have not. But I think we may have worked out a procedure that will accomplish the purposes of the Senate, whatever they may be.

So let me put this request, Mr. President:

I ask unanimous consent that after the approval of the Journal and the recognition of the two leaders under the standing order there be a period for the transaction of routine morning business of not to exceed 30 minutes in length in which Senators may speak for not more than 3 minutes each.

I ask unanimous consent that at the end of that period the Senate proceed to the consideration of S. 47, the Shipping Act, which is Calendar Order No. 13.

I further ask unanimous consent that no motion or cloture on that measure will be in order before 4 p.m. on Thursday, tomorrow.

I say parenthetically if this is agreed to it would be my intention to file a motion at that time.

Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 12 noon tomorrow.

I further ask unanimous consent that when the Senate completes its business on Thursday it stand in recess until the hour of 12 noon on Monday next.

Mr. President, I ask unanimous consent that at the conclusion of the business of the Senate on Monday the Senate stand in recess until 11:30 a.m. on Tuesday next.

Mr. President, I ask unanimous consent that at 4 p.m. on Tuesday, waiving the mandatory quorum provisions of rule XXII, a vote occur pursuant to the cloture motion previously filed on the bill. That is the end of my request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. METZENBAUM. Mr. President, reserving the right to object, and I shall not object, I wish to address myself for a moment as to the parliamentary posture at the present point.

There is no secret about the fact that on a motion to proceed I or any other Senator would be in a position to debate the issue or to insist upon the Journal being read after a quorum of the Senate has been assembled and determined and that other procedures of a parliamentary nature would be available to me or to any other Member of the Senate for the purpose of dragging out the debate and at one point I had given serious thought to following that procedure.

But I have concluded that we should get into the merits of this measure at an early point, that there are Members on both sides of the aisle who have serious concerns about the matter, and that those serious concerns can actually only be addressed when we are on the bill itself and not on the motion to proceed.

I know Senator STROM THURMOND, the distinguished chairman of the Judiciary Committee, and the Judiciary Committee have a large number of amendments, something like 19 or 20 amendments, that can only be addressed when the issue is before the Senate.

I am aware of the fact that the distinguished Senator from Utah (Mr. HATCH) has some very major concerns about the legislation in its entirety, and is prepared to debate the issue on its merits. I know there are other Senators who have indicated their reservations and concerns.

It is this Senator's view that merely seeking to drag out the time and to keep the Senate from getting to the measure itself would not serve a useful purpose. Therefore, I have indicated to the majority leader that the procedure he has outlined under a unanimous-consent agreement, with a cloture motion to be filed on tomorrow and a vote in connection with that cloture motion to be on Tuesday, is probably satisfactory to this Senator and, therefore, I do not intend to object.

But lest there be any misunderstanding of my position, my opposition to this measure is no less strong nor do I intend to by this action in any way indicate any less opposition to the measure itself.

Mr. BYRD. Mr. President, reserving the right to object——

Mr. BAKER. Mr. President, reserving the right to object to my own request, I am advised on this side that there are one or two other bases for me to touch on timing and, perhaps, on a matter of substance, so on behalf of another Senator, I am going to postpone consideration of this request and will suggest the absence of a quorum.

Mr. BYRD. Will the Senator withhold?

Mr. BAKER. I withhold the request.

Mr. BYRD. In postponing the action on the request, the Senator is also protecting the rights of all individuals under the rules.

Mr. BAKER. Yes, Mr. President. I believe that was included in the previous request, and I reiterate that as my intention.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that I may proceed briefly at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, in a moment, I am going to withdraw my unanimous-consent request which is pending and put another one which will provide for the termination of the morning hour, and I will renew my motion to proceed to the consideration of S. 47, which will be debatable in the formulation that I put.

Mr. President, first I withdraw my request now pending.

The PRESIDING OFFICER. The Senator has that right.

JOURNAL—LEADERSHIP TIME—ROUTINE MORNING BUSINESS

Mr. BAKER. Now, Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

I further ask unanimous consent that the morning hour now be considered as having expired.

I ask unanimous consent that the time allocated to the two leaders under the standing order be inserted at this point.

I further ask unanimous consent, Mr. President, that there be a brief period for the transaction of routine morning business of not greater than 10 minutes in length in which Senators may speak for not more than 3 minutes each.

The PRESIDING OFFICER. Without objection——

Mr. BYRD. Will the Chair not be too hasty?

Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I see the distinguished Senator from Wisconsin in the Chamber, and I believe he has business to transact this morning.

Other Senators may wish to speak. I hope that the period for the transaction of routine morning business will be very brief, so that we can get on with a motion to proceed to the consideration of S. 47, which I intend to make as soon as that time has expired.

Mr. President, I have no further need for my time under the standing order, and I am prepared to yield it back or yield it to the minority leader.

Mr. BYRD. I thank the majority leader.

Mr. President, I yield back my time.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, for reasons that have been brought to my attention and involve a number of Senators in a commitment off the floor of the Senate, it is my intention, after the expiration of the time for the transaction of morning business, to ask the Senate to recess until 1:15 p.m. today.

ROUTINE MORNING BUSINESS

Mr. PROXMIRE. Mr. President, are we in morning business?

The PRESIDING OFFICER. The Senator is correct.

GENOCIDE CONVENTION: THE WEST WAS UNPREPARED FOR HITLER'S RISE TO POWER

Mr. PROXMIRE. Mr. President, 50 years ago this month, Adolf Hitler became Chancellor of the Third Reich, ushering in a violent reign of totalitarian terror.

Photographs of open graves stuffed with emaciated corpses and haunting tales of brutal torture remind the world of Hitler's grim legacy. Yet, we tend to overlook the fact that, in 1933, few in the Western world realized the significance of Hitler's accession to power. Thousands of Germans marched down the Wilhelmstrasse to greet Hitler, the man who would transform Germany into a savage dictatorship and home of mass extermination, while people in the Western democracies were tending to their own domestic problems, too busy to take notice of the events in Germany.

In a recent New York Times article, Gordon A. Craig points out that, while not excusable, this lack of attention to events in Germany was somewhat understandable. The Western democracies were in the midst of one of the worst depressions in modern history, and the urgency of their domestic economic problems left little time or energy for interest in foreign affairs. Great Britain had 3 million workers unemployed in 1933, and the Government was being criticized for its inability to formulate an economic recovery plan. In France, Leon Blum's Socialists, and the Radicals led by Eduoard Herriot, were at odds about how to deal with the Depression, and national attention in the United States was focused upon what the newly elected President might do to relieve the economic malaise.

Although there were some perceptive observers, the popular view in the British and French press in 1933 was that Hitler and his party should not be taken seriously.

The U.S. Embassy in Berlin had little understanding of the ideology and objectives of the Nazi Party, and the U.S. Government was no better prepared than the British and French to appreciate the maning of Hitler's ascension to power. One cannot help but wonder if the ensuing tragedies could have been prevented if the Western democracies had understood the significance of the events in 1933, or if they had been prepared with a mechanism for punishment of perpetrators of genocide, like Hitler.

My purpose today is not to point an accusing finger at any country for their lack of preparedness in 1933, nor is it my intention to tell tales of past atrocities, for this has already been done by others at great length. I would, however, like to ask the following question: Is the United States any more prepared in 1983 than we were in 1933 to react to the threat of genocide? I am afraid that the answer is no, because the United States still has no effective and legitimate means to punish genocide offenders. The Genocide Convention, a treaty which outlaws the extermination or intent to exterminate any racial, ethnic, national, or religious group, has still not been ratified by the Senate.

Given our abhorrence at the events in Nazi Germany, it seems inconceivable that this country would fail to ratify a treaty making genocide a crime under international law. Yet, we stand alone among the developed nations in our refusal to become a party to this treaty.

I urge my colleagues to ratify the Genocide Convention immediately and participate in the international effort to condemn and punish those who commit the heinous crime of genocide.

WHY NOT STOP NEW RUSSIAN ICBM BY AGREEING NOT TO BUILD MX IF THEY DO NOT BUILD THEIR NEW ICBM?

Mr. PROXMIRE. Mr. President, Jeremy Stone, executive director of the Federation of American Scientists, has made a very timely proposal to begin a dramatic halt to the nuclear arms race. Stone proposes that we call on the Soviet Union to stop flight testing and end their plans to produce their new intercontinental ballistic missile. In return, we would agree not to proceed with our MX—or any other new intercontinental missile—pending negotiations on reductions.

Stone points out that the SALT II treaty, which both Russia and the United States have agreed to observe as long as the other side does not violate it, permits both sides to build one new light ICBM. Both the new Soviet ICBM and our MX fit within this SALT II definition. By agreeing not to go ahead with the MX if the U.S.S.R. does not proceed with its new ICBM, we save the immense cost of the MX and lose nothing in our nuclear competitive position with the U.S.S.R.

Mr. President, I ask unanimous consent that the Stone proposal as carried in the New York Times on February 14 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BARTER THE MX

(By Jeremy J. Stone)

WASHINGTON.—The future of arms control for strategic weapons in this decade may be decided in the next few weeks. The Commission on Strategic Forces, under the chairmanship of Gen. Brent Scowcroft, is now due to report to President Reagan in mid-March with recommendations for basing the new MX missile—or some alternative plan for dealing with the perennial issue of the vulnerability of land-based missiles.

Most commission members probably assume that their only possible choice is to devise a variation on the 33 previous plans for basing the MX. But there is another possibility: It involves arms control.

The commission could recommend that production of the MX—or any other new intercontinental ballistic missile—be deferred pending negotiations on reductions. Thus, America could hold back the MX punch and use the threat of deployment of the MX to persuade the Soviet Union to join with us in agreeing to substantial reductions in strategic weapons. Similarly, the Soviet Union could suspend flight-testing of its own new ICBM as an expression of good faith and as an incentive to serious talks.

If, thus encouraged, both sides agreed on reductions of strategic arms—which each has already proposed—it would be less likely that either side would fund new ICBM's. America, as part of the reduction agreement, would have obtained sizeable cutbacks in Soviet ICBM's. Thus, the MX would have been traded off as part of a package not only for the new Soviet ICBM but also for the reductions in SS-18's, SS-19's, and SS-17's that the Administration craves. If, on the other hand, agreement could not be reached, the two sides would have suffered only a delay in deployment of a single new type of ICBM—a delay that would have no significant security implications for either side.

Most important of all, if the two ICBM punches are not held back, deployment of both missiles will enormously complicate subsequent efforts to establish limits on strategic weapons. This is particularly true if the new Soviet ICBM turns out to be mobile or if our basing method does not fit within the SALT II limits that we are currently observing.

Herein lies an arms control option that the commission could put before the President. Why not ask the Russians if they would observe a bilateral (and easily verifiable) pause in the flight-testing of the one new ICBM that the SALT II treaty permits each side? This pause would give each side time to negotiate seriously on a far-reaching reduction plan. If the flight tests are not halted, it will soon be much more difficult to verify any halt in the production of these missiles.

Indeed, during the SALT negotiations, both sides proposed that there be no new ICBM's under SALT II; unfortunately, they advanced their proposals at different times and so failed to reach agreement. Now, more than ever, they should go back to proposing no new ICBM's since they are both currently proposing reductions in ICBM's, which make new ICBM's pointless. (For that matter, both sides should be banning new types of sea-based missiles.)

As things stand, unless the commission intervenes, America is about to repeat its mistake of the late 1960's when, intent on keeping negotiating pressure on the Soviet Union, it pushed forward so vigorously with a program to place multiple warheads on individual missiles as to make the whole subject of multiple warheads unnegotiable. The Soviet multiple-warhead program followed and made our ICBM's vulnerable. We are now suffering, predictably, from that error.

America does not, in fact, really need any new ICBM at all. In a rational world, we would finesse the Soviet ICBM buildup by unilaterally reducing our emphasis, within our overall strategic forces, on vulnerable land-based missiles. We would simply leave the Russians with ever more vulnerable ICBM's and shift our emphasis to air and sea—as, indeed, we already have. Nothing more is needed.

Unfortunately, the American defense community has begun to put great emphasis on appearances. It seems more concerned with an absurdity—who has missiles with larger diameter—than with real military effectiveness. Accordingly, bilateral disarmament would permit our military leadership to accept less emphasis on ICBM's without loss of face.

Those opposing new ICBM's also need a bilateral solution. We may be able to kill the MX outright—as it deserves to be killed—but, assuming a continuation of the Soviet ICBM buildup, Congress will eventually fund a new ICBM—if not the MX, then an ICBM with a single warhead, which is already under consideration.

These are the reasons political as much as military, why all sides of this debate need arms control. The place to start is by plugging the loophole in SALT II that permits each side to build one new ICBM.

DISAPPROVING DEFERRAL OF ECONOMIC DEVELOPMENT ADMINISTRATION FUNDS

Mr. HOLLINGS. Mr. President, there have been some developments with regard to Senate Resolution 49. This resolution, when approved, will disapprove the deferral of $181,900,000 in funds available to the Economic Development Administration. The administration proposed the deferral of these funds in order to make them available for transfer to the Small Business Administration to pay off the extraordinary amount of defaults on SABA's guaranteed loans.

A total of 28 of my colleagues joined me when I introduced Senate Resolution 49 on February 2. Last week, nine additional cosponsors were added. I ask that seven more of my colleagues now be added as cosponsors, as follows: Mr. PELL, Mr. BENTSEN, Mr. LONG, Mr. GLENN, Mr. JACKSON, Mr. ANDREWS, and Mr. BIDEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, all told, we have 45 Senators now on Senate Resolution 49 of which 10 are Republicans, so this is a bipartisan response to a misguided move by the administration. I am grateful for those who have joined me on Senate Resolution 49, and their leadership in this endeavor is most appreciated by those struggling to maintain the economies of areas devastated by the national economic situation.

Last week the Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies appropriations, on which I serve as ranking minority member, almost unanimously endorsed Senate Resolution 49 to the full Committee on Appropriations. Our distinguished chairman, the senior Senator from Nevada (Mr. LAXALT) opposes Senate Resolution 49, but my good friend is a fair man and expeditiously moved the resolution along. We appreciate his cooperaton and will be working to persuade him of the value of this proven program.

Mr. President, I ask that our chairman's letter polling the subcommittee on Senate Resolution 49 as well as his letter to Chairman HATFIELD be printed in the RECORD at the completion of my remarks.

This has been good progress and I urge the distinguished chairman of the Committee on Appropriations to schedule a meeting of the committee to report out Senate Resolution 49. The overwhelming approval of the subcommittee, plus the fact that 20 of the 29 members of the committee are now sponsoring the resolution makes me confident of the committee's approval. We need to get it reported out so the full Senate can address this issue. I am also confident that the Senate will agree that this is no time to scuttle a proven economic development program, and will want to overturn the deferral and get this modest amount moving into the economic development of our Nation.

Mr. President, the Reagan administration is wrong in its efforts to terminate the EDA. Certainly the program could be improved, and it is unfortunate that the administration is not building on the nearly 20 years of EDA to strengthen the program.

The Secretary of Commerce complains that virtually the entire country is eligible for EDA assistance. That is true, but he can establish priorities. In its early days, the EDA operated on a "worst first" strategy whereby the funds went to the areas with the highest unemployment on lowest income levels. That was followed by an emphasis on growth centers. The Secretary of Commerce has the power to be a virtual czar over economic development. It is beyond me why he is reluctant to use it, particularly as we view the present effort to formulate a jobs bill. There are projects ready for financing. The Assistant Secretary of Commerce for Economic Development authorized the processing of $31,483,041 in projects on December 17, 1982. Only a small amount of those

projects have been approved. Given the administration's opposition to the program, the authorized projects have to be good ones. We need to get Senate Resolution 49 up before the committee, and then the Senate, and get EDA back to work getting the country back to work.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., February 14, 1983.

DEAR COLLEAGUE: The Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies has received Senate Resolution 49, disapproving deferral D83-43, relating to Economic Development Assistance Programs. The deferral involves $181.9 million of the $198.5 million in grants approved in the continuing resolution for fiscal year 1983.

While I am inclined to support the deferral, and will oppose the resolution, I am aware that a majority of the Subcommittee are co-sponsors of S. Res. 49. Therefore, I am circulating this letter to secure your approval of reporting the resolution favorably to the full Appropriations Committee. Your signature will be taken as an affirmative vote for this action.

Best regards,
Sincerely,
Paul Laxalt, Chairman, Commerce, Justice, State, and the Judiciary Subcommittee; Ted Stevens; Lowell P. Weicker, Jr.; Warren Rudman; Mark O. Hatfield; Arlen Specter; Ernest F. Hollings; Daniel K. Inouye; Dennis DeConcini; Dale Bumpers; Thomas F. Eagleton.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., February 14, 1983.

Hon. MARK O. HATFIELD,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MARK, I am writing to inform you that the Subcommittee on Commerce, Justice, State, the Judiciary, and Related Agencies, having considered S. Res. 49, disapproving deferral D83-43, does favorably report this resolution to the full Appropriations Committee.

With best regards,
Sincerely,
PAUL LAXALT,
Chairman, Commerce, Justice, State, and the Judiciary Subcommittee.

100TH ANNIVERSARY OF THE ALABAMA AGRICULTURAL EXPERIMENT STATION

Mr. HEFLIN. Mr. President, as the senior Senator from Alabama, it is a great pleasure for me to rise today in recognition of a very significant milestone being observed today by one of the fine universities in my State, Auburn University. Today, February 23, is the 100th anniversary of the establishment of the Alabama Agricultural Experiment Station, the agency charged by law with providing the scientific research support for Alabama's agricultural and forestry industries.

It is entirely appropriate that Auburn faculty and friends pause to observe this occasion, and to reflect on the contributions made during the experiment station's 100-year history. Although agriculture has been the direct beneficiary of most of this research, all citizens of Alabama have benefited.

This centennial celebration at Auburn University also calls attention to the importance of the Nation's land-grant college system, particularly the agricultural research arm. This nationwide agricultural research system represents one of the greatest strengths of this Nation, making possible our unparalleled farm productivity that is certainly the envy of the world.

Members of the Alabama Legislature who passed the February 23, 1883, act creating the Alabama Experiment Station were concerned about the well-being of their people, and saw the need for improving the State's major industry, agriculture. Their decision to establish a research station at the State's land-grant college at Auburn put into motion a movement that has served the people well for 100 years and promises even greater service in the future.

From that beginning in 1883 when the professional staff included the director and one other scientist, the experiment station has grown to a major research facility. Today there are some 200 scientists and 500 support workers conducting hundreds of research projects dealing with all aspects of agriculture and forestry on 21,000 acres of land at 23 Alabama locations.

Although financial support was extremely modest in those early years, researchers found ways to attack and solve important problems of the day. Today's inflated costs of research are limiting factors, but available funds are being used to attack most serious problems facing farmers under the current cost-price squeeze situation. Such research holds out the major hope for overcoming today's depressed farming situation that is threatening the very existence of the Nation's agricultural industry.

Work of the Alabama Experiment Station has contributed greatly to the quality and enjoyment of life in both rural and urban settings in Alabama. Water quality, fishing and hunting resources, recreational opportunities, and resource conservation are all areas in which experiment station research plays a vital role.

In today's technological age, the survival of civilization as we know it is dependent on our accumulated knowledge base. Much of the research being done at agricultural experiment stations around the Nation, like the one at Auburn, is helping to maintain an up-to-date knowledge base that will assure the Nation a bright future.

The men and women who have served the Alabama Agricultural Experiment Station have met the challenge for 100 years. Present researchers and those who will follow can be counted on to meet the new challenges that will come in the future.

Mr. President, it is with great pride in their work that I commend the workers, past, present, and future, who have made the contributions for which the Agricultural Experiment Station is known, and I know that all of you join me in wishing them a very happy 100th anniversary.

I ask unanimous consent that an article from the February 1983 issue of the publication Highlights of Agricultural Research be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REFLECTIONS OF A CENTURY OF SERVICE

On February 23, 1983 the Alabama Agricultural Experiment Station completes 100 years of service to the people of Alabama. This is an appropriate time to review our accomplishments, take stock of our current status, and consider the direction for the future.

From exceedingly humble beginnings that included only a couple of staff members and a few acres of land designated for research, the Alabama Agricultural Experiment Station has grown into a major center of research. It reaches into all parts of the State and touches the lives of all its citizens. Today, we celebrate our 100th birthday, the Alabama Agricultural Experiment Station employs over 200 agricultural scientists and almost 500 support personnel. They work on more than 300 research projects. Literally thousands of individual experiments are conducted annually in the search for answers to an assortment of problems that affect the farmers and citizens of this State. Experiments are conducted at the main research stations at Auburn and Shorter and at 21 other sites around the State on 21,000 acres.

The Alabama Agricultural Experiment Station was created by a state legislature that was concerned about the well-being of its people and the success of the State's primary industry, agriculture. The legislators, in their honest quest to provide a better life for the people of Alabama, exhibited great wisdom and far-reaching vision. During the intervening years, every legislator has had an opportunity to reaffirm that first commitment to the State's agricultural and forest industries by supporting the Alabama Agricultural Experiment Station.

From the beginning, the mission of the Alabama Agricultural Experiment Station has been clear: to conduct scientific research that will enhance the establishment and maintenance of a permanent and effective agricultural industry in the State. Over the years, we have refined, added to, and expanded our mission to include basic research, which affects all of agriculture and forestry. In more recent years, we have placed greater emphasis on protecting our soil and water resources and on improving the quality of our environment.

Because of the breadth of our research programs, no attempt will be made here to define the total impact of the Alabama Ag-

ricultural Experiment Station on the people of this State. Instead, this centennial issue of Highlights of Agricultural Research will document only a few of its accomplishments during the past 100 years.

Success of our research programs can be effectively measured by the knowledge that is generated. We live in a technological age where the quality of life, and even the survival of civilization as we know it, is dependent upon our accumulated knowledge. Although much of the research done by experiment station scientists finds immediate use in agricultural programs, there is a significant amount of research that contributes only to our pool of scientific knowledge. This knowledge pool provides the future basis for more efficient and more productive agricultural and forestry industries.

It is important that we maintain a healthy and well-supported research program for the well-being of the present generation and for generations yet to come. Our future accomplishments should match or exceed our past accomplishments, which have provided for a more successful agriculture and for a better life for all of us.

We are constantly reviewing our research program. This often results in a redirection of resources into new research priorities. From the very beginning of the Experiment Station, we have utilized the collective wisdom of our scientists and administrators, along with input from the agricultural, forestry, and business communities, to chart the course of our research efforts.

The financial base of the Alabama Agricultural Experiment Station has always been somewhat tenuous. The fertilizer tax, which provided for the establishment of the Experiment Station, was never sufficient to fully support the desired research programs. The Federal Hatch Act of 1887 and direct State appropriations, beginning in 1907, provided the first relatively sound and continuous financial support for the Experiment Station.

The State appropriation was $152,168 in 1936 and had reached one million dollars by 1958. For the past 5 years, the State appropriation has been between 7 and 8 million dollars per annum out of a 20-million-dollar annual budget.

Throughout the history of the Alabama Agricultural Experiment Station, there has not been sufficient funds to address all of the recognized research problems. With the increasing complexity of researchable problems and the high cost of conducting research, there is an even greater challenge to our scientists and support personnel.

The single greatest asset of the Alabama Agricultural Experiment Station is the scientists and support personnel who conduct the research that provides answers to problems affecting our agricultural and forestry industries. The record of accomplishments is, indeed, a tribute to the dedication and perseverance of these individuals to their research programs.

The challenge for the future is quite simple: provide the knowledge that will make possible a better life for the citizens of this State and Nation. This requires the dedication and intellect of the imaginative and hard-working men and women who make up the Alabama Agricultural Experiment Station. We have effectively met the challenges of the past 100 years, and I am convinced that we will be equally successful in the years ahead.

INTERNATIONAL TRADE

Mr. HOLLINGS. Mr. President, he who has the gifts of wit and humor can often do more to advance a serious cause than 20 people producing an encyclopedia on a subject. When, on particularly happy occasions, two gifted people combine their wit and humor to puncture some especially stubborn myth and thereby cast fresh light on the world in which we live, we have reason to rejoice. And rejoice I did when I read of AFL-CIO president Lane Kirkland's proposal for "The Free Trade, Anti-Protection and Anti-Hypocrisy Act" in George Will's February 13 column in the Washington Post.

What Kirkland presents so vividly, and what Will condenses so brilliantly, I would not dream of synopsizing. The column is brief and speaks to the issue of trade with a cogency and feel that other commentators on the subject have seldom if ever been able to match.

Let me just note, Mr. President, that the subject being treated is deadly serious. For the better part of a generation, successive administrations have closed their eyes to what has been happening in international trade. Meanwhile, other countries have come with strategies and tea work and built for themselves tremendous competitive advantage, picking off vital American industries in the process. The damage has been so far reaching that now the very economic survival of our country is in question.

We must understand how the field of play has changed, and we must disabuse ourselves of outdated notions which blind us to the world in which we live. The reason the world has moved farther away from the ideal of free trade is that other nations have made a mockery of it, and we have refused to call them on their abuses.

But I do not want to be heavy where Lane Kirkland and George Will are light. My purpose in rising, Mr. President, is to ask that this clearheaded column be included in today's edition of the RECORD. I commend it to my colleagues with enthusiasm, and I congratulate both my friends who made the piece possible. I ask unanimous consent to have this column printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE FREEST TRADE IS IN HYPOCRISY

(By George F. Will)

Irena Kirkland's husband (we who know them both think of Lane that way) is head of the AFL-CIO, but someone has to be. He also is author of an instructively amusing legislative proposal. It deserves to become law, but will not because it violates Washington's law of gravity, which is that only heavy things rise.

Kirkland proposes "The Free Trade, Anti-Protection and Anti-Hypocrisy Act." Weary of pious praise of free trade from people who know that free trade is increasingly a fiction, Kirkland says: free trade is wonderful and it would be nice if we had some. So his bill begins: Whereas certain practices distort the free flow of commerce and diminish the wealth of nations, deprive customers of the benefits of comparative advantage, and are contrary to national policy, therefore:

It shall be illegal for any American to engage in a transaction involving a product of which any portion is required to be manufactured abroad because of the existence in another country of a domestic-content statute.

(That would pertain to products from 30 or so countries.)

It shall be illegal to engage in a barter transaction with a state trading monopoly.

(Kirkland calls this "the Donald Kendall and Armand Hammer clause" because of Pepsico's and Occidental's deals with the Kremlin.)

It shall be illegal to engage in a transaction involving any product for which any part of the price or terms is subsidized by the state.

(This would concern countless products, including farm and certain other products from this country.)

It shall be illegal to engage in any transaction involving a commodity the price or supply of which is controlled by an international cartel.

(That is, OPEC since 1973. Before 1973, OPEC's role was played by the Texas Railroad Commission.)

It shall be illegal to engage in any transaction involving the use of a currency of which the exchange rate is manipulated by the state.

(The yen, for one.)

No U.S. revenues shall be paid to any international organization which, as a condition of giving aid to any country, requires the country to engage in protectionist policies.

(The International Monetary Fund frequently requires recipient nations to promote exports and impede imports.)

To combat word pollution, Kirkland's bill would set terminological standards. For example, "free-trade zones" (locations where goods are produced under a restriction that none can be sold in the country where the "free-trade zone" is located) shall be known as "protectionist zones."

The bill's enforcement provisions, Kirkland says, incorporate the assumption of many free traders that human values and rights ought not to be treated as relevant in determining the flow of commerce—"that all values are fungible." Therefore: any punishment practiced by any trading nation shall be available for the enforcement of the Kirkland statute.

So, a first offender's right hand shall be severed at the wrist. For the second offense, he shall receive five years at hard labor at the prevailing wage in a Mexican asbestos plant. For a third offense, he shall be sent—after a treaty arranges this with Kendall's and Hammer's trading partners in Moscow—for 10 years in the Gulag.

Finally: any person who advocates or engages in the violation of any provision of this statute, and who is thereafter apprehended in the act of making a free-trade speech to the Council on Foreign Relations, to the Aspen Institute, to Bilderberg, to Ditchley, or to any other such forum, shall have his tongue extracted by heated tongs.

The bill is Kirkland's way of underscoring this truth: mercantilism, not free trade, is increasingly the prevailing practice in the world. Kirkland favors national self-assertion in self-defense. Recently the Japanese ambassador asked Kirkland if he objected to any of Japan's commercial practices. Kirkland answered: no, I object to my government's not fighting back by doing likewise.

Robust nationalism is a Kirkland family tradition. Which brings me to Irena.

At a dinner party at the time of the debate about the Panama Canal treaties, Lane, who was for them, got into an amiable but vigorous argument with Irena, who opposed them. Irena, who is from Czechoslovakia and a survivor of Auschwiz, had received American citizenship just a few years earlier. She exclaimed to Lane: "You've had the canal all your life. I've only had it for a few years."

Sound folks, these Kirklands—the one from Prague and her consort from Camden, S.C. Nationalism is another supposed anachronism whose time has come 'round again.

S. 530—EDUCATION FOR ECONOMIC SECURITY ACT

Mr. BRADLEY. Mr. President, we recently introduced the Education for Economic Security Act, which provides up to $400 million annually to education institutions to upgrade education in mathematics, science, computer instruction, foreign languages and vocational education.

Funding would be provided to elementary and secondary schools, vocational and technical centers and colleges and universities based upon a formula tied to each State's school age population. Recipients of the grant would be given broad discretion on how the funds would be spent. Leaving administrative authority with the States, the schools and the colleges preserve the tradition of local flexibility to tailor programs to local needs.

The legislation requires that over 40 percent of the funds must go to elementary and secondary schools, with funding specifically earmarked for development of instructional programs, model programs, foreign language teaching and the acquisition of equipment. Over 20 percent of the funds must go for the development of vocational education programs in new and emerging technologies, with the remaining funds for institutions of higher education, primarily for teacher training and retraining.

Mr. President, I know some people doubt that we can afford a new multimillion dollar education program in these times of fiscal austerity. In my opinion, however, the real question is whether we can afford to forgo this kind of legislation and still address the challenges confronting us. And I believe the answer to this question is clear.

Mr. President, the facts speak for themselves:

Mathematics SAT scores have fallen from an average of 502 in 1963 to 466 in 1980. That is hardly surprising when you consider that only one-third of our high schools offer more than 1 year of math or science, and at least one-half of all our high school students now take no math beyond algebra and no more than 1 year of science. In addition, our foreign language proficiency has dramatically declined; there has occurred over the past 15 years a 40-percent decline in high school credits awarded for foreign language study.

Nationwide, 22 percent of the high school mathematics teaching posts are vacant, and 26 percent of the occupied posts are filled by uncertified or temporarily certified people. A study by the National Science Teachers Association reveals a 77-percent drop in the number of secondary school math teachers being trained and a 65-percent decline in science teachers.

Less than one-third of all freshmen entering college in New Jersey are fully proficient in basic verbal and arithmetic skills, and only about 10 percent are fully proficient in elementary algebra.

And the problems are not only at the elementary and secondary level; recent studies show that only one-sixth of our college graduates majored in math, sciences, and engineering. In Japan, more than a quarter do so; in West Germany, more than a third; and in the Soviet Union, over a half.

Mr. President, our economy is changing rapidly. Increasingly our economy is fueled by information processing, high technology, and international trade. The Bureau of Labor Statistics projects by 1990 a 40-percent rise in demand for scientists and engineers and a 50-percent increase in the computer field. Our country needs a highly skilled labor force capable of filling these jobs, and the best way for us to meet this need is through a major increase in our investment in educating our citizens.

Mr. President, a major component of this legislation is aimed at correcting these deficiencies by upgrading the Nation's teacher stock. The legislation will help us in three key areas: First, training more new teachers in math, science, computer learning and foreign languages. Second, retraining teachers from other disciplines to help fill the gap. And third, retaining the current supply of teachers through inservice training and the development of new instructional techniques.

Mr. President, our economic security depends upon the education of our people. In order to effectively compete internationally, the American work force must be second to none. Presently, in many fields, our edge is slipping, and our educational institutions simply cannot keep pace with the rapid pace of technological change. We need to help our educational institutions adapt to these changes if we are to continue to grow as a nation.

In summary, Mr. President, our schools and colleges must more effectively train students for the new job demands of the 1980's. We need to strengthen our present instructional programs and improve teacher training and retraining programs to help fill the gaps. This legislation is a step in the right direction, and I urge my colleagues for their support.

Mr. President, I ask unanimous consent that the full text of S. 530, the Education for Economic Security Act, be printed in the RECORD at this point.

There being no objection the bill was ordered to be printed in the RECORD, as follows:

S. 530

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assemble, That this Act may be cited as the "Education for Economic Security Act".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to make financial assistance available to States to improve instruction and learning in mathematics, science, computer technology, foreign languages, and vocational education and thereby contribute to strengthening the economic security of the United States.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Governor" means the chief executive of any State.

(2) The term "institution of higher education" means an educational institution in any State which (A) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (B) is legally authorized within such State to provide a program of education beyond secondary education, (C) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (D) is a public or other nonprofit institution, and (E) is accredited by a nationally recognized accrediting agency or association, or if not so accredited, (i) is an institution with respect to which the Secretary has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (ii) is an institution whose credits are accepted, or transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (A), (B), (D), and (E). Such term also includes a public or nonprofit private educational institution in any State which, in lieu or the requirement in clause (A), admits as regular students persons who are beyond the age of compulsory school attendance in

the State in which the institution is located and who have the ability to benefit from the training offered by the institution. For purposes of this subsection, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(3) The term "junior or community college" means an institution of higher education—

(A) that admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located and who have the ability to benefit from the training offered by the institution;

(F) that does not provide an educational program for which it awards a bachelor's degree (or an equivalent degree); and

(C) that—

(i) provides an educational program of not less than two years that is acceptable for full credit toward such a degree, or

(ii) offers a two-year program designed to prepare a student to work as a technician or at the semiprofessional level in engineering, scientific, or other technological fields requiring the understanding and application of basic engineering, scientific, or mathematical principles of knowledge.

(4) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for the public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(5) The term "Secretary" means the Secretary of Education.

(6) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(7) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(8) The term "State agency for higher education" means the State board of higher education or other agency or officer primarily responsible for the State supervision of public higher education, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

PROGRAM AUTHORIZED

SEC. 4. (a) The Secretary is authorized to make grants to States, in accordance with the provisions of this Act, to pay the Federal share of the costs of strengthening instruction in mathematics, science, computer education, foreign languages, and vocational education.

(b) There are authorized to be appropriated $400,000,000 for each of the fiscal years 1984, 1985, and 1986 to carry out the provisions of this Act.

ALLOTMENT TO STATES

SEC. 5. (a)(1) From the amount appropriated to carry out this Act for each fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to the amount so appropriated as the number of children aged 5 to 17, inclusive, in the State bears to the number of such children in all States, except that no State shall receive less than one-half of 1 percent of the amount appropriated under section 4(b) in any fiscal year.

(2) For the purpose of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

(3) The number of children aged 5 to 17, inclusive, in the State and in all States shall be determined by the Secretary on the basis of the most recent satisfactory data available to him.

(b) The amount of any State's allotment under subsection (a) for any fiscal year to carry out this Act which the Secretary determines will not be required for that fiscal year to carry out this Act shall be available for reallotment from time to time, on such dates during that year as the Secretary may fix, to other States in proportion to the original allotments to those States under subsection (a) for that year but with such proportionate amount for any of those other States being reduced to the extent it exceeds the sum the Secretary estimates that State needs and will be able to use for that year; and the total of those reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year shall be deemed a part of its allotment under subsection (a) for that year.

(c) There are authorized to be appropriated for each fiscal year for the purpose of this subsection amounts equal to not more than 1 per centum of the amount appropriated for such year under this Act. The Secretary shall allot the amount appropriated pursuant to this subsection among Guam, American Samoa, the Virgin Islands the Northern Mariana Islands, or the Trust Territory of the Pacific Islands according to their respective needs for assistance under this Act. In addition for each fiscal year the Secretary shall allot from such amount to—

(1) the Secretary of the Interior the amounts necessary for programs authorized by this Act for children in elementary and secondary schools operated for Indian children by the Department of the Interior, and

(2) the Secretary of Defense the amounts necessary for programs authorized by this Act for children in overseas dependent schools of the Department of Defense.

The terms upon which payments for such purposes shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined by such criteria as the Secretary determines will best carry out the purpose of this Act.

IN-STATE APPORTIONMENT

SEC. 6. (a) Sixty-five per centum of each State's allotment under section 5 of this Act shall be used for elementary and secondary and vocational education programs in accordance with section 7.

(b) Thirty-five per centum of each State's allotment under section 5 of this Act shall be used for higher education programs in accordance with section 8.

ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION PROGRAMS

SEC. 7. (a) The amount apportioned under section 6(a) from each State's allotment, shall be used by the State educational agency to strengthen elementary, secondary, and vocational education programs in accordance with the provisions of this section.

(b)(1) Forty per centum of the amount apportioned under this section shall be distributed to local educational agencies within the State to be used for mathematics and science instruction, and computer education programs, together with instructional materials related to such instruction and programs. Such instruction and programs may be carried out through agreements with public agencies, business concerns, and nonprofit private organizations, including museums, libraries, and other appropriate institutions.

(2) The State educational agency shall distribute funds under this subsection to local educational agencies in the State based upon—

(A) the size of each local educational agency as determined by the number of children aged 5 to 17, inclusive, in the schools of such agency; and

(B) the size of the proposed program in terms of the number of students to be served and the number of grade levels involved in the program.

(3) The State educational agency shall renew payments to local educational agencies under this subsection based upon the criteria set forth in paragraph (2) of this subsection and a determination by the State educational agency that the local educational agency is implementing the program assisted under this Act so that a substantial number of students in the schools of such agency are served and several grade levels of instruction in such schools are involved in the program.

(c)(1) Fifteen percent of the amount apportioned under this section shall be used for foreign language instruction in the schools of local educational agencies in the State.

(2) The State educational agency shall distribute funds under this subsection in accordance with criteria described in paragraph (2) of subsection (b) of this section.

(d) Ten percent of the amount apportioned under this section shall be used by the State educational agency to assist exemplary programs in mathematics instruction, science instruction, foreign language instruction, and computer learning and instruction, together with instructional materials and necessary technical assistance, and the dissemination of information to all local educational agencies within the State relating to the exemplary programs assisted under this subsection.

(e) Thirty-five percent of the amount apportioned under this section shall be used, by the State agency responsible for vocational education, for employment based programs, together with instructional materials and equipment, in new and emerging technologies, including computer learning and instruction. Ten per centum of the 35 per centum available under this subsection shall be used for programs described in the preceding sentence conducted in correctional institutions.

(f) To the extent consistent with the number of children in the school district of each local educational agency who are enrolled in private elementary and secondary schools, each local educational agency shall make provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate in meeting the requirements of this section. Expenditures for educational serv-

ices and arrangements pursuant to this subsection for children in private schools shall be equal (taking into account the number of children to be served and the needs of such children) to expenditures for children enrolled in the public schools of the local educational agency.

(g) The amount available under this section shall be distributed among vocational education schools and area vocational schools in accordance with criteria established by the state agency responsible for vocational education.

HIGHER EDUCATION PROGRAMS

SEC. 8. (a) The amount apportioned under section (6)(b) from each State's allotment under this Act shall be used for higher education programs in accordance with this section.

(b) Fifty per centum of the amount available under this section shall be used for—

(1) elementary and secondary school teacher training programs for teachers who will specialize in teaching mathematics, science, and computer learning and instruction;

(2) retraining of elementary and secondary school teachers who specialize in disciplines other than the teaching of mathematics, science, or computer education to specialize in the teaching of mathematics, science, or computer education;

(3) in-service training for elementary and secondary school teachers of mathematics, science, and computer technology designed to improve their skills; and

(4) cooperative programs between institutions of higher education and other organizations and agencies, such as museums and libraries.

(c)(1) Thirty-five per centum of the amount available under this section shall be used for employment-based programs, together with instructional materials and equipment, in new and emerging technologies, including computer learning and instruction and basic engineering instruction.

(2) The amount available under this subsection shall be distributed among institutions of higher education, including community and junior colleges, in accordance with criteria established by the State agency for higher education.

(d) Fifteen per centum of the amount available under this section shall be used for foreign language instruction in institutions of higher education within the State.

(e) The State agency for higher education shall distribute funds available under this section among institutions of higher education in the State who apply for payments under this section.

STATE APPLICATION

SEC. 9. (a) Each State which desires to receive grants under this Act shall file an application with the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary reasonably requires. Each such application shall—

(1) designate the State educational agency for the purpose of programs described in sections 7 (b), (c), and (d), the State agency for vocational education described in section 7 (e), and the State agency for higher education for programs described in section 8, as the agency or agencies responsible for the administration and supervision of the programs described in sections 7 and 8, as the case may be;

(2) describe the programs for which assistance is sought under the application;

(3) provide assurances that payments will be distributed by the State in accordance with the provisions of sections 7 and 8, as the case may be;

(4) provide procedures for submitting applications—

(A) by local educational agencies, area vocational schools, and correctional institutions, for programs described in section 7; and

(B) by institutions of higher education for programs described in section 6,

within the State for distributions of payments under this Act, and for approval by the appropriate State agency, including appropriate procedures to assure that the appropriate State agency will not disapprove an application without notice and opportunity for a hearing;

(5) provide assurances that Federal funds made available under this Act for any fiscal year will be so used as to supplement, and to the extent practicable, to increase the level of funds that would, in the absence of such funds, be available for the purposes described in sections 7 and 8, and in no case supplant such funds; and

(6) provide such fiscal control and accounting procedures as may be necessary (A) to ensure proper accounting of Federal funds paid to the applicant under this Act, and (B) to ensure the verification of the programs assisted under the application.

(b) The Secretary shall expeditiously approve any application that meets the requirements of this section.

PAYMENTS

SEC. 10. (a) From the amounts appropriated under section 4(b), the Secretary shall pay, in accordance with the provisions of this Act, the Federal share of the costs of the programs described in the application approved under section 9.

(b)(1) The Federal share for each fiscal year shall be 50 per centum.

(2) Payments under this Act shall be made as soon after approval of the application as practicable.

POSTAL SERVICE RECEIVES VON WEIGAND AWARD

Mr. STEVENS. Mr. President, in its annual meeting in Philadelphia in November of last year, the Association of Labor Management Administrators and Consultants on Alcoholism presented to the U.S. Postal Service its prestigious Ross Von Wiegand Memorial Award. This award recognizes the U.S. Postal Service program for alcoholic recovery (PAR) as the outstanding labor-management alcoholism program of 1982. This program has conserved the lives of thousands of postal employees since its inception in 1968.

The award's namesake, Von Wiegand, was a member of the National Council on Alcoholism from 1964-79; he is credited with initiating the major portion of alcoholism recovery programs within American industry. Postmaster General William Bolger and Alfred Harrington, eastern region policy and steering committee member of the National Post Office Mailhandlers, Watchmen, Messengers, and Group Leaders, AFL-CIO, represented management and labor, respectively, at the award ceremony.

The PAR program is the largest civilian occupational alcoholism program in the country, available to most of the Postal Service's 670,000 employees. PAR is part of the national agreement between the Postal Service and its labor unions. It is an example of labor-management cooperation in providing assistance to employees with alcoholism.

PAR was established as a pilot program in the San Francisco Post Office in 1968. During the last 14 years, more than 33,000 employees have been interviewed by PAR counselors. Of these, about 24,000 have participated in the program, 12,000 are now active, and 7,000 have successfully completed the program.

In accepting the Von Wiegand award, Postmaster General William Bolger stated,

> PAR's philosophy is that an employee suffering from alcoholism is first of all a person * * *. Like victims of other diseases, with proper treatment, the person stricken by alcoholism can be rehabilitated and can continue to function as a normal and productive member of society.

Programs such as PAR make good business sense because an employee who recovers from alcoholism returns as a productive member of the organization. The Postal Service has saved millions of dollars in reduced absenteeism and accidents, improved morale, and retention of valuable employees.

The U.S. Postal Service has 260 PAR counselors nationwide. These people are responsible for the success of the program and I want to take this opportunity to commend them all. As further recognition of the program and the fine work accomplished by those involved, the national program manager, John McPhee, was presented with the 1981 Excalibur Award for his achievements with the PAR program.

Mr. President, during the rush of business in the waning days of the last Congress, this prestigious award was unfortunately overlooked by many. I wish this solid accomplishment could have made headlines. The Postal Service, its management, labor union officials, and all connected with the PAR program are certainly to be commended.

PRINTING OF THE RULES OF THE COMMITTEE ON THE JUDICIARY

Mr. THURMOND. Mr. President, in accordance with rule XXVI of the Standing Rules of the Senate, requiring the publication of the rules of each Senate committee in the CONGRESSIONAL RECORD not later than March 1 of each year, I submit the procedural rules of the Committee on the Judiciary and ask unanimous consent that they be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF THE COMMITTEE ON THE JUDICIARY

1. MEETINGS OF THE COMMITTEE

1. Meetings may be called by the Chairman as he may deem necessary on three days notice or in the alternative with the consent of the Ranking Minority Member or pursuant to the provision of the Standing Rules of the Senate, as amended.

2. Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee, at least 48 hours in advance of the hearing, a written statement of his testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

3. On the request of any member, a nomination or bill on the agenda of the Committee will be held over until the next meeting of the Committee or for one week, whichever occurs later.

II. QUORUMS

1. Ten members shall constitute a quorum of the Committee when reporting a bill or nomination; provided that proxies shall not be counted in making a quorum.

2. For the purpose of taking sworn testimony, a quorum of the Committee and each Subcommittee thereof, now or hereafter appointed, shall consist of one Senator.

III. PROXIES

When a record vote is taken in the Committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may submit his vote by proxy, in writing or by telephone, or through personal instructions. A proxy must be specific with respect to the matters it addresses.

IV. BRINGING A MATTER TO A VOTE

The Chairman shall entertain a non-debatable motion to bring a matter before the Committee to a vote. If there is objection to bring the matter to a vote without further debate, a rollcall of the Committee shall be taken, and debate shall be terminated if the motion to bring the matter to a vote without further debate passes with ten votes in the affirmative, one of which must be cast by the Minority.

V. SUBCOMMITTEES

1. Any member of the Committee may sit with any Subcommittee during its hearings or any other meeting, but shall not have the authority to vote on any matter before the Subcommittee unless he is a member of such Subcommittee.

2. Subcommittees shall be considered de novo whenever there is a change in the Subcommittee chairmanship, and seniority on the particular Subcommittee shall not necessarily apply.

Except for matters retained at the full Committee, matters shall be referred to the appropriate Subcommittee or Subcommittees by the Chairman, except as agreed by a majority vote of the Committee or by the agreement of the Chairman and the Ranking Minority Member.

UNITED STATES-JAPAN RELATIONSHIP

Mr. STEVENS. Mr. President, I wish to point out to my colleagues a speech made recently by Ambassador to Japan Mike Mansfield in Tokyo regarding the importance of the United States-Japan relationship. As all of my colleagues are aware, Mike Mansfield is one of the most distinguished Members the Senate has had the fortune to have served.

His viewpoints concerning our country's dependence upon political and economic cooperation with Japan are particularly pertinent in these days of heightened tension between the United States and other post-war trading partners. As Ambassador Mansfield points out, the pressure to reduce imports and impose protectionist measures is the greatest since the Great Depression. It is my hope that through adherence to the tenets proposed by a man such as this renowned for his insight in international relations, we can work together in Congress to see our way through this deeply disturbing period. I would like to particularly draw attention to the remarks made by the Ambassador regarding the possibility of Alaskan oil exports. He concludes: "* * * this possibility would benefit all concerned and injure no one." I could not agree more.

I urge the Senators to keep an open mind on this issue. There is no secret that export benefits the State of Alaska. What is overlooked is that it also greatly benefits the Nation through enhanced Federal revenues, increased production, and a downward pressure on oil prices. I ask unanimous consent that the remarks of the Ambassador be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

THE IMPORTANCE OF THE UNITED STATES-JAPAN RELATIONSHIP

President Kobayashi, Chairman Mutai, Secretary-General Sato, distinguished members of the Yomiuri International Economic Society, I am both honored and pleased to have the opportunity to address this special luncheon meeting today. Your invitation could not have come at a more appropriate time, for both our countries—and the Free World as a whole—stand at a critical crossroads. It is increasingly evident that the new Japanese government of Prime Minister Nakasone and the newly elected U.S. Congress, along with the governments of all the Western democracies, presently confront a challenge to the entire post-war structure of international economic and political cooperation unprecedented since the days of the Great Depression. In consequence of the most severe world recession since the thirties and of rising protectionist pressures, the U.S. is under heavy pressure in Congress to restrict imports, especially against countries which restrict our exports. Our ability to manage the crisis of worldwide recession and unemployment in a manner consistent with the principles of free trade and mutual ccoperation upon which our prosperity has depended for the past 35 years is at stake.

I know that my good friend President Kobayashi shares my firm conviction that the most important bilateral relationship in the world today is that between the U.S. and Japan, both in terms of the future of our two countries and the international community. The U.S. relationship with Japan provides the foundation for protecting our mutual economic, political and security interests in east Asia, the Pacific and around the world. But at present in spite of the basic soundness of our relationship, there are serious problems between us requiring urgent attention. Our ability to resolve these problems through increased understanding and mutual commitment can help insure the continuation of a fair and stable international economic and political order beneficial to all the nations of the world.

The overall U.S.-Japan relationship is a highly cooperative one. We have stood together in protest against Soviet aggression in Afghanistan and interference in Poland, a stand for which Japan—and the U.S.—paid a significant econoimic price in terms of lost contracts and sales. Moreover we both have been in the forefront, together with the ASEAN states, in calling for the withdrawal of Vietnam from Kampuchea. In additon, Japan is playing an increasingly significant role in providing economic assistance to developing nations and has increased its aid to refugees from Southeast Asia. At the recent GATT meeting in Geneva, Japan was one of a very few countries which joined the United States in arguing forcefully and effectively for a conference declaration in support of free trade principles as an essential first step toward coping with current international economic problems. Unfortunately, the Geneva Ministerial meeting achieved only a limited success in preserving the system of free trade which is so important to both Japan and the U.S.

Yet, on the other hand, there remain in Japan a variety of obstacles to more liberal international trading practices which seem to be at variance with the very principles of free trade which we and Japan espouse and which do not in the eyes of other countries jibe with the economic pre-eminence which Japan has now attained. As perhaps the world's chief beneficiary of the free trade system—and the nation most dependent on access to the markets of the world for continued economic prosperity—we ask that Japan, in its own interest, translate its expressions of principle and its market liberalization plans into concrete actions to open new markets in keeping with its position as the second largest economy in the Free World.

Despite efforts in both our countries to understand each other better, not enough attention is being given in Japan to danger signals going up across the Pacific with respect to our trade relations. Given the fact that the 1981 U.S. merchandise trade deficit of $15.8 billion with Japan is expected in 1982 to increase even more, the most immediate and politically sensitive issue in U.S.-Japanese relations is unquestionably trade. A situation now exists which, in many different fields—manufactured goods, services, standards codes, investments—Japan enjoys easier access to the American market than America has to the Japanese market. In order to counter rising protectionist sentiment in the U.S. and among Japan's other major trading partners, Japan should, in its own interest, further open up her markets. For it is the widely shared perception that the Japanese market is not as open as it should be that is causing United States politicians—including previous champions of free trade—to call for new restrictions on imports from Japan. It is this perception which has resulted in a majority of the House of Representatives and a smaller

group in the Senate to go on record as favoring some form of so-called "local content legislation" which would require that a high percentage of certain foreign products sold in the American market—such as autos—be manufactured in the U.S.

I firmly believe that a protectionist approach to dealing with our current trade problems would be wrong. The American answer to Japanese competition in our marketplace should not be sought through new trade barriers which will invite retaliation, reduce trade and hurt American producers, consumers and workers. A large part of the answer is rather to apply our famous Yankee ingenuity to increase productivity, and to develop a more cooperative relationship between labor and industry and industry and government. Nevertheless, we will not be able to resist successfully protectionist pressure if the perception persists that our major trading partners—particularly Japan—are protecting their markets while competing freely in the U.S. market.

Japan and the U.S. are the world's greatest overseas trading partners, with two-way trade amounting this year to more than $60 billion. Japan is a vital market for U.S. products, taking more of our goods each year than any other country except Canada. This unprecedented bilateral trading relationship signifies an economic interdependency of enormous benefit to both countries, one that should be protected at all costs. While Japan depends on the U.S. to buy Japanese goods and services more than on any other market, the United States also finds that the Japanese economy has a broader effect on U.S. economic interests than any other overseas country. Two-way investment now exceeds $13 billion. Japan purchased $22 billion of U.S. exports in 1981 while the U.S. purchased $37 billion of Japan's exports. Japan buys over 15 percent of all American agricultural exports (almost twice as much as any other country), while 20 to 25 percent of all automobiles sold in the U.S. are of Japanese manufacture.

However, in spite of the growth in our two-way trading relationship, it is clear that Japanese exports to the U.S. have achieved significant penetration of the U.S. market in many areas while the U.S. share of the Japanese market in areas where we should be most competitive is strikingly low. In addition to Japan's nearly one-quarter share of the U.S. auto market, many other Japanese products now hold major shares of the U.S. market. To illustrate my point, last year's figures indicate that in steel Japan held a 10 to 15 percent share of the U.S. market; in TVs 20 to 30 percent; in motorcycles, 90 percent; in radios, 50 to 60 percent; in cameras, over 30 percent; in recording equipment, over 50 percent; in watches, over 50 percent; and in machine tools, over 20 percent. By contrast, representative competitive U.S. products hold only the following limited share of the market in Japan—cigarettes, 1.3 percent in comparison to more than a 50 percent share of cigarette sales in Hong Kong, a market very similar to Japan's; communications equipment, 1.3 percent; fresh oranges, 3 percent; medical equipment, 6.3 percent; office automation equipment, 11.2 percent; beef, 7 percent; as well as unreasonably low market shares for such competitive products as analytical instruments, wood products, industrial chemicals and pharmaceuticals.

Japan's success in exporting to the U.S. has occasioned considerable concern in the U.S. even though the global U.S current account (including invisibles) is in surplus. Because demand in the U.S. for many products is down, Japanese products are often seen as displacing U.S. products and employment.

It is true, as many Japanese have observed, that the Japanese market is now more open than it has been in the past. Tariff barriers, for example, have been substantially reduced. Nonetheless, there remain in Japan a number of barriers to U.S. imports which are neither necessary or defensible. Prime examples are the 35 percent tariff on imports of manufactured tobacco and the restrictions on distribution of U.S. tobacco products, and discriminatory quotas on some agricultural imports such as beef and citrus. Reduction or removal of these barriers by Japan would do much to improve the trade climate between the two countries and strengthen the bilateral economic relationship.

Achieving a more open Japanese market has been a major U.S. government objective for many years, with increased emphasis over the past year and one-half. Ambassador William Brock, the U.S. Trade Representative, Secretary of State George Shultz and Secretary of Commerce Malcolm Baldridge have made this point repeatedly. Teams of U.S. officials have engaged in an almost continuous dialogue with Japanese officials to detail U.S. concern, to urge prompt Japanese action and to suggest possible solutions. There has been some reason for hope: the Japanese Government announced trade liberalization packages in January and again in May of this year. The packages included acceleration of tariff reductions agreed to in the Tokyo Round, establishment of the Office of the Trade Ombudsman (OTO) to receive trade complaints, reform of customs procedures, steps to remove or simplify some standards requirements and a pledge by the Prime Minister to continue efforts to open further the Japanese market. These steps are welcome and helpful, but they do not go as far as Japan can and should go. It is important that Japan fully *flesh out* and implement these commitments, while at the same time taking further steps to open up its market. This should include a significant reduction in and eventual elimination of the tariff on manufactured tobacco, liberalization of the quotas on agricultural products such as beef and citrus, and additional flexibility in the application of its product health and safety standards.

It is vital that the Japanese government and people understand the urgency and importance of our requests. I recognize that sustained and energetic efforts are needed to overcome Japanese administrative resistance to easing technical standards and simplifying procedures. I welcome the urgings from Japanese leaders for greater flexibility and receptivity to foreign imports. I am happy to note that Prime Minister Nakasone has emphasized the importance of further liberalization of the Japanese market in his public statements since his election.

Despite the strain current U.S. economic difficulties place on U.S. trade policy, the U.S. is not, as yet, turning to protectionism. The economic policies of President Reagan aim at the recovery of the U.S. economy and not at its insulation from global competition. But our trading partners have their responsibilities as well. Japan in particular needs to take additional steps to demonstrate its willingness to do its fair share to maintain the world trading system from which it so clearly benefits and to discourage protectionism.

For some years now, the United States has had an unfavorable balance of trade with Japan. Until recently, the U.S. has tended to accept its trade gap with Japan quite philosophically. We Americans understood that Japan had to export to survive and to recover after the war. And in any case, our trade balance elsewhere in the world has often been favorable and our global balance of trade has been good in most years.

Now the situation is different. Today, more than ever before, the United States depends on its ability to sell goods and services abroad. United States total world exports now amount to eight percent of our GNP (as compared to 13 percent in the case of Japan). Four out of five American jobs created in the last five years are in our export industries.

As you know, the United States is in a recession, along with much of the world. Ten point eight percent of our work force is unemployed, many from industries where Japanese imports have made dramatic inroads in recent years. I wish to emphasize those unemployment figures: the number of unemployed in America today just about equals the population of Tokyo! There is much that the United States can—and is—doing to rectify this situation, to put its own economic house in order. Under the Reagan Administration, inflation has been reduced to five percent, interest rates have come down from over 20 percent to less than twelve percent. But still the American economy is hardly growing, while our trade gap with Japan increases.

At the same time, the American people are being asked to support through taxes a much larger defense budget to meet increased Soviet military power; to continue economic assistance to the developing countries; to accept more refugees (we have taken in 600,000 refugees in the last few years already!). America's defense budget alone accounts for over six percent of our gross national product. Japan's military budget is just under one percent of GNP, although if it included pensions and survivors benefits, as do the defense budgets of the U.S. and the NATO countries, it would be somewhat above one percent.

Americans realize that they are not the only country with economic problems or heavy tax burdens to pay for defense. But they feel, understandably I think, that it is high time other advanced countries contributed more actively to the overall stability of the world in economic and defense terms.

For years, Japan could say with reason that its industries needed various kinds of protection if its economy was to get on its feet, that it could not do anything on the military side because of lack of funds and constitutional restraints. For years, Japanese have felt a deep sense of vulnerability. For years, the world—especially the United States, which was seen by many Japanese as overwhelmingly powerful and successful—accepted these reasons and respected them.

America today is still basically strong; it will eventually recover from its present economic difficulties. But Japan, too, is strong—much stronger, more successful, and more influential than many Japanese realize. Japan has now arrived at an historical watershed. It is the second largest economy in the Free World; its per capita income, while still less than the U.S., is among the world's highest. Japan accounts for ten percent of the world's economic output. Japanese products are sold widely all over the world; and Japanese technological innovations contribute to the world's prosperity and better health in hundreds of ways.

What has made this dramatic change in Japan's world position possible? First and foremost, the hard work and ability of the Japanese people; secondly, the excellence of Japan's primary and secondary public education. But there is another major factor also contributing to Japan's success story: the willingness of much of the world, and especially of the United States, to freely admit Japanese goods at competitive prices enabling Japan to buy the resources it had to have for its economy to grow. And the growth in Japanese sales of consumer goods has indeed been phenomenal. Let me emphasize that for the American consumer, this is fine! We do not want a situation to develop where Americans would not be able to buy such products so cheaply or easily. We want our consumers to be able to choose from among the best, least expensive products from all over the world.

However, and here is the nub of the problem: we should be able to penetrate your markets as freely and as efficiently as you are now able to penetrate ours.

Before continuing, I would like to suggest that one way we might dramatically reduce our bilateral trade deficit and increase the value of U.S. exports to Japan by three to four billion dollars per year would be to lift the present congressional ban on export of surplus Alaskan oil and natural gas.

At present, each day 600,000 barrels of surplus oil leave the port of Valdez, Alaska, in super tankers. Then the oil is transshipped through the Panama Canal in smaller boats, and finally transferred back into super tankers for transport to U.S. Gulf Coast refineries. The whole journey is in U.S. flag ships with transport costs amounting to $5.50 to $5.60 a barrel. If current restrictions—strongly supported by U.S. shipowners and maritime unions—were removed, this surplus Alaskan oil could be shipped to Japan. Gulf Coast refineries could make up the difference by stepping up imports from Mexico at fifty cents a barrel or from the Middle East at from $2.00 to $3.00 a barrel.

In discussions with interested representatives of the private sector in Japan, I have received the impression that if Alaskan oil were to be exported to Japan, there would be serious consideration given to utilizing—at least in part—American bottoms for such shipments at a probable cost of $2.50 to $3.00 a barrel. I hope that both U.S. and Japanese governments and political leaders will carefully study such a possibility, which would at one stroke greatly increase U.S. exports to Japan, somewhat lower U.S. oil prices due to more efficient transportation, decrease Japan's current dependence on the Mideast for 70 percent of its oil imports, benefit U.S. maritime unions and the maritime industry and further increase the economic ties binding our two countries, thereby strengthening our overall relationship. As I see it, this possibility would benefit all concerned and injure no one.

The second major issue in U.S.-Japanese relations which demands attention at the political level is defense. Despite the severe economic situation in the United States, Americans are generally agreed that Soviet military advances and aggressive behavior of the last few years must be met with a firm stand by the Western nations. As a consequence the United States is currently engaged in an extraordinary effort to strengthen its own forces in response to the Soviet buildup. This is essential not only to U.S. security, but also to the security of its allies, including Japan.

Recently, there has been some concern expressed by several Asian leaders with respect to U.S. support for a somewhat larger Japanese defense effort. As we have made clear several times, the U.S. intends to maintain its defensive role in the Pacific and in East Asia. But we can do so more effectively, and contribute to Free World security including the security of the oil states of the Middle East, if Japan increases its own ability to defend itself and, with our cooperation, its surrounding waters and sea lanes. I believe that such a posture on the part of both our countries will be quite acceptable—even welcomed—by our mutual friends in Asia.

In asking Japan to do more in its own self-defense, the United States is mindful of the constitutional and political constraints with respect to Japan's defense role. We are not suggesting that Japan take on any missions that would violate these constraints, and we do not expect Japan to play a regional military role in East Asia.

Those differences we have with Japan on defense issues are not over goals but rather over the pace at which we should proceed. We welcome Japan's decision to increase its defense expenditures and are encouraged by Prime Minister Nakasone's statements indicating that the new Japanese government is committed to increasing Japan's self defense capability. Those who would like to see Japan more sharply increase its share of the Free World's defense burden should not lose sight of the fact that while Japan, from an admittedly much smaller base, was increasing its defense budget in the 1970s at an annual real growth rate of about eight percent, the NATO yearly increase was about 2.5 percent, and the United States was actually decreasing its budget by about two percent a year. Now, all of us should do more, even when we are trying hard to reduce our national budget deficits.

In discussing U.S.-Japan relations, it is not sufficient to focus only on handling the immediate bilateral issues we face. We must not neglect the longer term challenge of expanding the web of ties between our two societies. It is essential that we develop a greater breadth and depth of understanding of each other's society and culture to ensure that inevitable bilateral probelms do not threaten the basic relationship.

Our overall relations remain strong. But we must not ignore signals of distress, and such signals are now flashing mightly in the U.S. Now is the time for more rapid action—for both our futures.

In conclusion I would like to suggest that the history of the twentieth century has taught us that the preservation of international peace and security depends on equitable international economic relations and a sharing of the burdens of defending the democratic way of life. Japan and the United States have the opportunity today to demonstrate that despite different historical and cultural antecedents, two peoples firmly committed to the ideals of democracy and prosperity and determined to resolve the inevitable differences that arise between great nations can serve as a model for progressive international relations. If we succeed in meeting today's difficult and complex challenges, future generations will look back on the decade of the 1980s as a time when the world community took a giant step forward in promoting and preserving a stable and beneficial world order over the demands of short-sighted nationalism. If we fail, the future for all of us may be very bleak indeed.

MESSAGE FROM THE HOUSE

At 1:42 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that pursuant to the provisions of section 2(a) of Public Law 85-874, as amended, the Speaker appoints as members of the Board of Trustees of the John F. Kennedy Center for the Performing Arts the following Members on the part of the House: Mr. YATES, Mr. WILSON, and Mr. MCDADE.

The message also announced that pursuant to the provisions of section 5(b) of Public Law 93-642, the Speaker appoints as members of the Board of Trustees of the Harry S. Truman Scholarship Foundation the following Members on the part of the House: Mr. SKELTON and Mr. TAYLOR.

The message further announced that pursuant to the provisions of section 1(b)(2) of Public Law 94-399, the Speaker appoints as members of the Temporary Commission on Financial Oversight to the District of Columbia the following Members on the part of the House: Mr. DELLUMS, Mr. DIXON, and Mr. MCKINNEY.

The message also announced that pursuant to the provisions of section 1, Public Law 372, 84th Congress, as amended, the Speaker appoints as members of the Franklin Delano Roosevelt Memorial Commission the following Members on the part of the House: Mr. HOWARD, Ms. FERRARO, Mr. FISH, and Mr. GREEN.

The message further announced that pursuant to the provisions of section 14(b) of Public Law 96-296, the Speaker appoints as members of the Motor Carrier Ratemaking Study Commission the following Members on the part of the House: Mr. ROE, Mr. SEIBERLING, and Mr. SHUSTER.

The message also announced that pursuant to the provisions of 16 United States Code 715a, as amended, the Speaker appoints as members of the Migratory Bird Conservation Commission the following Members on the part of the House: Mr. DINGELL and Mr. CONTE.

The message further announced that pursuant to the provisions of 44 United States Code 2501, as amended, the Speaker appoints Mr. BATES as a member of the National Historical Publications and Records Commission.

The message also announced that pursuant to the provisions of section 4(a), Public Law 94-118, the Speaker appoints as members of the Japan-United States Friendship Commission the following Members on the part of the House: Mr. ZABLOCKI and Mr. CONTE.

The message further announced that pursuant to the provisions of section 2 of Public Law 96-388, as amended, the Speaker appoints as members of the U.S. Holocaust Memorial Coun-

cil the following Members on the part of the House: Mr. YATES, Mr. LEHMAN of Florida, Mr. SOLARZ, Mr. GARCIA, and Mr. GREEN.

MEASURE ORDERED HELD AT DESK

The Committee on Small Business was discharged from the further consideration of the bill (H.R. 1043) to amend section 8(e) of the Small Business Act, and the bill was ordered held at the desk by unanimous consent.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-258. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report that there were no scientific and professional positions established in NASA during calendar year 1982; to the Committee on Governmental Affairs.

EC-259. A communication from the Vice President of the Mortgage Corporation (Human Resources), transmitting, pursuant to law, the annual report of the Federal Home Loan Mortgage Corporation Employees' Pension Trust for the plan year ending December 31, 1981; to the Committee on Governmental Affairs.

EC-260. A communication from the Comptroller of the Washington Gas Light Company, transmitting, pursuant to law, a certified copy of the balance sheet of the Company as of December 31, 1982; to the Committee on Governmental Affairs.

EC-261. A communication from the Executive Vice President of the Potomac Electric Power Company, transmitting, pursuant to law, a copy of the balance sheet of the Company as of December 31, 1982; to the Committee on Governmental Affairs.

EC-262. A communication from the Secretary to the Council of the District of Columbia, transmitting, pursuant to law, a copy of Council Resolution 4-498; to the Committee on Governmental Affairs.

EC-263. A communication from the Assistant Attorney General (Office of Legislative Affairs), transmitting, pursuant to law, a report regarding activities initiated pursuant to the Civil Rights of Institutionalized Persons Act during fiscal year 1982; to the Committee on the Judiciary.

EC-264. A communication from the Executive Secretary of the National Music Council, transmitting, pursuant to law, the audit report of the Council for the fiscal period ending April 30, 1982; to the Committee on the Judiciary.

EC-265. A communication from the Secretary of Labor, transmitting, pursuant to law, the annual report of the Department on the administration of the Black Lung Benefits Act during 1981; to the Committee on Labor and Human Resources.

EC-266. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Need For Greater Efforts To Recover Costs Of Food Stamps Obtained Through Errors Or Fraud"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-267. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals for February 1983; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-268. A communication from the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics), transmitting, pursuant to law, a report on the performance of Department of Defense Commercial and Industrial-Type functions; to the Committee on Armed Services.

EC-269. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of the inactive ship maintenance function at the Inactive Ship Maintenance Facility, Bremerton, Washington, to performance by contract; to the Committee on Armed Services.

EC-270. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting a draft of proposed legislation to authorize appropriations for civil defense programs for fiscal years 1984 and 1985, and for other purposes; to the Committee on Armed Services.

EC-271. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on the standardization of equipment within NATO, dated January 1983; to the Committee on Armed Services.

EC-272. A communication from the Deputy Assistant Secretary of Defense (Installations), transmitting, pursuant to law, a copy of the Base Structure Annex to the Defense Manpower Requirements Report for fiscal year 1984; to the Committee on Armed Services.

EC-273. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations for fiscal year 1984, and for other purposes; to the Committee on Armed Services.

EC-274. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report on activities under the Olympic Commemorative Coin Act for the period October 1 through December 31, 1982; to the Committee on Banking, Housing, and Urban Affairs.

EC-275. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by Eximbank during December 1982 to communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EC-276. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the appropriations request of the Commission for fiscal years 1984 through 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-277. A communication from the Chairman of the Marine Mammal Commission, transmitting, pursuant to law, the tenth annual report of the Commission covering calendar year 1982; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The followng reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment:

S. 420: A bill to quiet title and possession with respect to a certain private land claim in Livingston Parish, Louisiana (Rept. No. 98-4).

S. 459: A bill to authorize and direct the Secretary of the Interior to convey, by quitclaim deed, all right, title, and interest of the United States in and to certain lands that were withdrawn or acquired for the purpose of relocating a portion of the City of American Falls out of the area flooded by the American Falls Reservoir (Rept. No. 98-5).

S. 473: A bill to authorize the Secretary of the Interior to acqure certain lands by exchange for addition to Effigy Mounds National Monument in the State of Iowa, and for other purposes (Rept. No. 98-6).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment:

S. 577: An original bill to provide for the conveyance of certain Federal lands adjacent to Orchard and Lake Shore Drives, Lake Lowell, Boise project, Idaho (Rept. No. 98-7).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment and with a preamble:

S.J. Res. 25: Joint resolution redesignating the Saint Croix Island National Monument in the State of Maine as the "Saint Croix Island International Historic Site" (Rept. No. 98-8).

By Mr. ANDREWS, from the Select Committee on Indian Affairs, without amendment:

S. 143: A bill to authorize the Twenty-nine Palms Band of Luiseno Mission Indians to lease for ninety-nine years certain lands held in trust for such band.

S. 304: A bill to hold a parcel of land in trust for the Burns Paiute Tribe.

S. 366: A bill to settle certain claims of the Mashantucket Pequot Indians.

S. 419: A bill to provide that per capita payments to Indians may be made by tribal governments, and for other purposes.

By Mr. WEICKER, from the Committee on Small Business:

Special Report entitled "Legislative and Oversight Activities During the 97th Congress By The Committee on Small Business (Rept. No. 98-9)

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

J. J. Simmons, III, of Oklahoma, to be Under Secretary of the Interior.

(The above nomination was reported from the Committee on Energy and Natural Resources with the recommendation that it be approved, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PERCY from the Committee on Foreign Relations, without amendment:

Treaty Doc. 98-1. An Amendment to the protocol of November 30, 1972 (TIAS 9948) to the Convention of November 22, 1928,

concerning International Expositions (TIAS 6548, 6549) (Exec. Rept. No. 98-3).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GARN:

S. 556. A bill to provide for the reinstatement of U.S. oil and gas lease applications numbered U-26845, U-26504, and U-26505; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI:

S. 557. A bill to amend the Internal Revenue Code of 1954 to implement a flat-rate tax system; to the Committee on Finance.

By Mr. JACKSON:

S. 558. A bill to amend the Geothermal Steam Act of 1970—30 U.S.C. 1001 et seq.—to expedite exploration and development of geothermal resources; to the Committee on Energy and Natural Resources.

By Mr. PROXMIRE:

S. 559. A bill to establish a Federal Bank Commission to administer all Federal laws relating to the examination, supervision, and regulation of the banking business both foreign and domestic, including such laws relating to the chartering of banking institutions and their branching activities, bank holding companies and their activities, Edge Act Corporations and their activities, and the examination, supervision, and regulation of banking institutions under Federal law; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HOLLINGS (for himself, Mr. BENTSEN, Mr. GOLDWATER, and Mr. HEFLIN):

S. 560. A bill to authorize and regulate the launch of space objects by nongovernmental entities, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. PERCY (for himself, Mr. ABDNOR, and Mr. THURMOND):

S. 561. A bill to authorize a youth minimum wage differential under the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. PERCY (for himself and Mr. DIXON):

S. 562. A bill to authorize the Secretary of the Treasury to grant extensions of the 5-year period within which private foundations must dispose of excess business holdings; to the Committee on Finance.

By Mr. CHILES (for himself, Mr. PRYOR, Mrs. KASSEBAUM, Mr. PROXMIRE, Mr. BURDICK, Mr. COHEN, Mr. DECONCINI, Mr. HOLLINGS, and Mr. SASSER):

S. 563. A bill to reform the laws relating to former Presidents; to the Committee on Governmental Affairs.

By Mr. MATSUNAGA (for himself, Mr. RANDOLPH, Mr. HATFIELD, Mr. JEPSEN, Mr. STAFFORD, Mr. BYRD, Mr. ANDREWS, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. CRANSTON, Mr. DANFORTH, Mr. DECONCINI, Mr. DODD, Mr. DURENBERGER, Mr. EAGLETON, Mr. EXON, Mr. FORD, Mr. HART, Mr. HEINZ, Mr. HUDDLESTON, Mr. INOUYE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LONG, Mr. MATHIAS, Mr. MELCHER, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. PELL, Mr. PRESSLER, Mr. PRYOR, Mr. RIEGLE, Mr. ROTH, Mr. SARBANES, Mr. SASSER, Mr. SIMPSON, Mr. SPECTER, Mr. STENNIS, and Mr. TSONGAS):

S. 564. A bill to establish the U.S. Academy of Peace, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HELMS (for himself and Mr. EAST):

S. 565. A bill to require the Secretary of the Interior to enter into an agreement with the State of North Carolina with respect to the repair and maintenance of a certain highway of such State located within Cape Hatteras National Seashore Recreation Area; to the Committee on Energy and Natural Resources.

By Mr. HOLLINGS:

S. 566. A bill to direct the Secretary of Agriculture to release on behalf of the United States a reversionary interest in certain land conveyed to the South Carolina State Commission of Forestry, and to direct the Secretary of the Interior to convey certain mineral interests of the United States in such land to such commission; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. THURMOND:

S. 567. A bill to amend title 38, United States Code, to authorize reimbursement for the reasonable charge for chiropractic services provided to certain veterans; to the Committee on Veterans Affairs.

By Mr. TSONGAS:

S. 568. A bill to enhance competition by allowing for joint research and development ventures; to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 569. A bill to preserve, protect, and maintain the original boundary stones of the Nation's Capital; to the Committee on Energy and Natural Resources.

S. 570. A bill for the relief of Chang Ai Bae; to the Committee on the Judiciary.

By Mr. ROTH.

S. 571. A bill to amend the Federal Property and Administrative Services Act of 1949 to make Federal surplus property more accessible to local emergency preparedness and volunteer firefighting organizations and to authorize and direct the Federal Emergency Management Agency to recommend available Federal surplus to the Administrator of the General Services Administration, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DODD (for himself, Mr. CRANSTON, Mr. KENNEDY, Mr. RIEGLE, and Mr. TSONGAS):

S. 572. A bill to provide emergency assistance for children; to the Committee on Finance.

By Mr. DODD (for himself and Mr. PROXMIRE):

S. 573. A bill to require depository institutions to disclose to their customers their practices relating to the availability of funds in connection with check deposits, to require the timely payment of interest on deposits to interest bearing accounts, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRYOR (for himself and Mr. BUMPERS):

S. 574. A bill for the relief of Kurt Perwolf, his wife Hilda Perwolf, and his son Christian Perwolf; to the Committee on the Judiciary.

By Mr. BOREN:

S. 575. A bill to provide emergency price and income assistance to U.S. farmers so as to assure consumers an adequate supply of food and fiber reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DOLE (by request):

S. 576. A bill to provide for prospective payment rates under medicare for inpatient hospital services, and for other purposes; to the Committee on Finance.

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

S. 577. An original bill to provide for the conveyance of certain Federal lands adjacent to Orchard and Lake Shore Drives, Lake Lowell, Boise project, Idaho; from the Committee on Energy and Natural Resources; placed on the calendar.

By Mr. SIMPSON:

S. 578. A bill to amend title 38, United States Code, to provide for adult day health care services for veterans, to authorize the Veterans' Administration to administer a community residential care program, to establish a presumption of service connection for former prisoners of war suffering from dysthymic disorder and to revise and clarify eligibility for reimbursement of expenses of travel for Veterans' Administration health care; to the Committee on Veterans' Affairs.

By Mr. METZENBAUM (for himself, Mr. RIEGLE, Mr. BAUCUS, Mr. LEVIN, Mr. RANDOLPH, Mr. BURDICK, Mr. PELL, and Mr. SARBANES):

S. 579. A bill to provide that the amount of unnegotiated social security checks shall be returned to the social security trust funds; to the Committee on Finance.

By Mr. SIMPSON:

S. 580. A bill to amend title 10, United States Code, to establish the Prisoner of War Recognition Medal; to the Committee on Armed Services.

By Mr. HOLLINGS:

S.J. Res. 40. Joint resolution to designate the week of April 17, 1983, through April 23, 1983, as "National Architecture Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MELCHER:

S. Res. 70. Resolution to encourage the delay of the implementation of withholding of interest; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DECONCINI:

S. 557. A bill to amend the Internal Revenue Code of 1954 to implement a flat rate tax system; to the Committee on Finance.

FLAT RATE TAX SYSTEM

Mr. DECONCINI. Mr. President, I am today introducing a bill that will have the effect of restructuring our entire method of Federal income taxation, both personal and corporate. Last year, no less than five bills were introduced in the Senate that provided for reform along the lines of a flat

rate tax. This level of legislative initiative, so close on the heels of ERTA and TEFRA manifest the profound dissatisfaction of many with our current tax system.

A complete overhaul of our tax system is long overdue. The majority of American people view the Tax Code as too complex and uncertain and riddled with loopholes benefitting the wealthy. It is seen as promoting economic inefficiencies at a time of more than 10-percent unemployment and decreasing productivity.

As is so clearly pointed out by the final report of Citizen's Choice National Commission on Taxes and the IRS, fear and distrust are the responses the tax code creates in our populace. The perception of the tax laws as unjust threatens the self-assessment core of our current tax system. One need only look at the untaxed and burgeoning underground economy or the widespread advertising for tax shelters and tax avoidance schemes to see that we are becoming a nation of tax evaders.

We must return to the basic principles upon which a sound tax system must stand: Equity, efficiency, and simplicity. We must get rid of all the personal tax preferences, special deductions and credits, exclusions from income and such. These only lead to contempt for our tax system, endless pressures to create loopholes for some privileged group, and use of the tax code to indirectly further some purpose that could not be achieved through normal expenditures. Constituents in my State are fed up with our present system. I have repeatedly been urged to do something, anything, to restore sanity to the way we obtain our Federal revenues. Simplification and lower rates are what the people are demanding. The solution is a modified flat rate tax structure.

I am proposing that in the taxable year commencing January 1, 1985, and thereafter, that a flat percentage rate of tax be applied to all forms of personal and corporate income.

The flat rate income tax, while not a new idea, is an idea whose time has come. Favorable comment by scholars and public figures alike are becoming increasingly frequent. The administration recently expressed interest and the Treasury Department is conducting feasibility studies of various related proposals.

Serious work on the subject has been done in the recent past by an assortment of economists and political writers ranging from William F. Buckley's book, "Four Reforms," published a decade ago, to very recent studies completed by Dr. Robert Hall and Dr. Alvin Rabushka of the Hoover Institute.

During the midseventies under the direction of then Secretary of Treasury William Simon, the Treasury Department did ground breaking work on tax reforms that can be found in the publication "Blueprints for Basic Tax Reform." Simon followed this effort by chairing an American Enterprise Institute advisory council on tax policy. This led to publication of "Reforming the Income Tax System" authored by Simon and the AEI staff which makes a compelling case for the need to restructure the tax system.

I became intrigued with the possibilities of a flat rate income tax after having seen a movie produced by Dr. Rabushka, a fellow at the Hoover Institute, on the economy and tax structure of Hong Kong. It presented a clear picture of the benefits of relatively low rate of taxation applied roughly equally on all sources of income. The experience of Hong Kong was that, because of their low flat rate structure, the incentive to produce was not reduced as the taxpayer reached increasingly higher marginal rates as is the result in this country. Indeed, the city experienced tax surpluses. I have since discussed the theories of a flat rate tax with Dr. Rabushka and others and have concluded that this reform can restore the incentives to save, invest and produce, which are essential to the revitalization of our economy.

Last year I introduced the first flat rate tax bill in the Senate. My bill directed the Secretary of the Treasury to draft a flat rate tax system implementing the guidelines and policies set out in the bill. In the past year, considerable progress has been made in ironing out difficulties in the flat rate tax, and in defining and refining the issues. A series of conferences sponsored by Citizen's Choice has greatly aided development of tax reform issues. I commend these efforts coordinated by Tom Donahue and John Lynch of the Chamber of Commerce and Citizen's Choice. Other groups such as the National Taxpayer's Union, led by Jim Davidson and David Keating, have made enormous progress in educating the public on tax matters and bringing the views of the public before Congress. It is their work and the continued efforts of individuals such as Jim Jones of Blanco, Tex., who have brought the good news of simple, fair taxation to the American public.

Dr. Hall and Dr. Rabushka have recently published their book, "Low Tax, Simple Tax, Flat Tax," reflecting an outstanding scholarly effort directed at forging a workable flat rate income tax system. They detail the problems of the present system and provide an exemplary discussion of how the flat rate tax will work.

As a result of this recent activity and enthusiasm, I now feel it is helpful to attempt to legislate actual tax law rather than mere guidelines as my previous bill did.

My bill replaces subtitle A of the Internal Revenue Code of 1954 with the bare essentials of a flat-rate tax code, trusting the implementation and regulation to the Treasury Department. This tax law applies the principles that I set out in my previous guidelines bill. These are:

First, all income should be taxed only once and as close as possible to the source.

Second, all income should be taxed at the same low marginal rate. I have set this rate at 19 percent in order to equal current revenues.

Third, the poorest households should pay no tax.

Fourth, all tax returns should be simple enough to fit on a single page.

This bill is not offered as the sole embodiment of the tax reform cry of the American taxpayer. Instead, I offer this legislation as a jumping off point for further development of this issue. I hope that discussion and hearings like those of the Senate Finance Committee chaired by Senator DOLE in September 1982, can result in a viable tax reform by bringing together the principles of my tax bill and those of my distinguished colleagues, Senator QUAYLE, Senator HELMS, Senator BRADLEY, and Senator GRASSLEY, all responsible legislators responding to the groans of the taxpayer who bears the weight of our monstrous system. Their initiative and innovation is to be applauded and I hope from this we may devise a plan to remove the tax shackles on our economy and our taxpayers.

I recognize that any fundamental change in our tax law will involve serious transitional problems, but short-term difficulties should not prevent us from adopting a tax structure that will serve us well for years to come.

The essence of what a good tax system must contain was outlined by former Secretary of the Treasury Mellon in his book "Taxation: The People's Business":

The problem of the Government is to fix rates which will bring in a maximum amount of revenue to the Treasury and at the same time bear not too heavily on the taxpayer or on business enterprises. A sound tax policy must take into consideration three factors. It must produce sufficient revenue for the Government; it must lessen, so far as possible, the burden of taxation on those least able to bear it; and it must also remove those influences which might retard the continued, steady development of business and industry on which, in the last analysis, so much of our prosperity depends.

Furthermore, a permanent tax system should be designed not merely for one or two years nor for the effect it may have on any given class of taxpayers, but should be worked out with regard to conditions over a long period and with a view to its ultimate

effect on the prosperity of the country as a whole * * *

I have never viewed taxation as a means of rewarding one class of taxpayers or punishing another. If such a point of view ever controls our public policy, the traditions of freedom, justice and equality of opportunity, which are the distinguishing characteristics of our American civilization, will have disappeared and in their place we shall have class legislation with all its attendant evils. The man who seeks to perpetuate prejudice and class hatred is doing America an ill service. In attempting to promote or defeat legislation by arraying one class of taxpayers against another, he shows a complete misconception of those principles of equality on which the country was founded.

Any man of energy and initiative in this country can get what he wants out of life. But when that initiative is crippled by legislation or by a tax system which denies him the right to receive a reasonable share of his earnings, then he will no longer exert himself and the country will be deprived of the energy on which its continued greatness depends.

I believe that a flat rate income tax, by restoring incentives and closing present inequalities in the tax law, is the key to economic recovery and long term prosperity.

I ask unanimous consent that a copy of the bill be printed in the RECORD and that several recent articles on related issues also be reproduced in the RECORD.

There being no objection, the bill and articles were ordered to be printed in the RECORD, as follows:

S. 557

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That (a) subtitle A of the Internal Revenue Code of 1954 is amended to read as follows:

"Subtitle A—Income Taxes

"Chapter 1. Computation of taxable income.
"Chapter 2. Determination of tax liability.
"Chapter 3. Exempt organizations.
"Chapter 4. Withholding.

"Chapter 1—COMPUTATION OF TAXABLE INCOME

"Sec. 101. Compensation defined.
"Sec. 102. Business receipts defined.
"Sec. 103. Cost of business inputs defined.
"Sec. 104. Cost of capital equipment, structures, and land defined.
"Sec. 105. Business taxable income defined.

"SEC. 101. COMPENSATION DEFINED.

"(a) IN GENERAL.—Compensation means all cash amounts paid by an employer or received by an employee, including wages, salaries, pensions, bonuses, prizes, and awards.

"(b) CERTAIN ITEMS INCLUDED.—Compensation includes—

"(1) the cash equivalent of any financial instrument conveyed to an employee, measured as market value at the time of conveyance; and

"(2) workman's compensation and other payments for injuries or other compensation for damages.

"(c) CERTAIN ITEMS EXCLUDED.—Compensation excludes—

"(1) reimbursements to employees by employers for business expenses paid by the taxpayer in connection with performance by him or her of services as an employee;

"(2) goods and services provided to employees by employers, including but not limited to medical benefits, insurance, meals, housing, recreational facilities, and other fringe benefits; and

"(3) wages, salaries, and other payments for services performed outside the United States.

"SEC. 102. BUSINESS RECEIPTS DEFINED.

"Business receipts are the receipts of a business from the sale or exchange of products or services produced in or passing through the United States. Business receipts include—

"(1) gross revenue, including sales and excise taxes, from the sale or exchange of goods and services;

"(2) fees, commissions, and similar receipts, if not reported as compensation;

"(3) gross rents;

"(4) royalties;

"(5) gross receipts from the sale of plant, equipment, and land;

"(6) the market value of goods, services, plant, equipment, or land provided to its owners or employees;

"(7) the market value of goods, services, and equipment delivered from the United States to points outside the United States, if not included in sales; and

"(8) the market value of goods and services provided to depositors, insurance policyholders, and others with a financial claim upon the business, if not included in sales.

"SEC. 103. COST OF BUSINESS INPUTS DEFINED.

"(a) IN GENERAL.—The cost of business inputs is the cost of purchases of goods, services, and materials required for business purposes.

"(b) CERTAIN ITEMS INCLUDED.—The cost of business inputs includes—

"(1) the actual amount paid for goods, services, and materials, whether or not resold during the year;

"(2) the market value of business inputs brought into the United States; and

"(3) the actual cost, if reasonable, of travel and entertainment expenses for business purposes.

"(c) CERTAIN ITEMS EXCLUDED.—The cost of business inputs excludes purchases of goods and services provided to employees or owners, unless these are included in business receipts.

"SEC. 104. COST OF CAPITAL EQUIPMENT, STRUCTURES, AND LAND DEFINED.

"The cost of capital equipment, structures, and land includes any purchases of these items for business purposes. In the case of equipment brought into the United States, the cost is the market value at time of entry into the United States.

"SEC. 105. BUSINESS TAXABLE INCOME DEFINED.

"Business taxable income is business receipts less the cost of business inputs, less compensation paid to employees, and less the cost of capital equipment, structures, and land.

"Chapter 2—DETERMINATION OF TAX LIABILITY

"Sec. 201. Personal allowances.
"Sec. 202. Compensation tax.
"Sec. 203. Business tax.

"SEC. 201. PERSONAL ALLOWANCES.

"(a) IN GENERAL.—For the year 1983, personal allowances are—

"(1) For married taxpayers filing jointly, $6,700. A taxpayer is considered married if he was married at the end of the year or his spouse died during the year.

"(2) For heads of households, $6,000. A taxpayer is a head of a household if he is not married, and maintains as his home a household which is the principal home of a dependent son, stepson, daughter, stepdaughter, mother, or father of the taxpayer, and the taxpayer provides more than half the support for the dependent.

"(3) For single taxpayers, $4,100.

"(4) For each dependent, $810. A dependent is a son, stepson, daughter, stepdaughter, mother, or father of the taxpayer, for who the taxpayer provides more than half support.

"(b) ADJUSTMENTS.—Each year, personal allowances rise by the proportional increase from the beginning to the end of the immediately preceding year in the Consumer Price Index of the Department of Commerce.

"SEC. 202. COMPENSATION TAX.

"Each individual employed at any time during the year will pay a tax of 19 percent of his compensation less his personal allowance, or no tax if his compensation is less than his personal allowance.

"SEC. 203. BUSINESS TAX.

"(a) BUSINESS DEFINED.—Each sole proprietorship, partnership, and corporation constitutes a business. Any organization or individual not specifically exempt under chapter 3, with business receipts, is a business.

"(b) COMPUTATION OF TAX.—Each business will pay a tax of 19 percent of its business taxable income, or zero if business taxable income is negative.

"(c) FILING UNITS.—A business may file any number of business tax returns for its various subsidiaries or other units, provided that all business receipts are reported in the aggregate, and provided that each expenditure for business inputs is reported on no more than one return.

"(d) CARRY-FORWARD OF LOSSES.—When business taxable income is negative, the negative amount may be used to offset positive taxes in future years. The amount carried foward from one year to the next is augmented according to an interest rate equal to the average daily yield on three-month Treasury Bills during the first year. There is no limit to the amount or the duration of the carry-forward.

"Chapter 3—EXEMPT ORGANIZATIONS

"Sec. 301. Exempt organizations.

"SEC. 301. EXEMPT ORGANIZATIONS.

"Organizations exempt from the business tax are—

"(1) State and local governments, and their subsidiary units; and

"(2) educational, religious, charitable, philanthropic, cultural, and community service organizations that do not return income to individual or corporate owners.

"Chapter 4—WITHHOLDING

"Sec. 401. Withholding.

"SEC. 401. WITHHOLDING.

"Each employer, including exempt organizations, will withhold from the wages, salaries, and pensions of its employees, and remit to the Internal Revenue Service, an amount computed as follows: 19 percent of the excess of compensation in each pay period over the employee's annual personal allowance, prorated for the length of the pay period. Every employee will receive a credit against tax for the amount withheld.".

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1984.

A FLAT-RATE TAX

(By Dennis DeConcini)

One legislative function to which members of Congress enjoy applying themselves is framing resolutions that cite and com-

memorate days, weeks, months and years for reason of one distinction or another. That this service is, however, rendered without any special prescience is proved by Congress' failure to anticipate and to take advance action in denoting that 1982 has become, de facto, the Year of the Flat-Rate Tax. Nine bills, six in the House and three in the Senate, have been introduced during the 97th Congress, with seven of the bills appearing during the second session, 1982. Such a profusion of legislative creativity, especially coming on the heels of the Economic Recovery Tax Act of 1981, is clear evidence of the national dissatisfaction with the existing Internal Revenue Code.

The Federal tax system consists chiefly of the personal income tax, the corporate income tax, and the payroll tax for Social Security. The personal income tax has steeply progressive rates rising to a maximum marginal rate of 50 percent. A wide and growing variety of exclusions, deductions, and exemptions now reduces by half the total national income subject to the income tax.

INHIBIT SAVINGS

One important consequence of Federal taxes' impact upon personal income is in the way they discourage savings and investment. Our country's rate of savings and investment has steadily declined and many vehemently argue that this is closely linked with the parallel decline of our national economy. Income is first taxed when earned and again when savings earn interest. If returns on savings are put into the corporate sector, they are taxed twice, once as corporate profits, and again at the household level when dividends are paid. Such a system must attenuate individual incentives to work, save and invest. For many taxpayers, protecting a dollar from tax incidence is worth twice as much as earning another dollar in income.

Prior to the 20th century, Federal revenues, comprising about 3 percent of GNP, were largely collected as customs duties. With the adoption of the 16th Amendment in 1913 establishing the Federal income tax, followed by the Social Security payroll tax in the 1930s, Federal revenues have grown to consume 22 percent of GNP.

Problems caused the economy by taxation have been greatly exacerbated by the inflation of recent years. Escalating inflation in the 1970s pushed growing numbers of taxpayers into high tax brackets originally only meant for the wealthy. "Bracket creep" is now recognized as a major and deleterious fact of economic life. In 1920, 15,742 returns were filed with adjusted gross income over $50,000. By 1979, there were over 2 million and the marginal tax rate at this level had soared from 32 to 59 percent. The income tax reductions instituted in 1981 respond to the problem, but really have had little but a stabilizing effect.

THE PROGRESSIVE INCOME TAX: UP & DOWNS

	Number of returns with adjusted gross income above $50,000	Marginal tax rate at $50,000 (percent)	Value of 50,000 1920 dollars
1920	15,742	32	$50,000
1928	43,184	18	58,479
1939	12,193	34	72,115
1948	69,005	75	41,609
1958	183,399	75	34,642
1968	384,017	62	28,790
1979	2,341,481	59	13,800

Source: Tax Foundation Inc., Facts and Figures on Government Finance, 1981: Table 103 (p. 122), Table 107 (p. 127) and U.S. Department of the Treasury, Internal Revenue Service, Statistics of Income: Individual Income Tax Returns, 1979 (1981): Table 1.1 (p. 9) Dollars values are computations of The Institute for Socioeconomic Studies staff based on U.S. Department of Labor Consumer Price Index for all Urban Consumers.

WIDESPREAD DELINQUENCY AND CHEATING

Tax avoidance and delinquency have become increasingly prevalent as Americans find their incomes undercut by bracket creep. Recent research and Internal Revenue Service reports indicate widespread tax abuses of deductions and evasion on interest, dividend, and other income. Today's marginal tax rates of 50 percent from the personal tax, 46 percent from the corporate tax, and 14 percent from the payroll tax are converting many Americans into tax evaders, or at the least tax avoiders, through channeling of their investments into often unproductive tax shelters. Estimates of the untaxed underground economy range up to $400 billion.

As the recession of 1980 became that of 1981 and, now, of 1982, many economists, tax experts and policymakers believe the current income tax system is significantly culpable. The income tax is an intolerable burden on the economy and must be replaced. The mass of the people view the tax code as too complex and uncertain. They believe it is riddled with loopholes benefiting the wealthy and corporations at the expense of the middle class. It is seen as promoting economic inefficiencies in a time of nearly 10 percent unemployment and decreasing productivity.

FLAT-RATE ALTERNATIVE

The flat-rate tax, on the other hand, is the antithesis of the current system. It is based upon the principles of sound taxation: equity, efficiency and simplicity. These were what guided Treasury Secretary William Simon during the department's development of "Blueprints for Basic Tax Reform" in the mid 1970s. Most recently, Dr. Alvin Rabushka and Dr. Robert Hall of the Hoover Institution set themselves by these principles as they undertook the ambitious research undergirding their developmental work aimed at creating a new tax structure based on a flat rate. They, like so many others, conclude that it is no longer feasible to tinker with the existing tax code; we must begin afresh.

The flat-rate concept has traditionally been associated with conservative analysts such as Milton Friedman and William F. Buckley, Jr. Nevertheless, as the evidence of the harmful effects of the current income tax system has mounted, more of my moderate and liberal colleagues have begun to give serious consideration to the idea. The exact form that an eventual flat-rate structure would assume varies in a wide range of proposals. These include:

1. a tax on gross income;

2. a flat rate imposed against individual income, but leaving the present corporate tax structure in place (the bills retain deductions and exemptions in varying degrees);

3. a so-called flat rate with two tiers;

4. tiered with additional surtaxes for each tier; and

5. my proposal, which would tax both individual and business income at the same rate, while eliminating most tax preferences.

The rates of tax within each of these proposals vary, as do the amounts and types of deductions, exemptions, and exclusions that would be retained. While there is little agreement on the specifics, it is evident that the many proponents of flate-rate taxes have all seen something in the characteristics of a flat-rate system that suggest it is sound enough to serve as the centerpiece around which a cogent Federal fiscal and social policy can be administered. Perceived benefits of a flat rate include:

Honesty. Billions of dolars of taxes will be paid that are now lost because of (a) claims for exemptions, (b) deductions, and (c) income that goes unreported. It would be as easy for the IRS to administer the flat-rate tax as for the taxpayer to understand it.

Savings on time and compliance costs. It is estimated that $60 billion was spent on tax compliance last year and an inestimable amount of hand wringing and headaches must have accompanied that monetary expense. These huge varied costs would be essentially saved.

FLAT-RATE TAX BILLS IN CONGRESS

Bill number	Date	Sponsor(s)	Title	Tax rate(s)	Exemptions and deductions	Business tax provisions
H.R. 4821	October 22, 1981	Representative George Hansen (R. Idaho).	Tax Simplification Act	14 percent flat rate	$1,000 per person deductions for religious contributions and catastrophic medical expenses.	None.
H.R. 5513	February 10, 1982	Representative Philip Crane (R. Ill).	Flat Rate Tax Act of 1982	10 percent flat rate	$2,000 per person	None.
S. 2200	March 15, 1982	Senator Jesse Helms (R. N.C.)	do	do	do	Do.
H.R. 6070	April 5, 1982	Representative Leon Panetta (D. Calif.).	Income Tax Simplification Act of 1982.	19 percent flat rate	Personal tax credit: $1,000 taxpayer, $1,000 spouse, $200 each dependent. Business expenses and losses.	Graduated tax of 3 to 15 percent.
H.R. 6352	May 11, 1982	Representative Ron Paul (R. Tex.).	Flat Rate Tax Act of 1982	10 percent flat rate above $10,000.	None	None.
S. 2147	March 1, 1982	Senator Dennis DeConcini (D. Ariz.).	Flat-rate income tax	Maximum 20 percent flat rate	Estimated [2] $4,040 (single), $6,735 (joint), $810 each dependent.	Flat-rate on gross revenues. Deductions for capital expenses and for goods and services.
S. 2557	May 20, 1982	Senator Dan Quayle (R. Ind.)	Self [1] Tax plan of 1982	18 percent flat rate above $17,500. 25 percent flat rate above $50,000.	$600 each dependent	20 percent flat rate. No multiple taxation. Deductions for ordinary and necessary expenses.

FLAT-RATE TAX BILLS IN CONGRESS—Continued

Bill number	Date	Sponsor(s)	Title	Tax rate(s)	Exemptions and deductions	Business tax provisions
H.R. 6944	August 5, 1982	Representative Richard Gephardt (D. Mo.).	Fair Tax Act of 1982	14 percent flat rate above $2,300 (single), $4,600 (joint).	$1,500 personal exemption. Retains selected deductions.	None.
S. 2817		Senator Bill Bradley (D. N.J.)	do	6 percent to 14 percent above $25,000 (single), $40,000 (joint).	do	Do.

[1] Simplicity. Efficiency. Low tax rates, and Fairness.
[2] Bill does not specify. Amounts indicated are in accompanying legislative material.

Accountability of government. The primary purpose of the income tax is to raise revenue. We cannot ignore the fact, however, that today's law has a major effect upon the nation's social policy. Many of the policies involved are worthy of support. We would be far more honest with the taxpayer, however, if we eliminated the "tax expenditures" [1] and openly made direct subsidy payments. The public would certainly become more aware of what their tax dollars were doing.

End bracket creep. Inflation has carried many taxpayers into marginal brackets meant only for the wealthy. No longer would the government be able to try to make up for its deficit financing by allowing ever greater amounts of real income to flow into its coffers despite the fact that no tax increase had been enacted.

Added productivity. By reducing the distortion built into the system by the varied impact of present tax laws, business decisions could be made in an environment that would reward efficiency and profitability.

Loopholes disappear. Any attempt to eliminate "loopholes" is generally met with such fierce opposition by the affected beneficiaries that attempts are rarely successful. However, as Peter Brimelow [2] has pointed out, under a flat-rate structure this problem largely solves itself. A tax shelter would not be nearly as attractive if only 15-20 cents of a taxpayer's dollar were exposed to the personal income tax.

Incentives increase. If you can keep 80 cents of the last dollar you earn, rather than 50 cents, you are certainly likely to make the effort to earn more and more dollars. For most taxpayers, the price of leisure will rise relative to the price of income.

More equitable tax treatment. Because the definition of income would be broadened significantly under most flat-rate proposals, it is much more likely that individuals in similar income categories would also be taxed equally. The flat-rate tax would largely end grumbling to the effect that the other guy isn't paying his fair share. Moreover, almost all flat-rate proposals have the effect of substantially eliminating the Federal tax burden for those below the poverty level by increasing the amount of income in the zero tax bracket.

Marriage penalty eliminated. Under the current tax system, two married income-earners who file a joint return in all probability pay more in income taxes than they would if they filed separate returns as singles. By applying the same flat rate to both joint and single returns, the source of the penalty—marginal tax rate schedules based on filing status—would be eliminated.

[1] Forgiving of taxes in order to encourage or support some activity deemed to have social or economic value.

[2] Washington columnist of *Barron's National Business & Financial Weekly* and former economic counsel to Senator Orrin Hatch (R. Utah), chairman of the Senate Labor and Human Resources Committee.

Losers?

No matter what theoretical arguments can be marshalled for a flat-rate tax, the key political question to be faced is who will be adversely affected? There is general agreement—although a wide disparity in projections as to the degree—that the middle-income earner would find his or her taxes slightly increased, although I believe that within a relatively few years of implementation their rate will also decrease as the tax base broadens due to expected economic growth and surfacing of the underground economy which will have lost its "tax evasion" purpose for existing. The true cost or benefit is difficult to determine even when comparing individuals with similar incomes. For example, a typical $30,000-a-year salary-earner who rents an apartment now pays an average tax rate of 19 percent. If the flat-rate tax were set at 7 percent, the renter would be a winner, the homeowner a loser.

Advantages for Middle-Income Earners

Even if a taxpayer were faced with a slightly higher tax rate, a strong argument can be made that he or she would be better off in net terms within a flat-rate system. For instance, while the tax rate might go up 3 percent, the middle-income taxpayer might very well find substantial benefit in the system because it:

spares him the need of keeping the detailed tax records that are required for justifying today's tax exemptions;

ends the need for professional tax preparation assistance with its attendant costs;

saves substantial amounts of time that otherwise would have been devoted to tax preparation;

lifts the danger of being called in for harrowing audits of tax returns;

makes clear that other taxpayers are now also paying their fair share and that opportunities for cheating have cut back dramatically; and

likely generates a higher income upon which the tax rate is applied, as nonproductive tax sheltering is replaced by an environment conducive to aggressive economic activity that rewards efficiency and production.

The significance of each of these flat-rate tax implications upon the individual will vary. But, on the whole, I do not believe that any income class will ultimately suffer from the imposition of a flat rate. Lower-income-bracket earners will benefit from reduced tax burdens and middle-income earners will have at worst only mildly increased tax burdens that will be offset by factors listed above.

Inequities

In the case of higher-income-bracket taxpayers, winners and losers will be decided on the basis of the amount of income they are successfully sheltering today. In 1979, for example, about 20,000 taxpayers with adjusted gross incomes of more than $100,000 paid income taxes of more than 40 percent on that income. Another 20,000 families in the same income bracket paid income taxes of less than 15 percent.

Another cost of the present system that a flat rate would eliminate is the massive disrespect for government caused by the system's perceived loopholes. Everybody thinks the other guy is cheating. As Aaron Wildavsky [3] has noted, there is a pervasive sense that moral values are being subordinated to strategies for minimizing taxes. Consequently, the legitimacy afforded to government by the people, the respect that supports the authority to govern is being undermined.

Fetish of Progressivity

One major hurdle that must be met when proffering a flat-rate approach to taxation is the notion that a tax system must have progressivity to be fair. "One should pay according to ability," it is held. Nominally, our income tax rates are steeply progressive. But this widely-held credo is undermined by practical fact. Our effective tax rates are much less sharply inclined in practice than in theory. And the people know it! We are all aware of high-income individuals or corporations that manage to pay very little Federal income taxes.

Most flat-rate systems, to be sure, have a built-in element of progressivity. This is the consequence of the typically generous income-exclusion provision. For example, assuming that no taxes are levied upon the $0-$10,000 bracket, the individual earning $12,000 pays taxes on only 16.6 percent of his or her income. Someone with a $100,000 income, on the other hand, would pay taxes on 90 percent of his or her income.

The DeConcini Bill

On March 1, 1982, I introduced the first flat-rate proposal of the 97th Congress in the Senate. Senate bill 2147 was based entirely on the work of Drs. Robert Hall and Alvin Rabushka of the Hoover Institution. I gratefully acknowledge their assistance in developing economic models and the computations that form the foundation of my bill and the remainder of this article.

The bill rests on four principles:

1. All income should be taxed only once, as close to the source as possible.

2. All types of income should be taxed at the same rate.

3. The poorest households should pay no income tax.

4. Tax returns should be simple enough to fit on a single page.

The simple income tax imposes a low tax rate on a broad concept of total income. It replaces the personal income tax with an individual compensation tax. The corporate income tax would be supplanted by a business tax. The two together would provide increased incentives for saving and investment, a low marginal tax rate, and reasonable progressivity.

Consequences

If Federal spending can be held to the level proposed by the President in his budget for fiscal year 1983, or if any increases can be financed by user fees or earmarked taxes, then a 19 percent income tax rate would balance the budget by 1985. Even if spending is at the high level projected in the Congressional Budget Office's baseline budget, a tax rate of 19 percent would bring the Federal deficit down to $75 billion by 1987.

Under the President's spending proposals, the tax rates necessary to balance the budget starting in fiscal year 1983 would be 21 percent in that year, 20 percent in 1984, and 19 percent in 1985. Under the CBO projections, the tax rates necessary to balance the budget would be 23 percent in 1983 and 1984, 22 percent in 1985, 21 percent in 1986, and 20 percent in 1987.

I would recommend the adoption of a flat-rate tax at 19 percent starting in fiscal year 1983. This tax would bring moderate deficits during the current recession, but would commit the nation to a balanced budget within three years, if spending is kept at reasonable levels. Additionally, it would be my hope that through increased productivity and additional revenues to be expected from the taxation of economic activities now a part of the underground economy that the rates could be driven down to 16 percent by 1990.

The essence of what a good tax system must contain was outlined by former Secretary of the Treasury Andrew Mellon with these words:

"The problem of government is to fix rates which will bring in a maximum amount of revenue to the Treasury and at the same time bear not too heavily on the taxpayer or on business enterprises. A sound tax policy must take into consideration three factors. It must produce sufficient revenue for the Government; it must lessen, so far as possible, the burden of taxation on those least able to bear it; and it must also remove those influences which might retard the continued steady development of business and industry on which, in the last analysis, so much of our prosperity depends."

I feel a flat-rate tax structure can accomplish these purposes. Serious study and reflection on this theory is now underway with hearings having begun before various congressional committees. I do not predict early adoption of a new tax structure. If contemporary public support is a good indicator, however, the subject of a flat-rate tax will receive serious consideration and may well become a central issue in the political campaigns of 1984.

REACHING THE BOTTOMLINE

Beleaguered taxpayers must wonder how it is possible for Senator DeConcini's 19 percent flat-rate tax to produce the same revenue as the current Internal Revenue Code with its marginal tax rates of 14 to 50 percent. The Arizona Democrat's figures are based on the work of Professors Alvin Rabushka and Robert Hall of the Hoover Institution. Using President Reagan's February 1982 budget message and its estimates of Gross National Product and tax revenues, the economists reworked the figures to show how a flat-rate tax would work.

[Dollars in billions]

	1981	1982	1983	1984	1985
Gross national product [1]	$2,922	$3,159	$3,522	$3,881	$4,257
Tax base	$3,314	$2,502	$2,789	$3,074	$3,372
Allowances	$481	$535	$580	$620	$655
Taxable income	$1,833	$1,967	$2,210	$2,454	$2,717
Taxable income, fiscal year	$1,790	$1,933	$2,149	$2,393	$2,651
Revenue, personal and corporate income tax [1]	$347	$345	$370	$407	$450
Rate, same revenue (in percent)	19.4	17.8	17.2	17.0	17.0
Rate, zero deficit (in percent)			21.2	20.0	19.0
Revenue at 19 percent			$408	$455	$504
Budget deficit at 19 percent	$58	$99	$51	$29	$8

[1] Budget of the United States Government, Fiscal Year 1983.

Source: Alvin Rabushka and Robert Hall.

The first line of the table is the President's estimate of Gross National Product for calendar years 1981 to 1985. The next line is the Rabushka-Hall estimate for the tax base assuming the 1980 experience of 79 percent of GNP. The third line deducts aggregate personal allowances using estimates in the following amounts: married couple—$6,735, single person-$4,040; single head of household—$6,060; each dependent—$810. (These figures are for 1983 and are to be adjusted for projected inflation.)

The balance shown on the fourth line is the Rabushka-Hall estimate of taxable income. The next line shows taxable income for the fiscal year which is slightly smaller because the fiscal year occurs earlier in calendar time. The sixth line is the revenue the Reagan administration expects from personal and corporate income taxes. The next line is the DeConcini flat rate required to produce the same revenue that the President expects. The next line shows that the flat rate needed to balance the Reagan budget. The ninth line shows the amount of revenue produced with a flat rate of 19 percent, while the last line calculates the deficit a 19 percent rate would incur.

Drs. Rabushka and Hall have also calculated the impact of the flat-rate tax under the more pessimistic projections made by the Congressional Budget Office. Under that set of figures, the flat tax rate required to balance the budget would range from 23.4 percent in 1983 to 20 percent in 1987. Based on the CBO predictions, a 19 percent flat rate would cause a $101 billion deficit in 1983, declining to $75 billion by 1987.—THE EDITORS.

[From the Wall Street Journal, Jan. 28, 1983]

FLAT-TAX LAB: THE ISLE OF MAN

(By Roy W. Jastram)

Tax reform, which has bedeviled many presidents and Congresses is again in ferment.

We are agreed that our present system of trying to extract from the citizenry enough dollars to pay the government's bills is too complex, costly and full of inequities. But as usual, few agree on how to make it simpler, cheaper to operate and fairer.

One prominent contender for achieving these desirable ends is the flat-rate tax on incomes. It must always be remembered that a flat-rate income tax has two distinct parts: 1) the percentage of tax to be applied; and 2) the numbers and kinds of deductions to be allowed. Much needless confusion arises over this subject because of a misapprehension that a flat-rate income tax necessarily precludes certain kinds of deductions.

The best way to get some idea of how a flat tax would work is to take a look at one in operation. And, as luck would have it, we've got one: It's on the Isle of Man in the Irish Sea.

For the past 20 years, the Isle of Man has operated with a flat-rate income tax of about 20% on individuals and corporations alike. And in the last 10 years its national income has risen nearly 500%.

Yes, the Isle of Man is small. But so is an experimental culture in a biologist's laboratory from which important principles have been drawn and hypotheses confirmed. The island has a population of 66,000 operating a modern economy with a mixture of manufacturing, finance, agriculture, construction and a wide range of services.

MAINTAINS PUBLIC SERVICES

The government of the island funds and maintains its own education, health, national insurance, social security, pensions, police, postal and other public services. The level of social benefits is comparable to that in the United Kingdom.

It should be emphasized that the island is totally independent from the U.K. except for defense, foreign affairs and diplomatic representation, for which it pays to Britain 2.5% of its customs and excise receipts. It has its own parliament, the Tynwald, which dates back 1,000 years. It is not represented in the British Parliament.

When we look at the Manx flat-rate income tax we are not looking at an anachronism ("Manx" is the adjectival form of Isle of Man). We are examining the results of a sophisticated overhaul of the island's entire tax system spanning the 1970s and culminating in the "Income Tax (Amendment) Act of 1979." This modern system emerges as an innovative attempt to remedy the confusing patchwork muddle to which most national tax systems are prone. Written on a clear slate, it is the most concise and original example of a working flat-rate income tax that can be observed. (In fact the entire Manx tax code deserves study.)

The tax rate in 1982 was 20%. Each year the Tynwald sets the rate for the forthcoming tax year. Since 1962, the flat rate has varied between 21.25% and the current 20%.

What about exemptions? The simplest way to examine how exemptions are applied is by presenting a prototype of a single family and a corporation.

The income tax return of a married couple with one child receiving a single income represented by the earnings of the husband would be worked out like this:

You begin with the individual's total earned income figure. From that subtract personal allowances (which for a married man there are 2,315 British pounds, and for each child, depending on age, from 250 to 350 pounds). Then subtract expense deductions (which include: expenses incurred in earning income; mortgage and loan interest—for any purpose—paid to a Manx recipient; and retirement annuity payments made). Those subtractions leave one's taxable income. And 20% of that is the personal income tax on the Isle of Man.

This information could be fitted onto the proverbial postcard, but the Manx Taxing Authority uses a sheet of paper so the taxpayer need not suffer the discomfort of cramped handwriting.

The principles of company (or corporate) taxation are closely consonant with the individual tax and form an integrated system. This can be accomplished in a straightforward manner when a flat rate income tax of equal percentage is applied to both.

A company's taxable income is computed according to the usual rules:

Starting with gross income, one subtracts: a) direct expenses to acquire income, including reasonable entertainment; and b) capital allowances. That leaves taxable income. And 20% of that is the company's income tax.

It is especially noteworthy that in addition to these customary deductions a company can subtract that part of its income as shall be distributed among its shareholders or members by way of dividends, bonus, interest or share of profit. As these amounts are passed on to the recipients designated, they become subject to the personal income tax of the same 20%. In this manner the Manx system avoids the double taxation of corporate income so controversial in our own code.

COMPASSIONATE TREATMENT

There is a distinction between earned and unearned income. Earned income is reduced by one-fourth of the first 6,200 pounds, with the standard 20% then applied.

Lest anyone think that the successful operation of a flat-rate income tax forecloses compassionate treatment of the individual, it should be pointed out there is provision in the Isle of Man's system for age relief, small income relief, dependent relative relief and tax relief when age or infirmity of the taxpayer causes a son or daughter to reside with the taxpayer. Particularly contemporary is a "housekeeper allowance" whereby a deduction is given to a widow who employs some other person to have care and charge of her child in the home. On grounds of equality, the "housekeeper allowance" is extended also to a widower similarly situated.

In the Manx system the income tax described is the main form of direct taxation.

There are no death or estate duties; no capital transfer or gift taxes; no wealth tax nor any other capital levies; no capital gains taxes, with the exception of a narrowly proscribed land speculation tax.

In international financial circles the Isle of Man may be viewed as a "tax haven." The inhabitants consider their tax code as a sensible solution to meeting their needs. It may be a tax haven for some but this need not be a pejorative term. It would be a credit to the strongest economy in the world if it were also known as a haven from unjust, confused and often contradictory taxation.

UNDERGROUND ECONOMY GROWS DURING TOUGH ECONOMIC TIMES

LOS ANGELES.—Colette, a Redondo Beach hair stylist, gets $25 a cut in the salon where she works. But she'll do your hair at home for $15—cash only, please.

Steve, a Topanga construction worker, makes a little extra by growing plants—some legal, some not.

O.J., A Venice laborer, says he's never filed a tax return and doesn't plan to start.

They are part of the underground economy—a thriving sector where billions of dollars change hands annually without formality and without tax forms.

Along with the housewife who peddles her handsewn quilts at swap meets, the sidewalk drug dealer and the businessman who pays his workers "under the table," they are coconspirators in a growing movement. And they are breaking the law by evading taxes.

No one knows just how much money California's underground entrepreneurs are generating, and federal officials make no attempt to rank the state with respect to their underground economies. But most observers agree that while the legitimate economy may be ailing, the subterranean sector is doing just fine.

"We know it's happening, but it's almost impossible to get a handle on it because of the legal aspect," said Dr. Ed Crosby, an economist with First Interstate Bank. "I've heard figures that it might be as high as 10 percent (of the reported economy)."

If the 10 percent figure is correct, California's undergound economy amounts to more than $30 billion annually.

Officials at the state's Franchise Tax Board say they are being short-changed to the tune of $1.5 billion to $2 billion a year because of the underground economy. This "tax gap," they say, would eliminate California's budget deficit if it could be collected.

The federal "tax gap" was more than $87 billion last year, Internal Revenue Service Commissioner Roscoe J. Egger told a congressional panel in March, with at least another $8 billion lost on untaxed illegal income.

"The tax gap has been a problem for years, but recently the dollars involved have reached alarming levels," Egger said, noting many small companies pay employees in cash, meaning there is no "paper trail" to follow to detect tax evaders.

Tax officials, while noting that most people pay what they owe, acknowledge that the number of cheaters is growing. A major reason, they say, is a widespread perception that the tax laws aren't fair.

"People feel the rich are getting away with murder, so they develop their own little form of tax shelter which is, 'You don't report your tip income, you don't report your interest income or you don't report your second job,'" said Robert Giannangeli, an IRS spokesman. "What I've heard is that people are tired of the level of taxation, that they feel the tax laws are inequitable."

Many people participate in both the surface and underground economies.

Vicki, 31, works in a Los Angeles health food store that withholds taxes from her salary. She also designs and makes clothes.

"Usually I get paid in cash, some checks. I never report any of it. It's not a real conscious thing, like I'm going to get back at them. I just don't see it as money I have to pay taxes on," she said.

"My girlfriend makes teapots. She's like me, it never enters her mind to pay taxes. A lot of people do this. To me, it's a side thing to make ends meet.

David, a 24-year-old El Segundo man, has been unemployed for about eight months but often helps a friend deliver magazines.

"He pays me in cash or he'll take and give me an ounce of pot. That's about $100 and I'll work two days for him and that will cover it," he said.

Like the others who evade taxes, David knows he's breaking the law. And like the others, he did not want to be identified by his full name.

"I don't know how I'm supposed to feel about it," he said. "When I was working, I brought home a fairly decent salary. But the government took so much. . . . Now, if I can get away without declaring it, I'm going to. I feel the government takes enough."

The underground economy includes illegal activities such as loan sharking, gambling, prostitution and narcotics. And state tax officers say they could increase government revenues substantially if they could collect from the marijuana farmers in California.

"Marijuana is one of the largest cash crops in California and it remains essentially untaxed," said Mark Thorseno of the state's tax board. "But we can't send our auditors out into the national forests with guns looking for marijuana growers."

In California, officials have instituted "Operation Fair Share" to try to detect some of the people who should have filed reported income and paid state taxes. Under the program, state officials are using dividend and interest information as well as other kinds of data, said tax board spokesman Al Hunter.

"Operation Fair Share is the Franchise Tax Board's response to the increasing tax gap," said the board's executive officer, Gerald Goldberg. "The tax evader, big or small, makes a mockery out of our sense of fair play and justice and erodes our confidence in government and we've got to do something about that."

[From Newsweek, Feb. 28, 1983]

BALANCING THE BUDGET

(By Milton Friedman)

The real problem is not how to balance the budget. It is how to generate the political will to do what needs to be done.

For example, the following three-part program would produce a balanced budget in a few years.

TAX REFORM

The cost to taxpayers of personal and corporate income taxes is far larger than the amount they pay to the government—in time spent on complying, money spent on tax shelters and tax-induced distortions in the use of labor and capital.

Substituting a flat-rate tax for present income taxes would drastically reduce this wedge between cost and revenue. In addition, it would be both more equitable and more favorable to economic growth.

In an important new book, Robert E. Hall and Alvin Rabushka ("Low Tax, Simple Tax, Flat Tax." *McGraw-Hill. 1983*) present a detailed proposal for a flat-rate tax on all income above a personal exemption. The only deductions would be for strictly defined business and occupational expenses. Their sample tax form fits on a postcard. They estimate that a tax rate of 19 percent would yield so much more revenue than present income taxes that it would balance the budget by 1985 even with no reduction in prospective government spending. This estimate may be too optimistic—but it does indicate the potential of this approach.

END SUBSIDIES

Many subsidies could be eliminated, with large budgetary savings and great benefit to the strength of the economy—while retaining in full the programs that aid the poor. A few examples: (1) The Export-Import Bank. This harmful form of "protection" cost $800 million in direct outlays in fiscal year 1982, not counting possible losses on the $6 billion of loans it guaranteed that year. (2) Farm-support programs. They cost the taxpayers $12 billion in extra government spending and perhaps more than that again in higher prices for food. (3) Merchant-marine subsidies. These cost the taxpayers $600 million in extra government spending and very likely a much larger sum in higher freight charges. (4) Subsidies to higher education, which go almost entirely to persons in middle- and upper-income groups, and cost $7 billion. This is far from an exhaustive list.

Each subsidy program costs the public—directly and indirectly—far more than it yields to its intended beneficiaries. For example, much of the $12 billion cost of farm subsidies was eaten up by storage costs and

extra costs of production, let alone the cost of maintaining the bureaucrats administering the programs in the style to which we have unwisely accustomed them.

REFORM SOCIAL SECURITY [1]

Instead of the Band-Aids proposed by the National Commission of Social Security Reform, attack the basic problems that have converted social security into a basket case: (1) More than 20 years ago, Congress introduced a strong incentive to retire early by providing that a person who retires at age 62 receive 80 percent of the full stipend available at age 65. Reducing this percentage would by itself go a long way to resolve the long-run financial problem. (2) The average remaining life span of persons aged 65 has risen from 12.9 years in 1940 to 16.8 years currently. Yet the retirement age has remained unchanged. It should be increased gradually beginning now, not, as considered by the commission, only after the year 2000. (3) Modify the adjustment for inflation to equal the excess over, say, 2 percentage points of either the change in the average wage or in consumer prices, whichever is lower.

Enacted as a whole, these measures would transform the future financial condition of the U.S. government and benefit the overwhelming majority of the public.

Yet all are outside the realm of the politically possible.

Each measure would benefit all of us in our capacity as taxpayers and consumers—but the benefit to each of us would be small. Each would impose costs on relatively few—but the costs to each of them would be large. The sum of the diffused benefits would more than offset the concentrated costs for almost everyone—including those who receive the subsidies. However, the sum of the benefits will never be weighed on the political scale. Each measure would be considered separately. And, considered separately, pressure-group politics would assure its defeat. The loud voices of the few who would lose would drown out the low voices of the many who would gain.

That is the real measure of our problem.

By Mr. JACKSON:

S. 558. A bill to amend the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) to expedite exploration and development of geothermal resources; to the Committee on Energy and Natural Resources.

STEAM ACT AMENDMENTS OF 1983

● Mr. JACKSON. Mr. President, today I am introducing a bill to amend the Geothermal Steam Act of 1970. That act established a system of leasing geothermal resources on Federal lands, where an estimated 60 percent of the U.S. geothermal potential is located. The intent of the act was to encourage commercial development. However, for a variety of reasons, including some of the limitations included in the act, very little commercial development has thus far occurred.

Today's bill is very similar to the bill I introduced last Congress, S. 669. It makes a number of changes in existing law, three of which I would like to mention at this time. First, it increases the lease acreage limitation from 20,480 acres in any one State to 51,200 acres in any one State. This change in existing law should help achieve significant commercial development. Second, it attempts to assist local governmental entities in meeting their pressing energy needs by providing a set-aside of up to 10 percent of the acreage leased each year, and by allowing the Secretary of the Interior to defer royalty payments under appropriate circumstances. Third, it requires the Secretary to take steps that would adequately protect geothermal features of national significance located within our national parks and monuments. Development of our geothermal resources should not, and need not, harm the important geothermal features that enhance our national parks and monuments.

I look forward to hearings on this bill.●

By Mr. PROXMIRE:

S. 559. A bill to establish a Federal Bank Commission to administer all Federal laws relating to the examination, supervision, and regulation of the banking business both foreign and domestic, including such laws relating to the chartering of banking institutions and the branching activities, Edge Act Corporations and their activities, and the examination, supervision, and regulation of banking institutions under Federal law; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL BANK COMMISSION ACT OF 1983

Mr. PROXMIRE. Mr. President, I am today introducing legislation to establish a Federal Bank Commission to administer all laws relating to the examination, supervision, and regulation of the banking business, both foreign and domestic, for reference to the Banking Committee.

Currently we have three agencies regulating commercial banks. The Federal Reserve regulates State-chartered member banks, the Comptroller of the Currency regulates national banks, and the Federal Deposit Insurance Corporation regulates State-chartered nonmember insured banks. But all national banks are required to be members of the Federal Reserve. National banks and State-member banks are insured by the FDIC. The Federal Reserve regulates bank holding companies whose subsidiaries may include national banks and insured State nonmember banks.

Arthur Burns, the former distinguished Chairman of the Federal Reserve and now our Ambassador to West Germany had some harsh things to say about this structure. He said, "our system of parallel and sometimes overlapping regulatory powers is indeed a jurisdictional tangle that boggles the mind." He also, said,

> The present system is conducive to subtle competition among regulatory authorities, sometimes to relax constraints, sometimes to delay corrective measures. Practically speaking, this sort of competition may have served a useful purpose for a time in loosening overly cautious banking restrictions imposed in the wake of the Great Depression. But at this point, the danger of continuing as we have in the past should be apparent to all objective observers.

I agree with Chairman Burns' statements. They ring so true today. Every few years, the banking industry goes through a period when unsafe and unsound conditions send tremors through our financial system. Recall the large bank failures and the real estate investment trust scandals of the mid-1970's. Currently weak foreign lending portfolios are causing justified consternation over the safety and soundness of our financial system. While specific banking reforms are necessary to cure current problems, even more basic is the need to consolidate our regulatory authorities to remove the disincentives our wasteful system has to forego the tough regulatory decisions that need to be taken to maintain a healthy banking system.

Mr. President, the establishment of a Federal Banking Commission has had bipartisan support. The legislation I am introducing today was previously introduced with the sponsorship of Senator Ribicoff and Senator Javits. Those Senators joined me in proposing this legislation after the Committee on Governmental Affairs in December 1977 in its "Study on Federal Regulation" recommended reorganizing the three banking agencies into a single consolidated Federal Bank Commission.

It is noteworthy that the House Republican Research Committee in the report of its Task Force on Congressional and Regulatory Reform, January 18, 1983, recommends consolidation of the three bank regulatory agencies. The Republican committee stated under "recommendations for legislative consideration" that Congress should:

> Consider combining regulatory functions of different financial agencies instead of regulating according to outmoded industry classifications. New financial products and services and major merges and acquisitions have bridged the traditional gaps between the securities, banking, S&L, and insurance company industries. This change would include consolidating related regulatory bodies and simplifying regulation between agencies. For example, the three separate agencies that regulate and audit commercial banks could be consolidated.

Significantly, Vice President BUSH has formed a Task Group on the Regulation of Financial Services and has charged it with the responsibility to formulate a legislative program to revise the Federal Government's regulatory structure for financial institutions. This is a clear recognition that

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[1] I may note that I have elsewhere presented a proposal for a more comprehensive and radical reform of social security. See Milton and Rose Friedman's "Free to Choose," chapter four.

our system of overlapping regulation applicable to financial institutions is outmoded.

Mr. President, developments in the marketplace have outpaced the creaky regulatory structure that was established for financial institutions during the Civil War, the money panics of the turn of the century and the Great Depression. We need a regulatory structure capable of dealing with today's marketplace realities.

The proposal I initiate today to establish a Federal Bank Commission would streamline the Federal Government's role in regulating financial institutions, making it more effective and cheaper.

Mr. President, I ask unanimous consent that two previous statements on this subject which I have made be printed in full in the RECORD following my remarks along with a letter on the subject which was sent to me by Vice President BUSH.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL BANK COMMISSION ACT OF 1977

Mr. PROXMIRE. Mr. President, I am today introducing for reference to the Committee on Banking, Housing and Urban Affairs, a bill to establish a Federal Bank Commission. This bill is substantially identical to S. 2298 which I introduced in the 94th Congress but to which I have added significant new provisions designed to strengthen the role of the States in bank regulation and thereby the dual banking system; and to strengthen the role of the Federal Reserve in obtaining bank supervisory information which it may need to conduct the monetary policy of the Nation. The statements I made on the floor of the Senate in introducing that bill on September 5, 1975, are fully applicable to this legislation. Under the bill, the Federal Bank Commission would administer all Federal laws relating to the conduct of the banking business both foreign and domestic, including such laws relating to the chartering of banking institutions and their branching activities, bank holding companies and their activities, Edge Act corporations and their activities, and the examination, supervision, and regulation of banking institutions under Federal law.

The Office of the Comptroller of the Currency would be abolished and all of its functions and personnel transferred to the Federal Bank Commission. Similarly, all of the functions and personnel of the Federal Deposit Insurance Corporation would be transferred to the Commission and its Board of Directors abolished. However, the FDIC would be retained as a corporate entity within the Commission and under the sole control of the Commission for the accounting purpose of holding the insurance fund established to protect commercial bank depositors and which now total in excess of $6 billion. In this regard the relationship between the Commission and the FDIC would be similar to the relationship between the Federal Home Loan Bank Board which supervises and regulates federally insured savings and loan associations and the Federal Savings and Loan Insurance Corporation which insures the deposits in such institutions. Finally, all of the supervisory and regulatory authority of the Federal Reserve Board would be transferred to the Commission. The Federal Reserve would retain supervisory and regulatory authority over interest rate ceilings, and margin requirements and retain the authority to make loans to banks through the "discount window." Relieving the Federal Reserve Board of bank and bank holding company supervisory responsibility will enhance its ability to concentrate on conducting the monetary policy of the Nation which is its primary responsibility.

Unsafe or unsound conditions in our banking system have proliferated in the past 15 years as banks have changed their orientation toward go-go banking a high profile syndrome and high profits. In the process the capitalization of our Nation's banks has declined precipitously since 1960, particularly among the largest banks. The numbers of problem banks—banks which are categorized by regulatory authorities as possibly requiring aid from their shareholders because of their condition or banks which are in danger of failing—have increased in size and in numbers. Massive credits are extended by banking institutions to persons having insider relationships with banks: officers, directors, or stockholders and the companies they control.

Last year, after public disclosure that there existed large numbers of problem banks in the banking system, the Congress requested the General Accounting Office to audit the three bank regulatory agencies to find out how well they were exercising their bank supervisory and regulatory responsibilities. GAO filed its report with the Senate Banking Committee on January 31, 1977. In my view, the GAO report reveals that regulatory permissiveness, fostered by the split in Federal bank regulatory authority, has been the principal reason why a substantial number of the Nation's banks in the banking system have deteriorated.

In its report, the GAO found that during the period 1971-75, the number of problem banks increased from at least 352 to 607 with the number of problem banks whose deposits exceeded $100 million increasing from 13 to 83. GAO data shows that the numbers and size of bank failures have also increased recently. For example, during the past 4 years bank failures have averaged $937 million in deposits each year, an increase of 21 times over the average of $45 million in deposits at failed banks during the previous 13 years. Moreover, the recent failures were the largest in the history of the Nation. I refer, of course, to the failures of the Franklin National Bank, the U.S. National Bank, the Security National Bank and Hamilton Bankshares, Inc. The assets of each one of these banking organizations exceeded a billion dollars.

Why, Mr. President, are the numbers of problem banks and bank failures increasing? The answer I believe is poor Government regulation. GAO found that bank examiners in most cases identify bank problems 2 years before banks fail; and the primary cause of the bank failures were bad management practices—not economic conditions. But the bank regulatory agencies, GAO found, delayed requiring banks to correct their problems until it was too late, even though problem banks exhibit many of the types of problems which can be cured by tough enforcement action. But the banking agencies failed even to communicate clearly to bank managements the needed corrective measures.

Mr. President, the principal problem with bank regulation is the hydra-headed bank regulatory structure at the Federal level which moves in three separate directions. GAO hit home when it said in its report that no mechanism exists to insure that the agencies act in concert to operate effectively and efficiently. For example the GAO notes that:

First. The three agencies do not have common criteria for determining which banks should be treated as problem banks or for taking enforcement action against problems which are discovered by examiners.

Second. Each of the agencies is developing its own separate monitoring and early warning system to improve bank examinations.

Third. Loans to corporations in which banks regulated by each of the three agencies participate are reviewed and treated differently by each of the three agencies even though essentially only one extension of credit is involved.

Fourth. The agencies operate separate and to a large extent duplicate computer systems.

Fifth. There is no procedure for coordinated examinations of holding companies and their subsidiary banks regulated by three different agencies.

Sixth. Separate systems for enforcing the consumer protection laws are in effect at the agencies.

Seventh. Loans to the same foreign borrowers are treated differently by the agencies. Time and money are wasted by the agencies in separate examinations of foreign branches and subsidiaries.

Eighth. The agencies maintain three separate examiners training centers. As a result three separate governmental disciplines are brought to bear on common bank problems.

The Comptroller charters and supervises national banks. But deposits in those banks are insured by the FDIC and all national banks are required to be members of the Federal Reserve. The Federal Reserve regulates State-chartered banks which choose to become members of the Federal Reserve. But deposits in such banks are insured by the FDIC. The FDIC insures all federally insured banks but supervises only those State-chartered banks which are not members of the Federal Reserve. The Federal Reserve regulates all bank holding companies regardless of which of the three agencies regulates the principal banking subsidiaries of the bank holding company. None of these agencies will invade the bureaucratic turf of the other agencies even though the consequences of poor regulation by one agency will be felt by the other agency. For example, the Federal Reserve has loaned billions of dollars to national banks in distress which are supervised by the Comptroller. This has complicated monetary policy and misallocated bank reserves to speculative uses. The FDIC has had to underwrite the losses of banks which are regulated by the other agencies in the amount of hundreds of millions. The FDIC and the Comptroller have had banks which they supervise deteriorate to the point of distress because of poor regulation of their holding companies by the Federal Reserve.

Former Vice-Chairman of the Federal Reserve, J. L. Robertson testified before the Senate Banking Committee that there is an "institutional reluctance among the regulators to pull the rug out from under their own banks." This institutional reluctance arises in part from the ability of banks to switch regulators. It also arises from the fact that the greater the number of banks regulated the greater the justification for a

bigger bureaucracy. When this is combined with the fact that the Federal banking agencies derive their funds not from Government appropriations but from private assessments on the banks they regulate with no congressional oversight the results are pernicious. Even without actual charter switching former Governor Bucher testified that the subtleties of divided authority are always with the agencies whenever they made a decision. Thus, in my view, instead of tough regulation we get Government bureaucrats living high off the hog in plush offices and traveling first-class with their wives around the country to attend bankers association meetings. Only by eliminating this institutional reluctance to take action will we ever have any hope of bringing decent government to the banking field.

In a speech to the American Bankers Association, the distinguished Chairman of the Federal Reserve Board stated with respect to the structure of bank regulation at the Federal level that:

"I am inclined to think that the most serious obstacle to improving the regulation and supervision of banking is the structure of the regulatory apparatus. That structure is exceedingly complex. * * * At the Federal level, every bank whose deposits are insured is subject to supervision and regulation, but authority is fragmented. The Comptroller of the Currency charters and supervises national banks. The Federal Reserve System supervises State chartered member banks, regulates activities of Edge Act corporations, regulates all bank holding companies, and controls the reserves and other operating features of all member banks. The Federal Deposit Insurance Corporation insures nearly all banks, but supervises only State-chartered banks that are non-members of the Federal Reserve. The FDIC also has certain regulatory powers that apply to insured nonmember banks.

"Those of you who have been intimately concerned with regulatory matters will realize that I have oversimplified, that our system of parallel and sometimes overlapping regulatory powers is indeed a jurisdictional tangle that boggles the mind.

"There is, however, a still more serious problem. The present regulatory system fosters what has sometimes been called "competition in laxity." Even viewed in the most favorable light, the present system is conducive to subtle competition among regulatory authorities, sometimes to relax constraints, sometimes to delay corrective measures. I need not explain to bankers the well-understood fact that regulatory agencies are sometimes played off against one another. Practically speaking, this sort of competition may have served a useful purpose for a time in loosening overly cautious banking restrictions imposed in the wake of the Great Depression. But at this point, the danger of continuing as we have in the past should be apparent to all objective observers.

"I recognize that there is apprehension among bankers and students of regulation concerning over-centralized authority. Providing for some system of checks and balances is the traditional way of guarding against arbitrary or capricious exercise of authority. But this principle need not mean that banks should continue to be free to choose their regulators. And it certainly does not mean that we should fail to face up to the difficulties created by the diffusion of authority and accountability that characterizes the present regulatory system. * * * Some will doubtless conclude that the proper approach lies in improved coordination among the multiple bank regulatory agencies, together with harmonization of divergent banking laws. My own present thinking, however, is that building upon the existing machinery may not be sufficient, and that substantial reorganization will be required to overcome the problems inherent in the existing structural arrangement."

I am in agreement with this statement of Chairman Burns. The ability of banks to pick and choose their regulators as Chairman Burns says means that they have the ability to play off one Federal agency against the other. This results in poor and ineffective regulation and an inability of the Federal Government to deal with the tough issues because the bank agencies compete with one another to see which can regulate the least. Such competition in laxity has resulted in low public confidence in the bank regulatory agencies. The public is no longer willing to continue to be served by regulation at the lowest common denominator level among Federal agencies. Competition in laxity can only be eliminated by eliminating its base of operations: The threefold fragmented division of regulatory authority, into a single agency.

The benefits of a single bank regulatory agency, such as the Federal Bank Commission, which eliminates the competition in laxity among the three bank regulatory agencies would be enormous. Former Governor Holland of the Federal Reserve listed four such benefits as follows:

"(a) Such an agency would bring about uniformity in Federal regulation, supervision and examination of banks. In addition it would result in uniformity on decisions concerning merger and branching applications.

"(b) * * * such a consolidation would eliminate some duplication of efforts and lead to a more efficient use of supervisory and examination personnel. It would also remove any problems arising out of consultations between the agencies and resulting delays in decision-making.

"(c) We also believe there could be advantages from the development of consistent data which would permit fuller analysis of the banking industry as a whole and permit more prompt identification of developments which might affect the stability of the banking system.

(d) Finally, the consolidation of three Federal agencies into one would preclude the possibility of banks changing their organizational status in order to obtain more favorable treatment from a different Federal supervisor.[1]

Former Chairman Wille of the Federal Deposit Insurance Corporation listed eight as follows:

First. Simplification of administration; improved internal and external communication.

Second. Elimination of conflicting goals.

Third. Economy and efficiency of operation.

Fourth. Elimination of actual or potential policy conflicts.

Fifth. Facilitating the handling of failing banks.

Sixth. Improved regulation of bank holding companies, their affiliates, and certain other bank relationships.

Seventh. Gains to banks and bank customers from a single Federal agency.

Eighth. Adjusting to a rapidly changing environment.

This bill will also strengthen the hand of the Federal Reserve in conducting monetary policy. The Federal Reserve Board's testimony before the Senate Banking Committee was that the Board needs the bank supervisory responsibility discipline in order to be able to conduct monetary policy. Serious disagreement with this view was taken before the committee by former Vice Chairman of the Federal Reserve Robertson who served at the Board for 20 years and by former Governor Bucher.

This legislation places a member of the Federal Reserve directly on the five-man Federal Bank Commission. Thus under this bill the Federal Reserve will have more direct input into bank supervision and regulation than it now has; and, under the bill, the Board will have more direct and immediate access to such information than it now has. Thus, under the theory of the Federal Reserve, this bill should enhance the Board's ability to conduct monetary policy.

One of the most important features of this bill are the provisions designed to strengthen the dual banking system of the Nation under which we have federally chartered and regulated banks which compete side by side with State chartered and regulated banks. Two essential features of this system must be strengthened if we are to retain a viable dual banking system. First, Federal insurance should not be used as a veto to the chartering of State banks. Second, State supervisory functions should not be co-opted by the Federal Government either by design or by default as it is in too many cases.

Section 312(d)(2) requires the Federal Bank Commission to grant insurance to institutions chartered by a State whose operations are adequate to assure a safe and sound banking system. This provision is designed to eliminate the veto power now enjoyed by the FDIC over State chartered banks and to assure that the Federal Bank Commission which will also charter national banks will not favor the chartering of national banks in any State over the State banking system. Under the current fragmented regulatory authority there is no doubt that the Comptroller of the Currency has historically sought to induce State chartered banks to switch to national charters, particularly among the larger banks. This bill will put an end to this practice.

Section 312(d)(2) also provides that where State examiners make adequate examinations of State chartered banks the Federal Bank Commission may suspend Federal examinations and reimburse the State supervisory authority for the cost of examination. This provision will give the State's supervisory authorities the economic means to upgrade their supervisory positions.

Finally, section 4(a) of the bill provides that at all times, one member of the Federal Bank Commission shall be an individual who has had direct State bank regulatory experience. There is no counterpart to this provision in the present law and as a practical matter direct State supervisory experience is not a quality which is sought by the bank regulating agencies. This provision will insure that State experience will have a direct representation in all bank supervision in the Nation thereby strengthening the dual banking system.

This bill will also subject the Federal Bank Commission to periodic performance audits by the General Accounting Office and require the Commission's yearly expenditures to be with limitations set by an appropriations act of the Congress.

CONSOLIDATION OF BANK REGULATORY AGENCIES

Mr. PROXMIRE. Mr. President, I am today introducing for reference to the Committee on Banking, Housing and Urban Affairs a bill to establish a Federal Bank Commission to administer all Federal laws relating to the conduct of banking business, both foreign and domestic, including all such laws relating to the chartering and insuring and merging of banks, their branching activities, bank holding companies and their activities. Edge Act corporations and their activities, and the examination, supervision, and regulation of all banking institutions under Federal law.

It has become necessary to restructure the Federal bank regulatory apparatus because the existing structure consisting of the Federal Reserve System having jurisdiction primarily over State banks which are members of the Federal Reserve System, the Comptroller of the Currency having jurisdiction over all national banks, and the Federal Deposit Insurance Corporation having primary jurisdiction over nonmember State insured banks has proven incapable of dealing with banking practices which have arisen in the past 30 years in a manner which will insure a safe and sound banking system.

A safe and soundly maintained and operated banking system is basic to the economic well being of the Nation. Banking institutions occupy a unique and vital place in the economy. They are the principal suppliers and allocators of credit to the various sectors of commerce and industry. They are the principal institutions in our society by which decisions at the governmental level to increase or decrease the money supply are effectuated and translated into reality in the marketplace. They are the principal institutions in which the deposits and savings of individuals, partnerships, and corporations are held. They are, therefore, institutions which are imbued with an exceptionally high degree of public interest and must be subject to a high degree of effective public scrutiny.

Every banking institution must so conduct its affairs that it retains the ability to function without special Government subsidy in times of monetary restraint as well as in times of monetary growth. The structure of bank supervision should be such that banks are given no encouragement to conduct their affairs in a speculative manner in times of economic growth. Governor Robertson, the former distinguished Vice Chairman of the Federal Reserve Board has stated:

There should never be a possibility of utilizing the supervisory function to enforce a given monetary policy today and an opposite one tomorrow, to look at bank loan portfolios through rose-colored glasses today and black ones tomorrow."

It is undeniable that particular banking institutions have engaged in speculative finance in many areas of the economy. These speculations have served to misallocate credit resources to earn high rates of return. The existing structure of bank regulation consisting of three Federal regulators, often at odds with one another over whether particular banking practices should be permitted has prevented them from requiring the cessation of unsafe or unsound banking practices which would have prevented the speculations from taking place. Institutions which are engaged in speculative finance often suffer dire consequences themselves and have been responsible for a loss of confidence in the banking system itself. The Government regulators have lacked the will to utilize their supervisory authority to abate these practices and to keep banks operating in a safe and sound manner requiring them to fulfill their public purposes.

The structure of supervision and regulation at the Federal level has been the major reason why unsafe or unsound conditions in our banking system have been allowed to proliferate. To some extent, of course, each of the three Federal bank regulatory agencies bear individual responsibility for the state of affairs.

In the wake of the largest bank failures in this Nation's history last October Chairman Burns of the Federal Reserve said to the American Bankers Association:

"I must say to you, however, that I am inclined to think that the most serious obstacle to improving the regulation and supervision of banking is the structure of the regulatory apparatus. That structure is exceedingly complex. * * * At the Federal level, every bank whose deposits are insured is subject to supervision and regulation, but authority is fragmented. The Comptroller of the Currency charters and supervises national banks. The Federal Reserve System supervises State chartered member banks, regulates activities of Edge Act corporations, regulates all bank holding companies and controls the reserves and other operating features of all member banks. The Federal Deposit Insurance Corporation insures nearly all banks, but supervises only State-chartered banks that are non members of the Federal Reserve. The FDIC also has certain regulatory powers that apply to insured non-member banks.

"Those of you who have been intimately concerned with regulatory matters will realize that I have oversimplified, that our system of parallel and sometimes overlapping regulatory powers is indeed a jurisdictional tangle that boggles the mind.

"There is, however, a still more serious problem. The present regulatory system fosters what has sometimes been called "competition in laxity." Even viewed in the most favorable light, the present system is conducive to subtle competition among regulatory authorities, sometimes to relax constraints, sometimes to delay corrective measures. I need not explain to bankers the well-understood fact that regulatory agencies are sometimes played off against one another. Practically speaking, this sort of competition may have served a useful purpose for a time in loosening overly cautious banking restrictions imposed in the wake of the Great Depression. But at this point, the danger of continuing as we have in the past should be apparent to all objective observers.

"I recognize that there is apprehension among bankers and students of regulation concerning over-centralized authority. Providing for some system of checks and balances is the traditional way of guarding against arbitrary or capricious exercise of authority. But this principle need not mean that banks should continue to be free to choose their regulators. And it certainly does not mean that we should fail to face up to the difficulties created by the diffusion of authority and accountability that characterizes the present regulatory system. * * * Some will doubtless conclude that the proper approach lies in improved coordination among the multiple bank regulatory agencies, together with harmonization of divergent banking laws. My own present thinking, however, is that building upon the existing machinery may not be sufficient, and that substantial reorganization will be required to overcome the problems inherent in the existing structural arrangement."

I am in agreement with these statements of Chairman Burns. My own study of this problem has led me to conclude that the best restructuring at this time would be the unification of the three existing bank regulatory agencies into a single agency without a substantial change in the Federal law governing the business of banking. Before adopting more stringent regulatory laws to cure unsound practices which have arisen in banking in recent years, I believe we should give effective regulation under existing law the opportunity to work. With the removal of incentives to regulate all institutions at the lowest common denominator level, the Federal Bank Commission will be in a position to abate unsafe or unsound practices at particular institutions while maintaining a posture of encouragement of innovation in the public interest at other institutions possessing requisite management and operational capability. The existing structure does not allow for this degree of sophistication over the supervision and regulation of the business of banking.

There has been an expansion in the size of banks and bank holding companies in recent years that has outpaced the capability of supervisory authorities. Governor Robertson has stated that:

"Banks have grown so large that it is no longer feasible for examiners to analyze adequately bank management, assets and liabilities, and their trust and foreign exchange activities within the limitations of available man hours. It would not be feasible if the supervisory forces were quadrupled."

A portion of this expansion has been based upon management focus on profits which have encouraged speculations, and to which the regulatory authorities have aided by their "competition in laxity." Numerous examples are available of this unhealthy competition between regulators. I need cite only one example.

For years the regulatory authorities deemed the acquisition of excess reserves by banks from other institutions borrowings which were subjected to limitations under Federal law as to amount. In the mid-1960's one bank regulatory agency ruled that such transactions were purchases and sales and not borrowings and therefore not subject to the statutory limitation as to amount. This gave the banks that regulator supervised a sizable competitive advantage over other banks by broadening their ability to expand their loan portfolio.

To eliminate this competitive advantage, another regulatory agency, which had objected to the change in ruling, felt itself obliged to adopt the same position for the banks it supervises. The result has been a tremendous increase in Federal funds transactions. Institutions have relied on these overnight borrowings to an inordinate and in particular instances to an unsafe degree in funding forward loan commitments and to expand long-term loans on this basis of short-term borrowings. Liability management has added a new dimension of risk to the banking system.

The past several years have seen the largest bank failures in the history of our Nation. Liability management practiced by the use of volatile sources of funds to support illiquid and high-risk asset portfolios as I have described have been a major causative factor. In addition, insider self-dealing loan to bank directors and bank manage-

ment have been significant causative factors in other situations.

Still other disturbing trends in banking institutions have been the use of brokered deposits, the increased use of banks of loan commitments, bullet loans, and standby letters of credit as a source of earnings for banking institutions. The latter forms of banking, together with the practice of liability management serve to excerbate severely the tendency of banking institutions to increase the size of their asset portfolios at the expense of any significant regard for the stability of the sources of funds upon which these loans must be based. Supervision of these activities by bank regulators has been inadequate.

One of the reforms in bank supervision urgently needed is a drastic change in bank examinations procedures in order that the regulatory authorities may comprehend and respond to the material changes which are occurring with rapidity in banking institutions. The time frame within which bank supervisors have to require corrections of practices which have a potential to develop into unsafe or unsound conditions and crisis situations has been greatly shortened by the pace of change in the banking system. Only a restructuring of the bank supervisory agencies into a single bank regulatory agency gives any hope of being to cope with the problem.

There must be established an ongoing supervisory computerized network capable of obtaining information on the composition of bank assets and liabilities on a frequent basis. Such a system would enable a supervisor to determine at a glance the status of a bank—its capital, liquidity, asset, and liability position—and compare that present status with the standards of the regulatory agency. If a bank fails to meet those standards, examiners can be dispatched immediately to ascertain the causes and institute necessary changes long before a crisis occurs. Wherever potential unsafe or unsound conditions surface prompt and effective injunctive action by the supervisory authority must be undertaken under the Financial Institutions Supervisory Act of 1966.

Expert opinion shows that this kind of updated supervision cannot be achieved as soon as required—if it ever can be achieved in present circumstances—so long as Federal bank supervision remains fragmented among several agencies, each jealous of its prerogatives, each determined to maintain its own carefully constructed empire. Expert opinion reveals that it would take years—literally years—of negotiation before an agreement could be reached within the existing regulatory framework concerning the kind of information needed to provide an accurate picture of each bank, let alone devise appropriate standards by which banks should be judged, and without which it would be impossible to achieve anything like conformity of supervision and competitive equality.

This kind of an examination and supervisory capability, possible only within a single regulatory agency, will insure the swift abatement of unsound practices while allowing maximum flexibility to managements in the operation of their institutions. Bank examinations under the single regulatory agency concept can provide banking institutions with a significant management tool in the form of a sophisticated outside overview of their operations—particularly respecting unsafe practices or unsoundness in operation.

Unsafe and unsound conditions have proliferated in our banking system because bankers have been able to play the fragmented structure, shifting back and forth among supervisory authorities whom they have thought would best accommodate their views. We have the example of one banking institution in a State switching to the jurisdiction of a particular supervisor for the purpose of having a particular merger transaction approved. After the merger was approved and consummated, the banking institution switched back again to its original supervisor where it believed the merged operation could be conducted on a more economical basis for the bank.

In another instance a bank holding company was denied permission by one regulatory agency to acquire a particular bank on competitive grounds. Another regulatory agency shortly thereafter approved the acquisition of the bank by the holding company by allowing the merger of that bank into another banking subsidiary of the holding company. We have still another instance of a bank holding company being denied to engage in a certain activity by one agency and a different regulatory agency allowing a banking subsidiary of the holding company to undertake the same activity. These lax regulatory practices have led to a number of banking institutions leaving the regulatory jurisdiction of one agency and switching to the jurisdiction of another agency. This has been responsible for regulation at the level of the lowest common denominator.

The fragmented process is exemplified by cases such as those I have recited and by the differing standards applied by the banking regulatory agencies respecting merger applications filed under the Bank Merger Act. One regulatory agency has been more permissive in approving applications for mergers of banks than have the other regulatory agencies. The provisions in the Bank Merger Act for the filing of competitive factors reports by the bank regulatory agencies not having approval authority over a particular merger with the jurisdictional bank regulatory agency were designed to assure uniformity of treatment among the banking agencies respecting bank merger matters. These provisions of law have not achieved their intended purpose. Differing standards have been applied by the regulatory agencies while at the same time a large amount of time has been dissipated by the regulatory agencies in compiling competitive factors reports which have been largely ignored as evidenced by the continued application of differing standards by the regulatory agencies. There is, in short, no coherent policy at the Federal level among the bank regulatory agencies to control the concentration of banking resources in the Nation.

In May of this year the Committee on Banking, Housing, and Urban Affairs published a committee print titled "Compendium of Major Issues in Bank Regulation." At that time I stated my intention to introduce legislation unifying the bank regulatory agencies. Since that time there has been considerable testimony relating to a single regulatory agency and the advantages and disadvantages of establishing a single agency. In my view the concrete adyantages are overwhelming and compelling. The most perceptive fear is that a single agency would be all-powerful. But it is this very consolidation of authority which is necessary to cure the ills to which I have referred and which necessitates a single bank regulatory agency.

Furthermore, the single agency would not have the incentive to relax its rules so that its power base could be expanded by banking institutions switching their regulatory jurisdictions. The incentives, if any, would rather be on the side of looking to State regulatory authorities to accept increasing responsibility to insure the safe and sound operation of State institutions and to thereby strengthen this Nation's dual banking system

The benefits of a single regulatory agency are enormous. Chairman Wille of the Federal Deposit Insurance Corporation recently listed eight as follows:

"1. *Simplification of Administration; Improved Internal and External Communication.*—A single agency would provide a single focal point for Congressional and Administration contact on matters of bank regulation and supervision. Additionally, all public inquiries on matters of banking and bank regulation could be addressed to the single agency. All agency actions and decisions would originate * * * from a * * * single * * * (Commission). Instead of 14 FDIC regions, 14 National bank regions and 12 Federal Reserve Districts (few of which are today identical) a much simpler regional setup could be achieved.

"2. *Elimination of Conflicting Goals.*—The fact that the scope of responsibilities differs among the three Federal banking agencies results in a number of internal conflicts with respect to the handling of supervisory problems. This is thought by many to be a particular problem for the Federal Reserve System whose principal function is the formulation and implementation of monetary policy. These observers believe that where the implementation of monetary policy goals is combined with regular bank examination and supervision, the former will always be viewed as more important than the latter and will prevent a consistent, evenhanded approach to matters of bank supervision. This potential problem would be reduced by setting up a single bank regulatory agency divorced from monetary policy responsibilities.

"3. *Economy and Efficiency of Operation.*—Considerable economy could be achieved by combining the legal, research, training and other Washington Office functions of the three existing bank regulatory agencies. There would be a reduction in senior agency staff time spent communicating with and keeping current with the activities of other agencies.

"More efficient use could be made of examiner time, training and specialized capabilities. A single agency would eliminate differences in the form and substance of reports of examination and would be able to issue uniform instructions to all examiners. Travel time of examiners could be reduced, and in many instances where it has not heretofore been feasible, all banks within a particular community could be examined simultaneously. A single agency could make more efficient use of specialized expertise to handle complicated credits and to concentrate on such areas as trust activities, international departments and foreign offices of insured banks, certain data processing and other areas of automated activity, and compliance with Federal and State statutes in the consumer protection area. Economy could be achieved through a single training program which would not only reduce existing duplication, but facilitate the development of more advanced and specialized training.

"A single agency would eliminate differences in reports filed by insured banks, thereby eliminating some duplication or re-

dundant effort in administering and processing such reports, in computer costs and in publication costs.

"4. *Elimination of Actual or Potential Policy Conflicts.*—A single agency would bring uniform treatment to all insured banks in such matters as rules, regulations, standards and procedures. For example, a single, rather than three separate guidelines on a subject, such as insider transactions, could be effected. Also, uniform application of statutory powers, such as cease and desist powers, would result. Banks would also be subject to greater uniformity with respect to loan classifications, policies on capital adequacy and other areas related to bank examinations.

"Consolidation would result in a single policy on chartering, branching and mergers.

"5. *Facilitating the Handling of Failing Banks.* * * * The involvement of three Federal banking agencies in the handling of failing banks prolongs and overly complicates an appropriate resolution of the problem. A single agency probably could reduce the time involved. Under present arrangements, it is difficult to consider all alternatives more or less simultaneously, because the three agencies have somewhat different powers related to solving these problems (e.g., the Comptroller has somewhat more flexibility in arranging a National bank merger which does not require special Government financial assistance or guaranties, while the Federal Reserve can provide liquidity assistance and the FDIC can provide other types of financial assistance to insured banks regardless of charter).

"6. *Improved Regulation of Bank Holding Companies, Their Affiliates, and Certain Other Bank Relationships.*—A single Federal bank agency would have responsibility for examining banks and their holding company affiliates, thereby facilitating a more complete picture of the entire operation and the assessment of the overall risk exposure of the bank(s) and the holding company. Under present arrangements the Federal Reserve has certain regulatory authority over the activities of holding companies whose principal assets may be banks subject to the regulation of the other two Federal banking agencies.

"When Congress addressed the bank holding company issue in 1970 and concentrated regulatory authority within the Federal Reserve, Congress was primarily concerned with the range of permissible nonbank but bankrelated activities to be made available to such holding companies. In more recent years issues related to financial arrangements of holding companies and their impact on bank risk have become more important than permissible activities, and the present regulatory arrangement does not seem to be well suited to deal with these issues. Even apart from the holding company framework, there exist in today's banking system many complicated financial arrangements associated with joint ventures and shared credits where the present Federal regulatory structure makes it difficult to get a complete picture of a bank's risk exposure in a particular transaction. A single agency could ameliorate this situation.

"7. *Gains to Banks and Bank Customers from a Single Federal Agency.*—Differences in regulations, in examination standards and reporting requirements among the Federal banking agencies may result in different treatment of similar situations and, as a result, in some inequities. In addition, there are costs imposed on the banks and the public in having to work with and understand these differences.

"8. *Adjusting to a Rapidly Changing Environment.*—Rapid changes have been occurring in banking in recent years—for example, in such developments as the growth of bank-related activities across State lines through holding companies, innovations in the payment system and the growing importance of international operations in the activities of large banks—and there is no reason to assume that this process will decelerate. A single Federal banking agency may be in better position to command the technical and specialized resources and to exercise the administrative flexibility necessary to cope with this changing environment."

Governor Holland of the Federal Reserve Board similarly listed four as follows:

"(a) Such an agency would bring about uniformity in Federal regulation, supervision and examination of banks. In addition it would result in uniformity on decisions concerning merger and branching applications.

"(b) * * * such a consolidation would eliminate some duplication of efforts and lead to a more efficient use of supervisory and examination personnel. It would also remove any problems arising out of consultations between the agencies and resulting delays in decision-making.

"(c) We also believe there could be advantages from the development of consistent data which would permit fuller analysis of the banking industry as a whole and permit more prompt identification of developments which might affect the stability of the banking system.

"(d) Finally, the consolidation of three Federal agencies into one would preclude the possibility of banks changing their organizational status in order to obtain more favorable treatment from a different Federal supervisor."

This bill will serve to bring bank supervision and regulation into the last quarter of the 20th century and prepare us for tomorrow by recasting a Federal structure which has grown up in helter-skelter fashion over the last 100 years and whose operation has often visited upon the public unfortunate effects.

The bill would transfer all of the supervisory and regulatory powers of the Federal Reserve System to the Federal Bank Commission, enabling the Federal Reserve to concentrate its efforts upon the conduct of the monetary policy of the Nation. The conduct of monetary policy is an extremely important task because of its effect upon the life of our economy. The complexity is of the magnitude that the agency having that responsibility should not at the same time be burdened with the task of bank supervisory and regulatory functions.

Yet, bank supervision and regulation which should be so conducted as to insure a safe and soundly operated banking system is in many respects a task of equal importance to the conduct of monetary policy. The functions of monetary policy and effective supervision and regulation cannot be performed by one agency without seriously compromising the effectiveness of each function.

Governor Robertson stated on December 23, 1974, in recommending the unification of the three bank regulatory agencies into a single agency that:

"Finally, and in light of recent suggestions by others. I should make clear that in my opinion, based on forty years experience in the field of federal bank supervision, including twenty-one years as a Governor and seven years as Vice Chairman of the Federal Reserve Board, the merged supervisory function should not be vested in the Federal Reserve System. The function of formulating and implementing monetary policy and the equally important and coordinate function of supervising banks and bank holding companies cannot be performed by one agency without seriously compromising the effectiveness of each function."

Governor Bucher of the Federal Reserve said on March 11, 1975:

"Developing and implementing appropriate monetary policy at a given time require considerations and evaluation of the significance of an enormous volume of available data and their inter-relationships. The responsibilities are of such magnitude that the Board should not also be burdened with the performance of bank supervisory functions. Supervision is too important a function in itself to be the Federal Reserve's part time job."

The bill would abolish the Office of the Comptroller of the Currency and transfer all of its functions to the Commission. The Federal Deposit Insurance Corporation would continue as an insurance and financial entity under the control of the Commission and its functions would be transferrred to the Commission.

Thus, the primary thrust of this legislation is to recast the Federal regulatory structure over bank supervision and is not intended to change the substantive laws governing bank regulation at the Federal level. There are three exceptions to the primary thrust of the bill. The three exceptions are as follows:

First. Federal Reserve System advances to distress banks to ameliorate unsafe or unsound conditions could not be made under the provisions of the bill unless the Commission first certifies that such advance is in the public interest. In any case where such a certification is made the Federal Reserve is further required to find affirmatively that the advance may alleviate a significantly adverse effect upon the economy of the Nation or any section of the country.

This provision is necessary if we are to bring a minimum amount of accountability to the Federal Reserve System in making advances to banks in distress. Federal Reserve advances in the recent past in the case of the Franklin National Bank amounted to more than $1½ billion and tens of millions of dollars in other distress situations. The record of recent bank failures and near failures reveal that the Federal Reserve System acting in the capacity of a lender of last resort is often put under great pressure to rescue a bank from the consequences of its own mismanagement. The public interest is not served by a continuation of the practice of the Federal Reserve to underwrite the liquidity and solvency of banks in the circumstances characterized by recent large bank failures.

This provision will serve to insure that the Commission will use its authority to effectively regulate and to abate potential or actual unsafe or unsound practices before these attain crisis proportions. This provision will serve to alleviate the present situation where the Federal Reserve has made bail-out type loans to insolvent banks, complicating monetary policy, misallocating the distribution of bank reserves, and jeopardizing taxpayers' funds.

Second. The Commission will be required to make expenditures for office space, em-

ployees' salaries and expenses, and travel and other administrative expenses within yearly appropriations ceilings set by Congress. This provision of the bill is intended to bring the Commission within the Congressional appropriations review process. The Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation are now exempt from the congressional review process over expenditures for their purposes. The exemption is retained, however, for payments and expenditures made by the Commission to insured depositors of banks which have failed and expenditures made in connection with the liquidation of banks.

Third. This bill makes it clear that all of the Commission's activities are subject to full auditing by the Government Accounting Office. The GAO is required by these provisions to submit an audit of the Commission's activities each year to the Congress. Full GAO audit will serve to facilitate congressional oversight over the exercise of the Commission's functions in the public interest both in respect to its expenditures but also respecting the efficiency of the exercise of its management of supervisory and regulatory functions under Federal law to insure a safe and sound banking system.

THE VICE PRESIDENT,
Washington, D.C., January 26, 1983.

Hon. WILLIAM PROXMIRE,
U.S. Senate, Washington, D.C.

DEAR BILL: Thank you for your letter of January 18 concerning the overlap and duplication in the current federal regulation of commercial banking. Your previous attempts to pass legislation to consolidate the multiple regulatory agencies represent a significant base upon which we hope to build in the course of our new effort. If anything, recent developments in the market have proved that you were right about the need to reform and streamline the current system. Of course, we must now address the tough issues of how to accomplish that goal, and I hope that we will be able to call on your experience and insight as we develop a proposal and attempt to steer it through the Congress.

I have asked Richard C. Breeden of my staff, who is directing the working group for our Task Group, to be certain that the previous work of the Senate Banking Committee is incorporated in the analysis and recommendations which will be presented to the Task Group. In addition, I hope that you will ask your staff to give us any additional ideas and perspectives which you may have concerning the other related areas of the federal regulatory structure which the Task Group will review.

Thanks very much for your advice. I hope that we will be able to work together over the next few months to develop a viable plan which will begin to reduce the enormous costs which the current system imposes on the public.

Sincerely,

GEORGE BUSH.

By Mr. HOLLINGS (for himself, Mr. BENTSEN, Mr. GOLDWATER, and Mr. HEFLIN):

S. 560. A bill to authorize and regulate the launch of space objects by nongovernmental entities, and for other purposes; to the Committee on Commerce, Science, and Transportation.

PRIVATE SATELLITE LAUNCHING AUTHORIZATION ACT OF 1983

Mr. HOLLINGS. Mr. President, today I am reintroducing the Private Satellite Launching Authorization Act, a bill I cosponsored with Senator Howard Cannon in the 97th Congress. The bill would authorize the launching of rockets and satellites by the private sector.

I have been a long-time supporter of the U.S. space program. I am particularly impressed by NASA's fine accomplishments in the past 25 years. One of the reasons I chose to be the ranking Democrat on the Committee on Commerce, Science, and Transportation is that it will give me a greater opportunity to review our various space-related efforts.

In the area of space, I note a new era evolving, one of greater economic opportunity and increased participation by the private sector. NASA opened the frontier of space. Others, such as our communications industry, increasingly are using the space environment for commercial purposes. There are other commercial and economic opportunities. The one this bill addresses involves private launch services.

On September 9, 1982, a small U.S. firm, Space Services, Inc. (SSI) successfully launched a rocket into a suborbital trajectory off the coast of Texas. This experimental flight will lead to future operational flights by SSI perhaps as early as 1984. I am encouraged by their entrepreneurial efforts, especially since that same day the French Ariane rocket flight was a failure.

SSI's efforts now are but one of a number of private launch related activities. This is a burgeoning field where the policy and regulatory framework is often unclear. We need to protect the public interest while at the same time encourage economic activity. A clear and efficient procedure is needed to handle the public safety, international, liability, and other implications in such private operations. This bill would clarify Federal responsibility.

This bill would establish the Federal Aviation Administration as the lead agency and authorize them to issue licenses for any private launch of space objects. The FAA would receive technical assistance from NASA with regard to safety. The State Department would provide guidance with regard to international obligations, the Defense Department with regard to any national security consequences, and the Federal Communications Commission with regard to communications activities.

Mr. President, a comparable bill has now been introduced in the House of Representatives. I think it would be in the national interest to pass such legislation and hope we do so in the 98th Congress.

By Mr. PERCY (for himself, Mr. ABDNOR, and Mr. THURMOND):

S. 561. A bill to authorize a youth minimum wage differential under the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor and Human Resources.

YOUTH EMPLOYMENT OPPORTUNITY ACT OF 1983

Mr. PERCY. Mr. President, on behalf of my distinguished cosponsors, Senators ABDNOR and THURMOND, and myself, I am once again introducing for Senate consideration the Youth Employment Opportunity Act to establish a special youth minimum wage.

The unemployment rate among young people in this country between the ages of 16 and 19 is worse than ever and has reached intolerable levels. When I last introduced this legislation in 1981, the latest unemployment figure for teenagers was 17.8 percent. Today it is 22.7 percent. Two years ago, the unemployment rate for black youth was 37.5 percent. Today it stands at 45.7 percent nationwide and certainly runs higher than that in many of our major cities. We have tried a number of alternative plans designed to alleviate the problem, but none has succeeded. It is my feeling that, all else having failed, we ought to turn—on an experimental basis—to one of the more controversial proposed solutions with the idea of determining whether or not it can work on a long-term basis.

The legislation which Senators ABDNOR and THURMOND join me in offering today would authorize for a 3-year period a special minimum wage for young persons 16 to 19 years of age at 85 percent of the adult minimum wage. At this time, the youth wage would be $2.85 per hour. Based on the premise that a young person is at a disadvantage in entering the job market because of a lack of experience, this youth wage would serve as a training wage for the first 6 months of employment of an individual in the specified age bracket by a single employer.

Employers generally will not hire someone whose expected productivity is below the cost of their employment. A youth wage is, in essence, a short-term subsidy to overcome that productivity gap in the early months of employment. It is my hope that it would be an incentive for the employer—who is otherwise reluctant to create a new position at all or to hire an inexperienced young person to fill it—to take a risk.

Without creating a new Federal program, without creating a new Federal bureaucracy, without creating new and substantial Federal spending, we may have a way here of overcoming some of the reluctance businesses express about hiring inexperienced

youth at the current $3.35 minimum wage level.

I mentioned earlier that such a proposal is controversial. A similar measure was defeated by very close margins in the House and Senate in 1977, the last time it was voted on. Studies have been issued, both pro and con, on what the impact of such legislation would be, if enacted.

In a budget issue paper for fiscal year 1981 prepared by the Congressional Budget Office, the following is stated:

Estimates of the effects of minimum wages on youth employment vary, but many researchers believe that each ten percent rise in the minimum wage relative to the average hourly wage reduces youth employment by something between one and four percent. If the one percent estimate is valid, then lowering the minimum wage for all persons in 1981 from $3.35 to $2.85 could increase employment among youth aged 16-19 by perhaps 60,000 jobs. Establishing a subminimum wage only for youth might bring about even greater increase, although these increases might be offset by rising joblessness among older workers.

The 1982 report of the Minimum Wage Study Commission, created by Congress to produce this report by the Fair Labor Standards Amendments of 1977 reached a similar conclusion:

. . . we would expect that a youth differential would have greater effects on teenage employment than would a comparable reduction in the basic minimum because the youth differential improves the competitive position of minimum wage teenagers . . . Thus, if a 10 percent reduction in the general minimum wage raises teenage employment 1 percent, a 10 percent youth differential would increase it by more than 1 percent.

A lower minimum wage for teenagers will have two effects. First, production costs will be lower, and firms will have an incentive to reduce prices so that they can produce and sell more of their products . . .

The second effect of a youth differential is to encourage firms to substitute minimum wage teenagers in place of . . . adults . . . The prospect of such substitution, particularly for minimum wage adults, is responsible for much of the controversy surrounding the youth differential.

I realize that substitution is a grave concern among many. It is my hope that, by authorizing a youth minimum for a limited period of time and with adequate safeguards, we may be able to achieve a satisfactory situation where we can reap the benefits of a youth wage, without the drawbacks that have been so frequently cited. To address the concern about substitution, our legislation provides penalties for the abuse of the the youth wage, that is, if it is used for the purpose of displacing older workers, or other young people entitled by law to be paid the standard minimum wage. It further provides for close monitoring of this experiment by the Secretary of Labor in that he or she will be required to report twice yearly to the Congress on the effect of the youth wage on both youth and adult employment.

Finally, Mr. President, I want to emphasize the experimental nature of my proposal. I agree with the Minimum Wage Study Commission's statement:

The fundamental difficulty in estimating the effects of such a differential is that we have never had one.

Why not make an attempt to find out, once and for all, whether or not such a youth wage can work without an onerous effect on adults? We have tried so many other solutions for youth unemployment, and the problem is still with us. Why not at least try this one for a while?

Our legislation, therefore, has a sunset provision. After 3 years, the youth wage would have to be reviewed by Congress and would expire, unless specifically reauthorized. Since, as has been noted, the experts differ on the precise effect of a youth differential, we believe that a 3-year, experimental period would provide a sufficient data base and some practical experience on which to judge its usefulness as a weapon in the battle against youth unemployment. In addition, when I testified before the Labor Subcommittee 2 years ago in favor of such an experiment I told them that I would not necessarily insist on 3 years. Two years, one year, a limited pilot project in 10 cities around the country with the worst youth unemployment: Any of these, if properly handled, could provide us with some definitive information on whether a permanent youth wage statute is necessary or desirable. What I urge is that we develop a way of determining the practical utility of the youth wage instead of endlessly arguing about it on a hypothetical basis while thousands of young people who want to work are being denied that opportunity.

I very much appreciate the support of my cosponsors and the cooperation I have enjoyed over the last 2 years from the chairmen and staffs of the Labor and Human Resources Committee and its Labor Subcommittee. I look forward to continuing this working relationship with Senators HATCH and NICKLES as we seek solutions to this troubling problem.

My friend from South Dakota, Senator ABDNOR, has some remarks he would like to make on behalf of this legislation. He has been a very helpful and enthusiastic cosponsor and I look forward to working with him as well.

I ask unanimous consent, Mr. President, that there be printed in the RECORD the text of our bill and a fact sheet outlining its major provisions.

I further ask unanimous consent that four newspaper editorials in support of this legislation also be printed in the RECORD: From the January 19, 1983, Chicago Sun-Times; the January 14, 1983, Christian Science Monitor; the March 27, 1981, Alton Telegraph; and the April 1, 1981, Rock Island Argus.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Youth Employment Opportunity Act of 1983".

YOUTH EMPLOYMENT OPPORTUNITY PROVISIONS

SEC. 2. (a) Section 14(b) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(b)) is amended to read as follows:

"(b)(1)(A) To increase the opportunities for employment for youth, an employer may, in accordance with this paragraph, employ any youth at a wage rate not less than 85 per centum of the otherwise applicable minimum wage rate in effect under section 6.

"(B) The employment of a youth under subparagraph (A)—

"(i) may be made without prior or special certification by the Secretary,

"(ii) may be made for a period not to exceed one hundred and eighty days, and

"(iii) shall be made in compliance with applicable child labor laws.

"(C) An employer may not employ a youth under subparagraph (A) if—

"(i) the youth has been employed at a wage rate which is at least the minimum wage rate in effect under section 6, or

"(ii) the employer has employed the youth for a period of at least one hundred and eighty days.

"(D) For the purpose of this subsection, the term 'youth' means an individual who has not attained the age of twenty.

"(2)(A) The Secretary shall have general authority under this Act to assure compliance with the requirements of paragraph (1).

"(B) If the Secretary determines that—

"(i) an employer employing an individual under paragraph (1) is not in compliance with the requirements of such paragraph, or

"(ii) an employer is engaged in a pattern and practice of—

"(I) substituting youth employees employed at the special minimum wage authorized by paragraph (1)(A) for employees employed at or above the applicable minimum wage under section 6, or

"(II) terminating the employment of youth employees employed under paragraph (1)(A) and employing other youth employees in order to gain continual advantage of the wage provided for under this subsection,

the employer shall be deemed to have violated section 6 of this Act.

"(C) The liability of the employer under this paragraph shall include—

"(i) unpaid wages and overtime compensation determined on the basis of otherwise applicable minimum wage and overtime rates pursuant to sections 6 and 7 of this Act, and

"(ii) a fine to be determined by the Secretary not to exceed $2,500 for the first offense by an employer and not to exceed $10,000 for any subsequent offense by the same employer.".

(b) Section 13(a)(7) (29 U.S.C. 312(a)(7)) is amended to read as follows:

"(7) any employee to the extent that such employee is exempted by regulations, order, or certificate of the Secretary under section

14, or in accordance with the provisions of section 14(b); or".

TERMINATION DATE

SEC. 3. The amendments made by this Act are repealed effective three years after the date of enactment of this Act.

REPORT

SEC. 4. The Secretary of Labor shall prepare and submit a biannual report to the Congress on the effect of the amendments made by this Act. Such report shall include—

(1) the number of persons employed at the wages prescribed under the amendments made by this Act;

(2) the number of employers employing persons at wages prescribed under the amendments made by this Act;

(3) the general rate of unemployment of persons under twenty years of age;

(4) the effect of the amendments made by this Act upon employment of adults and persons under twenty years of age;

(5) the number and extent of violations under the amendments made by this Act; and

(6) such other information as the Secretary of Labor determines appropriate.

FACTSHEET—YOUTH EMPLOYMENT OPPORTUNITY ACT

1. Coverage: persons aged 16-19 years inclusive

2. Duration: first 180 days of employment by each employer

3. Wage level: 85 percent of the adult minimum wage in effect during the period of employment; currently, the youth wage level would be $2.85 per hour

4. Exceptions: shall not apply to any youth employee who has been employed by the same employer for a period of at least six months or who is employed at the time of enactment at a rate of at least the adult minimum wage

5. Penalties: a maximum of $2,500 for the first offense; a maximum of $10,000 for subsequent offenses

6. Violations: substituting younger workers employed at the youth wage level for adults employed at or above the standard minimum wage; terminating the employment of youth employees and employing other youth in order to gain continual advantage of the youth wage

7. Effective period of authorization: until three years from the date of enactment

8. Additional enforcement: the Secretary of labor shall report to the Congress twice yearly during each year that the law is in effect and the report shall include at least the following information:

The number of young people employed at the youth wage rate and the number of employers using the youth wage;

The youth unemployment rate;

Number and extent of violations under the Act; and

Impact on adult employment.

[From the Chicago Sun-Times, Jan. 19, 1983]

BETTER YOUTH WAGE IDEA

As the recession drags on, the Reagan administration has dredged up an old idea, a subminimum wage to encourage employers to hire young workers.

We've never liked the concept. It can be used to displace older workers or youths already employed at higher pay. It implies that a job is worth less merely because a young person holds it. In short, such a plan is ripe for potential abuses.

Nonetheless, three harsh facts need to be considered:

Some employers won't—or can't—pay unskilled youths the current $3.35-an-hour minimum wage. Unqualified youngsters may never find jobs.

Unemployment among out-of-school teenagers hit a record 24.5 percent last month. That's intolerable.

Unemployment will remain high even if a recovery begins soon. It always lags behind an economic upturn. Some action to limit the toll is necessary.

Reagan could make a subminimum wage more tolerable by dusting off a 1981 bill by Sen. Charles H. Percy (R-Ill.) for a three-year demonstration project.

Percy suggested a pay scale at 85 percent of the minimum wage. It would apply for only six months on the job—a training period, actually. After that, young workers who performed well would be kept on at higher pay.

Percy offered safeguards against displacing older workers and current employees. And, while Reagan's plan reportedly would apply through age 22, Percy's was limited to ages 16 through 19, many people in their 20s have families, college debts and other obligations.

Estimates vary, but one study suggests a subminimum wage will create a half million jobs for youths. That could prod Congress to at least consider the idea.

If it does, Percy's approach is the way to go.

[From the Christian Science Monitor, Jan. 14, 1983]

A SUBMINIMUM WAGE?

With teenage unemployment reaching 24.5 percent in December—the highest level ever recorded by the U.S. Labor Department—there is a strong case for not rejecting out of hand the notion of a subminimum wage for young people. The Reagan administration is studying just such a proposal.

Imposing a wage differential between young and adult workers raises concern among organized labor and its congressional allies that this would merely be a "Trojan horse," designed to *substitute* younger workers for older workers currently earning the $3.35-an-hour minimum wage. Yet a substantial body of analysis has been developed over the past decade suggesting that a subminimum wage—if restricted to young people in short-term, i.e. summer, jobs—could actually create new jobs. Thus, a national commission in 1981 estimated that a 25 percent decrease in the minimum wage would create up to half a million jobs for youth.

In weighing this issue, it is important to recognize that wage differentials now exist. Federal laws allow full-time students, students in vocational programs, and some handicapped persons to work at 85 percent of the official minimum. In fiscal 1982 the Labor Department approved requests for some 432,000 persons in these categories to be paid less than the minimum wage. Nor is such a differential limited to the U.S. West Germany, Austria, and Switzerland have a youth differential. The U.S. Congress itself came close to enacting such a provision back in 1977.

The Reagan administration is known to be considering a plan that would involve the following elements: The youth differential would apply only to summer jobs and to persons between 16 and 22 years of age. The differential would be pegged at 75 percent of the current wage, or $2.50 an hour.

To avoid charges that it was seeking to undercut the minimum wage, the administration might consider adopting elements of a proposal made by Senator Percy in 1981. The Percy plan was not just a summer program. It was a carefully balanced plan that sought to prevent adult displacement. It restricted a differential to youths between 16 and 19 years of age, as many persons in their 20s have family or financial obligations. The lower wage (pegged at 85 percent of the minimum wage) would only apply during the first six months of employment. At the same time, the Percy plan—which would have been a three-year experimental program—would have penalized employers who fired older workers in order to substitute younger persons.

Congress should examine the issue with utmost care. The minimum wage, one of the most enduring legacies of the New Deal, has ensured a modest safety net for millions of Americans. At the same time, because of the high unemployment affecting young people, especially minority youth, it seems reasonable to consider whether the present minimum wage is not too high for thousands of teenagers who find themselves locked out of the employment stream altogether—and would be able to find at least summer jobs if the wage were lowered.

[From the Alton Telegraph, Mar. 27, 1981]

DOUBLE-DECKER SYSTEM

A two-tiered minimum wage which would enable teenagers who want to work to find employment could go a long way toward solving many problems in this country.

Young people are advanced in every experience but working in this fast-moving society.

"Idle teenagers in every city in this country are turning to street crime because they are so desperate," said Sen. Chuck Percy. "It seems senseless to me to allow this to continue simply because key members of Congress—particularly in the House—and interest groups are locked into inflexible positions."

One approach would be to lower the $3.35 minimum wage by 15 percent for three years for teenagers on a trial basis. Other bills want to eliminate the minimum wage for teenagers.

The tragedy of our times is the unavailability of work for those who want to work.—STEPHEN A. COUSLEY

[From the Rock Island Argus, Apr. 1, 1981]

GIVE SUBMINIMUM WAGE A TRY

Debate continues over the merit, or the lack of merit, in legislation which would establish a sub-minimum wage for teen-age workers. While President Reagan endorsed the idea throughout his campaign, he has backed off a bit now, continuing to hail the principle but without backing any specific legislation which would implement it.

Organized labor is staunchly opposed to the sub-minimum wage for teens, Democrats who control the House Labor Committee and subcommittee oppose it, the U.S. Chamber of Commerce has cooled in its support of it while Labor Secretary Raymond Donovan says he would support such legislation even though he is "not certain the subminimum is a cureall."

We cannot be sure of what effect a special minimum wage for teens would have any more than anyone else. That's why we back the recent proposal of Sen. Charles Percy,

R-Ill., which would establish a trial period for the plan.

The question of what to do about the unemployed youth of this country is an especially acute one in Illinois where one of five job-seekers is a teen-ager. Percy's plan would address the problem by permitting employers to pay 85 percent ($2.85) of the minimum wage per hour ($3.35) to teens until they have completed six months on the job when they would be moved up to the full minimum wage.

That much of Percy's plan contains nothing new. It's the "sunset" provision in his proposal which separates it from similar legislation. That sunset provision calls for the lower minimum wage for workers between 16 and 19 to expire in three years unless Congress specifically acts to renew it.

We believe that is a sensible compromise to placate the warring factions, some of whom say that the sub-minimum would provide more jobs for teens while others say that it would merely take jobs away from older workers. Percy's proposed legislation takes the try it and find out approach, an angle that can establish the facts conclusively without much danger.

With the Illinois Department of Labor reporting that in February, of the nearly 475,000 Illinois residents seeking jobs, about 100,000 were between the ages of 16 and 19, it seems clear enough that some sort of action needs to be taken quickly. The unemployment rate in Illinois was 8.8 percent in February, but the rate was 22.5 percent among teens. That was about three percent higher than the national average for teenagers.

Minority unemployment figures for Illinois are even worse. About 110,000 nonwhite Illinois residents were unable to find jobs in February—an unemployment rate of 16.4 percent. The rate for non-white teens in the state hit a staggering 47 percent. Nationwide the unemployment rate for minority teens in February was 35.4 percent.

That's why we back Percy's response to the sub-minimum wage proposal's friends and foes alike: Give it a try. If it doesn't work we can try something else and no one will have suffered. And if it does work—great.

Percy is even willing to compromise on the length of time for the trial period, for while his proposed bill calls for a three-year trial, he has said he would also accept a two-year period or even as short a time as 18 months. And if even that isn't enough to persuade the Congress to give the sub-minimum a try, Percy says he would welcome the approval of perhaps a dozen pilot projects in those cities suffering most acutely from youth unemployment.

Whether the sub-minimum wage for teens works or not ought to be discovered at the earliest possible moment. Let's stop debating the possibilities and establish the realities. If the sub-minimum proves not to be the answer to youth unemployment, the sooner we find out and the sooner we begin looking elsewhere for a solution, the better for us all.

● Mr. ABDNOR. Mr. President, I am pleased to join with the distinguished senior Senator from Illinois, Mr. PERCY, in reintroducing legislation to establish a youth minimum wage.

His concern about the employment situation of our youth is well known and is shared by many of us who strongly support the creation of such a wage.

This youth minimum wage bill will help alleviate one of the most distressing problems that face our youth today. Twelve million Americans were out of work this past December. Of that total, nearly 40 percent were under the age of 25. Even more disheartening is the 24 percent unemployment rate for those between the ages of 16 and 19. Our minority youth unemployment level is even more distressing with figures ranging above 60 percent in many areas.

This is a situation that cannot be ignored. I believe that this legislation is even more important in this Congress than the last. We must assist these youngsters in their efforts to find job opportunities. Most of these young Americans have few skills, little or no work experience or training and often insufficient education to compete in the difficult job market.

If this legislation succeeds in only placing a small fraction of these youngsters to work—it is worthy of serious consideration. The passage of such legislation will have beneficial results for our Nation by increasing tax revenues and bolstering social security and unemployment insurance payments to assist others.

There are, I know, those who in good faith oppose this legislation because they believe it would only result in employers taking advantage of these workers by compensating them at a lower rate. Well, I believe that a lot of our young people would rather have a job paying $2.85 per hour than not having one at all.

I commend Mr. PERCY's efforts to assist in formulating a plan that will address this serious problem. We owe young Americans the chance to be contributing members of our society and learn firsthand the challenges, lessons, and rewards that come with a productive employment opportunity and I hope that each Member of this body will review this legislation and come to support this effort to assist in the problem of teenage unemployment.●

By Mr. CHILES (for himself, Mr. PRYOR, Mrs. KASSEBAUM, Mr. PROXMIRE, Mr. BURDICK, Mr. COHEN, Mr. DECONCINI, Mr. HOLLINGS, and Mr. SASSER):

S. 563. A bill to reform the laws relating to former Presidents; to the Committee on Governmental Affairs.

FORMER PRESIDENTS FACILITIES AND SERVICES ACT OF 1983

● Mr. CHILES. Mr. President, today I am introducing the Former Presidents Facilities and Services Reform Act of 1983. The bill's purpose is to stop, and then reverse, the ever-increasing costs of services and protection currently provided former Presidents.

An examination of the former Presidents program reveals we have entered the era of the imperial former Presidency, with lavish libraries, special staffs and benefits, around-the-clock Secret Service protection for life, and other badges of privilege.

The program has grown out of control and shows no sign of stopping. The cost of former Presidents has leaped from $64,000 in 1955 to $6.3 million in 1975 to some $27 million in fiscal 1983. That amounts to over a fourfold increase in just the last 10 years. Since 1981, the program has cost more than the expense of running the White House itself for our incumbent President.

I believe our policy should insure each former President is able to lead a dignified, retired life, free from danger, and have the ability to respond to the many requests received as a result of their service as President.

The original purpose of the various laws governing former Presidents reflect that belief. They were designed to make sure the prestige and dignity of the office would not be compromised. Prior to 1958, for example, the President of the United States was virtually the only officer or employee of the Federal Government not covered by some sort of retirement program, much less the other benefits they receive today.

Now, by failing to place reasonable limits on Presidential libraries, Secret Service protection, office and staff allowances, the Congress is permitting the former Presidents program to go beyond its original intent and character. We are permitting our former Presidents to use tax dollars to become wealthy. I feel strongly this is waste that should be stopped.

I first became alarmed by the proliferation of benefits and the continuing growth of taxpayer dollars going to their maintenance in 1979, during the 96th Congress. I chaired the appropriations subcommittee which has jurisdiction over the support programs for former Presidents. Senator PRYOR and I conducted 3 days of oversight hearings on the problem.

We heard testimony from the executive branch, the General Accounting Office, and experts in the private sector. After the hearings, we and 13 of our colleagues introduced legislation (S. 2408) to discipline and limit the overall program.

After introduction and consultation with our living former Presidents we further refined the bill.

In the last Congress, I again introduced this legislation (S. 1325). The Committee on Governmental Affairs held hearings and received testimony from the Secret Service, the General Services Administration, the National Archives, and others. I should add that I am appreciative of that committee's continued interest in this legislation and Chairman ROTH's help in get-

ting this issue the attention it deserves.

An overview of the inflationary situation that characterizes our Federal spending for former Presidents shows three major areas of growth: First, in the money spent to operate Presidential libraries; second, in office and staff allowances; and third, in the cost to provide Secret Service protection to former Presidents, their spouses, or widows, and their minor children.

Mr. President, the bill I am introducing today establishes controls for each of these areas. It keeps the current decentralized system of Presidential libraries in place, but establishes a limit on the Government's obligation to maintain them. Currently, Presidential libraries are built with private funds, but maintained and operated with public money. In practice, the Government has no control over the size of the building it will be asked to operate in perpetuity. This bill limits the size of any new Presidential library to 40,000 square feet—enough space for archival records and a modest museum, but not for an extravagant monument.

The bill also sets a $300,000 ceiling, which will be reduced over a 9-year period to $200,000, on the staff allowances for former Presidents.

The use of office funds for partisan political activities or for income-generating activities is prohibited. A former President is allowed to use Government funds to prepare his memoirs, but only if he were to agree to have the memoirs published by the Government Printing Office, with the proceeds to be paid into the U.S. Treasury.

The bill changes the current provisions of law dealing with Secret Service protection for former Presidents, their spouses, and family. Each former President is provided automatic protection for the first 8 years he is out of office. Afterward, protection is limited to periods of actual threat. Spouses and minor children are given protection only to the extent it is incidental to protection of the former President. Widows of former Presidents are given protection for 6 months after the President has died.

The bill also provides guidelines for the creation of an advisory committee, composed of nine persons; six from Federal, State, and local law enforcement and three from the public. The panel will review petitions for protection requested beyond the limits set in the bill. The mission of the panel will be to insure adequate and necessary protection for former Presidents and their families, while at the same time insuring such services will not be abused. Perpetual lifelong protection will no longer be automatic.

The provisions of this bill will enable each former President to lead a dignified, retired life. That is appropriate and fitting for those individuals who are the senior statesmen or women of our Nation. Each will be able to lead a life secure from threats of physical harm. Each will have assistance to respond to the many requests and inquiries received as a result of their tenure. But there is a need for placing reasonable controls on expenditures which are presently unrestrained. This bill will serve that taxpayer interest as well.

I want to add this bill will not balance the budget. Nevertheless, I believe we here in Congress should not fail to recognize the need to cut back on all areas of unnecessary spending, particularly one that is as visible and symbolic as the former Presidents program. Moreover, there is an important need to restore the original intent and character of this program. We have gone way, way beyond the idea our former Presidents should not suffer indignities and hardships as a result of their service.

I invite all of my colleagues who wish to join me in this effort to cosponsor this legislation, and ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY

WHAT THE BILL DOES

Establishes the Administrator of the General Services Administration as responsible for managing Presidential Libraries. He is to create architectural and design standards and may accept responsibility for the maintenance of Presidential Libraries by taking title to certain land or buildings.

Requires all new libraries to be a single building whose size may not exceed 40,000 square feet, including museum space. The Administrator must submit a new library prospectus to Congress for review. Submission must include a cost estimate of annual cost to the government for maintenance. A prospectus which does not meet space and location standards may not be accepted unless Congress passes a concurrent resolution. Modifications for existing libraries must also be voted upon and approved.

Establishes an original staff allowance of $300,000 a year, which will be reduced over a nine year period to a ceiling of $200,000.

Limits each former President to one office, not to exceed 4,000 square feet.

Prohibits absolutely the use of funds for either partisan political activities or income generating activities. Funds can be used for the preparation of memoirs provided receipts from the sale of such memoirs are paid into the treasury.

Insists that memoirs prepared by a former President who used his staff allowance funds to do so will be printed by the Government Printing Office and distributed and sold by the Superintendent of Documents.

Requires each former President submit a report by March 1 of each year detailing his activities and their expense.

Mandates a 10 year "sunset" provision for the authorization of staff allowances. The automatic termination forces Congress to redetermine what the proper funding should be at least every 10 years.

Places the pensions of widows of former Presidents at a rate which equals two-thirds of what the former President would receive if he were alive.

Specifies a former President may have eight years of secret service protection instead of for life. A spouse and children are entitled to protection only if their safety is related to the former President's.

Authorizes the Secretary of Treasury to extend protection for former Presidents for a year, for widows and children six months, if a serious threat exists.

Authorizes the Secretary to make additional extensions if requested by person seeking protection and approved by an Advisory Panel.

Creates Advisory Panel on Secret Service Protection. Comptroller General to select 9 members for six year terms. Membership is to be three federal law enforcement employees outside Secret Service, three state and local law enforcement leaders, and three prominent citizens.

Limits protection of former Vice President from his last day in office to the end of that fiscal year. Such protection is provided only if requested and Secretary of Treasury finds a serious threat.●

● Mr. PRYOR. Mr. President, I am pleased to join in the introduction of the Former Presidents Facilities and Services Reform Act of 1983.

This legislation is designed to control the approximate $22 million cost in fiscal 1981 for Presidential pensions, office staff allowances, Presidential libraries, and Secret Service protection for former Presidents and their families.

The services and activities provided currently to our Presidents are very expensive and the cost is growing at an alarming rate. In fiscal year 1980, these statutory programs cost approximately $18.3 million—an amount which exceeded the appropriation for the entire White House operation. The libraries cost over $9 million in fiscal 1980 and the protection required $8 million. A little over a decade ago, in fiscal 1970, the library costs were less than $2 million and protection costs were about $730,000. Action to control these costs is very much needed.

It has become apparent over recent months and years that the American taxpayers want to see all Federal expenditures reviewed, and where appropriate, reduced. They believe, as I do, that these programs must not be an exception to this rule.

The legislation being offered today will do a great deal to introduce controls in this area. It will provide guidelines that will apply to Presidential libraries and reduce those costs. It will also place ceilings on the funds authorized for the staffs and office expenditures of former Presidents and their families.

Finally, the legislation will resolve inconsistencies between the Former Presidents Act and the Transition Act by removing former Presidents from coverage of the Transition Act and

assure that Federal funds may not be used for partisan political or income-generating activities.

This legislation was developed as a result of hearings in the 96th and 97th Congresses in both the Governmental Affairs Subcommittee on Civil Service and General Services and the Appropriations Subcommittee on Treasury, Postal Service, and General Government. The hearings served to call attention to the ambiguities and deficiencies present in the current statutes. These weaknesses have been noted in reports of the General Accounting Office and I believe that everyone concerned with these statutes, including former Presidents and their families, will welcome further clarification of the provisions.

The review of these statutes has been aimed at developing good public policy. It has been our intention to enhance rather than diminish the Nation's respect and affection for its Presidents and their families.

This legislation should provide for better oversight and control over rapid growth of Federal expenditures. It maintains and improves programs while also responding to the interest of the taxpayers.

I urge my colleagues to give this legislation favorable consideration.●

By Mr. MATSUNAGA (for himself, Mr. RANDOLPH, Mr. HATFIELD, Mr. JEPSEN, Mr. STAFFORD, Mr. BYRD, Mr. ANDREWS, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. CRANSTON, Mr. DANFORTH, Mr. DECONCINI, Mr. DODD, Mr. DURENBERGER, Mr. EAGLETON, Mr. EXON, Mr. FORD, Mr. HART, Mr. HEINZ, Mr. HUDDLESTON, Mr. INOUYE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LONG, Mr. MATHIAS, Mr. MELCHER, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. PELL, Mr. PRESSLER, Mr. PRYOR, Mr. RIEGLE, Mr. ROTH, Mr. SARBANES, Mr. SASSER, Mr. SIMPSON, Mr. SPECTER, Mr. STENNIS, and Mr. TSONGAS):

S. 564. A bill to establish the U.S. Academy of Peace, and for other purposes; to the Committee on Labor and Human Resources.

U.S. ACADEMY OF PEACE ACT

Mr. MATSUNAGA. Mr. President, I am most pleased to announce that I am introducing today, with Senators JENNINGS RANDOLPH, MARK O. HATFIELD, ROGER JEPSEN, ROBERT T. STAFFORD, ROBERT C. BYRD, MARK N. ANDREWS, MAX BAUCUS, JOSEPH BIDEN, JEFF BINGAMAN, RUDY BOSCHWITZ, BILL BRADLEY, DALE BUMPERS, QUENTIN BURDICK, JOHN CHAFEE, LAWTON CHILES, THAD COCHRAN, ALAN CRANSTON, JOHN DANFORTH, DENNIS DECONCINI, CHRISTOPHER DODD, DAVID DURENBERGER, THOMAS EAGLETON, JAMES EXON, WENDELL FORD, GARY HART, JOHN HEINZ, WALTER D. HUDDLESTON, DANIEL K. INOUYE, J. BENNETT JOHNSTON, NANCY KASSEBAUM, EDWARD M. KENNEDY, FRANK LAUTENBERG, PATRICK LEAHY, CARL LEVIN, RUSSELL LONG, CHARLES MATHIAS, JOHN MELCHER, HOWARD METZENBAUM, GEORGE MITCHELL, DANIEL P. MOYNIHAN, FRANK MURKOWSKI, CLAIBORNE PELL, LARRY PRESSLER, DAVID PRYOR, DONALD RIEGLE, WILLIAM ROTH, PAUL SARBANES, JIM SASSER, ALAN SIMPSON, ARLEN SPECTER, JOHN STENNIS, and PAUL TSONGAS, a bill which would establish the U.S. Academy of Peace—a grand total of 53 Senators, constituting more than the necessary majority to pass the bill.

The fact that so many would join in introducing a bill to establish an academy of peace is irrefutable evidence of a recognition on the part of our Nation's leaders that the United States because of its heritage, power, and prestige must continue as a major force for world peace. Indeed, the American commitment to peace is as old as our Republic itself. At the end of the American Revolution, when the Founders of our Nation were framing a Constitution, a plan for a Peace Office was published in a popular almanac. The proposed Peace Office was envisioned as an integral component of the new government, and it was to have as its principal objective the education of Americans in the art and science of peace. George Washington, himself, whose birthday we appropriately celebrated yesterday, in a circular addressed to the former colonies, called for the establishment of "a proper peace establishment" within the new government.

In the 20th century, the desire for a national institution devoted to peace reappeared in 1935 when U.S. Senator Matthew M. Neely of West Virginia introduced legislation providing for the establishment of a Federal Department of Peace. The proposed Department closely resembled the Revolutionary War-era Peace Office.

A Bureau of Peace and Friendship, to be located in the U.S. Department of Labor, was also proposed in 1935 by U.S. Representative Fred Bierman of Iowa. The Bureau, to be headed by an eminent sociologist, was to carry out sociological research on matters pertaining to peace and war. Research was also the focus of two resolutions introduced in the House in 1945 and 1947 by then-Representative Everett M. Dirksen of Illinois. The Dirksen resolutions would have established a Division of Peace within the U.S. Department of State.

Research and Education were the principal objectives of these early proposals, but, in later years, the concept of a Federal institution devoted to peace was expanded. In 1945, Senator Alexander Wiley of Wisconsin introduced legislation to create a small, high-level Department of Peace with the Secretary serving, among other things, as the U.S. Representative in the United Nations Security Council.

In that same year, then Representative JENNINGS RANDOLPH of West Virginia introduced a Department of Peace bill which incorporated for the first time the concept that the international exchange of people and ideas is an effective means of promoting peace. Now a distinguished Senator from West Virginia, JENNINGS RANDOLPH has remained one of the principal supporters of the Peace Academy concept and his ideas are an integral component of this bill and I am certainly delighted to be associated with the senior Senator from West Virginia (Mr. RANDOLPH) in the introduction of this bill.

Although hearings were held on the measures introduced in 1945 and 1947, the real foreign policy developments immediately after World War II were the Marshall plan and the subsequent addition of a technical assistance program in 1949.

In 1955, President Dwight D. Eisenhower pointed with concern to the "unprecedented destructive power of the new weapons and the international tensions which powerful armaments aggravate." He appointed a Special Assistant to the President for Disarmament. That individual, Gov. Harold Stassen of Minnesota, was given Cabinet rank and was often called the Secretary of Peace.

Also in 1955, Congressman Harold Ostertag of New York introduced legislation providing for the establishment of a National Peace College to carry out both education and training.

Between 1959 and 1961, the concept which became the Arms Control and Disarmament Agency took shape in Congress. Two of its most prominent sponsors in the Senate were Senator Hubert H. Humphrey of Minnesota, who proposed a national peace academy, and Senator John F. Kennedy of Massachusetts, who proposed an arms control research institute.

In 1963, President Kennedy, speaking at the American University commencement exercises here in the Nation's Capital, observed that: "The pursuit of peace is not as dramatic as the pursuit of war, but we have no more urgent task." He spoke of peace as "the necessary rational end of rational men," and made it clear that he was not referring to some vague concept of universal goodwill, but to a practical and attainable peace, "based not on a sudden revolution in human

nature, but on a gradual evolution in human institutions."

As can be readily observed from this history of the concept, the Peace Academy is not a new idea or a foreign idea, but one which is deeply rooted in American history. For nearly 200 years, it has had the support of men and women of vision both within the Congress and in the private sector. Since 1963, I myself have sponsored legislation providing for the establishment of a national institution devoted to peace. In 1976, after my election to the Senate, I joined Senator RANDOLPH and Senator MARK HATFIELD in introducing comprehensive legislation which included a national peace academy. We decided that the American people were probably unaware of the long history of this proposal and its great potential, so we decided to pursue a strategy calling for a study of the various peace academy proposals. In 1978, Congress authorized a 1-year study as part of the Education Act amendments of that year, Public Law 95-561. A nine-member study commission, with three members appointed by the President of the United States, three by the President pro tempore of the Senate, and three by the Speaker of the House of Representatives was appointed in the latter part of 1979, after Congress had appropriated funds for the study. The new U.S. Commission on Proposals for the National Academy of Peace and Conflict Resolution was mandated by Congress to examine the various proposals for a national peace academy, to decide whether or not such an institution should be established, and to make recommendations to Congress with respect to its size, scope, and location.

The Commission, which I chaired, held 12 public hearings in as many American cities, from Boston to Honolulu. The Commissioners held a number of less formal meetings with other governmental bodies and reviewed the existing literature relating to peace and conflict resolution.

Upon the conclusion of its study, the Commission recommended that the United States undertake a focussed, Federal investment in peace education and training. The Commission concluded that such an effort would help the United States achieve its twin goals of international peace and international security. The Commission found ample evidence that conflict resolution skills exist and are being used on the local, State, and national levels, but they have never been fully recognized or effectively utilized by the United States in the international arena.

After the Commission filed its formal report, in 1981, I introduced legislation to implement its findings and recommendations. By the end of the 97th Congress, that bill had 56 cosponsors. Subcommittee hearings on the measure were held in April 1982 and, in July of last year, the bill was favorably reported by the Senate Labor and Human Resources Committee. The bill was placed on the Senate Calendar and its failure to pass the Senate last year was due only to the press of other very urgent legislation at the end of the Congress.

The bill that I am introducing today is identical to the one reported by the Labor and Human Resources Committee and incorporates the recommendations of the Commission on Proposals for the National Academy of Peace and Conflict Resolution.

The proposed U.S. Academy of Peace would be a federally chartered, nonprofit corporation with headquarters in Washington, D.C. Its core budget would come from congressional appropriations, but it would solicit supplemental funding from the private sector.

The Academy would have three major functions: First, it would perform research on its own and would fund research at other institutions of higher education; second, it would provide graduate and postgraduate educational programs for which students at other institutions could receive academic credit, and it would provide continuing education services such as seminars and workshops for individuals and organizations in both the public and private sectors; third, the Academy would publish the results of its research and disseminate information about its findings.

The Academy would not intervene in international disputes, nor would it duplicate services already provided by the State Department. It would complement and strengthen programs already existing at other institutions of higher education.

The Academy would also help to strengthen and improve existing political leadership here at home and abroad by establishing a Center for International Peace to which leaders from this Nation and abroad would be appointed to study.

The cost of the proposed Peace Academy would be modest indeed. The bill would authorize a total of $31 million for the Peace Academy—$6 million in operating funds for its first year, $10 million in operating funds for its second year, and a one-time authorization of $15 million for the acquisition of Academy facilities. Since the end of World War II, the United States has provided other nations with over $236 billion in military assistance, economic and technical aid, much of it to repair the ravages of that war. In the near future, we will be receiving from the President a request for $65 million which, as I understand it, will be used to teach democracy to the leaders of nations where that form of government is said to be "shaky." Considered in that light, the proposed U.S. Academy of Peace is a real bargain. While it will not put an end to international conflict overnight or totally eliminate our need for a strong national defense, it has the potential to increase national security by teaching the world's leaders to cope with conflict without resort to war.

And, finally, the establishment of the Peace Academy would allow us to say without reservation that peace really is the rational end of rational Americans. It would establish the United States as the first industrialized nation in the world to take positive action toward insuring world peace in the future by teaching future leaders the art of peacemaking, the art of settling conflict without resort to war.

Mr. President, the art of peacemaking, the art of settling conflicts without resort to war, is what our leaders not only of this Nation but all other nations need. The Peace Academy is an idea whose time has come at long last.

Mr. President, I ask unanimous consent that the text of the U.S. Academy of Peace Act be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 564

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Academy of Peace Act".

DECLARATION OF FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds and declares that—

(1) a living institution embodying the heritage, ideals, and concerns of the American people for peace would be a significant response to the deep public need for the Nation to develop fully a range of effective options, in addition to armed capacity, that can leash international violence and manage international conflict;

(2) people throughout the world are fearful of nuclear war, are divided by war and threats of war, are experiencing social and cultural hostilities from rapid international change and real and perceived conflicts over interests, and are diverted from peace by the lack of problem-solving skills for dealing with such conflicts;

(3) many potentially destructive conflicts among nations and peoples have been resolved constructively and with cost efficiency at the international, national, and community levels through proper use of such techniques as negotiation, conciliation, mediation, and arbitration;

(4) there is a national need to examine the disciplines in the social, behavioral, and physical sciences and the arts and humanities with regard to the history, nature, elements, and future of peace processes, and to bring together and develop new and tested techniques to promote peaceful economic, political, social, and cultural relations in the world;

(5) the peacemaking activities of Americans throughout government, private enterprise, and voluntary associations can be

strengthened by a national institution devoted to international peace research, education and training, and information services;

(6) there is a need for Federal leadership to expand and support the existing international peace and conflict resolution efforts of the Nation and to develop new comprehensive peace education and training programs, basic and applied research projects, and programs providing peace information;

(7) the Commission on Proposals for the National Academy of Peace and Conflict Resolution, created by the Education Amendments of 1978, recommended establishing an academy as a highly desirable investment to further the Nation's interest in promoting international peace;

(8) an academy, strengthening and symbolizing the fruitful relation between the world of learning and the world of public affairs, would be the most efficient and immediate means for the Nation to enlarge its capacity to promote the peaceful resolution of international conflicts; and

(9) the establishment of an academy is an appropriate investment by the people of this Nation to advance the history, science, art, and practice of international peace and the resolution of conflicts among nations without the use of violence.

(b) It is the purpose of this Act to establish an independent, nonprofit, national institution to serve the people and the Government through the widest possible range of education and training, basic and applied research opportunities, and peace information services on the means to promote international peace and the resolution of conflicts among the nations and peoples of the world without recourse to violence.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Academy" means the United States Academy of Peace established under this Act;

(2) "Board" means the Board of Directors of the Academy; and

(3) "Center" means the Center for International Peace of the Academy.

ESTABLISHMENT

SEC. 4. (a) There is hereby established the United States Academy of Peace.

(b) The Academy is an independent nonprofit corporation and an organization as defined in section 170(c)(2)(B) of the Internal Revenue Code of 1954. The Academy does not have the power to issue any shares of stock or to declare or pay any dividends. No part of the financial resources, income, or assets of the Academy or of any legal entity established by the Academy may inure to the benefit of a director, officer, employee, or agent of the Academy, except as reasonable compensation for service or payment for expenses.

(c) The Academy shall maintain its principal office in the District of Columbia with a designated agent or agents to accept service of process for the corporation. Notice to or service upon an agent shall be deemed notice to or service upon the Academy.

(d) The Academy may rent, lease, purchase, or receive and hold in its name property for offices, schools, and other facilities and to carry out activities under this Act. As determined by the Board, the Academy may establish offices, schools, and other facilities outside the District of Columbia for purposes not inconsistent with this Act.

(e) As determined by the Board, the Academy may establish, under the laws of the District of Columbia, a legal entity which is capable of receiving, holding, and investing public and private funds for purposes in furtherance of the Academy under this Act. The Academy may designate such legal entity as the "Endowment of the United States Academy for Peace".

(f) The Academy is liable for the acts of its directors, officers, employees, and agents when acting within the scope of their authority.

(g)(1) The Academy has the sole and exclusive right to use and to allow or refuse others the use of the terms "United States Academy of Peace", "Center for International Peace", and "Endowment of the United States Academy of Peace" and the use of any official United States Academy of Peace emblem, badge, seal, and other mark of recognition or any colorable simulation thereof. No powers or privileges hereby granted shall interfere or conflict with established or vested rights secured as of September 1, 1981.

(2) Notwithstanding any other provision of this Act, the Academy may use "United States" or "U.S." or any other reference to the United States Government or Nation in its title or in its corporate seal, emblem, badge, or other mark of recognition or colorable simulation thereof in any fiscal year only if there is an authorization of appropriations for the Academy for such fiscal year provided by law.

POWERS AND DUTIES

SEC. 5. (a) The Academy may exercise the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act consistent with this Act, except for section 5(o) of the District of Columbia Nonprofit Corporation Act (section 1005(o) of title 29 of the District of Columbia Code).

(b) The Academy may—

(1) establish a Center for International Peace and appoint to it for periods up to two years scholars and leaders in peace from the United States and abroad to pursue scholarly inquiry and other appropriate forms of communication on international peace and conflict resolution and, as appropriate, provide stipends, grants, fellowships, and other support to the leaders and scholars;

(2) establish such divisions, programs, schools, and offices as the Board deems appropriate to carry out this Act;

(3) enter into formal and informal relationships with other institutions, public and private, for purposes not inconsistent with this Act;

(4) conduct research and make studies, particularly of an interdisciplinary or of a multidisciplinary nature, into the causes of war and other international conflicts and the elements of peace among the nations and peoples of the world, including peace theories, methods, techniques, programs, and systems, and into the experiences of the United States and other nations in resolving conflicts with justice and dignity and without violence as they pertain to the advancement of international peace and conflict resolution;

(5) develop programs to make international peace and conflict resolution research, education, and training more available and useful to persons in government, private enterprise, and voluntary associations, including the creation of handbooks and other practical materials;

(6) provide peace education and research programs at graduate and postgraduate levels that lead to degrees as well as to certificates and other forms of recognition;

(7) conduct training, symposia, and continuing education programs for practitioners, policymakers, policy implementers, and citizens and noncitizens directed to developing their skills in international peace and conflict resolution;

(8) develop, for publication or other public communication, and disseminate, the products of the Academy;

(9) establish a clearinghouse and other means for disseminating information from the field of peace learning to the public and to government personnel;

(10) establish a United States Medal of Peace, and any other medals or honors the Board periodically may recommend, to be awarded annually with appropriate ceremony by the President of the United States, upon recommendation to the President by the Board, to one or more individuals or groups deserving of exemplary recognition for personal or group contribution to international peace education, training, or research. A medal shall be accompanied by a cash award in an amount determined by the Board to be paid in accordance with section 10(b)(2). A person associated with the Academy may receive a medal or other award; and

(11) secure directly and without reimbursement, upon request of the president of the Academy to the head of any Federal department or agency, information necessary to enable the Academy to carry out the purposes of this Act if such release of the information would not unduly interfere with the proper functioning of a department or agency.

(c) The Academy may undertake extension and outreach activities under this Act by making grants and entering into contracts with institutions of postsecondary, community, secondary, and elementary education including combinations of such institutions, with public and private educational, training, or research institutions including libraries, and with public departments and agencies including State and territorial departments of education and of commerce. No grant may be made to an institution unless it is a nonprofit or official public institution. A grant or contract may be made to—

(1) initiate, strengthen, and support basic and applied research on international peace and conflict resolution;

(2) promote and advance the study of international peace and conflict resolution by educational, training, and research institutions, departments, and agencies;

(3) educate the Nation about and educate and train individuals in peace and conflict resolution theories, methods, techniques, programs, and systems;

(4) assist the Academy in its publication, clearinghouse, and other information services programs; and

(5) promote the other purposes of this Act.

(d) The Academy may respond to the request of a department or agency of the United States Government to investigate, examine, study, and report on any issue within the Academy's competence. A research request may be refused for reason of cost or of inappropriateness to the Academy's purposes or independence.

(e) The Academy may enter into contracts for the proper operation of the Academy, including maintenance of its offices, schools, and other facilities.

(f) The Academy may appoint and fix the compensation and duties of officers, employees, and agents and establish such advi-

sory committees, councils, or other bodies as the efficient administration of the business and purposes of the Academy may require.

(g) The Academy may adopt, amend, and alter bylaws, not inconsistent with the laws of the United States and the District of Columbia, for the management of Academy property and the regulation of Academy affairs.

(h) The Academy may obtain grants and contracts and receive gifts and contributions from government at all levels, international organizations, and private agencies, organizations, institutions, and individuals.

(i) The Academy may charge and collect subscription fees and develop, for publication or other public communication, and disseminate, periodicals and other materials.

(j) The Academy may charge and collect fees and other participation costs from persons and institutions participating in the Academy's direct activities authorized in subsection (b).

(k) The Academy may sue and be sued, complain, and defend in any court of competent jurisdiction.

(l) The Academy may adopt, alter, use, and display a corporate seal, emblem, badge, and other mark of recognition and colorable simulations thereof.

(m) The Academy may do any and all lawful acts and things necessary or desirable to carry out the objectives and purposes of this Act.

(n) The Academy shall not itself undertake to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative bodies, or by the United Nations, except that personnel of the Academy may testify or make other appropriate communication when formally requested to do so by a legislative body, a committee, or a member thereof.

BOARD OF DIRECTORS

SEC. 6. (a) The powers of the Academy shall be vested in a Board of Directors unless otherwise specified in this Act.

(b) The Board of Directors shall consist of fifteen members appointed as follows:

(1) two Members of the Senate, one from each of the major political parties, to be appointed by the President pro tempore of the Senate no later than five days after the confirmation of the members nominated by the President;

(2) two Members of the House of Representatives, one from each of the major political parties, to be appointed by the Speaker of the House of Representatives no later than five days after the confirmation of the members nominated by the President; and

(3) eleven persons, no more than six of whom may be members of the same political party and none of whom may be employees of the Federal Government, appointed by the President, by and with the advice and consent of the Senate. Not later than ninety days after the date of enactment of this Act, the President shall nominate the eleven individuals for the initial Board and transmit their names and any other information to the Senate. If the Senate fails to confirm a nominee, it shall so inform the President. The President shall submit the name of a new nominee within fifteen days of notice of rejection by the Senate.

(c) A director shall take an oath of office administered by the Vice President of the United States within two weeks after appointment, if a Member of Congress, or after confirmation by the Senate, if a Presidential appointee.

(d) Members of the Board of Directors shall serve the following terms of office:

(1) A Member of Congress appointed to the Board shall serve for a single term of six years and only while serving as a Member of Congress.

(2) When submitting nominations for the initial Board, the President shall stipulate by name four directors who shall serve for five-year terms, four directors who shall serve for four-year terms, and three directors who shall serve for three-year terms. Thereafter, each Presidential appointee, except for a director appointed to fill an unexpired term, shall serve for a five-year term. No Presidential appointee may serve on the Board for more than ten years.

(3) No person may be appointed to less than a full term unless appointed to fill an unexpired term.

(e) Whenever a vacancy occurs on the Board before the expiration of a director's term of office, the vacancy shall be filled—

(1) if a Member of Congress, pursuant to paragraph (1) or (2) of subsection (b) with the appointment made to a full term no later than thirty calendar days after the vacancy occurs; or

(2) if a Presidential appointee, by the Board submitting a list of nominees of no less than three and no more than five names to the President no later than thirty calendar days after the vacancy occurs. The President shall select a nominee from the list and submit the nominee's name to the Senate for confirmation no later than thirty calendar days after receiving the Board's recommendations.

(f) At least ninety days but no more than one hundred and twenty days before the timely expiration of the term of office of any Presidential appointee to the Board, the Board shall submit to the President a list of no less than three and no more than five recommendations for each position. The President shall submit the name of the nominee for each position, selected from the Board's list of recommendations, to the Senate for confirmation at least forty-five calendar days before expiration of the term of office to be filled.

(g) A director may be removed from the Board as follows:

(1) A member of the Board appointed from the Congress may be removed by the appointing authority for malfeasance in office, persistent neglect of duties, or inability to discharge duties.

(2) A member of the Board appointed by the President may be removed by the President—

(A) in consultation with the Board, for conviction of a felony, malfeasance in office, persistent neglect of duties, or inability to discharge duties;

(B) upon the recommendation of ten members of the Board; or

(C) upon the recommendation of a majority of the members of the Committee on Foreign Affairs and the Committee on Education and Labor of the House of Representatives and a majority of the members of the Committee on Foreign Relations and the Committee on Labor and Human Resources of the Senate.

A recommendation made in accordance with clause (B) may be made only pursuant to action taken at a meeting of the Board, which may be closed pursuant to the procedures of subsection (i). Only members who are present may vote. A record of the vote shall be maintained. The President shall be informed immediately by the Board of the recommendation. If the President removes the member based on any of the grounds described in clauses (A) through (C), the President shall nominate a successor pursuant to subsection (e).

(h) No member of the Board may participate in any decision, action, or recommendation with respect to any matter which directly and financially benefits the member or pertains specifically to any public body or any private or nonprofit firm or organization with which the member is then formally associated or has been formally associated within a period of two years.

(i) Meetings of the Board shall be conducted as follows:

(1) The President shall stipulate by name the nominee who shall be the first Chairman of the Board. The first Chairman shall serve for a term of three years. Thereafter, the Board shall elect a Chairman every three years from among the directors appointed by the President and may elect a Vice Chairman if so provided by the Academy's bylaws.

(2) The Board shall meet at least semiannually, at any time pursuant to the call of the Chairman or as requested in writing to the Chairman by at least five members of the Board, and as may be provided by the bylaws of the Academy not inconsistent with this Act. A majority of the members of the Board shall constitute a quorum for any Board meeting.

(3) Upon majority vote of the members of the Board, the Board shall adopt, and may from time to time amend, such bylaws as are necessary for the proper management and functioning of the Academy.

(4) All meetings of the Board shall be open to public observation and shall be preceded by reasonable public notice. Notice in the Federal Register shall be deemed to be reasonable public notice for purposes of the preceding sentence. In exceptional circumstances, the Board may close those portions of a meeting, upon a majority vote of its members present and with the vote taken in public session, which are likely to disclose information likely to affect adversely any ongoing peace proceeding or activity or to disclose information or matters exempted from public disclosure pursuant to subsection (c) of section 552b of title 5, United States Code.

(j) A director appointed by the President shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule in section 5332 of title 5, United States Code, for each day during which the director is engaged in the performance of duties as a member of the Board.

(k) While away from his home or regular place of business in the performance of duties for the Academy, a director shall be allowed travel expenses, including a per diem in lieu of subsistence, not to exceed the expenses allowed persons employed intermittently in Government service under section 5703(b) of title 5, United States Code.

OFFICERS AND EMPLOYEES OF THE ACADEMY

SEC. 7. (a) The Board shall appoint the president of the Academy and such other officers as the Board determines to be necessary. The president shall be a nonvoting ex officio member of the Board. All officers shall serve at the pleasure of the Board. The president shall be appointed for an explicit term of years. Notwithstanding any other provision of law limiting the payment of compensation, the president and other officers appointed by the Board shall be

compensated at rates determined by the Board, but no greater than those provided for by level I of the Executive Schedule of chapter 53 of title 5, United States Code.

(b) The Board shall authorize the president and any other officials or employees it designates to receive and disburse public and private moneys, obtain and make grants, enter into contracts, establish and collect fees, issue certificates and other honorifics, and undertake all other activities necessary for the efficient and proper functioning of the Academy.

(c) The president, subject to Academy bylaws and general policies established by the Board, may appoint, fix the compensation of, and remove such employees of the Academy as the president determines necessary to carry out the purposes of the Academy. In determining employee rates of compensation, the president shall be guided by the provisions of title 5, United States Code, relating to classification and General Schedule pay rates.

(d) The president may request the assignment of any Federal officer or employee to the Academy by an appropriate department, agency, or congressional official or Member of Congress and may enter into agreement for such assignment, if the affected officer or employee agrees to such assignment and such assignment causes no prejudice to the salary, benefits, status, or advancement within the department, agency, or congressional staff of such officer or employee.

(e) No officer or full-time employee of the Academy may receive any salary or other compensation for services from any source other than the Academy during the officer's or employee's period of employment by the Academy, except as authorized by the Board.

(f) Officers and employees of the Academy shall not be considered officers and employees of the Federal Government except for purposes of the provisions of title 28, United States Code, which relate to Federal tort claims liability, and the following provisions of title 5 of the United States Code: subchapter I of chapter 81 (relating to compensation for work injuries); chapter 83 (relating to civil service retirement); chapter 87 (relating to life insurance); and chapter 89 (relating to health insurance). The Academy shall make contributions at the same rates applicable to agencies of the Federal Government under the provisions of title 5 referred to in this section.

(g) No part of the income or assets of the Academy or of any legal entity created by the Academy shall inure to any agent, employee, officer, or director or be distributable to any such person during the life of the corporation or upon dissolution or final liquidation. Nothing in this section may be construed to prevent the payment of reasonable compensation for services or expenses to the directors, officers, employees, and agents of the Academy in amounts approved in accordance with the provisions of this Act.

(h) The Academy shall not make loans to its directors, officers, employees, or agents, or to any legal entity created by the Academy. A director, officer, employee, or agent who votes for or assents to the making of a loan or who participates in the making of a loan shall be jointly and severally liable to the Academy for the amount of the loan until repayment thereof.

PROCEDURES AND RECORDS

SEC. 8. (a) The Academy shall monitor and evaluate and provide for independent evaluation if necessary of programs supported in whole or in part under this Act to ensure that the provisions of this Act and the bylaws, rules, regulations, and guidelines promulgated pursuant to this Act are adhered to.

(b) The Academy shall prescribe procedures to ensure that grants, contracts, and financial support under this Act are not suspended unless the grantee, contractor, or person or entity receiving financial support has been given reasonable notice and opportunity to show cause why the action should not be taken.

(c) In selecting persons to participate in Academy activities, the Academy may consider a person's practical experience or equivalency in peace study and activity as well as other formal requirements.

(d) The Academy shall keep correct and complete books and records of account, including separate and distinct accounts of receipts and disbursements of Federal funds and of non-Federal funds. The Academy's annual financial report shall identify the use of each source of funding and shall present a clear description of the full financial situation of the Academy. Nothing in this section prevents the Academy from using Federal and non-Federal funds together in any grant, contract, program, or other expenditure of the Academy consistent with this Act.

(e) The Academy shall keep minutes of the proceedings of its Board and of any committees having authority under the Board.

(f) The Academy shall keep at its principal office a record of the names and addresses of its Board members; copies of this Act, of any other Acts relating to the Academy, and of all Academy bylaws, rules, regulations, and guidelines; required minutes of proceedings; a record of all applications and proposals and issued or received contracts and grants; and financial records of the Academy. All items required by this subsection may be inspected by any Board member or the member's agent or attorney for any proper purpose at any reasonable time.

(g) The accounts of the Academy shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audit shall be conducted at the place or places where the accounts of the Academy are normally kept. All books, accounts, financial records, files, and other papers, things, and property belonging to or in use by the Academy and necessary to facilitate the audit shall be made available to the person or persons conducting the audit, and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(h) The Academy shall provide a report of the audit to the President of the United States and to each House of Congress no later than six months following the close of the fiscal year for which the audit is made. The report shall set forth the scope of the audit and include such statements, together with the independent auditor's opinion of those statements, as are necessary to present fairly the Academy's assets and liabilities, surplus or deficit, with reasonable detail, including a statement of the Academy's income and expenses during the year including a schedule of all contracts and grants requiring payments in excess of $5,000 and any payments of compensation, salaries, or fees at a rate in excess of $5,000 per annum. The report shall be produced in sufficient copies for the public.

(i) The Academy and its directors, officers, employees, and agents shall be subject to the provisions of section 552 of title 5, United States Code (relating to freedom of information).

INDEPENDENCE AND LIMITATIONS

SEC. 9. (a) Except as otherwise provided in this Act, the Academy shall not be considered a department, agency, or instrumentality of the Federal Government. Nothing in this Act may be construed as limiting the authority of the Office of Management and Budget to review and submit comments on the Academy's budget request at the time it is transmitted to the Congress.

(b) No political test or political qualification may be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, employee, agent, or recipient of Academy funds or services or in selecting or monitoring any grantee, contractor, person, or entity receiving financial assistance under this Act.

FUNDING

SEC. 10. (a) For the purpose of purchasing, leasing, renting, or otherwise acquiring and improving a suitable site for a principal office for the Academy, the Center for International Peace, and for the legal entity authorized to be established under section 4 of this Act, in or within easy reach of the District of Columbia, there are authorized to be appropriated on or after October 1, 1983, to the Academy a capitalization fund of $15,000,000 which shall remain available to the Academy without regard to fiscal year limitations.

(b)(1) For the purpose of establishing the programs and administering the affairs of the Academy as authorized by this Act (except for paragraph (10) of section 5(b)), there are authorized to be appropriated for the fiscal year 1984, $6,000,000 and for the fiscal year 1985, $10,000,000. Monies appropriated for the fiscal year 1984 shall remain available to the Academy through the fiscal year 1985.

(2) Any necessary expenses incurred by the Academy in establishing or awarding a United States Medal of Peace or in making a cash award in connection with the awarding of such medal under paragraph (10) of section 5(b) shall be paid out of the private funds of the legal entity established under section 4(e).

(c) The Board of Directors may transfer to the legal entity authorized to be established under section 4(e) any funds not obligated or expended from appropriations to the Academy for a fiscal year, and such funds shall remain available for obligation or expenditure for the purposes of such legal entity without regard to fiscal year limitations. Any use by such legal entity of appropriated funds shall be reported to each House of the Congress and to the President of the United States.

(d) Any authority provided by this Act to make contracts shall be effective for a fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

DISSOLUTION OR LIQUIDATION

SEC. 11. Upon dissolution or final liquidation of the Academy or of any legal entity created pursuant to this Act, all income and assets of the corporation or other legal entity shall revert to the Treasury of the United States.

REPORTING REQUIREMENT AND REQUIREMENT TO HOLD HEARINGS

SEC. 12. Beginning two years after the date of enactment of this Act, and at intervals of two years thereafter, the Chairman of the Board of Directors of the Academy shall prepare and transmit to the Congress and the President a report detailing the progress the Academy has made in carrying out the purposes of this Act during the preceding two-year period. The President shall prepare and transmit to the Congress within a reasonable time after the receipt of such report the written comments and recommendations of the appropriate agencies of the United States with respect to the contents of such report and their recommendations with respect to any legislation which may be required concerning the Academy. After receipt of such report by the Congress, the Committee on Foreign Affairs and the Committee on Education and Labor of the House of Representatives and the Committee on Foreign Relations and the Committee on Labor and Human Resources of the Senate shall hold hearings to review the findings and recommendations of such report and the written comments received from the President.

Mr. RANDOLPH. Mr. President, it is gratifying for many Members of this Senate—they are not present on the floor at this moment—but for 53 Members of the 100 Members of this body, whose names have been attached to this measure. The same number of names was attached when we introduced S. 1889 last year, and then later other names were added until the total number of Members who were cosponsoring had reached 56.

We have the hope that there will be even more, as we reintroduce an identical bill to S. 1889, as amended, and favorably reported by a vote of 10 to 6 in the Committee on Labor and Human Resources.

Certainly words of accolade can be placed one on top of the other for the leadership of Senator MATSUNAGA, who has been very, very helpful, not only in working within the Subcommittee on Education and the full committee, but working also among groups throughout the United States in an effort to have them understand the basics of this legislation.

I know that many of my colleagues have realized that through the years since the early 1940's it has been my not so much privilege, although I have looked upon it as a privilege, but I have thought of it as a responsibility to work on the subject of peace which is being discussed this afternoon. And over the years, not in a spasmodic way, but continuing from the days of Matthew Neely from West Virginia, who served in this body, until this moment, there have been efforts made, and we think constructive efforts, to establish an official arm of our U.S. Government committed first of all to peace.

During the 97th Congress, we introduced, as I have indicated, legislation to establish a National Peace Academy with 52 sponsors. By the time we had worked our way through the subcommittee and the committee, we had a reasonable chance, we thought of passing that measure before the Congress adjourned in December. It had been, I remind my colleagues, reported from the Committee on Labor and Human Resources by a vote of 10 to 6. And that was encouraging to us, as we thought in terms of having it considered on the floor and, with 56 sponsors, we believed it would pass. But there was no time to take it up prior to adjournment.

And so today, as I have indicated, we come back not to the battle so much. This is not a battle or, at least, should not be a battle. Frankly, it is a crusade for peace along a road which many travelers can walk hand in hand and heart in heart for, ultimately, peace and understanding between the peoples of the world.

I remember many years ago when people did not want to admit Hawaii into the United States of America. "It is so far away," they would say. Well, today our communications technology allows us to rub shoulders in a matter of seconds and minutes with the populations of this world who are torn by violence and misunderstanding.

A National Peace Academy will not be the answer finally, but it will be an aid, because it will become a teaching and training process by which we can develop a better understanding of the basic techniques of conflict resolution.

Now, I do not want to be flippant about this, but I do want to indicate for the record that we have had a certain organization in this country that, through its president, called Senators who cosponsored this bill the "Jane Fondas of the Senate." I am not going to name those groups that oppose us.

But we come now with the feeling that, in a sense, this is a challenge. Our crusade for peace is coming together because perhaps now—and I am not going to discuss the subject of a nuclear freeze—we may have the ability to bring this measure to passage in the Senate in a rather short time. There is desperation in the world today and fear on the part of our people. It has grown steadily since 1945, shortly after we used the first nuclear weapon on Hiroshima and learned that in the blink of a gnats eyelash we could and did literally decimate entire cities and hundreds of thousands of human beings. And we are all human beings, with frailties as well as strengths. Since Hiroshima, all of us know that now, more than ever, we can destroy humankind from sea to shining sea many, many times over.

We need to learn more about the roots, the dangerous roots that spring up in conflict; we need to study the causes of war, the conditions and the processes and the stages in its development. A National Peace Academy will permit us to study those roots.

So we just ask that we be given the opportunity in this country to do what is intended by this legislation; what we call a very necessary step on the road, to peace and understanding among the peoples of the Earth. If peace has been a universal goal, and I think it has, of civilization, for over 2,000 years, we are far away, perhaps farther away than ever before, in a sense, from achieving it. And why have we not ourselves within this Congress, especially within the Senate, why have we not studied this subject and why have we not developed a cohesive program such as is envisaged in the program that is the heart of this legislation?

We need to seek answers to thousands of questions about how to assure global peace in a world filled with nuclear weapons.

We do not have the luxury, Mr. President, of waiting. We cannot wait. We have no backyards, we have no front yards anymore, we live in an interdependent world. We are side by side with the peoples of the Earth. And we must realize that wars and continuing wars of greater devastation will be, in a sense, a part of our collective failure, if we fail now, to pass this legislation. It will not do everything, but we can learn better ways of managing conflicts. Through men and women trained and educated at the Academy, we can do at least a part of the job of stopping untold human misery, untold suffering, and an untold loss of life on this Earth where men and women should love one another, live and labor with one another.

This is a goal that is not too great for people like the Members of the U.S. Senate and the people of the United States of America, 245 million of them now. When I was beginning this in the 1940's, we had, of course, a population of 100 million less men and women and children living in this country.

The hour has come. Let us act.

For those who belittle us for this initiative—this goal of peace—I remind them of the still-audible echoes of recent public demands for a unilateral—not a bilateral—nuclear disarmament agreement and a nuclear freeze.

For those who taunt us and call us names, and tell us that we already have the Foreign Service, the Diplomatic Corps, and the United Nations to keep the peace—I remind them that we are still outnumbered.

Every Monday morning approximately 200,000 scientists go forth to jobs where they apply their scientific findings to the development of and improvement of our country's warmaking potential.

Yet fewer than 200 scientists will report to work on Government-funded projects to develop our Nation's capa-

bility of waging and maintaining global peace and security.

We can close that terrifying gap by creating institutions to direct resources into peace research, education, and training. And we can quickly begin by enacting into law the National Peace Academy bill we introduce today.

Conflict resolution, or management skills, is an emerging social science. It has so much to gain from so many fields, and there is a desperate need to pull together, collect and correlate the work already being done in those fields. Somehow we must work to find ways to incorporate all this immense, diverse growing fund of human knowledge into a workable new science of peace learning—and then we must transmit it to others.

The Peace Academy proposal we are introducing today calls for an expenditure of $31 million over a 2-year period. That amounts to approximately 6 cents per year for each U.S. citizen.

Last week, the President, using the powerful Executive order, bypassed the Congress and created a "public diplomacy campaign," or "institutes for democracy" to promote his version of arms control and foreign policies to skeptical Europeans. This new initiative will cost $65 million per year. Last year, the President declined to endorse the Peace Academy bill because of its costs—$31 million dollars—and called it a "budget buster." Yet his "public diplomacy campaign" proposal, costing twice as much in 1 year, is not considered to be a "budget buster." These funds will pay for scholarships and institutes for democracy for Western European politicans, trade unionists, academics and young people. If that sounds familiar to you—it is because a national Peace Academy would do the same kind of things—but with a difference. Where as the President's proposal is clearly politically motivated and will be used for stated propaganda activities, the Peace Academy would be an independent entity, free of political intervention, and have nothing at all to do with setting or otherwise intervening in our country's foreign policy decisions.

The President has included in his fiscal year 1984 budget proposals a request for $45 million with which to fund his new initiative. I hope that my colleagues in the Senate will ask to at least see a format, outline or a blueprint for these "Institutes of Democracy" before they approve the $45 million request. The Peace Academy concept has been criticized as being "vague" and lacking in specificity. If you think our bill is "vague," and that that is a good reason for opposing it, then you might want to consider the "Vagueness" of the President's "public diplomacy campaign" initiative.

If we can afford to spend $820 million a day, rising to $1 billion a day by 1985, in order to commit $1.5 trillion to national defense and military buildups, and in addition we can afford to spend $65 million a year on the President's Institutes for Democracy, then we can surely afford an additional $31 milion for a Peace Academy initiative.

My record will show, as will the record of others who support the Peace Academy bill, that we are in favor of a strong defense structure for our country. Let us face it, it is a nasty world out there.

But we will have passed the bounds of rational action if we push for a trillion dollars in military spending, and fail to push equally as hard for the funding of peace studies.

I am not a cosponsor of pending nuclear freeze resolutions. If you asked me today what I think about unilateral disarmament, I would probably liken it to being put in charge of governing New York City—but without its police force. But how long can I, or anyone else, deny the public demand for doing something to bring about global peace—even total disarmament—when there is nothing else on the books—symbolically or otherwise—to encourage them to believe that we will not bring about a nuclear holocaust—by accident or design?

For at least 2,000 years we have been wishing for peace, and preparing for war. As a result, millions have suffered and died, and our resources have been exhausted. The Peace Academy concept can be the next step in the flow of history, and it is a critical one for it would commit history's most powerful nation to a long-term program of research and training into the ways and means of waging peace.

I believe strongly in the essential rightness of the concept of educating toward international understanding and interdependence.

If we are going to reverse the already advanced, self-destructive trend we are on that results in nothing more than forging more and more weapons of war, then all of us are going to have to bend to the task in our different ways.

Amid budget-cutting initiatives and inflation and public disgruntlement, such issues as "peace studies" are easily brushed aside as distractions from more pressing issues. That is a grievous mistake. We are not alone on this planet. The problems and promises of others are inescapably ours, and our reluctance to acknowledge that fact only jeopardizes our hopes for a peaceful future. We are an interdependent world. Those other countries we hear about are not so far away—they are our backyard.

It is time to do away with shallow debates, and the use of tough-sounding slogans. It is time to create instruments and institutions of cooperation to take the place of the confrontation politics of the past.

It is my genuine hope that my colleagues will support and help guide to enactment the Peace Academy bill—so that peacemaking ceases being everybody's business, and becomes somebody's job.

I argue here for a new type of learning. We must not hope to learn only from experience—lest the experience itself prove fatal.

Neither innocense nor ignorance provides protection against manipulation. Lack of knowledge may often make action easier to take, but such action could prove self-defeating if not self-destructive.

Let us prepare and provide for an adequate defense structure, but while we do that, let us also prepare and provide for an adequate peacemaking capability—through education, research, and training at the National Peace Academy for people from all walks of life and from other Nations, who desire to avail themselves of the Academy's purpose to fulfill this Nation's commitment to global peace.

Mr. PROXMIRE. I congratulate both Senators, fine and outstanding Senators, on their statements. I have been somewhat hesitant on this legislation, but I believe there is great merit in it. Heaven knows, there never was a time when we more earnestly and urgently need to do everything we can to achieve peace.

I know the distinguished occupant of the chair (Mr. PRESSLER) has been doing a fine job in that regard in the Foreign Relations Committee.

By Mr. HELMS (for himself and Mr. EAST):

S. 565. A bill to require the Secretary of the Interior to enter into an agreement with the State of North Carolina with respect to the repair and maintenance of a certain highway of such State located within Cape Hatteras National Seashore Recreation Area; to the Committee on Energy and Natural Resources.

REPAIR AND MAINTENANCE OF A ROAD WITHIN THE CAPE HATTERAS NATIONAL SEASHORE RECREATION AREA

● Mr. HELMS. Mr. President, on behalf of my distinguished colleague, Senator EAST, and myself, I am today introducing legislation to authorize the Department of the Interior to assist the State of North Carolina in improving and maintaining N.C. Highway 12, which lies within the confines of the Cape Hatteras National Seashore Recreational Area.

The Cape Hatteras National Seashore Park is a beautiful jewel in the necklace of barrier islands that stretch along the scenic coastline of North Carolina. Unfortunately, however, this jewel has a flaw—the highway

through the park is in a state of serious disrepair.

Mr. President, the State built N.C. 12 primarily to serve the needs of its citizens who live in several villages that are now enclaves within the park. When the park was created in 1953, the State retained jurisdiction over the highway to protect access to these villages. Since that time, however, large numbers of visitors have been attracted to the area. N.C. 12 has had to bear much more traffic than it was designed and built for. Traffic in the park often numbers more than 5,000 vehicles per day. More than 85 percent of that volume is attributable to the park, and at least 50 percent of it is from outside North Carolina.

The State maintains the 21 miles of N.C. 12 within the park's boundaries that lie within the eight village enclaves. The States also provides ferry service connecting N.C. 12 across Hatteras Inlet and Ockracoke Inlet. But the U.S. Park Service should at least assist in the improvement and maintenance of the highway through the park. This is what my proposed legislation would authorize. Mr. President, this proposal has been developed with input from local, State, and Federal officials. I have a resolution from the North Carolina Department of Transportation asking Congress to authorize the Department of the Interior's participation in this project. I ask unanimous consent that the text of this resolution be printed at this point in the RECORD.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD, and I urge my colleagues to support it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 565

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide for the establishment of the Cape Hatteras National Recreational Seashore in the State of North Carolina, and for other purposes", approved August 17, 1937 (16 U.S.C. 459-459a-3), is amended by adding at the end the following new section:

"SEC. 6. (a) The Secretary of the Interior shall enter into an agreement with the State of North Carolina, upon terms and conditions acceptable to the Secretary of the Interior and such State, under which the Secretary of the Interior and such State, under which the Secretary of the Interior shall pay up to 100 per centum of the costs of repairing and maintaining the portion of North Carolina Highway Numbered 12 located within the boundaries of the aforesaid national seashore recreational area.

"(b) Any amount appropriated to the Secretary of the Interior for purposes of carrying out an agreement entered into under subsection (a) shall be in addition to, and not in lieu of, any other Federal assistance to which the State of North Carolina is entitled.".

SEC. 2. No authority under the amendment made by this Act to enter into countracts or payments shall be effective except to the extent and in such amounts as provided in advance in appropriations Acts. Any provision of the amendment made by this Act which, directly or indirectly, authorizes the enactment of new budget authority shall be effective only for fiscal years beginning after September 30, 1983.

RESOLUTION TO SEEK ENABLING LEGISLATION TO AUTHORIZE THE U.S. DEPARTMENT OF THE INTERIOR TO PARTICIPATE IN THE CONSTRUCTION AND MAINTENANCE OF N.C. 12 IN THE CAPE HATTERAS NATIONAL SEASHORE

"Whereas, much of N.C. 12 in Dare and Hyde Counties is located entirely within the confines of the Cape Hatteras National Seashore:

"Whereas, because of State ownership, said right-of-way is technically not a part of the National Seashore; and

"Whereas, the Department of the Interior is precluded by Federal law from making expenditures outside of the property of the Cape Hatteras National Seashore and consequently has not been able to assume any responsibility for an area that is in effect a part of the Cape Hatteras National Seashore, and

"Whereas, the majority of the use of N.C. 12 in the Cape Hatteras National Seashore is by National Seashore visitors: Now, therefore, be it

Resolved, That the Board of Transportation requests the North Carolina Congressional Delegation seek an act to authorize the U.S. Department of the Interior to participate in the construction and maintenance of the segments of N.C. 12 within the Cape Hatteras National Seashore so as to facilitate visitor travel within the National Seashore."●

By Mr. THURMOND:

S. 567. A bill to amend title 38, United States Code, to authorize reimbursement for the reasonable charge for chiropractic services provided to certain veterans; to the Committee on Veterans' Affairs.

CHIROPRACTIC SERVICES

Mr. THURMOND. Mr. President, I rise today to introduce a bill which would amend title 38 of the United States Code to authorize eligible veterans to receive reimbursement for chiropractic services received in certain circumstances through the Veterans' Administration medical care program.

Under current law, the VA has the authority to provide chiropractic services to veterans and any VA physician may, on a case-by-case basis, refer an eligible veteran to a chiropractor for treatment. Despite this authority, only a few, if any, veterans have ever been referred by VA physicians to a chiropractor at VA expense.

Mr. President, I believe our Nation's veterans deserve the same access to medical treatment, including chiropractic treatment, as do recipients of other Federal and State health care programs, many of which now provide chiropractic treatment to their beneficiaries. It is time that the VA's policy and practice be brought more in line with these programs. For instance, under the medicare program which is administered by the Department of Health and Human Services, it is typical for eligible persons in need of chiropractic care to seek and obtain the services of a doctor of chiropractic and to receive reimbursement for such services from HHS. Reimbursement for chiropractic services is also currently provided under the Federal Employees Compensation Act and a number of States include chiropractic services under their medical assistance programs.

Mr. President, the legislation which I propose today is nearly identical to S. 1956, a bill which I introduced and which was passed by the Senate during the 97th Congress. It will establish a pilot program to compel the use of chiropractors within the VA. It limits the number of veterans who are eligible for its benefits and also limits total expenditures for chiropractic services under the pilot program to $2 million in any fiscal year. Unless extended, the program as proposed will expire on September 30, 1986.

In conclusion, Mr. President, let me say that while the House has, on two occasions, rejected this Senate-passed pilot program, it has joined the Senate in strongly urging the VA's Department of Medicine and Surgery to reevaluate its position and to use its existing authorities to provide, at least on a pilot basis, chiropractic services in appropriate cases as part of the hospital care or medical services furnished to veterans. This message was ignored by the VA. I, therefore, urge Congress to send a stronger message to the VA on this matter by favorably considering this bill.

Mr. President, I send the bill to the desk and ask that it be referred to the appropriate committee for prompt consideration, and I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 567

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 601 of title 38, United States Code, is amended by adding at the end thereof the following new paragraph:

"(9) The term 'chiropractic services' means the manual manipulation of the spine performed by a chiropractor (who is licensed as such by the State in which he or she performs such services and who meets the uniform minimum standards promulgated for chiropractors under section 1861(r)(5) of the Social Security Act (42 U.S.C. 1395x(r)(5))) to correct a subluxation of the spine. For the purposes of this paragraph, such term does not include physical examinations, laboratory tests, radiologic services, or other tests or services determined by the Administrator to be excluded.".

(b)(1) Subchapter III of chapter 17 of such title is amended by adding at the end thereof the following new section:

§ 630. Chiropractic services

"(a) The Administrator shall, under regulations which the Administrator shall prescribe, reimburse a veteran eligible for medical services under this chapter for the reasonable charge for chiropractic services, for which such veteran has made payment, if—

"(1) such chiropractic services were for the treatment of a service-connected neuromusculoskeletal condition of the spine,

"(2) the veteran is a veteran who has been furnished hospital care by the Veterans' Administration for a neuromusculoskeletal condition of the spine within a twelve-month period prior to the provision of such chiropractic services, or

"(3) the veteran is a veteran described in section 612(f)(2) of this title who has been furnished hospital care or medical services by the Veterans' Administration for a neuromusculoskeletal condition of the spine, to the extent that such veteran is not entitled to such chiropractic services or reimbursement for the expenses of such services under an insurance policy or contract, medical or hospital service agreement, membership or subscription contract, or similar arrangement for the purpose of providing, paying for, or reimbursing expenses for such services.

"(b) In any case in which reimbursement may be made under this section, the Administrator may, in lieu of reimbursing such veteran, make payment of the reasonable charge for such chiropractic services directly to the chiropractor who furnished such services.

"(c)(1) The Administrator shall, in consultation with appropriate public and nonprofit private organizations and other Federal departments and agencies that provide reimbursement for chiropractic services, establish a schedule of reasonable charges for such services, which schedule shall be consistent with the reasonable charges allowed under title XVIII of the Social Security Act (42 U.S.C. ch. 7).

"(2) The amount payable by the Administrator for chiropractic services furnished under this section shall not exceed $600 in any twelve-month period in the case of any veteran.

"(d) Notwithstanding any other provision of this title, total expenditures for chiropractic services reimbursed under this section shall not exceed $2,000,000 in any fiscal year and no reimbursement or payment may be made under this section for chiropractic services furnished after September 30, 1987.".

(B) The table of sections at the beginning of chapter 17 of such title is amended by inserting after the item relating to section 629 the following new item:

"630. Chiropractic services.".

(b) Not later than December 31, 1984, and not later than December 31 of each of the next three years thereafter, the Administrator of Veterans' Affairs shall prepare and submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives reports on the use made of the authority provided for in the amendments made by the first section. Each such report shall include—

(1) the number of requests by eligible veterans for reimbursement or payment for chiropractic services in the most recent fiscal year under section 630 of title 38, United States Code (as added by subsection (a)(2)(A) of this section), and the number of such veterans who made such requests;

(2) the number of reimbursements or payments made by the Administrator of Veterans' Affairs under such section in such fiscal year and the number of veterans to or for whom such reimbursements or payments were made; and

(3) the total amounts of expenditures by the Administrator of Veterans' Affairs for such reimbursements and payments under such section in such fiscal year.

By Mr. TSONGAS:

S. 568. A bill to enhance competition by allowing for joint research and development ventures; to the Committee on the Judiciary.

JOINT RESEARCH AND DEVELOPMENT VENTURES ACT

● Mr. TSONGAS. Mr. President, U.S. technological leadership is eroding. Japan and European nations are vying with U.S. industry. As never before, the Japanese, in particular, have learned to capitalize on scientific research more effectively than we, granted that much of the basic research and development on which they rely is ours.

R&D is critical to technological innovation, industrial competitiveness, increased productivity and economic growth. We must expand the extent and diversity of U.S. R&D to maintain our leadership in basic research and to launch new efforts in manufacturing technology.

Research and development is often expensive, and results are highly uncertain. Basic research is unlikely to provide short-term returns on investments. Industry tends to focus on incremental product improvements that can return quick profits. Industries composed of small firms—say, housing—frequently spend very little on R&D and rarely achieve innovations. Improvements in technology—such as automation, machining, and chemical processing—are often important to an industry as a whole, but too costly and risky for a single firm to pursue. The social rate of return of R&D is often twice the private rate of return.

Industrywide, joint research and development ventures can surmount some of these barriers. In joint R&D ventures individual firms share risks, pool resources for large projects and undertook R&D on a scale that maximizes efficiency. Joint R&D ventures also can combine complementary resources and talents of different firms to accelerate innovation.

The Japanese are a case in point. They have used joint R&D efforts to accelerate technological development in a number of areas. One is the very large scale integration project in semiconductors. Another is the fifth generation computer project.

In Japan joint research and development projects are exempt from antimonopoly law. In the United States joint R&D ventures can pose serious antitrust problems. Ambiguities in the law and vagaries of enforcement create an uncertain legal environment that can expose a joint venture to Federal or State antitrust action, as well as to private suits.

In 1980, the Justice Department issued guidelines on the legality of joint R&D ventures and instituted a review procedure for firms contemplating joint R&D ventures. But the Justice Department's procedure is inadequate. It provides only a statement of present enforcement intentions and does not preclude eventual action that could be retroactive nor private suits. Though the Justice Department procedure provides substantial guidance, it still leaves uncertainty.

The legislation I am introducing today would clarify antitrust law by granting immunity to joint research and development ventures approved by the Attorney General. This bill is a modified version of a bill I introduced last year and incorporates some provisions of similar legislation.

The bill would require the Attorney General to approve a joint R&D venture when he finds:

First, participation in a joint R&D venture is open to all firms;

Second, the fruits of the research and development will be made available within 6 years to all firms on reasonable, nondiscriminatory terms;

Third, any restraints associated with the joint R&D venture are necessary to the lawful purpose of the agreement to form the venture and are not part of an overall pattern of anticompetitive, restrictive agreements;

Fourth, participants in a venture are not subject to restriction on their own research and development activities, nor are they obligated to provide the venture with results from previous or future research and development;

And, fifth, even if it is found that the joint research and development venture complies with these four conditions, the Attorney General shall not approve a venture if he concludes that it will lessen competition. Joint R&D ventures approved by the Attorney General would be immune from prosecution under Federal or State antitrust laws.

In a separate provision, the bill would allow a joint R&D venture to exclude foreign companies if their countries do not allow participation of U.S. firms in their joint research and development ventures.

The approach of this bill is by no means the only way to resolve the antitrust uncertainty that now deters the formation of joint R&D ventures. Last year, three bills aimed at reducing that uncertainty were introduced in the Senate: S. 2717, by Senators, GLENN and KENNEDY; S. 3116, by Senators MATHIAS and HART; and S. 2714, which I introduced. The bills differed in method of certification and level of

immunity. It is my hope that the Judiciary Committee will hold hearings and invite industry representatives to identify those features of each bill, or combination of features, that would be most effective.

In any event, I feel that it is critical that we act on one version of this legislation or another to strengthen U.S. industrial competitiveness now—before it is too late.

Mr. President, I ask unanimous consent that a summary of provisions and a copy of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY OF PROVISIONS JOINT RESEARCH AND DEVELOPMENT VENTURES ACT

PURPOSE

To encourage the formation of joint research and development ventures by providing immunity from prosecution under federal or state antitrust laws.

ATTORNEY GENERAL REVIEW

In order to receive antitrust immunity a joint research and development venture must obtain approval from the U.S. Attorney General. The Attorney General shall approve a joint research and development venture if he finds that:

1. participation in the joint research and development venture is open to all firms;

2. any firm can obtain on reasonable and nondiscriminatory terms the results of the research and development within six years after the venture receives title to such results;

3. restraints associated with a participant's involvement in the venture are not part of an overall pattern of restrictive agreements that restrain competition; and

4. the venture places no restrictions on the participants' individual research nor obligations to provide the venture the results of its previous or future research.

The Attorney General may deny approval if he finds that the venture will lessen competition.

Although a venture must apply for approval, once approved it doesn't walk the legal tightrope of uncertainty. Attorney General approval guarantees certainty.

The Attorney General may at any time commence withdrawal of approval if the venture strays from compliance. The Attorney General must give notice to the venture and provide it with the opportunity to move back into compliance.

This affords joint ventures the chance to avoid the expense and inconvenience of starting the lengthy application process anew. If the joint venture fails to make the necessary corrections, the Attorney General shall give final notice of withdrawal or modification of such previous approval.

The Court of Appeals for the District of Columbia may review the Attorney General's withdrawal, modification, or denial of an application for approval of a joint research and development venture or amendment thereof.

This discourages arbitrary Attorney General decision-making. Review by the Court of Appeals for the District of Columbia fosters uniform judicial decision-making. Promoting certainty of immunity from Federal or state antitrust prosecution encourages U.S. firms to pursue joint research and development ventures.

The Attorney General may approve a joint research and development venture which excludes firms if their countries do not allow U.S. firms to participate in their joint research and development ventures.

This encourages foreign countries to allow U.S. firms to participate in joint research and development ventures on an equal basis with their foreign counterparts.

IMMUNITY

Approved joint research and development ventures are immune from the prohibitions of sections 1 and 2 of the Sherman Antitrust Act, sections 7 and 16 of the Clayton Act, the Federal Trade Commission Act and relevant state laws.

Awarding court costs to the defendants of spurious litigation discourages antitrust claims against approved joint research and development ventures.

TECHNOLOGY TRANSFER

The Attorney General must withdraw approval of all or part of a joint venture failing to provide, within six years, access on reasonable terms to any innovation or knowledge resulting from its approved activities.

This withdrawal allows the Attorney general to treat the venture as if it never received immunity.

Many patients lose their usefulness within 10 years of their issuance. The six year exclusivity period to such innovation or knowledge allows the joint venture to reap the harvest of its labor while minimizing its negative impact on competition.

REPORTING REQUIREMENT; AMENDMENT OF APPROVED VENTURES

Approved joint research and development ventures must promptly report to the Attorney General any change relevant to its prior approval.

To remain safe from antitrust prosecution the joint venture must submit an application to amend its approval to reflect such change.

Providing an amendment process allows the joint venture to avoid the expense and inconvenience of reapplying for initial approval. Requiring the joint venture to undertake such processes prevents such venture from abusing the privilege of antitrust immunity.

DISCLOSURE OF INFORMATION

Information submitted by an applicant or approved joint research and development venture is exempt from public disclosure as required by the Freedom of Information Act.

This prevents U.S. firms from the possible loss of competitive advantages stemming from the disclosure of confidential information. It provides U.S. firms with an incentive to engage in joint ventures.

No United States officer or employee shall disclose information submitted by an applicant or an approval joint research and development venture except upon a Congressional request, in a judicial or administrative proceeding, with the consent of the person who submitted the information, where the Attorney General deems disclosure necessary to making the determination, or in accordance with any federal statutory requirement. The Attorney General may also disclose such information to Federal or state agencies promising not to disclose the information.

Allowing such disclosure insures that governmental operations shall continue without interruption of the flow of information.

S. 568

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Joint Research and Development Ventures Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) research and development are major factors in the growth and progress of our industry and national economy;

(2) many firms are unable to perform their desired level of research and development due to the capital intensive nature of such research and development programs;

(3) the expense of carrying on certain research and development programs is prohibitive for many businesses;

(4) a firm's or an industry's ability to commit capital to research and development programs is sometimes dependent upon such firm or industry being able to share the risks which such projects often entail;

(5) to the extent that new information or products are brought forward as a result of such sharing, there are genuine procompetitive benefits; and

(6) the uncertainty of interpretation and enforcement of present antitrust laws discourages cooperative research and development, often where such cooperative activity would foster innovation and enhance competition.

PURPOSES

SEC. 3. The purposes of this Act are to—

(1) encourage business concerns to undertake and obtain the benefits of research and development in order to strengthen the national economy and the United States international industrial competitive position;

(2) encourage greater use of joint research and development ventures by the private sector as a means of augmenting the total amount of research and development performed as well as increasing the diversity of research;

(3) provide immunity under the antitrust laws of the United States or any State to an applicant from any prosecution from the moment the Attorney General approves a joint research and development venture until the completion of programs of such venture, or the Attorney General considers it injurious to the competitive balance for such venture to continue and terminates such venture; and

(4) enhance competition by enabling participants in joint research and development ventures, and nonparticipants, on reasonable terms, to have access to and use base technologies resulting from such joint venture.

DEFINITIONS

SEC. 4. For the purposes of this Act—

(1) the term "applicant" means an individual who is a citizen of the United States or an association, partnership, corporation, or other legal entity organized under the laws of the United States or any State or territory of the United States seeking approval of a joint program for research and development;

(2) the term "research and development program" means a program which is—

(A) a systematic, intensive study directed toward greater knowledge or understanding of the subject studied;

(B) a systematic study directed specifically toward applying new knowledge to meet a recognized need; or

(C) a systematic application of knowledge toward the production of useful materials,

devices, and systems or methods, including design, development, and improvement of prototypes and new processes to meet specific requirements;

(3) the term "joint research and development venture" means an association, corporation, partnership, or other multifirm entity organized under the laws of the United States or any State or territory of the United States established to carry out cooperative research and development programs;

(4) the term "State" shall have the meaning given it in section 4G of the Clayton Act (15 U.S.C. 15g);

(5) the term "Attorney General" means the Attorney General of the United States or his designee; and

(6) the term "United States firm" means an individual who is a citizen of the United States or an association, partnership, corporation, or other legal entity organized under the laws of the United States or any State or territory of the United States.

ATTORNEY GENERAL REVIEW

SEC. 5. (a) Except as provided in subsection (1) prior to the initiation of any joint research and development venture, the applicants must request and obtain the approval of the Attorney General in order to gain an antitrust exemption pursuant to section 6.

(b) The request required by this section shall be in such form and contain such information and documentary materials as the Attorney General shall by general regulations prescribe pursuant to section 553 of title 5, United States Code.

(c)(1) The Attorney General shall notify the applicants of his decision within 60 days after the filing of such request.

(2) Such decision shall be accompanied by Attorney General's findings.

(d) The Attorney General shall approve any joint research and development venture—

(1) if he finds that—

(A) participation in all programs in the joint research and development venture is open to all United States firms and domestic subsidiaries of foreign firms to the extent provided in subsection (k);

(B) the results of all joint research and development programs will be made available within 6 years after the participants in such venture receive title pursuant to section 7 (a) (4) to all firms on reasonable and nondiscriminatory terms whether such firms are members of such venture or not;

(C) any restraints associated with the joint research and development venture—

(i) are necessary to the lawful main purpose of the agreement to form the joint research and development venture;

(ii) have a scope and duration no greater than is necessary to achieve that purpose; and

(iii) are not part of an overall pattern of restrictive agreements that have unwarranted anticompetitive effects; and

(D) no participant in any joint research and development venture is subject to—

(i) any restriction on its own individual research and development activities; or

(ii) any obligations to provide the venture results from its previous or future research and development; and

(2) unless he finds that any of the joint research and development programs will lessen existing or potential competition between firms to such an extent as to foreclose the existing or potential competitors from participating in such market.

(e) Any approved joint research and development venture obtained by fraud is void ab initio.

(f) If the Attorney General denies an application for the approval of a joint research and development venture and thereafter receives from the applicants a request for the return of all documents submitted by the applicant or applicants in connection with the issuance of such approval, the Attorney General shall return to the applicant, not later than 30 days after receiving the request, the documents and all copies of the documents available to the Attorney General, except to the extent that the information contained in a document has been made available to the public.

(g) The Attorney General may at any time commence withdrawal of approval of all or any part of the joint research and development venture by giving to such venture a written copy of findings and a preliminary notice of the withdrawal or modification of such pervious approval. Such notice shall—

(1) include a statement of the circumstances underlying, and reasons in support of, the determination; and

(2) state with specificity any actions required in order for the venture of program to come into compliance.

(h) If the program or venture fails to take the actions specified by the Attorney General within 30 days after notice by the Attorney General is given, the Attorney General shall immediately issue to such venture final notice of the withdrawal or modification of such previous approval.

(i) Such withdrawal, modification, or denial of an application for approval of a joint research and development venture or amendment thereof is reviewable by the Court of Appeals for the District of Columbia to determine if the Attorney General's findings were clearly erroneous.

(j) Except as provided in subsection (i) no determination made by the Attorney General with respect to issuance, amendment, modification, or revocation of approval of a joint research and development venture shall be admissible in evidence in any administrative or judicial proceeding in support of any claim under the antitrust laws.

(k) The Attorney General may approve a joint research and development venture which fulfills the requirements of subsection (d) even if it does not provide access to participation to domestic subsidiaries of firms of another nation if it is found that such nation does not provide access to participation in joint research and development efforts to United States firms operating in such nation equivalent to the access provided domestic firms of that nation.

(l) For any joint research and development venture established prior to the date of enactment of this Act the Attorney General shall approve any such venture retroactive to the date such venture satisfied the requirements of subsection (d).

IMMUNITY

SEC. 6. (a) No act or failure to act pursuant to and within the scope of any Attorney General approved joint research and development venture shall be construed to be within the prohibitions of sections 1 and 2 of the Sherman Act, sections 7 and 16 of the Clayton Act, the Federal Trade Commission Act, or any State law in pari materia.

(b) None of the participants in a joint research and development venture, nor the venture, shall be liable under section 16 of the Clayton Act with respect to threatened loss or damage by a violation of the antitrust laws if the threatened loss or damage arises from conduct undertaken in connection with the operation of an approved joint research and development venture.

(c) If, with respect to any claim brought by a person under the antitrust laws against the joint research and development venture, its employees, or the participants, or employees of such participants, the court finds that the violation alleged arises from conduct undertaken in connection with the operation of an approved venture, and—

(1) the venture was formed and operated in conformance with the characteristics set forth in section 5 of this Act, or

(2) the conduct alleged to violate the antitrust laws does not violate the antitrust laws,

then the court shall award to the person or persons against whom the claim is brought the cost of suit attributable to defending against the claim, including reasonable attorney fees.

(d) Upon notice of withdrawal of the approval of the Attorney General, the provisions of this section shall not apply to any subsequent act or failure to act pursuant to such program.

TECHNOLOGY TRANSFER

SEC. 7. (a) Pursuant to subsections (g) and (h) of section 5, the Attorney General shall withdraw approval of all or part of the joint research and development venture if any of the following terms are not satisfied:

(1) all inventions and knowledge developed in the course of a research and development program are promptly reported by the venture to the participant firms;

(2) applications for patents on patentable inventions and methodology are made by the venture on behalf of program participants and the venture retains the title to all inventions, patents and methodologies,

(3) any firm that is a participant in a program at the time of an invention, or the time a methodology is developed is at such time entitled to access to all such resulting patents, inventions and methodologies; and

(4) no later than six years after the venture receives title to any invention, patent or methodology, it shall make access available to any other United States firms, such invention, patent or methodology on reasonable, fair and nondiscriminatory terms in light of the risks assumed and resources expended by the participants.

REPORTING REQUIREMENT; AMENDMENT OF APPROVED VENTURE

SEC. 8. (a) An approved joint research and development venture—

(1) shall promptly report to the Attorney General any change or update relevant to the matters specified under section 5(d), and shall annually submit to the Attorney General a report in such form and at such time as the Attorney General requires; and

(2) shall, in order to maintain immunity under section 6, submit to the Attorney General an application to amend the terms or scope of the previously approved venture to reflect the fact and effect of the change on the conduct specified in the previously approved venture.

(b) For purposes of section 5, an application for an amendment to an approved venture shall be deemed to be a request for approval of a venture, except that the Attorney General shall give written notification of his decision to the applicants within 30 days after the filing of such request. Such applicants decision shall be accompanied by the Attorney General's written findings.

DISCLOSURE OF INFORMATION

SEC. 9. (a) Information submitted by any person in connection with the issuance, amendment, modification, or revocation of the Attorney General approval shall be exempt from disclosure under section 552 of title 5, United States Code.

(b)(1) Except as provided in paragraph (2), no officer or employee of the United States shall disclose commercial or financial information submitted in connection with the issuance, amendment, modification of revocation of Attorney General approval if the information is privileged or confidential and if disclosure of the information would cause harm to the person who submitted such information.

(2) Paragraph (1) shall not apply with respect to information disclosed—

(A) upon a request made by the Congress or any committee of the Congress,

(B) in a judicial or administrative proceeding,

(C) with the consent of the person who submitted the information,

(D) in the course of making a determination with respect to the issuance, amendment, modification, or revocation of Attorney General approval, if the Attorney General deems disclosure of the information to be necessary in connection with making the determination,

(E) in accordance with any requirement imposed by a statute of the United States, or

(F) in accordance with any rule issued under section 10 permitting the disclosure of the information to an agency of the United States or of a State on the condition that the agency will disclose the information only under the circumstances specified in subparagraphs (A) through (E).

ISSUANCE OF GENERAL REGULATIONS

SEC. 10. Not later than 90 days after the date of enactment of this Act, the Attorney General shall issue rules to carry out this Act.

EFFECTIVE DATE

SEC. 11. This Act shall take effect on the date of enactment and shall also apply to any joint research and development venture established prior to such date.●

By Mr. MATHIAS:

S. 569. A bill to preserve, protect, and maintain the original boundary stones of the Nation's Capital; to the Committee on Energy and Natural Resources.

NATIONAL CAPITAL BOUNDARY STONES ACT

● Mr. MATHIAS. Mr. President, I am introducing today a bill to restore and protect the original 40 boundary markers of our Nation's Capital City. This is the third consecutive Congress in which I have introduced this legislation. In the 96th Congress, the House companion bill successfully passed the House, but in the press of the Senate business in the final days of that session, it was not considered by the Senate. A hearing was held in the Senate in the 97th Congress, but once again, there was no final action on this legislation.

We cannot delay this protective measure much longer before these markers, of significant historical value, are lost forever.

These sandstone markers are now 190 years old and are category II landmarks designated by the Joint Committee on Landmarks of the Nation's Capital. They have fallen on hard times with no one really charged with their maintenance and upkeep. Yet they are important testimonials to the history of the founding of the Nation's Capital, the work of Andrew Ellicott and Benjamin Banneker and the history of early surveying and civil engineering in the United Staes.

The question of a permanent site for the national seat of Government was debated by Congress from 1783 until 1791, when President Washington signed into law an amendment to the Residence Act of 1790 expanding the site of the Nation's Capital to include the eastern shore of the eastern branch of the Anacostia River and including the Port of Alexandria, Va.

The site of our Nation's Capital was, thus finally determined—a 100-square-mile district, with boundary lines 10 miles on each of the 4 sides.

Perhaps because they feared the decision on a permanent site would somehow be abrogated, President Washington and Secretary of State Thomas Jefferson wasted no time in engaging a surveyor as well as private individuals to begin quietly purchasing property on behalf of the Government.

To survey and mark the boundaries of the new District of Columbia, Mr. Jefferson immediately commissioned Maj. Andrew Ellicott of Philadelphia.

Ellicott was a well-known surveyor possessing some of the most advanced surveying instruments in the United States at that time. Most of those instruments are now housed in the Smithsonian Institution.

Ellicott accepted the commission and quickly began looking for an assistant to make the astronomical observations upon which the survey lines and markers would be based. He turned to Benjamin Banneker, a free black man who was a friend and neighbor of his cousin in Ellicott Mills, Md.

Banneker, a self-taught astronomer, was over 60 at the time. He readily agreed to make the astronomical observations for the south corner stone while Ellicott and field crews did the actual surveying. Between February and April of 1791, Banneker made observations and mathematical calculations upon which the first stone marker was placed at Jones Point on the Potomac River in Alexandria, Va. Ill health forced him to return home in April.

Ellicott completed the survey and setting of markers—40 in all—by January 1793.

The 39-year-old surveyor described the marker stones, which were of standstone quarried at Acquia, Va., as follows:

Lines are opened and cleared forty feet wide that is twenty feet on each side of the lines limiting the Territory, and in order to perpetuate the work I have set up square mile stones marked progressively with the number of miles from the beginning on Jones' Point to the West corner thence from the West corner to the North corner to the East corner and from thence to the place of beginning on Jones' Point; except in a few cases where the miles terminated on declivities or in waters; the stones are then placed on a the first firm ground, and their true distances in miles and poles marked on them. On the sides of the stones facing the Territory is inscribed, "Jurisdiction of the United States". On the opposite side of those placed in the Commonwealth of Virginia is inscribed "Virginia". And on those in the State of Maryland, "Maryland". On the third and fourth sides, or faces, inscribed the year in which the stone was set up, and the conditions of the Magnetic Needle at that place.

In 1914, a committee of the D.C. Daughters of the American Revolution set about reclaiming the boundary markers. Over the course of the following 3 years, members of the DAR once again located the stones, secured deeds from affected property owners to place a fence, installed protective iron fences around them, marked them with a bronze plaque, and assigned continued maintenance responsibility for each stone to one of its chapters.

Were it not for this pioneering preservation effort by the Daughters of the American Revolution, it is very likely the boundary stones of the Nation's Capitol would not have survived today. But development, traffic, remote locations, and vandalism have all taken their toll. The DAR, while as committed as ever to continuing its stewardship role, can no longer assume the financial and personal burden necessary to assure the maintenance of these stones.

Thanks to the efforts of the National Capital section of the American Society of Civil Engineers, in cooperation with the DAR, and the National Capital Planning Commission, a report was prepared on the stone markers as a bicentennial project.

That report titled, "Boundary Markers of the Nation's Capital: A Proposal for Their Preservation and Protection," is a careful history of the survey of the District of Columbia and the current status of the markers.

Several stones are overgrown with weeds; a few are missing; some have been relocated; some badly weathered. Yet others are well cared for by concerned citizens.

There is a clear need to fix responsibility for the stones and their protection and maintenance. It is with this purpose in mind that I am reintroducing legislation today that assigns responsibility for the preservation, protection, and maintenance of the boundary stones to the National Park Service. Such continuing maintenance

needs are to be identified by the D.C. Daughters of the American Revolution and reported directly to the National Park Service Director for appropriate action. This arrangement, I believe, will continue the DAR's stewardship of those important historic markers and assure their continued maintenance.

An estimate of costs for surveying the stones, preparing a conditions report, and preparing a relocation, replacement, and marker plan is $245,000, according to the National Park Service. They estimate that capital costs to replace protective fences, replace DAR markers, clean and protectively coat the stones against weathering, and trim the immediate area around those stones now neglected is $115,000.

The second purpose of my bill is to assure recognition for the two original surveyors of the Nation's Capital, and the history of their survey, its instruments, and techniques. As I noted earlier, many of Andrew Ellicott's surveying instruments are held by the Smithsonian Institution. My bill directs the National Park Service in coordination with the Smithsonian to develop such a display, which I hope would be in one of the Smithsonian museums.

Mr. President, too often we find ourselves mourning the loss of some significant historical feature of our Nation. The boundary markers of the Nation's Capital are such endangered monuments of the history of the Federal City. Despite rather overwhelming odds these markers have survived 190 years. With just a little bit of care they can be assured of preservation for decades to come.

Mr. President, I would further like to note that I have received letters supporting the intent of this legislation from the National Capital Planning Commission, the Smithsonian Institution, the D.C. Commission on Fine Arts, the American Society of Civil Engineers, and the D.C. Chapter of the Daughters of the American Revolution, as well as the District of Columbia, Maryland, and Virginia State Historic Preservation officers. I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Capital Boundary Stones Act".

SEC. 2. (a) Congress finds that because of the deteriorating condition and neglect of the forty original boundary stones delimiting the ten-mile square first set aside by the State of Maryland and the Commonwealth of Virginia as the "seat of government of the United States", there is a need to provide for the preservation, protection, and maintenance of such stones.

(b) The purposes of this Act are to—

(1) assign responsibility for the preservation, protection, and maintenance of the boundary stones;

(2) assure perpetuity of these important historic boundary stones for future generations of Americans to view and enjoy;

(3) provide an adequate mechanism for ensuring that the boundary stones are protected and maintained; and

(4) to make available to the public, information, data, and items involving or pertaining to the history of the original survey of the Nation's Capital, including the surveyors, and the instruments and techniques used in connection therewith.

SEC. 3. (a) The Secretary of the Interior, acting through the National Park Service, shall have the responsibility for the preservation, protection, and maintenance of the boundary stones referred to in section 2 of this Act.

(b) Within the twelve-month period following the date of the enactment of this Act, the Director of the National Park Service shall prepare and submit to the Secretary for his approval a program for preserving, protecting, and maintaining such boundary stones. Such program shall include—

(1) a location and condition survey of each cornerstone and boundary stone, conducted in consultation with the District of Columbia Daughters of the American Revolution, which shall be referenced to the appropriate State plane grid coordinate system with appropriate ties to property lines and which shall provide for the results to be shown on plats of survey in such form as may be suitable for recording purposes;

(2) with respect to each boundary stone located at each of the four cardinal points of the compass at the corners of the ten-mile square delineating the original site of the Nation's Capital a plan for preserving, protecting, and maintaining such cornerstones;

(3) with respect to each of the other boundary stones, a plan to preserve, protect, and maintain each such boundary stone;

(4) a relocation, replacement, and marker plan for those boundary stones which have been moved or which are missing or which cannot be placed in their original location;

(5) alternative plans for the long-term care, protection, and maintenance of the boundary stones which may include agreements among private individuals, the Federal Government, local governments of areas within the State of Maryland or the Commonwealth of Virginia within which such boundary stones are located, and the governments of the State of Maryland, the Commonwealth of Virginia, and the District of Columbia;

(6) a schedule and financial plan for providing such preservation, protection, and maintenance of such boundary stones; and

(7) in coordination with the Smithsonian Institution, a plan setting forth a display on the history of the survey of the District of Columbia conducted during the years 1791 and 1792, the original surveyors, the instruments and techniques used by such surveyors in conducting the survey of the District of Columbia, and surveying methods and techniques currently in use.

(c) Within the twenty-four-month period following the date of the approval by the Secretary of the Interior of the program pursuant to subsection (b) of this section, the Secretary of the Interior, acting through the National Park Service, shall, in consulation with the District of Columbia Daughters of the American Revolution, implement such program and provide for the preservation, protection, and maintenance of such boundary stones.

SEC. 4. In carrying out the program approved pursuant to section 3 of this Act, the Secretary of the Interior is authorized to acquire, by donation, purchase with appropriated or donated funds, exchange, or condemnation, such lands and interests therein (including easements), together with improvements thereon, as may be necessary to carry out such program.

SEC. 5. Whoever willfully damages or removes any boundary stone referred to in this Act shall be fined not more than $500, or imprisoned not more than six months, or both.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

By Mr. ROTH:

S. 571. A bill to amend the Federal Property and Administrative Services Act of 1949 to make Federal surplus property more accessible to local emergency preparedness and volunteer firefighting organizations and to authorize and direct the Federal Emergency Management Agency to recommend available Federal surplus to the Administrator of the General Services Administration for transfer to such organizations, and for other purposes; to the Committee on Governmental Affairs.

EMERGENCY SERVICES IMPROVEMENT ACT OF 1982

● Mr. ROTH. Mr. President, I am today introducing the Emergency Services Improvement Act of 1983, a revised version of legislation which I first introduced 3 years ago. This bill is intended to improve the availability of surplus Federal property to State and local emergency services organizations by establishing emergency preparedness as an important national priority. I believe the legislation is an efficient and effective way to assist State and local emergency preparedness organizations perform their lifesaving duties and I urge my colleagues to support it.

The Emergency Services Improvement Act would help address the needs of State and local emergency and disaster preparedness organizations for trucks, generators, firehoses, tools, and other emergency supplies. Currently, there are over 1½ million volunteer firefighters, 28,000 fire companies, some 6,000 civil defense agencies, and countless local rescue squads providing services to their local communities in fighting fires, rescuing and treating hurt or trapped persons, and planning for natural or manmade disasters. Many of these organizations are volunteer based and operate on funds raised from private sources. They do not have the time or the money to become knowledgeable concerning Federal property programs

and have found themselves, over the past 5 years, less and less accessible to Federal personal property declared as surplus.

Before 1977, many of these groups relied, to some degree, on their ability to obtain usable surplus equipment from the Federal Government to help them maintain and improve their services. Most often, the property they obtained was old and in a state of disrepair but they utilized their talents to restore the equipment to working order. In many cases, the trucks and generators they received were of Korean war vintage and their willingness and ability to devote considerable time and effort to revamp the aged Federal equipment was commendable. My Committee on Governmental Affairs received dozens of letters and photographs detailing how the equipment was being rebuilt and used from local disaster preparedness groups across the country.

Changes made in the law in the 1970's greatly reduced the availability of surplus Federal personal property to State and local firefighting, rescue, and civil defense organizations. Civil defense organizations at the local level have operated for many years as coordinating groups for all disaster preparedness organizations in their efforts to acquire surplus personal property from the Federal Government. In 1976, over $170 million worth of surplus equipment was sent through civil defense organizations to volunteer firefighting companies, sheriffs' offices, and rescue squads. Last year, only $30 million went to these same organizations. Many civil defense organizations have been unable to acquire equipment for disaster preparedness groups in their areas.

Local emergency preparedness organizations make good use of available Federal surplus property. In my own State, the Frankford Volunteer Fire Co. used surplus military equipment in the blizzard of 1980 to provide shelter and aid to 35 people in its firehouse. One of my constituents, Mr. Wayne Ellingsworth, director of Sussex County, Del., Department of Emergency Services, noted in testimony before my committee concerning a severe blizzard which struck the county in 1980:

> Most of our success in saving lives during this blizzard was attributed to those 41 four-wheel drive vehicles that my department had acquired through the excess equipment program then administered by the Defense Civil Preparedness Agency.

Mr. President, S. 2625 would establish emergency preparedness in the law as a priority need for the donation of surplus Federal property. It would require the Federal Emergency Management Agency (FEMA) to continuously survey available Federal property in the Defense Department and the civilian agencies to locate equipment appropriate for emergency services. When such equipment is found, FEMA would notify the General Services Administration (GSA) to transfer it to local emergency service organizations. GSA is the agency responsible for Federal property programs. The bill also specifically requires the Defense Department to consider the emergency preparedness needs of local organizations before sending its surplus equipment to the GSA for all final disposal.

I think this legislation will improve the access of State and local emergency preparedness organizations to available surplus Federal property. It represents a cost-effective method of enhancing the ability of local volunteer fire and rescue squads to perform their lifesaving duties without increasing local taxes.

A bill identical to the one I am introducing today passed the Senate last August but time did not permit its approval by the House. The legislation is under the jurisdiction of the Committee on Governmental Affairs which I chair and I intend to schedule it for quick action in my committee. I urge my colleagues to support this important legislation.

I ask that the text of the bill be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 571

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Services Improvement Act of 1982".

SEC. 2. Section 484(j) of title 40, United States Code, is amended by striking subsection (j)(2) and inserting in lieu thereof the following new paragraph:

"(2)(A) In the case of surplus personal property under the control of the Department of Defense, the Secretary of Defense shall determine whether such property is usable and necessary for the civil defense needs of the United States or for educational activities which are of special interest to the armed services, such as maritime academies, or military, naval, Air Force, or Coast Guard preparatory schools. If the Secretary determines that such property is usable and necessary for said purposes, the Secretary shall allocate it for transfer by the Administrator to the appropriate State agency for distribution, through donation, to such activities. If the Secretary determines that such property is not usable and necessary for such purposes, it may be disposed of in accordance with paragraph (3) of this subsection.

"(B) Before making any determination concerning the property described in paragraph (2)(A), the Secretary shall confer with and ask the guidance of the Director of the Federal Emergency Management Agency. The Director shall continuously review the available property under the control of the Department of Defense and shall immediately notify the Secretary whenever he has identified property appropriate for civil defense purposes.

"(C) The Director shall notify the Congress whenever the Secretary has refused to accept his recommendation to allocate property to the Administrator of the General Services Administration as provided under subsection (2)(A).".

SEC. 3. (a) The Federal Civil Defense Act of 1950 is amended by inserting after section 207 the following new section:

"TRANSFER OF PROPERTY TO STATE AND LOCAL GOVERNMENTS

"SEC. 208. (a) Upon notification of the Administrator of General Services in accordance with the Federal Property and Administrative Services Act of 1949 by any agency other than a department or organization within the Department of Defense that such agency has surplus property under its control, the Director shall be notified by the Administrator of General Services of the availability of such surplus property. Before transferring or allocating any such property, the Administrator shall consult with and ask the guidance of the Director of the Federal Emergency Management Agency concerning which such property would be suitable for civil defense purposes. The Administrator shall carefully and completely consider the recommendations of the Director and, based on such recommendations, shall transfer property to the appropriate State agency for distribution to the civil defense organizations identified by the Director.

"(b) The Director shall notify the Congress whenever the Administrator has refused to accept his recommendations to transfer property identified by the Director as provided in section 208(a).".

(b) The table of contents of such Act is amended by inserting after the item relating to section 207 the following new item:

"Sec. 208. Transfer of property to State and local governments.".●

By Mr. DODD (for himself, Mr. CRANSTON, Mr. KENNEDY, Mr. TSONGAS, and Mr. RIEGLE):

S. 572. A bill to provide emergency assistance for children; to the Committee on Finance.

EMERGENCY ASSISTANCE FOR CHILDREN

● Mr. DODD. Mr. President, today I am introducing a bill to restore essential health, nutrition, and education programs for our Nation's youth. I am pleased to have Senator CRANSTON, Senator KENNEDY, Senator TSONGAS, and Senator RIEGLE join me in sponsoring this emergency assistance legislation for children.

Some 64 million Americans are children. They constitute one-third of our citizenry. Yet despite their overwhelming numbers, younger Americans represent what is often called an invisible constituency. Unlike the rest of us over the age of 18, they cannot vote. Rather, they must rely upon us to vote on their behalf in the same manner as they rely on us to feed, clothe, educate, and protect them.

If this country's young people could speak as an organized group here today, I am certain they would tell us that we have not done a very good job of looking after their safety or welfare. The budget actions of the past 2 years have cut into the muscle and bone of many crucial services for children, including food stamps and school

lunches, day care, financial support under aid for dependent children, and health benefits under medicaid.

Preliminary reports from States around the country show that children's programs are being cut before all others in the battle over scarce block-grant dollars. And, officials from my State of Connecticut to California predict that the recent alarming increase in child abuse will only get worse as a result of the strains which unemployment and cutbacks in social services have placed upon families.

The bill I am introducing today focuses on the following crucial services for children: First, child welfare, second, child care, third, family supports, fourth, health care for mothers and children, fifth, child nutrition, sixth, education, and seventh, youth employment. Essential funding cut from such services over the past 2 years would be restored by the provisions of this emergency assistance legislation for children. Where necessary, this bill also targets certain programs for additional emergency funding.

Under child welfare, this bill provides money to develop cost-effective alternatives to out-of-home care, to support children placed voluntarily by their parents in foster care, and to assist the victims of child abuse. In addition, it seeks to aid States in their efforts to remove children from adult jails and provide more shelters for runaway youth. With some one-half million children locked up in adult jails each year, such assistance can come none too soon.

The child care provisions of this legislation provide additional funding for Head Start, the child care food program, and title XX child care. At the same time, it establishes a refundable child care tax credit and allows child care facilities to qualify for income tax exemption.

In terms of health care for mothers and children, the bill restores budget cuts in such vital programs as WIC and childhood immunization as well as in those contained in the maternal and child health and the primary care block grants. Furthermore, it makes medicaid available to children and pregnant women who meet income standards but are now excluded because they are part of a two-parent family.

Poor families, especially the working poor, would have such services as child care and crisis assistance restored to them under the family support provisions of this bill. At the same time, limits on work incentives for AFDC recipients would be eliminated while tax relief for working families with dependent children would be enhanced.

Under child nutrition programs, this bill raises eligibility standards for children in need of free or reduced price school breakfasts and lunches. It also restores food stamp benefits taken away from working, poor families by the 1981 reduction in the "earned-income disregard."

The education provisions contained in this legislation will allow hundreds of thousands of children to regain access to the remedial math and reading program under chapter 1 of the Education Consolidation and Improvement Act. Additional funding for the Education of All Handicapped Children Act included in the bill will insure that States continue to assist eligible children to become self-supporting adults.

Finally, this legislation would target additional funding for youth employment programs. Such action is imperative in light of recent evidence that minority youth unemployment is nearly 70 percent.

Mr. President, this legislation would make children's programs a high priority in our budget. The need for doing just that becomes more apparent every day. More children now live below the poverty line than any other age group in this country, and the poverty rate for children keeps climbing, having jumped from 15 percent in 1970 to more than 20 percent in 1981.

Infant mortality is on the rise again, with millions of American babies and pregnant women unable to obtain special nutrutional and medical assistance. The rate of infant deaths in cities like Detroit and Birmingham now parallels that in some of the poorest Latin American and African nations. And, some 15 percent of all 17 year old Americans can neither read, write nor count at a time when jobs are available for those with only the most advanced skills.

If we neglect to care for our children today, we neglect tomorrow's national scientific and technological capabilities, economic growth and security. Although our younger citizens are silent in that they do not vote, they must not be ignored. I urge my colleagues to join with me in sponsoring this legislation to insure that children do not become forgotten Americans.●

By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:

HELP FOR AMERICA'S CHILDREN

● Mr. CRANSTON. Mr. President, I am pleased to join my good friend, the Senator from Connecticut (Mr. DODD), in introducing S. 572, this symbolic measure aimed at restoring some of the funds that have been slashed over the past 2 years from programs that provide services that are essential to the survival of millions of young children in this Nation and making certain changes in other programs to help reduce the economic hardships faced by low-income working families throughout the country.

Mr. President, the Senator from Connecticut (Mr. DODD), was recently named the ranking minority member of the Family and Human Services Subcommittee of the Labor and Human Resources Committee. It is particularly noteworthy that as one of his first actions since assuming that position on the only Senate subcommittee focused primarily on programs involving the needs of America's children and families, Senator DODD has introduced this measure, demonstrating his commitment and dedication to the welfare of our most precious resource—our young. As the chairman of the predecessor subcommittee—the Child and Human Development Subcommittee—during the 95th and 96th Congresses, I am proud to join the Senator from Connecticut in sponsoring this symbolic measure. I look forward to working with him on behalf of the well-being of our Nation's children.

As my colleagues know, throughout my Senate career, I have had a special interest in programs relating to the needs of children and families. I served as a primary Senate sponsor of many of the programs affected by this legislation which have suffered enormously under the Reagan administration. The measure we are introducing today symbolizes the need to undo some of the damage done in the past 2 years to these programs.

IMPACT OF REAGANOMICS ON CHILDREN

Mr. President, children constitute the largest age group living in poverty in our Nation, and sadly, their numbers are growing. Over the past 2 years, more than 2.5 million more children fell into poverty. Today, 20 percent of the children in this great Nation—one in five—are living in poverty.

These figures are a national disgrace.

Children are the primary recipients of assistance under Federal programs providing aid to poverty-stricken Americans and they have been the primary victims of the Reagan budget cuts. Virtually every Federal program providing assistance to vulnerable children and their families has suffered devastating cutbacks in the past 2 years under the Reagan administration's misguided budget priorities. While we have watched the military budget become bloated and the well to do given tax break after tax break, programs providing food and health services to needy children have been drastically reduced.

The tragic story told by the statistics is overwhelming. Over a million children have lost their subsidized school lunches since President Reagan took office. Almost 300,000 children are estimated to have lost access to health services formerly provided through community health centers. Another 200,000 children and mothers have been eliminated from the maternal and child health program. An esti-

mated 1.5 million children have lost AFDC assistance. In many cases, loss of AFDC has meant loss of medicaid services as well.

The consequences of these shortsighted policies which have robbed children and families of vital services are just beginning to become apparent. Alarming reports are now reaching us of increases in infant mortality rates in communities which have been hard hit by the economic devastation caused by raging unemployment and reductions in health care services. The incidence and severity of child abuse appears to be increasing in communities throughout the country as services are being cut for child abuse prevention programs. A survey conducted by the National Committee for Prevention of Child Abuse last fall found 39 States with an increase in child abuse reports, 33 with more serious abuse cases, and 14 with increases in deaths due to abuse.

Abandonment of children also appears to be on the rise. The Children's Defense Fund reported a 50-percent increase in abandonment cases in Philadelphia between 1981 and 1982, with 12 to 15 new cases of abandoned children occurring each month in that city. Yet, funds for programs like child welfare services that are designed to help reduce family break-ups and distress have been reduced at a time when the dismal economic conditions brought on by Reaganomics have led to increased family tensions and an increased need for such programs. Indeed, as more and more American families have been brutally affected by the Reagan economic program and have been forced to seek assistance in their struggle for survival, they have found that the basic Federal programs to help families and children in need have been gutted by the Reagan administration.

Mr. President, I do not believe the American people have lost their compassion for vulnerable children or their willingness to lend a helping hand to their fellow Americans who have suffered misfortune. The American people do not want to see hungry children lining the streets of our great cities or a return of the dreaded diseases—like polio and diphtheria—which can be prevented only through consistent and vigilant immunization and child health programs. This symbolic measure represents a step toward dramatizing the great need to restore the infrastructure of our national programs to make sure that our Nation's young do not go without the basic elements essential for their healthy development. The strength of our Nation rests upon our commitment to insure that the next generation of Americans have the resources and opportunities necessary for them to grow up strong and well.

CHILDREN'S DEFENSE FUND INITIATIVE

Mr. President, the measure we are introducing today was developed by the Children's Defense Fund (CDF), a nonprofit organization dedicated to speaking out on behalf of children, particularly poor, minority, and handicapped children. CDF has long been a tremendous advocate for the needs of children and has contributed enormously to the development of sound policies to provide assistance to children and families in need. CDF has played an invaluable role in advocating for a constituency which is often unable to speak for itself. The efforts of this fine organization in developing the symbolic measure we are introducing today represent a major achievement in the continuation of CDF's outstanding activities on behalf of America's children.

COMPREHENSIVE CHILDREN'S LEGISLATION; S. 4, S. 6, AND S. 7

Mr. President, in cosponsoring this measure, I want to make note of the fact that on the first day of this Congress I introduced several important bills relating to the needs of children. Those bills include S. 4, the proposed Child Care Assistance Act of 1983, S. 6, the proposed Child and Maternal Health Act of 1983, and S. 7, legislation to provide medicaid coverage on a uniform basis to low-income pregnant women throughout the country.

In some cases, the provisions of the measure being submitted today coincide with the provisions of those bills. In other areas, the comprehensive legislative package I introduced on January 26 go far beyond the provisions of this measure. Although I am pleased to be an original cosponsor of this symbolic measure, I am fully committed to pursuing the comprehensive child care and child and maternal health legislative initiatives contained in the bills I introduced on January 26.

Nevertheless, this measure represents a good starting point and basis upon which to build the kind of support and consensus that is necessary to provide adequate assistance to the millions of low-income children and families throughout our Nation.

SUMMARY OF MAJOR PROVISIONS

Mr. President, I would like to describe briefly some of the provisions of the measure we are introducing today. As I indicated at the outset, in most cases, the funding levels proposed would simply restore these programs to levels applicable prior to the Reagan reductions. In a few instances, new provisions are proposed.

CHILD WELFARE PROGRAMS

Mr. President, this measure would seek funding at the full authorization level for two programs focused on abused, neglected, or homeless children—the Adoption Assistance and Child Welfare Act of 1980, Public Law 96-272, and the Child Abuse Prevention and Treatment and Adoption Opportunities Act, Public Law 95-266. I was the primary Senate sponsor of both of these laws and have consistently fought for adequate funding for these programs which are of vital importance to thousands and thousands of vulnerable children.

Funding for the title IV-B component of Public Law 96-272 would be set at $266 million—the level adopted by Congress when this landmark legislation was enacted in 1980. Funding for this program has been frozen for the past 2 years at $156 million, which is 4 percent below the fiscal year 1981 funding level. The legislation enacted by the 96th Congress contemplated increases in funds for the title IV-B program in order to implement the reform measures contained in the new law. Without adequate funds for the services necessary to implement these new provisions, States have limited ability to reduce foster-care placements and secure permanent homes for the thousands of children who have been tragically caught in the foster-care limbo.

This measure would also set funding for the programs authorized under Public Law 95-266—the child abuse and the adoption opportunities program—at $39 million, the combined level authorized when these programs were enacted during the 95th Congress. Presently, funding from the child abuse program has been reduced from the 1981 total funding level of almost $23 million to $6.7 million. Adoption opportunities has gone from $5 million to $1.9 million.

Funding for the juvenile delinquency prevention program would be set under this measure at the previous authorized level of $200 million.

Finally, the measure would set funding for the runaway youth program at $50 million, an increase over the current $21.5 million in recognition of the need to provide more resources to deal with the estimated 1.2 to 1.5 million children and adolescents who run away from home each year, often to become victims of sexual exploitation. The handful of programs currently funded under the existing program—166 programs throughout the Nation—have been highly successful in getting these runaways to return to their families. More than 50 percent of the youngsters who arrive at a runaway center are persuaded to return home.

CHILD CARE SERVICES

This measure would seek to restore the $200 million for child care services that was eliminated from the social services block grant program in 1981. As I indicated earlier, I have also introduced legislation, S. 4, the proposed Child Care Assistance Act of 1983, which would authorize an additional $200 million for child care services in

fiscal year 1984 to compensate for the loss of the $200 million for child care under the former title XX program. Both this provision and S. 4 are aimed at the same goal—restoring funds for essential child care services. S. 4 would also seek to provide for the comprehensive and coordinated development of child care assistance programs to meet the growing need for cost-effective and adequate child care services.

The proposal being submitted today would also seek to provide additional funds for the child care food program to restore prior levels of service and would set a funding level for the Head Start program at the level authorized by Congress.

Additionally, this measure would make the existing child care tax credit refundable, thereby reaching the thousands of low-income working families who currently do not benefit from a nonrefundable credit. The Senate approved the refundability provision in the 1981 tax bill, but that provision unfortunately was deleted in conference.

HEALTH SERVICES

This measure would seek to restore funds for several important health programs providing services to children and mothers.

It would set a funding level for the maternal and child health block grant at the level which existed prior to 1981. This would result in an additional $83.2 million for this program which provides low-income children and mothers with such important services as immunizations and basic prenatal and infant care. An increase of approximately $45 million would be proposed for the primary care block grant in order to provide funds for the community health center program—an important source of health care services for many low-income families. This would fund the program at the full authorization level.

An additional $31.2 million would be proposed for the title X family planning services program to bring the level of funding back up to the 1981 level. As the primary Senate sponsor of all of the major family planning legislation enacted during the 1970's, I am particularly aware of the need to provide adequate resources to provide family planning services to the millions of low-income women in this country who lack access to such services. Restoration of funds to the 1981 level would represent only a small step in the direction that is needed to help make such services available to all who seek and desire them.

An additional $4 million would be directed to the Federal immunization program to immunize children against polio, diphtheria, measles, tetanus, whooping cough, and mumps. These additional funds would simply offset increases in the cost of vaccines and allow the program to continue to provide the same level of service.

This measure would also make certain changes in the medicaid program to extend coverage to pregnant women and children in two-parent families, facilitate coverage of newborn eligible infants, extend coverage to an estimated 66,000 low-income children and their families who are currently not eligible, and require States to provide low-income children under medicaid with vision, dental, and hearing services.

Again, as I indicated previously, on January 26 I introduced two bills, S. 6 and S. 7, dealing with the health needs of low-income children and pregnant women. Both bills would go further than today's measure toward meeting the health needs of these individuals. For example, S. 7 would extend medicaid coverage not only to low-income pregnant women in intact, two-parent families, but would also provide coverage to low-income women who are pregnant with their first child—women who are now denied coverage in a number of States. Both S. 6 and S. 7 would establish uniform medicaid eligibility standards at 55 percent of the poverty line, thereby enabling many pregnant women and low-income children living in States with higher eligibility standards to receive medicaid services. Moreover, S. 6 would provide for improvements in child health services under medicaid beyond the mandating of vision, dental, and hearing services. Although the improvements proposed in the proposal introduced today do not go as far as S. 6 or S. 7 toward meeting the health needs of low-income mothers and children, they would clearly be a useful first step.

Finally, the measure proposes an additional $66 million for the WIC program—the vital supplemental food program for women, infants, and children. The additional funds would restore the level of services to the fiscal year 1982 level. The WIC program, which serves approximately 2.3 million women and children, is one of the most successful Federal programs and has been extraordinarily effective in reducing low birth weights, a leading cause of infant mortality and morbidity.

EDUCATION

The measure being proposed today would seek to restore the funding levels for two important education programs serving disadvantaged and handicapped children. It proposes an increase of $350 million for the Education Consolidation and Improvement Act, formerly the title I compensatory education program which serves educationally disadvantaged children from low-income areas, and proposes an additional $50 million for the Education for All Handicapped Children Act. In both cases, the level of funding provided represents the full authorization level provided in the Omnibus Budget Reconciliation Act of 1981.

NUTRITION

Changes in the school lunch program and the food stamp program—53 percent of the food stamp recipients are children—provided for in this measure would restore services to millions of children affected by the reductions in the past 2 years. Approximately $500 million of the more than $1 billion taken from the school lunch program since 1981 would be restored.

Approximately $320 million would be restored to the food stamp program—which represents only a small part of the almost $4 billion in funds taken from this program in the past 2 years.

FAMILY SUPPORT SERVICES AND INCOME PAYMENTS

An additional $800 million would be proposed for the social services block grant program, formerly title XX of the Social Security Act. This would bring the funding level up from the current $2.45 billion to $3.3 billion—the level set by Congress in 1980.

Various changes are also included to eliminate the provisions added to the AFDC program in 1981 which severely hurt low-income families trying to work their way off of welfare and back into the work force. These changes would restore approximately $475 million in funds to the AFDC program.

Two changes in the tax treatment of low-income working families have also been proposed. The first would increase the earned income tax credit by $50 for each dependent child and by an additional $50 per dependent child under age 6 in working families. The second provision would reduce the tax rate for families claiming the earned income tax credit from the current 12.5 percent to 10 percent. Both of these provisions would ease to a certain extent the economic burdens faced by these families whose incomes fall into the lowest tax bracket and whose tax rate was the only one not reduced in the 1981 tax cuts. I know of no clearer evidence of the unfairness of Reaganomics than this discrimination against those of little influence and even littler means of coping with the current economic nightmare.

YOUTH EMPLOYMENT

The measure also proposes increased funding for several employment programs—the Job Corps, summer youth employment program, and the local training program authorized under title II-A of the CETA program which is focused upon structurally unemployed and economically disadvantaged persons, at least 40 percent of whom must be young persons under the age of 22.

I have recently introduced S. 266, the proposed Community Renewal Employment Act. That legislation

would provide for almost a million employment opportunities for long-term unemployed individuals seeking to work. Likewise, these provisions in today's proposals are designed to enhance the employment outlook for 50,000 young people who are new entrants to the labor market and who may lack the necessary job skills and experience necessary to compete effectively.

CONCLUSION

Mr. President, this measure along with such bills as S. 4, S. 6, S. 7, and S. 266 signify the commitment of many in Congress and throughout the Nation to restore our national priorities toward programs that represent an investment in our human capital and in our Nation's most precious resource—our children.

I look forward to working with the chief sponsor of this measure, the Senator from Connecticut and other similarly dedicated and concerned Members of this body, as we seek to refine and develop these proposals so that we can truly achieve that goal.●

By Mr. DODD (for himself and Mr. PROXMIRE):

S. 573. A bill to require depository institutions to disclose to their customers their practices relating to the availability of funds in connection with check deposits, to require the timely payment of interest on deposits to interest bearing accounts, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

FAIR DEPOSIT AVAILABILITY ACT OF 1983

● Mr. DODD. Mr. President, we all know people who deposit a large check, wait a few days, and then write checks to pay their bills—only to have the checks returned to them as unpayable because of "insufficient funds." They immediately call their banks to find out why their checks have bounced and are told that the check they deposited to cover these amounts—sometimes their paycheck or social security check—had not cleared yet. Often the people are shocked to discover that their banks take a week to clear an in-State check and 2 weeks to clear an out-of-State check. Then these people have to suffer the embarrassment of explaining the problem to the merchants and reissuing new checks—after the appropriate amount of time. Finally, to add injury to insult, they receive notices from both the bank and the merchants that they will have to pay penalties charges because the checks bounced.

In the days of electronic banking and automated clearinghouses, there is no excuse for these problems to occur with the frequency they do. A Federal Reserve Board survey of "Consumer Experience with Delayed Funds Availability" in November 1981, found that 11 percent of the people interviewed who had checking or savings accounts had frequent problems or sometimes had problems with check holds. If 50 million Americans have checking and savings accounts (a conservative estimate), this would mean that approximately 5.5 million people have experienced frequent or sometime problems with bank check hold practices.

It is time for the banking industry to harness its marvelous technology and put an end to the disgraceful system of holding deposits for an undue period of time. The legislation I am introducing today with Senator PROXMIRE, the Fair Deposit Availability Act of 1983, is designed to help depository institutions and the marketplace solve the problem. It does not dictate specific periods of time for check cashing—as was suggested by a Federal Reserve Board-American Bankers Association Task Force in 1979 with respect to established, financially responsible customers. Instead, it requires the bank on which a bad check is written to inform the bank that cashed the check in the first place within 24 hours of the time that it determines that the check will not be paid. Banks can do this easily if they follow the American National Standards Institute's 1981 standard on "specifications for check endorsements," as also would be required by my bill. By following this system, banks that cash checks will know within 3 to 4 days whether a check has cleared.

In addition, the legislation requires depository institutions to inform customers of their hold policies both at the time a person opens a new account and at the time a person deposits a check if the funds will not be available immediately. I am hopeful that the marketplace then will operate to eliminate unduly long check holding practices and obviate the need for any proscriptive legislation.

As I indicated previously, a Federal Reserve Board-American Bankers Association Task Force produced a report on delayed funds availability in 1979. The task force concluded that "delayed funds availability is a widely employed and common banking practice." It went on to point out that there was a need for this practice because it takes banks a considerable period of time to be sure that a check has cleared because a cumbersome hand-operated system of return checks not only is used by banks but is sanctioned by the Uniform Commercial Code. Nevertheless, the task force felt that banks should differentiate between established customers and new customers and "retain the flexibility to provide established, financially responsible customers with funds availability on a schedule at least equal to the receipt of 'provisional credit' by the bank without extending similar funds availability in situations that may involve crime or financially irresponsible individuals." Practically, this would mean credit within 2 or 3 days in almost all cases. In addition, the task force said that "delayed availability practices or policies should be related to the bank's actual check collection and return experience" and that the "provisions" of the banks "delayed availability policy should be given to the public on request and disclosed to affected bank customers."

Because the problem of bank check hold practices appeared to be a continuing one, the Subcommittee on Consumer Affairs of the Banking Committee—which was chaired by Senator CHAFEE and on which I was the ranking minority member—conducted a hearing on March 10, 1982, to determine whether anything had ever been done to implement the rather mild recommendations of the task force or whether financial institutions had taken steps on their own to address the problem.

The hearings were highly educational, if unsatisfying from the standpoint of actions taken to assist bank customers. The rationale for bank holds is based upon the present check collection system. Every check that is deposited at a financial institution moves through a collection process that involves physically transporting the check from the bank where it is deposited to the bank on which it is drawn. The check collection system often involves the movement of the check through a series of collecting banks, with each bank giving the preceding bank a provisional credit, which is subject to revocation if the check is returned. Once a bank has provisional credit, it may invest those funds to make money.

As a general rule, a bank will receive provisional credit within 1 to 3 days of the time it enters the check into the collection system. However, it usually takes considerably longer before the customer can have the use of the funds represented by the check. Most banks deny customers use of the funds until they are reasonably certain that the check will clear. Usually this means a delay of about 1 week with respect to checks written on in-State banks and 2 weeks when checks are written in out-of-State banks.

These delay periods were reported by the Federal Reserve Board in a 1978 survey and confirmed in a survey done by the Consumer Affairs Subcommittee staff in conjunction with the hearing. The staff surveyed the hold practices of more than 50 financial institutions in the metropolitan areas of Washington, D.C., Hartford, Conn., and New Haven, Conn., as well as in various cities in Rhode Island. They found that most banks will not credit a personal check drawn on an in-State bank for 5 business days and

on an out-of-State bank for more than 10 business days.

The reason for the delay lies in the present system of processing checks. Generally, it takes only 1 to 3 days for a check to be presented for payment to the bank on which it is drawn. However, it may take another 8 days or longer for the check to be returned to the paying bank if the check is not honored. The long return time is due to the fact that uncollectible checks are handled manually and are returned to each collecting bank in the chain (often three or four banks) before they get to the original paying bank. This practice is authorized by the Uniform Commercial Code, which permits a collecting bank to drop a return item in the mail as late as midnight of the day following the receipt of the item. It is only when this entire time period has been completed that the paying bank knows for sure that the check has cleared.

For most banks, the issue stops with protecting themselves against uncollectable checks. In fact, they have done this so well that the only study of bank losses from uncollected funds—conducted by the Bank Administration Institute in 1973—estimated bank losses at $5 million for the year. Banks have shown little appreciation of the needs of their customers for access to their funds nor for the fact that, according to the BAI study, only 0.67 percent of all checks are returned uncollectable.

While we would all agree that banks need to protect themselves from fraudulent check writers, the present system places too much weight on bank protection against uncollectable checks and not enough weight on the equally legitimate needs of bank customers for prompt access to their funds. Probably the single most important reason for slow bank clearance procedures lies in the fact that banks have little incentive to speed up the check collection system because every day a bank delays giving the customer use of his or her money is a day the bank can earn interest on that money by investing it.

Despite the present cumbersome and inefficient check return system, some banks have acted to provide their customers with a better system. At our hearing, a witness for the Bank of America testified that the Bank of America discloses its policy on holds in writing to customers when they open an account. In addition, if the bank plans to hold funds in a particular situation, the bank makes a specific disclosure to the depositor at the time the deposit is made indicating the date when the funds will be available. If the deposit is made in any way other than in person, the receipt mailed to the customer contains an explanation of what a hold is, why it is placed, and gives the date the funds will be available for the current deposit.

Equally important, the Bank of America does not place holds on most checks. The most common situations where holds are placed relate to large dollar checks, new customers who do not have an established relationship with the bank and where the account has a pattern of bad checks in the past.

The Bank of America witness testified that this system is more equitable:

> We believe these policies and procedures go far toward striking a balance between the need to protect the bank from the significant risk involved and providing customers access to their funds expeditiously.

I agree that the Bank of America's system is far more balanced than those of most banks. I truly wish that the private sector had solved this problem on its own long ago. However, the record suggests just the opposite. Despite the recommendations of the Federal Reserve Board-American Bankers Association task force in 1979, no concerted action was taken by the industry to solve the problem. Furthermore, no additional action was taken by the task force. During the hearings, the witness for the Federal Reserve Board testified that the Fed planned to do another study, one that "won't take very long." While I had my doubts about another study, I encouraged the industry and the Fed to work out the problem. Yet, 11 months later, we still do not have the results of the new study, and the industry has taken no independent action to solve the problem.

Therefore, I believe that the only way that we are going to solve this problem is through legislation. Even here, I have attempted to draft my bill in such a way as to encourage the marketplace to solve the problem, rather than impose upon them an untried system. By requiring banks to disclose their hold policies to customers, I hope that customers will be able to plan their check cashing practices in a way to avoid bouncing checks and to shop around for the bank hold policy that is best for them.

However, I do not think that disclosure alone is enough to encourage banks to shorten their hold practices. I think that they must all utilize a system that will enable drawing banks to notify the paying banks of any problem with a check within a short period of time. Therefore, my bill mandates that financial institutions utilize the standard on "specifications for check endorsements" devised by the American National Standards Institute. Utilization of the standard will eliminate the present obstacles to identification of the paying bank and thus enable the drawing bank to notify the paying bank immediately if an item is not honored. To insure that such notification is made in a timely fashion, the bill requires the drawing bank to notify the paying bank within 24 hours of the time that the drawing bank determines that a check of $250 or more is not payable. This cutoff amount was chosen to reduce the burden on banks at the same time that protection is afforded to customers in the most important situations. Finally, to insure customers timely crediting of interest on their deposits, the bill requires depository institutions to begin computing interest on deposits to interest bearing accounts no later than the date on which the institution receives provisional credit for the deposit (the date on which the bank can invest the funds).

Hopefully, with the obstacles to prompt notification eliminated and customers armed with information about bank hold practices, the marketplace will work to reduce dramatically the unreasonably long delays in giving customers access to their deposits.●

By Mr. BOREN:

S. 575. A bill to provide emergency price and income assistance to U.S. farmers so as to assure consumers an adequate supply of food and fiber at reasonable prices, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EMERGENCY AGRICULTURAL ADJUSTMENT ACT OF 1983

Mr. BOREN. Mr. President, there are some who claim that the recent decline in the unemployment rate indicates that the economic recovery of our Nation has now begun. Despite this recent decline in unemployment, the American economy will never fully recover until agriculture is put back on its feet.

Not since the Great Depression have we seen 3 years of declining net farm income, yet it appears that 1983 will be the fourth year of declining net farm income, an unprecedented statistic. Net farm income for 1982, when adjusted for inflation, is lower than that in the worst year of the Depression—1932. In my own State of Oklahoma, the average net farm income for 1981 was a mere $14 per farm, the lowest in the country. Things are so bad, that on a recent tour of several communities in Oklahoma, I have had farmers ask me, "When am I going to get my $14. I haven't gotten it yet."

The farm income situation is exemplified by the increasing number of farm borrowers who are delinquent in their payments, and the rising number of farm foreclosures. Farm foreclosures have increased dramatically for the first time since the Great Depression. Unless we take drastic action now, it does not appear the situation will be reversed. In most commodities we are facing record supply levels resulting from record crop production and record carryover stocks. Exports

have declined in both volume and value for the first time in 13 years.

Because of the current supply and demand situation, farm prices are reaching levels not seen since the late 1920's. To cause prices received by the farmer to increase, we simply must bring down supplies. Mr. President. If we are ever to bring commodity supplies more in line with demand we need to have more than just a 1 or even a 2 year acreage reduction program. We need a multiyear program that ties production of commodities to demand.

All too often agricultural programs have become no more than a political tool. For example, everyone knew last summer that the 1983 wheat program the Secretary announced would be of no benefit to anyone. Yet, despite this knowledge, this administration fought every attempt to make the program work. Another example of politics can be found in last year's announcement of disaster assistance, essentially only for Texas. In Oklahoma, we suffered under the same conditions, yet we were never able to talk the Department of Agriculture into doing what was simply right.

I do, however, commend the Secretary for finally recognizing the need for a massive acreage reduction. Yet, we would not be in this position today if he would have used his authority long before now. With enactment of the 1981 farm bill—our greatest mistake in recent years—the Secretary was given discretionary authority to do just about anything he wanted. He could have offered a more responsible program in 1982, and, if he had, we might have saved the Government a lot of money. It is almost like putting out a fire—a fireman has only two options. He can either act quickly and aggressively to stop the fire before it has a chance to spread, or he can sit back, wait until the fire is really ablaze and then throw one bucket of water on it.

The point is simply this, Mr. President. It is too late for quick fix programs; the fire has been burning for too long. A 1-year program would not do any real good. We need a multiyear program that will gradually bring supplies down, and once we get them down, we need strong provisions requiring that they stay down. We do not need any more programs that just give the Secretary the authority to have effective programs; we have seen "may" enough. We have to enact a mandate.

Mr. President, the bill I am introducing today will require the Secretary of Agriculture to have effective programs. Further, it will require a multiyear program aimed at bringing supply more in line with demand. I do not pretend to have a corner on the solution to our agricultural problems. But, the one thing I know for a fact is that a 1-year, 1-shot program would not solve any of our problems.

In my opinion, the time for action is now. Within 8 months, Oklahoma farmers will be planting the 1984 wheat crop. They need to start planning now. But, how can they when they are unaware of the program requirements until almost the day they start planting, and in some cases, it is several months after they have already planted their crops?

We do not have time to wait until August. We also do not have time to wait for the export market to pick back up by itself. It is simply imperative that Congress implement an emergency agriculture bill. We do not need to be myopic or narrow minded—we need a comprehensive measure, one that addresses the supply situation, the demand situation, and the immediate needs of our farmers, such as income and credit.

The bill I am introducing today addresses all sides of the problem. I have included a provision to require the Secretary to control the level of production. With regard to exports, I have included the export-PIK, package, introduced last December and again in January by my distinguished colleagues, Senator COCHRAN and Senator HUDDLESTON. This provision has already passed the Senate Agriculture Committee once. On the income side, I have included increases in both the target prices and the loan rates. There are some who think these numbers are too high. I, personally, believe them to be too low, especially when one compares them to the actual cost of production of commodities.

Finally, I am including the FmHA deferral provision and extension of the economic emergency loan program which Senator HUDDLESTON, myself, and many others tried to enact last year and which we have again introduced this year in a separate measure, S. 24, the Emergency Agricultural Credit Act of 1983.

Mr. President, every minute we waste, the American economy, and in particular, the agricultural economy, loses. For the sake of this Nation, we cannot allow the very foundation of this country to collapse. I hope that each of my colleagues will take the time to review the state of agriculture. If you do, I believe you will join me in an effort to stop the destruction of American agriculture as we know it.

I ask unanimous consent that the full text of the bill and a summary of the bill be inserted into the RECORD at the end of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 575

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Emergency Agricultural Adjustment Act of 1983".

TITLE I—WHEAT

WHEAT LOANS

SEC. 101. Effective for the 1984 and 1985 crops of wheat, section 107B(a) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(a)) is amended to read as follows:

"(a) The Secretary shall make available to producers loans and purchases for each of the 1984 and 1985 crops of wheat at such level, not less than $4.22 per bushel, as the Secretary determines will maintain the competitive relationship of wheat to other grains in domestic and export markets after taking into consideration the cost of producing wheat, supply and demand conditions, and world prices for wheat.".

WHEAT TARGET PRICES

SEC. 102. Section 107B(b)(1)(C) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(b)(1)(C)) is amended by striking out "$4.45 per bushel for the 1984 crop, and $4.65 per bushel for the 1985 crop" and inserting in lieu thereof "$4.60 per bushel for the 1984 crop, and $4.75 per bushel for the 1985 crop".

ACREAGE REDUCTION PROGRAM AND PAID DIVERSION FOR THE 1984 AND 1985 CROPS OF WHEAT

SEC. 103. Section 107B(e) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(e)) is amended by—

(1) in paragraph (1)—

(A) in the first sentence of subparagraph (A), striking out "subparagraph (B)" and inserting in lieu thereof "subparagraphs (B), (C), and (D)"; and

(B) adding at the end thereof new subparagraphs (C) and (D) as follows:

"(C) For the 1984 crop of wheat, the Secretary shall provide for a combination of (i) an acreage limitation program as described under paragraph (2) and (ii) a diversion program as described under paragraph (5) under which, for participating producers, the acreage on the farm planted to wheat for harvest shall be limited to the wheat acreage base for the farm, as determined under paragraph (2) of this subsection, reduced by a total of not less than 30 per centum, consisting of a reduction of 50 per centum of such amount under the acreage limitation program and a reduction of 50 per centum of such amount under the diversion program. As a condition of eligibility for loans, purchases, and payments on the 1984 crop of wheat, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program.

"(D) For the 1985 crop of wheat, the Secretary shall provide for an acreage reduction program if the Secretary determines that the total supply of wheat available during the marketing year for the 1985 crop of wheat will, in the absence of such program, exceed by more than 25 per centum the quantity the Secretary estimates will be used domestically and for export during the marketing year for such crop. Under such an acreage reduction program, the Secretary shall provide for a combination of (i) an acreage limitation program as described under paragraph (2) and (ii) a diversion program as described under paragraph (5) under which, for participating producers, the acreage on the farm planted to wheat for harvest shall be limited to the wheat acreage base for the farm, as determined under paragraph (2) of this subsection, reduced by such total percentage as the Secre-

tary determines necessary, such total percentage consisting of a reduction of 50 per centum of such amount (or such greater percentage as the Secretary determines necessary) under the diversion program and a reduction of 50 per centum of such amount (or such lesser percentage as the Secretary determines necessary) under the acreage limitation program. The Secretary shall, in establishing the total percentage of acreage on farms planted to wheat for harvest to be reduced, set the percentage at a level sufficient to ensure that the total supply of wheat available during the marketing year for the 1985 crop of wheat will be no more than 125 per centum of the quantity the Secretary estimates will be used domestically and for export during the marketing year for such crop. As a condition of eligibility for loans, purchases, and payments on the 1985 crop of wheat, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program.";

(2) in paragraph (2), inserting immediately after the sixth sentence the following: "Notwithstanding any other provision of this paragraph, for the 1984 and 1985 crop years, the acreage base for any farm for the purpose of determining any reduction required to be made for the 1984 crop or the 1985 crop as the result of a limitation under this subsection shall be the average acreage planted on the farm to wheat for harvest in two of the three crop years immediately preceding the year for which the determination is made. The producer shall have the option of determining which two years will be used for the determination of the average acreage for the farm. For the purpose of the two preceding sentences, acreage planted to wheat for harvest shall include any acreage not planted to wheat for the purpose of participating in any acreage reduction program authorized under this Act, any acreage which the producers were prevented from planting to wheat or other nonconserving crop in lieu of wheat because of drought, flood, or other natural disaster, or other condition beyond the control of the producers. The Secretary shall make adjustments to reflect established crop-rotation practices and summer fallowing, and the Secretary may make adjustments to reflect such other factors as he determines should be considered in determining a fair and equitable base. Where practicable, the Secretary may allow the consolidation of base acreages among farms to encourage participation in acreage reduction programs.";

(3) in paragraph (4), inserting immediately after the second sentence the following: "Notwithstanding any other provision of this paragraph, the Secretary shall permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the reduced acreage to be devoted to hay and grazing."; and

(4) in paragraph (5)—

(A) in the first sentence, striking out "The Secretary may" and inserting in lieu thereof: "Except as otherwise provided in this paragraph for the 1983, 1984, and 1985 crops of wheat, the Secretary may"; and

(B) adding at the end thereof the following: "Notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion payment program for the 1984 crop of wheat under which the Secretary shall make crop retirement and conservation payments to any producer of the 1984 crop of wheat whose farm acreage planted to wheat for harvest is reduced so that it does not exceed the wheat acreage base for the farm less an amount equivalent to 15 per centum of the wheat acreage base (or such greater percentage as the Secretary may prescribe) in addition to the reduction under the acreage limitation program for the crop under paragraph (2) of this subsection, and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction from the wheat acreage base required under this sentence. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under the preceding sentence. The diversion payment rate shall be established by the Secretary at not less than $3.25 per bushel. The Secretary shall, upon the request of a participating producer, make all or any part of the diversion payment available to the producer in commodities rather than in cash: *Provided,* That, if Commodity Credit Corporation stocks of wheat are not readily available to effect full payment in kind to a producer participating in the program, the Secretary may substitute fully or partially payment in cash for payment in kind. If payment in kind is made as provided in this paragraph, such payments shall be made in an amount computed by multiplying (i) 80 per centum (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop by (ii) the additional acreage diverted under this paragraph. For the 1985 crop of wheat, if the Secretary determines that an acreage reduction program will be required, as provided in paragraph (1)(D) of this subsection, notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion payment program for the 1985 crop of wheat under which the Secretary shall make crop retirement and conservation payments to any producer of the 1985 crop of wheat whose farm acreage planted to wheat for harvest is reduced so that it does not exceed the wheat acreage base for the farm less that per centum of the wheat acreage base that is equal to 50 per centum (or such greater percentage as the Secretary may prescribe) of the overall reduction in acreage planted to wheat required under the acreage reduction program, as provided under paragraph (1)(D) of this subsection, in addition to the reduction under the acreage limitation program for the crop under paragraph (2) of this subsection, and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction from the wheat acreage base required under this sentence. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under the preceding sentence. The diversion payment rate shall be established by the Secretary at not less than $3.25 per bushel. The Secretary shall, upon the request of a participating producer, make all or any part of the diversion payment available to the producer in commodities rather than in cash: *Provided,* That, if Commodity Credit Corporation stocks of wheat are not readily available to effect full payment in kind to a producer participating in the program, the Secretary may substitute fully or partially, payment in cash for payment in kind. If payment in kind is made as provided in this paragraph, such payments shall be in an amount computed by multiplying (i) 80 per centum (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop by (ii) the additional acreage diverted under this paragraph. Notwithstanding any other provision of law, in cases where a producer practices double cropping, and where participation in this program for one commodity reduces the acreage that may be planted to the second commodity, the Secretary shall make equitable adjustments in the payment made under this section to account for the reduction in the second commodity.".

WHEAT DISASTER PAYMENTS

SEC. 104. Effective on enactment through the end of the 1985 crops, Section 107(B)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(b)(2)) is amended by—

(1) in subparagraph (A), in the first sentence striking out "Except as provided in subparagraph (C) of this paragraph, if" and inserting in lieu thereof "If";

(2) in subparagraph (C) inserting "reduced yield" immediately before "disaster payments"; and

(3) in subparagraph (D)—

(A) inserting "reducing yield" immediately before "disaster payments"; and

(B) in clause (i), striking out "either from being prevented from planting wheat or nonconserving crop or".

TITLE II—FEED GRAINS

FEED GRAIN LOANS

SEC. 201. Effective for the 1984 and 1985 crops of feed grains, section 105B(a)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444d(a)(1)) is amended to read as follows:

"(a) The Secretry shall make available to producers loans and purchasers for each of the 1984 and 1985 crops of corn at such level, not less than $2.84 per bushel, as the Secretary determines will encourage the exportation of feed grains and not result in excessive total stocks of feed grains after taking into consideration the cost of producing corn, supply and demand conditions, and world prices for corn.".

FEED GRAIN TARGET PRICES

SEC. 202. Section 105(b)(1)(C) of the Agricultural Act of 1949 (7 U.S.C. 1444d(b)(1)(C)) is amended by striking out "$3.03 per bushel for the 1984 crop, and $3.18 per bushel for the 1985 crop" and inserting in lieu thereof "$3.08 per bushel for the 1984 crop, and $3.23 per bushel for the 1985 crop".

ACREAGE REDUCTION PROGRAM AND PAID DIVERSION FOR THE 1984 AND 1985 CROPS OF FEED GRAINS

SEC. 203. Section 105B(e) of the Agricultural Act of 1949 (7 U.S.C. 1444d(e)) is amended by—

(1) in paragraph (1)—

(A) in the first sentence of subparagraph (A), striking out "subparagraph (B)" and inserting in lieu thereof "subparagraphs (B), (C), and (D)"; and

(B) adding at the end thereof new subparagraphs (C) and (D) as follows:

"(C) For the 1984 crop of feed grains, the Secretary shall provide for a combination of (i) an acreage limitation program as described under paragraph (2) and (ii) a diversion program as described under paragraph (5) under which, for participating producers, the acreage on the farm planted to feed grains for harvest shall be limited to the feed grain acreage base for the farm, as determined under paragraph (2) of this subsection, reduced by a total of not less than 20 per centum, consisting of a reduction of 50 per centum of such amount under the

acreage limitation program and a reduction of 50 per centum of such amount under the diversion program. As a condition of eligibility for loans, purchases, and payments on the 1984 crop of feed grains, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program.

"(D) For the 1985 crop of feed grains, the Secretary shall provide for an acreage reduction program if the Secretary determines that the total supply of feed grains available during the marketing year for the 1985 crop of feed grains will, in the absence of such program, exceed by more than 25 per centum the quantity the Secretary estimates will be used domestically and for export during the marketing year for such crop. Under such an acreage reduction program, the Sercretary shall provide for a combination of (i) an acreage limitation program as described under paragraph (2) and (ii) a diversion program as described under paragraph (5) under which, for participating producers, the acreage on the farm planted to feed grains for harvest shall be limited to the feed grain acreage base for the farm, as determined under paragraph (2) of this subsection, reduced by such total percentage as the Secretary determines necessary, such total percentage consisting of a reduction of 50 per centum of such amount (or such greater percentage as the Secretary determines necessary) under the diversion program and a reduction of 50 per centum of such amount (or such lesser percentage as the Secretary determines necessary) under the acreage limitation program. The Secretary shall, in establishing the total percentage of acreage on farms planted to feed grains for harvest to be reduced, set the percentage at a level sufficient to ensure that the total supply of feed grains available during the marketing year for the 1985 crop of feed grains available during the marketing year for the 1985 crop of feed grains will be no more than 125 per centum of the quantity the Secretary estimates will be used domestically and for export during the marketing year for such crop. As a condition of eligibility for loans, purchases, and payments on the 1985 crop of feed grains, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program.";

(2) in paragraph (2), inserting immediately after the seventh sentence the following: "Notwithstanding any other provision of this paragraph, for the 1984 and 1985 crops, the acreage base for any farm for the purpose of determining any reduction required to be made for the 1984 crop or the 1985 crop as the result of a limitation under this subsection shall be the average acreage planted on the farm to feed grains for harvest in two of the three crop years immediately preceding the year for which the determination is made. The producer shall have the option of determining which two years will be used for the determination of the average acreage for the farm. For the purpose of the two preceding sentences, acreage planted on the farm to feed grains for harvest shall include any acreage not planted to feed grains for the purpose of participating in any acreage reduction program authorized under this Act, any acreage which the producers were prevented from planting to feed grains or other nonconserving crop in lieu of feed grains because of drought, flood, or other natural disaster, or other condition beyond the control of the producers. The Secretary shall make adjustments to reflect established crop-rotation practices and the Secretary may make adjustments to reflect such other factors as he determines should be considered in determining a fair and equitable base. Where practicable, the Secretary may allow the consolidation of base acreages among farms to encourage participation in acreage reduction programs.";

(3) in paragraph 4, inserting immediately after the second sentence the following: "Notwithstanding any other provision of this paragraph, the Secretary shall permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the reduced acreage to be devoted to hay and grazing."; and

(4) in paragraph (5)—

(A) in the first sentence, striking out "The Secretary may" and inserting in lieu thereof "Except as otherwise provided in this paragraph for the 1983 and 1984 crops of feed grains, the Secretary may"; and

(B) adding at the end thereof the following: "Notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion payment program for the 1984 crop of feed grains under which the Secretary shall make crop retirement and conservation payments to any producer of the 1984 crop of feed grains whose farm acreage planted to feed grains for harvest is reduced so that it does not exceed the feed grain acreage base for the farm less an amount equivalent to 10 per centum of the feed grain acreage base (or such greater percentage as the Secretary may prescribe) in addition to the reduction under the acreage limitation program for the crop under paragraph (2) of this subsection, and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction from the feed grain acreage base required under this sentence. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under the preceding sentence. The diversion payment rate shall be established by the Secretary at not less than $2.00 per bushel for corn. The payment rate for grain sorghums, oats, and barley shall be such rate as the Secretary determines is fair and reasonable in relation to the rate at which payments are made available for corn. The Secretary shall, upon the request of a participating producer, make all or any part of the diversion payment available to the producer in commodities rather than in cash: *Provided*, That, if Commodity Credit Corporation stocks of feed grains are not readily available to effect full payment in kind to a producer participating in the program, the Secretary may substitute, fully or partially, payment in cash for payment in kind. If payment in kind is made as provided in this paragraph, such payments shall be made in an amount computed by multiplying (i) 80 per centum (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop by (ii) the additional acreage diverted under this paragraph. For the 1985 crop of feed grains, if the Secretary determines that an acreage reduction program will be required, as provided in paragraph (1)(D) of this subsection, notwithstanding the foregoing provisions of this paragraph, the Secretary shall implement a land diversion payment program for the 1985 crop of feed grains under which the Secretary shall make crop retirement and conservation payments to any producer of the 1985 crop of feed grains whose farm acreage planted to feed grains for harvest is reduced so that it does not exceed the feed grains acreage base for the farm less that per centum of the feed grains acreage base that is equal to 50 per centum (or such greater percentage as the Secretary may prescribe) of the overall reduction in acreage planted to feed grains required under the acreage reduction program, as provided under paragraph (1)(D) of this subsection, in addition to the reduction under the acreage limitation program for the crop under paragraph (2) of this subsection, and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction from the feed grains acreage base required under this sentence. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under the preceding sentence. The diversion payment rate shall be established by the Secretary at not less than $3.25 per bushel. The Secretary shall, upon the request of a participating producer, make all or any part of the diversion payment available to the producer in commodities rather than in cash: *Provided*, That, if the Commodity Credit Corporation stocks of feed grains are not readily available to effect full payment in kind to a producer participating in the program, the Secretary may substitute fully or partially, payment in cash for payment in kind. If payment in kind is made as provided in this paragraph, such payments shall be in an amount computed by multiplying (i) 80 per centum (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop by (ii) the additional acreage diverted under this paragraph. Notwithstanding any other provision of law, in cases where a producer practices double cropping, and where participation in this program for one commodity reduces the acreage that may be planted to the second commodity, the Secretary shall make equitable adjustment in the payment made under this section to account for the reduction in the second commodity."; and

(5) inserting at the end thereof the following: Notwithstanding any other provision of law, for the 1984 and 1985 crops of feed grains the terms fed grains shall include corn, grain sorghum, barley and oats for the purpose of this subsection.".

FEED GRAIN DISASTER PAYMENTS

SEC. 204. Effective on enactment through the end of the 1985 crops, section 105B(b)(2) of the Agricultural Act of 1949 (7 U.S.C. 1444d(b)(2)) is amended by—

(1) in subparagraph (A), in the first sentence, striking out "except as provided in subparagraph (C) of this paragraph, if" and inserting in lieu thereof "IF";

(2) in subparagraph (C), inserting "reduced yield" immediately before "disaster payments"; and

(3) in subparagraph (D)—

(A) inserting "reduced yield" immediately before "disaster payments"; and

(B) in clause (i), striking out "either from being prevented from planting feed grains or other nonconserving crop or".

TITLE III—UPLAND COTTON

UPLAND COTTON LOANS

SEC. 301. The second sentence of section 103(g)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)(1)) is amended by inserting immediately before the period at the end

thereof "for the 1982 and 1983 crops and not less than 70 cents per pound for the 1984 and 1985 crops.".

UPLAND COTTON TARGET PRICES

SEC. 302. Section 103(g)(3)(B) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)(3)B)) is amended by striking out "$0.81 per pound for the 1984 crop, and $0.86 per pound for the 1985 crop" and inserting in lieu thereof "$0.83 per pound for the 1984 crop, and $0.88 per pound for the 1985 crop".

ACREAGE REDUCTION PROGRAM AND PAID DIVERSION FOR THE 1984 AND 1985 CROPS OF UPLAND COTTON

SEC. 303. Section 103(g)(9) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)(9)) is amended by—

(1) in subparagraph (A) by—

(A) in the first sentence, striking out "Notwithstanding any other provision of this subsection" and inserting in lieu thereof "Notwithstanding any other provision of law, except as provided in the second through seventh sentences of this paragraph";

(B) inserting immediately after the first sentence the following: "For the 1984 crop of upland cotton, the Secretary shall provide for a combination of (i) an acreage limitation program as described under this subparagraph and (ii) a diversion program as described under subparagraph (B) of this paragraph under which, for participating producers, the acreage on the farm planted to upland cotton for harvest shall be limited to the upland cotton acreage base for the farm reduced by a total of not less than 20 per centum, consisting of a reduction of 50 per centum of such amount under the acreage limitation program and a reduction of 50 per centum of such amount under the diversion program. As a condition of eligibility for loans and payments on the 1984 crop of upland cotton, the producers on a farm must comply with the terms and conditions of the combined acreage limnitation program and diversion program. For the 1985 crop of upland cotton, the Secretary shall provide for an acreage reduction program if the Secretary determines that the total supply of upland cotton available during the marketing year for the 1985 crop of upland cotton will, in the absence of such program, exceed by more than 25 per centum the quantity the Secretary estimates will be used domestically and for export during the marketing year for such crop. Under such an acreage reduction program, the Secretary shall provide for a combination of (i) an acreage limitation program as described under this subparagraph and (ii) a diversion program as described under subparagraph (B) of this paragraph under which, for participating producers, the acreage on the farm planted to upland cotton for harvest shall be limited to the upland cotton acreage base for the farm, as determined under this subparagraph, reduced by such total percentage as the Secretary determines necessary, such total percentage consisting of a reduction of 50 per centum of such amount (or such greater percentage as the Secretary determines necessary) under the diversion program and a reduction of 50 per centum of such amount (or such lesser percentage as the Secretary determines necessary) under the acreage limitation program. The Secretary shall, in establishing the total percentage of acreage on farms planted to upland cotton for harvest to be reduced, set the percentage at a level sufficient to ensure that the total supply of upland cotton available during the marketing year for the 1985 crop of upland cotton will be no more than 125 per centum of the quantity the Secretary estimates will be used domestically and for export during the marketing year for such crop. As a condition of eligibility for loans and payments on the 1985 crop of upland cotton, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program.";

(C) inserting immediately after the sixth sentence the following: "Notwithstanding any other provision of this paragraph, the acreage base for any farm for the purpose of determining any reduction required to be made for the 1984 crop or the 1985 crop as the result of a limitation under this subsection shall be the average acreage planted on the farm to upland cotton for harvest in two of the three crop years immediately preceding the year for which the determination is made. The producer shall have the option of determining which two years will be used for the determination of the average acreage for the farm. For the purpose of the two preceding sentences, acreage planted to upland cotton for harvest shall include any acreage not planted to upland cotton for the purpose of participating in any acreage reduction program authorized under this Act, any acreage which the producers were prevented from planting to upland cotton on other nonconserving crop in lieu of upland cotton because of drought, flood, or other natural disaster, or other condition beyond the control of the producers. The Secretary shall make adjustments to reflect established crop-rotation practices and the Secretary may make adjustments to reflect such other factors as he determines should be considered in determining a fair and equitable base. Where practicable, the Secretary may allow the consolidation of base acreages among farms to encourage participation in acreage reduction programs.";

(D) inserting immediately after the ninth sentence the following: "Notwithstanding any other provision of this subparagraph the Secretary shall permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the reduced acreage to be devoted to hay and grazing."; and

(2) in subparagraph (B)—

(A) in the first sentence, striking out "The Secretary may" and inserting in lieu thereof "Except as otherwise provided in this subparagraph for the 1984 crop of upland cotton, the Secretary may"; and

(B) adding at the end thereof the following: "Notwithstanding the foregoing provisions of this subparagraph, the Secretary shall implement a land diversion payment program for the 1984 crop of upland cotton under which the Secretary shall make crop retirement and conservation payments to any producer of the 1984 crop of upland cotton whose farm acreage planted to upland cotton for harvest is reduced so that it does not exceed the upland cotton acreage base for the farm less an amount equivalent to 10 per centum of the upland cotton acreage base (or such greater percentage as the Secretary may prescribe) in addition to the reduction made under the acreage limitation program for the crop under subparagraph (A) of this paragraph, and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction from the upland cotton acreage base required under this sentence. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under the preceding sentence. The diversion payment rate shall be established by the Secretary at not less than 30 cents per pound. The Secretary shall, upon the request of a participating producer, make all or any part of the diversion payment available to the producers in commodities rather than in cash: *Provided*, That, if Commodity Credit Corporation stocks of upland cotton are not readily available to effect full payment in kind to a producer participating in the program, the Secretary may substitute, fully or partially, payment in cash for payment in kind. If payment in kind is made as provided in this subparagraph, such payments shall be made in an amount computed by multiplying (i) 80 per centum (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop by (ii) the additional acreage diverted under this subparagraph. For the 1985 crop of upland cotton, if the Secretary determines that an acreage reduction program will be required, as provided in subparagraph (A) of this paragraph, notwithstanding the foregoing provisions of this subparagraph, the Secretary shall implement a land diversion payment program for the 1985 crop of upland cotton under which the Secretary shall make crop retirement and conservation payments to any producer of the 1985 crop of upland cotton whose farm acreage planted to upland cotton for harvest is reduced so that it does not exceed the upland cotton acreage base for the farm less that per centum of the upland cotton acreage base that is equal to 50 per centum (or such greater percentage as the Secretary may prescribe) of the overall reduction in acreage planted to upland cotton required under the acreage reduction program in addition to the reduction under the acreage limitation program for the crop under subparagraph (A) of this paragraph, and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction from the upland cotton acreage required under this sentence. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under the preceding sentence. The diversion payment rate shall be established by the Secretary at not less than 30 cents per pound. The Secretary shall, upon the request of a participating producer, make all or any part of the diversion payment available to the producers in commodities rather than in cash: *Provided*, That, if Commodity Credit Corporation stocks of upland cotton are not readily available to effect full payment in kind to a producer participating in the program, the Secretary may substitute, fully or partially, payment in cash for payment in kind. If payment in kind is made as provided in this subparagraph, such payments shall be made in an amount computed by multiplying (i) 80 per centum (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop by (ii) the additional acreage diverted under this subparagraph. Notwithstanding any other provision of law, in cases where a producer practices double cropping, and where participation in this program for one commodity reduces the acreage that may be planted to the second commodity, the Secretary shall make equitable adjustments in the payments made under this section to account for the reduction in the second commodity.".

UPLAND COTTON DISASTER PAYMENTS

SEC. 304. Effective on enactment through the end of the 1985 crops, section 103(g)(4) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)(4)) is amended by—

(1) in subparagraph (A), in the first sentence, striking out "Except as provided in subparagraph (C), if" and inserting in lieu thereof "If";

(2) in subparagraph (C), inserting "reduced yield" immediately before "disaster payments"; and

(3) in subparagraph (D)—

(A) inserting "reduced yield" immediately before "disaster payments"; and

(B) in clause (i), striking out "either from being prevented from planting cotton or other nonconserving crop or".

TITLE IV—RICE

RICE LOANS

SEC. 401. The second sentence of section 101(i)(1) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(1)) is amended by striking out "$8 per hundredweight" and inserting in lieu thereof "$8 per hundredweight for the 1982 and 1983 crops and not less than $8.60 per hundredweight for the 1984 and 1985 crops".

RICE TARGET PRICES

SEC. 402. Section 101(i)(2)(C) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(2)(C)) is amended by striking out "$11.90 per hundredweight for the 1984 crop, and $12.40 per hundredweight for the 1985 crop" and inserting in lieu thereof "$11.94 per hundredweight for the 1984 crop, and $12.43 per hundredweight for the 1985 crop".

ACREAGE REDUCTION PROGRAM AND PAID DIVERSION FOR THE 1984 AND 1985 CROPS OF RICE

SEC. 403. Section 101(i)(5) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(5)) is amended by—

(1) in subparagraph (A)—

(A) in the first sentence, striking out "third and fourth sentences" and inserting in lieu thereof "third through tenth sentences";

(B) inserting immediately after the fourth sentence the following: "For the 1984 crop of rice, the Secretary shall provide for a combination of (i) an acreage limitation program as described under this subparagraph and (ii) a paid diversion program as described under subparagraph (B) of this paragraph under which, for participating producers, the acreage on the farm planted to rice for harvest shall be limited to the rice acreage base for the farm reduced by a total of not less than 20 per centum, consisting of a reduction of 50 per centum of such amount under the acreage limitation program and a reduction of 50 per centum of such amount under the diversion program. As a condition of eligibility for loans and payments on the 1984 crop of rice, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program. For the 1985 crop of rice, the Secretary shall provide for an acreage reduction program if the Secretary determines that the total supply of rice available during the marketing year for the 1985 crop of rice will, in the absence of such program, exceed by more than 25 per centum the quantity the Secretary estimates will be used domestically and for export during the marketing year for such crop. Under such an acreage reduction program, the Secretary shall provide for a combination of (i) an acreage limitation program as described under this subparagraph and (ii) a diversion program as described under subparagraph (B) of this paragraph under which, for participating producers, the acreage on the farm planted to rice for harvest shall be limited to the rice acreage base for the farm, as determined under this subparagraph, reduced by such total percentage as the Secretary determines necessary, such total percentage consisting of a reduction of 50 per centum of such amount (or such greater percentage as the Secretary determines necessary) under the diversion program and a reduction of 50 per centum of such amount (or such lesser percentage as the Secretary determines necessary) under the acreage limitation program. The Secretary shall, in establishing the total percentage of acreage on farms planted to rice for harvest to be reduced, set the percentage at a level sufficient to ensure that the total supply of rice available during the marketing year for the 1985 crop of rice will be no more than 125 per centum of the quantity the Secretary estimates will be used domestically and for export during the marketing year for such crop. As a condition of eligibility for loans and payments on the 1985 crop of rice, the producers on a farm must comply with the terms and conditions of the combined acreage limitation program and diversion program."; and

(C) inserting immediately after the tenth sentence the following: "Notwithstanding any other provision of this paragraph, the acreage base for any farm for the purpose of determining any reduction required to be made for the 1984 crop or the 1985 crop as the result of a limitation under this subsection shall be the average acreage planted on the farm to rice for harvest in two of the three crop years immediately preceding the year for which the determination is made. The producer shall have the option of determining which two years will be used for the determination of the average acreage for the farm. For the purpose of the two preceding sentences, acreage planted to rice for harvest shall include any acreage not planted to rice for the purpose of participating in any acreage reduction program authorized under this Act, any acreage which the producers were prevented from planting to rice or other nonconserving crop in lieu of rice because of drought, flood, or other natural disaster, or other condition beyond the control of the producers. The Secretary shall make adjustments to reflect crop-rotation practices and the Secretary may make adjustments to reflect such other factors as he determines should be considered in determining a fair and equitable base. Where practicable, the Secretary may allow the consolidation of base acreages among farms to encourage participation in acreage reduction programs."; and

(D) inserting immediately after the twelfth sentence: "Notwithstanding any other provision of this subparagraph, the Secretary shall permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of the reduced acreage to be devoted to hay and grazing."; and

(2) In subparagraph (B)—

(A) in the first sentence, striking out "The Secretary may" and inserting in lieu thereof "Except as otherwise provided in this subparagraph for the 1983, 1984, and 1985 crops of rice, the Secretary may"; and

(B) adding at the end thereof the following:

"Notwithstanding the foregoing provisions of this subparagraph, the Secretary shall implement a land diversion payment program for the 1984 crop of rice under which the Secretary shall make crop retirement and conservation payments to any producer of the 1984 crop of rice whose farm acreage planted to rice for harvest is reduced so that it does not exceed the rice acreage base for the farm less an amount equivalent to 10 per centum of the rice acreage base (or such greater percentage as the Secretary may prescribe) in addition to the reduction required under subparagraph (A) of this paragraph, and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction from the rice acreage base required under this sentence. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under the preceding sentence. The diversion payment rate shall be established by the Secretary at not less than $3.00 per hundredweight. The Secretary shall, upon the request of a participating producer, make all or any part of the diversion payment available to producers in commodities rather than in cash: *Provided*, That, if Commodity Credit Corporation stocks of rice are not readily available to effect full payment in kind to a producer participating in the program, the Secretary may substitute, fully or partially, payment in cash for payment in kind. If payment in kind is made as provided in this subparagraph, such payments shall be made in an amount computed by multiplying (i) 80 per centum (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop by (ii) the additional acreage diverted under this subparagraph. For the 1985 crop of rice, if the Secretary determines that an acreage reduction program will be required, as provided in subparagraph (A) of this paragraph, notwithstanding the foreign provisions of this subparagraph, the Secretary shall implement at land diversion payment program for the 1985 crop of rice under which the Secretary shall make crop retirement and conservation payments to any producer of the 1985 crop of rice whose farm acreage planted to rice for harvest is reduced so that it does not exceed the rice acreage base for the farm less that per centum of the rice acreage base that is equal to 50 per centum (or such greater percentage as the Secretary may prescribe) of the overall reduction in acreage planted to rice required under the acreage reduction program in addition to the reduction under the acreage limitation program for the crop under subparagrah (A) of this paragraph, and the producer devotes to approved conservation uses an acreage of cropland equivalent to the reduction from the rice acreage base required under this sentence. Such payments shall be made in an amount computed by multiplying (i) the diversion payment rate, by (ii) the farm program payment yield for the crop, by (iii) the additional acreage diverted under the preceding sentence. The diversion payment rate shall be established by the Secretary at not less than $3.00 per hundredweight. The Secretary shall, upon the request of a participating producer, make all or any part of the diversion payment available to producers in commodities rather than in cash: *Provided*, That, if Commodity Credit Corporation stocks of rice are not readily available to effect full payment in kind to a producer participating in the program, the Secretary may substitute, fully or partially, payment in cash for payment in kind. If payment in kind is made as provided in this subpara-

graph, such payments shall be made in an amount computed by multiplying (i) 80 per centum (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop by (ii) the additional acreage diverted under this subparagraph. Notwithstanding any other provision of law, in cases where a producer practices double cropping, and where participation in this program for one commodity reduces the acreage that may be planted to the second commodity, the Secretary shall make equitable adjustments in the payment made under this section to account for the reduction in the second commodity.".

RICE DISASTER PAYMENTS

SEC. 404. Effective on enactment through the end of the 1985 crops, section 101(i)(3) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(3)) is amended by—

(1) in subparagraph (A), in the first sentence, striking out "Except as provided in subparagraph (C) of this paragraph, if" and inserting in lieu thereof "If";

(2) in subparagraph (C) inserting "reduced yield" before "disaster payments"; and

(3) in subparagraph (D)—

(A) inserting "reduced yield" immediately before "disaster payments"; and

(B) in clause (i), striking out "either from being prevented from planting rice or other nonconserving crop or".

TITLE V—SOYBEANS

SOYBEAN LOANS

SEC. 501. The first sentence of section 201(g)(1) of the Agricultural Act of 1949 (7 U.S.C. 1446(g)(1)) is amended by—

(1) striking out "5.02 per bushel" and inserting in lieu thereof "5.02 per bushel for the 1982 and 1883 marketing years and $5.40 per bushel for the 1984 and 1885 marketing years"; and

(2) striking out ": *Provided,*" and all that follows through the period at the end thereof and inserting in lieu thereof a period.

TITLE VI—SPECIAL PAYMENT-IN-KIND LAND DIVERSION PROGRAM

DEFINITIONS

SEC. 601. As used in this title—

(1) the term "payment-in-kind program" means a program under which special payments in kind are made available to producers who—

(A) divert farm acreage from production of an agricultural commodity under a land diversion program for the 1983, 1984, or 1985 crops of such commodity; and

(B) devote such acreage to conservation uses; and

(2) the term "Secretary" means the Secretary of Agriculture.

MINIMUM VALUE OF COMMODITIES

SEC. 602. Notwithstanding any other provision of law, if the Secretary establishes a payment-in-kind program for a commodity, the Secretary shall take such action as may be necessary, including the making of cash payments, to ensure that the total value of the commodity received by the producer of the commodity is equal, per unit of the commodity, to an amount not less than 90 percent of the basic county loan rate for the commodity (or, if there is no such rate, a rate determined by the Secretary to be comparable to the basic county loan rate).

MINIMUM PAYMENTS

SEC. 603. Notwithstanding any other provision of law, if the Secretary establishes a payment-in-kind program for a commodity, payment under such program shall be in an amount computed by multiplying—

(1) 80 percent (or such greater percentage as the Secretary may prescribe) of the farm program payment yield for the crop; by

(2) the additional acreage diverted under such program.

TITLE VII—ADVANCE PAYMENTS

SEC. 701. Section 107C(b)(1) of the Agricultural Act of 1949 (7 U.S.C. 1445b-2(b)(1)) is amended by striking out "commodity for such crop, the Secretary—" and all that follows down to the period at the end thereof and inserting in lieu thereof "commodity for such crop, the Secretary shall make available, as provided in this section (other than subsection(a)), advance deficiency payments for such crop to producers who agree to participate in such program.".

TITLE VIII—PAYMENT LIMITATION

SEC. 801. Effective for the 1983 through 1985 crops of wheat, feed grains, upland cotton and rice, section 1101 of the Agricultural Act of 1949 (7 U.S.C. 1308) is amended in paragraph (3) by striking out "(excluding land diversion payments)".

TITLE IX—EARLY ANNOUNCEMENT OF PROGRAMS

WHEAT

SEC. 901. Section 107B of the Agricultural Act of 1949 (7 U.S.C. 1445b-1) is amended—

(1) by striking out "August 15" in the second sentence of subsection (c)(1) and inserting in lieu thereof "June 15"; and

(2) by striking out "August 15" in the second sentence of subsection (e)(1)(A), as amended by section 122(1) of the Omnibus Budget Reconciliation Act of 1982, and inserting in lieu thereof "June 15".

FEED GRAINS

SEC. 902. Section 105B of the Agricultural Act of 1949 (7 U.S.C. 1444d) is amended—

(1) by striking out "November 15" in the second sentence of subsection (c)(1) and inserting in lieu thereof "September 15"; and

(2) by striking out "November 15" in the second sentence of subsection (e)(1)(A), as amended by section 124(1) of the Omnibus Budget Reconciliation Act of 1982, and inserting in lieu thereof "September 15".

UPLAND COTTON

SEC. 903. Section 103(g) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)) is amended—

(1) by striking out "November 1" in the fourth sentence of paragraph (1) and inserting in lieu thereof "September 1"; and

(2) by striking out "November 1" in the second sentence of paragraph (5) and inserting in lieu thereof "September 1".

RICE

SEC. 904. Section 101(i) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)) is amended—

(1) by striking out "March 1" in the last sentence of paragraph (1) and inserting in lieu thereof "January 1";

(2) by striking out "January 31 of each calendar year for the crop harvested in that calendar year" in the second sentence of paragraph (4)(A) and inserting in lieu thereof "November 31 of each calendar year preceding the calendar year in which the crop is harvested"; and

(3) by striking out "January 31 of" in the second sentence of paragraph (5)(A) and inserting in lieu thereof "November 31 of the calendar year preceding".

EFFECTIVE DATE

SEC. 905. The amendments made by this title shall apply to the 1984 and 1985 crops of wheat, feed grains, upland cotton, and rice.

TITLE X—SPECIAL SOIL AND WATER CONSERVATION PROGRAM

DEFINITIONS

SEC. 1001. As used in this title—

(1) the term "erosion-prone land" means land classified as Classes IIIe, IVe, VI, VII and VIII under the Land Capability Classification System used by the Soil Conservation Service and upon which cultivated or rotation crops have been grown in three out of the past five years.

(2) the term "Secretary" means the Secretary of Agriculture.

(3) the terms "owner or operator" means the owner or operator of erosion-prone land.

SPECIAL SOIL AND WATER CONSERVATION PROGRAM

SEC. 1002. (a) Notwithstanding any other provision of law, the Secretary may formulate and carry out a program with owners and operators of erosion-prone land to assist such owners or operators to make, in orderly progression, changes in their cropping and land use systems needed to conserve, develop, protect, and use the soil and water resources of their farms, ranches, or other lands and to implement the soil and water conservation measures and practices needed under such changed systems and uses. In assisting such owners and operators, the Secretary shall provide technical and financial assistance for the purpose of carrying out this section. Notwithstanding any other provision of this title, the Secretary may approve contracts covering other than erosion-prone land upon a demonstration by the soil conservation district that a serious soil erosion problem exists on such land.

(b) The Secretary may enter into contracts of not more than ten years for the purpose of carrying out this section. In such contract, the owner or operator shall agree (1) to effectuate a plan approved by a soil conservation district for the farm, ranch, or other land substantially in accordance with the schedule outlined therein unless any requirement thereof is waived or modified by the Secretary; (2) to forfeit all rights to further payments under the contract and refund to the United States all payments, with interest, received thereunder upon his violation of the contract at any stage during the time he has control of the land if the Secretary, after considering the recommendations of the soil conservation district and the Administrator of the Soil Conservation Service, determines that such violation is of such a nature as to warrant termination of the contract, or to make refunds or accept such payment adjustments as the Secretary may deem appropriate if he determines that the violation by the owner or operator does not warrant termination of the contract; (3) upon transfer of his right and interest in the farm, ranch, or other land during the contract period to forfeit all rights to further payments under the contract and refund to the United States all payments received thereunder, unless the transferee of any such land agrees with the Secretary to assume all obligations under the contract; (4) not to adopt any practice specified in the contract by the Secretary as a practice that would tend to defeat the purposes of the contract; and (5) to such additional provisions as the Secretary determines are desirable and are included in the contract to effectuate the purposes of the program or to facilitate the practical administration thereof.

(c) In return for such agreement by the owner or operator, the Secretary shall agree to provide technical assistance and to share the cost of carrying out the land use conver-

sions and conservation measures and practices set forth in the contract for which the Secretary determines that cost sharing is appropriate and in the public interest. The portion of such cost (including labor and maintenance costs) to be shared shall be that part that the Secretary determines is necessary and appropriate to effectuate the installation and maintenance of the conservation plantings and practices for a normally-expected life of such a planting or practice.

(d) Payments made under this section shall be made in accordance with a formula developed by the Secretary. In developing such formula, the Secretary shall take into consideration (1) the costs of establishing and maintaining the agreed-upon conservation measures, plantings, and practices for a normal life span; (2) the severity of the erosion hazard on the land to be converted from cropland to permanent cover; and (3) the willingness of the owner operator, as evidenced in the contract, to apply the conservation measures, specified in the contract, early in the life of the contract and maintain them for their normally-expected life.

(e) Notwithstanding any other provision of law, payments under this section shall be made in cash or in in kind commodities in such amounts as agreed upon and specified in the contract. However, the use of any Commodity Credit Corporation-held commodity in making payment under this section is subject to a finding by the Secretary that payments in kind of such commodity will not displace to any significant degree the usual marketings of such commodity. If the payment is made with in kind commodities, the payments shall be made by delivery by the Commodity Credit Corporation of the commodity involved to the owner or operator at a warehouse or other similar facility located in the county in which the farm, ranch, or other land is located or such other location as agreed to by the Secretary and the owner or operator, by the transfer of negotiable warehouse receipts, or by such other method determined by the Secretary to be appropriate, including sale of the commodity in commercial markets, to enable the owner or operator efficiently and expeditiously to receive possession of the commodity. If Commodity Credit Corporation stocks of the commodity are not readily available to effect full payment in kind to an owner or operator participating in this program, the Secretary may substitute fully or partially payment in cash for payment in kind.

(f) The Secretary shall provide the owner or operator the option to elect to receive payments under this section on a schedule, as outlined in the contract, that provides for a close correlation between the time the costs for conservation measures and practices are incurred by the owner or operator and the time the Secretary makes the payment to the owner or operator. Where appropriate, the Secretary may make payments in advance of the performance of the conservation measures and practices.

(g) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments under the program.

(h) The Secretary shall provide by appropriate regulations for preservation of cropland, crop acreage, and allotment history applicable to acreage diverted from the production of crops to establish vegetative cover for the purpose of any Federal program under which such history is used as a basis for an allotment or other limitation or for participation in such program.

(i) The Secretary shall, within 60 days after the enactment of this Act, publish in the Federal Register regulations implementing this title, including the technical definition of ercsion-prone land.

(j) In carrying out the program authorized by this title, the Secretary may use the funds, facilities, and authorities of the Commodity Credit Corporation.

ADDITIONAL AUTHORITY

SEC. 1003. The authority provided by this title shall be in addition to and not in place of other authorities available to the Secretary and the Commodity Credit Corporation for carrying out soil and water conservation programs.

TITLE XI—AGRICULTURAL EXPORT MARKET EXPANSION

SEC. 1101. The Agricultural and Food Act of 1981 is amended by inserting after section 1209 a new section as follows:

"EXPANSION OF UNITED STATES AGRICULTURAL EXPORTS THROUGH THE USE OF COMMODITIES ACQUIRED BY THE COMMODITY CREDIT CORPORATION

"SEC. 1209A. (a) Notwithstanding any other provision of law, the Secretary of Agriculture may formulate and carry out a program under which commodities acquired by the Commodity Credit Corporation are tendered at no cost to United States exporters and processors for export, and foreign purchasers, to encourage development, maintenance, and expansion of markets for United States agricultural commodities and the products thereof.

"(b) In carrying out the program authorized by this section, the Secretary shall—

"(1) take such action as may be necessary to ensure that the program provides equal treatment to domestic and foreign purchasers and users of United States agricultural commodities in any case where the importation into the United States of a manufactured product made, in whole or in part, from a commodity made available for export under this section would place domestic users of the commodity at a competitive disadvantage;

"(2) ensure that any use of Commodity Credit Corporation stocks for the purposes of the program authorized under this section be made in such manner as to encourage increased use, and avoid displacing usual marketings, of United States agricultural commodities and products thereof; and

"(3) take reasonable precautions to prevent the resale or transshipment to other nations, or use for other than domestic use in the nation to which stocks of the Commodity Credit Corporation are shipped, of the stocks of the Commodity Credit Corporation made available to export participants in the program.

"(c) The Secretary of Agriculture shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(d) The Secretary of Agriculture may issue such regulations as the Secretary deems necessary to carry out this section.

"(e) The authority provided under this section shall be in addition to, and not in place of, any authority granted to the Secretary of Agriculture or the Commodity Credit Corporation under any other provision of law.".

EXPANDED AUTHORITY FOR THE DONATION ABROAD OF COMMODITY CREDIT CORPORATION STOCKS

SEC. 1102. Section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is amended by striking out the last two sentences and inserting in lieu thereof the following: "Such dairy products and other agricultural commodities and products thereof acquired by the Commodity Credit Corporation also may be donated through foreign governments and public and nonprofit private humanitarian organizations for the assistance of needy persons outside the United States, and the Commodity Credit Corporation may pay, with respect to commodities and products thereof so donated, reprocessing, packaging, transporting, handling, and other charges, including the cost of overseas delivery. To ensure that any such donations for use outside the United States complement, and are coordinated with, other United States foreign assistance, such donations shall be coordinated through the mechanism designated by the President to coordinate assistance under the Agricultural Trade Development and Assistance Act of 1954 and shall be in addition to the level of assistance programmed under that Act. Agricultural commodities and products thereof acquired by the Commodity Credit Corporation may also be used to increase the level of agricultural exports under titles I and III of the Agricultural Trade Development and Assistance Act of 1954 consistent with the purposes of that Act and shall be in addition to the level of assistance programmed under that Act.".

LIMITED USE OF WHEAT IN THE FOOD SECURITY RESERVE FOR THE PURPOSES OF EXPORT DEVELOPMENT

SEC. 1103. (a) Notwithstanding any other provision of law, effective only during the 1983 and 1984 fiscal years, up to 2,000,000 metric tons of wheat available under section 302(a) of the Food Security Wheat Reserve Act of 1980 (7 U.S.C. 1736f-1(a)) may be used for the purpose of the development, maintenance, and expansion of markets for wheat as provided in Section 1209A of the Agriculture and Food Act of 1981: *Provided*, That, if wheat from the reserve is so used, the Secretary of Agriculture shall replenish the reserve with a quantity of wheat, equal to or greater than the quantity of wheat used, pursuant to the provisions of section 302(b) of the Food Security Wheat Reserve Act of 1980, by such date as is practicable, but in no case later than September 30, 1984.

(b) Section 302(b)(2) of the Food Security Wheat Reserve Act of 1980 (7 U.S.C. 1736f-1(b)(2)) is amended by striking out the second sentence.

TITLE XII: AGRICULTURAL CREDIT

LOAN DEFERRALS AND MORATORIUM ON FORECLOSURES

SEC. 1201. Section 331A of the Consolidated Farm and Rural Development Act (7 USC 1981a) is amended by—

(1) inserting the designation "(a)" before the existing text thereof;

(2) in the second sentence, striking out "section" and inserting in lieu thereof "subsection"; and

(3) adding at the end thereof the following new subsections:

"(b) During the period beginning with the date of enactment of this subsection and ending September 30, 1983, the Secretary shall permit, at the request of the borrower, the deferral of principal and interest on any

outstanding loan made, insured, or held by the Secretary for farm ownership purposes under subtitle A of this title, farm operating purposes under subtitle B of this title, or economic emergency purposes under the Emergency Agricultural Credit Adjustment Act of 1978, and shall forgo foreclosure of any such loan, in both cases on a showing by the borrower that the borrower (1) has followed good management practices, (2) due to circumstances beyond the borrower's control, is temporarily unable to continue making payment on such principal and interest when due, and (3) has a reasonable chance of repayment of the loan after the deferral of principal and interest and forgoing of foreclosure. The Secretary shall waive the payment of interest that accrues during the deferral period on any loan deferred under the provisions of this subsection. The provision of this subsection shall be applicable only to borrowers who own or operate family-size farms, as certified by the county committee.

"(c) Upon the expiration of any period of deferral of payment of principal and interest and foregoing of foreclosure by the Secretary under subsection (b) of this section, the Secretary shall make available to the borrower, at the borrower's request, procedures whereby the loan may be consolidated, rescheduled, or reamortized to provide equitable repayment terms consistent with the borrower's farm and financial situation, and any loan so consolidated, rescheduled, or reamortized shall bear interest at a rate not in excess of the rate of interest on the original loan.

"(d) The Secretary shall promulgate regulations that provide (1) for notification of all farm borrowers under this Act and the Emergency Agricultural Credit Adjustment Act of 1978 of the provisions of this section and all other servicing alternatives offered by the Secretary, (2) clear procedures by which borrowers may petition the Secretary for relief under such provisions and alternatives, and (3) for appeal within the Department of Agriculture from a decision that denies relief under such provisions and alternatives.

"(e) Any farm loan deferred, consolidated, rescheduled, or reamortized under any authority of the Secretary under this title other than under subsection (b) and (c) of this section shall, notwithstanding any other provision of this title, bear interest on balance of the original loan and for the term of the original loan at a rate not in excess of the rate of interest on the original loan.".

ECONOMIC EMERGENCY LOAN PROGRAM

SEC. 1202. (a) Section 202 of the Emergency Agricultural Credit Adjustment Act of 1978 (7 U.S.C. prec. 1961 note) is amended by striking out "The Secretary of Agriculture may" and inserting in lieu thereof "The Secretary of Agriculture shall".

(b) Section 211 of the Emergency Agricultural Credit Adjustment Act of 1978 (7 U.S.C. prec. 1961 note) is amended by—

(1) striking out "September 30, 1982" and inserting in lieu thereof "September 30, 1984"; and

(2) immediately after "$600,000,000", inserting a comma and "except that, in fiscal year 1983, such $600,000,000 shall be in addition to the total amount of money borrowed under contracts of guarantee entered into under the authorization provided in the Act of December 18, 1982 (Public Law 97-370, 96 Stat. 1799)".

TITLE XIII: PRODUCER RESERVE PROGRAM FOR WHEAT AND FEED GRAINS

LOAN RATES

SEC. 1301. The second sentence of section 110(b) of the Agricultural Act of 1949 (7 U.S.C. 1445e(b)) is amended by striking out "not be less" and inserting in lieu thereof "at least 5 percent greater".

IMMEDIATE ENTRY FOR THE 1983 THROUGH 1985 CROPS

SEC. 1302. Section 110(e) of the Agricultural Act of 1949 (7 U.S.C. 1445e(e)) is amended by inserting at the end thereof the following: "Notwithstanding any other provision of law, if the Secretary determines that a producer reserve program, as authorized in this section, will be offered for the 1983, 1984, or 1985 crops of wheat or feed grains, the Secretary shall provide for the entry of the commodity for each of such crops under the producer reserve program no later than the beginning of the marketing year for each of such crops.".

SUMMARY OF THE EMERGENCY AGRICULTURAL ADJUSTMENT ACT OF 1983

TITLE I: WHEAT

1. Establishes the minimum loan rate for the 1984 and 1985 crops at not less than $4.22 per bushel.

2. Establishes the target price for 1984 at $4.60 per bushel and for 1985 at $4.75 per bushel.

3. (a) Requires the Secretary of Agriculture to establish a minimum 30 percent acreage reduction, for 1984, consisting of a 15 percent acreage limitation program and a 15 percent paid land diversion program. Payment rate will be set at no less than $3.25 per bushel, or at the option of the producer, payment in kind at no less than 80 percent of the farm program yield.

(b) If the Secretary determines that total supply during the 1985 marketing year will exceed 125 percent of estimated domestic and export use during the marketing year, the Secretary will be required to offer an acreage reduction program at a level sufficient to bring total supply to a level that does not exceed 125 percent of domestic and export use. The acreage reduction program must be a combination of an acreage limitation program and a paid land diversion program. The percentage of paid diversion must be no less than 50 percent of the overall reduction. Payments shall be the same as for 1984.

(c) Provides that the acreage base for the 1984 and 1985 crops shall be the average of two of the three preceding years. The producer would have the option of determining which of the two years he wanted to use as his base. The Secretary would have the authority to consolidate bases for the purpose of encouraging participation in the program. Acreage that is reduced as part of an acreage reduction program shall be considered as part of the wheat acreage base.

(d) Requires the Secretary to permit hay and grazing on the reduced acreage, subject to such terms and conditions the Secretary may prescribe.

(e) Provides that adjustments be made in the payments for those producers who practice double cropping and where participation in the 1984 or 1985 program for wheat, reduces the acreage that may be planted to another commodity.

4. Requires the Secretary to provide disaster assistance for prevented plantings.

TITLE II: FEED GRAINS

1. Establishes the minimum loan rate for the 1984 and 1985 crops at not less than $2.84 per bushel.

2. Establishes the target price for 1984 at $3.08 per bushel and for 1985 at $3.23 per bushel.

3. (a) Requires the Secretary to establish a minimum 20 percent acreage reduction program, for 1984, consisting of a 10 percent acreage limitation program and a 15 percent paid land diversion program. Payment rate will be set at no less than $2.00 per bushel, or at the option of the producer, payment in kind at no less than 80 percent of the farm program yield.

(b) If the Secretary determines that total supply during the 1985 marketing year will exceed 125 percent of estimated domestic and export use during the marketing year, the Secretary will be required to offer an acreage reduction program at a level sufficient to bring total supply to a level that does not exceed 125 percent of domestic and export use. The acreage reduction program must be a combination of an acreage limitation program and a paid land diversion program. The percentage of paid diversion must be no less than 50 percent of the overall reduction. Payments shall be the same as for 1984.

(c) Provides that the acreage base for 1984 and 1985 crops shall be the average of two of the three preceding years. The producer would have the option of determining which of the two years he wanted to use as his base. The Secretary would have the authority to consolidate bases for the purposes of encouraging participation in the program. Acreage that is reduced as part of an acreage reduction program shall be considered as part of the feed grain acreage base.

(d) Requires the Secretary to permit hay and grazing on the reduced acreage, subject to such terms and conditions the Secretary may prescribe.

(e) Provides that adjustments be made in the payments for those producers who practice double cropping and where participation in the 1984 or 1985 program for feed grains, reduces the acreage that may be planted to another commodity.

(f) For the purposes of an acreage reduction program, the term "feed grains" shall include: corn, grain sorghum, barley, and oats.

4. Requires the Secretary to provide disaster assistance for prevented plantings.

TITLE III: UPLAND COTTON

1. Establishes the minimum loan rate for 1984 and 1985 at not less than 70 cents per pound.

2. Establishes the target price for 1984 at 83 cents per pound and for 1985 at 88 cents per pound.

3. (a) Requires the Secretary of Agriculture to establish a minimum 20 percent acreage reduction, for 1984, consisting of a 10 percent acreage limitation program and a 10 percent paid land diversion program. Payment rate will be set at no less than 30 cents per pound, or at the option of the producer, payment in kind at no less than 80 percent of the farm program yield.

(b) If the Secretary determines that total supply during the 1985 marketing year will exceed 125 percent of estimated domestic and export use during the marketing year, the Secretary will be required to offer an acreage reduction program at a level sufficient to bring total supply to a level that does not exceed 125 percent of domestic and export use. The acreage reduction program

must be a combination of an acreage limitation program and a paid land diversion program. The percentage of paid diversion must be no less than 50 percent of the overall reduction. Payments shall be the same as for 1984.

(c) Provides that the acreage base for the 1984 and 1985 crops shall be the average of two of the three preceding years. The producer would have the option of determining which of the two years he wanted to use as his base. The Secretary would have the authority to consolidate bases for the purpose of encouraging participation in the program. Acreage that is reduced as part of an acreage reduction program shall be considered as part of the upland cotton acreage base.

(d) Requires the Secretary to permit hay and grazing on the reduced acreage, subject to such terms and conditions as the Secretary may prescribe.

(e) Provides that adjustments be made in the payments for those producers who practice double cropping and where participation in the 1984 or 1985 program for upland cotton, reduces the acreage that may be planted to another commodity.

4. Requires the Secretary to provide disaster assistance for prevented plantings.

TITLE IV: RICE

1. Establishes the minimum loan rate for 1984 and 1985 at not less than $8.60 per hundredweight.

2. Establishes the target price for 1984 at $11.94 per hundredweight and for 1985 at $12.43 per hundredweight.

3. (a) Requires the Secretary of Agriculture to establish a minimum 20 percent acreage reduction, for 1984, consisting of a 10 percent acreage limitation program and a 10 percent paid land diversion program. Payment rate will be set at no less than $3.00 per hundredweight or, at the option of the producer, payment in kind at no less than 80 percent of the farm yield.

(b) If the Secretary determines that total supply during the 1985 marketing year will exceed 125 percent of estimated domestic and export use during the marketing year, the Secretary will be required to offer an acreage reduction program at a level sufficient to bring total supply to a level that does not exceed 125 percent of domestic and export use. The acreage reduction program must be a combination of an acreage limitation program a paid land diversion program. The percentage of paid land diversion must be no less than 50 percent of the overall reduction. Payments shall be the same as for 1984.

(c) Provides that the acreage base for the 1984 and 1985 crops shall be the average of two of the three preceding years. The producer would have the option of determining which of the two years he wanted to use as his base. The Secretary would have the authority to consolidate bases for the purpose of encouraging participation in the program. Acreage that is reduced as part of an acreage reduction program shall be considered as part of the rice acreage base.

(d) Requires the Secretary to permit hay and grazing on the reduced acreage, subject to such terms and conditions as the Secretary may prescribe.

(e) Provides that adjustments be made in the payments for those producers who practice double cropping and where participation in the 1984 or 1985 program for rice reduces the acreage that may be planted to another commodity.

(4) Requires the Secretary to provide disaster assistance for prevented plantings.

TITLE V: SOYBEANS

Establishes the minimum loan rate for the 1984 and 1985 crops at not less than $5.40 per bushel.

TITLE VI: SPECIAL PAYMENT-IN-KIND LAND DIVERSION PROGRAM

1. Provides that the Secretary must ensure that the minimum value for payment in kind commodities is not less than 90 percent of the basic county loan rate for the commodity if the Secretary uses such commodities in a land diversion program.

2. Provides that payment in kind commodities used as payment for land diversion programs must be based upon no less than 80 percent of the farm program yield.

TITLE VII: ADVANCE PAYMENTS

Requires the Secretary of Agriculture to make a portion of the projected deficiency payments in advance to farmers who agree to participate in acreage reduction programs.

TITLE VIII: PAYMENT LIMITATION

Excludes diversion payments from the payment limitation of $50,000 for the 1983 through 1985 crops of wheat, feed grains, upland cotton and rice.

TITLE IX: EARLY ANNOUNCEMENT OF PROGRAMS

Requires the Secretary of Agriculture to announce the national program acreages and acreage reduction programs for wheat, feed grains, upland cotton, and rice no later than the following dates: for wheat—June 15; for feed grains—September 15; for upland cotton—September 1; and for rice—November 1.

TITLE X: SPECIAL SOIL AND WATER CONSERVATION PROGRAM

Provides the authority for a soil and water conservation program that would provide incentives for farmers and ranchers to convert erosion-prone land from cultivated crops to permanent cover. Under the program, the Secretary would be required to share the cost of implementing the conservation measures and practices needed for the program. The portion of the costs to be shared will be determined by the Secretary and agreed to by the owner or operator of the land. Payments could be made in either cash or in kind commodities, provided that the Secretary determines that the use of such commodities will not significantly displace normal marketings of such commodities. Requires the Secretary to give the owner or operator the option to elect to receive payments on a schedule, outlined in the contract and further authorizes the Secretary to make payments in advance of the performance of the conservation measures and practices. Requires the Secretary to provide adequate safeguards to protect the interests of tenants and sharecroppers. Requires the Secretary to preserve the cropland, crop acreage, and allotment history of the land. Requires the Secretary to publish in the Federal Register the regulations to implement the program, including the technical definition of erosion-prone land.

TITLE XI: AGRICULTURAL EXPORT MARKET EXPANSION

1. Authorizes the Secretary to establish an export expansion program under which CCC commodities may be tendered at no cost to U.S. exporters and processors for export, and foreign market development for U.S. commodities and products.

2. Expands current authority in section 416 of the Agricultural Act of 1949 (to donate stocks of dairy products to needy persons in foreign countries) to include other agricultural commodities and products thereof acquired by CCC, and authorizes the use of CCC commodities under titles I and III of P.L. 480, in addition to programmed levels.

3. Authorizes the Secretary to borrow up to 2 million metric tons of wheat from the Food Security Wheat Reserve for the purpose of expanding markets, provided that the Reserve is replenished by September 30, 1984.

TITLE XII: AGRICULTURAL CREDIT

1. (a) Provides for deferrals and foregoing of foreclosure for Farmers Home Administration borrowers who (1) have followed good management practices, (2) due to circumstances beyond their control, are temporarily unable to continue making payment on such principal and interest when due, and (3) have a reasonable chance of repayment of the loan after the deferral period.

(b) Provides for rescheduling, consolidating, or reamortizing loans at the original or current interest rate, whichever is lower.

(c) Requires the Secretary to notify all borrowers of their options.

2. Extends the Economic Emergency loan program and requires that the Secretary make it available to borrowers.

TITLE XIII: PRODUCER RESERVE PROGRAM FOR WHEAT AND FEED GRAINS

1. Requires that the reserve loan be 5 percent greater than the basic loan rate for the commodity.

2. Requires the Secretary to allow for the entry of a commodity under the reserve program no later than the beginning of the marketing year for the commodity, if a reserve program is in effect for any of the 1983 through 1985 crops.

By Mr. DOLE (by request):

S. 576. A bill to provide for perspective payment rates under medicare for inpatient hospital services, and for other purposes; to the Committee on Finance.

MEDICARE PROSPECTIVE PAYMENT RATES ACT

● Mr. DOLE. Mr. President, the Senator from Kansas is pleased to introduce today by request, the administration's proposed legislation to reform the way in which medicare reimburses hospitals.

This legislation, as my colleagues are aware, is the result of congressional action last year requiring the Secretary of the Department of Health and Human Services to develop, in consultation with the Senate Committee on Finance and the House Committee on Ways and Means, a medicare prospective payment proposal for hospitals, skilled nursing facilities, and to the extent feasible, other providers. The Secretary complied with this request in part, and forwarded to the Congress a report describing an approach for reforming the hospital reimbursement system under medicare. This legislation is a result of that report.

The Senator from Kansas is looking forward to consideration of this legislation. Clearly, cost-based reimbursement is a system whose time has come and gone. We need to move toward a system where institutions have some incentives to become efficient while

still providing quality care. Prospective payment holds out that promise.

There are clearly differences between institutions, legitimate differences that must be accounted for in any payment system. But that does not necessarily argue for maintaining the status quo. It argues for seeking out ways to identify those differences and adjust for them. The subcommittee on health of the Finance Committee has just completed a series of hearings on the administration's report. It was evident throughout these hearings that the large majority of witnesses was very supportive of the concept of prospective payment. They did, however, have a number of suggestions as to how we might improve upon the administration's proposal.

We are submitting the administration's proposal today to provide an opportunity for discussion. Clearly, changes are possible and are in fact appropriate, but we must begin to sort these differences out as soon as possible.

Despite program reductions in 1981 and 1982, medicare outlays are projected to grow rapidly in future years. These outlays, which are expected to increase at an average of 14 percent per year, are a serious problem not only for the budget as a whole, but also for the solvency of the medicare health insurance trust fund.

The Senator from Kansas believes we have an obligation to protect medicare. This includes reducing its extraordinary rate of increase in expenditures. Moving forward on a prospective payment system for hospitals is a step in the right direction.

Mr. President, I ask unanimous consent that the full text and a summary of this bill be printed in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 576

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND REFERENCES IN ACT

SECTION 1. (a) This Act may be cited as the "Medicare Prospective Payment Rates Act".

(b) The amendments in this Act apply to the Social Security Act.

MEDICARE PAYMENTS FOR INPATIENT HOSPITAL SERVICES ON THE BASIS OF PROSPECTIVE RATES

SEC. 2. (a) Section 1814(b) is amended—

(1) in the matter preceding paragraph (1), by striking out "and 1886", and

(2) by amending paragraphs (1) and (2) to read as follows:

"(1) with respect to operating costs of inpatient hospital services of other than psychiatric, long-term, or children's hospitals (and such costs of inpatient hospital services of psychiatric, long-term, or children's hospitals and such other costs of inpatient hospital services as the Secretary may prescribe from time to time by regulation), the amount determined prospectively as provided by section 1886, except as provided in paragraph (3) or under an exception granted under section 1886(d);

"(2) with respect to other costs of inpatient hospital services and with respect to other services, except as provided in paragraph (3) or in section 1888—

"(A) the lesser of (i) the reasonable cost of the services, as determined under section 1861(v) and as further limited by section 1881(b)(2)(B), and (ii) the customary charges with respect to the services, or

"(B) if the services are furnished by a public provider of services free of charge or at nominal charges to the public, the amount determined on the basis of those items (specified in regulations) included in the determination of such reasonable cost as the Secretary finds will provide fair compensation to the provider for the services; or".

(b) The matter in section 1866(a)(2)(B)(ii) (42 U.S.C. 1395cc(a)(2)(B)(ii)) preceding subclause (I) is amended by inserting "or with respect to costs subject to section 1814(b)(1)" after "except with respect to emergency services".

(c)(1) Section 1886(d)(2)(A) is amended to read as follows:

"(2) Subparagraph (A)(ii) and subparagraph (B) of subsection (b)(2).".

(2) Subsection (d) of section 1886 is assigned the heading "Elimination of Lesser-of-Cost-or-Charges Provision", is redesignated as subsection (j), and is transferred to the end of section 1814.

PROSPECTIVE DETERMINATION OF MEDICARE PAYMENT RATES FOR INPATIENT HOSPITAL SERVICES

SEC. 3. (a) Section 1886 is amended to read as follows:

"PROSPECTIVE DETERMINATION OF PAYMENT RATES FOR INPATIENT HOSPITAL SERVICES

"SEC. 1886. (a)(1) The Secretary shall determine a payment amount for each inpatient hospital discharge in fiscal year 1984 involving inpatient hospital services for which payment may be made under part A of this title. That amount shall be equal to a national standard rate per discharge for the diagnosis related group to which that discharge belongs (the product of an appropriate standard cost level per discharge determined by the Secretary for all discharges involving inpatient hospital services for which payment may be made under part A of this title and an appropriate weighting factor determined by the Secretary for that diagnosis related group), adjusted for regional differences in hospital wage levels, and updated to fiscal year 1983 by the estimated rate of change of hospital costs industry-wide, and from fiscal year 1983 to fiscal year 1984 by the percentage increase defined in paragraph (2).

"(2) For purposes of paragraph (1), the 'percentage increase' shall be equal to the percentage, estimated by the Secretary, by which the cost of the mix of goods and services (including personnel costs but excluding non-operating costs) comprising routine, ancillary, and special care unit inpatient hospital services, based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of such goods and services, for fiscal year 1984 exceeds the cost of the mix of such goods and services for fiscal year 1983.

"(b) The Secretary may from time to time make changes (including the establishment of new groups) in the diagnosis related groups referred to in subsection (a).

"(c)(1) The Secretary shall, for hospital discharges in fiscal year 1985 and in each succeeding fiscal year, adjust (uniformly, or individually for specified diagnosis related groups) the payment amounts determined under subsection (a) so as to provide compensation that the Secretary in his judgment deems adequate for efficiently and economically operated hospitals, taking into account such factors as changes in the cost per unit of goods and services, changes in productivity, and technological and scientific advances.

"(2) The Secretary may, from time to time, adjust the payment amounts determined under subsection (a) to take into account such factors as changes made in the diagnosis related groups, changes in the portion of costs attributable to wages, changes in the kinds of costs subject to the provisions of this section (pursuant to regulations as provided in section 1814(b)(1)), or regional differences (or changes in those differences) in the cost per unit of goods or services other than wages. The Secretary may also, from time to time, establish payment amounts for new diagnosis related groups at levels comparable to amounts established for previous diagnosis related groups involving comparable use of hospital resources.

"(d)(1) The Secretary may provide (on a general, class, or individual basis) for exceptions and adjustments to the payment amounts established under the previous subsections to take into account the special needs of sole community hospitals.

"(2) The Secretary may provide for additional payment amounts (as determined by the Secretary) for any discharge whose length of stay exceeds by thirty or more days the mean length of stay of the discharges in the diagnosis related group to which that discharge belongs.

"(e) The Secretary shall publish in the Federal Register a notice of the payment amounts established under subsection (c)(1) no later than the September 1 preceding the beginning of the fiscal year to which the amounts are to apply.

"(f) Payment amounts, exceptions, adjustments, and rules established under this section shall be final and conclusive, and claims related thereto (including claims related to administrative procedures used or actions authorized but not taken) shall not be subject to review or consideration by any court under any form of judicial process or procedure.".

(b) Title XVII is amended by adding at the end the following:

"TARGET INPATIENT HOSPITAL AMOUNTS FOR CERTAIN HOSPITALS

"SEC. 1888. (a) Subject to the provisions of section 1813, if the operating costs per discharge of inpatient hospital services for a cost reporting period of a hospital that does not receive payments under section 1814(b)(1)—

"(1) are less than or equal to the target amount (as defined in subsection (c)) for that hospital for that period, the amount of the payment with respect to such operating costs payable under part A on per discharge basis shall be equal to the amount of such operating costs, plus—

"(A) 50 percent of the amount by which the target amount exceeds the amount of such operating costs, or

"(B) 5 percent of the target amount, whichever is less, or

"(2) are greater than that target amount, the amount of the payment with respect to such operating costs payable under part A on a per discharge basis shall be equal to

(A) the target amount, plus (B) in the case of cost reporting periods beginning before October 1, 1984, 25 percent of the amount by which the amount of such operating costs exceeds the target amount.

"(b)(1) For purposes of subsection (a), the term 'target amount' means, with respect to a hospital for a particular 12 month cost reporting period—

"(A) in the case of the first such reporting period for which this subsection is in effect, the target amount under section 1886(b)(3) (as in effect before enactment of the Medicare Prospective Payment Rates Act) for the preceding 12 month cost reporting period, and

"(B) in the case of a later reporting period, the target amount for the preceding 12 month cost reporting period,

increased by the applicable percentage increase under paragraph (2) for that particular cost reporting period.

"(2) For purposes of paragraph (1), the 'applicable percentage increase' for any 12 month cost reporting period shall be equal (A) the percentage, estimated by the Secretary, by which the cost of the mix of goods and services (including personnel costs but excluding non-operating costs) comprising routine, ancillary, and special care unit inpatient hospital services, based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of such goods and services, for that cost reporting period exceeds the cost of the mix of such goods and services for the preceding 12 month cost reporting period, plus (B) in the case of cost reporting periods beginning after September 30, 1984, 1 percent.".

"(c) The Secretary shall provide for an exemption from, or an exception and adjustment to, the method under this subsection for determining the amount of payment to a hospital where events beyond the hospital's control or extraordinary circumstances, including changes in the case mix of the hospital, create a distortion in the increase in costs for a cost reporting period (including any distortion in the costs for the base period against which the increase is measured). The Secretary may provide for such other exemptions from, and exceptions and adjustments to, the method as the Secretary deems appropriate, including those which he deems necessary to take into account a decrease in the inpatient hospital services that a hospital provides and that are customarily provided directly by similar hospitals which results in a significant distortion in the operating costs of inpatient hospital services.

"(d) In the case of any hospital having any cost reporting period of other than a 12 month period, the Secretary shall determine the 12 month period which shall be used for purposes of this section.

"(e)(1) The Secretary shall provide for an adjustment under this subsection in the amount of payment otherwise provided a hospital under this section in the case of a hospital which, as of August 15, 1982, was subject to the taxes (hereinafter in this subsection referred to as the 'FICA taxes') imposed by section 3111 of the Internal Revenue Code of 1954 and which is not subject to such taxes for part or all of a cost reporting period.

"(2) In making such an adjustment for a cost reporting period the Secretary shall estimate the amount of the operating costs of inpatient hospital services that would have resulted if the hospital was subject to the FICA taxes during that period. In making that estimate the Secretary shall reduce the amount of the FICA taxes that would have been paid (but not below zero) by the amount of costs which the hospital demonstrates to the satisfaction of the Secretary were incurred in the period for pensions, health, and other fringe benefits for employees (and former employees and family members) comparable to, and instead of, the benefits provided under title II and this title.

"(3) If a hospital's operating costs of inpatient hospital services estimated under paragraph (2) is greater than the hospital's operating costs of inpatient hospital services determined without regard to this subsection for a cost reporting period, then the Secretary shall reduce the amount otherwise paid the hospital (respecting operating costs of inpatient hospital services) under this title for the period by the amount by which the amount that would have been paid the hospital (if the amount of the operating costs of inpatient hospital services estimated under paragraph (2) were treated as the amount of the operating costs of inpatient hospital services) exceeds the amount that would have been paid the hospital if this subsection did not apply; except that, in making such a determination for a cost reporting period beginning on or after October 1, 1984, clause (B) of subsection (a)(2) shall continue to apply.".

PAYMENTS BY SECRETARY TO HOSPITALS ON BEHALF OF HEALTH MAINTENANCE ORGANIZATIONS AND COMPETITIVE MEDICAL PLANS

SEC. 4. (a) Section 1876(g) is amended by adding at the end the following:

"(4) A risk-sharing contract under this subsection may, at the option of an eligible organization, provide that the Secretary—

"(A) will reimburse hospitals either for the reasonable cost (as determined under section 18619(v)) or for payment amounts determined in accordance with section 1886, as applicable, of inpatient hospital services furnished to individuals enrolled with such organization pursuant to subsection (d), and

"(B) will deduct the amount of such reimbursement from payment which would otherwise be made to such organization.".

EFFECT OF AMENDMENTS ON AUTHORITY FOR EXPERIMENTS AND DEMONSTRATION PROJECTS

SEC. 5. The amendments enacted by this Act shall not affect the authority of the Secretary of Health and Human Services to develop, carry out, or continue experiments and demonstration projects.

CONFORMING AMENDMENTS

SEC. 6. (a) The matter in section 1814(g) preceding paragraph (1) is amended by inserting "(or would be if subsection (b)(1) did not apply)" after "1861(v)(1)(D)".

(b) Section 1814(h)(2) is amended by striking out "the reasonable costs for such services" and inserting "the amount that would be payable for such services under paragraphs (1) and (2) of subsection (b)".

(c) The matter in section 1835(e) preceding paragraph (1) is amended by inserting "(or would be if section 1814(b)(1) did not apply)" after "1861(v)(1)(D)".

(d) The matter in section 1861(v)(1)(G)(i) following subclause (III) is amended by striking out "on the basis of the reasonable cost of inpatient hospital services" and inserting instead "as provided in paragraphs (1) and (2) of section 1814(b)".

(e) Section 1861(v)(2)(A) is amended by striking out "an amount equal to the reasonable cost of" and inserting instead "the amount that would be taken into account with respect to".

(f) Section 1816(v)(2)(B) is amended by striking out "the equivalent of the reasonable cost of".

(g) Section 1861(v)(3) is amended by striking out "the reasonable cost of such bed and board furnished in semi-private accommodations (determined pursuant to paragraph (1))" and inserting instead "the amount otherwise payable under this title for such bed and board furnished in semi-private accommodations".

(h) Section 1861(v)(7)(B) is amended to read as follows:

"(B) For further limitations on reasonable cost for operating costs of inpatient hospital services, see section 1888.".

(i) Section 1861 is amended by inserting after subsection (m) the following:

"(n) The term 'operating costs' with respect to inpatient hospital services means routine operating costs, ancillary service operating costs, and special care unit operating costs.".

(j) Section 1861 is amended by inserting after subsection (aa) the following:

"(bb) The term 'long-term hospital' means a hospital whose average inpatient length of stay (as determined by the Secretary) is greater than 25 days, and any other hospital witn appropriate characteristics as determined by the Secretary.".

(k) Section 1861 is amended by adding at the end the following:

"(ee) The term 'children's hospital' means a hospital whose inpatients are predominantly individuals under 18 years of age.

"(ff) The term 'sole community hospital' means a hospital that, by reason of factors such as isolated location or absence of other hospitals (as determined by the Secretary), is the sole source of inpatient hospital services reasonably available to individuals in a geographical area who are entitled to benefits under part A.".

(l) The first sentence of section 1881(b)(2)(A) is amended by striking out "section 1861(v)" and inserting instead "paragraphs (1) and (2) of section 1814(b)".

(m) Section 1883(e) is amended—

(1) by striking out "payment" and inserting instead "reasonable costs", and

(2) by striking out "title XVIII reimbursement" and inserting instead "reasonable costs under this title".

(n) Section 1887(a)(1)(B) is amended by striking out "on a reasonable cost basis" and inserting instead "as provided in paragraphs (1) and (2) of section 1814(b)".

EFFECTIVE DATE

SEC. 7. (a)(1) The amendments made by this Act apply to items and services furnished by or under arrangements with a hospital after its last cost reporting period that has begun before October 1983.

(2) A change in a hospital's cost reporting period that has been made after November 1982 shall be recognized for purposes of this section only if the Secretary of Health and Human Services finds good cause for that change.

(b) The Secretary shall make an appropriate reduction in the payment amount under section 1814(b)(1) of the Social Security Act (as amended by section 2(a)(2) of this Act) for any discharge, if the admission has occurred before a hospital's first cost reporting period that has begun after September 1983, to take into account amounts payable under title XVIII of that Act (as in effect before the date of enactment of this Act) for items and services furnished before that period.

(c) The Secretary shall publish in the Federal Register a notice of the payment amounts established under subsection (a) of section 1886 of the Social Security Act (as amended by section 3(a) of this Act) no later than September 1, 1983, and allow for a period of public comment thereon. The payment amounts shall become effective on the following October 1 without the necessity for consideration of comments received, but the Secretary shall, by notice published in the Federal Register, affirm or modify the amounts by the following December 31 after considering those comments. A modification that reduces a payment amount shall apply only to discharges occurring after 30 days after notice of the modification is published in the Federal Register. Rules to implement that subsection shall, and exceptions, adjustments, or additional payment amounts under section 1886(d) of the Social Security Act may, be established in accordance with the procedure described in the preceding sentences of this paragraph.

SUMMARY OF PROPOSED MEDICARE PROSPECTIVE PAYMENT RATES ACT

Section 1 would assign the draft bill the short title "Medicare Prospective Payment Rates Act".

Section 2 would require prospective determination of payments under Medicare with respect to operating costs of impatient hospital services instead of payments on the basis of reasonable cost. Prospectively determined payments would not be required for psychiatric, long-term, or children's hospitals. The Secretary of Health and Human Services could, by regulation, extend the prospective method to other cost elements of inpatient hospital services (such as capital-related costs and teaching costs) and to psychiatric, long-term, and children's hospitals. Deductibles and coinsurance would continue to be required of Medicare beneficiaries as under existing law and would continue to be deducted from the Medicare payments to hospitals, but no additional charges could be imposed on beneficiaries. Medicare payments for services payable under this section on a prospective basis, to or on behalf of health maintenance organizations (HMO's) or competitive medical plans (CMP's) that contract with Medicare on a cost basis, would be paid on that prospective basis. HMO's and CMP's that receive Medicare payments on a risk basis would continue to do so as under existing law, except as otherwise provided by section 4.

Section 3 specifies how Medicare payments for inpatient hospital services would be determined prospectively:

The Secretary would set a payment amount for each Medicare inpatient hospital discharge in fiscal year 1984 equal to the national standard rate for the diagnosis related group (DRG) to which the discharge belonged, adjusted for regional differences in hospital wage levels, and updated to fiscal year 1983 by the estimated rate of change of hospital costs industry-wide, and from fiscal year 1983 to fiscal year 1984 by the estimated increase in the hospital market basket index. The national standard rate for each DRG would be equal to the product of an appropriate cost level per discharge (determined by the Secretary) for all Medicare discharges and an appropriate weighting factor (determined by the Secretary) for that DRG.

The Secretary could revise the DRGs from time to time.

The Secretary would annually adjust the payment amounts determined for fiscal year 1984 to provide compensation that the Secretary in his judgment deemed adequate for efficiently and economically operated hospitals, taking into account such factors as changes in the cost per unit of goods and services, changes in productivity, and technological and scientific advances. He could also, from time to time, adjust the payment amounts to take into account such factors as changes he had made in the DRGs, changes in the portion of costs attributable to wages, changes in the kinds of costs for which prospective payments were to be made (as he may have provided by regulation), or regional differences (or changes in those differences) in the cost per unit of goods and services other than wages. He could also establish payment amounts for new DRGs at levels comparable to amounts established for previous ones involving comparable use of hospital resources.

The Secretary could provide for exceptions and adjustments to meet the special needs of sole community hospitals. The Secretary could also pay additional amounts (as determined by the Secretary) for discharges whose length of stay exceeded by thirty days or more the mean length of stay of the discharges in a particular DRG.

The Secretary would publish a notice in the Federal Register by September 1 of fiscal year 1984 and of each succeeding fiscal year establishing the payment amounts for the coming fiscal year.

Payment amounts, exceptions, adjustments, and rules established under this section and related claims would not be subject to judicial review.

Section 3 would also repeal the cost limits and target amount provisions enacted by the Tax Equity and Fiscal Responsibility Act of 1982, except that the target amount provisions would continue to apply permanently to hospitals not paid on a prospective basis under the draft bill, and that the increase in target amounts permitted for fiscal year 1984 would be only the estimated increase in the hospital market basket index, rather than that increase plus 1 percent.

Section 4 would permit an HMO or a CMP that receives Medicare payments on a risk basis to choose to have the Secretary directly pay hospitals for inpatient hospital services furnished to Medicare enrollees of the HMO or CMP. The payment amounts would be at the appropriate DRG rate (or on the basis of reasonable cost, as applicable), and would be deducted from Medicare payments to the HMO or CMP.

Section 5 specifies that the amendments enacted by the draft bill would not affect the authority of the Secretary to develop, carry out, or continue experiments and demonstration projects.

Section 6 would enact conforming amendments.

Section 7 would make the amendments enacted by the draft bill effective with respect to items and services furnished by a hospital after its last cost reporting period that began before October 1983. The Secretary would appropriately reduce the payment amount for any discharge if the admission occurred before the first cost reporting period that began after September 1983 to take into account amounts payable under Medicare under existing provisions of law for items and services furnished before that period. The Secretary would be required to publish a notice in the Federal Register by September 1, 1983, establishing the payment amounts for fiscal year 1984, and to allow for a period of public comment. The payment amounts would be effective as of October 1 (without the necessity for consideration of comments received), but the Secretary would be required to publish a notice by December 31 affirming or modifying the amounts after considering the comments. Any decreases in payment amounts in that notice would apply only to discharges occurring more than 30 days after its publication.

● Mr. DURENBERGER. Mr. President, I rise to join with Senator DOLE in introducing S. 576.

The bill we are introducing here today begins to deal with a social security problem of no less magnitude and certainly no less importance than the cash benefit crisis currently being addressed. That problem, the financial viability of the medicare hospital insurance trust fund, is of vital concern to the almost 27 million aged and 3 million disabled individuals provided health insurance coverage under the medicare program.

But let me warn everyone that the flash point for medicare is not 10 years away, or even 5 years. Medicare is heading for trouble now and will be in serious difficulty by 1987 unless we act prudently.

Fortunately, we have the time to engage in a step-by-step analysis of medicare, fixing what is wrong and leaving untouched what is working. We have the time; the question is, Do we have the willingness? And can Congress as a whole act responsibly to address medicare now, thereby guaranteeing a sound future for this vital program and for those millions of people who depend on it? I firmly hope so.

For years, we've been adjusting this or that element of the medicare program. We've added a regulation here, some monitoring there. But we've never gotten to the heart of the problem—the way we pay for services. The result is that costs have risen unnecessarily for beneficiaries, for hospitals, and for the Federal Government. It is time for a change.

Prospective payment is the shot in the arm medicare now needs. It's a positive change; good for senior citizens, for doctors, for hospitals, and for taxpayers. And it comes at a time when it is desperately needed. We can not afford to put prospective payment off. Medicare needs it, and the entire Federal budget needs it.

The administration, and former Secretary Schweiker in particular, should be commended for developing a sound, workable prospective payment proposal. The Department has responded promptly and thoughtfully to our request in last year's Tax Equity and Fiscal Responsibility Act, and I appreciate that. It makes our job a lot easier.

There are details in the administration's proposal that still need to be

worked out. It is not a perfect system. But it is better than what we have now, and it is much better than heavy-handed regulatory alternatives.

Prospective payment gives hospitals the flexibility they need to restructure their institutions and respond to community needs. And it rewards hospitals for working with their physicians to effectively manage patient care.

The administration has chosen to limit its proposal to only the most important elements of a prospective payment plan. I think it is a wise choice. That is not to suggest that the issues of capital formation, teaching costs, or all-payer systems are unimportant. Each of these issues is complex, and each demand special attention. But none of them, in my opinion, has to be addressed in the context of prospective payment. I think it makes sense to focus on the basic elements of prospective payment now, and to come back to these other issues at a time when they can get the attention they deserve.●

By Mr. SIMPSON:

S. 578. A bill to amend title 38, United States Code, to provide for adult day health care services for veterans, to authorize the Veterans' Administration to administer a community residential care program, to establish a presumption of service connection for former prisoners of war suffering from dysthymic disorder and to revise and clarify eligibility for reimbursement of expenses of travel for Veterans' Administration health care; to the Committee on Veterans' Affairs.

VETERANS HEALTH CARE AND PROGRAMS IMPROVEMENT AMENDMENTS OF 1983

Mr. SIMPSON. Mr. President, as chairman of the Senate Committee on Veterans' Affairs, I am introducing today the proposed Veterans' Health Care and Programs Improvement Amendments of 1983. A central purpose of this legislation is to provide the VA with certain authority to further address the growing strains placed on the present VA medical-care system by what has been referred to as the graying of the American veteran.

Mr. President, there are at present some 11.4 million veterans of World War II. On the average, they are now about 62 years old. And under the provisions of section 610 of title 38, United States Code, all veterans automatically become eligible for a broad range of medical care in VA hospitals and nursing homes at age 65, regardless of need, and regardless of whether service was during a period of war or the disability for which treatment is sought is service connected.

The Senate Veterans' Affairs Committee, and the Congress as a whole, have already begun to address this situation. In 1980, the Congress authorized the establishment of 15 geriatric research, education, and clinical centers (GRECC's) each of which specializes in one area of research pertaining to aging, such as heart diseases, adult onset diabetes and Alzheimer's disease, a disease which causes severe disability in tens of thousands of aging veterans. The medical and prosthetics research program of the VA has been funded with specific emphasis on research related to the aging. The nurse scholarship program, authorized in fiscal year 1982, emphasizes geriatric nursing as a priority area. This spring the congressionally mandated Geriatrics and Gerontology Advisory Committee will be reporting on its findings and recommendation relative to the VA and aging veterans. A position of Assistant Chief Medical Director for Geriatrics was mandated in 1980, by Public Law 96-330. And in the VA's fiscal year 1984 budget which has been submitted to the Congress, the Administration has proposed a 58-percent increase in funding for construction of VA medical facilities, from $549 million in fiscal year 1983 to a proposed level of $868 million in fiscal year 1984, an increase which would provide, among other things, for seven new nursing home facilities—a total of 840 new nursing home beds across the country.

However, Mr. President, there is another part of the older veteran population, those who may not need inpatient care or the intensity of services afforded by institutional care, and who have some personal and family resources. Titles I and II of the legislation I am proposing today are aimed at reducing the need for institutionalization in VA hospitals and nursing homes of certain veterans, by making it possible for them to receive an alternative, ambulatory mode of health service when it would be more appropriate to their needs, thus freeing up hospital, nursing home, and domiciliary beds for those veterans, particularly elderly ones in coming years, who have a clear and most pressing need for institutionalization.

ADULT DAY HEALTH CARE

Mr. President, title I of the proposed Veterans' Health Care and Programs Improvement Amendments of 1983, would authorize the Administrator to operate, on a pilot-program basis through fiscal year 1987, a program of adult day health care services, aimed primarily at meeting the needs of elderly veterans whose medical treatment requirements and home living situation will permit them to receive daytime care only, thus avoiding the need for more elaborate and costly institutionalization in a VA hospital, nursing home, or domiciliary.

There is already considerable interest within the VA in the adult day health care concept. Five VA medical centers have to date developed such programs on an experimental basis, by providing the services either in the VA facilities themselves or at community facilities on a contract basis. The Administrator's statutory authority to proceed in this direction, however, may be tenuous: It appears to be derived from the "penumbras" of other statutory provisions authorizing the broad range of present VA medical operations. Title I of this bill is designed to provide specific authority for the Administrator to conduct a program of adult day health care, to specify the scope and purpose of such a program, to require periodic reports on the progress of the program, and to provide for the expiration of this authority after 4 years, in order that the Congress may have the opportunity to reassess, reshape, or reauthorize the program as appropriate on a permanent basis.

The veterans that might be expected to be served by the adult day health care program would, in general, have some need for medical treatment or supervision on a daily basis, although their needs would not be so severe as to require round-the-clock institutionalization. In addition, they would be required to have a stable home environment, where they might benefit from the care and attention of, and interaction with, family members or other concerned and motivated caregivers. The program would be especially useful in a situation where an elderly veteran is a dependent of his child or children, and living in their household. They in turn would be his primary caregivers although work or other regular responsibilities might require them to be absent from the house during regular working hours.

The services to be provided could include—in addition to medical care—rehabilitative therapy, social work, recreational therapy, meals and whatever other medical or rehabilitative services might be necessary to provide an effective and economical alternative to extended institutional care. These services would be furnished in a group setting at Veterans' Administration medical facilities during normal daytime working hours. No authority is provided in this legislation for the Administrator to contract for such services with community facilities.

In addition to the other benefits of an adult day health care program, it is very likely that care delivered in such a program will prove to be far more cost effective than care furnished through other VA channels. According to the VA's medical care reimbursement rates in effect for fiscal year 1983, the average daily cost of general medical and surgical care in a VA hospital is $260, while nursing home care costs approximately $98 a day. By comparison, the VA estimates that the average cost of adult day health care is somewhere in the range of $35 a

day. Nevertheless, I would emphasize to my colleagues, Mr. President, that the bill has been drawn so that no new appropriation will be required for this pilot program. Up to $35 million a year may be expended, but this money will become available through offsetting savings resulting from certain restrictions on eligibility for beneficiary travel reimbursement under title IV of this bill.

COMMUNITY RESIDENTIAL CARE

Title II of the bill would authorize the VA to set standards governing community residential care facilities—that is, private homes inspected by the VA but chosen by the veteran, where veterans receive, at their own expense, room, board, personal care, and supervision. Veterans who would be eligible for this program no longer require hospitalization but are not able to live independently because of their health-care needs and have no suitable family resources to provide the needed care.

The VA has been referring previously institutionalized veterans to residential care facilities since 1951—originally only certain psychiatric patients, but more recently, medical and surgical patients as well. There are now approximately 12,700 veterans in residential care facilities nationwide, of which approximately 87 percent have psychiatric or organic brain diseases, and 63 percent are considered incompetent to handle funds. However, the VA has no specific statutory authority to set standards for residential care facilities to which it refers eligible veterans. According to the VA, experience has shown that other Federal, State, or local agencies cannot always be relied upon to insure that minimal health and safety standards are met in these facilities. The VA has found that there are no uniform national standards for residential care, and that local and State standards, where they exist, are often not enforced.

Accordingly, the VA has proposed the legislative language contained in title II of this bill, and has recommended its introduction and passage. In transmitting this proposed legislation to the Congress, the VA Administrator stated that:

> By insuring the safety and well-being of veterans placed in residential care facilities, the draft bill would encourage VA medical personnel to refer more veterans, currently, in VA facilities, to residential care homes. This would permit VA medical care facilities to serve more veterans at the same cost.

The legislation would authorize the Administrator to issue regulations governing residential care homes, but would not require any facility to participate in the program or to accept the standards promulgated by the VA. If a facility owner did wish to participate, the facility would be inspected to insure that the necessary standards were met, and that a safe and otherwise suitable environment would be provided for participating veterans. If the facility were found not to be in compliance, the Administrator, after notice and an opportunity for a hearing, could cease referrals and assist in the transfer of veterans who desired to leave.

The VA advises us that this legislation would be implemented without increasing the staffing currently allocated to operate the community residential care program.

PRESUMPTION CONCERNING DYSTHYMIC DISORDER

Mr. President, title III of the bill would clarify the original intent of Public Law 97-37, The Former Prisoners of War Benefits Act of 1981, by adding dysthymic disorder—or depressive neurosis—to the list of presumptive diseases which is used as a basis for disability compensation and for eligibility for VA medical care. This legislation was intended to be a significant and appropriate expansion of benefits and services for a most worthy group of veterans—those who were held as prisoners of war while defending their country.

When this legislation was orginally introduced, the Senate committee recognized the need for some liberalization with respect to claims filed by former POW's for certain mental disorders. At the time this legislation was introduced, the VA had recently established newly expanded guidelines for POW claims which included specific instructions for the disposition of claims filed for post-traumatic stress disorder (PTSD), and it appeared to be more appropriate to allow the reopening of previously denied claims and to study the effect of the new guidelines on all POW claims—allowed and denied—rather than expanding the list of presumptions.

The House bill included a rather dramatic expansion which would have allowed a presumption for all psychoneurotic disorders. In the House and Senate Veterans' Affairs Committees compromise agreement on this legislation, the committees agreed to "* * * adding any of the anxiety states—including post-traumatic stress neurosis—to the disorders to which the presumption * * * would apply." The committees intended that the term "anxiety states" have the meaning prescribed under the heading "Anxiety States"—or "Anxiety Neuroses"—in the Diagnostic and Statistical Manual of Mental Disorders—third edition, DSM III—published by the American Psychiatric Association—pages 230-239.

Significantly, DVB circular 21-81-9 points out that suffering stress under conditions mentioned in section 309.81 of DSM III such as military combat, floods and earthquakes, and actions with serious injuries such as vehicular or airplane crashes, large fires, and certain other disasters such as shipwreck, bombing, torture, and death camps are life threatening in nature and would evoke significant distress in most persons who were involved. The circular goes on to state that if any of these above-identified events or other life-threatening episodes had their onset during active duty, service connection may be established upon reexperiencing the traumatic event. It continues to underline that:

> Some stressors frequently produce the disorder (PTSD) (e.g. torture) and others produce it only occasionally (e.g. car accidents) . . . The disorder is apparently more severe and longer lasting when the stressor is of human design.

By relating the provisions of the DVB circular to section 309.81 of the DSM III it appears clear that internment as a POW would be a stressor which could evoke significant symptoms of distress in most individuals. Under the heading "Associated Features" of PTSD, page 237 of DSM III the following is noted:

> Symptoms of depression and anxiety are common and in some instances may be sufficiently severe to be diagnoses as anxiety or a depressive disorder.

The complexity of these interrelated diagnoses has left the question of whether dysthymic disorder alone satisfies the requirements of Public Law 97-37. The specific addition of this diagnosis will answer such questions. The cost of this addition will be quite realistic as the number of claims is small but the benefit will be great as these worthy veterans who were meant to be included in the presumptions established by Public Law 97-37 will now be granted the service connection they deserve if they are diagnosed as having depressive neurosis.

BENEFICIARY TRAVEL

Under current law, the VA is authorized to reimburse certain eligible veterans for the cost of travel to and from VA medical facilities for treatment. The VA is the only major medical care system in the world that systematically pays its patients the cost of travel associated with an episode of care. For fiscal year 1984, the VA estimates that the exercise of this authority will reflect a cost to the taxpayers of this country in the sum of $91.2 million.

There have been various efforts over the years to legislatively impose some meaningful restrictions on VA beneficiary travel reimbursement. Before 1976, beneficiary travel for non-service-connected veterans was generally unrestricted. In 1976, in an effort to come to grips with increasing costs and an OMB threat to require beneficiary travel payments to be absorbed by the general medical care budget, a provision was enacted in Public Law 94-581 which permitted reimbursement only if the applicant had been determined, based on an annual declaration and certification, to be unable

to defray the expenses of travel. Although the purpose of this provision was to permit the VA to investigate the financial circumstances of applicants and to back up that investigative power with certain penalties for a false declaration, the Senate Veterans' Affairs Committee found in 1979 that "the VA had not investigated the financial circumstances—even on a sample basis—of any veteran who had certified his or her inability to defray the costs of travel expenses." Their main problem was "the great difficulty in enforcing provisions requiring advance annual certifications of inability to defray the cost of various unknown, often minor, travel expenses." As a result, the 1976 provisions proved virtually useless in restraining travel costs.

In 1979, the problem was again addressed. The Senate Veterans' Affairs Committee reported out a provision which would have limited non-service-connected beneficiary travel eligibility only to veterans in receipt of pension or whose income was lower than that of a pension recipient. The provision would have imposed a $25 deductible each year, with the next $150 subject to a 50-percent copayment by the veteran, resulting, in effect, in a maximum annual out-of-pocket expense for the veteran of $100. When this bill—which combined various provisions of H.R. 3892 and S. 1039—came to the floor of the Senate, it was amended to change the deductible to $4 per trip, and expressly to set an annual, out-of-pocket limit of $100. This amendment was intended to ease the burden that the committee version might have imposed on veterans in very remote areas, where a single trip to a VA facility could cost more than $100, in order that the veteran's $100 share might be spread out more evenly over the year.

In conference, the concept of a deductible was dropped, and was replaced with a limitation of reimbursement to persons who have "been determined, pursuant to regulations which the Administrator shall prescribe, to be unable to defray the expenses of travel"—except with respect to service-connected veterans, pension recipients, and persons whose income is lower than that of a pension recipient. The joint explanatory statement stated that this provision "requires" the promulgation of such regulations, and that by doing so "the committees intend that the VA tighten controls over the administration of such non-service-connected beneficiary travel reimbursement."

To date, no such regulations have been issued, and Congress express intention to impose some reasonable and meaningful restriction on beneficiary travel payments has again fallen short of realization.

The provisions of the legislation that I am introducing today would impose a $10 deductible on all beneficiary travel payments. Reimbursement would be authorized only for the amount by which the cost of round trip travel to a VA medical facility exceeds that $10 figure. The VA statistics indicate that 73 percent of all travel claims are for less than $10, and that the administrative cost of processing some of these smaller claims often exceeds the value of the claims themselves.

A $10 deductible could constitute a significant burden for a number of veterans who are presently eligible for unrestricted beneficiary travel reimbursement. The bill was drafted with this burden in mind, and it makes certain exemptions from the deductible requirement in the cases of veterans for whom the burden would be greatest, and whose eligibility for VA medical care is of the highest priority. Specifically, exceptions are provided for veterans seeking treatment for a service-connected disability, veterans with a service-connected disability rated at 50 percent or more who are seeking treatment for non-service-connected disability, and for medically indicated ambulance transportation such as would be required in an emergency situation. An additional exception is provided for World War I veterans receiving care through an adult day health care program under title I of this legislation. This exception is designed to recognize the daily travel requirements associated with adult day health care, as well as the critical health care needs of this most significant category of elderly veterans—the largest category of such veterans, whose average age is more than 87 years, and whose service occurred during a period of war. Finally, title IV of the bill would grant the Administrator the authority to set a lower deductible in order to minimize hardship in cases of veterans whose disabilities necessitate frequent travel to a medical facility for care. The purpose of this particular provision is to authorize the Administrator to establish a schedule of deductibles tailored to particular classes of chronic care patients, such as dialysis patients, in order that total out-of-pocket beneficiary travel payments by any veteran shall not exceed, on the average, a general limit of, for example, $100 per year.

Cost savings resulting from enactment of these restrictions on beneficiary travel are likely to be in excess of $35 million a year through the end of the present decade. As I indicated earlier, this bill contemplates that these savings will not result in reduced appropriations for the VA medical care account, but will be used only to offset the costs of the adult day health care program as established under title I of this bill.

CONCLUSION

Mr. President, this bill should considerably enhance the VA's ability to address certain long-term needs of the veteran population which it serves. In one sense, it is a resource reallocation measure, simply transferring funds from a lower priority medical account, such as non-service-connected beneficiary travel, to higher priority programs serving the needs of the growing elderly veteran population. I do look forward to working with my good friend from California, the distinguished ranking minority member of the Senate Veterans' Affairs Committee (Mr. CRANSTON), the other members of the committee, the VA, as well as concerned veterans and their national service organizations in the development of this important legislation.

Mr. President, I ask unanimous consent that the text of S. 578 be printed in the RECORD at this point.

S. 578

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Veterans' Health Care and Programs Improvement Amendments of 1983".

(b) Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ADULT DAY HEALTH CARE SERVICES PILOT PROGRAM

SEC. 101. (a) Chapter 17 is amended by adding at the end thereof the following new subchapter:

"Subchapter VIII— Adult Day Health Care Services Pilot Program"

"§ 671. Purpose

"The purpose of this subchapter is to authorize the Administrator to (1) provide, as an alternative to institutionalization in a Veterans' Administration hospital, nursing home or domiciliary, certain day health care services which would enable veterans to reside in a supportive home environment while receiving the most appropriate and best possible health care during daytime hours when their families may be unavailable to afford the necessary care and attention, and (2) determine the medical efficacy and cost-effectiveness of such services.

"§ 672. Definition

"For the purposes of this subchapter, the term 'adult day health care services' shall include ambulatory medical care provided by physicians, nurses and/or other health-care personnel, and may include—

"(1) physical therapy and speech therapy;

"(2) social work;

"(3) recreational therapy;

"(4) midday meals; and

"(5) such other medical or rehabilitative services as the Administrator may determine to be necessary to provide an effective and economical alternative to extended or long-term institutional care.

"§ 673. Adult day health care services

"(a) In order to carry out the purposes of this subsection, the Administrator, in accordance with regulations which the Admin-

istrator shall prescribe, may conduct a pilot program under which the Administrator may furnish, in a congregate ambulatory setting at Veterans' Administration medical facilities during normal daytime working hours, adult day health care services to any veteran eligible for hospital or nursing home care under section 610 of this title. Such pilot program shall be planned, designed and conducted so as to demonstrate any medical efficacy and cost-effectiveness that may result from furnishing services through adult day health care programs rather than through institutionalization in a Veterans' Administration hospital, nursing home or domiciliary.

"(b) In carrying out the pilot program provided for by this subchapter, the Administrator may not furnish adult day health care services after September 30, 1987.

"(c) In order to effectuate the authority provided for in this subchapter, and to carry out such leasing of facilities, or construction or conversion of Veterans' Administration medical facilities as the Administrator may find necessary in furnishing the services provided for under this subchapter, the Administrator may expend not more than $35,000,000 in each of the fiscal years 1984 through 1987.

"§ 674. Reports

"The Administrator shall include in the annual report to the Congress required by section 214 of this title a comprehensive report on the administration and effectiveness of this subchapter in meeting its stated purpose, including such recommendations for additional legislation as the Administrator considers necessry.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following:

"SUBCHAPTER VIII—ADULT DAY HEALTH CARE SERVICES PILOT PROGRAM"

"§ 661. Purpose
"§ 662. Definition
"§ 663. Adult day health care services
"§ 664. Reports."

TITLE II—COMMUNITY RESIDENTIAL CARE

SEC. 201. The purpose of this title is to authorize a program under which veterans who wish to participate and who are being furnished care under chapter 17 of title 38, United States Code, may be assisted by the Veterans' Administration in their return to the community residential facilities, and to ensure that such facilities provide a safe and healthful environment at a reasonable cost to the veteran.

SEC. 202. (a) Subchapter II of chapter 17 is amended by adding at the end thereof the following new section:

"§ 620B. Tranfers for community residential care

"(a) For the purpose of this section, the term 'residential care facility' means any dwelling or other facility which provides, at a minimum, room, board, limited personal care, and limited supervision.

"(b) The Administrator shall promulgate regulations to ensure the health, welfare, and safety of veterans in those residential care facilities for which an election has been made on behalf of the residential care facility to participate in the program authorized by this section.

"(c) Subject to subsection (g) the Administrator may assist any veteran who is being furnished hospital, domiciliary, nursing home care, or medical services on an outpatient basis by the Administrator by referring him or her for placement in a residential care facility.

"(d) The cost of any care or services provided under this subsection shall be the obligation of the veteran pursuant to his or her agreement with the residential care facility. The cost of that care shall not exceed the reasonable rate determined pursuant to this section.

"(e) No veteran will be provided assistance in obtaining placement in any residential care facility under this section unless such facility is approved by the Administrator as being capable of providing adequate personal home care and services to the veteran. The Administrator's approval shall be upon the basis of standards the Administrator shall prescribe. Such standards shall provide—

"(1) health and safety criteria;

"(2) guidelines by which reasonable rates for community residential care may be determined, giving consideration to such factors as (A) the level of care, supervision, and other services to be provided, (B) the cost of goods and services in the geographical area in which the facility is located, and (C) comparability with other facilities providing similar services;

"(3) criteria for determining the necessary resources for a residential care facility to provide an appropriate level of personal services to veterans; and

"(4) such other criteria as the Administrator determines are appropriate to ensure the well-being of veterans placed in residential care facilities pursuant to this section.

For the purpose of this subsection, the Administrator may, upon advice of the Chief Medical Director, delegate authority to Veterans' Administration Medical Center Directors to promulgate local standards necessary to meet requirements of State law or local ordinance in addition to those prescribed under this subsection.

"(f) The Administrator shall provide for periodic inspection of residential care facilities to meet the purposes of this section and to determine compliance with the standards established under subsection (e) of this section.

"(g) If the Administrator determines that in the case of any residential care facility, such facility is not in compliance with the regulations promulgated under subsection (b) of this section, the Administrator may:

"(1) cease to refer veterans to the noncomplying facility, and

"(2) assist in removing a veteran from a noncomplying facility, with the permission of the veteran, or the permission of the person or entity authorized by law to make that decision.

"(h) Any action taken pursuant to the authority of subsection (g) of this section with regard to a veteran in a residential care facility shall be in accordance with regulations which the Administrator shall prescribe. Such regulations shall provide for reasonable notice and, upon request made on behalf of such residential care facility, a hearing before any action authorized by subsection (g) is taken.".

(b) The table of sections at the beginning of chapter 17 is amended by adding after the item relating to section 620A the following new item:

§ 620B. Transfers for community residential care.".

TITLE III—PRESUMPTION CONCERNING DYSTHYMIC DISORDER

Sec. 301. Section 312(b) is amended by—

(a) inserting after paragraph (7) the following new paragraph:

"(8) dysthymic disorder (or depressive neurosis),",

(b) redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively.

TITLE IV—BENEFICIARY TRAVEL

SEC. 401. Section 111(e)(2) is amended by—

(1) redesignating clauses (B) and (C) as clauses (C) and (D), respectively, and

(2) inserting after clause (A) the following new clause (B):

"(B) for the first $10 (or such lesser amount as the Administrator shall by regulation prescribe in order to minimize hardship in cases of veterans whose disabilities necessitate frequent travel to a Veterans' Administration facility for care) of the cost of travel to and from Veterans' Administration facilities (as defined in section 601(4) of this title) when a person receives medical care at such facilities. This subparagraph shall not apply when such care is provided (i) through a program of adult day health care services under subchapter VIII of chapter 17 of this title to a veteran of World War I, (ii) to a veteran for a service-connected disability, (iii) to a veteran with a service-connected disability rated at 50 percentum or more, or (iv) for medically indicated ambulance transportation when authorized by the Administrator;".

TITLE V—EFFECTIVE DATE

SEC. 501. The amendments made by this Act shall be effective on October 1, 1983.

By Mr. METZENBAUM (for himself, Mr. RIEGLE, Mr. BAUCUS, Mr. LEVIN, Mr. RANDOLPH, Mr. BURDICK, Mr. PELL, and Mr. SARBANES):

S. 579. A bill to provide that the amount of unnegotiated social security checks shall be returned to the social security trust funds; to the Committee on Finance.

RETURN OF UNNEGOTIATED SOCIAL SECURITY CHECKS

● Mr. METZENBAUM. Mr. President, Senators RIEGLE, BAUCUS, LEVIN, RANDOLPH, BURDICK, PELL, and SARBANES join me today in reintroducing legislation designed to correct an inequity in current law that prevents the Treasury from returning approximately $200 million that should rightfully be deposited in the social security trust funds. That money, which represents many thousands of uncashed social security checks, is a resource that should be made available to the hard-pressed social security system.

In the half century since the social security system was established, a considerable number of checks made out to social security recipients have not, for a variety of reasons, been cashed. In some cases, recipients died before cashing their checks. In others, the checks were simply misplaced and forgotten. But in spite of the fact that these checks have been accumulating for many years, current law prevents the Treasury from either canceling the unnegotiated checks or returning the money to the social security fund. Thus, the unclaimed money winds up in a kind of limbo.

This anomolous situation creates an unfair burden on elderly Americans. They are told on the one hand that

the social security system is poised on the brink of financial disaster. On the other, millions of dollars in unclaimed funds, which Congress clearly intended to be used for the benefit of recipients, is presently lost to the social security trust funds. As part of its efforts to resolve the financial problems of social security, Congress should take this simple and fair step of restoring to social security, funds that rightfully belong in social security accounts.

Mr. President, in addition to the estimated $200 million already accumulated in unclaimed funds, the trust funds could lose an additional $100 million in the next 4 years unless this problem is resolved.

Here, Mr. President, we have the opportunity to make a fair and noncontroversial change to benefit our elderly citizens. All those who are concerned about the system should join me in taking this simple step to credit social security with these badly needed funds.●

By Mr. SIMPSON:

S. 580. A bill to amend title 10, United States Code, to establish the Prisoner of War Recognition Medal; to the Committee on Armed Services.

PRISONER OF WAR RECOGNITION MEDAL

● Mr. SIMPSON. Mr. President, as chairman of the Senate Committee on Veterans' Affairs, I am introducing today, S. 580, a bill to establish the Prisoner of War Recognition Medal.

This medal is intended to honor those men and women who acted courageously and honorably after being taken and held as prisoners of war while serving this country during an armed conflict. Under the provisions of the bill, those Americans who were taken prisoner by enemy forces during World Wars I and II, Korea, Vietnam, and the *Pueblo* incident would be awarded the POW Medal. To qualify for the medal, the person must have been on active duty as a member of the Armed Forces of the United States after April 5, 1917.

During the time periods covered by this legislation, 142,307 prisoners were taken and held captive by enemies of the United States. The greatest number of these prisoners were taken in World War II, with 130,201 held—of whom 14,072 died. Some prisoners were only held for a short time, but in many cases our fellow Americans were held for a period of years. This is particularly true of the 766 POW's who were held during the Vietnam conflict.

The Prisoner of War Medal is an entirely and altogether fitting tribute from the American people in recognition of those who had their own freedom restricted in order that ours might endure.●

ADDITIONAL COSPONSORS

S. 19

At the request of Mr. DOLE, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 19, a bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to assure equality of economic opportunities for women and men under retirement plans.

S. 31

At the request of Mr. MATHIAS, the names of the Senator from North Dakota (Mr. BURDICK), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of S. 31, a bill to amend title 17 of the United States Code with respect to home recording and video and audio recording devices and media, and for other purposes.

S. 32

At the request of Mr. MATHIAS, the names of the Senator from North Dakota (Mr. BURDICK), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of S. 32, a bill to amend title 17 of the United States Code with respect to rental, lease or lending of sound recordings.

S. 33

At the request of Mr. MATHIAS, the names of the Senator from North Dakota (Mr. BURDICK), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of S. 33, a bill to amend title 17 of the United States Code with respect to rental, lease or lending of motion pictures and other audiovisual works.

S. 65

At the request of Mr. RANDOLPH, the names of the Senator from West Virginia (Mr. BYRD), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Kentucky (Mr. FORD), the Senator from Alabama (Mr. HEFLIN), the Senator from South Carolina (Mr. HOLLINGS), the Senator from New York (Mr. D'AMATO), the Senator from Mississippi (Mr. STENNIS), the Senator from Maryland (Mr. SARBANES), the Senator from Georgia (Mr. NUNN), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Ohio (Mr. GLENN), the Senator from South Carolina (Mr. THURMOND), the Senator from Ohio (Mr. METZENBAUM), the Senator from Mississippi (Mr. COCHRAN), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 65, a bill to extend the Appalachian Regional Development Act to provide transitional assistance to the Appalachian region.

S. 76

At the request of Mr. DOLE, the name of the Senator from Minnesota (Mr. BOSCHWITZ) was added as a cosponsor of S. 76, a bill to increase the retirement age at which full benefits are paid.

S. 137

At the request of Mr. ROTH, the names of the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 137, a bill to amend the Internal Revenue Code of 1954 to continue to allow mortgage bonds to be issued.

S. 144

At the request of Mr. DANFORTH, the name of the Senator from Nebraska (Mr. EXON) was added as a cosponsor of S. 144, a bill to insure the continued expansion of reciprocal market opportunities in trade, trade in services, and investment for the United States, and for other purposes.

S. 175

At the request of Mr. DECONCINI, the name of the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 175, a bill to amend title 17 of the United States Code to exempt the private noncommercial recording of copyrighted works on video recorders from copyright infringement.

S. 216

At the request of Mr. THURMOND, the names of the Senator from New Hampshire (Mr. HUMPHREY) and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 216, a bill to amend title 18, United States Code, to combat, deter, and punish individuals who adulterate or otherwise tamper with food, drug, cosmetic, and other products with intent to cause personal injury, death, or other harm.

S. 421

At the request of Mr. PROXMIRE, the name of the Senator from Colorado (Mr. ARMSTRONG) was added as a cosponsor of S. 421, a bill to require the Comptroller General of the United States to ascertain increases in the cost of major acquisition programs of the civilian agencies of the executive branch; to limit the obligation and expenditure of Federal funds to carry out any major civil acquisition program after there has been a major increase in the cost of such civil acquisition program until enactment of a law providing new authority to carry out such acquisition program, and for other purposes.

S. 425

At the request of Mr. DENTON, the names of the Senator from Oklahoma (Mr. NICKLES), the Senator from Pennsylvania (Mr. HEINZ), the Senator from North Carolina (Mr. EAST), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 425, a bill to provide equal access and opportunity to public school students who wish to meet voluntarily for religious purposes.

S. 432

At the request of Mr. RANDOLPH, the name of the Senator from West Virginia (Mr. BYRD) was added as a co-

sponsor of S. 432, a bill to amend the Clean Water Act to extend the 1984 compliance date for certain recently established requirements.

S. 454

At the request of Mr. BYRD, the names of the Senator from Indiana (Mr. LUGAR), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of S. 454, a bill to provide for an accelerated study of the causes and effects of acidic deposition during a 5-year period, and to provide for grants for mitigation at sites where there are harmful effects on ecosystems resulting from high acidity.

S. 493

At the request of Mr. KENNEDY, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 493, a bill to provide additional authorizations for programs designed to increase employment including the community development block grant, youth employment and education, senior citizens employment, and other similar programs, to provide training and retraining assistance for dislocated workers, and to provide emergency assistance for the long-term unemployed, and for other purposes.

S. 518

At the request of Mr. CHAFEE, the names of the Senator from Kentucky (Mr. HUDDLESTON) and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 518, a bill to establish a program of grants administered by the Environmental Protection Agency for the purpose of aiding State and local programs of pollution abatement and control.

S. 544

At the request of Mr. DOLE, the names of the Senator from Tennessee (Mr. BAKER), the Senator from Illinois (Mr. PERCY), the Senator from Missouri (Mr. DANFORTH), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Idaho (Mr. SYMMS), and the Senator from Wyoming (Mr. WALLOP) were added as cosponsors of S. 544, a bill to promote economic revitalization and facilitate expansion of economic opportunities in the Caribbean Basin Region.

SENATE JOINT RESOLUTION 5

At the request of Mr. THURMOND, the name of the Senator from Wyoming (Mr. WALLOP) was added as a cosponsor of Senate Joint Resolution 5, a joint resolution proposing an amendment to the Constitution relating to Federal budget procedures.

SENATE JOINT RESOLUTION 18

At the request of Mr. JEPSEN, the names of the Senator from Pennsylvania (Mr. HEINZ), the Senator from Wisconsin (Mr. KASTEN), the Senator from North Dakota (Mr. ANDREWS), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of Senate Joint Resolution 18, a joint resolution designating September 22, 1983, as "American Business Women's Day."

SENATE JOINT RESOLUTION 21

At the request of Mr. DECONCINI, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Florida (Mr. CHILES), the Senator from Oklahoma (Mr. NICKLES), and the Senator from California (Mr. WILSON) were added as cosponsors of Senate Joint Resolution 21, a joint resolution to designate April 1983 as "National Child Abuse Prevention Month."

SENATE JOINT RESOLUTION 37

At the request of Mr. HATCH, the name of the Senator from Kansas (Mrs. KASSEBAUM) was added as a cosponsor of Senate Joint Resolution 37, a joint resolution providing that the week containing March 8 of 1983, 1984, and 1985 shall be designated as "Women's History Week."

SENATE JOINT RESOLUTION 38

At the request of Mr. HEINZ, the names of the Senator from Nebraska (Mr. EXON), the Senator from Arizona (Mr. DECONCINI), and the Senator from Maine (Mr. COHEN) were added as cosponsors of Senate Joint Resolution 38, a joint resolution to declare March 18, 1983 as "National Energy Education Day."

SENATE RESOLUTION 49

At the request of Mr. HOLLINGS, the names of the Senator from Rhode Island (Mr. PELL), the Senator from Texas (Mr. BENTSEN), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. GLENN), the Senator from Washington (Mr. JACKSON), the Senator from North Dakota (Mr. ANDREWS), and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of Senate Resolution 49, a resolution disapproving deferral D83-43, relating to economic development assistance programs.

SENATE RESOLUTION 70—RELATING TO WITHHOLDING OF TAXES ON INTEREST AND DIVIDENDS

Mr. MELCHER submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 70

Whereas, financial institutions and other organizations, required to withhold taxes on interest and dividend income under section 301 of the Tax Equity and Fiscal Responsibility Act of 1982, will experience startup costs beginning in early March 1983 in order to be ready to implement withholding on July 1, 1983, as required in the Act; and

Whereas, a conservative estimate puts the initial costs for the first year of withholding by banks, savings and loan associations, and credit unions at $1.5 billion, a large portion of which will be in startup costs; and

Whereas, States and local governments also face additional costs to initiate new systems to complete exemption forms for each issuer of exempt investments; and

Whereas, such startup costs will be wasted spending if Congress amends or repeals this statute: Therefore be it

Resolved, That it is the sense of the Senate that the effective date for implementation of section 301 of the Tax Equity and Fiscal Responsibility Act, dealing with withholding of taxes on interest and dividends, should be delayed until October 1, 1983, to give Congress time to act on pending legislation amending or repealing this statute prior to the need for large startup expenditures by the private sector.

● Mr. MELCHER. Mr. President, taxpayers that have savings accounts are outraged at a section of the so-called Tax Equity Act of 1982 that arbitrarily requires financial institutions to withhold taxes on the interest or dividends from these savings without regard to the fact that these earnings may not be subject to taxes due to the income levels of the savers. I share their outrage.

Mr. President, today I am submitting a resolution which states that it is the sense of the Senate that the date for implementation of the withholding provisions on interest and dividend income enacted last year should be delayed until October 1, 1983. This delay will give Congress time to act on pending legislation to repeal or amend withholding prior to the need for large startup expenditures by the private sector.

As it stands, the requirement for withholding is a bad piece of tax law and it should be modified. Support for repeal of withholding is growing rapidly in Congress, and it is likely that it will be changed at the first opportunity Congress has to vote on it.

However, financial institutions and other organizations required to withhold taxes on interest and dividend income under the law face large expenditures right now in order to be ready to implement withholding on July 1, 1983. A conservative estimate puts initial costs for banks, savings and loan associations, and credit unions at $1.5 billion for the first year of withholding, a large portion of which will be in startup costs.

In addition, States and local governments must also have new forms filled out and signed by thousands of issuers of tax-exempt bonds to establish their tax-exempt status. This will mean new financial burdens for the State and local governments.

These large expenditures for equipment, additional personnel or outside computer contracts may not be necessary if Congress amends the withholding requirements this year. The simple solution is to bring the issue to a vote right now, before these startup expenditures are made. Pending that outcome, we should make it clear that it is the sense of the Senate that the

implementation date for withholding should be postponed until Congress has a chance to vote on pending legislation to amend or repeal withholding, thus eliminating unnecessary startup expenditures.

I intend to bring this resolution before the Senate for a vote at the earliest possible date. I urge my colleagues to join me in adopting this resolution.●

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of public hearings before the Committee on Energy and Natural Resources.

On Monday, March 7, beginning at 10 a.m. the Committee will hold an oversight hearing on the Energy Emergency Preparedness Act. Staff contact: Richard Grundy, 224-2564.

On Monday, March 14, beginning at 10 a.m., the committee will hold a hearing on S. 267, to facilitate the national distribution and utilization of coal. Staff contact: Gary Ellsworth, 224-7146.

Both hearings will be held in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written testimony for the hearing record should write to the Committee on Energy and Natural Resources, room SD-360, Washington, D.C. 20510.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ARMS CONTROL, OCEANS, AND INTERNATIONAL OPERATIONS AND ENVIRONMENT

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Arms Control, Oceans and International Operations, and Environment, of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Thursday, February 24, at 11 a.m., to hold a hearing on Yellow Rain II—arms control implications.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, February 23, at 2 p.m., to hold a hearing on the Federal Budget for the administration for Native Americans in the Bureau of Indian Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, February 24, at 2:30 p.m., to hold a budget hearing with the Department of Education, the Department of Housing and Urban Development, and the Indian Health Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, February 24, 1983, at 9:30 a.m., to hold a hearing on S. 461, Reauthorization of the Office of Government Ethics.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 23, at 10:30 a.m., to consider the nominations of Thomas F. Ellis and Michael Novak to be members of the Board for International Broadcasting; and to receive a code word briefing on Lybia and the Sudan by the Honorable Lawrence Eagleburger at 5 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION AND GOVERNMENT PROCESSES

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Energy, Nuclear Proliferation and Government Processes of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Monday, February 28, at 10 a.m., to hold an oversight hearing on the Oversight of Government Management of the Natural Gas Import Issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Energy, Nuclear Proliferation and Government Processes of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Monday, February 28, at 1 p.m., to hold an oversight hearing on the Oversight of Government Management of the Natural Gas Import Issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ARMS CONTROL, OCEANS, INTERNATIONAL OPERATIONS, AND ENVIRONMENT

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Arms Control, Oceans, International Operations, and Environment of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 24, at 11 a.m., to hold a hearing on Yellow Rain II.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 24, at 10 a.m., to consider the nomination of Kenneth L. Adelman to be Director of the Arms Control and Disarmament Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 24, at 5 p.m., to hold an executive session, code word level, to receive a briefing by Lawrence Eagleburger on Libya-Sudan.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, February 23, at 1:45 p.m., to hold a markup on S. 304 to hold a parcel of land interest for the Burns Paiute Tribe, S. 143 to authorize the twenty-nine Palms Band of Luiseno Mission Indians to lease for 99 years certain land held interest for such band, S. 366 to settle certain claims for the Mashantucket Pequot Indians, S. 419 to provide that per capita payments to Indians may be made by tribal governments and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate of Wednesday, February 23, 1983, in order to receive testimony concerning the following nominations:

U.S. District Judge: Judge Shirley Wohl Kram, of New York, to be U.S. District Judge for the Southern District of New York.

U.S. Court of International Trade: Gregory Wright Carman, of New York, to be a judge of the U.S. Court of International Trade.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Friday, Feb-

ruary 25, at 10 a.m., to hold a hearing on Agriculture Export Trade.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TIMES BEACH

● Mr. DANFORTH. Mr. President, the Environmental Protection Agency yesterday announced its decision to offer permanent relocation to the citizens of Times Beach, Mo.—a community that has been buffeted by floods and poisoned by dioxin. This is the approach that I advocated to the Agency, and I applaud the decision.

I remain concerned about the Superfund process generally. I believe that the Congress intended Superfund to provide for an immediate response to situations that threaten public health; at times, the response at Times Beach seemed agonizingly slow. Dioxin was confirmed at dangerous levels in Times Beach in early December, but nearly 3 months elapsed before action could be taken.

I do not fault EPA entirely for this. I believe that the Agency took prompt action within its perceived constraints under the law. When the Centers for Disease Control notified EPA that soil samples taken after the flood continued to show a dangerous level of dioxin at Times Beach, the Agency responded virtually overnight. This is as it should be, and I commend the Agency for its action.●

U.S. RELATIONS WITH GREECE: CAUSE FOR SERIOUS CONCERN

● Mr. PELL. Mr. President, in the summer of 1974, U.S. relations with Greece and Turkey entered a period of decline from which they have yet to recover. The critical event was the Turkish invasion of Cyprus—an onslaught which, though provoked by the unsavory and ill-fated Greek junta then in power, proved extreme in brutality and opportunistic in extent. In late 1974 Congress moved to enforce provisions of U.S. military aid law—those which prohibit the use of American arms for offensive purposes—by enacting a partial arms embargo against Turkey. But in 1978 this measure was repealed in response to administration appeals that a resumption of normal United States-Turkish relations would not only serve U.S. strategic interests but would also facilitate an end to the prolonged impasse and Turkish occupation on Cyprus. Unfortunately, no substantial progress has ensued, leaving our triangular relationship in a malaise that has been exacerbated further by a festering Greek-Turkish dispute over sovereignty in and above the waters of the Eastern Mediterranean.

In the process, the American image in Greece's restored democracy has suffered badly from two widespread beliefs: First, that the United States, misguided by a narrow concept of stability, colluded with the military junta that ruled Greece so barbarically from 1967 to 1974; and second, that for similarly shortsighted reasons, the United States now leans heavily toward Turkey—even a nondemocratic Turkey—in evaluating American security interests in the Eastern Mediterranean. In short, corrosive doubts have persisted in Greek public opinion about America's true commitment to democracy—and to Greece.

In lifting the Turkish embargo in 1978, Congress sought to ameliorate such concerns by providing explicitly in U.S. foreign aid law that "the United States will furnish security assistance for Greece and Turkey only when furnishing that assistance is intended solely for defensive purposes" and that such security assistance "shall be designed to insure that the present balance of military strength among countries of the region, including between Greece and Turkey, is preserved." Moreover, to uphold this principle of balance, Congress has in recent years regularly adjusted administration security assistance proposals to provide total military aid to Greece and Turkey in a 7 to 10 ratio. Most recently, this ratio was mandated in the fiscal year 1983 continuing resolution, enacted last December, which provided $280 million in security assistance to Greece and $400 million to Turkey.

Although Congress has consistently encountered administration resistance in making these annual adjustments, the results have apparently proven benign. In 1981, Greek electors did bring to power the PASOK party of Andreas Papandreou on a platform weighted with anti-American rhetoric. But the climate of United States-Greek relations has nonetheless remained sufficiently tranquil to offer hope of an eventual reconciliation on such sensitive issues as the future of U.S. bases in Greece. Indeed, bilateral negotiations on a new United States-Greek security agreement have now been underway for several months, and until just a few days ago seemed to be proceeding toward a mutually beneficial conclusion.

Unfortunately, the recent announcement of the Reagan administration's new security assistance requests has suddenly cast a shadow on this optimistic prospect. For not only has the administration produced fiscal year 1984 aid figures which would depart grossly in Turkey's favor from the 7 to 10 norm; it has also presented a supplemental request for fiscal year 1983 that would, in this very fiscal year, raise Turkey beyond the 7 to 10 ratio mandated by Congress only 2 months ago. Specifically, the administration plan envisages providing Turkey an additional $65 million in fiscal year 1983 assistance, thereby dropping the fiscal year 1983 ratio to about 6 to 10; and then, in fiscal year 1984, increasing the level of Turkish security assistance to an unprecedented $775 million, while leaving Greece constant at $280 million, thereby shifting the ratio still further to Turkey's advantage, to about 3.5 to 10. Were Congress to approve this proposal, it would mean that Greece would suddenly decline to only one-half its previously established security assistance ratio vis-a-vis Turkey.

The result of this announcement—a result as regrettable as it was predictable—has been an outcry from the Papandreou government and a hardening of the Greek position in our bilateral negotiation. In response, administration officials have pointed out that a new United States-Greek agreement could, if and when consummated, be accompanied by substantially increased U.S. aid—and that this possibility has in fact been communicated to Greek negotiators. But this does little to explain why, during a period of great delicacy in United States-Greek relations, the administration has taken a step which, through its adverse effect on the political climate, can only add severe complications to the process of bilateral negotiation.

Related to this unceremonious assault on Greek interests and sensitivities is the Reagan administration proposal relating to Cyprus. For fiscal year 1983, in direct disregard of an explicit legislative earmark of $15 million in economic support funds for that unfortunate nation, the administration has allocated only $5 million, declaring that, if necessary, it will exercise a special waiver authority—normally used only under extraordinary circumstances—to circumvent the congressional mandate. And, as if to underscore this message of indifference, the administration's proposal for fiscal year 1984 slashes the annual Cyprus program by 80 percent, from its $15 million norm to a level of only $3 million.

There is, of course, still time and opportunity for Congress to determine the final levels of U.S. assistance to Greece, Turkey, and Cyprus for both fiscal years 1983 and 1984. But I feel constrained at this juncture to express the most serious concern that, through imprudent timing and bad judgment, the administration has done unnecessary damage to U.S. interests in this crucially important region.●

TAX CUT'S THIRD PART WOULD HELP

● Mr. McCLURE. Mr. President, I am proud to rise today in support of the

third phase of the individual income tax reduction established in the Economic Recovery Tax Act of 1981. There has been some speculation recently that the third part of this tax cut should be modified or eliminated in an effort to reduce the Federal deficit. More importantly there has also been some discussion about delaying the indexing provision, the most important part of that tax bill. I am opposed to either of these proposals or any other proposal that would further burden the American taxpayer.

In November of 1980 I heard a very clear voice coming from the American people. They wanted their taxes cut, the size of Government reduced, and its control returned to the people. The election of 1982 sent Congress a message that perhaps we have moved too quickly and minor modifications are in order. Certainly the message was not to abandon ship and find a new course.

The course we have taken has indisputable direction and long-term prospects for economic reemergence. We cannot allow for major alterations when we are on the verge of success. Inflation is down substantially, interest rates have dropped nearly 7 percent. We have also seen a dramatic upswing in the stock market while the auto and housing industries are also showing strong signs of recovery. Clearly, the most important statistic indicating a recovery is the 0.9-percent increase in industrial output during January. This increase was felt in the unemployment lines where we saw a 0.4-percent decrease.

I would like to share with my colleagues an editorial that appeared in the Idaho Statesman. While I disagree with many of the specifics in the editorial, I agree wholeheartedly with its general thrust. The editorial urges Congress not to delay or repeal the third installment of the tax cut. The best way to curb our deficit problems is to further aid the recovery, which we are in the midst of, by allowing the tax cut to go into effect on July 1. Raising taxes or eliminating the tax reduction is only a short-term answer that further magnifies a long-term problem. The American people deserve more of an effort to reduce the deficit than an initially painless stroke of a pen that increases revenue and momentarily takes the pressure off of Congress and puts it back onto the taxpayers. By cutting taxes and reducing the burden of Government we are encouraging economic productivity. Generating economic productivity that cultivates a recovery is the best way to solve all of our economic ills. Quoting President Ronald Reagan during a speech in 1981: "If not us—then who? If not now—when?" Congress must continue to directly face the challenge of today and have the political courage to administer reductions in inefficient agencies and to restrict many social welfare programs which shower benefits to the nonneedy.

Mr. President, I ask that an editorial on this subject from the Idaho Statesman be printed in the RECORD.

The editorial follows:

[From the Idaho Statesman, Feb. 7, 1983]

TAX CUT'S THIRD PART WOULD HELP

Despite our past criticism of President Reagan's tax cut, we hope Congress will neither repeal nor delay the third installment of the cut, which is scheduled to go into effect in July.

We have not converted to Reagan's supply-side economics theory, which has failed to accomplish what Reagan promised. By coincidence, however, the last phase of the tax cut promises to help the economy by achieving the liberal, Keynesian, demand-side goal of speeding up the economy.

As even Reagan's economic advisers claim, we need the last 10 percent tax-rate cut not just to stimulate supply-side savings and investment, but to put more money in the hands of consumers so they will spend it, stimulating demand and—we hope—recovery.

At the outset, the Reagan tax cut was a serious mistake. If, during his first year in office, Reagan had forsworn the tax cut, had pushed ahead with his domestic spending cuts and had set military spending at a reasonable level, he would have had a better chance of balancing the federal budget.

We believe that keeping the federal deficit down would help curb inflation, reduce interest rates and restore confidence in the economy. Instead, the economy sank into recession. While inflation abated, unemployment set post-World War II records, and the deficit in fiscal 1983—the year for which Reagan originally promised to balance the budget—is expected to soar to more than three times the pre-Reagan-era record.

Now, the deficit is beyond control. The opportunity to control the deficit by forgoing tax cuts is gone. Without tax increases, the only politically acceptable way to curb the deficit, now and for years to come, is to bring about recovery. That's where the tax cut comes into play.

Oddly, just as the demand-side potential of the tax cut's third installment starts getting its due, the Reagan administration signaled Congress last week that it will at least listen to proposals to alter the last phase of the cut. We don't know what's in the cards, but for months economists have painted two basic scenarios.

One scenario holds revoking the last phase of the cut would help the economy by curbing the deficit and high interest rates. The other theoretical script is that implementing the cut will strengthen the recovery by giving people and businesses money to spend.

We'll throw in with those who favor the latter course.●

CLINCH RIVER—STILL OUT OF FUEL

● Mr. HUMPHREY. Mr. President, on December 21 of last year I entered material into the RECORD substantiating the Department of Energy's (DOE's) own projections that it would probably run short of fuel-grade plutonium to fuel the Clinch River breeder reactor. Today I would like to return to this topic. New evidence has surfaced that corroborates my fear that we are building a reactor that we will not be able to fuel.

As I noted before in the RECORD on December 21, DOE's own Deputy Assistant Secretary for Nuclear Materials, Dr. F. Charles Gilbert, believes DOE will not have enough fuel-grade plutonium by the late 1980's to meet projected requirements for weapons blending, fueling the Fast Flux Test Facility and the Clinch River breeder reactor project.

The General Accounting Office (GAO) is also troubled by DOE's fueling plans. In their final report on Clinch River's projected cost dated December 10, 1982, the GAO emphasized that the source and price of Clinch River's plutonium fuel were uncertain.

Recently, the White House Office of Science and Technology Policy announced that it would not attempt to purchase plutonium from the British. Finally, it was made clear at the latest annual meeting of the American Nuclear Society that the owners of the only commercial nuclear fuel reprocessing plant at Barnwell, S.C. (one of DOE's prospective sources of plutonium for Clinch River) do not now believe the plant can be completed in time to supply significant quantities of plutonium for the project's initial fueling in early 1987.

Mr. President, Nuclear Engineering International ran an article last October covering the White House Office of Science and Technology Policy's announcement concerning the purchase of British plutonium. The American Nuclear Society also printed an abstract of the presentation given last November concerning the startup of the Barnwell Reprocessing Plant. I ask that these articles and a copy of a letter from myself and Senators COHEN, HART, BUMPERS, BOSCHWITZ, and TSONGAS to Secretary of Energy Hodel on the Clinch River fueling question be printed in the RECORD.

The material follows:

NO BRITISH PU FOR AMERICA

LONDON.—The United States' administration "will not countenance the use of civil plutonium for military needs" and it has abandoned all ideas of leasing or buying plutonium from Britain.

This was stated by Mr. John Marcum, assistant director, energy and natural resources, in the White House Office of Science and Technology in London last month. Speaking at the Uranium Institute's annual symposium, he said the plutonium from the Barnwell plant would be for the civil programme, especially the Clinch River breeder reactor and other advanced reactor needs.

Reaffirming the administration's strong support for commercial reprocessing, he said that the new incentive for the private sector to re-invest in Barnwell would be for the government to provide a stable market by offering to purchase "a substantial

amount" of its plutonium output. Contractual arrangements would also provide the private sector with assurances against further instabilities in domestic plutonium policies.

Mr. Marcum is reported by the *Financial Times* as saying that the US government was expecting to pay $20 to $30 per gramme for the plutonium separated from LWR spent fuel used by the US utility industry. At a conservative estimate the plant could process 1000t of spent fuel a year, which would yield up to 10t of plutonium. Thus the plant could earn about $250 million from plutonium alone, the government estimated.

Other incentives for private sector reprocessing would, Mr. Marcum said, be official encouragement of foreign participation, "both as customers and equity partners". Licensing would be made as rational and expeditious as possible.

In the meantime, there were no impediments to US utilities having their spent fuel reprocessed overseas. The new plutonium-use policy would also "provide a basis for long-term programmatic approval for advanced nations and allies to acquire reprocessing facilities on the basis of full safeguards and strong support for non-proliferation efforts".

The transfer of enrichment from the government to the private sector was, Mr. Marcum said, a longer-term objective. Initiatives would be developed in the months ahead to make the present operations more responsive to market conditions (see below), eventually facilitating commercial operation. This would help to provide a more stable market for the United States' troubled uranium mining industry, he said.

U.S. SENATE,
Washington, D.C., February 17, 1983.

Hon. DONALD P. HODEL,
Secretary of Energy,
Washington, D.C.

DEAR MR. SECRETARY: We are concerned over the Department of Energy's (DOE's) continued vagueness about the cost and source of plutonium fuel for the Clinch River Breeder Reactor project. As you know, late in 1981, Dr. Charles Gilbert, Deputy Assistant Secretary for Nuclear Materials, publicly testified that a shortfall in plutonium would occur by the end of the decade unless projected plutonium requirements are reduced or a new source of plutonium established.

Since then, we have learned that the L-reactor at Savannah River may not start operating until Spring, 1985. The DOE originally expected it to begin operating by October, 1983. We also have learned that a special DOE advisory panel recently urged the DOE to build a new materials production reactor to secure plutonium supplies for the 1990's. Because construction probably will not begin before 1985, the plant may not be completed until 1995, or later.

To stay within current cost estimates, however, the Clinch River Breeder Reactor will require substantial amounts of plutonium fuel by 1987.

Also, the White House Office of Science and Technology recently announced that the U.S. has abandoned efforts to lease or buy plutonium from Great Britain.

Finally, we have learned the nuclear industry does not now believe the commercial reprocessing plant at Barnwell, South Carolina, will be completed in time to produce significant quantities of plutonium before 1987. Given the nuclear industry's reluctance during the past two years to invest in the Barnwell plant, there is growing doubt that it will ever operate.

Because it could substantially affect the cost of the Clinch River Breeder Reactor, we would like to know when, and from what sources, the DOE intends to obtain the plutonium fuel.

We have included a copy of the General Accounting Office's recent critique of the DOE's official position on this matter. We would appreciate your addressing this critique in your answer, which we look forward to receiving before the end of March.

With warm regards, we are

Sincerely yours,

DALE BUMPERS.
GARY HART.
PAUL E. TSONGAS.
GORDON J. HUMPHREY.
WILLIAM S. COHEN.
RUDY BOSCHWITZ.
U.S. Senators.

[From Transactions of the American Nuclear Society, Nov. 14-18, 1982, Vol. 43]

STATUS OF THE BARNWELL NUCLEAR FUEL PLANT

(A. K. Williams, J. A. Buckham, W. B. Sumner, R. J. Cholister (AGNS), invited)

During the 1960s and early 1970s, the processing of spent fuel from the U.S. light water reactors (LWRs) was expected to become a logical extension of the nuclear industry as commercial nuclear power became established. By the mid-1970s, however, several impediments had emerged that caused the commercial market for reprocessing and related services to deteriorate. Licensing requirements, instead of becoming firmly established, became less definitive. In addition, concern for proliferation of nuclear weapons through use of plutonium from power reactors has complicated efforts to get reprocessing of commercial fuels moving again.

It now appears that reprocessing of LWR fuel may occur not as a purely commercial venture, but one in which the government plays some as yet undefined role. This role is expected to include both incentives for providing reprocessing services and guarantees in the event there is another abrupt change in governmental policy.

The needs for reprocessing LWR fuel include the following:

1. Relief for the problem of on-site nuclear fuel storage;

2. Preparation of the waste products in spent fuel for final disposal;

3. Initial plutonium supply for the U.S. breeder development program;

4. Development of LWR reprocessing technology as a logical basis from which to develop the reprocessing of breeder reactor fuel.

The use of the Barnwell Nuclear Fuel Plant (BNFP) represents the only near-term possibility for providing the necessary services to satisfy these needs. However, it should be recognized that although existing facilities could be ready for operation at an earlier date, completion of the additional facilities needed for continued operation would dictate an earliest startup date of 1987. A schedule for startup of existing facilities, as well as for the new facilities, is shown in Fig. 1. The estimated cost for the additional facilities is $652 million and includes the following major components:

Estimated capital cost—mid-1981

	Millions
1. Densified fuel storage	23
2. Modifications to existing plant	34
3. Security-safeguards	61
4. Site/utilities/support facilities	68
5. Pu nitrate conversion	154
6. On-site waste management	312
Total	652

If krypton recovery is required, additional costs of $80 to $100 million can be expected. The estimated annual operating costs for the existing and additional facilities at the BNFP at equilibrium conditions are approximately $107 million, and would involve a staff of ~1600 people. In the event fuel fabrication facilities are also included at the BNFP, the operating staff would increase significantly.

The major facilities that have been completed at BNFP are fuel storage, separations, and uranium hexafluoride conversion. The fuel storage and separations facilities have been utilized in various U.S. Department of Energy (DOE) funded research and development activities related to fuel storage, proliferation-resistant fuel cycles, and testing of advanced safeguards concepts. Results of these activities have been reported elsewhere. Checkout of the UF_6 facility was terminated, and the facility has been maintained in a standby condition since 1977.

The operability of the separations facility has received some attention in the past few months because of the maintenance concept that utilizes a hybrid of both remote and contact maintenance. This concept is expected to provide continuous service with minimum maintenance. The contact maintenance concept includes the use of gravity flow, no moving parts, and high-quality, high-integrity plant components and facilities, designed and built to last many years with no maintenance.

During early checkout activities and in subsequent experimental runs, several items were identified as needing corrective action prior to hot startup. These include such items as relocation of the disposal system for degraded solvent, adjustments to the air lift system to improve hydraulics, and upgrade of plant instrumentation. In addition, deposits of phosphates, silica, and normal corrosion products were found throughout the process equipment during the early tests, sources of which were identified. To conserve uranium and acid values, cold testing utilized the recycle mode, which resulted in accumulation of solids. Some titanium corrosion was also observed in the acid frationator, but was found to occur prior to 1980. The reasons for abnormal corrosion have been postulated and will be confirmed in future tests. Abnormal corrosion rates have not been detected from the 1980 and 1981 experimental runs.

In conclusion, the BNFP can be considered an operable and licensable reprocessing plant, and it can be used to support not only LWR programs, but also the national waste program and the breeder program. The startup date for Barnwell is contingent on pulling together an organization that can provide the capital for the needed additional facilities. This organization will require

governmental guarantees with respect to changes in licensing criteria and nonproliferation policy.●

LITHUANIAN INDEPENDENCE ANNIVERSARY

● Mr. WEICKER. Mr. President, February 16 marked the 65th anniversary of the establishment of the modern Republic of Lithuania. A proud nation of 3 million people, Lithuania has lived under the yoke of Soviet oppression since 1940. This anniversary should serve as a reminder the Lithuanians should no longer have to endure Soviet subjugation of human rights.

Lithuanians share with Americans a deep commitment to the ideals of freedom and equality. Daily arrests and persecution for crimes against the state cannot crush their age-old spirit of independence. The United States must continue to support this independence by denouncing Soviet injustice in Eastern Europe and defending the right of its peoples to be free.

The United States has always based its foreign policy on a commitment to human rights. We remain dedicated to the basic values of human life and continue to support and defend these values around the world. Because the Soviet Union's actions challenge these principles, we should not tolerate them.

Mr. President, as the leader of the free world, the United States has a duty and special responsibility to assist and defend nations that suffer cruel oppression. We must never forget the oppressed peoples of the world, nor allow their struggle to die.●

REMEMBERING THE CCC

● Mr. JACKSON. Mr. President, many of my colleagues no doubt remember the grim conditions that existed in this country in the 1930's. The Civilian Conservation Corps (CCC) provided hope and relief to countless unemployed and disallusioned Americans during the Depression era.

As a long-time supporter of programs like the CCC and prime sponsor of the Youth Conservation Act and the Young Adult Conservation Act, I would like to draw the attention of my colleagues to an article published in the February issue of the American Forests magazine. Robert T. Egan shares his personal experiences as a young CCC recruit and reminds us of the vital role played by this organization in restoring the physical as well as the spiritual resources of our country.

Mr. President, I ask that Mr. Egan's article be printed in the RECORD.

The article follows:

[From the American Forests, February 1983]

REMEMBERING THE CCC: CITY BOYS IN THE WOODS

RESOURCES BOTH NATURAL AND HUMAN BENEFITED ENORMOUSLY FROM THE WORK OF THE CIVILIAN CONSERVATION CORPS DURING ONE OF THIS NATION'S DARKEST ERAS—CAN THE IDEA WORK AGAIN?

(By Robert T. Egan)

To be a young man at the supper table in 1933 was to be a young man full of shame because you were unable to pay your share toward the food being ladled out by your care-worn mother.

To be a father in 1933 often meant walking the streets all day in search of a nonexistent job, or putting on a fragment of your World War I uniform and standing on a cold and windy street corner, hoping that someone would show their appreciation for your service to your country by buying a five-cent apple from the small supply you sold from an upended crate.

It was a time somewhat like the present, but with today's unemployment and economic paralysis multiplied to a fantastic degree.

It was such a world that awaited me when I was handed my high school diploma by a wise old Irish priest who had delivered the commencement address. He had not attempted to paint a rosy picture of our future, but had instead concentrated on faith in God, faith in our country, and faith in ourselves.

Tossing in my bed at night, I would often hear my mother praying aloud, asking the Lord for a specific favor: "Please don't let the utility company turn off the gas and electric this week"—to which my father, lying in bed beside her, would fervently respond, "Amen to that!"

It was in the local candy store that I first heard about the new CCC camps that were being opened up all over the country. One of my friends who was there that day was a young man who had come home on a weekend leave from a camp in a nearby section of New Jersey. He astounded me by the change in his physique and in his outlook on life—a change that was heightened by his natty forest-green uniform and cap with its golden Civilian Conservation Corps medallion. He looked absolutely transformed from the puny, pasty-faced youth I remembered. Not only was he in good health and in good spirits, but his jingling pockets informed me that he had something in them besides lint.

His version remained with me as I read the daily paper with its accounts of all the bills that were being passed in Congress, and all the agencies being created by the nation's legislators in an effort to restore confidence and enterprise in America.

Towering above all of these was the figure of Franklin D. Roosevelt, a Hudson River Valley aristocrat who was able miraculously to transcend the vast gulf between himself and the millions of unemployed and impoverished Americans who enshrined him in their hearts.

Roosevelt's favorite piece of legislation—and one of the most successful—was the Civilian Conservation Corps, which he fathered in Senate Bill S598. The bill was introduced on March 27, 1933, was passed by both houses of Congress, and the jubilant President signed it on March 31.

The immediate goal was to place 250,000 men in camps within four months. Never in peacetime had such a mass of men been recruited, moved, and billeted in such a brief period. By the time I entered the Corps, the CCC consisted of 500,000 men in 2,600 camps scattered throughout the country.

My parents had misgivings about my joining the "3 C's." My mother feared that I would be given a gun and sent to the "front," and my father thought I would be better off in the local WPA (Works Progress Administration), where he could keep an eye on me. But to a 19-year-old youth, the call was irresistible. I enlisted.

A group of fellow enlistees and myself were bused to Fort Dix, New Jersey, for indoctrination and shipment to an excitingly unknown destination. On a cold midnight in a drafty warehouse, I had flung at me an eclectic and motley collection of World War I uniforms that had been "tailored" for a man twice my size.

"Don't worry, Red; we'll fatten you up," said a tired supply sergeant as he sized up my lack of flesh and muscle.

So smoothly functioning were all the government services of that time—the Army Transportation Corps, for one—that within 48 hours I found myself being lulled to sleep by the clickety-clack of the train wheels taking me west. For the first time I realized the immensity and diversity of our country. I clearly recall the thrill of rounding Horseshoe Bend in Pennsylvania, where enrollees in the first car of the troop train could see their buddies waving to them from the last car on the opposite side of the ravine.

At night, the lights in homes on the prairie reminded me of my own home, and the melancholy whistle of the steam locomotive fittingly expressed my feelings as the train clattered over a rural crossing.

Deep in sleep, I missed the Mississippi River. But I was wide awake when the Rocky Mountains suddenly rose from the plain, bathed in early-morning sunlight that was mirrored in the snow and ice of their peaks. The train chugged on and on through this magnificent country until the greenery began to change to a dustier hue and trees gave way to sagebrush.

My unknown destination turned out to be Elko, Nevada, with a population of 5,000, making it the third largest community in the state at that time. (Las Vegas was then a sleepy Spanish hamlet, and no casinos were to be seen—not even in mirages.)

Trucks picked us up at the railroad station and headed east over dusty roads past Lamoille (I was thrilled to learn that Bing Crosby had a ranch there) to a camp at the mouth of the Ruby Valley. I was stunned by the beauty of desert flowers brought into sudden bloom by an unexpected and rare rain; the flowers were quickly wilted by a resurgent sun.

Darkness had already fallen as our small convoy pulled into the camp's motor pool. The odor of soft coal burning in the iron potbelly stoves of each barrack hung heavily in the desert air. Exhausted from toting dufflebags and clambering off and on trains and trucks, my fellow recruits and I quickly fell asleep in our assigned barracks.

Refreshed by the night's rest, I awoke to the sight of a valley floor drenched with sunlight and also with the spume from a creek that babbled down from its upper reaches in the Ruby Mountain Range.

Reveille (military discipline was very much a part of our daily lives) over, we were assigned to our work details under the supervision of foremen from the Division of Grazing. That part of Nevada contained many ranches, and sagebrush (rather than trees) carpeted the land.

Piled 20 to 30 in a rack truck, we were driven to the various ranches in the area, where we usually assisted the ranch hands as they went about their daily routine. Rare was the "spread" that turned down the offer of 30 young men at absolutely no cost for their labor! The chores there included fence repair and prairie-dog control.

My buddies and I were thrilled by the appearance, personalities, and lifestyle of the cowboys, who were a far cry from Hoot Gibson, Ken Maynard, and others we had seen in the movies. Most of these real-life cowboys regarded us as "tenderfeet" when we somewhat awkwardly performed tasks to which we were not accustomed. A camaraderie quickly was established, however, and some of my most pleasant memories of the West were gained in this manner. (I also recall dining family-style with Basque sheepherders who tended their flocks in the higher reaches of the Rockies. We sat eight to a table, and everyone helped himself from the same pot while sheepdogs looked on in the hope that a scrap would be tossed to them.)

Power lines were built by the Corps, uniting the far-flung ranches with communication and providing them with power for their buildings and equipment. We were often called upon to repair damage caused by flash floods that transformed aroyos or dry gulches into raging streams. Placid rivers became walls of water that brought death and destruction to man, beast, and property. Such tragedy often was forestalled by our work involving the removal of obstacles to the natural flow of the water. Similar to such work was the draining of swamps and bogs, creating land fit for habitation or farming. Roads were built across the desert wastes or through primeval forests.

In the mountainous regions of the East and the West, roadbuilding was particularly demanding work for the boys of the Corps. Material had to be trucked to isolated areas and carried up precipitous slopes and in rarefied air strange to our city-bred lungs. Without the sophisticated roadbuilding equipment of today, we moved huge concrete or metal culverts up the mountains, planting them so that water coursing down the slopes was caught and carried away from the surface of the road. (I often compared my buddies and myself with those ancient Egyptians who dragged blocks of stone from the quarries to the pyramids.)

The forestry camps of the CCC offered us a way of life and work that was particularly appealing. Many such camps had centrally located nurseries where the seeds of various species of trees were planted and tended until they were five or six inches tall. The seedlings grew close together so that transplanting crews could grasp them in bundles, place them in buckets of water, and rush them off to the forestry camps in the area.

I recall being a member of a 14-man crew that worked its way up and over the denuded slopes of eastern farmlands that were beginning to show the effects of soil erosion. We worked in teams—one man with a mattock with which he opened up the soil and, behind him, his teammate who inserted a tree from his pail of seedlings, tamping the soil with the heel of his shoe to "set" it.

Today, the surviving trees we planted are our monuments. Too many of them, however, perished in forest fires—even though the CCC under the supervision of the Forestry Division fought valiantly to save stands of timber (often succeeding in turning back the flames at great risk to themselves).

Trees had other enemies too. Blister rust was a threat, especially to the white pine. The blight was caused by *Cronartium*, a fungus that spread from currant and gooseberry bushes to the tree itself, causing cankers to form.

Another tree 500 feet away would eventually share the contagion if the Corps crew did not remove the fungus-carrying bushes from the entire area. We burned brush only on misty days or while the ground was wet from rain or covered with snow.

Other crews were sent in search of the gypsy moth. Sometimes foremen would put "dummy" nests on trees to test the ability of the boys to detect them. (Alas, despite our efforts, the moths are still with us!)

Watershed work also occupied a good part of our time and efforts. We constructed trails through such areas so that inspectors on horseback could easily patrol the reserves. Trails were built in rustic parks for the pleasure of tourists and local equestrians.

CCC boys were often at the scene of disasters, both national and local. We offered our services in the Great Flood of the Ohio River in 1937, and saved a million sheep in Utah during the blizzards of 1936-37. We also aided the neighboring farmer when the blaze of his barn was mirrored in the windows of our barracks—leading his livestock to safety, securing his personal possessions, and extending heartfelt sympathy for his losses. (This was one of the ways by which we overcame the objections of townspeople who did not want camps of young men in their midst—especially those people with attractive daughters.)

The worst loss of life among CCC personnel occurred on Labor Day of 1935. The tragedy is described in "Roosevelt's Tree Army," a short history of the Civilian Conservation Corps researched by Fred E. Leake and Ray Carter of the National Association of Civilian Conservation Corps Alumni: "There were three CCC camps located on the Florida Keys with 684 World War I vets. Two hundred and ninety six of the men were away on leave for the holiday. A hurricane with winds of 150 to 200 miles an hours struck the area. Knocking out bridges and railroads. The train sent from Miami to evacuate the men was overturned. The official report listed 44 identified dead, 238 missing or unidentified dead and 106 injured. Some of the men were literally sandblasted to death by the wind-driven sand, and when found had no clothing left except shoes and the skin had been rasped from their bodies."

My buddies and I, safe from such natural calamities, spent most of our days in the woods, with lazy clouds drifting above the denuded forests of winter. The coffee pot bubbled on the campfire around which we would gather on our 10-minute breaks. The silence was broken only by the wind and the ringing of axes and the rasp of the two-man saw. With rosy cheeks and the sheer joy of being alive and young, we felt like God's noblest creatures—and we were!

My participation in many of these activities gave me an early understanding of the work ethic and its application to the beautification, utilization, and conservation of my country's resources. The tremendous vistas of the West opened my eyes to natural beauty on a scale I never had experienced among the smokestacks of my home town in New Jersey.

Among the glories of nature, however, daily life continued in the pattern set by those who guided the activities of the boys and maintained discipline in the ranks. We received $30 a month, $25 of which was sent to our parents. The remaining $5 covered entertainment: the movies, the nearest hamburger heaven, the closest bowling alley—even a date with a local girl. These wild expenditures helped to stave off the failure of many small businesses near the camps.

Educational facilities were available in each camp, most of them of the correspondence-school type or civil service. (One of my buddies successfully passed the civil-service test and became a "Jr. Assistant to the Technician" (the latter was a forester) at a salary of $1,020 a year.

Drugs were unknown to us. Alcohol, though it had recently been legalized by the repeal of Prohibition, was used sparingly as befits a $5-a-month budget. In any event, most of us were proud of our new-found muscles and deepening chests. Even on recreation trips to town we either steered clear of the fleshpots or made certain that such trips would not result in anything that would hurt our standing in the Corps.

The camps consisted of three barracks, each housing 40 men. Cots lined the walls, and at the foot of each cot was a footlocker. Lord help the man whose sloppy footlocker failed to pass Saturday-morning inspection by the commanding officer and his lieutenant. The offender's weekend pass would be withheld, and he would be placed on kitchen-police duty or given some other lowly task such as filling in the old latrine and digging a new one.

Three potbellied stoves in each barrack kept us warm, thanks to the weary enrollee who had to feed it coal throughout the night.

A large mess hall, a latrine, canteen, recreation hall, infirmary, and administration building completed the camp. A flagpole was centrally located. We stood in formation in front of it and saluted Old Glory each evening as "retreat" was blown by the camp bugler. A mad dash down the path to the mess hall invariably followed the command to "Fall out!"

Eventually I was transferred back east to a camp at Stillwater, New York, in the vicinity of the Saratoga Battlefield. I was assigned to a group of archaeologists who were seeking artifacts of the engagement that was the turning point of the American Revolution. Such work was typical of the varied contributions made by the CCC to the history and welfare of the nation.

While my companions and I were preparing the dig, I was horrified when I noticed the lusty swings of mattocks as the earth was opened. I remonstrated with my buddies, telling them that spoons and tooth brushes—not pickaxes—were the tools of archaeology. I had visions of a calvary officer's helmet skewered like so much shishkebab as it entered the light of the 20th century. A group of archaeologists overheard me and inquired about my education, hobbies, and things of that nature.

"I'm a high-school graduate," I informed them, not without pride.

"Well, you're also obviously a history buff," observed one of them. "How would you like to be a guide on the battlefield?"

"Would I ever!" I exploded.

I subsequently was given the original ledgers of General Burgoyne ("Gentleman Johnny"), who had commanded the British forces at Saratoga, and the notes of some of the American generals who had defeated him, including Benedict Arnold. I shared the information with tourists.

The restoration of national monuments and parks was by no means the only accomplishment of the Civilian Conservation Corps. There were others:

Almost 97,000 miles of truck roads

89,000 miles of telephone lines

120,000 miles of trails and roads

6,459,000 man-days spent fighting forest fires

21 million acres covered in tree planting, pest control, and disease control

1,356,000,000 (yes, that's *billion*) trees planted

More important, however, were the thousands upon thousands of lives that were given meaning and direction during one of the darkest eras of America's history. Those of us who served in the C's returned home fit in mind and body and, though we did not know it at the time, prepared to stop the war machines of the totalitarian powers in World War II.

My personal rewards were many and enduring. I learned to live in close proximity with my fellow men, gaining and maintaining their confidence in me as an individual and as one of their number. I learned new skills of the type not ordinarily acquired by young men with an urban background. I gained the confidence that subsequently impressed employers and led to a series of responsible positions that were self-fulfilling as well as financially rewarding.

Most of all, I learned to be tolerant about the opinions and beliefs of those who differed from me.

It is my personal opinion, and the opinion of my fellow members in the National Association of Civilian Conservation Corps Alumni, that a similar organization would be of inestimable value to today's youth and tomorrow's natural resources. Indolence, boredom, violence, and self-destruction would be drastically reduced if today's young people were exposed to the vigorous, disciplined life that saved many of us from ourselves at a time when temptation was all around us.

An aging America, a disillusioned America, beset by deteriorating conditions in almost all areas of our national life and its physical plant, would also benefit from the labors of a youth that still is willing and anxious to help. I think especially of the questions of a young girl in the history class of a local high school that had invited me to address its students: "Where do I go to sign up, and do I have to send home all my pay?"●

ECONOMIC HARDSHIP MEASUREMENTS

● Mr. HOLLINGS. Mr. President, in a time of great change and transformation in the American economy, old ways of measurement often do grave injustice to current reality. Lacking adequate indices, we are unable to compete as effectively as we should and to deal with rapidly changing circumstances as we must if we are to remain economically viable. It is vitally important to develop the best possible standards of measurement to tell us where we are because without an adequate fix on the present we careen aimlessly into the future.

One area wherein the best tools of measurement are lacking has to do with employment and labor force hardship. The major indicators we have now—measuring unemployment and poverty—are not designed to give us a comprehensive view of economic hardship in the labor market. Recently, a distinguished panel of experts delved deeply into this issue and came up with some suggestions which I think merit the attention of every Member of this body. The panel demonstrates how unemployment figures both overestimate and underestimate economic need in the labor force, and it proposes a new set of measurements based on some important calculations which obviously need to be considered.

Members of the Advisory Committee on Hardship Measures include Lawrence Chimerine, chairman and chief economist of Chase Econometrics; Eli Ginzberg, Barton Hepburn professor of economics (emeritus), Columbia University; Robert B. Hill, senior research associate, Bureau of Social Science Research; Juanita Kreps, economist and former Secretary of Commerce, chairman of the board of MDC, Inc.; Sar Levitan, director, Center for Social Policy Studies, the George Washington University; Robert Solow, professor of economics, Massachusetts Institute of Technology; Robert Taggart, economist and author of "Hardship: The Welfare Consequences of Labor Market Problems"; and Willard Wirtz, attorney and former Secretary of Labor.

The brief report speaks for itself and speaks to an urgent question. For that reason, Mr. President, I ask that it be printed in today's issue of the RECORD, and I recommend it to my colleagues as a significant contribution to our senatorial dialog.

The report follows:

ECONOMIC POLICY PANEL CALLS CURRENT ECONOMIC HARDSHIP MEASUREMENTS "SERIOUSLY DEFICIENT," PROPOSES NEW ECONOMIC INDICATORS

A panel of economic policy experts today endorsed a new set of indicators for measuring economic hardship in the American labor force.

The panel termed the current basis for assessing labor force hardship as "seriously deficient." The panel, chaired by Juanita Kreps, concluded, "Economic policy is being made in the half-light of statistics which can give an inaccurate portrayal of national needs."

The panel concluded that addition of the new indicators to the official system of labor force measurements would provide for better-informed economic policymaking.

[Other panel members, whose views were summarized in a statement released today, include: Lawrence Chimerine, Eli Ginzberg, Robert Hill, Sar Levitan, Robert Solow, Robert Taggart, and Willard Wirtz. The group was formed in 1980 to review and advise on research on the methods for more accurately determining the extent of economic need among active members of the labor force.]

The statement pointed out that hardship estimates now rely primarily on two indicators—unemployment and poverty statistics—that are not designed to assess labor market-related economic hardship.

These indicators, according to the statement, are capable of simultaneously overestimating and underestimating economic hardship in the labor force. Because they are based on simple conclusions from the past, they do not provide for the complicated individual work patterns which apply in today's economy, the statement said.

Unemployment counts and poverty statistics "are invested with high meaning in the discussion and reporting of economic developments today," the panel stated. "[But] they do not illuminate the real economic condition of the nation's labor force. Instead, they often obscure it."

The new set of measures would supplement these traditional indicators. It would be based on three calculations:

A count of the number of persons in the work force whose individual earnings for the year are less than the minimum wage equivalent for the total number of hours they are available for work;

A count of the number of persons in the work force whose total household earnings are below the poverty level; and

A count of the number of persons in the work force whose total household earnings and unearned income are below the poverty level.

Statistics generated by the hardship counts suggest how unemployment figures both overestimate and underestimate economic need in the labor force. Analyses based on counts for 1979 (the last relatively good year for the economy) and for 1981 show that:

In 1979, more than half of those unemployed at some time lived in households with total annual incomes in excess of $15,000; and

In 1981, roughly 40 percent of those unemployed at some time still earned more than the mimimum wage equivalent for the year.

Simultaneously, however:

In 1979, approximately two-thirds of the labor force members who earned less than a minimum wage equivalent for the year experienced no unemployment; and

In 1981, more than five million workers, who were never officially unemployed, lived in poverty, and the total number of workers in poverty households exceeded the average number unemployed monthly by 1.5 million.

Calculations and analyses of findings for each year from 1974 through 1981 yield other useful economic data. Among them:

While labor market-related hardship is a continuing problem in good times and bad times, there have been dramatic increases in hardship since 1979 (see pages 7 and 8 of the statement).

The safety net under the working poor began to fray well before the arrival of the Reagan Administration (page 7).

There is a relatively higher incidence of inadequate individual and family earnings for labor force members who are women, minority group members, older men and women, and youth. The relative hardship is also greater among all workers living in central cities and rural areas (page 7).

The statement of the panel recommends immediate steps that can be taken, principally by the Bureau of the Census and the Bureau of Labor Statistics, to refine and implement labor market-related measurements (page 10 of the statement).

In conclusion, the statement says:

"It is paradoxical that 'cost' remains a major obstacle—if not the major obstacle—to translating measures of labor market-related hardship from theory to practice. Whether one favors increases or decreases in spending for social programs to relieve

poverty, the lack of measures that would enable policymakers to target those programs more accurately and to determine the extent of need among those attached to the labor market poses a constant threat of waste and extravagance."

* * * * *

The panel has worked under the auspices of MDC, Inc., a Chapel Hill, North Carolina, private, nonprofit corporation engaged in employment policy research. In 1980, MDC received grants from the Charles Stewart Mott Foundation and the Rockefeller Brothers Fund to promote, coordinate, and publicize research and development of new measures for determining labor market-related economic hardship. The work is being carried on in collaboration with the Research Triangle Institute in North Carolina and the George Washington University's Center for Social Policy Studies in Washington, D.C.

ADVISORY COMMITTEE ON HARDSHIP MEASURES

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Eli Ginzberg, Barton Hepburn Professor of Economics (Emeritus), Columbia University.

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Robert Solow, Professor of Economics, Massachusetts Institute of Technology.

Robert Taggart, economist and author of "Hardship: The Welfare Consequences of Labor Market Problems."

Willard Wirtz, attorney and former Secretary of Labor.

FINDINGS AND RECOMMENDATIONS ON MEASURES OF LABOR MARKET-RELATED HARDSHIP, JANUARY 15, 1983

PREFACE

In March 1980, MDC, Inc., received grants from the Charles Stewart Mott Foundation and the Rockefeller Brothers Fund to promote, coordinate, and publicize research and development of new measures for determining labor market-related economic hardship. That work has been carried on in collaboration with the Research Triangle Institute and the George Washington University's Center for Social Policy Studies. Through that collaboration, the work has also benefited from funding support by the Ford Foundation and the Edna McConnell Clark Foundation to the Center for Social Policy Studies at the George Washington University, and by the State of North Carolina to the Research Triangle Institute.

INTRODUCTION

This statement summarizes the conclusions and recommendations of an independent committee formed in 1980 to review the need for new measures of labor market-related hardship and to determine if valid hardship measures could be instituted on the basis of current research.

For reasons set out in the statement, the committee finds that (1) there is a clear and growing need for new measures linking employment with economic hardship; and (2) valid indicators have been developed and demonstrated. The committee recommends immediate steps to refine and implement those measures.

LAWRENCE CHIMERINE.
ELI GINZBERG.
ROBERT HILL.
JUANITA KREPS, *(Chair).*
SAR LEVITAN.
ROBERT SOLOW.
ROBERT TAGGART.
WILLARD WIRTZ.

I. WE FIND A CLEAR AND GROWING NEED FOR NEW MEASUREMENTS OF ECONOMIC HARDSHIP AMONG ACTIVE PARTICIPANTS IN THE LABOR FORCE

Considering the pervasive public concern with employment and unemployment in America today, it seems only sensible that the nation should have an accurate system of measuring economic hardship among those who are working and looking for work.

And yet it does not. The basis for determining economic hardship for active members of the labor force is seriously deficient. We rely primarily on two official indicators—unemployment counts and poverty statistics—which were designed for other purposes. Although these indicators are invested with high meaning in the discussion and reporting of economic developments today, they do not illuminate the real economic condition of the nation's labor force. Instead, they often obscure it. As a result, economic policy is being made in the half-light of statistics which can give an inaccurate portrayal of national needs.

Unemployment rates serve as a barometer of economic activity and the business cycle. But they simultaneously understate and overstate the extent of hardship in the labor force. As indicators of individual need, these rates are imprisoned in history. When unemployment counts were first begun, forty years ago, having a job or not having a job was a roughly accurate measure of the difference between economic well-being and hardship. But today that simple measure no longer applies.

Consider how the impact of joblessness varies in these particular cases:

A laid-off working spouse, son, or daughter in a household where the other spouse continues to earn income at a rate well above the poverty level for families;

A laid-off auto worker with the seniority to qualify for supplemental benefits that, together with unemployment compensation, can provide income equal to 90 percent of his or her previous salary;

An unemployed farm worker who does not qualify for unemployment benefits; and

A laid-off young father, with a non-working wife and two young children, who has no other source of income except 39 weeks of unemployment compensation.

These cases obviously differ from one another to a marked degree. Yet unemployment statistics cannot distinguish between those who suffer genuine hardship and those whose economic condition is only slightly affected. The inaccuracies caused by lumping diverse individual cases into summary unemployment counts are multiplied when the full effects of public and private transfer payments, estimated at 380 billion dollars annually, are figured in.

Furthermore, unemployment rates entirely ignore many of the working poor. The numbers do not reflect those who are employed part-time, or employed at rates of pay too low to support their families. Consider these examples:

The family head with more than three dependents earning the minimum wage; or

The sales clerk who works part-time and does not qualify for unemployment compensation when not called to work.

Such cases will not show up in current unemployment rates although both may involve serious economic hardship.

General poverty statistics are valid indicators of aggregate need. But they cannot accurately indicate how well the job market—the primary source of economic support—is providing for active members of the labor force. These statistics lump the working poor together with the elderly, the handicapped, and others who are neither working nor seeking employment. They further obscure the extent of individual need by failing to take into account the receipt of non-cash benefits such as food stamps, rent subsidies, and medical care.

In short, general poverty statistics do not clarify the imprecise implications signaled by employment and unemployment statistics.

A HISTORY OF SHAKY POLICIES

The existence of these shortcomings in our national economic indicators is not a new discovery. As long ago as the mid-1960's, the Johnson Administration recognized that the lack of adequate measures of hardship hindered its efforts to deal with the problems of the working poor. That administration called for more accurate hardship measurement after it learned that poverty was increasing in ghetto areas even though unemployment in those areas was decreasing, a finding which confounded the conventional wisdom underlying the unemployment and poverty statistics. The problem then was the same as the problem now: The government lacked information on the extent and the nature of the troubles besetting the working poor. The administration did not have the necessary tools to evaluate whether its policies responded to the differing needs of those seeking to work their way out of poverty.

So it is still today. As we debate the significance of 10-plus percent unemployment, many policymakers aruge that the economic impact of current unemployment is not as bad as official rates suggest. To some extent they are right. Others say the economic impact is worse than official rates suggest. And to some extent they are right. But both are drawing their conclusions from inadequate information.

Not surprisingly, the solutions put forth by the policymakers are similarly handicapped. Many of those who play down the significance of high unemployment imply that the rates reflect cyclical unemployment which will be relieved as a natural result of efforts to stimulate general economic recovery. Many of those who see more ominous implications in the rates consider them evidence of increased structural unemployment that will not be relieved by general economic recovery alone and can be a drag on general recovery if they are ignored. Clearly there are elements of both kinds of unemployment in the current counts. But until policymakers have measurements that more accurately assess the extent of each, they will not be able to create a mix of policies to deal with them properly.

The policy predicament posed by 10-plus percent unemployment rates is only one of many areas that would benefit from the insights that more accurate hardship measurements could provide. Indeed, the current climate of sharp reductions in social program budgets makes it more imperative

than ever that our economic planning be guided by correct and thorough information, information which will enable us to identify needs and to target dollars where those needs are the greatest.

The need for federal measures of hardship is further heightened by the Reagan Administration's initiative to decentralize decision-making to state capitals. The Job Training Partnership Act (JTPA), for instance, will put responsibility for employment and training policy in the hands of 50 state councils which have no statistical basis for differentiating between structual and cyclical unemployment in their states. Without hardship data, those councils will be handicapped in trying to provide sound policy guidance for JTPA programs. And without uniform measures to assess the rise and fall of hardship rates, the federal government will be handicapped in trying to determine the effectiveness of the Act.

II. WE FIND THAT VALID INDICATORS OF LABOR MARKET-RELATED ECONOMIC HARDSHIP HAVE BEEN DEVELOPED AND DEMONSTRATED

The Means for Determining Hardship

The research and developmental work [1] reviewed by this committee demonstrates that labor market-related economic hardship can be determined from three basic counts using data that can be developed at reasonable cost from the federal Current Population Survey (CPS). These counts are:

A count of the number of persons in the work force whose individual earnings for the year are less than the minimum wage equivalent for the total number of hours they are available for work;

A count of the number of persons in the work force whose total household earnings are below the poverty level; and

A count of the number of persons in the work force whose total household earnings and unearned income are below the poverty level.

The three counts supplement traditional employment and unemployment statistics. Each count is a significant indicator of economic hardship in the work force. Taken together, they provide the basis for extensive analyses of need among the employed and unemployed and of labor market conditions.

These counts establish the number and percentage of work force participants with inadequate earnings, the number and percentage of work force participants in poverty despite the earnings of other household members, and the number and percentage of work force participants in poverty despite the earnings of other household members and income from other sources (e.g., unemployment compensation, income from savings, cash or non-cash welfare payments).

Using CPS data, it is possible to develop statistically valid hardship counts and rates for the nation and for some individual states. Those data also make it possible to determine hardship among specific occupational groups, ethnic groups, age groups, and by sex among work-force members. In addition to providing more valid indicators of hardship, hardship counts based on CPS data can be used to calculate the potential effect of policy changes, such as an increase in the minimum wage, increases or decreases in cash or non-cash welfare payments, or changes in poverty standards.

[1] The definitions and findings in this statement are based primarily on work by Robert Taggart documented in his book, "Hardship: The Welfare Consequences of Labor Market Problems," The W. E. Upjohn Institute, Kalamazoo, Mich., 1982.

What the Indicators Show

The three counts have been calculated and analyzed for each year from 1974 through 1981 to demonstrate the insights they can provide into labor market-related hardship. The calculations show that, in 1981, in a national work force of 119.7 million persons with an average annual unemployment rate of 7.6:

34.4 million (28.8 percent) had annual incomes below the minimum wage equivalent for all hours they were available for work during the year;

16.6 million (13.2 percent) lived in households with total earnings below the poverty level; and

9.5 million (8 percent) lived in households with total earnings and other unearned income below the poverty level.

The 1981 counts demonstrated how the system of hardship measures can usefully supplement employment statistics. They established that 40 percent of those listed as unemployed at some point during 1981 earned more than the minimum wage equivalent. Yet at the same time, 60 percent of those who earned less than the minimum wage equivalent were never recorded as unemployed. And the 9.5 million work-force members whose total household earnings and income were below the poverty level exceeded the average monthly unemployment figures for 1981 by 1.6 million.

Although the full impact of the current recession had not been felt by 1981, the hardship measures showed there had been dramatic increases in hardship since 1979, the last relatively good year for the economy. From 1979 to 1981, the number of work-force participants with inadequate annual earnings increased by 6.1 million. While the total work force increased by less than 3 million, work-force participants in households with inadequate earnings increased by 3.3 million. And those in households with total earnings and other income below the poverty level increased by 2.4 million.

Analysis of the full period 1974–81 showed that the safety net under the working poor began to fray even before the arrival of the Reagan Administration. The number of persons in households raised above the poverty level by public transfer payments began declining in 1976. It continued to decline in each succeeding year. And the decline was greater among the working poor than in households with no member in the labor force.

Calculations for the relatively good year of 1979 underscored the tenuous link between unemployment and labor market-related hardship. They showed that more than half of those who were unemployed at some time during 1979 lived in households with total annual incomes in excess of $15,000. They established that low hourly earnings and limited hours of employment—not unemployment—were the major causes of hardship. Thus, in 1979, two-thirds of the 28.3 million labor force members with inadequate individual earnings and a similar proportion of those in households with inadequate earnings experienced no unemployment during the year.

The analyses documented the higher rates of inadequate individual earnings for women, minority group members, older workers, and youth. They also showed relatively greater hardship among all workers living in central cities and rural areas.

The 1974–81 calculations illustrated that labor market-related hardship is a continuing structural problem. Like unemployment, it rises and falls with fluctuations in the business cycle. Fluctuations in hardship, however, are less pronounced, and they reflect the persistence of structural problems.

Application of the measures to multi-state regions and individual states showed trends like those for the national labor force—i.e., the incidence of labor market-related hardship fluctuated less than unemployment rates; and the impact of low hourly earnings and limited hours of employment had a greater impact on an annual basis than joblessness. However, state and regional applications also pointed to significant differences in some areas between unemployment rates and rates of individual and household earnings shortfalls.

Current Data Limitations

The basic hardship counters can now be calculated from CPS data for the nation as a whole, for multi-state regions, and for the 10 most populous states. The CPS survey covers too few households in the remaining 40 states to support separate calculations. And CPS data by themselves cannot be used as a basis for hardship counts for local labor market areas in even the largest states.

These gaps in the data base will be eased by the proposed federal Survey of Income and Program Participation (SIPP) which will be tested in 1983. But the lack of data will handicap attempts to assess labor market-related hardship in additional states until the CPS survey is expanded.

Recent research has, however, established a methodology for producing local hardship counts for the 10 most populous states. That methodology would use decennial census data to establish basic hardship counts in all areas of a state for the census year. The counts would be updated annually by relating them to other indicators (e.g., subemployment, discouraged worker, or unemployment statistics). Counts for all local areas would then be totaled and adjusted to coincide with statewide counts from CPS data.

That approach offers a rudimentary way to begin providing hardship counts for decentralized policymaking and funding allocations. It could be extended to additional states through an increase in the size of the CPS survey sample.

III. WE RECOMMEND IMMEDIATE STEPS TO REFINE AND IMPLEMENT LABOR MARKET-RELATED HARDSHIP MEASURES

Further refinement of hardship measures is needed. Nevertheless, steps to implement such measures can and should be taken now. We therefore recommend:

1. Publication by the Bureau of the Census of annual hardship calculations that can be made at modest cost from CPS data for national, regional, and some state work forces;

2. Continuation of the Bureau of Labor Statistics' hardship reports utilizing hardship measures such as those reviewed by this committee;

(BLS now publishes an annual report which, with the addition of the basic counts and related data calculated by Census for the analyses reviewed by this committee, would be an invaluable resource for analysts and policymakers.)

3. Implementation of the Survey of Income and Program Participation (SIPP) and an increase in the size of the annual March CPS survey sample to facilitate the calculation of hardship measures for additional states; and

4. Further research and development to test the methodology for calculating hardship measures for local labor market areas.

These steps would offer immediate help to analysts and policymakers. To promote greater recognition of hardship issues, especially among the general public, we also suggest that a lead indicator be identified among the hardship measures.

Such a lead indicator would serve as a companion to the traditional unemployment rate. It would offer a ready point of reference in judging the economic implications of changes in unemployment rates and differences in unemployment rates among states or between state and national work forces. Any of the three counts would be a valid indicator of need. The rate of inadequate household earnings, however, offers the clearest indicator of economic hardship stemming from labor market-related problems.

It is paradoxical that "cost" remains a major obstacle—if not the major obstacle—to translating measures of labor market-related hardship from theory to practice. Whether one favors increases or decreases in spending for social programs to relieve poverty, the lack of measures that would enable policymakers to target those programs more accurately and to determine the extent of need among those attached to the labor market poses a constant threat of waste and extravagance.●

SIGN UP—OR ELSE!

● Mr. HELMS. Mr. President, I wonder if Senators noted an article in the August issue of Reader's Digest, entitled, "Sign Up—Or Else!"

The article describes a situation in which New York union officials used violence and coercion in a campaign of terror to force a successful electronics company into bankruptcy.

The owner and employees of the company would have been unable to resist this terror in the courts if not for a charitable legal organization based in Springfield, Va.

I applaud the noble efforts on behalf of the workers taken up by Steve Antosh and the Center on National Labor Policy, an outstanding charitable legal foundation located in Springfield, Va.

The Elector-Harmonix case is a grim, forceful reminder to us all. Only when union officials are held responsible for their acts of intimidation and violence can workers truly enjoy the freedom to pursue the American dream.

Mr. President, I ask that the article be printed in the RECORD.

"SIGN UP—OR ELSE!"

(By Randy Fitzgerald)

With $1000 he had saved as an electrical engineer, 26-year-old Mike Matthews founded Electro-Harmonix, Inc., in 1968. The firm designed and manufactured electronic musical instruments and accessories. First-year sales amounted to only $50,000, but ten years later they had reached $5 million. Electro employed 150 persons, nearly all of them black, Hispanic or Asian.

Mike Matthews was a fair-minded employer who cared for his workers. Although most of them began on an assembly line at the minimum wage, they had unlimited opportunities to advance. For example, Willie Magee, a 38-year-old black, worked his way up from unskilled laborer to vice president of sales at an annual salary of $51,000. And Manny Zapata, a Spanish immigrant who spoke no English when he arrived at the company, became director of foreign marketing.

All the technicians who worked with the oscilloscopes, voltmeters and generators that tested Electro's complex electronic products had started out with the company as unskilled laborers. Dozens of others moved up to bookkeeping and office positions while receiving on-the-job training.

Matthews created an environment in which unskilled people could become skilled, productive citizens. His philosophy: workers should advance by merit rather than by seniority. In 1978 Matthews was named New York State Small Business Person of the Year.

The award apparently attracted the attention of the Plastic, Moulders' and Novelty Workers' Union, Local 132 of the International Ladies' Garment Workers' Union (ILGWU). Within weeks, a union official called and said he wanted Matthews to install a union shop in which all workers would have to join the ILGWU. "It won't cost you a dime," Matthews was told. "In fact, you can save money."

Matthews rejected the overture. To persuade employees to sign ILGWU cards, union organizers stationed themselves outside the company's small loft factory on New York City's West 23rd Street. They made little headway. After a few weeks the organizers withdrew in defeat, claiming that Matthews had frightened his workers into opposing the union.

Actually, the organizers failed because Matthews had a remarkable rapport with his employees. Everyone addressed him by his first name, cracking jokes and kidding him as he walked through the factory. Matthews organized parties and outings for his workers. On two occasions he closed down the factory, rented buses and took the entire work force to Long Island for a picnic. He provided his employees with medical benefits and paid vacations. They reciprocated with affection and loyalty.

Three years after the first organizing attempt, the union returned. Alleging that Matthews was abusing the exploiting minorities, organizers distributed union cards to the Electro employees. To call a representative election, signatures were needed from at least 30 percent of Matthews's workers. After a week, fewer than a dozen cards had been returned. Once again the union faced an embarrassing rejection.

On Monday, August 10, 1981, a raucous crowd of about 50 people assembled in front of Electro. As Matthews approached the building's entrance, he was accosted by five toughs. One slugged him in the face, another two pulled at him from behind, while two others kicked him. As employees emerged from the subways in the morning, they were confronted and offered money for lunch, and then asked to sign union cards. If they refused, they were pelted with eggs or threatened with fists and clubs. Pho Kham, a 20-year-old Laotian refugee who had escaped communist tyranny a year earlier, was warned, "Sign up or you'll go to a hospital!" Ecuador-born Fausto Quevedo, 48, was told by an organizer that if he did not support the union, he would be shot in the legs. Employees trying to enter the building had to run a gauntlet of shoving, kicking, punching and screaming organizers the union had sent in. Even though police arrived to set up barricades, only about 20 of Matthews's employees were able to get inside. Production came to virtual standstill.

For the rest of the week employees were threathened and taunted as they tried to report for work. On his way home one evening Steve Griffin, 25, was ambushed by four union thugs and struck over the head with a bottle. On another night union vandals crept into the building and poured glue into door and elevator locks.

The following week the union's campaign of terror resumed in full force. When he left work at 5 p.m. on Tuesday, August 18, customer-service representative Geoff Becker was accosted by several union goons. One of them slammed a fist into the side of Becker's face, knocking him unconscious. For six weeks after the attack Becker experienced horrible headaches, until a brain operation, to remove a blood clot caused by the blow, relieved the pressure inside his head.

By Wednesday Electro's labor force had been reduced to a handful of frightened, angry workers. Since police were unable to assure Matthews that his workers could be protected beyond the plant entrance, he closed the company and sent his employees home.

On Thursday morning, after a TV report the previous evening had shown union organizers involved in violent acts, police assigned additional officers to the area. The next day Matthews and about 60 of his employees assembled at the Fifth Avenue subway entrance and marched to Electro in open defiance of the pickets. They were now more determined than ever to survive the union campaign of terror.

Over this period of picketing and harassment, Matthews and his work force had maintained high morale in the face of accumulating financial problems heightened by the union's disruptive tactics. And then, convinced that Electro could not survive, the Philadelphia lender that had backed Matthews withdrew its funding. It was a savage blow. Faced with a credit cutoff, Matthews searched desperately for other financial backing. He did not find it.

On August 25, just as suddenly as they had appeared, the union organizers were gone, ending three weeks of abuse and hooliganism. But not before seven of them had been arrested on charges including assault, disorderly conduct and harassment. (The charges have since been dismissed.) It seemed to Matthews that the union had intentionally set out to bankrupt him and make unemployment statistics of his workers.

For the next five months Matthews and about 40 employees hung on valiantly in an effort to save the company and their jobs. Even when he fell four weeks behind on their wages, his employees kept reporting for work, determined to stand by Matthews in his hour of need.

On January 18, 1982, the National Labor Relations Board ordered the union to "cease and desist" from threatening employees of Electro-Harmonix, inflicting physical harm upon them, or giving them money in return for their signatures on union cards.

But this condemnation of union violence and coercion was too little and too late to help Mike Matthews and his employees. Electro-Harmonix had been without phone service or electricity for over three months, the workers toiling by candlelight. The employees, like Mike Matthews himself, were broke.

A week after the board's ruling, Matthews held a tearful farewell party with his em-

ployees, closed down the factory and filed for bankruptcy.*

Determined to get back on his feet, Matthews came up with the capital necessary to buy back many of his assets at a public auction held last March. He is once again in business and has rehired 35 of the employees who stuck with him so loyally. He vows to work his way back up to previous successful levels and is doing all he can to promote legislation that would make union terror like this a federal crime.

In a statement given to a Senate subcommittee last December, Matthews wrote: "My employees and I know from painful personal experience how terrifying life can be when government fails in its responsibility to protect its citizens from violent hooligans."●

*The union and Electro have filed claims against each other. The union alleges Electro engaged in unfair labor practices. And former Electro employees are seeking medical and other expenses from the union.

MONTREAL PROTOCOLS

● Mr. HOLLINGS. Mr. President, once again efforts are underway to bring the Montreal protocols to the floor for debate. During the last Congress I joined several of my colleagues in preventing the quick consideration and ratification of these treaties. I oppose them because of my firm conviction that they are not in the best interest of the American flying public.

Previously, Mr. President, I have, in some detail, spelled out the concerns I have with the protocols so I need not restate them here. Regardless of the impetus for the treaties, or the relative merit or lack of merit of the treaties, it is my belief that there is little general understanding of the impact that these treaties will have on the rights of the international airline traveler. In my opinion, the detriments outweigh any benefit that might be forthcoming with ratification.

The New York Times, today, offers insightful commentary on the Montreal protocols. This informative editorial voices many of the concerns I have with the Montreal protocols, Mr. President, and, therefore, I take this opportunity to call it to the attention of my colleagues.

Mr. President, I ask that the editorial appear in full at the end of my remarks.

The editorial follows:

[From the New York Times, Feb. 23, 1983]

KEEP AIRLINES ACCOUNTABLE

An obscure international agreement to set new limits on airline liability to crash victims seems finally headed for Senate debate. Negotiated eight years ago but still unratified, it would both improve and diminish protection for travelers—and clearly improve the protection for airlines. The pact's weakness outweighs its strength.

The basic agreement on international aviation was negotiated in Warsaw in 1929, just two years after Charles Lindbergh demonstrated the potential for spanning the oceans by air. Now observed by 117 countries, it set uniform rules for ticketing, baggage checks and cargo waybills. Its most controversial section establishes ceilings for how much airlines must pay for loss of life, limb or property in a crash of an international flight.

The Warsaw Convention has been modified over the years and would be changed again by the pending 1976 agreement, known as the Montreal protocols. Among other things, it would raise from $75,000 to about $120,000 the maximum liability of an airline for a passenger's injury or death. This increase was something of a concession to the United States, which for reasons of social policy or legal tradition has favored higher limits than most other signatories and fought for them. (Washington has also worked out an insurance supplement for crashes of international flights in American territory, but this would be financed by a $2-per-ticket surcharge, not by the airlines.)

Supporters argue that besides raising the liability limit the protocols would speed up the settlement of passenger claims, overcoming some obstacles of multiple jurisdictions. This could relieve much anguish.

But the protocols also contain an important catch. They would close off the present opportunities for going to court to try to prove an airline at fault and thus to break the basic liability limit.

A higher limit and greater efficiency in processing claims are desirable. But the most important consideration is air safety. The right to go to court helps to keep the airlines aware that there is no ceiling on the value of human life.●

WATT'S ECONOMIC FOLLY

● Mr. JACKSON. Mr. President, "privatization" and "good stewardship" are not synonymous terms for many of us. Interior Secretary Watt seems to be of a different opinion, however. He believes that by selling off our public lands, we will rid our Nation of excess property and at the same time help to offset its $1½ trillion public debt. Many of us have expressed our strong objections to this shortsighted and ill-conceived disposal scheme and do not view "privatization" as consistent with the Secretary's role as trustee of our Nation's public land heritage.

Thomas A. Barron's February 16 New York Times article entitled "Watt's Economic Folly" makes a compelling case for a more responsible approach for the management of the public's natural wealth. I commend this article to my colleagues and ask that it be printed in the RECORD.

The article follows:

[From the New York Times, Feb. 16, 1983]

WATT'S ECONOMIC FOLLY

HIS SALES OF PUBLIC LANDS: A DISASTER

(By Thomas A. Barron)

Take your most valuable personal property—your home, life savings or business. If you placed this property under a trustee's protection, you would demand that he manage it conservatively and sensibly, to preserve its long-term value for your children. If the trustee suddenly started liquidating your most valuable assets for only a fraction of their market value, you would fire him immediately.

Interior Secretary James G. Watt is such a trustee. You and I have entrusted him with safeguarding an immensely valuable portfolio of assets: our public lands. His job is to manage those assets wisely, to earn revenues, to develop needed resources, and, above all, to preserve the trust principal for future generations. For two centuries, administrations of all political views have managed the national assets. As prudent trustees, they have understood that mistakes can be expensive and irreversible, so they have customarily erred on the side of preservation over development. That is no longer the case.

Mr. Watt, completely rejecting his predecessors' cautious approach, has spearheaded "privatization." Although he has defended his radical departure on economic grounds, his policy is actually an economic disaster. The theory behind privatization sounds attractive: The virtues of private enterprise should be applied to any Federal properties with possible commercial value. The Administration, however, uses the theory to justify pushing as much property as possible, as rapidly as possible, into private hands regardless of market conditions. The result has been a rash of unbusinesslike sales that have driven down the market price of prime public assets, creating windfalls for lucky purchasers but robbing the taxpayers and Treasury of enormous revenues.

The Administration is selling off up to 35 million acres of public land—an area the size of Massachusetts, Maine, New Hampshire and Vermont combined. Mr. Watt openly disregards the risk that unsystematically dumping these properties on real estate markets will cause severe underpricing.

Mr. Watt is vastly accelerating the amount of Federal coal properties leased or sold, regardless of the huge oversupply of coal on the market. In the 1982 Federal coal sale in Wyoming's Powder River Basin, the Government's receipts averaged only 3.5 cents per ton, far below the average 19 cents per ton brought by comparable tracts in the region within the previous 18 months. Although independent estimates of the value of the tracts ran as high as $250 million, and the Interior Department's own regional office originally set the minimum acceptable bid at $95 million, Mr. Watt's sale garnered only $55 million. Despite such wasteful sales and a continuing market glut, he is now expediting the disposition of 10.7 billion more tons of Federal coal.

The Administration plans to double the amount of timber cut from national forests by the year 2000, despite the current three-year surplus of Federal timber that has been bought but not yet cut. This aggressive plan would remove trees faster than our forests can replenish them. It risks depleting our timber supply, causing future shortages.

Mr. Watt has tried to open several of our last remaining wilderness areas to oil and gas drilling, despite studies that show that less than 1 percent of the 48 contiguous states' potential onshore reserves are in wilderness areas.

Despite declining oil prices, he is striving to lease virtually all the remaining one billion acres of coastal waters to oil companies—25 times the total amount of acreage leased since the program began in 1953. This could cost the taxpayers up to $46 billion.

Why is the richest nation on earth conducting bankruptcy sales? Mr. Watt's answer: The cash will help offset the national debt. But even if the Government met its own goal of raising $17 billion over five years from the outright sale of proper-

ty, this would offset only 3 percent of the interest on the debt in that period—and not even touch the $1 trillion principal. Furthermore, Mr. Watt ignores the obvious dangers of dealing with a perpetual revenue problem through the onetime sale of irreplaceable assets.

This economic folly is compounded by Mr. Watt's arrogance: "I have never been criticized by anyone I respect." His missionary zeal to immediately liquidate Federal assets denies our heirs any voice in determining whether, when and how their trust principal might be sold. Does his great haste to divest spring from a fear that they might choose a different course?

No economic theory can justify privatization-at-any-cost. Only Mr. Watt's personal ideology can. His faulty economics demonstrates that he is as oblivious to the rules of the marketplace as he is to the rules of responsible leadership. He is selling off the principal of our trust—at bargain prices.

We should immediately fire the trustee.●

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

● Mr. HELMS. Mr. President, paragraph 2 of the rule XXVI of the Standing Rules of the Senate requires that each committee of the Senate publish its rules in the CONGRESSIONAL RECORD not later than March 1 of each year.

Therefore, I submit for the RECORD the following rules which were adopted by the Committee on Agriculture, Nutrition, and Forestry to govern committee procedure for the 98th Congress. These rules are identical to those adopted by the committee for the 97th Congress.

The rules follow:

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

1. Regular meetings shall be held on the first and third Wednesday of each month when Congress is in session.

2. Voting by proxy authorized in writing for specific bills or subjects shall be allowed whenever a majority of the committee is actually present.

3. To assure the equitable assignment of members to subcommittees, no member of the committee will receive assignment to a second subcommittee until, in order of seniority, all members of the committee have chosen assignments to one subcommittee, and no member shall receive assignment to a third subcommittee until, in order of seniority, all members have chosen assignments to two subcommittees.

4. Six members shall constitute a quorum for the purpose of transacting committee business: *Provided*, That for the purpose of receiving sworn testimony, a quorum of the committee and each subcommittee thereof shall consist of one member.[1]

DANIEL R. McLEOD

● Mr. HOLLINGS. Mr. President, I rise today to give recognition to a good friend and very distinguished South Carolinian, Daniel R. McLeod, who, after 24 years of dedicated service as attorney general of South Carolina, recently retired from office.

Dan McLeod sets the standard by which not only South Carolina's attorney general should be measured, but, in my opinion, the standard by which all State attorney generals should be measured. His standard was excellence. In devoted service to the citizens of South Carolina he consistently demonstrated mature judgment, expert knowledge of the legal process, outstanding character, and a loyalty to the traditions of constitutional government which we all cherish. The fact that he was six times elected by the citizens of South Carolina to this important and demanding position is tribute itself of the respect that Dan commanded.

On January 6, 1983, Dan's friends and associates joined in grateful tribute to acknowledge his exemplary contribution to our State. To commemorate the occasion and recognize my good friend, who is the "dean" of South Carolina attorney generals, if not all State attorney generals, I submit the following excerpts from the program printed in his honor and ask that they be printed in the RECORD.

The material follows:

AN HISTORICAL PERSPECTIVE

Daniel R. McLeod was born in Sumter, South Carolina, on October 6, 1913, the fourth son of the Reverend Daniel Melvin and Bertie Estelle (Guyton) McLeod. His father, a Methodist minister, served as the pastor of many churches and, for that reason, Mr. McLeod grew up throughout South Carolina. His college education was interrupted first by the Great Depression of the 1930s and then by World War II. He attended Wofford College in 1932-1933 but the next year left school to work in a CCC camp building fire towers throughout the State. He continued his college education on part-time basis from 1935 to 1940 while he was also employed full-time in a variety of jobs. As the clouds of war loomed, he joined the United States Navy and served from 1940 until 1945, primarily in decoding, spending from 1941 to 1943 in London attached to the United States Embassy as an assistant naval attache on the staff of Admiral Alan G. Kirk, Commanding Officer of Amphibious Forces—Atlantic Fleet. By the end of the War, he was the commanding officer of an LST. After being discharged as a lieutenant in 1945, he entered the University of South Carolina Law School, where he graduated with a bachelor of laws degree in 1948. He practiced law with a Columbia law firm for a short while before he joined the South Carolina Attorney General's Office in 1949 as an assistant attorney general under retiring Attorney General John Daniel. In 1958, Attorney General T. C. Callison announced his retirement after serving two terms and Dan McLeod became a candidate for the office in the Democratic primary. After winning the primary, he ran unopposed in the general election and took office on January 14, 1959. He has held the office from that date to the present.

His first term of office, 1959-1963, was in large part concerned with the then-pending civil rights legislation ultimately enacted by Congress in 1964. Along with Governor Hollings, he testified before the judiciary committees of both houses of Congress numerous times. At home, he conducted an investigation of the penitentiary system, which led to far-reaching changes including the formation of the present Department of Corrections. Following through on a campaign pledge to reform the insurance laws, he was actively involved in supporting legislation enacted during his first term which forms the basis of the State Department of Insurance today.

His second term of office, 1963-1967, was marked by the increased involvement of the federal government in the area of voting rights, culminating in the passage of the Voting Rights Act of 1965. On behalf of the State of South Carolina, he initiated the lawsuit in the original jurisdiction of the United States Supreme Court which challenged the constitutionality of that legislation. He also tested the constitutionality of the apportionment of both houses of the South Carolina General Assembly. On the State government level, he was instrumental in the enactment of legislation assuring all public officials and employees in South Carolina of representation from his office when legal actions are brought against them for acts done in the performance of their official duties.

The period 1967-1971, his third term of office, was undoubtedly the most tumultuous of his career. Declarations of martial law throughout South Carolina were commonplace—the riot at Orangeburg State College, the Charleston hospital strike, the closing of the State parks, the demonstrations at the State House, the sit-in at Rock Hill, the overturning of school buses in Lamar—all of these events occurred during this four-year period. One positive result of the upheaval was that it brought about the passage of needed legislation providing for election law reform, a public employees' grievance procedure and the interchange of local law enforcement personnel and jail facilities among cities and counties in emergency situations.

During his fourth term of office, 1971-1975, a new State Constitution was being developed and the local government and judicial reform amendments were of particular significance to his office. He initiated litigation challenging the then-current court system and thus helped to bring about the implementation of the unified judicial system. He also sued several large drug companies to halt price fixing of broad spectrum antibiotics and recovered a vast amount of money which was then earmarked for public health.

In 1975-1979, his fifth term, his office assisted in the implementation of the home rule legislation, coordinating with local legislative delegations in educating the voters about the expanded role of cities and counties in South Carolina. The recurring controversy over the ownership of the marshlands heated up again during this period. Of enormous importance was the passage of the Freedom of Information Act, which he had recommended and assisted in drafting.

His sixth and final term, 1979-1983, was marked by successful challenges to significant pieces of legislation, including the creation of a court of appeals and a joint legislative appropriations committee. His office also became increasingly involved in the prosecution of politically sensitive crimes and in the enforcement of consumer protection laws.

[1] For further restrictions with respect to proxies and quorums in the reporting of measures and recommendations, see rule XXVI, paragraph 7, of the Standing Rules of the Senate.●

Dan McLeod retires as the senior Attorney General in the United States after a career manifesting the highest caliber of public service. Among his many awards is the Wyman Award presented to him in 1967 by the National Association of Attorneys General in recognition of his outstanding accomplishments. He has been active in that organization, chairing various committees and serving on its executive committee. He is a long-standing member of the Washington Street Methodist Church, where he has taught Sunday School for many years. He also belongs to the Rotary, the Cosmos Club and the Round Fifteen Club. In December, 1958, Ellen LaBorde McLeod, his wife of seventeen years and the mother of Dan, Jr., and Elizabeth Ann, died after a long illness. In 1962, he married Virginia Hart, who has been throughout his career as Attorney General one of his greatest assets.

If leaders are best remembered for their actions taken during crisis and their decisions made amidst controversy, then Dan McLeod's greatest achievement has been his steadfastness in difficult times and decisions when, as during the turbulent 1960s, he stood:

"Like the cliff against which the waves continually break; But, which stands firm and tames the fury of the water around it."—Marcus Aurelius

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[From the Columbia Record, 1965]

CHATTERING LIKE MAGPIES

One of our constant preachments has been a fundamental truth of American life: the studied ignoring of state responsibilities inevitably leads to the erosion of state rights.

Too many South Carolinians, for too many years, have prattled about the rights of the sovereign states without ever doing anything about local responsibilities. Like magpies, these Carolinians have whistled: "States' rights, states' rights, states' rights" and when the moment of decision has come to finance through local taxation, social needs of a state's citizens, they have whistled "No, no, no!"

The sober truth is that we in South Carolina have done nothing about very serious problems that we should have solved before the Federal government entered the picture.

It is good to find one civil servant, Attorney General Daniel McLeod, who has the courage to point out in public address our inconsistencies.

"The inaction of the states," he said in a talk to Manning Rotarians, "has led to the encroachments of the Supreme Court and of Congress upon states' rights. They (the states) have not obeyed their own Constitutional dictates. They have not kept the faith."

McLeod cited the Clarendon County school case as an example. Before the court in 1954, the state of South Carolina was forced to admit that Negro school facilities, although indeed separate, had not been kept equal and were in fact inferior to those enjoyed by white students.

Additionally, the voting rights legislation in Congress has come about "because we have not kept the faith so far as elections are concerned. There has been widespread abuse of elections. Many have often failed to vote, though all admit the importance of voting."

These matters are water over the dam. What of the future?

The attorney general's counsel should be accepted by all Carolinians. "We must exercise our system of states' rights," he said, "without too much dependence on the Federal government. States' rights begin here, at the grassroots level; their proper exercise can make our country great and make our country free."

He said that the only hope is for the states to return to an acceptance of their responsibilities to provide legislation where it is needed, tackling problems before the Federal government does.

Practically, the major problem will involve a restoration of control of tax funds by the states themselves. This is being accomplished, partially, by a maximum of local determination and control in several new Federal programs—including some of the anti-poverty programs.

But the most feasible plan advanced yet is the Heller proposal for the Federal government to return tax monies, unencumbered, to the states. Those very conservative Congressmen and Senators, including South Carolinians, who would alter the plan to retain the money at the source are behaving like Don Quixotes and are damaging, rather than assisting, state's rights.

The other immediate task is for the states to recognize the local needs of the citizenry and meet them, with courage and foresight.

Otherwise, a lot of Carolinians will be chattering like magpies: "States' rights, states' rights: no, no, no!"

[From the Greenville News, 1971]

DAN MCLEOD'S 'LAW AND ORDER'

Short, stocky Daniel R. McLeod, the graying attorney general of South Carolina, is an exemplary advocate of law and order. Though in the past he prosecuted hundreds of blacks and defended the Old South's "way of life" all the way to the U.S. Supreme Court, he believes that the law binds both whites and blacks.

That is why he could take Circuit Judge Wade Weatherford of Gaffney to the State Supreme Court last week, charging that he had no business letting the three white men convicted of rioting in the Lamar school bus incident go free after serving less than their full sentences.

It was not the kind of thing McLeod had to do. Judge Weatherford's action could have been quietly ignored, as it probably would have been by most elected officials in the South. After all, prosecuting the three initially was not popular among many white Southerners. Trying to send them back to jail is tempting political fate.

But Dan McLeod has been South Carolina's attorney general for a long time now, and the people of that state have learned to respect him. He honestly believes that the law is the law. When the state law he was charged with upholding as attorney general called for segregation, he upheld it. When federal law prevailed and called for desegragation, he upheld that, too.

He makes the phrase "law and order" mean something more than a Southern slogan for keeping black people in their places. He thinks it ought to keep convicted white rioters in their places, too.●

NEW U.S. WEAPONS ARE RAISING NUCLEAR FEARS

● Mr. DODD. Mr. President, if U.S. arms control policy is to be effective in reducing the dangers of nuclear war, it must look beyond current disputes and present capabilities and address those problems looming just over the horizon. One such emerging problem is the development by both nuclear superpowers of substantial first-strike capabilities. If current trends remain unchecked, the nuclear arms balance could become dangerously unstable, with each side's ICBM's on a hair trigger.

One perceptive and thoughtful observer of this issue is our distinguished colleague from Delaware, Senator BIDEN, who has warned us of this impending situation and has urged special attention to crisis stability in our arms control negotiations.

I ask that two articles from the Washington Post which help detail Senator BIDEN's analysis be printed in the RECORD.

The articles follow:

[From the Washington Post, Jan. 4, 1983]

(By Joseph R. Biden Jr.)

NO FIRST STRIKE

The controversy over the MX missile has obscured a much more serious issue—the projected expansion of U.S. capabilities for launching a disarming first strike against the strategic missile forces of the Soviet Union.

If these plans are unchecked by effective arms-control agreements—agreements much different from those proposed by the Reagan administration—we face the risk that both superpowers will put their nuclear forces on a hair-trigger, leaving a margin for error so narrow that a computer malfunction or a misread radar blip could lead to annihilation.

According to unclassified data analyzed by the Congressional Budget Office, the United States today has an arsenal of about 2,500 hard-target warheads, too few to permit a high-confidence attack of two nuclear weapons each on Soviet silos and command bunkers. By 1996, however the combined effect of planned U.S. strategic modernization programs—the MX, Trident II and cruise missiles, along with the B1B and Stealth bombers—will triple our capabilities. The planned 1,000 MX missile warheads would account for only slightly more than 10 percent of this potent force.

Our concern about the theoretical vulnerability of our Minuteman missiles has been mitigated by our confidence in the survivability of our Poseidon and Trident nuclear submarines and strategic bombers on alert. Even after a surprise attack, we would have several thousand surviving warheads and the means for delivering them in a devastating counterattack against the Soviet Union.

From a Soviet planner's perspective, however, a U.S. capability for destroying the U.S.S.R.'s land-based missiles (over 70 percent of Soviet strategic forces), as well as submarines in port and bombers on the ground, would constitute an overwhelming first-strike threat.

Of course, the United States does not—and should not—intend to initiate a strategic nuclear exchange. But military planners everywhere are obliged to focus on capabilities rather than intentions. Just as we structure our defense on the hard evidence of Soviet capabilities rather than on ambiguous and changeable assessments of Soviet intentions, we must expect the Kremlin to do the same. The easiest, most likely Soviet response to the expanison of American hard-target forces is to put their own mis-

siles on a quick-launch hair-trigger, the same posture our own military experts considered but rejected as too dangerous and destabilizing.

In time, the Soviets might deploy more of their missiles at sea, although they understandably have less confidence in the survivability and retaliatory effectiveness of their submarines. If instead they develop a large mobile ICBM force, the chances of obtaining tight and verifiable arms-control agreements will sharply diminish. In the meantime, with a fragile nuclear balance, we will be in a period of maximum danger.

Unfortunately, the administration's arms-control proposals will not prevent either nation from posing a first-strike threat to the other's land-based forces. Under the START plan, each side could still have 2,500 highly accurate ICBM warheads, at least three for each ICBM (up to a total of 850) allowed to its adversary. START, therefore, will not put a stop to the danger of mutual first-strike vulnerability.

The history of nuclear arms control has been disappointing precisely because arms-control agreements have consistently lagged behind the technology curve—limiting yesterday's weapons while preserving today's development programs and thus ensuring further security problems tomorrow. With the possible exception of the 1982 treaty on anti-ballistic missile systems, we have never successfully harnessed the future threats that inevitably become the present danger.

We now recognize, with the usual acuity of hindsight, the catastrophic consequences of our failure to prevent the development of multiple-warhead (MIRV) missiles in the late 1960s. Even hard-line opponents of earlier arms-control agreements now suggest a return to single-warhead missiles.

The SALT II treaty, with its limits on warheads and new missile types, would have at least postponed the period of mutual vulnerability. Now, given the rapidly developing new systems on both sides, we must devise new solutions or risk nuclear instability toward the end of this decade.

We don't have much time. We must invest the few years we do have in negotiations toward agreements conferring no first-strike advantage to either side.

It is insufficient to limit our focus to symbolic objectives like numerical equality, lower force levels and matching capabilities. Instead, we should concentrate on achieving crisis stability where neither side could gain advantage by striking first and where both have confidence in their retaliatory forces. To achieve such stability, we have to link our weapons programs directly to our negotiating strategy so that neither contradicts or cancels out the other.

Until and unless we make this linkage, our strategic programs—and, similarly, new Soviet systems—will only exacerbate, rather than solve, our security problems. Defense programs unrestrained by consideration of likely Soviet responses and their consequences will, ironically, weaken deterrence. And the tens of billions of dollars spent on these new technologies will result ultimately, not in American superiority, but in greater mutual insecurity.

[From the Washington Post, Dec. 27, 1982]

NEW U.S. WEAPONS ARE RAISING NUCLEAR FEARS

(By George C. Wilson)

A few days before Congress adjourned, Sen. Joseph R. Biden Jr. dared to suggest publicly that the Soviets soon will have more to fear from our nuclear weapons than we now fear from theirs.

While that might sound like good news, it is bad news if one accepts the popular wisdom of the nuclear age that the best way to keep the United States and the Soviet Union from blowing each other up, along with much of the world, is to make pushing the button first look suicidal.

But new nuclear weapons both sides are building challenge that wisdom as never before.

Missiles are becoming so accurate and powerful that there may be no way to keep land missiles from being destroyed in a surprise attack.

This increases the temptation to fire at the first warning of attack rather than risk having missiles caught in their silos.

War planners in both Washington and Moscow must deal with the growing arsenal of first-strike weapons threatening their countries.

The Soviets already have their SS18 and SS19 silo busters on the line and are working on a better one. The United States plans to have two new silo busters deployed before the decade is out: the MX land missile in 1986 and the D5 Trident II submarine missile in 1989.

Biden is one of the few senators who has stepped back far enough from the debate over how the MX should be based to warn of the possible long-range consequences of deploying such weapons. He told Defense Secretary Caspar W. Weinberger at the Senate Foreign Relations Committee hearing last week:

"The Soviet Union has to assume the worst, since in fact we were the only nation to ever drop a nuclear weapon; since in fact we have been the only ones who ever demonstrated the willingness to do that. I believe we never will, but it is prudent for them to plan [for] it . . . .

"With the MX missile, and with the D5, we will be in a position, if we were to choose, which we are not going to choose, to inflict serious damage, overwhelming damage upon the Soviet Union if we struck first—a first-strike capability that far exceeds what the Soviet' first-strike capability is now. Everything that I have been told leads to that conclusion.

"If that is true, I do not know how we can reach an arms control agreement with the Soviet Union if neither of those items are negotiable."

Weinberger replied, "I am not really going to get into any kind of hypothetical speculation about the United States making a first strike or what would happen if we did, because it is totally opposed to our policy. Our policy is to deter a first strike." He added that President Reagan's arms control proposal "provides for substantially, vastly lower levels than now exist on both sides."

The SS18, SS19, MX and D5 are all designed to carry several nuclear warheads into space and launch each one at a precise point along the flight path. Once dropped off the missile "bus," the warhead is supposed to glide like a paper airplane to its target and explode over the missile silo or on the ground near it. Sending two warheads to one missile silo, thus bracketing it with thousands of tons of explosive power, virtually assures destruction of present-day silos.

The Pentagon claims the Soviets already have so many silo-busting missiles that their warheads could bracket the existing U.S. force of 1,000 Minuteman and 51 Titan intercontinental ballistic missiles, destroying 90 percent of them. It would take less than half of the Soviets' land missile force to do this, according to the Pentagon.

The United States is responding to this threat both defensively and offensively. It is searching for better ways to base land missiles to ensure they could survive a surprise attack by even this new generation of warheads. It is building the MX and D5 hard target killers to threaten the Soviets in kind.

Although Weinberger stresses that the United States has no intention of launching a first strike against the Soviet Union with these new missiles, war planners the world over focus on capabilities, not proclaimed intentions. And there no longer is any secret about the first-strike capabilities of the Soviet and American blockbusters already deployed or on the way.

In contrast to the secrecy wraps the Air Force tried to put on first-strike capabilities of missiles in the past, former Air Force chief of staff Lew Allen Jr. has said that "it is a fact that the MX program will have some first-strike capability."

Air Force Brig. Gen. J. P. McCarthy, in briefing the House Appropriations subcommittee on defense on the MX "Dense Pack" deployment scheme, said that with that new weapon "we put Soviet hard targets at risk, which is the principal reason why we need the MX missile."

As for the D5 missile destined to go inside Trident submarines, it, too, will have first-strike potential, at least in the eyes of Soviet worst case planners, because its warheads will be accurate and powerful enough to blow up silos or underground command centers. Rep. Thomas J. Downey calls the D5 "the ultimate first-strike weapon" because the submarine could fire it at such a low trajectory that Soviet warning radars could not see it coming.

Edward Rowny, chief U.S. negotiator at the strategic arms reduction talks (START) in Geneva, told The Washington Post that "we want the Soviets to worry about our counterforce capabilities in the 1990s the way we have been worrying about theirs in the 1980s." A counterforce weapon is one that can destroy missile silos or other protected military forces.

Rowny reasoned that such mutual counterforce threats would help, rather than hinder, arms control negotiations, while critics contend that such a gun-to-the-temple approach threatens to destabilize the balance of terror between the two superpowers.

Forty House members are so alarmed about the dangers of the United States and the Soviet Union menacing each other with first-strike weapons that they have introduced a resolution in an attempt to force the Congress to look before it leaps any farther down this path.

The resolution, to be reintroduced next year, calls for Congress to resolve that as part of the START talks the United States and the Soviet Union "should place the highest priority on efforts to reduce and eliminate the fear by either nation of a nuclear first strike against it by the other, and should seek a verifiable agreement that produces stability in the strategic relationship between the two nations by ensuring that a nuclear first strike would not confer upon the attacking nation even a hypothetical advantage."

Rep. Albert Gore, Jr., son of the senator who took a leading role in arms control efforts in the 1960s; Rep. Les Aspin, a member of the House Armed Services Committee,

and Downey, a former delegate to the arms control talks, are at the forefront of sponsors trying to make the resolution a vehicle for assessing the long-term consequences of deploying first-strike weapons.

They contend that it is no longer the number of weapons that threatens to upset the balance of terror, but the type of weaponry. START, they warn, would allow each side to deploy so many silo busters that neither nation's land missiles would be safe from being bracketed by nuclear warheads.

A recent Library of Congress analysis buttresses this view by concluding that, under START, both the United States and the Soviet Union would be able to gang up on each other's land-based missiles with multiple, independently targetable reentry vehicles, known as MIRVs. Rowny confirmed that this could happen under START, adding that it underscores the need to find a way to make land missiles more survivable.

Gore said in an interview that the long, vain struggle to find an impregnable home for the MX should serve notice that "the only way to make it survivable is through arms control."

He said that even if the United States and the Soviet Union deployed the same number of silo-busting missiles, there would not be a stable balance of terror. Each side would still worry about losing its missiles to the other, he said, and "this would be an instable balance."

By pushing for deployment of large numbers of the MX and D5 missiles, Gore contended, the Reagan administration is trying to open up "an intimidation gap" on the Soviets. "The window of vulnerability is really vulnerability to political intimidation," he said. "The intimidation stems from the fear that one side might carry out a successful first strike."

Aspin said he believes the prime objective of arms control should be "to reduce the probability of war breaking out." Under this definition, he said, the United States and the Soviet Union would be less likely to start a nuclear war if each knew the other had so many weapons that not enough of them could be knocked out in a first strike to make it worthwhile; the retaliatory wave would be too great.

Even if both sides should agree to deploy a smaller number of first-strike weapons, Aspin reasoned, "we've got an unstable situation because the guy who fires first has the advantage."

He said he has been voting to develop the MX and D5 hard target killers because he did not want to give the Soviets a free ride and "I wanted to force the issue up" at the talks in Geneva.

Asked why Weinberger has not endorsed the first-strike resolution, Downey said, "The people around him are patently hostile to arms control." Downey added his opinion that, on the basis of congressional questioning, Weinberger does not understand the geo-political implications of strategic weapons such as the MX and the D5. Downey said it is simplistic of Weinberger and others in the administration to keep saying that the president wants to reduce the number of weapons on each side without at the same time appreciating that "it is the types of weapons that are important, not the number of weapons."

The effort to gain control of silo-busting weapons is reminiscent of the unsuccessful effort in 1969 of then senator Edward W. Brooke Jr. to persuade President Nixon to halt development of MIRV warheads, which now confront the United States and the Soviet Union with first-strike threats. Lamented former secretary of state Henry A. Kissinger in looking back in 1974 on the administration's decision to go full speed ahead with MIRV: "I wish I had thought through the implications of a MIRVed world."●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of a proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point a notification which has been received.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., February 18, 1983.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 83-17, concerning the Department of the Army's proposed Letter of Offer to Lebanon for defense articles and services estimated to cost $25 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

WALTER B. LIGON,
Acting Director.

Attachments.

[Transmittal No. 83-17]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Lebanon.

(ii) Total Estimated Value: Major Defense Equipment,[1] $21 million; Other, $4 million; Total, $25 million.

(iii) Description of Articles or Services Offered: One hundred seven M113A2 armored personnel carriers, to include communications equipment and M2 .50 caliber machine guns, spares, and support equipment.

(iv) Military Department: Army (USA).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Included in report for quarter ending December 31, 1982.

(viii) Date Report Delivered to Congress: February 18, 1983.

[1] As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

LEBANON—ARMORED PERSONNEL CARRIERS

The Government of Lebanon has requested the purchase of 107 M113A2 armored personnel carriers, to include communications equipment and M2 .50 caliber machine guns, spares, and support equipment at an estimated cost of $25 million.

This sale will contribute to the foreign policy objectives of the United States by enabling Lebanon to increase its capability to provide for its own security and defense. As the Lebanese Government reasserts itself in the wake of recent hostilities, well equipped and trained armed forces are essential to assuring the nation's sovereignty.

These armored personnel carriers will be used to upgrade one brigade and equip one additional brigade of the Lebanese Army. The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be FMC of San Jose, California.

Implementation of this sale will require the assignment of four additional U.S. Government personnel to Lebanon for 10 days at the time of vehicle delivery.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

THIRTY-EIGHTH ANNIVERSARY OF IWO JIMA FLAG RAISING

● Mr. BURDICK. Mr. President, today is the 38th anniversary of the raising of the flag of the United States on Mount Suribachi, Iwo Jima, Japan, by the 28th Marines. One of the marines on Mount Suribachi that day was Tom Stallman, a lifelong resident of North Dakota, and a friend and assistant of mine.

The raising of the flag on Mount Suribachi did not end the battle for Iwo Jima. It became one of the bloodiest battles in the long and heroic history of the Marine Corps. Tom Stallman saw the battle through nearly to the end.

History has treated thoroughly the valiant and determined and successful Marine Corps assault on Iwo Jima. I cannot add to that. But, as a nation, we are everything that we as individuals have been. No single event in our long history can lay claim to any monopoly of our citizens' patriotic service. But, we need to take occasions such as today to remind us of where we have been, and honor those who served and survived, and those who served and did not.●

RULES FOR THE COMMITTEE ON SMALL BUSINESS OF THE U.S. SENATE FOR THE 98TH CONGRESS

● Mr. WEICKER. Mr. President, pursuant to rule XXVI, paragraph 2, of the standing rules of the Senate, I submit for publication in the CONGRESSIONAL RECORD, the rules of the Committee on Small Business for the 98th Congress, which were adopted by the

committee on January 26, 1983, as follows:

RULES OF PROCEDURE OF THE COMMITTEE ON SMALL BUSINESS, U.S. SENATE, 98th CONGRESS

1. GENERAL

All applicable provisions of the Standing Rules of the Senate and the Legislative Reorganization Act of 1946, as amended, shall govern the Committee and its Subcommittees. The Rules of the Committee shall be the Rules of any Subcommittee of the Committee.

2. MEETINGS AND QUORUMS

(a) The regular meeting day of the Committee shall be the first Wednesday of each month unless otherwise directed by the Chairman. All other meetings may be called by the Chairman as he deems necessary, on three days notice where practicable. If at least three Members of the Committee desire the Chairman to call a special meeting, they may file in the office of the Committee a written request therefor, addressed to the Chairman. Immediately thereafter, the Clerk of the Committee shall notify the Chairman of such request. If, within three calendar days after the filing of such request, the Chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the Committee Members may file in the Office of the Committee their written notice that a special Committee meeting will be held, specifying the date, hour and place thereof, and the Committee shall meet at that time and place. Immediately upon the filing of such notice, the Clerk of the Committee shall notify all Committee Members that such special meeting will be held and inform them of its date, hour and place. If the Chairman is not present at any regular, additional or special meeting, the ranking majority Member present shall preside.

(b)(1) Nine Members of the Committee shall constitute a quorum for reporting any legislative measure or nomination.

(2) Six Members of the Committee shall constitute a quorum for the transaction of routine business, provided that one minority Member is present. The term "routine business" includes, but is not limited to, the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments.

(3) In hearings, whether in public or closed session, a quorum for the taking of testimony, including sworn testimony shall consist of one Member of the Committee or subcommittee.

(c) Proxies will be permitted in voting upon the business of the Committee by Members who are unable to be present. To be valid, proxies must be signed and assign the right to vote to one of the Members who will be present. Proxies shall in no case be counted for establishing a quorum.

(d) The Chairman and Ranking Minority Member shall serve as ex officio members of all subcommittees on which they to not serve as members.

3. HEARINGS

(a)(1) The Chairman of the Committee may initiate a hearing of the Committee on his authority or upon his approval of a request by any Member of the Committee. The Chairman of any subcommittee may, after approval of the Chairman, initiate a hearing of the subcommittee on his authority or at request of any member of the subcommittee. Written notice of all hearings shall be given, as far in advance as practicable, to Members of the Committee.

(2) Hearings of the Committee or any subcommittee shall not be scheduled outside the District of Columbia unless specifically authorized by the Chairman and the Ranking Minority Member or by consent of a majority of the Committee. Such consent may be given informally, without a meeting.

(b)(1) Any Member of the Committee shall be empowered to administer the oath to any witness testifying as to fact if a quorum be present as specified in Rule 2(b).

(2) Any Member of the Committee may attend any meeting or hearing held by any subcommittee and question witnesses testifying before any subcommittee.

(3) Interrogation of witnesses at hearings shall be conducted on behalf of the Committee by Members of the Committee or such Committee staff as is authorized by the Chairman or Ranking Minority Member.

(4) Witnesses appearing before the Committee shall file with the Clerk of the Committee a written statement of the prepared testimony at least 24 hours in advance of the hearing at which the witness is to appear unless this requirement is waived by the Chairman and the Ranking Minority Member.

(c) Witnesses may be subpoenaed by the Chairman with the agreement of the Ranking Minority Member or by consent of a majority of the Members of the Committee. Such consent may be given informally, without a meeting. Subpoenas shall be issued by the Chairman or by any Member of the Committee designated by him. Subcommittees shall not have the right to authorize or issue subpoenas. A subpoena for the attendance of a witness shall state briefly the purpose of the hearing and the matter or matters to which the witness is expected to testify. A subpoena for the production of memoranda, documents and records shall identify the papers required to be produced with as much particularity as is practicable.

(d) Any witness summoned to a public or closed hearing may be accompanied by counsel of his own choosing, who shall be permitted while the witness is testifying to advise him of his legal rights.

(e) No confidential testimony taken, or confidential material presented to the Committee, or any report of the proceedings of a closed hearing, or confidential testimony or material submitted voluntarily or pursuant to a subpoena, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee.

4. AMENDMENT OF RULES

The foregoing rules may be added to, modified or amended: provided, however, that not less than a majority of the entire Membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.●

CONCLUSION OF MORNING BUSINESS

Mr. BAKER. Mr. President, will the Chair inquire if there is further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RECESS UNTIL 1:15 P.M.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now stand in recess until 1:15 p.m. today.

There being no objection, the Senate, at 12:05 p.m., recessed until 1:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mrs. KASSEBAUM).

QUORUM CALL

The PRESIDING OFFICER. The Chair, in her capacity as a Senator from Kansas, suggests the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

SHIPPING ACT OF 1983

Mr. BAKER. Mr. President, to review the bidding, so to speak, last evening the Senate adjourned. This morning, when we reconvened, it seemed for a brief and tantalizing moment that we might work out an arrangement for a time certain to vote at least on cloture on the bill which we are trying to consider, which is the shipping bill, so called, S. 47, Calendar Order No. 13.

After a series of conferences and conversations on that subject, it became clear that, at this moment, at least, it was not possible to work out that agreement. I choose those words, I hope, with care and precision because I place the emphasis on "this moment." I continue to hope that we can work out an arrangement that will permit us to get on this bill promptly, to debate it as the Senate may wish and finally to dispose of it, including a vote on cloture and finally the bill itself in due course. But it is clear that is not possible at this moment.

Therefore, I have no further unanimous-consent requests to make at this time. But I urge Members who have a particular and significant interest in this matter to continue to try to come to terms on how the matter might be resolved procedurally.

In the meantime, Mr. President, I think there is no alternative except to try to reach the matter by unanimous consent or by motion. In a moment I will put a request. I fully expect that my friend from Ohio will object to that. He knows, of course, if he does object I will move to the consideration of the shipping bill. That motion is debatable, the morning hour having ended.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar Order No. 13, S. 47.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. There is an objection.

Mr. BAKER. Mr. President, I now move that the Senate proceed to the consideration of S. 47, the shipping bill, Calendar Order No. 13.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, while the majority leader is still on the floor, I would like to say that indeed we did come very close to striking an accord with respect to a time certain to vote on a cloture motion and agreement, if that were to be the case, to forgo further debate in connection with the motion to proceed and to get on the bill itself.

As I had indicated this morning, I was not prepared to object and attempted to make it clear that I felt that there were Members on both sides of the aisle, Members such as Senator THURMOND who has a number of amendments, Members such as Senator HATCH who has some major concerns with respect to the bill, and any number of others who do wish to address themselves to the bill.

However, I think that the discussions broke down on a question of what would happen, when and if this measure is adopted by the Senate, assuming that the Thurmond amendments might very well be adopted. A concern that some of us had was that what might be gained on the floor of the U.S. Senate might be lost in conference committee if the conference committee makeup were not sufficiently protective of the position of the Senate.

I might say that, speaking for myself—and I think I reflect a number of views from a number of other Members—if at any time you can work that matter out so that both of these committees that have strong interests in this matter—the Commerce Committee and the Judiciary Committee—are satisfied, I would be prepared to permit the motion to proceed to go forward without further debate, and I also would be accommodating and would be prepared to enter into an agreement with respect to a time certain on a cloture vote.

Having said that, we are not at that point at this moment. I understand the efforts on the part of the majority leader. Under the circumstances, I gather that there is really no alternative at this point but for us to continue to debate, at least on the motion to proceed. But if there are any developments along that line, I am, for one, prepared to sit down in a conciliatory manner and try to work the subject out.

Mr. BAKER. Will the Senator yield to me for a moment without losing his right to the floor?

Mr. METZENBAUM. Without losing my right to the floor and without it being considered as a second speech.

Mr. BAKER. Mr. President, I thank the Senator. Of course I will consult with him if there are further developments on the matter, and indeed, I hope there will be further developments. But one way or other we have to dispose of this matter, and I will keep him advised.

Mr. METZENBAUM. I appreciate the responsibility of the leader and I thank him for his efforts in attempting to bring this matter to an amicable solution.

Mr. President, I intend to debate this matter and discuss it and indicate some of the aspects of it that, in my opinion, are not in the best interest of the American people nor the economy.

But so that those who are in earshot of my remarks may know my position, I am prepared to yield to any other Member of the Senate who wishes to address themselves to this subject, whether in support of the motion to proceed or in opposition to the motion to proceed.

Yesterday, I spoke about the fact that this bill would, in the main, help financially ocean carriers who wish to engage in a cartel with respect to setting prices and allocating shipping routes and really in essence to eliminate competition. Yesterday, I pointed out that 72 percent of the cargo that is affected by this bill is carried by foreign carriers and that 80 to 85 percent of the carriers affected by this bill are foreign carriers.

I further pointed out that the Bureau of Competition, speaking on behalf of all five members of the Federal Trade Commission, in a rare and unusual circumstance, came before the committee and indicated its opposition to this legislation. Now that is unusual because that is the first time that they have done that in the last 2 years, since May of 1981.

But, beyond that, there has been some change in the makeup of the Commission. Three of those members are members of the majority party, and two are members of the minority party. Two members including the chairman are appointees of this administration. So you have this situation where this matter is so egregious that we find the Bureau of Competition making it a point that they are speaking on behalf of all five members of the FTC in opposition to this bill because they know that it will increase the cost to the American consumer.

There is not any person who believes in free competition, Democrat or Republican, conservative or liberal—no matter what the political philosophy—who really in good conscience can say that this legislation will foster competition.

I address myself for the moment to the Presiding Officer who has a different political philosophy than I have. The fact is that this bill is eliminating free competition. It is permitting a cartel to operate. It is driving up consumer prices. It is helping foreign carriers far more than American carriers. It is opposed by the House Republican Research Committee as not being good legislation and not being in accord with Republican philosophy.

This bill is opposed by the Wall Street Journal, by the New York Times, and the Washington Post.

The bill is opposed by the National Farmers Union, National Farmers Organization, the American Association of Retired Persons, the Consumer Federation of America, Congress Watch, and the Consumers Union. Every consumer would have to be against this bill, but every believer in free enterprise ought to be against this bill because it is an antifree enterprise bill.

Antitrust is not a new subject in our country. It first came into being when a Republican Senator by the name of John Sherman, who I am proud to say came from my State, caused to come into being and led through this Congress a measure known as the Sherman Antitrust Act. Over the years it has been interesting to note how both Republican and Democratic administrations have stood up and fought for effective antitrust legislation and enforcement.

I wish every Member within earshot of my voice to note what I am about to say because this Senator has on occasion after occasion sharply challenged the position of the present head of the Antitrust Division of the Department of Justice, Mr. Baxter. I have not hesitated to say that I thought he ought to return to the campus at Stanford University because he did not believe in antitrust enforcement and he did not believe in some of the decisions that the courts have made over a period of years.

But having said that, I want this body to understand that this man with whom I totally disagree in so many matters, and whom I have claimed has not been in favor of effective antitrust enforcement, on this matter, he, too, believes it is bad legislation and is opposed to it.

As a matter of fact, there was little time which the Judiciary Committee was accorded to consider this matter. Mr. Baxter was supposed to come before our committee to testify, but apparently he got his marching orders from other members of the Cabinet that he was not to appear and he did not appear. But there is no secret about the fact—and it is an openly dis-

cussed matter—that Mr. Baxter is opposed to this legislation because it has to do with horizontal price fixing. That is price fixing between two competing ships—only in this case many more than two—entering into a cartel. Under those circumstances, who wants this bill, other than the carriers' lobby?

My good friend from Washington has said "Do not worry. The bill also authorizes a cartel for the shippers."

Well, that is not going to help very much because many of the shippers involved in that cartel are big enough and strong enough to protect themselves, but it is the little guy, the small businessman, who is being forced out of business because he cannot stand the heat, because he cannot afford to keep his prices up and he wants to cut his price to get a fair share of the business.

The recyclers of this country came before our committee and said, "This bill will practically decimate our industry. We will not be able to ship overseas. The price will be too high, and if we cannot ship overseas we may not be able to be in business in this country."

That would affect our balance of payments and that would add to the bankruptcy rate in this country. So why pass it?

The American Association of Exporters & Importers indicated they are opposed to this bill. The Dow Chemical Co., indicated they are opposed to this bill. The National Farmers Union indicated they are opposed to this bill.

I would like anyone to tell me and explain to me how this bill could possibly help any farmer in this country. My colleagues in this body, including myself, each of us, have a strong constituency of farmers who are striving at the moment to keep their heads above water and to keep their farms from being foreclosed on.

Look at it. If it costs more money to ship soybeans, grain, cotton, wheat, or corn overseas, how can that help the farmer? Is it not bound to have a negative impact? Will it not add to the cost when he competes with the farmers from Argentina, the farmers from Australia, and the farmers from other parts of the world?

How can anyone in this Senate who is concerned about the American farmer vote for this bill? It is no secret that it will add $3 billion to the cost.

My good friend from Washington says, "The shippers are going to be protected because they are permitted this cartel and it is not going to hurt."

I say to Members of the Senate if it is not going to hurt, why are the carriers so much for it? The carriers are for it because they can set prices, divide markets, determine where and how ships will traverse the waters.

Now I want to say one other thing to every Member of this body who is concerned about our economy in general. How is it going to help anybody that ships their products overseas? It has to add to the cost. That means that there will be less product shipped overseas. It means that our balance of trade will be that much more negative.

How is it going to help the American people? What possible advantage can there be in permitting this cartel to fix their prices?

This legislation should never be on the floor of the U.S. Senate. This legislation is not in the public interest. This legislation is harmful, it is hurtful, and I cannot for the life of me understand why the administration is pushing it. There must be something about it that I do not understand.

It is not going to help our subsidy problem because, if anything, it may wind up costing us more in subsidy according to the House Republican Research Committee.

It is not going to help the carriers avert bankruptcy because they are not anywhere close to bankruptcy at the moment. Every single one of them is doing well, according to every published figure that I can find. Nobody has come forward and said that the American carriers, or even the foreign carriers, are desperately hurting.

The GAO has published a report based upon their investigation. That investigation indicated that the American shipping industry is not hurting. I think it was in that report, as well, that I read that every investigation of the American shipping industry has shown that the industry is not worthy of self-regulation.

Some would come and say, "Well, Senator, this bill does not do much more than that which is presently in the law, because under the law at the moment, there may be an exemption from the antitrust law by filing your tariffs with the Federal Maritime Commission." Well, indeed, that is the fact. But then, when you file it, you have the burden to prove that the rate is in the "public interest." The courts have already decided that being in the "public interest" would mean that price competition and concern for the antitrust laws would be taken into account.

(Mr. PRESSLER assumed the chair.)

Mr. METZENBAUM. Another major problem with this bill, Mr. President, is that it moves the shipping industry in exactly the opposite direction that the Congress has taken with respect to every other transportation industry. We have moved the airlines into a brave new world of competitive pricing and the result has been $99 coast-to-coast fares in comparison with fares several times that before deregulation. In all fairness, in some instances, that has also meant that some communities have not had adequate air service, so there indeed is a positive and a negative result. But the fact is that the Congress moved in the direction of deregulation. Deregulation has occurred in the trucking and rail industries by reason of the action of Congress and we shall soon see its effects in the bus transportation sector.

For years, we used Government oversight to watch over price levels and the availability of a range of services in the transportation sector. We have now stepped aside to let the invisible hand of the free market do the regulating instead. But for some reason, we are considering exempting ocean shipping from the discipline of the free market and from regulation as well.

Is this not contrary to the stated public policy and philosophy of our current administration? As I have said before, competition is not liberal or conservative doctrine; it is an American doctrine, at the core of our free enterprise system. This bill is the anti-free-enterprise bill of the session to date.

What, then, is so different about this industry that we would simultaneously free the cartels from both the rigors of the marketplace and the safeguards of regulation? One argument I have heard is that competition is somehow destructive in the ocean shipping business. Mr. President, all that has been destructive about competition in this industry is that the cartels have been so successful in eliminating it.

The industry claims that current law must be changed because the industry has caught itself in a vicious circle of wasteful service competition. It is certainly true that ocean carriers have engaged in vigorous service competition. Now they would have us eliminate this aspect of the free market.

What am I talking about, when I say "service competition"? I am talking about the quality of service. I am talking about the number of deliveries. I am talking about something that every Member of the Senate ought to concern himself about if he has a port in his State. That is the allocation of market areas.

There is nothing in this bill that would secure to the small ports continued service on the ocean carriers. It will be possible for ocean carriers to decide to eliminate some of the small ports in Louisiana, in South Carolina, in Florida, in New York, in Pennsylvania, and Ohio and every other State in this country that is visited by the ocean carriers. Why should they waste their time going to some small port? That costs money. So it would be much easier just to cover the big ports and then say, "Well, we are sorry, you will have to send your product by train or truck for the balance of the trip."

One of the things that is pretty interesting in this bill—and I ask my col-

leagues to pay close attention to what I am about to say. That is that this bill does something very, very unusual. It provides an exemption with respect to the antitrust laws being applicable when the carrier arranges for through transportation.

Do you know what that means, Mr. President? I shall tell you what it means. It means that if an ocean carrier were to travel from some small distance, perhaps from some island 90 miles from the United States, and arrange that the products from that island or to that island would then be transported across the United States, maybe from Florida up to Seattle, the entire agreement would be exempt, exempt from the antitrust law.

Think of what I am saying. I am saying that once you are in ocean transportation under this bill, you get an exemption from the antitrust laws being applicable to the entire transit route.

Nobody cares about the consumer in this bill. But what else is new? Nobody ever seems to care about the consumer in the Congress of the United States, with the exception of some few. No; it is more to worry about the special interest lobbyists and less to worry about the consumers of this country. Why worry about them? They are only people. The lobbyists and the pressure groups—and they come from all different segments of the economy—have their political action committees to press and push for legislation of this kind.

It is bad legislation. Why not let consumers decide what mix of low prices and quality of services they want?

The airline industry has not hesitated in letting price competition work side by side with service competition. I am sure the shipping industry would do the same thing, but the shipping industry does not want to do that. What the industry wants is protection against competitive pricing.

Some would argue, "Well, Senator, but you understand that you do not have to be a part of this cartel. You can have your ship operate on its own."

Indeed, that is permitted under this bill. They do not have to be a part of the cartel. But if you operate as an independent, then under this legislation the members of the cartel may pool their revenues, pool their profits, and then they can send one or two ships out to provide competition with the independent operators.

Let us talk about that a little bit. Shipping companies agree to put all of their revenues together or all of their profits together, all of which is permitted. The profit part would be eliminated under the Thurmond amendment, the revenue part would not be eliminated under the Thurmond amendment. And we decide that there is an independent who is cutting rates. So we assign company X to go down and lowball the price, cut the rate below it.

Now, we watch our step a little bit because there is some kind of a prohibition against predatory pricing. But we say, "Well, we are not going to tell you what to do, but, company X, we think you ought to provide a little more service than they are presently getting in Mobile, Ala., or in some other community." So company X understands what they are saying and nobody ever says that you ought to engage in predatory pricing. Nobody ever says that you ought to cut the rates. But the implication is there, and, frankly, even if the independent lines knew there was predatory pricing, he would have one tough time to ever get any relief. He would have to bring an action before the Federal Maritime Commission. And if the owner of that little ship were very wealthy and could hire experts in Federal maritime law and had all the time in the world and did not worry about whether the case would take 6 months, 1 year, 2 years, or 4, he might have a chance to make his point, but he probably would not personally get that chance; his trustee in bankruptcy would probably be the person who was appearing on his behalf.

What a shameful way to protect the free enterprise system. What an unconscionable approach to permitting free enterprise to work.

In addition to the price cutting, this bill would put an end to service competition, not by allowing healthy price competition to replace it but by eliminating service and competition among ocean carriers altogether.

This industry is deathly afraid of price competition, because it knows that in a free enterprise system, only the firms which offer the lowest prices and the best services survive.

Yes, Mr. President, it is possible that some firms might go out of business if we allow ocean carriers to price compete. Is it bad for inefficient and high-priced firms to go out of business? Of course not. This is the nature of our free enterprise system. I had thought that this was one of the prime beliefs of our current administration. We should certainly not encourage further walls against competition in this or any other industry. This is especially true when the administration's economic policies have put so many people out of work and tightened the budgets of all but the richest consumers.

Some proponents of this anticompetitive measure have claimed that this bill does nothing more than clarify the antitrust exemption that has existed for ocean carriers since 1916. Mr. President, whenever we are told that a measure is only intended to clarify existing law, we should immediately take a closer look. Indeed, this bill clarifies existing law by removing virtually all antitrust scrutiny.

Let me point out just how S. 47 would greatly expand—not merely clarify—the current antitrust exemption. First, under the Shipping Act of 1916, as amended over the years and as interpreted by the Supreme Court, the FMC approves individual agreements among ocean carriers if they are in the public interest. Agreements that would violate the antitrust laws are presumed to be against the public interest. Only if some serious transportation need outweighs the competitive harm can the FMC approve the agreement. Thus, as things now stand, antitrust immunity is allowed only if the FMC finds that it is necessary because of the particular features of this industry. Under the pending measure, though, this balancing test would be eliminated. In fact, actions taken to control, regulate, or prevent competition would be activities within the scope of the act, and completely outside the realm of the antitrust laws.

Second, the revised bill does pay lip service to the idea of competition, but leaves virtually no effective remedy for preventing anticompetitive conduct. The measure allows for no private treble damage actions, no civil or criminal actions by the Justice Department, or the Federal Trade Commission, trusting instead in the oversight of the Federal Maritime Commission. Indeed, Mr. President, "oversight" is the proper term for describing the FMC's historic role in watching out for the ocean carrier industry. A comprehensive study of this industry was done by the prestigious Celler committee of the House of Representatives, culminating in a 1962 report. This study showed an astounding 240 violations of law on the face of agreements filed with the FMC which had gone unprosecuted by the agency. More recently, a 1977 Justice Department study showed how the FMC has been completely ineffective in policing the activities of the conferences.

Third, to add insult to injury, this bill would allow the FMC to exempt from any or all requirements of the act any activities, so long as regulation would not be substantially impaired.

Mr. President, it should be obvious that this bill does much more than merely "clarify." This measure would turn conferences into monstrosities that would have virtually unrestrained power to control the price and availability of crucial transportation services with almost no Government oversight.

Mr. President, the GAO report points out that in 1979, we subsidized the U.S.-flag fleet to the tune of $300 million. Indeed, we have been subsidizing the construction and operation of our vessels since 1936. I can understand the political factors that would

lead the administration to want to move this subsidy off budget when the Federal deficit is at record levels. However, we cannot cure our economic ills through magical accounting tricks. This bill would move the subsidy from the taxpayers to the consumers, and leave the carrier cartels totally in control of the amount of this subsidy. Is this what the administration means by "deregulation"?

Mr. President, we have been told that everyone supports this bill, including the so-called consumers. By consumers, the proponents mean the shippers of oceangoing cargo. But what about the ultimate consumers, who bear the burden of passed on monopoly prices? I have a list here of numerous consumer organizations that vehemently oppose this legislation, because they know that it may cost their members billions every year.

In addition, not all of the shippers themselves favor this bill. I can understand why some of them do, though. The measure has been carefully crafted to grant an antitrust exemption to the shippers too, in the form of so-called shippers' councils. These organizations would allow shippers to get together and set the conditions upon which they will deal with the conferences. Many of the bigger shippers like this idea, because, as Adam Smith pointed out long ago, once you put businessmen from the same industry in the same room, they will eventually move the conversation to the subject of restraining trade among themselves. In addition, the councils would present an opportunity for bigger shippers to take positions before the conferences that would put the smaller shippers at a serious competitive disadvantage. Finally, the GAO report points out that, in the limited experience of shippers' councils in Europe, there is little evidence that they have been successful in holding back the cartels' power to set monopoly prices. They would, however, be successful in giving the shippers an opportunity to foster their own anticompetitive activities.

Yet, despite such antitrust immunity for shippers' councils, some individual shippers still recognize the evils that can flow from this bill and have opposed it. We have heard from the American Association of Exporters & Importers, the recycling and beverage importing industries, the National Farmers Union, the National Farmers' Organization, and Dow Chemical Co. The International Harvester Corp. and Olin Corp. have also been quoted in opposition to this measure.

This bill may also seriously disadvantage small and medium-sized ports. This is because a byproduct of the bill's antitrust immunity for carriers is the ability of the carriers to get together and control the frequency and location of sailings in a process known as rationalization. Of course, this polite-sounding euphemism hides what would be a per se illegal, and probably criminal, antitrust violation in any other industry, known by the less polite name of market division.

While there may be some legitimate reasons for discouraging the high costs that result when firms are insulated from price competition, rationalization could have terribly adverse effects on our Nation's small and medium-sized port cities. Under this bill, carriers would be free to choose arbitrarily among the ports they wanted to use, and leave all of the other ports behind. I need not point out to my colleagues from the many States that have small and medium-sized ports how important shipping revenues are to the economic health of those cities.

I urge my colleagues who have ports in their States to examine carefully into the impact that this bill may very well have on those ports, because I think they will find that there is more than a little likelihood that, under those circumstances, those ports will be affected adversely.

Mr. President, I ask unanimous consent that I be permitted to put in a quorum call without losing my right to the floor and that the resumption of my remarks at the conclusion of the quorum call not be considered a second speech.

The PRESIDING OFFICER. Is there objection?

Mr. GORTON. Mr. President, reserving the right to object, may I inquire as to the purpose of the Senator from Ohio in making this request?

Mr. METZENBAUM. If I may walk over to the Senator.

Mr. President, I have made a unanimous-consent request that I be permitted to enter a quorum call without losing my right to the floor and without it being considered a second speech when I resume my remarks at the conclusion of the quorum call.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that I be permitted to yield the floor without losing my right to the floor, that I yield the floor to the Senator from Wisconsin, Senator PROXMIRE, that upon resumption at the conclusion of his remarks I be permitted to resume my remarks, and that my remarks not be considered a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I rise in support of my good friend, the Senator from Ohio, Senator METZENBAUM.

Senator METZENBAUM is not always right in these crusades he leads, but he is certainly right in this one. I am inclined to feel that he is right about 95 percent of the time.

Mr. President, what Senator METZENBAUM is trying to do in this particular case is to preserve our system of competition, which, of course, as we all know, is unique in the world. I suppose if there is one distinctive element of the American economic system, more than any other nation in the world, we do stress competition as our system of regulation. Absent that system of natural regulation by competition, it would be necessary to have far more Government regulation of wages, prices, and all kinds of other areas. Either that, of course, or the consumer is exploited with the monopolist being able to get whatever price he wishes to get.

S. 47, the Shipping Act of 1983, is a complicated bill. It is a bill that, as I understand it, affects the jurisdiction of at least two committees and, perhaps, others. I cannot understand why this bill, which is so complicated, should be rushed into law before we have an opportunity to make the kind of record which, it seems to me, this sort of far-reaching legislation should command.

Briefly, let me summarize the objections I have to this shipping bill. First and foremost, it is special-interest legislation. Whom does it exempt? It exempts the shipping industry from antitrust legislation. It singles them out. It makes it easier for our Nation's shipowners to agree in concert to charge what they want to charge, to go where they want, reject what they want to reject, and force out of business who they want to force out of business, and not to be worried about court action. It gives special judicial consideration to one industry, the shipping industry, while this country's other industries must abide by the antitrust laws created to preserve one of our country's founding principles, the principle of free enterprise.

Now, Mr. President, the second objection is that this bill proponents say will help the shipping industry which is ailing.

I wonder about that charge that the shipping industry is ailing. The General Accounting Office has made a recent study and they have found that America's fleet is relatively healthy. They say its modest problems arise not from the failure of the conference but from the carriers' failure to adopt modern technology.

Mr. President, if we want to provide assistance for an ailing industry, we ought to take a look at steel. The steel industry is really ailing, far more than the shipping industry. Or machine tools. Or homebuilding—they are flat on their back. Or the construction industry.

Why we should single out the shipping industry as having special treatment with respect to our antitrust laws is very, very hard to understand.

Furthermore, this helps foreign carriers because foreign carriers make up two-thirds of the carriers in the cartel's membership.

The cry has gone out in our country, "Buy American." Americans are sick and tired of watching our industries atrophy while industries of foreign countries flourish because we are buying their products.

Whom do we help here? Help an industry that is helping America like most of our industries are, 90 or 95 percent? This industry is only one-third an industry which provides jobs for Americans.

Americans are sick and tired of other countries crowding our markets while American goods collect dust on store shelves.

The international ocean shipping industry is made up mostly of foreign vessels. For whatever reason, this is a fact of life.

Efforts could be made to change that, to encourage more U.S. shipping, to make it easier for men and women in this country to enter the shipping business. But this bill does not try to solve that problem.

The fact is that almost two-thirds of the ships which transport goods across oceans are owned by other countries. And this bill would help them out. It would help them to continue to flourish. So it is not only special interest for one U.S. industry, it is special-interest legislation which would help the industries of foreign countries.

The American people who support the "Buy American" philosophy may find the Shipping Act ludicrous because of that.

The third objection I have to this bill is that consumers will pay for it. The bill strengthens the power of shipping cartels. It makes them practically immune from court action. This means that the cartels will not hesitate to raise the prices they charge the people who manufacture the goods to be shipped. But the people who are paying to ship the goods will not sit back and pay the increased price. In some cases, as a matter of fact, as we know, there will be a double cartel permitted by this bill. The shipping customers will be able to combine, too. You know who pays the bill then. The ultimate consumer. The little, unorganized consumer in this country. They will pay it all right. They will have to because of this bill.

As I say, the direct customers, most of the customers, of the big ocean shippers will be able to turn around and write it off as an unfortunate business expense or pass it on to the consumer.

Consumer groups oppose this bill. The Consumers Union and the Consumer Federation of America have spoken out against the Shipping Act. During one hearing held on S. 47, consumer groups were not represented or given the opportunity to speak and express their problems with the bill.

That brings me back to my first point, Mr. President. What is the rush? I do not have to remind my colleagues, Mr. President, about the problems facing the men and women of this country. The shipping industry has problems also. I cannot dispute that. What I am disputing is the necessity to rush this bill through when there are many, many other problems needing attention, and when we have 2 years to act on legislation.

This is certainly not emergency legislation in the sense that there is a deadline that absolutely has to be met.

The jobs bill might be considered emergency legislation, if pushed—unemployment, hungry people, bankruptcy businesses, people freezing in the weather, people in need of education, people in need of jobs, people in need of protection by the Senate, people writing us about their problems. But we are grappling with the Shipping Act, which is an act which we can delay.

I do understand that this bill is special-interest legislation. It helps foreign countries. Consumers will pay for it.

The Shipping Act is not easy to understand. It is complicated, lengthy, couched in language few outsiders would understand.

Jay Angoff, of the Public Citizens Congress Watch, testified before the Senate Judiciary Committee last week and explained the bill in terms we can all understand. Mr. Angoff did an excellent job explaining what the bill will and will not do. I would like to read into the RECORD an excerpt from Mr. Angoff's testimony. He said:

> Mr. Chairman, S. 47 expressly allows ocean carriers to (1) "discuss, fix and regulate rates," to (2) "pool . . . net profits," to (3) "restrict . . . the number . . . of sailings between ports," to (4) "limit . . . the volume or character of cargo . . . to be carried," to (5) "engage in exclusive . . . arrangements . . . with one or more marine terminal operators," to (6) "control, regulate, or prevent competition in international ocean transportation," and to (7) "confer with shippers and shippers' councils regarding general rate levels."
>
> In other words, S. 47 is the classic case of allowing shipping company executives to sit down in a smoke-filled room and (1) agree to all charge the same price; (2) agree to divide up their profits according to a pre-determined formula, regardless of the profit (or loss) of any individual shipping company; (3) agree to serve some ports frequently but other ports infrequently or not at all;
>
> Think of that, agree to serve some ports frequently and other ports infrequently or not at all.
>
> They limit competition in that way.
>
> (4) agree to carry certain kinds of cargo frequently but other kinds infrequently or not at all; (5) agree to work exclusively with certain marine terminal operators and not at all with other marine terminal operators; (6) agree to do anything else to prevent competition in international ocean transportation;
>
> With the exception of some enumerated practices that are quite limited.
>
> (7) agree on rates with a group of manufacturers who have already sat down in a smoke-filled room and agreed on rates among themselves.
>
> If people or companies in other industries engaged in any of these practices they would be subject to up to three years in jail or to fines of up to $1 million. This is because these practices all, as the Supreme Court has said, have a "pernicious effect on competition" and "lack any redeeming virtue.
>
> While different economic schools and different administrations might disagree about certain antitrust violations—such as vertical restraints or price discrimination—there is absolutely no disagreement about the kinds of activities that are expressly allowed in S. 47. Because these practices raise prices and restrict output, they are and should be illegal per se.
>
> JUSTIFICATIONS OFFERED FOR EXEMPTING OCEAN CARRIERS FROM THE ANTITRUST LAWS
>
> Those who favor the exemption generally admit that it will raise prices and restrict output, but offer a number of justifications for the exemption. We believe that none of these justifications withstands scrutiny, for the following reasons.
>
> Justification No. 1, "The U.S. merchant marine industry is a declining industry. Unless the government saves it, it will die."
>
> The General Accounting Office has concluded that the condition of the U.S. liner fleet does not justify a major revision of the shipping act. They point out that while the number of U.S. flag general cargo vessels fell from 523 in 1970 to 256 in 1980, and the number of shipping companies fell from 19 to 9 in the same period, the U.S. fleet carried about the same amount of cargo in 1978 as it did in 1970, measured by both value and tonnage. The U.S. merchant marine industry has simply taken advantage of the new containerization technology which enables fewer containerships to transport the same amount of cargo in the same amount of time as conventional vessels.
>
> In comments accompanying the GAO report, the Department of Transportation does not dispute GAO's statistics. DOT does point out, however, that the rate of return on equity for the U.S. flaglines has exceeded 10 percent in only 3 of the last 5 years.
>
> I submit that the industries I mentioned earlier—construction, homebuilding, machine tools, steel—would love to show exceeding 10 percent in 3 of the last 5 years. They are nowhere near that.
>
> DOT also argues that the industry is likely to decline in the future because direct government subsidies to it are being cut.

The consensus seems to be that the industry, while not exactly flourishing, is not dying either. But even if the industry were dying, exempting it from the antitrust laws would be a terribly inefficient way of trying to save it. For an antitrust exemption allows all carriers—both American and foreign—to raise their prices. Since foreign carriers carry more than 70 percent of the ocean going traffic, whether measured by dollar value or tonnage, they can be expected to get more than 70 percent of the antitrust exemption's benefits. If the government determines that the U.S. merchant marine industry must be subsidized, there must certainly be less expensive, more efficient ways of doing it than by giving foreign carriers almost $3 for each $1 the government gives American carriers.

Mr. President, I am going to have to leave the floor and I thank my good friend from Ohio.

Mr. METZENBAUM. Will the Senator yield for a question?

Mr. PROXMIRE. I shall be delighted to yield for a question. I have some material I would like to speak on a little later.

Mr. METZENBAUM. Is it the understanding that in yielding the floor, the Senator anticipates that he would be accorded future privilege of the floor without being charged with a second speech?

Mr. PROXMIRE. That is possible. If they press that second-speech requirement, I shall have to give a second speech. But I certainly want to return and speak on this subject again. Perhaps I must make a motion I could speak on, if that is possible. But I would like to reserve that right if I could.

Mr. METZENBAUM. Would the Senator from Wisconsin want to ask unanimous consent that he be accorded the privilege of the floor later?

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I be allowed to desist at the moment and speak on this subject later without my speech being charged as a second speech.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, first, I commend the Senator from Wisconsin for his remarks and for his again taking up the cudgel for the people of this country. I do not think any man or woman in the Senate has been more dedicated or devoted to the concerns of the public weal than has the distinguished senior Senator from Wisconsin. Over a period of years, the people of this country have come to know that when he speaks out, he speaks out against special interests and for people's interests. He has never hesitated to expose some of the weaknesses of government itself, weaknesses of special interest groups, and I commend him on his astuteness, on his ability, and on his longtime dedication to the concerns of the American people. I consider it a privilege to have him as an ally in this effort to defeat S. 47.

Mr. President, I think it is important that Members of this body be made aware of the position of the Federal Trade Commission, as enunciated by Thomas O. Campbell, Director of the Bureau of Competition of the Federal Trade Commission. When Mr. Campbell appeared before our committee, he told us that it was indeed a rare occasion when five members of the Federal Trade Commission could agree upon a statement to be made by the head of the Bureau of Competition or in connection with probably any other matter having to do with legislative policy.

In this instance, all five members agreed, two of those members having been appointed by this administration, three of those members being members of the majority party. They found this legislation to be so objectionable that they authorized Mr. Campbell to speak on behalf of the Bureau of Competition and the Federal Trade Commission before the Senate Judiciary Committee on February 17 of this year. I therefore feel it important that I share with my colleagues Mr. Campbell's comments. I therefore shall now read into the RECORD much of what Mr. Campbell had to say:

Mr. Chairman and members of the Subcommittee: I am most pleased to present today the views which the Federal Trade Commission has authorized me to express concerning the Shipping Act of 1983. At the very first, let me explain that I speak from the point of view of the Bureau of Competition, the antitrust enforcement arm of the Federal Trade Commission. If I have criticisms of the bill, therefore, it is because the mission of the Bureau of Competition is to protect the American consumer from the harms of market power manifest through collusion, monopoly, and other market abuses. I acknowledge, however, that there are other important considerations that must bear analysis in debating this bill; as to those additional concerns unrelated to competition, I am not competent to express any opinion.

One additional introductory comment is necessary. As one familiar with an independent Federal agency engaged in law enforcement, I recognize the difficulty presented to individual citizens, companies, and other organizations from excessive delay and uncertainty. It has been our goal at the Federal Trade Commission to eliminate delay as much as possible and increase the predictability of what we do. From this perspective, I must express my admiration for the job Chairman Alan Green is doing at the Federal Maritime Commission. The proposals in this bill to shorten the time for FMS review, and to set a 180-day maximum for full-scale adjudication of contested issues under this act, represent a model effort at administrative reform. It is typical of Chairman Green that these would be priorities of his administration at the Federal Maritime Commission. And this observation is also useful in demonstrating that there is much in this bill that is beneficial, and which should be supported. The somewhat critical tone that I will adopt in what I say today must be tempered with this realization, as well as by the recognition that my perspective is limited only to preserving or improving competition in this industry.

The Federal Trade Commission has for some time been concerned about competition in the transportation industries. In years past, the Commission and its Bureaus of Competition, Economics, and Consumer Protection have worked with, and appeared before, regulatory agencies such as the CAB and the ICC, as well as with the Congress, in promoting competition in airline, truck, and rail transportation. In the last Congress, the Director of the Bureau of Economics and I presented views on an earlier version of this ocean shipping legislation, H.R. 4374, to the House Judiciary Committee Subcommittee on Monopolies and Commercial Law.

There is a long history of formal efforts to eliminate effective competition in ocean liner shipping. Further reduction or elimination of effective competition in liner shipping would be extremely unfortunate.

The result would be to deny to U.S. exporters and importers, and ultimately U.S. consumers as well, the economic benefits of a competitive marketplace.

This is the Bureau of Competition speaking for the Federal Trade Commission. It is not a special-interest group. It is a Government agency.

Going on with Mr. Campbell's remarks:

The liner conferences may be viewed as classic cartels, attempting to eliminate competition and obtain for themselves the benefits of monopoly power. The economic justifications advanced for the conference-cartel system are not convincing. A more competitive market environment could almost certainly provide shippers and consumers with the benefits of desirable efficiencies at a lower cost than under a cartel system.

Thus, we are very concerned about the bill's proposal to abandon almost completely antitrust enforcement in this industry. The antitrust laws are this country's primary means of preserving the economic and consumer benefits of competition. Without antitrust oversight, will market forces and the remaining regulatory structure be sufficient to assure as many of the benefits of competition as possible in the ocean liner industry? My concern is increased by the bill's proposal to eliminate the "public interest" and "detriment to U.S. commerce" standards, thus reducing the remaining Federal Maritime Commission regulatory authority that has helped to control anticompetitive conduct.

I believe that consumer welfare is best served by a policy of promoting competition in ocean liner shipping.

Parenthetically, I as a Senator from Ohio want to say that I could not agree more strongly with Mr. Campbell's comment that consumer welfare is best served by a policy of promoting competition in ocean liner shipping.

It appears, however, that there may be noneconomic reasons to change the procedures used by the United States to do so. Other nations besides the United States recognize the competition problems in liner shipping conferences. But only the United States applies its general antitrust law, with its criminal penalties and private treble damage suits, to the liner industry. It may

be necessary to "place a new emphasis on harmonizing U.S. policies and practices with those of our trading partners," as Senator GORTON stated on introducing this bill. But in so doing, I think we should guard against abandoning the goal of competition in international or domestic commerce.

In some respects, S. 47 compensates for granting broad antitrust immunity, either by making exceptions to the immunity or by prescribing regulatory procedures and standards to protect competition. But in several important respects, S. 47 fails to provide necessary and feasible protections against cartel abuse. Unless these faults are corrected, the Proposed Shipping Act of 1983 will inflict unnecessary injury on the American economy and the American consumer.

TARIFF FILING AND ENFORCEMENT

If it is necessary to grant antitrust immunity to these shipping cartels, then it would seem highly desirable that the FMC's authority over tariff filing and tariff enforcement be repealed. The only practical result of this authority is that the U.S. Government polices and supports the cartel agreements at no cost to the cartels or their members. Federal tariff enforcement helps maintain an antiquated rate structure with little relationship to true costs, and it fails to protect small shippers from discrimination. Moreover, the United States is now one of only a few nations with mandatory tariff filing and with Government-imposed penalties for failure to adhere to filed tariffs. Eliminating this authority would bring U.S. law into line with that of most other trading nations.

Cartel success is dependent upon mechanisms for detecting and deterring cheating by its members. FMC tariff filing and enforcement provides that mechanism at no cost to the conference cartels. Thus, the FMC, by reducing the costs of administering the cartel, increases the potential gains from collusion. Because the greater the expected gains from cartelization, the more likely a cartel is to succeed, FMC policing and enforcement is probably a major, albeit unintended, force for cartel stability. This is contrary to longstanding policy of the U.S. Government to encourage the forces of competition. Appropriate public policy, to be historically consistent and to represent the interests of the American people, should seek to increase the costs of a cartel, not reduce them.

Tariff filing and enforcement also helps perpetuate an inflexible and complex rate structure. Rate complexity results from the traditional emphasis on demand factors, especially the value of the commodity, rather than on the actual inventory and transportation costs of shipment. Different commodities, facing different demand elasticities, are shipped at different rates—even when the cost of providing shipping services is unchanged. Rate uniformity across all carriers results from the conferences' necessary reliance on averages. Uniformity not only provides no incentive for carriers to compete through lower costs but also gives inaccurate prices for guiding production, location, and consumption decisions. Stringently enforced uniform tariffs encourage nonprice competition and thus perpetuate the problem of excess capacity. Without the support that FMC enforcement supplies to cartel stability, individual carriers might find it worthwhile to act independently to set rates to optimize their individual profits, given their specific competitive and cost conditions. The resulting rate structures are likely to be less uniform, but also less complex.

Finally, tariff filing and enforcement do not protect small shippers. Conferences have developed enormously complex commodity rates to provide competitive rates to shippers with alternative means of transportation, primarily large shippers. Small shippers usually cannot get the benefit of these more competitive rates. Instead, conferences can use the rate structure to insure that all possible rents are extracted from the small shipper without eliminating the traffic altogether. FMC enforcement of the rate structure eases their task.

While there are many beneficial purposes cited for official tariff filing and enforcement, I believe these can be accomplished in other ways. If shippers indeed want published tariffs, then commercial publications will appear, as they have in Europe, to provide tariff information. Indeed, it may be unnecessary, and even undesirable, to require commercial publication. If shippers do not in fact need published tariffs, then publication might only help the carriers check each others' prices.

Government oversight should not be needed to prevent discrimination or "malpractice," either. If failure to adhere to announced rates and services unfairly causes damage, then a private right of action for damages or reparations would be available, under the Shipping Act, and should be sufficient to provide a remedy. If there is no injured party, then the only purpose served by requiring letter-perfect adherence to tariffs would seem to be the prevention of competition.

Government enforcement of the conference-cartel agreements is not a long-established industry condition. Tariff filing and enforcement by the Government were never envisioned or recommended by the Alexander report or the 1916 Shipping Act. The FMC has only had these powers since 1961. Moreover, the FMC does not now have the authority to challenge or suspend international liner rates it finds to be unjust or unreasonable (except with respect to controlled carriers, from Communist countries). S. 47 would remove what little authority the FMC now has to protect shippers and consumers against monopolistic rate levels—namely, its authority to disapprove rates "so unreasonable high or low as to be detrimental to the commerce of the United States." I do not mean to suggest that a public-utility style of rate standard should be bureaucratically imposed on this industry.

Mr. President, I ask unanimous consent that I be permitted to enter a quorum call without losing my right to the floor upon the conclusion of the quorum call and that the resumption of my remarks not be considered a second speech.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MURKOWSKI). Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, when I suggested the absence of a quorum, I was in the midst of reading the remarks of Mr. Thomas Campbell, the head of the Bureau of Competition, speaking on behalf of the Federal Trade Commission before the Judiciary Committee of the Senate.

Said Mr. Campbell to our committee:

A more competitive model would be desirable, and feasible. But the regime of tariff filing and enforcement that S. 47 would perpetuate promotes neither competition nor consumer and shipper welfare. It would not be revolution, but only healthy reform, to eliminate these unmistakably anticompetitive Government intrusions into the marketplace.

The major themes supporting this legislation are ending excessive Government regulation and making U.S. law consistent with the practices of other nations. Continuing the FMC's pervasive regulation of tariff filing and enforcement of cartel agreements would seem to contradict both of these important purposes.

INTERCONFERENCE AGREEMENTS AND CONFERENCE-PRESCRIBED JOINT THROUGH RATES

Intermodal transportation is an important and valuable technological innovation. Reduced regulation of motor carriers and railroads has stimulated competition in the development of efficient and innovative intermodal means of transport. It is important to prevent ocean liner conferences from dampening those competitive incentives and from attempting to extend their monopoly power into competitive domestic markets.

Individual ocean carriers should be free to quote through rates and to negotiate such rates with inland carriers. But S. 47 would also allow joint through rates to be set by conference agreement. Through such agreed-upon uniform rates, the conferences may well be able to extend their monopoly position. Shippers or inland carriers may receive few of the savings from intermodal efficiencies; those savings would pass, as monopoly rents, to the cartel.

Allowing liner conferences, through joint agreements for intermodal transportation, to impose the "dead hand" of monopoly on areas of the trucking and rail industry is at odds with recent bipartisan—and widely applauded—legislation. The Staggers Rail Act, the Motor Carrier Act of 1980 and the airline deregulation legislation constituted major milestones in the effort to encourage lower prices and innovation in industries which, for too long, had remained encrusted with pervasive regulation. It would be ironic indeed if, in the name of "deregulation" of ocean shipping, we were to supplant Government regulation of land transport with monopoly abuse by cartels.

Competitive problems raised by intermodal technologies are recognized, and addressed to some extent, in the bill. In many ways, the bill tries to preserve competitive alternatives in inland transportation. All these means—prohibiting conference bargaining with inland carriers, applying antitrust penalties to agreements with inland carriers, and to agreements between ocean carriers on the division of through rates with inland carriers, and requiring optional port-to-port loyalty contracts—would help to prevent some possible competitive abuses. But they would not eliminate completely the conference cartels' potential monopoly power over inland shippers and carriers.

S. 47 would also permit agreements between conferences and between carriers in different conferences. Agreements that

equalize freight rates between widely disparate ocean and intermodal routes have adverse implications that go beyond their fundamental purpose of eliminating competition among ocean carriers. They also stifle competition among land carriers and, by equalizing rates without regard to differences in costs, discourage further efficiency-creating innovations in intermodal transportation. In addition, they reduce the chances that any savings from cost-reducing innovations will be passed on to shippers. S. 47 attempts to mitigate these anticompetitive threats by requiring a provision for independent action in these interconference or intercarrier agreements; but I fear this may not be enough to overcome the attractions of collusion.

Even with safeguards to protect competition in domestic land transportation, there may still be market situations in which ocean carrier agreements on intermodal transport will unduly strengthen or extend the cartels' monopoly. The effect will vary from market to market, depending upon the degree of competition within the conference and the degree of competition that shippers have available for the inland transport leg. A better solution would be to establish a clear line: Intermodal through rates may be set by individual carriers, but not by ocean conferences, and not by agreements between conferences or between conferences and independents.

Mr. Campbell then, speaking for the Bureau of Competition on behalf of the Federal Trade Commission to the Judiciary Committee, went on to talk about loyalty contracts and procompetitive alternatives:

S. 47 would continue to permit dual-rate loyalty contracts, so long as they follow rigidly prescribed limitations. But dual rate loyalty contracts are substantially similar to the anticompetitive deferred rebate arrangements that are already prohibited by the Shipping Act, and would continue to be prohibited by S. 47. Deferred rebates are simply a more enforceable dual rate system. Both are intended largely to create entry barriers against independent, non-conference competition. Loyalty contracts may also have some efficiency-promoting effects, but these effects could be obtained by alternative methods at less risk to competition.

S. 47 explicitly authorizes two means of achieving planning efficiencies and scale economies without loyalty contracts, namely time-volume rates and service contracts. Both methods would respond directly to marketplace needs for efficient planning; neither would incorporate the explicit anticompetitiveness of the loyalty contract or deferred rebate. Time-volume rates would offer discounts dependent on size and frequency of a shipper's cargo—not on whether the shipper used a competitor. Service contracts would permit even more accurate resource planning than time-volume rates, and would most likely reflect a marketplace balancing of shipper and carrier planning needs. Injured parties would be able to obtain redress before the FMC in cases of unjust discrimination or evasion of common carrier obligations.

Loyalty contracts are currently being challenged in several countries. The member councils of the European Shippers Councils recently initiated a study of loyalty contracts; they felt that the advent of containerization has cast doubts on the contracts' validity and practicability. In Britain and Canada, loyalty contracts are also being seriously challenged by shippers or by the Government.

If loyalty contracts must be retained, despite the availability of superior alternatives, then the possible competitive abuses of loyalty contracts must be constrained. Since S. 47 would include loyalty contract matters in its grant of antitrust immunity, pro-competitive corrections and constraints against abuse must be imposed by the Shipping Act itself. Requiring a right of independent action in a conference with a loyalty contract is a step in the right direction. However, the procedural restrictions, including publicity and delay, imposed on this independent action by S. 47 may tend to be disincentives to competitive pricing initiatives. In addition, it should be noted that "independent action" may also be used anticompetitively. For example, a conference carrier might take independent action to punish or deter an isolated competitive threat, and be compensated for its resulting losses through revenue pooling in the conference. To avoid this possibility, there should be some protection against using revenue pooling to compensate for losses to conference members due to independent action.

Another pro-competitive option would be to prohibit loyalty contracts covering all of a shipper's cargoes. The British Government and the British Shippers' Council have come out in opposition to loyalty contracts that require 100 percent of a shippers' custom be committed to a conference. According to the UK Government, a policy that limited conference commitments to 70 percent would provide a needed stimulus to non-conference competition, and an essential check on conference's monopoly power. In Canada, only 1 percent of shippers surveyed believed that shippers should be required to commit 100 percent of their custom to a conference. Thirty percent thought loyalty contracts should be prohibited altogether. The practical effect of a cap would be that the loyalty contract carrier would be forced to meet independent competition to obtain the remainder of the shipper's cargo. In the long run, it should make it more difficult for the conference to maintain a supracompetitive price for the loyalty-contract portion as well.

SHIPPERS' COUNCILS

Antitrust immunity for shippers' councils, which S. 47 would grant, may well be ill-advised. While I can understand their logic, on the whole, I must doubt whether these councils would have the desired effect. Such conferences are likely to be an ineffective check on the conferences' market power. Moreover, they may be a breeding ground for domestic antitrust problems outside the area of transportation services. The best way to deal with abuses by a monopolistics cartel is to weaken its monopolistic power and strengthen its potential competitors, not to erect a new potentially monopolistic group to bargain with it. S. 47 apparently would permit shippers' councils to act as middlemen, not only negotiating more favorable rates and services, but actually assembling cargoes to take advantage of time-volume rates or service contracts. Although the recent amendment could limit this shippers' council service to "small shippers," it would be preferable for this valuable and essential service to be performed by non-vessel-operating common carriers such as freight forwarders, rather than by competitors in the marketplace for the goods being shipped. If shippers' councils are to be permitted, I suggest they be subject to careful scrutiny or certification procedures by the antitrust enforcement agencies, along the lines included in the House Judiciary Committee's report of H.R. 4374 in the last Congress.

CONCLUSIONS

Congress is considering sweeping antitrust immunity for this industry at a time when other countries are questioning the wisdom of having done so. In Canada, a debate is being joined on whether to renew the Shipping Conferences Exemption Act upon its expiration in March 1984. To assist the Canadian Government in determining its policy, a survey was conducted in mid-1982 of Canadian users of ocean shipping services. The survey revealed that current arrangements for exempting liner conferences were unsatisfactory to almost 85 percent of Canadian shippers. More than half of these considered the marketplace to be the best regulator of the system. Significantly, as many small shippers as large shippers preferred the marketplace as the regulator.

The Supreme Court has said, rightly, that the antitrust laws are the "Magna Carta" of our enterprise system. The near-total withdrawal of antitrust oversight from this industry would be a major step, since the costs to the consumer of the conference cartel system would appear to be quite serious. If that withdrawal is nevertheless necessary, and non-economic considerations are held to justify measures that restrain competition, then those measures must be tailored to achieve their objectives by the least anticompetitive means feasible. In particular, the Government should withdraw from the business of publicizing and enforcing cartel agreements. In addition, even tighter controls must be placed on interconference agreements and other agreements that could permit the cartels to extend their powers further into the competitive domestic economy. These changes and the others discussed in my testimony are recommended to prevent the Shipping Act of 1983 from causing unnecessary deterioration in competitive conditions in this industry.

In closing, let me return to my opening themes. It is because of our agency's antitrust mission that I am prompted to raise some doubts about this bill; other values being pursued are not my area of knowledge or practice. I believe that several improvements can be made in this bill and still achieve its principal goal, without anticompetitive harm. I must again applaud all there is in this bill that increases efficient operation at the Federal Maritime Commission, under its most able leadership.

Mr. President, I ask unanimous consent that I may be permitted to suggest the absence of a quorum without losing my right to the floor at the conclusion of the quorum call and without it being charged to me as a second speech.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that I be permitted at this point to yield to the Senator from Washington, the manager of the bill, with the understanding that at the conclusion of his remarks I will again regain the floor; that it will not be considered as a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington.

Mr. GORTON. Mr. President, I thank my friend and colleague from Ohio and wish, at the beginning of what I hope will be relatively brief remarks, simply to refer back to the remarks with which he began his presentation today. While we are now technically debating the motion to take up S. 47, the shipping bill, we are doing so within the context of certain negotiations, toward the end that we will be able to debate the bill and reach agreement on certain amendments, amendments which I fully understand will not totally satisfy the Senator from Ohio, which will not make him a supporter of the bill, but which will at least allow us to proceed to the next stage: Debate on the most controversial piece of legislation, I think I can say without his contradicting me, which has come before the 98th Congress to this point in its relatively short existence.

I do wish to return to some of the remarks I made yesterday, just as the Senator from Ohio did, to say that the principal focus of S. 47, the goal without which it would not be appropriate legislation, is to enhance and to benefit the international trade of the United States.

If I believed for one moment that the figure of $3 billion, which the Senator from Ohio has thrown before the U.S. Senate as added costs from the passage of this bill, were true, or that any significant plus figure or added figure to the costs of international trade would result from this bill, I would not be here managing it.

The benefits and purposes of S. 47 are to increase efficiency within the field of international commerce by sea and hence lower, rather than raise, trade rates; to provide more flexible shipping services, to serve the needs of American exporters and importers, both in that portion of the carriage of their goods which goes by sea and that which goes by land; to connect the great majority of those exporters and importers who are not immediately on a dock in a port offering international services to operate; and to increase the negotiating clout and thus lower freight rates for companies which ship relatively small volumes in international commerce.

I hope the Senator from Ohio will note the fact that in S. 47, unlike the bill which was before the Senate near the end of the 97th Congress, during the lameduck session, the powers of shippers' conferences to deal with the setting of rates of the collective negotiation of rates is limited to smaller shippers. It is not a right which is granted to the Dow Chemicals and the other major and large shippers in the United States. Because those who have written this act were sensitive to exactly the considerations raised by the Senator from Ohio, they do not wish this to be a proposal which puts small shippers at a disadvantage.

The Senator from Ohio earlier today referred to the fact that there was nothing in this proposal for agricultural producers. In fact, there is a great deal in this proposal for agricultural producers.

In the Commerce Committee hearing over which I presided, a group representing shippers of fruits and vegetables, including those of my own State, testified very strongly in favor of the bill because of the provisions included in the bill for small shippers. These provisions will allow them to negotiate far more closely on a basis of equality than they could under some former versions of this bill and, most especially, than they can at the present time.

The bill is designed to improve trade relations with our international trading partners. But this bill contains benefits for U.S.-flag ships, as against those of foreign flags, simply because it allows them to operate under essentially the same law which de facto affects foreign-flag ships at the present time.

Right now, the present system of dual enforcement of the shipping act by the antitrust laws results in highly discriminatory enforcement of our laws against U.S.-flag vessel operators. The antitrust laws are not enforced against foreign carriers because of the inability of the United States to create extraterritorial jurisdiction over foreign-flag ships which are direct competitors with our own.

If we were starting today to devise a system for the regulation or nonregulation of international shipment of cargo from one nation to another, we might or might not decide on a conference system. But the difficulty of almost all the opposition which has been expressed to this bill on the floor by my colleague from Ohio and the distinguished Senator from Wisconsin is that they have assumed that, somehow or other, the idea of shipping conferences was new; have assumed that, somehow or other, this is an industry which, in the past, has always been subject to domestic antitrust laws; that, somehow or other, it can be modeled on the pure competition model of an Adam Smith or an Economics 101 casebook.

In fact, of course, we are dealing with international trade. We are dealing with a trade in which conferences of steamship operators who have exercised price-setting functions have existed for the better part of a century, in which conferences setting rates are the norm of all our major international competitors, in which only the United States attempts to enforce a different kind of law, and in which the United States is effectively able to enforce a different kind of law only against its own flag lines.

In fact, what we are doing by this bill is increasing competition. In fact, what we are doing by this bill is attempting to provide for more efficient service, better service, and lower prices.

I see that the majority leader has reached the floor. I believe he has something he would like to impart to the Senate, and I will yield the floor back to the Senator from Ohio.

Mr. BAKER. I thank the Senator.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. BAKER. Mr. President, will the Senator from Ohio yield to me, with the usual conditions—that is to say, he would not lose his right to the floor and that the interruption in his presentation would not count as a second speech?

Mr. METZENBAUM. Under those circumstances, I yield.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I hope that now it may be possible, once again, to explore the possibility of a unanimous-consent agreement to get this bill before the Senate and provide a time for a cloture vote on that measure.

May I suggest that while I ask the majority leader if he wishes to be present as we propound that request, I may ask unanimous consent to suggest the absence of a quorum, on the same terms and conditions—that is to say, without depriving the Senator from Ohio of the opportunity to resume the floor at the end of the quorum call and without the quorum call itself counting as an interruption of his speech for the purpose of the two-speech rule?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I also ask unanimous consent that the order for the quorum call may be rescinded at the request of the majority leader or the minority leader.

I will withdraw that request.

It is the intention of the leadership to ask the Senate to recess shortly, after we obtain that agreement, if the agreement is granted by the Senate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COCHRAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senator from Ohio (Mr. METZENBAUM) may be re-recognized at the conclusion of the routine matters that the minority leader and I are going to deal with with dispatch, I hope, and that when he is re-recognized it not be treated as a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, there are a few items that we can dispose of otherwise which I believe have been cleared, according to the notations on my calendar.

ORDER FOR RECESS UNTIL TOMORROW AT 11:30 A.M.

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR MATSUNAGA ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order, the distinguished Senator from Hawaii (Mr. MATSUNAGA) be recognized on a special order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DISCHARGING COMMITTEE ON SMALL BUSINESS FROM FURTHER CONSIDERATION OF H.R. 1043

Mr. BAKER. Mr. President, I believe this has been cleared with the minority leader as well. I will state it now for his consideration and that of other Senators.

Mr. President, I ask unanimous consent that the Committee on Small Business be discharged from further consideration of H.R. 1043, an act to amend section 8(e) of the Small Business Act, and that it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair.

THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, my calendar shows that there are certain nominations on the Executive Calendar that are cleared for action by unanimous consent. Could I inquire of the minority leader if his calendar shows indication or if he is prepared to clear for action for unanimous consent those nominations appearing on page 2 of today's Executive Calendar under the Judiciary, beginning with calendar order No. 11 and extending through calendar order No. 16 under the Department of Justice.

Mr. BYRD. Mr. President, there is no objection on this side to so proceed.

Mr. BAKER. I thank the minority leader.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering the nominations just identified.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the nominations so identified be considered and confirmed en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

Pamela Ann Rymer, of California, to be U.S. District Judge for the Central District of California.

A. Joe Fish, of Texas, to be United States District Judge for the Northern District of Texas.

DEPARTMENT OF JUSTICE

William Thomas Dillard, III, of Tennessee, to be United States Attorney for the Northern District of Florida.

James C. Patterson, of Arkansas, to be United States Marshal for the Western District of Arkansas.

Ronald J. Alles, of Montana, to be United States Marshal for the District of Montana.

Carol McGrew Pavilack, of Arizona, to be a Commissioner of the United States Parole Commission.

STATEMENT ON THE COMFIRMATION OF W. THOMAS DILLARD III, OF TENNESSEE, TO BE U.S. ATTORNEY FOR THE NORTHERN DISTRICT OF FLORIDA

● Mrs. HAWKINS. Mr. President, I am pleased that W. Thomas Dillard has been nominated by President Reagan to fill the position of U.S. attorney for the northern district of Florida. On February 22, the Senate Judiciary Committee approved Mr. Dillard's nomination and today he will be confirmed by the full Senate.

I had the opportunity to recommend Mr. Dillard to our President last summer, and today, I strongly reaffirm my support for his confirmation. I would like to share briefly with you some of this gentleman's background and the reason he has been selected for this important position. Mr. Dillard has the experience, ability, and character necessary to become a great Federal prosecutor. His life has been an example of achievement and success in every endeavor. He received his law degree 1 year after he graduated from the University of Tennessee. He was admitted to the Tennessee State Bar in 1965 and during the following 6 years he served his State and country in the military forces as a member of the U.S. Air Force National Guard.

After 2 years in private practice, Mr. Dillard began his career as Federal prosecutor when he joined the U.S. attorney's office in Knoxville. During the past 15 years, he served successfully as a U.S. magistrate for the eastern district of Tennessee, chief assistant U.S. attorney, and court-appointed acting U.S. attorney for the eastern district of Tennessee.

Last summer he was a member of a task force of senior assistant U.S. attorneys to evaluate Federal prosecutors' offices throughout the country. One of the offices he evaluated as the Florida northern district office.

I am pleased that Mr. Dillard is also a man who respects the family unit, both as an institution and in the practice of his daily life. He married the former Susan Jakubski of Hillside, N.J., and they have 2 children. Mr. Dillard is a ruling elder in the Fountain City Presbyterian Church.

After conducting a nationwide search and carefully considering the background and credentials of a number of candidates, I reached the conclusion that W. Thomas Dillard was the individual to serve in the important post as chief Federal prosecutor in Florida's northern district. I believe that he will bring to this office capable leadership and the ability to service the best interests of the people or northern Florida and the entire State.

Mr. President, I appreciate the expiditious nomination and confirmation of Mr. W. Thomas Dillard for the position of U.S. attorney for the northern district of Florida. I look forward to the commencement of his career as Chief Federal Prosecutor and I am confident that his service will enhance our law enforcement efforts in Florida.●

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominees were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I am still hopeful that we will get an agreement worked out on the shipping bill. I understand it may require a few more moments for the last details to be worked out.

Mr. President, I ask unanimous consent that it may be in order to suggest the absence of a quorum under the same terms and conditions as previously requested.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SHIPPING ACT OF 1983

Mr. BAKER. Mr. President, as much from the tone of voices as from the countenance on the faces of Senators, I deem it is not likely that we are going to get a unanimous-consent agreement for us to proceed on the shipping bill tonight. I regret that.

Senators should be on notice that it is the intent of the leadership to proceed on this matter. There is already an order for the Senate to convene at 11:30 a.m. Senators should be on notice that tomorrow may be a very late evening. That means perhaps we shall be in on Friday. I had not planned to ask the Senate to be in on Friday, but that will be my intention if we cannot make other arrangements.

That is not said in the nature of a threat but simply as a matter of information. It is possible we may be in on the weekend, but I hope we will not.

I renew my urging of Senators to work out an agreement on this matter and give us a unanimous-consent agreement that will permit us to dispose of the shipping bill in an orderly way.

RECESS UNTIL TOMORROW AT 11:30 A.M.

Mr. BAKER. Mr. President, I have no further business to ask the Senate to transact. I judge by the minority leader's nod that he does not now have further business. I see no other Senator seeking recognition. I therefore move, in accordance with the previous order, that the Senate stand in recess until 11:30 a.m. tomorrow morning.

The motion was agreed to, and, at 5:31 p.m., the Senate recessed until tomorrow, Thursday, February 24, 1983, at 11:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 23, 1983:

THE JUDICIARY

Pamela Ann Rymer, of California, to be U.S. district judge for the central district of California.

A. Joe Fish, of Texas, to be U.S. district judge for the northern district of Texas.

DEPARTMENT OF JUSTICE

William Thomas Dillard III, of Tennessee, to be U.S. attorney for the northern district of Florida for the term of 4 years.

James C. Patterson, of Arkansas, to be U.S. marshal for the western district of Arkansas for the term of 4 years.

Ronald J. Alles, of Montana, to be U.S. marshal for the district of Montana for the term of 4 years.

Carol McGrew Pavilack, of Arizona, to be a Commissioner of the U.S. Parole Commission for a term of 6 years.

11-059 O-87-4 (Pt. 3)

HOUSE OF REPRESENTATIVES—*Wednesday, February 23, 1983*

The House met at 3 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O gracious God, may Your blessing of peace be upon all who work in this place, whatever their task may be. Gird them with Your grace and give them strength in their responsibilities and wisdom in their decisions, that all may do their work in ways that bring harmony and concord to the affairs of this Nation. Give a sense of community that people will work together as colleagues looking to each other with respect and appreciation. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

APPOINTMENT AS MEMBER OF COMMISSION ON WARTIME RELOCATION AND INTERNMENT OF CIVILIANS

The SPEAKER. Pursuant to section 3(b), Public Law 96-317, as amended, the Chair appoints as a member of the Commission on Wartime Relocation and Internment of Civilians the following Member on the part of the House:

Mr. LUNGREN, of California.

APPOINTMENT AS MEMBERS OF NATIONAL COMMISSION ON STUDENT FINANCIAL ASSISTANCE

The SPEAKER. Pursuant to section 451(a) of Public Law 96-374, the Chair appoints as members of the National Commission on Student Financial Assistance the following Members on the part of the House:

Mr. FORD of Michigan, and

Mr. ERLENBORN, of Illinois.

NEIGHBORHOOD DEMONSTRATION ACT

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, I rise today to support and endorse the Neighborhood Demonstration Act which will be introduced tomorrow.

Throughout much of my professional life, I have been involved in neighborhood development. I applaud this legislation because it will serve as a vehicle for self-help efforts of neighborhood residents. It combines the best ingredients of a public-private partnership and entrepreneurship as well as self-help. It requires that neighborhood groups first raise private funds in their neighborhoods from residents, churches, and businesses. These funds in turn will be matched by public funds from the Federal Government.

In this time of austerity, this legislation will demonstrate that nonprofit neighborhood-based organizations are extremely effective in meeting human needs at low cost including job creation, housing rehabilitation, small business revitalization, financial reinvestment, neighborhood conservation, and general community improvement.

The Neighborhood Demonstration Act deserves early consideration by the Congress.

NEED FOR AMERICAN CONSERVATION CORPS

(Mr. CLARKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLARKE. Mr. Speaker, I would like to point out that unemployment is a very serious problem for millions of Americans even in areas where there is not a concentration of heavy industry.

In the 16 counties of my district, which is located in the heart of the Appalachian area, unemployment in one county is more than 25 percent, in two counties it is over 20 percent, and in six others it is in double figures. This means suffering, anxiety and worry for hundreds of families. Many others face the future with uncertainty. We realize that the situation is much worse in other parts of the country.

In the face of such a grave unemployment problem Congress and the administration must work together to help provide jobs for those who need them.

The critically high percentage of unemployment among young men and women underscores the need for the program of the American Conservation Corps as proposed in H.R. 999. This program, which would be financed by user fees from the national parks, will take unemployed young people under 26 years of age from areas of high unemployment and put them to work in our national forests, national parks, and other public areas, maintaining, restoring, and improving forests, trails, bridges, roads, strip-mined lands, and other sections of these areas. It is a program similar to the Civilian Conservation Corps of the 1930's many of whose buildings, roads, and trails are still being used and enjoyed by people today.

The American Conservation Corps, as proposed in H.R. 999, will be valuable not only for what it does for our national parks and national forests but also for the training, hope, and restored self-esteem it will give to those who participate.

Mr. Speaker, I think we all agree that programs to provide jobs like this should be a major goal of the 98th Congress.

SOUTHWEST COLLEGIATE INSTITUTE FOR THE DEAF (SWCID)

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, a critical need exists and is growing nationwide to extend basic postsecondary educational opportunities to many deaf persons who are presently denied such opportunities. It is in response to this situation that I am introducing legislation to provide for the operation of the South West Collegiate Institute for the Deaf (SWCID).

The postsecondary needs of deaf persons can be expected to intensify in the years ahead. One 1979 study showed that deaf persons in need of, and qualified for, postsecondary training who did not enroll in the only two self-contained college programs actually outnumbered those who did enroll by a ratio of 6 to 1. During the 1980's, the postsecondary deaf population will expand by as much as 2½ times, due to the number of deaf persons who have lost their hearing because of the rubella epidemic in the mid-1960's.

In addition to the rubella bubble in the deaf population, the underlying population of deaf persons in the United States will continue to expand. This is due to several factors, including: First, the expanding national population; second, the development of more and more elementary and secondary educational programs for deaf persons closer to home that is creating a growing feeder system for postsecondary programs; and third, improved early identification systems

that are locating deaf persons at an earlier age and in increasing numbers than was true in the past.

As this serious need expands, what has been our answer as a nation? A hearing student can pursue his or her major at a wide number of more than 3,000 colleges available to hearing students in the United States. After adding SWCID to Gallaudet College in Washington, D.C., and the National Technical Institute for the Deaf (NTID) in Rochester, N.Y., there are three self-contained postsecondary schools for deaf students in the United States—or the world.

During the 1981-88 period, more than 30,000 deaf students will have entered the postsecondary level. Approximately 10 percent of these can be accommodated at Gallaudet and NTID. Because of limited resources, SWCID can currently enroll a total of only about 115 students.

The importance of such a specialized, self-contained college experience for the deaf student is stressed by comparing the academic success rates at such institutions with those of deaf students in integrated programs at other schools. Approximately 65 percent of those entering Gallaudet and 20 percent of those entering NTID achieve bachelors' degrees and 60 percent of the NTID students receive associates' degrees. Among deaf students at regular junior and community colleges, the number achieving associates' degrees is about 5 percent.

There are approximately 115 integrated programs around the country. However, the needs of deaf students that must be met by academic, administrative, social, and career programs are highly specialized. In addition, the number of deaf students, attending integrated programs remains small—usually fewer than 50 to 100 students. Because of these factors, such colleges generally do not have adequate or appropriate student programs and do not have sufficient staff thoroughly trained to communicate with and qualified to work with deaf students.

For a number of reasons, including the fact that SWCID is already an operating entity, Federal support for SWCID can be accomplished with exceptional economy.

SWCID first opened on a very limited, State-supported basis 2½ years ago, on 75 acres of land near Big Spring, Tex. During this time, the institution has maximized the efficiency with which it has used available, and quite limited, resources. SWCID is located on a portion of what was formerly Webb Air Force Base. Some old base facilities are being adapted for use by the school, although a Federal prison camp housed nearby has received the use of superior base facilities. Therefore, a significant portion of the start-up costs normally expected need not be a consideration.

SWCID has a student body drawn from all around the country and, despite limited land and other resources, has begun attracting a distinguished faculty. However, the school does not have the financial wherewithal to expand the small size of its student body and make needed improvements, such as added housing and more complete academic offerings, without Federal assistance. In fact, whether this worthwhile institution can continue to exist at all without Federal funds, is quite questionable. Gallaudet and NTID are both recognized by Federal statute and are federally funded.

The costs for educating deaf persons are approximately 2½ times greater than the costs for educating hearing students. However, when needed special college programs are not provided, the damage and eventual social dependence of deaf persons on society has been estimated to be a least 10 times greater. The deaf college-trained individual will become a self-supporting, taxpaying citizen and a valuable contributor to business, industry, government, and to society in general. The legislation I am introducing, then, is a positive investment in the abilities of talented and motivated students.

These are inarguably budget-conscious times. Within the confines of an austere and reasonable budget, however, we must still set priorities when a great need is recognized. It is my strong feeling that, even given present budget constraints, there is room in a budget approaching $850 billion—estimated fiscal year 1984—for providing badly needed educational opportunities for this largely disadvantaged segment of our society.

POSTPONE THE SOLOMON AMENDMENT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today I am introducing legislation that will save the Government the embarrassment of seeing unwieldy regulations applied too abruptly.

My legislation simply delays the date of implementation of the Solomon amendment 1 year, to July 1, 1984.

The Solomon amendment, passed into law last year as part of the Department of Defense authorization, denies Federal financial aid to college students who fail to register for the draft. The law is to take effect July 1, 1983. The proposed Department of Education regulations, though, force schools to police the law much sooner.

Portions of the regulations force school financial aid offices to require students who already received loans and grants for the 1983-84 school year to prove their draft registration status with the school. These offices would also have to notify banks and the Education Department if no proof is received to reclaim money or stop interest payments on loans already in student bank acounts.

Clearly the policing burden for this is on the schools, ill equipped for the job on such short notice. By late spring, when the final regulations are published, schools will be rushing to complete application reviews and money disbursal. In Colorado, approximately 30,000 financial aid applications are processed by less than 150 financial aid counselors. To ask counselors to then go back and verify the registration status of loan and grant recipients asks too much of too few.

Colleges and universities estimate that, to comply with the regulations, between two and four full-time employees will be needed, computer systems reprogramed or redesigned, and administrative practices reshuffled all at a time school budgets are bareboned. Is this the regulatory burden the administration said it wanted lifted? During consideration of the Solomon amendment, Office of Management and Budget Director David Stockman raised a valid red flag:

> The regulatory and enforcement role that would be created . . . is far beyond any of our current activities and would impose considerable burdens on institutions of higher learning and members of the public. We are deeply concerned that the burdens imposed would far outweigh the gains.

Regardless of what you think about the Solomon amendment and draft registration, the simple fact is that this type of retroactive certification process to prove draft registration is simply not fair nor feasible on such a short timetable. A 1 year delay will solve this problem. It will make the 1983-84 school year provision moot and will give schools breathing time to implement the rest next year.

KOREANS DRAGGING THEIR FEET ON PURCHASE OF AMERICAN RICE

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, along with other Members of Congress from rice-producing States, I met today with Secretary of Agriculture John Block in an effort to resolve the impasse that exists between the Government of Korea, our own Government, and American rice farmers.

The issue is a simple one: The Koreans solemnly agreed to purchase American rice of the 1981 crop year, but continue to pursue dilatory tactics beyond the deadlines and extensions of deadlines in a continuing effort to drag their feet and to breach their agreement.

Meanwhile, the American rice farmer is suffering irreparable harm and damages mounting in the millions of dollars. It is high time, Mr. Speaker, for Secretary Block to speak up strongly for the sanctity of contracts in international commerce and the interests of American farmers, and so should the Department of State and the administration as a whole.

This country must have a coherent and forceful bipartisan trade policy if we are to enforce the principles of free and fair trade in international commerce.

BRAZIL OFFERS METALLURGICAL COAL INDUSTRY A MAJOR MARKET AS EXPORTS TO JAPAN DECREASE

(Mr. RAHALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAHALL. Mr. Speaker, in West Virginia today, over 25,000 coal industry employees are out of work. This figure represents 33.2 percent of the coal labor force in that State. In some areas, the unemployment rate is even worse. Southern West Virginia, long the backbone of the metallurgical coal industry, is experiencing unprecedented levels of unemployment. One county in southern West Virginia, McDowell, has an unemployment level of more than 35 percent. Up Gary Hollow, in southern West Virginia, you will find 90 percent unemployment and the city of Gary cannot even light its street lamps at night. It should be noted that approximately 75 percent of the personal income in this county is derived from the coal industry. A great part of the counties I represent fall under the United Mine Workers of America District 29. Within district 29, there is a 60-percent unemployment rate among union miners. Other portions of my district lie within district 17 of the UMWA in southern West Virginia.

The predominant coal in this region, as I mentioned, is of the metallurgical type used in steelmaking. A good portion of this coal is exported to foreign steel-producing countries with Japan representing the single largest market for U.S. metallurgical coal. However, Japan has been cutting back on its importation of U.S. coal recently and is now obtaining more than one-half of its requirements from Australia. This is due to Japan's large investment in the Australian coal industry and because of the lower price of Australian coal shipments to Japan.

U.S. coal companies which ship to Japan may experience reductions in their metallurgical coal exports by as much as one-third this year. As such, it is of extreme importance that U.S. metallurgical coal producers find other markets for their product. It is with great pleasure that I may report one such market exists: Brazil.

In 1978, Brazil imported only 1.4 million tons of metallurgical coal from the United States. Through diligent effort, however, this figure rose to 3 million tons in 1982. Because of a great deal of attention given to the Brazilian metallurgical coal market—I visited that country in January 1981 and again this past January and had the opportunity to speak with Brazilian authorities personally—the United States should increase its shipments to Brazil by 1.5 to 2 million tons within the next 7 years.

Mr. Speaker, the principal U.S. exporters in the Brazilian trade are Pittston, Island Creek, Consolidation, and Massey. Other U.S. exporters include Westmoreland, Eastern Associated, and Jno. McCall Coal. With the exception of the latter, all of these firms have operations in southern West Virginia. It should be noted that the 3 million tons of metallurgical coal shipped to Brazil last year provided direct employment in coal mines and support industries for 3,200 persons and sales from this coal contributed over $200 million toward a favorable balance of trade.

With respect to the Japanese coal trade situation, it is my hope that a certain degree of reciprocity may be maintained. The United States is one of the largest markets the Japanese have for their steel products and it only seems fair that they should obtain a majority of their metallurgical coal requirements from this country. I say this with special emphasis on the $19 billion trade imbalance existing between the two nations. Based on this premise, I asked President Reagan to discuss the importance of the coal trade with Prime Minister Nakasone of Japan during their meeting here last January. Recently, I was informed by the State Department that during that meeting the President and the Prime Minister agreed to establish a United States-Japan Energy Working Group. One of the tasks of this working group will be to examine the potential for increases in the coal trade between the two nations. Any such increase would certainly help alleviate the unemployment situation in southern West Virginia and I sincerely hope we will see tangible benefits from this endeavor.

LOGJAM AT BORDER CROSSINGS

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, during my last trip to my west Texas district, I had the opportunity to visit El Paso's sister city, Ciudad Juarez, Chihuahua, Mexico. I find it incumbent to report on a very serious situation developing along the border. Due to unrealistic budget constraints, U.S. customs and immigration officials have been forced to decrease the number of personnel inspecting and controlling crossings at the international bridges between the United States and Mexico.

This situation has created a logistical nightmare. Cars attempting to enter the United States—a majority with Texas license plates—were backed up for several blocks into the central business district of Cuidad Juarez. This slowdown created major traffic jams for this city of nearly 1 million people and required special action by their city police to resolve the traffic problem.

I am concerned about this logjam for a number of reasons. First, it burdens the generally good relations that exist between our two countries and the trade that we both depend on. Second, time delays in border crossings increase costs for business that depend on commuter crossings between the two cities. Third, I am troubled that the tourist industry, a vital part of the border economy, would be adversely affected by unreasonable time delays at the international bridges. And finally, cars that idle at the border add significantly to the region's air pollution problems.

Exacerbating the problem, the administration has recommended a reduction in customs personnel by approximately 2,000 positions, of which 820 would be inspectors. The Director of Customs in El Paso has been forced to reduce overtime positions on Sundays and holidays, which are traditionally very busy crossing periods. In a similar fashion, immigration personnel has steadily decreased by 13 percent since 1979. Ironically, in the past several years there has been a substantial increase in the volume of passengers and cargo entering the United States. These are budget areas to be scrutinized very carefully because of the unique nature of the border economy in my district.

A TRIBUTE TO ROBERT C. COCHRAN

(Mr. BEVILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEVILL. Mr. Speaker, on August 1, 1961, Speaker Sam Rayburn appointed Robert Cochran to serve as an official reporter to the committees of the U.S. House of Representatives. At the close of business Monday, February 28—22 years later—Bob will record his last word, pack his stenotype machine, and begin enjoying a much-deserved retirement.

Bob began his reporting career in 1941 as a civilian reporter for the U.S. Army. In 1943 he joined the Army and served in World War II as a chief warrant officer. After the war, Bob worked as a freelance reporter, covering congressional hearings for various firms in the Washington, D.C., area.

Upon his appointment as an official reporter to the House, Bob quickly established a reputation as an innovator and a technologist in the often hidebound world of shorthand reporting. In fact, at the time Bob came to work on the Hill, the reporters' office was so antiquated that they did not even have a duplicating machine. Bob succeeded in having the first duplicating machine installed in the offices of the official reporters.

In 1976, thanks to Bob's far-reaching knowledge of the then relatively new field of word processing, the committee reporters began generating a magnetic computer tape of the verbatim transcripts which greatly expedited the editing process, sped up the printing of the bound volume of the hearing by the Government Printing Office, and resulted in a savings of millions of dollars of the taxpayers' money.

In 1979, Bob became the first stenotype reporter to serve as an official reporter of debates on the floor of the House. In 1981, when the offices of the debate reporters and the committee reporters were merged, Bob started covering committee hearings in the early part of the year—when floor activity is relatively light—and reporting floor debates the latter part of the year, when our activity in the Chamber increases. In the 2 years since the merger of the offices, all reporters working for the House of Representatives have begun to work under this system, leading to a more efficient utilization of their talents.

Bob has always been known for his quick sense of humor, his high degree of shorthand skill, and his unfailing willingness to help new reporters get established in the fast-paced world of congressional reporting.

Bob will be sorely missed by all the Members of the House and by his colleagues in the reporting profession. As he leaves these historic halls of the House of Representatives, which he loves so much, all of us wish Bob and his wife, Christel, many years of future happiness and relaxation.

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THE SOLAR ENERGY NATIONAL SECURITY AND EMPLOYMENT ACT OF 1983

(Mr. WIRTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WIRTH. Mr. Speaker the energy crisis is gone from the headlines. Our national preoccupation with gaslines and the billions of dollars annually transferred to OPEC has been replaced with a concern about the effects of rapidly falling oil prices on national and international banking systems. But this reprieve is temporary, and must not weaken our resolve to meet our stated national goals of developing alternative energy sources and reducing our country's dangerous dependence on foreign oil.

The SENSE Act, which we are introducing today, provides a broad and cost-effective framework for accomplishing these goals. It will harness the tremendous potential of renewable energy and conservation programs to increase employment, promote small businesses, enhance our national security, and reduce the need for imported energy.

SENSE is the legislative tool through which the Nation's conservation and solar industries can be more fully developed, commercialized, and integrated into our Nation's energy grid. SENSE is also the political tool that can be used to promote a rational and comprehensive energy policy. It does not propose massive, new regulatory structures, but rather the coordination of existing Federal initiatives so that the current fragmented grab bag of programs can be transformed into a comprehensive national policy.

The need for the SENSE Act in this context is clear. The current administration simply has no energy policy. If one eliminates the amount proposed for nuclear technologies from the administration's fiscal 1984 budget request, one is left with $314 million for all other energy research and development—ranging from coal to solar. This is compared to the $2.4 billion for these efforts in 1981. Nonnuclear energy research and development represented 60 percent of the total energy technologies budget in 1981; the administration wants to drop that to 16 percent in 1984. What would this mean? Another giant step toward destroying the careful balance in energy development which was in place, after years of effort, at the beginning of this decade.

This approach to energy research and development is pound foolish, and that is why I am proud to sponsor the SENSE Act. While a high administration official has been quoted saying solar energy would only amount to a "few windmills," the bipartisan group of Members of Congress from both Houses sponsoring this bill knows otherwise.

Among the most important reasons for promoting the development of renewable energy and conservation technologies is their tremendous potential as major new export industries. They are clearly among the future winners in our rapidly changing economy which can provide jobs at home and contribute in a major way to sustained economic growth. For example, exports of photovoltaics rose 79 percent from 1979 to 1980, and exports of solar heating and cooling products rose 45 percent in that period. This was at a time when these technologies were just becoming commercially viable.

Although U.S. firms pioneered the development of photovoltaic cells—which directly convert sunlight into electricity—and many other new energy technologies, this administration wants to end our very modest commitment to making them competitive in world markets. Such shortsighted action would delight our economic competitors in Europe and Asia.

The SENSE Act also realizes that for American consumers and businesses to reap the benefits of these technologies, we need to extend business and residential tax credits until 1990, reauthorize the Solar Energy and Conservation Bank, encourage small businesses to continue their innovations in this field, adopt a more assertive trade posture, include renewable energy in strategic planning, reaffirm our commitment to low-income weatherization, and take a variety of other steps to realize the potential of these energy sources.

I am optimistic that our colleagues in Congress will realize the eminent sense the SENSE Act makes, and that we will be able to pass it in this Congress.

● Mr. CONTE. Mr. Speaker, this day marks a momentous occasion in the history of renewable energy. The bill we are introducing today is the culmination of years of effort in the renewable energy field. This comprehensive bill presents renewable energy as a viable answer to many of the major issues facing this Nation today—the cost of imported oil, jobs, and national security.

We have made strides over the past several years in conservation and renewable energy development. I am proud of my role in those efforts. In 1977 I introduced an amendment that tripled the appropriations for solar research and development. Also, I have been, and will continue to be a leader in the low-income weatherization program.

The motivation behind these conservation and renewable energy efforts was the stranglehold of OPEC on the United States. That organization has nearly brought us to our knees twice in the last 10 years. The oil shocks of 1973 and 1977 made us realize we had to become energy independent.

Today, partly because of the conservation efforts of our citizens and partly because of the recession, the price of oil is dropping and OPEC is in disarray. But we must not let this disarray cloud our memories of the pain OPEC once inflicted upon us. We must

intensify our resolve to achieve energy independence as soon as possible. Why is time so important? Some oil analysts are predicting another oil crisis between 1984 and 1986. And as if to foretell this crisis, the Department of Energy predicts that oil imports will increase for the first time in 4 years during 1983.

There is no better time than now to focus our attention on the role of renewable energy. By showing how renewable energy can help solve the major issues facing us—jobs, national security and our reliance on imported oil—the SENSE Act can become the starting point for energy independence.●

● Mr. JEFFORDS. Mr. Speaker, it is a pleasure and a privilege to join with my colleagues today in introducing the Solar Energy National Security and Employment Act. It is time to rekindle Federal efforts to promote the development of renewable energy sources and I believe that this bill is an important vehicle for doing so.

In spite of signs that the OPEC cartel is in disarray and the current glut of oil on the international market, it would be foolish of us to believe that the energy crisis is over. We are still far too dependent on other countries for our energy. The reduced demand that has brought prices down is in large part due to the worldwide recession.

We are also facing two other immediate problems in this country that are related to the energy crisis and its impacts. One is an unacceptably high level of unemployment. Another is a growing rate of farm failures. These problems threaten to have lasting adverse impacts on our Nation.

The bill we are introducing today is intended to help address some of these problems. A major obstacle to the development of renewable energy technologies is a shortage of skilled technicians in both construction and installation. Surveys indicate that poor installation of solar devices is often a far greater problem than equipment failure. This problem can impede the development of renewable energy sources by engendering public reluctance to invest in these technologies. For example, similar problems with heat pumps in the 1950's prevented their widespread use for nearly 20 years.

One title of the SENSE Act requires that the Secretary of Labor, within existing job training and placement programs, implement policies to enhance the development of a labor force skilled in energy conservation and renewable energy technologies. According to a 1979 study for the Joint Economic Committee, conservation and solar measures create two and a half times as many jobs as an equivalent investment in oil, natural gas, or electricity.

In the agricultural sector, it is becoming increasingly clear that a healthy farm economy is central to a healthy national economy. We must work to reverse the current trend of farm bankruptcies and growing rural unemployment. Unstable energy prices have contributed to these trends, and many farmers have found that windmills, anaerobic digestors, solar heating, and other renewable energy technologies can be cost-effective additions to their operations. The traditions of innovation and self-reliance are perhaps stronger on our farms than anywhere in our Nation.

One section of the SENSE Act attempts to stimulate the use of renewable energy technologies and energy conservation through existing programs of the Department of Agriculture. It is important that USDA help to educate farmers about the benefits of insulating themselves from the vagaries of the international oil market. This can be accomplished with only minor modifications of existing programs.

I want to reiterate my enthusiasm for this bill, its sponsors, and the approach of working through existing programs to promote a sound national energy policy. I am optimistic about the prospects for this legislation and I look forward to working with this diverse group of sponsors.●

● Mr. BEDELL. Mr. Speaker, I am pleased to join my colleague from Maine, OLYMPIA SNOWE, as a sponsor of title 1 of the Solar Energy National Security and Employment Act (SENSE).

The introduction of the SENSE Act comes at a time when our renewable energy programs are under siege. For the past 2 years, Congress has been able to fight off administration attempts to virtually eliminate entire renewable energy programs by voting to maintain minimum program budgets. In addition, by twice showing strong bipartisan support for the business and residential energy tax credits, Congress was able to convince the President to back off from his proposals to eliminate them in fiscal years 1982 and 1983.

This year the story is much the same. The administration's fiscal year 1984 budget request for the Department of Energy contains drastic cuts for renewable energy programs. On the other hand, nuclear energy programs continue to receive the lion's share of DOE's budget. The chart below looks at selected items from the Department's fiscal year 1984 budget request and compares them to actual funding levels in 1981. Note the staggering increase in the atomic energy defense activities at DOE, both in dollars and as a proportion of the DOE's total mission.

SELECTED ITEMS FROM DOE'S ENERGY BUDGET

[Dollars in millions]

Description	Fiscal year 1981 actual	Fiscal year 1984 Reagan request	Percent of change
General Science & Research	504	645	+28
Conservation activities	712	74	−90
Geothermal R&D	143	13	−91
Solar R&D	500	87	−83
Electrical energy	40	12	−70
Fossil energy activities	994	138	−86
Energy storage	72	14	−80
Hydropower R&D	12		
Total non-nuclear	2,977	983	−67
Atomic energy defense activities	3,668	6,778	+85
Nuclear fission R&D	986	844	−14
Nuclear fusion R&D	376	467	+24
Total nuclear	5,030	8,089	+61

Most troubling to me is the failure to commit the Government to a policy of pursuing least-cost energy options. Such a policy, in the long run, could reduce our dependence on unstable and environmentally unsound sources of energy.

If we are going to adopt the notion of an unencumbered, free market, hands off approach to energy policy, as the administration claims, then we must not play games as they are with fiscal year 1984 budget request, by blatantly favoring certain energy technologies over others. If the administration is really serious about free-market energy policies, then I suggest we join together to root out the billions of dollars of subsidies we now give each year to petroleum, gas, coal, and nuclear industries. But if this administration will not or cannot do this, then they should at least stop trying to kill the emerging new technologies that are arising to compete with those older sources of energy.

But our Government continues to encourage, through tax policy and numerous other subsidies, conventional and capital intensive sources of energy. We are even encouraging the export of nuclear technology and hardware using scarce trade subsidies.

At the same time, this administration makes it extremely difficult for renewable energy industries to gain access to similar subsidies. In the last Congress I chaired the Small Business Energy Subcommittee. We held hearing on marketing opportunities in the photovoltaics industry. You would not believe the trouble the photovoltaics industry has in getting just a little respect from this administration. Foreign competitors, who enjoy strong support from their governments, are rapidly overtaking our domestic solar industry in the race for world markets.

I submit that our present national energy policies, if we can call it that, is taking us in the wrong direction. If we continue on our present course, we will have to pay a tremendous price in the future for the poor choices we are making today. We will lose some of the technological advantages over our

international competitors that we have achieved in recent years; the growth of new energy industries in this country will be stunted; jobs and tax revenue will be forgone, and our national security will be weakened. All this is likely unless we act now to increase our energy independence by investing in the energy sources of the future.

That is why the SENSE Act is so important. This legislation is the rallying point behind which we can gather to affirm our support for a rational, balanced energy policy in America. The time has come for the Congress to write and present to the President its own national energy plan. We must reject the confused and misguided policies that this administration has sent forward.

Mr. Speaker, the following is an outline of title I of the SENSE Act, the Renewable Energy Small Business Development Act of 1983.

OUTLINE OF TITLE I OF THE SOLAR ENERGY NATIONAL SECURITY ACT

Title I: "The Renewable Energy Small Business Development Act of 1983."

To extend the business energy tax credits for all renewable energy applications through 1990; to increase the business tax credits for solar, wind and geothermal energy applications to 25 percent, and the business tax credits for hydroelectric projects to 15 percent.

To reserve at least 12 percent of the Export-Import Bank's loan authority in any fiscal year for businesses with $25 million or less in previous-year sales, with a suggested involvement of renewable energy businesses.

To instruct the U.S. Department of Commerce, in the context of its trade development policy and program activities, to address the renewable energy sector as a separate industry sector and to coordinate trade development activities through its formal industry and export-related organizations.

To clarify Section 210 of the Public Utility Regulatory Policies Act (PURPA) of 1978, re-establishing the right of small power producers to interconnect with utility grids, and to enter into power exchanges with utilities at fair and reasonable rates as intended in the original Act.

To reaffirm the importance of small innovative businesses in federally-supported research, development and demonstration (RD&D) activities as required under P.L. 97-219, and to suggest that a portion of the U.S. Department of Energy programs under this law be reserved for renewable energy small R&D businesses.●

GENERAL LEAVE

Mr. WIRTH. Mr. Speaker, I ask unanimous consent that all Members may be permitted to revise and extend their remarks on the subject of my 1-minute speech today.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

REAGAN BUDGET SLASHES FUNDS FOR CUSTOMS SERVICE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, I had not planned to say anything about the Customs Service here on the floor, but I am glad the gentleman from Texas (Mr. COLEMAN) brought the subject up.

The Reagan budget really slaughters that service. It not only will produce long lines in Texas, it will produce long lines all over the country at airports, terminals, wharves, and everyplace else. It will cost the country some money.

The Customs Service collects about $9 billion a year, and it is a vital law enforcement agency of this Government.

There is some hope, though, that if some of the Members will not fight so much for their district offices or regional offices that we do not need, we will be able to save some money and some personnel so we can put them out on the firing line where they can be collecting the customs and doing the inspecting. We have too many people at the headquarters and placed in certain very sacrosanct areas that belong to Members, and they do not want to give them up. That is a part of the problem.

THE INSANITY DEFENSE REFORM ACT

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SENSENBRENNER. Mr. Speaker, last year's outrageous verdict of not guilty by reason of insanity against John Hinckley, attempted assassin of President Reagan, has proven that the insanity defense is a rich man's defense. It proved any criminal rich enough to bring in batteries of psychiatrists and other experts could confuse a lay jury enough to escape punishment appropriate to his crime.

As a remedy to this inequity, some of my colleagues are suggesting we eliminate insanity as a defense altogether, while others are calling for shifting the burden of providing the insanity of the accused from the prosecution to the defense. Mr. Speaker, I believe there is a better answer: to allow a verdict of guilty but insane.

I have introduced the Insanity Defense Reform Act, which provides that one who has committed the offense charged, but who is also judged to be insane, shall receive a provisional sentence to be served either under hospitalization or, upon recovering his sanity, in a correctional facility, just as any other sane offender would.

Under this system, for example, John Hinckley would be hospitalized until declared sane, then transferred to serve out the rest of his sentence at a prison facility. Such a verdict alternative would discourage rich defendants from waging an insanity defense, for they would know from the start they would be risking a full sentence at one institution or another.

As much as we need to protect the rights of the accused, we also need to protect society from being victimized by rich or clever defendants twisting the law to their own ends. We need a guilty but insane verdict option, or more John Hinckley type outrages will happen again.

TRUTH SQUAD REQUIRED ON 10-PERCENT WITHHOLDING

(Mr. BOEHLERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BOEHLERT. Mr. Speaker, one of the promises I made to myself when I started out on this job of being a Representative was to strive always for the facts on issues before Congress.

I knew we would be faced with a wide range of complex issues. I also knew we would be constantly embroiled in controversy because, when all is said and done, there are always at least two sides to every issue. I asked myself an important question and then, after giving it considerable thought, I came up with what I feel is the best answer.

The question? What should guide me in making determinations in my representative capacity. As we all know, there are several choices. My answer? Get the facts and then respond in a manner that demonstrates a sincere determination to be honest and fair in discharging my important responsibilities in the best interests of the people I am privileged to represent. That sounds good, but as we also know, it is not always easy. As a matter of fact, it is seldom easy.

One of the conditions which often makes the going rough is the daily avalanche of mail from people who have the benefit of only one side of an issue. A case in point is the current flood of correspondence seeking—often demanding—repeal of the law calling for withholding of taxes on interest and dividends starting July 1.

If I were to believe the mail on this subject which is bombarding us all, those who preceded us in the last Congress and are responsible for the pending change were totally irresponsible. The action they took will hurt, according to one form mailing I have received, "the poor, the elderly and children." That should be enough to make anyone take notice. I certainly did.

Additionally, we are told, unless this new law is repealed, the American people will stop saving. That is another allegation that caused me great concern, especially at a time when I really want to be identified with efforts to encourage saving.

There are more charges. A new tax when we are attempting to cut taxes. Double taxation which of course is unfair. The list is long.

Being faithful to my personal pledge, I set out to get the facts, resisting the politically popular and more expedient urge to toss a repeal bill in the hopper which would have made life a lot easier for my staff and me. What I am finding suggests to me we should establish a truth squad to address this issue and release its findings.

No, it is not a new tax and it is not double taxation. And no one has yet proven to me that we have facing us a major disincentive to saving. The poor certainly would not be affected and neither will the vast majority—at least 90 percent—of the elderly. They will be exempt.

I am not standing here promoting this new law and I am not about to lead a cheer for those who are responsible for it. Maybe they were wrong, but then again maybe what was done had to be done in the quest to get our financial house in order when we have a national debt in excess of $1 million and annual budget deficits in the $200 million range.

In the final analysis, were we not all sent down here to do what is right for the country? And is it not our obligation to be guided by the facts?

Mr. Speaker, I commend to the attention of my colleagues a Washington Post editorial on the subject. The piece suggests there is more than one side to the issue:

THOSE "UNTOLD BILLIONS"

What's so wrong with asking people to pay their taxes? Senate Finance Committee Chairman Robert Dole posed that question that other day to leaders of the American Bankers Association. It's a question that needs a much better response than the campaign of obfuscation and hysteria launched by the bankers in opposition to the new law requiring partial withholding of taxes on interest and dividends.

The bankers know full well that the new law will put no burden on any honest taxpayer. No one is being asked to pay anything he does not already owe. People who are elderly or have modest incomes are exempt. The interest lost from quarterly withholding of taxes would amount to a maximum of 50 cents a year on a deposit of $1,000. Would that bank service charges were so low.

But protesting bankers also know that it is easy to confuse people about tax law changes. So instead of preparing to put the law into effect, they have bought ads, given speeches alleging that Congress is "looting" savings, and mailed misleading fliers to their depositors with form letters to congressmen enclosed.

Like most such tactics launched upon an uninformed and frequently elderly public, these have had their effect. The form letters have poured into Congress. A substantial number of senators and representatives—who, alas, are frequently no better informed than their constituents—are said to be considering repealing the withholding provision.

What prompts this disingenuous behavior? Surely no real concern for the convenience of depositors. As a matter of fact, bankers opposed the exemption provisions for elderly and low-income people when the law was being drafted. What they really appear to be worried about is their own convenience—and the prospect that withholding might scare off depositors with an inclination to tax evasion.

Banks already send quarterly information forms to the IRS on all dividends and interest. Accompanying them with a 10 percent fund credit would amount to no more than the electronic equivalent of the flicker of an eyelash. The cost would be minuscule compared with the cost of having the IRS track down and collect from each of the distressingly large number of tax evaders. But the banks would still have you believe that this new chore would cost them and their depositors, as it is regularly said, "untold billions."

But the thing about untold billions is that the usual reason they are untold is that telling them would require using numbers with several zeros immediately to the right of the decimal point. Somehow a number like $.001 billion has a lot less impact. But speaking of untold billions, you might want to remember that these bankers who now claim to be so concerned about prudent operation are the same ones who have been recklessly investing overseas and who would now like to have government protection from the consequences of their folly. Here the billions involved are more unspeakable than untold—and certainly uncollectable.

You might also remember, as Sen. Dole has done, that banks now pay notoriously low taxes. If Congress unwisely decides to repeal the withholding provision, one very good way to replace the $22 billion in unpaid taxes that will be lost over the next five years would be to repeal some of the provisions that now favor banks over other taxpayers.

COMPUTER SERVICES CONTRACT AWARDED TO CANADIAN FIRM

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, the Department of Commerce has just entered into a contract with a Canadian firm, Datacrown, to manage the computer data for the export tracking system. Simply put, this means that all of the information dealing with overseas transactions, international trade fairs, and foreign investments for small, medium, and large U.S. companies will be processed in a competing foreign country. If this is not the classic case of allowing "the fox to guard the henhouse," I do not know what is.

I find it unbelievable with the current staggering trade deficits facing our Nation that the Secretary of Commerce could sanction such an outrageous award. I continue to be amazed at the ways we try to undermine our business community.

Last year we were treated to the Department allowing the Canadian Government to subsidize the interest rate on a finance package for subway cars for the metropolitan transit authority of New York. The result of that fiasco was the loss of almost $700 million worth of business to American industry.

I can hardly wait to see what they come up with next.

A PROPOSAL TO REPLACE 10-PERCENT WITHHOLDING WITH OTHER TAX-RAISING PROVISIONS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, it is easy to get people to oppose any tax, and it is especially easy to get them to oppose a new tax which has not yet been implemented. Therefore, I do not think any of us have been surprised at the letter-writing campaigns and the mail we have received which indicate to us that the public wants us to repeal the 10-precent withholding provision scheduled to go into effect on July 1.

But the fact is that, as we deliberate toughly over a projected $200 billion deficit, both in 1983 and in fiscal year 1984, and as we begin to look at the 1984 budget, I think we all realize that this Congress is not in the business of cutting taxes, and, therefore, probably we do have a bad law on the books, a law that is going to be an administrative nightmare to many of the financial institutions in this country and does cause some great legitimate concerns to some of our elderly population and others, some of it justified, some of it not.

It seems to me that the only responsible course for us to follow, if we do not like this particular way of collecting taxes in 1983, is to find a different way to raise the same amount of revenue. Therefore, I have today introduced in Congress a bill that will repeal the 10-percent withholding provision, but it will do so by replacing that with three other revenue-raising measures that would provide the U.S. Treasury with the exact amount of money over the next 5 to 6 years.

Mr. Speaker, I would call this to the attention of colleagues as we look at ways of raising that revenue. I think we will find that this will not affect the majority of our constituents, and it will not create the paperwork, the

backlog, and the nightmares we are going to face with the new law.

LAST YEAR'S TAX BILL CALLED A "FIASCO"

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, by even the most conservative estimates, over 2 million pieces of mail have come on to Capitol Hill in the last few weeks on one subject, the 10-percent withholding tax. The people are saying clearly in those communications that last year's tax bill was a mistake, a bad mistake.

We all remember how big a mistake it was, a mistake so obvious that the bill had to be shoved through here in a hurry-up fashion and in an unconstitutional manner. The American people are now saying that we should not have passed that bill and it should now be repealed.

What is the reaction to this outpouring of public opinion here on Capitol Hill. Our leadership chooses to ignore the people. The arrogance of power shows up as those responsible for last year's tax fiasco now protect it with threats of intransigence.

Mr. Speaker, the people of this country are speaking out against taxes, and it is high time that Congress listens. Up until now Congress has refused to listen.

THE EMERGENCY FOOD ASSISTANCE AND COMMODITY DISTRIBUTION ACT OF 1983

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PANETTA. Mr. Speaker, today I am introducing H.R. 1590, the Emergency Food Assistance and Commodity Distribution Act of 1983, which I hope will make an important contribution toward addressing the increasing problem of hunger in the United States. I view the early passage of this bill, or a modified version of it, as a top priority in my capacity as chairman of the Agriculture Committee's Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition. I am very pleased that Mr. EMERSON, the ranking minority member of the subcommittee, is among the original cosponsors of the bill and I would like to thank him for his assistance in designing it.

PURPOSE

The most immediate and important purpose of this bill is to establish an effective program to move surplus commodities owned by the Federal Government to those in need. Currently, Federal efforts to move so-called bonus commodities have been limited to dairy products—primarily cheese and butter—and have been hampered by insufficient funding to cover the costs of transporting, storing, and distributing the commodities. This bill would give emergency feeding centers first crack at whatever surplus commodities are held by the Commodity Credit Corporation and would provide the administrative funding needed to move those commodities to areas of acute demand.

In addition to serving emergency needs, this bill would allow other public and private nonprofit agencies to receive surplus commodities and would provide administrative funding to get them there. Many of these recipients, such as schools, child care centers, and elderly feeding programs, have incurred significant budget cutbacks in recent years and the availability of bonus commodities will ease some of their budgetary strains. In fact, the majority of commodities provided under this bill will end up in these nonemergency programs. I think it is just good sense to use commodities that are truly in surplus to feed people in these programs rather than let them sit indefinitely in storage.

The other obvious advantage of making these surplus commodities available to a wide range of worthy institutions is that agricultural markets will be strengthened. Like the payment in kind (PIK) program, this bill should help counteract the dampening effect that large surpluses have on commodity prices.

I would like to state at the outset that I am not wedded to every last provision in this bill. This is a proposal that I hope will be refined and perfected by hearing testimony and expert opinion in the coming weeks. We are trying to design a new program to meet the needs of various constitutencies and inevitably new facts will come to light and cause us to revise our initial judgments. However, we have consulted a wide range of public and private officials, food bank operators, and others in preparing this bill and I am confident that it provides an excellent starting point for effective legislation.

I would, however, like to raise one additional caution about this bill. I do not believe that this bill, or any other bill that expands commodity distribution in the United States, will solve the issue of hunger in America. I am introducing this bill because I sincerely believe it will be constructive and helpful. But if there is one thing that all the experts I have consulted have agreed upon, it is that this bill will make a relatively modest contribution toward meeting the growing problem of hunger across the United States. This is true for a variety of reasons, but primarily because the program, like other commodity programs before it, will provide limited quantities of a limited variety of commodities to a limited population.

I do not wish to sell this program short. It will certainly help and in some areas it will help a great deal. But it should be seen in its proper light. It will be a relatively small and probably temporary supplement to the country's most basic and efficient feeding program, the food stamp program. It will partially fill some of the significant gaps left by the food stamp program, including those in need who either do not qualify for food stamps and those whose benefits run out before the end of the month.

This bill should not be seen in any way as a substitute for the food stamp program. Any additional cutbacks in food stamp benefits would undermine the effectiveness of this bill in serving emergency needs.

HOW IT WOULD WORK

The Emergency Food Assistance Act of 1983 would operate as follows:

First. The Secretary would be required to make all varieties of commodities acquired by the Commodity Credit Corporation (CCC) available without charge to recipients such as food banks, emergency feeding centers, schools, elderly feeding centers, child care centers, and charitable institutions. With the exception of emergency recipients, these CCC commodities would be made available only after certain domestic and foreign commitments are met.

Second. The Secretary would be required to pay the costs of initial processing and packaging to put the commodities into forms suitable for individual home and/or institutional use.

Third. The Secretary would be required to pay, up to a maximum rate established in the law, for actual costs incurred by States for storing, transporting, handling, and distributing commodities to eligible recipients. Additional administrative money would be available to food banks and other emergency programs for their costs in handling and distributing the surplus commodities at the local level.

Fourth. The Secretary would be required to set up a system to allow commodities to be moved directly from the Federal Government to food processors. These food processors would convert the commodities into end food products for eligible recipients, with the cost of processing ordinarily borne by the recipients.

The bill attempts to quickly provide as much USDA surplus commodities as possible to food banks and other emergency programs serving low income and unemployed persons. These programs would receive special help in the following ways:

First. Any Commodity Credit Corporation (CCC) stocks acquired under the price support programs would be available to the emergency programs.

Unlike other recipients like school lunch and elderly feeding programs, emergency programs would not have to wait for what is left after the operation of the payment in kind (PIK) program or after CCC makes any sales, or satisfies international commitments. Our research indicates that the total potential demand of emergency programs appears to be sufficiently small that it should not adversely affect the success of programs like PIK or interfere with other food aid commitments.

Second. If there is a shortage of available commodities, emergency programs would in all instances receive priority over the requests of other eligible agencies in a State.

Third. Emergency programs would not only receive commodities free of charge, but could also receive reimbursement for the costs of distributing them at the local level.

Fourth. To address the immediate need, the bill would require the Secretary to immediately inform the States and emergency programs of the availability of administrative funding and implement the program within 30 days. Apparently many States and emergency programs have scaled back their requests for urgently needed and currently available dairy commodities for lack of administrative funding. This notice should give the current surplus commodity distribution program an immediate shot in the arm.

Fifth. The Secretary would be required to provide up to $10 million toward the costs of processing commodities into end food products for emergency feeding programs.

COSTS

There are two primary costs that the Federal Government would incur under this bill. The first is the cost of processing and packaging commodities into a form that is usable by eligible agencies. The second is the administrative cost of storing, handling, and transporting commodities at the State, and in some cases, local levels. According to preliminary estimates, the combined costs for these two functions should be less than $100 million. Small additional costs would also be incurred in transporting commodities from the Federal to the State level and in providing up to $10 million for processing commodities for emergency feeding centers.

The costs of this program are determined primarily by the quantity of surplus commodities available and the demand for them. If either farm surpluses should diminish or high rates of unemployment abate, the costs of this program should decline.

Initial estimates indicate that this bill might result in an additional $400 million in surplus commodities moving from the Federal Government to States and localities in the first year of operation. This would bring the total amount of domestic surplus commodity distribution to about $1 billion a year. Unless there is a supply far in excess of what is now available and demand also greatly expands, there seems to be little potential for a significant growth in this program's costs.

To safeguard against a large growth in costs, the bill places a cap of $65 million on the total funding available to reimburse State and local administrative expenses. The bill also includes a ceiling on the rate at which administrative expenses can be reimbursed, but the $65 million cap has been included just in case the program begins to move far more commodities than anyone now anticipates. The cap on State and local administrative expenses will effectively limit the potential overall costs of the program. And the authorization for this program is limited to 3 years, which would assure that Congress must shortly reexamine it, whether or not cost should become an issue.

Setting the appropriate reimbursement rate for State and local administrative costs was one of the most difficult aspects of writing this bill. It was my hope to provide enough administrative funding to assure that commodities would move to State and local programs. I have been repeatedly informed that current State and local demand for cheese and other dairy products would be much higher but for the lack of funding to store, transport, and distribute these products.

On the other hand, I did not want to provide more funding than is needed to move commodities nor unnecessarily have the Federal Government pick up costs that can be borne at the State and local level. By setting a reimbursement rate of actual costs up to 5 percent of value, I believe we will adequately cover the incremental costs most States and localities will incur in handling these commodities. Most States and many eligible recipients already have systems in place to handle commodities received from other sources. This program is intended to pick up only the marginal cost increases that will be incurred from handling surplus commodities.

The issue of administrative cost reimbursements is one of the most significant in the bill. Is is an area that I suspect will generate much public comment that will assist our future deliberations.

CONCLUSION

I am aware that others in Congress and elsewhere are developing different approaches to moving surplus commodities from Federal warehouses to those who need them or can use them. From what I have seen so far, I do not think it should be difficult to reach agreement on a workable program. For many needy poeple, time is of the essence. I would hope that we can quickly take the best ideas from the various bills and proposals and have a program in place in the very near future.

If an emergency antirecessionary package moves through Congress in the next few weeks, I hope that parts of this bill will provide a useful approach toward addressing the hunger crisis. I applaud such efforts and will assist them in any way possible. However, passage of emergency legislation, even if it includes funding to distribute surplus commodities during the remainder of fiscal year 1983, will not obviate the need for this bill. The availability of surplus commodities and the demand for them will exist well beyond this fiscal year. The Emergency Food Assistance Act of 1983 would establish a more permanent mechanism to facilitate distribution. By all accounts, unemployment will remain high for some time to come, and it will be particularly important to have a program in place for next winter, and as needed in the future.

The following is a section-by-section analysis of the bill plus the text of the bill itself:

SECTION-BY-SECTION ANALYSIS

Section 1 provides that the Act may be referred to as the "Emergency Food Assistance and Commodity Distribution Act of 1983".

Section 2 amends subsection (a) of section 1114 of the Agriculture and Food Act of 1981. Notwithstanding any other provision of law—

Paragraph (1) requires the Commodity Credit Corporation (CCC) to make any of its stocks of commodities acquired under the price support program available, free of charge and without credit against any entitlements to commodities, to food banks, hunger centers, soup kitchens and like organizations that on an emergency basis relieve distress by furnishing food to low-income and unemployed persons. It also provides that CCC stocks of such commodities which exceed certain enumerated quantities shall be made available, likewise without charge or credit, to a range of recipients. They include charitable institutions, public or private nonprofit schools and school food authorities, State agencies designated by the Governor or other appropriate State officials for distribution of such commodities, nonprofit child care institutions, Federal, State and local penal institutions, disaster relief organizations, public or nonprofit summer camps, the commodity supplemental food program, the Summer Feeding Program, the Needy Family Program on Indian Reservations, and similar organizations and programs designated by the Secretary of Agriculture in consultation with State agencies. Available for distribution to such organizations or agencies are quantities of CCC commodities which exceed the total of (1) those which are to be committed by sales contracts entered into by CCC within the first six months of the fiscal year following the publication by the Secretary of amounts of commodities estimated to be available for distribution during that year, (2) those provided to food banks and the like, and (3) those needed to maintain the Food Security Wheat Reserve and to carry out the pay-

ment-in-kind land diversion program for farmers. The first criteria is to ensure that, while distribution may be made throughout the year, the stocks of CCC are protected to the extent sales are to be made during the first half of each fiscal year. In regard to item (3), consideration is to be given to stocks of commodities held by producers and pledged to secure CCC price support loans. Distributions are to include bulk distribution to congregate nutrition sites and providers of home-delivered meals under the Older Americans Act. The Secretary is required to publish by October 1, 1983, and each October 1 thereafter his estimate of the quantities of commodities to become available for distribution in each of the next two fiscal years.

Paragraph (2) provides that ordinarily the commodities are to be made available to State agencies which will administer the distribution program within the States. CCC would make commodities available directly to recipient organizations only if State agencies are not permitted by law to make distribution to those organizations. And CCC would also make commodities available directly to private companies under certain circumstances later described.

Paragraph (3) requires State agencies receiving CCC commodities to distribute them only to recipient organizations which the State agencies (or the Secretary with respect to direct distributions by him) determine are organizations of the type specified in paragraph (1) and will effectively distribute the commodities to those whom they serve. If for any reason a State agency does not have sufficient quantities of commodities to meet the requests from all eligible organizations, preference is to be given to requests from emergency feeding operations such as food banks.

Paragraph (4) directs CCC to pay the costs of initial processing and packaging of the commodities to be distributed into forms and in quantities suitable for use in individual households and for institutional use, as applicable.

Paragraph (5) directs the Corporation to make available funds not to exceed $65 million in the aggregate in any fiscal year for certain expenses associated with distribution of commodities. These include covering of the actual costs of State agencies (but not to exceed five percent of the fair market value of the commodities provided to them by CCC) in storing, transporting, handling and distributing the commodities, and paying or making advance payments to emergency feeding organizations such as food banks and the like to cover their actual costs in storing, transporting, handling and distributing commodities that they receive from the State agencies and in completing paperwork which is necessary only because of their receiving and distributing the commodities. However, if funds made available by CCC are not sufficient to cover all of such costs, preference shall be given to covering the costs of the emergency feeding organizations. CCC is also directed under the $65 million ceiling to make payments to emergency feeding organizations to cover storing and other distribution costs and completing necessary paperwork incurred by them with respect to commodities made available directly to them by CCC. State agencies are prohibited from charging recipient organizations for any costs incurred by the State agencies in carrying out the distribution program.

Paragraph (6) requires the Secretary to obtain such assurances as he deems necessary that recipient organizations will not diminish their normal expenditures for food by reason of their receiving commodities under these provisions. Eligible recipients are directed to request and distribute commodities only in quantities which can be consumed without waste.

Paragraph (7) directs the Corporation to encourage consumption of initially processed commodities made by making them available directly to private companies for further processing into end food products for use by recipient organizations. Such organizations are required to bear the expense of the further processing, except that CCC is directed to bear this expense, up to $10 million in any fiscal year, in connection with further processing of commodities requested by emergency feeding organizations. The Secretary is directed to administer the distribution program under this paragraph, including determination of the companies and recipient organizations who may participate.

Paragraph (8) prescribes a schedule for certain actions of the Secretary to implement the distribution program under the amendment. The Secretary is to inform State agencies of the provisions of the amendment not later than 15 calendar days after enactment, to begin distribution of commodities for use by emergency feeding organizations and issue related regulations not later than 30 calendar days after enactment, and to commence distribution of commodities for use by other recipient organizations and issue related regulations not later than 90 calendar days after enactment.

Paragraph (9) provides that section 4(b) of the Food Stamp Act of 1977, which generally prohibits distribution of food in areas where the food stamp program is in operation, shall not apply with respect to the distribution of commodities under the amendment.

Section 3 provides that the amended section 1114(a) of the Agriculture and Food Act of 1981 shall expire on September 30, 1986.

H.R. 1590

A bill to provide emergency food assistance to low-income and unemployed persons and to improve the commodity distribution program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Food Assistance and Commodity Distribution Act of 1983".

SEC. 2. Section 1114(a) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e) is amended to read as follows:

"SEC. 1114. (a) Notwithstanding any other provision of law—

"(1)(A) Stocks of commodities acquired under the price support programs by the Commodity Credit Corporation (hereinafter referred to as 'the Corporation') shall be made available without charge or credit for distribution to food banks, hunger centers, soup kitchens, and similar public and private nonprofit organizations that relieve situations of emergency and distress by providing food to low-income and unemployed persons (which organizations are hereinafter referred to as 'emergency recipients').

"(B) Stocks of commodities acquired under the price support programs by the Corporation which exceed quantities thereof (i) to be committed under contracts of sale entered into by the Corporation before April 1 of the fiscal year following the date on which the Secretary of Agriculture (hereinafter referred to as 'the Secretary') publishes the estimate required under subparagraph (C), (ii) otherwise made available for distribution under subparagraph (A), (iii) necessary to maintain the reserve established under the Food Security Wheat Reserve Act of 1980 (7 U.S.C. 1736f-1), and (iv) necessary to carry out the payment-in-kind land diversion program for producers (taking into consideration stocks of commodities held by producers which are pledged to the Corporation as security for price support loans) shall be made available without charge or credit for distribution to charitable institutions; public or private nonprofit schools and school food authorities; State agencies designated by the Governor or other appropriate State official to distribute such commodities; nonprofit child care institutions; Federal, State and local penal institutions; disaster relief organizations; public or nonprofit summer camps; the commodity supplemental food program; the Summer Feeding Program; the Needy Family Program on Indian Reservations; and similar organizations and programs designated by the Secretary of Agriculture in consultation with State agencies. Such distribution shall include bulk distribution to congregate nutrition sites and to providers of home-delivered meals under the Older Americans Act of 1965.

"(C) The Secretary shall, before October 1, 1983, and each October 1 thereafter, publish in the Federal Register an estimate of the quantities of commodities to become available for distribution under this paragraph during each of the next two fiscal years.

"(2) The Corporation shall provide the commodities made available under paragraph (1) to State agencies designated by the Governor which shall administer the distribution program under this subsection within the States, except that the Corporation shall provide such commodities directly to eligible recipients to which State agencies are not permitted by law to make distribution, and to private companies as provided in paragraph (7). The Secretary shall, in consultation with State agencies, administer such direct distribution program.

"(3) State agencies to which commodities are provided by the Corporation under this subsection shall distribute them only to recipient organizations which, as determined by State agencies or the Secretary, as the case may be, meet the criteria specified in paragraph (1) and will effectively distribute such commodities to those whom they serve (which recipient organizations are hereinafter referred to as 'eligible recipients'). If the quantity of commodities provided to State agencies for distribution under this subsection is not adequate to meet all requests therefor by eligible recipients, preference shall be given to requests from eligible emergency recipients.

"(4) The Corporation shall use its funds to pay costs of initial processing and packaging of commodities to be distributed under this subsection into forms and in quantities suitable for use in individual households when such commodities are to be consumed by such households and for institutional use, as applicable.

"(5) The Corporation shall, from its funds, but not to exceed $65,000,000 in the aggregate in any fiscal year, (A) pay or make advance payments, upon request, to State agencies, but not in excess of five per centum of the fair market value of the commodities provided to them by the Corpora-

tion under this subsection, for use by them (i) to cover actual costs incurred by State agencies in storing, transporting, handling, and distributing such commodities, and (ii) to pay or make advance payments, upon request, to eligible emergency recipients to cover actual costs incurred by them in storing, transporting, handling, and distributing commodities distributed to them by State agencies under this subsection and in completing paperwork which is necessary only because of their receiving and distributing such commodities: *Provided*, That if the amounts made available to State agencies by the Corporation under clause (A) are not adequate to cover all costs described therein, preference shall be given to covering such costs incurred by eligible emergency recipients, and (B) pay to eligible emergency recipients amounts to cover costs described in the preceding clause (A)(ii) incurred by them with respect to commodities made available directly to them by the Corporation as provided in paragraph (2). State agencies may not charge eligible recipients for any costs incurred by State agencies in carrying out the distribution program under this subsection.

"(6) The Secretary shall obtain such assurances as the Secretary deems necessary that eligible recipients of commodities provided under this subsection will not diminish their normal expenditures for food by reason of receiving such commodities. Eligible recipients shall request and distribute commodities under this subsection only in quantities which can be consumed without waste.

"(7) The Corporation shall also encourage consumption of initially processed commodities made available under this subsection by distributing them directly to private companies for further processing into end food products for use by eligible recipients. Eligible recipients shall bear the expense of such further processing, except that the Corporation shall bear such expense, but not in excess of $10,000,000 in the aggregate in any fiscal year, in connection with the further processing of commodities ordered by eligible emergency recipients. The Secretary shall administer the distribution program under this paragraph, including making determinations, in consultation with State agencies, of the companies and eligible recipients whose participation will effectively result in consumption of the end food products.

"(8) The Secretary shall (A) inform State agencies of the provisions of this amendment not later than 15 calendar days after its enactment, (B) commence distribution of commodities for use by eligible emergency recipients and issue regulations governing such distribution not later than 30 calendar days after the date of enactment of this amendment, and (C) commence distribution of commodities for use by other eligible recipients and issue regulations governing such distribution not later than 90 calendar days after the date of enactment of this amendment.

"(9) The provisions of section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)) shall not apply with respect to distribution of commodities under this subsection.".

SEC. 3. Section 1114(a) of the Agriculture and Food Act of 1981, as amended by this Act, shall expire on September 30, 1986.

THE EMERGENCY FOOD ASSISTANCE AND COMMODITY DISTRIBUTION ACT OF 1983

(Mr. EMERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMERSON. Mr. Speaker, today I am joining with the gentleman from California, the chairman of the Subcommittee on Domestic Marketing, Consumer Relations and Nutrition, in introducing a bill to provide surplus food to people who are in need. This bill will require the Secretary of Agriculture to distribute commodities to organizations, such as food banks, churches, and community organizations, who in turn provide food to needy people. In addition schools, VA hospitals, providers of home-delivered meals, and other similar organizations designated by the Secretary will be able to receive surplus commodities for the needy people they serve.

As you know the Department of Agriculture is currently distributing surplus dairy products. The Department reports that 366 million pounds of cheese and butter have been ordered by the States. This bill expands on the kinds of commodities distributed and provides administrative money to assist in the distribution of commodities. Money that has been spent to store commodities can now be redirected to aid in the distribution of commodities to people in need.

I commend the Department for their actions to distribute the surplus dairy products and I believe that this bill will enable more of the surplus commodities to be distributed to people in need. This bill serves a sound and humanitarian purpose—it provides food for needy people from the surpluses now held by the Federal Government.

There have been other proposals offered to provide distribution of the surplus commodities. I am looking forward to the subcommittee hearings and the testimony we will receive on the bill and on ways to perfect this bill. I am confident that we will be able to agree on an efficient and effective means to distribute surplus commodities to people in need.

I urge my colleagues to join with the gentleman from California and me and support this bill.

COMMUNICATION FROM THE HONORABLE RON PAUL, MEMBER OF CONGRESS

The SPEAKER pro tempore (Mr. SPRATT) laid before the House the following communication from the Honorable RON PAUL, Member of Congress:

WASHINGTON, D.C.,
February 18, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, U.S. Capitol, Washington, D.C.

DEAR MR. SPEAKER: In compliance with Rule L (50) of the Rules of the House of Representatives, I am informing you that John W. Robbins of my Washington, D.C. office has been served with a subpoena addressed to me to appear before the Criminal Division, Felony Branch, the Superior Court of the District of Columbia regarding United States District of Columbia v. James W. von Brunn.

I will consult with the General Counsel to the Clerk of the House and make the necessary determinations required under paragraph three (3) of the Rule.

Sincerely,

RON PAUL,
Member of Congress.

COMMUNICATION FROM THE HONORABLE HENRY B. GONZALEZ, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable HENRY B. GONZALEZ, Member of Congress:

WASHINGTON, D.C.,
February 22, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, The Capitol, Washington, D.C.

DEAR MR. SPEAKER: This is to advise you that I was served with a subpoena on February 18, 1983, to appear as a witness for Mr. James W. von Brunn on February 23, 1983 at the Superior Court of the District of Columbia.

If you require additional information, please let me know.

Sincerely,

HENRY B. GONZALEZ,
Member of Congress.

□ 1530

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. RATCHFORD) is recognized for 10 minutes.

[Mr. RATCHFORD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

DEFENSE SPENDING—A QUESTION OF WHY, NOT HOW MUCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. LOEFFLER) is recognized for 10 minutes.

● Mr. LOEFFLER. Mr. Speaker, among the highest honors anyone in public life can receive is one that comes from those who have defended our country. Our distinguished House Republican leader, BOB MICHEL, received such an honor February 22, 1983, when the American Legion presented him with its Public Service Award.

In inspiring and informative remarks before the American Legion's Washington Convention, the Republican leader performed a public service by reminding us that before we debate the question of how much we should spend on defense, we should ask an even more fundamental question: Why?

To aid in our own upcoming debate on this vitally important issue, I would like to share the perceptive comments of the gentleman from Illinois with the Members of the House:

National Commander Al Keller, my fellow Legionnaires and members of the Auxiliary.

It's been a long time since Al Keller was flying his missions over Europe and I was "grubbing it out" down below as a combat infantry man in that same theatre of operations during World War II.

What an extra-ordinary coincidence that nearly 40 years later, two boys born in Peoria should be on this same platform together in our respective leadership roles.

This is so far removed from what I ever could have imagined eventually happening to me as one of those seemingly numberless, insignificant "doughboys" that I find myself groping for an appropriate way to respond to the great honor you do me here this morning.

Receiving the American Legion's most prestigious Public Service Award brings to mind those high standards set by several previous recipients who I've known and served with in the Congress.

Carl Vinson of Georgia, "Tiger" Teague and George Mahon of Texas, Speakers John McCormack and "Tip" O'Neill from Massachusetts.

And then, of course, from my home state, my dear friends, Les Arends and the late great Senator Everett McKinley Dirksen.

Believe me, I'm deeply touched that you should consider me in the class with these truly great legislators.

I know there are many here today who know what General Douglas McArthur meant when he referred to "the mournful mutter of musketry" on the battle field.

I certainly share that knowledge. And so today I'd like to take advantage of the opportunity you have given me to say some things that have to be said about our national defense.

We are currently engaged in a fierce debate over national defense in our country. In some cases, the debate has focused on a single weapons system like the MX missile or a single component of our defense force such as our Navy.

But for the most part we are arguing about two little words: How much?

I believe we have been arguing about the wrong question. There is even a more important question which can be summed up in one little word: Why?

Why do we need a defense apparatus that costs so many billions of dollars per year?

The answer to this question is obvious to this audience. But, apparently some have forgotten. It is time for all of us to reflect on why before we resolve how much.

And there could be no better time than the day we traditionally set aside to honor the father of our country, George Washington.

Another great American who was both a soldier and a President, Dwight Eisenhower reminded us in his famous 1960 farewell speech why we need a strong national defense.

He first spoke of what he called our "Basic Purposes" as a nation: ". . . to keep the peace; to foster progress in human achievement, and to enhance liberty, dignity and integrity among people and among nations."

And then he said:

"We face a hostile ideology—global in scope, atheistic in character, ruthless in purpose, and insidious in method. Unhappily the danger it poses promises to be of indefinite duration. To meet it successfully, there is called for, not so much the emotional and transitory sacrifices of crisis, but rather those which enable us to carry forward steadily, surely, and without complaint the burdens of a prolonged and complex struggle—with liberty the stake."

It's amazing that those who remember Ike's warning about the "military industrial complex" in that speech conveniently forget his vivid description of the threat we face.

Just consider for a few moments our world-wide obligations and responsibilities either through treaties or because of our own vital national interests:

We are committed by solemn treaty obligation to the defense of western Europe through the North Atlantic Treaty Organization. Well, over a quarter of million of our armed forces stand only miles from the forces of the Warsaw Pact nations.

In East Asia and the Pacific we have bilateral treaties with Japan and Korea and the Philippines. We have solemnly sworn to help Taiwan defend itself against aggression. The Manila Pact adds Thailand to the list of treaty partners.

We have land and air forces deployed in Japan and Korea. We have the Seventh Fleet in the western Pacific.

We are members of the ANZUS Treaty with Australia and New Zealand.

Our Sixth Fleet is in the Mediterranean to protect our access to the valuable energy sources of the Mid-East and committed to aiding the Israelis to retain their freedom.

In the Western Hemisphere we are members of the Treaty of Rio which embraces all of Latin America.

The Caribbean Basin and Central America are right in our backyard. We cannot let them fall to Castroite totalitarian revolutions.

Around the world's seven seas there are various "chokepoint" straits and strategic sea passages that must remain free since we depend on freedom of the sea for vital resources.

Those are some of America's obligations.

President Reagan didn't invent them.

Cap Winberger didn't pull them out of a hat.

They come with the responsibilities of being a world power.

And remember—nowhere—nowhere in the world are our forces geared for the offensive. We have now and have had for years a defensive strategy, and that seeks to deter and, if we can't deter, then at least to contain.

If we debate the cost of our national defense without considering these facts, we are engaged in an exercise in futility.

There is a legitimate place for debate over the cost of defending freedom and maintaining peace. But there is no place for arguments that ignore the fact that we *are* still faced with a world-wide threat from the Soviet Union and that we have world-wide obligations to fulfill.

There are currently three "schools" of thought among those who call for deep cuts in defense spending.

The first is the "military reform" group. They believe our armed forces depend too much on high-technology. They want fewer and less sophisticated weapons systems. They call for strategic and tactical changes in the way our armed forces fight.

The second school has no strategic or tactical alternative to offer to current defense plans. It simply calls for cuts in defense because such cuts are needed to "balance" cuts made in domestic spending.

The third group is made up of those who vote against defense appropriations as a matter of principle. They just don't like to spend any amount on defense.

While I am not personally convinced by the arguments against high technology, the military reform group is at least raising some serious questions that have to be addressed.

As for those who say we should make defense cuts to balance cuts being made in domestic programs, my view is somewhat different.

As a member of the Appropriations Committee for 25 years, I never saw a defense budget that couldn't be cut. But defense cuts must be made on the merits of the case.

As far as the third group is concerned—those who vote against defense spending as reflex action—all I can say is that thank God they are a minority in the Congress and that they represent very few Americans.

Every time I hear one of them criticize what they call "the Pentagon" I want to say:

"Look, the Pentagon doesn't fight. The Pentagon doesn't die. The Pentagon is a big building across the river from Washington, D.C. It is American young men and women who fight and die for this country. Our sons and daughters. They are the ones we are trying to train and equip and arm."

When I hear the term "military-industrial complex" used as a term of abuse to criticize our defense industry itself, I think it might be time to resurrect the term used by Franklin Roosevelt.

He called our industrial base the "arsenal of Democracy" and that's what I think we should begin calling it again.

The time has also come to ask ourselves the basic questions before we start arguing about spending levels.

As a wise man once said: in the most important matters, we need to be reminded more than we need to be instructed.

Is there, right now, an immediate and realistic military and political threat to the basic purposes of our nation?

I am convinced, on the basis of irrefutable, persistent and abundant evidence that such a threat exists.

Afghanistan. Yellow rain. Cubans still in Africa. Marxist-Leninist guerrillas in El Salvador. Terrorism Poland. SS-20's. SS-18's.

The Joint Chiefs of Staff recently reminded us that the Soviet Union spends some 15 per cent of its Gross National Product on military spending—about twice what we do. The Soviet spending in research and development surpasses ours. They have relatively low labor costs.

Those in my age barcket have the memory of Hitler's strike against Poland and the Japanese attack on Pearl Harbor seared into our memories.

We're usually inclined to think of the classic sneak attack as the way a war starts.

But suppose we are wrong? Suppose we won't have a Pearl Harbor attack to awaken us the next time?

Suppose, instead, over a period of years we slowly but inexorably lose the ability to have access to strategic minerals and resources.

Suppose slowly but inexorably nations of the world get the idea we are not willing to defend ourselves and turn to the Soviet Union to make the best deal they can.

Suppose Soviet propaganda wins the battle of ideas in western Europe. Suppose Cuban mercenaries and Communist guerrillas win great victories in Latin America.

We won't need a Pearl Harbor. We will have already sustained mortal damage to our national security. That's the kind of battle we are in.

When the Soviets invaded Afghanistan, they suddenly awakened most Americans—if not the Congress itself—from the slumber of the Seventies.

But we hear little about Afghanistan today. That country and its people are victims of one of the sad truths of our electronic age: if you don't appear on television every evening you cease to exist as far as national attention is concerned. So the crisis mentality has disappeared.

It was no surprise for me a few weeks ago to pick up the New York Times and read that the latest polls show that "Americans no longer fear that the United States is lagging behind the Soviet Union in military progress." It is no surprise to see that a majority believe the United States is spending too much on weapons systems.

We are a people of crisis. We respond to crisis. We seem incapable of sustained, steady, slow-but-sure growth.

So I'm not surprised that after a year of a steady drum-beat of anti-defense propaganda, of neglect in telling the truth about the Soviet build-up, we have lost the consensus for a strong defense that existed only two years ago.

I'm not surprised that the leaders of the nuclear freeze movement recently announced a new strategy.

They will seek to get Congress to, in effect, unilaterally stop funding new American nuclear weapons systems and then "call upon" the Soviet Union to match our cuts.

Can you imagine "calling upon" Yuri Andropov to stop building if Congress has effectively frozen our strategic systems?

I wish the American Legion would undertake the task of refuting this dangerous view, at the grass-roots level.

The United States refused to take President Eisenhower's advice during the 1970's. If we had been willing to make relatively small, steady sacrifices for defense, we would not now be facing the problems of higher and higher defense costs.

I said we talk too much about cost. But since that seems to be a major topic, let's examine it for a moment.

No matter how you measure it—as a percentage of the Gross National Product, or as a percentage of the total budget—defense spending dwindled during the 1970's.

In fiscal year 1962, when John F. Kennedy was President, we spent 45.9 percent of the budget on defense. In fiscal year 1984, that figure will be 31.4 percent, much below what we were spending 20 years ago.

In fiscal year 1962, defense was roughly 9 percent of the GNP.

In fiscal year 1983, defense is projected as 6.5 percent of the GNP.

We need a renewed commitment to the steady, sure, non-dramatic, long-run approach Ike called for. But in order to get to the point where such a strategy can be regained, we have to first make up for lost time.

Let us hope that time is all that we lost during our long national sleep.

Allow me to offer one more illustration to illustrate my point about the need to go beyond budget figures in talking about defense.

A few weks ago I had a discussion with the British Ambassador to the United States.

The talk turned to last year's Falkland Islands war. I asked the Ambassador what lessons had been learned by his country. I assumed that the major lesson was the need for high-technology weaponry.

"Yes" said Ambassador Wright, "high-technology weapons are important. But we found two things were even more important to our military success. The first is clear, firm, confident political leadership. The second is well-trained, well-led, well-motivated fighting men who believe in their cause and are eager to fight for it."

Ambassador Wright was correct in his assessment. Even in the age of nuclear and high-technology weapons, it is the human factor that is crucial in defense.

The unconquerable human heart, the ingenious human brain, raw courage, high morale, personal discipline, firm leadership, willingness to sacrifice—no high technology in the world can replace those qualities.

The United States of America will remain strong and free only so long as the American people have the will, the courage, the skills and the love of country to defend our values.

I began with a quotation of President Eisenhower. Let me conclude by quoting another President. His firm stand for a strong defense of our country shows that a strong defense is not a partisan matter. It is a matter of principle.

Shortly after President Eisenhower made his farewell speech, President Kennedy said in his Inaugural Address:

"Let every nation know whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to assure the survival and the success of liberty."

If Americans ever lose the spirit that is embodied in those words, no amount of money, no amount of new strategies, can keep us free.

The American Legion knows that and has always known it. For this, and for so many other patriotic attitudes, the Legion represents the kind of spirit Dwight Eisenhower and John F. Kennedy spoke of.

I want you all to know that over and above what great personal honor you do me today, your very handsome award will serve as a reminder that we have to keep that spirit alive in the Congress. And I pledge to you that I will do all in my power to continue to do that for you and for our country.

From the bottom of my heart, thank you.●

ANTIJUNKETING LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 5 minutes.

● Mr. CORCORAN. Mr. Speaker, I am introducing legislation today that would curb unnecessary travel to foreign countries by Members of the House of Representatives. Travel by those Members who are retiring or who have been defeated in their primary elections would be eliminated. This is a loophole which further tarnishes the image of Congress by allowing Members of the House who are not returning to Government service to globetrot at taxpayers' expense.

In addition, my bill contains a provision that would require any planned foreign travel by Members or staff to be authorized by a public rollcall vote of the full committee after formal consideration of a travel proposal. Any travel proposal would have to include the projected cost of that travel and the legislative objectives of the trip.

Although oversight responsibilities are an important function of Congress, an examination of travel relative to its cost and purpose would certainly turn up foreign travel which cannot be justified. I recognize the necessity of some foreign travel, and legitimate foreign travel would not be affected by my proposal. We can only look to our constituencies, however, and note their displeasure at the Congress irresponsibility with regard to foreign travel. I urge my colleagues to support continuing reform of our system of travel authorization.●

HEARINGS ON IMMIGRATION REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky (Mr. MAZZOLI) is recognized for 5 minutes.

● Mr. MAZZOLI. Mr. Speaker, I wish to announce that my Subcommittee on Immigration, Refugees, and International Law has scheduled 7 days of public hearings to consider legislation (H.R. 1510) which I introduced last Thursday, February 17, to revise and reform our immigration law.

This comprehensive legislation is identical to that which was approved by the Committee on the Judiciary during the 97th Congress and which was considered by this body for several days last December. Regrettably, that legislation was not approved and signed into law.

The hearing dates for the legislation are March 1, 2, 8, 9, 10, 15, and 16. On Tuesday, March 1, we will hear from Members of Congress and the Attorney General. Because of the subcommittee's desire to accommodate any Member of Congress wishing to testify on this important legislation, I would suggest that all such requests be made by noon Friday, February 25, to the Subcommittee on Immigration, room 2137, Rayburn Building, U.S. House of Representatives, Washington, D.C. 20515. The subcommittee staff can be contacted on (202) 225-5727.

On March 2, we will hear from the Immigration and Naturalization Service (INS), which will testify on their role in implementing this proposed legislation.

On Tuesday, March 8, we will have one day of oversight hearings to receive testimony from the Commissioner of INS, the Chairman of the Board of Immigration Appeals (BIA) and the Chief Immigration Judge concerning their respective portions of the fiscal year 1984 Department of Justice budget submission.

On March 9, we will receive testimony from the following Federal departments and agencies concerning their particular positions on this legislation and their role in administering the various provisions: Department of Labor, Agriculture, Health and Human Services, and State.

During the final 3 days, we will receive testimony from a variety of witnesses representing: organized labor, the business community, agricultural organizations, religious and ethnic organizations, State and local governments, and the legal community.

I am hopeful that at the conclusion of these hearings the subcommittee will proceed to mark up of this legislation as soon as possible.●

FULL ACCESS TO EPA DOCUMENTS IS OBTAINED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia, Mr. LEVITAS is recognized for 5 minutes.

● Mr. LEVITAS. Mr. Speaker, pursuant to a week of discussions between representatives of the administration and myself, on Friday evening, February 18, 1983, a memorandum of understanding was signed which gives the Public Works and Transportation Subcommittee on Investigations and Oversight full access to Environmental Protection Agency documents on the Superfund law. Edward Schmults, Deputy Attorney General, Fred Fielding, Counsel to the President, and Carol Dinkins, Assistant Attorney General for Land and Natural Resources represented the administration in these discussions. Throughout the discussions, I consulted with Chairman JIM HOWARD of the Public Works and Transportation Committee and other House leaders. Accompanying me in the discussions were Stanley Brand, General Counsel to the Clerk, of the House of Representatives, John P. O'Hara, Counsel and Staff Director of the Subcommittee on Investigations and Oversight, and Bob Prolman, professional staff member of the Subcommittee on Investigations and Oversight.

At this point, I would like to place in the RECORD a copy of the memorandum of understanding, for the information of the Members of the House:

MEMORANDUM OF UNDERSTANDING BETWEEN THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AND THE DEPARTMENT OF JUSTICE CONCERNING DOCUMENTS SUBPOENAED FROM ENVIRONMENTAL PROTECTION AGENCY

1. The Subcommittee on Investigations and Oversight ("Subcommittee") of the House Committee on Public Works and Transportation ("Committee") will obtain access to all documents in Environmental Protection Agency ("EPA") files relating to Superfund sites selected by the Subcommittee for review, except those documents designated by EPA or the Department of Justice ("DOJ") to be "enforcement sensitive," as defined herein. The Executive Branch will not shield from Subcommittee review any document that evidences any criminal or unethical conduct by any executive department official or employee.

The Subcommittee, or the Subcommittee through its investigators, will initially designate a reasonable number of National Priority List sites which are the subject of its official inquiries undertaken pursuant to its investigation and oversight responsibilities. Additional sites may be designated from time to time by the Subcommittee, or the Subcommittee through its investigators. Reasonable advance notice will be provided to the Associate Administrator for Legal and Enforcement Counsel to permit the Agency to review and segregate its files.

During review, the Subcommittee investigators may request executive branch staff to be present to assist the investigators in their review of the documents and to insure that documents designated as "enforcement sensitive" are properly set aside for stage two (2) review described below. The Subcommittee investigators will be free to obtain copies of the remainder of the files and to otherwise conduct investigations in an appropriate and customary manner. The investigators shall provide EPA with a record of all documents copied pursuant to this Memorandum Of Understanding.

The Administrator, or a formally designated Assistant Administrator, or appropriate Regional Administrator will certify to the Subcommittee that the access provided and the documents produced represent a diligent good faith effort to fully comply with the Subcommittee's request for access and the requirements of this Memorandum Of Understanding, and that the files made available for review by the Subcommittee staff during this phase resulted from a thorough search of EPA offices and that to the best knowledge of the certifying officials, documents have not been purged from these files except in accordance with this Memorandum Of Understanding.

"Enforcement sensitive" documents include sensitive memoranda or notes by government attorneys, investigators, and expert witnesses or other individuals involved in the CERCLA enforcement process that reflect enforcement strategy, legal analysis, lists of potential witnesses, settlement considerations, and similar materials the disclosure of which might adversely affect a pending enforcement action, overall enforcement policy, or the rights of individuals.

2. "Enforcement sensitive" documents will be set aside for a second stage process. During this stage, in executive session, the Subcommittee and staff will be given redacted copies of the enforcement sensitive documents. The Subcommittee and its staff will be briefed in executive session by attorneys familiar with the documents concerning the material which has been redacted.

3. After executive session briefing, the Subcommittee members will be given an opportunity to review in executive session any redacted document in its complete unredacted form which it finds necessary to review for purposes of its investigation. If upon review of any unredacted document the Subcommittee or the Chairman, in consultation with the Ranking Republican Member, determines that staff expertise is required to fulfill the Subcommittee's responsibilities, the Chairman will specify his concerns setting forth the specific need for Subcommittee staff to review the unredacted document or describe said concerns to a Justice Department official in a discussion with such official. Personnel of the EPA and the Department of Justice will then discuss with the Chairman and explain the meaning of those portions of the documents which the Chairman determines require further clarification. If the Chairman then concludes that staff review is necessary, the Subcommittee, through the Chairman or Ranking Republican Member shall have the right to permit staff participation in executive session review of the unredacted documents, such participation shall be limited to two (2) designated staff persons.

4. If the Subcommittee thereafter determines that it needs to have copies of any of the "enforcement sensitive" documents, it would then have the right to pursue all lawful efforts to obtain the documents in question.

Nothing in this memorandum shall constitute a waiver of Executive Privilege with regard to any document. The Subcommittee does not acknowledge the applicability of Executive Privilege to any document subpoenaed.

5. The redacted copies, and the information disclosed by the documents may be used by the Subcommittee and its staff in questioning EPA-related witnesses. Such witnesses will not be asked to reveal the redacted portions.

The Subcommittee will maintain the confidentiality of specific information obtained from the "enforcement sensitive" documents except that the Executive recognizes Congress' need to draw conclusions, identify problems or issues and address generally other matters as part of its oversight function.

6. This memorandum is intended to solely resolve the issues relative to the subpoena issued by the Subcommittee on Investigations and Oversight of the House vote on December 16, 1982, finding EPA Administrator Anne M. Gorsuch in contempt of Congress and does not bind, or otherwise affect the rights of any other subcommittee of the House with respect to any subpoena which has been or may be authorized.

7. Following satisfactory implementation of the procedures set forth herein, the Chairman of the Subcommittee represents that he will undertake and use his best efforts to introduce an appropriate resolution, for consideration by the Committee and the House of Representatives. An essential and nonseparable condition of this agreement is that the House of Representatives will adopt a resolution containing recitals that implementation of the procedures established herein constitutes a purging of the aforesaid resolution of the House of Representatives of December 16, 1982, certifying that compliance with the Subcommittee's subpoena has been effected; that the House finds no reason for further proceedings; and providing for the Speaker to certify all of

the foregoing to the United States Attorney.

Signatures:

Elliott H. Levitas, Chairman, Subcommittee on Investigations and Oversight, Committee on Public Works and Transportation.

Fred Fielding, Counsel to the President.

Edward Schmults, Deputy Attorney General.

Date: February 18, 1983.●

RURAL TELEPHONE SERVICE AND THE RURAL ELECTRIFICATION ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. ENGLISH) is recognized for 5 minutes.

● Mr. ENGLISH. Mr. Speaker, today I am introducing a resolution expressing the sense of the House of Representatives that Federal agencies should pay special attention to the needs of rural America when taking any action affecting the development and financing of rural telephone service. The resolution is identical to one I introduced in the last Congress. Once again, Congressman ED JONES joins with me in sponsoring the resolution.

In the Communications Act of 1934, this Nation established a policy of universal telephone service. The goal was to make telephone service available to every household in the United States at rates within the reach of every citizen. This goal was not self-enforcing, and, despite the law, the number of telephones in rural America actually declined after enactment of the 1934 act.

In the Rural Electrification Act Amendments of 1949, Congress reaffirmed the policy of universal telephone service by authorizing Federal financing of rural telecommunications. This new financing helped to overcome the high cost of providing telephone service to rural areas and started to end the isolation of rural citizens from the rest of the Nation. As a result, universal telephone service is no longer a distant goal but approaching reality, and the reality is that all of America, not just the rural areas, has benefited from the availability of telephone service everywhere in this country.

Today, nearly 50 years after the establishment of universal telephone service as this Nation's basic communication policy, a new threat to the policy has arisen. Increasing competition in the telephone industry threatens to undercut or end universal telephone service. Competition in the telephone industry has the potential to provide new services for all and to lower costs for some. However, we need to balance the benefits of competition in the telecommunications industry with the need to avoid adverse changes in the availability of telephone service in rural areas. This is a major challenge facing the industry and the Government policymakers.

Last Congress, the Committee on Government Operations issued a report entitled "Maintaining the Network: Rural Telephone Service and FCC Actions" (H. Rept. No. 97-922). The report found that actions taken by the Federal Communications Commission will increase the cost of basic local telephone service. This is one of the unfortunate consequences of competition in the telephone industry. The report also found that the cost of providing basic telephone service to rural areas is already higher than the cost of providing the same service to urban and suburban areas by a range of 30 to 100 percent.

Putting these two findings together, it appears that the effect of rising telephone rates nationwide will be accentuated in rural areas where the cost of providing service is already higher. There will be growing differences in the costs of telephone service between urban and rural areas. If the cost of rural service grows at a disproportionately higher rate, then more rural consumers may be priced out of the telephone market entirely.

It is not easy to provide telephone service to rural areas. We all recognize this. Nevertheless, that fact does not make it any less important that we continue rural telephone service. The needs of rural customers cannot be ignored. Rural America must share equally in the benefits and bounties of new technologies and in new developments in American society. Every effort must be made to assure that the communications needs of every citizen are met.

It is obvious that the role of the Rural Electrification Administration in providing financing and leadership has been critical in the development and expansion of rural telephone service to the benefit of this entire Nation. The Rural Electrification Administration must continue that work and, in this time of change, insure that other agencies preserve universal telephone service by guaranteeing the continuation of equal telephone service to rural customers. This resolution will send this clear message to the REA and other agencies. I urge my colleagues in the House to join with Mr. JONES and me in securing passage of this resolution.

The text of the resolution follows:

H. Res. 102

Resolution expressing the sense of the House of Representatives that the role of the Rural Electrification Administration should be enhanced to assure that Federal agencies consider the needs of rural America in establishing policies which affect telephone service in rural America

Whereas the Congress, in enacting the rural telephone loan program in the Rural Electrification Act of 1936, established a policy of special concern and attention for the needs of rural America regarding telephone service;

Whereas there are unique capitalization and service requirements applicable to the provision of rural telephone service which are reflected in the provisions of the Rural Electrification Act of 1936 and the policies and programs of the Rural Electrification Administration; and

Whereas there is a continuing need for the Federal Government to give special attention to the capitalization and financing needs of telephone service in rural areas and provide the greatest practicable support to the rural telephone financing programs administered by the Rural Electrification Administration: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the Administrator of the Rural Electrification Administration should establish policies and guidelines which will assure that Federal agencies consider the needs of rural America in connection with granting loans, prescribing rules, and establishing policies which affect the capitalization and other financial requirements of telephone service in rural America as established under the Rural Electrification Act of 1936; and

(2) such Federal agencies should act consistent with all policies and guidelines established pursuant to paragraph (1) and should consult on a routine basis with the Administrator of the Rural Electrification Administration and with State agencies which administer rural development and rural telephone service programs when granting loans, prescribing rules, and establishing policies which affect the capitalization and other financial requirements of telephone service in rural America.●

SUPERFUND MUST BE EXTENDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 15 minutes.

● Mr. LAFALCE. Mr. Speaker, amid charges of political wrongdoings surrounding the Environmental Protection Agency, I am introducing legislation to extend the Federal Superfund program for 5 years, through 1990.

Passage of this legislation will let the administration and the American public know, in no uncertain terms, that the Congress fully supports the Superfund cleanup program.

The firing of Ms. Lavelle, EPA's unwillingness to provide needed documents to congressional investigators culminating in a contempt citation being filed against the Administrator, and allegations of perjury and misconduct at the highest levels of the Agency, cast a dark cloud over the administration's implementation of the Superfund program.

However, unsettling as these actions may be they are only symptoms of a deep rooted hostility toward the Superfund program.

At the same time that EPA Administrator Anne M. Burford announced the 418 Superfund priority sites, she was preparing to pull the plug on the

Superfund program. Despite the fact that EPA estimates that there are at least 14,000 hazardous waste dump sites throughout the Nation and other estimates put the figure at 50,000, the Administrator stood up and said that she is not certain if there will be a need for the Superfund after 1985.

The Administrator's uncertainty was clarified several weeks later by Ms. Lavelle who, when speaking before the National Conference of State Legislatures, insisted that she planned to go to Congress in 1985 with the news that Superfund's job has been done and there was no need to extend the tax which supports the program. I just wish that EPA was as eager to clean up the toxic time bombs that dot the American landscape as they are to relieve industry of the tax that is needed to do the job.

EPA knows that the $1.6 billion Superfund will not resolve the entire abandoned site problem, falling far short of public expections and the EPA's own rhetoric. The Superfund shortfall is so severe that EPA may not be able to complete clean up actions at several sites. They may be forced to take only remedial action on a site's most serious problem and then move on to other sites, eliminating immediate threats to public health and the environment without guaranteeing that those threats will not reappear 1, 2, or 10 years later.

The Agency has not yet guaranteed that there will be sufficient funds to complete even the Love Canal remedial action program. The $8 million remedial action program being implemented at the Nation's superstar hazardous waste site does not include the cleanup of area creeks and sewer lines that are contaminated with the deadly chemical dioxin. EPA knows that this will have to be done, but has not yet committed the resources for doing it. Yet, the Administrator is unsure that there will be a need for the Superfund program beyond 1985.

The bill I am introducing today will make additional funds available for Love Canal, the S-Site, and literally hundreds of sites in my congressional district where hazardous wastes are known to have been buried, as well as Times Beach, Wooburn, Mass., Seymour, Ind., and thousands of other sites across the country.

My bill extends the Superfund program for an additional 5 years, and increses the fund by 5 percent each year, for a total of just over $2.5 billion.

Although my bill raises the Superfund to $4.1 billion, I am not going to boast that a $4.1 billion Superfund will clean up all the abandoned hazardous waste sites throughout the Nation, for it will not. Neither will I predict the demise of the Superfund after 1990, for I believe that the need will still exist, that new sites will be discovered and new emergencies will be reported.

The 418 priority sites announced by EPA are the worst sites nationwide. I am convinced that had Congress ordered the Agency to compile a list of 1,000 sites for inclusion in the national contingency plan the additional 600 sites would deserve the same descriptor.

The bill I am introducing today is the second step toward making sure that all of the 1,000 or 2,000 or 10,000 hazardous waste sites that pose a threat to human health and the environment are cleaned up with Federal Superfund dollars. Many believe that the spirit, if not the letter, of the Superfund Act is being violated at EPA by their overreliance on negotiated cleanups. By extending and enlarging the Superfund we will remove one excuse that the agency has offered, namely the paucity of available Superfund dollars.

It is imperative that EPA seek to recover the costs of remedial action from responsible parties. But, it is the first priority of Superfund to protect human health and the environment—a priority that has taken a back seat to allowing the Superfund program to expire in 1985.

Congress must reject this strategy. The bill I am introducing today says "no" to an EPA policy that puts the interests of corporate polluters above the interests of the American public.

The bill follows:

H.R. 1615

A bill to extend the Superfund legislation for five additional years and to provide for annual 5 percent increases in the funding levels after September 30, 1985, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 221(b)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following at the end thereof: "There is authorized to be appropriated for each of the 5 fiscal years after fiscal year 1985, an amount equal to $44,000,000 plus, for each such fiscal year, an additional 5 percent of the total amount authorized to be appropriated during the preceding fiscal year.".

(b) Section 223(b) of such Act is amended by striking out "next 5 fiscal years" and substituting "10 fiscal years after the date of the enactment of this Act".

(c) Section 303 of such Act is amended by striking out "1985" and substituting "1990".

SEC. 2. (a) Section 4611(d) of the Internal Revenue Code of 1954 is amended by—

(1) striking out "1985" and substituting "1990";

(2) striking out "1983" and substituting "1988"; and

(3) striking out "1984" and substituting "1989".

(b) Section 4611 of such Code is amended by adding the following new subsection at the end thereof:

"(e) RATE INCREASE AFTER 1985.—The rate at which the tax is imposed under subsections (a) and (b) of this section shall be increased—

"(1) during the fiscal year beginning October 1, 1985, by 5 percent of the rate at which such tax was imposed prior to such date, and

"(2) for each fiscal year after September 30, 1986, by an additional 5 percent of the rate applicable during the immediately preceding fiscal year.

(c) Section 4661 of such Code is amended by adding the following new subsection at the end thereof:

"(d) RATE INCREASE AFTER 1985.—The rate at which the tax is imposed under subsection (b) of this section shall be increased—

"(1) during the fiscal year beginning October 1, 1985, by 5 percent of the rate at which such tax was imposed prior to such date, and

"(2) for each fiscal year after September 30, 1986, by an additional 5 percent of the rate applicable during the immediately preceding fiscal year.

(d)(1) Section 4681 of such Code is amended by adding the following new subsection at the end thereof:

"(c) RATE INCREASE AFTER 1985.—The rate at which the tax is imposed under subsection (b) of this section shall be increased—

"(1) during the fiscal year beginning October 1, 1985, by 5 percent of the rate at which such tax was imposed prior to such date, and

"(2) for each fiscal year after September 30, 1986, by an additional 5 percent of the rate applicable during the immediately preceding fiscal year.

(2) Section 4682(d) of such Code is amended by striking out "1983" and substituting "1988".●

WSAR HELPS FIGHT UNEMPLOYMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. FRANK) is recognized for 5 minutes.

● Mr. FRANK. Mr. Speaker, there has been a lot of discussion about the ways in which private businesses can help with an extra effort to fight the serious unemployment that plagues us. Obviously, unemployment will only be substantially reduced when the Government adopts the proper policies to stimulate the economy and deal with the problems of structural unemployment. But there is also an important role for private businesses to play, and I am very pleased to point out to the membership the example of radio station WSAR in Somerset, Mass.

WSAR has gone beyond simply advocating that others do the right thing and is offering a substantial incentive to businesses which hire new people in this time of unemployment. WSAR has been offering $5,000 in free advertising to any existing business in southeastern New England which hires 25 new people, and it has been offering the same incentive to new businesses which hire 10 people. WSAR requires that companies seeking to qualify for this incentive be hiring new, full-time employees who receive more than the minimum wage. Simply rehiring laid-off employees is

not sufficient to qualify for this incentive.

I want to express my admiration to WSAR for this specific and concrete effort to help reduce the serious unemployment which we now suffer. This is an important public-spirited effort by a radio station which recognizes its obligation to work with the community to improve conditions for all of us. I hope others will be willing to emulate WSAR's commitment to its community and its willingness to put its money where its microphones are in the effort to fight unemployment.●

PENSACOLA SPECIAL STEPPERS HONORED

(Mr. HUTTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HUTTO. Mr. Speaker, the Pensacola Special Steppers, a group of mentally retarded citizens from Pensacola, Fla., were honored by having January 31, 1983, proclaimed as "Pensacola Special Steppers' Day." By his proclamation, Mayor Vince Whibbs urged all citizens to join in giving special recognition and support to these mentally retarded citizens who have brought great honor and credit to themselves and to their community.

The Special Steppers were organized in January 1979 to provide an opportunity for mentally retarded citizens of the Pensacola communty to participate in and enjoy square dancing, our national folk dance. This outstanding group of dancers performed before the President's Committee on Employment of the Handicapped during their visit to Washington, D.C. last summer. They also performed on the West Terrace of the Capitol, and received an enthusiastic standing ovation following their performance at a reception sponsored by the National Folk Dance Committee in support of legislation that designated the square dance as the national folk dance of the United States.

These wonderfully talented young adults provide a great service by bringing to the public an awareness that mentally retarded citizens can function in the mainstream of the community and be useful, productive citizens.

I consider it a high honor and privilege to bring this to the attention of the House of Representatives, and to submit the mayor's proclamation for entry into the CONGRESSIONAL RECORD:

PROCLAMATION

Whereas, the Pensacola Special Steppers were organized in January, 1979, to provide opportunity for the mentally retarded citizens of our community to participate in and enjoy square dancing, our national folk dance; and

Whereas, the Pensacola Special Steppers have entertained and inspired audiences in the Southeastern United States and in our nation's capital; and

Whereas, through square dance, mentally retarded citizens have developed a fellowship with other square dance groups by their skill and enthusiasm; and

Whereas, by the mastery of different square dance routines, the Pensacola Special Steppers have demonstrated that retarded citizens can learn and perform tasks requiring dexterity and intelligence and have once again proven that no challenge is too great if you have the desire to see it through; and

Whereas, 1983 begins a new year of continued growth and development of mentally retarded citizens as the Pensacola Special Steppers continue to bring to the public an awareness that mentally retarded citizens can be helped and function in the mainstream of the community as well as be useful, productive citizens.

Now, therefore, I, Vince Whibbs, Mayor of the City of Pensacola, do hereby proclaim January 31, 1983, as "Pensacola Special Steppers' Day" in the City of Pensacola and urge all citizens to join with me in giving special recognition and support to those mentally retarded citizens who have brought honor and credit to themselves and to our community.

REPEALING POWER OF DEPARTMENT OF AGRICULTURE TO LEVY ASSESSMENTS ON COMMERCIALLY MARKETED MILK

(Mr. SPRATT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SPRATT. Mr. Speaker, I am joining with Congressman FOWLER in sponsoring legislation for repeal of the power of the Department of Agriculture to levy assessments on commercially marketed milk.

Under provisions of the Omnibus Budget Reconciliation Act of 1982, the Secretary of Agriculture is empowered to levy an assessment of up to $1 on all milk produced in this country.

Obviously there is overproduction of milk in this Nation. The assessment was originally intended to help reduce the amount of surplus milk bought each year by the Government, and thus reduce the cost of the dairy price support program.

It is clear this assessment will not accomplish that purpose. Moreover, it will penalize milk producers who do not contribute to the excess production.

Milk producers in just three States account for 61 percent of the surplus. In 14 States, including my State of South Carolina, more milk is consumed than is produced within the State, making these deficit production States. Yet, the dairy farmers in these deficit States, who do not receive dairy price support payments and who do not contribute to the Nation's milk surplus, will be forced to pay a $1 assessment under existing law.

The obvious answer to reducing the milk surplus is to revise the price support system. The bill we propose cuts price support by $1—from $13.10 per hundredweight to $12.10.

This ill-conceived assessment should be repealed and a fairer, more effective alternative enacted. If not, its effects on dairy farmers in my State and elsewhere could be financially devastating.

LEGISLATION TO RELIEVE INTERNATIONAL DOUBLE TAXATION OF U.S. CONSTRUCTION CONTRACTORS

(Mr. GIBBONS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. GIBBONS. Mr. Speaker, an increasing number of foreign countries now tax gross payments for services performed outside of that country, if the services relate to a construction project located within that same country. Such countries include Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Indonesia, Korea, Malaysia, Mexico, South Africa, Spain, Tanzania, Thailand, and Venezuela. These foreign taxes are usually imposed by requiring the owner of the project to withhold the tax on all payments for services performed outside the country.

When a U.S. construction contractor undertakes a foreign construction project, a significant amount of the work is performed in its U.S. office and not at the construction site. If the foreign country taxes these U.S. office services as described above, a classic case of international double taxation may result. The United States will also tax the same services, but usually without relief by way of either credit or deduction for the foreign taxes paid. If the U.S. firm were to increase its contract price to cover the double tax burden, its bid would become noncompetitive and it would lose the contract. As a result, U.S. firms are now effectively prevented from competing for foreign projects in many instances. This is an inequitable and unintended result of current law.

Here is an illustration of the way this situation may arise. A U.S. company wishes to bid on a contract to construct a project in a foreign country for a foreign client. In addition to in-country construction services, the U.S. company would agree to perform substantial design, engineering, architectural, purchasing, construction mobilization, planning, and other related technical services in the United States. The foreign country imposes a "technical assistance tax" on these U.S. services, on the grounds that the income from these services is "sourced" in the foreign country because the work is ultimately used there and paid for there. However, the United States also taxes these services

because the contractor is a U.S.-based company. Moreover, U.S. tax law considers the source of the income derived from this work to be the United States, where the work is performed.

In general, under U.S. rules international double taxation on income from foreign activities is avoided by permitting a credit against U.S. taxes for the foreign taxes paid. The credit, however, may generally only be used to offset the U.S. tax payable on foreign-source income. Because technical assistance taxes are imposed on what the United States considers to be U.S.-source income, the payment of the technical assistance tax cannot practically be used as a credit against the U.S. tax due on that income.

Moreover, the tax may not be claimed as a deductible cost of doing business, since the taxpayer must elect to either credit or deduct all foreign taxes. Except in rare and extraordinary circumstances, economics compel U.S. taxpayers to elect to credit foreign income taxes. If the contractor elected to deduct foreign technical assistance taxes, all foreign income taxes including even normal foreign income taxes on net income from construction site services within the foreign country, would have to be deducted.

Thus, even though technical assistance taxes are considered foreign "income taxes" under U.S. law,[1] U.S. construction firms have no practical relief from international double taxation in many instances.

The tax systems of many of our major trading competitors, for example, Canada, Netherlands, United Kingdom, also relieve double taxation through a credit system, which like the U.S. rules, limits the credit to foreign source income. These countries, however, avoid the double taxation problem described above by permitting a deduction for a foreign income tax, such as technical assistance tax, on domestic source income. As the following example shows, this difference of treatment creates critical competitive inequities.

If the normal price for U.S. technical services on a project is $1,000,000 and the U.S. contractor's costs are $900,000, the profit subject to U.S. tax is $100,000. If the foreign country imposes a technical assistance tax of 30 percent on the services,[2] the contractor from a country that allows a deduction would have to increase his price to only $1,430,000 to cover the technical assistance tax—$1,430,000 less 30 percent of $1,430,000 less $900,000 equals $100,000. The deduction for taxes paid of $430,000 exactly offsets the increase in revenues and the same net profit of $100,000 remains subject to home country tax.

In contrast, since the United States generally allows neither a deduction nor a credit for the technical assistance tax, an American company must charge $2,250,000 to realize the same $100,000 profit—$2,250,000 less 46 percent of $1,250,000 less 30 percent of $2,250,000 less $900,000 equals $100,000. It is clear under U.S. tax law that regardless of whether the contractor bills the foreign client for the withholding tax or whether the foreign client pays the tax on behalf of the U.S. contractor, the amount of the billing or payment is included in the income of the contractor and subject to U.S. tax.

Obviously, an American contractor cannot effectively compete under these circumstances. The American firm needs to charge $820,000, or 57 percent, more than its competitors. The only way to avoid double taxation is for the U.S. firm to undertake the work in a foreign subsidiary incorporated in a country which allows a deduction for these taxes. Then, of course, the foreign country of incorporation would have additional tax revenues simply because of an unintended aberration in U.S. tax law.

It is vital that American firms remain competitive for foreign construction projects. The importance to the United States of foreign operations in service-intensive industries has substantially increased in recent years. The work done in the United States not only supplies jobs and income for the domestic economy, but leads to the exporting of goods, which improves the balance of payments and the soundness of the U.S. dollar. As critical to this industry is to America's economic stability, however, there has been a substantial erosion of its market share of foreign projects in recent years.

Congress specifically addressed one aspect of this problem in the Economic Recovery Tax Act of 1981 when it provided badly needed changes in the method of taxing the earned income of Americans working abroad. These changes made U.S. taxation of employees abroad comparable to that of competing countries, which generally levy no tax on their nationals when outside the country. In making these changes, Congress recognized that "American business faces increasing competitive pressures abroad" and that an excessive tax burden on individual workers "leads to higher, and thus often noncompetitive bids for work by American firms." The Congress determined that "a broad range of activities by Americans abroad benefits the U.S. economy and should be encouraged." [3]

The proposed legislation solves the double taxation problem of U.S. contractors by permitting a deduction for foreign technical assistance taxes. The foreign tax is treated as an additional cost of the job and can be incorporated in the contractor's price for the job. As a result, the profit subject to U.S. tax would be exactly the same as if no technical assistance tax was involved.

The proposed change will not reduce Federal tax revenues, and should increase them if American companies are able to expand their business overseas. Under current law, a U.S. company cannot bid effectively for a contract involving U.S. services for a project in a country that imposes a technical assistance tax. The United States loses the tax it would otherwise receive on the net profit earned on the contract. Consequently, the proposed legislation will benefit the U.S. Treasury by enabling U.S. construction contractors to compete effectively for overseas projects, while maintaining U.S. jurisdiction to tax the income earned from those projects.●

[1] The foreign statutes imposing these taxes usually refer to taxes on payments for royalties but royalties are defined to include payments for know-how, technical and scientific information, etc., and other technical assistance. Such statutes are often interpreted broadly to include standard construction engineering services.

[2] Most of these taxes are computed either on gross payments or on a percentage of gross payments, with no deduction for actual costs.

[3] S. Rep. No. 97-144, 97th Cong. 1st sess. 228 (1981).

INTRODUCTION OF A BILL TO AMEND THE INTERNAL REVENUE CODE OF 1954 TO MAKE IT CLEAR THAT CERTAIN MOTOR VEHICLE OPERATING LEASES ARE LEASES

(Mr. GIBBONS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. GIBBONS. Mr. Speaker, today I am introducing legislation to amend the Internal Revenue Code of 1954 to make it clear that certain motor vehicle operating agreements are treated as leases where it is relevant for Federal income tax purposes to determine whether the agreement shall be respected as a lease. By adding a definitional provision that would be codified in and applicable for all purposes of the Internal Revenue Code, the bill provides a permanent solution to a problem addressed on an interim basis by an uncodified provision, section 210, of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA).

NEED FOR LEGISLATIVE ACTION

The problem addressed by section 210 of TEFRA arose from a recent change in audit position by the IRS regarding the tax treatment of motor vehicle operating lease agreements. Under that new audit position, the IRS attempted, both retroactively and prospectively, to deny lease treatment for Federal income tax purposes to motor vehicle operating leases containing terminal rental adjustments.

The enactment of section 210 prevents implementation of the IRS position, either retroactively or prospectively, but has a clause permitting a new position of general application to be prescribed prospectively by regulation under "extraordinary circumstances," if requisite policy level studies of tax and economic issues raised by such a change had been completed and submitted to the Congress. Without having made such studies and without there being present the extraordinary circumstances contemplated by the Congress, the IRS, just 81 days after enactment of section 210, published a notice of proposed rulemaking under which it stated its intention to reverse the rule of section 210 and deny lease treatment to motor vehicle operating lease agreements of the kind covered by section 210. This action by the IRS in contravention of the intention of Congress gives rise to the need for action by Congress to provide a permanent legislative solution to this problem.

EXPLANATION OF THE BILL

The bill provides such a solution to the problem by adding a new provision to the code making it clear that the presence of a terminal rental adjustment clause—defined exactly as in section 210—in a motor vehicle operating agreement shall not be taken into account for any Federal tax purpose in determining whether such agreement is a lease. The term "motor vehicle operating lease" also is defined exactly as it is by section 210, except for removal of: First, the clause permitting change of the rule by regulation; and second, the limitation of section 210 which made it inapplicable to property not leased for use in a trade or business or for the production of income.

The bill removes the limitation concerning leases for personal use in order to carry out the congressional view expressed during consideration of section 210 (see CONGRESSIONAL RECORD of August 12, 1982, daily edition, pp. E3867-E3869, at p. E3868) that it would be "both bad law and bad tax policy" to draw a negative inference from the limitation that lessors under consumer leases should be subject to different substantive tax rules than lessors under commercial leases. As was stated there:

Any requirement that a lessor substantiate his entitlement to the tax attributes associated with the leased property on the basis of how a lessee actually uses the property would create such hopelessly complex and costly administrative problems for both the IRS and lessor taxpayers as to defy resolution.

The permanent definitional provision added to the code by the bill, like section 210, applies to a lease agreement entered into either before or after enactment of the provision.

I wish to point out that the problem which has given rise to the need for the bill I am introducing today would not have arisen had the legislation enacted last year followed the substance of a bill, H.R. 3857, 97th Congress, on this subject that I introduced early in 1981.

The bill I am introducing today is a reasonable response to the question of how certain motor vehicle operating leases should be treated for Federal tax purposes. I urge its prompt enactment.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JONES of Tennessee (at the request of Mr. WRIGHT) for February 14 through 25 on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DENNY SMITH) to revise and extend their remarks and include extraneous material:)

Mr. LOEFFLER, for 10 minutes, today.

Mr. CORCORAN, for 5 minutes, today.

(The following Members (at the request of Mr. DE LUGO) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

Mr. LEVITAS, for 5 minutes, today.

Mr. ENGLISH, for 5 minutes, today.

Mr. LAFALCE, for 15 minutes, today.

Mr. FRANK, for 5 minutes, today.

Mr. EDWARDS of California, for 10 minutes, today.

Mr. ALEXANDER, for 10 minutes, today.

Mr. HARRISON, for 30 minutes, on March 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DENNY SMITH) and to include extraneous matter:)

Mr. LEACH, of Iowa.

Mr. BROOMFIELD.

Mr. GUNDERSON.

Mr. LEWIS of California.

Mr. MICHEL in four instances.

Mr. SMITH of New Jersey.

Mr. MOORHEAD in two instances.

Mr. CORCORAN in three instances.

Mr. MCGRATH in three instances.

Mr. KEMP.

The following Members (at the request of Mr. DE LUGO) and to include extraneous matter:

Mr. MATSUI.

Mr. YATRON.

Mr. CONYERS in two instances.

Mr. STOKES in two instances.

Mr. TOWNS.

Mr. HUCKABY.

Mr. BONIOR of Michigan.

Mr. HARRISON in two instances.

Mr. FRANK in two instances.

Mr. PEASE in two instances.

Mr. FLORIO.

Mr. FORD of Michigan.

Mr. HAMILTON.

Ms. KAPTUR in two instances.

Mr. DYSON.

Mr. RAHALL.

Mr. HOYER.

Mr. HAWKINS.

Mr. ENGLISH.

Mr. DONNELLY.

Mr. TALLON.

Mr. STARK in two instances.

Mr. FOWLER.

ADJOURNMENT

Mr. DE LUGO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 35 minutes p.m.) the House adjourned until tomorrow, Thursday, February 24, 1983, at 11 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them during the fourth quarter of calendar year 1982 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. David R. Bowen	10/14	10/16	Thailand		150.00						150.00
	10/16	10/19	Philippines		225.00						225.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	10/19	10/21	Korea		200.00						200.00
	10/21	10/25	Japan		408.00						408.00
Commercial transportation							2,031.00				2,031.00
Hon. Ed Jones	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		242.03				542.03
	11/11	11/13	Hong Kong		272.00		121.36		99.50		492.86
	11/13	11/16	Thailand		444.00		14.49		44.13		502.62
	11/16	11/17	Egypt		127.00		63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		22.94		38.53		169.47
	11/18	11/21	Italy		480.00		96.68				576.68
Military transportation							8,993.26				8,993.26
Hon. E de la Garza	11/14	11/18	France		436.00						436.00
Commercial transportation							2,568.00				2,568.00
Committee total					3,300.00		14,152.89		314.14		17,767.03

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la Garza, Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to the 6th Fleet:											
Daniel, Cong. Dan	9/30	10/1	Spain	7,308.80	64.00					7,308.80	64.00
Transportation, Department of State							3,543.00				3,543.00
Transportation, Incountry Department of the Navy.							1,856.20				1,856.20
Battista, Anthony R	9/30	10/1	Spain	8,908	78.00					8,908	78.00
Transportation, Department of State							3,543.00				3,543.00
Transportation, Incountry Department of the Navy.							1,856.20				1,856.20
Schafer, Robert E	9/30	10/1	Spain	8,908	78.00					8,908	78.00
Transportation, Department of State							3,543.00				3,543.00
Transportation, Incountry Department of the Navy.							1,856.20				1,856.20
West, Michael A	9/30	10/1	Spain	8,908	78					8,908	78.00
Transportation, Department of State							3,543.00				3,543.00
Transportation, Incountry Department of the Navy.							1,856.20				1,856.20
Visit to NATO southern flank:											
Emmerichs, Robert M	10/14	10/17	Turkey	40,140	229.00					40,140	229.00
	10/17	10/19	Greece	10,530	150.00					10,530	150.00
	10/19	10/21	Italy	249,690	174.00					249,690	174.00
	10/21	10/24	Portugal	20,111	225.00					20,111	225.00
Transportation, Department of State							2,487.00				2,487.00
Ford, John J	10/14	10/17	Turkey	40,140	229.00				105.68	40,140	334.68
	10/17	10/19	Greece	10,530	150.00					10,530	150.00
	10/19	10/21	Italy	249,690	174.00					249,690	174.00
	10/21	10/22	Portugal	13,408	150.00					13,408	150.00
Transportation, Department of State							2,487.00				2,487.00
Factfinding trip re nonappropriated fund panel and Readiness Subcommittee:											
Daniel, Cong. Dan	10/21	10/24	Philippines	979.65	112.50					979.65	112.50
	10/24	10/25	Japan	457.17	52.50					457.17	52.50
	10/25	10/29	Korea	297,200	400.00					297,200	400.00
Transportation, Department of the Air Force.							6,457.69				6,457.69
Cofer, Williston B., Jr	10/21	10/24	Philippines	979.65	112.50					979.65	112.50
	10/24	10/25	Japan	457.17	52.50					457.17	52.50
	10/25	10/29	Korea	297,200	400.00					297,200	400.00
Transportation, Department of the Air Force.							6,955.82				6,955.82
Waters, James C	10/21	10/24	Philippines	979.65	112.50					979.65	112.50
	10/24	10/25	Japan	457.17	52.50					457.17	52.50
	10/25	10/29	Korea	297,200	400.00					297,200	400.00
Transportation, Department of the Air Force.							6,955.82				6,955.82
West, Michael A	10/21	10/24	Philippines	979.65	112.50					979.65	112.50
	10/24	10/25	Japan	457.17	52.50					457.17	52.50
	10/25	10/29	Korea	297,200	400.00					297,200	400.00
Transportation, Department of the Air Force.							6,955.82				6,955.82
Factfinding visit on CFA/DMZ:											
Skelton, Cong. Ike	11/23	11/26	Korea	223,500	300.00					223,500	300.00
Transportation, Department of State							3,427.00				3,427.00
Lunger, Richard T	11/23	11/26	Korea	223,500	300.00					223,500	300.00
Transportation, Department of State							3,427.00				3,427.00
Delegation to Europe:											
Badham, Cong Robt. E	11/12	11/18	England	454.17	763.00					454.17	763.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							4,755.42				4,755.42
Dickinson, Cong. Wm. L	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/21	Germany	1,016.52	419.00					1,016.52	419.00
	11/21	11/23	Switzerland	355.85	162.00					355.85	162.00
Transportation, Department of the Air Force.							8,863.10				8,863.10
Holt, Cong. Marjorie S	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/20	Germany	820.44	318.00					820.44	318.00
Transportation, Department of the Air Force.							4,603.30				4,603.30
Transportation, Department of State							1,152.00				1,152.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hopkins, Cong. Larry J	11/12	11/16	England	259.53	436.00					259.52	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Kazen, Cong. Abraham	11/12	11/16	England	259.53	436.00					259.52	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Nichols, Cong. Bill	11/12	11/16	England	259.53	436.00					259.52	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Price, Cong. Melvin	11/12	11/16	England	259.53	436.00					259.52	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Stratton, Cong. Samuel S	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/22	Germany	1,152.45	360.81					1,152.45	360.81
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Whitehurst, Cong. Wm. L	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Bauser, Edward J	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Chase, Alan C	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/21	Germany	1,016.52	419.00					1,016.52	419.00
	11/21	11/23	Switzerland	355.85	162.00					355.85	162.00
Transportation, Department of the Air Force.							8,863.10				8,863.10
Klein, Adam J	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Scrivner, Peter C	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	81.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
Wincup, G. Kim	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/22	Germany	1,262.48	490.00					1,262.48	490.00
	11/22	11/23	Switzerland	177.90	812.00					177.90	81.00
Transportation, Department of the Air Force.							8,548.87				8,548.87
White, Justus P., Jr	11/12	11/16	England	259.53	436.00					259.53	436.00
	11/16	11/20	Germany	820.44	318.00					820.44	318.00
Transportation, Department of the Army.							1,218.32				1,218.32
Transportation, Department of the Air Force.							4,603.30				4,603.30
Local delegation expenses, Switzerland.						2,516.90	1,217.42			2,516.90	1,217.42
Local delegation expenses, England						2,849.24	4,776.75	1,117.85	1,878.00	3,967.09	6,654,75
Individual Member/staff travel:											
Aspin, Cong. Les	11/17	11/24	Japan	251,856	954.00					251,856	954.00
Transportation, Department of State							2,072.52				2,072.52
Davis, Cong. Robert W	11/12	11/14	Egypt	234.53	282.00					234.53	282.00
	11/14	11/15	Greece	5,430	75.00					2,530	75.00
	11/15	11/18	Germany	412.80	160.00					412.80	160.00
	11/18	11/22	France	2,225.28	304.00					2,225.28	304.00
	11/22	11/24	Belgium	8,343	168.00					8,343	168.00
	11/24	11/24	England	338.50	545.00					338.50	545.00
White, Justus P., Jr	10/3	10/6	Germany	635.04	252.00					635.04	252.00
	10/6	10/8	Netherlands	456.80	164.00					456.80	164.00
Transportation, Department of State							1,865.00				1,865.00
Committee total					21,869.81		190,228.88		1,983.68		214,082.37

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalend; if U.S. currency is used, enter amount expended.

MELVIN PRICE, Chairman, Jan. 30, 1983.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation to Europe, Nov. 12–22, 1982:											
White, Justus P., Jr.: Transportation: Department of State.							343 133.46				343 133.46
Committee total					0		133.46		0		133.46

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MELVIN PRICE, Chairman, Feb. 14, 1983.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Dave Evans	10/3	10/6	France		225.00		[3]				225.00
Hon. Gregory W. Carman	10/5	10/9	Japan		[3]		[3]				
	10/9	10/12	Korea		[3]		[3]				
	10/12	10/14	Taiwan		[3]		[3]				
	10/14	10/16	Hong Kong		[3]		[3]				
	10/16	10/23	China		[3]		[3]				
	10/23	10/24	Hong Kong		[3]		[3]				
	10/24	10/26	India		200.00		[3]				200.00
	10/26	10/28	Switzerland		[3]		[3]				
	10/28	10/31	France		228.00		[3]				228.00
Jan Shinpoch	10/8	10/13	Guatamala		375.00		[4] 937.00				1,312.00
Hon. Michael Lowry	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		[5] 242.03				542.03
	11/11	11/13	Hong Kong		272.00		[5] 121.36		99.50		492.86
	11/13	11/16	Thailand		333.00		[5] 14.49		44.13		391.62
	11/16	11/17	Egypt		127.00		[5] 63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		[5] 22.94		38.53		169.47
	11/18	11/21	Italy		480.00		[5] 96.68				576.68
Military							8,993.26				8,993.26
Jan Shinpoch	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		[5] 242.03				542.03
	11/11	11/13	Hong Kong		272.00		[5] 121.36		99.50		492.86
	11/13	11/16	Thailand		333.00		[5] 14.49		44.13		391.62
	11/16	11/17	Egypt		127.00		[5] 63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		[5] 22.94		38.53		169.47
	11/18	11/21	Italy		480.00		[5] 96.68				576.68
Military							8,993.26				8,993.26
Hon. John J. LaFalce	11/6	11/8	France		152.00		[5] 23.11		3.90		179.01
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		[5] 87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudia Arabia		320.00						320.00
	11/15	11/17	Cyprus		150.00		[5] 36.67		28.31		214.98
	11/16	11/16	Lebanon								
	11/17	11/17	Syria								
	11/17	11/20	Great Britian		324.00		[5] 79.68		135.68		539.36
Military							5,533.82				5,533.82
Hon. Douglas Bereuter	11/14	11/15	Germany		84.00		[3]				84.00
	11/15	11/19	Moscow		178.00		[3]				178.00
	11/19	11/22	France		228.00		[3]				228.00
	11/22	11/26	Switzerland		324.00		[3]				324.00
Hon. Walter Fauntroy	12/16	12/20	Haiti		420.00		[3]				420.00
Committee total					7,200.00		25,805.89		904.04		33,909.93

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Not available, amended report will follow.
[4] Commercial air.
[5] Ground.

FERNAND J. ST GERMAIN, Chairman, Jan. 31, 1983.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Dave Evans	10/3	10/6	France				[3] 3,361.00				3,361.00
Hon. Walter Fauntroy	12/16	12/20	Haiti				[3] 384.00				384.00
Commitee total							3,745.00				3,745.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Commerical air.

FERNAND J. ST GERMAIN, Chairman, Feb. 22, 1983.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCTOBER AND DECEMBER 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Collins, Cardiss	11/06	11/12	New Zealand		600.00		6,439.00				7,039.00
	11/12	11/20	Australia		760.00						760.00
	11/20	11/22	Fiji Islands		176.00						176.00
Potter, Frank M., Jr.	11/06	11/12	New Zealand		600.00		6,439.00				7,039.00
	11/12	11/20	Australia		760.00						760.00
	11/20	11/22	Fiji Islands		176.00						176.00
Kitzmiller, Wm. M.	11/06	11/12	New Zealand		600.00		6,439.00				7,039.00
	11/12	11/20	Australia		760.00						760.00
	11/20	11/22	Fiji Islands		176.00						176.00
Barrett, Michael	11/06	11/12	New Zealand		600.00		6,439.00				7,039.00
	11/12	11/20	Australia		760.00						760.00
	11/20	11/22	Fiji Islands		76.00						176.00
Robbins, Anthony	10/08	10/15	Cuba		600.00		654.00				1,254.00
	11/11	11/18	Canada		600.00		319.09				919.09
MacCarthy, Mark	11/16	11/17	Canada		150.00		320.19				470.19
Christy, James T	11/10	11/14	United Kingdom		377.82		1,736.00				2,113.82
	11/14	11/16	Germany		159.00						159.00
	11/16	11/24	France		585.00						585.00
Flory, David L	11/10	11/14	United Kingdom		377.82		1,736.00				2,113.82
	11/14	11/16	Germany		159.00						159.00
	11/16	11/24	France		585.00						585.00
Hull, Jeanine	11/10	11/14	United Kingdom		377.82		1,736.00				2,113.82
	11/14	11/16	Germany		159.00						159.00
	11/16	11/22	France		585.00						585.00
Clough, John M., Jr	11/13	11/17	Sweden		376.00		3,702.00				4,078.00
	11/17	11/20	France		228.00						228.00
	11/20	11/24	England		436.00						436.00
Nulty, Timothy	10/12	10/20	Kenya		600.00		3,959.00				4,559.00
Ryan, Thomas	10/12	10/20	Kenya		600.00		3,959.00				4,559.00
Blair, Steven	10/12	10/15	Canada		300.00		268.00				568.00
Mason, Michael J.	10/12	10/15	Canada		300.00		268.80				568.80
Finnegan, David [3]	10/30	11/09	Japan		985.00		3,226.75				4,211.75
Schooler, David [3]	10/30	11/09	Japan		985.00		3,226.75				4,211.75
Shwayder, Patti [3]	10/30	11/09	Japan		985.00		3,226.75				4,211.75
Srodes, Cecil [3]	10/30	11/09	Japan		985.00		3,226.75				4,211.75
Rogers, Harold [3]	11/06	11/10	Korea		400.00						400.00
	11/10	11/14	China		412.00						412.00
	11/14	11/19	Japan		510.00						510.00
Broyhill, James T. [3]	11/14	11/15	Germany		84.00						84.00
	11/15	11/19	Russia		178.00						178.00
	11/19	11/22	France		228.00						228.00
	11/22	11/26	Switzerland		324.00						324.00
Committee total					19,775.46		57,321.08				77,096.54

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Supplemental to be filed.

JOHN D. DINGELL, Chairman, Jan 31, 1983.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Bierman, E	10/14	10/17	Turkey		229.00						229.00
	10/17	10/19	Greece		150.00						150.00
	10/19	10/21	Italy		174.00						174.00
	10/21	10/24	Portugal		225.00						225.00
Commercial transportation							2,082.00				2,082.00
Bowen, D. R	10/3	10/6	France		225.00						225.00
	10/6	10/11	India		500.00						500.00
	10/11	10/12	Nepal		75.00						75.00
	10/12	10/13	India								
	10/13	10/14	Bangladesh		59.76						59.76
Commercial Transportation							2,722.00				2,722.00
Boyer, R. K	10/3	10/9	Korea		600.00						600.00
	10/9	10/14	Taiwan		460.00						460.00
	10/14	10/17	Hong Kong		206.00						206.00
	10/15	10/16	China		75.00						75.00
Committee subtotal					2,978.76		4,804.00				7,782.76
Boyer, R. K. (Con.)	10/17	10/22	Philippines		375.00						375.00
Commercial transportation							3,858.33				3,858.33
Brady, J. J	10/12	10/14	England		218.00						218.00
	10/14	10/17	Turkey		229.00						229.00
	10/17	10/19	Greece		150.00						150.00
	10/19	10/21	Italy		174.00						174.00
	10/21	10/26	Portugal		450.00						450.00
Commercial transportation							3,206.00				3,206.00
	11/13	11/20	England		763.00						763.00
Military transportation							1,937.25				1,937.25
Bury, A. G	10/12	10/14	Portugal		150.00						150.00
	10/14	10/16	Spain		150.00						150.00
	10/16	10/19	Cyprus		225.00						225.00
	10/19	10/24	Egypt		375.00						375.00
Committee subtotal					3,259.00		9,001.58				12,260.58
Bury, A. G. (Con.)	10/24	10/27	Germany		234.00						234.00
Commercial transportation							3,966.00				3,966.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Chambers, F.M.	12/1	12/8	Guatemala		525.00		863.01				1,388.01
	12/8	12/13	Costa Rica		375.00						375.00
	12/13	12/14	Belize		78.00						78.00
Commercial transportation							1,106.00				1,106.00
	9/29	9/30	England		109.00		116.25				225.25
	9/30	10/7	Cameroon		550.00						550.00
	10/7	10/11	Ivory Coast		352.00						352.00
	10/11	10/16	Liberia		382.00						382.00
	10/16	10/18	Senegal		186.75						186.75
	10/18	10/26	Morocco		525.00						525.00
	10/26	10/29	Spain		150.00						150.00
Commercial transportation							3,884.00				3,884.00
Committee subtotal					3,466.75		9,935.26				12,529.19
Dornam, R. K.	10/3	10/5	France		225.00						225.00
	10/6	10/12	Italy		522.00						522.00
Commercial transportation							1,564.00				1,564.00
Dunman, T. E.	11/10	11/14	England		372.00		110.22				482.22
	11/14	11/16	West Germany		159.00						159.00
	11/16	11/24	France		585.00		178.28				763.28
							1,467.00				1,467.00
Fox, J. E.	11/6	11/8	France		152.00						152.00
	11/8	11/10	Israel		180.30						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
	11/15	11/17	Cyprus		150.00		36.67		28.31		214.98
	11/16	11/16	Lebanon								
	11/17	11/17	Syria								
					2,937.00		3,444.00		136.18		6,517.18
Fox, J. E. (Con.)	11/17	11/20	England		327.00		79.68		135.68		542.36
Military transportation							5,533.82				5,533.82
Friedman, E.	11/5	11/7	Belgium		168.00						168.00
	11/7	11/9	France		228.00						228.00
	11/9	11/12	West Germany		510.00						510.00
	11/15	11/16	Netherlands		82.00						82.00
	11/16	11/18	Spain		150.00						150.00
	11/18	11/20	Turkey		200.00						200.00
	11/20	11/21	Greece		75.00		75.80				150.80
	11/21	11/24	England		327.00		477.30				804.30
Commercial transportation							4,355.00				4,355.00
Gilman, B. A.	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
Committee subtotal					2,839.00		10,609.43		243.55		13,691.98
Gilman, B. A. (Con.)	11/15	11/17	Cyprus		150.00		36.67		28.31		214.98
	11/16	11/16	Lebanon								
	11/17	11/17	Syria								
	11/17	11/20	England		194.64		79.68		135.68		410.00
Commercial transportation 1-way							1,631.40				1,631.40
Military transportation 1-way							2,766.91				2,766.91
Goodman, M.	9/29	9/30	England		109.00		16.25				125.25
	9/30	10/7	Cameroon		480.13						480.13
	10/8	10/11	Ivory Coast		352.00						352.00
	10/11	10/16	Liberia		386.70						386.70
	10/16	10/18	Senegal		186.75						186.75
	10/18	10/24	Morocco		352.26						352.26
	10/23	10/24	France								
Commercial transportation							3,757.00				3,757.00
Committee subtotal					2,211.48		8,287.91		163.99		10,663.38
Gulick, L.	10/19	10/25	Egypt		375.00						375.00
	10/25	10/31	Sudan		396.00		2,197.93				2,593.93
	10/31	11/2	Italy		174.00						174.00
Commercial transportation							4,002.00				4,002.00
Hamilton, L. H.	11/6	11/8	France		152.00		23.11		3.90		179.01
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
	11/15	11/17	Cyprus		150.00		36.67		28.31		214.98
	11/16	11/16	Lebanon								
	11/17	11/17	Syria								
	11/17	11/20	England		194.64		79.68		135.68		410.00
Military transportation							5,533.82				5,533.82
Committee subtotal					2,213.64		11,961.04		275.76		14,450.44
Hare, J. E.	11/6	11/8	France		152.00		23.11		3.90		179.01
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
	11/15	11/17	Cyprus		150.00		36.67		28.31		214.98
	11/17	11/17	Syria								
	11/17	11/20	England		327.00		79.68		135.68		542.36
Military transportation							5,533.82				5,533.82
Harris, E. D.	11/28	11/30	Belgium		250.00						250.00
	11/30	12/2	Norway		234.00						234.00
	12/2	12/4	Sweden		222.00		73.45				295.45
	12/4	12/7	Germany		243.00						243.00
	12/7	12/9	Denmark		848.00						848.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Commercial transportation							3,330.00				3,330.00
Committee subtotal					3,198.00		9,164.56		275.76		12,638.32
Hickey, D. M	11/10	11/19	Germany		858.00						858.00
	11/19	11/21	Czechoslovakia		81.00						81.00
	11/21	11/24	Yugoslavia		135.00						135.00
	11/24	12/1	Spain		525.00						525.00
Commercial transportation							3,547.00				3,547.00
Huber, R. T	11/28	11/30	Belgium		250.00						250.00
	11/30	12/2	Norway		234.00						234.00
	12/2	12/4	Sweden		222.00		73.45				295.45
	12/4	12/7	West Germany		243.00						243.00
	12/7	12/9	Denmark		162.00						162.00
	12/9	12/11	England		318.00						318.00
Commercial transportation							3,266.00				3,266.00
Committee subtotal					3,028.00		6,886.45				9,914.45
Ireland, A	11/6	11/8	France		152.00		23.11		3.90		179.01
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
	11/15	11/17	Cyprus		150.00		36.67		28.31		214.98
	11/16	11/16	Lebanon								
	11/17	11/17	Syria								
	11/17	11/20	England		327.00		79.68		135.68		542.36
Military transportation							5,533.82				5,533.82
Ingram, G	10/19	10/28	Egypt		675.00						675.00
	10/28	10/29	France		76.00						76.00
Commercial transportation							4,007.00				4,007.00
Committee subtotal					2,152.00		9,768.11		275.76		12,195.87
Johnson, V. C	12/1	12/8	Guatemala		525.00		863.01				1,388.01
	12/8	12/12	Costa Rica		236.09						236.09
Commercial Transportation							925.00				925.00
Lantos, T	11/9	11/10	Israel		90.00						90.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
	11/15	11/17	Cyprus		150.00		36.67		28.31		214.98
	11/16	11/16	Lebanon								
	11/17	11/17	Syria								
	11/17	11/20	England		327.00		79.68		113.24		519.92
Commercial Transportation 1-way							1,367.00				1,367.00
Military transportation 1-way							2,766.91				2,766.91
Committee subtotal					1,920.09		6,126.10		249.42		8,295.61
Majak, R. R	11/21	11/28	Switzerland		648.00						648.00
Commerical transportation							1,817.00				1,817.00
Moss, K. B	11/11	11/20	England		545.00						545.00
Military transportation							1,937.25				1,937.25
Nelson, S. D	10/25	10/31	The Sudan		408.66		2,197.93				2,606.59
Commercial transportation							3,903.00				3,903.00
	12/1	12/8	Guatemala		525.00		863.01				1,388.01
	12/8	12/12	Costa Rica		229.80						229.80
Commerical transportation							925.00				925.00
Peckham, G. G	9/29	9/30	England		109.00		16.25				125.25
	9/30	10/7	Cameroon		550.00						550.00
	10/8	10/11	Ivory Coast		352.00						352.00
	10/11	10/16	Liberia		507.00						507.00
	10/16	10/18	Senegal		186.75						186.75
	10/19	10/26	Morocco		525.00						525.00
Committee subtotal					4,586.21		11,659.44				16,245.65
Peckham, G. G	10/26	10/29	Spain		225.00						225.00
Commercial transportation							3,884.00				3,884.00
Perugino, M. R	11/6	11/8	France		152.00		23.11		3.90		179.01
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
	11/15	11/17	Cyprus		150.00		36.67		28.31		214.98
	11/17	11/17	Syria								
	11/17	11/20	England		194.64		79.68		135.68		410.00
Military transportation							5,533.82				5,533.82
Pitchford, G. E	9/29	9/30	England		109.00		16.25				125.25
	9/30	10/7	Cameroon		550.00						550.00
	10/7	10/11	Ivory Coast		352.00						352.00
	10/11	10/16	Liberia		507.00						507.00
Committee subtotal					3,011.64		9,661.36		275.76		12,948.76
Pitchford, G. (Cont.)	10/16	10/18	Senegal		186.75						186.75
	10/19	10/26	Morocco		525.00						525.00
	10/26	10/29	Spain		225.00						225.00
Commercial transportation							3,884.00				3,884.00
Pritchard, J	11/6	11/8	France		152.00		23.11		3.90		179.01
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
	11/15	11/7	Cyprus		150.00		36.67		28.31		214.98
	11/16	11/16	Lebanon								
	11/17	11/17	Syria								
	11/17	11/20	England		327.00		79.68		135.68		542.36

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Military transportation							5,533.82				5,533.82
Committee subtotal					2,337.75		9,645.11		275.76		12,258.62
Pubillones, L	12/1	12/4	Brazil		265.00						265.00
Commercial transportation							3,037.00				3,037.00
Rovner, C. P	12/5	12/10	Haiti		370.00						370.00
Commercial transportation							595.00				595.00
Schlundt, V. M	11/10	11/19	West Germany		858.00						858.00
	11/19	11/21	Czechoslovakia		80.00						80.00
	11/21	11/24	Yugoslavia		225.00						225.00
	11/24	12/1	Spain		525.00						525.00
Commercial transportation							3,547.00				3,547.00
Sloan, L. S	10/3	10/9	Korea		600.00						600.00
	10/9	10/14	Taiwan		460.00						460.00
	10/14	10/17	Hong Kong		206.00						206.00
	10/15	10/16	People's Republic of China		75.00						75.00
	10/17	10/22	Philippines		375.00						375.00
Committee subtotal					4,039.00		7,179.00				11,218.00
Sloan, (Con.)	10/17	10/22	Philippines		375.00						375.00
Commercial transportation							3,858.33				3,858.33
Solarz, S. J	11/5	11/7	Belgium		168.00						168.00
	11/7	11/9	France		228.00						228.00
	11/9	11/15	West Germany		510.00						510.00
	11/15	11/16	Netherlands		82.00						82.00
	11/16	11/18	Spain		150.00						150.00
	11/18	11/20	Turkey		200.00						200.00
	11/20	11/21	Greece		75.00						75.00
	11/21	11/24	England		327.00		477.30				804.30
Commercial transportation							4,355.00				4,355.00
Spalatin, I. J	11/29	11/30	Belgium		84.00						84.00
	11/30	12/2	Norway		234.00						234.00
	12/2	12/4	Sweden		222.00		73.45				295.45
	12/4	12/7	Germany		243.00						243.00
Committee subtotal					2,898.00		8,764.08				11,662.08
	12/7	12/9	Denmark		162.00						162.00
	12/9	12/12	England		318.00						318.00
Commercial transportation							3,769.00				3,769.00
Sulc, L. B	11/14	11/19	West Germany		480.00						480.00
	11/19	11/21	Czechoslovakia		81.00						81.00
	11/21	11/24	Yugoslavia		225.00						225.00
	11/24	12/1	Spain		525.00						525.00
Commercial transportation							3,493.00				3,493.00
Van Dusen, M. H	11/6	11/8	France		152.00		23.11		3.90		179.01
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
	11/15	11/17	Cyprus		150.00		32.67		28.31		210.98
	11/16	11/16	Lebanon								
Committee subtotal					2,865.00		7,405.61		140.08		10,410.69
	11/17	11/17	Syria								
	11/17	11/20	England		327.00		79.68		135.68		542.36
Commerical transportation							5,533.82				5,533.82
	10/12	10/14	Portugal		150.00						150.00
	10/14	10/16	Spain		113.20						113.20
	10/16	10/16	Greece								
	10/16	10/19	Cyprus		225.00		30.74				255.74
	10/19	10/28	Egypt		675.00						675.00
	10/28	10/29	France		76.00						76.00
Commercial transportation							4,061.00				4,061.00
Verstandig, T. G	11/6	11/8	France		152.00		23.11		3.90		179.01
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt		188.00		87.83		64.03		339.86
	11/12	11/13	Jordan		84.00				43.84		127.84
	11/13	11/15	Saudi Arabia		320.00						320.00
Committee subtotal					2,490.20		9,816.18		247.45		12,553.83
Verstandig, T. G	11/15	11/17	Cyprus		150.00		36.67		28.31		214.98
	11/17	11/17	Syria								
	11/17	11/20	England		327.00		79.68		135.68		542.36
Military transportation							5,533.82				5,533.82
Committee subtotal					477.00		5,650.17		163.99		6,291.16
Grand total for 4th quarter											214,528.55

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CLEMENT J. ZABLOCKI, Chairman, Jan. 31, 1983.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Thomas E. Mooney, staff	10/10	10/14	Switzerland		324.00		251.08				575.08
	10/14	10/17	Germany		240.00						240.00
	10/17	10/20	Italy		348.00						348.00
Commercial transportation							1,285.00				1,285.00
Tom Railsback, MC	10/11	10/14	Switzerland		243.00		380.76				623.76
	10/14	10/16	France		152.00		249.64				401.64
	10/16	10/19	Italy		261.00						261.00
	10/19	10/20	England		105.00						105.00
Commercial transportation							4,347.52				4,347.52
Bruce A. Lehman, staff	10/11	10/13	Switzerland		243.00		62.81				305.81
	10/13	10/17	Germany		240.00		124.40				364.40
	10/17	10/24	Switzerland		648.00						648.00
Commercial transportation							2,883.00				2,883.00
William Hughes, MC	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		242.03				542.03
	11/11	11/11	Hong Kong				406.95				406.95
	11/11	11/12	Malaysia		135.00					102.60	237.60
	11/12	11/16	Thailand		444.00		14.49		44.13		502.62
	11/16	11/17	Egypt		127.00		63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		22.94		38.53		169.47
	11/18	11/21	Italy		480.00		96.68				576.68
Military transportation							8,240.06				8,240.06
Carlos J. Moorhead, MC	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		242.03				542.03
	11/11	11/13	Hong Kong		272.00		121.36		99.50		492.86
	11/13	11/16	Thailand		333.00		14.49		44.13		391.62
	11/16	11/17	Egypt		127.00		63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		22.94		38.53		169.47
	11/18	11/21	Italy		480.00		96.68				576.68
Military transportation							8,993.26				8,993.26
Harold S. Sawyer, MC	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		242.03				542.03
	11/11	11/11	Hong Kong				406.95				406.95
	11/11	11/12	Malaysia		135.00				102.60		237.60
	11/12	11/16	Thailand		444.00		14.49		44.13		502.62
	11/16	11/17	Egypt		127.00		63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		22.94		38.53		169.47
	11/18	11/21	Italy		480.00		96.68				576.68
Military transportation							8,240.06				8,240.06
E. Clay Shaw, Jr., MC	11/5	11/7	Philippines		150.00				52.07	–	202.07
	11/7	11/11	China		300.00		242.03			–	542.07
	11/11	11/13	Hong Kong		272.00		121.36		99.50	–	492.86
	11/13	11/16	Thailand		311.00		14.49		44.13	–	369.62
	11/16	11/17	Egypt		127.00		63.13		79.91	–	270.04
	11/17	11/18	Turkey		108.00		22.94		38.53	–	169.47
	11/18	11/21	Italy		480.00		96.68			–	576.68
Military transportation							8,993.26			–	8,993.26
Garner J. Cline, staff	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		242.03				542.03
	11/11	11/13	Hong Kong		272.00		121.36		99.50		492.86
	11/13	11/16	Thailand		311.11		110.10		44.13		465.23
	11/16	11/17	Egypt		127.00		63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		22.94		38.53		169.47
	11/18	11/21	Italy		480.00		96.68				576.68
Military transportation							8,993.26				8,993.26
Arthur P. Endres, Jr., staff	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		242.03				542.03
	11/11	11/13	Hong Kong		272.00		121.36		99.50		492.86
	11/13	11/16	Thailand		311.00		110.10		44.13		465.23
	11/16	11/17	Egypt		127.00		63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		22.94		38.53		169.47
	11/18	11/21	Italy		480.00		96.68				576.68
Military transportation							8,993.26				8,993.26
Hayden Gregory, staff	11/5	11/7	Philippiness		150.00				52.07		202.07
	11/7	11/11	China		300.00		242.03				542.03
	11/11	11/11	Hong Kong				406.95				406.95
	11/11	11/12	Malaysia		135.00				102.60		237.60
	11/12	11/16	Thailand		444.00		14.49		44.13		502.62
	11/16	11/17	Egypt		127.00		63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		22.94		38.53		169.47
	11/18	11/21	Italy		480.00		96.68				576.68
Military transportation							8,240.06				8,240.06
Deborah K. Owen, staff	11/5	11/7	Philippines		150.00				52.07		202.07
	11/7	11/11	China		300.00		242.03				542.03
	11/11	11/13	Hong Kong		272.00		121.36		99.50		492.86
	11/13	11/16	Thailand		311.00		14.49		44.13		369.62
	11/16	11/17	Egypt		127.00		63.13		79.91		270.04
	11/17	11/18	Turkey		108.00		22.94		38.53		169.47
	11/18	11/21	Italy		480.00		96.68				576.68
Military transportation							8,993.26				8,993.26
Committee total					16,798.00		84,803.72		2,522.42		104,124.14

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PETER W. RODINO, JR., Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Yates, Paul	10/4	10/5	Canada	185.19	150.00		228.74			185.19	438.74
Rahall, Nick Joe, II, Cong	11/2	11/5	Egypt	234	282.00	289.00	347.20	260.00	312.60	783	941.80
	11/5	11/6	Lebanon	340	80.00					340	80.00
Savage, Gus, Cong	11/1	11/8	France	1,102	152.00		([3])			1,102	152.00
	11/8	11/10	Israel		180.00						180.00
	11/10	11/12	Egypt	156.35	188.00					156.35	188.00
	11/11	11/12	Jordan	30.575	84.00				43.89	30.578	127.84
	11/13	11/17	Saudi Arabia	1,091.20	320.00					1,091.20	320.00
	11/15	11/17	Cypress	74.500	150.00				28.31		28.31
	11/17	11/17	Lebanon								
	11/17	11/18	Syria	358.80	192.00					358.80	192.00
	11/18	11/19	Tunisia	47.250	75.00					47.250	75.00
	11/19	11/20	United Kingdom	64.88	108.00					69.88	108.00
Committee total					1,961.00		635.94		384.75		2,831.69

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

JAMES J. HOWARD, Chairman, Jan. 30, 1983.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1982

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Richard Bolling, MC	10/5	10/7	Germany	567	225.00		3,513.00				3,738.00
	10/7	10/11	England	249.18	420.00						
Albert A. Sayers, Jr	10/5	10/7	Germany	567	225.00		3,513.00				3,738.00
	10/7	10/11	England	249.18	420.00						
Tony P. Hall, MC	11/6	11/8	France	1,102	152.00		2,790.02		3.90		2,945.92
	11/8	11/13	Israel		332.00	2.321.00					2,653.00
Committee total					1,774.00		12,137.02		3.90		13,074.92

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CLAUDE PEPPER, Chairman, Feb. 8, 1983.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

403. A letter from the Secretary of Education, transmitting a copy of final regulations for the eligibility of foreign medical schools under the guaranteed student loan program, scheduled for publication in the Federal Register, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

404. A letter from the Secretary of Energy, transmitting the annual report for calendar year 1980 on the Department's industrial energy efficiency improvement program, pursuant to section 375 of Public Law 94-163; to the Committee on Energy and Commerce.

405. A letter from the Secretary of State, transmitting three drafts of proposed legislation: A bill to authorize supplemental assistance to aid Lebanon in rebuilding its economy and armed forces, and for other purposes; a bill to authorize supplemental international security assistance for urgent purposes for the fiscal year 1983, and for other purposes; and a bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize security and development assistance programs for the fiscal years 1984 and 1985, and for other purposes; to the Committee on Foreign Affairs.

406. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notice of the Department of the Air Force's proposed lease of defense articles to the Netherlands, pursuant to section 62(a) of the Arms Export Control Act; to the Committee on Foreign Affairs.

407. A letter from the Assistant Secretary of State for Congressional Relations, transmitting copies of the agreement on trade in cotton, wool and manmade fiber textiles and textile products between the American Institute in Taiwan and the Coordination Council for North American Affairs, pursuant to section 12(a) of Public Law 96-8; to the Committee on Foreign Affairs.

408. A letter from the Chairman, Depository Institutions Deregulation Committee, transmitting a report on the Committee's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

409. A letter from the Director, Minerals Management Service, Department of Interior, transmitting notice of the proposed refund of $379,966.24 in excess royalty payments to Amoco Production Co., Shell Oil Co., ARCO Oil and Gas Co., and Texaco Inc., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953, as amended; to the Committee on Interior and Insular Affairs.

410. A letter from the Director, Office of Management and Budget, transmitting a watershed plan and environmental impact statement for the Elk Creek Watershed, Kans., pursuant to section 5 of Public Law 83-566, as amended; to the Committee on Public Works and Transportation.

411. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize the Veterans' Administration to administer a community residential care program; to the Committee on Veterans' Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. APPLEGATE:

H.R. 1589. A bill to direct the Federal Communications Commission to conduct an experiment to test the feasibility of extended broadcasting hours of operation for amplitude modulated broadcast stations which currently are licensed for daytime operation only; to the Committee on Energy and Commerce.

By Mr. PANETTA (for himself, Mr. DE LA GARZA, Mr. EMERSON, Mr. FOLEY, Mr. ECKART, Mr. HUCKABY, Mrs. SNOWE, Mr. GLICKMAN, Ms. KAPTUR, Mrs. KENNELLY, Mr. COLEMAN OF MISSOURI, Mr. HALL of Ohio, and Ms. OAKAR):

H.R. 1590. A bill to provide emergency food assistance to low-income and unemployed persons and to improve the commodity distribution program; to the Committee on Agriculture.

By Mr. ALEXANDER:

H.R. 1591. A bill to amend the Internal Revenue Code of 1954 to allow any taxpayer to elect to treat for income tax purposes any crop received under a Federal program for removing land from agricultural production as produced by the taxpayer, to allow any taxpayer to elect to defer income on any cancellation under such a program of any price support loan, and to provide that participation in such a program shall not disqualify the taxpayer for the special use valuation of farm real property under section 2032A of such Code; to the Committee on Ways and Means.

H.R. 1592. A bill to amend the Agricultural Act of 1949 to provide that the price of the 1984 and 1985 crops of soybeans shall be supported at not less than 250 percent of the level at which the price of such crops of corn are supported, to amend the Agriculture and Food Act of 1981 to terminate program payment limitations for such crops of commodities, and for other purposes; to the Committee on Agriculture.

By Mr. BATES:

H.R. 1593. A bill to amend the Small Business Act to provide assistance to areas of economic dislocation in the United States that is the result of drastic fluctuation in the value of the currency in a country contiguous to the United States; to the Committee on Small Business.

By Mr. CONYERS:

H.R. 1594. A bill to amend the Public Utility Regulatory Policies Act of 1978 to provide for uniform nationwide standards governing involuntary terminations by electric and natural gas utilities of service for residential heating purposes; to the Committee on Energy and Commerce.

By Mr. WIRTH (for himself, Mr. CONTE, Mr. DORGAN, Mr. MINETA, Mr. BOSCO, Mr. FEIGHAN, Mr. D'AMOURS, Mr. GLICKMAN, Mr. MINISH, Ms. KAPTUR, Mr. MCNULTY, Mr. LEHMAN of Florida, Mr. LELAND, Mr. MCKINNEY, Mr. NEAL, and Mrs. BOXER):

H.R. 1595. A bill to amend, extend, and enhance the renewable energy and conservation programs of the United States in order to increase employment, promote renewable energy small business, enhance our national security, and displace imported energy sources; jointly, to the Committees on Ways and Means, Banking, Finance and Urban Affairs, Energy and Commerce, Small Business, Armed Services, Agriculture, Education and Labor, and Science and Technology.

By Mr. BEDELL (for himself, Mrs. SNOWE, Mr. WIRTH, and Mr. CONTE):

H.R. 1596. A bill to promote the use of solar and other renewable forms of energy developed by the private sector; jointly, to the Committees on Ways and Means, Banking, Finance and Urban Affairs, Energy and Commerce, and Small Business.

By Mr. DICKINSON (for himself, Mr. MCCURDY, Mr. CONTE, and Mr. WIRTH):

H.R. 1597. A bill to promote the use of energy-conserving equipment and biofuels by the Department of Defense, and for other purposes; jointly, to the Committees, on Armed Services, Agriculture, and Energy and Commerce.

By Mr. JEFFORDS (for himself, Mr. EDGAR, Mr. WIRTH, and Mr. CONTE):

H.R. 1598. A bill to revise certain Federal training and economic development programs to create jobs and develop skills in renewable energy and energy conservation industries, and for other purposes; jointly, to the Committees on Education and Labor, Banking, Finance and Urban Affairs, Energy and Commerce, and Agriculture.

By Mr. NEAL (for himself, Mr. MCKINNEY, Mr. WIRTH, and Mr. CONTE):

H.R. 1599. A bill to reauthorize, extend, and enhance existing Federal programs to encourage conservation and the use of renewable energy by this Nation's consumers; jointly to the Committees on Banking, Finance and Urban Affairs, Ways and Means, Energy and Commerce, Science and Technology, and Small Business.

By Mr. SCHULZE (for himself, Mrs. BOUQUARD, Mr. HOWARD, Mr. HUBBARD, Mr. LIVINGSTON, Mr. OBERSTAR, Mr. ROBINSON, Mr. ROTH, MR. STANGELAND, Mr. STUMP, Mr. YOUNG of Alaska, Mr. WHITEHURST, Mr. WILSON, Mr. COUGHLIN, and Mr. KOGOVSEK):

H.R. 1600. A bill to aid in the creation and expansion of American small business enterprise through the enactment of tax reform and relief amendments to the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. ENGLISH:

H.R. 1601. A bill to repeal the provisions of the Tax Equity and Fiscal Responsibility Act of 1982 which require employer reporting with respect to tips; to the Committee on Ways and Means.

By. Mr. FAUNTROY:

H.R. 1602. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to allow the acts of the Council of the District of Columbia to take effect when transmitted by the chairman of the Council of the District of Columbia and to change the procedure for resolutions of approval or disapproval of such acts; jointly, to the Committees on the District of Columbia and Rules.

By Ms. FERRARO (for herself, and Mr. MILLER of California):

H.R. 1603. A bill to provide an efficient and cost-effective program for children in the areas of child welfare, child care, health care, education, family income and social service supports, youth employment, nutrition, runaway youth, and juvenile justice; jointly, to the Committees on Education and Labor, Ways and Means, Energy and Commerce, and Agriculture.

By Mr. FOWLER (for himself, Mr. DOWDY of Mississippi, Mr. SPRATT, and Mr. MOORE):

H.R. 1604. A bill to amend the dairy price support program; to the Committee on Agriculture.

By Mr. FRANK:

H.R. 1605. A bill to amend chapter 67 of title 31, United States Code, relating to general revenue sharing, with respect to the determination of tax effort; to the Committee on Government Operations.

H.R. 1606. A bill to amend the Internal Revenue Code of 1954 to provide that an unmarried individual who maintains a household shall be considered a head of household, without regard to whether the individual has a dependent who is a member of the household; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 1607. A bill to amend the Internal Revenue Code of 1954 to make it clear that certain motor vehicle operating leases are leases; to the Committee on Ways and Means.

H.R. 1608. A bill to recapture overall foreign losses in termination cases; to the Committee on Ways and Means.

By Mr. GIBBONS (for himself and Mr. FRENZEL):

H.R. 1609. A bill to amend the Internal Revenue Code of 1954 to relieve international double taxation of overseas construction projects of U.S. contractors; to the Committee on Ways and Means.

By Mr. GINGRICH:

H.R. 1610. A bill to prohibit permanently the issuance of regulations on the taxation of fringe benefits; to the Committee on Ways and Means.

By Mr. GUNDERSON:

H.R. 1611. A bill to amend the Military Selective Service Act to provide that registrants for selective service may indicate at the time of registration their desire to be classified as conscientious objectors; to the Committee on Armed Services.

H.R. 1612. A bill to amend the Internal Revenue Code of 1954 to repeal withholding on interest and dividends and, in order to compensate for revenue reductions resulting from such repeal, to repeal certain changes in the windfall profit tax on domestic crude oil enacted by the Economic Recovery Tax Act of 1981, to increase to 55 percent the maximum rate of income tax on individuals, and to repeal the exclusion for net savings; to the Committee on Ways and Means.

By Mr. HAMILTON:

H.R. 1613. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Superfund) to clarify certain provisions relating to remedial actions at facilities owned and operated by a State or political subdivision thereof; to the Committee on Energy and Commerce.

By Mr. HUGHES (for himself and Mr. HYDE):

H.R. 1614. A bill to amend the Congressional Budget Act to limit the growth of Federal spending and to achieve balanced budgets, and for other purposes; jointly, to the Committees on Rules and Government Operations.

By Mr. LAFALCE:

H.R. 1615. A bill to extend the Superfund legislation for 5 additional years and to provide for annual 5-percent increases in the funding levels after September 30, 1985, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. McDONALD (for himself and Mr. DANIEL B. CRANE):

H.R. 1616. A bill to amend title 18, chapter 44, United States Code, to provide clarification of limitations on controls of the interstate movement of firearms, and to prohibit the use of Federal funds to political subdivisions which implement certain gun control ordinances; to the Committee on the Judiciary.

By Mr. McGRATH (for himself, Mr. ADDABBO, Mr. BEREUTER, Mr. BILIRAKIS, Mr. CLAY, Mr. COATS, Mr. CONABLE, Mr. D'AMOURS, Mr. DANNEMEYER, Mr. DAUB, Mr. DERRICK, Mr. DUNCAN, Mr. DYSON, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. ENGLISH, Mr. EVANS of Iowa, Mr. FASCELL, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FRANK, Mr. FROST, Mr. GRADISON, Mr. GUNDERSON, Mr. HALL of Ohio, Mr. HATCHER, Mr. HILER, Mr. HORTON, Mr. HUGHES,

Mr. JONES of North Carolina, Mr. KEMP, Mr. KILDEE, Mr. KINDNESS, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. LENT, Mr. LIVINGSTON, Mr. LOWRY of Washington, Mr. LUNGREN, Mr. MCCOLLUM, Mr. MCKINNEY, Mr. MARRIOTT, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. MOLINARI, Mr. O'BRIEN, Mr. PARRIS, Mr. PATMAN, Mr. PORTER, Mr. RATCHFORD, Mr. ROBERTS, Mr. ROE, Mr. ROGERS, Mr. SAWYER, Mr. SHARP, Mr. SHELBY, Mr. SKEEN, Mr. SMITH of New Jersey, Mrs. SNOWE, Mr. STOKES, Mr. STUMP, Mr. TAUKE, Mr. TAUZIN, Mr. VANDER JAGT, Mr. VENTO, Mr. WEAVER, Mr. WEBER, Mr. WHITTAKER, Mr. WOLF, Mr. WON PAT, Mr. BROYHILL, Mr. FISH, Mr. SENSENBRENNER, Mr. WILLIAMS of Ohio, Mr. HUCKABY, and Mr. CLARKE):

H.R. 1617. A bill to make certain changes in the membership and operations of the Advisory Commission on Intergovernmental Relations; to the Committee on Government Operations.

By Mr. MOORHEAD:

H.R. 1618. A bill to amend the Federal Power Act to encourage conduit hydroelectric facilities; to the Committee on Energy and Commerce.

By Mr. OTTINGER:

H.R. 1619. A bill to amend the War Powers Resolution to require specific authorization before the introduction of any U.S. Armed Forces into hostilities in El Salvador, and for other purposes; to the Committee on Foreign Affairs.

By Mr. PEASE:

H.R. 1620. A bill to extend until the close of June 20, 1988, the existing suspension of duties on flat knitting machines; to the Committee on Ways and Means.

By Mr. RAHALL:

H.R. 1621. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to provide that 50 percent of the funds deposited in the abandoned mine reclamation fund shall be paid to the States quarterly to be used by the States pursuant to approved abandoned mine reclamation programs; to the Committee on Interior and Insular Affairs.

By Mrs. SCHROEDER (for herself, Mr. SABO, Mr. YATES, Mr. FRANK, Mr. ORTIZ, Mr. FOGLIETTA, Mr. GARCIA, and Mr. EDWARDS of California):

H.R. 1622. A bill to delay the effective date for the denial of Federal educational assistance to students who have failed to comply with registration requirements under the Military Selective Service Act from July 1, 1983, to July 1, 1984; jointly, to the Committees on Armed Services and Education and Labor.

By Mr. SENSENBRENNER (for himself, Mr. PETRI, Mr. RUDD, Mr. GUNDERSON, Mr. ROTH, Mr. MAZZOLI, Mr. CORCORAN, Mr. JACOBS, Mr. DREIER of California, Mr. BLILEY, Mr. FORSYTHE, Mr. SHELBY, Mr. PAUL, Mr. GINGRICH, Mr. MCDONALD, and Mr. CRAIG):

H.R. 1623. A bill entitled the "Insanity Defense Limitations Act,"; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 1624. A bill to amend the Tariff Schedules of the United States to establish equal and equitable classification and duty rates for various cordage products of virtually identical characteristics; to the Committee on Ways and Means.

By Mr. STENHOLM:

H.R. 1625. A bill to provide for the operation of a SouthWest Collegiate Institute for the Deaf; to the Committee on Education and Labor.

By Mrs. VUCANOVICH:

H.R. 1626. A bill to authorize the recreational use of Ruby Lake National Wildlife Refuge in the State of Nevada; to the Committee on Merchant Marine and Fisheries.

By Mr. WYDEN:

H.R. 1627. A bill entitled: The Armed Career Criminal Act of 1983; to the Committee on the Judiciary.

By Mr. ANDREWS of North Carolina (for himself, Mr. DAUB, Mr. BEREUTER, Mr. SCHUMER, Mr. JONES of Tennessee, Mr. ANDERSON, Mr. HORTON, Mr. MATSUI, Mr. MCGRATH, Mr. COYNE, Mr. FRANK, Mr. BIAGGI, Mr. SMITH of Florida, Ms. OAKAR, Mr. EDGAR, Mr. ALBOSTA, Mr. MADIGAN, Mr. FUQUA, Mr. DWYER of New Jersey, Mr. STOKES, Mr. MCCURDY, Mr. HIGHTOWER, Mr. KOGOVSEK, Mr. RITTER, Mr. SABO, Mr. O'BRIEN, Mr. TOWNS, Mr. DONNELLY, Mr. LAGOMARSINO, Mr. FORSYTHE, Mr. YOUNG of Alaska, Mr. RAHALL, Mrs. BOUQUARD, Mr. EVANS of Iowa, Mr. CORRADA, Mr. EDWARDS of Oklahoma, Mr. CLAY, Mr. DYMALLY, Ms. KAPTUR, Mr. GRAY, Mr. FAUNTROY, Mr. MILLER of Ohio, Mr. TALLON, Mr. BEVILL, Mr. JEFFORDS, Mr. YOUNG of Missouri, Mr. GEKAS, Mr. OWENS, Mrs. HOLT, Mr. SCHEUER, Mr. WIRTH, Mr. CARPER, Mr. ROE, Mr. PASHAYAN, Mr. GREEN, Mr. MOAKLEY, Ms. MIKULSKI, Mr. LONG of Maryland, Mr. STANGELAND, Mr. HERTEL of Michigan, Mr. GUARINI, Mr. BROYHILL, Mr. EVANS of Illinois, Mr. FRENZEL, Mr. HUGHES, Mrs. BOXER, Mr. WEISS, Mr. DAVIS, Mr. LELAND, Mr. TORRICELLI, and Mr. BOUCHER):

H.J. Res. 156. Joint resolution to recognize Senior Center Week during Senior Citizen Month as proclaimed by the President; to the Committee on Post Office and Civil Service.

By Mr. OTTINGER:

H.J. Res. 157. Joint resolution posthumously proclaiming Christopher Columbus to be an honorary citizen of the United States; to the Committee on the Judiciary.

By Mr. UDALL:

H.J. Res. 158. Joint resolution to make technical corrections in the act of January 25, 1983 (Public Law 97-459); to the Committee on Interior and Insular Affairs.

By Mr. ZABLOCKI (for himself and Mr. LAGOMARSINO):

H. Con. Res. 65. Concurrent resolution welcoming Her Majesty Queen Elizabeth II and His Royal Highness the Prince Philip, Duke of Edinburgh, on their official visit to the United States; to the Committee on Foreign Affairs.

By Mr. OTTINGER:

H. Con. Res. 66. Concurrent resolution expressing the sense of the Congress that the United States should recognize Jerusalem as the capital of Israel, and that the U.S. Embassy in Israel should be relocated to Jerusalem; to the Committee on Foreign Affairs.

H. Con. Res. 67. Concurrent resolution declaring that the President's decision to commit U.S. military personnel to El Salvador requires that he comply with section 4(a) of the War Powers Resolution; to the Committee on Foreign Affairs.

By Mrs. ROUKEMA:

H. Con. Res. 68. Concurrent resolution expressing the sense of the Congress that no limitation should be placed on the Federal income tax deduction for interest paid on a residential mortgage; to the Committee on Ways and Means.

By Mr. DE LA GARZA (for himself and Mr. MADIGAN):

H. Res. 101. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Agriculture in the first session of the 98th Congress; to the Committee on House Administration.

By Mr. ENGLISH (for himself and Mr. JONES of Tennessee):

H. Res. 102. Resolution expressing the sense of the House of Representatives that the role of the Rural Electrification Administration should be enhanced to assure that Federal agencies consider the needs of rural America in establishing policies which affect telephone service in rural America; to the Committee on Agriculture.

By Mr. BROOMFIELD (for himself and Mr. PRITCHARD):

H. Res. 103. Resolution commending the Government of Zimbabwe; to the Committee on Foreign Affairs.

By Mr. CORCORAN:

H. Res. 104. Resolution amending the Rules of the House of Representatives with respect to use of committee funds for travel; to the Committee on Rules.

By Mr. RODINO:

H. Res. 105. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on the Judiciary in the 1st session of the 98th Congress; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

14. The SPEAKER presented a memorial of the Senate of the State of Minnesota, relative to persons missing in action in Southeast Asia; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. SCHNEIDER:

H.R. 1628. A bill for the relief of Dr. Mario J. Wexu; to the Committee on the Judiciary.

H.R. 1629. A bill to permit Charles E. Day, Senior, and Mary Day, husband and wife, to file an action against the United States District Court, for the District of Rhode Island, and for other purposes; to the Committee on the Judiciary

By Mr. WAXMAN:

H.R. 1630. A bill for the relief of Arturo, Maria, Luisa, and Rosa Posadas de Flores; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 1631. A bill for the relief of Calvin L. Graham; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 86: Mr. MCCOLLUM and Mr. SKEEN.

H.R. 87: Mr. MCCOLLUM.

H.R. 429: Mr. HILLIS.

H.R. 461: Mr. MCCOLLUM.

H.R. 671: Mr. WAXMAN.

H.R. 706: Mr. BROWN of Colorado, Mr. KASICH, Mr. JACOBS, Mr. REID, Mr. GINGRICH, Mrs. SNOWE, Mr. RATCHFORD, Mr. BEREUTER, Mr. DANNEMEYER, Mr. MCKINNEY, Mr. DAUB, Mr. STANGELAND, Mr. NIELSON of Utah, Mr. MAZZOLI, Mr. RITTER, Mr. O'BRIEN, Mr. GEJDENSON, Mr. DURBIN, Mrs. SCHNEIDER, AND Mrs. MARTIN of Illinois.

H.R. 785: Mr. MCDONALD, Mrs. VUCANOVICH, Mr. LOTT, Mr. KINDNESS, and Mr. KEMP.

H.R. 786: Mr. TAUZIN, Mr. BURTON of California, Mr. GINGRICH, Mr. MCCOLLUM, Mr. CONTE, Ms. FIEDLER, Mr. DUNCAN, Mr. CORCORAN, and Mr. SUNIA.

H.R. 827: Mr. FOGLIETTA, Mr. FRANK, Mr. FAUNTROY, Mr. DYMALLY, Mr. MORRISON of Connecticut, Mr. STOKES, Mr. ADDABBO, Mr. KINDNESS, and Mr. MITCHELL.

H.R. 927: Mr. HOYER, Mr. FEIGHAN, Mr. SOLARZ, Mr. YATES, Mr. FOWLER, Mr. MAZZOLI, MRS. HALL of Indiana, Mr. BERMAN, Mr. LOWRY of Washington, Mr. DWYER of New Jersey, Mr. FISH, Mr. GEJDENSON, Mr. LEVIN of Michigan, Mrs. BOXER, Ms. OAKAR, Mr. SIKORSKI, and Mr. TORRICELLI.

H.R. 1010: Mr. CORRADA, Mr. LAGOMARSINO, Mr. MCCAIN, Mr. SUNIA, Mrs. HALL of Indiana, Mr. IRELAND, Mr. WRIGHT, Mr. MYERS, and Mr. LOTT.

H.R. 1031: Mr. GEPHARDT and Mr. CRAIG.

H.R. 1078: Mr. ANNUNZIO and Mr. LOWRY of Washington.

H.R. 1132: Mr. MOLLOHAN, Mr. BEVILL, Mr. KINDNESS, Mr. CLINGER, and Mr. SUNIA.

H.R. 1234: Mr. MITCHELL, Mr. FOGLIETTA, Mr. DYSON, Mr. LEACH of Iowa, and Mr. RANGEL.

H.R. 1296: Mr. ROE, Mr. WEAVER, Mr. SISISKY, Mr. CHAPPELL, Mr. ALBOSTA, Mr. SYNAR, Mr. FUQUA, Mr. SHARP, Mr. ASPIN, Mr. HAMILTON, Mr. ROWLAND, Mr. JEFFORDS, Mr. BEREUTER, Mrs. HOLT, Mr. ROBERTS, Mr. KASTENMEIER, Mr. MCNULTY, Mr. HUBBARD, Mr. TRAXLER, Mrs. SMITH of Nebraska, Mr. PATMAN, Mr. BONER of Tennessee, and Mr. GORE.

H.R. 1303: Mr. ANTHONY.

H.R. 1304: Mr. CLAY, Mr. COLEMAN of Missouri, Mr. GEPHARDT, Mr. TAYLOR, Mr. WHEAT, Mr. YOUNG of Missouri, Mr. VOLKMER, and Mr. EMERSON.

H.R. 1369: Mr. PARRIS.

H.R. 1418: Mr. SENSENBRENNER, Mr. DASCHLE, Mr. QUILLEN, Mr. ALEXANDER, Mr. PRITCHARD, Mr. FRANK, Mr. DWYER of New Jersey, Mr. UDALL, Mr. OXLEY, Mr. PORTER, Mr. MCCURDY, Mr. MARRIOTT, Mr. SHARP, Mr. WHITEHURST, Mr. HUGHES, Mr. FORSYTHE, Mr. KINDNESS, Mr. BENNETT, Mr. MAVROULES, Mr. PAUL, Mr. ARCHER, Mr. WINN, Mr. LELAND, Ms. OAKAR, Mr. LOWRY of Washington, Mr. ECKART, Mr. SHELBY, Mr. D'AMOURS, Mr. LAGOMARSINO, Mr. SIMON, Mr. CROCKETT, Mr. DICKS, Mr. DYSON, Mr. PATMAN, Mr. FAZIO, Mr. RATCHFORD, Mr. LAFALCE, Mr. BARNES, and Mr. GUNDERSON.

H.R. 1436: Mr. ROE, Mr. JONES of North Carolina, and Mr. SUNIA.

H.R. 1441: Mr. BEREUTER, Mr. BROOMFIELD, Mr. CLAY, Mr. DUNCAN, Mr. ECKART, Mr. FIELDS, Mr. KINDNESS, Mr. MADIGAN, Mr. MARRIOTT, and Mr. REGULA.

H.R. 1543: Mr. FOGLIETTA, Mr. WASHINGTON, Mr. FAUNTROY, Mr. LEHMAN of Florida, and Mr. GARCIA.

H. J. Res. 1: Mr. ZSCHAU.

H.J. Res. 22: Mr. WOLPE, Mr. LONG of Louisiana, Mr. DYSON, and Mr. BRITT.

H.J. Res. 62: Mr. ADDABBO, Mr. AKAKA, Mr. ARCHER, Mr. BLILEY, Mr. BORSKI, Mrs. BOXER, Mr. CHANDLER, Mr. CHAPPIE, Mrs. COLLINS, Mr. CONYERS, Mr. CORRADA, Mr. DAUB, Mr. DE LA GARZA, Mr. DIXON, Mr. DOWNEY of New York, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. EDGAR, Mr. FAUNTROY, Mr. FAZIO, Mr. FLIPPO, Mr. FLORIO, Mr. FORSYTHE, Mr. FRENZEL, Mr. FROST, Mr. GILMAN, Mr. GRADISON, Mr. GREEN, Mr. HANCE, Mr. HANSEN of Utah, Mr. HOPKINS, Mr. HOWARD, Mr. HUBBARD, Mr. HUGHES, Mr. HUTTO, Mr. HYDE, Mr. JEFFORDS, Mr. KASICH, Mr. KAZEN, Mr. KEMP, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. MADIGAN, Mr. MARKEY, Mr. MARRIOTT, Mr. MATSUI, Mr. MAZZOLI, Mr. MCDADE, Mr. MCDONALD, Mr. MCEWEN, Mr. MCGRATH, Mr. MCNULTY, Ms. MIKULSKI, Mr. MINISH, Mr. MRAZEK, Mr. MURPHY, Mr. NATCHER, Mr. NICHOLS, Mr. O'BRIEN, Mr. ORTIZ, Mr. OWENS, Mr. PATTERSON, Mr. PEPPER, Mr. RANGEL, Mr. RAY, Mr. RINALDO, Mr. RODINO, Mr. ROE, Mrs. ROUKEMA, Mr. SCHEUER, Mr. SHELBY, Mr. SIMON, Mr. SMITH of New Jersey, Mr. SNYDER, Mr. SOLARZ, Mr. STAGGERS, Mr. STOKES, Mr. SUNIA, Mr. TALLON, Mr. TAUKE, Mr. TORRICELLI, Mr. TOWNS, Mr. VANDERGRIFF, Mr. VENTO, Mr. WALGREN, Mr. WAXMAN, Mr. WEISS, Mr. WILSON, Mr. WINN, Mr. WOLF, Mr. WORTLEY, Mr. WYLIE, Mr. ALEXANDER, Mr. BEVILL, Mr. COURTER, Mr. DANIEL, Mr. DONNELLY, Mr. DOWDY of Mississippi, Mr. MORRISON of Washington, Mr. NOWAK, Mr. ROGERS, Mr. SUNDQUIST, Mr. UDALL, and Mr. WHITTAKER.

H.J. Res. 70: Mr. AKAKA, Mr. ALEXANDER, Mr. ANDERSON, Mr. BARNARD, Mr. BERMAN, Mr. BEVILL, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BROOKS, Mr. BRYANT, Mrs. BYRON, Mr. CAMPBELL, Mr. CARPER, Mr. CARR, Mrs. COLLINS, Mr. DONNELLY, Mr. DURBIN, Mr. GREGG, Mr. HAMILTON, Mr. HARKIN, Mr. HAWKINS, Mr. HILER, Mr. HOPKINS, Mr. HUTTO, Mrs. JOHNSON, Mr. KEMP, Mr. KILDEE, Mr. KOLTER, Mr. LEVINE of California, Mr. LUKEN, Mr. MCHUGH, Mrs. MARTIN of Illinois, Mr. MILLER of California, Mr. MINETA, Mr. MOLINARI, Mr. MURTHA, Mr. PARRIS, Mr. PEPPER, Mr. PERKINS, Mr. PICKLE, Mr. RINALDO, Mr. ROYBAL, Mrs. SCHROEDER, Mr. SIMON, Mr. SPENCE, Mr. TORRES, Mr. TORRICELLI, Mr. WASHINGTON, Mr. WHITEHURST, Mr. WISE, Mr. YOUNG of Alaska, and Mrs. BOGGS.

H.J. Res. 96: Mr. BRITT, Mr. LEVINE of California, Mr. STAGGERS, Mrs. COLLINS, Mr. HOYER, Mrs. HOLT, Mr. EVANS of Illinois, Mr. BARNARD, and Mr. TORRICELLI.

H.J. Res. 101: Mr. GUARINI, Mr. OBERSTAR, Mr. WIRTH, Mr. TAUZIN, Mrs. MARTIN of Illinois, Mr. SIMON, Mr. HORTON, Mr. WINN, Mr. DAUB, Mr. VANDERGRIFF, Mr. CORRADA, Mr. MCGRATH, Mr. SMITH of Florida, Mr. STANGELAND, Mr. STOKES, Mr. BEVILL, Mr. DWYER of New Jersey, Mr. BOUCHER, Mr. LEACH of Iowa, Mr. EDGAR, Ms. OAKAR, Mr. RATCHFORD, Mr. MADIGAN, Mr. MAZZOLI, Mr. WEAVER, Mr. LAGOMARSINO, Mr. LEWIS of California, Mr. HATCHER, Mr. MAVROULES, Mr. TALLON, Mr. FORD of Tennessee, Mr. BROOKS, Mr. VENTO, Mr. OWENS, Mr. FRENZEL, Mr. FLORIO, Mr. KASICH, Mr. MCCAIN, Mr. KRAMER, Mr. MCNULTY, Mr. FISH, Mr. SPRATT, and Mr. HUCKABY.

H.J. Res. 103: Mr. TALLON and Mr. YOUNG of Alaska.

H.J. Res. 104: Mr. KASICH.

H.J. Res. 120: Mr. MOODY and Mr. LEVINE of California.

H.J. Res. 121: Mr. ANDREWS of North Carolina, Mr. ASPIN, Mr. BARNARD, Mr. BARNES, Mr. BATES, Mr. BERMAN, Mr. BEVILL, Mr. BONER of Tennessee, Mr. BOUCHER, Mrs. BOXER, Mr. CHAPPELL, Mr. COOPER, Mr. CROCKETT, Mr. EDGAR, Mr. ENGLISH, Mr. FRENZEL, Mr. FUQUA, Mr. GINGRICH, Mr. GREEN, Mr. HARRISON, Mr. HATCHER, Mr. HORTON, Mr. HUGHES, Mr. HYDE, Mr. JONES of Tennessee, Mr. KASICH, Mr. KEMP, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LELAND, Mr. LEVINE of California, Mr. LEWIS of California, Mr. MCGRATH, Mr. MADIGAN, Mr. MARTINEZ, Mr. MATSUI, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. NEAL, Ms. OAKER, Mr. O'BRIEN, Mr. PASHAYAN, Mr. PORTER, Mr. PRITCHARD, Mr. RAHALL, Mr. RATCHFORD, Mr. RICHARDSON, Mr. ROE, Mr. ROEMER, Mr. SMITH of Florida, Mr. SPENCE, Mr. TALLON, Mr. THOMAS of California, Mr. VANDERGRIFF, Mr. WAXMAN, Mr. WILSON, Mr. WHEAT, Mr. WHITEHURST and Mr. WORTLEY.

H.J. Res. 139: Mr. FAUNTROY, Mr. YOUNG of Alaska, Mr. ANDERSON, Mr. PEPPER, Mr. AKAKA, Mr. D'AMOURS, Mr. SMITH of Florida, Mr. SIMON, Mr. HATCHER, Mr. ST GERMAIN, Mr. WYLIE, Mr. BEREUTER, Mr. HOYER, Mr. WOLF, Mr. DAUB, Mr. ROE, Mr. VENTO, Mr. VANDERGRIFF, Mr. FRANK, Mr. MCCOLLUM, Mr. LAFALCE, Mr. BATES, Mr. BARNARD, Mr. RAHALL, Mr. STOKES, Mr. LELAND, Mr. MCGRATH, Mr. SCHEUER, Mr. DASCHLE, Mr. ANNUNZIO, Mrs. HOLT, Mr. HUBBARD, Mr. DREIER of California; Mr. LUJAN, Mr. RATCHFORD, Mr. CARPER, Mr. BARNES, Mr. EDGAR, Mr. WHITEHURST, Mr. OBERSTAR, Mr. PATMAN, and Mr. MCNULTY.

H.J. Res. 140: Mr. ALEXANDER, Mr. BEVILL, Mr. BOLAND, Mrs. BOUQUARD, Mr. BROWN of California, Mr. CAMPBELL, Mr. DASCHLE, Mr. DAUB, Mr. DIXON, Mr. DONNELLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FAZIO, Mr. FISH, Mr. FOGLIETTA, Mr. FOLEY, Mr. HANSEN of Idaho, Mr. HOYER, Mr. HYDE, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LIVINGSTON, Mr. MARKEY, Mr. MARRIOTT, Mr. MATSUI, Mr. MAVROULES, Mr. MAZZOLI, Mr. MOORE, Mr. MURPHY, Mr. ROEMER, Mr. SHUMWAY, Mr. STENHOLM, Mr. STANGELAND, Mr. STUMP, Mr. TAUZIN, Mr. WALGREN, Mr. WEAVER, Mr. WHITTAKER, Mr. HUTTO, Mr. WHITLEY, Mr. MOORHEAD, Mr. SIMON, Mr. DYMALLY, Mr. LELAND, Mr. RATCHFORD, Mr. FIELDS, Mr. SCHEUER, Mr. KASICH, Mr. VANDERGRIFF, Mr. PATMAN, Mr. WINN, Mr. STOKES, Mr. BARNES, Mr. OWENS, Ms. MIKULSKI, Mr. RAHALL, Mr. MCGRATH, Mr. PASHAYAN, Mr. BONIOR of Michigan, Mr. JONES of Tennessee, Mr. GEKAS, Mr. YATRON, Mr. HUCKABY, Mr. MOLLOHAN, Mrs. BOXER, Mr. RITTER, Mr. ROBINSON, Mr. RICHARDSON, Mrs. HALL of Indiana, Mr. HERTEL of Michigan, Mr. LEVINE of California, Mr. FRENZEL, Mr. WAXMAN, Mr. SMITH of Florida, Mr. GREEN, Mr. EVANS of Illinois, and Mr. COATS.

H. Res. 37: Mr. WON PAT, Mr. MCNULTY, Mr. HYDE, Mr. BURTON of California, Mr. FAZIO, Mr. PORTER, Mr. KILDEE, Mrs. BOXER, Mr. MITCHELL, Mr. MCCOLLUM, Mr. FRENZEL, Mr. GUNDERSON, and Mr. HOYER.

H. Res. 41: Mr. BERMAN, Mr. RICHARDSON, and Mrs. HALL of Indiana.

H. Res. 67: Mr. FASCELL, Mr. MICA, Mr. BERMAN, Mr. CROCKETT, Mr. WYDEN, Mr. LEVINE of California, Mr. AUCOIN, Mr.

FAZIO, Mr. BILIRAKIS, Mr. SILJANDER, Mr. JONES of Oklahoma, Mr. KEMP, Mrs. ROUKEMA, Mr. FLORIO, Mr. FOWLER, Mr. HOYER, Mr. CARNEY, Mr. BONKER, Mr. MINISH, Mr. GIBBONS, Mr. RANGEL, and Mr. KILDEE.

H. Res. 78: Mr. DERRICK, Mr. MITCHELL, Mr. NOWAK, Mr. FRANK, Mr. MOLLOHAN, Mr. HAMMERSCHMIDT, Mr. ECKART, Mr. DYMALLY, Mr. EDGAR, Mrs. SCHNEIDER, Mr. D'AMOURS, Mr. FISH, and Mr. MARTINEZ.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

33. By the SPEAKER: Petition of the Board of Supervisors, Wyoming County, N.Y., relative to the escalation of natural gas prices; to the Committee on Energy and Commerce.

34. Also, petition of the Seventh Day Baptists of U.S.A. and Canada, Janesville, Wis., relative to a nuclear weapons freeze; to the Committee on Foreign Affairs.

35. Also, petition of the City Council of New York, N.Y., relative to social security benefits; to the Committee on Ways and Means.

11-059 O-87-5 (Pt. 3)

EXTENSIONS OF REMARKS

FRINGE BENEFIT TAXATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 22, 1983

● Mr. PHILIP M. CRANE. Mr. Speaker, I recently introduced H.R. 532, which amends the Internal Revenue Code of 1954 to exclude fringe benefits from the definition of gross income. Passage of this bill would end over 20 years of debate on the merits of fringe benefit taxation and reaffirm Congress as the appropriate arm of the Government to establish tax law.

At present, the Internal Revenue Service (IRS) maintains that it is responsible for collecting taxes on all gross income. I submit that fringe benefits are not properly included within the definition of gross income. Not only are they a segment of a job contract and a vehicle of the free market, but they are also incentives which are often of no cost to the employer. In addition, they are not transferable which implies that they should not be taxed as an asset since they cannot be resold.

Furthermore, fringe benefits are not limited to one special interest group. Virtually everyone receives some type of fringe benefits—be it discounts for store clerks, free meals for waitresses, free parking for plant employees, or tuition benefits for a university custodian.

Taxation of these employee options would disrupt beneficial personnel relations, increase taxes, and raise the cost of living for all citizens—thereby doubling the burden on each working American.

The IRS claims that revenue is needed to balance the budget. Nevertheless, this type of taxation clearly would be inflationary to bureaucracy. Additional staff would be required at the IRS to handle the resulting paperwork. Industry would suffer from having to implement new accounting programs as well as increase salaries to rectify broken contracts. While we can conclude that ultimately the consumer will bear the brunt of these increased costs, the IRS cannot assure Congress that the extra revenue will outweigh increased bureaucracy.

Taxation of fringe benefits assumes that the monetary value of fringe benefits can be easily ascertained. This is not true in many cases. For example, the value of a parking space in downtown Washington, D.C., differs from one in suburban Chicago. The same is true of free and reduced rate airfares for airline employees. First, travel privileges are granted on a nondiscriminatory basis and usually are available as standby passes only. Second, they are virtually of no cost to the employer since a seat must leave with the aircraft regardless of whether it is occupied.

Fringe benefits create for the employee a sense of belonging to an enterprise which employers consider an asset. The value of this arrangement to each party cannot be determined.

Equally as difficult to establish is foolproof enforcement. It would not be uncommon for a business to hide fringe benefits under the guise of business expenses or simply leave many benefits unaccounted.

Moreover, were this matter left to administrative regulation, an individual's tax may differ depending on his State residence. It can be expected that the status of some fringe benefits would change with each new administration.

Critics of fringe benefits have expressed a fear that Americans will desire lower salaries in exchange for more services if fringe benefits are not taxed. This would occur only if the administration does not stand by its pledge to get Government off the backs of the people. In order to lower the demand for benefits already excluded from taxation such as some health programs, legal services, and cafeteria plans, we must dispel the image of a money hungry IRS and restore America's faith in an equitable system by restraining taxes, not encouraging them.

Since the IRS is not the legislative body with jurisdiction to formulate law and since fair and enforceable regulations are beyond conceivability, I urge your support of H.R. 532, which will give Congress its rightful power to tax and/or refrain from taxing.●

NORTHEAST LOUISIANA UNIVERSITY

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. HUCKABY. Mr. Speaker, I have in my congressional district one of the finest institutions of higher education in Louisiana—Northeast Louisiana University, in Monroe, La. Over the years, Northeast has been a leader in the educational development of Louisiana's citizens.

Recently Northeast Louisiana University took a major step into the computer age with the opening of its Computer Assisted Learning Laboratory, in the university's Sandel Library. On Thursday, January 21, 1983, a ceremony was held initiating the laboratory, which contains 18 computer terminals. This new laboratory will be used to assist students learning grammar, mathematics, and reading, as well as computer literacy. It is encouraging to see this positive development.

During this important event, Northeast Louisiana University was visited by Dr. Donald J. Senese, Assistant Secretary for Educational Research and Improvement, of the Department of Education. Assistant Secretary Senese paid tribute to the accomplishments of Northeast, as well as recognizing the heroic spirit of the people of Monroe, La., during the recent flood there. He also discussed some of the developments in the field of educational technology. I would like to commend Dr. Senese's speech to the Members of the House:

OVERVIEW OF CURRENT INITIATIVES AND PROGRAMS OF THE U.S. DEPARTMENT OF EDUCATION'S OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

Good morning, it is a pleasure to be speaking before faculty members of Northeastern Louisiana University. Since assuming the position of Assistant Secretary for Educational Research and Improvement, this is my third visit to the great state of Louisiana but my first visit to Monroe, Louisiana.

The heroic spirit of your people during the recent floods impressed Americans throughout our country.

I am pleased to have this invitation to visit the campus of one of the growing and dynamic institutions of higher education in this state.

It is especially pleasing to visit with a former colleague of mine from my days as a college teacher, Dr. Richard Chardkoff. From my years of working with Dr. Chardkoff, I can assure you that your school is fortunate in having a person of his academic credentials, intellectual skill, and dedication to education as a member of your faculty.

It is no secret that a "technology revolution" is here and has important consequences for education. It was especially pleasing to participate in the opening of your Computer Assisted Learning Laboratory in Sandel Library. You have established a center where your students can enhance their learning through the computer.

I am always pleased to have the opportunity to speak to and exchange ideas with members of the educational community.

I would like to take this opportunity to talk with you about some of the current

programs and initiatives in the U.S. Department of Education, particularly those of the Office of Educational Research and Improvement.

Currently, a primary focus in the Department is that of promoting excellence in education. Every student should be receiving a quality education that prepares him or her to successfully pursue higher education or enables him or her to be a trainable member of the workforce.

Why the concern about excellence? Schools in America have long had a reputation for their outstanding ability to educate large numbers of individuals in a superior manner.

We are excelling in numbers of students being educated. The equality and availability of educational opportunity for all the members of our society is beyond compare. During the 1980's enrollment in institutions of higher learning has reached an all-time high of over twelve million. Such a statistic supports the notion that we still have faith in the ability of education to offer us the background and abilities necessary to achieve a lifestyle consistent with the American dream.

Unfortunately, there has been a let down in quality during the past one or two decades. We have witnessed a steady decline in the Scholastic Aptitude Test (SAT) scores of students. Although last year's scores showed a slight increase for the first time in many years, it is too soon to tell whether or not that upturn indicates a reversal in trend or a fluke.

Further, we have a growing number of students, completing not only elementary and secondary school but college as well, who cannot properly read and write.

We find students taking easy courses—sometimes referred to as lifestyle courses—in place of rigorous academic studies. These courses neither challenge them intellectually nor prepare them for an increasingly complex, technological world.

We even find that many of our brighter people in the teaching profession are leaving. Their replacements are, in many cases, those who lack the goal of excellence in education.

You are all educators. You know that some things are right with American education and some things need improving.

However, the complex, technological, and information-based society which will be the adult world of students now in school demands that we offer them nothing less than the best.

Defining what is meant by "excellence in education" is not an easy job. In recognition of the difficulty of this task but appreciating the necessity for doing so, on August 26, 1981, U.S. Secretary of Education, Terrel H. Bell, named the members of the U.S. Commission on Excellence.

Secretary Bell charged the members with the following responsibilities:

To review and synthesize data on the quality of learning in the nation's schools, both public and private;

To examine, compare, and contrast the curricula, standards, and expectations of the educational systems of several advanced countries with those of the United States;

To study a representative sampling of university and college admission standards;

To hold hearings, receive testimony and expert advice on efforts that could and should be taken to foster high levels of academic excellence in the nation's schools, colleges and universities; and,

Review and describe those school programs that are recognized as preparing students who consistently attain higher than average scores on college entrance examinations.

The panel is looking at education in America in order to see what has gone wrong and to consider how things can be improved. The report of the Commission is due to be completed by the end of March of this year.

It is not the purpose of the Commission to set national standards, nor will it attempt to do so. The Reagan Administration very strongly supports each state's authority to operate and administer its own school system.

In naming the Commission, Secretary Bell said that the Commission could make "practical recommendations for action" to public officials, educators, parents and others who set school policies.

The work of the Commission is exciting. Perhaps more than any one individual program or project it is stimulating positive activity in the educational arena. It is causing parents, students, business leaders, as well as educators to focus attention on education.

The Commission has held hearings throughout the country on the various topics that they have been investigating. In the various communities they also held dinners with business leaders, prominent citizens and educators so they could communicate with these individuals, on a one to one basis, getting their ideas and feelings regarding education within their local community as well as in general.

All of the research and information gathering by the members has been completed. They are now in the process of preparing their report. The interest that it generates both within the educational community and the nation-at-large will be very exciting.

As another facet in the program to identify and acknowledge excellence in education, Secretary Bell has just announced a program which will give recognition to outstanding public schools at the secondary level, schools which can be described as turning out students who are "well-prepared".

The chief state school officer within each state will be able to submit nominations for the award from within his or her state.

A panel of 15 individuals, none of whom is an employee of the Federal government, will review the schools which have been nominated and will select those which show that they have the attributes of an "effective school" for public recognition by the Secretary of the Department of Education.

Secretary Bell would like to see this program develop some interest in the question of what makes a school successful. In describing his new program he said:

". . . if we also spark a little debate or controversy over the qualities that make a school stand out above the others, so much the better. Perhaps one means for improving education is the proper utilization of the technological advances of the past decade. The integration of technology into the learning experience, in the proper way, can lead to improvements which can upgrade the quality of education for students everywhere."

At a National Teleconference on Educational Technology held on June 22, 1982, in Washington, D.C., Secretary Bell announced that technology would be one of his major initiatives in education. There were over forty-five state sites, including the one in D.C., that participated in two days of activities highlighting technology in education.

The computer is, without a doubt, one of the most dynamic forces in the world today. Indicative of what this bodes for our society is the naming by Time magazine of the computer as "Man of the Year"; or as they titled it, "Machine of the Year". It is important to consider that the editors of Time felt that the impact upon our way of life by the computer was far greater than that of any individual or group.

The Office of Educational Research and Improvement was selected by the Secretary to take the lead in implementing his initiative on technology. In that regard, we have become involved with a number of interesting and exciting educational programs.

Our Office of Libraries and Learning Technologies is monitoring several contracts which utilize technology to improve the teaching of the basic skills. One of these is a communication program known as Project Quill. It uses a set of microcomputer-based programs around which several instructional activities have been developed. The activities are geared to young writers in grades 3 to 6. Quill utilizes the micorcomputer's technological capabilities to help teachers teach writing. The youngster's natural enthusiasm for anything connected with the computer strongly motivates them to write and to perform the various tasks which are a part of the program. It has helped to eliminate the drudgery of rewriting compositions by hand. Corrections and rewrites can be made quickly on the word processor and a print-out secured.

The National Diffusion Network operates under the auspices of the Office of Educational Research and Improvement. Through the N.D.N. model educational programs are disseminated to local school districts which desire to use them.

The N.D.N. is able to help local school districts avoid reinventing the wheel. For example, an excellent program might exist in a school district in Pennsylvania. It might be ideal for helping to solve an existing educational problem in Massachusetts, Oregon, or Texas or Louisiana but how are teachers and administrators in those states going to be made aware of the program?

It is the purpose of the N.D.N. to disseminate such programs. The Joint Dissemination Review Panel assesses program applicants; programs which meet the established criteria are eligible for disseminaton.

Outstanding program which contribute to academic excellence are selected to receive funding for purposes of dissemination of information to other school districts throughout the country. The option of whether or not to adopt a program is, of course, at the discretion of the school officials within that district.

As a result of the current emphasis on technology, the National Diffusion Network awarded grants to four Lighthouse Projects in Technology. The Lighthouse Projects are designated as such because they are using technology to enhance education in an outstanding way. The Federal grants will enable those schools to host visitors from all over the country and to provide material on their adaptations of technology to school use.

The programs are:

Project C.O.F.F.E.E. or the Cooperative Federation for Educational Experiences located in Oxford, Massachusetts which offers a regional alternative occupational education program in high technology to secondary school age youth, some of whom were previously school dropouts. C.O.F.F.E.E. is noteworthy for the exempla-

ry school/business partnership which it has formed with the Digital Equipment Corporation of Bedford, Massachusetts and for which it received a Presidential Commendation. Digital has been extremely supportive of school efforts to learn about and use computers.

The Merrimack Education Center in Chelmsford, Massachusetts. It is a computer assisted instruction program developed to assist in the improvement of basic skills instruction for compensatory education populations. The program staff includes professional educators who are available to provide technical assistance in introducing successful computer applications to the schools. The Project consists of four main components: (1) Computer Assisted Instruction, (2) School System Computer Support, (3) Computer Training and (4) Computer Software Exchange Library.

In Asbury Park, New Jersey, the Board of Education offers a course which utilizes computer assisted instruction for secondary mathematics courses in grades 9-12. Educational software designed for the purpose of integrating computer-assisted instruction with traditional techniques utilized in teaching algebra I, Algebra II, Geometry, Trigonometry, Calculus, and Applied Mathematics has been developed and field tested for purposes of the program.

The Evaluation Center, Hopkins Public Schools, Hopkins, Minnesota is involved in the implementation and utilization of data processing systems in the administrative, management, and instructional functions of schools. Most recently, it is concentrating on the utilization of microcomputers. The staff is attempting to achieve the proper blending of the new microcomputer technology with valid and acceptable educational practices in the development of new instructional and management programs.

As you can see, we are involved in some important projects in the area of technology. However, it is important to note that the role of the federal government is a limited one. There are no plans to return to the type of programs offered in the 1960s in which large sums of federal monies were spent on a wide range of educational projects.

Instead, the Reagan Administration, under the New Federalism, is trying to stimulate an atmosphere which encourages schools to get involved with instructional technology, to share information on technology, and to get the private sector more involved in instructional technology.

We are not only entering a new age in technology but a new age in educational responsibility and decision-making. The Reagan Administration, particularly through the Education Consolidation and Improvement Act (ECIA) or block grant approach, has been turning decision-making authority and finances back to the States and local school authorities. The purpose has been to reduce federal control while enhancing the decision-making process at the State and local levels.

Therefore, there will be more responsibility on State and local school officials to become aware of the advantages of instructional technology and how it can best be adjusted to local needs.

In planning for the educational needs of both those still in high school, as well as those at the college level, the National Center for Education Statistics is currently conducting a large-scale, longitudinal survey, "High School and Beyond" which contains data about high school seniors and sophomores starting with the year 1980.

There was a group-administered survey in the spring of 1980 with planned follow-ups on the same national sample for 1982 and 1984. The sample for the study included 1,000 high schools. Thirty-six seniors and thirty-six sophomores per school were surveyed, or all of the senior and sophomore class if the class did not contain 36 members.

Response was high with 91 percent fo the schools contacted participating. In all, 1,015 schools responded with 30,000 sophomores (out of 3,800,000) and 28,000 seniors (out of 3,000,000 participating.

Questionnaires and cognitive tests were administered to each student in the High School and Beyond sample. The first phase survey included information about such items as: high school experiences of the student; activities outside of school; attitudes about school, themselves, their aspirations; and plans for after high school.

The study is similar to one which was conducted in 1972 but more comprehensive and broader in scope. For example, the 1980 survey includes information about parents' aspirations for their children as well as teachers assessment of their students' futures. These factors were not included in the first study.

The National Institute of Education has a new director. NIE is going forward with plans to continue research on quality education, effective schools, and uses of technology in education.

I have attempted to give you a brief overview of some of the initiatives and programs of the Office of Educational Research and Improvement and I have tried to emphasize information which I believed would be of interest and benefit to you.

It is a pleasure to be here at this outstanding institution of higher education. I wish you well in your efforts.●

LITHUANIAN INDEPENDENCE DAY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1983

● Mr. McGRATH. Mr. Speaker, I wish to add my comments in observance of the 65th anniversary of the reestablishment of the independent Lithuanian state. I hope our observance will encourage all those who look to the day when we can celebrate the regained freedom of Lithuania from the strains of Soviet oppression.

Despite the deprivation of human rights by the Soviet Union, the spirit of freedom is alive in Lithuania. The struggle for true Lithuanian independence should be granted renewed support by all. Even though the policy of russification has threatened to destroy Lithuanian language, religions, and culture, the Soviets have not been successful in their brutal campaign to eradicate Lithuanian individuality. Those who fight for self-determination of Lithuania, and the dignity and human rights sovereignty will afford, do so in the face of relentless persecution.

Those who resist the oppressive rule of the Soviet Government have relied on our support in continuing to protest the Soviet act of infamy, their aggressive takeover of Lithuania on June 15, 1940. With our help, these courageous libertarians can forge a richer concept of peace emphasizing basic human rights and providing a foundation for true peace and an end to the arms race and other confrontations, which have characterized international affairs in this century.

I urge the Members of this body and the administration to strengthen their commitment to freedom and to make every effort to insure the Lithuanian people that they will soon enjoy the fundamental rights denied by their Soviet oppressors.●

LYNN MARTIN: A LOOK AT GOVERNMENT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. MICHEL. Mr. Speaker, our colleague LYNN MARTIN of the 16th District of Illinois recently offered her views on the subject of "Congressional efficiency." I found those views to be very useful and I want to share them with the rest of our colleagues.

At this point I wish to insert into the RECORD "Congress' Lynn Martin: A Veteran Member Grades Congressional Efficiency" from Government Executive magazine, January 1983.

CONGRESS' LYNN MARTIN: A VETERAN MEMBER GRADES CONGRESSIONAL EFFICIENCY

In 1980, when Lynn Martin, then 40, first ran for Congress as a Republican in Illinois' 16th District (Rockford and surrounding rural areas as far south as President Reagan's hometown, Dixon), she campaigned on a theme of "Competence and Common Sense in Congress." After two years experience on Capitol Hill, and re-election last November, how does she feel about "competence" in Congress?

"The House," she told Government Executive, "could use a management consultant—no, we could use a whole team of management consultants. And that's not a Party line. I saw Leon Panetta (D-Calif.) at seven a.m. the other Monday, coming into the (Longworth House Office) building and both of us looked terrible."

Still, she says, "Wanting a chance to do something to help your country makes this the place you want to be;" and, "I recommend the job—although you better have a strong constitution, not get sick too often, learn to detest receptions, and learn to read airline schedules like an expert."

A Phi Beta Kappa graduate from the University of Illinois; former high school teacher of government, economics and English; elected to the Winnebago (Rockford) County Board; elected to the Illinois State General Assembly in 1976 and to the Illinois Senate in 1978, she was no novice on the workings of Government when she was elected to the U.S. Congress in 1980. Still, as

a freshman Member in 1981, "one incredibly nice thing" she discovered on Capitol Hill in her first year was "veterans taking time they didn't have to take to give you help and advice."

Another "plus" about the job: "Most Members don't spend their lives up here trying to 'get back at somebody' or foul up a program—contrary to popular opinion." Another "plus:" also "contrary to the popular view, the average IQ up here is very high and most of us are willing to work very hard." (Martin, herself, is a member of the House Budget Committee, an impressive appointment for a Congressional newcomer, as well as serving on the House Administration committee and being a member of the Northeast-Midwest Coalition, the Congressional Rural Caucus and the Congresswomen's Caucus.)

Trouble is, "We're now at infinity in terms of what we have to look at and make judgments on. Any Executive branch worth its salt can manipulate the hell out of Congress because they have the staffs." By contrast, she says, "Nobody on Capitol Hill ever ran for office on the basis of how well you can manage a staff," and she knows a couple of Members "who browbeat their people" in spite of the fact that staff gathering and sifting of information on any given issue is so important to making wise judgments.

Even she admits, "There are times I'd like to strangle my staff and I'm sure there have been times when they'd like to strangle me, too." That problem of being a Member probably has no perfect, clinically correct solution. But, she believes, much about how the House functions today begs for change. Among them:

Time—"Years ago, people didn't expect you to be back in your home district every weekend. Now they do." At the same time, in part because the expansion of Government has now dragged a vastly greater number of relatively narrow issues up to the Congressional level and in part because organizational "reforms" during the era of Watergate scandals bred a plethora of Congressional subcommittees, Members are pressured to be in Washington all the time, too.

"We could schedule (time) just so much better. Being here three or four days and in the district three or four and then back here and then back there is the worst of all worlds. Why can't we be scheduled to be here two weeks and back home a week? And the new schedule (for 1983) has us here (in Washington) until August 17. Why? Many of us have children at home. (Her own daughter will be going back to college shortly after Congress is scheduled to adjourn in the Fall, meaning they'll have very little time together before they are separated again.) The schedule matches neither the suitability of when legislation should be passed nor the emotional needs of the Members."

Further, "even allowing for the time-honored ways politicians can use to try delaying legislation," she knows of no good reason why time constraints can't be placed on how long a proposed piece of legislation can be allowed to gestate through the system before it must be brought to a vote. "Time is the most precious resource we have. To waste it is almost criminal."

Budgeting—"Why do we have to pass two budget resolutions? Isn't once enough?" Cleaning up that duplicated effort, she points out, will take more, however, than merely scheduling time more efficiently. Both in passage of a final budget resolution or, failing that, Government being run on a "continuing resolution," i.e. telling the Executive branch to "operate on the basis of last year's budget until we can make up our minds on this one," something more than tardiness is at work.

Sums up Martin, "What the collective Congress is saying (by passing the first budget resolution but delaying on the second one) is that it has put its toe in the water but it's not willing to swim the creek." Martin can recite several reasons. Among them:

The veritable massed army of comparatively narrow-scope special-interest groups, both within and on the fringes of Government pressuring their pet Congressional subcommittees for appropriations which, when collected and presented to the total House, bust through an earlier, approved budget ceiling. "If you want to look at interest groups," says Martin, "try (the Department of) Health and Human Services. They're much tougher than any company or union lobbyist ever thought of being."

When Government was expanding, there was no need for a continuing resolution because no choices had to be made over what should be funded and what not. There was plenty for nearly everybody except, largely, Defense which was perceived to have the weakest constituency among the Public. The cap now being put on Government growth is, in effect, now forcing that a lot of those choices must be made.

"The worst thing about the expansion of Government," claims Martin, "is there is now no way (given the workload) Members can make decisions wisely or that committees can conduct any effective oversight investigations." One reason is the spinning off of a host of subcommittees, done during the Wategate-scandal era in the name of "Reform;" but, in the process, splintering and diffusing authority over issues.

"A lot of these reforms," she notes, "have given the word 'Reform' a very bad name. In the old days, when a handful of 'Barons' really ran things and they weren't all trying to run for President, the old seniority system (which determined who got the key committee slots) may have had its faults but at least the railroad ran on time." Today, she says, "We move like a centipede, not a racehorse."

And partly, at least as far as Public perception is concerned, the problem is one Members tend to bring on themselves when campaigning for office. "In their ads, their speeches, Members campaigning tell voters, 'I'm the Lone Ranger, going to Washington to protect you.' They never mention that you're really going to be only one out of 435 and that what you're really going to have to do in Washington is not be the Lone Ranger but organize a posse. I didn't know how important I was (in the 1982 campaign) until I listened to my opponent."

In sum, her prescription for the House improving much of its act: "Get rid of the plethora of subcommittees." Another, related suggestion, at least as far as the budgeting activity is concerned: even allowing for the political motivations that prompt some of the contentions, start out with an agreement on what data base will be assumed relative to income/outlays, inflation rate, unemployment—factors that form the skeleton around which the budget is built.

Currently, she says, "The world's stupidest argument is this grand debate we have every year over assumptions" about what's going to happen in the economy. "We ought to agree at the outset on the data basis on which we will make decisions."

In short, the "Reforms" of a decade ago need reforming. Otherwise, in spite of the fact that the majority of Members individually are bright and highly motivated, the collective output of the Congress will continue to be legislative decisions that help a few to the detriment of the majority or are simply bad decisions—or, as in budget resolves now, are simply no decisions at all.●

HEALTH CARE

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. PEASE. Mr. Speaker, which activity of the Federal Government will get the largest budget increase over the next 3 years if President Reagan's budget proposals are adopted by Congress?

Surprisingly, the fastest growth in any area of the Federal Government is health care. That is the topic of my most recent weekly newspaper column. It follows.

WASHINGTON REPORT

(By Don J. Pease, U.S. Congressman, 13th District)

Quick, guess which activity of the federal government will get the largest budget increase over the next three years if President Reagan's budget proposals are adopted by Congress?

Hint—the planned increase in spending over the next three years is a whopping 65 percent.

Hint—many Americans feel that spending for this activity is out of control.

Defense? Did you answer defense spending.

Well, as the carnival barkers used to say, "That's close, but no see-gar."

The fastest growth in any area of the federal government is for health care.

Chiefly, that means Medicare, which helps pay medical bills for 30 million elderly and disabled Americans, and Medicaid, which does the same for 22.5 million low-income persons.

Budget authority for Medicare, Medicaid and miscellaneous health programs is projected to rise from $67 billion this year to $112 billion three years from now in fiscal year 1986.

Does President Reagan love health care so much as to lavish huge increases upon it?

Will government-paid health benefits improve in quality and quantity due to the large increases in spending?

The answer is "no" to both questions.

President Reagan, like other presidents before him, is stuck with the reality that medical prices have been rising far faster than other prices—some 15 percent recently compared with less than 5 percent for the overall inflation rate.

Actually, the President is proposing that federal spending be cut by a half billion dollars (5 percent) for health programs other than Medicare and Medicaid.

The President is proposing to require Medicare patients to pay between 5 and 8 percent of their hospital charges for the first 60 days of hospitalization; to delay eligibility for Medicare for up to one month; to require an annual increase in the premium for Part B of Medicare; to freeze Medi-

care reimbursements to physicians and allow them to pass the additional charges on to patients.

In Medicaid, President Reagan proposes that patients be required to pay part of the bill for all medical services received except nursing home care.

In other words, President Reagan is proposing substantial cuts in service and increased costs to patients as a way of holding federal health spending to a 65 percent increase over the next three years.

If Congress—as seems likely—refuses to approve all of Reagan's proposed "reforms," the increase in costs over the next three years could be 70 percent instead of 65 percent.

Skyrocketing medical costs are a problem faced by every president and every Congress. President Jimmy Carter's response was a hospital costs containment bill which Congress—thanks to heavy lobbying from medical interests—torpedoed.

One mystifying response by President Reagan was elimination of the federal review process, which sought to prevent hospitals from duplicating facilities. The theory was that absence of review and regulation would promote competition and somehow bring down prices. But the main competition among hospitals is for new facilities and machines which drive hospital costs up.

Another Reagan response over the past two years has been cut marginal people off of Medicare/Medicaid and to make medical consumers pay a higher share of the physician and hospital charges.

A third response by both Reagan and Congress is a proposal—to be debated in the House Ways and Means Committee this spring—for prospective payments, which means the federal government would pay a hospital a set amount of a given medical problem (appendectomy, heart attack, amputation, etc.) no matter how many or how few days the patient stays in the hosptial.

As medical costs go up, the quest for a solution goes on.●

STATE COLLEGES AND UNIVERSITIES TAKE NATIONAL STAND

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. FORD of Michigan. Mr. Speaker, the board of directors of the American Association of State Colleges and Universities (AASCU) has taken a position of leadership within the higher education community by viewing the problems of higher education in the broad context of national policy. The AASCU board of directors called for a delay in the 10 percent tax reduction scheduled for this July and for no further reductions in Federal aid to States. AASCU represents 354 State colleges and universities which enroll more than 2 million students. The text of the resolution follows, and I call it to the attention of my colleagues.

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES, FEBRUARY 8, 1983

Whereas, The recession has resulted in substantial losses of state revenues, including more than $8 billion lost since revenue estimates were made last spring; and

Whereas, The federal government will have cut over $57 billion in aid to the states by the end of FY 83; and

Whereas, State expenditures already have been cut substantially in the last two years and are estimated to have fallen by $5 billion since last spring; and

Whereas, Cuts in expenditures by state governments have had a significant and damaging impact on public higher education institutions; therefore be it

Resolved, That the Board of Directors of the American Association of State Colleges and Universities, representing 354 public colleges and universities, urges that no further cuts be made in aid to state governments; and be it further

Resolved, That the Board of Directors of AASCU urges that programs which are currently the responsibility of the federal government not become the responsibility of the states, unless the federal government provides the necessary funding.●

LITHUANIAN INDEPENDENCE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1983

● Mr. YATRON. Mr. Speaker, I join with my good friend and colleague, Congressman ANNUNZIO, in commemorating the 65th anniversary of the independence of Lithuania. In 1918, a council of 20 Lithuanians proclaimed their nation's independence at the conclusion of World War I, a war in which the brave people of Lithuania suffered tremendously in their efforts to realize their rights to self-determination and human dignity. In 1940, Stalin's Red Army invaded Lithuania and illegally, by force, incorporated this Baltic nation into the 14th republic of the Union of Soviet Socialist Republics. While the Soviet Union continues to implement its repressive totalitarian policies in Lithuania, the Kremlin has failed to control the minds or thwart the desires of the Lithuanian people to once again realize their dreams of self-determination and human liberty. Moreover, the Lithuanian people have never recognized the Soviet Union as a legitimate government which is further evidence of their strong desire to break the totalitarian grip of their Soviet captors.

As the chairman of the Subcommittee on Human Rights and International Organizations, I believe the Congress should continue to focus on the plight of the Lithuanian people in hopes of bringing this ongoing abuse of human rights perpertrated by the Soviets to the attention of the American public. To this end, the Lithuanian Americans throughout the United States, and especially in my home State of Pennsylvania, have long been a beacon of hope and strength to the people of this oppressed Baltic nation.

U.S. policy should continue to reflect a deep and abiding commitment to the people of Lithuania as well as all people throughout the world who are subjected to policies of repression by governments insensitive to human rights and liberty. To this end, I will continue to promote the goals of the Lithuanian people and an overall, effective human rights policy.●

CONGRESSIONAL VIGIL FOR SOVIET JEWRY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. McGRATH. Mr. Speaker, I am privileged once again to participate in the Congressional Vigil for Soviet Jewry. I wish to express my continued concern for Yuri Fiodorov and Alexsei Murzhenko, who have been imprisoned in the Soviet Union for over a decade following an escape attempt which failed. Both men are in poor health as a result of the inhumane and brutal treatment in the Soviet camps. Authorities in the U.S.S.R. have consistently refused to provide any information on their well being in spite of my repeated requests and those of many others.

Fiodorov and Murzhenko are special cases. Neither man is Jewish, although they joined with a group of Jewish refusniks in the effort to leave the Soviet Union. When the plan to escape was discovered, police placed great pressure on Fiodorov and Murzhenko to testify against their friends, some of whom faced the death penalty. Their resistance to the harassment was an outstanding example of courage in the face of imprisonment and retaliation.

In their statements to the Soviet Court at the infamous Leningrad trials, Fiodorov and Murzhenko made a plea, not for leniency in their cases, but for the others who faced more serious penalties. This spirit of loyalty and perseverance in the struggle against oppression is a force which binds thousands of people who live under the scourge of the Soviet police state. Nobel laureates, factory workers, and people from every walk of life and every nation within the U.S.S.R. continue to press for the freedom and dignity denied them by their government.

Fiodorov and Murzhenko were well aware of the fate that awaited them in Soviet prison camps. They became friends in another camp for Soviet dissidents during the 1960's. Yet they did not yield to the requests of their cap-

tors. The struggle against the domination of peoples of the U.S.S.R. and their individual lives goes on with only our voices to bring it to the attention of the free world.

I hope as the 98th Congress moves forward on the multitude of concerns we face, that my coleagues in this House will make their decisions on matters of foreign policy with the situation of Fiodorov and Murzhenko in mind. I also ask that every Member of this body support the cause of freedom for these men and countless others who share their fate.●

THE FREEZE MOVEMENT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. MICHEL. Mr. Speaker, during a recent meeting of leaders of the nuclear freeze movement, Ms. Randall Forsberg, founder of the movement and chairman of its national advisory board, stated that in her opinion, President Reagan "is not smart enough" to "stop the nuclear arms race."

I would hope that responsible freeze leaders in Congress would immediately condemn Ms. Forsberg's personal political attacks which are so starkly in contrast with the avowed humanitarian goals of the freeze movement.

At this point, I wish to insert in the RECORD, "Nuclear Freeze Group Adopts Complex Plan," by Robert Ruby, in the Baltimore Sun, February 7, 1983:

[From the Baltimore Sun, Feb. 7, 1983]

NUCLEAR FREEZE GROUP ADOPTS COMPLEX PLAN

(By Robert Ruby)

ST. LOUIS.—They came, more than 600 people in all, to ponder what for two years has been promoted as an elegantly simple idea: establishing a nuclear freeze in the Soviet Union and the United States.

By the end of their three-day meeting, delegates to the national convention of the Nuclear Weapons Freeze Campaign chose a strategy of working for a freeze in a series of complicated steps. They plan to lobby in Congress against specific weapons systems and are contemplating work in support of specific political candidates in 1984.

Agonizing over how to use their political power, the leaders of the freeze proponents agreed yesterday to oppose American plans to deploy new medium-range missiles in Europe and to lobby Congress to prohibit the testing of new nuclear weapons systems, on the condition that the Soviet Union refrain from similar tests.

The leaders also outlined a strategy for finding new allies, plans some delegates said could involve the freeze movement with issues that would weaken it.

The leadership pledged to support civil rights when they march in Washington in August over the issue of jobs. They also agreed to coordinate demonstrations in October against U.S. and Soviet medium-range missiles with similar protests scheduled by anti-nuclear groups in Western Europe.

Above all else, the delegates set their sights on lobbying Congress to endorse a nuclear freeze resolution in 1983, and on outlining by June a strategy for supporting presidential and congressional candidates in 1984.

Randall Kehler, coordinator of the National Freeze Organization, told the delegates, "I think this campaign is capable of making clear that any candidate for office, at the national level at least, has absolutely no choice but to support the freeze or to face certain defeat."

For the national organizers, the meeting at the University of St. Louis was the first opportunity to test the sentiments of local organizers from 47 states about their plans to "professionalize" the freeze campaign, at the risk of alienating some of its original supporters.

The convention marked the second anniversary of the campaign, a lobbying effort that seeks to change the nation's policies on nuclear arms control. Its goal is to persuade the U.S. government to negotiate a freeze in both the Soviet Union and the United States on the testing, production and development of nuclear weapons.

When such a mutual freeze can be verified by intelligence agencies, the freeze campaign says, negotiations should then begin to reduce existing arsenals.

Delegates met in small groups to debate how to use their influence: whether to hire professional fundraisers, how to lobby Congress and what to lobby for. They seemed torn, however, between their movement's old simplicity and the need for detailed plans to maintain themselves as a meaningful political force.

"The brillance of our concept is its simplicity, and it's also our problem," said Robert Bland, a delegate from little Rock, Ark. "You can only get so far with the original idea."

Last August, the House came within 2 votes of passing a resolution calling for a freeze, defeating it 204-202.

Members of Congress have reintroduced similar resolutions in both houses, and committee hearings are scheduled to begin later this month. A major lobbying effort has been planned by the freeze campaign for March 7-8, when several thousand supporters of a freeze are expected to travel to Capitol Hill.

At their convention, the campaign's national leaders were searching for ways to define a nuclear freeze more explicitly and for ways to safeguard the campaign's public image.

"Having achieved so much in such a short period of time may have raised people's expectations unrealistically," a strategy paper concluded. "If our momentum slows down or we actually suffer political setbacks, freeze supporters may become discouraged and political leaders indifferent."

President Reagan's opposition to a freeze was treated as a way to mobilize extra support. "We cannot stop the nuclear arms race under President Reagan," said Randall Forsberg, the founder of the movement and chairman of its national advisory board. "He is not smart enough to do it."

As proposed by Ms. Forsberg, the freeze campaign will try to circumvent the president's authority to negotiate arms control treaties by lobbying Congress to legislate new arms control policies that could have much the same effect. The campaign agreed to try to obtain from Congress a test ban on new nuclear weapons by amending military appropriation bills.

Congress will be pushed to legislate the testing bans for the next generation of strategic nuclear weapons—the land-based MX missile, the submarine-launched Trident II, long-range cruise missiles and the B-1 bomber.

The freeze campaign says it will ask Congress to make the testing bans conditional on the Soviet Union's refraining from testing comparable new systems.

Of all the issues, the most controversial was the campaign's new position on the deployment of Pershing 2 and cruise missiles in Europe, scheduled to begin in late 1983.

These missiles are the subject of negotiations in Geneva between the United States and the Soviet Union. The Reagan administration has proposed canceling installation of the American missiles in exchange for the Soviet Union's dismantling a comparable number of medium-range missiles already aimed at Western Europe.

Delegates at first complained that the campaign's policy statement did not take into account the threat of Soviet arms, and organizers added language saying the campaign "favors the greatest possible reduction of Soviet intermediate-range missiles targeted on Europe."

Instead of seeking the "greatest possible reduction" in Soviet missiles, the delegates finally settled on asking for "substantial" reductions.

In organizing protests for October, the freeze campaign is aiming more at helping the European anti-nuclear movement than at drumming up support at home.

"The idea is that in October we will give legitmacy to the European movements and hopefully prevent them from being called anti-American," said Dan Jerrems, head of the Maryland Committee for a Nuclear Freeze and a member of the national organization's governing committee.●

THE REAL INCREASES IN DEFENSE SPENDING

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. PEASE. Mr. Speaker, President Reagan, who believes so strongly in defense spending, seems by his policies to be presiding over an erosion of long-standing public consensus favorable to defense spending.

Yet he is once again asking for record increases in defense expenditures. A close look at the real numbers bears this out.

This is the topic I addressed in my most recent weekly newspaper column. It follows.

WASHINGTON REPORT

(By Don J. Pease)

If there is one consistent message I get from my constituents regarding the federal budget, it is this: "Cut the growth of defense spending."

Some constituents have long questioned defense build-ups, but only in the past year has the opposition become a chorus from every quarter—factory workers, profession-

als, farmers, housewives, businessmen, students.

I don't have to ask—they volunteer their opinions that defense spending has gotten out of hand. And they express themselves with varying degrees of intensity.

It is ironic that President Reagan, who believes so strongly in defense spending, seems by his policies to be presiding over an erosion of a long-standing public consensus favorable to defense expenditures.

Yet, believing stongly as he does, the President is undeterred. Again this year, he has asked Congress for a record increase in defense spending.

The increase in actual cash outlays requested by the President is $30 billion, a hike of more than 14 percent from this year's $209 billion to $238.6 billion next year. Further increases are projected to $278 billion in fiscal year 1985, $315 billion in 1986, $346 billion in 1987, and $377 billion in 1988.

That's an 80 percent increase between the current fiscal year and 1988.

Of course, inflation plays a part in those increases, so it is useful to look at increases in constant dollars (after removing the inflationary effect). That increase over the six-year 1983-88 period is 42 percent.

Most congressional and public attention this year will be focussed on defense cash outlays for fiscal year 1984, for it is that figure which directly affects the federal deficit and will either crowd out or accommodate spending for health, education, welfare and other domestic spending.

Indeed, the 9.5 percent proposed defense spending increase in constant dollars (excluding inflation) for 1984 has led President Reagan to propose an actual cut (in constant dollars) of 3 percent for domestic spending as a whole. The real cut for many federal agencies will greatly exceed 3 percent, if the President's proposals are accepted.

But a wary eye must also be kept on what is called obligational authority for the defense department. That comes up in the annual defense authorization bill, which is different from the appropriations bill.

Over the next three years alone, President Reagan is recommending a 49 percent increase (31 percent in constant dollars) in authority to obligate the government to lay out cash in the future.

That's comparable to a citizen signing a contract today to pay 49 percent more in three years for a given category of supplies.

Thus, if Congress hopes to deal with the $180 billion federal deficits forecast every year for the rest of this decade, action must come this year to limit or eliminate expensive new weapons systems like the MX missile and B-1 bomber.●

THE CONDUIT HYDROELECTRIC ACT OF 1983

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. MOORHEAD. Mr. Speaker, today I am pleased to introduce the Conduit Hydroelectric Act of 1983. The purpose of this bill is to encourage the production of conduit hydropower, and thereby reduce the reliance of our public utilities on high-priced fossil fuels, such as natural gas and oil, for the generation of electricity.

We are just beginning to recognize the hydroelectric potential available in the water conduits of our water utilities. Many of our Nation's water agencies have extensive distribution systems where energy is currently wasted through pressure reducing structures or other devices. Small hydroelectric generators in water conduits were not financially feasible when many of these conduits were installed, because the price of oil and other fossil fuels was low. Now, of course, the market has shifted in favor of these facilities.

The potential of these small plants particularly interested me after surveying the extensive water distribution systems in southern California and going on to review those in many other regions of the country. Metropolitan Water District of southern California installed its first generator in one of its water supply conduits in 1980. For a capital cost of $400,000, this 1-megawatt plant will produce enough energy to save 7,750 barrels of oil each year. Combined with additional Metropolitan Water District facilities, approximately 743,800 barrels of oil per year can be displaced. If we can multiply these projects in every water system where there is energy wasted, we will make an important contribution to energy self-sufficiency.

Preliminary data show that the nationwide potential for conduit hydroelectric facilities is approximately 800 megawatts. If we were to develop this potential, 6 million barrels of foreign oil could be displaced annually and about $180 million would not annually flow out of the country to OPEC.

Through an amendment to PURPA, we added a new section 30 to the Federal Power Act (known as the Moorhead Exemption) which gave FERC discretionary authority to exempt 15-megawatt or less conduit hydroelectric facilities from licensing requirements.

The type of facilities we are talking about here are those which would be installed in manmade conduits as a part of an operating water system, the primary purpose of which is the distribution of water for municipal, industrial, or agricultural purposes. If the facility is located on Federal lands, such as at a dam or other impoundment, then the exemption would not apply.

After observing the operation of the discretionary exemption procedure for 3 years, I have not been able to determine that a nonmandatory exemption with a 15-megawatt ceiling satisfies any Federal objectives or meets any public purpose. On the contrary, these restrictions hinder an important national objective for the production of energy by imposing a new and frequently unfamiliar regulatory process on public and private water utilities which are generally subject to extensive government regulation.

Consequently, the bill I am introducing today, the Conduit Hydroelectric Act, would amend section 30 of the Federal Power Act to automatically exempt from licensing requirements all conduit hydroelectric facilities not located on Federal lands that meet the existing primary purpose test.

This would accomplish a number of objectives:

One, a water agency proposing to build a hydroelectric plant in one of its water conduits would not have to prepare the sometimes burdensome, costly, and detailed application currently required if its project meets the requirements of the exemption.

Two, no size limit is imposed. This megawatt size restriction limits full development of this resource for no apparent reason.

Three, time delays in installing projects and potentially threatening terms and conditions involving water operations are removed.

The Conduit Hydro Act will furnish a real incentive for water agencies to use their water conduits to produce energy.

Substantial increases in fossil fuel prices, especially in my region of southern California, have brought intensified interest in developing more fully cheaper and cleaner domestic sources of energy. Certainly hydropower is a key domestic source of energy. In 1979, the capacity of 1,251 hydroelectric facilities was approximately 64,000 megawatts of electrical energy. This was approximately 13 percent of the Nation's total generating capacity. by 1990, it has been calculated that development of hydroelectric potential at sites with existing generating capacities could increase very significantly. Obviously, clean hydroelectric power can reduce our dependence upon foreign oil.

As a result of useful talks I have had with Commissioner Sheldon of FERC, I believe that FERC is very serious about fully developing this country's hydroelectric potential. As a recent GAO report to the Congress indicated, FERC knows that licensing reform among other reforms is crucial if we are going to achieve the worthwhile goal of displacing foreign oil and expensive natural gas with clean hydropower.

The Conduit Hydro Act of 1983 is exactly the kind of regulatory reform bill our electric ratepayers in California and across the country want to see—a bill which encourages the local development of a clean, renewable source of energy, conduit hydroelectricity, which has the real, near-term potential to reduce our dependence on high-priced fossil fuels.

I ask my colleagues to join with me in supporting the Conduit Hydroelec-

tric Act of 1983, and ask unanimous consent a copy of the bill be inserted in the RECORD following my statement.

H.R. 1618

A bill to amend the Federal Power Act to encourage conduit hydroelectric facilities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that conduit hydroelectric power is a clean, economical energy source with the clear potential of conserving significant amounts of energy.

(b) The purposes of this Act are—

(1) to conserve energy;

(2) to enhance environmental quality; and

(3) to benefit consumers of electrical power and water by restraining the costs of providing such services.

SEC. 2. Section 30 of the Federal Power Act (16 U.S.C. 823a) is amended to read as follows—

"MANMADE CONDUITS

"SEC. 30. (a) This part shall not apply to any facility (excluding any Federal dam or impoundment and any facility located on Federal lands) constructed, operated, or maintained for the generation of electric power if such facility—

"(1) utilizes for such generation only the hydroelectric potential of a manmdate conduit operated primarily for the distribution of water for agricultural, municipal, or industrial consumption and not primarily for the generation of electricity; and

"(2) is operated by—

"(A) the operator of such conduit, or

"(B) a person who operates such generation facility with the express consent of the operator of such conduit.

"(b) Any person referred to in paragraph (2) of subsection (a) may, in his discretion, apply for a license pursuant to this part for a facility which is exempt from this part under subsection (a). In the case of any such application a license shall be issued or denied for such facility in accordance with this part, and other applicable law, notwithstanding subsection (a) of this section. No person other than a person described in paragraph (2) of subsection (a) may apply for a license pursuant to this part for a facility described in subsection (a).".●

LITHUANIAN INDEPENDENCE DAY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1983

● Mr. FLORIO. Mr. Speaker, February 16, 1983, marks the 65th anniversary of the reestablishment of an independent Lithuania, and the 705th anniversary of the founding of the Lithuanian State. As our Nation approaches its own 207th year of national independence, I believe that we should pause to recognize the courageous people of Lithuania who have been denied both freedom and self-determination by the Soviet Union.

On June 15, 1941, over 34,000 Lithuanians were packed off in cattle cars to their certain death or brutalizing labor at undisclosed points in the Soviet Union. After World War II, the mass deportations of Lithuanians resumed and continued until 1953.

Today the people of Lithuania remain under Soviet occupation. This has resulted in the unrelenting oppression of human rights in Lithuania.

Following the peace treaty that Russia signed in 1920 with Lithuania, the economy of this Baltic nation flourished. Land reform programs allowed a vast number of Lithuanians to own and farm the countryside. Industrial enterprises increased a thousandfold and educational opportunities were expanded. Since World War II the economy of Lithuania has been dependent upon raw materials and markets controlled by government authorities in Moscow.

Sadly the world has witnessed the standard of living in Lithuania reduced by government dictate to the level imposed throughout the Soviet Union.

Soviet annexation has denied the Lithuanian people the right to practice religious beliefs, to have their children educated in their native tongue, and to enjoy all basic rights common to free nations. The United States has never recognized the illegal Soviet annexation of Lithuania. I will work to insure that this policy remains unchanged.

The Soviet Union continues to strip from each Lithuanian his pride in his culture and national heritage. However, Lithuanian fortitude remains stronger today than ever before. While Lithuania does not exist today as a politically sovereign nation, the freedom-loving traditions of its people continue. We, who have freedom, have the responsibility to assist those whose human, political, and national rights are oppressed. Our Nation must morally commit its strength to assist the Lithuanian people in this struggle.●

IDEOLOGY AND THE NUCLEAR FREEZE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. MICHEL. Mr. Speaker, anyone who doubts the leadership of the nuclear freeze movement has something more in mind than a bilateral nuclear freeze should read the New York Times.

The Times recently reported a meeting of 600 leaders of the freeze movement in St. Louis. These leaders seek to have Congress "cut off funds for American testing, production and deployment of nuclear weapons." But what of the Soviet Union's part in all this? The freeze leaders are "calling upon" the Soviet leaders to halt their tests as well.

"Calling upon?" Anyone who seriously thinks you can "call upon" Mr. Andropov to freeze at the same time you are legislatively forcing the United States to freeze, is dangerously unaware or unconcerned with the nature of the Soviet Union's Communist leadership.

I suppose I don't have to add that the freeze leadership vigorously denounced the deployment of American Pershing 2 missiles while at the same time only "favoring substantial reductions" in the already existing Soviet SS-20's in Europe.

In other words, if we don't put our Pershing missiles in Europe the Soviet Union's leadership will face the wrath of the leadership of the freeze movement if it doesn't "substantially" reduce its missiles.

Mr. Andropov must be shaking in his boots—from laughter.

At this point I wish to insert in the RECORD "Nuclear Freeze Group Plots a More Political Approach" by Judith Miller in the New York Times, February 7, 1983.

[From the New York Times, Feb. 7, 1983]

NUCLEAR FREEZE GROUP PLOTS A MORE POLITICAL APPROACH

(By Judith Miller)

ST. LOUIS, FEBRUARY 6.—Leaders of the nuclear freeze movement today endorsed an ambitious political agenda that includes seeking to elect legislators and a President in 1984 who are committed to the movement's proposals for ending the nuclear arms race.

At the end of a three-day meeting here of more than 650 people from 47 states, the delegates also voted to exert pressure on Congress to cut off funds for American testing, production and deployment of nuclear weapons, while "calling upon" the Soviet Union to halt its tests as well.

This action was immediately criticized by opponents of the freeze movement. One group, the National Peace Through Strength Campaign, accused the freeze delegates of favoring unilateral action by Washington that would allow the Soviet Union to continue to expand its nuclear weapons.

The new agenda portends a major shift in substance and strategy for the movement, which advocates a mutual and verifiable halt in Soviet and American testing, production and deployment of nuclear weapons.

HAD SHUNNED ELECTORAL POLITICS

Politically, the shift of focus means that many who have shunned partisan electoral politics will find themselves deeply enmeshed not only in lobbying Congress for legislation to carry out a freeze, but also in the next Congressional and Presidential campaigns.

It is not clear that the freeze campaign's effort to advance its cause through electoral politics will be effective. Many political analysts argue that the movement has peaked. In the few instances in which it attempted to influence the outcome of political races last November, it had a marginal impact at best, the analysts said.

The delegates here acknowledged that a lull in their activity had followed the election, but many contended that interest in and enthusiasm for the freeze were now building. "People in my area are still very scared" about nuclear war, said Deloris Easdale of Kirksville, Mo.

Before this meeting, most proponents of a nuclear weapons freeze had concentrated their efforts on ballot initiatives to demonstrate public support. Such resolutions have been approved by voters in 9 of 10 states, 28 of 30 counties, and 24 of 25 cities where it has appeared on the ballot. In addition, freeze resolutions were adopted at scores of New England town meetings in 1981 and '82.

COULD NOT SWAY REAGAN

Leaders of the freeze movement decided to shift their approach when it became clear that gaining voter approval of these resolutions was not enough to sway President Reagan and Congress. Mr. Reagan remains adamantly opposed to the idea, and the House of Representative rejected a freeze, narrowly, last August.

Next month, the House is scheduled to act on another such resolution, and the delegates here voted today to rally support for that vote and a Senate vote later in the spring. The fate of those proposals is considered a major test of the movement's political strength.

The delegates also endorsed several proposals that were far more specific than previous resolutions.

For example, delegates voted overwhelmingly to "oppose the deployment of Cruise and Pershing 2 missiles in Europe, which will introduce a new, qualitatively different and greater danger of nuclear war in the European theater."

SCHEDULED FOR DECEMBER

The Reagan Administration argues that deployment of these missiles, scheduled to begin in December, is necessary to counter the threat of Soviet SS-20 intermediate-range missiles already there. The delegates' resolution favored substantial reductions in those Soviet arms as well, but one critic, Richard D. Sellers of the Peace Through Strength group, assailed the freeze proponents for paying too much attention to the United States' deployment and not enough to the Soviet Union's.

Freeze leaders denied that they were shifting from a bilateral to a unilateral approach. G. Randall Kehler, who heads the Nuclear Weapons Freeze Campaign, the group's St. Louis-based coordinating committee, said the delegates' endorsement of a cutoff of funds for testing new warheads was "only a statement of principle."

"This doesn't lock us into any legislative strategy or proposal," Mr. Kehler said, adding that that the freeze movement might ultimately back a legislative proposal that made a fund cutoff contingent upon positive Soviet action.

The meeting here, which drew twice the number of people who attended last year's convention in Denver, included a wide array of activities ranging from "meditations for peace" to esoteric debates about the strategic and economic implications of new weapons development.

COMPETING OBJECTIVES

Delegates struggled to balance often competing objectives. They wanted their resolutions to be as simple as their freeze proposal, but they also wanted to draft fairly specific proposals that Congress could act upon.

Delegates wanted to broaden the largely white, middle-class base of their movement. But they were afraid of becoming entangled in causes that might divert attention from the freeze.

Finally, a deep dilemma was reflected in the protracted debate about what to say about the impending deployment of Pershing and cruise missiles.

"People here were torn," Mr. Kehler said, "between their desire to offer truly bilateral proposals and their desire to stop the deployment of the Pershings, weapons they think will make nuclear holocaust more likely."●

THE NEIGHBORHOOD DEVELOPMENT DEMONSTRATION ACT

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Ms. KAPTUR. Mr. Speaker, the Neighborhood Development Demonstration Act is a very creative piece of new legislation which will help address the needs of neighborhoods in Toledo and in other communities across the country. This legislation will establish a small Federal matching grant program for neighborhood-based organizations undertaking one or more of the following activities:

One, creating permanent jobs in the neighborhood;

Two, establishing or expanding new businesses within the neighborhood;

Three, developing or rehabilitating neighborhood housing stock;

Four, delivering essential services to the neighborhood; or

Five, planning, promoting, or financing voluntary neighborhood improvement efforts.

To qualify, neighborhood groups must be organized as a private, not-for-profit corporation; have a governing board not less than 51 percent of the members of which are residents of the areas served; have a track record of at least 3 years; operate in a UDAG eligible area; and benefit primarily low- and moderate-income people. Since it is a demonstration program, its proposed funding is limited to $5 million for fiscal year 1985.

Participating neighborhood groups will first have to be certified by the Secretary of the Department of Housing and Urban Development (HUD). A neighborhood development advisory council, made up of 15 representatives of eligible neighborhood organizations, will make recommendations to the HUD Secretary. Upon selection, the neighborhood group would be required to raise private contributions from neighborhood residents, businesses, and institutions. HUD would then match these contributions on a 3-to-1 to 10-to-1 ratio. The maximum amount that a group can receive in any given year is $50,000.

The genesis of this legislation was a 1979 report by the National Commission on Neighborhoods suggesting the establishment of a neighborhood voucher. In early 1983, Congressman JOEL PRITCHARD, who was a member of that Commission put together the first draft of this bill. At PRITCHARD's request, the National Neighborhood Coalition suggested major changes in order to target the legislation to low- and moderate-income neighborhoods. The National Neighborhood Coalition, a federation of over 50 national or regional organizations which have networks of neighborhood-based groups in various parts of the country, has a strong record of concern for neighborhood interests.

The case for neighborhoods and neighborhood groups is quite simple. People live in neighborhoods. Neighborhoods are geographically defined, but usually are not political units. Neighborhood groups are part of the independent or third sector; they are made up of thousands of residents who are also volunteers, and encompass the American spirit of self-help and self-reliance. They are also a contemporary, grassroots example of helping networks which are a special part of the American tradition, as observed by Alexis de Toqueville in the 1700's: neighbor helping neighbor. However, most legislation gives no authority or attention to neighborhoods; resources and programs are developed based on Federal, State, city, or country considerations only. Groups which are not political/geographic jurisdictions seldom are a part of the official structure for service delivery or even citizen participation. As a result, neighborhoods too often are forgotten when program and policy decisions are being made, even though neighborhood groups are the entity closest to the people.

Neighborhood efforts are carried out in various forms: through block clubs, neighborhood groups, civil associations, neighborhood development corporations, job training agencies, crime watches, citywide or statewide federations, senior citizen coalitions, tenant groups, community organizations, and ethnic associations.

These self-help and self-reliant groups deal with a wide variety of efforts and issues: anticrime programs, education betterment, commercial revitalization, job training, arson prevention, neighborhood enterprise development, housing rehabilitation, resident-managed or owned housing, community economic development, neighborhood reinvestment, neighborhood health centers, community organizing, neighborhood arts programs, and social services.

The Neighborhood Development Demonstration Act is a much needed step in the right direction.●

EDUCATION AND LABOR COMMITTEE COMMENTS ON PROPOSED JOB TRAINING PARTNERSHIP ACT (JTPA) REGULATIONS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. HAWKINS. Mr. Speaker, last October, the Congress passed and the President signed into law the Job Training Partnership Act (Public Law 97-300) to replace the expiring CETA program. This new act establishes programs to train economically disadvantaged youth and adults for permanent, private sector employment.

Title I of the act sets forth the State and local service delivery system and planning requirements. Title II authorizes adult and youth training programs for the disadvantaged, and title III provides for a State-administered training and placement assistance program for dislocated workers.

On January 18, 1983, the Department of Labor promulgated, for a 30-day comment period, proposed regulations for implementation of programs under titles I, II, and III of the act. Final regulations governing these titles are to be published by March 15, 1983, so that States and service delivery areas can begin planning and preparing for implementation of the new act by October 1, 1983.

The Department of Labor is to be commended for meeting the tight timeframe established in the JTPA on the promulgation of these regulations and for its efforts to maintain communication with the Congress throughout the drafting process. Moreover, these proposed regulations reflect changes that were suggested by the sponsors of the legislation and, consequently, we believe that they represent a vast improvement over earlier proposals. However, there remain several major areas of concern in the proposed regulations which we, on the authorizing committee, feel deserve comment and require, at a minimum, further consideration by the Department of Labor. We are certain that the Department shares our objective of achieving final regulations which are consistent with the law and with congressional intent.

Mr. Speaker, for the benefit of my colleagues, I would like to enter the text of the letter which Representatives PERKINS, ERLENBORN, JEFFORDS, and I sent to the Assistant Secretary of Labor for Employment and Training on the proposed regulations.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington, D.C., February 16, 1983.

Mr. ALBERT ANGRISANI,
Assistant Secretary for Employment and Training, Department of Labor, Washington, D.C.

DEAR MR. ANGRISANI: The purpose of this letter is to comment on the proposed regulations for the implementation of programs under Titles I, II and III, of the Job Training Partnership Act, (JTPA), P.L. 97-300, published in the January 18, 1983 Federal Register. All of us who were involved in the development of the Act have a responsibility to review the regulations and to provide comment so that they will reflect the intent of the law.

Again, we want to take this opportunity to commend the Department of Labor for meeting the tight time frame established in the JTPA for the promulgation of these regulations. Additionally, we believe that there has been an effort to communicate openly with the Congress throughout the drafting of these regulations. They contain changes that have been suggested informally based on draft regulations and are an improvement from those original drafts.

However, there are several broad areas of concern that we have with the proposed regulations which deserve comment.

1. *The role of the Governor.* There continues to be a role for the Federal government in the implementation of the Job Training Partnership Act. The regulations should not ignore the balance that the conferees established among the "partners", that is the Federal, state and local governments and the public and private sectors, in the administration and delivery of services. The supplementary information published with the regulations sets forth clearly the flow of funds and commensurate responsibilities and liabilities. It is also critical that the regulations reflect the same understanding.

Definition of recipient as the Governor (Section 626.4). If the regulations undertake to define the term "recipient", then it would be preferable to define "recipient" as, "an entity which receives funding on a formula basis as prescribed in Sections 201, 202(a) or 301(b) of the Act." In defining the word "recipient" as the Governor, confusion results especially regarding liability, accountability, appeals and the four factor relief language as contained in Section 164 of the Act. Several provisions of the Act are designed to apply both to the state and Service Delivery Areas. To use the definition of "recipient" as it appears in the proposed regulations places in question the application of these provisions to service delivery areas.

While we recognize that the definition is for the purpose of the regulations, the word "recipient" has various connotations within the Act. Instead of defining the word "recipient", as the proposed regulations now do, it would be most consistent with the Act to delete it. Deleting the definition may require the rewording of a few sections of the proposed regulations, but we believe that on-the-whole, the regulations would reflect more clearly the provisions of the law and not raise questions regarding such issues as liability, accountability and the four factor relief provisions. The definition as it stands is misleading and incorrect.

Retention of program income. With respect to program income, the proposed regulations state in Section 629.32 that income generated under any program may be retained by the state and that program income may be used to satisfy matching requirements of Sections 123(b) and 304 of the Act. These provisions do not reflect the intent of the law which is that the programs generating the income (rather than the State) should retain the income for program purposes. We recommend deleting the words "by the State" in the first sentence and deleting the second sentence of this section of the proposed regulations.

Provision that the Governonr define "family", "family income" and "matching funds" (Sections 626.4 and 629.40). Within the Act, the definition of disadvantaged clearly assumes that the Secretary will define family and family income. We are concerned that there will be no standard by which individuals will be eligible for participation in the programs. The Congress targeted the programs authorized under the Act and expects that there will be standard definitions across programs and states with respect to income eligibility. If definitions for family and family income must be generated for standard audit procedures, we recommend that the Secretary define these terms. Such definitions were included in the December 3rd draft regulations and should be reinstated in the final regulations.

Regarding matching funds, the concern is not with who defines the term but rather the use of the word non-Federal in section 629.40 of the regulations. The law differentiates between the allowable matching funds in sections 123(b) and 304. Section 123(b) allows matching funds to be drawn from resources other than those available under this Act, specifically so that funds such as vocational education funds can be used as part of the required match. Under Section 301 of the Act, non-Federal funds are specified indicating that the match must be generated from either state or local resources. Therefore, our recommendation is that the word "non-Federal" be deleted in the regulations under Section 629.40.

Needs-based payment documentation. In Section 629.21(b) of the proposed regulations, the formula for needs-based payments is to be documented in accordance with instructions from the Governor. It is our understanding that the word "documented" means that the factors used in the formula itself must be furnished. The formula is developed at the services delivery area level, not at the state level. This section of the regulations must not be viewed as authority for the Governor to prescribe or to approve a specific formula.

Service delivery area grievance and hearing procedures for non-criminal complaints and delegation of Federal responsibility for review of such procedures to the Governors. Section 629.52 of the proposed regulations departs from Congressional intent in two clear areas. First the regulation cited places all responsibility and authority for establishing local SDA grievance procedures in the Governor's discretion, rather than requiring such procedures to be established in each Service Delivery Area, as the law envisions. We presume that this is the result of the definition of "recipient of funds" contained in the regulations, already discussed herein, and that proper resolution of that issue will correct this problem.

Second, subsection 629.52(d) of the regulations provides for a complainant to "request from the Secretary a determination whether reasonable cause exists to believe that the Act or its regulations have been violated" only in the instance where the Governor (recipient) has failed to make a determination on a grievance within an express period of time. Although subsection 144(c)

of JTPA does not provide for an automatic appeal to the Secretary for any complainant who has received an adverse determination through the grievance procedure, it does require the Secretary to investigate and make a determination in two cases: where the grievance procedure is exhausted without final determination or where the Secretary has reason to believe a violation of the Act or training plan exists. The latter responsibility of the Secretary under subsection 144(c) is not contingent upon a failure of the grievance procedure to produce a final determination.

2. *Allowing the Governor to provide for alternative methodologies to meet percentage requirements in the expenditure of funds under sections 627.22(b) and 630.1 (b)(1) and (b)(2) in the regulations.* The intent of the Congress is that not less than 40 percent of the funds available to service delivery areas under the programs for the disadvantaged be expended for services to youth. To allow an alternative methodology, such as counting participants, may result in less than 40 percent of the funds being spent on youth which would be a clear contradiction of the law. Similarly, to allow an alternative methodology for accounting in the use of funds under the education coordination/incentive grants may result in the diversion of funds from the provision of services to the disadvantaged.

We recognize that it is difficult to expect that at any time certain exactly 40 percent (75 percent) of the funds will be spent on youth (disadvantaged). Overall though, the expectation is that the approved plan (incentive grant) will demonstrate that at least 40 percent of the funds will be spent on services for youth. It is also expected that the percentage allocations can be verified through audits.

A related youth issue occurs under Section 629.38(2)(iii) of the proposed regulations. The Law, in Section 106(b)(2), includes factors other than placement in unsubsidized employment as indicators of successful performance in youth programs. Predicating the classification of a single unit charge as a training cost upon the "completion of training by a participant and placement of the participant into unsubsidized employment", ignores the additional factors designated in the law which shall be used to evaluate the performance of youth programs. As such, those youth programs which do not stress placement in unsubsidized employment as an outcome and are billed as a single unit charge cannot be classified as training costs. We suggest that an additional sentence be added to the regulations that includes the additional youth factors as an acceptable outcome of training provided under a single unit charge billing.

3. *Costs designated as training costs.* The conferees agreed that those costs common to both the Senate and House bills as training costs would be considered as such. The December 3rd draft of the proposed regulations included outreach, intake, employability assessment and development plans, job search assistance and labor market orientation as training costs under Section 629.39(e)(1). We encourage strongly that these activities be redesignated as training costs in the final regulations. The conference report also indicates that the conferees intended to include counseling and preparation for work activities as training costs. We urge that the regulations include these activities as training costs as well. To do otherwise in either case could be contrary to law and Congressional intent as reinforced in the conference report.

Additionally, there is a distinction made in legislative history between the allocation of costs associated with the supervision of a training program and those associated with the supervision of the overall, general management of the program. The former costs were classified as training costs and the latter as administrative costs. We recommend that this distinction be clarified in Section 629.38(3) of the proposed regulations.

4. *Application of the 70/30 cost limitation to training programs for older workers.* The intent of the law is that the cost limitation provisions under section 108 of the Act apply to funds available to service delivery areas for programs under part A of Title II. The older workers program is a program authorized under Section 124 of the Act with funds available for use by the Governor. Therefore, applying the 70/30 cost limitation to the program is outside the scope of the law.

The Congress recognizes that it is prudent to assure that not all of the funds available to this program be spent for administrative or support service costs. It is also clear that older workers may have a greater need for support services such as health care and transportation costs. Considering both factors, if it is necessary to apply cost limitations to this program, a 15 percent limitation on administrative costs is reasonable. Any further restriction would not only be contrary to the law, but would discourage the provision of training programs for older workers.

5. *Performance Standards/Management Information Systems.* One feature of the Job Training Partnership Act is that it is performance driven rather than process driven. Performance standards and the information received from their application are used by the Governor to determine allocation of the 6 percent performance incentive funds and for redesignation of service delivery areas if performance standards are not met for two consecutive years. The consequences which result from the application of performance standards are serious enough to cause us to recommend that anything issued regarding performance standards, particularly policy issues, be subject to Section 169(a) of the Act. The specifics regarding performance standards are critical to the success of these programs to warrant that they be issued as regulations, subject to an open comment period, rather than as a field memorandum or handbook.

It is also critical that information/data acquired under this Act be consistent, standard, and accessible. This requirement is necessary especially as it affects information related to performance standards. The law also requires the Secretary to determine the form and kind of information to be maintained by recipients of funds under the Act (Section 165(a)(1)). There is a strong interrelationship between the type of information reported and performance standards, thus we recommend that at a minmum, the policy issues regarding management information systems/data collection under the Act, be promulgated as regulations and subject to Section 169(a) under the Act also.

We appreciate the opportunity to provide these comments. The proposed regulations represent a significant devotion of time and effort in the careful review of the law. Our intention is to be constructive so that the final regulations do not misinterpret the law, but reflect its intent as we all understand it to be.

Sincerely,

CARL D. PERKINS,
Chairman, Education and Labor Committee.
JOHN N. ERLENBORN,
Ranking Republican, Education and Labor Committee.
AUGUSTUS F. HAWKINS,
Chairman, Employment Opportunities Subcommittee.
JAMES M. JEFFORDS,
Ranking Republican, Employment Opportunities Subcommittee.●

LEWIS LEHRMAN'S CASE FOR REAL MONEY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. KEMP. Mr. Speaker, Lewis Lehrman has had outstanding careers as an academic, successful entrepreneur, and now a dynamic political leader.

As candidate for Governor of New York recently, he proved by an extraordinarily narrow margin of defeat under adverse circumstances that the people of New York are receptive to the kind of new ideas and fundamental reforms he favors.

Lewis Lehrman is also one of the most articulate advocates of restoring the gold standard, to bring about long-term price stability, low interest rates and full employment.

In last Sunday's Washington Post, Mr. Lehrman made the clear and succinct case for restoring a dollar that is stable, dependable and honest—a dollar as good as gold. As he points out, such a return to our traditional monetary standard is essential if we are to permanently solve the economic crisis which has dragged on now for over a decade. If we want real reform, we must have "real" money.

I commend this tremendous article to my colleagues.

The article follows:

[From the Washington Post, Feb. 20, 1983]

IF WE HAD "REAL" MONEY WE COULD STILL SALVAGE THE REAGAN REVOLUTION

(By Lewis Lehrman)

Those of us who believe in the goals of the Reagan revolution had better face up to the consequences of the last two years. We called for boom and got something very close to bust. We called for a balanced budget and got record-shattering deficits. We called for a restoration of capital markets so business could borrow money for long periods at reasonable interest rates, and we got a devastating credit crunch.

Why? There are many possible explanations, but in my view the missing link is a policy we called for nearly three years ago but quickly forgot. Let me quote the 1980 Republican platform:

"One of the most urgent tasks . . . will be the restoration of a dependable monetary standard." The restoration of the true

American monetary standard—a *gold* standard, the symbol of the classical monetary policy—was held up as an alternative to the conventional economics that has shattered the great American prosperity.

I know that a gold standard is unfashionable among the political, bureaucratic and academic elites. But so, until 1980, was President Reagan—and he won without them, because he was right. The gold standard will win out, too, because its efficacy is based upon its ineffable simplicity and practicality. It is an honest standard, a form of discipline that will guarantee that our money has real value. When we have real money people will again make long-term investments—because they will be confident that their investments will pay off in real money.

Ironically, this very simplicity is a prime reason why sophisticates ridicule the idea. To them, a currency convertible to gold is too straightforward a solution to economic stagnation and inflation. Mathematicians and economists are taught in graduate school that economics and economic statistics are very complex subjects. To them, therefore, economic policies must be equally complex.

But given the dismal failure of the experts' manipulative economic policies, isn't it time we chose a monetary standard they cannot manipulate?

All the 1980 campaign speeches and the rhetoric of President Reagan had repudiated 30 years of failed attempts to manipulate money and credit. But in two years, we have again fallen victim to the manipulators, to the conservatives of the austerity school at the Federal Reserve Board who thought they had a new magic potion to control "the money supply" that would save the economy.

Instead these wizards gave us double-digit real interest rates that ended the recovery from the 1980 recession, overwhelmed the 1981 tax cut, and sent the economy reeling for the second recession in as many years. This back-to-back double recession in two consecutive calendar years is unique in the recorded history of American business cycles.

This record was so bad that even Chairman Paul Volcker and his colleagues at the Fed got the message. In July they abandoned their three-year experiment with "targeting" the supply of money by trying to control the size of bank reserves. Last July 1, by an 8-to-4 vote, the Fed's Open Market Committee abandoned the experiment. Eleven percent unemployment and a world banking crisis produced pressures from Congress and the international financial community that forced Volcker to give up on austerity.

The underlying truth is the Federal Reserve cannot fix the quantity of money in circulation. Nor, over the long run, can it fix interest rates, the monetary base, or the level of bank reserves. Nor should it try. The Fed effort to do these things has wrecked America's long-term capital markets.

The Fed could help us out of this mess we are in. By finally announcing a market-related discount interest rate and lending money to banks at that rate, by forswearing any Fed purchase of Treasury bills and notes (an inflationary transaction that expands the money supply with printing press dollars), and by reestablishing a real gold standard, we can have reasonable price stability and sustained economic growth.

A marvel of the gold standard is that, in the absence of world war and trade war, it worked reasonably well in the past.

It is also true that no free economic institution can long survive global war and protectionism.

Most important, gold money can be understood and trusted by working people. They alone can control its quantity. A gold-based currency is democratic money. It is a populist institution beyond the reach of a guardian elite.

If we adopt the gold standard, there is, of course, a price to pay. The central government and the Federal Reserve will no longer be able to manipulate the value and supply of the American dollar. Alone, free people will determine its quantity.

Curiously for a conservative administration, the Fed has been pressed by neo-Keynesians in the White House not to reform our diseased money, but once again to expand central bank credit as quickly as possible. The new Fed credit policy is to accommodate not only U.S. government borrowing requirements, but also the reckless big city banks and the insolvent Third World countries—not to mention the legitimate needs of private industry.

What we will get in the future, under present economic policies, may be something quite different from what we expect. The Fed's policy now is to "reflate" the economy. In the short run, this will boost output, reduce unemployment and reinvigorate commodity markets. Economic growth will exceed the administration's forecasts for 1983. But another speculative bubble lurks on the horizon. It will burst, bringing foreign exchange crises, commodity booms, precious metal hysteria, more budget crises and world monetary disorder.

True, the Fed will have bailed out the big banks and the bankrupt Third World; monetarism will be a thing of the past; the immediate unemployment crisis will have passed; nominal interest rates will have fallen under the weight of Fed credit policy. All these things are certainly better than the austerity of 1982-83. But all we really have at the moment is one more postwar cyclical recovery, engineered by a Fed reflation and guaranteed to end as all other recent "recoveries" have ended.

And this time engineering the recovery will be more difficult than ever. The Fed is trying to launch a worldwide credit reflation under budgetary conditions unique in our history. This policy on top of historically unprecedented deficits could, if sustained for several years, cause a complete collapse of U.S. financial institutions.

It does not have to be this way. The Reagan Revolution is not necessarily at an end. It is at a way station. Here and now, the president can decide the direction of the world economy for a generation. Will it be more of the same stop-go misery? Or will it be true monetary reform and an enduring legacy of rapid non-inflationary growth?

Once the wonder of the Western world, American long-term capital markets have already ceased to exist as our forefathers knew them. Whether they have a future at all—whether we shall ever inaugurate a period of sustained noninflationary growth—will be determined by the Reagan administration's monetary policy.

The political stakes are great. That is because a true reform of monetary policy can change the present cyclical upswing into a long term boom.

To do so, the administration must establish a convertible currency, end floating exchange rates, and create a new international monetary order based on a common world currency, the gold standard.

The world needs a unified currency because we now have a unified, integrated world economy. There can be no such thing as an independent, national monetary policy, the effects of which are contained within the national economy. We live in one monetary world now.

History shows that the optimum monetary institution of international financial order must be an impartial, global coordinating mechanism, outside the control of any soverign state. Such a coordinating mechanism is a multilateral, fixed exchange rate regime based on unrestricted convertibility of national currencies to gold. The true international gold standard operated effectively between 1879-1914, amidst a sophisticated banking system that was at least as integrated as ours is today. The true gold standard was successful because, as an efficient world currency regime requiring prompt gold settlements to adjust balance-of-payments deficits, it operated in the manner of a global gyroscope to maintain long-run price stability and an efficient allocation of scarce capital the world over.

This arrangement was not perfect. But no world monetary system has worked as well as a gold based exchange rate regime.

Even huge gold discoveries never resulted in sustained, high inflation. The vast expansion of gold money in Europe during the 16th and 19th centuries never caused the price level to rise more than an average of 3 percent a year over a long period. Compared to the past 10 years of central bank-managed paper money and floating exchange rates, 3 percent inflation is the essence of stability.

Gold is the optimum monetary standard because it exhibits, better than any commodity, a necessary virtue of money: total new gold production in any single year is only a minor fraction of the total supply of gold in existence—about 2 percent. This is one reason why a common criticism of the gold standard—that it would benefit South Africa and the Soviet Union—is wrong.

In fact, the average rate of increase of new gold production is equal to the average rate of gain of overall productivity since the onset of the industrial revolution. That is why gold money is stable money.

Moreover, annual South African production, about 21 million ounces, and Soviet production, 8-10 million ounces, is a drop in the bucket compared to total world stocks, about 2.5 billion ounces. Withholding or selling new production of such small quantities could not disturb the stability of the gold standard.

Over the long run, production statistics show that in the market the values of the supply and demand for gold are stable. Stable production in a gold-standard world would mean stable growth of the money supply—something my monetarist friends rightly say we need. The alleged price volatility of gold is a curious inversion of the truth. It is not gold which is unstable, but the paper currencies in which it is priced.

A study of the supply conditions of gold production over centuries shows that it takes a relatively constant rate of application on a certain quantity of capital and labor to produce a constant quantity of gold. Gold production is thus like a metering device, a yardstick by which to gauge equitably the relative productivity, over time, of all capital and labor in an integrated world market economy. The unique charac-

teristics of the conditions of gold production can be established with respect to no other commodity, product, or man-made banking device. These conditions explain why gold has been world money from time immemorial.

The gold standard, finally, may be seen as the way to end the mindless speculation and fluctuation of inconvertible national currencies. In particular, a real gold standard will end unproductive speculation in gold, eliminating the inflationary premium that now benefits only the South Africans and Russians.

The history of this country and of the West bear witness to the efficacy of a gold standard. After the hyperinflation of the American Revolutionary War and the corresponding economic decline (1775–89), the new constitutional republic was established on the bedrock of a new monetary order. It was Alexander Hamilton who brought about the Mint Act of of 1792. By this act, the U.S. dollar was fixed to a gold and silver basis. Economic historians and scholars of the period all note the extraordinary 10-year boom which followed. Low long-term interest rates, rapid growth in the work force, and a stable price level were the hallmarks of a return to convertibility at the birth of the American nation.

Napolean ended financial catastrophe in France, after the paper money debacle of the French Revolution, by establishing the gold franc. Prosperity followed.

The restoration of the gold standard in England in 1819–21 ended a 24-year financial nightmare of alternating wartime inflation and peacetime austerity and deflation. English economic historians all report that one of England's greatest investment booms followed the restoration of currency convertibility in 1821.

America in 1879 ended 17 years of floating exchange rates and paper money, brought on in 1862 by the outbreak of the Civil War. This period of war and reconstruction had also been characterized by a doubling of the price level, then a peacetime deflation. The gold standard and currency convertibility were restored in January 1879. Real growth of national income averaged 8.4 percent annually for the next four years.

These are but a few examples, drawn from the only reliable laboratory for economic experiments, the real history of nations and peoples.

The gold standard is an actuarial guarantee to working people that the purchasing power of money will be approximately the same in the future as it is on the first day of convertibility. Prof. Roy Jastram has shown that the purchasing power of gold was constant for four centuries, from 1540 to 1940. Permanent inflation and high interest rates are ruled out by the gold dollar. Thus are expectations stabilized and the inflation premium in interest rates eradicated.

Our grandparents lent their long-term savings to American railroads for 50 to 100 years at 3 percent under the international gold standard. They did so, and we shall do so again, because only the gold monetary standard will restore our faith that the savings we lend to business today will yield us and our grandchildren future rewards paid in honest dollars of similar purchasing power.

When I forecast 4 to 5 percent mortgage interest rates under a modernized gold standard today, some of my younger friends are incredulous. But it was only 14 years ago, in 1968, when I was 30, that I obtained my first home mortgage at 5½ percent. Even then, in the waning days of the Bretton Woods gold-linked exchange rate system, long-term interest rates were low and reasonably stable compared to today.

Faith in the integrity of money will be restored with a gold standard. Savings now held at short term will pour into new, long-term debt and equity investments. At first, the rush of a great new supply of long-term savings will exceed the demand, and long-term interest rates will fall. The demand for low-cost financial capital will rise—to build businesses and homes. As the investment boom in technology, plant and equipment gets underway, the demand for labor will rise rapidly. Unemployment will fall.

After the monetary reform, economic growth will approach 7 percent a year and will last for at least four years. A decade of growth averaging at least 5 percent will be under way. Tax revenues will pour into the Treasury. For each 1 percent the unemployment rate falls, the federal budget deficit will fall $30 to $40 billion. Long-term interest rates on high quality private debt would fall to 6–7 percent within 12 months of the monetary reform. For each 1 percent fall in the rate of interest, the Treasury could save $10 billion in service costs. The government debt could be refinanced at about half current interest rates, saving the Treasury $60 to $70 billion annually. At 5 percent unemployment, the Treasury would save at least $200 billion. The budget would be balanced.

Until 1934, the integrity of the dollar rested upon the right of every American to bring precious metal to the mint to have it freely coined into standard money. Free coinage gave rise to the right to convert all paper and bank deposit claims, such as Federal Reserve notes and checking accounts, into the monetary standard. Thus was the dollar referred to as a convertible currency.

But in 1933 Franklin D. Roosevelt repudiated the government's covenant to convert Federal Reserve notes into standard gold coin held in reserve for those who trusted the guarantees of the Constitution. Moreover, in 1933, lawful gold money held by American citizens was forcibly confiscated by the government without due process.

As the integrity of our domestic currency was destroyed in the 1930s, its international substance was eviscerated in 1971 when Richard Nixon unilaterally repudiated the contractual right of foreigners, enshrined in the Bretton Woods Agreement of 1944, to claim gold dollars for undesired paper and deposit dollars. The present era of financial disorder, marked by alternating cycles of inflation and unemployment, originated in these monetary repudiations of 1933 and 1971.

Now is the time for America to launch a new gold standard era of open world trade, peace and prosperity. Only the United States has the power to do so. For the United States is the natural leader of the free world economy.

Of course, the experts complain about the difficulty of establishing the gold standard.

We have to ask ourselves and our monetarist and Keynesian friends, as well as the socialists and our foreign allies one practical question: Are the problems of establishing the gold standard and a new international monetary order greater than living with the high real interest rates, inflation, and unemployment characteristic of our catastrophic paper and credit money system?

A reasonable person might answer that establishing the gold standard is not easy. But it is simpler, safer and entails fewer unpredictable consequences than the continuing disasters of the past 10 years of government-managed money.

Therefore, the president should now announce that in January 1985 the United States will establish, by law, a fixed value for the dollar measured as a specific weight of gold.

During the next two years, the stabilization period, the president should also propose a specific balanced-budget amendment to the Constitution, to become effective in 1989. He should propose a statutory reform of the Federal Reserve System prohibiting the Fed from manipulating the monetary standard, its value or its quantity.

During the stabilization period market participants would gradually cease to hedge againt inflation or to speculate for a deflation. Gold would begin to settle at a more stable, paper-dollar price as the Jan. 1, 1985, convertibility date drew closer.

Ninety days before the end of the stabilization period, October 1, 1984, the president, after consultations with the appropriate legislative and executive officers, should propose the statutory gold weight of the dollar, or the "price of gold." Congress would set the price, or gold weight of the dollar, in The Gold Standard Act of 1985.

Setting the price would require great care. It should be related to the free market price of gold at that time, but must be set high enough so that the average wages paid to workers do not fall because of the reform. When Britain returned to a gold standard in 1925, the price was set too low, resulting in high unemployment.

In January 1985, after Congress acted, we would be on the true gold standard. All who wanted coined gold dollars could bring their bullion, paper money or checks to the mint for conversion at the established rate.

Most important, the president should now call for an international monetary conference under the leadership of the United States, to begin in January 1984. Here, the terms of the new international gold standard agreement would be established by treaty, just as at Bretton Woods in 1944. The free world would once again have a common currency free of sovereign manipulation. If the other capitalist nations decline to join us at the outset, our success with the gold standard will soon compel them to emulate us.

A gold-based international exchange rate regime would rule out the protectionist anarchy and competitive depreciations caused by floating rates. And it would end the privileges and burdens of the reserve currency status of the paper dollar.

Yes, even without the restoration of sound money, we shall still survive as a country. It is the lot of working people and businessmen to survive especially in America. But to what end? To subsidize a cartel of high-rolling, big city bankers and undisciplined Third World elites? In an armed camp? Amidst conditions of permanently high unemployment, inflation, and 10 percent interest rates? Increasing bankruptcies? Wage and price controls? Is this the stuff of the American dream?

We can attain the goals of financial order and full employment, and thereby restore the American Dream. But only with real leadership and real money. In President Reagan we have the potential leadership to end inflation, rebuild our economy and balance the budget.

Now, for real money.●

EXPANDING THE MEMBERSHIP OF THE ACIR

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. McGRATH. Mr. Speaker, today I am introducing legislation which will expand and improve the membership structure of the Advisory Commission on Intergovernmental Relations (ACIR). More than 70 of my colleagues are joining me in the introduction of this legislation, which is identical to H.R. 7173 in the 97th Congress and which was approved by the House on December 16, 1982.

The ACIR was established in 1959 to bring together representatives of the Federal, State, and local governments to consider common problems. Among other things, Congress mandated the ACIR to: provide a forum for discussing the administration and coordination of Federal grants and other programs which require intergovernmental cooperation; to make technical assistance available to the executive and legislative branches of the Federal Government to determine the impact of legislation on the Federal system; to recommend the most desirable allocation of Government functions, responsibilities and revenues among units of Government; and recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship among the several levels of government.

Over the years, ACIR has done its job well. It has issued more than 50 major reports, and its recommendations have led to the enactment of more than 700 different State laws. At the Federal Government level, the ACIR developed the general revenue sharing law.

Today the membership structure of the ACIR is the same as it was in 1959: three private citizens, three executive branch officials, four Governors, three State legislators, four mayors, three elected county officials, three Senators and three Members of the House of Representatives.

The legislation I am introducing would add four new members to the ACIR bringing its total membership to 30. My bill would add representatives of governmental bodies who are statutorily excluded from ACIR membership but whose importance in the Federal system is nonetheless undeniable.

First, the legislation would add an elected local school board member to the Commission. One of the most noticeable trends to emerge in government in the past two decades has been the growth in importance and influence of local school district government. The facts speak for themselves. School district governments collect and spend more than $100 billion annually, or about 7 percent of the GNP. According to the 1977 census of government, local school districts accounted for more than 36 percent of all local direct general expenditures, compared to 32.3 percent for municipalities and 22.7 percent for counties. School districts account for 45 percent of the total government payroll at the local level, about 3.5 million people.

Local school district government in this country is nearly universal, existing in 49 States; 94 percent of all local school district governments are elected and hence directly accountable to the people they represent. Nearly 90 percent of local school districts are fiscally independent. A recent report by the ACIR made the following statement about the significance of local school district governments:

> School districts can exert significant indirect influence on budgetary decisions at the local level, because they rely heavily on the same source of revenue, the property tax, as general purpose units. Intergovernmental cooperation for these resources may be critical indecisions on whether a function should be assumed, expanded, contracted or dropped.

Second, my bill would add a representative of town and township government. It would, in short, allow the National Association of Towns & Townships to recommend a member representing towns, townships, or other municipal governments with a population of less than 10,000 as defined in the General Revenue Sharing Act. For those who may be concerned, the National League of Cities, in conjunction with the National Conference of Mayors, would continue to make recommendations for four of the seats on the ACIR.

Today the town system of government serves some 60 million Americans living in 17,000 communities. Town government is, indeed, the oldest form of local government in America. Most towns today provide a variety of vital, general purpose services, just as other units of local government do. While town government is stronger in some States than in others, where it does exist it is vital. They provide public safety, public works and a host of other critical services. Town government is, for millions, the unit of government closest to the people. Inclusion of town and township representation on the ACIR has been supported by the ACIR itself and by the Reagan administration.

The third and fourth additions to the ACIR deserve a little explanation. My legislation would add a judge of a U.S. court of appeals or district court, appointed by the Chief Justice of the United States; and it would add a judge, appointed by the Chief Justice, from a panel of chief justices or judges of a State court of last resort submitted by the Conference of Chief Justices.

The inclusion of judges on the ACIR recognizes the increasingly important role played by the judicial branch in our Federal system of Government. Whether intentionally or unintentionally, the courts have shaped in many ways the functions and responsibilities and taxing powers of the several levels of government.

Mr. Speaker, the Advisory Commission on Intergovernmental Relations has been recognized as the single most important body studying the complex relationships between the Federal, State, and local governments. As such, its membership should reflect all of the bona fide interests which play important roles in the Federal system. The legislation I am introducing will correct the shortcomings in the ACIR's current membership structure, and, I believe, better enable it to perform the functions envisioned for it by the Congress more than two decades ago.●

WHY DISARM UNILATERALLY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. MICHEL. Mr. Speaker, newspaper reports state that a recent convention of nuclear freeze leaders adopted positions which are attempts to unilaterally halt the testing, production, and deployment of our new nuclear weapons while only "calling upon" the Soviet Union to do the same.

Since we now know this is the real goal of the nuclear freeze movement, it would seem clear that any of our colleagues who have been attracted to that movement should realize the dangers involved in unilaterally halting of new weapons systems by the United States.

In a recent article in the Wall Street Journal, economist Herbert Stein gives a cogent and convincing argument against unilateral disarmament, particularly the kind of disarmament that comes about through well-intended budget cuts.

At this point, I wish to insert in the RECORD, "Why Disarm Unilaterally?" by Herbert Stein, from the Wall Street Journal, February 11, 1983.

[From the Wall Street Journal, Feb. 11, 1983]

WHY DISARM UNILATERALLY?

(By Herbert Stein)

I cannot understand the mad rush for unilateral disarmament on the part of usually sensible, cautions and responsible people. I refer, if you didn't immediately recognize the description, to a large number of Members of the Congress—probably a majority.

Two years ago the President, on the advice of the Secretary of Defense and the

Joint Chiefs, recommended an increase of defense expenditures for the succeeding five years. Congress approved this. According to polls, it had overwhelming support in the country. The authorized defense expansion was a response to a common observation that a decade of very low defense expenditures in the U.S. and very high outlays in the U.S.S.R. had left the U.S. in a seriously weakened relative position. Moreover, Soviet behavior, notably in Afghanistan, and the behavior of Soviet accomplices in many part of the world, left little doubt that Soviet military power was intended to be used whenever it would be effective. The increase in U.S. defense spending was an answer to the threat posed by the relative strength and the intentions of the Soviet Union.

Now there seems to be wide demand for a substantial cut in this program. Polls show that a majority of the public thinks the defense program is too large. Businessmen editorialists and other leaders call for cuts. And there is hardly any Congressman or Senator too conscious of his own ignorance to assert that the program should be cut.

What is going on here? I suppose that there is very wide support for agreed reductions or limitations of arms on both sides. But that isn't what we are talking about. We are talking about unilateral disarmament by us. We are talking about actions which would make the U.S. defense forces in 1986 and 1987 or in any other year weaker than they would otherwise be, and we are talking about doing that without asking or expecting any reciprocal reductions from the Soviets. Why are we in effect telling Mr. Andropov that the reason he doesn't have to negotiate mutual arms reduction in Geneva is that Congress will reduce U.S. arms for him?

FOUR PROPOSITIONS

Congressmen and others who assert the need for cutting the defense program hardly make any argument about the Soviet threat. The assertion is almost always based on one or more of the four following propositions, which must surely constitute as flimsy a basis as has ever been offered for a major national decision.

1. *There is waste in the defense program.* By some ideal standard that is certainly true, but it is also irrelevant. The relevant question is whether, if the defense program is cut, the cut will come entirely or almost entirely out of the waste. The cuts will be made by the same people whose decisions led to the waste. It is pitiful to hear congressmen plead with defense officials to tell them where the waste is.

There is and always will be waste in the Defense Department, just as there is in General Motors and in my household and yours. If we cut the defense program there will be some cut in waste and some cut in muscle. The notion of the defense spending cut that doesn't impair security is simply another illustration of the free-lunch fallacy.

The waste argument often casts doubt on specific weapons. MX in dense pack is the leading example. I do not myself find the dense-pack idea reassuring. But the conclusion that dense pack doesn't work wouldn't mean that the defense budget could be cut. We would still need a survivable land-based missile, and the superior alternative might be more expensive. There isn't any reason to think that correcting the mistakes of the Pentagon will save money.

2. *Increasing defense expenditures while non-defense expenditures are being cut is "unfair."* This is the typical reaction of a congressman who regards the whole function of government as the passing out of goodies among special interest groups in accordance with the principle of greasing the wheel that squeaks loudest. They think of the defense program as a handout to a special class—like our handouts to peanut farmers. But defense is a program for the benefit of the nation and for everyone now in it and yet to be born into it. To cut defense isn't "fair" to anyone.

There is a fairness issue about defense. That is the issue of how to pay for it. That is certainly debatable, but is isn't an issue about the size of the program.

3. *The survival of the free democratic system depends not only on military defense against foreign aggressors but also on internal support for the system.* That is probably true but surely irrelevant to our present situation. It implies that we are on the verge of great general disaffection with the system because of government's failure to provide some social benefits. The picture conjured up is of mobs rioting in the streets of Moscow on the eve of the Russian Revolution because there wasn't enough to eat. The whole idea is absurd. To suggest that the danger to our system comes not from Soviet missiles but from internal disaffection—in a country which in its last four presidential elections chose Richard Nixon twice, Jimmy Carter and Ronald Reagan, where the whole active political spectrum runs from Alan Cranston to Jesse Helms, where poverty even by generous American standards afflicts less than 10 percent of the population, where real per capita consumption is at an all-time high—is sheer fantasy. We may need to spend more on school lunches, food stamps or fixing potholes. But they are not alternatives to defense.

4. *The increase in the defense program will weaken the economy upon which our security ultimately depends.* This is the favorite argument of "hard-headed" people—businessmen, budget-conscious congressmen and such. It sounds like an argument which should be expressible in numbers. How much will the increase of defense spending reduce real output, investment, consumption or whatever else is supposed to be the content of the weakening of the economy? I have never heard any critic of the defense program attempt an answer to such questions. All we get is adjectives—"disastrous." "horrendous," "frightening," etc.

I would like to make a stab at quantifying the economic consequences of cutting or not cutting the defense program. The program included in the president's budget would raise defense spending from about 6.2 percent of GNP in fiscal 1982 to about 7.9 percent in fiscal 1988? What would be the effect on real GNP if the defense program were cut by 1 percent of GNP—meaning a cut of about $30 billion this year rising to about $50 billion in 1988? The answer depends on how much of the cut in defense goes into increased investment and how much goes into increased consumption. I will assume that all of the cut in defense goes into increased investment, because that is the assumption which makes the effect on real GNP greatest.

DEFENSE PROGRAM IS IMPORTANT

So the question is how much difference it would make if investment were 1 percent higher as a fraction of GNP than it would otherwise have been. This is a question on which economists are divided, but from the standpoint of the defense issue the division isn't very great. One of our leading students of the sources of economic growth is Edward F. Denison. The conclusion of his work, as I simplify it, is that if net investment were increased permanently by 1 percent of GNP, the annual rate of increase of real output would be raised by one-tenth of one percentage point. That is, if the growth rate would otherwise have been 4 percent, it would be raised to 4.1 percent. Many economists think that is too low an estimate. But at the other extreme, if all economic growth that doesn't result from an increase of hours of work is attributed to capital investment—which means that none is attributed to research, education, increases of scale, etc.—increasing net investment by 1 percent of GNP might raise the growth rate from 4 percent to 4.33 percent.

The Council of Economic Advisers estimates that real output will rise by 4 percent a year from 1983 to 1988, reaching a total of $1.819 trillion in 1972 dollars in 1988. By my estimates in the preceding paragraph, cutting the defense program by 1 percent of GNP and devoting the savings to private investment, starting right now, would raise 1988 real GNP by between 0.5 percent and 2 percent. That is, it would give us between $9 billion and $36 billion of real output in 1972 dollars in 1988. I can hardly believe that is what people mean when they say that cutting the defense program is needed to keep the economy strong.

I do not claim any great precision for these estimates, though I would be extremely surprised if the truth were different enough to alter the conclusion that spending 1 percent, 2 percent, or 3 percent more or less of GNP on defense would have little effect on the economy. But the main point is that those who see disastrous effects have an obligation to spell out the size and nature of these effects. The size of the defense program is too important to be decided by frightening but fuzzy adjectives.●

MORE BAHA'IS SENTENCED TO DEATH

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. LEACH of Iowa. Mr. Speaker, alarming reports have appeared in the press over the past week indicating that the Iranian courts have once again sentenced to death 20 leaders of the Baha'i religious faith.

As my colleagues may recall, last year the House and Senate passed—without a single dissenting vote—Senate Concurrent Resolution 73, a resolution stating that the "Congress of the United States condemns persecution of the Baha'is, holds the Government of Iran responsible for upholding the rights of all its citizens, including the Baha'is, and expressed the hope that the discrimination and brutal executions within the Baha'i community cease immediately." Further, the resolution urges the Iranian Government to "take whatever means are necessary to end this extermination of law abiding citizens who only wish to worship in freedom."

Hearings we held on May 25, 1982, documented the tragedy which the Baha'is face in Iran. The recently released State Department document, entitled "Country Reports on Human Rights Practices for 1982," likewise documents this ongoing tragedy. The following is an excerpt from that report:

The Baha'is in Iran suffered most among the religious minorities. Because the Baha'is' faith is regarded as a heresy by Muslims, it does not enjoy the traditional or constitutional protection granted the other principal religious minorities. A number of government leaders belong to a society specifically directed at the extirpation of the Baha'i faith. Baha'i leaders have been systematically arrested by the regime, charged with "corruption on earth" or "crimes against God" and executed. Baha'is may not hold government jobs, and other extensive nationalization of the economy, this prohibition severely limits employment opportunities. Employment in private industry is also discouraged by the Government. There have been a few incidents of mob attacks on Baha'i families and on their homes and businesses in various parts of Iran, often resulting in the destruction of buildings and sometimes in deaths. Baha'i businesses have been seized, cemeteries desecrated, and places of worship and principal shrines destroyed. Such mob actions, which in some cases have involved torture of Baha'i victims, are not restrained by local authorities but rather seen in most cases to be encouraged by them. There are no known cases of punishments for such acts of violence. Since Baha'i marriages are not recognized by the regime, women have been arrested and charged with prostitution. A total of at least 131 Baha'is, mostly leaders of the community, have been executed or killed since the revolution began, and several hundred were reportedly in prison as of late 1982.

Mr. Speaker, as the ranking minority member of the Subcommittee on Human Rights and International Organizations, I strongly urge the Iranian authorities to exercise compassion. Unless the death sentences are commuted, the Iranian Government will be considered an international outlaw. Its obligations under international human rights law, particularly the International Covenant on Civil and Political Rights, are clear. Every individual is entitled to freedom of religion and association. This possible bloodshed implies the triumph of human prejudice over reason and justice. It must be stopped.●

NUCLEAR WAR BECOMES EVEN MORE LIKELY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Ms. KAPTUR. Mr. Speaker, I would like to bring to the attention of my colleagues an article from the Washington Post on February 20, which marks the beginning of an era in which nuclear war becomes even more likely. India, the article explains, has become the first developing country to begin accumulating sizable stockpiles of separated plutionium, and doing so at a rate that would enable it to build about 20 atomic bombs a year! The significance of this much dreaded event must not escape us.

I hope that my colleagues will give some thought to this development and to the horrors which could ensue. We must realize that now the importance of making substantial progress in the arms reduction talks with the Soviet Union increases greatly. For only if we show our commitment in this arena can we be respected and serve as an example when we push other nations in the same direction. I urge my colleagues to take the time to read the article which follows.

INDIA STORING ARMS-GRADE PLUTONIUM

(By Milton R. Benjamin)

India has become the first developing country to begin stockpiling separated plutonium at a rate that would enable it to build about 20 atomic bombs a year if it decides to pursue a nuclear weapons program, according to U.S. and international sources.

The process of separating the plutonium from burned-up fuel produced by Indian atomic power plants is taking place at the Tarapur reprocessing facility near Bombay, which went into large-scale operation last November, according to the International Atomic Energy Agency (IAEA).

Previously, the plant only had been used to reprocess small amounts of spent fuel from research reactors.

According to IAEA officials, the separated plutonium is being kept in a storage room there where it will be held until Indian officials decide its use. Indian atomic energy officials said yesterday that the plutonium might fuel an experimental fast-breeder reactor, which itself would produce additional plutonium.

The significance of large-scale reprocessing in India, however, is that it marks the beginning of the era that has long worried nuclear nonproliferation experts—the time when nations without nuclear arsenals start accumulating sizable stockpiles of separated plutonium.

"There simply is no reason connected to their civilian power programs why any of these countries need to begin stockpiling separated plutonium in this decade," a U.S. government official said. "It makes no sense in an atomic power context at all." Until now, virtually all of the plutonium produced in atomic power plants in developing countries has remained part of the highly radioactive spent fuel.

The plutonium stored in this way in spent-fuel pools in several dozen countries is not easily accessible.

If a nation decided to use such plutonium to build nuclear weapons, it first would have to construct a reprocessing plant, which would take at least two years.

But is a country has a stockpile of separated plutonium, the temptation to build nuclear weapons in a time of crisis might increase greatly. A country that already had done weapons-design work might be able to fabricate separated plutonium into bombs in a matter of weeks, or perhaps days.

The fact that India is beginning to stockpile large amounts of separated plutonium is certain to increase apprehension in neighboring Pakistan, where U.S. analysts believe the government is attempting to develop a nuclear weapons capability.

India has stated that it does not plan to build nuclear weapons.

But the atomic device exploded by India in 1974 was made from plutonium. So if New Delhi decided in response to developments in Pakistan or for other reasons that it needed a nuclear arsenal, it presumably could turn a stockpile of separated plutonium into weapons in a relatively short time.

The spent fuel being run through the Tarapur reprocessing plant, located about half a mile from the U.S.-built Tarapur atomic power station, is from the Canadian-designed Rajasthan Atomic Power Plant 1, according to IAEA officials.

At the moment, two agency inspectors with a mandate to keep track of the plutonium and sound a warning if any is diverted for military use are observing the entire Tarapur reprocessing operation.

But agency inspectors will not be permitted to observe all of Tarapur's reprocessing runs in the months ahead, since India refuses to place the plant under full international safeguards. Only plutonium subject international control because of specific agreements between India and foreign governments will be monitored.

The IAEA also has not decided whether to keep the separated plutonium for which it is responsible under "continuous inspection," or simply to check on it "perhaps every second week," officials said.

The Tarapur facility is designed to reprocess 100 tons of spent fuel annually, so if it operated at full capacity—highly unlikely since commercial reprocessing plants frequently encounter problems—it would be able to separate 135 to 150 kilograms of plutonium per year. (A kilogram equals 2.2 pounds.) Six to 8 kilograms of plutonium are needed for a nuclear weapon.

The ability to separate plutonium on this large a scale puts India far ahead of Pakistan, which has built but not yet begun to operate a much smaller reprocessing plant next to the Pakistan Institute for Nuclear Science and Technology on the outskirts of Islamabad.

It also puts India well ahead of countries such as Argentina and Brazil, which have laboratory-scale reprocessing facilities where years might be required to separate enough plutonium for a single nuclear weapon.

But Pakistan is trying to complete a reprocessing plant even larger than Tarapur from a French design; Argentina is building a reprocessing facility that could produce significant quantities of plutonium, and West Germany is helping Brazil design a plant.

The only non-nuclear weapons country other than India operating a commercial-size reprocessing plant and stockpiling large quantities of separated plutonium is Japan, which has a larger and far more advanced civilian atomic energy program than India.

It is estimated that Japan has 500 kilograms of separated plutonium stored at its Tokai reprocessing plant, according to U.S. sources. But Japan is operating a breeder that requires 180 kilograms of plutonium a year and has an atomic power research program that requires 145 more kilograms of plutonium per year.

India, by comparison, has said it ultimately will need 50 kilograms of plutonium to fuel a small experimental breeder reactor being built at Kalpakkam near Madras. Yet its reprocessing plant is capable of turning

out much larger quantities of separated plutonium.

India has accumulated 260 to 270 tons of spent fuel at its two Rajasthan atomic reactors, according to U.S. sources. If it reprocesses all of this fuel, which would take at least three years, India would have 350 to 400 kilograms of separated plutonium, they said.

Beyond that, the General Electric-built atomic power plant at Tarapur has produced spent fuel estimated to contain 700 to 750 additional kilograms of plutonium, according to U.S. sources.

India legally is barred from reprocessing the fuel from the Tarapur atomic power station until at least 1993 under its original agreement with the United States and a followup agreement with France, which began supplying fuel for the Tarapur reactors last November.

The Tarapur reprocessing plant, however, originally was built to handle spent fuel of the type produced by the Tarapur power reactors as well as from the Rajasthan reactors, which use different technologies, and Indian officials continue to hint that they may reprocess the U.S. fuel at some point.

U.S. analysts say Indian technicians probably could convert the reprocessing plant from handling Rajasthan fuel to handling the different type of fuel from the Tarapur reactors in about two months.

Dr. Hans Gruemm, IAEA's deputy director general for safeguards, said in a telephone interview from Vienna that plutonium being separated at Tarapur is "under continuous inspection" by the IAEA. He said the agency was determining how to keep track of the stored plutonium after the current run.

He said that even when the Tarapur plan reprocesses spent fuel not subject to inspection, which would let India close the plant to agency inspectors, the agency will be entitled to monitor the plutonium under its supervision in the plant's storage room.

"Whether it will be continuous inspection is another question," Gruemm said. "Perhaps it will be every second week, though that is an example. It has not been decided."

He also said he saw no reason why India could not commingle plutonium under international controls and plutonium not subject to inspection in the same storage room. "In principle, it would be possible," he said.●

REDUCED WORKWEEK LEGISLATION

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. CONYERS. Mr. Speaker, next week I will introduce the Fair Labor Standards Amendments of 1983 (H.R. 1784), which seek to reduce the standard workweek over an 8-year period in six steps from 40 to 32 hours, raise the overtime compensation requirements from one and one-half times to two times the regular rate, and require the consent of employees in the scheduling of overtime work.

Reduced worktime as a means of curbing unemployment, spreading work and creating a significant number of new jobs has been a long-standing practice in European nations. The standard workweek in the United States, however, has remained frozen for over 40 years, despite the fact that in the 40-year period prior to the enactment of the 40-hour week in 1938, the continuous reduction in worktime spurred productivity, boosted income standards, and facilitated an expanding labor force.

Today the Nation faces a long-term unemployment problem that transcends cyclical changes in the economy. The use of fiscal and monetary policies to ease recessions cannot effectively solve the problem. The gap between economic recovery and employment recovery continues to widen with each subsequent recession. During recoveries employers, typically, increase the hours of their current workers rather than hire new employees. This practice is pursued for increasingly longer periods during recovery. Unemployment rates at the peak of most economic cycles in the last 12 years have risen dramatically: from a 5-percent rate following the recovery in the early 1970's, 9 percent in 1975, and close to 11 percent in the current cycle.

Overshadowing the movements of particular business cycles is a long developing structural change in the nature of production and work itself. For much of our history technology served labor in creating an unprecedented expansion in employment, growth, and prosperity. Today we stand on the threshold of a new technological economy in both manufacturing and services that can substantially reduce the labor input in production.

Dr. Wassily Leontieff, the Nobel Prize winning economist for the work on input-output methods of economic analysis, has recently observed:

> With the advent of solid-state electronics, machines that have been displacing human muscle from the production of goods are being succeeded by machines that take over the functions of the human nervous system not only in production but in the service industries as well. The relation between man and machine is being radically transformed.

Thirty years ago, several thousand telephone operators handled a million long-distance calls. Ten years later, several hundred operators could do the same work. Today only a few dozen, working with automated equipment, are needed. A similar pattern of labor displacement, or technological unemployment, is occurring at an accelerating pace in other major industries as a result of computers, robots, the downsizing of products, and the general scaling down of all the elements of production.

Persistent high unemployment has degraded human skills and capabilities and damaged the fabric of society. It has robbed the Nation of the purchasing power and national income that is necessary to achieve a genuine economic recovery and other urgent national goals. And it has resulted in growing inequities in the distribution of income and benefits. Firms resort to excessive overtime, as a cost-saving measure, at the expense of the unemployed. With so much of the economy based on seniority, recurrent recessions have produced a new class of vulnerable workers, consisting mainly of women, minorities, and young people. Being the last hired and the first to be laid off, these workers are forced to move about from one job to another, repeatedly losing income and never being able to accumulate the training, skills, and economic rewards that in the past were associated with stable employment. These long-term victims of our modern labor market have now been joined by more experienced higher paid workers, who are being displaced by the structural changes in the economy.

The legislation that I am proposing aims to spread work among the largest number of workers rather than permit unrelieved unemployment among a substantial number. It seeks to stabilize jobs in key industries that are being transformed by labor-displacing technologies. It also aims to spur productivity growth by curbing excessive worktime, eliminating forced overtime, and creating the conditions of both work and leisure that render working life more satisfying. The bill will assist in developing an adequate income stream among more workers who will be better able to consume the increased output of our new technologies.

The reduction in worktime, historically, has been accompanied by productivity gains, which made possible advances in real income along with the reduced hours. The evidence of industries that have adopted a reduced workweek, including the electrical, rubber, clothing, and telecommunications industries, confirms this. It is expected that income standards will be maintained under this legislation, or even improve as the economy expands.

The legislation would reduce the standard workweek gradually over a period of 8 years, allowing adequate time for adjustment both by employees, labor unions, and employers. Any additional movement toward a 4-day workweek, which is gaining in support, can be better facilitated under this bill.

The Fair Labor Standards Act of 1938 established a premium rate for overtime work in order to discourage the scheduling of excessive overtime and encourage new hiring. That rate is simply not functioning as it was intended: today it costs employers less to pay overtime than it does to recruit and hire new employees and pay their wages and benefits. The bill proposes to raise the overtime rate within 90

days of enactment to twice the regular rate. This adjustment also will overcome the employment lag that normally occurs when recoveries are underway.

The legislation calls for the abolition of compulsory overtime. Employers in many instances schedule overtime work without regard for the needs of their employees. As increasing numbers of women and female heads of households have joined the work force, and the number of multiple-earner families has increased, leisure time has acquired a greater value while forced overtime has become increasingly burdensome. This bill seeks to encourage contractual agreements and employee-employer understandings that would render overtime work by consent more efficient and productive.

Over 21 million employees—1 in every 4 workers—worked overtime hours in May 1980, the last month for which data are available. More than 2 million additional full-time jobs, it is estimated, can be generated through the transfer of overtime hours to the hiring of new employees. Reducing the workweek eventually to 32 hours would generate another several million new jobs.

The reduced workweek bill that I am introducing can be a significant step in the direction of building a genuine, lasting full-employment economy, one that combines growth in both technology and human work, and one that includes workers in the sharing of the dividends certain to be granted in our future high-technology economy.●

BETTER ENVIRONMENT AND MORE JOBS IN THE NATION'S COALFIELDS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. RAHALL. Mr. Speaker, today I am introducing the "Abandoned Mine Reclamation Improvements Act"; legislation which seeks to improve the environment and create badly needed jobs in the Nation's coalfields.

Great levels of unemployment in the coalfields are causing severe economic disruption in regions dependent on the coal industry. In Appalachia, over 35 percent of the United Mine Workers' union membership are on the unemployment rolls and this figure becomes much higher when nonunion coal miners are included.

There is a way to create some employment for these workers; employment in an area in which they already possess the skills needed to undertake the job. While the coal industry is experiencing soft markets, idle coal miners can be put to work reclaiming abandoned coal mine lands. If these miners cannot be mining coal, they can at least be employed through reclamation projects.

The Surface Mining Control and Reclamation Act of 1977 created the abandoned mine reclamation fund which is supported by a reclamation fee assessed on every ton of mined coal. The objective of this fund is to support programs aimed at reclaiming orphaned coal mine lands. However, in spite of the fact that a vast inventory of abandoned mine lands exist in coal-producing States a large unappropriated balance remains in the fund. By the end of fiscal year 1982, $904.4 million had been collected by the reclamation fee and the unappropriated balance was $315.5 million. The SMCRA designates 50 percent of the fund as the State share, and as such, half of the $904.4 million collected—$452.2 million—is for State reclamation programs. Of this amount, only $92.2 million had been distributed to the States with the State share unappropriated balance being $360 million. The following chart shows how the $92.2 million was obligated:

[In millions]

States/tribes	Amount collected for State share through Sept. 30, 1982	State share fund obligated through Sept. 30, 1982
Alabama	$14.1	$4.0
Alaska	.6	
Arizona		
Arkansas	.2	
California		
Colorado	11.8	1.2
Georgia	.013	
Illinois	31.6	4.9
Indiana	22.3	6.8
Iowa	.5	
Kansas	.9	
Kentucky	79.7	15.9
Louisiana		
Maryland	2.2	.6
Michigan		
Mississippi		
Missouri	4.5	3.5
Montana	21.6	7.0
New Mexico	7.9	.8
North Dakota	3.7	
Ohio	26.3	12.5
Oklahoma	4.3	1.6
Pennsylvania	51.2	11.2
Rhode Island		
South Dakota		
Tennessee	5.3	1.2
Texas	6.4	
Utah	4.3	
Virginia	15.6	7.7
Washington	3.8	
West Virginia	47.9	13.3
Wyoming	68.0	
Crow Tribes	3.1	
Hopi Tribes	1.1	
Navajo Tribes	15.0	
Total	452.2	92.2

The $360 million in unappropriated State share reclamation funds would support 18,000 full-time jobs in the coalfields. Yet, it is expected the abandoned mine reclamation fund's unappropriated balance will continue to grow. Because the majority of coal-producing States now have federally approved reclamation plans and due to the inherent problems of the current grants system of distributing these funds, I am introducing the Abandoned Mine Reclamation Improvements Act which will provide for a more expeditious distribution of State share funds. My bill will enable the Secretary of the Interior to automatically pay to the States their share of the fund on a quarterly, or at the election of the State, an annual basis.

This legislation retains Federal oversight on the use of these funds and makes provision for the proper use of these funds by providing for an enforcement mechanism.

In addition, my bill would allow interest to accrue to the fund. At present, the abandoned mine reclamation fund—defined by SMCRA as a trust fund—is the only Federal trust fund in which interest does not accrue. The hazardous waste and toxic spill superfund, the highway trust fund, the airports and airways trust fund, and the inland waterways trust fund all allow interest. These trust funds are supported by specific user fees or taxes not unlike the reclamation fee assessed on every ton of mined coal which supports the abandoned mine reclamation fund.

Mr. Speaker, this legislation offers us the opportunity to not only provide for a better environment in coal regions, but to also create jobs.●

I HOPE THEIR TRUTH-IN-LENDING IS BETTER THAN THEIR TRUTH-IN-LOBBYING

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. STARK. Mr. Speaker, before my election to the Congress in 1972, I was the founder and developer of a bank in the east bay area of California. After the election, I sold my interests in the bank, but I like to think I still know something about the banking business.

One thing I do know for certain is that many of my former colleagues are badly misrepresenting the law passed last summer concerning withholding on dividends and interest. I know as a former banker that it is not nearly as hard to do as they are claiming. And I know as a legislator that the new law provides exceptions for most elderly; those with small accounts; and those with little tax liability.

I would guess that one-third of the many letters and postcards I am receiving on this issue would not have been sent if the bankers had bothered to explain the exemptions. For example, in this morning's mail I received

three letters from constituents which read in part:

I am 77 years old and cannot live on my Social Security totally. I depend on my interest earnings to supplement SS.

The second read:

I will be 18 in May 1983; my deceased mother's Social Security will be terminated and I want to go to college—cannot without full interest savings.

And a third which read that the new law—

Will withhold interest and dividends from those who can least afford it: the senior citizens and the low income people.

I would bet that all three of these letter writers qualify for an exemption. They should demand 20 cents in postage back from their banker.

The following article from the February 21 Washington Post helps explain why some bankers may be lobbying against this provision. I hope that their truth-in-lending statements to their customers are more honest than the postcards they are giving people to mail to their Congressmen.

The article follows:

[From the Washington Post, Feb. 21, 1983]

BANKS RISKING PYRRHIC VICTORY

(By Jerry Knight)

Bankers and savings and loan executives are starting to savor success on Capitol Hill. They are on the verge of winning a classic confrontation between government and business by forcing Congress to repeal the law to withhold income taxes from dividends and interest payments starting July 1.

Enough senators and representatives have signed on as cosponsors of the bankers' withholding repeal bill to virtually assure that if there is ever a floor vote on the measure, withholding is dead. Before the bankers call in their chits, they ought to take a look at the car bumpers on some 1983 cars and ponder the price of victory.

If Congress backs down on withholding taxes on dividends and interest it will be the biggest business victory in Washington since the auto industry killed the requirement that car bumpers survive a 5 mph crash.

The automakers' clamour for weaker bumpers and the bankers' outraged response to withholding show what happens when business unleashes its clout without regard to the consequences. Using doomsday weapons against dubious threats could produce fallout that's more dangerous than the enemy.

The 5 mph bumper standard bit the dust last June. But the awesome cost to consumers of the auto industry's victory is only now becoming evident. Consider these figures put out last week by the Insurance Institute for Highway Safety, an organization of car insurance companies:

A driver whose 1982 Honda Accord ran into a barrier at 5 miles an hour could drive away with unblemished bumpers, but the flimsier front bumper on a 1983 Accord would cost $299 to fix after the same accident, Insurance Institute researchers said.

Back into a pole at 5 mph while driving a Plymouth Horizon with bumpers that met the old standards and you could drive away unscathed. Make the same mistake in a new Horizon and it'll cost you $193 for repairs. Car owners "will pay higher insurance premiums to reflect the poorer bumper performance," the insurance companies warn.

Cutting the bumper crash standard from 5 mph to 2½ mph was supposed to save consumers money by eliminating the costly crash-control devices and to provide better gas mileage by making cars lighter in weight, the automakers promised.

But not one car manufacturer has cut prices after switching to weaker bumpers, the Insurance Institute says. The weighty savings turns out to mean a gas savings of about 25 cents a year (0.2 gallons of gas) for the Plymouth Horizon and a whopping 1.8 gallons of gas a year for an Accord owner. For $2 worth of gas a year, Honda buyers run the risk of a $299 bumper repair bill, thanks to the car companies' "victory."

The auto makers not only socked it to their own customers by weakening their bumpers, they also burned some of their best friends in the process. Sen. John Danforth (R-Mo.) calls the weakened bumper standard "faudulent" and he is not exactly an enemy of big business.

It is another moderate Midwestern Republican, Bob Dole of Kansas, who is bristling from the bankers' heat on the dividend and interest withholding bill. Dole is no tax-the-rich reformer; he wants to cut the holding period on capital gains from a year to six months and wants to do away with double taxation of corporate dividends.

Dole told the bankers to their faces last Thursday that they are using dishonest, deliberately misleading arguments against the withholding plan.

"The tactics used by many banks, savings and loans and credit unions have reached an historic low," he told an American Bankers Association group. It's one thing to argue against a measure you don't like and quite another to twist the truth, Dole complained.

Any group that wants to influence public policy—especially bankers—"should do so accurately and responsibly, precisely because of the trust so many Americans place in their banks and bankers. Unfortunately the campaign to repeal withholding has hardly lived up to that standard."

In advertisements and statement-stuffers included with returned checks, the banks have been warning customers they stand to lose interest income because of the law requiring that 10 percent of interest payments be withheld for federal taxes. Withholding taxes will reduce the compound interest income customers earn, the banks warn.

By Dole's calculations, the compounding loss due to withholding turns out to be about as significant as the gas savings from weaker bumpers. On a $1,000 savings account, earning 9 percent interest a year, the difference is less than 50 cents.

There will be no compounding loss at all, Dole points out, if the banks chose to withhold taxes only at the end of the year, as the law permits. Banks are likely to withhold quarterly or monthly, however, because that will enable them to earn interest on money taken out of savers' accounts. In other words, says Dole, if you lose compound interest because of withholding, don't blame me, blame your banker.

Dole's remarks make clear that, like the automakers, the banking industry has already alienated its natural allies by pushing imprudently for self-interest legislation. And now, like the automakers, the banks run the risk of infuriating their customers.

It is the banks, not their depositers, who will benefit from killing interest withholding, just as it was the automakers, not drivers who benefit from flimsy bumpers. The banks will be in as embarrassing a position as the auto industry once the customers figure that out.●

A CONGRESSIONAL SALUTE TO ALBERT B. BERGESEN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. ANDERSON. Mr. Speaker, on February 26, the many friends of Albert G. Bergesen will fill the Hollywood Palladium to honor him on his retirement as a regional commissioner of the U.S. Customs Service.

Born in Brooklyn, N.Y., Al graduated from Ohio University and received a master's degree from Syracuse University. Also, he is the recipient of an honorary Ph. D. degree from California's Pepperdine University.

For the past several years he has been commissioner of region 7 of the U.S. Customs Service, whose job it is to manage all customs activities within the States of California, Hawaii, Washington, Oregon, Alaska, and Nevada. As you know, the regional commissioner bears the full and final responsibility of all customs operations in his region. These responsibilities include enforcement, investigations, inspection and control, classification and value, and patrol. His mission involves the protection of the revenues of the United States, the enforcement of the Tariff Act, and prevention of smuggling of narcotics, merchandise, and other contraband into this country.

Prior to his current duties, he was chosen as assistant regional commissioner—administration—for the San Francisco region of the Customs Service. He previously worked in our Nation's Capital where he served as the Associate Director of the Post Office's Employment and Placement Division. Other positions he has held in his 43 years of dedicated public service include: Regional personnel manager, Post Office Department; district civilian personnel director, 12th Naval District; industrial relations officer, U.S. Naval Station, Treasure Island; and, area training director, War Manpower Commission, New York.

His distinguished service, exemplified by his willingness to accept positions of great responsibility and added work, have prompted a grateful government, as well as semiofficial agencies, to recognize his contributions by the following awards: Distinguished Civilian Service Award from the Navy Department (highest civilian award); U.S. Treasury Awards (medal and two certificates); Staff Man of the Year from the Federal Business Association of San Francisco; American Legion Award; Navy commendation for work in industrial relations; three awards from the National Health Agencies; three awards from the United Bay Area Crusade; and the Meritorious

Service Award from the Treasury Department. This last award, received in 1974, is the second highest award given by the Secretary of the Treasury "for initiative and leadership which have inspired and motivated employees in all functions throughout the region and which have been invaluable in establishing effective working relationships throughout private industry and the Federal Government."

In concert with his professional career, Al has made the time to donate his services to a tremendous range of organizations and activities in both the public and private sector. These include, and there are many more: Northern California chairman and coordinator, Radio Free Europe; chairman, Federal Personnel Council, San Francisco (two terms); president, Federal Business Association of San Francisco (two terms); member, American Society for Public Administration; chairman, Public Employees Division, United Bay Area Crusade (2 years); State coordinator, Inter-Departmental Savings Bond Committee, Treasury Department (15 years); member, Industrial Relations Committee of the San Francisco Urban League; member, Naval Reserve Association; commissioner, San Mateo County School Systems; board member, International Narcotics Enforcement Officers Association; first vice president, International Club, Los Angeles; chairman, Federal Executive Board, Los Angeles (1979); president, Federal College Council, Los Angeles; member, Governor's Task Force on Law Enforcement; and member, Conejo Arts Council.

Mr. Speaker, it has been dedicated individuals such as Al Bergensen who have made this country great. He is a man who is admired and respected by all who have had the pleasure of working with him. Al's career in Government service has been unblemished and his tireless efforts on behalf of the community should be an example for all to emulate. He has done an excellent job at the Customs Service and I shall miss his outstanding work in my district.

My wife, Lee, joins me in congratulating Albert Bergensen on his retirement. His contributions to the betterment of the community and the country are many and are deeply appreciated. We wish him and his wife, Dorothy, and their four children, Albert, Todd, Doreen, and Jill success in all their future endeavors.●

A DEPARTMENT OF HOUSING?

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. BONIOR of Michigan. Mr. Speaker, the recent decline in interest rates has breathed some life back into America's declining housing market, but it is faint life at best. Clearly the crisis is not over.

Housing policy will be a priority concern during the present Congress. The Congress must encourage a strong recovery in the housing market through low interest rates and economic growth, but we must also do more.

We need to marshal the resources of the Federal Government in direct support of a strong housing sector by addressing the foreclosure problems created by the recession, by understanding how we can promote housing rehabilitation, by finding ways to sustain and support the neighborhoods that are one of the keys to our Nation's special character.

In this effort, we must be open to every option. A writer from my district who has given special attention to housing issues, recently suggested that the United States could profit from bringing housing programs together in a separate and integrated department. I commend his article to my colleagues' attention.

[From the Macomb Daily, Jan. 17, 1983]

A FEDERAL CENTRAL AGENCY WOULD HELP HOUSING INDUSTRY

(By Robert Selwa)

With housing in southeast Michigan and in the nation at a crisis state today, Congress needs to organize our federal government in such a fashion as to clearly address itself to the longstanding national goal of a decent home for every American.

Currently there is a United States Department of Housing and Urban Development. It should be made into a clearcut Department of Housing, with urban development placed elsewhere in the organizational scheme.

Other countries of the world have departments of housing, as do units of government within the United States. The purpose is to carry out the commitment of establishing decent housing for everyone.

That is a commitment not being carried out today in any adequate fashion, particularly with the actual net losses in housing that many cities in the United States are experiencing and that southeast Michigan as a region is experiencing today.

One Department of Housing of the United States government would consolidate all housing programs and activities of the government and bring together the diverse housing interests.

Even more importantly, a department established to protect, expand and enhance the housing stock would serve to prevent harm from conflicting policies and programs.

"Urban development" often works contrary to housing, particularly with the Urban Development Action Grants and Community Development Block Grants administered by municipalities receiving millions of federal tax dollars every year.

Many officials and administrators in HUD are anxious to carry out the commitment to housing this nation has made—but cannot because the funds are too loosely regulated under Congressional law from 1981 and because those funds have become giant slush fund accounts for the cities. As a result the money is used for economic development under the guise of urban development and to the destruction of housing.

"Urban Development" belongs more properly with Commerce, anyway, since our cities are our commercial hubs.

When economic development threatens housing, a separate Department of Housing will be ready to defend the commitment to provide shelter to our people and prevent the programs from being undermined.

Block grants clearly earmarked for housing development would then be administered by the Department of Housing, and if the government wishes to give block grants for economic development, its impact on housing will have to be measured because the housing constituency will have its own department in Washington as established protection.

The U.S. has a Department of Education to safeguard the interests of education. There is a Department of Energy for that category. Is housing of any less importance?

Furthermore, tying housing to urban development, as is done at present, passes over the needs of rural America. It is in the countryside where even a greater percentage of the housing is inadequate.

We are in the midst of a housing depression in the United States the likes of which we have not seen since the Great Depression. New homes are not being built, and older homes are being destroyed, often with federal funds that were intended by Congress for the rehabilitation of homes. The justification given is "blight removal" when in actuality the best way of removing blight is to improve a home. An attractive dwelling is far better for a block than an empty lot with litter.

It is time to call a halt to demolition and the waste of funds, particularly with the huge deficits the federal government and other governments are encountering and the scarcity of jobs for working America. It is time to put people to work improving our housing stock once again.

It is time to remedy the situation with better programs and a single U.S. Department of Housing which addresses the housing needs of both urban and rural America.●

FOREIGN AID TO GREECE AND TURKEY FOR FISCAL YEAR 1984

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. DYSON. Mr. Speaker, again a situation of potentially grave political and military concern dawns over the southeastern flank of the North Atlantic Alliance. Turmoil and instability are no novelty to this area of the globe, and unfortunately the current administration's latest proposals for military assistance to the Eastern Mediterranean can only exasperate an already present state of tension, which we, all too well, are aware exists in this historically and strategically important region.

As is well known, the Reagan administration has recently proposed a policy of foreign military assistance upsetting the existing levels of mili-

tary aid balance to the nations of Greece and Turkey. These regrettable proposals drastically depart from existing policy in both form and content. Such a drastic departure, as these proposals are testimony to, constitutes a real sham for a just American foreign aid policy, and creates a situation of increased tension in an already strained region of the world, with unpredictable consequences, as Greek Prime Minister Andreas Papandreou recently asserted.

Foreign aid proposals submitted to Congress February 4, by the Reagan administration for fiscal year 1984 indicate an exceedingly large increase in Turkey's foreign military sales (FMS) guaranteed loans to a level of $525 million from its fiscal 1983 level of $290 million; a hike in military assistance program (MAP) grants from $110 million to $230 million; and a total of $175 million in economic support fund (ESF) loans and grants. Thus, for fiscal year 1984, the administration is requesting a total of $755 million in military aid and $175 million in economic aid for Turkey, which, in effect, represents the administration's largest single increase of proposed U.S. aid to any foreign nation.

For Greece, the administration's proposals are ostensibly more austere, providing her with zero economic aid, and with a no-increase military assistance package from the currently existing level of $280 million in foreign military sales (FMS) guaranteed loans.

What this startling discrepancy signifies, is that a congressionally established 7-to-10 ratio of military aid to the nations of Greece and Turkey respectively is being undermined, and noticeably rebuked. A State Department official on February 4, in no uncertain terms, commented that: "We do not recognize the 7-to-10 ratio. That is a congressionally imposed ratio. It is not something that the administration has ever acquiesced in." Indeed they have not.

If these proposals were adopted, this 7-to-10 ratio would effectively be depleted to a 3.5-to-10 ratio. This, according to a spokesman from the Greek Embassy, is considered by the Government and peoples of Greece to be totally unacceptable.

The repercussions raised in the wake of these controversial proposals, should they be adopted, would unambiguously be counterproductive to America's interests and to the overalll security of the Western Alliance. They promote a deterioration of the already fragile stability in this vital region of NATO, and creates a "climate which is not helpful to (U.S. and Greek) negotiations for the conclusion of a new Defense and Economic Cooperation Agreement" between the Governments of the United States and Greece.

It is my fervent hope, Mr. Speaker, that my colleagues in this Congress will pay scrupulous attention and consideration to the provisions engendered in the proposals of this administration, and seriously consider their subsequent consequences for American foreign policy. I trust my colleagues will demonstrate their commonsense and foresight in concluding that these aid proposals should not be adopted. To do otherwise, Mr. Speaker, would be to establish an unsightly blemish on the face of American foreign policy, and could only result in furthering instability in the eastern Mediterranean rather than enhancing security in this region, which, ironically, is what the administration wishes to address by submitting these proposals.●

TO HONOR MR. WILLIAM H. CLINTON UPON HIS RETIREMENT AS THE REGISTRAR OF VOTERS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. LEWIS of California. Mr. Speaker, on March 9, 1983, the San Bernardino County Registrar of Voters will honor Mr. William H. Clinton upon his retirement. Bill has served as both the assistant registrar of voters and since February 1970 the registrar of voters in San Bernardino County. Upon his retirement on March 11, 1983, Bill will have completed 35 years of service in county government. During these years Bill has been actively involved in the betterment of San Bernardino County. He has served as the director of the board of directors of the County Clerks Association of California and was a member of both the Elks Lodge No. 836 and the Kiwanis Club.

William Clinton was born in Redlands, Calif., on April 19, 1924. He attended grade school there and graduated from Redlands High School in June 1942. The following month Bill began working for the San Bernardino County Free Library Department.

In November 1942, Bill began his military career in the Army Air Corps and received an honorable discharge on October 31, 1945. After furthering his education at Riverside College, the University of Redlands, and the University of California, Bill went into business in Indio, Calif.

In May 1948, Bill returned to San Bernardino to work in the county purchasing department. In September 1950 he went to work in the county clerk's office as the superior court clerk and later became the chief deputy in charge of passports, naturalization and marriage licenses.

It was in March 1958 that Bill was appointed assistant registrar of voters and later appointed by the board of supervisors to the position of registrar of voters.

As a result of his high standards of performance and vast knowledge of election laws established by State and Federal Government, and his demonstrated ability, Bill soon attained an enviable reputation throughout the State not only for his accuracy, since his certifications have never been challenged, but also for the fact that San Bernardino County has often been first in the State with election results. This expertise of Bill's has been utilized in many workshops by the County Clerks' Association which values his opinions. Through his efforts, Bill has made the registrar of voters' office one of the most modern, efficient, and effective in the State of California.

Mr. Speaker, I take great pride in commending to my colleagues William H. Clinton for this tireless devotion not only to the office of registrar of voters, but also to the citizens of the county of San Bernardino.●

BAY AREA'S "MR. TRANSIT" TO RETIRE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. STARK. Mr. Speaker, after nearly 27 years of dedicated service, Robert E. Nisbet has decided to step down as general manager of the Alameda-Contra Costa Transit District effective this fall.

During his long years of committed and effective service, Mr. Nisbet grew to become one of the Nation's most respected transit managers who, through his competent efforts, is credited with guiding the AC Transit District through a trying period of financial crisis.

"We have had some hard times and we have also achieved some substantial successes," Mr. Nisbet said in announcing his retirement. "We are surviving a financial crisis, we have modernized the bus fleet, and we have embarked on a facilities improvement program that bodes well for the district in the years to come," he added.

It should be noted that Mr. Nisbet's success with AC Transit extends far beyond this most recent crisis. Indeed, Mr. Nisbet and AC Transit are nearly synonymous. It was Mr. Nisbet, an attorney educated at the University of California at Berkeley and the Hastings Law School in San Francisco, who drew up the legislation that created the AC Transit District in 1957.

Mr. Nisbet told the San Francisco Chronicle:

In those days, AC Transit was little more than an idea which enabled the east bay's voters to create the public transit system we have today.

In 1960, the AC Transit District took over operation of the old Key System, which at the time provided bus service to the residents who lined the bay east of San Francisco. Now, AC Transit carries roughly 250,000 passengers a day through the east bay and into San Francisco.

Mr. Nisbet first served as attorney for the district and in the capacity of legislative liaison before taking over as general manager in 1978. Although he will retire from his permanent position in the fall, Mr. Nisbet, who will turn 65 years old in September, plans to continue to serve the district he helped create by performing consulting duties.

I want to wish Mr. Nisbet the best of luck in the future and to commend him for his admirable commitment to public service.●

THE POSTAL SERVICE AS WHIPPING BOY

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. CORCORAN. Mr. Speaker, the U.S. Postal Service and the Congress have had their differences in the past. As a Member of Congress, and as a member of the Post Office and Civil Service Committee, I have disagreed with Postal Service policy on occasion. However, I recently read an article written by H. K. Petschel, an inspector for the U.S. Postal Service, in the January 17 Chicago Tribune which communicates in a most effective way that the Postal Service is continually improving and striving to deliver the mail in the most efficient way possible. I would like to submit this article for the RECORD to remind each of us of the debt we owe those individuals who work behind the scenes at the Postal Service to insure our mail delivery.

THE POSTAL SERVICE AS WHIPPING BOY

(By H. K. Petschel)

Over the last few years, the United States Postal Service has been subjected to continual attack, much of it unwarranted. There are failings in the system, but by and large, the postal service has served the public much better than it has been given credit for.

The creation of a national postal service was one of the first acts of the founding fathers, part of their deeply held belief that a free nation was to be built on a bedrock of secure and uncensored communications. A national mail system was viewed as a necessity to help educate and unite a diverse and far-flung population. We should think twice before we take apart their handiwork.

Transporting the mails helped to build this country as well as link it by communcation. The national rail network, for example, was first subsidized by the government during construction. Once in operation, the railroads were subsidized in the form of lucrative mail contracts. The same procedure would later be used with the airlines.

Almost since the creation of the post office, it has been argued whether it was a business or a public service. No other segment of the government was expected to pay its own way, but for some reason the mails were considered different. The idea that the post office was a service organization prevailed. Because of this, the cost of mailing a letter remained artificially low for a century.

When you consider that for 200 years the American postal system was a political plaything, the service it historically provided is amazing. Until the passage of the civil service law, every postal employee was a political appointee. With the election of each new administration, there was a massive turnover in employment from the postmaster general down to the ranks of mail clerks and carriers.

From the 1940s to the 1960s, the old post office department suffered from benign neglect. The reorganization into the U.S. Postal Service occurred when the system was on the verge of collapse. No efforts had been made towards automation since the invention of the steam locomotive. The entire mail distribution system was designed around the railway timetable, which in the 1960s was dissolving. Little postal construction had occurred since the Depression and facilities were in grave disrepair. To bail out this monster of its making, Congress had the unenviable task of raiding the treasury or radically increasing the cost of mailing a letter.

Our representatives in Washington squarely addressed the issue. They washed their hands of the whole thing and created the "independent" U.S. Postal Service in 1971. This independence was severely limited. Congress had created the best of all possible worlds. The postal service was kept under almost continual government overview and direction. Any innovative action postal administrators propose can be endlessly debated, stalled or misdirected. At the same time, they can point the finger of blame at the postal service for escalating costs and service problems.

The argument is being made that the postal service should be open to competition. The welfare of the public will not be served by allowing the economically profitable areas of mail delivery to be stripped from it. Those who make it want the postal service to compete blindfolded by government regulation and with one foot in a cement barrel of national delivery requirements. If anybody wants to assume the job, they should be subjected to the same regulations and requirements. Any takers?●

A TRIBUTE TO TAMAQUA LIONS CLUB

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. YATRON. Mr. Speaker, it is a great honor and privilege for me to bring to the attention of my colleagues in the U.S. Congress, an outstanding achievement by the members of the Tamaqua Lions Club of Tamaqua, Pa.

I just learned of the Tamaqua Lions Club's efforts through the kindness of Ms. Evangelia Knepper. This excellent organization recently raised $5,350.75 and donated this sum to the Pennsylvania Department of Public Welfare to underwrite the total cost of the installation of a heliport at the Coaldale State General Hospital.

I know that my colleagues will join me in saluting the members of the Tamaqua Lions Club for their commitment and spirit of voluntarism. Their dedication to improving the health care of their community is most impressive. The people of Tamaqua can certainly look with pride at the accomplishments of their neighbors who are part of the Lions Club. The efforts of groups like the Tamaqua Lions Club will improve the quality of life in communities throughout this country. They have done an outstanding job, Mr. Speaker, and I know that we all commend them for their success.●

DR. MARTIN LUTHER KING, JR., HOLIDAY

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. TALLON. Mr. Speaker, today I rise in support of H.R. 800, legislation to make January 15, the birthday of Dr. Martin Luther King, Jr., a national holiday.

The 1960's were volatile times that could have erupted in harsh, widespread violence at any time. Racial hostility and social injustice were to the point of irreparably tearing our country apart, and we were a nation divided.

Lives were lost in this battle for principles that are founded in our Constitution. Yet, even more would have been lost had the man leading the movement for social justice and equal opportunity not been a man of nonviolence. A man who understood, like Ghandi, that long-lasting change could best be accomplished through peaceful means.

This man was Dr. Martin Luther King, Jr.

Historically since his untimely death, his birthday has been a day to reflect on and rededicate the Nation to the purposes that he devoted and gave his life for—achieving the American dream of freedom, equality, reconciliation, and justice at home, as well as peace in the world.

Usually, as time goes by, the memory of our national leaders fades or tarnishes. Yet this is not the case with Dr. King. He stands among the small number of great leaders who gave their lives and for whom respect,

honor, and admiration have grown with each passing year.

But most importantly, a national holiday in Dr. King's name would not be just a celebration of one man's life. It would be a time to memorialize the ideals he stood for and fought for—ideals that many in our Nation now take for granted.

We are fortunate to have lived in the same generation as this man. We remember his struggle. It is only fitting to make his birthday a national holiday for future generations to learn from as well.●

CONDEMNING THE RECENT MASSACRE IN INDIA

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. RAHALL. Mr. Speaker, it is with a sense of deja vu that I learned of the tragic massacre of hundreds of immigrants by tribesmen in the Indian state of Assam this past weekend. For the second time within a year bitter prejudice has resulted in a horrible and senseless massacre of stunning proportions. Once again, the world is forced to view the devastating result of a massacre perpetrated by a cold, deep hatred of one faction of citizens toward another. India strives to be a democratic country and these immigrants were massacred because they were allowed to vote in the recent elections held in India.

The United States as a whole must stand up and condemn these ruthless acts of violence which stain the conscience of mankind. We must strive to set an example for the rest of the world to follow, guaranteeing the rights of people to live in a democracy. I condemn this horrible and tragic massacre and urge my colleagues to do the same.●

ENGLISH SPONSORS LEGISLATION TO REPEAL 8 PERCENT TIP TAX

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. ENGLISH. Mr. Speaker, today I am introducing legislation to repeal section 314 of the Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248).

The current law as included in President Reagan's 1982 tax package requires employers operating large food and beverage establishments to allocate a stipulated percentage of gross receipts among tipped employees. Even though reported tip income might total less than the 8-percent figure, an employer must allocate the difference among employees who had reported-tip shortfall. In other words, an employee may now be taxed upon income which he did not actually earn.

A coffeeshop waitress recently received her paycheck for a week's work. After applying the 8-percent tip withholding tax, her paycheck was blank and marked void. Withholding taxes on her wages equaled her weekly pay for 30 hours of work. Such taxation will encourage workers to move off the payrolls and onto the welfare rolls. I do not believe we can tax people on income they might not have earned.

I feel that this provision of the President's tax package imposes an unwarranted burden upon employees and employers. I feel it is unfair to tax a citizen based upon assumed income instead of actual income. It is neither good tax policy nor good law. Consequently, I urge Congress to repeal this law through legislation which I am introducing today.

The text of the bill follows:

A bill to repeal the provisions of the Tax Equity and Fiscal Responsibility Act of 1982 which require employer reporting with respect to tips.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 314 of the Tax Equity and Fiscal Responsibility Act of 1982 is hereby repealed, and the Internal Revenue Code of 1954 shall be applied as if such section (and the amendments made by such section) had not been enacted.●

CLEMENT B. SMAR, "ELK OF THE YEAR"

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. HARRISON. Mr. Speaker, on Saturday evening, February 26, 1983, the Hazleton Lodge of Elks is honoring one of its members, Clement B. Smar, as "Elk of the Year" for 1982-83.

Mr. Smar is an outstanding member of the Hazleton Community. He comes to civilian life with an impressive military record. In the Hazleton area, he has served on numerous committees including the youth committee and the fund raising committee.

Mr. Smar is employed as a customer service representative for Pennsylvania Power & Light Co. He and his wife Mary reside in Hazleton with their two children.

It is a pleasure for me, Mr. Speaker, to join with over 150 members of the Hazleton Lodge of Elks, and their ladies, in saluting Clement B. Smar as "Elk of the Year" and wishing for him and his family many more years of happiness and success in all that they undertake.●

VOLUNTARY AUTOMOBILE QUOTAS MUST BE EXTENDED

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. FORD of Michigan. Mr. Speaker, on Wednesday, February 9, the Christian Science Monitor published an editorial supporting an extension of the Japanese automakers' voluntary export agreement. I am totally supportive of this concept and agree that a 2-year extension is reasonable.

I recently wrote President Reagan and our Special Trade Representative William E. Brock urging their support. I urged them to heed the advice of the auto industry and labor in seeking a 2-year extension of the voluntary agreement. In addition I asked for a reduction in the current 1.68 million export limit.

I urge my colleagues to read this editorial and express support for this crucial extension.

JAPAN'S VOLUNTARY CAR QUOTAS

It may have been a mere statement of trade policy by Japan. But looked at in purely political terms it set off sharp criticism in Congress. We are referring to the remark of an official of Japan's Ministry of International Trade and Industry (MITI) that Japan will not extend its voluntary quotas on auto exports to the U.S. beyond 1984. Japan would seem best served by rethinking its position.

The issue is not one of imposing excessive trade restrictions on Japanese products, in this case automobiles. It is just the opposite—avoiding actual restraints on trade, such as embodied in domestic content legislation now before Congress. Such legislation would require that Japanese cars have a high percentage of U.S.-made parts before they could be sold in the U.S. A domestic content law passed the House late last year and proponents have cited Japan's decision to end voluntary curbs on car exports as proof that such a measure should be enacted into law.

Is Japan's stance on ending the curbs merely a bargaining position? That could well be the case. But Japan must realize that with the U.S. now gearing up for an election campaign, and several Democratic presidential contenders already supporting domestic content bills, this would not seem the most propitious moment for taking a tough line toward the U.S. regarding car sales.

After a particularly difficult period for Detroit the past year domestic sales are at last starting to perk up. U.S. factories are being reopened. Auto workers are being called back. Thus it seems indelicate for Japan to announce suddenly that it is going to return to business-as-usual with its exports to the U.S., especially since it has accepted restraints on various products sent to a number of European nations.

Japan currently enjoys a trade surplus of roughly $20 billion with the U.S. It seems only fair that there be some bending in the case of autos. Sen. Gary Hart, who is himself a Democratic presidential aspirant (though not supporting the domestic con-

tent bills), last week introduced a reasonable joint resolution that would urge the administration to negotiate an extension of the quotas for two years to give Detroit a breathing period following the recession. Senator Hart would also link future exports to the U.S. economy so that, if the economy became constricted, Japan would have to reduce its exports.

Is Japan listening?●

O JORNAL HONORS JOE RAPOSA

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. FRANK. Mr. Speaker, I am pleased to note that O Jornal of Fall River will present its annual Portuguese-American of the Year Award to composer Joe Raposa. O Jornal is a Portuguese language newspaper whose publishers, Ray and Cathy Castro have labored tirelessly to provide the people in southeastern Massachusetts and surrounding areas with news, sports, and entertainment information in Portuguese. In addition to their work on O Jornal, Mr. and Mrs. Castro have worked to assist the Portuguese immigrant community in and around Fall River to become a full part of American society while retaining their Portuguese heritage and culture.

It is in this spirit that the Castros established the Portuguese American of the Year Award. This year's recipient, Joe Raposa, represents the pride that Portuguese-Americans have in both elements of their nationality. Mr. Raposa, whose parents were born in the Azores, has achieved in America the highest honors bestowed by the music industry, including four Grammy Awards. His compositions include "Being Green," a soliloquy of self-realization that has been incorporated into the Presbyterian Hymnal and is the International Anthem of the Girl Scouts, and "Sing" an immensely popular song that has been recorded in every major language. In addition to his composing skills, Joe Raposa has also made his mark in the academic aspect of his art. He is a member of the Visiting Committee of the Board of Overseers of Harvard College and vice chairman of the board of the Nelson A. Rockfeller Empire State Institute for the Performing Arts. In short, Joe Raposa is an artist of genuine skill and creativity.

I congratulate Joe Raposa on his award and I commend Ray and Cathy Castro on their devotion and sensitivity to the Portuguese-American community.●

AN AMENDMENT TO THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. HAMILTON. Mr. Speaker, I bring to the attention of the House the bill which I am introducing today to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (the superfund law) to clarify certain provisions relating to remedial actions at facilities owned and operated by a State or municipality.

Current law requires that States pay 50 percent of the cleanup costs of hazardous waste sites owned by it or its political subdivisions, even when those sites were leased to private industries who were responsible for toxic waste contamination.

This bill provides that a site would have to be both owned and operated by a State or its subdivision before the State became liable for 50 percent of the cleanup costs. If a hazardous waste site is owned by a State or municipality, but not operated by it, the State would be liable for only 10 percent of the cleanup costs under this bill.

The House approved this same measure last year on September 8.

My support for this bill is prompted by the problems that we have had in trying to clean up a hazardous waste site in Seymour, Ind., in my district. In the late 1970's, it was discovered that the Seymour Recycling Corp., a privately owned company operating on land owned by the city of Seymour, was improperly disposing of chemical wastes, and had created a hazardous waste dump with 60,000 rusting barrels of toxic material and 500,000 gallons in bulk storage. The chemical wastes were polluting the surface water, and noxious gases were being released into the air. Mysterious clouds were reported over the site. At one point, several barrels spontaneously exploded.

In 1980, the Chem-Dyne Corp., which owned Seymour recycling, was put into receivership. As a result, there were no private funds available to clean up the Seymour recycling facility.

The cost of total cleanup of the site has been estimated at $30 million. An agreement negotiated by the EPA in October of last year with 24 of the generators of the waste provides $7.7 million for surface cleanup, with a $15 million performance bond posted to cover cost overruns.

Subsurface cleanup of the soil and ground water remains to be dealt with. Agreements reached so far will not cover the cost of subsurface cleanup and containment. Without complete subsurface cleanup, toxic wastes will likely contaminate the local water supply and the soil of surrounding farmlands, further endangering the health of area residents.

Neither the city, the county, nor the State of Indiana have sufficient funds to pay the 50-percent share required to secure assistance from the superfund for this necessary subsurface cleanup. Without the passage of this bill, the superfund is simply out of reach for not only the Seymour recycling facility but also a number of other hazardous waste sites in the same circumstances.

Mr. Speaker, I urge the speedy consideration of this bill.●

A TRIBUTE TO BISHOP JULIJANS VAIVODS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. DONNELLY. Mr. Speaker, this month at the Vatican, Bishop Julijans Vaivods of Latvia received the red hat of a cardinal from Pope John Paul II. His elevation at this time is an important symbol that deserves our notice.

Julijans Vaivods was ordained a Catholic priest in 1918. He has spent his entire adult life ministering to the Catholic minority of that nation, undeterred by the illegal Soviet annexation in 1944. He has worked quietly, serving his people and his faith while avoiding political confrontation. Still, in the 1950's, he was exiled to Moravia for 2 years because he dared to write five volumes of theological works. In 1964, while attending the Second Vatican Council, his consecration as a bishop had to be kept secret for fear of reprisal by Soviet authorities. Fortunately this month, Bishop Vaivods was permitted to travel openly to Rome for his elevation to cardinal.

Cardinal Vaivods is the first person named to the sacred college while working in territory claimed by the Soviet Union, although the Vatican like the United States refuses to recognize Soviet sovereignty.

The elevation of Cardinal Vaivods stands as a rallying point for all of us who admire the independent will of the Latvian people and who look forward to the end of the Soviet occupation and the restoration of an independent Latvian state.●

A TRIBUTE TO THOMAS P. KENNY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. MATSUI. Mr. Speaker, it is with great pride that I rise to address my colleagues in this chamber today regarding the achievements and talents of Mr. Thomas P. Kenny. This tribute marks only the beginning of the Sacramento community's salute to Mr. Kenny, as many community leaders will gather tomorrow at the Spirit of Life award dinner honoring this remarkable public servant.

The City of Hope, which serves as a national pilot medical center dedicated to providing free health care to all Americans in need, uses this event as a forum by which to present its highest award to outstanding Americans who have made a career of helping others. Tom Kenny richly deserves this recognition, as his years of service with organizations ranging from the American Federation of Musicians to the United Way and the Sacramento Symphony Association unquestionably demonstrate.

Given his proven record of compassion and assistance on behalf of his fellow man, it is only fitting that we join together and work to establish the Thomas P. Kenny research fund at the City of Hope Medical Center in Duarte, Calif. Tom's selfless service to furthering the lives of all Americans, whether in Sacramento or elsewhere in our Nation, reflects the dominant theme of the City of Hope's philosophy—that of helping others. Without doubt, Tom's continued adherence to this principle has enhanced the lives of Sacramento's citizens beyond measure.

At this time, I am certain that all Members of this House, and particularly our California delegation, will join me in extending best wishes to Tom Kenny. As the Representative of the Third District of California in the Congress of the United States, it is my great honor to recognize Tom Kenny's tremendous gift of self to the Sacramento area, to the entire State of California, and to this Nation.●

DECA—A SUCCESS STORY

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. SMITH of New Jersey. Mr. Speaker, I want to call your attention to an outstanding student organization whose work has exemplified the democratic philosophy of free enterprise and community service since 1946. DECA—the Distributive Education Clubs of America—is the only national student organization operating through the Nation's schools to attract students to careers in marketing, merchandising, and management.

The young men and women of DECA, 250,000 strong, have a unique mission. Their focus—always—is to develop a greater understanding and appreciation of marketing, merchandising, and distribution while at the same time increasing civic consciousness, building social intelligence, and leadership training.

In my opinion, Mr. Speaker, the symbol of the DECA success story is seen through the enthusiasm and motivation of its student membership. Through involvement in vocational education and exposure to the business community, the DECA advantage should not be surprising. After graduation, 96 percent of all student members are either employed or begin their pursuit of higher education.

At this time, I want to call the attention of my colleagues to a particular project which has been sponsored by DECA members in my congressional district. As part of the national shoplifting prevention campaign, the students of the Cinnaminson High School Chapter of DECA have undertaken an extensive research and education project to alert parents, students, and faculty members of the seriousness of this crime.

Through direct involvement with students and faculty, including a student shoplifting survey, the DECA members have worked to increase awareness of the crime and consequences of shoplifting. Activities have included contact with area business establishments, newspaper, radio, and television exposure, a poster contest, and even a meeting with Governor Kean who proclaimed "Anti-Shoplifting Week" in New Jersey.

In a February 9 letter to my office, President Reagan mentioned the observance of "Anti-Shoplifting Week" as "an excellent opportunity for all of us to reflect on the seriousness of the crime of shoplifting." He joined me in "commending the students and staff of Cinnaminson High School and Suzanne H. Smith of the Distributive Education Clubs of America for their leadership in this project."

Mr. Speaker, this project is only one example of public service programs sponsored by DECA chapters across the Nation. The thousands of DECA chapters serve as showcases for student achievement and progress. They are a natural outlet for the expression of individual talent.

DECA members believe that the success of our Nation rests upon the American philosophy of free enterprise. I agree with their position, Mr. Speaker. I believe that our system is working, and will remain stronger than ever as long as concerned citizens continue to care. I am certain my colleagues will agree that we owe a debt of thanks to the Distributive Education Clubs of America, and all American citizens who work to keep our Nation strong and free. Keep up the good work, DECA, and best wishes for all of your future endeavors.●

DR. VICTOR F. GRECO, JR., HAZLETON AREA JAYCEES DISTINGUISHED SERVICE AWARD RECIPIENT

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. HARRISON. Mr. Speaker, on Saturday, February 26, the Hazleton area Jaycees is honoring Dr. Victor F. Greco, Jr., with their Distinguished Service Award. This award is presented annually to that man or woman under 36 years of age, who best embodies the Jaycees' ideals of service to the community.

This is the Jaycees' "Man of the Year Award" and no one could deserve it more than Victor Greco, Jr.

Dr. Greco is involved with numerous organizations and community groups including the American Heart Association, of which he is president of the northern Pennsylvania region; the Association for the Blind; Easter Seals; Multiple Sclerosis; Red Cross; Boy Scouts of America; the Chamber of Commerce and, of course, the Hazleton Jaycees.

Dr. Greco and his wife Maria reside in the city of Hazleton where he is an optometrist specializing in cases of subnormal vision.

Mr. Speaker, it is a genuine pleasure for me to join with all of the members of the Hazleton Jaycees and, indeed, with the greater Hazleton community in saluting Dr. Victor F. Greco in his many accomplishments and wishing him and his lovely wife many more years of success and happiness in all that they undertake.●

THE ARMED CAREER CRIMINAL ACT OF 1983

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. WYDEN. Mr. Speaker, today I am reintroducing the armed career criminal bill. This bill is identical to a bill recently introduced in the Senate by Senator ARLEN SPECTER and is very similar to legislation Senator SPECTER and I sponsored in the last Congress.

This bill would permit Federal prosecution of an individual who, after two

or more felony robbery or burglary convictions, is charged with a subsequent armed robbery or burglary. Conviction would trigger a minimum 15-year sentence in a Federal penitentiary.

The career criminal bill passed the Senate by a vote of 93-1 last September and, as part of a comprehensive seven-part crime package, passed the House of Representatives 271-27 on December 20. Unfortunately, President Reagan vetoed this legislation—the most important crime bill passed by the Congress in a decade—after the 97th Congress adjourned, thus avoiding a certain veto override.

Nearly 25 million American households—3 out of every 10—were effected by crimes involving theft or violence in 1981. An amazingly large percentage of these crimes were committed by career criminals. A now-classic 1972 University of Pennsylvania study showed that one-half of all crimes—and full two-thirds of all violent crimes—were committed by only 6 percent of the criminal population.

Mr. Speaker, because of the havoc wreaked by career criminals on the lives and property of millions of innocent victims each year—and because the Federal Government in recent years has failed to play an effective role in helping local law enforcement officials fight crime—I think this legislation is again worthy of serious consideration by the Congress.

The President's opposition to the crime bill passed by the last Congress focused on a portion of the package that would have created a Cabinet-level drug czar to oversee Federal anti-narcotics efforts. He also expressed some concern about an amendment to the career criminal bill that requires the acquiesence of the local prosecutor before Federal prosecution could commence. However, no specific constitutional defect was cited and, in the real world of law enforcement, it is highly unlikely that a U.S. attorney would ever seek to prosecute a career criminal over the objections of a local prosecutor.

The President's veto was a major disappointment to those of us in Congress who are convinced that the Federal Government needs to do more in the fight against crime. Crime is on the rise at a time when local criminal justice resources are stretched to the limit—and beyond. Prosecutors and investigators are overworked, a huge backlog of cases is pending in our courts and State prisons and local jails are severely overcrowded. The result: Excessive plea bargaining, too many probationary sentences and too early parole for many serious offenders.

There are those who would say that the career criminal bill is an unwarranted extension of Federal criminal jurisdiction. I disagree. It is wholly consistent with the Constitution and existing case law. And, it contemplates only a narrow expansion of the Federal Criminal Code—in a manner that targets the worst habitual offenders and thus can effectively provide our beleaguered local law enforcement officials with a real helping hand.

Even if only a few hundred career criminals are subject to Federal prosecution, this in itself would prevent thousands of future crimes. And this tough, no-nonsense new Federal statute would have a substantial deterrent effect.

Awareness of this new law would quickly filter down to the street. Twice-convicted career criminals would think long and hard about the consequences of a third conviction. Getting caught again would no longer mean another trip through the revolving door of an overloaded local criminal justice system. They would no longer be able to count on a return to the streets in a matter of a few hours, weeks, or months. Instead, they would be faced with the very real possibility of spending the next 15 years in a Federal prison.

Some argue that Federal resources are equally strapped and Federal prisons equally crowded. However, the Federal prison population grew less than half as fast as the State prison population last year and the President's new budget calls for the Federal prison system to be expanded by almost 2,000 beds.

Even without a major increase in prison capacity, selective prosecution and incarceration of the worst career criminals can significantly reduce the overall crime rate without straining prison resources. A widely cited recent Rand Corp. study showed that, by focusing on the worst offenders, the robbery rate could be cut by 15 percent at the same time the total number of robbers incarcerated is actually reduced by 5 percent.

Of course, selective incarceration flies in the face of the traditional liberal theory of rehabilitation. I will match my record on civil liberties with any Member of Congress, but we are talking here about those who have made a career of crime. We must keep the fate of hundreds of future innocent victims in mind and must recognize that the career criminal has forfeited the right to be treated with kid gloves.

Commonsense should tell us that—during a time of reduced resources at every level of government—we should focus our crime fighting efforts on habitual offenders. Career criminals belong in prison, not on the streets. This effort can and should be undertaken at every level of the criminal justice system—including the Federal level. I happen to believe that when violent crimes are committed by career criminals, the Federal Government has a legitimate role to play in protecting the American people. The Armed Career Criminal Act is a solid step in the right direction. I urge my colleagues support.●

THE SHAME OF THE GULAG: FORCED LABOR IN THE SOVIET UNION

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. BROOMFIELD. Mr. Speaker, I want to call your attention to a recently released Department of State study concerning forced labor in the Soviet Union. I commend the Department for its fine efforts and strongly recommend that all of us in Congress read this document and seriously consider the implications of its findings. It very clearly points out that labor camps do, in fact, exist and that wholesale violations of human rights are occurring every day in the Soviet Union. The study also reemphasizes the fact that there is a real discrepancy between the official Soviet line and what is really happening in the U.S.S.R.

As all of you know, the Senate and House instructed the Department of State to undertake this official study. The inquiry revealed that the Soviet forced labor camp system is the largest in the world comprising an elaborate network of some 1,100 forced labor camps located in all regions of the Soviet Union. Imprisoned in these camps are over 4 million forced laborers. At least 10,000 of these laborers are classified as political and religious prisoners.

In order to serve the economic and political purposes of the state, the Kremlin has chosen to maintain an extensive forced labor system. Workers in these camps are used to execute various developmental projects and produce large amounts of primary and manufactured products for both domestic use and Western export markets. Forced labor has been used on pipeline projects in the past and it is now being used in domestic pipeline construction. Much of the work performed by these forced laborers is heavy labor—both difficult and dangerous. These innocent Soviet citizens are victims of the Soviet system. They were shipped away from their families to remote work areas and are forced to work in brutal climatic conditions under the watchful eyes of KGB guards.

Many of these laborers are being punished because they asked only that their country obey its own laws. Some are imprisoned in those harsh and lonely camps because they distributed leaflets, or tried to legally emigrate from the Soviet Union. Many prisoners were speaking out about violations

of human rights, or merely trying to practice their religion in a country which claims to respect human rights.

The existing forced labor program in the U.S.S.R. is in obvious contravention of the United Nations Charter as well as international law agreements, including the Helsinki accords. Although the International Labor Organization investigated allegations concerning these Soviet practices, Soviet authorities refused to provide satisfactory responses.

I believe that the brutal forced labor camp system is but another example of what is wrong and dangerous in the Soviet Union. A country which claims strict adherence to international accords is, in fact, violating them on a large scale. A nation which supposedly respects human rights is treating its own citizens in this savage and insensitive way. A country which claims to want peace, and often publicly rejects the concept of using force, brutalizes its own religious and political dissidents and justifies it all by saying that Soviet law requires that crimes against the state be punished that way.

It is sad, but true, that the rulers of the Kremlin have devised a simple formula for staying in power: Systematically destroy human rights in the Soviet Union. I, for one, place little trust in a regime which maintains such an inhuman and cruel political system. If those suffering souls languishing in Soviet camps could speak to us today, I am certain that they would advise this Nation to proceed with utmost caution in its dealings with Andropov and company lest we become a captive nation in the future.

During this critical period in our Nation's history, when all of us in this Chamber are making major decisions which will affect the security of future generations, we should study this document carefully and remember that when we negotiate with the Soviet Union we are dealing with the creators of the Gulag.●

A FISCAL ALTERNATIVE TO WITHHOLDING

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. GUNDERSON. Mr. Speaker, we have all had thousands of requests from our constituents to repeal the section of the Tax Equity and Fiscal Responsibility Act of 1982 that created 10 percent withholding on interest and dividend income.

At the same time, we recognize that a simple repeal of this compliance measure would cost an estimated $26 billion in Federal revenues through 1988—that is between $4 billion and $5 billion annually. In a time when the estimated annual Federal deficit is approaching $200 billion, a simple repeal is, therefore, unlikely.

Accordingly, I am today introducing legislation to repeal withholding on interest and dividend income and replace its lost revenue with revenue from other sources. In short, Mr. Speaker, I am creating a bona fide fiscal alternative to withholding.

My replacement revenue sources are threefold. First, the legislation would increase the maximum marginal individual income tax rate from 50 percent to 55 percent. This would mean that single individuals with adjusted gross incomes in excess of $55,300 and married individuals filing jointly with adjusted gross incomes in excess of $109,400 would be taxed at 55 percent, rather than at 50 percent, on that portion of their adjusted gross incomes that exceed those amounts.

Second, the bill would repeal recent changes that liberalized the windfall profits tax on oil.

Finally, the net interest exclusion scheduled for implementation on January 1, 1985, would be repealed. This exclusion would have permitted those few individuals who have more interest income than interest payments to exclude a portion of the difference from their income.

Mr. Speaker, it is estimated that these three changes in tax law should bring in $25.4 billion in Federal revenues through 1988—thereby offsetting all but 2.3 percent of the anticipated lost revenue resulting from a repeal of withholding on interest and dividend income.

I, therefore, encourage my colleagues to join me in cosponsoring this most reasonable method of repealing withholding.●

ON THE 50TH ANNIVERSARY OF HITLER'S RISE TO POWER

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. HOYER. Mr. Speaker, 50 years ago, Adolf Hitler assumed the Chancellorship of the Third Reich within the framework prescribed by the German Constitution. The origins of his rise to power were many: The Treaty of Versailles; mass unemployment and an inflation rate that left the mark virtually worthless; a generation embittered and disillusioned who wanted at all cost to avoid a repetition of World War I; a nation raised from its knees by the mesmerizing oratorical skills of a political genius. Regardless of the reasons for Hitler's rise to power, the results were cataclysmic.

Why do we commemorate one of the greatest injustices committed by man upon man? There are those who cry out that enough is enough—enough has been said, and enough guilt has been shouldered; others lament that never must it be forgotten. To paraphrase Count Leo Tolstoi, the object of history is self-knowledge, that of nations and of humanity.

One of the characters brought to life by Pulitzer Prize-winning author William Styron, said that someday he would understand Auschwitz, but immediately recanted and said that Auschwitz would always remain inexplicable. By further explanation, he stated that, "the most profound statement yet made about Auschwitz was not a statement at all, but a response. The query: 'At Auschwitz, tell me, where was God?' And the answer: 'Where was man?' "

In Nazi Germany, ordinary, unremarkable men and women from all walks of life converged at a fortuitous, crucial moment in history and, under the hypnotic, messianic leadership of Adolf Hitler, assaulted humanity. A young man of sharp intellect with a doctorate in romantic drama, unable to break into the theater, turned to politics. Joseph Goebbels, as chief of the Nazi Party propaganda from 1929, and German Minister for Propaganda and Public Enlightenment from March 1933 to the end of the war, was the progenitor of the elaborate machine built to permeate the whole of German civilian life with Nazi ideology. Another young man with a conventional Catholic upbringing, son of a tutor to the Bavarian royal household, entered the military service as an officer cadet. Two years later, at the age of 19, he entered the University of Munich to study agriculture. This man, Heinrich Himmler, later founded Dachau as a model concentration camp and his control included the Gestapo and the entire concentration camp system.

There were many others: Eichman and his "Final Solution"; Muller leading the Gestapo; Hoess in charge of genocide at Auschwitz. The list is endless. It is comprised of artists, lawyers, bankers, doctors, nurses, teachers, engineers, architects, and clerks.

It is because of this extraordinary turning of ordinary people away from their fellow man that we find it so absolutely necessary to remember what happened 50 years ago. It is why we must expose and examine these chains of events, why we must not and will not forget.

Fifty years ago, just after Hitler came to power, the Oxford University Student Union voted more than two to one in support of a resolution that said, "this house will in no circumstances fight for king or country." It is thought that this vote gave a signal to Hitler that the young men of Britain were not inclined to do battle for their country.

Just last week students from this same debating society took up the subject again, in a similar context. During the debate, one voice rang out over all the rest. Lord Beloff, one of those men who voted for the original motion in 1933, took the floor and told the members he had "a duty to make atonement (for that action), and to warn against the kind of foolish arrogance" which prompted the students to take such a stand. He concluded, "I beseech this house not to make this mistake again." The fellows at the Oxford Union, perhaps taken by his hindsight, voted overwhelmingly to oppose the resolution.

This is why we must make this fundamental exercise in reviewing the events of history—even such infamy as was the reign of Hitler. We must be vigilant, as is Lord Beloff, and we must remember.●

MODIFIED DAIRY PRICE SUPPORT PROGRAM

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. FOWLER. Mr. Speaker, I am pleased to introduce today, for myself, and Mr. DOWDY of Mississippi, Mr. SPRATT, and Mr. MOORE, the modified dairy price support program. This legislation would correct serious problems facing the dairy industry, the taxpayers, and America's milk consumers.

The dairy price support program was first enacted in 1949. It is intended to provide a reasonable return to dairy farmers and an efficient supply of milk to the consumer. In recent years, however, the dairy program has become quite costly due to a tremendous surplus of dairy products.

During the 1981-82 marketing year, the Commodity Credit Corporation purchased some 13.8 billion pounds of milk products—over 10 percent of all milk produced by farmers—at a staggering cost too the taxpayer. In an effort to curtial overproduction, last year the Congress enacted, as part of the Omnibus Budget Reconciliation Act, a tax on production of milk. Specifically, it allowed the Secretary of Agriculture to deduct as of October 1, 1982, 50 cents per hundredweight from the proceeds of the sale of all milk marketed commercially and remit the proceeds to the Commodity Credit Corporation as an offset against the cost of the program.

This provision, however, has been enjoined by the Federal district court for the State of South Carolina and opposed by many dairy farmers as inequitable. The Secretary of Agriculture recently announced his intention to try to collect both the original 50 cents and an additional 50 cents, for a total of $1, on all milk marketed as of April 1 of this year. I would expect this proposal to result in additional litigation and a protracted court battle.

The bill we are introducing today would repeal the dairy tax enacted in the Omnibus Budget Reconciliation Act and substitute a decrease in the price support for milk. The price support will be lowered $1 from $13.10 per hundredweight to $12.10 per hundredweight for the period beginning April 1, 1983, and ending September 30, 1984. If during that time the Secretary determines that the CCC will purchase less than expected quantities of dairy products, he would have the authority to raise the support price up to a maximum of $1.

Effective October 1, 1984, we would revert to a price support based on the concept of parity. The exact price support level would depend upon the quantity of dairy products that the Secretary expects the CCC to purchase during the forthcoming fiscal year.

We are not, of course, members of the Committee on Agriculture. However, it seems to us that the current situation requires immediate and decisive action. The current tax on dairy production has been rendered unenforceable by court action. Overproduction of milk continues unabated. The cost of the dairy price support program is unacceptable to the taxpayers and unnecessary to meet the longstanding objectives of the price support program. We therefore urge our colleagues on the Agriculture Committee to give serious thought to the modified dairy price support program. We defer to their expertise and are more than willing to modify the bill according to their suggestions. But this is a serious and costly situation that demands effective and expeditious action. Thank you.●

THE ECONOMIC REPORT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, February 23, 1983 into the CONGRESSIONAL RECORD:

The report follows:

THE ECONOMIC REPORT

Each year the President lays out his program in three important messages to Congress: the State of the Union address, the federal budget, and the economic report. The news media usually concentrate their attention on the first two documents. They only incidentally allude to the economic report.

That habit is an unfortunate one, and it should be changed. From the pages of the economic report, I learn as much about the President's economic philosophy, his plans, and his hopes as I do from any other document. This year's 287-page volume reviews the condition of the economy in depth and discusses international debt, world trade, deregulation, and capital investment. The treatment of these issues is comprehensive.

The following are a few of my general observations on the economic report:

Although the economic report describes unemployment as "the most serious economic problem facing the United States" and then predicts very slow progress against it, the report rejects programs to create jobs, recommends cutting back spending for training, and states that a program of public works will waste money. The President is correct in his view that the best way to create jobs is to allow a substantial economic recovery to take place, but he apparently believes that no steps can be taken to help the millions of American workers who have been idled by our longest and deepest recession. He favors more limited efforts aimed at specific groups that face high unemployment even when times are good. Thus, he wants tax credits for firms that hire the long-term unemployed and a subminimum wage to encourage firms to hire young people.

I am sympathetic to countercyclical policies which provide jobs through public works and public service, and I am pleased to see Congress, with the support of both political parties, moving toward such policies. The jobs that are created can help ease the hardships brought on by the highest unemployment in 30 years. Also, I believe that some additional measures of support are necessary to alleviate these gravest hardships. An extension of unemployment benefits and a better "safety net" for the jobless and poor are in order.

In the economic report, the President praises the Federal Reserve's policy of gradually slowing the growth of the money supply. He urges that the agency not change the policy. Strong support of the Federal Reserve's effort is surprising, at least to me, because that agency's tight-money, high-interest program has been the chief cause of the recession. I have argued that the Federal Reserve should follow a more accommodative policy whose near-term goal would be a lowering of interest rates.

Stressing that reduced deficits are critical to economic recovery, the economic report argues for increased taxes in future years so that deficits will not continue to mount. The Chairman of the Council of Economic Advisors has noted that it would "be better to have a good tax increase than a bad budget deficit." I agree with his statement. However, the President flatly rejects adjusting taxes by cancelling tax indexing—a provision of law, due to become effective in 1985, which will keep inflation from pushing taxpayers into higher tax brackets. While tax indexing may be a good idea, the plain fact is that we simply cannot afford it in the short term.

While the President applauds the 1981 cut in business taxes and supports cutting them further, the economic report does not repeat his recent, celebrated remark that the corporate income tax should be repealed. I agree with the President's emphasis on the importance of having an adequate rate of capital formation. It is a crucial challenge for economic policy in the 1980's.

In some respects, the most surprising part of the economic report is the President's ringing defense of free trade. In the Presi-

dent's judgment, the nation's trade problems are not the result of unfair trade practices by other countries. He blames our trade deficit—which exceeds $42 billion this year—on the high exchange rate of the dollar. He says that "the main sources of the U.S. deficit are to be found not in Paris or in Tokyo, but in Washington." The economic report will tolerate some governmental intervention in the trade sector if it is carefully focused to convince other countries to reduce barriers to trade, but the report goes on to contend that Japan has gained no advantage from its restrictive trade policies. This is a point to which exception will be, and has been, made.

The economic report carries a blunt warning for America's hard-pressed basic industries. It says that the main problem of America's basic industries (automobile and steel manufacture, in particular) may have been brought on by foreign competition, but it notes that the competition has helped boost efficiency and has aided consumers. The tendency of the basic industries has been to blame foreign countries and to seek protection against imports. The report says, however, that "prices and wages in some U.S. heavy industries are probably too high to be sustainable in an integrated world economy."

The President believes that the trade deficit does not show America's inability to compete. Citing the importance of international trade to our economy, he says that protectionist measures would invite retaliation, damage workers, hurt businesses, and harm farmers. A major goal of American trade policy will be to limit protection for the basic industries. Even so, the President says that he will not ignore the "trade distortion practices" of foreign governments, and he acknowledges that there are highly protective barriers in place in Japan and Europe in agriculture, technology, services, and investment.

At a time when demands for protection against imports and calls for subsidies of exports have been so strong, I find the President's support for an open trading system refreshing. I also share his confidence in the long-term competitiveness of the United States.●

A TRIBUTE TO REV. KONSTANTINE TSIGAS

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. COURTER. Mr. Speaker, on February 26, Rev. Konstantine Tsigas will be honored by his friends for his many years of service at St. Andrew's Greek Orthodox Church in Randolph, N.J. He has been an inspiration to all who know him and has worked tirelessly to bring his congregation the message of God.

Reverend Tsigas grew up in the village of Sitarlona in Greece, and it is there that he was inspired to preach the Gospel. In 1953, he went to the University of Athens Theological School and, in November 1962, was ordained a priest in the Greek Orthodox Church. Just 1 month later, he, his lovely wife, Spiridoula, and his children sailed on an ocean liner to this country in order to spread the faith to Greek immigrants in America. The people of St. Andrew's wisely knew a good man when they saw one, and asked the Reverend to be the priest for their church.

The church serves all of Morris, Sussex, Warren, and parts of Somerset Counties and has grown from 75 families to nearly 400, a testimony both to the ability of Reverend Tsigas and the love and concern which exudes from the congregation. The church was originally located in Dover, but the amazing growth of the congregation led to a new, larger home in Randolph, built in 1975.

Since Reverend Tsigas is the only Greek Orthodox priest in the area, he drives more than 3,000 miles a week to care for the needs of those people under his attentive watch. His devotion to the service of God and the Greek community is reflected in his commitment to his daily work and responsibilities.

As an American, Reverend Tsigas can testify to the value of our constitutional right to religious freedom. He bravely fought the advance of Hilter as an officer in the Greek Army during the Nazi occupation in World War II, and during the attempted Communist seizure of power during the Greek civil war.

I am pleased to share with my colleagues the valuable contributions this Greek immigrant and his family have made to the people of northern New Jersey. I join St. Andrew's Church in honoring this man revered for his wisdom and compassion for his fellow man. My best wishes to Reverend Tsigas, his wife, Spiridoula, and their three children, Demetrios, Vasiliki, and Kathryn, so that he might continue his life's work with all God's blessings.●

ILLINOIS VALLEY: HUSTLING FOR JOBS

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 23, 1983

● Mr. CORCORAN. Mr. Speaker, the people of my home county of La Salle in north central Illinois have been suffering since 1979 from rates of unemployment substantially above the national average. Back home, the importance of assisting small businesses to the creation of new jobs is well-recognized, as is discussed in a report on several meritorious efforts there by the Chicago Tribune's veteran columnist, Bob Wiedrich. One of Mr. Wiedrich's continuing themes, in addition to the shortcomings of congressional operations, is the low return in expenditures of tax dollars Illinoisans send to Washington. Though he does not mention Illinois Valley citizens' efforts to improve that situation, it was my pleasure to recently participate in the announcement of Federal discretionary bridge funding for the La Salle-Peru Bridge—the result of another combined effort by valley residents.

My colleagues may well find this account of local cooperation in pursuit of employment opportunities and a better life to include ideas which can be applied in their districts, and I therefore insert it in the RECORD.

[From the Chicago Tribune, Feb. 22, 1983]

WE ARE HUNGARY FOR JOBS

LA SALLE, ILL.—"We're hungry for jobs," the Downstate chamber of commerce official declared. "And when you're hungry, you get out and hustle."

"You don't really have to go out of state to find people who care about small business," wrote Leonard J. Corti, the chamber of commerce executive director from Downstate La Salle. "One can find a very healthy attitude in the Illinois Valley."

I accepted Corti's invitation to visit that region of north central Illinois, about a hundred miles southwest of Chicago along Hwy. 80, and what I found was an amalgam of business, labor and elected leaders working to overcome the ravages of 16.8 percent unemployment brought on by recession and the successful recruiting efforts of Sun Belt states.

"The community decided that it wasn't going to get big employers like Ford or General Motors to come in and solve our unemployment problems," said Mayor Don Baker of Peru, La Salle's sister city along the Illinois River. "So we decided to settle for many small companies with as few as six or eight employees on which to build a firm industrial tax base."

Judging by the growth statistics, the game plan is working. In the last five years, the Illinois Valley, with 140,000 residents, has become home to 15 new light manufacturing ventures, some with as few as 6 to 10 employees, for a total of 1,000 jobs. Their combined payrolls represent $18 million a year.

And complementing those are the relocations of five major trucking lines to the valley that employ 700 people, for a total annual payroll of $22.5 million. The new ventures have helped boost sagging real estate and sales tax revenues. They have provided jobs.

More important, they have offered hope to people whose economy was devastated when the valley's single largest employer started closing its doors five years ago for a move to Alabama.

Westclox, a company that had been in the La Salle-Peru area for almost a hundred years, finally closed its doors in 1980. At its peak, the firm employed 5,000.

Worse, as the recession has deepened, the valley has been losing an increasing number of its most talented young people. About 80 percent of those who go to college do not return. And what makes that figure even more staggering is the fact that more than 50 percent of all high school graduates go to college.

Community leaders are moving to minimize traditional dependence on a handful of major employers by seeking greater diversity of smaller industries.

In keeping with that philosophy, about 20 small businesses—ranging from advertising to light manufacturing—have located in the first phase of an 80-acre industrial park at La Salle underwritten by local interests.

Twenty-five businessmen from the cities of La Salle, Peru, Oglesby and Spring Valley contributed $2,500 each in 1976 to form CIVIC, the Central Illinois Valley Industrial Combine. Four local banks participated by offering about $500,000 in reduced-interest loans.

And that enterprising venture has generated almost 70 more jobs as the valley communities fight their way back toward full employment, inch by laborious inch.

Lower tax rates and a good work ethic in the area recently prompted the Sunstrand Corp.'s Hydro-Transmission Division to consolidate machine tool operations in La Salle from two other cities. The United Auto Workers cooperated by agreeing to a wage freeze and modest work reduction.

Felix Fenza of the operating engineers' union proudly pointed to a labor-management committee formed to defuse potential labor problems, thereby enhancing the attractiveness of the valley to new industries. The group uses bumper stickers and outdoor signs to display its slogan, Cooperation Country. And its members really mean it.

"We've found we can help the area and help ourselves at the same time," Fenza said. "That slogan means we're looking for jobs together."●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, February 24, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 25

8:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 70, to delete certain IRS provisions which treat Members of Congress separately with respect to living expense deductions.
SD-215

9:30 a.m.
Agriculture, Nutrition, and Forestry
To resume hearings on S. 14, S. 18, S. 77, S. 100, title V of S. 124, S. 251, and S. 398, measures relating to agricultural export trade practices.
SD-106

Appropriations
Interior and Related Agencies Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1984 for Indian programs.
SD-192

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1984 for the Consumer Product Safety Commission.
SR-253

*Select on Indian Affairs
To continue hearings to review those items in the President's budget for fiscal year 1984 which fall within its legislative jurisdiction, and to consider recommendations which it will make thereon to the Budget Committee.
SD-628

10:00 a.m.
Environment and Public Works
Business meeting, to consider those matters and programs in the President's budget for fiscal year 1984 which fall within the committee's jurisdiction, with a view toward submitting its views and budgetary recommendations to the Committee on the Budget.
SD-406

Finance
To hold hearings on the nominations of Margaret M. Heckler, of Massachusetts, to be Secretary of Health and Human Services, and John A. Svahn, of Maryland, to be Under Secretary of Health and Human Services.
SD-215

Foreign Relations
To resume hearings on proposed legislation authorizing funds for fiscal year 1984 and supplemental funds for fiscal year ending September 30, 1983, for U.S. International security assistance programs.
SD-419

Judiciary
Immigration and Refugee Policy Subcommittee
To continue hearings on the proposed Immigration Reform and Control Act.
SD-124

*Judiciary
Security and Terrorism Subcommittee
To resume oversight hearings, in closed session, on the operations of the Federal Bureau of Investigation, Department of Justice.
S-407, Capitol

10:30 a.m.
Armed Services
To hold hearings to review those items in the President's budget for fiscal year 1984 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, focusing on Army programs.
SR-325

2:30 p.m.
Armed Services
To hold hearings on proposed budget request for fiscal year 1984 for the Department of Defense.
SD-138

FEBRUARY 28

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Employment and Training Administration, Department of Labor.
SD-138

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for the National Oceanic and Atmospheric Administration, Department of Commerce, focusing on ocean and coastal progams.
SR-253

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on Government management of natural gas import issues.
SD-342

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold hearings to review the Department of Energy's research and development programs in the President's budget for fiscal year 1984, focusing on basic energy sciences, high energy and nuclear, magnetic fusion, and health and environmental research.
SD-366

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings to review foreign assistance programs of the Department of State.
SD-192

Armed Services
To resume hearings to review those items in the President's budget for fiscal year 1984 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, focusing on Air Force programs.
SD-628

Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings on the Middle East.
SD-419

Judiciary
Constitution Subcommittee
To hold hearings on Senate Joint Resolution 3, to establish legislative authority in Congress and the States with respect to abortion.
SD-226

Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on the proposed Immigration Reform and Control Act.
SD-215

Special on Aging
To hold hearings on methods to combat fraud against the elderly.
SR-485

1:00 p.m.
Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To continue oversight hearings on Government management of natural gas import issues.
SD-342

1:30 p.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1984 for the National Transportation Safety Board, and to review the budget of the Civil Aeronautics Board.
SR-253

2:00 p.m.
Finance
Energy and Agricultural Taxation Subcommittee
Oversight of the Internal Revenue Service Subcommittee
To hold joint hearings on S. 446 and S. 527, bills to revise certain IRS provisions with respect to the tax treatment of agricultural commodities received under a payment-in-kind program.
SD-215

MARCH 1

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Labor-Management Services Administration, Pension Benefit Guaranty Corporation, Employment Standards Administration, and the Bureau of Labor Statistics, all of the Department of Labor.
SD-116

9:00 a.m.
*Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to receive legislative recommendations for fiscal year 1984 from the Paralyzed Veterans of America, Military Order of the Purple Heart, and World War I Veterans.
334 Cannon Building

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Agricultural Cooperative Service, Agricultural Marketing Service, Office of Transportation, and the Packers and Stockyards Administration, Department of Agriculture.
SD-124

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for the Hazardous Materials Transportation Act, Natural Gas Pipeline Safety Act, and the Hazardous Liquid Pipeline Safety Act.
SR-253

Governmental Affairs
Governmental Efficiency and the District of Columbia Subcommittee
To hold hearings to receive a report from the Chesapeake Bay Foundation concerning the Environmental Protection Agency's Chesapeake Bay program.
SD-626

Judiciary
Constitution Subcommittee
To hold hearings to discuss the formation of a commission for the observance of the bicentennial of the Constitution of the United States.
SD-226

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Department of State, focusing on international security assistance, international narcotics control, migration and refugee assistance, and anti-terrorism.
S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Transportation Safety Board.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

11:00 a.m.
Foreign Relations
Business meeting, to consider pending committee business.
SD-419

1:00 p.m.
Governmental Affairs
To hold hearings on S. 121, to establish a Department of Trade within the Federal Government.
SD-342

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Mines of the Department of the Interior, and the National Gallery of Art.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for nuclear fission, uranium supply and enrichment programs of the Department of Energy.
SD-192

Armed Services
Closed briefing on comprehensive net assessment of United States/U.S.S.R. military capabilities.

3:30 p.m.
Veterans' Affairs
Business meeting, to consider those items in the President's budget for fiscal year 1984 which fall within its legislative jurisdiction, and recommendations which it will make thereon to the Committee on the Budget.
SR-418

MARCH 2

8:30 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior and related agencies.
SD-138

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Occupational Safety and Health Administration, Mine Safety and Health Administration, departmental management, and the President's Committee on Employment of the Handicapped, all of the Department of Labor.
SD-124

9:30 a.m.
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Board for International Broadcasting, Federal Communications Commission, Federal Trade Commission, and the Japan-United States Friendship Commission.
S-146, Capitol

Judiciary
To hold hearings on low-level radioactive waste disposal compacts.
SD-226

10:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 14, measures to develop and expand markets for U.S. agricultural commodities.
SR-328A

Armed Services
To resume hearings to review those items in the President's budget for fiscal year 1984 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, focusing on Navy/Marine Corps programs.
SD-628

Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on S. 212, authorizing funds for fiscal years 1984 through 1986 for the U.S. Travel and Tourism Administration, Department of Commerce.
SR-253

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Finance
Business meeting, to consider the nominations of Margaret M. Heckler, of Massachusetts, to be Secretary of Health and Human Services, and John A. Svahn, of Maryland, to be Under Secretary of Health and Human Services.
SD-215

Foreign Relations
To hold hearings on proposed authorizations for the U.S. Information Agency.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings on S. 450, proposed Mail Order Consumer Protection Amendments.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on the implementation of vocational education programs.
SD-430

10:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

11:30 a.m.
Foreign Relations
To hold hearings on proposed authorizations for the Board for International Broadcasting.
SD-419

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Peace Corps, and the Inter-American Foundation.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior and related agencies.
SD-138

Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 3

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Animal and Plant Health Inspection Service, Food Safety and Inspection Service, and the Federal Grain Inspection Service, Department of Agriculture.
SD-124

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold hearings to discuss Executive Order 12372 which rescinds OMB Circular A-95 as of April 30, 1983, relating to the intergovernmental consultation process, and the proposed rules that implement the order.
SD-342

Special on Aging
To hold hearings on the future of medicare.
SD-628

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Agency for International Development.
S-226, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Coast Guard, Department of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Finance
To resume hearings on the administration's unemployment proposals, and to discuss the current state of the national unemployment situation.
SD-215

Foreign Relations
Closed briefing on worldwide intelligence matters.
S-116, Capitol

Judiciary
Security and Terrorism Subcommittee
To resume hearings, in closed session, on proposed budget requests for fiscal year 1984 for the Drug Enforcement Administration.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue oversight hearings on the implementation of vocational education programs.
SD-430

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Agency for International Development.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for solar and renewables programs of the Department of Energy.
SD-192

3:30 p.m.
* Select on Ethics
To hold a general business meeting.
Room to be announced

MARCH 4

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Economic Regulatory Administration, Energy Information Administration, and the Office of Hearings, and Appeals, all of the Department of Energy.
SD-192

MARCH 7

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Education.
SD-138

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for the U.S. Representative to the United Nations, and voluntary contributions to international organizations and programs of the United Nations.
SD-192

Energy and Natural Resources
To hold oversight hearings on the implementation of the Energy Emergency Preparedness Act (P.L. 97-229).
SD-366

MARCH 8

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Export-Import Bank of the United States.
S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Railway Association, and Conrail.
SD-138

Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To hold hearings to review the Department of Energy's conservation and supply programs in the President's budget for fiscal year 1984.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on the proposed Education for Economic Security Act, and to review math and science education programs in elementary and secondary schools.
SD-430

11:30 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1984 from the Veterans of Foreign Wars.
SR-325

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Holocaust Memorial Council, and the National Endowment for the Arts.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy

research and environment programs of the Department of Energy.
SD-192

MARCH 9

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for elementary and secondary education, education block grant, and impact aid.
SD-124

9:30 a.m.
Agriculture, Nutrition, and Forestry
Soil and Water Conservation Subcommittee
To hold hearings on proposed legislation providing for soil and water conservation programs.
SR-328A

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings to review the current status of the multilateral development banks of the Department of the Treasury.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Architectural and Transportation Barriers Compliance Board, and the Office of the Inspector General and the Office of the Secretary, Department of Transportation.
SD-138

Governmental Affairs
Permanent Subcommittee on Investigations
To hold closed hearings to investigate alleged involvement of organized crime and mismanagement of funds in the hotel and restaurant workers union (HEREIU).
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue hearings on the proposed Education for Economic Security Act, and to review math and science education programs in elementary and secondary schools.
SD-430

Veterans' Affairs
To hold hearings on proposed legislation providing for veterans' health care services.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Park Service of the Department of the Interior.
SD-192

MARCH 10

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for vocational and adult education, education for the handicapped, and rehabilitation services and handicapped research.
SD-192

9:00 a.m.
Commerce, Science, and Transportation
To resume hearings on proposed legislation authorizing funds for fiscal year 1984 for the National Oceanic and Atmospheric Administration, Department of Commerce, focusing on fisheries programs.
SR-253

9:30 a.m.
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings to receive testimony from the Secretary of Commerce on the overall budget for the Department of Commerce, and on proposed budget estimates for fiscal year 1984 for general administration, Economic Development Administration, International Trade Administration, U.S. Travel and Tourism Administration, Patent and Trademark Office, National Telecommunications and Information Administration, National Bureau of Standards, Minority Business Development Administration, Economic and Statistical Analysis, and the Bureau of the Census.
S-126, Capitol

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Veterans Administration.
SD-124

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings on problems occurring from the manufacture and distribution of imitation controlled substances, known as look-alike drugs.
SD-628

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Geological Survey of the Department of the Interior.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Energy Regulatory Commission of the Department of Energy, and the Nuclear Regulatory Commission.
SD-192

MARCH 11

10:00 a.m.
Finance
To hold hearings on matters relating to the taxation of banks, savings and loan institutions, and credit unions.
SD-215

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for student financial assistance, student loan insurance, higher and continuing education, higher education facilities loan and insurance, and educational research and training activities overseas.
SD-192

9:00 a.m.
Commerce, Science, and Transportation
To resume hearings on proposed legislation authorizing funds for fiscal year 1984 for the National Oceanic and Atmospheric Administration, Department of Commerce, focusing on weather and satellite programs.
SR-253

10:00 a.m.
Energy and Natural Resources
To hold hearings on S. 267, to facilitate the development of interstate coal pipeline distribution systems by granting the Federal power of eminent domain to those interstate pipelines which are determined to be in the national interest.
SD-366

MARCH 15

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institute of Education, education statistics, bilingual education, and libraries, all of the Department of Education.
S-126, Capitol

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings to review the Department of Energy's research and development programs in the President's budget for fiscal year 1984, focusing on conservation and renewable energy programs.
SD-366

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 336, to revise prohibitions against persons guilty of criminal offenses holding specified offices or positions, and clarifying the jurisdiction of the Department of Labor relating to the detection of and

investigation of criminal violations relating to ERISA.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold heairngs on proposed budget estimates for fiscal year 1984 for the Interstate Commerce Commission.
SD-138

10:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Commodity Credit Corporation, Foreign Agricultural Service (including P.L. 480), Office of International Cooperation and Development, Department of Agriculture.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior, and the Department of Energy.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for departmental administration of the Department of Energy.
SD-192

MARCH 16

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimate for fiscal year 1984 for college housing loans, special institutions, Howard University, departmental management (salaries and expenses), Office for Civil Rights, and Office of the Inspector General, all of the Department of Education.
SD-192

9:30 a.m.
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of the U.S. Trade Representative, Securities and Exchange Commission, and the U.S. Arms Control and Disarmament Agency.
S-146, Capitol

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Civil Aeronautics Board.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on proposed legislation establishing a U.S. Academy of Peace.
SD-430

Veterans' Affairs
To hold hearings on proposed legislation providing educational assistance for certain members of the Armed Forces.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Capital Planning Commission, and the Navajo and Hopi Indian Relocation Commission.
SD-192

MARCH 17

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Railroad Retirement Board, ACTION (domestic programs), Corporation for Public Broadcasting, National Commission on Libraries and Information Science, and the Soldiers' and Airmen's Home.
SD-192

9:00 a.m.
*Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to receive legislative recommendations for fiscal year 1984 from AMVETS and the Blinded Veterans Association.
334 Cannon Building

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and the National Agriculture Library, Department of Agriculture.
SD-124

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Railroad Administration of the Department of Transportation, and the National Railroad Passenger Corporation (Amtrak).
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Surface Mining of the Department of the Interior, and the Advisory Council on Historic Preservation.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for atomic energy defense activities of the Department of Energy.
SD-192

MARCH 18

8:30 a.m.
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Oceanic and Atmospheric Administration of the Department of Commerce, Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

10:00 a.m.
Judiciary
Agency Administration Subcommittee
To hold oversight hearings on the indemnification of and contributions to Government contractors.
SD-226

MARCH 21

9:30 a.m.
*Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Rehabilitation Act of 1973.
SD-430

*Labor and Human Resources
Labor Subcommittee
To hold hearings on the current health and future prospects of defined benefit pension plans under the Employee Retirement Income Security Act.
SD-562

10:00 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings to review the Department of Energy's research and development programs in the President's budget for fiscal year 1984, focusing on fossil programs.
SD-366

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Appalachian Regional Commission, and the Tennessee Valley Authority.
SD-192

MARCH 22

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Mediation and Conciliation Service, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mine Safety and Health Review Commission, and the President's Commission on Ethical Problems in Medicine.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the

Economic Research Service, Statistical Research Service, and the World Agricultural Outlook Board, Department of Agriculture.
SD-124

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Highway Administration, Department of Transportation.
SD-138

Labor and Human Resources
Aging, Family and Human Services Subcommittee
To hold hearings on the broken family, focusing on its effects on children.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Land Management of the Department of the Interior.
SD-138

MARCH 23

9:30 a.m.
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings to receive testimony from the U.S. Attorney General on the overall budget for the Department of Justice, and on proposed budget estimates for fiscal year 1984 for general legal activities, Antitrust Division, general administration, Executive Office for U.S. Attorneys, U.S. Marshals Service, and the Office of Justice Assistance, Research and Statistics.
S-146, Capitol

*Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Education of the Handicapped Act.
SD-430

Small Business
To hold hearings to review umbrella contracting and its impact on small business.
SR-428A

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Panama Canal Commission, and the St. Lawrence Seaway Development Corporation of the Department of Transportation.
SD-138

Labor and Human Resources
Aging, Family, and Human Services Subcommittee
To continue hearings on the broken family, focusing on its effects on adults.
SD-538

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Pennsylvania Avenue Development Corporation, and the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

2:30 p.m.
Veterans' Affairs
To hold hearings on proposed legislation providing for judicial review of certain matters relating to veterans affairs.
SR-418

MARCH 24

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Governmental and Public Affairs, Office of the General Counsel, Office of the Inspector General, Office of the Secretary, and departmental administration, Department of Agriculture.
SD-138

Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Legal Services Corporation, U.S. Information Agency, and the Equal Employment Opportunity Commission.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy conservation programs of the Department of Energy.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 4

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Health and Human Services.
SD-192

APRIL 5

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health, both of the Department of Health and Human Services.
SD-124

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Food and Nutrition Service, and the Human Nutrition Information Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Minerals Management Service, and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 6

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-138

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to radiation, and other related matters.
SR-418

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 7

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Farmers Home Administration, Federal Crop Insurance Corporation, Office of Rural Development Policy, and the Rural Electrification Administration, Department of Agriculture.
SD-138

Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Bureau of Investigation, Drug Enforcement Administration, drug task forces, Immigration and Naturalization Service, and the Federal prison system.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Environmental Protection Agency.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Forest Service of the Department of Agriculture.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 8

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Social Security Administration, and refugee programs, both of the Department of Health and Human Services.
SD-192

APRIL 11

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Health Care Financing Administration, Department of the Health and Human Services.
SD-192

APRIL 12

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Human Development Services, Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Food and Drug Administration, Department of Health and Human Services, the Farm Credit Administration, and the Commodity Futures Trading Commission.
SD-138

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Aviation Administration, Department of Transportation.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

APRIL 13

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management (salaries and expenses).
SD-192

9:30 a.m.
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Judiciary, Commission on Security and Cooperation in Europe, and the Commission on Civil Rights.
S-146, Capitol

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on the implementation of vocational education programs.
SD-430

Veterans' Affairs
Business meeting, to consider proposed legislation providing for certain veterans' health care services, proposed legislation providing educational assistance for certain members of the Armed Forces, and proposed legislation providing for judicial review of certain matters relating to veterans affairs.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

APRIL 14

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Centers for Disease Control, Department of Health and Human Services.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Science Foundation.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Urban Mass Transportation Administration, Department of Transportation.
SD-192

Labor and Human Resources
Aging, Family and Human Services Subcommittee
To hold hearings on proposed legislation authorizing funds for adoption services.
SD-628

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue oversight hearings on the implementation of vocational education programs.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Endowment for the Humanities, and the Office of Federal Inspector, Alaska Natural Gas Transportation System.
SD-192

APRIL 15

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Alcohol, Drug Abuse, and Mental Health Administration, scientific activities overseas, and retirement pay for commissioned officers, all of the Department of Health and Human Services
SD-192

APRIL 19

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Indian Health Service of the Depart-

ment of Health and Human Services, and the Office of Indian Education
SD-192

APRIL 20

9:30 a.m.
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the judiciary, U.S. International Trade Commission, and the Federal Maritime Administration.
S-146, Capitol

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold oversight hearings on the implementation of bilingual education programs by the Department of Education.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for fossil energy research and development programs of the Department of Energy.
SD-192
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Commerce, Justice, State, the Judiciary, and related agencies.
S-146, Capitol

APRIL 21

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Aeronautics and Space Administration.
SD-124
Appropriations
State, Justice, Commerce, the Judiciary and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of State, and certain international organizations.
S-146, Capitol
Labor and Human Resources
Aging, Family and Human Services Subcommittee
To hold hearings on proposed legislation authorizing funds for child abuse prevention and treatment programs.
SD-628
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue oversight hearings on the implementation of bilingual education programs by the Department of Education.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Fish and Wildlife Service of the Department of the Interior.
SD-192

APRIL 25

2:00 p.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192

APRIL 26

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior.
SD-138

APRIL 27

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-138

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the land and water conservation fund.
SD-192

APRIL 28

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Emergency Management Agency, and the Neighborhood Reinvestment Corporation.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Strategic Petroleum Reserve, and the Naval Petroleum Reserves, Department of Energy.
SD-138

APRIL 29

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

MAY 2

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

MAY 3

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

MAY 5

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Revenue Sharing (New York City loan program), Federal Home Loan Bank Board, and the National Credit Union Administration.
SD-124

MAY 12

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Housing and Urban Development.
SD-124

MAY 18

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-418

2:00 p.m.
Veterans' Affairs
To continue oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-418

MAY 23

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

MAY 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

JUNE 8

10:00 a.m.
Veterans' Affairs
To hold hearings on proposed legislation providing for certain veterans' compensation.
SR-418

JUNE 15

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review certain health care and other services provided Vietnam veterans.
SR-418

JUNE 22

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on certain health care services for veterans.
SR-418

JUNE 29

10:00 a.m.
Veterans' Affairs
Business meeting, to consider proposed legislation providing for certain veterans' compensation.
SR-418

CANCELLATIONS

FEBRUARY 25

2:00 p.m.
Select Committee on Intelligence
Closed briefing on intelligence matters.
S-407, Capitol

JULY 20

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on the role of management in implementing automated data processing systems at multiple VA hospital sites.
SR-418

HOUSE OF REPRESENTATIVES—*Thursday, February 24, 1983*

The House met at 11 a.m.

Rev. Philip A. Tammaru, Estonian Lutheran Church, Seabrook, N.J., offered the following prayer:

O Lord, Author of Liberty, You have endowed us, Your children, with certain unalienable human rights. Help us to secure them to ourselves and to our neighbors in the world.

We see these rights curtailed in many nations. Today we remember especially Estonia, declared independent on this day 65 years ago. Now Estonia is in the clutches of a totalitarian Communist power.

Help us to preserve Your world through human works of civil righteousness. Restore the dignity of man.

Endow with the spirit of wisdom those to whom the authority of government is entrusted that there may be justice and peace at home and abroad.

Help us to eliminate terror and oppression, that peace may prevail with righteousness and justice with order; and that men and women from various cultures and with differing talents may find with one another the fulfillment of their humanity. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REV. PHILIP A. TAMMARU

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, I am pleased to acknowledge the presence of my constituent, the Reverend Philip A. Tammaru. Reverend Tammaru is pastor of the Estonian Evangelical Lutheran Church of Seabrook, N.J.

Reverend Tammaru offered the prayer in the House of Representatives this morning, which is the 65th anniversary of the declaration of independence of the Republic of Estonia.

Reverend Tammaru was born of Estonian parents in St. Petersburg, now Leningrad, Russia. He attended school in Estonia and graduated from the School of Theology of the University of Tartu in 1934. In 1935 he was ordained by the archbishop of the Estonian Lutheran Church in Tallinn, the capital of Estonia.

After immigrating to the United States in 1950 Reverend Tammaru served parishes in Ohio for more than 20 years before coming to New Jersey in 1973 where he presently conducts services in Estonian and German as well as in English at the Estonian Evangelical Lutheran Church of Seabrook.

Pastor Tammaru has been awarded the Crusade for Freedom Award for outstanding assistance against aggression. He has served two terms as a member of the Estonian-American National Council.

In addition to his service in the Estonian Evangelical Luthern Church of Seabrook, he has contributed articles and sermons on religion to magazines in the United States and Sweden and he has conducted devotions on radio.

It is with great pride and pleasure that I welcome him here today.

REQUEST FOR PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO HAVE UNTIL MIDNIGHT TOMORROW TO FILE REPORT ON H.R. 1310, EMERGENCY MATHEMATICS AND SCIENCE EDUCATION AND THE NATIONAL ENGINEERING AND SCIENCE PERSONNEL ACT OF 1983

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that the Committee on Science and Technology may have until midnight Friday, February 25, 1983, to file a report to accompany the bill (H.R. 1310) to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide for costsharing by the private sector in training such personnel; and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. CHANDLER. Mr. Speaker, reserving the right to object, I would ask the gentleman if this has been cleared with the ranking minority member of the Committee on Science and Technology.

Mr. FUQUA. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I yield to the gentleman from Washington.

Mr. FUQUA. The gentleman is a member of the committee and the bill was reported by the committee. In order to accommodate a request by the minority to file minority views by the close of business today, under the rules of the House the bill cannot be filed unless the House is in session, and this gives us until tomorrow to file the bill which was reported by the committee.

Mr. CHANDLER. I would ask the gentleman if he would just allow us to reach the ranking minority member of the committee and withhold his request until we have heard from him.

Mr. FUQUA. Mr. Speaker, I withdraw my request.

The SPEAKER. The gentleman withdraws his request.

DEMISE OF A GREAT AMERICAN MYTH

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, yesterday the newspapers reported a story that signals the demise of a great American myth. Yesterday Atari, one of the major American high-tech companies, announced that it was abandoning this country in pursuit of lower production costs in Taiwan. As a result, 1,700 American workers will be without a job.

For too long, Mr. Speaker, this myth has gone unchallenged. The people of this country have been encouraged to foresake the industrial backbone of this country in favor of the high-tech diety. This newcomer promised a cure for our economic and environmental ills. We were told that jobs would be plentiful and the air cleaner without our smokestack industries such as steel.

I do not question the need, Mr. Speaker, for high technology. It is woven into the fabric of our daily lives and provides necessary diversity.

I submit, however, that the rhetoric surrounding this new industry has succeeded primarily in shrouding the real issue—unfair foreign trade practices.

What has happened to Atari has and will continue to cripple every major American industry as long as we continue to compete against other nations that heavily subsidize their national corporations, dump their products, and receive foreign aid from us to bolster their own foreign trade markets.

It is time, Mr. Speaker, to lay the myth of high technology to rest and protect all our industries against these unfair trade practices.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

HARSH CRIMES DESERVE HARSH PENALTIES

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, today I am introducing a package of major anticrime bills aimed at slowing the revolving door of our Nation's criminal justice system.

Specifically, my bills would:

Impose a mandatory 2- to 25-year prison sentence for persons convicted of using a firearm to commit a crime;

Prescribe the death penalty for certain Federal crimes that result in death, including terrorist acts, treason, kidnaping, and attacks against the President of the United States, the President-elect, a foreign head of state—while in the United States—a Federal judge or a Federal law enforcement officer;

Eliminate the insanity defense for persons charged with assassinating or attempting to assassinate the President of the United States;

Make it a Federal crime to willfully damage a mass transportation system and sentence those convicted to a maximum $10,000 fine and/or up to 25 years in prison;

Lower the age persons can be tried as adults from 18 to 15; and

Require the fingerprinting of juvenile criminals and allow the courts to obtain information about a person's juvenile crime record.

These tough anticrime measures are more than justified. Violent crime has risen 58 percent from 1972 to 1981—an average increase of 5.8 percent a year. Property crime has gone up 61 percent from 1972 to 1981—an average increase of 6.1 percent a year.

The 1981 Uniform Crime Report, issued by the Federal Bureau of Investigation, shows that in 1981 there were a total of 13.3 million crimes committed in the United States—1,321,900 violent crimes, and 11,968,400 property crimes.

In the violent crime category, there were 22,520 murders, 81,540 forcible rapes, 574,130 robberies, and 643,720 aggravated assaults.

In the property crime category, there were 3,739,800 burglaries, 7,154,500 larceny-thefts, and 1,074,000 motor vehicle thefts.

In my home city of New York, the figures are equally disturbing. In 1981, there were 1,826 murders, 3,862 forcible rapes, 107,495 robberies, 43,783 aggravated assaults, 205,825 burglaries, 258,369 larceny thefts, and 104,706 motor vehicle thefts.

This means that in New York City, there are approximately 1,988 total crimes committed per day, over 430 violent crimes per day, and over 1,558 property crimes per day. More specifically, there are over 5 murders per day, over 10 rapes per day, over 294 robberies per day, over 119 aggravated assaults per day, over 563 burglaries per day, over 707 larcency-thefts per day, and over 286 motor vehicle thefts per day.

As a former law enforcement officer, I am proud to say that more and more arrests are being made. But, all too often, the thugs and hoodlums terrorizing our streets are given little more than a slap on the wrist by our overly lenient judicial system. My bills would take some of the discretionary sentencing powers away from the courts and insure that harsh penalties are imposed for harsh crimes.

Mr. Speaker, I would urge that these bills and other similar anticrime measures, including my bills (H.R. 473) to impose tough new penalties for antireligious acts of violence and (H.R. 474) to establish increased mandatory penalties for terrorist attacks on Federal buildings, receive prompt and favorable consideration.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO HAVE UNTIL MIDNIGHT TOMORROW TO FILE A REPORT ON H.R. 1310, EMERGENCY MATHEMATICS AND SCIENCE EDUCATION AND THE NATIONAL ENGINEERING AND SCIENCE PERSONNEL ACT OF 1983

Mr. FUQUA. Mr. Speaker, renewing my earlier request, I ask unanimous consent that the Committee on Science and Technology may have until midnight Friday, February 25, 1983, to file a report to accompany the bill (H.R. 1310) to provide assistance to improve elementary, secondary and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide for cost-sharing by the private sector in training such personnel; and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

EQUAL PROTECTION IN EMPLOYMENT TO THE HANDICAPPED

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MOAKLEY. Mr. Speaker, I have recently reintroduced legislation that will bring equal protection in employment to the handicapped under the Civil Rights Act of 1964.

Under existing law there is no generally applicable prohibition against employment discrimination on the basis of handicap. Title VII of the Civil Rights Act of 1964 prohibits employment discrimination on the basis of race, color, religion, sex, or national origin: But it provides no protection for disabled workers.

The widespread exclusion of handicapped workers from employment exacts an enormous toll in terms of human dignity and the quality of life for countless Americans. Over 16 million people age 18 to 64 years reported some level of work disability in the 1976 census. Of this handicapped population, there were only 7.1 million persons working.

It is vital to realize that most of these people desire employment but do not work because of unjust and discriminatory hiring policies.

The handicapped face the dilemma of being discriminated against in employment opportunities because they are evaluated on the basis of false generalizations, misconceptions, and misinformation about their handicaps, not on the basis of their job skills, productivity or performance.

Qualified individuals, time and again, are denied employment because of their disability when the disability would in no way interfere with their job performance. Our handicapped deserve the opportunity to be evaluated and hired on the basis of their ability and not their handicap.

The need for this legislation is obvious. There are too many employers who still will not hire an otherwise qualified individual for the sole reason of their disability. Some employers cling to the myths related to hiring the handicapped. Fears of increased insurance rates, lower job performances and job stability, poor attendance and the required physical adjustment turn employers away from hiring the handicapped.

This unnecessary situation weighs a heavy cost on society. In 1980, it was estimated that the Federal Government spent approximately $1 out of every $13 in the Federal budget—$40 billion—to support our disabled population. State, local, and private support for disabled citizens amounts to approximately an additional $60 billion. Surely by eliminating employment discrimination of the handicapped we can help reduce this economic burden on taxpayers.

Additionally, and more important, by enacting this legislation we can help reduce the loss in human terms that is caused by discrimination against handicapped individuals. Too many deserving people are excluded from society's mainstream; left to lose their dignity and self-worth.

The time has come to include the handicapped individuals as a protected element in our population under title VII of the Civil Rights Act of 1964; protecting handicapped persons

against all forms of employment discrimination under that title.

We must demonstrate our Nation's firm commitment to ending discrimination against the handicapped by enacting this legislation. I hope my colleagues will support me in my effort to give the handicapped an equal opportunity in employment.

Text of the bill follows:

H.R. 1200

A BILL To amend title VII of the Civil Rights Act of 1964 to make discrimination against handicapped individuals an unlawful employment practice

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a reference in section 2, 3, 4, 5, or 6 of this Act to a section or other provision is a reference to a section or other provision of the Civil Rights Act of 1964.

SEC. 2. Section 701 is amended by adding at the end thereof the following:

"(l)(1) The term 'handicap' means the status of any individual—

"(A) who has a physical or mental impairment which substantially limits any of such individual's major life activities;

"(B) who has a record of such an impairment; or

"(C) who is regarded as having such an impairment.

"(2) Such term does not include the status of an individual who is an alcoholic or a drug abuser—

"(A) whose current use of alcohol or drugs prevents such individual from performing the job involved; or

"(B) whose employment, because of such current use of alcohol or drugs, would constitute a direct threat to property or safety of other individuals.".

SEC. 3. (a) Sections 703(a)(1), 703(a)(2), 703(b), 703(c)(1), 703(c)(2), 703(d), and 703(e)(1) are each amended by striking out "or national origin" each place it appears and inserting in lieu thereof "national origin, or handicap".

(b) The sentence beginning "Notwithstanding any" in section 703(h) is amended—

(1) by striking out "or national origin" the first place it appears and inserting in lieu thereof "national origin, or handicap"; and

(2) by striking out "sex or national origin" and inserting in lieu thereof "sex, national origin, or handicap".

(c) Section 703(j) is amended—

(1) by striking out "or national origin" the first place it appears and inserting in lieu thereof "national origin, or handicap";

(2) by inserting after "national origin" the second place it appears the following: ", or persons with any handicap,"; and

(3) by inserting after "national origin" the third place it appears the following: ", or person with such handicap,".

(d) The center heading of section 703 is amended by striking out "OR NATIONAL ORIGIN" and inserting in lieu thereof "NATIONAL ORIGIN, OR HANDICAP".

SEC. 4. Section 704(b) is amended by striking out "or national origin" each place it appears and inserting in lieu thereof "national origin, or handicap".

SEC. 5. The sentence beginning "No order of the court" in section 706(g) is amended by striking out "or national origin" and inserting in lieu thereof "national origin, or handicap".

SEC. 6. (a) Section 717(a) is amended by striking out "or national origin" and inserting in lieu thereof "national origin, or handicap".

(b) Section 717(c) is amended by striking out "sex or national origin" and inserting in lieu thereof "sex, national origin, or handicap".

SEC. 7. The amendments made by this Act do not affect any right, remedy, obligation, or responsibility under the Rehabilitation Act of 1973.

SEC. 8. this Act and the amendments made by this Act shall take effect at the beginning of the sixth month after the month in which this Act is enacted.

THE 98TH CONGRESS SHOULD REEXAMINE FOREIGN POLICY PRIORITIES

(Mr. EDGAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, this week the Defense Minister of the Republic of the Philippines, Juan Ponce Enrile, is in Washington to consult with Pentagon officials. This visit signifies our Government's continuing support for a repressive regime in the Philippines.

The administration has fully supported the Marcos government, despite the latter's well-documented record of human rights violations. Since President Marcos' trip to the United States last September, suppression of dissent in the Philippines has increased—it includes the arrest of church leaders and the establishment of a strategic hamlet program in contested areas.

With the visit of Minister Enrile, the Philippine Government will ask for more military aid. This event, as well as the upcoming renegotiation of the Philippine bases agreement, should motivate all Members to reconsider our current policy of unqualified support for an undemocratic government. Are our national security interests served by propping up an unpopular dictator? Are our interests advanced by backing isolated regimes whose domestic programs thwart their people's desire for justice, self-determination, and equality?

I hope that my colleagues will join me in taking this opportunity to reexamine our foreign policy priorities for the 98th Congress.

SWEETWATER JAYCEES 25TH ANNUAL RATTLESNAKE ROUNDUP

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I am proud to have this opportunity to salute the Sweetwater, Tex., Jaycees on the very special occasion of the 25th anniversary of their annual rattlesnake Roundup. Each year since 1958, the Sweetwater Jaycees have sponsored what has become the largest event of its kind in the United States. The Jaycees Rattlesnake Roundup brings thousands of visitors to Nolan County in west Texas, where they participate in a variety of activities associated with this unique community event.

This year, in celebration of their 25th anniversary, the roundup has been expanded to 4 days, March 10 to 13, and planned activities include snakehandling and snake-milking demonstrations, a rattlesnake meat eating contest, and a parade featuring the Miss Snake Charmer Queen contestants.

The Sweetwater Rattlesnake Roundup not only provides fun and entertainment, but important benefits as well. Proceeds from the roundup go to the Sunshine Inn in Sweetwater, a facility for handicapped and disadvantaged citizens of Nolan County. The venom is made available for public and private research by reputable groups and individuals. Venom extracted from the snakes has proven to be quite useful in medical research. Treatment of certain ailments in unborn children, treatment of certain mental disorders, medical applications for snake bite and other medical benefits have come from the venom extracted at this Sweetwater event. Most recently, significant discoveries have been made in cancer research through tests with the venom coming from the Sweetwater Rattlesnake Roundup.

The Sweetwater Jaycees are effectively informing countless thousands of people from all across the United States about the rattlesnake, and have been since this event began. Their year-round efforts are impressive. I congratulate them on their past successes, and extend my personal wish that this year's roundup be the very best ever.

□ 1115

REPORT ON RESOLUTION PROVIDING FOR PERMANENT PROFESSIONAL AND CLERICAL STAFF OF THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 98-8) on the resolution (H. Res. 58) providing for permanent professional and clerical staff of the Permanent Select Committee on Intelligence, which was referred to the House Calendar and ordered to be printed.

GROUND DISPOSAL OF TOXIC HAZARDOUS WASTES

(Mr. BREAUX asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BREAUX. Mr. Speaker, if there is any one thing that is absolutely essential that we learn coming out of our experiences with the Environmental Protection Agency and all the problems that we have been having, it is simply that as long as we continue to dispose of toxic hazardous waste in the ground or on the ground, we are going to continue to have problems with any administration and with any agency in trying to delicately balance all the interests that are concerned.

I will be introducing legislation this morning which will, within 5 years, completely eliminate all land disposal of toxic hazardous waste. The legislation would also immediately after its enactment eliminate the use of landfill disposal of hazardous wastes if the administration can certify that there are other means of treating these toxic hazardous wastes such as incineration, such as neutralization, such as chemical destruction, such as thermal destruction.

There are numerous other ways that we should be handling toxic chemical wastes other than sticking them in the ground or on the ground.

I would urge my colleagues to look at this legislation and consider cosponsoring it.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO FILE REPORT ON H.R. 3, PROVIDING FOR APPOINTMENT OF UNITED STATES BANKRUPTCY JUDGES

Mr. SCHUMER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight, February 24, 1983, to file a report on the bill (H.R. 3) to provide for the appointment of United States bankruptcy judges under article III of the Constitution, and for other purposes.

The SPEAKER pro tempore (Mr. PENNY). Is there objection to the request of the gentleman from New York?

There was no objection.

INDUSTRIAL DEVELOPMENT BOND LIMITATION ACT

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKLE. Mr. Speaker, the purpose of my asking for a special order today is to discuss with this body a bill that I have introduced today, H.R. 1635, which is called the Industrial Development Bond Limitation Act.

This bill places meaningful restrictions on the use of tax exempt, private purpose industrial development bonds and is intended to help prevent further erosions of the value of public purpose municipal bonds used to finance the traditional functions of State and local governments.

This is a very serious matter which affects the American people, and I hope that the Members will be privileged to hear my remarks and to notice in the RECORD also a copy of the bill which is being requested for publication.

MUGGING LOW-INCOME WORKERS

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, the President's opponents claim they are for the little guy. But look at what some of them want to do—they want to eliminate tax indexing, which is the best protection low-income workers have against higher taxes.

Without tax indexing, inflation causes taxes to go up by pushing people into higher tax brackets. The tax-and-spend crew in Congress likes this because it means higher taxes without the embarrassment of having to vote for them.

Because of the bracket creep, for every 1 percent of inflation, the Federal Government's income tax collections go up 1.6 percent; 1 percent of that figure keeps the Government even with inflation, but the extra 0.6 percent is a windfall for the Government—a windfall at the expense of the taxpayers who lose purchasing power even though their pretax wages are only keeping pace with price increases.

The indexing law which is scheduled to go into effect in 1985 is designed to stop this mugging of the taxpayers.

Who benefits from indexing? It is the guy with a low income, not the rich. The tax brackets are narrowest at the low end of the scale, and the rich are already in the highest bracket, so it is those who are hurting the most who find themselves paying more as a result of bracket creep.

Why, then, do the "friends of the poor" in this Congress want to do away with indexing? Such legislators are addicted to high spending policies. For them, raising taxes takes precedence over most everything else.

TO REPEAL SECTION 311 OF THE FEDERAL PUBLIC TRANSPORTATION ACT OF 1982

Mr. LEVITAS. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the bill (H.R. 1572) to repeal section 311 of the Federal Public Transportation Act of 1982, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. GINGRICH. Mr. Speaker, I reserve the right to object.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to my colleague from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding.

Mr. Speaker, the purpose of this legislation, which is cosponsored by myself, the gentleman from Georgia, and the other gentleman from Georgia, is to repeal a provision that was written into the Surface Transportation Act passed in December of last year, which provision likewise was put into that legislation by the two gentlemen from Georgia dealing with the matter of the Metropolitan Atlanta Rapid Transit Authority to assure that the State government and local officials could make some decisions concerning the direction of the rapid transit line.

That action has been effected now. The purpose of the amendment has been very well served and we are seeking by this action to repeal that provision so that the compromise reached in the Georgia Legislature may go forward.

Mr. GINGRICH. Further reserving the right to object, Mr. Speaker, would the gentleman agree that this lays the base for the successful completion of a complete rail system from the airport to downtown and the opportunity for both De Kalb County, which has more than amply paid its fair share, and the airport, which is the economic center of our region, to be adequately served?

Mr. LEVITAS. Mr. Speaker, if the gentleman will yield further, the gentleman is absolutely correct. The arrangements which have now been harmoniously reached will serve the best interests not only of those citizens in De Kalb County, Ga., whom I represent, by getting the rapid transit line further out into that area at a much earlier time, but also serve the needs of the entire State of Georgia and the Metropolitan Atlanta area by insuring adequate rapid rail transportation from the magnificent, beautiful, large Atlanta Airport serving not only Atlanta, Ga., the South, but the Nation and the world.

● Mr. HOWARD. Mr. Speaker, I rise to commend the gentlemen from Georgia for taking the leadership role insuring that the Atlanta metropolitan area will continue to have and develop one of the Nation's model rapid rail systems. I am pleased to have played a role in this endeavor because as chairman of the Public Works and Transportation Committee which authorizes funding for the Nation's transportation systems, as well as oversees the development of the Na-

tion's transportation systems infrastructures, it is good to see the positive results of this hard work, and the Metropolitan Atlanta Rapid Transit Authority (MARTA) is an excellent example. It is important to note that MARTA is supported by a local sales tax and that the gentlemen from Georgia have diligently worked to protect the large investment made not only by the local people and governments but by the Federal Government.●

Mr. GINGRICH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

H.R. 1572

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 311 of the Federal Public Transportation Act of 1982 is repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEVITAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

WELCOMING HER MAJESTY QUEEN ELIZABETH II AND HIS ROYAL HIGHNESS THE PRINCE PHILIP, DUKE OF EDINBURGH, ON THEIR OFFICIAL VISIT TO THE UNITED STATES

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the concurrent resolution (H. Con. Res. 65) welcoming Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, on their official visit to the United States, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. BROOMFIELD. Mr. Speaker, reserving the right to object, I do so for the purpose of giving the committee chairman an opportunity to discuss the resolution.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I am happy to yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I thank my friend, the gentleman from Michigan, for yielding.

Mr. Speaker, House Concurrent Resolution 65 is a simple, straight-forward and very brief expression of welcome on behalf of the Congress to Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, on the occasion of their forthcoming visit to the United States.

The gentleman from California (Mr. LAGOMARSINO) had introduced and cosponsored this resolution, and I do want to pay tribute to him as well as to the ranking minority member of the Committee on Foreign Affairs, the gentleman from Michigan (Mr. BROOMFIELD).

As noted in the text of the resolution, the royal couple will be visiting a number of cities and regions of the west coast, exclusively, between February 26 and March 7 and will meet on two occasions with President and Mrs. Reagan. House Concurrent Resolution 65 specifically welcomes them on their goodwill visit to this country and in so doing, accords special recognition to the ties of the friendship between the peoples of the United States and the United Kingdom and the important political, economic, and cultural relationship existing between the two countries.

Mr. Speaker, this resolution was approved by unanimous voice vote by the Committee on Foreign Affairs. I urge its immediate adoption as a gesture of courtesy and respect, which this body traditionally accords to the chief of state of a friendly country and important NATO ally.

Mr. BROOMFIELD. Mr. Speaker, I am delighted to rise in support of this resolution. I am pleased to know that Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, are again planning to visit America. I trust that the royal couple will find their all-too-brief visit to several American cities, naval facilities, national parks, and universities both informative and pleasant. I am certain that all of us in Congress wish the royal couple a memorable stay in our country.

After many visits to England, I have always been impressed by the hospitality and the sincere friendliness of the English people. Milton once said that England set a precedent in teaching the nations of the world how to live. I see in the English people a high level of personal integrity, a sense of fair play, and a respect for others. These qualities are a testimony to England's invaluable contributions to mankind in the area of human rights.

As all of my colleagues well know, the English people and England have played a special role in America's history. The English occupy a special place in the hearts of all Americans. Although G. B. Shaw once said that England and America were two countries separated by the same language, cooperation and trust have typified the relationship between our peoples.

We have marched together in good times and in bad ones. We have shared the joy of victory and the agony of failed hopes. As a child of the Old World, America carried the culture of England, its European mother, to the New World. Our language and our political and judicial systems are rooted in England. Our close cultural bonds have long enriched our two societies. The great accomplishments of America are, in a sense, England's accomplishments. I believe that I can say that all of us in Congress and all Americans look forward to working with the English people in the future in this unique and rewarding relationship between our two free nations.

I eagerly support this fine resolution. I extend a personal welcome to our special visitors to a land which cherishes so much the values of freedom and liberty. During this period when the forces of suppression, who would gladly deprive all of us of our freedom, are increasingly active in the world at large, we relish this all-too-frequent opportunity to have the royal couple visit America. I extend a warm and hearty welcome to Her Majesty and His Royal Highness The Prince Philip.

Mr. Speaker, I withdraw my reservation of objection, and I wish to commend the chairman of our committee for his explanation of this resolution. I join him in his sponsorship.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 65

Whereas Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, will pay an official visit to the United States from February 26 to March 7, 1983;

Whereas the royal couple will travel on board the H.M.Y. Britannia, visiting several cities on the west coast of the United States, including San Diego, Los Angeles, Palm Springs, Santa Barbara, San Francisco, Sacramento, and Seattle;

Whereas they will visit important United States naval facilities, institutions of higher learning, business and cultural organizations, and hospitals, and will spend a weekend at Yosemite National Park; and

Whereas they will be received by President and Mrs. Reagan at the President's ranch and, in return, will host a dinner for the President and First Lady aboard the H.M.Y. Britannia: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That in special recognition to the historical ties of friendship

between the peoples of the United States and the United Kingdom, the highly valued political and economic relationship which exists between our two countries, and the cultural bonds which have long enriched our two societies, the Congress hereby extends a warm welcome to Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, on the occasion of their official visit to the United States.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TIGHTER SUPERVISION NEEDED ON FOREIGN LOANS

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WYLIE. Mr. Speaker, one of the issues we will be considering on the House floor soon will be the international debt problem and the role of the IMF. The administration has negotiated a reasonable increase in the IMF quota. The subject is very controversial and not one which is easily understood. Ted English, a friend of mine and the business editor of the Columbus Citizen-Journal, has done an excellent job in summing up the difficulty of understanding the problem which I commend to my colleagues for their attention.

TIGHTER SUPERVISION NEEDED ON FOREIGN LOANS

(By Ted English)

With world attention focusing on the meetings of the International Monetary Fund, publication of a knowledgeable new book about the worldwide banking crisis comes at just the right time.

The "Money Lenders," written by Anthony Sampson, comes out Thursday. Sampson also authored "The Sovereign State of ITT," "The Arms Bazaar" and "The Seven Sisters."

His new book maintains that the worldwide banking crisis has resulted from huge loans to unstable, low-growth countries by a few private money lenders who are not answerable to anyone.

It is imperative, says Sampson, that international organizations, "including the IMF and the World Bank and groups of central banks like the BIS in Basel—take over more responsibility for lending to developing countries."

Sampson, a British journalist, is editorial adviser to the Brandt Commission which met in Ottawa in December. His book reflects the knowledge gained from that position and also throws a light into the labyrinthine corridors of international finance.

But we live in Central Ohio. Who cares if Citibank, Chase Manhattan, Bank of American or Manufacturers Hanover get into trouble because they advanced too much money to foreign firms and governments?

It would be great if we didn't have to care. But in the 1980s, what happens in another part of the country, or another part of the world, cannot be avoided or ignored in Columbus.

Corn and soybeans grown in Ohio cannot be sold to Russia, Poland, India or China if those countries don't have the money to pay their international bills. The whole system suffers if they can't pay their bank loans.

That lesson was driven home last year as prices of U.S. bank stocks plunged, pulling other stock prices down, when it appeared Mexico might default on loan payments because of lower oil prices.

The Mexican crisis came on the heels of the Penn Square Bank collapse. Penn Square failed partly because of its "aggressive loan policy" which led to too many loans based on ever increasing oil prices. In plain English, they loaned money to poor risks. Penn Square's demise was even felt in Columbus (fortunately not very strongly).

With huge loans out to Mexico, Brazil, Argentina and Poland, it's easy to see why the debate in Congress over the U.S. contribution to IMF has sometimes been labeled an effort to "bail out" the big, international banks.

Sampson's book does not provide any concrete solutions, but it does help one understand how tightly interwoven the world's economies have become in the last decade.

In today's world, more than ever before, neither governments nor bankers can operate in isolation. The bankers' huge foreign loans and the political decisions by American administrations can have grave consequences for the entire world.

Sampson makes this clear as he walks the reader through the Iranian hostage crisis. He details the maneuvering by bankers, lawyers and diplomats on three continents when the Carter administration froze Iran's assets because it made prisoners of 42 Americans.

That crisis was worked out. But it gave new urgency to demands for more international safeguards. As the Brandt Commission said in Ottawa, "In this crisis the fate of the rich and the poor countries, the industrial and the agricultural communities, is inextricably linked."

In its first report, "A Program for Survival," Sampson said, the commission noted that richer countries have so many mutual interests with developing countries that it's dangerous to ignore their economic plight.

The book indicates loan considerations will have to be made on a different basis. It will no longer suffice that a loan makes the bank a lot of money, but banks will have to consider the consequences—whether or not the loan will help the country and its people.

On Friday in Washington, the finance ministers of 22 countries called on nations around the world to add another $32 billion to the IMF. Now it is up to the various governments.

In hearings, before the House Banking committee, ranking Republican Chalmers P. Wylie, R-Columbus, urged a bipartisan approach to the issue. He predicted Congress would act to avert an international financial crisis, which also would threaten the U.S. economic recovery.

Earlier, Federal Reserve Chairman Paul A. Volcker had asked the committee and Congress to approve a $10 billion increase in the U.S. quota to the IMF.

Wylie said that, although Congress has no choice but to back an IMF quota increase, members on both sides of the aisle want tighter foreign loan supervision by the bank regulatory agencies.

"Today, ironically, bank regulators, the Fed and the Treasury are all in the position of having to encourage U.S. Banks—often the smaller and medium-sized banks—to actually increase their exposure to countries already deeply in debt," said Wylie, "to give those countries some breathing space in which to bring their accounts into balance."

He called for "permanent reforms of the system so that we are not soon confronted with another crisis."

THE INDUSTRIAL DEVELOPMENT BOND LIMITATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PICKLE) is recognized for 30 minutes.

Mr. PICKLE. Mr. Speaker, today I am introducing H.R. 1635, the Industrial Development Bond Limitation Act. This bill places meaningful restrictions on the use of tax-exempt, private-purpose industrial development bonds and is intended to help prevent further erosion of the value of public purpose municipal bonds used to finance the traditional functions of State and local government.

The need for this legislation, Mr. Speaker, is urgent. Historically, the Congress has preserved for public entities, and public entities alone, the right to raise the moneys needed to finance their activities, free of Federal income tax.

Yet, Mr. Speaker, for the first time, in 1982, the dollar volume of private purpose, tax-exempt bonds, which has grown dramatically since 1975, actually surpassed the volume of public purpose tax-exempt issues.

This development was little noted in the headlines of the Nation's newspapers; but, rest assured, it's impact will be felt by every community and every pocketbook in this country for many years to come.

As the use of private purpose industrial development bonds skyrocketed from $4.9 billion in 1975 to $41.6 billion in 1982, the cost of local government has increased. The fact that local tax and local user fees must be raised to pay for the resulting increase in interest rates has become increasingly clear.

In the process of providing cheaper financing for private businesses, industrial development bonds have increased the cost of public projects and services, reduced Federal tax revenues, and put our cities and counties in the position of serving as financial intermediaries for private sector developers and speculators.

The use of industrial development bonds has become popular with some Members of Congress and has been endorsed and used by many of our cities and counties and other public entities. This is understandable because in some instances these kinds of bonds can be very useful and can help a community. But the use of industrial development bonds (IDB's) nationwide has increased in such an alarming manner that we, the Congress, must take direct and immediate action to prevent further deterioration in the value of traditional "public purpose" bonds.

Mr. Speaker, our local officials have been placed in the position of approving and promoting the sale of private purpose tax exempts. In many instances, they have done it without public hearings and without the approval of the local electorate or its representative government. Our TEFRA legislation last summer change that and made a few other cosmetic corrections, but we did not go far enough. The temptation for local officials to parcel out tax subsidies to private enterprise is still too strong. Many have recognized that there is virtually no accountability in the present system and that by "sprinkling holy water" on an IDB project, the city council or county government can take credit for the construction of a new plant facility, shopping center, or hotel/motel. Rarely are economic feasibility studies or cost analyses required. Seldom is an independent assessment of need requested. IDB financing is cheap and it is easy. And, unfortunately, little thought is given to the fact that in approving a project for IDB financing, local officials are helping dry up sources of revenue for traditional municipal tax-exempt bond programs. The inevitable result of IDB financing, as attractive as it may seem, is that local political subdivisions will have to raise taxes or user fees in order to pay for the increased cost of interest on public purpose bonds.

There are times and places where IDB's can and should be used. But, Mr. Speaker, if we do not control them, if we do not reduce their overall attractiveness, we may very well destroy the traditional tax-exempt program. As much as a community wants to have an IDB project in its area, as appealing as it is to build a new shopping center or a hotel or apartments, the cold and honest truth is that we are allowing private business to reap a tax benefit amounting to some 2 to 3 percent interest on the bonds—$200,000 to $300,000 per year in tax subsidy on a typical $10 million "small issue" deal. The revenue loss to the Federal Government exceeds the interest savings to the beneficiary of the tax-exempt financing. We have to ask ourselves what business does the Federal Government have in allowing DuPont or any other large corporation the right to ask Uncle Sam to finance their projects. The Federal Government has many serious problems of its own, and we ought to avoid trying to help any major corporation or real estate developer in making the Federal Treasury foot the bill for their projects.

For the record, Mr. Speaker, let me give you a bit of background on these IDB programs:

Tax-exempt, private purpose bonds are corporate bonds issued by a government entity and are similar to municipal bonds. They differ, however, from municipal bonds which are used to fund public works projects sponsored by a municipal, State or public authority in that they are issued by governments to raise funds for private development.

In the past 6 or 7 years, the use of these bonds to subsidize the borrowing costs of private business has increased dramatically. In 1975, the issuance of bonds for private business activities amounted to $4.9 billion or 16 percent of all tax-exempt bonds. By 1982, the figure had jumped to a total of $41.6 billion or 48 percent of all tax-exempt bonds issued. At the present time—because of the flood of IDB applications throughout the United States—IDB's probably constitute some 60 percent of the tax-exempt bonds issued. Given another year or two, this could easily climb to 75 percent.

The cost of all this private purpose bond activity has been high. Five years ago, the ratio of interest rates on tax-exempt bonds to the interest rates on taxable bonds averaged about 65 percent. Last year, the interest rate ratio of tax-exempt bonds to taxable bonds jumped to 80 percent and above. As more tax-exempt bonds are issued, this ratio can be expected to increase, driving up the cost of traditional public projects.

If the increase amounts to just 1 percentage point of added interest local governments must pay to finance public projects, then the private purpose, tax-exempt bonds issued in 1983 alone could cost taxpayers well over $1 billion in extra interest, and that will continue for each year the bond issue remains outstanding. Many finance experts believe the impact could be even greater than that.

The ingenuity of bond attorneys and investment bankers should never be underestimated. These bond attorneys peddle IDB's like hotcakes. It is a downright embarrassment to witness this selling procedure. Recently, a new issuance technique has been developed which combines FDIC or FSLIC deposit insurance with tax-exempt financing. Here is how it works. Bonds are issued with an understanding that no bondholders will purchase more than $100,000 of the bonds—FDIC and FSLIC insurance is limited to deposits of $100,000 or less. A trustee then deposits the proceeds of the issue on behalf of each bondholder in special certificates of deposit in a cooperating savings and loan association or commercial bank. The funds are then lent by the financial institution to the beneficiary at an interest rate reflecting the rate on the tax-exempt bonds. The bondholders not only enjoy tax-exempt interest income, but bear no risk because of the Federal deposit insurance. The banks essentially sell the deposit insurance provided by the Federal Government by charging the beneficiary of the tax-exempt borrowing a few extra points.

Incidentally, Mr. Speaker, commercial banks and wealthy individuals gobble up these IDB issues to shelter their income from Federal taxes. The banks claim the tax-free exemption—a 100-percent exemption—and bank portfolios are stuffed with all the IDB's the law will allow. One result is that the effective tax rate on bank movers around 5 percent while all the rest of us pay four, five, and six times that amount.

For many years, the Federal Government has had the policy of not insuring or guaranteeing tax-exempt bonds because, by doing so, debt instruments are created that are superior to those issued by the Federal Government. This new practice violates that policy. By eliminating bondholder risk, it will lead to the further proliferation of IDB's. By tying FDIC and FSLIC insurance to particular real estate projects rather than bona fide deposits, the FDIC and FSLIC are being exposed to new and unintended risks. This practice must be stopped.

Mr. Speaker, I know there are some valid, worthwhile multifamily bonds in the pipeline, and I do not want to hurt a project which is nearing completion. But, we must set an early effective date for this measure so that the industry and public officials will know that we are going to sharply control the issuance of these kinds of bonds.

Accordingly, the effective date of my bill with repect to the FSLIC/FDIC provision is April 15 or date of enactment, whichever is sooner.

With this exception, the remainder of the bill will become effective on date of enactment.

I think it is entirely appropriate, Mr. Speaker, that lucrative tax loopholes like the FSLIC-backed bonds, be shut down effective April 15, the filing date when most of the rest of us pay our fair share of Federal income taxes.

Beyond doubt, the issuance of private purpose bonds will continue to grow explosively in the absence of additional limits. Meaningful restrictions on these tax-exempt bonds will help restore the benefit of tax-exempt financing for traditional Government purposes and will reduce the growing

Federal revenue loss attributable to the increasing volume of private purpose, tax-exempt obligations.

H.R. 1635, the Industrial Development Bond Limitation Act will meet this need. Major provisions of the bill are as follows:

(1) Restrictions on "private purpose" tax-exempt IDB's.

(a) Requires recovery of the costs of depreciable assets financed with tax-exempt bonds using straight line depreciation over extended recovery periods: 5 years for 3-year property; 8 years for 5-year property; 15 years for 10-year property; 22 years for 15-year public utility property; and 25 years for 15-year residential and non-residential real property.

Full ACRS deductions are still allowed for low or moderate income multifamily housing, but extended lives are required for all other properties financed with industrial development bonds.

(b) Prohibits tax-exempt IDB financing where obligation is directly or indirectly guaranteed or insured by the FSLIC or FDIC.

(2) Additional limitations on "small issue" IDB's.

(a) Restricts the use of the small issue exemption to businesses and their subsidiaries:

(i) With total capital expenditures not exceeding $20 million worldwide during the period beginning 3 years prior to issuance of the bonds; and

(ii) With no more than $20 million of tax-exempt IDB's outstanding after issuance of the bonds.

(b) Eliminates the use of the small issue exemption for the purchase of land.

(3) These provisions would become effective on date of enactment.

For your convenience, a copy of H.R. 1635, The Industrial Development Bond Limitation Act, is herewith reprinted.

H.R. 1635

A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of industrial development bonds

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Industrial Development Bond Limitation Act of 1983".

SEC. 2. COST RECOVERY FOR PROPERTY FINANCED WITH TAX-EXEMPT BONDS.

(a) GENERAL RULE.—Paragraph (12) of section 168(f) of the Internal Revenue Code of 1954 (relating to limitations on property financed with tax-exempt bonds) is amended by striking out subparagraphs (B), (C), and (D) and inserting in lieu thereof the following:

"(B) RECOVERY METHOD.—

"(i) IN GENERAL.—Except as provided in clause (ii), the amount of the deduction allowed with respect to property described in subparagraph (A) shall be determined by using the straight-line method (with a half-year convention and without regard to salvage value) and a recovery period determined in accordance with the following table:

"In the case of:	The recovery period is:
3-year property	5 years.
5-year property	8 years.
10-year property	15 years.
15-year public utility property	22 years.

"(ii) 15-YEAR REAL PROPERTY.—In the case of 15-year real property, the amount of the deduction allowed shall be determined by using the straight-line method (determined on the basis of the number of months in the year in which such property was in service and without regard to salvage value) and a recovery period of 25 years.

"(C) EXCEPTIONS.—Subparagraph (A) shall not apply to any recovery property which is placed in service in connection with projects for residential rental property financed by the proceeds of obligations described in section 103(b)(4)(A)."

(b) TECHNICAL AMENDMENT.—Paragraph (12) of section 168(f) of such Code is amended by redesignating subparagraph (E) as subparagraph (D).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to property placed in service after the date of the enactment of this Act to the extent such property is financed by the proceeds of an obligation issued after such date of enactment.

SEC. 2. TAX EXEMPTION DENIED WHERE PROCEEDS INVESTED IN FEDERALLY-INSURED DEPOSITS.

(a) GENERAL RULE.—Subsection (b) of section 103 of the Internal Revenue Code of 1954 (relating to industrial development bonds) is amended by adding at the end thereof the following new paragraph:

"(15) PROCEEDS MAY NOT BE INVESTED IN FEDERALLY-INSURED DEPOSITS.—

"(A) IN GENERAL.—Paragraphs (4), (5), (6), and (7) shall not apply to any obligation issued as part of an issue if a significant portion of the proceeds of the issue are to be invested (directly or indirectly) in deposits or accounts in a federally-insured financial institution.

"(B) EXCEPTIONS.—Subparagraph (A) shall not apply to—

"(i) proceeds of the issue invested for an initial temporary period until such proceeds are needed for the purpose for which such issue was issued,

"(ii) investments related to debt service, or

"(iii) investments of a reserve which meet the requirements of subsection (c)(4)(B).

"(C) FEDERALLY-INSURED FINANCIAL INSTITUTION.—For purposes of this paragraph, the term 'federally-insured financial institution' means—

"(i) a bank (as defined in section 581),

"(ii) a mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution, or

"(iii) a credit union,

the deposits or accounts in which are insured under Federal law."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after April 14, 1983 or, if sooner, the date of the enactment of this Act.

SEC. 3. LIMITATIONS ON SMALL ISSUE EXEMPTION.

(a) GENERAL RULE.—Section 103 of the Internal Revenue Code of 1954 (relating to interest on certain governmental obligations) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) LIMITATIONS ON SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS.—

"(1) SMALL ISSUE EXEMPTION LIMITED TO SMALL BUSINESSES.—

"(A) IN GENERAL.—Paragraph (6) of subsection (b) shall not apply to any issue if the principal user of any facilities being financed with such issuer is a large business.

"(B) LARGE BUSINESS.—For purposes of subparagraph (A), the term 'large business' means any person if the aggregate amount of capital expenditures incurred by such person in connection with a trade or business during the 3-year period ending on the date of the issuance of the issue exceeds $20,000,000.

"(C) CERTAIN CAPITAL EXPENDITURES NOT TAKEN INTO ACCOUNT.—For purposes of subparagraph (B), any capital expenditure described in clause (i) or (iv) of subsection (b)(6)(F) shall not be taken into account.

"(D) RELATED PERSONS.—For purposes of this paragraph, all persons who are related (within the meaning of subsection (b)(6)(C)) to each other shall be treated as 1 person.

"(2) AGGREGATE LIMIT PER TAXPAYER FOR ALL ISSUERS.—

"(A) IN GENERAL.—Paragraph (6) of subsection (b) shall not apply to any issue if the aggregate authorized face amount of such issue (when increased by the outstanding small issue obligations of any principal user of any facilities being financed with such issue) exceeds $20,000,000.

"(B) OUTSTANDING SMALL ISSUE OBLIGATIONS OF ANY PERSON.—For purposes of applying subparagraph (A) with respect to any issue, the outstanding small issue obligations of any person who is a principal user of any facilities being financed with such issue is the aggregate face amount of all small issue obligations—

"(i) which financed any facilities a principal user of which was such person, and

"(ii) which are outstanding at the time of such later issue (not including as outstanding any obligation which is to be redeemed from the proceeds of the later issue).

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) SMALL ISSUE OBLIGATION.—The term 'small issue obligation' means any industrial development bond (as defined in subsection (b)(2)) to which paragraph (1) of subsection (b) does not apply solely by reason of paragraph (6) thereof.

"(ii) RELATED PERSONS.—All persons who are related (within the meaning of subsection (b)(6)(c)) to each other shall be treated as one person."

(b) SMALL ISSUE EXEMPTION NOT AVAILABLE FOR FINANCING LAND.—Subparagraph (A) of section 106(b)(6) of such Code is amended by striking out "land or".

(c) EFFECTIVE DATE.—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

(2) For purposes of determining the outstanding small issue obligations of any person under section 103(m)(2)(B) of such Code (as added by this section), all obligations whether issued before, on, or after such date of enactment shall be taken into account.

□ 1145

HAZARDOUS WASTE DISPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. SUNDQUIST) is recognized for 5 minutes.

Mr. SUNDQUIST. Mr. Speaker, today I am introducing two bills, which together can turn what appears to be an unresolvable problem into industrial and employment opportunities.

It is clear that the problem of hazardous wastes has become a monumental one. We continue to produce over 60 million metric tons of hazardous wastes each year, yet negative public reaction to landfills has virtually brought the location of new landfills to a complete standfill.

Health and potential future problems from these landfills continually fill our media with horror stories. Just this week the Federal Government has offered to buy out all 2,400 residents of a community in Missouri because it was confirmed that the town is too contaminated to be safe for human habitation. But the amazing thing to me is that despite all the disasters we have witnessed associated with chemical pollution in the ground, EPA continues to license trash companies to bury toxic wastes. The EPA officials tell me that the current state of the art techniques for dumping chemical wastes are sufficient. The problem with that is that state of the art techniques change every year—hazardous wastes are supposed to stay in the ground forever. We only have to look back to the infamous Love Canal and remember that it was state of the art technology when the chemical wastes were first dumped there.

So, my review of the problem suggests that EPA does not have the comprehensive authority necessary to make national environmental policy. Even the basic data to make such a policy is not available at the Federal level. Recently, I went to EPA with what I consider to be fundamental questions. How many acres of land have been licensed for the purpose of dumping hazardous wastes? How much of that acreage has been filled to date? And what volume remains? Believe it or not, this data is not available at EPA and officials there told me that even if the data were available from State sources there would be no way to assure its accuracy.

We must look at an entirely new approach to the problem of what to do with continuing production of these wastes in this country.

So what the alternative? Obviously more regulation at EPA is not the answer. The population of this country has spoken clearly on that subject. Government can take a role but it should be to provide an incentive to the private sector to solve this problem. My proposal does this.

First, I propose a moratorium on any additional EPA licensed permits for hazardous waste landfills. It is very likely that we now have decades, indeed hundreds of years of existing landfill capacity, and until we know for sure, we cannot continue granting these permits and dumping these chemicals all over this country.

After establishing that we will no longer license those potentially unsafe landfills, we must then address the major issue of what do we do with the 60 million mertic tons of hazardous wastes produced here each year.

My second legislative proposal addresses this issue by providing to the generators of hazardous wastes a tax credit of 2 cents a pound, if that generator chooses to dispose of that waste through recycling procedures as opposed to dumping. This amount would be sufficient to make existing and new recycling facilities competitive with firms that dump hazardous wastes underground.

I feel this is a realistic approach with a modest goal of recycling 25 percent of this 60 million metric tons of waste in 5 years, or in simple terms 33 billion pounds. The revenue impact woud be $660 million over these 5 years, however, there is a substantial amount of revenue and savings that certainly will offset this entire revenue loss. This is no pie-in-the-sky proposition—100 percent of all hazardous wastes can be dealt with in ways besides digging a hole and dumping them into the ground. In fact, 70 percent can be recycled in an economically feasible way. This technology exists and the companies exist to recycle these wastes.

Let us look at a hypothetical model for example. If you were to establish a relatively small recycling facility capable of transporting, processing, and recycling 30 million pounds of hazardous waste, that firm or plant would employ about 45 persons, with an average payroll of $900,000 or $20,000 per employee. These 45 employees would in turn generate $130,000 in taxes annually while the corporation that employs them would pay $250,000 in taxes. Also, there would be a significant capital investment in new plant equipment.

If we were successful in recycling this 25 percent of hazardous wastes in 5 years we could generate an estimated 40,000 jobs in the recycling industry alone. And this does not even include the impact of a multiplier effect in the economy. We could also expect a reduction in the current administration and structure at EPA by an equivalent 25 percent, and in the long term we can look forward to the reduction in the Superfund account because we will be reducing the threat of cleanup costs for hazardious wastes dumps. Also, this tax credit for recycling will assist in developing energy resources, thus our dependence on foreign energy sources is reduced.

In conclusion, Mr. Speaker, I urge the Congress to study and analyze these revenue losses and gains carefully, I am confident that the benefit to the Treasury far outweighs the costs from this tax credit I am proposing.

Since coming into office I have heard much talk about the nationwide chemical waste dilemma, but little talk about long-range solutions. After considerable study by myself and my staff, I am convinced that these two bills are at least the beginning of the answer to the fundamental problems surrounding hazardous waste disposal.

LEGISLATION AMENDING SOCIAL SECURITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. McKERNAN) is recognized for 5 minutes.

● Mr. McKERNAN. Mr. Speaker, in recent months, matters concerning social security have been foremost on the minds of many Americans. Today, I am pleased to be introducing a bill on behalf of myself and several of my colleagues, to amend title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954 to provide for two changes to move us toward the goal of insuring social security trust fund solvency and toward restoring the confidence of social security program participants.

Title I of this bill provides for coverage of Members of Congress under the social security system. It is often argued by critics of the social security system that if social security is such a good program, and in fact if the program is sound, than why are Members of Congress exempted from participation? This provision answers that concern. Those who pay into social security, and who depend upon it, deserve the reassurance that their elected representatives who create the laws are subject to them. This action will both demonstrate our faith that Congress will resolve the problems of social security and it will allay the fears of citizens who are concerned about the future of social security. The provision to cover Members of Congress under the social security system would be effective on January 1, 1984.

Title II of this bill mandates changes in the handling of uncashed social security checks. Money paid by citizens in good faith for social security should not be used by the Government for other purposes. Under the current procedures, the Social Security Administration estimated that more than $30 million in uncashed checks will go into the Treasury's general fund this year, rather than being credited back to the social security trust funds from which they were originally drawn. As Members of the 98th Congress, we have the responsibility of facing the long-term problem of social security solvency; procedures such as this are a slow drain on the system and clearly must be corrected. In fact, the Nation-

al Commission on Social Security Reform addressed this problem specifically in its proposal, recommending that the amount of uncashed Old Age, Survivors and Disability Insurance checks in the past be credited back to the social security trust funds. This proposal enjoyed bipartisan support among members of the Commission. I am happy to say that this bill, too, enjoys bipartisan support here in the House.

The two changes proposed in this bill, while small in nature, will help to demonstrate that the 98th Congress believes in the long-term solvency of the social security system, and will be taking steps to insure it.●

U.S. INVOLVEMENT IN MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, this week President Reagan pledged U.S. border protection for Israel if Israel removes its troops from Lebanon. As Commander in Chief the President certainly can respond militarily in an emergency, if our Nation is attacked or our security threatened. But by no stretch of the imagination can it be said that such an elaborate arrangement in the Middle East is required for America's security. Moreover, the President has no authorization to make any such agreement.

This assumption of power is, nevertheless, the logical outgrowth of a decades-old foreign policy based on our extended commitments overseas. An interventionist foreign policy creates problems, the so-called solutions to which can only be found in further commitments and intervention. I do not believe the American people are happy with the ever-growing number of obligations we have assumed over the last several decades, but they feel helpless to change this policy.

Israel has not and will not benefit from our persistent involvement in the Mideast. Since our dollars flow to both Arabs and Israelis, we will not be inclined to allow either side to decide for itself what is in its own best interest.

Israel under today's circumstances cannot retain its sovereignty for we will always feel compelled to criticize their actions if in our opinion these actions destabilize the area. This is true whether it involves their borders with Gaza in the south or the settlement on the West Bank. I think what they do in these areas is their business, not ours. How would we feel if a country halfway around the world told us how we should act in the face of what we believed to be a threat to our borders?

Committing unlimited troops and Americans dollars to secure a border betweeen two warring factions who have fought for thousands of years does not make much sense. Our presence in the Middle East helps neither the Arabs nor the Israelis and it does little to increase the probability of peace in the long run. Although the proponents of these policies are sincere in their intent to bring peace, their actions in fact jeopardize America's interests. They increase the likelihood of our being engulfed in a regional conflict in which we need not and should not become entangled. In our attempt to befriend both Arab and Isreali, we inevitably will alienate both. Giving military support to two sides of a conflict and then proclaiming neutrality is not a tenable policy.

It is like buying two tomcats, putting them in a cage and then insisting they should not fight since they belong to the same owner. Obviously, putting your hand between the two to stop the fighting while pleading for reason will not work either.

But even if it did work, which it will not, where is the moral and constitutional authority for such a grandiose assumption of responsibility? Quite frankly, there is none. The responsibility of the administration and the Congress is to promote security for our Nation and to seek peace and harmony with all nations. Pursuing a policy of free trade with all and not giving aid to allies or potential adversaries would do more to enhance peace and prosperity than any attempt to guarantee borders in the Middle East or anywhere else. Such a policy cannot achieve peace between enemies halfway around the world. There is neither authority nor a popular mandate for it. There is no money for this kind of intervention either. We are broke, with $1 trillion debt staring us in the face. Expenditures of this sort will only hasten the day of our collapse.

We have already pumped a billion dollars into the Mideast in the name of peace, yet the powderkeg is as hot and dangerous as ever. This policy has been costly beyond words. There are many more dollars hidden in our Pentagon budget over and above the direct foreign aid expenditures we all know about. But the real threat lies ahead.

Continued intervention in the Middle East will only guarantee greater problems for us in the future. It cannot enhance our security. It can only jeopardize peace and weaken our own defenses.

TENANT RENTAL CONTRIBUTION ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. FRANK) is recognized for 5 minutes.

● Mr. FRANK. Mr. Speaker, today I am introducing the Tenant Rental Contribution Act of 1983. I am pleased to be joined by 39 of my colleagues, including the chairman of the Committee on Banking, Finance and Urban Affairs, Mr. ST GERMAIN; the chairman of the Housing Subcommittee, Mr. GONZALEZ; and my colleague on the Housing Subcommittee, Mr. SCHUMER.

As part of the Omnibus Budget Reconciliation Act of 1981, Congress, the President, made a very unfair decision. It raised the percentage of income to be paid by tenants in the various assisted housing programs from 25 percent of adjusted income, the level which had existed for a number of years, to 30 percent. With the multitude of budget cuts in domestic programs implemented by this administration already placing tremendous strain on our poorest citizens, increasing rents was a particularly unfortunate and untimely action.

The bill I am introducing today would return the proportion of income to the 25 percent level in the section 8, public housing, section 236, and rent supplement programs. In addition, it would standardize for the first time in statute the definitions of "income" and "adjusted income" for these programs. In these and other respects, this legislation does not change past or proposed regulatory policy by the Department of Housing and Urban Development. However, in order to insure continued fair treatment of low income tenants by the administration, I am proposing to put these policies into statute.

Likewise, the term "adjusted income," which serves as the base from which the 25-percent amount is calculated, is specifically defined in this legislation. Adjusted income is defined as the income remaining after deducting; $400 for each family member residing in the household who is under 18 (other than the head of household or his or her spouse), who is handicapped, disabled, a student, or is elderly; any unreimbursed medical expenses over 3 percent of income; or amounts paid for care of children, handicapped or disabled family members if such care is necessary to enable another family member to be employed; and any unreimbursed and unusual occupational expenses.

The act is made effective in the first month following enactment.

Mr. Speaker, those who reside in assisted housing are often those most directly affected by this administration's assault on domestic programs critical to the poor, elderly and disabled. Yet they are being asked at the same time to contribute a greater portion of their already strained budgets to housing costs. I believe this Congress has a responsibility to correct its action in the 97th Congress and to return the rental contribution to the much fairer 25-percent level.●

ESTONIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, 65 years ago on February 24, 1918, the people of Estonia established an independent nation of their own, free of the domination imposed on them for centuries by the Russians. Today, I am privileged to commemorate the 65th anniversary of Estonian Independence Day and to focus attention on the heroism and courage of the Estonian people who continue to struggle, to pray, and to work for the day when Estonia can once again enjoy liberty.

The Estonian American National Council has issued a statement concerning the current situation in Estonia, and that statement follows as well as a memorandum from the Relief Centre for Estonian Prisoners of Conscience in the U.S.S.R.:

STATEMENT ON THE SITUATION IN ESTONIA

As the Estonian people all over the free world commemorate the 65th anniversary of their Declaration of Independence, the Estonians in Estonia are facing very serious threats to their language, culture, and their very existence as a nation.

One of the declared policies of the Soviet Union is the creation of the "new Soviet man". Schooled to believe in the tenets of Soviet communism, the "new Soviet man" would reject the culture of his ancestors, and embrace that of the Soviet Union. In reality, this is a policy aimed at crushing the individuality of the scores of nationalities encompassed by the Soviet Union, and subjugating them completely to the dominance of the Russian majority. It is an attempt to russianize them out of exestence.

In Estonia, this policy has already had many frightening consequences. The status of the Estonian language, and the right of the Estonians to use their mother tongue in their everyday lives has been sharply attacked. The ILTA-SANOMAT, Helsinki's evening newspaper, recently published photocopies of a secret directive ordering the Russian language to be granted preferential status at all official and educational levels in Estonia, in all cultural areas and, especially, in teacher's training. Addressed to the Estonian Communist Party, the directive was issued by its First Secretary, Karl Vaino, himself a russianized Estonian, born in Siberia.

The demographic situation of Estonia is also causing grave concern. A recent appeal to the West from 15 Estonian human rights activist expresses the fear that Tallinn, the Estonian capital, will be turned into a Russian city upon the completion of the new harbor. At present, Estonians constitute only 51.5% of the city's population, and the new harbor could bring an additional 100,000 to 200,000 non-Estonian immigrants to Tallinn. Over-industrialization of Estonia as a whole, with its resulting immigration of non-Estonians to fill the labor shortage, had, by 1979, already resulted in the number of Estonians falling to 64.7% of their country's total population (down from 92.5% in 1934).

1982 has brought tremendous changes in the leadership of the entire Soviet Union. The prospect of a future under Yuri Andropov cannot, however, be a very hopeful one for the Estonian people. Andropov is the only Russian leader, to date, who has personally visited Estonia. He came, after the student demonstrations of 1980, in his role as chief of the KGB, to chastise the local KGB for not effectively controlling and suppressing the nationalist sentiments of the population, as expressed by the thousands of school children marching through the streets of Tallinn and shouting anti-Soviet as well as anti-Russian protests. Considering also the ruthless suppression of the Ukrainian national movement executed by the KGB under Andropov's leadership, the Estonian national movement—inded, all national movements in the Soviet Union—must view the future with apprehension.

The beginning of 1983, has, however, brought some hopeful indications for the future. On January 13th, the European Parliament passed a resolution reiterating the right of the Baltic States of Estonia, Latvia and Lithuania, to self-determination. The resolution called for their case to be brought up at the follow-up meetings for the Helsinki Accords, and to be submitted to the UN Subcommittee on Decolonization, inasmuch as these countries are, in effect, Soviet colonies.

Happily, the United States government, as stated in a Voice of America editorial, has heartily endorsed this proposal:

". . . Bringing their colonial status before the United Nations would emphasize that time has not legitimized the Soviet claims to Estonia, Latvia and Lithuania. It would also remind the Kremlin leaders that the outside world is aware of their treatment of the Baltic populations—and of the harassment and imprisonment of the Baltic patriots who even today continue to defy the imperial Soviet state."

The resolute refusal by the United States to legitimize the Soviet seizure of the Baltic States is a fact which gives moral strength to those struggling within the Soviet Union. The Soviet authorities continually attempt to demoralize any opposition by constantly convincing them that they are alone, and abandoned by the rest of the world.

Dissident sources confirm that every scrap of evidence assuring them of the continued policy of non-recognition of the Soviet incorporation of the Baltic States, by the United States and other Western governments, serves as a boost to their morale. It means that they have not been forgotten after all!

NEW YORK, N.Y., *February 15, 1983.*

MEMORANDUM

STOCKHOLM,
December 8, 1982.

To: The Delegations at the Conference on Security and Cooperation in Europe at the Follow-up Meeting in Madrid.

From: Relief Centre for Estonian Prisoners of Conscience in the USSR.

The signing of the Final Act of the Conference on Security and Cooperation in Europe provided the guidelines for promoting peace, prosperity and security in Europe. The Final Act recognized that respect for human rights is an essential factor for the peace, justice and well-being necessary to insure the development of friendly relations and co-operation among individuals as among all States.

In flagrant violation of the Final Act the Soviet Union continues to deny the Estonian people basic human rights. Human rights activists and nationalists who dare to speak out against the oppressive Soviet regime are jailed, confined to psychiatric institutions and physically abused. In 1980–1982 about 40 national and human rights activists were arrested and sentenced to forced labour camps, compared with 60 during the whole decade of 1970–1979. In addition, more people had their homes searched, were questioned, forced out of employment, expelled from schools etc.

The most illuminating example of the many breaches of the Helsinki Agreement is the case of Mart Niklus, sentenced on January 8, 1981, to 10 years in special regime labour camp plus five years internal exile for "anti-Soviet agitation and propaganda", already referred in our memorandum of April 7, 1981. As appears from the attached description of his case (Appendix I) Mart Niklus is at present being held in a cell for solitary confinement in Perm forced labour camp No. 389/36. That means less food, ban on meetings with relatives and more restricted right to send and receive mail until April 8, 1983. Another example is the case of Tiit Madisson, sentenced on May 15, 1981 to four years in strict regime labour camp plus two years internal exile for "anti-Soviet agitation and propaganda" (Appendix II). On November 9, 1982, he started in Perm forced labour camp No. 389/37 a hunger strike in connection with the Follow-up Meeting in Madrid, lasting until the end of the Madrid Conference. He wants to leave the USSR and is seeking an emigration permit for himself and for his family.

We appeal to the signatories of the Helsinki Agreement to seek the implementation of the Final Act by requesting that:

1. The Soviet Union release Mart Niklus, Tiit Madisson and all other Estonian political prisoners from prisons, labour camps, psychiatric institutions and other places of detention and facilitate their return home.
2. The Soviet Union allow Mart Niklus and Tiit Madisson, who are seriously ill and have applied for emigration permits to leave the USSR.
3. The Soviet Union put an end to the deliberate violation of the human rights in Estonia.

Respectfully submitted.

ANTS KIPPAR,
Chairman.

Mr. Speaker, since 1917, when the Communists seized power in Russia, they have worked unceasingly to expand Russia's colonial empire, and even worse than the czars, they kill, torture, or imprison all those, Russian and non-Russian alike, who believe in the value and strength of religion. In 1940, Estonia was one of the victims of these brazen attempts to impose the Russian language and Russian Government on non-Russian peoples, just as in 1980 Afghanistan became the most recent victim in the Communist program of mass murder and slavery of subject peoples.

I am honored to join with Americans of Estonian descent in my own 11th District, which I am honored to represent, in the city of Chicago, and all over this country as they share with Estonians everywhere the prayers, the hopes and the determination that the Estonian people will have a free nation once again, and that the American people will remain alert to the fe-

rocious nature of the Communist tyrant.●

NOW IS THE TIME FOR A NEW GI BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentelman from Mississippi (Mr. MONTGOMERY) is recognized for 5 minutes.

● Mr. MONTGOMERY. Mr. Speaker, on February 10, I introduced H.R. 1400, to establish a new educational assistance program for veterans and members of the Armed Forces.

It will be recalled that at the beginning of the 97th Congress I introduced H.R. 1400, to establish a peacetime GI bill for persons who enter on active duty in the Armed Forces as a measure to enhance the recruitment and retention of quality military personnel. Subsequently, the Committee on Veterans' Affairs reported H.R. 1400 on May 19, 1981. Since my bill was jointly referred to the Committee on Armed Services, further hearings were held by its Subcommittee on Military Personnel and Compensation, following which H.R. 1400 was reported with amendments on May 17, 1982.

The bill I introduced has all the provisions of the legislation reported by the Armed Services Committee in the 97th Congress, except for the deletion of a cash-out provision which authorized the cashing out of earned educational benefits as provided in that legislation.

It is my view that it continues to be absolutely essential that we have an educational assistance program for the All Volunteer Force that will attract quality people and retain key personnel that are vital to the Armed Forces. Until the present economic downturn, the military was having extreme difficulty meeting its recruitment goals. Key mid-level noncommissioned and commissioned officers were leaving the service.

The decline in the economy, and particulary the increase in the unemployment rate, have been major factors in helping the Armed Forces meet their recruitment goals during this past year and have dramatically improved the retention rates. However, despite these statistics, it is pretty well agreed that for the long haul we must have a GI bill if the military is to effectively carry out its mission. We know that as the rate of unemployment begins to fall and the economy straightens out, the military will again have serious difficulties in recruiting and retaining quality personnel. In addition, the manpower pool is shrinking. The number of 17- to 21-year-old males will drop by more than 2 million by 1989, a time when military manpower needs will be increasing.

During the 97th Congress, 19 separate hearings were held in the House on this legislation by both committees. We received excellent testimony in support of H.R. 1400. For example, Lt. Gen. Maxwell R. Thurman, Deputy Chief of Staff for Personnel, U.S. Army, and former chief recruiter for the U.S. Army, stated:

> One of the things that is essential is that we get a long-term educational incentive program that is not subject to the vagaries of year-by-year determination. . . . We need a GI bill, and many of the features of H.R. 1400 are similar to the features that we perceive.

The President has indicated his support for an All Volunteer Force GI bill, However, the Department of Defense has taken the position that a GI bill is not needed at this time. I believe that this is a shortsighted view on the part of the Department of Defense policymakers, and it is totally inconsistant with the views of the military service chiefs.

The Department of Defense talks about H.R. 1400 being too costly. H.R. 1400 would end enrollments for new recruits in the veterans' educational assistance program (VEAP) with the Government's cost of VEAP offset against the estimated cost of H.R. 1400. It is estimated that in 1995, the military services will be spending $98.1 million for tuition and reimbursement programs. Most of this cost could be eliminated with the approval of H.R. 1400. The Congressional Budget Office has stated that this new proposed program has a cost projection range from $1 million in outlays for the first fiscal year to $187 million for the fifth fiscal year.

While H.R. 1400 is called a peacetime GI bill, it does not provide a level of benefits anywhere near comparable to previous GI bills. The bill attempts to accomplish the goal of providing recruitment and retention enhancement for members of the Armed Forces, including educational assistance for service in the National Guard and Reserves, but at the same time the provisions of the bill have been modified to give the Armed Forces more flexibility to recruit higher quality personnel and to retain key midlevel noncommissioned officers. The result is a bill with a very modest cost which will be paid back many times by the beneficiaries of the bill.

Mr. Speaker, we have a GI bill without the GI. The administration has requested over $5 billion for higher education assistance for fiscal year 1984.

My question is: Why cannot some of this money be made available to enhance the recruitment and retention ability for our military to have some money for education available for those who agree to serve a tour of duty in the military service.

During the 97th Congress, H.R. 1400 had 128 cosponsors. I hope that there will be an increase in the number of Members who will join me as cosponsors of H.R. 1400, 98th Congress. Therefore, any Members desiring to have their name added as a cosponsor should contact Beth Kilker at 225-9166.●

INTRODUCTION OF THE NEIGHBORHOOD DEVELOPMENT DEMONSTRATION ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. COYNE) is recognized for 5 minutes.

● Mr. COYNE. Mr. Speaker, I am today introducing, along with Mr. GARCIA of New York and 27 of our colleagues, the Neighborhood Development Demonstration Act of 1983.

Most Members of this body know, as I do, that the strength of a Nation is often rooted in the neighborhoods of its towns and cities. The cooperative and innovative activities undertaken there by largely volunteer groups accomplish tasks beyond the capability of other institutions in our society.

The Neighborhood Development Demonstration Act would stretch the Federal dollar while enabling neighborhood groups to go forward with projects that might otherwise be stillborn for lack of funds. Depending in part on the economic condition of the neighborhood involved, the Secretary of the Department of Housing and Urban Development could match the amount of private funds raised by a neighborhood group by ratios ranging from 3 Federal dollars to every voluntarily contributed dollar to 10 Federal dollars for each private one. Neighborhood groups could be funded for initiating projects in such areas as job training, housing rehabilitation, new enterprise development, and service delivery.

My city of Pittsburgh was the birthplace of the very successful neighborhood housing services, a program which encourages cooperation between neighborhood groups, lenders, and local governments. The vitality of the neighborhood groups in my city, and of those in the towns and cities elsewhere in the Nation where people have joined together for the common good, convinces me that this approach to development makes as much good sense as the NHS model.

A similar bill is today being introduced in the other body by Senator HEINZ of Pennsylvania. I urge my colleagues to consider sponsoring this House bill, and to join in working to make sure this measure becomes law this year.

At this point, I would like to insert into the RECORD a letter of support for this bill from the United States Conference of Mayors and a legislative summary of the bill's provisions.

Here follows that material:

U.S. CONFERENCE OF MAYORS,
Washington, D.C., February 23, 1983.

Hon. WILLIAM J. COYNE,
House of Representatives,
Cannon House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE COYNE: On behalf of the membership of the U.S. Conference of Mayors, it is my pleasure to lend our support to the Neighborhood Development Demonstration Act of 1983.

The demonstration program authorized by your bill is a sensible way to continue federal support of neighborhood-based development efforts which are designed to stimulate employment and housing in distressed cities. Strong neighborhoods are the backbone of healthy cities. Continued federal support as envisioned by your legislation will ensure that the efforts which have been growing in recent years do not wither now for lack of support.

We are especially pleased by the bill's provision for a certification from the chief elected official of the locality in which the neighborhood group is located, that the activities are consistent with the city's own development efforts. This guarantee of close cooperation between City Hall and neighborhood development groups is an important feature of the bill.

We look forward to participating further in the development of this legislation as it moves through the legislative process, and hope you will feel free to call on our staff for assistance or comment as the bill moves along.

Thank you for this opportunity to share our views on your legislative initiative.

Sincerely,

JOHN J. GUNTHER,
Executive Director.

LEGISLATIVE SUMMARY—NEIGHBORHOOD DEVELOPMENT DEMONSTRATION ACT OF 1983

PURPOSE

The objective of the act is to demonstrate the feasibility of a new mechanism for encouraging neighborhood development activities such as housing rehabilitation, job training, service delivery, new enterprise development, and other endeavors. Federal matching funds—up to $50,000 in one year—would be provided to eligible neighborhood organizations which raise voluntary charitable contributions from individuals, businesses and religious organizations in their neighborhoods.

METHOD

The Act would authorize the Secretary of Housing and Urban Development to establish a three-year demonstration program to determine the practicality of this new mechanism. Participation in the demonstration program would be limited to 100 eligible neighborhood organizations in the first year, 200 in the second year, and 300 in the third year. The Secretary would establish a 15-member neighborhood development advisory council, composed of representatives of eligible neighborhood development organizations. This council would review and evaluate applications for funds, making recommendations to the Secretary for selection. The Secretary and council would attempt to balance population size, economic condition and geographic location of neighborhoods to provide a fair demonstration of the effectiveness of the assistance.

OPERATION

For each participating organization, the Secretary would establish a ratio by which voluntary charitable contributions made by individuals and businesses would be matched by federal funds. Depending on the economic conditions and the number of households and businesses in the neighborhoods involved, this ratio would be set no lower than 3 Federal dollars for every dollar of voluntary contribution, nor higher than 10 Federal dollars for every dollar of voluntary contributions. The local government must certify that the financial assistance is consistent with the neighborhood revitalization objectives of that unit.

ELIGIBILITY

Neighborhood development organizations would be eligible to participate in the program if they (1) are organized as a nonprofit corporation under laws of the state in which they operate (2) have a representative governing board (3) have conducted business for at least three years (4) operate within neighborhoods that meet the "pockets of poverty" criteria of the Housing and Community Development Act of 1974 (5) conduct one or more activities that mainly benefit persons of low or moderate income.

AUTHORIZATIONS

The Act would authorize $5 million dollars for fiscal year 1983; $10 million for fiscal 1984 and $15 million for fiscal 1985.●

H.R. 1028, SEMICONDUCTOR CHIP PROTECTION ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. EDWARDS) is recognized for 30 minutes.

● Mr. EDWARDS of California. Mr. Speaker, H.R. 1028 is a bill to amend title 17 of the United States Code to protect semiconductor chips and masks against unauthorized duplication, and for other purposes; to the Committee on the Judiciary.

SEMICONDUCTOR CHIP PROTECTION ACT OF 1983

On January 27, 1983, Congressman MINETA and I introduced a bill to extend the copyright law to protect semiconductor chip designs. Integrated circuits, or semiconductor "chips," have revolutionized the electronics industry. These chips are used to operate microwave ovens, cash registers, typewriters, printers, TV sets, refrigerators, hi-fi equipment, automobile engine controls, and many other consumer and industrial products. The chips are typically a quarter-inch square, and yet they may contain over 100,000 transistors photographically etched and deposited on a silicon wafer. Fitting these transistors into that small space, and placing them so that the device operates efficiently and economically, is a fine art and also a costly one. The layout and design process, and the preparation of the photographic "masks" used to etch, deposit layers on, and otherwise process the chips often take the innovating chip firms years, consume thousands of hours of their engineers' and technicians' time, and cost millions of dollars.

Yet, a pirate firm can photograph the chip and its layers, and in several months and for a cost of less than $50,000 duplicate the mask work of the innovator. Because the pirate firm does not have the enormous development costs borne by the innovator, the pirate firm can undersell the innovator and flood the market with cheap copies of the chip.

Continuation of such piracy may make it impossible for the semiconductor industry to continue to invest in development of new chips. Thus, unless this piracy is stopped, the industrial leadership enjoyed in the past by the American semiconductor industry may vanish.

Present law offers American industry only limited protection against this misappropriation of their technology. The current copyright laws give little, if any, protection, to semiconductor chips. Patent law can protect the basic electronic circuitry for new microprocessors or other new such products. But patent law does not protect the particular layouts and art work performed by the different American chip manufacturers in adapting those electronic circuits for a particular industrial purpose. Yet, it is those layouts and art works that consume thousands of staff hours, cost millions of dollars, and are pirated by free riders.

Summary of the bill. The bill addresses two major issues. First, it protects the substantial investments of innovating firms from misappropriation. It does this by granting 10 years of copyright protection to those who develop new integrated circuit mask designs and grants copyright owners exclusive rights to make, distribute, and reproduce images of the mask design and the chips embodying that design. Second, it protects semiconductor chip users from liability for innocent conduct and it also makes compulsory, reasonable royalty licenses available to them when necessary to protect their reasonable interests in their ongoing business activities as users of chips.

The text and the analysis of the bill follows:

H.R. 1028

A bill to amend title 17 of the United States Code to protect semiconductor chips and masks against unauthorized duplication, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Semiconductor Chip Protection Act of 1983".

DEFINITIONS

SEC. 2. Section 101 of title 17 of the United States Code is amended by adding at the end thereof the following:

"A 'semiconductor chip product' is the final or intermediate form of a product—

"(1) having two or more layers of metallic, insulating, or semiconductor material, deposited on or etched away from a piece of semiconductor material in accordance with a predetermined pattern;

"(2) intended to perform electronic circuitry functions; and

"(3) that is a writing or a discovery, or the manufacture, use, or distribution of which is in or affects commerce.

"A 'mask work' is a series of related images—

"(1) having the predetermined, three-dimensional pattern of metallic, insulating, or semiconductor material present or removed from the layers of a semiconductor chip product; and

"(2) in which series the relation of the images to one another is that each image has the pattern of the surface of one form of the semiconductor chip product.

"A 'mask' is a substantially two-dimensional partially transparent and partially opaque sheet. A mask embodies a mask work if the pattern of transparent and opaque portions of the mask is substantially similar to the pattern of one of the images of the mask work. Masks and mask works shall not be deemed pictorial, graphic, or sculptural works.

"As used in sections 109(a), 401, 405, 406, 501(a), 503, 506, 509, and 602 of this title, 'copy' includes a semi-conductor chip product that is subject to the exclusive rights described in section 106.".

SUBJECT MATTER OF COPYRIGHT

SEC. 3. Section 102(a) of title 17 of the United States Code is amended—

(1) by adding after paragraph (5) the following:

"(6) mask works;"; and

(2) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively.

EXCLUSIVE RIGHTS

SEC. 4. Section 106 of title 17 of the United States Code is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting "; and" in lieu thereof; and

(3) adding at the end thereof the following:

"(6) in the case of mask works—

"(A) to embody the mask work in a mask;

"(B) to distribute a mask embodying the mask work;

"(C) to use a mask embodying the mask work to make a semiconductor chip product;

"(D) in the manufacture of a semiconductor chip product, substanitally to reproduce, by optical, electronic, or other means, images of the mask work on material intended to be part of the semiconductor chip product; and

"(E) to distribute or use a semiconductor chip product made as described in subclause (C) or (D) of clause (6) of this section.".

LIMITATION ON EXCLUSIVE RIGHTS AS TO MASKS

SEC. 5. (a) Chapter 1 of title 17 of the United States Code is amended by adding at the end the following:

"§ 119. Scope of exclusive rights: Compulsory licensing with respect to mask works

"(a) In the case of mask works, the exclusive rights provided by section 106 are subject to compulsory licensing under the conditions specified by this section.

"(b) The owner of a copyright on a mask work shall be required to grant a compulsory license under the copyright, to any applicant therefor, on the following terms and conditions, and in the following circumstances:

"(1) The applicant has purchased a semiconductor chip product made or distributed in violation of the owner's exclusive rights under section 106.

"(2) When the applicant first purchased such semiconductor chip product (hereinafter in this section referred to as the 'infringing product'), the applicant did not have actual knowledge that or reasonable grounds to believe that the infringing product was an infringing product (hereinafter in this section referred to as 'having notice of infringement').

"(3) The applicant, before having notice of infringement, committed substantial funds to the use of the infringing product; the applicant would suffer substantial out-of-pocket losses (other than the difference in price between the infringing product and a noninfringing product) if denied the use of the infringing product; and it would be inequitable in the circumstances not to permit the applicant to continue the use or proposed use of the infringing product.

"(4) The applicant offers, subject to the applicant's rights, if any, under section 501(e) of this title, to pay the copyright owner a reasonable royalty for infringing products.

"(5) The royalty shall be for each unit of the infringing product distributed or used by the applicant after having notice of infringement.

"(6) The license shall be one to make, have made (but only if the copyright owner and the owner's licensees, if any, are unable to supply the applicant at a reasonable price), use, and distribute the infringing product, for substantially the same purposes that gave rise to the applicant's right to a compulsory license, throughout the United States, for the life of the copyright, revocable only for failure to make timely payments of royalties.".

(b) The sectional analysis at the beginning of chapter 1 of title 17 is amended by adding the following:

"119. Scope of exclusive rights: Compulsory licensing with respect to mask works.".

DURATION OF COPYRIGHT

SEC. 6. Section 302 of title 17 of the United States Code is hereby amended by adding at the end thereof the following:

"(f) MASKS.—Copyright in mask works endures for a term of ten years from the first authorized—

"(1) distribution;

"(2) use in a commercial product; or

"(3) manufacture in commercial quantities of semiconductor chip products made as described in subclause (C) or (D) of clause 6 of section 106 of this title.".

INNOCENT INFRINGEMENT

SEC. 7. Section 501 of title 17 of the United States Code is amended by adding at the end thereof the following:

"(e) Notwithstanding the other provisions of this chapter, a purchaser of a semiconductor chip product who purchased it in good faith, without having notice of infringement (as that term is used in section 119 of this title), shall not be liable as an infringer or otherwise be liable or subject to remedies under this chapter with respect to the use or distribution of units of such semiconductor chip product that occurred before such purchaser had notice of infringement.".

IMPOUNDING AND SEIZURE

SEC. 8. Sections 503(a), 503(b), and 509(a) of title 17 of the United States Code are each amended by inserting "masks," after "film negatives," each place it appears.

EFFECTIVE DATE

SEC. 9. The amendments made by this Act shall take effect ninety days after the date of enactment of this Act, but shall not apply to—

(1) semiconductor chip products manufactured in the United State or imported into the United States before the effective date;

(2) masks made in the United States or imported into the United States before the effective date; or

(3) semiconductor chip products manufactured in the United States by means of masks described in paragraph (2) of this section.

SECTION-BY-SECTION ANALYSIS OF SEMICONDUCTOR CHIP PROTECTION ACT OF 1983

SECTION 1. TITLE OF THE BILL

Section 1 of the bill provides that the Act would be cited as the "Semiconductor Chip Protection Act of 1983."

SECTION 2. DEFINITIONS

Section 2 of the bill defines the terms "semiconductor chip products," "mask works," and "mask," and it amends Section 101 of the Copyright Code to include them. The bill also includes semiconductor chip products as "copies" under certain other sections of the Copyright Code. This is more economical of wording than it would be to insert the phrase "semiconductor chip product made as described in Section 106(6) of this title" or equivalent phraseology in each of the listed sections, but the effect is the same.

Semiconductor chips are defined as multilayer products etched into semiconductor material in accordance with a predetermined pattern, which are intended for use as electronic circuits, and which are writings or discoveries, or whose manufacture, use, or distribution is in or affects commerce. Mask works are defined as series of related images embodying the pattern of the surface of the layers of semiconductor chips. Masks are embodiments of the image used to etch a layer of a simiconductor chip.

SECTION 3. SUBJECT MATTER OF COPYRIGHT

Section 3 of the bill amends Section 102(a) of the Copyright Code by adding "mask works" as one of the specifically enumerated categories of copyrightable works.

SECTION 4. EXCLUSIVE RIGHTS

Section 4 of the bill amends Section 106 of the Copyright Code by adding to the present categories of exclusive rights under copyright law a new right as to mask works. The exclusive right of the owner of the copyright in a mask work is to embody the mask work into an individual mask, to distribute such masks, to use such masks to make semiconductor chips, to otherwise reproduce the images of the mask work onto material intended to be part of a semiconductor chip, and to distribute and use semiconductor chips so made.

SECTION 5. COMPULSORY LICENSING

Section 5 of the bill limits the exclusive rights of the owner of a copyright on a mask by requiring reasonable royalty compulsory licenses for bona fide purchasers, when they have already innocently committed substantial funds to the use of the chip and it would be inequitable not to permit them to continue their use of the chip in their product.

SECTION 6. DURATION

Section 6 of the bill limits mask copyrights to ten years.

SECTION 7. INNOCENT INFRINGEMENT

Section 7 of the bill adds, to present Copyright Code provisions as to innocent infringement of copyrights, a provision that innocent bona fide purchasers of semiconductor chip products are not infringers and are not liable to damages or other remedies for their innocent conduct. Innocent conduct is good faith purchase, use, or distribution of the product without knowledge that it is protected by someone else's copyright.

SECTION 8. IMPOUNDING AND SEIZURE

Section 8 of the bill amends the impoundment and seizure provisions of Sections 503(a) and (b), and 509(a), of the Copyright Code by including masks in the same category as plates, molds, film negatives, and other articles used to make infringing copies.

SECTION 9. EFFECTIVE DATE

Section 9 of the bill makes the Act effective in 90 days, but exempts previously manufactured products.

Detailed analysis

The bill amends the present copyright laws and adapts their remedies to protect semiconductor chips. Sections 2 and 3 of the bill add a new category of "work" to those works already protected under the Copyright Act. The existing Act, 17 U.S.C. § 102(a), protects literary works, musical works, dramatic works, choreographic works, pictorial works, motion pictures and other audiovisual works, and sound recordings. The bill lists "mask works" as an additional category of protected work. The bill's definition of "mask works" is generally parallel to the present Copyright Act's definitions of audiovisual works and motion pictures (17 U.S.C. § 101), i.e., as a series of related images. In the case of a mask work, these images are the images having the pattern of the various transitional or final layers of the semiconductor chip.

The bill defines "masks" as sheets respectively embodying one of the individual layer images making up the mask work. For example, one mask of the mask work would be that used to open holes in a silicon dioxide coating in order to admit "dopants" such as boron; another mask would be that used to configure an upper layer of aluminum in the chip for electrical contacts. Thus, a mask is related to a mask work as a single frame of a motion picture is related to the whole motion picture work or as a page or chapter of a book is related to the whole literary work.

Section 4 of the bill defines the exclusive rights accorded the owner of a copyrighted mask work. It does so by adding a further paragraph to present 17 U.S.C. § 106, which sets forth the exclusive rights enjoyed by the owners of the different types of copyrightable works that are presently recognized in the Copyright Act. The exclusive rights accorded the owner of a mask work are:

To make masks embodying the copyrighted work,

To distribute such masks,

To make chips with such masks,

To reproduce images of a mask work onto a layer of a chip; and

To use or distribute such chips.

The fourth of these exclusive rights is inclusive of all means of embodying the images of a mask onto a chip. This includes not only the use of masks to do so, but also the new technological process of impressing the image directly onto the chip with the aid of a computer-driven light beam. It is believed that this provision has sufficient breadth to cover foreseeable advances in chip manufacturing technology, so that pirates will not be encouraged to try to exploit loopholes in the law.

Limitations on these exclusive rights are imposed by sections 5 and 7 of the bill, and existing copyright law. Section 5 provides a compulsory licensing provision for chips, under somewhat different procedures from the compulsory licensing provisions of section 115 of the present Copyright Act. The provisions of new section 119 of the Copyright Act, added by section 5 of this bill, apply to bona fide purchasers of infringing chips, who do not have notice or reason to believe that they are engaging in copyright infringement. Such bona fide purchasers may commit substantial funds to the development of a product built around the infringing chip, and it could work an undue hardship later to compel them to abandon manufacture of the product. An example might be a personal computer innocently designed around an infringing microprocessor chip. If the innocent infringer has the "equities" on his side, he becomes entitled under section 119 to a permanent, reasonable-royalty license as to the chip. In general, the concept of the balance of equities under new section 119 of the Copyright Act would be like that provided in section 252 of the Patent Act (35 U.S.C. § 252), which protects intervening rights of manufacturers of products that are subject to a reissue patent.

The reasonable royalty license applies to chips distributed or used after the bona fide purchaser acquires reasonable notice of copyright infringement. No royalty is required from the bona fide purchaser as to products already sold and gone before the bona fide purchaser had notice, or for other past conduct that is wholly completed before notice.

Similarly, persons further down the distribution chain have equivalent rights if they are bona fide purchasers. While each case must be decided on its own equities, it would appear that an ordinary consumer who was a bona fide purchaser should rarely or never be liable to pay anything, while a commercial user might well be obliged to pay something to continue his economically beneficial use of the infringing product. The question of royalty or no royalty merges into that of what constitutes a "reasonable" royalty for the use of the chip. That is a matter, in part, of the equities of the user, and in part of more objective question—usually posed as what a "willing purchaser" would pay a "willing seller" if they negotiated a license in good faith. This test or standard for "reasonable royalty" is described more fully in such decisions as *Horvath v. McCord Radiator & Mfg. Co.*, 100 F.2d 326 (6th Cir. 1938) ("that which would be accepted by a prudent licensee who wished to obtain a license but was not so compelled and a prudent patentee who wished to grant a license but was not so compelled . . . that amount which a person desiring to use a patented machine and sell its product at a reasonable profit would be willing to pay"), and other decisions construing 35 U.S.C. § 284. That section of the patent law provides that a patentee shall recover as damages "in no event less than a reasonable royalty for the use made of the invention." See also 28 U.S.C. § 1498, which requires the government to pay "reasonable and entire compensation" for the infringement of a patent or copyright, which compensation is generally equated to a "reasonable royalty." *Decca Ltd. v. United States*, 640 F.2d 1156 (Ct. Cl. 1980); *Leesona Corp. v. United States*, 599 F.2d 958 (Ct. Cl.), *cert. denied*, 444 U.S. 991 (1979).

The license under section 119 is to make, use and distribute the chip. Also, if the copyright owner and the copyright owner's licensees, if any, cannot supply the chip at a reasonable price, the licensee is free to purchase the chip from a nonlicensed source, at a reasonable royalty rate to the copyright owner. Again, the term "reasonable" as applied to price has the same meaning as it does with regard to royalty rate in the foregoing case law precedents.

Section 7 provides the further limitation on the copyright owner's exclusive rights that innocent infringers will have no liability at all. This provision is complementary to section 5 of the bill, and confirms that a bona fide purchaser need not pay any royalty or be subject to liability for conduct occurring before the bona fide purchaser had reasonable notice of copyright infringement.

Finally, the existing "fair use" provisions of section 107 of the present Copyright Act apply to the exclusive rights of a chip innovator. Accordingly, in the case of masks and chips, it is not an infringement of copyright to reproduce the pattern on the mask solely for the purpose of teaching, analysis, or evaluation, or to use the concepts or techniques embodied in the mask or chip, such as the circuit schematic or organization of components. That means that legitimate reverse engineering is not prohibited by the bill. Rather, the bill is directed at the appropriation of substantial parts of the drawings embodied in the masks and chips. It is possible, perhaps, that cases could be imagined in which it would be hard to draw the line between legitimate reverse engineering and the misappropriation forbidden by this bill. But as a practical matter, it does not make economic sense for a pirate to appropriate the fruits of a chip innovator's mask design labor unless the appropriation is wholesale. That is, to save the cost of making a set of masks the piratical copyist will want to make a photographic or nearly photographic copy of the original chip. Otherwise, the copyist will not ordinarily get the full benefit of the piracy and "free ride." Hence, it is unlikely that cases will need to be dealt with that are in a gray zone between clear copying and clearly legitimate reverse engineering. The lack of a bright line conceptual distinction between copying ideas (reverse engineering) and copying expression (piracy) is thus of little practical concern when most actual semiconductor chip fact situations are either at one end or else the other end of the spectrum.

It is the intent of this legislation that the Congress exercise its full powers in this field. In this regard, primary reliance is placed on the Congress' enumerated powers under Article I, Section 8, Clause 8 of the Constitution, which authorizes the Congress to regulate "writings." In order to insure full scope for the remedial provisions of the bill, however, reliance is also placed on the "discoveries" aspect of Article I, Section 8, Clause 8, and also on the Congress' broad power to regulate commerce under the Commerce Clause. This approach obviates any possible problems or speculations as to legislative power, such as those found in The Trademark Cases, 100 U.S. 82 (1879) (trademark act held unconstitutional because rested on Art. I, § 8, cl. 8, instead of on commerce power). Accordingly, even though it may be deemed that a chip is not a "writing," chips may be regulated and are regulated under this bill as useful "discoveries,"

or alternatively by the commerce power. As a practical matter, virtually any conduct relating to chip piracy will be in or will affect commerce. There is therefore no need to resolve possible speculation over whether chips should be regarded as writings, discoveries, or articles of commerce.

Cost of the legislation

It is estimated that the cost of the legislation will be insubstantial. The bill does not create budget authority or direct spending.

Regulatory impact statement

No significant additional regulatory impact would be incurred in carrying out the provisions of this legislation; there would not be additional impact on the personal privacy of companies or individuals; and there would be no additional paperwork impact.●

TARGETED EMPLOYMENT ASSISTANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 10 minutes.

● Mr. LAFALCE. Mr. Speaker, today I am introducing a bill to target assistance under the emergency jobs program to high unemployment areas. My bill would provide $1.2 billion in supplementary community development bloc grant (CDBG) assistance to communities with high unemployment.

As early as next week, Congress is going to consider a $4.3 billion emergency jobs package, but we have received no indication that any of these funds will be targeted to areas of high unemployment.

The $4.3 billion package will include $2 billion for transportation and conservation-related jobs, $1.2 billion for supplementary CDBG funds, $765 million for accelerated maintenance and repair of construction of Federal buildings, $50 million for day care facilities, and $250 million for emergency assistance for food and shelter.

The $1.2 billion supplementary CDBG funds will be allocated to all eligible communities through the CDBG entitlement formula.

This means that every city and urban county will get its fair share of the funds on the basis of the bloc grant formula.

My bill would set aside 75 percent of the supplementary CDBG funds for cities and urban counties where unemployment exceeds 9 percent.

This is an emergency program, Mr. Speaker, and the allocation of funds should reflect the unemployment emergency that afflicts communities like Niagara Falls where unemployment hovers around 20 percent and Buffalo where unemployment approximates 15 percent.

The remaining 25 percent would be allocated through the States for other units of general local government where unemployment exceeds 9 percent. This provision sets aside funds for communities like Lockport and Orleans and Niagara Counties, nonentitlement communities where unemployment is having a devastating effect on the local economies.

When the emergency jobs bill comes to the floor, there will be tremendous pressure to pass the bill as reported by the Appropriations Committee. Mr. Speaker, I share sentiments of the leadership—we do not want a large number of amendments that threaten the agreement that has been worked out with the White House on this program. The program is too important and the need too great to jeopardize this emergency bill.

However, the $4.3 billion package agreed to by the Democratic leadership is phase I of our 1983 economic recovery program. Phase II will include additional emergency assistance and I hope to make targeted community development aid part of our phase II package.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PICKLE, for 30 minutes, today.

(The following Members (at the request of Mr. CHANDLER) to revise and extend their remarks and include extraneous material:)

Mr. MCKERNAN, for 5 minutes, today.
Mr. SUNDQUIST, for 5 minutes, today.
Mr. PAUL, for 5 minutes, today.

(The following Members (at the request of Mr. PICKLE) to revise and extend their remarks and include extraneous material:)

Mr. FRANK, for 5 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. MONTGOMERY, for 5 minutes, today.
Mr. COYNE, for 5 minutes, today.
Mr. EDWARDS of California, for 30 minutes today.
Mr. LAFALCE, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CHANDLER), and to include extraneous matter:)

Mr. GUNDERSON.
Mr. YOUNG of Alaska.
Mr. WHITEHURST.
Mr. VANDER JAGT.
Mr. LENT.
Mr. MICHEL in two instances.
Mr. EVANS of Iowa.
Mr. SENSENBRENNER.
Mr. DAUB.
Mr. LEWIS of California in two instances.
Mr. PAUL.
Mr. WOLF.

(The following Members (at the request of Mr. PICKLE) and to include extraneous matter:)

Mr. LANTOS.
Mr. RODINO.
Mr. DINGELL in two instances.
Mr. GAYDOS.
Ms. KAPTUR in two instances.
Mr. STRATTON.
Mr. RATCHFORD.
Mr. HOWARD.
Mr. EDGAR.
Mr. FEIGHAN in two instances.
Mr. CONYERS.
Mr. FORD of Michigan in two instances.

ADJOURNMENT

Mr. SLATTERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock noon), the House adjourned until tomorrow, Friday, February 25, 1983, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

412. A letter from the U.S. Railroad Retirement Board, transmitting a report on a violation of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

413. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting the Agency's annual report on the administration of the Toxic Substances Control Act, covering fiscal year 1982, pursuant to section 30 of the act; to the Committee on Energy and Commerace.

414. A letter from the board members, Railroad Retirement Board, transmitting a report on the Board's determination that it must use 50 percent of its general fund borrowing authority in fiscal year 1983, pursuant to section 22(a) of the Railroad Retirement Act as amended; to the Committee on Energy amd Commerce.

415. A letter from the Director, Office of Legislative Affairs, U.S. International Development Cooperation Agency, transmitting a report on the economic conditions in Egypt during 1982 and the ability of that country to meet its debt service obligations, pursuant to section 723 of Public Law 97-113; to the Committee on Foreign Affairs.

416. A letter from the Director, Peace Corps, transmitting a draft of proposed legislation to further amend the Peace Corps Act; to the Committee on Foreign Affairs.

417. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

418. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a report in response to a complaint filed with the Secretary of the Interior, pursuant to 5 U.S.C. 1206(b)(5); to the Committee on Post Office and Civil Service.

419. A letter from the Secretary of Housing and Urban Development, transmitting the Department's report on Federal tax incentives and rental housing, pursuant to the report of the House Committee on Banking, Finance and Urban Affairs which accompanied the Housing and Community Development Act of 1980; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

420. A letter from the Secretary of State, transmitting a report of the Department's activities related to recruitment and equal employment for the period October 1, 1981 to September 30, 1982, pursuant to section 105(d)(e) of the Foreign Service Act of 1980; jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 58. Resolution providing for permanent professional and clerical staff of the Permanent Select Committee on Intelligence (Rept. No. 98-8). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. RODINO: Committee on the Judiciary. H.R. 3. A bill to provide for the appointment of U.S. bankruptcy judges under article III of the Constitution, and for other purposes; with an amendment; referred to the Committee on Appropriations for a period not to exceed 15 legislative days with instructions to report back to the House as provided in section 401(b) of Public Law 93-344 (Rept. No. 98-9). And ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREAUX:

H.R. 1632. A bill to prohibit the land disposal of liquid hazardous waste, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BREAUX (for himself, Mr. HUBBARD, Mr. SUNIA, Mr. TAUZIN, Mr. ORTIZ, Mr. MATSUI, Mr. TALLON, and Mr. FIELDS):

H.R. 1633. A bill to revise the law relating to the establishment and administration of marine sanctuaries; jointly, to the Committees on Merchant Marine and Fisheries and Rules.

By Mr. COYNE (for himself, Mr. GARCIA, Mr. SCHUMER, Mr. CONYERS, Mr. STOKES, Mr. EDGAR, Ms. OAKAR, Mr. KOGOVSEK, Mr. FRANK, Mr. SMITH of Florida, Mr. DWYER of New Jersey, Mr. FORD of Tennessee, Mr. WEISS, Mr. BATES, Ms. KAPTUR, Mr. MITCHELL, Mr. CROCKETT, Mr. LOWRY of Washington, Mr. MOLLOHAN, Mr. ADDABBO, Mr. RATCHFORD, Mr. OWENS, Mr. NOWAK, Mr. PRITCHARD, Mr. FOGLIETTA, Mr. RANGEL, Mr. KILDEE, Mrs. KENNELLY, and Mr. BROWN of California):

H.R. 1634. A bill to require the Secretary of Housing and Urban Development to administer a demonstration program to determine the feasibility of assisting neighborhood development activities by providing Federal matching funds to certain private nonprofit neighborhood organizations; to the Committee on Banking, Finance and Urban Affairs.

Mr. PICKLE (for himself, Mr. GIBBONS, Mr. STARK, and Mr. JACOBS):

H.R. 1635. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of industrial revenue bonds; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 1636. A bill to amend section 924 of title 18 to increase the penalties for certain offenses relating to firearms, and to provide mandatory minimum penalties in certain circumstances; to the Committee on the Judiciary.

H.R. 1637. A bill to amend title 18 of the United States Code to provide that persons accused of committing Federal felonies who have attained the age of 15 years shall be tried as adults, and to require the several States, the District of Columbia, and other territories and possessions of the United States to treat all felony offenders alike who have attained the age of 15 years; to the Committee on the Judiciary.

H.R. 1638. A bill to amend title 18 of the United States Code to establish rational criteria for the imposition of the sentence of death, and for other purposes; to the Committee on the Judiciary.

H.R. 1639. A bill to amend section 1751 of title 18 of the United States Code to eliminate the insanity defense to prosecutions for the offense of assassination of the President and related offenses; to the Committee on the Judiciary.

H.R. 1640. A bill to require the fingerprinting of juvenile delinquents upon conviction of or adjudication and to forbid the withholding of information from criminal trials on the grounds such information relates to a juvenile proceeding; to the Committee on the Judiciary.

H.R. 1641. A bill to amend the Urban Mass Transportation Act of 1964 by proscribing certain acts committed against a mass transportation system; to the Committee on Public Works and Transportation.

H.R. 1642. A bill to amend title 38, United States Code, to provide for the payment of service pensions to veterans of World War I and the surviving spouses and children of such veterans; to the Committee on Veterans' Affairs.

By Mr. D'AMOURS (for himself, Mr. JONES of North Carolina, Mr. FORSYTHE, Mr. PRITCHARD, Mr. STUDDS, Mr. BONKER, and Mr. DE LA GARZA):

H.R. 1643. A bill to authorize appropriations to carry out the national sea grant college program for fiscal years 1984 and 1985; to the Committee on Merchant Marines and Fisheries.

By Mr. EDGAR (for himself and Mr. CONTE):

H.R. 1644. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to make loans to operators of certain water supply systems for the rehabilitation, improvement, and expansion of those systems, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. EDGAR (for himself, Mr. MONTGOMERY, Mr. HAMMERSCHMIDT, Mr. CORRADA, Mr. DE LUGO, Mr. SAM B. HALL, JR., Mr. WYLIE, Mr. LEATH of Texas, Mr. HILLIS, Mr. SHELBY, Mr. MICA, Mr. MCEWEN, Mr. DASCHLE, Mr. DOWDY of Mississippi, Mr. SMITH of New Jersey, Mr. MARTINEZ, Ms. KAPTUR, Mr. BURTON of Indiana, Mr. HARRISON, Mr. SUNDQUIST, Mr. PENNY, Mr. BILIRAKIS, Mr. STAGGERS, Mrs. JOHNSON, Mr. SLATTERY, Mr. BRYANT, and Mr. RICHARDSON):

H.R. 1645. A bill to amend title 38, United States Code, to increase the per diem rate payable by the Veterans' Administration to States providing domiciliary, nursing home, and hospital care to veterans to State homes, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FLORIO:

H.R. 1646. A bill to amend the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974, to make technical changes, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. FOGLIETTA:

H.R. 1647. A bill to require the Secretary of Health and Human Services to make grants to States and to local governments, for the purpose of providing emergency assistance to the homeless; jointly, to the Committees on Agriculture, Banking, Finance and Urban Affairs, and Energy and Commerce.

By Mr. FRANK (for himself, Mr. GONZALEZ, Mr. SCHUMER, Mr. ST GERMAIN, Mr. MITCHELL, Mr. FAUNTROY, Mr. D'AMOURS, Ms. OAKAR, Mr. VENTO, Mr. GARCIA, Mr. LOWRY OF WASHINGTON, Mr. COYNE, Ms. KAPTUR, Mr. MORRISON of Connecticut, Mr. RANGEL, Mr. TORRES, Mr. LEVINE of California, Mr. OWENS, Mr. MOAKLEY, Mr. SAVAGE, Mr. WEISS, Mr. TOWNS, Mr. SMITH of Florida, Mr. FORD of Tennessee, Mr. CONYERS, Mr. GEJDENSON, Mr. OTTINGER, Mr. SCHEUER, Mr. WYDEN, Mr. YATES, Mr. BORSKI, Mr. MOLLOHAN, Mr. STOKES, Mr. CROCKETT, Mr. MINETA, Mr. LEHMAN of Florida, Mr. RODINO, Mr. MAVROULES, Mr. FROST, Mr. MURPHY, and Mr. KILDEE):

H.R. 1648. A bill to provide that the tenant contribution toward rental payments under certain lower income housing assistance programs may not exceed 25 percent of adjusted income, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GEJDENSON:

H.R. 1649. A bill to provide that certain trusts shall not be treated as private foundations; to the Committee on Ways and Means.

By Mr. SAM B. HALL, JR. (for himself and Mr. ALBOSTA):

H.R. 1650. A bill to extend the authorization of appropriations for the Office of Government Ethics for 5 years; jointly, to the Committees on the Judiciary and Post Office and Civil Service.

By Ms. KAPTUR (for herself, Mr. APPLEGATE, Mr. ECKART, Mr. FEIGHAN, Mr. HALL of Ohio, Mr. LATTA, Mr. LUKEN, Mr. MCEWEN, Ms. OAKAR,

Mr. PEASE, Mr. SEIBERLING, and Mr. STOKES):

H.R. 1651. A bill to authorize the Secretary of the Army to construct a project to provide shoreline protection for Maumee Bay State Park, Ohio; to the Committee on Public Works and Transportation.

By Mr. KAZEN (for himself, Mr. UDALL, Mr. CHENEY, Mr. KOGOVSEK, Mr. MCCAIN, Mr. MCNULTY, Mr. LEHMAN of California, and Mr. SEIBERLING:

H.R. 1652. A bill to amend the Reclamation Safety of Dams Act of 1978, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LAFALCE:

H.R. 1653. A bill to amend the Housing and Community Development Act of 1974 to provide supplementary community development block grant assistance to communities with high unemployment due to adverse national economic conditions, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEATH of Texas (by request):

H.R. 1654. A bill to amend title 38, United States Code, to provide that a person who has not been married previously and marries a veteran who has a permanent and total service-connected disability after the disability is determined to exist shall be afforded educational assistance by the Veterans' Administration comparable to that which would have been afforded had the marriage preceded the determination of such disability; to the Committee on Veterans' Affairs.

H.R. 1655. A bill to amend title 38, United States Code, to repeal the authority for eligible veterans and eligible spouses to pursue correspondence training, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1656. A bill to amend title 38, United States Code, to terminate the authority of the Administrator of Veterans' Affairs to make advance payments of educational and subsistence allowances, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. LEHMAN of Florida:

H.R. 1657. A bill to amend the Internal Revenue Code of 1954 to allow the deduction for adoption expenses for all adoptions, and for other purposes; to the Committee on Ways and Means.

By Mr. MCKERNAN (for himself, Mrs. VUCANOVICH, Mr. CHANDLER, Mr. DEWINE, Mrs. SNOWE, Mrs. JOHNSON, Mr. ALBOSTA, Mr. CARPER, and Mr. BARTLETT):

H.R. 1658. A bill to amend title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954 to provide mandatory social security coverage for Members of Congress, and to provide for the crediting of unnegotiated benefit checks to the OASDI trust funds; to the Committee on Ways and Means.

By Mrs. MARTIN of Illinois (for herself, Mr. BEREUTER, Mr. DAUB, Mr. GUNDERSON, Mr. HARTNETT, Mr. HAMMERSCHMIDT, Mr. MCNULTY, Mr. STENHOLM, Mr. TAUKE, Mr. WEBER, and Mr. WINN):

H.R. 1659. A bill to require the Secretary of Agriculture to establish an export payment-in-kind program to offset the adverse effects of agricultural export subsidies imposed by foreign countries; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. MINISH:

H.R. 1660. A bill to amend the Internal Revenue Code of 1954 to provide a Federal income tax credit for tuition; to the Committee on Ways and Means.

By Mr. MURPHY (for himself, Mr. MATSUI, Mr. SUNIA, Mr. BENNETT, Mr. FORSYTHE, Mr. REID, Mr. DAUB, Ms. FIEDLER, Mr. HORTON, Mr. TALLON, Mr. MONTGOMERY, Mr. DWYER of New Jersey, Mr. EDWARDS of Oklahoma, Mr. HOWARD, Mr. EVANS of Iowa, Mr. TOWNS, Mr. SENSENBRENNER, Mr. WILSON, Mr. WILLIAMS of Montana, Mr. NICHOLS, Mr. VANDERGRIFF, Mr. PATMAN, Mr. YATRON and Mr. WINN):

H.R. 1661. A bill to impose a Federal criminal penalty for robbery of controlled substances from a pharmacist; to the Committee on the Judiciary.

By Mr. PAUL (for himself, Mr. MCDONALD, Mr. HANSEN of Idaho, Mr. HANSEN of Utah, Mr. PHILIP M. CRANE, Mr. BROWN of Colorado, Mr. VALENTINE, and Mr. DANIEL B. CRANE):

H.R. 1662. A bill to provide for the minting of American gold eagle coins pursuant to article 1, section 8, of the Constitution of the United States; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1663. A bill to provide for the minting of American gold eagle coins pursuant to article 1, section 8, of the Constitution of the United States; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PAUL:

H.R. 1664. A bill to amend the Internal Revenue Code of 1954 to provide that a 10-percent income tax rate shall apply to all individuals and to increase the deduction for personal exemptions from $1,000 to $2,500; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 1665. A bill to provide for the elective payment of benefits under title II of the Social Security Act in the form of social security savings bonds, and for other purposes; to the Committee on Way and Means.

H.R. 1666. A bill to amend title 5 of the United States Code to provide death benefits to survivors of Federal law enforcement officers and firefighters, and for other purposes; to the Committee on Education and Labor.

By Mr. RUSSO (for himself and Mr. ROSTENKOWSKI):

H.R. 1667. A bill to suspend the duty on MXDA (meta-xylene-diamine and 1,3-BAC (1,3-Bis[aminomethyl]-cyclohexane)) until July 1, 1986; to the Committee on Ways on Means.

By Mr. RUSSO:

H.R. 1668. A bill to repeal the tax on generation-skipping transfer; to the Committee on Ways and Means.

By Mrs. SMITH of Nebraska:

H.R. 1669. A bill to authorize the Secretary of the Interior to engage in a feasibility study of water resource development and for other purposes in the Central Platte Valley, Nebr.; to the Committee on Interior and Insular Affairs.

By Mr. SUNDQUIST:

H.R. 1670. A bill to prohibit the landfill disposal of hazardous waste, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1671. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for the recycling of hazardous wastes; to the Committee on Ways and Means.

By Mr. VANDER JAGT:

H.R. 1672. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of expenses of attending foreign conventions; to the Committee on Ways and Means.

By Mr. VANDER JAGT (for himself, Mr. ARCHER, Mr. PHILIP M. CRANE, and Mr. SCHULZE):

H.R. 1673. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of domestic international sales corporations; to the Committee on Ways and Means.

By Mr. VOLKMER:

H.R. 1674. A bill to amend chapter 1 of title 17, United States Code, to exempt certain performances and displays at small dance studios from copyright infringement; to the Committee on the Judiciary.

By Mrs. VUCANOVICH (for herself, Mr. YOUNG of Alaska, Mr. MARLENEE, Mr. HANSEN of Idaho, Mr. PASHAYAN, Mr. MATSUI, Mr. DENNY SMITH, Mr. LEWIS of California, Mr. BONER of Tennessee, Mr. CHENEY, Mr. LUJAN, and Mr. CRAIG):

H.R. 1675. A bill to require the protection, management, and control of wild free-roaming horses and burros on public lands; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. WALGREN:

H.R. 1676. A bill to establish a National Commission on Neurofibromatosis; to the Committee on Energy and Commerce.

By Mr. WORTLEY:

H.R. 1677. A bill entitled: "The Agricultural Export Equity Act of 1983"; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. PAUL:

H.J. Res. 159. Joint resolution to end the practice of guaranteeing or making available loans to foreign governments; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. PEPPER:

H.J. Res. 160. Joint resolution to provide for the designation of the week beginning on May 15, 1983, as "National Parkinson's Disease Week"; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Alaska:

H.J. Res. 161. Joint resolution requesting and authorizing the President to issue a proclamation to observe January 3, 1984, as Alaska Statehood Day; to the Committee on Post Office and Civil Service.

By Mr. RATCHFORD, (for himself, Mr. GEJDENSON, Mrs. KENNELLY, Mr. MORRISON of Connecticut, Mr. MCKINNEY, Mrs. JOHNSON, Mr. YATES, Mr. PEPPER, Mr. BONKER, Mr. FRANK, Mr. MOAKLEY, Mr. SWIFT, Mr. OBERSTAR, Mr. MADIGAN, Mr. DELLUMS, and Mr. KILDEE):

H. Con. Res. 69. Concurrent resolution expressing the sense of the Congress with respect to those nations that have filed an objection to the International Whaling Commission ban on commercial whaling; jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

By Mr. RUSSO:

H. Con. Res. 70. Concurrent resolution disapproving a rule submitted by the Federal Trade Commission relating to funeral industry practices; to the Committee on Energy and Commerce.

By Mr. MITCHELL:

H. Res. 106. Resolution providing amounts from the contingent fund of the House for

expenses of investigations and studies by the Committee on Small Business in the 1st session of the 98th Congress; to the Committee on House Administration.

By Mr. BROOKS:

H. Res. 107. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Government Operations in the 1st session of the 98th Congress; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNES:

H.R. 1678. A bill for the relief of certain Government physicians who were paid basic pay, performance awards, and physicians comparability allowances in aggregate amounts exceeding the limitation set forth in section 5383(b) of title 5, United States Code; to the Committee on the Judiciary.

By Mr. BURTON of California:

H.R. 1679. A bill for the relief of Cheng Hsiang-Lin; to the Committee on the Judiciary.

By Mr. DOWDY:

H.R. 1680. A bill for the relief of the Junior Achievement of Jackson, Miss., the Jackson, Mississippi Symphony Orchestra, and the Mississippi Museum of Art; to the Committee on the Judiciary.

By Mr. NOWAK:

H.R. 1681. A bill for the relief of the estate of John P. Herrmann; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. PAUL.

H.R. 84: Mr. FAZIO, Mr. MITCHELL, Mr. CROCKETT, Mr. MURPHY, Mr. D'AMOURS, and Mr. OTTINGER.

H.R. 297: Mr. GRAY.

H.R. 328: Mr. SEIBERLING.

H.R. 500: Mr. BOUCHER, Ms. FIEDLER, Mr. HERTEL of Michigan, Mr. HILER, Mr. TORRES, Mr. WHITTAKER, and Mr. WOLPE.

H.R. 569: Mr. CONTE, Mr. RICHARDSON, Mr. WEAVER, Mr. JEFFORDS, Mr. CORCORAN, Mr. MATSUI, Mr. BARNES, and Mr. FISH.

H.R. 716: Mr. MURPHY, Mr. STRATTON, Mr. LAFALCE, Mr. FISH, Mr. FRENZEL, and Mr. GILMAN.

H.R. 910: Mr. MAZZOLI.

H.R. 953: Mr. SOLARZ, Mrs. KENNELLY, Mr. PORTER, Mr. JEFFORDS, Mr. ANNUNZIO, Mr. WHITEHURST, Mr. BERMAN, Mrs. BOXER, Mr. REID, Mr. HYDE, Mr. KILDEE, Mr. MORRISON of Connecticut, Mr. MCCOLLUM, Mr. GREEN, Mr. SMITH of Florida, Mr. TAUKE, Mr. MINISH, Mr. LEVINE of California, Mr. RANGEL, and Mr. MINETA.

H.R. 1096: Mr. DYMALLY, Mrs. KENNELLY, Mr. FORD of Tennessee, Mr. DAVIS, Mr. FISH, Mr. CORCORAN, Mrs. COLLINS, Mr. LUKEN, and Mr. SOLARZ.

H.R. 1181: Mr. WASHINGTON.

H.R. 1190: Mr. BROOKS, Mr. DORGAN, Mr. DURBIN, Mr. MCNULTY, Mr. PENNY, Mr. ROWLAND, and Mr. WOLPE.

H.R. 1206: Mr. ROGERS, Mr. STUMP, Mr. FRANK, Mr. WALKER, and Mr. SENSENBRENNER.

H.R. 1244: Mr. FORSYTHE and Mrs. ROUKEMA.

H.R. 1287: Mr. OXLEY, Mr. MARRIOTT, Mr. MADIGAN, Mr. PASHAYAN, Mr. DENNY SMITH, Mr. LAGOMARSINO, Mr. SHELBY, Mr. WEBER, Mr. KOGOVSEK, Mr. BROWN of Colorado, Mr. BATEMAN, Mr. HILLIS, Mr. STENHOLM, Mr. EDWARDS of Oklahoma, Mr. WINN, Mr. MCEWEN, Mr. KINDNESS, Mr. HAMMERSCHMIDT, Mr. HARTNETT, Mr. SIMON, Mr. FAZIO, Mr. REGULA, and Mr. SENSENBRENNER.

H.R. 1303: Mr. FRENZEL and Mr. ROE.

H.R. 1330: Mr. MOLLOHAN, Mr. OBEY, and Mr. LAFALCE.

H.R. 1351: Mr. KILDEE, Mr. BONER of Tennessee, Mr. MCDADE, and Mr. WHITEHURST.

H.R. 1527: Mr. BARNES, Mr. CHAPPIE, Mr. CONABLE, Mr. CROCKETT, Mr. ECKART, Mr. EDGAR, Mr. FISH, Mr. FROST, Mr. GINGRICH, Mr. GONZALEZ, Mr. HOYER, Mr. LEHMAN of Florida, Mr. MCGRATH, Mr. MCNULTY, Mr. MADIGAN, Mrs. MARTIN of Illinois, Mr. MITCHELL, and Mr. RATCHFORD.

H.R. 1611: Mr. SIMON.

H.J. Res. 22: Mr. CLINGER and Mr. SAWYER.

H.J. Res. 95: Mr. FISH, Mr. REID, Mr. STENHOLM, Mr. CHAPPELL, Mr. LEACH of Iowa, Mr. LEVIN of Michigan, Mr. PATMAN, Mr. HUBBARD, Mr. BROYHILL, Mr. BARNARD, and Mr. BARTLETT.

H.J. Res. 97: Mrs. SNOWE, Mr. O'BRIEN, Mr. WOLPE, Mr. MINISH, Mr. EVANS of Iowa, Mr. FOLEY, Mr. TORRICELLI, Mr. HAMILTON, Mr. HYDE, and Mr. DAUB.

H.J. Res. 120: Mr. RANGEL.

H. Con. Res. 47: Mr. DASCHLE, Mr. APPLEGATE, Mr. EDGAR, Mr. WYLIE, Mr. LEATH of Texas, Mr. HILLIS, Mr. STAGGERS, Mr. BILIRAKIS, and Mr. SMITH of New Jersey.

H. Res. 25: Mr. DREIER of California.

SENATE—*Thursday, February 24, 1983*

(Legislative day of Wednesday, February 23, 1983)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. Our opening prayer today will be delivered by the Reverend E. E. Wheeless, Jr., pastor of the First Baptist Church, Springfield, Va. Rev. Wheeless is sponsored by Senator JOHN WARNER, of Virginia.

PRAYER

The Reverend E. E. Wheeless, Jr., M. Div, M.R.E., pastor, First Baptist Church, Springfield, Va., offered the following prayer:

Almighty God and Sovereign Ruler over men and nations, we come before Thy presence seeking divine guidance. Provide the wisdom and insight for the Senators in their many responsibilities. May they know divine wisdom for decisions that affect a great people and a great nation.

Because Your word teaches us that righteousness exalts a nation, grant that each of us individually will be what the Lord expects. Speak to our hearts that the steps of a righteous man are ordered by the Lord.

May You not only bring peace into the world but may You provide justice among the peoples of the world.

Thank You that You hear our prayer. We are grateful for the confidence that we have in the presence and the power of God. We are truly amazed that You allow imperfection to speak to perfection and humanity to speak to divinity.

Our prayer is with a sense of hope and with great thanksgiving.

In the name of our Lord Jesus Christ, Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order and the recognition of the distinguished junior Senator from Hawaii (Mr. MATSUNAGA) on special order, there be a period for the transaction of routine morning business to extend not longer than 30 minutes in which Senators may speak for not more than 5 minutes each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, at the conclusion of the time just provided for the transaction of routine morning business, the Senate will resume debate on the motion to proceed to the consideration of S. 47, calendar order No. 13, the Shipping Act of 1983.

Mr. President, I hope that what I am about to say next will not be misunderstood because it is not meant to be in the nature of a threat and certainly not coercive.

We attempted yesterday to get a unanimous-consent order that would provide for a cloture vote on the bill on Tuesday next. For a variety of reasons that did not work on yesterday, but a part of that multipart agreement was that we would not be in session on Friday. I am sure by now Senators, knowing them as I do and as we all do, have begun, at least tentatively, to make plans for Friday, more often than not, to travel back to their States or to undertake other important responsibilities.

I feel I must give a final answer on whether we will be in session on Friday early enough for Senators to make their plans and to adjust their schedules, so let me say this, Mr. President. I am still hopeful that we can work out an agreement on this matter. I regret that it fell through yesterday. I think that the parties are very close to getting that done. But if we do not have such an agreement by 2 p.m. today, it seems to me that to wait any longer to make the decision on the Friday session would be unfair to Senators. Therefore, if we do not have an agreement by 2 p.m., it will be my intention to ask the Senate to be in session on Friday and perhaps on Saturday in order to dispatch the business presently before us.

Mr. President, I have no further need for my time under the standing order.

Mr. METZENBAUM. Mr. President, will the majority leader be good enough to yield to me for just a couple of minutes?

Mr. BAKER. I am happy to yield to the Senator from Ohio.

Mr. METZENBAUM. Let me say as one who has been involved in this particular measure that the majority leader knows that I actually called him the other day and indicated that I was prepared to enter into an agreement with him in reference to a cloture vote to occur on Tuesday around 4 p.m. I actually suggested Wednesday, and he indicated that he needed to do it on Tuesday in order to proceed with the orderly conduct of the business of the Senate. I indicated my agreement.

We then had some negotiations in which we got rather close to an agreement, and it had to do actually not with anything more than the makeup of the conference committee.

Later in the day, that matter seemed to be moving toward resolution on an amicable basis. Then developed a new matter which I will not discuss at this moment, but as one who has been involved in the debate I still am prepared to attempt to move forward and not to keep the Senate in session on Friday or Saturday. If we have to, we will, but I hope that we can accommodate Senators as well as the leadership of the Senate. I think that in order to achieve that objective, there will have to be some give so that we may proceed.

When I am talking about give, I am really only talking about one matter of some consequence, and that is about the Senate taking up the amendments that a committee has already determined should be offered by the chairman of that committee. I am hopeful that we will be able to work that out. I will try to cooperate in every way with the leader of the Senate, but at this moment we still are just a bit apart.

Mr. BAKER. Mr. President, I thank the Senator.

Mr. President, let me repeat now the request that I was prepared to make yesterday so that Senators will be aware of it. Perhaps they will confer and consult for the next hour or so before we have to make a final decision on the Friday session.

Mr. President, I am not now making this request. I am merely reciting it for the information of Senators. This is the request I would have made yesterday had the negotiations not failed.

I would have asked unanimous consent that the bill, S. 47, be made the pending business and to provide that no cloture motion would be in order until 4 p.m. on February 24, which is today; provided that the committee substitute proposed by the Committee on Commerce, Science, and Transportation as well as the 17 committee

amendments to be offered by the Committee on the Judiciary be considered germane under rule XXII and that the vote on the cloture motion occur without the necessity of a mandatory quorum at 4 p.m. on March 1; provided that if there are disagreeing votes between the two Houses on S. 47 and a conference is required that there be five conferees on the part of the Committee on Commerce, Science, and Transportation, three Republicans and two Democrats, and three conferees on the Committee on the Judiciary for the consideration only of those parts dealing with antitrust matters, two Republicans and one Democrat; provided further that the Senate convene at 12 noon on Thursday, February 24, go over from Thursday until Monday, February 28, at 11:30, and go over from Monday to Tuesday, March 1, at 11:30, to recess on that day at 12 noon until 2 p.m., and that the time from 2 p.m. on next Tuesday until the vote on cloture at 4 p.m. be equally divided and controlled by the majority and the minority leaders or their designees.

That was the plan that I had urged yesterday, Mr. President, and thought we were going to get. I gather from the remarks of the Senator just now and from—has my time expired?

The PRESIDING OFFICER (Mr. TRIBLE). No, it has not.

Mr. BAKER. I gather from the remarks made just now and based on conversations yesterday that the sticky point now is whether or not the Judiciary Committee will offer all 18 amendments or, rather, only 17 of the 18 amendments. That is not a matter I am trying to arbitrate, Mr. President. That is purely up to the Judiciary Committee or any other Senator if they wish to offer the 18th amendment, if that amendment is germane under the provisions of rule XXII after cloture and at any time, of course, when recognition can be gained before cloture.

May I inquire of the Chair, does the Chair have a copy of the 18th Judiciary Committee amendment and can it tell the Senator whether that amendment would be germane under the provisions of rule XXII after cloture?

The PRESIDING OFFICER. The Chair does not, at this time.

Mr. BAKER. Mr. President, I will make an effort in the meantime to obtain a copy of the controversial 18th amendment.

I have bad recollections of the 18th amendment. In any event, perhaps we will have better luck with this one than we did with the one that created prohibition.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. BYRD. If it had not been for that amendment, would we have the song "Old Rocky Top?"

Mr. BAKER. We might not have, and Tennessee would be poorer for it. [Laughter.]

Mr. President, I will make an effort to obtain that amendment and will submit it to the tender mercies of the Parliamentarian and obtain some expression of opinion on whether or not it is germane under the provisions of rule XXII, post cloture.

The impression I have and the advice I have received from staff who believe they have examined it adequately is that the amendment is probably germane. So we may have a tempest in a teapot on the question of whether that qualified under rule XXII. It may be qualified by its terms.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. METZENBAUM. Mr. President, it seems to me that if we could work out an arrangement whereby definitely it would be offered prior to the cloture vote, we would never have that concern. If we would obtain some agreement that it would be brought to a vote prior to cloture, then the whole question of germaneness would not be relevant, as I understand it.

Mr. BAKER. I thank the Senator.

Mr. President, I have just now had a conversation with the distinguished President pro tempore on this subject.

If they would do me the kindness of consulting with other Senators, on both sides of the aisle, who also are involved in this mater, I would be extremely pleased to be able to announce that we have resolved the issue.

Personally, I am perfectly willing to do it on the basis of 18 amendments offered en bloc or 17 amendments offered en bloc, with one amendment to be debated separately, or any combination of that.

I urge Senators, then, to talk to other Members who have indicated a particular interest. I am thinking of the Senator from Oregon (Mr. PACKWOOD), the chairman of the Commerce Committee; the Senator from Alaska (Mr. STEVENS); the Senator from Washington (Mr. GORTON), on this side. I believe there are others on the other side. I wish they would let us know as soon as possible if something can be worked out on this basis. Otherwise, it is going to be necessary to provide, for a certainty, that the Senate will be in session on Friday.

Mr. President, having said that, I am once again prepared to yield to the distinguished minority leader any time I have remaining under the standing order.

Mr. BYRD. I thank the majority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

PEACE IS THE BEST GUARANTEE OF SECURITY IN THE MIDDLE EAST

Mr. BYRD. Mr. President, earlier this week, the President announced that the United States would guarantee the security of Israel's northern border, but only after all Israeli troops had been withdrawn from Lebanon.

I commend the President for recognizing the legitimacy of Israel's security requirements as they relate to the border with Lebanon. Last summer's incursion into Lebanon by Israeli Defense Forces was reflective of these legitimate concerns. However, I want to take this opportunity to offer my own observations as they relate to the President's proposal.

First, the best guarantee of security for Israel, or any other nation in the region, is peace. Yet, I have not detected any willingness on the part of the Arab world, exclusive of Egypt, to pursue peace with Israel.

Second, Israel has demonstrated that it is fully capable of guaranteeing its own security. It has done so without risking the lives of U.S. servicemen.

Third, one can understand the reluctance on the part of Israel to turn over the most basic responsibility of any nation to anyone else. The experience with UNIFIL forces in southern Lebanon, who could not prevent PLO shelling of Israeli settlements or PLO terrorist raids against Israel's civilian population, certainly would give any rational person pause for thought before entrusting one's own security to someone else.

Fourth, there is also the matter of the role of Congress when it comes to the commitment of U.S. forces abroad or guarantees made by our Government. I do not see how a President can offer any guarantee in the absence of the normal consultation process with the Congress. This is not to say that Congress is not committed to the security of Israel. We are certainly prepared to respond in any way necessary in support of Israel when its security is threatened. But as I pointed out earlier in my remarks, Israel has demonstrated it is fully capable of taking care of itself.

I suspect the President made the offer as an inducement to secure Israeli troop withdrawals from Lebanon. However, I think it is important to focus on the facts as they relate to the situation in Lebanon.

Last summer, the President outlined the appropriate principles governing U.S. policy toward the situation in Lebanon. He stated it was U.S. policy

that all foreign forces—Syrian, PLO, and Israeli—should be removed from Lebanon and that full Lebanese sovereignty should be restored to all its territory.

Since that time, considerable public attention has been paid to one element of this policy, that of Israel's negotiations with the Government of Lebanon. Little attention has been focused on the lack of progress in securing the withdrawal of Syrian and the remaining PLO forces.

In fact, the administration has, from time to time, expressed its displeasure over the slowness with which the Israeli-Lebanese negotiations have proceeded. Some administration spokesmen have gone so far to claim that the Israelis were placing undue demands upon the Lebanese Government in an exchange for withdrawal.

Yet, what about Syria and the remaining PLO forces? The only justification for a Syrian presence in Lebanon stems from the Arab League mandate designating that country's forces as the peacekeping force in Lebanon following the 1975-76 civil war. That mandate expired last June and can only be renewed at the request of the Lebanese Government. Since the Lebanese Government has not renewed the mandate, Syria has been an illegal occupier of the sovereign territory of another Arab nation for nearly 8 months now. So why is not pressure being applied to Syria?

I can recall during the debate on AWACS sales to Saudi Arabia that the administration argued the sale was necessary to insure the Saudis would contribute to the peace process. Well, what are the Saudis doing to pressure the Syrians and the PLO to withdraw from Lebanon? As major financial backers of the PLO and the Syrian presence in Lebanon, the Saudis certainly are able to bring pressure to bear on both.

I have heard arguments that an agreement has to be reached first with Israel before an agreement can be achieved with Syria and the PLO. I have heard arguments that as long as Israel has an occupation force in an Arab country, King Hussein does not have any flexibility to join the peace process. I do not buy those arguments, for the following reasons:

First, it appears the Arab world is perfectly willing to sit on their hands as long as occupiers of Arab countries are other Arab armies.

Second, it appears the Arab world was perfectly content to accede to the creation of a state-within-a-state, as was the case with the PLO in Lebanon prior to last summer's fighting, as long as it is Arabs violating the sovereignty of other nations.

Third, it appears that Arabs killing Arabs, as was the case when the PLO attempted to overthrow King Hussein in 1970, or Arabs killing Israelis, as has been the case with PLO terrorism, are perfectly legitimate exercises in the eyes of many in the Arab world.

But let Israel exercise the most basic responsibility of any sovereign state—that of protecting the lives of its citizens—and, all of a sudden, our most reliable ally in the region for more than 30 years is an obstacle to peace.

If Saudi Arabia, Jordan, and Syria truly wanted peace with Israel, they could have it. All Israel has ever asked from its neighbors is the right to exist in peace as a legitimate, sovereign state within secure and defensible borders. It has been, and continues to be, denied that right by all its neighbors, with the exception of Egypt. Therefore, it should be obvious to all that the burden rests squarely on the shoulders of those in the Arab world who still refuse to negotiate a permanent peace with Israel.

I think that our own Government should recognize the facts. While I have no problem with pressure to bring about some agreement between the Lebanese and Israelis, there should also be pressure applied to the other foreign military forces that are in Lebanon because I cannot blame Israel, if Israel refuses to pull back to its own borders while Syria and its forces remain in Lebanon in violation of the Arab mandate which has not been renewed and can only be renewed by request of the Lebanese Government. Then I can understand the hesitancy of the Israelis to withdraw.

I want the Israelis out of Lebanon also, but I also think it only fair to expect that the Syrians and the PLO's also leave Lebanon so that once again the Lebanese can have a country of their own, a Government that is sovereign over its own territory and peace in that area of the Middle East.

It seems to me that if this matter could be resolved it would be a major factor in the stability of the Middle East and in the securing of an ultimate peace in the Middle East.

Let me say again that peace is the best guarantee of the borders of Israel, and I would hope that the administration would exert its efforts in the direction to bring about peace there and to bring pressure on certain Arab countries which can, in turn, bring pressure on the Syrians and the PLO to remove their forces because until those forces are removed there is not going to be any great likelihood of peace to the north of Israel.

We have already seen what has happened and, of course, that explains the reasons for the move of the Israelis into Lebanon in the first place. They did it out of the natural law, I would suspect of self-preservation, they being attacked from the north. Syrians were in Lebanon in violation of the Arab mandate, and Lebanese Moslems and Lebanese Christians were being driven from their homes, driven from their villages. The Israelis in the northern part of Israel were being shelled and rocketed. They were having to leave their homes, schools, and farms, and they did just what we ourselves would do under the same circumstances.

We would not stand for that 1 minute. If Canada or some force in Canada were to shell our northern States, we would go in and take the attacking forces out, and the Israelis went in for reasons of self-protection. I want to see them out, but I also think that we should do what we can to get the Syrians out, get the PLO out, and we should not put the whole pressure on the Israelis because it is rather naive in my way of thinking to expect the Israelis to leave unless there is a guarantee that the Syrians are going to leave also and the PLO is going to leave. Else Israel will have to do it all over again when there arises the necessity of self-protection.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR MATSUNAGA

The PRESIDING OFFICER. Under the previous order, the Senator from Hawaii (Mr. MATSUNAGA) is recognized for a period not to exceed 15 minutes.

COMMISSION ON WARTIME RELOCATION AND INTERNMENT OF CIVILIANS RELEASES ITS FINDINGS

Mr. MATSUNAGA. Mr. President, the 96th Congress judiciously enacted legislation providing for a Federal study of the relocation and internment of civilians during World War II. The nine-member Study Commission established by Congress was specifically mandated to examine the relocation and internment of Japanese Americans living on the west coast of the United States, and Aleuts living in the Aleutian Islands chain in Alaska. During the last 2 years, I have followed the progress of this study with great interest and as one of the principal sponsors of the legislation which authorized the study, I was pleased to learn that the Commission's study is now substantially complete. I have been informed that part I, of its report, containing its findings of fact, will be officially released today. I have been further informed that the Commission's recommendations to Congress, based on its findings, will be submitted in June of this year.

Having had the privilege of reading an earlier-released copy of part I of its report, I commend the Commission on Wartime Relocation and Internment of Civilians for its thorough and unbiased examination of the facts surrounding the relocation and internment of Japanese Americans and

Native Aleuts. This volume—containing the Commission's findings of fact—is a first, and I might point out it is a rather thick volume giving in detail the findings of the Commission. It is the first time that any Federal body has ever fully examined what is regarded as one of the darkest pages in American history. Indeed, the evidence gathered and published today by the Commission indicates that even the U.S. Supreme Court was kept in the dark during its consideration in 1943 and 1944 of the Hirabayashi and Korematsu cases.

The Commission's report confirms what Americans of Japanese ancestry have always known: The exclusion of Japanese Americans from the west coast of the United States and their detention under armed guard in isolated camps during World War II, was not justified by military necessity, and the decisions were shaped by racial prejudice, war hysteria, and failure of political leadership.

The Commission found, further, that "a grave injustice was done to American citizens and resident aliens of Japanese ancestry, who, without individual review or any probative evidence against them, were excluded, removed, and detained by the United States during World War II."

The Commission report confirms that the exclusion, removal, and detention of Japanese Americans inflicted tremendous material costs, including the loss of homes and businesses sold or abandoned under duress, and injury to careers and professional advancement. But, even more importantly, there was the loss of liberty and the personal stigma of suspected disloyalty for approximately 120,000 people who knew themselves to be devoted and loyal Americans. Even today, 40 years later, many Americans find it extremely difficult to believe that their Government would imprison them when not one—not even one—of the Japanese Americans was even indicted or convicted of a crime. If there is a lingering belief that there must have been some good reason for the evacuation and detention of the Japanese Americans, this report will surely dispel it forever. Many attribute the relocation of Japanese Americans to wartime hysteria. However, the Commission found that the exclusion and removal of Japanese Americans was racially motivated and followed a long and ugly history of west coast anti-Japanese agitation. Antipathy and hostility toward the Japanese, as an ethnic group, was a major factor of life on the west coast for more than 40 years before the enemy attack on Pearl Harbor.

Moreover, the record, revealed during the Commission's study, shows that responsible public officials, knowing full well that there was no danger of an enemy attack on the west coast, took no action to allay public fears. According to the Commission report, the country was unfairly led to believe—or misled to believe—that both American citizens of Japanese ancestry and resident Japanese aliens were a threat to American Security. The Commission's findings include the following:

(1) Lt. Gen. John DeWitt, Commanding General of the Western Defense Command, recommended exclusion of Japanese Americans to the Secretary of War on the grounds that ethnicity (or race) determined loyalty;

(2) The Federal Bureau of Investigation—FBI—and members of Naval Intelligence, who had relevant intelligence responsibility, were ignored when they recommended that nothing more than careful surveillance of suspected individuals was necessary;

(3) Gen. DeWitt relied heavily on civilian politicians rather than informed military judgments in reaching his conclusions as to what actions were necessary, and civilian politicians largely repeated the prejudiced, unfounded themes of anti-Japanese factions and interest groups on the west coast;

(4) No effective measures were taken by President Roosevelt to calm the west coast public and refute unfounded rumors of sabotage and fifth column activity at Pearl Harbor;

(5) Gen. DeWitt was temperamentally disposed to exaggerate the measures necessary to maintain security and placed security far ahead of any concern for the liberty of citizens;

(6) Secretary of War Stimson and Assistant Secretary of War John J. McCloy, both of whose views on race differed from those of General DeWitt, failed to insist on a clear military justification for the measures General DeWitt wished to take;

(7) Attorney General Francis Biddle, while contending that exclusion of the Japanese Americans was unnecessary, did not argue to the President that failure to make out a case of military necessity on the facts would render the exclusion constitutionally impermissible or that the Constitution prohibited exclusion on the basis of ethnicity given the facts on the west coast;

(8) Those representing the interests of civil rights and civil liberties in Congress, the press, and other forums were silent or indeed supported exclusion. Thus, there was no effective opposition to the measures vociferously sought by numerous west coast interest groups, politicians, and journalists; and

(9) President Roosevelt, without raising the question to the level of Cabinet discussion or requiring careful review of the situation, and despite the Attorney General's arguments and other information before him, agreed with the Secretary of War that exclusion should be carried out.

In contrast to the sorry record of Japanese American detention during World War II, the Commission found that the evacuation of Aleuts from their island homes was militarily necessary. Islands in the chain were actually under enemy attack and, in one case, more than 40 American Aleuts were captured and imprisoned in Japan. All residents of islands under threat of attack, including military personnel and dependents and employees of the U.S. Department of the Interior, were evacuated along with Native American Aleuts.

However, the Commission report reveals that American Aleuts, who were evacuated to southeastern Alaska, were subjected to deplorable conditions. Typical housing consisted of an abandoned gold mine or fish cannery. Lack of medical care contributed to extensive disease and an estimated 10 percent of the Aleuts died as a result. Removal from their island homes and the death of many village elders caused irrevocable changes in the Aleuts' traditional way of life, and upon their return home after the war, they found their homes and villages destroyed. The evacuation of the early 1940's remains for the American Aleuts, as it does for Japanese Americans, the single most traumatic experience of their lives.

Mr. President, I have related only a brief summary of the Commission's findings. I strongly urge all of my colleagues to read the Commission's report, for it merits the most careful study and reflection. It reinforces my strong belief that some form of compensation is warranted for those who were the victims of what the Commission has found to be pure and simple racial prejudice and failure of political leadership. Justice delayed may be justice denied, but, no matter how long overdue, compensatory action on the part of our Government would demonstrate once again the greatness of America. In this connection, I look forward to the release of part II of the Commission's report, which I understand will include recommendations for congressional action.

Mr. President, it has been said by wiser men than me that those who neglect their history are doomed to repeat their errors of the past. The story of the Japanese Americans during World War II is one which would be told and retold, so that no other group of Americans will ever be forced to suffer the same experience because of their race or ancestry. Their experience, perhaps more than any other, poignantly reinforces the truth so dramatically uttered by President Franklin Delano Roosevelt that "Americanism is a matter of the heart and mind, not of race or ancestry."

Mr. President, I yield the floor.

(Mr. GOLDWATER assumed the chair.)

● Mr. INOUYE. Mr. President, today, as the culmination of many months of extensive hearings and meticulous archival research, the Commission on Wartime Relocation and Internment of Civilians has issued a detailed report documenting its findings. As an author of the legislation which established the Commission, I have looked forward to reviewing this report with some anticipation, and upon doing so I have found it to be an eminently read-

able as well as thoroughly documented work.

The report demonstrates conclusively that the exclusion, evacuation, and detention of over 100,000 U.S. citizens and resident aliens were unjustified and unnecessary. According to the Commission, the background of the decision leading to the exclusion of Japanese Americans was the "long and ugly history of West Coast anti-Japanese agitation and legislation." The report points out that, in spite of the fact that ethnic Japanese comprised less than 3 percent of the population of California, antagonism and hostility toward this minority group was widespread and persistent.

Other factors which contributed to the decision for exclusion were disconcerting Japanese battle victories in the Pacific, and the widespread belief that the Pearl Harbor attack was facilitated by sabotage and fifth column activity carried out by ethnic Japanese in Hawaii. Political pressure on the west coast added fuel to the fire, and the report indicates that the Federal Government did little or nothing to quell the hysteria and antagonism.

The culmination of these various circumstances and events was the issuance of Executive Order 9066. With the signing of this order by the President, in concurrence with the War Department, American citizens and alien residents were compelled to leave the west coast based on wartime military necessity. As a result, approximately 120,000 people were placed in locked and guarded internment camps. Property was confiscated or sold for almost nothing, assets were frozen, but more importantly, dignity was sacrificed, and self-respect suffered considerably. Mr. President, how can we put a price tag on the suffering which these people, our fellow Americans, endured only four decades ago?

In establishing the Commission, it was, and still is my hope that its findings will serve to inform and educate the American people, to haunt our consciences to such an extent that this black chapter in our Nation's history will never be reopened, not in our lifetime or in future generations. Ladies and gentlemen, let us make the Commission's report a sober reminder of past errors, a record of grave injustice committed against our brothers. Let us remember that the ignorance, fear, and anger which precipitated the incarceration of thousands of loyal Americans are "wolves in sheep's clothing" engendered by, but not necessarily limited to, conditions of wartime hysteria.

I, and most other ethnic Japanese residents of Hawaii, at the time were fortunate in that we were not interned. As a soldier, however, I visited the Rohwer, Arkansas' internment camp, and try as I have, I cannot forget this experience. I still recall the question I asked myself as the barbed wire fences came into view: "Is this America?" Hopefully, as a result of the Commission's excellent work, this black chapter can be closed but not forgotten.

Mr. PROXMIRE. Mr. President, will the junior Senator from Hawaii yield me some of his time which, I understand, he may have left?

Mr. MATSUNAGA. Yes; I will be happy to yield the time to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I have some matters I want to discuss, but I would like to congratulate my good friend from Hawaii on an excellent statement. This is certainly one of the most tragic and serious abridgments of civil liberties this country has ever carried out. It was a studied policy of our country, and it is one, in retrospect, that every one of us deplores, and I am just delighted that the great Senator from Hawaii has called it to our attention. It should be on our conscience and it should be resolved to never let it happen again.

Mr. MATSUNAGA. Mr. President, I thank the Senator from Wisconsin, and especially because he represents the great State of Wisconsin and its wonderful people. I recall that shortly after the attack on Pearl Harbor, although I was even before the attack on active duty and temporarily in command of a company defending the Island of Molokai in the Hawaiian Islands chain, shortly after it became rather remote that the Japanese would invade, which was in June 1942, I was ordered, along with all other Americans of Japanese ancestry in Uncle Sam's uniform, to turn in my arms and ammunition, and without more notice than 76 hours we were on board the converted troop ship, the SS *Maui,* sailing for a destination unknown.

When we landed in Oakland, Calif., we were put upon a troop train, 1,565 of us, all of Japanese ancestry in American uniform, stripped of our arms and ammunition. When that train finally came to a screeching halt, we looked out the window and the first thing we saw were barbed wire fences. We exclaimed: "Well, the pessimists were right. We are headed for a concentration camp." But it turned out that the barbed wire fences held two Japanese prisoners of war whom our men had captured on Waimanalo Beach on December 7, two men who had manned a two-man submarine and mistakenly was beached on Waimanalo Beach.

Mr. PROXMIRE. Japanese or Americans?

Mr. MATSUNAGA. Americans of Japanese ancestry captured the two Japanese sailors who manned the two-man submarine and 1,565 of us, a battalion, an infantry battalion, had the duty of guarding these two Japanese prisoners of war as our first duty. We trained with wooden guns, although we were veterans already of war.

Had it not been for the great people of Wisconsin, who welcomed us as the pure unhyphenated Americans, who took us into their homes and who showed us such kindness, believe me—I have this flashback, and one of the most pleasant experiences—as one who had been stripped of his arms, accused of being a disloyal American, had it not been for the people of Wisconsin, my faith in this great country would have been shattered. And through you, I say to Senator PROXMIRE, I take this opportunity to thank the people of Wisconsin.

Mr. PROXMIRE. Mr. President, I wish to thank my good friend again. Once again, I point out that some of the most magnificent soldiers that this country has ever had were the Americans of Japanese ancestry who represented us, and fought for us, and defended this country at great risk and, in some cases, losing their lives. The senior Senator from Hawaii, I understand, left an arm in Europe. Both Senator MATSUNAGA and Senator INOUYE are not only outstanding Senators but were great soldiers fighting for this country.●

THE ADMINISTRATION'S PROPOSED JOBS PROGRAM

Mr. PROXMIRE. Mr. President, we have one of the most absurd economic policy ironies in recent years now. Here we have the supreme test of Keynesian economics: We have a deficit in this fiscal year of more than $200 billion. Indeed, in the first 3 months of this fiscal year—October, November, and December—the deficit was $68.3 billion. That is for 3 months alone. That makes the deficit ink the first 3 months of this fiscal year worse than the deficit for any full year in history prior to 1982. By the time the fiscal year expires next September 30, the deficit will be at least three times as high as any this country has ever suffered.

Mr. President, we can talk about stimulating the economy by increasing spending and cutting taxes, but this is ridiculous. Every penny of that deficit must be borrowed. It must be borrowed from the savings of the American people. Some calculate that the deficit will absorb more than 90 percent of all private savings, leaving very little for borrowing by home buyers and auto buyers and farmers buying tractors and businessmen borrowing to buy equipment.

Obviously, any private sector recovery will run right smack into these colossal demands on the credit market. And with a limited supply of credit interest rates, the price of credit will once again go through the roof,

unless—unless—the Federal Reserve Board massively increases the supply of credit. It might just do that. In fact, for the last 3 months the Fed has been doing exactly that. In spite of this explosion of money, M-1 has increased at an annual rate of about 15 percent since the first of the year; M-2, at the breathtaking rate of 30 percent; and, in spite of pumping huge amounts of credit into the market, interest rates have stabilized and started to rise.

It is astonishing that that could happen with this new credit coming in, but that is, of course, because we have such an immense amount of Federal borrowing because of the debt.

All of this, Mr. President, brings us to the wisdom, or lack thereof, of a jobs bill. Obviously, with such a high proportion of the work force being without jobs, with evidence everywhere of the heartbreak and tragedy of unemployment, Congress cannot simply stand by and do nothing.

But, what can we do? If we cut taxes further or spend more, we will create no new net jobs. Whatever we spend for a jobs program, we must borrow and, in the process, crowd out through higher interest rates those who would like to buy homes or cars, and other private borrowers in this credit economy of ours.

So what kind of program should we adopt to ease the misery of the unemployed? Well, yesterday morning's Washington Post, in a lead editorial, recognizes our dilemma and says wisely that, under present circumstances, the only good reason to spend money on a jobs program is to relieve the hardships of people who have been out of work for a long time and have scant hope of being rehired. The editorial points out that nearly a fourth of the unemployed have been out of work for more than a half year. It suggests that any jobs program should help the worst off among this group.

Such a policy might not create any new net jobs. It would, however, provide an equity and justice that causes the worst kind of heartbreak in our society.

Meanwhile, it is time Congress considered changing the wage and hour law from the 8-hour, 5-day-a-week discipline with time and a half for overtime, to a 7-hour day with double time for overtime. Such a change would provide at least 5 million additional jobs in the private sector, without a penny of additional spending; in fact, with a reduction in unemployment compensation and welfare spending.

Now mind you, I do not call for this dramatic change in policy. I am not introducing legislation to achieve it. It could be costly, it could be inflationary, and it could be a mistake in the long run.

We have not had a change in hours in this country for 50 years. The changes, when we went from a 12-hour day and a 6-day workweek to an 8-hour day and a 5-day workweek have been wholesome and have been constructive. We have been able to live with them and influence other countries to adopt a similar policy. So I think we should consider them. But I think before we take the step we should be very careful in what we do. However, it is one clear answer to our unemployment problem that has not been given the kind of consideration it deserves.

Mr. President, I ask unanimous consent that the editorial from the Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 23, 1983]

FIGHTING UNEMPLOYMENT NOW . . .

By announcing its commitment to a $4.3 billion "jobs" program of vague specification, the White House has put Congress in a bind. Congressional leaders of both parties agree that swift action is needed—preferably by adding a jobs package to a March emergency appropriations bill needed to keep unemployment benefits flowing. But they are also aware that the limitations the White House has put on its program pretty much ensure that it won't do much to help the long-term unemployed.

The President's chief economic adviser, Martin Feldstein, described the program to a Senate subcommittee last week as an acceleration of planned spending on construction and maintenance, with no special targeting on the long-term unemployed. That probably means work on highways, dams, federal buildings, mass transit, port dredging, veterans' hospitals and urban renewal.

That will be good news for the construction unions in areas where these projects happen to be located. Unfortunately, most of the long-term unemployed aren't construction workers, and certainly no one would want to attract more workers into this perennially overcrowded field.

Mr. Feldstein defends this approach in more traditionally Keynesian terms. If the projects are going to be built anyway, they might as well be built when the economy is slack for whatever general stimulus value they may have. Looked at this way, however, the money is hardly worth spending.

It is far from clear that more of this sort of general stimulus is needed. Large tax rebates are due in April as the result of overwithholding last year; another tax cut comes in July; the $5 billion in added highway spending will begin shortly, and defense spending is accelerating. If there is any punch left in deficit spending, these outlays should provide it.

Mr. Feldstein should also ask himself whether it is really likely that this "speed-up" of public works won't add permanently to the deficit. When Congress looks in the pork barrel next year and finds it empty, the temptation to replace the missing $4.3 billion will be irresistible.

Studies of local public works programs have also shown that their job-creation value—even when both direct and multiplier effects are taken into account—is very low initially. In the first two years of operation, it would cost almost $50,000 a year for each direct and indirect job created in this way. The $4.3 billion would add only about 90,000 jobs a year—a drop in the unemployment bucket.

The only good reason to spend this kind of money on a jobs program is to relieve the hardships of people who have been out of work for a long time and have scant hope of being rehired. Almost 24 percent of the unemployed have been jobless for over half a year—a considerably higher number than in any other post-war recession. Their number, moreover, continues to grow. Spending $4 billion on helping the worst-off among this group could do much to get them back on their feet. If Congress and the President are interested in more than a symbolic jobs program, this is where their efforts should be concentrated.

NUKESPEAK—HOW OUR LANGUAGE PUSHES US TOWARD A NUCLEAR CATASTROPHE

Mr. PROXMIRE. Mr. President, I call to the attention of the Congress a new book entitled "Nukespeak," by Hilgartner, Bell, and O'Connor.

In the years I have been in this body, I have rarely called the attention of my colleagues to any book on any subject. But the steady, unremitting, year-after-year march of this world toward nuclear war cries out for action from the American Government and from this U.S. Senate.

So, Mr. President, I ask unanimous consent that the brief introduction to "Nukespeak," which indicates how our words and how the assumptions we make in our lives have conditioned us to accept the possibility of nuclear war too uncritically, be printed in the RECORD.

There being no objection, the introduction was ordered to be printed in the RECORD, as follows:

INTRODUCTION

The language we use has important influences on our thinking.

George Orwell wrote passionately about the role of language in shaping political discourse and understanding. In his 1946 essay, "Politics and the English Language," Orwell charged that political language consists mainly of "euphemism, question-begging and sheer cloudy vagueness." Thus "pacification" is the bombing of defenseless villages; "transfer of population" or "rectification of frontiers" is the robbing of millions of peasants of their farms; "elimination of unreliable elements" is accomplished when "people are imprisoned for years without a trial or shot in the back of the neck or sent to die of scurvy in Arctic lumber camps."

In the thirty-six years since the atomic bombings of Hiroshima and Nagasaki, a new language has evolved. We call that language *Nukespeak*. Nukespeak is the language of nuclear development, a term we use to include the development of both nuclear weapons and nuclear power. In Nukespeak, atrocities are rendered invisible by sterile words like *megadeaths;* nuclear war is called a *nuclear exchange*. Nuclear weapons accidents are called *broken arrows* and *bent spears*. Plutonium is called a *potential nuclear explosive*. The accident at Three Mile Island was called an *event*, an *incident*, an *abnormal evolution*, a *normal aberration*, and a *plant transient*. India called its nuclear bomb a *peaceful nuclear device*.

Nukespeak is the language of the nuclear mindset—the world view, or system of beliefs—of nuclear developers. The word *mindset* means what it implies, a mind that is already set. A mindset acts like a filter, sorting information and perceptions, allowing some to be processed and some to be ignored, consciously or unconsciously. Nukespeak encodes the beliefs and assumptions of the nuclear mindset; the language and the mindset continuously reinforce each other.

Euphoric visions of nuclear technologies are an important expression of the nuclear mindset. The discovery of X-rays and radium at the end of the nineteenth century brought forth visions of a technological *Garden of Eden*. The *philosopher's stone* and the *elixir of life* had been found at last. The discovery of nuclear fission in 1938 unleashed a torrent of similar imagery: nuclear-powered planes and automobiles would whisk us effortlessly around the globe, while unlimited nuclear electricity powered underground cities, farms, and factories.

After World War II and the bombing of Hiroshima and Nagasaki, nuclear developers used information-management techniques—official secrecy and public relations—to promote what one called the *"sunny side of the atom."* Once atomic energy was applied for peaceful purposes, a nuclear-powered *paradise* would be at hand. Electricity *"too cheap to meter"* would power the new *Golden Age*. No problem would be too difficult to solve quickly and economically. Reactors would operate safely; the disposal of radioactive waste would be a nonproblem; international *safeguards* would allow the benefits of the *peaceful atom* to spread to every nation while preventing the spread of nuclear bombs.

In his novel *1984*, Orwell warned about the danger of complete state control over the dissemination of information. The history of nuclear development has been profoundly shaped by the manipulation of information through official secrecy and extensive public-relations campaigns.

Nukespeak and the use of information-management techniques have consistently distorted the debate over nuclear weapons and nuclear power. Time and time again, nuclear developers have confused their hopes with reality, publicly presented their expectations and assumptions as facts, covered up damaging information, harassed and fired scientists who disagreed with established policy, refused to recognize the existence of problems, called their critics mentally ill, generated false or misleading statistics to bolster their assertions, failed to learn from their mistakes, and claimed that there was no choice but to follow their policies.

The nuclear debate is the most important debate in human history. We hope that this book will help readers understand the language, visions, and mindset underlying nuclear development, and that this understanding will contribute to a fruitful redirection of the discussion.

GENOCIDE CONVENTION: LEARNING FROM MISTAKES IN NAZI GERMANY

Mr. PROXMIRE. Mr. President, one-half century ago this month, Adolf Hitler was appointed Chancellor of Germany. As head of the Third Reich, Hitler took his dream of wiping every Jew off the face of Europe and tried to make it a reality. As a result of this endeavor, 6 million Jews perished.

How could one man be allowed to cause so much suffering affecting so many people, and what caused him to prevail? These questions must be addressed because if we fail to understand the past, we will repeat our mistakes in the future.

Some claim that Hitler had an uncanny insight into mass psychology and an extraordinary ability as an orator and organizer that allowed him to seize power. P. H. Terzian, in a January 1983 article for the Los Angeles Times, explains why he disagrees with this evaluation. Terzian points out that Hitler's ideology scarcely made him unique: anti-Semitism, grievances about the Versailles Treaty, and a platform of national self-renewal were not new to the Weimar Republic.

Terzian also doubts the theory that the Weimar Republic was so debauched by a decade of inflation, reparations, and unemployment, that a supine fatherland had no way out but to seek desperate remedies. After all, he asserts, the Reichstag was representative, the press was free, and art and literature were in the midst of a golden age.

So what did go wrong? Terzian offers this explanation:

> . . . the republic—delicate or otherwise—subsisted on a fallacy. It was assumed that the existence of democratic institutions presupposed their success, that democracy required no effort, only faith. This was no more true in the Germany of 1933 than it is plausible today. The Germans had no knowledge of democracy under strain, and so in the midst of crisis reverted to atavism.

Within this discourse lies a message which can be translated and applied across the Atlantic: Democracy is a delicate institution which must be protected and preserved.

It is crucial that we here in a democratic nation like the United States understand the ways in which our democratic way of life may be denied, because a country cannot rely on faith to protect its freedom. We learned this lesson from Nazi Germany.

In 1983, on the 50th anniversary of Hitler's rise to power, the threat of genocide still exists. A treaty that has been pending before the Senate since 1949, the Genocide Convention, deals with this threat. If ratified, the Genocide Convention would make the extermination or intent to exterminate any national, racial, ethnic, or religious group an international crime. The United States still refuses to become a party to the Genocide Convention, even though the need for such a treaty has not diminished since the Holocaust. Those who would destroy an entire group of people, for whatever reason, have found their work shamefully easy. Oppressors feel that they can work without fear of retribution. The Genocide Convention is a step in the direction of correcting this situation.

Let us not wait for future horrors to occur before we are spurred to action. I urge my colleagues to ratify this treaty immediately.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business that will not last longer than 30 minutes where Senators may speak for 5 minutes each.

A NEW DAY IN CHICAGO

Mr. PROXMIRE. Mr. President, the day before yesterday, Tuesday, a remarkable thing happened in the city of Chicago. Chicago, as we all know, is our second biggest city. There were three candidates running for mayor. Chicago has never had a black mayor. One of the candidates, Representative WASHINGTON, is black. Representative WASHINGTON won.

I think that is a great development. This is a great week for our country, because there is no question that blacks have been discriminated against in our country. In this body, we have no blacks now. A few years ago, we had a remarkably fine Senator from Massachusetts, Senator Ed Brooke, who is black.

Blacks are beginning to develop the kind of outstanding leadership that I think is going to make quite an impression on this country in the future. We recognize that not only does Chicago have a black mayor, but Los Angeles, Atlanta, Detroit, Newark, Gary, and New Orleans do, also. It is a remarkable indication of the ability of our black citizens, who have suffered such really serious discrimination—economically, educationally, and in so many ways—and have overcome this.

I have great respect for both Rich Daley and Jane Byrne. They are two fine people, and I think either one would have made a good mayor. There is no question in my mind that the best person won, that Representative WASHINGTON won strictly on the basis of the merits. He has been a fine Congressman. He was one of the few people, black or white, in Chicago who devoted a great deal of time to civil rights. Although he was in the Chicago political organization, he was a person who goes beyond it. He has indicated, incidentally, that he is going to stop the kind of patronage that has been the heart and core of the Chicago machine in the past.

I think this is a good day for all those who believe in representative government, especially those who believe our black citizens have not had the kind of opportunity they deserve and that they can and will provide the

kind of leadership this country urgently needs at all levels.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNIFORM PARCEL WEIGHT AND SIZE LIMITATIONS EFFECTIVE FEBRUARY 27, 1983

Mr. STEVENS. Mr. President, last summer the President signed into law a small but significant piece of legislation which I introduced to repeal long outdated parcel size and weight limitations imposed on the mailing public. The limitations, intended to protect the Railway Express Agency, provided that the Post Office Department, and later the U.S. Postal Service, could not accept parcels larger than 40 pounds or 84 inches in combined length and girth between first-class post offices. That is to say that Americans served by the approximately 6,000 largest post offices, and at that time by the REA, were not able to mail packages as large as residents of smaller communities.

The REA went out of business in 1975, thus ending any arguable need for this very real discrimination among Americans. Last August, we repealed this arbitrary limitation. The Governors of the U.S. Postal Service requested a change in regulations from the Postal Rate Commission, and recently accepted the Commission's recommended decision.

Uniform parcel weight and size limitations of 70 pounds and 108 inches, respectively, will become effective this Sunday, February 27. I am pleased to note this small measure of additional equality for the American people, and one less burdensome and unnecessary regulation.

LEATHER PRODUCTS EXEMPTION FROM CARIBBEAN BASIN INITIATIVE

Mr. COHEN. Mr. President, I support the goals of legislation to implement the economic provisions of the Caribbean Basin Initiative (CBI). I believe that promoting political stability through development of economic strength is a laudable goal. I do not believe, however, that industries such as leather products manufacturers—already suffering the effects of import competition—should bear the burden of this new policy.

I am very pleased that President Reagan's proposal already contains an exemption for leather products from the duty-free provisions of the CBI. I do not see how, without this assurance, I could justify supporting one-way trade liberalization to the 2,500 unemployed shoe and leather workers who have lost their jobs during the past year in my State. The exemption is needed both because of the import-sensitive nature of the leather products industry and the lack of alternative remedies available through our domestic trade laws.

The footwear industry is among the most sensitive to the effects of import competition. To substantiate this claim, I need only to refer to some historical facts. In 1968, the United States produced 642 million pairs of shoes and imports accounted for 21 percent of the domestic market. Based on trends in 1982, production has been reduced to an annual rate of 167 million pairs, while imports have now captured over 60 percent of the domestic market.

Similarly, in the State of Maine, America's No. 1 footwear-producing State, there were nearly 27,000 workers employed in this industry in 1968 producing 58 million pairs in 82 plants throughout the State. By this year, however, only 63 plants employing 16,300 workers remain and production has declined to 47 million pairs.

In fact, the International Trade Commission, which is statutorily authorized to make injury determinations under our trade laws, has found on two separate occasions that imports were causing serious injury to the domestic shoe industry.

The administration recognized the need for special consideration for certain industries when the Caribbean Basin Initiative was originally proposed to Congress. The textile and apparel industry was exempted totally from the trade liberalization provisions due to the import-sensitive and labor-intensive nature of the industry. Now I am pleased that the same treatment is afforded the leather products and footwear industry.

Mr. President, the footwear industry has undertaken many of its own initiatives to improve its competitiveness with foreign imports and has reasonable wage rates. In spite of these efforts, imports continue to grow, forcing Americans out of work. I feel that these jobs cannot be sacrificed to improve our relationship with the Caribbean region.

It is for all these reasons that I want to express my continued support for exempting the leather products and footwear industries from the trade liberalization portions of the Caribbean Basin Initiative.

MR. CALE YARBOROUGH OF SARDIS, S.C., WINNER OF THE 1983 DAYTONA 500 STOCK CAR RACE

Mr. THURMOND. Mr. President, I want to take this opportunity to formally congratulate stock car driver Cale Yarborough of Sardis, S.C., on winning the 1983 Daytona 500 race on Sunday, February 20, in Daytona, Fla.

This is Mr. Yarborough's third Daytona 500 victory, yet this particular race was perhaps more special to him than any other race he has driven. While driving during the time trials on the Monday before the race, Mr. Yarborough's high-performance Chevrolet Monte Carlo suddenly rose off of the racetrack and violently tumbled through the air before being virtually demolished. Fortunately, Mr. Yarborough escaped injury from this grueling accident. His car, which only moments earlier had set an all-time one-lap record of 200.503 miles per hour, was damaged beyond repair. The chances of winning the race with his backup car seemed slim, but the quality of one's automobile is only half of the art of racing. The other half of this challenging sport depends upon the abilities of the driver. Mr. Yarborough proved his skills at Daytona and made a remarkable recovery—one which race car enthusiasts recognize as one of the great comebacks in stock car history.

I commend Cale Yarborough for his skill and competitive spirit, and for his unique ability to overcome adverse circumstances to obtain the ultimate goal of victory. Such is the mark of greatness.

Mr. President, I know that my colleagues in the Senate will want to join me in congratulating Mr. Yarborough for this superb achievement. In order to better describe this exciting race, I ask unanimous consent that an article from the Charleston News and Courier be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Charleston (S.C.) News and Courier, Feb. 21, 1983]

RESILIENT YARBOROUGH WINS DAYTONA 500

DAYTONA BEACH, FLA. (AP)—Cale Yarborough, who this past week had flipped through the air in a frightening crash, drove his backup car past Buddy Baker on the back stretch of the last lap to win the $1 million Daytona 500 Sunday.

Yarborough, a three-time Winston Cup champion, sat solidly in the second spot, behind Baker, for 10½ of the last 11 laps. On the final trip around the 2.5-mile Daytona International Speedway, the 42-year-old driver from Sardis, S.C. dropped low near the end of the long backstretch and whipped his Pontiac LeMans past Baker's Ford Thunderbird, taking Bill Elliot's Ford and the Chevrolet of Joe Ruttman with him in the draft.

Yarborough stayed ahead through the final two turns to win his third Daytona

500, while the trailing threesome came across the finish line in a virtual dead heat. Elliott wound up second, about four car lengths behind Yarborough, with Baker third and Ruttman fourth, Dick Brooks was fifth, a lap behind the leaders.

The winner averaged 155.979 mph in earning the top prize of more than $100,000.

The race was fast and relatively clean despite tensions that built prior to the event after a week of spectacular and violent crashes, one resulting in a severe head injury for Bruce Jacobi, who remains in critical condition.

The top four finishers locked together and ran single file when the green flag fell 32 laps from the end of the 200-lap event following the sixth and final caution period of the race.

Yarborough, who last won this race in 1968 and 1977, set an all-time one-lap record of 200.503 mph last Monday before crashing in the Chevrolet Monte Carlo that the team of Harry Ranier had prepared for this race. That came during the opening time trial for the race and put the team, headed by crew chief Waddell Wilson, far behind in preparations.

Yarborough came back with the backup car and qualified in the eighth starting position.

The start of the race was clean and competitive, with six lead changes among five drivers in the first eight laps and nine changes among seven drivers in the first 20 trips around the high-banked trioval.

Among the early big name dropouts were Benny Parsons, Tim Richmond, and seven-time Daytona 500 winner Richard Petty.

Parsons, the 1975 Daytona 500 winner, retired his Buick on lap seven with a dropped cylinder. Richmond's Pontiac LeMans started 24th and ran as high as eighth before going out on lap 25 with a broken cylinder. Petty's Pontiac Grand Prix retired while leading the race on lap 48 when the engine blew. Petty had led four times in the fast-paced race.

There were no caution flags in the first 50 laps, but Bosco Lowe spun his Buick while speeding down pit road on lap 39 and scattered crewmen in the pits of Buddy Baker and David Pearson. The car hit the low concrete pit wall and had to be retired, but the only injuries were to a crewman and one spectator, both of whom suffered scratches on the leg and bruises while scrambling out of the way.

The first yellow flag came out on lap 52 when Phil Parsons, Benny's younger brother, began smoking badly while running down the main straightaway. His Buick skidded into the infield grass and slid almost 400 feet before Parsons got the car back in hand and drove slowly around to the pits.

Darrell Waltrip's bad luck in Daytona's major events continued as he crashed his Chevrolet coming out of the fourth turn moments after the second caution flag was brought out by Dale Earnhardt's blown engine on lap 54.

Both Lake Speed and Waltrip, who has won nine times on this track but never has taken the 500 or the Firecracker 400, were trying to unlap themselves by passing leader Dick Brooks before the start-finish line.

Waltrip was taken to Halifax Hospital, where his injuries were diagnosed as a mild concussion and contusions. Waltrip was to be kept overnight for observation.

SHOPPING CENTER PROTECTION IMPROVEMENTS ACT OF 1983

Mr. DECONCINI. Mr. President, I rise today to speak in support of S. 549, the Shopping Center Protection Improvements Act of 1983, a bill which I cosponsored along with Senator HATCH. This bill would improve the protections in the bankruptcy code for shopping centers and their solvent tenants in the event of the bankruptcy of other tenants.

It is important to understand that S. 549 makes changes in the code that only make effective provisions already contained in the code. These changes strengthen protections which Congress sought to provide in the Bankruptcy Reform Act of 1978; they are not a departure from the basic principles of the 1978 act.

It is important that Congress act very quickly on these changes because without them many viable small businesses may be threatened with insolvency as an unintended and unnecessary consequence of the administration of other bankruptcies under the code. An important goal of these proposed changes is to protect shopping center tenants—often small businesses trying to survive in a difficult economy—against a bankruptcy domino effect. Under current law, the administration of a shopping center lease by the debtor or his trustee can and has caused the bankruptcies of other tenants by hurting the business of the entire shopping center.

Shopping centers are unique real estate arrangements. They are unique because of the high degree of interdependence of many businesses—some of which are direct competitors—and because of the nature of the agreements between merchants and the shopping center which are necessary to make such competition profitable to all parties. A successful shopping center is the product of sophisticated planning and negotiation which results in a carefully chosen balance of merchants. Tenants are chosen on the basis of their business use, their type of operation, the market they will serve, their financial viability, and business experience, and the needs of the surrounding community. All of these factors determine the appeal of the shopping center, as a whole, to a broad segment of the population to be served. To insure that the desired tenant mix is maintained in a shopping center, the landlord and all of the tenants enter into agreements which specify in detail the business use permitted for each tenant space.

Shopping center leases are necessarily made on a long-term basis. Generally, the tenants make large financial investments in preparing their establishments for the contemplated business, and the value of these investments is dependent upon the success of the entire shopping center. To be successful, the tenant space in a shopping center must be fully occupied by establishments operating at full capacity and offering products or services which, in conjunction with those offered by other tenants, are designed to maximize the attraction of customers to the shopping center.

To avoid the disruption of the business of a shopping center and all of its solvent tenants in the event of the insolvency of a tenant, it is necessary that tenant space not be left vacant, operated at a curtailed level, or changed to a new business use. Prior to the Bankruptcy Reform Act of 1978, shopping centers were able to prevent such disruption by incorporating into the leases clauses which permitted the landlord to take the lease back in the event of the insolvency of a tenant. These clauses were made unenforceable by the 1978 act.

However, Congress recognized the unique nature of shopping centers and sought to avoid or at least minimize the disruption of the business of a shopping center and its other tenants by incorporating specific protections into the bankruptcy code. These protections generally provide that in the event a trustee chooses to assume or to assign an unexpired shopping center lease, he must make certain assurances, including that the use provisions of master agreements will not be substantially breached and that the tenant mix will not be substantially disrupted.

Unfortunately, experience has shown that the protections provided by Congress in 1978 are inadequate. Because the bankruptcy code sets no deadline for the trustee to decide whether to reject or to assume an unexpired shopping center lease, tenant space has been boarded up for extended periods of time. Such a situation has a depressing effect on the business of the other tenants of a shopping center and has caused the bankruptcy of other tenants in some cases. Where the debtor's establishment is an anchor store—for example, the grocery store anchor of a small strip center—the entire shopping center can be destroyed.

Another problem which has arisen regards the assignment of unexpired leases to businesses not conforming with the use restrictions of the lease. Although this is plainly contrary to the intent of Congress, it appears that the use of the word "substantially" regarding breach of the lease provisions and disruption of the tenant mix has enabled debtors to avoid these restrictions.

These and other problems which have occurred under the bankruptcy code need to be expeditiously remedied. In recent months, bankruptcies of large national chain stores, as well

as small merchants, have occurred which are affecting dozens of shopping centers across the country. The vacancy, curtailed operation, or deviation from the specific use of this space will affect hundreds of other shopping center tenants. Many of these other tenants are presently operating under difficult circumstances due to the recession. There is a substantial danger, therefore, that further reductions in the business of the shopping center due to the actions of the debtor or of his trustee could create a ripple effect, causing the bankruptcies of other tenants in affected shopping center. For example, in a Michigan shopping center where an Anchor department store was vacant for several months the business in the center dropped over 50 percent, leading to the bankruptcy of a neighboring store.

For these reasons, it is important that Congress act quickly to make the necessary changes in the bankruptcy code. Trustees or debtors in possession should be required to decide whether to assume or reject an unexpired shopping center lease within 60 days of the filing of the bankruptcy petition. The word "substantially" should be deleted from the provisions requiring assurances that an assignment of a shopping center lease would not breach lease agreements and would not disrupt the tenant mix. The trustee should be required to perform all of the obligations of the tenant under the lease until the lease is assumed or rejected.

These and other changes in the bankruptcy code contained in S. 549 are needed to make effective the protections which Congress ought to provide shopping centers and their tenants in the 1978 act. Indeed, these protections are needed by the economy as a whole to avoid jeopardizing the solvency of the large numbers of merchants in shopping centers with a bankrupt tenant.

A hearing on this bill was held on January 24, before the Courts Subcommittee of the Judiciary Committee. I urge my colleagues to consult the record of that hearing. Upon consulting that record, I am sure they will recognize the need for swift action in the House and Senate on this bill.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate a message from the President of the United States submitting a sundry nomination which was referred to the Committee on Environment and Public Works.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 11:44 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that pursuant to section 3(b), Public Law 96-317, as amended, the Speaker appoints Mr. LUNGREN as a member on the part of the House of the Commission on Wartime Relocation and Internment of Civilians.

The message also announced that pursuant to section 451(a) of Public Law 96-374, the Speaker appoints as members of the National Commission on Student Financial Assistance the following Members on the part of the House: Mr. FORD of Michigan and Mr. ERLENBORN.

At 12:23 p.m., a message from the House of Representatives, delivered by Mr. Gregory, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 65. Concurrent resolution welcoming Her Majesty Queen Elizabeth II and His Royal Highness The Prince Phillip, Duke of Edinburgh, on their official visit to the United States.

HOUSE CONCURRENT RESOLUTION REFERRED

The following concurrent resolution was read, and referred to the committee on Foreign Relations:

H. Con. Res. 65. Concurrent resolution welcoming Her Majesty Queen Elizabeth II and His Royal Highness The Prince Phillip, Duke of Edinburgh, on their official visit to the United States.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-278. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to extend the authority of the Administrator of Veterans' Affairs to provide certain contract hospital care and medical services in Puerto Rico, the Virgin Islands, and other territories; to the Committee on Veterans' Affairs.

EC-279. A communication from the Secretary of the Interior, transmitting, a draft of proposed legislation to amend Section 1(a)(1) of Public Law 95-348 (92 Stat. 487) to authorize the appropriation of $4,038,000 for capital improvement projects on Guam for fiscal year 1984; to the Committee on Energy and Natural Resources.

EC-280. A communication from the Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a request by the Sun Gas Company for a refund of excess royalty payments; to the Committee on Energy and Natural Resources.

EC-281. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a plan for the East Carroll Watershed, Louisiana; to the Committee on Agriculture, Nutrition and Forestry.

EC-282. A communication from the President of the National Railroad Passenger Corporation, transmitting, pursuant to law, a draft amendment to Amtrak's Criteria and Procedures for Making Route and Service Decisions; to the Committee on Commerce, Science, and Transportation.

EC-283. A communication from the Assistant Secretary of the Treasury (Legislative Affairs), transmitting, pursuant to law, a Treasury fact sheet on the Contingency Tax Plan; to the Committee on Finance.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BUMPERS:

S. 581. A bill to establish competitive oil and gas leasing and modify leasing procedures for onshore Federal lands; to the Committee on Energy and Natural Resources.

By Mr. EXON:

S. 582. A bill to amend the Internal Revenue Code of 1954 to allow a farmer to elect to include in income agricultural commodities received under a payment in kind program at the time such commodities are sold, and for other purposes; to the Committee on Finance.

By Mr. HEINZ:

S. 583. A bill to amend the Tariff Schedules of the United States; to the Committee on Finance.

By Mr. SASSER:

S. 584. A bill to provide that no gain shall be recognized for purposes of the Internal Revenue Code of 1954 from any net gift made before March 4, 1981; to the Committee on Finance.

By Mr. GRASSLEY:

S. 585. A bill to amend title 18 of the United States Code to prohibit the robbery of airline tickets; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. HATFIELD, Mr. RIEGLE, Mr. ANDREWS, Mr. DODD, Mr. LEVIN, Mr. D'AMATO, Mr. HART, Mr. MOYNIHAN, and Mr. EAGLETON):

S. 586. A bill to direct the Secretary of Housing and Urban Development to undertake a program to demonstrate the feasibility of funding neighborhood development activities by providing Federal matching funds to private nonprofit neighborhood organizations on the basis of the voluntary contributions to such organizations from individuals, businesses, and religious institutions in their neighborhoods; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. COHEN:

S. 587. A bill for the relief of Pandelis Perdikis; to the Committee on the Judiciary.

By Mr. CHILES:

S. 588. A bill to amend the Immigration and Nationality Act to prevent the unauthorized entry into, and the transportation to and within, the United States of illegal aliens; to the Committee on the Judiciary.

By Mr. McCLURE (by request):

S. 589. A bill to amend section 1(a)(1) of Public Law 95-348 (92 Stat. 487) to authorize the appropriation of $4,038,000 for capital improvement projects on Guam for fiscal year 1984; to the Committee on Energy and Natural Resources.

By Mr. COHEN:

S. 590. A bill to increase the amount available for weatherization under the low income home emergency assistance program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. INOUYE (for himself, Mr. STEVENS, Mr. HART, Mr. HOLLINGS, Mr. THURMOND, Mr. COCHRAN, Mr. LAXALT, Mr. LUGAR, Mr. TSONGAS, Mr. MURKOWSKI, Mr. MELCHER, Mr. BRADLEY, Mrs. HAWKINS, and Mr. EAGLETON):

S. 591. A bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for use by the U.S. Olympic Committee; to the Committee on Finance.

By Mr. CHILES:

S. 592. A bill to amend the Immigration and Nationality Act to provide special authorities and procedures for the control of immigration emergencies; to the Committee on the Judiciary.

By Mr. INOUYE (for himself, Mr. KASTEN, Mr. DOLE, Mr. JEPSEN, Mr. THURMOND, Mrs. KASSEBAUM, and Mr. MATSUNAGA):

S. 593. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit distribution of certain State-inspected meat and poultry products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURENBERGER (for himself, Mr. BOREN, and Mr. THURMOND):

S. 594. A bill to amend the Internal Revenue Code of 1954 to treat as a reasonable need of a business for purposes of the accumulated earnings tax any accumulation of earnings by such business in anticipation of section 303(a) distributions before the death of a stockholder; to the Committee on Finance.

By Mr. NICKLES:

S. 595. A bill to amend title II of the Social Security Act to restrict the payment of benefits under such title to certain aliens; to the Committee on Finance.

By Mr. PRYOR:

S. 596. A bill to provide surplus commodities to farmers who lost grain stored in certain insolvent warehouses; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 597. A bill to convey certain lands to Show Low, Ariz.; to the Committee on Energy and Natural Resources.

S. 598. A bill to authorize a land conveyance from the Department of Agriculture to Payson, Ariz.; to the Committee on Energy and Natural Resources.

By Mr. LEVIN (for himself, Mr. BOREN, Mr. SPECTER, Mr. RANDOLPH, Mr. SASSER, Mr. ZORINSKY, Mr. MITCHELL, Mrs. HAWKINS, Mr. RIEGLE, Mr. TSONGAS, Mr. HOLLINGS, Mr. FORD, Mr. HUDDLESTON, and Mr. INOUYE):

S. 599. A bill to provide that the amount of unnegotiated social security checks shall be returned to the social security trust funds; to the Committee on Finance.

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 600. A bill to amend Public Law 95-244; to the Committee on Labor and Human Resources.

By Mr. QUAYLE (for himself and Mr. PELL):

S. 601. A bill to provide for demonstration projects under which the Secretary of Defense may require a contractor under certain defense contracts to provide training in skilled occupations in which there is a substantial shortage and for other purpose; to the Committee on Labor and Human Resources.

By Mrs. HAWKINS (for herself and Mr. CHILES):

S. 602. A bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes; to the Committee on Foreign Relations.

By Mr. MOYNIHAN:

S. 603. A bill for the relief of Jose R. Dominguez-Miranda, Maria Celina Dominguez, Isabel Cristina Dominguez, and Luis Roberto Dominguez; to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself, Mr. BIDEN, Mr. HEINZ, Mr. KENNEDY, Mr. INOUYE, Mr. PELL, Mr. BRADLEY, and Mr. METZENBAUM):

S. 604. A bill to protect law enforcement officers; to the Committee on the Judiciary.

By Mr. DANFORTH (for himself, Mr. PELL, Mr. BOSCHWITZ, and Mr. DOLE):

S. 605. A bill to amend title 11, United States Code; to the Committee on the Judiciary.

By Mr. STAFFORD (for himself and Mr. PELL):

S.J. Res. 41. Joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Education For Business Week;" to the Committee on the Judiciary.

By Mr. MURKOWSKI (for himself, Mr. STEVENS, and Mr. JACKSON):

S.J. Res. 42. Joint resolution designating Alaska Statehood Day, January 3, 1984; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CHILES (for himself and Mrs. HAWKINS):

S. Res. 71. Resolution to honor the 12th Annual Model Senate of Stetson University during the centennial celebration of Stetson University; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. HEINZ, Mr. HART, Mr. BOSCHWITZ, Mr. BYRD, Mr. PACKWOOD, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BOREN, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHILES, Mr. COHEN, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DECONCINI, Mr. DIXON, Mr. EAGLETON, Mr. EXON, Mr. FORD, Mr. GLENN, Mr. GRASSLEY, Mr. HATCH, Mrs. HAWKINS, Mr. HEFLIN, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JACKSON, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. PELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. PRYOR, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. SPECTER, Mr. STAFFORD, Mr. WEICKER, and Mr. ZORINSKY):

S. Res. 72. Resolution to assure Israel's security, to oppose advance arms sales to Jordan, and to further peace in the Middle East; to the Committee on Foreign Relations.

By Mr. SPECTER (for himself and Mr. DIXON):

S. Res. 73. Resolution to declare the sense of the Senate that any job program or assistance should be targeted to areas of high unemployment; to the Committee on Labor and Human Resources.

By Mr. MITCHELL (for himself, Mr. PACKWOOD, and Mr. MOYNIHAN):

S. Con. Res. 11. Concurrent resolution expressing the sense of the Congress concerning the obligations of the Government of the Soviet Union under international law with respect to human rights; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUMPERS:

S. 581. A bill to establish competitive oil and gas leasing and modify leasing procedures for onshore Federal lands; to the Committee on Energy and Natural Resources.

FEDERAL OIL AND GAS LEASING ACT OF 1983

Mr. BUMPERS. Mr. President, today I am introducing legislation to replace the current system for issuing oil and gas leases on Federal lands with an all-competitive system. The legislation is identical to the proposal which I introduced in the past Congress, and to legislation which the Senate Energy and Natural Resources Committee approved in the 96th Congress.

The legislation is based upon several premises. First, issuance of Federal oil and gas leases constitutes an award of valuable Government property that should be made on a competitive basis in order to assure the public of a fair price. Second, the rights to develop energy resources which belong to the taxpayers should not be awarded through a system which invites fraud and speculation. Third, replacing the existing lottery system for awarding leases with an all-competitive bidding system would generate additional revenues, promote diligent development of leases, and simplify leasing procedures to encourage rapid development of oil and gas on Federal lands.

Mr. President, every Member of the Senate is aware of my strong opposition to the way in which our federally owned oil and gas reserves are leased. I first became aware of the Interior Department's leasing procedures in 1979, when 33,000 acres near producing gas wells at Fort Chaffee, Ark., were leased noncompetitively for only $1 per acre. But the situation at Fort Chaffee is not unique. In many areas,

valuable leases are being given away at bargain prices simply because the Interior Department has not determined that they lie within a "known geologic structure." In Idaho, for example, the State recently accepted competitive bids ranging from $7 per acre to $230 per acre for State lands adjacent to Federal tracts. The adjacent Federal Tracts have all been leased noncompetitively for only $1 per acre. A similar situation exists in Oregon. Private lands adjacent to the Umatilla National Forest have been leased for bonus bids ranging from $47 per acre to $250 per acre. But the lands within the national forest—the Federal lands—have been leased for only $1 per acre. The high prices offered for the adjacent, non-Federal lands in all of these areas indicate that industry considers the regions to have some potential for oil and gas production. But because the Federal lands do not fall within a "known geologic structure," arbitrarily defined by the Interior Department, they cannot be competitively leased. The existing leasing program is clearly anachronistic, wasteful, and must be replaced.

Other energy minerals owned by the Federal Government, including coal reserves and oil and gas on the Outer Continental Shelf, are leased by competitive bid. But onshore oil and gas are primarily leased noncompetitively. Under the existing system for leasing onshore oil and gas, only about 3 percent of Federal leases are sold competitively. Regardless of the fair market value of the tracts, the remaining 97 percent are sold noncompetitively for an annual rental of $1 an acre without any obligation to drill. Nearly all of the noncompetitive leases are awarded through a lottery system, in which applicants submit a filing fee for the opportunity to gamble for valuable oil and gas resources. As of February 1982, only 2,845 of the existing 121,818 onshore oil and gas leases had been awarded by competitive bidding. The remaining 118,973 leases, covering nearly 134 million acres, have been awarded for only the $1 per acre annual rental.

The current noncompetitive leasing system is an outgrowth of the 19th century need to develop an underdeveloped continent in order to secure it forever from possible incursions. During that time, Congress approved laws giving lands to railroads in order to encourage their efforts to build new lines. The homestead laws gave land to settlers. Mining laws virtually gave minerals away, and the leasing laws were equally generous. We are no longer giving away land, and we should no longer give away oil and gas leases. The very existence of the lottery is an admission that the system is an anachronism, because it demonstrates the existence of a competitive interest in lands, replacing the former need to entice development.

That competitive interest should be met with a competitive bidding system, the sort of system which nearly every State employs in awarding leases on State lands. It is the best way to make sure that the Government gets a fair return on its property; it will eliminate the opportunity for fraud; and it will insure the participation of applicants who will develop the lease rather than applicants merely using the system as a tax shelter, selling leases with the gain taxed as capital gains while deducting their application fees against ordinary income.

The most compelling argument for replacing the lottery system with a competitive bidding system is the potential for realizing additional revenue. The Department of the Interior admits that in 1981, revenues from competitive leases averaged $440 per acre, while revenues from the noncompetitive leases averaged only $3.66 per acre. Obviously, the competitively issued leases should be expected to generate more revenue, because these are issued only in those areas with proven oil and gas reserves. But many of the noncompetitive leases have been issued in producing areas, as demonstrated by the royalties collected from these leases, and it is reasonable to assume that large bonuses would have been paid for the rights to drill in these areas.

A recent study completed by the Congressional Budget Office confirms this assumption. In a letter to Senator HENRY M. JACKSON, the CBO concluded that the competitive bidding system that my bill would establish would result in a net increase in revenues of approximately $700 million over the next 5 years. Of this total, approximately $660 million would be distributed to State governments under the provisions of the Mineral Leasing Act. I ask unanimous consent that a copy of that letter be included in the RECORD.

Another reason for discontinuing the noncompetitive leasing system is the number of filing service companies—more than 250—which encourage people who have no intention of developing oil and gas leases to enter the lottery. The lottery system, aided by these companies, creates a situation in which revenues that should go to the Federal Government are instead siphoned off by the companies and the lottery winners. Advertising literature of filing services, which were created solely to take advantage of the lottery system, is filled with examples of people who won noncompetitive leases in the lottery and paid the first year's rental of $1 per acre only then to reassign them to major energy companies for immediate cash bonuses payments and future royalties. Information supplied by the Department of the Interior at hearings in 1980 showed that one lessee received $200,000 plus future royalties for a lease obtained from the Federal Government for $2,157, plus a $10 filing fee. Clearly we have a competitive system for oil and gas leasing, but the competition begins only after the Department of the Interior has issued a lease for $1 per acre to a lottery winner, and the real value of the lease is realized by that winner rather than by the public.

Despite the logic of having a competitive system, some people have opposed this proposal. Many supporters of the existing system merely play the lottery to capitalize on its tax advantages. I am not interested in preserving unwarranted tax breaks, and I doubt that any other Senator is either. Most other opponents to competitive bidding are independent producers of oil and gas. This opposition is curious, because these producers have prospered under the existing competitive systems used by most States. Arguments are made that independent companies, which indeed do most of the exploring in this country, will not be able to obtain leases under a competitive system. Yet, of the leases sold competitively, both by the States and by the Federal Government, more than 80 percent have been awarded to independent companies.

I have great regard for the independent producers, and my proposal accommodates their concerns. For example, it adopts the various bidding systems employed by the Outer Continental Shelf Lands Act, which were designed to preserve the independent's ability to compete with the major oil companies in obtaining offshore leases. My bill also provides a very simple and straightforward method for leasing. If there is competitive interest in a tract, it will be offered for lease within 3 months. Even if no competitive interest is expressed for a tract, a single applicant can secure a lease for the tract within 6 months. I am perfectly willing to consider modifications to my proposal in order to allay the independents' fears, and I would welcome the suggestions of any Senator for improving my proposal.

Mr. President, at a time when every effort is being made to increase revenues to the Treasury, balance the budget, and increase energy production on the Federal lands, we simply cannot afford the existing onshore leasing program. The leasing program outlined in my bill contains all the reforms necessary to establish an efficient, effective, and equitable leasing program for Federal energy resources. I hope my colleagues will review it carefully and support its adoption by the Senate.

By Mr. EXON:

S. 582. A bill to amend the Internal Revenue Code of 1954 to allow a farmer to elect to include in income agricultural commodities received under a payment-in-kind program at the time such commodities are sold, and for other purposes; to the Committee on Finance.

TAX TREATMENT OF PAYMENT-IN-KIND FUNDS

Mr. EXON. Mr. President, I am introducing today a measure to address the recent questions which have been raised regarding the tax treatment of commodities received under the USDA's payment-in-kind program. The Treasury Department has indicated that under current law, a farmer would realize income for tax purposes in the amount of the fair market value of the commodities received at the time they are made available to the farmer.

This announcement by the Treasury has raised a reluctance among many farmers to participate in the PIK program in light of the uncertain tax consequences. Although the administration has voiced support for legislative changes to address this situation, doubts have been expressed as to whether legislation can be enacted before the March 11 deadline for signing up for the PIK program. An "eleventh hour" attempt by the Congress on March 10 is not sufficient to help those reluctant farmers who are concerned about this matter.

The legislation I am introducing today is exactly like the bill introduced earlier this month, S. 446, but with one minor change. I would propose that a farmer be given the option to "elect" the tax treatment of PIK commodities. Under this measure, a farmer could have PIK commodities recognized for tax purposes when received, or he could choose to realize income only at the time when the PIK commodities are sold.

Since this distribution under the PIK program is an "out of the ordinary" situation for farmers, this option to "elect" tax treatment would provide flexibility for those who anticipate higher incomes in later years. For 1982, net farm income is down by nearly $5 billion according to latest estimates. Farm cash receipts are down by nearly $4 billion. It may be more advantageous for a farmer to elect to declare the receipt of the PIK commodities as income for this 1983 tax year, then to wait until the commodities are sold in 1984.

I am hoping that the Senate Finance Committee will review this option during hearings on PIK tax proposals. I am hoping even more that the Congress will act on this matter soon, before the PIK program becomes a part of history with all other Government promises which end up with a "Catch-22."

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 582

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 451 of the Internal Revenue Code of 1954 (relating to general rule for taxable year of inclusion) is amended by adding at the end thereof the following new subsection:

"(f) SPECIAL RULE FOR AGRICULTURAL COMMODITIES RECEIVED UNDER A CERTIFIED PAYMENT IN KIND PROGRAM.—

"(1) IN GENERAL.—At the election of a taxpayer who receives any commodity under a certified payment in kind program—

"(A) no income shall be treated as realized by reason of receipt of such commodity, but

"(B) there shall be included in gross income the amount of any gain from the sale or exchange of such commodity.

"(2) SPECIAL RULES FOR DETERMINING AMOUNT OF GAIN, ETC.—If a taxpayer makes an election with respect to any commodity received under a certified payment in kind program, in the case of any sale or exchange of such commodity—

"(A) in determining the amount of gain from such sale or exchange—

"(i) the taxpayer shall be treated as having a zero basis in such commodity, and

"(ii) such gain shall be treated as ordinary income, and

"(B) the taxable year in which gain from such sale or exchange is included shall be determined under the taxpayer's method of accounting for the taxable year in which such sale or exchange occurs.

"(3) CERTIFIED PAYMENT IN KIND PROGRAM.—The term 'certified payment in kind program' means any program—

"(A) under which the Secretary of Agriculture or his delegate makes payments in kind of any agricultural commodity to any producer of agricultural commodities who—

"(i) diverts farm acreage from the production of an agricultural commodity, and

"(ii) devotes such acreage to conservation uses, and

"(B) which the Secretary of Agriculture certifies to the Secretary of the Treasury as being described in subparagraph (A).".

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1982.

SEC. 2. (a) Section 2032A(e) of the Internal Revenue Code of 1954 (relating to special rules for valuation of certain farm, etc., real property) is amended by adding at the end thereof the following new paragraph:

"(15) TREATMENT OF PAYMENTS RECEIVED UNDER A CERTIFIED PAYMENT IN KIND PROGRAM.—For purposes of this section, any commodity received by, or on behalf of, any person under a certified payment in kind program (within the meaning of section 451(f)(3)) shall be treated as a commodity produced by such person on acreage diverted from agricultural use under such program.".

(b) The amendment made by this section shall apply to estates of decedents dying after December 31, 1976.

By Mr. GRASSLEY:

S. 585. A bill to amend title 18 of the United States Code to prohibit the robbery of airline tickets; to the Committee on the Judiciary.

ROBBERY OF AIRLINE TICKETS

● Mr. GRASSLEY. Mr. President, I am introducing legislation to provide Federal jurisdiction over airline ticket thefts. This legislation would amend title 18 of the United States Code to prohibit the transportation or use in interstate or foreign commerce of counterfeit or stolen airline tickets. In order to provide the most efficient and effective use of manpower and resources in dealing with the most serious cases, this language would limit Federal jurisdiction to those cases involving at least $5,000 in value.

Airline tickets which have been stolen or fraudulently obtained are readily negotiable, can be converted to cash or sold to the unsuspecting public for use in interstate and international air transportation.

For example, in New York on September 24, 1981, airline tickets valued at $5 million were stolen, along with 3 ticket validating machines, 5 travel agency identification plates and 200 plates representing nearly every airline in the world.

The total potential liability that airlines were exposed to increased from $42,405,600 in 1981 to $51,187,200 in 1982. This alarming increase demonstrates the grim seige that is being waged upon our Nation's airline ticket offices.

At present, stolen airline ticket cases are handled in a fragmented manner under local and State statutes. A lack of coordination through one central agency has resulted in a limited number of successful apprehensions and prosecutions.

The investigation, apprehension, and prosecution of suspects involved in this type of criminal activity requires a coordinated nationwide approach, which can be developed by providing Federal jurisdiction which would be the result of this bill's passage. I urge all of my colleagues to support this legislation.●

By Mr. HEINZ (for himself, Mr. HATFIELD, Mr. RIEGLE, Mr. ANDREWS, Mr. DODD, Mr. LEVIN, Mr. D'AMATO, Mr. HART, Mr. MOYNIHAN, and Mr. EAGLETON):

S. 586. A bill to direct the Secretary of Housing and Urban Development to undertake a program to demonstrate the feasibility of funding neighborhood development activities by providing Federal matching funds to private nonprofit neighborhood organizations on the basis of the voluntary contributions to such organizations from individuals, businesses, and religious institutions in their neighborhoods; to the Committee on Banking, Housing, and Urban Affairs.

NEIGHBORHOOD DEVELOPMENT DEMONSTRATION ACT OF 1983

● Mr. HEINZ. Mr. President, today on behalf of myself and Senators HATFIELD, RIEGLE, ANDREWS, DODD, LEVIN, D'AMATO, HART, MOYNIHAN, and EAGLETON, I am introducing the Neighborhood Development Demonstration Act of 1983. A companion bill is being introduced in the House today by Congressman BILL COYNE of Pennsylvania and Congressman ROBERT GARCIA of New York. This bill is a significant initiative to help rebuild distressed communities and spur economic development through neighborhood-based nonprofit organizations.

The objective of this act is to demonstrate the feasibility of a new mechanism for encouraging neighborhood development organizations to undertake activities such as job creation, new enterprise development, housing rehabilitation, and social services improvement. The mechanism would provide Federal matching funds to nonprofit neighborhood organizations which raise voluntary charitable contributions from individual businesses and charitable organizations in their neighborhoods.

Since October last year when I first introduced this legislation with Senator HATFIELD, I have worked with the Neighborhood Coalition, an umbrella organization comprised of more than 40 national groups, the Senate and House Housing Subcommittees, and the additional Senate cosponsors to refine the bill. This new version highlights the two principal objectives of this demonstration project:

1. To achieve tangible improvements in neighborhoods through public/private partnerships; and

2. To foster the long-term self-sufficiency of nonprofit neighborhood development organizations.

It is important to note that the neighborhood organizations would have to work closely with local government to assure coordination on proposed activities. With this requirement in the bill we have been assured of the endorsement of the National League of Cities and the U.S. Conference of Mayors.

In this difficult period of high unemployment and economic distress, we believe that the bill points the way toward an effective public/private partnership that can address some of the key problems in lower income communities. The major strengths of the bill's approach are as follows:

1. The bill would help to leverage additional private-sector involvement in lower income communities by providing neighborhood organizations with a pool of unrestricted capital that could be used as seed money for commercial and industrial development.

2. The proposed legislation builds upon the strengths and successes of established neighborhood development organizations with a proven track record of working with municipal leadership. It does not attempt to create or finance new entities.

3. The proposed legislation is based upon principles of private initiative, self-help, and voluntarism. No Federal funds would be disbursed unless neighborhood groups raise charitable donations from residents of their own communities.

4. The proposed legislation minimizes bureaucratic redtape. It establishes a simple matching process.

5. The proposed legislation supplements and reinforces other recent initiatives to strengthen economic development in low-income communities. In particular, the bill reinforces the emphasis on neighborhood-based economic development in the enterprise zone proposals and provides a special incentive for charitable giving by lower income, nonitemizing taxpayers. Charitable deductions for nonitemizers were authorized by the Economic Recovery Tax Act of 1981.

In my home State of Pennsylvania, groups in the cities of Pittsburgh and Philadelphia already have outstanding records of neighborhoods voluntarily organizing to address specific community needs. This bill would provide an additional incentive across the Nation for greater private sector partnerships with community groups for neighborhood revitalization. The Department of Housing and Urban Development would administer the 3-year demonstration project under which neighborhood groups would be selected competitively nationwide to receive a matching grant to locally raised funds.

The Neighborhood Development Demonstration Act would authorize several hundred demonstration projects over 3 years in distressed areas. Selection of neighborhood groups would be based on the past accomplishments of and the tangible results expected by the applicants for matching funds, as well as on geography, community population, size, and neighborhood economic conditions. Eligibility would require nonprofit status, and depend on a proven track record, a representative government board, location in pockets of poverty, and a plan to coordinate with local government. The maximum grant would be $50,000 in 1-year seed money. The ratio of Federal money to match locally raised funds would vary according to need. It is foreseen that the first year's funding would be used to attract longer term financial support from philanthropic and charitable organizations.

I must reemphasize for the record, that the ultimate purpose of this bill is to encourage voluntarism and public/private partnership on behalf of better neighborhoods. Several States—including Pennsylvania and Missouri—have enacted Neighborhood Assistance Act legislation which provides tax breaks for neighborhood development contributions by State businesses. This initiative at the Federal level, would directly dovetail with those State programs and others aimed at improving neighborhoods.

This program would require an authorization of only $15 million for the entire 3-year demonstration. I believe that this is a small price tag for the improvement of a valuable national asset: the neighborhoods of our Nation's cities.

In sum, we think this bill meets the needs of the times. It provides a tangible, substantial demonstration of Federal concern and involvement in meeting the needs of the Nation's distressed communities, but does so within the context of Federal budgetary realities and the need for public/private partnerships to meet social needs. We hope that many of our colleagues will join with us in seeing this bill through to passage.

Mr. President, I ask unanimous consent that letters of endorsement be included in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL LEAGUE OF CITIES,
Washington, D.C.

Hon. JOHN HEINZ,
U.S. Senate, Washington, D.C.

DEAR SENATOR HEINZ: On behalf of the National League of Cities I would like to express our support and commend you for your positive leadership in introducing the "Neighborhood Development Demonstration Act of 1982." We believe your bill recognizes the important role neighborhood organizations can play in conserving and improving the physical, economic, cultural and social opportunities in our distressed urban areas.

We are pleased that the legislation provides incentives for the leveraging of private sector resources by community groups in conjunction with local and federal efforts in community revitalization. These interactions and relationships are particularly critical during this period of limited budgets and scarce public resources. In addition, the requirement that city governments must certify that neighborhood development organization activities are consistent with and supportive of local government community and economic development plans and objectives is an important feature. Increased coordination and cooperation is necessary if local governments and neighborhood organizations are to supplement and support local revitalization activities rather than undercutting or competing with them.

Thank you for the opportunity to comment on the proposed "Neighborhood Development Demonstration Act." We look forward to working with you and Congress toward its enactment.

Sincerely,

ALAN BEALS,
Executive Director.

U.S. CONFERENCE OF MAYORS,
Washington, D.C.

Hon. JOHN HEINZ,
U.S. Senate, Washington, D.C.

DEAR JOHN: On behalf of the membership of the U.S. Conference of Mayors, it is my pleasure to lend our support to the Neighborhood Development Demonstration Act of 1982.

The demonstration program authorized by your bill is a sensible way to continue federal support of neighborhood-based development efforts which are designed to stimulate employment and housing in distressed cities. Strong neighborhoods are the backbone of healthy cities. Continued federal support as envisioned by your legislation will ensure that the efforts which have been growing in recent years do not wither now for lack of support.

We are especially pleased by the bill's provision for a certification from the chief elected official of the locality in which the neighborhood group is located, that the activities are consistent with the city's own development efforts. This guarantee of close cooperation between City Hall and neighborhood development groups is an important feature of the bill.

We look forward to participating further in the development of this legislation as it moves through the legislative process, and hope you will feel free to call on our staff for assistance or comment as the bill moves along.

Thank you for this opportunity to share our views on your legislative initiative.

Sincerely,

JOHN J. GUNTHER,
Executive Director.

OICs OF AMERICA, INC.,
Philadelphia, Pa.

The Honorable JOHN HEINZ,
U.S. Senator, Washington, D.C.

DEAR SENATOR HEINZ: As you know, OICs of America has become actively involved in efforts to serve inner-city development, particularly through housing, and targeted neighborhood community development. We have reviewed proposed legislation regarding a demonstration program to provide federal matching funds to private, non-profit neighborhood organizations on the basis of the voluntary charitable contributions such organizations receive from individuals and businesses, and learned of your interest in it.

This approach is basically sound and conforms with OIC's focus on strengthening community based activities while providing incentives to expand public-private partnership development. I will be interested in the progress of this program concept, and be glad to offer thoughts to your staff as you consider final versions.

As ever, we deeply appreciate your support of the OIC movement.

Sincerely,

GRACE A. WHITNEY,
Director, Community Economic Development.●

By Mr. CHILES:

S. 588. A bill to amend the Immigration and Nationality Act to prevent the unauthorized entry into, and the transportation to and within, the United States of illegal aliens; to the Committee on the Judiciary.

STRENGTHENING IMMIGRATION LAWS AGAINST THE SMUGGLING OF ALIENS

● Mr. CHILES. Mr. President, today I am introducing a bill to strengthen our immigration laws regarding the bringing in and harboring of illegal aliens in the United States. Over the past few years, thousands of undocumented aliens have crossed our borders, often with assistance from persons in the United States. In Florida, it has been estimated that as many as 2,000 persons a month are being smuggled into our State from Haiti, Cuba, the Dominican Republic, and South America. Lately, aliens from as far away as Pakistan and Bangladesh have joined in the influx.

There is an obvious demonstrated need for clarifying and strengthening our laws regarding entry and harboring. Experience, as well as the courts, has called for change. One U.S. district court concluded that the current law against illegal entry only applies to "surreptitious entries." In the court's view, the thousands of Cubans who came with the flotilla did not come surreptitiously and, therefore, those who assisted them were not guilty of violating immigration law. My bill would clearly prohibit any bringing in or harboring of illegal aliens on a day-to-day basis, not just during an emergency or mass migration, such as the Cuban flotilla.

Mr. President, this clarification is essential if we are to effectively curtail the smuggling of illegal aliens into the United States. I want to make certain that if someone is assisting illegal aliens into the United States under the dark of night or in broad daylight, it is a criminal offense and will be enforced and prosecuted as such.

Florida is still a major docking point for undocumented aliens from various points in South America and the Caribbean. These aliens are often assisted by smuggling operations whose travel packages are often more Madison Avenue than those of commercial airlines. One enterprising smuggler offers the alien a "second trip free" if the alien is caught or deported on the first attempt. Travel agencies in Florida and neighboring countries openly direct interested parties to these various smuggling operations, and provide information on prices and arrangements. Therefore, not only do we have a continual flow of illegal entry of aliens into our country, but someone is making an awful lot of money off of it.

As with the drug flow into Florida, these smuggling operations will continue until the U.S. Government cracks down as they have with drug enforcement. The perpetrators must know that a stiff penalty awaits them if they are caught bringing, assisting, or harboring one illegal alien, let alone a boatload.

In addition to strengthening our law enforcement against such smugglers, this bill will prevent the swindles and tragedies which have befallen many of the aliens who "hire" the smuggling service. Reports from the Bahamas and Caribbean show that many aliens have been left penniless on these islands, after being tricked into believing they are in Florida. The Bahamas, in particular, have become a haven for aliens, left with no money and provisions, and no means of going home or leaving for another country.

There have also been several known, and probably many unknown, instances of drowning and killings of aliens by the smugglers. The most publicized was that of the 21 Haitians who washed up on a Florida beach. The smugglers are not held accountable and most often are not even detained or sentenced under immigration law, let alone other criminal law.

Mr. President, it is uncertain if another flotilla will invade Florida or other States. Regardless, any form of alien smuggling must be stopped by the United States. My legislation merely builds on the Immigration and Nationality Act to more clearly express our intent to stop the bringing in and harboring of illegal aliens in this country.

Specifically, my bill would charge a person bringing an illegal alien into this country with a misdemeanor punishable by a $2,500 fine per alien and/or a 1-year imprisonment. For the bringing in of an alien for commercial or financial gain, the person shall be charged with a felony with a fine of $10,000 and/or imprisonment up to 5 years for each alien. In addition, my bill would make it a felony with a $10,000 fine and/or 5 years imprisonment for one to bring an alien into this country at a point other than a designated port of entry, regardless of the alien's documentation status. A person who transports, conceals, harbors, or shields an illegal alien would be charged with a felony, fined up to $10,000, and receive a 5-year prison sentence, or both. Any conveyance used in the transportation of illegal aliens shall be subject to seizure and forfeiture. My bill would make immigration law regarding the seizure and forfeiture of a vessel, vehicles, and aircraft comparable to such law in customs and drug enforcement. Currently, immigration law requires that INS bear the burden of proof when seizing a conveyance suspected of violating immigration law and INS bear the financial and administrative costs as well. It is my understanding, that no other law enforcement agency is subject to such liability. My bill would put the burden of proof on the suspect to demonstrate his innocence. The weaknesses and unrealistic application of the current immigration law was demonstrated during the Cuban flotilla when hundreds of vessels were in-

volved. I believe that my legislation would certainly strengthen the hand of INS to seize vessels or aircraft when there is probable cause.

The final provision of my bill is the one I feel is most crucial for an effective curtailment of alien smuggling. My legislation expressly gives Federal, State, and local law enforcement officials the authority to arrest persons suspected of bringing in, harboring, concealing, or transporting an illegal alien. This authority expands upon existing law which only allows INS officials to make such arrests.

Mr. President, this lack of authority in current law has certainly impeded efforts to detect, detain, and arrest those involved in smuggling or harboring illegal aliens. Often, it is the Coast Guard and local law officers who first detect alien smugglers. Under current practice, such officials can only report spottings to INS under a friendly agreement of cooperation. It is a gamble whether or not INS officials will have the ability to follow up on the detection report. The last I heard, the INS in Florida had only two boats, one helicopter, and one light plane—on loan—to detect and detain such smugglers. It would certainly add to INS' ability to stop such smuggling if all law enforcement officers could detain and arrest such perpetrators. We have encouraged such cooperation against drug smuggling and it has been effective. I believe the problem of alien smugglers has grown to such proportions along our shores that stiffer laws are necessary.

Mr. President, these changes in current law do not represent major alteration of our immigration laws. However, they will go far in providing the INS and law enforcement officials with a stronger hand against alien smuggling. We must have the ability to protect our own borders. We simply cannot establish such control if persons are encouraged by substantial financial motives while only slightly discouraged by the law. We must alter this balance. I believe my bill will strengthen our laws toward this goal.●

By Mr. McCLURE (by request):

S. 589. A bill to amend section 1(a)(1) of Public Law 95-348 (92 Stat. 487) to authorize the appropriation of $4,038,000 for capital improvement projects on Guam for fiscal year 1984; to the Committee on Energy and Natural Resources.

CAPITAL IMPROVMENT PROJECTS ON GUAM

● Mr. McCLURE. Mr. President, at the request of the administration, I send to the desk for appropriate reference a bill to amend section 1(a)(1) of Public Law 95-348 (92 Stat. 487) to authorize the appropriation of $4,038,000 for capital improvement projects on Guam for fiscal year 1984.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the bill, and the executive communication which accompanied the proposal from the Secretary of the Interior be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1(a)(1) of Public Law 95-348 (92 Stat. 487) as amended by Public Law 97-357 (96 Stat. 1705) is amended by deleting the word "and" where it last appears, and inserting after the words "fiscal year 1983," the words "and $4,038,000 for fiscal year 1984,".

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., February 1, 1983.

Hon. GEORGE BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft bill "To amend Section 1(a)(1) of Public Law 95-348 (92 Stat. 487) to authorize the appropriation of $4,038,000 for capital improvement projects on Guam for fiscal year 1984."

We recommend that the bill be referred to the appropriate committee for consideration, and that it be enacted.

The proposed bill would authorize funds for fiscal year 1984 for needed capital improvement projects on Guam in the amount contained in the President's 1984 budget. The current authorization will expire at the end of fiscal year 1983. The authorization would be for water and sewer construction at Tumon Bay.

The Office of Management and Budget has advised that enactment of this proposal would be in accord with the program of the President.

Sincerely,

JAMES G. WATT,
Secretary.●

By Mr. COHEN:

S. 590. A bill to increase the amount available for weatherization under the low-income home emergency assistance program, and for other purposes; to the Committee on Labor and Human Resources.

LOW-INCOME HOME EMERGENCY ASSISTANCE AMENDMENTS OF 1983

Mr. COHEN. Mr. President, I rise to introduce legislation that would amend the Omnibus Reconciliation Act to allow States to use up to 25 percent of their energy assistance allotments toward weatherization activities.

As a Senator from a cold-weather, oil-dependent State, I am particularly sensitive to the hardship that has resulted from the increases in home energy prices. Home heating oil prices have tripled from the 1976 average price of 40.6 cents a gallon to the current average price of $1.19 per gallon.

Although the price of home heating oil has finally begun to stabilize, the price of natural gas has recently skyrocketed. In many areas of the country, natural gas prices are 20 to 40 percent higher than they were a year ago.

While rising energy costs force all Americans to make some difficult choices, they often cause real hardship and suffering to low-income Americans.

Low-income families are forced to come to terms with an entirely different set of questions that plague them throughout the winter months. Where will the money come from for the next purchase of heating oil? What can I do without today so I might increase my chances of having enough money on hand to purchase some heating oil tomorrow or next week? Can I do without the medicine the doctor prescribed? Can I skimp on the nutrition I require?

While the average U.S. household spends about 5 or 6 percent of income on home energy costs, according to new data compiled by Project Energy Care of the National Council of Senior Citizens, the energy costs of low-income households—after low-income energy assistance is included—average 19 percent of annual income. The study also concludes that during the winter months, over 70 percent of low-income elderly individuals spend over 20 percent or more of their incomes on energy bills, and one of every four elderly poor individuals spends more than 30 percent of his income on heating bills. Only about one-half of low-income Americans eligible for energy assistance payments actually received them.

The study further points out that about 17 percent of the low-income population heats with fuel oil, while nearly 60 percent use natural gas. With the price of natural gas approaching that of home heating oil, the prediction that the percentages of income spent on energy costs by elderly and poor families will rise considerably seems inevitable.

I ask unanimous consent that the Executive Summary of the National Council of Senior Citizens' study be inserted in the RECORD at the end of my statement.

In recognition of the desperate plight of many low-income Americans, Congress authorized a $1.875 billion spending level for the energy assistance program in the Omnibus Reconciliation Act of 1981 and provided this amount for fiscal year 1982. Congress approved a 1983 appropriations level of $1.975 billion in response to the large increase in applications for assistance nationwide during the early weeks of the program this year.

A few weeks ago, Senators DANFORTH, EAGLETON, and SARBANES introduced legislation to increase the authorization level to $2.5 billion for fiscal years 1983 and 1984.

The legislation I am offering today would complement the legislation of-

fered by my colleagues. It would allow States to use up to 25 percent of their energy assistance funds to supplement their weatherization activities. While the energy assistance program is necessary to reduce the burden of rising fuel costs on low-income families, the weatherization assistance program is more effective in reducing fuel costs over the long run. By reducing home energy consumption by 15 to 30 percent, the weatherization assistance program has proved invaluable to our national conservation effort.

In addition, this legislation would require States to apprise the Department of Health and Human Services of the amount of funds to be used for weatherization activities and of the types of activities to be undertaken. This information will be included in the State's annual application. Furthermore, this legislation provides for the collection of data on the number and income levels assisted by these weatherization activities.

Obtaining accurate data on the use of energy assistance funds for weatherization activities has been very difficult. Including weatherization information in existing reports will allow us to obtain this important data without placing additional burdens on the State.

The low-income energy assistance block grant program was reauthorized for fiscal years 1982, 1983, and 1984, in Public Law 97-35, the Omnibus Reconciliation Act of 1981, at $1.875 billion. This program is quite similar to earlier energy assistance programs, with greater flexibility afforded the States because of fewer Federal requirements. Perhaps the greatest improvement in this program is the provision allowing States to use up to 15 percent of their allotments for weatherization activities. Since the adoption of this provision, 47 States have used portions of their fuel assistance allotments to weatherize an estimated 330,000 homes. Seventeen States have used up to 14 percent of their allotment for weatherization activities, 10 States have used from 10 to 15 percent, 10 States have used from 5 to 10 percent, and 7 States have used 1 to 5 percent.

Maine, which established the first weatherization assistance program in 1973, used 15 percent of its $25.1 million allotment—$3.5 million—for weatherizing 3,000 homes. This money has added greatly to the weatherization activities in Maine which, all told, have provided 33,062 Maine homeowners with weatherization improvements.

Despite administration attempts to terminate the low-income weatherization assistance program, support for its continuation remains strong in both Houses of Congress. For fiscal year 1982, $144 million was appropriated—a reduction of only $37 million from the previous year's level of $181 million. The fiscal year 1983 funding level for the weatherization assistance program is $145 million. While this appropriation is certainly helpful, it is not enough.

While the Department of Energy's low-income weatherization assistance program has weatherized 1 million homes since the program began in 1977, the Department has estimated that 12 to 13 million low-income Americans live in homes still in need of weatherization improvements. In Maine alone, there are 20,000 people on the waiting list for weatherization assistance.

The real value of the weatherization assistance program rests on its ability to dramatically—and permanently—reduce energy consumption in the home. With the continual rise in fuel prices, the cost of providing energy assistance will ultimately rise as well. But, if a portion of energy assistance funds are used for weatherizing homes, reducing fuel bills by about 20 percent, the value of the energy assistance will be greatly enhanced. And, as fuel prices continue to rise, the dollar value of the energy saved through weatherization improvements will continue to go up.

The Congress is to be commended for giving States greater flexibility and discretion in establishing their own energy assistance program through the passage of the Omnibus Reconciliation Act. Yet, I believe States should be given even greater discretion in using allotted energy assistance funds to meet the fuel-assistance needs of their residents. Therefore, the amendment I am offering today to the Omnibus Reconciliation Act will authorize States to use up to 25 percent of their energy assistance block grant funds for weatherization or home repairs related to energy conservation. My amendment will not require States to use any of their funds for weatherization activities. Rather, States will have the option of providing more households with weatherization improvements or assisting more families in paying their fuel bills. This is consistent with the administration's policy of returning control of assistance programs to State and local governments. This legislation will greatly improve the energy assistance program by allowing States to increase the value of their allotment by permanently reducing fuel bills. I urge my colleagues to support it.

Mr. President, I ask unanimous consent that an executive summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SEARED HOPES AND FROZEN PROMISES—EXECUTIVE SUMMARY

Seared Hopes & Frozen Promises is a report prepared by Project EnergyCare of the National Council of Senior Citizens (NCSC). Funded by the Community Services Administration in 1980, Project EnergyCare was a national information and outreach program focusing on the home energy needs of the elderly and disabled poor. It has recently completed a national survey of 24,000 elderly households in 38 states. The findings are:

(1) The average U.S. household spends about five-six percent of income on home energy costs, but the energy costs of low-income households—after low-income energy assistance—average 19 percent of annual income. Only about one-half of such households receive any help from federal energy assistance programs.

(2) The percentage of income that poor elderly households spend on energy is much higher during the winter months. In the winter, over 70 percent of the low-income elderly spend over 20 percent or more of their income on energy bills. One of every four elderly poor households spends more than 40 percent of its income on heating bills during the winter.

(3) For the poorest group of elderly—those on SSI—the situation is starker. In 12 states, the average energy bills during the coldest month equals or exceeds the maximum SSI payment. In nine additional states, less than $25 a week remains of the SSI payment after energy bills are paid.

(4) The percentages of income used for energy bills are considerably higher for those who heat with fuel oil than for those who use natural gas. About 17 percent of the low-income population heats with fuel oil, while nearly 60 percent use natural gas. Over coming years, natural gas prices are expected to rise to the level of fuel oil prices, as natural gas is deregulated. The percentages of income spent on energy costs by large numbers of elderly and poor families are expected to rise considerably over future years as natural gas prices increase.

For example, in the Southeastern United States, 23 percent of the elderly poor heating with oil spend more than 60 percent of their incomes to stay warm in winter, versus three percent of those who now heat with gas. As natural gas prices increase (over 21 percent last year in this region), more and more elderly poor will see dramatic increases in their home heating budgets. Like those using oil, one out of every four may soon be spending three-fifths of their income to stay warm in the South during the winter.

A key purpose of this sample, from the more than 600,000 elderly and disabled poor reached by Project EnergyCare, was to look at the impact of rising energy costs on older Americans with low, fixed incomes and thereby assess the value of existing energy services directed to them. Were, in fact, such services needed by only a few who face a grim energy picture today and tomorrow? Or is the problem of home energy shared by the many elderly poor?

Taken together with the three other studies sponsored by Project EnergyCare, the sample quite clearly shows that the problem of home energy affects thousands and thousands of people—not just isolated individuals—who live in every community of the United States, from the colder Northeast to the warmer Southwest and Southeast. The difficulties the elderly are having in affording adequate heating or cooling is bound to become more severe in the future, as funding for critical federal energy programs is reduced or eliminated and as prices for other energy sources that the poor depend upon, such as gas and electricity, begin to

reach the equivalent cost of home heating oil.

The other studies reviewed in this report and prepared for NCSC's Project EnergyCare are:

(1) Poor + old = Cold, by the Grier Partnership. This report explores the economic impact of rising energy costs on low-income households. It contains extensive data on average energy expenditures, and compares these costs to maximum allowable SSI payments broken down by state.

(2) The Cost of Survival, by the Grier Partnership. If low-income Americans were to pay what the average American pays for home energy—roughly five percent of their income—over $7 billion in subsidies would be needed. The Report's purpose is to calculate on a state-by-state basis the amount of subsidy necessary to keep low-income persons from paying more than a certain percentage of their income for home energy. Frozen Promises contains a comparison between the state-by-state needs revealed in this study with current distribution of federal energy assistance funds.

(3) A Comprehensive Analysis of the Costs and Benefits of Low-Income Weatherization and Its Potential Relationship to Low-Income Energy Assistance by the Consumer Energy Council of America.

This report provides an in-depth analysis of the social and economic impact of weatherization on low-income households. The study explores data from numerous field sites to determine rates of energy savings at various levels of investment under different programs. The results show that weatherization is a lower cost alternative to increasing our national energy supply than is investment in new production. The study also shows that the Department of Energy's Weatherization program has been effective in reducing low-income households energy consumption at a reasonable cost.

For additional information, contact Project EnergyCare, National Council of Senior Citizens, 925 15th Street, N.W., Washington, D.C. 20005, (202) 347-8800, Att'n: Michael Sandifer or Eric Shulman.

By Mr. INOUYE (for himself, Mr. STEVENS, Mr. HART, Mr. HOLLINGS, Mr. THURMOND, Mr. COCHRAN, Mr. LAXALT, Mr. LUGAR, Mr. TSONGAS, Mr. MURKOWSKI, Mr. MELCHER, Mr. BRADLEY, Mrs. HAWKINS, and Mr. EAGLETON):

S. 591. A bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for use by the United States Olympic Committee; to the Committee on Finance.

UNITED STATES OLYMPIC CHECKOFF ACT OF 1983

Mr. INOUYE. Mr. President, today, Senator STEVENS and I, on behalf of ourselves and Senators HART, HOLLINGS, THURMOND, COCHRAN, LAXALT, LUGAR, TSONGAS, MURKOWSKI, MELCHER, BRADLEY, HAWKINS, and EAGLETON are reintroducing the United States Olympic Checkoff Act of 1983. This bill would amend the Internal Revenue Code of 1954 to establish an Olympic trust fund within the Treasury of the United States. Taxpayers could allocate $1 of their personal income tax refunds to that account or they could include cash contributions with their returns to be given to the U.S. Olympic fund. The Treasury would periodically turn over the funds to the United States Olympic Committee, which would use the money to carry out programs for the expansion and improvement of amateur athletics in the United States so that all Americans, including women, minorities, the aged, and the handicapped, are able to participate in athletic endeavors.

Mr. President, 17 Senators cosponsored an earlier version of this bill, S. 1595, in the 97th Congress, and over 200 Members cosponsored a companion measure in the House of Representatives. The legislation has been modified this year to allow the Treasury to recover administrative costs from the fund before turning over money to the United States Olympic Committee. The checkoff will thus operate at no cost to the Government. The bill also allows taxpayers to include voluntary contributions of any size with their Federal income tax returns; it does not limit these donations to $1, as was the case with S. 1595.

Mr. President, the Senate Finance Subcommittee on Taxation and Debt Management held hearings on this measure on October 30, 1981. Several of our finest Olympic athletes and members of the U.S. Olympic Committee testified strongly in favor of the bill. Those of us introducing the bill today believe that the hearing record presents an excellent case for prompt action in the 98th Congress.

The need for this legislation is clear. As Robert J. Kane, past president of the U.S. Olympic Committee pointed out to the Subcommittee on Taxation and Debt Management:

The Olympics are the most visible peaceful involvement of the United States with other nations. Our pride and prestige and our youth are on view for billions of people of differing ethnic and political persuasion and, as well, of our friends to see and appraise. It is a wholesome and healthful involvement. Our American athletes are the very best anywhere, when they are given a proper chance. The facts prove this. But fewer than half of our sports are on the high school and college programs, and there is really no other good way in this country to help amateur sports other than on the educational programs.

Of the 26 Olympic sports of the winter and summer games, only 12 are on high school and college programs. So unless our young people have financial resources to pay their way, they are not able to take part in the other 14 sports. And only recently have our women been given a proper chance, even on our educational programs.

So, there are about 14 pauper sports in this country, the great capitalist nation of the world; whereas, in the Soviet Union, East Germany, and virtually every other large country in the world, all sports are richly supported, and in each case by their governments.

Not surprisingly, then, we do very well in the sports that are on our high school and college programs, and really not very well in the others. In making this point, I would like to refer on a factual basis to what happened the last time we took part in the summer games—and, as you all know, that was in 1976, not 1980—and at the same time to explode the myth that the recent emergence of the Soviet bloc countries had undermined our part in victories in the Olympic games.

In 1976, at Montreal, Russia got the most gold medals, 57; East Germany, 40; and the United States, third, with 34. Now the Russians won 10 medals in Greco-Roman wrestling. We won none. Greco-Roman wrestling is not a high school or college sport. The Russians won five gold medals in weightlifting, and we don't have that on our college programs. They won five gold medals in canoeing; we won none. The East German women won 11 of 13 swimming events; we won none. The United States won 8 gold medals in track and field; overwhelmingly in men's swimming, 12 gold; first in men's basketball, but men's basketball is only 1 gold medal.

The East Germans, of their 40 medals, the women won 25 of those 40. The Russian women won 12 golds; our U.S. women won 2. I think that demonstrates that what has happened in the world from 1952 and thereafter is that the Russians figured where we were vulnerable and made sure that the sports that we were vulnerable in, they beefed up.

We are still doing as well as ever in the sports that we support. And I don't have to remind you of what happened in the winter games. In the past 4 years the Olympic has advanced more, done more things, than in their 50 years previous. The great victory of our hockey team, the apotheosis of Eric Heiden, the showing of our skiers, the showing of our other speed skaters, that can happen in all sports in this country if we give our athletes a chance. I hope with this bill that's here today that we can provide that chance for all our athletes.

Mr. President, we need to expand our Olympic training efforts, but this requires money. Of the more than 140 Olympic teams around the world, ours is the only one which does not receive governmental assistance. If the United States is to remain competitive, and if it is to provide the caliber of team we expect, then we must find a way to provide our Olympic athletes with a dependable means of financial support. Instead of providing direct monetary assistance, it is our judgment that the proud tradition of amateur athletics that we have in this country is best served by providing the American public with the opportunity to support the effort themselves through a checkoff mechanism on their income tax returns.

Before commending this bill to my colleagues, I would like to take a moment to answer some of the questions raised about last year's version of the United States Olympic Checkoff Act. In his testimony before the Senate Finance Subcommittee on Taxation and Debt Management in 1981, Hon. John E. Chapoton, Assistant Secretary of the Treasury for Tax Policy, stated:

Treasury is opposed to S. 1035, and S. 1595. We do not believe that Federal tax returns, or the Federal tax collection system, should be used as a vehicle for voluntary contributions to any charity or cause, however meritorious. If a voluntary check-off of the kind proposed by S. 1035 and S. 1595 were incorporated on tax returns, the flood gates would be opened for other charities and worthwhile causes to request a similar check-off system. Thus, an issue to be considered by this Subcommittee is whether the Internal Revenue Service should serve as a collection agent for all charities. It would be difficult to argue that certain charities, such as the National Endowments, should have a check-off, but that other charities, such as the Boy Scouts, should not.

This flood gate argument is the reservation most often heard about the Olympic tax checkoff bill. As I have already pointed out, the bill will not pose a burden on the Treasury since the Government will be able to recover the cost of administering the program from the Olympic fund. I was, therefore, surprised to read the following message from the Commissioner of the Internal Revenue Service on the cover of the 1040 Federal income tax forms and instructions for 1982:

Quite often we receive inquiries about how people may make voluntary contributions to reduce the public debt. If you wish to contribute, just enclose in your tax return envelope a separate check made payable to "Bureau of the Public Debt." Subject to the limitations on charitable contributions, you can deduct this contribution on next year's tax return. * * *

Mr. President, after insisting that the Federal tax collection system should not be used as a vehicle for voluntary contributions to good causes, we now find that the IRS is itself urging taxpayers to make charitable donations toward retiring the public debt. The flood gate is open, and it has been opened by none other than the Department of the Treasury.

The question, therefore, comes down to the following: Is the U.S. Olympic effort important enough to merit establishing a checkoff mechanism on Federal tax returns? The sponsors of this bill believe it is, and we hope that our colleagues will agree with us. Indeed, during the hearings on S. 1595, Senator PACKWOOD asked Mr. Chapoton: "Don't you think there is almost a basic difference in kind between the Olympics and almost every other kind of charity you might want to name?" To which Mr. Chapoton replied: "When the Senators were testifying, that thought was apparent to me. Yes, there is a difference. I agree."

Mr. President, the 1984 Summer Olympic Games in Los Angeles are almost upon us, and there is no doubt in my mind that the time has come to establish the U.S. Olympic fund and the checkoff mechanism necessary to support the U.S. Olympic effort. I urge my colleagues to cosponsor this worthwhile measure and trust that it will receive favorable consideration in the 98th Congress.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 591

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Olympic Checkoff Act of 1983".

SEC. 2. DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR UNITED STATES OLYMPIC TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1954 (relating to returns and records) is amended by adding at the end thereof the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR UNITED STATES OLYMPIC TRUST FUND

"SEC. 6097. Amounts for United States Olympic Trust Fund.

"SEC. 6097. AMOUNTS FOR UNITED STATES OLYMPIC TRUST FUND.

"(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that—

"(1) $1 of any overpayment of such tax for such taxable year, and

"(2) any cash contribution which the taxpayer includes with such return,

be paid over to the United States Olympic Trust Fund.

"(b) JOINT RETURNS.—In the case of a joint return showing an overpayment of $2 or more, each spouse may designate $1 of such overpayment under subsection (a)(1).

"(c) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year only at the time of filing the return of the tax imposed by chapter 1 for such taxable year. Such designation shall be made on the first page of the return.

"(d) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this title, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last date prescribed for filing the return of tax imposed by chapter 1 (determined without regard to extensions) or, if later, the date the return is filed.".

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 of such Code is amended by adding at the end thereof the following new item:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS FOR UNITED STATES OLYMPIC TRUST FUND.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act.

SEC. 3. ESTABLISHMENT OF UNITED STATES OLYMPIC TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9504. UNITED STATES OLYMPIC TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'United States Olympic Trust Fund', consisting of such amounts as may be appropriated or credited to the United States Olympic Trust Fund as provided in this section or section 9602(b).

"(b) TRANSFER TO UNITED STATES OLYMPIC TRUST FUND OF AMOUNTS DESIGNATED.—There is hereby appropriated to the United States Olympic Trust Fund amounts equivalent to the amounts designated under section 6097 and received in the Treasury.

"(c) EXPENDITURES FROM TRUST FUND.—

"(1) IN GENERAL.—The Secretary shall pay, not less often than quarterly, to the United States Olympic Committee from the United States Olympic Trust Fund an amount equal to the amount in such Fund as of the time of such payment less any administrative expenses of the Secretary which may be paid under paragraph (2).

"(2) ADMINISTRATIVE EXPENSES.—Amounts in the United States Olympic Trust Fund shall be available to pay the administrative expenses of the Department of the Treasury directly allocable to—

"(A) modifying the individual income tax return forms to carry out section 6097,

"(B) carrying out this chapter with respect to such fund, and

"(C) processing amounts received under section 6097 and transferring such amounts to such Fund.".

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter A is amended by adding at the end thereof the following new item:

"Sec. 9504. United States Olympic Trust Fund.".

Mr. STEVENS. Mr. President, I am pleased to join my good friend from Hawaii in sponsoring this very important measure for amateur sports.

As the United States readies itself to host the 1984 Olympics, athletes throughout our country are training to earn a spot on the U.S. Olympic team. These men and women will represent our country in competition against the finest athletes from around the world. However, there is one significant difference between our athletes and those from other countries, and that is the amount of support they receive from their governments.

Of the 140 Olympic teams around the world, only the United States does not provide governmental assistance to its team. This puts our team at a marked disadvantage with other countries. Many of today's advanced training methods require expensive facilities and equipment. These facilities are needed if our country hopes to remain competitive in international competition.

The best illustration reflecting the importance of Government support of Olympic teams is the 1976 Olympics. For the first time in the history of the summer Olympics, the United States did not finish first or second in gold medals. Instead, East Germany, with a population one-thirteenth that of the United States, surpassed the United States. I do not believe this is because East Germany has more superior athletes than those in the United States.

Instead, I believe this reflects the support of their team by their government, and their advanced training facilities.

The Olympics are no longer simply a game. They reflect our country's strength and will, and serve as an important international symbol. The victories of our Olympic athletes are victories for the American people. We can all recall the intense pride felt by Americans when our hockey team beat the Russians in the 1980 winter Olympics. We are all moved when we witness the grace and beauty of a gymnast or when we watch the determination of an exhausted athlete pushing himself to his body's limits in search of victory.

Our Olympic teams need dependable financial support if we hope to continue our winning tradition. The U.S. Olympic Committee (USOC) has been charged with 14 separate goals and functions by Congress. President Ford's Commission on Olympic Sports estimated the need of amateur sports in the United States at $215 million, in 1976 dollars, and a continuing need of $83 million annually. The USOC's entire budget for the 1980-84 quadrennium is only $77.1 million.

Instead of providing direct monetary assistance, it is our judgment that the proud tradition of amateur athletics that we have in this country is best served by providing the American public with the opportunity to allocate $1 from their tax refund to an Olympic trust fund. The program would operate much like the Presidential election checkoff, except that no Government money would be used. Even the administrative costs of the Treasury would be paid for out of the donations. The money raised through this act would insure that our Olympic teams have the dependable income base it requires to support its programs.

This bill costs the Government nothing, but it does reflect our support of our Olympic programs and our athletes. Our teams represent our country in international competitions, and inspire our people. I strongly feel that our Olympic teams deserve our backing, and I hope that you will join me in supporting this measure.

By Mr. CHILES:

S. 592. A bill to amend the Immigration and Nationality Act to provide special authorities and procedures for the control of immigration emergencies; to the Committee on the Judiciary.

AUTHORITIES AND PROCEDURES FOR IMMIGRATION EMERGENCIES

● Mr. CHILES. Mr. President, today I am reintroducing my legislation to clarify the Federal Government's role during large scale immigration emergencies. My bill provides for a contingency plan which specifies the steps the President and appropriate agencies may take to stop an uncontrolled mass migration of aliens to the United States.

Mr. President, the Senate took the first step last year toward reforming our immigration policy. Unfortunately, the House of Representatives failed to complete action on the bill before the end of the 97th Congress. Therefore, we are back to ground-zero, which troubles me greatly. The State of Florida is still digging out from the impact of the mass migration from Cuba and Haiti during the last few years. The major influx has slowed considerably but there are still many detected and undetected boats slipping into Florida harbors daily carrying hundreds of undocumented aliens from Haiti, Colombia, the Dominican Republic, Pakistan, and Bangladesh. Control of this influx is at best sporadic with only informal agreements regulating the cooperation between the Immigration and Naturalization Service (INS), the Coast Guard, and local law enforcement. It is obvious that a constructive plan and additional resources are needed to effectively control our shores.

Last year, Senator SIMPSON skillfully and diligently steered an immigration reform package through the Senate. He has assured me that he will continue this year to strive for an immigration reform bill. With the absence of any reform in our immigration policy, it is even more imperative that some form of contingency plan be defined to set forth the current authorities of the President to deal with immigration emergencies. Early last year the administration testified that such a plan was being drafted. Yet, no such plan has been presented to Congress. I would hope the administration will soon act on this pressing matter.

In addition to a contingency plan based on current law, I feel that it is necessary to have additional legal authorities for responding to declared immigration emergencies. Attorney General Smith concurred with this judgment last year and I am hopeful we will have his counsel again on this issue in the near future. Last year I withdrew my proposed emergency powers amendments when I received assurances from both the Justice Department and State Department that the administration does have authority under existing law to stop another immigration emergency. The Justice Department indicated that it had developed a plan to control future crisis situations. Yet, such a plan is still not in place. If another Mariel boatlift occurred this month, we would still be unable to effectively control the situation. Fidel Castro would once again have the upper hand. I firmly believe that if the United States had a strong contingency plan in place, Castro would not even attempt to violate our controls. Castro and others must receive the message that the United States can protect the integrity of its borders.

Mr. President, the legislation I am introducing today would lay the groundwork for such a contingency plan.

First, the bill would allow the President to declare an immigration emergency if a substantial number of undocumented aliens are about to embark, or have embarked, for U.S. shores and in his judgment, additional procedures and resources are needed to respond. Within 48 hours, the President would notify the President pro tempore of the Senate and the Speaker of the House that such a declaration had been made and the reasons for such action. An announcement would be made in the Federal Register. The emergency period would end after 120 days or sooner if the President so determines. The emergency could also be extended for an additional 120 days.

During a declared emergency, the President would have the authority to take special steps to cut off a massive influx of illegal aliens. In order to prevent the likes of a Mariel boatlift or mass migration of thousands of Haitians from Haiti and the Bahamas, the President would have the authority to restrict departures of U.S. registered boats from ports and harbors which could be used as staging points for bringing aliens into the United States. Fines and penalties could be imposed on those who violate the restrictions. Persons on vessels not involved in the migration could obtain authorizations to leave the port. In addition, Government agencies such as the Coast Guard would be allowed to assist in preventing unauthorized immigration by intercepting ships bound for staging areas. In order to assure that this aspect of the contingency plan is effectively enforced, the President would be able to use the resources of other Federal agencies.

Under this legislation, an alien who arrives in the United States without proper documentation could be summarily excluded from entering the United States if he does not appear to have a legitimate asylum claim. This provision could also be used to stop undocumented aliens traveling by sea to the United States before they reach U.S. territorial waters, utilizing the President's existing authority to interdict foreign vessels on the high seas. The Attorney General would develop procedures for deciding whether an alien shall be excluded or admitted to the United States for a hearing.

Finally, my legislation would allow for aliens who are admitted to the United States to be held in detention at Federal facilities specified by the President until their immigration status is determined. Aliens who are

ineligible for asylum in the United States would be returned to the country from which they came, or a third country. Current law requires that aliens be returned to the country from which they came. In both the Cuban and Haitian influxes, this was to be impractical because the Cuban Government refused to repatriate the refugees and many of the Haitians had come from the Bahamas, not Haiti. This provision of my bill would make the law more flexible and hopefully, more enforceable.

The purpose of my bill is not to close our doors to the legitimate refugee. We have a great responsibility and tradition as a free, democratic nation to assist those fleeing from persecution and repression. Yet, we cannot accept every alien who arrives on our shores simply because they are here. The legal definition of refugee is very narrow and should be reserved for those who are truly victims of persecution.

We must, case by case, make a decision about the status of an alien. Such screening demands a comprehensive plan and procedure. I do not feel we have anything close to this now in our immigration policy especially for mass migration. Some will argue that the President now has the authority to exercise such a plan under his implied powers and his authority as Commander in Chief under the Constitution and I am inclined to agree. However, there are many who hold different views. I cannot stand by and witness another crisis like the Mariel boatlift while we debate the President's authority for such powers here in the Congress or in the courts. I believe that it is crucial that we define the precise powers and responsibilities of the President and the Federal Government during immigration emergencies. Immediate action during such emergencies is the only effective tool. I believe my bill sets forth a contingency plan that allows for swift action. I urge my colleagues and the administration to join me in recognizing the critical need for such legislation.●

By Mr. INOUYE (for himself, Mr. KASTEN, Mr. DOLE, Mr. JEPSEN, Mr. THURMOND, Mrs. KASSEBAUM, and Mr. MATSUNAGA):

S. 593. A bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit distribution of certain State-inspected meat and poultry products, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FEDERAL MEAT AND POULTRY PRODUCTS INSPECTION ACT OF 1983

Mr. INOUYE. Mr. President, today, I am introducing legislation on behalf of Senators KASTEN, DOLE, JEPSEN, THURMOND, KASSEBAUM, MATSUNAGA, and myself which would allow State-inspected meat and poultry products to enter into interstate commerce. This bill would permit the sale of State-inspected meats to consumers in neighboring States and to federally inspected plants. However, it would continue the present practice of barring State-inspected meats from international trade, where by treaty all meat must be federally inspected.

Under present law, State meat inspection plans must either meet or exceed Federal standards for wholesomeness, cleanliness, and freedom from residues. However, quality State-inspected products are often barred from nearby markets by virtue of an arbitrary State line that bisects a local community. The bill we are offering will correct this inequity by allowing State-inspected meats equal access to American meat and poultry markets.

State-inspected meat and poultry plants may be smaller than the average federally inspected plant, but they produce as wholesome a product. They may follow some different procedures under State law and use different equipment, but it would be a mistake to assume that their products are inferior. Take for example the requirement that all federally certified plants must provide an inspector with a private office. This may be feasible for some of the larger, newer plants which can tailor their specifications to Federal requirements, but what about the small family producer who has been making specialty meats for decades? His packing procedures and end product are as good as anyone else's, and he meets all of the necessary laws and State requirements, but what if he does not have space for a separate inspector's office? Should we really deny that producer the right to ship his products in interstate commerce? Is this fair to either the small producer or the nearby consumer who would like to buy his products but cannot because he happens to live in a different political jurisdiction?

Consumer confidence in our Nation's meat and poultry products is at an all-time high, and this bill will do nothing to harm that confidence. What it would do is end the discrimination against State-inspected meats which enjoy the confidence of consumers in 27 States throughout the country.

The benefits of this legislation are clear. First, consumers would be rewarded with a greater variety of wholesome meats at competitive prices. Second, livestock producers would not have to ship their animals clear across a State to reach a Federal plant: They could use local, State-inspected plants and still get their meat into interstate commerce, thus saving a great deal on transportation costs and helping smaller meatpacking plants stay in operation. Third, State plants would no longer be pushed to join the Federal meat inspection system. This bill would thus save the U.S. Department of Agriculture and the American taxpayer money by keeping meat-inspection programs in the hands of individual States.

Mr. President, last year I introduced legislation identical to this bill, S. 2400, which received favorable comment from the U.S. Department of Agriculture. Indeed, the Secretary of Agriculture recommended that it be enacted into law. I ask unanimous consent that Secretary Block's letter of August 30, 1982, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., August 30, 1982.

Hon. DANIEL K. INOUYE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR INOUYE: This is in response to your request for a report on S. 2400, a bill entitled the "Federal Meat Inspection Act Amendments of 1982."

The Department of Agriculture recommends enactment of this bill.

This bill amends the Federal Meat Inspection Act and the Poultry Products Inspection Act to permit carcasses, parts of carcasses, meat and meat food products of cattle, sheep, swine, goats, equines, or poultry prepared under State inspection to be eligible for sale or transportation in interstate commerce. Furthermore, the bill permits the entry of State inspected product into Federally inspected plants for further processing. However, under provisions of this bill State inspected product would not be eligible for sale or transportation in foreign commerce. Therefore, any State inspected or mixed State-Federal inspected product would be kept separated from any federally inspected product in a federally inspected plant.

The Federal Meat Inspection Act and the Poultry Products Inspection Act, as amended, as well as strict regulatory trade agreements on meat and poultry exports and imports, require the United States to accept only meat and poultry inspected by a national system of inspection that is at least equal to our Federal inspection system; our trading partners have the same requirements as regards product imported from this country. Therefore, neither the United States nor our trading partners are permitted to accept imports from plants that have been inspected by a State, local or provincial system. The provision in the bill which would make State-inspected products ineligible for sale or transportation in foreign commerce is thus consistent with maintaining our trading relations regarding meat and poultry imports and exports.

The Wholesome Meat Act and the Wholesome Poultry Products Inspection Act require States carrying out State inspection programs to develop and effectively enforce requirements, with respect to intrastate operations, "at least equal to" the Federal requirements imposed under the Acts. There are now 27 States conducting meat and/or poultry inspection programs for intrastate product. These programs conduct inspection at plants accounting for 5 percent of the total red meat and one percent of poultry slaughtered in the United States. USDA's responsibility for maintaining a national

standard for meat and poultry inspection under these Acts is enforced in such States through a review of each State program. Also, a statistically selected sample of State plants is reviewed periodically as a further check on the effectiveness of the State's inspection system.

Since States which choose to carry out inspection programs must develop and effectively enforce meat inspection requirements "at least equal to" those of the Federal program, it is reasonable that States should be allowed comparable benefits under the law with respect to sales in other than foreign commerce. This legislation would give State inspected plants the opportunity to expand their markets to include wholesale and retail outlets in other States and State or federally inspected plants regardless of where they are located. The Department does not believe that this bill as written will have any significant impact on the meat and poultry industry, or on consumer confidence in that industry.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

JOHN R. BLOCK,
Secretary.

Mr. INOUYE. Mr. President, allowing State-inspected meat and poultry products into interstate commerce is an idea whose time has come. I urge my colleagues to join us in passing this important piece of legislation.

I ask unanimous consent that a position paper by the American Association of Meat Processors and the full text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 593

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Meat and Poultry Products Inspection Act of 1982".

FEDERAL MEAT INSPECTION ACT

SEC. 2. (a) Section 301 of the Federal Meat Inspection Act (21 U.S.C. 661) is amended—

(1) by striking out "solely for distribution within such State" in subparagraph (1) of paragraph (a);

(2) by adding at the end of subparagraph (2) of paragraph (a) the following new sentence: "In carrying out the provisions of this Act, the Secretary may conduct such examinations, investigations, and inspections as he determines practicable through any officer or employee of any State or Territory or the District of Columbia commissioned by the Secretary for such purposes.";

(3) by striking out "with respect to the operations and transactions within such State which are regulated under subparagraph (1)," in subparagraph (3) of paragraph (c) and inserting in lieu thereof "with respect to all establishments within its jurisdiction which do not operate under Federal inspection under title I of this Act and at which any cattle, sheep, swine, goats, or equines are slaughtered or their carcasses or parts or products thereof are prepared for use as human food and with respect to the distribution of carcasses, parts thereof, meat, or meat food products of such animals within the State,"; and

(4) by adding at the end thereof the following new paragraph:

"(e) Notwithstanding any other provisions of this Act—

"(1) Carcasses, parts thereof, meat, and meat food products of cattle, sheep, swine, goats, or equines prepared under State inspection in any State not designated under paragraph (c) of this section, and prepared in compliance with the meat inspection law of the State, shall be eligible for sale or transportation in commerce and shall be eligible for entry into and use in the preparation of products in establishments at which Federal inspection is maintained under title I of this Act, in the same manner and to the same extent as products prepared at such establishments. Such State inspected articles, and federally inspected articles prepared, in whole or in part, from such State inspected articles, shall not be eligible for sale or transportation in foreign commerce and shall be separated at all times from all other federally inspected articles in any federally inspected establishment which engages in the preparation, sale, or transportation of carcasses, or parts thereof, meat, or meat food products, for foreign commerce.

"(2) All carcasses, parts thereof, meat, and meat food products that are inspected under a program of inspection pursuant to the law of a State not designated under paragraph (c) of this section shall be identified as so inspected only by official marks which (A) clearly identify the State as the State which performed the inspection, and (B) are of a design prescribed by the State. Federally inspected articles prepared, in whole or in part, from such State inspected articles shall be identified as so inspected only by the same official marks as prescribed by the Secretary for articles slaughtered or prepared under title I of this Act.

"(3) The operator of any establishment which is operated under Federal inspection may transfer to State inspection and the operator of any establishment which is operated under State inspection may transfer to Federal inspection if—

"(A) the operator gives written notice to both the appropriate Federal and State officials of the proposed transfer; and

"(B) the Secretary determines that such transfer will effectuate the purposes set forth in section 2 of this Act and will not adversely affect the stability of the total State and Federal inspection systems.

A transfer of inspection authority under this paragraph may not become effective until October 1 of any year and until at least one hundred and eighty days have elapsed after notice of the proposed transfer has been given to the appropriate Federal and State officials. The Secretary may, in his discretion, make individual exceptions for any applicant for Federal inspection under title I of this Act who presents clear and convincing evidence that he intends to, and will be able to, engage in foreign commerce to the extent that Federal inspections would be required, to engage in such commerce.".

(b) The second sentence of section 408 of such Act (21 U.S.C. 678) is amended to read as follows: "Marking, labeling, packaging, or ingredient requirements in addition to, or different than those made under this Act may not be imposed by any State or Territory or the District of Columbia with respect to articles prepared at any establishment under Federal inspection under title I of this Act or with respect to articles prepared for commerce at any State inspected establishment in accordance with the requirements under section 301(e) of this Act; but any State or Territory or the District of Columbia may, consistent with the requirements of this Act, exercise concurrent jurisdiction with the Secretary over articles distributed in commerce, or otherwise subject to this Act, for the purpose of preventing the distribution for human food purposes of any such articles which are not in compliance with the requirements of this Act and are outside of any federally or State inspected establishment, or, in the case of imported articles, which are not at such an establishment after their entry into the United States.".

POULTRY PRODUCTS INSPECTION ACT

SEC. 3. (a) Section 5 of the Poultry Products Inspection Act (21 U.S.C. 454) is amended—

(1) by striking out "solely for distribution within such State" in subparagraph (1) of paragraph (a);

(2) by striking out "with respect to the operations and transactions within such State which are regulated under subparagraph (1) of this paragraph (c)," in subparagraph (3) of paragraph (c) and inserting in lieu thereof "with respect to all establishments within its jurisdiction which do not operate under Federal inspection under this Act and at which any poultry are slaughtered or any poultry products are processed for use as human food and with respect to the distribution of poultry products within the State,"; and

(3) by adding at the end thereof the following new paragraph:

"(e) Notwithstanding any other provisions of this Act—

"(1) Poultry products processed under State inspection in any State not designated under paragraph (c) of this section, and processed in compliance with the poultry products inspection law of the State, shall be eligible for sale or transportation in commerce and shall be eligible for entry into and use in the preparation of poultry products in establishments at which Federal inspection is maintained under this Act, in the same manner and to the same extent as poultry products processed at such establishments. Poultry products complying with the requirements under the poultry products inspection laws of States not designated under paragraph (c) in which the products were processed shall be considered as complying with this Act. Such State inspected poultry products, and federally inspected poultry products processed, in whole or in part, from such State inspected poultry products, shall not be eligible for sale or transportation in foreign commerce and shall be separated at all times from all other federally inspected poultry products in any federally inspected establishment which engages in the processing, sale, or transportation of poultry products for foreign commerce.

"(2) All poultry products that are inspected under a program of inspection pursuant to the law of a State not designated under paragraph (c) of this section shall be identified as so inspected only by official marks which (A) clearly identify the State as the State which performed the inspection, and (B) are of a design prescribed by the State. Federally inspected poultry products processed, in whole or in part, from such State inspected poultry products shall be identified as so inspected only by the same official marks as prescribed by the Secretary for poultry products processed under sections 1

through 4, 6 through 10, and 12 through 22 of this Act.

"(3) The operator of any establishment which is operated under Federal inspection may transfer to State inspection and the operator of any establishment which is operated under State inspection may transfer to Federal inspection if—

"(A) the operator gives written notice to both the appropriate Federal and State officials of the proposed transfer; and

"(B) the Secretary determines that such transfer will effectuate the purposes set forth in section 2 of this Act and will not adversely affect the stability of the total State and Federal inspection systems.

A transfer of inspection authority under this paragraph may not become effective until October 1 of any year and until at least one hundred and eighty days have elapsed after notice of the proposed transfer has been given to the appropriate Federal and State officials. The Secretary may, in his discretion, make individual exceptions for any applicant for Federal inspection under title I of this Act who presents clear and convincing evidence that he intends to, and will be able to, engage in foreign commerce to the extent that Federal inspection would be required, to engage in such commerce.".

(b) The second sentence of section 23 of such Act (21 U.S.C. 467e) is amended to read as follows: "Marking, labeling, packaging, or ingredient requirements in addition to, or different than, those made under this Act may not be imposed by any State or Territory or the District of Columbia with respect to articles prepared at any establishment subject to Federal inspection under this Act or with respect to articles prepared for commerce at any State inspected establishment in accordance with the requirements under section 5(e) of this Act. Further storage or handling requirements found by the Secretary to unduly interfere with the free flow of poultry products in commerce shall not be imposed by any State or Territory or the District of Columbia. However, any State or Territory or the District of Columbia may, consistent with the requirements of this Act, exercise concurrent jurisdiction with the Secretary over articles distributed in commerce, or otherwise subject to this Act, for the purpose of preventing the distribution for human food purpose of any such articles which are not in compliance with the requirements under this Act and are outside of any federally or State inspected establishment, or, in the case of imported articles, which are not at such an establishment after their entry into the United States.".

POSITION PAPER OF THE AMERICAN ASSOCIATION OF MEAT PROCESSORS

Legislation being considered: S. 2400 introduced by Senator Daniel Inouye; H.R. 5268 presented by Congressman William Wampler.

These bills, if enacted, would permit state inspected meat products to be shipped in interstate commerce and to be sold to federally inspected establishments.

ASSOCIATION POSITION

For.

ASSOCIATION PROFILE

The American Association of Meat Processors, which we will refer to throughout this document as AAMP, is the non-profit meat trade group which represents the small to medium size independent meat processors in the United States. AAMP's membership includes over 1,500 independent, family-owned meat businesses located throughout the United States and Canada.

Many of these small business people maintain their meat plants under state meat inspection programs while others operate with federal inspection in states which no longer maintain state meat inspection programs. The plants which are operating under state meat inspection are generally satisfied with their present inspection status . . . except for the discrimination against them insofar as free and unhindered shipment of their products and sales of their meat to federally inspected meat plants is concerned. Federally inspected small meat plants, for the most part, are also operating satisfactorily in their present situations . . . except for the problems they often experience in working with the federal bureaucracy.

SUPPORTIVE STATEMENTS FOR PASSAGE

State meat inspection programs are equal to, but not necessarily identical to, the Federal meat inspection program

The state and federal programs, contrary to the unfounded allegations of some opponents of the present system, are equal; but they are far from being the same.

Either the states are doing the job or they aren't. If anyone can show irrefutable proof to Congress that the job is being inadequately handled by the state programs, then the USDA should assume the responsibility for administering these programs. If they can't prove that the states are doing an inadequate job, and we believe that this evidence cannot be provided because it is nonexistent, then there is no reason to oppose passage of legislation to end this gross inequity and barrier to free trade in the meat industry.

Study after study has been done on the equal status of state meat inspection programs. These inquiries have shown that the USDA has kept its finger on the pulse of the state programs. Problems found in the state programs during these studies, whether they be in individual plants or in a specific area of a state, would exist if the meat inspection were administered by the federal government. Inherent problems do not cease to exist simply because the governing agency changes.

Successful compliance programs, including the ability to trace and recall adulterated product should it be necessary, have been implemented in all state programs. The last remaining program without such a compliance program, Florida, recently completed steps to activate a separate compliance branch. Prior to that time, compliance activities had been handled by inspection supervisors. Evidence of the excellence of these activities is provided by the fact that all of the state inspection programs assisted the USDA in the recall of horse and kangaroo meat which had been shipped into this country from Australia.

Small plants voluntarily applying for Federal inspection find the process too expensive, frustrating and the bureaucracy too difficult to deal with—

On the surface, it would seem that it should be a breeze to transfer a plant from state meat inspection to the federal meat inspection program. After all, state systems are equal to the federal program and must abide by federal regulations. If the plant is operating satisfactorily under state inspection, shouldn't it be easy to apply for and receive federal inspection?

Maybe it should be, but it is not. Some of these problems and expenses are outlined here.

Facilities Requirements—The major hurdle facing the small existing meat plant applying for federal inspection is the facility requirements. These are set forth in a document known as "Handbook 570."

Many of the small plants were built prior to enactment of the Fedeal Meat Inspection Act. While they were built according to generally accepted industry specifications for the production of wholesome products, they were not bound by guidelines laid down by any governmental agency. Consequently, as these plants were brought into the meat inspection systems, many were often unable to meet the federal facility requirements in "Handbook 570" designed primarily for big packing plants. These facilities deviations did not necessarily affect sanitation or wholesomeness of product. In the early days of meat inspection, many small meat businesses were forced out of business because of unwarranted demands that facilities changes be made.

For example, overhead rails, which support trolleys by which sides and quarters are moved about in meat plants, are required by federal regulation to be 11 feet high in beef coolers. It is a sensible requirement where beef carcasses are handled as sides since it prevents the meat from dragging on the floor. Many small plants did not meet this specification because they were designed to handle beef in quarters rather than sides. Also, many small plants did not have private offices for an inspector, as required in federally inspected meat plants.

Eventually, the USDA recognized the fact that small plants do operate different than large packing houses and published a document entitled "Federal Facilities Requirements for Small Existing Meat Plants." This guideline permitted the lower rail heights for handling beef quarters, plus many other such variations which do not affect sanitation or wholesomeness of product. As the title suggests, these variations applied only to existing facilities and were not applicable to the construction of new plants or to expansion of old ones.

As the result of the issuance and use of the "Small Existing Plant Handbook," thousands of small establishments are successfully operating today under inspection, turning out product that is sanitary and wholesome, under both federal and state programs. But, there are only two instances in which meat plants are permitted to be "grandfathered" into meat inspection using this guideline:

1. When an entire state is designated for federal takeover, and,

2. When a meat plant is brought into a state meat inspection program.

When small plants voluntarily apply for federal inspection without their entire state program designated, they must renovate to make any facilities changes which had been permitted under the Small Existing Plant Handbook guidelines. If a small meat plant is operating in a sanitary manner, producing a wholesome product today, it would not necessarily be permitted into the federal program tomorrow without extensive and expensive renovations

In a state designated for federal inspection, the "Small Existing Handbook" automatically applies to the plants which are brought under the federal program during the designation. Therefore, those plants absorbed into the federal program during a designation are not normally faced with the massive expenditures for facilities renovations. In addition, they have three years in which to make any needed corrections while

those voluntarily applying must complete the work before the grant of inspection is considered.

Thus, obtaining federal inspection on an individual plant basis is not as easy as it sounds even though the state program under which it is operating is certified, and is being operated, as equal to federal by the United States Department of Agriculture.

Expense of Applying for Federal Inspection—Initially, small plants which had been permitted to operate under the guidelines of the Small Existing Plant Handbook in a state program were faced with thousands of dollars in expenditures for facilities renovations. This, incidentally, is on top of the money that most of them spent to make renovations when they were first brought under state meat inspection. In applying for federal inspection, a state inspected plant runs into a mass of paperwork which must be completed prior to the plant being granted federal inspection. The procedure is as follows:

1. The Plant must be reviewed by the federal inspection authorities.
2. Deficiencies must be corrected to bring the plant up to "570" standards.
3. Blueprints must be drawn up and sent to Washington for approval.
4. Label applications must be submitted.

Problems always arise. The approval of blueprints and labels is an area fraught with problems for plants being brought into the federal inspection. After the plant has gone to the expense of preparing the blueprints and waded through the label approval forms, they are frequently returned from Washington with a list of questions and corrections which must be made to the labels and/or blueprints. This often happens to a plant several times before final approval is granted.

But, the major expense is the large number of facility changes that must be implemented, changes which too often have no relationship to or bearing on the wholesomeness of the meat being handled.

Scheduling of Inspectors in Small Plants—When they shift from state to federal inspection, another problem that state inspected establishments face is inflexibility of inspection hours. State programs are generally much more flexible than federal in this regard. A plant which is voluntarily applying for federal inspection is apt to have to rearrange the plant's work schedule to meet the availability of an inspector. These rearrangements can often result in a plant having to reschedule employee's hours to work around the availability of a federal inspector. Obtaining an additional day of inspection on a temporary basis or making an emergency change in inspection hours is often difficult if not impossible. Often an overtime charge is made for small plants requiring federal inspection, even in cases where the inspector is in the plant less than eight hours a day.

Small meat plant operators find it difficult to obtain answers to questions and problems from the massive Federal bureaucracy.

Of all objections to federal inspection, this is the one most often voiced and one of the major concerns of small operators who are faced with the decision of applying for federal inspection. The operators of most small plants do not want to face the massive bureaucracy with which federally inspected plants must deal on a regular basis.

In some areas, such as Hawaii, getting a problem resolved under federal inspection means contacting Washington. The time zone differences alone point out the ludicrousness of the federal communications channels on a practical basis. Unresolved problems typically means production halts. Stoppages of hours or days can too readily translate into economic losses which are non-recoverable.

Small plant operators find it extremely difficult to deal with such a complex bureaucracy. They need a direct line of communication with their official policymakers. Speed in solving problems and clarifying policies is crucial to the survival of small plants. Unless they have someone like AAMP assisting them, small meat plant operators under federal inspection must take their problems to a myriad of federal government employees before possibly finding an answer.

In comparison with the Federal Meat Inspection Program, state program organizational structures are simple and direct. If a problem can't be solved working with the inplant state inspector or his supervisor, the plant operator and/or the inspector can appeal to the state program director. Unresolved problems are handled quickly and without costly delays. A typical organizational chart for both programs might look like this:

[Chart deleted in the RECORDS.]

People in the state government offices are normally in tune with what is going on in their program, even in the individual plants. There is little or no passing the buck from one bureaucrat to another until everyone is so frustrated that they give up rather than try to solve the problem. Once a decision has been rendered by a state meat inspection director, it is a relatively simple matter for supervisors to insure that the directive is followed by all inspection personnel.

In contrast, a federal inspector, after receiving a final determination from Washington, is not necessarily bound to abide by the answer because he is closer to the situation and may be aware of circumstances not known to the Washington staff. After hours and days of frustrating phone calls, the operator is often left with the feeling that he has won the fight but lost the battle because the inspector is not under the direct control of his ultimate supervisor and may choose not to abide by national policies.

The closest link in the chain of upper level management in the USDA is the Area Supervisor. The Area Supervisor is often called upon to resolve problems in meat plants under jurisdiction. This often requires that he visit the plant. Now, this closest link is being removed. The USDA is planning to close all area offices. This means that someone in Maine with a problem will have to deal with an Area Supervisor located in Philadelphia. The supervisor may be familiar with the problem at issue but may never have seen it or even know where the town is located.

Close contact by top level State officials with their employees and the meat plants under their jurisdiction makes it more difficult for illicit activities such as bribery and collusion to exist—

It has been suggested that, because of the kind of direct contact with policymakers which is typical of state programs, there is a proneness to influence by politicians and businesspeople. We have seen no evidence of this. In fact, we suspect that such illicit activities are easier to cover up and hide in a program as massive as the Federal meat inspection program.

Communications between top level policymakers and their field personnel are efficient—

The additional levels of bureaucracy in the federal program have created the problem of properly relaying information to the lay inspector. When a policy decision is made in Washington, it is relayed from the Washington office to the Regional office to the Area Office to the Circuit Supervisor and then to the lay inspector. The inspector often does not receive the information at all or receives it long after he really should have it. This results in confusion when, through USDA news releases, association bulletins and/or magazines, a policy is announced and the inspector has not yet received official notice of its implementation.

Confusion is also apparent when an AAMP member calls for help with a problem, obtains the information as to Washington's official policy from the AAMP staff and then finds the inspector has no record or knowledge of the regulation or policy which applies to the given situation.

Because of the simple lines of communications in state programs, this problem is almost non-existent. Circuit supervisors and inplant inspectors can be quickly and efficiently advised of policy decisions affecting the plants in their jurisdiction.

Policy decisions are often made in Washington by unelected Federal policy makers with no opportunity for public comment—

Changes have been made in federal "policies" which have not been announced through proper rulemaking procedures. One area in which this frequently occurs is in approving new product standards through the label approval process. These "closed door" decisions have often resulted in some confusion and a lot of frustration for meat plant owners. It is rather easy for "policy" decisions to be made and to be buried in the federal bureaucracy. However, at the state level where plant operators have easier access to public officials who oversee the state inspection programs, this kind of problem does not often surface.

Foreign meat products, which are subject to less intense inspection than is offered by the States or the USDA, are permitted free access to American markets. The same privilege should be given to American businesses that are constantly watched—

Foreign meat products from countries having an agreement with the USDA have free access to any market in the United States. Yet, the USDA is not conducting continuous onsite meat inspection in foreign countries which export to the United States. Foreign systems are certified by the USDA as meeting USDA requirements and the foreign governments, with the help of a handful USDA veterinarians, conducts the inspection of those plants exporting meat to the United States.

These foreign programs receive minimal supervision and oversight by the USDA and most have not been visited by a USDA inspector. The state meat inspection programs, on the other hand, receive quarterly onsite checks by the USDA and are often subjected to more frequent visits if a deficiency in the state program is found during the quarterly visit. Yet, this state inspected meat, which is receiving intense inspection by people who are often trained in federal training facilities under a program monitored directly by the USDA, is not permitted the same privilege of free movement into United States commerce which is enjoyed by foreign products. If imported meat, which is often subject to less inspection than domestic meat, is permitted access to U.S. markets, is it fair to deny state inspected meat this same right?

Consumer confidence in our Nation's meat supply, including state inspected meat, is at an all-time high, and there is no reason to believe, or proof that has been offered, which would lead anyone to believe that passage of this bill will change this—

As long as we continue to deny state inspected meat the right to move into interstate commerce and into federally inspected plants, we are saying that state inspected product is inferior and is not to be trusted. We maintain that this is not the consumer's view of inspection. We doubt that most consumers are even aware that both the federal and state meat inspection systems exist nor to what extent their meat is inspected. What they do know is that they are constantly supplied with wholesome, quality meat. Consumers in 26 states continue to express their confidence in state inspected meat by purchasing and consuming millions of pounds of state inspected meat every year.

The argument that consumer confidence in meat will be undermined by allowing state inspected products to be shipped interstate is ludicrous and unfounded. We have yet to see any evidence, study or indication that this is true. Some of our nation's top meat products, evidenced by the fact that they are annually winners in national competition, are produced in state inspected meat plants. These products are as successful as they are because of their excellence and high quality.

The present restrictions do not allow small plants to serve their natural marketing areas and inhibit their growth—

Meat plants operating under state inspection cannot now serve their natural marketing areas because of restrictions in the current law. This means that plants ten, five, even one mile, from a state line are restricted from serving their natural marketing areas. They must pay a penalty in their advertising costs because newspapers, periodicals, radio and television stations base their rates on the number of readers or audience reached. Paying full rates for advertising when the law does not allow them to serve those reached by the advertising is a compounded penalty for small plants operating under state meat inspection.

There is an artifical and political barrier to the growth of these small businesses that are forced to stagnate. By not allowing them to expand beyond political, they are required to remain small or face expensive technical and administrative programs of the Federal inspection system.

Livestock producers pay a penalty of lessened competition under the present law—

A small plant that is allowed to serve its natural marketing area without regard to political jurisdictions increases its volume. That means it buys more cattle, hogs, lambs, chickens, turkeys and veal animals. To the livestock producer, that means increased local markets and better competition for his animals. It translates into profits for the livestock grower. Simply by being able to sell more animals two or three miles away from the farm instead of trucking them hundreds of miles to major packing plants means less expense and greater profit for the producer.

Consumers would be rewarded with more variety and competitive pricing—

Consumers would be the greatest beneficiaries of this legislation. Many areas of the country feature meat items that are not available elsewhere. Small, state-inspected plants would be able to introduce their regional or ethnic products into area where they are currently not available. The opportunities for mail-order and catalogue sales by small firms would be greatly enhanced by this legislation.

State and Federal plants would be able to cooperate and operate more efficiently—

Present law allows a federally inspected meat plant to buy meats from Australia, New Zealand, Argentina or European countries and ship them into interstate commerce as processed or fabricated products. Yet these same federal plants cannot buy meats from small, state inspected plants that produce the meats and other raw materials that they need. Thus, we see a scenario of plants in the same town that cannot trade with one another, stiffling the efficiency and economic growth of both facilities. Nor can federal plants subcontract or "job out" work to smaller state-inspected facilities. Many federal plants find it necessary to subcontract smoking, slicing, private labeling, breaking or other operations, either as a matter of course of during seasonal or peak times. Present law prohibits them from engaging in these mutually beneficial arrangements if a state-inspected plant is involved. The consequence is that federal plants must pay expensive shipping costs to have such work done or do it themselves with new equipment that will be used only occasionally and with workers who will be facing layoffs after those peak or seasonal periods.

Five thousand State-inspected plants are prohibited from bidding on most Government meat contracts under present law—

Federal government meat purchases for the military, school lunch programs, prisons, hospitals and other institutions are off-limits to 5,000 state-inspected meat plants because that product must be shipped across state lines. The lessened competition and higher prices that the government and taxpayer endure are totally unwarranted, but are yet compelled by the present restrictions. Many schools, institutions, etc., receive meats from federal government purchases in large quantities or in forms they cannot handle. They commonly take them to be stored, processed, sliced, or further handled in small, local state-inspected meat plants . . . plants that were originally forbidden to have bid on those government contracts. Local school districts and other entities pay additional storage and processing costs at further cost to the taxpayer.

Close cooperation between USDA and State programs is essential in continuing to supply American consumers with the wholesome, unadulterated, properly labeled product to which they are accustomed—

One point needs to be made absolutely clear. In no way should any of the criticisms of the Federal inspection program we've presented be considered as a condemnation of the federal meat inspection programs. The program is needed, has been well run and, judging by the low incidence of illness and death related to consumption of meat which has been inspected by either federal or state officials, the both programs have accomplished their goal of providing consumers with a continuous supply of wholesome meat.

The federal program has its place in inspecting large plants, in dealing with export problems, providing guidance and assistance to the states in maintaining their programs and providing laboratory capabilities. Large packing plants need the assurance that they can produce meat in one state to sell it in other states without having to subject the product to differing standards in different states.

State inspection programs also have their place alongside the federal program. It is our experience that, by and large, small meat plants function more efficiently and economically under state inspection programs because of the less cumbersome bureaucracies in state programs.

It is time to recognize that the monumental task of providing the American consumer with a safe, wholesome supply of meat cannot be accomplished by the federal government alone. The close cooperation which has developed between the state meat inspection programs and the federal inspection program is evidenced by the large part state meat inspection programs played in the recall of Australian horse and kangaroo meat. This cooperation and pooling of resources between the states and the federal government should be encouraged.

Ultimate responsibility for assuring that a safe supply of meat enters interstate commerce lies with the USDA. They have demonstrated for years that this responsibility can be safely and economically met through cooperation with the state programs. Far from abdictating their responsibilities, the USDA has met the challenge with foresight and with the best interests of the consuming public in mind by continuing to foster the state meat inspection programs.

SUMMATION

Both state and federal programs are needed. The USDA and the state programs need to work together, complementing each other's programs, without the constant feeling that the state system is inferior to the federal. The state programs are doing a tremendous job of providing consumers in their states with a wholesome supply of meat. The passage of legislation to permit the interstate shipment of state inspected meat products would be a step in the right direction in eliminating the feeling of competitiveness which has always seemed to prevail as these programs are discussed.

Mr. KASTEN. Mr. President, I thank my distinguished colleague from Hawaii and join him in support of the Federal Meat and Poultry Products Inspection Act of 1983.

Primarily, the bill will allow for State-inspected meats to be shipped and old interstate. Under present law, State-inspected meat products may not be marketed in interstate commerce despite the fact that Federal law requires State-inspection standards to be at least equal to Federal inspection standards. This limitation works a particular hardship on those small family-owned meat-processing plants located near State borders. Bear in mind that the meat processors I am referring to are small, family owned and operated businesses that employ 10 or less people. There are more than 14,000 of these businesses nationwide. In my State alone, there are 600 plants that fall into this category.

As our attention is directed toward unfair trade practices and protectionism tactics of foreign competitors, it is ironic that we are imposing domestic trade restrictions on our own meat industry. We cry "foul" to foreign trade practices, yet present law governing

U.S. meat inspection smacks of that which we condemn. For example:

Four small meat processors in Texas formerly sold their products to a larger, State-inspected plant for distribution. Business was prosperous. The larger receiving plant decided to undertake an ambitious expansion program which included the lengthy process of becoming federally certified in their inspection program. As a result, these four small processors lost a viable market outlet and ended up with diminished market share.

A small plant in Lodi, Wis., specializes in the production of cured summer sausage. Recent recognition this fall of their product appeared in a national publication which resulted in nationwide requests for their product. The Lodi locker could not fill these orders as their meat is State inspected and not allowed to be shipped interstate. Estimated loss in receipts: over $6,000.

A small plant situated in the panhandle of Maryland is located 10 miles from Pennsylvania, 15 miles from Virginia and 5 miles from the West Virginia border. His marketing area is confined to Maryland under present law, with other markets close to him. Regardless of the demand for his product, he cannot sell his State-inspected meat products interstate.

From the examples just cited, trade barriers are obvious. By removing these barriers, a more competitive atmosphere will be created for all meat processors, large and small. It will allow consumers a wider variety and choice of specialty meats to choose from. Healthy competition would also result in lower prices to the consumer for quality foods. Market expansion for the small processor could result in the creation of more jobs. Consumers would experience the added convenience of being able to purchase variety meats at their local supermarket without having to drive any great distance or by having relatives/friends purchase an item for them to later be shipped across the country.

Let me stress that this bill in no way modifies present inspection laws. The consumer is protected. Quality and wholesome meat products will continue to crowd the shelves of retail outlets. The change witnessed by consumers will be a more diversified line of meat products on which they can discriminantly spend their dollars.

The rumor that State-inspection programs are inferior to Federal inspection programs is grossly untrue. The State inspection program is required to meet, if not exceed, the quality level of Federal inspection programs. If State inspection programs are found to be inferior, USDA steps in to assume inspection responsibilities until such time State inspection can be certified to meet stringent requirements. In the areas where USDA can determine equality, sanitation and wholesomeness of product, the Department of Agriculture has asserted State programs to be equal in quality of inspection.

Successful State compliance programs united with Federal inspection efforts have assisted USDA in the recall of horse and kangaroo meat which had been shipped into the United States from Australia last year. In this instance, the quality of State inspection programs speaks for itself. Ironically, present law allows a federally inspected meat plant to buy meats from Australia, New Zealand, Argentina, and European countries for shipment into interstate commerce as processed products. Yet, these same Federal plants cannot buy meats from State-inspected plants for sale into domestic channels.

This bill was introduced to the Senate last session, but due to time constraints, final action was not taken. Last August, comment was requested from USDA concerning this bill. USDA's comment was favorable and OMB advised of no objection to this bill from the standpoint of the administration's program. With this in mind, it is my hope that passage of this bill be expedited, for it will result in greater competition in the marketplace by tearing down domestic trade barriers we have unwittingly fostered throughout the years.

I urge my colleagues to support the Federal Meat and Poultry Products Inspection Act of 1983.

By Mr. DURENBERGER (for himself, Mr. BOREN, and Mr. THURMOND):

S. 594. A bill to amend the Internal Revenue Code of 1954 to treat as a reasonable need of a business for purposes of the accumulated earnings tax any accumulation of earnings by such business in anticipation of section 303(a) distributions before the death of a stockholder; to the Committee on Finance.

FAMILY BUSINESS PRESERVATION ACT

Mr. DURENBERGER. Mr. President, we hear a lot today about the problems many family-owned businesses are having in these troubled economic times. But we hear little about two important problems that successful family-owned businesses face in passing these businesses on to future generations.

The Family Business Preservation Act, which I am introducing today along with my colleagues Senators BOREN and THURMOND, addresses these problems. It modifies the accumulated earnings tax to permit family-owned businesses to prepare for the purchase of a deceased owner's stock. The bill also conforms the section 6166 shareholder requirement for extended payment of estate tax to the subchapter S changes made last year.

In 1981 with the Economic Recovery Tax Act, we took critical steps to remove estate tax barriers to passing family-owned businesses to future generations. Our bill today takes another important step to keep the family in family-owned businesses.

Presently the income tax laws impose a barrier to owners of businesses who want to accumulate earnings in the corporation for redeeming stock after the death of one of the owners. After an owner's death, the family frequently must sell part or all of the stock because of lack of liquidity to pay estate taxes—a substantial burden in many cases despite the changes made by the 1981 act. But the corporation cannot accumulate sufficient earnings because of the accumulated earnings tax. This tax of 27½ to 38½ percent is in addition to the regular corporate tax and is levied on earnings accumulated in excess of $250,000. The law allows accumulations for reasonable business needs, and one of these needs is money to buy out a shareholder. But this is available only after the shareholder's death. Too often the liquidity this provides is too little too late for estate tax purposes without depriving corporations of the liquidity they need for ongoing operations.

This rule is especially severe for businesses with a high market value compared with annual earnings. Family-owned newspapers—the independent newspapers so essential to the free press in our democracy—are prime examples of high value-low earning companies. High tech companies increasingly are also facing this problem because of sharp appreciation in a short period of time. In fact, the problem could face any nonliquid corporation.

Last year when I introduced a similar bill I cited a prime example of the need for this legislation, and I would like to draw it to my colleagues' attention once again. The Wall Street Journal, on August 19, 1981, carried the story of the Salisbury, N.C., Post. The paper with a circulation of 24,700 had earnings of $400,000 the previous year on revenues of about $4 million. The asset value was $3 million, but the market value was about $20 million. Even with the $600,000 exclusion that will be phased in by 1987, the estate tax would be $9.8 million, or 24½ times annual earnings.

Enactment of this legislation would permit owners of family-owned newspapers and other businesses to set aside funds for redemption of stock at the death of a major shareholder—to undertake the planning so essential for avoiding undue disruption at the time of the death of a principal owner. By taking these steps a business could avoid the necessity of selling to a larger corporation—to a chain, in the case of newspapers—just to meet the

liquidity demands of the estate tax. Our bill would help in an important way to stem the tide of undue concentration in business.

In this time of massive Federal deficits, it is more essential than ever to weigh every measure by how much it will cost the Federal Treasury. This bill passes muster because it allows the accumulation of earnings prior to death, but only with after-tax dollars.

The liquidity problem caused by estate taxes can also be alleviated by payment of estate taxes over a number of years. The second part of the bill will conform the provisions of section 6166 that set forth the requirements for qualifying for extended payment of estate taxes with the subchapter S changes made last year. Historically, the requirement that the business have 15 or fewer shareholders to qualify for section 6166 mirrored the rules for subchapter S qualification. Both were directed at aiding closely held businesses. In October of 1982 we changed the subchapter S rules to increase the shareholder requirement to 35, but we neglected to make the corresponding change in section 6166. Our bill would make this change.

Mr. President, small businesses are more important today than they have ever been. The economy requires that these independent concerns remain a vibrant, vital and growing part of American productivity. I urge my colleagues to give this measure quick and affirmative consideration.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Family Business Preservation Act".

SEC. 2. SECTION 303 REDEMPTION NEEDS OF A BUSINESS.

(a) IN GENERAL—Paragraph (1) of section 537(b) of the Internal Revenue Code of 1954 (relating to section 303 redemption needs) is amended to read as follows:

"(1) SECTION 303 REDEMPTION NEEDS.—The term 'section 303 redemption needs' means, with respect to any taxable year of the corporation, the amount needed (or reasonably anticipated in such taxable year to be needed) in such taxable year or any subsequent taxable year to make redemptions of those shares of stock of such corporation to which section 303(a) applies (or to which such corporation reasonably anticipates section 303(a) may apply)."

(b) CONFORMING AMENDMENT—Subsection (b) of section 537 of such Code (relating to special rules) is amended by striking out paragraph (5).

(c) EFFECTIVE DATE—The amendment made by this section shall apply with respect to taxable years beginning after December 31, 1982.

SEC. 3. COORDINATION OF SECTION 6166 WITH SUBCHAPTER S.

(a) IN GENERAL—Paragraph (1) of section 6166(b) of the Internal Revenue Code of 1954 (relating to interest in a closely held business) is amended by striking out "15" in subparagraphs (B)(ii) and (C)(ii) and inserting in lieu thereof "35".

EFFECTIVE DATE—The amendment made by this section shall apply with respect to estates of decedents dying after December 31, 1982.

● Mr. BOREN. Mr. President, I am pleased to join Senators DURENBERGER and THURMOND in sponsoring the Family Business Preservation Act. This legislation will go a long way toward addressing the significant liquidity problems faced by newspaper owners and other family-owned businesses upon the death of a major owner who was the last of his or her generation.

A recent study by the Rand Corp. examines the dramatic changes which have taken place in the ownership structure during the 20th century. It shows whereas at one time this industry was dominated by small, family-owned enterprises; today about 70 percent of all newspaper firms are subsidiaries of larger corporations. Further, the study shows that the increase in the number of newspaper chains is, "* * * not the result of efficiency gains associated with conglomeration." The study goes on to point out that "* * * tax laws can provide strong economic incentives for merger. Estate taxes make it impossible for most families to retain ownership from generation to generation."

This legislation is designed to deal with this problem. It will amend section 537 of the Internal Revenue Code to allow family-owned businesses to accumulate funds which can be used to facilitate payment of estate taxes upon the death of an owner. The change would include as a "reasonable business need," funds accumulated to facilitate payment of taxes on estates of major owners of a closely held business. A major owner would be defined as one who owns at least 20 percent of a business—a test consistent with other provisions of estate tax law.

As it currently stands funds accumulated year by year to facilitate redemption of stock by heirs to pay estate taxes without forcing the sale of the business are subject to the accumulations penalty tax which currently renders any such effort useless. This tax requires that any corporation which accumulates more than $150,000 must show that the accumulation is justified by reasonable business needs. If it is determined that the accumulation is unreasonable, and thus taxable, the excess accumulation each year is taxed at the rate of 27½ percent on the first $100,000 and 38½ percent on the excess.

This legislation is also designed to make a minor change in section 6166 of the Internal Revenue Code to open the extended time payment provisions of existing Federal estate tax law to more family-owned businesses. Currently there are three tests in section 6166:

First, the interest of the deceased in the business must be at least 20 percent.

Second, such business interests must constitute at least 35 percent of the estate.

Third, the business must have fewer than 15 shareholders.

This legislation will replace the 15 shareholder limit to allow that a business may have 35 or fewer shareholders. It is interesting to note that this is little more than a technical correction. Under the Economic Recovery Tax Act of 1981 the test used for subchapter S election (Small Business Corporations as to Taxable Status) was raised to 35 or fewer shareholders.

Current IRS estate tax valuations based "market values" of small, family-owned businesses often result in heavy estate tax burdens on heirs who desire to continue a business which enjoys only modest earning power. With earnings far short of the taxes levied on the business, the business cannot realize its taxable value short of actual sale. This result cannot be tolerated in that it serves to further weaken the sense of community in the United States and threatens our Nation's economy.●

By Mr. NICKLES:

S. 595. A bill to amend title II of the Social Security Act to restrict the payment of benefits under such title to certain aliens; to the Committee on Finance.

ALIENS RECEIVING SOCIAL SECURITY

● Mr. NICKLES. Mr. President, today I am introducing legislation to restrict the amount of social security benefits which flow to aliens working illegally in the United States and to aliens living abroad.

When it was created in 1935, social security's purpose was to provide greater economic security to workers in the United States. The act did not discriminate in eligibility on the basis of citizenship, but looked only at the type and location of employment of a worker. Few aliens were working and earning social security credits even in 1940. There were only 100 beneficiaries living abroad, receiving benefits totaling about $12,000. No one could have anticipated that in 1981 that number would have increased to 313,000 beneficiaries receiving payments of about $1 billion. Of course, some of those beneficiaries living abroad are U.S. citizens, but most—62 percent—are aliens.

As a result of the initial statute and Congress subsequent inadequacy to deal with this issue, two areas of abuse in the payment of social security bene-

fits to aliens have developed. The first is that current law allows aliens who have lived in the United States to receive social security benefits as a result of illegal employment. The second inconsistency is that aliens living abroad who have earned social security credits as a result of legal employment are now receiving benefits far in excess of what Americans in comparable situations receive.

ILLEGALLY EMPLOYED ALIENS RECEIVING SOCIAL SECURITY BENEFITS

The Immigration and Nationality Act regulates the entry of non-U.S. citizens to America. The act requires that prior to being permitted to enter the United States for employment, the Secretary of Labor must certify to the Attorney General that the entry and employment of the alien will not displace any American workers. In short, the effect of this act is to make it illegal for any alien to work in the United States without this country's express permission.

In contrast, the Social Security Act allows aliens to work and earn social security credits and benefits regardless of whether they are legally living or working in this country. The result of this inconsistency in law is that both illegal aliens and aliens who are legally in this country, but without permission to work, are earning and receiving social security benefits.

It is difficult to estimate the total amount of benefits which go annually to aliens who have worked illegally in this country. However, the General Accounting Office, in a draft report on this issue, estimates that between $0.9 to $2.3 billion in social security benefits go to illegally employed aliens.

Obviously it is a flagrant waste of the scarce funds available in the social security trust fund to support aliens who have worked illegally in our country. The legisation that I am proposing today would bring consistency to our laws on this matter by amending the Social Security Act to require legal resident and employment status in order to earn social security credits. Authority is given to the Social Security Administration to stop any benefits or credits from going to an alien as a result of illegal employment. In addition, any alien filing for benefits must show sufficient evidence that he was lawfully employed when earning social security credits.

ALIENS LIVING ABROAD RECEIVE EXCESSIVE SOCIAL SECURITY BENEFITS

The second issue addressed by this legislation is the excess in social security benefits which are going to aliens and their dependents living outside of the United States. Again, drawing from the General Accounting Office's audits of the Administration's files, there were about 194,000 alien beneficiaries living abroad in 1981. Approximately $700 million in benefits went to this population.

In looking at the alien beneficiary issue, it is most informative to compare the average alien beneficiary to the average U.S. beneficiary. Stark differences in the amount of benefits received become apparent.

First, the average American retiree receives $5 for every dollar paid into the trust fund. The average alien beneficiary receives $23 for every dollar paid into the system—more than three times the amount of U.S. citizens.

Second, the average American beneficiary has worked 20.5 years prior to retirement. The average alien beneficiary has worked only 10.5 years—almost half the time of Americans.

And finally, a large proportion of the added benefits which go to aliens are not going to the wage earner, but to dependents. GAO found that for every American wage earner, 0.4 dependents exist. However, for every alien wage earner, 1.69 dependents exist—over three times the dependents of Americans. To explain this unusual characteristic of the alien population, GAO reviewed individual case files and found that a common trend exists. Often the alien wage earner will retire and, subsequent to his retirement, add dependents through new marriages and additional children. This results in large increases in the monthly benefits received by the family. This characteristic also explains why aliens receive so much more in benefits than the average American per tax dollar. Following are three true examples which GAO found in its case study:

An alien in a foreign country retired at age 63. He got married to a 29-year old woman who one year later had a child. The annual benefit for the wife and child is $1,074. The child will be 18 years of age in 1996, and, therefore could continue to receive benefits until then.

An alien in a foreign country retired at age 62 and at age 65 married a 29-year old woman. She had three children during the succeeding five years. She and the children have received $11,509 in Social Security benefits over five years. Their annual benefit amount is $2,256. Their benefits could continue until the children are age 18 and could resume for the spouse when she attains age 62 or, if widowed, age 60.

An alien in a foreign country retired at age 62 and one year later began living with his 15-year old granddaughter in a common-law marriage relationship. He fathered two children by her during the succeeding six years. The children became eligible for benefits and received $12,896 over a six-year period. Benefits could continue until the youngest child reaches 18 in 1995.

I think that these examples provide convincing evidence of the abuse which is currently taking place in the Social Security system. The following is a chart summarizing the differences between alien beneficiaries and American beneficiaries.

Comparisons	U.S. beneficiaries	Alien beneficiaries
1. Benefits received per dollar paid into system	5:1	23:1
2. Years worked prior to collecting benefits	20.5	10.5
3. Dependents per wage earner	1.69	0.4

Some may wonder why the United States pays retirement benefits to aliens at all. As transportation methods have evolved to make world travel more convenient and companies have expanded, nonresident employment has become much more frequent. In an effort to remove barriers for such exchange, the United States has entered into agreements with a number of countries regarding pension plans. The intention of these agreements is to insure that Americans have the opportunity to participate in a retirement program when they work abroad which is comparable and equal to social security.

However, the United States does not just honor citizens from countries with which we share a formal negotiated agreement. Current law also allows an alien to participate in the social security program even if no formal reciprocal agreement exists for Americans between the United States and the alien's country. The only requirement is that the alien come from a country which has some program that resembles our social security system and is open to U.S. citizens. Unfortunately, what often occurs is that the program offered by the other country doesn't approach the generosity of the social security system. The GAO estimates that 99 percent of aliens receiving social security payments qualify, in part, because they come from a country which has some semblance of a social insurance program which is open to Americans or a formalized agreement with the United States. Because the treaty clauses are estimated to be one of the major exceptions under which many aliens gain participation in the social security program, it should be used to insure equal treatment of American workers. Simply having an open pension plan in existence should not qualify a country for participation in our program.

The legislation that I am proposing today corrects the excessive flow of benefits to aliens living abroad through four provisions. First, future alien beneficiaries would be entitled to receive social security benefits only up until the point at which they have recovered the taxes they paid into the trust fund. Second, the proliferation of dependents after retirement would be addressed by limiting dependent benefits to the spouse alone, provided that the relationship existed at least 1 year prior to the wage earner's application for benefits. Third, the immediate imbalance in benefit payments to aliens—represented by the 23-to-1

ratio—would be corrected by stopping the cost-of-living adjustments which current alien beneficiaries receive. The COLA is based on the U.S. economy and is meant to help those living on fixed incomes in this country to keep pace with inflation. The final provision of my legislation deals with the "informal treaty" loophole. All of the above provisions would apply to those aliens living abroad in countries with which the United States has no formally negotiated agreement. An alien from a country which simply has some form of social insurance program open to Americans would no longer be eligible to participate in our social security program. It must be certain, through a negotiated agreement, that the alien's country provides a truly comparable program for American workers abroad.

This legislation comprises a fair and realistic proposal for aliens and social security. It should be evident that if Congress expects to have the support of this Nation to make the sacrifices required to save social security, then Congress must be willing to cut excess and inequity out of the program. It does not make sense to continue to provide so generously for non-U.S. citizens when we face the prospect of not being able to meet obligations to U.S. citizens in June. Although it represents only a small fraction in the context of the overall shortfall in social security, this legislation is significant. For it is this and other inexplicably inconsistent policies like it which make up much of the reason for America's cynicism about Congress ability to deal with the social security problem.

I hope that my colleagues will join me in making these changes in the problem.●

By Mr. PRYOR:

S. 596. A bill to provide surplus commodities to farmers who lost grain stored in certain insolvent warehouses; to the Committee on Agriculture, Nutrition, and Forestry.

GRAIN STORAGE COMPENSATION ACT OF 1983

● Mr. PRYOR. Mr. President, every Member of the Senate has heard horror stories about farmers who have worked many hours planting and harvesting a crop, only to see it go down the drain when a grain elevator becomes insolvent or bankrupt. This has become a very serious problem the last few years. I have seen figures which show that over the last few years there have been almost 125 elevator bankruptcies. This has cost over 3,500 farmers more than $25 billion and has resulted in a great deal of human suffering.

There have been many changes proposed at both the State and Federal levels to deal with this situation. I have supported amendments to the Bankruptcy Act, initiated by the Senator from Kansas, Mr. DOLE, which would set up expedited procedures for farm crops and would also clarify title to the grain. In addition, I have introduced legislation designed to protect against future losses by setting up an insurance fund, funded by farmers, that would compensate them for losses resulting from the insolvency or bankruptcy of a grain elevator. Both this legislation, and the Bankruptcy Act amendments would deal with insolvencies that might occur in the future. I am convinced, however, that we can do something to help farmers who have suffered losses the past couple of years due to the insolvency or bankruptcy of a grain elevator.

Mr. President, today I am introducing the Grain Storage Compensation Act of 1983. This bill will expand the PIK program to allow farmers who have suffered a loss due to the insolvency or bankruptcy of a grain elevator to receive PIK commodities. With an enormous surplus, and many communities economically wrecked due to the collapse of a local grain elevator, it seems to me that we should provide this assistance. Our farmers are the envy of the entire world, yet many of them are on the edge of an economic cliff, largely through no fault of their own.

Several features of this bill are important, and I would like to point them out. First, it only applies to insolvencies or bankruptcies occurring on or after the Soviet grain embargo and the date of enactment of the bill. Since it is a narrowly defined period, it is not open ended. The elevator insurance legislation I have proposed will deal with prospective insolvencies. Second, the first date involved—the grain embargo—is important because it had such a profound effect upon the commodity markets and international trade. Third, the program will be conducted by the ASCS and will require no additional personnel. A farmer who has suffered a loss will have to establish this fact by competent evidence before he can receive PIK commodities.

Mr. President, the farmers of this country have been devastated the last few years by declining prices and rising production costs. Net farm income has fallen, and exports have declined for the first time in over a decade. These problems are serious enough, but imagine the frustration and pain a farm family feels when an entire year's work is lost. Many of them can never recover. Therefore, Mr. President, I submit that we expand the PIK program in a way which is reasonable and equitable and will literally bring back many small towns in this country. I urge my colleagues to join me in this effort and ask unanimous consent that the text of the bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 596

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Grain Storage Compensation Act of 1983".

DEFINITIONS

SEC. 2. As used in this Act, unless the context clearly requires otherwise—

(1) the term "depositor" means the owner or holder of a scale ticket, a warehouse receipt, or other original source document issued by a public grain warehouse for grain who resides in a State and who is entitled to possession or payment for the grain represented by such ticket, receipt, or other document;

(2) the term "grain" means barley, corn, cotton, dry edible beans, flaxseed, grain sorghum, oats, rice, rye, soybeans, sunflower seeds, wheat, and any other commodity which is commonly classified as a grain and traded at, or stored in, a warehouse;

(3) the term "insolvent" has the same meaning given to such term under section 101(26) of title 11, United States Code;

(4) the term "Secretary" means the secretary of Agriculture;

(5) the term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific;

(6) the term "surplus commodities" means agricultural commodities owned and held by the Commodity Credit Corporation that are not obligated for any other purpose under any other provision of law; and

(7) the term "warehouse" has the same meaning given to such term under section 2 of the United States Warehouse Act (7 U.S.C. 242).

COMPENSATION FOR INSOLVENCY OF LICENSED WAREHOUSES

SEC. 3. In any case in which a depositor has sustained a loss of grain, the loss of such grain was the direct result of the insolvency of a public grain warehouse in which the grain was stored, and the insolvency of such warehouse occurred at any time during the period beginning on December 1, 1979, and ending on the date of the enactment of this Act, the Secretary shall transfer to such depositor, in accordance with this Act, surplus commodities, or title to such commodities, in an amount, type, and quality the Secretary determines sufficient to compensate such depositor for such loss.

NOTICE OF COMPENSATION

SEC. 4. (a) Within sixty days of the date of enactment of this Act, the Secretary shall publish—

(1) in the Federal Register a notice containing a list of the public grain warehouses throughout the United States which became insolvent during the period described in section 3; and

(2) in a newspaper of general circulation in the area of each public grain warehouse which became insolvent during the period described in section 3 a notice containing the name of such warehouse.

(b) The Secretary shall include in each notice described in subsection (a) a summary of the compensation program provided for in this Act, including a summary of the eligibility requirements described in section 5(a).

PAYMENT OF COMPENSATION

SEC. 5. (a) To be eligible to receive compensation under this Act, a depositor must, within sixty days after the date of publication of the notice described in section 4(a)(2), file a written application for such compensation with the depositor's local office of the Agricultural Stabilization and Conservation Service. The application must describe the type and quantity of grain lost as a result of the insolvency of a warehouse described in section 3.

(b)(1) Within thirty days of the receipt of an application described in subsection (a), the Secretary shall determine if a depositor qualifies for compensation under this Act.

(2) If the Secretary approves an application for compensation under this Act, the Secretary shall, at the earliest practicable time, transfer to such depositor surplus commodities, or title to such commodities, in accordance with section 3.

(3) If the Secretary denies, in whole or in part, an application for compensation under this Act, the depositor shall have the right to appeal administratively such denial.

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out this Act.●

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 597. A bill to convey certain lands to Show Low, Ariz.; to the Committee on Energy and Natural Resources.

SHOW LOW, ARIZ.

Mr. DECONCINI. Mr. President, today I am introducing a measure to convey certain Forest Service lands to the city of Show Low, Ariz., for public purposes.

This bill, Mr. President, is identical to legislation I sponsored in the 97th Congress, S. 2308, which was favorably reported by the Energy and Natural Resources Committee and passed by the full Senate prior to adjournment. However, because there was little time remaining in the session, consideration by the House was not possible. I am hopeful, Mr. President, that this body can take quick action on this bill and send it to the House for early consideration this Congress.

I would like to point out again to the Senate that we are hoping to convey title to approximatley 585.46 acres of Forest Service land to the city of Show Low for a municipal airport and public park. The parcels of land we wish to convey have been occupied by the city under special use permit for many years. Title to these lands will allow the city to expand airport services without creating unnecessary restraints for both the city and the Forest Service.

Mr. President, Senator GOLDWATER has cosponsored this measure and we both want to repeat how important this bill is to the city of Show Low. I urge its expeditious consideration by the full Senate.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 597

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. That the Secretary of Agriculture is authorized and directed to survey and convey, by quitclaim deed and without consideration, to the city of Show Low, Arizona, all right, title, and interest of the United States to the lands generally depicted on a map entitled "Land Conveyance, City of Show Low, Arizona," and dated July 1982, which shall be on file and available in the office of the Chief Forest Service, Department of Agriculture, and more particularly described as follows:

(a) a tract of land, together with improvements thereon known as the David C. Porter Park estimated to include approximately 52.46 acres; and

(b) a tract of land, together with improvements thereon known as the Show Low Municipal Airport estimated to include approximately 533 acres.

SEC. 2. Title to any real property acquired by the city of Show Low pursuant to this Act shall revert to the United States if the city or any successor of the city uses such real property for other than public purposes.

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 598. A bill to authorize a land conveyance from the Department of Agriculture to Payson, Ariz.; to the Committee on Energy and Natural Resources.

PAYSON, ARIZ.

Mr. DECONCINI. Mr. President, the bill my distinguished colleague Senator GOLDWATER and I are introducing today will demonstrate how successfully a group of citizens in a small community and a Government agency can work together to build a memorial paying tribute to both the community and the Government agency.

Mr. President, I am referring to a plan by the residents of a town in Arizona, Payson, to restore the first forest ranger district office and dwelling house in that area. These buildings have been abandoned by the Forest Service for larger and more modern facilities. Payson citizens propose to restore the ranger station, and construct a fireproof building to serve as a museum to display historical artifacts and antiques from pioneer Forest Service days and other items of historic value to the town of Payson.

As a forest town, much of the history of Payson and its residents reflect the flavor of our national forest which has added to the charming character and the quality of the town. The residents of the community wish to preserve a piece of the Forest Service's past and the effects this Government agency has had on their own lives.

The purpose of this legislation is to convey approximately 1.1 acres of Forest Service land to the town of Payson just for that objective. By conveying this land to the town, historic preservation of the community and the Forest Service will be enhanced.

We are talking about a relatively miniscule portion of Federal property in this area, Mr. President. This conveyance, however, will signify a major investment in the quality and caliber of achievements made today and yesteryear in this Arizona town.

Mr. President, the members of the Northern Gila County Historical Society should be commended for their foresight and efforts to make this unique plan a reality. It is my hope that this bill can be expeditiously considered by the Energy and Natural Resources Committee this year so that the community may move forward with their plans as soon as possible.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 598

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled That, notwithstanding any other provision of law, the Secretary of Agriculture is authorized to transfer, without consideration, to the town of Payson, Arizona the following described parcel:

A parcel of land entirely within the S½ of the SE¼ of the SE¼ of the SE¼, of Section 5, T10N, Range 10E, G&SRB&M, Payson, Gila County, Arizona, more particularly described as follows: commencing at the common corner of Sections 4, 5, 8, & 9, T10N, R10E, G&SRB&M; thence N 89°56' W, along the south line of Section 5, a distance of 164.47 feet to the true point of beginning; thence continuing N 89°56' W, along the south line of Section 5, a distance of 337.13 feet; thence N 13°33'08" E, a distance of 223.16 feet, to a point on the south right-of-way line of West Main Street; thence S 74°10'23" E, along the south right-of-way line West Main Street, a distance of 145.02 feet; thence S 43°09' E, along the south right-of-way line of West Main Street, a distance of 243.72 feet; thence N89°56' W, along the south right-of-way line of West Main Street, a distance of 21.36 feet, to the true point of beginning. The above described parcel of land contains 1.10 acres, more or less.

SEC. 2. (a) The property described in the first section shall be used for the preservation and display of articles of historical significance. If the property is not used for historical purposes, title to such property shall revert to the United States.

(b) Subject to the use restrictions provided in subsection (a), the town of Payson, Arizona may provide for the administration of the property by the Northern Gila County Historical Society.

By Mr. LEVIN (for himself, Mr. BOREN, Mr. SPECTER, Mr. RANDOLPH, Mr. SASSER, Mr. ZORINSKY, Mr. MITCHELL, Mrs. HAWKINS, Mr. RIEGLE, Mr. TSONGAS, Mr. HOLLINGS, Mr. FORD, Mr. HUDDLESTON, and Mr. INOUYE):

S. 599. A bill to provide that the amount of unnegotiated social security checks shall be returned to the social

security trust funds; to the Committee on Finance.

SOCIAL SECURITY CHECK TRANSFER

● Mr. LEVIN. Mr. President, I am today introducing with Senators BOREN, SPECTER, RANDOLPH, SASSER, ZORINSKY, MITCHELL, HAWKINS, RIEGLE, TSONGAS, HOLLINGS, FORD, HUDDLESTON and INOUYE legislation which would credit millions of dollars of uncashed social security checks to the social trust funds.

Each year between $20 million to $50 million of unnegotiated social security checks remain in the general fund rather than being recredited to the social security trust funds. According to the National Commission on Social Security Reform, the accumulated total of uncashed benefits is now up to an estimated $300 million to $400 million.

When payment is made to a social security beneficiary, a voucher is submitted by the Social Security Administration to the Treasury Department for the amount of the benefit. This amount is then withdrawn from the social security trust fund and the payment is sent to the beneficiary. For any number of reasons some benefit checks may not be cashed. In many instances the checks are lost, stolen, burned, or saved for later use. Under present procedure, regardless of why the check is not cashed, the money has technically been spent by social security. The Treasury Department holds these funds until the checks are cashed. If the check is never negotiated, this money is added to the Treasury's general fund. The social security trust funds not only lose the initial amount, but also the interest obtainable by proper investment of the trust funds.

Mr. President, considering the deteriorating condition of the social security system, this $300 million to $400 million and $20 million to $50 million annually could make a contribution toward preserving the solvency of the social security system.

For the past several years, the Social Security Administration has been negotiating with the Treasury Department to arrange for a change in the administrative procedure used in handling these outstanding checks, but to no avail. Furthermore, in its package of recommendations, the National Commission on Social Security Reform proposes making a lump-sum payment to the old-age and survivors insurance trust fund (OASDI) from the general fund the amount of uncashed OASDI checks issued in the past. However, the Commission mistakenly indicates that the Treasury Department has changed its procedures in order to resolve the problem of uncashed checks in the future. There have been no changes to date.

In response to this need for a legislative remedy, we are introducing a bill which provides procedures for crediting the Federal old-age and survivors insurance trust fund and the Federal disability trust fund with the amounts of social security checks which have not been negotiated within 12 months. The bill also applies retroactively, transferring the accumulated total of unnegotiated checks.

I urge the speedy enactment of this much needed legislation.●

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 600. A bill to amend Public Law 95-224; to the Committee on Labor and Human Resources.

GRAND CANYON UNIFIED SCHOOL DISTRICT

Mr. DECONCINI. Mr. President, this bill, which is cosponsored by my distinguished senior colleague, Senator BARRY GOLDWATER, amends Public Law 95-244, as amended by section 3 of Public Law 96-581.

All it does, Mr. President, is modify existing law and establish a "special fund" to provide some needed additional support to the Grand Canyon Unified School District—which is within the Grand Canyon National Park. This educational support has already been authorized by the acts of Congress previously mentioned. The revenues for the fund would come entirely from revenues received by the United States from visitors to the Grand Canyon National Park. This is money received at the gate—$2 a car, 50 cents per person on buses.

Pursuant to terms prescribed by the Secretary of the Interior, payments from this fund would be made to the Grand Canyon School District for the education of the children who actually reside on Federal land. Because Federal property is not subject to taxation by State or local agencies, this amendment will assure that the Federal Government pays its fair share of the cost of the health, safety, and education of the children of its employees.

If this support were not necessary on a continuing basis, we would not suggest that a special fund be established. But the district simply does not have the tax base to support the yearly costs of operating the school. Establishing a fund under the control of the Secretary is a much more effective way of dealing with the problem than asking the Congress for a line item appropriation year after year.

These children, for the most part, are the children of Federal employees—the people who operate and maintain the facilities at the Grand Canyon. The Grand Canyon is not an Arizona monument Mr. President, it is a national monument. It is one of America's greatest tourist attractions. It brings a lot of tourists and tourist money into this country. All we are asking for is that a very small amount of these Federal revenues, of which millions are collected at the park, be set aside to cover some of the costs of operating and maintaining the school facilities. The Secretary of the Interior simply estimates how much money will be necessary—in addition to the moneys received for the general tax levies, State equalization aid, and the various Federal programs—and expends the funds when they are needed for operation and maintenance. There is no authorization to use the funds for construction.

Mr. President, as I said, all but a small portion of the land within the boundary of the school district is owned by the Federal Government. Less than 2 percent of the property in the district is privately owned. About 10 to 15 percent of the land is held by the State and 85 percent of the land is managed by the National Park Service and the U.S. Forest Service.

Because so little land is privately owned, the assessed valuation for tax purposes for the district during the 1981-82 school year was $6.7 million. This results in a tax rate of $5.78 per $100. And this rate is projected to increase by at least $1 per $100 for the coming school year. The tax base, such as it is, is eroding. When the Santa Fe Railroad removes it tracks, as planned, it will no longer pay taxes to the district. Last year it paid over $44,000.

In the 1981-82 school year, the district had an enrollment of 216 students and 186 of these students lived within the Grand Canyon National Park boundary and were classified as category A for Federal impact aid purposes. The district received $276,000 in impact aid funding and approximately $47,000 in other Federal education funds, for a total of $323,000 in Federal assistance.

Thus, even though over 80 percent of the district's students are dependents of Federal employees who reside on Federal nontaxable land, only 36 percent of the district's total budget was financed by Federal funds. Next year the Federal share will be even less, about 29 percent, because of less impact aid and lower Federal education funding levels. Also, one major misconception should be clarified: The district does not receive payment in lieu of tax assistance. It has not received such assistance since the program's enactment.

It is quite clear the Federal Government is not providing its share of assistance to this school district which has, as its primary purpose, the education to dependents of Federal employees. It should be remembered that if this district did not exist, the children would have to be bused to either Flagstaff, Ariz., 89 miles one way, or Williams, Ariz., 60 miles one way. This, of course, assumes one of those districts would be able to accept them. Busing 4 hours a day simply is not practical and

I seriously doubt it would be acceptable to the parents of these children.

Another important point to remember also is that having an adequate school system within the park makes it much easier for the National Park Service to attract quality personnel.

Mr. President, as I have stated, current law authorizes additional Federal support to the district. In fact these statutes, over a 7-year period, have authorized up to $6 million to supplement the other sources of the district's moneys. However, the only funds which have been appropriated under this authorization have been added by the Senate, at my request. The amounts $500,000 in fiscal year 1979 and $250,000 in fiscal year 1980. In fiscal year 1982, the Senate, again at my request, added $1 million to the bill but the amendment was rejected by the House of Representatives. The administration has never requested funding under this authorization and has requested none for fiscal year 1983.

This is a small bill, Mr. President, but it is not small or trifling to this school district. It leaves it to the Secretary to control the fund and to estimate how much will be required to meet the minimum standards of the act. It is roughly estimated that it would take $1 to $2 million over 1 or 2 years to bring the facilities up to the required health and safety standards.

I would ask my colleagues to act on this legislation as expeditiously as possible.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) The first section of the Act entitled, "An Act to authorize the Secretary of the Interior to make payments to appropriate school districts to assist in providing educational facilities and services for persons living within or near the Grand Canyon National Park on nontaxable Federal lands, and for other purposes," approved March 14, 1978 (92 Stat. 154), as amended (20 U.S.C. note following sec. 238), is amended by striking out the matter after the enacting clause through the word "payments" the first time it appears and inserting in lieu thereof the following: "That (a) notwithstanding any other provision of law providing for the disposition of revenues described in this subsection, and under such terms and conditions as may be prescribed by the Secretary of the Interior, payments may be made, in advance or otherwise, from any revenues received by the United States from visitors to Grand Canyon National Park,".

(b) Subsection (c) on the first section of such Act is amended to read as follows:

"(c) For the purpose of this Act, the Secretary of the Treasury is authorized and directed to maintain in a special fund a portion of the park revenues, sufficient for the maintenance and operation of Federally owned buildings, facilities, equipment, real property, and grounds used for school purposes, and for all applicable current Federal, State, and local fire life safety, and building codes, based upon estimates to be submitted by the Secretary of the Interior, and to expend amounts deposited in the special funds under this subsection upon certification by the Secretary of the Interior.

By Mr. QUAYLE (for himself and Mr. PELL):

S. 601. A bill to provide for demonstration projects under which the Secretary of Defense may require a contractor under certain defense contracts to provide training in skilled occupations in which there is a substantial shortage and for other purposes; to the Committee on Labor and Human Resources.

DEFENSE PROCUREMENT TRAINING DEMONSTRATION PROJECT ACT

● Mr. QUAYLE. Mr. President, today I am reintroducing the "Defense Procurement Training Demonstration Project Act." I am pleased to have Mr. PELL again join me in cosponsoring this bill. In hearings before the Subcommittee on Employment and Productivity, which I chair, we have repeatedly heard testimony that there is a shortage of skilled labor for available positions, despite the continuing high rate of unemployment. My proposal would provide one component to resolve this paradoxical problem of continuing skill shortages in the midst of vast unemployment.

The bill requires the Secretary of Labor to publish a list of skilled occupations in which there is a substantial projected shortage, and then authorizes the Secretary of Defense to select from this list those skills in which a shortage will have an adverse impact on defense procurement. With respect to any large contract requiring the use of such skills, the Secretary of Defense is authorized to require the contractor or subcontractor to provide the training in that occupation.

This is a demonstration project only, and the Secretary of Defense is to report to the Congress on its efficiency within 30 months. The bill also contains a provision to facilitate the donation of surplus machine tools and related equipment to vocational education schools in order to assist those schools in providing necessary skill training.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Procurement Training Demonstration Project Act".

SEC. 2. (a)(1) The Secretary of Defense, after consultation with the Secretary of Labor, is authorized to establish and carry out demonstration projects in accordance with the provisions of this Act to provide training in skilled occupations in which there is a substantial shortage of workers in defense procurement.

(2) For the purpose of this Act "defense procurement" means any procurement defined in section 2303 of title 10, United States Code.

(b)(1) The Secretary of Labor shall develop and publish a list of skilled occupations in which there is a substantial shortage of workers. The list shall be revised annually.

(2) For the purpose of this subsection—

(A) the term "skilled occupations" includes only occupations for which the normal training program is at least two years but the term does not include any occupation for which a college degree is a normal prerequisite; and

(B) there is a substantial shortage of workers with respect to a skilled occupation if the sum of the number of trained programs in that skilled occupation is less than 80 per centum of the anticipated demand for the occupation for the five-year period beginning on the first day of the first month after the determination is made.

(c) The Secretary of Defense shall prepare a list of occupations, based upon the list of occupations prepared by the Secretary of Labor under subsection (b), which, the Secretary of Defense determines will, because of the shortage of workers in any specific occupation, have an adverse effect on defense procurement by expanding the lead-time for such procurement or by increasing the costs of the defense procurement.

(d) The Secretary of Defense shall carry out the demonstration projects authorized by this Act with respect to selected contracts for defense procurement entered into after the date of enactment of this Act if the Secretary determines that—

(1) the defense procurement contract involves the expenditure of at least $10,000,000;

(2) the defense procurement contract will require the contractor or any subcontractor of the contractor to hire additional workers in any of the skilled occupations contained in the list prepared by the Secretary of Defense under subsection (c); and

(3) the training of workers to meet the shortage of workers in any skilled occupation listed under subsection (b) is critical to the timely completion of work under defense procurement contracts in the area in which the contract will be performed.

(e) In carrying out the provisions of this Act the Secretary of Defense is authorized to include, in any contract selected by the Secretary to be a demonstration project, provisions designed to—

(1) require the contractor to provide training (either directly, or by way of contract or other arrangement) in the skills which the Secretary of Defense determines to be necessary to the completion of the contract under subsection (c) of this section; and

(2) specify the type of training, including on-the-job training, training from agencies and institutions experienced in furnishing occupational training, or any combination of such training.

(f) The Secretary of Defense shall, to the extent practicable, assure an equitable geographic distribution of training pilot projects carried out under this Act.

SEC. 3. In awarding contracts under applicable provisions of Federal law, the costs associated with carrying out demonstration projects under this Act shall not be considered.

SEC. 4. Not later than two and one-half years after the date of enactment of this Act, the Secretary of Defense shall prepare and submit to the Congress a report on the demonstration projects carried out under this Act, together with such recommendations, including recommendations for legislation, as the Secretary deems appropriate.

SEC. 5. Section 4 of the Defense Industrial Reserve Act (50 U.S.C. 45) is amended—

(1) by striking out "and" at the end of clause (6);

(2) by striking out the period at the end of clause (7) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new clause:

"(8) authorize the donation of any such property directly to the educational institution or training school having a loan agreement for any such property when in the opinion of the Secretary that property is no longer needed by the Department of Defense.".●

By Mrs. HAWKINS (for herself and Mr. CHILES):

S. 602. A bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes; to the Committee on Foreign Relations.

RADIO MARTI

Mrs. HAWKINS. Mr. President, I am submitting today a bill to establish a Government-operated radio station for broadcasting to Cuba, known as Radio Marti. If created, Radio Marti will provide the Cuban people with comprehensive and objective news about Cuba and Cuba's role in the world. Legislation similar to this passed the House by an almost 2 to 1 margin, and was favorably reported out of the Senate Foreign Relations Committee during the 97th Congress. Only time constraints in the "lameduck" session prevented this legislation from becoming law last year.

I believe that it is essential that the Senate take swift action on this legislation. If we do, for the first time in a long time the people of Cuba will be able to listen to an alternative to government-censored news and programs. When this legislation is enacted, the Cuban people will finally hear the truth. Access to accurate news reports and varied opinions is something that we in the United States take for granted. We forget sometimes that the truth is a precious and rare commodity in countries where the government censors every broadcast and news report. For decades, the United States has provided the people of Eastern Europe and the Soviet Union an alternative to government propaganda, and now at long last we can provide the same to the people of Cuba.

I believe that the people of Cuba would soon learn to rely on Radio Marti for information about the world—and especially about their own country—in the same way that the people of Eastern Europe and the Soviet Union rely on Radio Free Europe and Radio Liberty. As it stands now, the Cuban people learn the news from either the government-controlled media or by word of mouth. Both of these sources are inadequate and unreliable. True, there are broadcasts that reach Cuba from Florida, but these are for the most part in English and are designed for an American, not a Cuban, audience.

What the people of Cuba need is a Spanish-language broadcast with a clear signal to alert them to events involving Cuba domestically or internationally. They do not get such information now. Most Cubans are unaware of the mismanagement of the Cuban economy. They do not know that during the 1976–80 5-year plan, production in most key sectors fell far below planned goals. They are not aware that the Cuban economy is expected to be even less successful at producing jobs in the future. They are also ignorant of the fact that government-imposed bureaucracy, in addition to the personal inconveniences it causes, is stifling the innovation, productivity, and efficiency needed to improve Cuban economic conditions. The average Cuban does not know that the only thing that has prevented a Cuban economic collapse has been over $13 billion in Soviet aid over the last decade, or that Soviet subsidies now equal over $3 billion per year, 25 percent of the Cuban gross national product. While many Cubans know from their own experience about broken promises concerning the availability of housing, foodstuffs, and consumer goods, they are uninformed that these problems plague the great majority of the Cuban people.

Local disinformation is also a problem. For example, the Cuban Government points to an increase in the number of physicians in Cuba as one of its health care successes. In fact, though, the number of physicians as a percentage of the population has increased marginally since the revolution, and the turn around began 5 years before the Castro takeover. More importantly, infant mortality—a function of illiteracy, poor nutrition, and a rising birth rate—has increased since Castro's revolution.

The Cuban people are also deliberately kept ignorant of the Cuban Government's foreign adventures. Cuban soldiers who have died in Africa have been buried there, and those who have been wounded have been treated in Eastern Europe as part of a concerted effort to hide the truth from the people of Cuba. Closer to home, the Castro regime has armed, trained, and supported guerrillas from Colombia to Nicaragua. Yet, the Cuban people are unaware of their country's deep involvement and commitment of resources to international subversion, or the diplomatic setbacks these policies have caused.

I believe that the people of Cuba need to know the actual outcome of Castro's programs. Radio Marti will accomplish this. Radio Marti will supply the Cuban people with information they cannot get through the government-censored news media. It will encourage the Cubans to draw their own conclusions.

This new station gets its name from José Marti, the leading figure in the Cuban independence movement. He is Cuba's greatest hero and a man held in high regard throughout the Caribbean. By adopting the name "Marti," we have set a high performance standard for ourselves for truthfulness and integrity. I am sure we can meet this standard.

Some may have heard about threatened radio interference from Cuba in retaliation for Radio Marti. The people of Florida, however, have lived with such interference for the past 13 years. Therefore, it is a mistake to suppose that this is related to Radio Marti. Long before Radio Marti was announced, Cuba declared its intention to create or expand 200 radio stations and to construct two half-million-watt transmitters. True, interference may affect American radio stations. However, Cuba began this aggressive radio broadcasting buildup before Radio Marti was announced. Radio Marti is not the cause of Castro's interference. Radio Marti is only an excuse for Castro to try to blackmail the United States.

I believe we have a right, as a nation, to decide our foreign policy independently, regardless of threats of a foreign dictator. We also have the right to expand international radio broadcasts in conformity with international law.

Radio Marti has broad bipartisan support. It passed the House in the 97th Congress by a 2-to-1 margin. It also has the support of President Reagan and the AFL-CIO. I urge my colleagues to renew their support for this important proposal.

● Mr. CHILES. Mr. President, on January 28, the Cuban community celebrated the birthdate of José Marti. This man, known to his countrymen as the apostle of the Cuban revolution, was a man of impeccable character. His life in exile was dedicated to working toward a free and independent Cuba, and it was the fervor that he displayed while trying to accomplish this mission that gained him the title of apostle. José Marti sought the truth for his people. His dream was to take them from under the colonial rule of the Spanish Government and deliver them into the light of democracy. He was a strong believer in democratic principles, in the dignity of man, and he fell in battle in defense of the principles in which he believed. He

was a noble man; he died for a very noble cause.

I am today joining in the introduction of legislation to establish Radio Marti, for like the man it is named after, it also seeks the truth for the Cuban people.

Today, the Cuban people continue to live in the dark. The Castro regime would have it no other way. After 20 years, its empty promises are all too evident in the empty cupboards of Cuban households. The Castro regime would be hard-pressed to explain to its people why they must continue to suffer shortages while their Government commits troops into Angola, advisers into Yemen and Ethiopia, and sends arms to Nicaragua. But explanations are necessary, for the Cuban people have a right to know. Opponents of this measure contend that it is nothing more than a hard-line propaganda ploy that would only entice the Cuban Government to retaliate by jamming our own radio stations. I would not sponsor and support this measure if it was a mere propaganda ploy. Radio Marti, like its counterparts, Radio Free Europe and Radio Liberty, is to serve as an unbiased and reliable news and entertainment source. It will provide the Cuban people with an alternative to the controlled information they receive, in the same way Radio Free Europe and Radio Liberty provide alternative news sources to the people of Eastern Europe and the Soviet Union. If providing for the Cuban people an alternative news source is hard line, then so be it.

Fear of retaliation by the Castro regime should not dictate our foreign policy. I do not need to remind this distinguished body that Cuba's own foreign policy is being exported throughout the world in the form of arms shipments, insurgent troops, and the providing of safe harbor to drug shipments being transported to the United States. Cuba also maintains a radio station in Grenada which broadcasts to the Caribbean, and has interfered with Florida radio stations long before any mention of Radio Marti.

Mr. President, I hope that the Senate will act to pass this needed legislation. We owe the truth to the Cuban people, and we should not forgo this opportunity to provide some measure of light to that troubled and oppressed land.●

By Mr. MOYNIHAN (for himself, Mr. BIDEN, Mr. HEINZ, Mr. KENNEDY, Mr. INOUYE, Mr. PELL, Mr. BRADLEY, and Mr. METZENBAUM):

S. 604. A bill to protect law enforcement officers; to the Committee on the Judiciary.

LAW ENFORCEMENT OFFICERS PROTECTION ACT OF 1983

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation, on behalf of myself and seven distinguished colleagues, that is designed to address one of the most serious and potentially dangerous problems facing our Nation's 528,000 law enforcement officers—the proliferation of so-called cop-killer bullets. It would do so by limiting the availability and use of armor-piercing handgun ammunition that can penetrate the bullet-resistant vests worn by police.

There is an urgent need for this legislation. The development of bullet-proof vests in the mid-1970's provided law enforcement officers with a significantly greater degree of protection than had previously been the case. Indeed, these vests have so far been credited with saving the lives of some 400 law enforcement officers. FBI statistics indicate that the number of law enforcement officers killed in the line of duty declined 31 percent between 1974—when such vests were first made available to police departments—and 1981. However, these vests are rendered virtually useless by a new type of bullet that recently has entered the market in large numbers.

These high velocity, small caliber, pointed bullets, made of alloy or steel jacketed lead, have no legitimate commercial use. Those companies presently manufacturing armor-piercing bullets claim they are intended for police use, yet not one police department in the country will employ them—not only because of their awesome penetration capacity, but also because they pose greater ricochet hazards than more conventional ammunition. James P. Damos, former president of the International Association of Chiefs of Police, has said: "We can find no legitimate use for such (armor-piercing) ammunition, either in or out of law enforcement."

As a result, law enforcement agencies are leading the call for a ban on this type of bullet. These groups include the International Association of Chiefs of Police, the Fraternal Order of Police, the International Brotherhood of Police Officers, and the International Union of Police Officers. In addition, U.S. Associate Attorney General Rudolph W. Giuliani recently urged the adoption of legislation banning these bullets in a letter to Congressman MARIO BIAGGI, sponsor of identical legislation in the House, saying: "I continue to believe that any further delay (in adopting such legislation) is a tragic mistake."

The bill we are introducing would require the Department of the Treasury to determine which handgun bullets, when fired from a handgun with a barrel 5 inches or less in length, are capable of penetrating the equivalent of 18 layers of Kevlar, which is the standard composition of most police vests. The Department would then publish its findings in the Federal Register, and 60 days after publication those bullets identified would be banned from further manufacture, import, sale, or use—except when authorized by the Secretary of the Treasury for law enforcement or military purposes.

A licensed importer, manufacturer, or dealer who violated this act would be subject to a fine of not more than $10,000, imprisonment for not more than 10 years, and revocation of their Federal license. In addition, a person using or carrying an illegal bullet during the commission of a Federal felony would be subject to a mandatory sentence of not less than 1 year nor more than 10 years for the first offense, and not less than 2 years nor more than 25 years for the second or any subsequent offense.

During the past year, seven States—Alabama, California, Illinois, Kansas, Minnesota, Oklahoma, and Rhode Island—have enacted their own laws banning such bullets. A number of localities including Alexandria, Va., Brookhaven, N.Y., Broward County, Fla., Dade County, Fla., and Louisville, Ky., have taken similar action.

Although encouraged by these actions we believe the Federal Government needs to assist State and local jurisdictions with their efforts to counter the widespread distribution and use of these lethal bullets. While the primary responsibility for law enforcement should rest with the States and localities, the Federal Government does have a role to play. The most effective means for keeping the armor-piercing bullets out of the hands of criminals is to establish a uniform national law for the manufacture, importation, sale, and use of the bullets. This is the purpose of our legislation.

Let us also be clear about what our bill is not designed to do. Our legislation in no way attempts to limit the availability of armor-piercing bullets for sporting purposes, even though most States prohibit hunters from using such bullets as they tend to cause prolonged suffering to animals rather than instantaneous death. Only bullets capable of penetrating body armor when fired from a handgun are to be banned; rifle ammunition would not be covered.

Moreover, in introducing this legislation, we are not attempting to limit the availability of conventional ammunition to law-abiding citizens for self-defense and sporting purposes. The legislation has been drafted in such a manner as to apply only to a narrow class of bullets capable of penetrating bullet-resistant armor when fired from

a handgun. Based on currently available test data, including a Federal Bureau of Investigation report issued last year, the bill would ban only eight bullets. Other commonly used types of conventional handgun ammunition, such as the .357 magnum, the 9mm, the high velocity .38 special, the high-velocity .22 long rifle, and the .44 magnum, are incapable of piercing standard body armor and thus would continue to be available.

Our legislation, then, is at its core a law enforcement officers protection bill. It is well known that law enforcement is a particularly dangerous and far too often unappreciated occupation. We have entrusted law enforcement officers with the tremendous responsibility of protecting us from criminal acts—a responsibility that often places them in life-threatening situations. In return, it is our duty to protect the approximately 250,000 officers who regularly wear bulletproof vests with the maximum possible protection from the dangers to which they are exposed daily. We owe them nothing less.

Mr. President, I urge my colleagues, on behalf of the men and women of the law enforcement community, to join me in supporting this eminently sensible legislation. I ask that my bill and an informative Congressional Research Service brief on the subject of armor-piercing bullets be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Law Enforcement Officers Protection Act of 1983."

SEC. 2. (a) Whoever, being a licensed importer, manufacturer, or dealer under chapter 44 of title 18, United States Code, imports, manufactures, or sells a restricted handgun bullet, except as specifically authorized by the Secretary of the Treasury for purposes of public safety or national security, shall be fined not more than $10,000 or imprisoned not more than ten years, or both, and the license of such person shall be subject to revocation under such chapter.

(b) Whoever—

(1) uses a restricted handgun bullet to commit any felony for which he may be prosecuted in a court of the United States; or

(2) carries a restricted handgun bullet unlawfully during the commission of any felony for which he may be prosecuted in a court of the United States;

shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than one year nor more than ten years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to a term of imprisonment for not less than two nor more than twenty-five years. Notwithstanding any other provision of law, the court shall not suspend the sentence in the case of a conviction of such person under this subsection or give him a probationary sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term of imprisonment imposed for the commission of such felony.

SEC. 3. (a) The Secretary of the Treasury may prescribe such regulations as may be necessary to carry out this Act, including regulations requiring appropriate persons to provide samples of bullets for testing under this Act.

(b) Any regulation identifying a bullet as a restricted handgun bullet shall take effect sixty days after the date on which such regulation is promulgated in accordance with applicable law.

SEC. 4. As used in this Act, the term—

(1) "body armor" means a commercially available, soft, lightweight material with penetration resistance equal to or greater than that of eighteen layers of Kevlar;

(2) "handgun" means a firearm originally designed to be fired by the use of a single hand; and

(3) "restricted handgun bullet" means a bullet that, as determined by the Secretary of the Treasury, when fired from a handgun with a barrel five inches or less in length, is capable of penetrating body armor.

[The Library of Congress Congressional Research Service, Washington, D.C.]

BULLET THREATS TO PROTECTIVE BODY ARMOR

INTRODUCTION AND SUMMARY

Introduction

Since about 1975, law enforcement officers have been using protective body armor of the "soft" or "lightweight" variety to an increasing extent. This type of body armor, unlike the heavy flak jackets worn by the military and by special police units on dangerous tactical assignments, is designed to be lightweight and soft enough to be worn comfortably under law enforcement officers' uniforms or under plain clothes officers' outer garments.

This type of soft or lightweight body armor has been developed to the extent that it quite effectively "defeats" (stops the penetration of) many types of handgun bullets and some rifle bullets. It is the purpose of this report to analyze the characteristics of bullets which are most likely to defeat soft, lightweight body armor. The following section discusses various types of bullets and the purposes for which bullets are designed. The third section discusses recent law enforcement officer fatalities and the related use of soft body armor. The fourth section discusses recent developments in, and characteristics of, soft body armor. The last section presents a brief analysis of bullet characteristics, particularly those that can defeat currently available soft body armor.

Summary

Existing, commercially available soft, lightweight body armor apparently can effectively stop most of the handgun bullets which pose a threat to law enforcement officers today. However, there is a class of handgun and rifle bullets—often called armor- and metal-piercing—that can penetrate such armor. These types of bullets are: generally constructed of steel-jacketed lead or hard metal alloys; often pointed in shape rather than being flat, rounded, or hollow-pointed; and generally high velocity. Smaller handgun and rifle bullets (for example, .22 caliber) with the above characteristics are generally more effective in penetrating soft body armor than larger bullets (for example, .45 caliber) with the same characteristics.

BULLETS

Types

There are many ways to classify the various types of bullets that have been or are in use.[1] For purposes of this analysis, bullets will be discussed according to the following characteristics:

For use mainly in handguns, rifles, or machine guns, or in more than one type of weapon;

Velocity (low, for example, 730 feet per second, to high, for example, 1800 feet per second);

Caliber (small, for example, .22 caliber, to large, for example, .45 caliber);

"Hardness" (soft nosed lead bullet, or partially jacketed, to full metal jacketed (with copper or steel) to hard metal alloy bullet); and

Shape (round or hollow point to pointed nose).

Sometimes bullets are classified according to either their "stopping power" their ability to knock down or disable a human being—or their "armor- or metal-piercing" ability. These two types of characteristics, however, may be somewhat mutually exclusive. For example, one bullet designed for high "stopping power" is the .357 caliber magnum hollow point bullet. Upon impact, this bullet expands (because of its hollow point) and converts a large percentage of its (high) velocity to kinetic energy within the wounded body—thus knocking down, stopping, or disabling the person. This type of bullet, however, may be effectively stopped by soft body armor without body penetration and hence without wounding, except for "blunt trauma".[2] On the other hand, an armor-piercing bullet which will penetrate soft body armor may, because it is hard and retains its shape, pass through a body with relatively little damage if it does not hit a bone, other hard substance, or vital organ. Obviously, bullet wounding capabilities are not completely predictable because of the exceedingly complex structure of the human body, and even the relatively less devastating bullets can and often do kill. In fact, more law enforcement officers were killed with .38 caliber weapons in 1976 through 1980[3] than with any other weapon, mainly because these weapons are in more common use than other, more devastating bullets like the various magnum and armor-piercing bullets.

Purposes

It can be seen from the above discussion that many, if not most, bullet characteristics derive from the purpose or purposes which the ammunition designers had in mind. Thus, expanding bullets, particularly hollow point bullets, were designed for the purpose of more effectively transmitting kinetic energy to the wounded body than do ordinary bullets. Protective body armor, including the soft or lightweight variety, has been and is being designed to defeat many types of bullets, including many of the relatively more devastating (high velocity, hollow point) bullets. However, certain types of high velocity bullets made entirely of hard metal alloys, or which are fully cov-

Footnotes at end of article.

ered with steel jackets, can defeat the currently available soft body armor. Thus, certain bullets of the armor- or metal-piercing variety, whether or not designated as such by bullet manufacturers, pose a threat to existing body armor which can effectively defeat most "ordinary" bullet threats.

LAW ENFORCEMENT OFFICER FATALITIES

Current statistics

A number of law enforcement officers are killed and wounded each year by handguns, rifles, shotguns, and other weapons. Recent statistics from the Federal Bureau of Investigation (FBI) indicate that this number, while still large, has decreased rather significantly from 1974 and 1975 to 1978. The following table shows statistics for law enforcement officers killed by firearms and other weapons for this period:

LAW ENFORCEMENT OFFICERS KILLED, BY TYPE OF WEAPON

	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	Total
Weapon used:											
Handgun	97	77	93	95	93	66	59	67	76	69	792
Rifle	16	16	21	12	21	12	13	13	18	13	155
Shotgun	11	18	13	21	13	16	11	11	6	13	133
Total Firearms	124	111	127	128	127	94	83	91	100	95	1,080
Knife	2	3	2	1		5			4	3	20
Bomb		1				4			1		6
Personal Weapons	2						1	1			4
Other (clubs, etc.)	1	1	5	3	2	8	9	1	1	6	37
Grand Total	129	116	134	132	129	111	93	93	106	104	1,147

Source: Federal Bureau of Investigation. Law enforcement officers killed 1980. Washington, U.S. Department of Justice, 1980, p. 11.

There reportedly is a consensus that at least 400 U.S law enforcement officers have been protected from death or injury through the use of bulletproof vests from 1975 to the present.[4] Although such a consensus cannot be confirmed with existing data, it is interesting that the approximately 20 percent decrease in firearm-related deaths indicated in the above table since 1974 could be accounted for partially by increased use of soft body armor by law enforcement officers.

The following table shows the size of bullets and types of firearms which caused the deaths of the 95 law enforcement officers in 1980. The handgun bullets shown in that table are all of a class which can be defeated by existing soft body armor unless they are of the hard metal alloy or steel-jacketed, armor-piercing variety. Soft body armor cannot defeat high velocity, metal jacketed rifle bullets either, some of which may be represented in the "rifle" column of the table.

Officer fatalities while wearing armor

In 1980, the first year such data were collected uniformly by the FBI, 14 law enforcement officers in the United States were killed in the line of duty while wearing protective vests.[5] Seven of the officers were shot in the head and five received fatal gunshot wounds to areas of the upper torso not protected by the vests. One officer was struck by a vehicle. The remaining officer was shot in the back with a bullet that penetrated his vest, but this was a .30-06 caliber rifle bullet fired from about 50 yards away. Soft body armor is not designed to prevent the penetration of most rifle bullets, such as .30-06 caliber bullets.[6]

LAW ENFORCEMENT OFFICERS KILLED, 1980—TYPE AND SIZE OF FIREARM

Size of weapon	Type of weapon			
	Handgun	Officer's own weapon	Rifle	Shotgun
Total	69	[1] 13	13	13
Handgun size:				
.22 caliber	4			
.25 caliber	2			
.32 caliber	8			
9 millimeter	2			
.357 magnum	16	7		
.380 caliber	1	1		
.38 caliber	30	4		
.44 magnum	2			
.45 caliber	1			
Caliber not reported	3			

LAW ENFORCEMENT OFFICERS KILLED, 1980—TYPE AND SIZE OF FIREARM—Continued

Size of weapon	Type of weapon			
	Handgun	Officer's own weapon	Rifle	Shotgun
Rifle size:				
.22 caliber			4	
.223 caliber			3	
7 millimeter			1	
.30-06 caliber			1	
.30-30 caliber			1	
.303 caliber			1	
.308 caliber			1	
.444 magnum			1	
Shotgun size:				
20 gauge				3
12 gauge		1		10

[1] Included in appropriate category.

Source: Federal Bureau of Investigation, Law enforcement officers killed 1980, Washington, U.S. Department of Justice, 1980, p. 12.

BODY ARMOR

Recent developments

Since at least the early 1970s, there has been considerable interest among law enforcement support agencies in developing effective soft body armor that would be comfortable and unobtrusive enough to be worn continuously by law enforcement officers while on duty. Organizations like the National Institute of Law Enforcement and Criminal Justice (NILECJ) of the Law Enforcement Assistance Administration (LEAA) of the U.S. Department of Justice, and the International Association of Chiefs of Police, have sponsored several studies of soft body armor.[7] Research programs on soft body armor and weapons threats have been administered and carried out by the Law Enforcement Standards Laboratory of the National Bureau of Standards, Department of Commerce; Edgewood Arsenal, Aberdeen Proving Grounds, Department of the Army; the FBI Quantico Test Base; and several private weapons testing laboratories. About 25 to 30 manufacturers of soft body armor are now producing units commercially for sale to an increasing number of U.S. law enforcement organizations.

Commercially available soft body armor

Most, if not all, soft body armor commercially available today is made of differing numbers of layers of Kevlar, a synthetic (aramid) fiber produced by the Du Pont Company. In addition to the number of layers of Kevlar used, the weaving and other processes used in the production of the final protective vest affects the strength of the product.

In the early 1970s, protective body armor generally was classified as to whether it was made of 7, 12, 16, 24, or other numbers of layers of Kevlar. Currently, manufacturers and police departments often designate certain threats (types of bullets) that the vests are to protect against, regardless of the numbers of layers of Kevlar involved.

In 1982 it is estimated that approximately half (about 250,000) of the Nation's law enforcement officers own or have access to soft body armor.[8]

The state of the art of protective body armor, which today is largely based upon the use of Kevlar, involves a trade off between the thickness of the protective vest versus the types of bullets which the vest can defeat. Certain commercially available bullets, like .357 caliber magnum hard metal alloy bullets, and some foreign-made nine millimeter steel jacketed bullets, can defeat commercially available soft body armor.

Protection available

A side-by-side comparison of the handgun weapons used to fatally injure law enforcement officers in 1980 (shown above and repeated for convenience here) and handgun bullets required to be defeated by soft body armor in the equipment purchase specifications of a number of U.S. cities indicates that currently available soft body armor apparently can protect against the large majority of bullet threats facing law enforcement officers today. While most commonly used bullets apparently can be defeated by existing soft body armor, there is a class of bullets which can defeat it. This subject is discussed in the following paragraphs.

Possible remaining threats

Bullet Characteristics

Although a number of bullets can be defeated by currently available soft body armor, a number of threats remain. Most, if not all, types of metal- or armor-piercing bullets will apparently defeat existing soft body armor, whether these bullets are hard, metal alloy bullets, or lead bullets which are steel jacketed. Other types of non-armor- or metal-piercing bullets which might defeat soft body armor are bullets which are small caliber (for example, .22 caliber) or high velocity (particularly magnum) bullets. Bullets which combine these latter two characteristics (small caliber plus high velocity) are more likely to defeat some types of soft body armor (depending upon its thickness

and construction) even if these bullets are not of hard metal alloy or steel jacketed construction. Thus, there currently exist several specific bullets, and a class of bullets having certain characteristics, that can, or could be designed to, defeat currently available soft body armor.

Blunt Trauma

Even if bullets do not penetrate soft body armor, lethal wounds could be caused by "blunt trauma." This type of wounding effect can be described as being similar to being hit on the body by a hard swung baseball bat. Because this phenomenon currently does not appear to be a major wounding cause, it is not discussed further here. However, it is conceivable that, were higher powered bullets used or developed to defeat soft body armor, blunt trauma effects might be a major cause of concern to body armor researchers, developers, and manufacturers, as well as medical practitioners.

BODY-ARMOR DEFEATING BULLETS: THREAT CHARACTERISTICS

This section describes some bullet characteristics that are important to a consideration of what types of bullets can defeat, or can be designed to defeat, existing soft body armor.

Velocity

Handgun bullets typically range in muzzle velocities from about 730 feet per second (fps) (low velocity) to over 1,800 fps (high velocity), depending upon the powder charge of the cartridge and the length of the handgun barrel. Eleven hundred fps (roughly the speed of sound in air) may be a convenient point to differentiate between low and high velocity bullets, although it is unlikely that a consensus could be obtained that significantly different wounding effects occur above and below this velocity for a given type of bullet.

It is clear, however, that high velocity bullets are more likely to defeat soft body armor than low velocity bullets, all other characteristics remaining constant.

Caliber and weight

Caliber measures the diameter of bullets, that is, a .45 caliber bullet has a diameter of .45 inch. Caliber is thus a measure of size. A .45 caliber bullet is considerably larger than a .22 caliber bullet. The most common police bullet, and the most common bullet causing police fatalities, is the .38 caliber, intermediate in size between the .22 caliber and the .45 caliber.

Weights of bullets are measured in grains. The larger the caliber, the more a bullet weight, given a constant shape.

The smaller caliber bullets, for example, the .22 caliber, are more likely to penetrate the commercially available body armor than larger caliber bullets, other bullet characteristics remaining constant.

Shape and hardness

Bullets are produced in several shapes—including round or ball nosed, flat-nosed, pointed, and hollow pointed. Round, flat-nosed (some of which are called wadcutters or semi-wadcutters), and hollow point bullets are often constructed as lead or semi-jacketed bullets which expand upon contract. The hollow point bullets are generally the most effective of these "expanding" bullets. Pointed bullets generally are constructed of lead with metal jackets, which are usually of copper. If such bullets are jacketed with steel, they generally have armor- or metal-piercing capabilities. Another class of bullets is constructed of hard metal alloys and are also armor- or metal-piercing bullets.

Thus, the harder and more pointed a bullet is, the more likely it is to penetrate commercially available body armor, other bullet characteristics remaining constant.

Summary of bullet threat characteristics

Given the characteristics of the most successful, currently available soft body armor, bullet threat characteristics can be summarized in the following way:

Bullet characteristics	Lowest level of threat	Highest level of threat
Velocity	Low velocity	High velocity.
Caliber, weight	Large caliber, heavy	Small caliber, light.
Shape	Round or flat nose, hollow point.	Pointed.
"Hardness"	Lead, or copper semi-jacketed lead.	Full steel jacketed lead, or hard metal alloy bullet.

Thus, the bullet type with the highest probability of penetrating soft body armor, and with a proven capability of penetrating many layers of existing soft body armor, is a high velocity, small caliber, pointed, steel jacketed lead or metal alloy bullet. Such bullets may be handgun bullets, rifle bullets, or bullets which can be used in either handguns or rifles.

Possible ramifications of "perfect" body armor

Commercially available soft body armor is not perfect, that is, it can be defeated by certain bullets of the hard metal alloy or steel-jacketed armor- or metal-piercing types. Assuming that "perfect" body armor could be developed to meet current threat conditions, there is at least one positive and one negative ramification of such a development:

Possible Positive Ramification

Decreased wounding and death of law enforcement officers under current conditions, that is, continued use by criminals of existing types of bullets which, to a considerable extent, can be defeated by existing soft, light-weight body armor.

Possible Negative Ramification

An "arms and ammunition race" by the criminal segment of society for even more powerful bullets and other weapons to defeat existing armor, and increased use by criminals of such armor. This possible negative ramification could be precluded to some extent by controlling, by law and enforcement, the manufacture, distribution, sale, possession, and international trade of all bullets of the armor- or metal-piercing type and, perhaps body armor.

FOOTNOTES

[1] There may be as many as 10,000 different bullets that have been manufactured since the development of the bullet cartridge around the time of the U.S. Civil War.

[2] Blunt trauma is injury caused by bullets which do not penetrate armor. It is injury caused by the force of the blow itself, as when a person is hit in the chest by a hard swung baseball bat.

[3] Federal Bureau of Investigation. Law Enforcement Officers Killed 1976. Washington, U.S. Department of Justice, 1976, p. 24. Also for 1977, p. 13; 1978, p. 13; 1979, p. 13; and 1980, p. 12.

[4] Conversations with a Department of Justice official and a representative of the International Association of Chiefs of Police on March 24, 1982.

[5] Those cases are taken from Federal Bureau of Investigation. Law Enforcement Officers Killed 1980. Washington, U.S. Department of Justice, 1980. This report does not include information sufficient to determine whether the "protective vests" were soft body armor or other types, nor is that information currently available from the FBI.

[6] Id. at p. 28, 30, 32, 33, 34, 36, 37, 38, 40, 42, 43, and 44.

[7] For example, Montanarelli, Nicholas, Clarence E. Hawkins, and Lester D. Snubin, Body Armor: Lightweight Body Armor for Law Enforcement Officers, Washington, U.S. Department of Justice, LEAA, NILECJ, May 1976. p. 113; Goldfarb, Michael A. et al. Body Armor; Medical Assessment, Washington, U.S. Department of Justice, LEAA NILECJ, May 1976, p. 30; National Institute of Law Enforcement and Criminal Justice, NILECJ Standard for the Ballistic Resistance of Police Body Armor, Washington, U.S. Department of Justice, LEAA, NILECJ, December 1978, p. 10; and International Association of Chiefs of Police. Police Armor Testing and Summary of Performance Testing Data. Gaithersburg, Maryland, International Association of Chiefs of Police, December 1978, p. 23.

[8] Conversations with a Department of Justice official and a representative of the International Association of Chiefs of Police on March 24, 1982.●

By Mr. DANFORTH (for himself, Mr. PELL, Mr. BOSCHWITZ, and Mr. DOLE):

S. 605. A bill to amend title 11, United States Code; to the Committee on the Judiciary.

CLOSING BANKRUPTCY LOOPHOLES USED BY DRUNK DRIVERS

● Mr. DANFORTH. Mr. President, Tuesday, the U.S. Supreme Court ruled that a driver's refusal to submit to a blood alcohol test can be introduced as evidence against him at a trial on drunk driving charges. This decision gives local prosecutors yet another weapon in the fight against drunk driving, which, in the words of Justice Sandra Day O'Connor, "occurs with tragic frequency on our Nation's highways."

I commend the Court's action. Tuesday's decision, South Dakota against Neville, recognizes that the decision to drive or not to drive is one of choice, and that our judicial processes should work in ways that hold individuals responsible for their free actions.

Mr. President, I hope Congress will use the occasion of this landmark decision to put its own house in order. Today there exists an unconscionable loophole in the bankruptcy statute which makes it possible for drunk drivers who have injured, killed, or caused property damage to others to escape civil liability for their actions by having their judgment debt discharged in Federal bankruptcy court. This loophole affords opportunities for scandalous abuse of judicial processes.

Imagine the heartbreak of a parent who has been notified that his or her child has been killed or permanently disabled by some fellow weaving down the road, intoxicated and totally oblivious to the danger he poses to others. Then imagine these distraught parents losing whatever compensation they have recovered for their loss because the drunk driver has turned to the Federal bankruptcy court system and has had his liability discharged. Or, imagine the hardship on children who lose a father, a mother, or perhaps both to a drunk driver who is then relieved of his debt. Unfortunately, these are not simply hypothetical possibilities. The bankruptcy process

has already been employed by drunk drivers to avoid financial responsibility for their actions, and to deny victims and their families the right to compensation for loss and suffering.

Consider, for example, the case of a Jefferson County, Mo., man who, according to the St. Louis Globe-Democrat, was ordered to pay $600,000 to the families of three teenagers, two of whom were killed and one of whom was paralyzed for life. The offender, who had been convicted of drunk driving three times in the year preceding the accident, crashed head on into the teenagers' car. He was convicted of manslaughter, but received probation rather than a jail sentence. Here, a repeat offender who devastated three Missouri families, sought to be relieved of civil responsibility as well. As soon as the families were awarded their judgment, the guilty driver marched across the street to the Federal courthouse and asked the bankruptcy court to absolve him of financial responsibility for his deeds.

How could the possibility for such a miscarriage of justice exist? Mr. President, under our current bankruptcy state, drunk driving is not defined as a "willful and malicious" act, and only those liabilities which were incurred for commission of willful and malicious acts are exempt from discharge. Now those who drink too much are certainly aware that they are not in any condition to operate an automobile, and they know that by choosing to drive they are endangering other people on the road. This certainly seems "willful" to me, and the disregard for the safety of others is clearly "malicious."

Mr. President, this situation cannot be allowed to continue. Today, on behalf of myself and Senators PELL, BOSCHWITZ, and DOLE, I am reintroducing legislation I sponsored in the 97th Congress which would define the operation of a motor vehicle while legally intoxicated as a willful and malicious act for purposes of the bankruptcy statute.

All across the Nation, people are outraged over the alarming toll in death and injury wreaked by the drunk driver. Statistics show that over 25,000 people are killed and another 650,000 are injured in alcohol-related crashes each year. Americans are beginning to realize that they do not have to put up with drunkenness on the highways. Last year, I introduced a comprehensive legislative package to address the drunk driving problem. It consisted of three elements. The first two elements provided for a Federal incentive grant and driver register program intended to assist State legislators and law enforcement officials in waging a full-scale attack on drunk driving. These two elements are now law. The third element was this proposal, which is strictly an effort to prevent abuse of the Federal bankruptcy system.

Mr. President, I have recently received two letters in support of this provision. One is from George Wright, a Federal bankruptcy judge in Alabama. He enclosed a copy of an opinion which he says he was forced to render due to the present state of the law. Another is from Ray A. Gerritzen, an attorney in St. Louis, Mo. He is presently representing clients whose son was killed by a drunk driver, and the driver is now involved in bankruptcy proceedings. Their letters and the court's opinion vividly illustrate the need for this legislation. I ask unanimous consent that they be printed, along with the bill, in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. BANKRUPTCY COURT,
NORTHERN DISTRICT OF ALABAMA,
Tuscaloosa, Ala., November 22, 1982.

Re Senate 2159, amending section 523 of the Bankruptcy Code.

Hon. JOHN C. DANFORTH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DANFORTH: Enclosed herewith is a copy of an opinion which I have *reluctantly* rendered. I write this letter in support of your amendment. It is hoped that your amendment will be successful in passage.

Kindest personal regards, I remain

Very truly yours,

GEORGE S. WRIGHT,
Bankruptcy Judge.

Enclosure.

United States Bankruptcy Court for the Northern District of Alabama Western Division

(AP No. 82-0573, BK No. 82-0779)

IN RE: RODNEY SILAS, DEBTOR

VIRGINIA LEE & TIMOTHY LEE, TIMOTHY PARRISH AND ST. FARM MUTUAL AUTOMOBILE INSURANCE COMPANY, PLAINTIFF

v.

RODNEY SILAS, DEFENDANT

ORDER OF THE COURT

The plaintiff, Timothy Lee, filed an objection to the discharge of the debtor under § 523(a)(6).

I. FINDINGS OF FACT

1. In the late evening on New Year's Day 1981, after too much New Year's celebration by both drivers—the defendant-debtor, Rodney Silas, was involved in a head-on automobile accident with the plaintiff, Timothy Lee, on a two-lane highway on the Warrior River Road in western Jefferson County, Alabama.

2. Deputy Sheriff, Mike Williams, Jefferson County, Alabama, investigated the accident and talked to the debtor, Silas, at the scene of the accident. Silas had a strong odor of alcoholic beverages, was unsteady on his feet, and his speech was slurred so that in the Deputy's opinion, Silas was intoxicated. Silas was arrested for driving under the influence of intoxicants (DUI). Deputy Williams located the point of impact approximately 2½ feet in plaintiff Lee's lane of travel. On cross examination, Deputy Williams testified that no excessive speed was indicated.

3. The plaintiff, Timothy Lee, testified that he had been drinking beer and that he had left Patrick's, which was a neighborhood bar and was going home; that he could not recall seeing the other vehicle and that he was unable to recall the events preceding the impact. As a result of the accident, he was knocked unconscious and regained consciousness a day and one-half later in the hospital. He received a broken nose, broken finger, general contusions and abrasions.

4. Rodney Silas admitted that he had been at a party drinking beer and had brought one case of beer to the party consisting of 6 or 7 people; that the beer was consumed and that he was going back to the store to get another one-half case of beer when the wreck occurred. Silas admitted that he did not know exactly what happened but that he did not think that he was on the wrong side of the road. He pled guilty to driving under the influence of intoxicants (DUI) and the court so finds that he was intoxicated at the time of the accident.

5. However, the court finds that wherein plaintiff Lee was unable to remember the events, there is no evidence that Silas' actions were "deliberate or intentional."

II. CONCLUSIONS OF LAW

A. The Bankruptcy Act of 1898

Section 17(a)(8) of the Bankruptcy Act of 1898 excepted from discharge any debt resulting from a willful and malicious injury as follows: "(8) are liabilities for willful and malicious injuries to the person or property of another other than conversion as excepted under clause (2) of this subdivision."

In the leading case of *Tinker v Colwell,* 193 U.S. 473, 24 S. Ct. 505, 48 L. Ed 754 (1904), the Supreme Court, in construing the "willful and malicious" language of § 17(a)(8) created a "reckless disregard" standard which excepted from discharge injuries resulting from the conscious and reckless disregard of the rights of others even where there was no deliberate intent to injure. Many courts utilizing the reckless disregard standard of *Tinker v Colwell, supra,* held that "willful and malicious" under § 17(a)(8) encompassed debts resulting from injuries caused by the defendant-debtor's drunken driving and that such debts were nondischargeable in bankruptcy. *Den Haerynck v Thompson,* 228 F. 2d 72 (10th Cir. 1955); *Harrison v Donnelly,* 153 F. 2d 588 (8th Cir. 1946); *In re Irwin,* 2 BCD 783 (N.D. Iowa 1976). However, there was a minority line of cases that rejected this reckless disregard standard in motor vehicle cases. See NORTON *Bankruptcy Law and Practice* § 27.28 n. 11 (1981); Annot. 13 A.L.R. 2d 168 (1950) (Later Case Service 1973).

B. The Bankruptcy Code of 1978

11 USCA § 523(a) provides:

"A discharge under section 727, 1141, or 1328(b) of this title does not discharge an individual debtor from any debt . . . (6) for willful and malicious injury by the debtor to another entity or the property of another entity."

In enacting § 523(a)(6) of the Bankruptcy Code of 1978, Congress used the same "willful and malicious" language as appeared in § 17(a)(8) of the 1898 Act. Yet, the House Report to § 523(a)(6) contains the following statement:

"Paragraph (6) excepts debts for willful and malicious injury by the debtor to another person or to the property of another

person. Under this paragraph, 'willful' means deliberate or intentional. To the extent that *Tinker v Colwell, supra,* held that a lesser standard is intended, and to the extent that other cases have relied on *Tinker* to apply a 'reckless disregard' standard, they are overruled." H.R. Rep. No. 595, 95th Cong., 1st Sess. 365 (1977), reprinted in U.S. Code Cong. & AD. News [1978] 5787, 6320.

Also, the Senate Report to § 523(a)(6) contains the following statement:

"Paragraph (5) provides that debts for willful and malicious conversion or injury by the debtor to another entity or the property of another entity are nondischargeable. Under this paragraph "willful" means deliberate or intentional. To the extent that *Tinker v Colwell,* 139 U.S. 473 (1902), held that a less strict standard is intended, and to the extent that other cases have relied on *Tinker* to apply a "reckless disregard" standard, they are overruled." S. Rep. No. 989, 95th Cong., 1st Sess. 79 (1978).

The final bill, representing a compromise between the House and Senate, included the exact wording of the House version. 124 Cong. Rec. H11059 (daily ed. Sept. 28, 1978):

"The statements of the sponsors in the House [124 Cong. Rec. H11096 daily ed. Sept. 28, 1978] and the Senate [124 Cong. Rec. S17412 (daily ed. Oct 6, 1978)] were identical and referred only to the selection of the House version of the bill."

In re Bryson, 3 B.R. 593, 596, 6 BCD 199, 1 CBC 2d 1038 (Bankr. N.D. Ill. 1980). These House and Senate reports evidence a rejection of the "reckless disregard" standard enunciated in *Tinker v Colwell, supra,* "and the many cases holding various degrees of recklessness to constitute willfulness and maliciousness will no longer be controlling in construing section 523(a)(6) of the Code." 3 Collier on Bankruptcy ¶ 523.16 at 523-119 (15th ed. 1982).

There are, however, several cases that have refused to follow the 1978 Code legislative history contained in these Congressional Reports and have continued to apply the "reckless disregard" standard of *Tinker v. Colwell, supra,* in determining dischargeability under § 523(a)(6).[1] Nevertheless, the present weight of authority interpreting § 523(a)(6) concludes that injuries resulting from drunken driving are dischargeable absent proof of intentional or deliberate conduct on the part of the debtor.[2] *In re Morgan,* 22 B.R. 38 (Bankr. D. Neb. 1982); *In re Brown,* 18 B.R. 591 (Bankr. N.D. Ala. 1982); *In re Bryson, supra; In re Vaser,* 7 B.R. 116, 3 CBC 2d 211 (Bankr. W.D. Wis. 1980); *In re Rambo,* 5 BCD 800 (Bankr. M.D. Tenn. 1979).

In a factually similar case, the Bankruptcy Court for the Northern District of Illinois, Eastern Division, considered the dischargeability of a judgment debt arising from injuries received when the debtor, while intoxicated, crashed into the plaintiff's car. The court determined:

"Here the defendant showed reckless disregard. He was drunk when he ran into the plaintiff. But there is no evidence that the defendant intended to injure anyone. His conduct cannot be described as 'willful and malicious' under § 523(a)(6). The court concludes that Bryson's debt to the Williamses is dischargeable." *In re Bryson, supra,* at 596.

[1] Footnotes at end of court case.

III. APPLICATION OF LAW TO FACTS

After having heard testimony and arguments of counsel, this court is of the considered opinion that the plaintiff has failed to carry its burden (pursuant to Bankruptcy Rule 407) in showing that the defendant-debtor intentionally or deliberately injured anyone,[3] so that such debt is due to be discharged.

This opinion is the findings of fact and conclusions of law pursuant to Rule 752 of the Rules of Bankruptcy Procedure. A separate judgment will be entered in accordance with this opinion.

Done and ordered this 22d day of November, 1982.

GEORGE S. WRIGHT,
Bankruptcy Judge.

FOOTNOTES

[1] *In re Askew,* 22 B.R. 641 (Bankr. M.D. Ga. 1982); *In re Rines,* 18 B.R. 666, 8 BCD 1205 (Bankr. M.D. Ga. 1982); *In re Auvernshine,* 9 B.R. 772, 7 BCD 511, 3 CBC 2d 946 (Bankr. W.D. Mich. 1981). These cases hold that a few sentences appearing in the legislative history are insufficient to overrule *Tinker v Colwell* and its progeny particularly where substantially identical language appears in § 17(a)(8) of the 1898 Act and § 523(a)(6) of the Code. Additionally, various problems of statutory construction arise when a judicially interpreted phrase ("willful and malicious") is re-enacted using identical language. See 73 Am. Jur. *Statutes* §§ 150-151, 322-324 (1974); NORTON *Bankruptcy Law and Practice* § 27.28 n. 7 (1981).

[2] Senator John C. Danforth (Missouri) has introduced a bill (S2159) to correct the majority rule by amending § 523 of the Code to except from discharge liabilities arising from drunken driving.

"I was amazed to learn that, although the Federal bankruptcy statute does not allow discharge of debts arising from willful and malicious acts, some Federal judges have said that drunk driving is not, in itself, 'willful and malicious.' "

The proposed amendment provides:

"(e) Any injury resulting in a judgment based upon liability of the debtor where, in connection with such liability such debtor was found to have operated a motor vehicle while legally intoxicated shall be deemed to be a willful and malicious injury for purposes of subsection (a)(6) of this section."

128 Cong. Rec. S1397 (daily ed. March 2, 1982). Although this court is philosophically aligned with such an amendment, it is unfortunately not the present state of the law and it is not the province of this court to legislate but to interpret the intent of Congress as unequivocally enunciated by the legislative history of both the House and Senate.

[3] The court also notes that the plaintiff would have failed to carry its burden even under the relaxed "reckless disregard" standard.

GERRITZEN & GERRITZEN,
St. Louis, Mo., January 20, 1983.

Hon. JOHN C. DANFORTH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DANFORTH: In view of the keen interest your office has shown in the tragedy of drunk drivers killing people and having their responsibility waived out by United States bankruptcy courts, you should be advised that another such situation has arisen in the case of Carl Leslie Turner.

Carl Leslie Turner was operating an automobile on Sunday, March 1, 1981 in St. Louis County when according to witnesses he violated a red electric traffic signal at approximately 90 miles an hour colliding with an automobile in which our client's son was killed. In hope that you can use it in the United States Senate, I enclose herewith copy of one of the photographs of the vehicle in which our client's son was killed. We have filed a suit for damages against Mr. Turner which is now pending in Jefferson County, Missouri. However, Mr. Turner has filed a motion to stay proceedings because of a petition he has filed in the United States Bankruptcy Court for the Eastern District of Missouri. He had no liability insurance at the time. He plead guilty to manslaughter and was sentenced by the circuit judge in Jefferson County. It is now understood that he has definitely already served time in the Missouri State Penitentiary or some branch thereof. Most importantly, after having plead guilty to manslaughter he is attempting to discharge this civil debt in the United States Bankruptcy Court. I am filing a complaint to except the debt from dischargeability. However, the problem still exists that there are several United States Bankruptcy Court decisions discharging debts of drunken drivers who have killed people or horribly injured them. I hope you are successful in putting this matter to a screeching halt.

In view of the outstanding leadership already shown by the President on many issues and his acute concern for what can be done about the drunk driver, I am sending a copy of this letter to the President of the United States. I keenly await your reply.

Yours very truly,

RAY A. GERRITZEN.

S. 605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 523 of title 11, United States Code, is amended by adding at the end thereof the following:

"(e) Any injury resulting in a judgment based upon liability of the debtor where, in connection with such liability such debtor was found to have operated a motor vehicle while legally intoxicated shall be deemed to be a willful and malicious injury for purposes of subsection (a)(6) of this section.".●

By Mr. STAFFORD (for himself and Mr. PELL):

S.J. Res. 41. Joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Education For Business Week;" to the Committee on the Judiciary.

NATIONAL EDUCATION FOR BUSINESS WEEK

Mr. STAFFORD. Mr. President, today I am pleased to join my distinguished colleague, Senator PELL, in introducing a joint resolution to declare the week of April 10-16, 1983, "National Education for Business Week."

Throughout this Nation's history, the contributions of men and women in business support occupations have been vital in keeping our Nation's businesses running smoothly. Today, the rapid scientific and technological advancement of our society and the changing nature of our economy continue to create challenges for these members of the business community. An extremely important part in meeting these challenges is the commitment of the business education community to prepare people for entry into the work world of tomorrow.

According to a recent Labor Department survey, the vast majority of the jobs opening up between now and 1985 will require some vocational and technical training beyond high school. Secretaries, bookkeepers, stenographers,

laboratory technicians, specialists in marketing and merchandizing—the people who compose the backbone of the American business community—will rely more than ever before on the strength of business education to adapt to the rapidly changing conditions of business technology.

Mr. President, recognition of the contributions of business educators will focus attention on the needs of workers whose practical training and skills are basic to the future of business. Students, teachers, parents, business people and Government officials will be reminded that the demand for trained workers in business continues to be high. Attention will be drawn to the contributions that business schools and colleges make to the community. Sponsorship of contests for business students, organization of open houses for business representatives, and the strengthening of the relationship between business schools and other academic institutions are among the many activities that "National Education for Business Week" will promote.

Mr. President, in view of the economic challenges facing this country and of the vital contribution that business educators make to the well-being of business, commercial, and governmental life in America, it is particularly appropriate that the contributions of business educators be recognized. It is in this light that my distinguished colleague, Senator PELL, and I urge all Members to lend support for this joint resolution.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 41

Whereas business educators play a vital role in supporting government, business, and the commercial life of the United States of America;

Whereas men and women in marketing, merchandising, and data processing occupations contribute to efficient business life, are essential in keeping our Nation's businesses running smoothly, and thus contribute to the continued prosperity of the United States;

Whereas the Nation's educators provide the training ground for the continually changing office technology and are depended upon to teach new skills and emphasize positive work values; and

Whereas it is fitting that the contributions of business educators to the well-being of business and governmental life of America be recognized, encouraged, and honored: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the week of April 10, 1983, through April 16, 1983, as "National Education for Business Week", and calling upon the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

By Mr. MURKOWSKI (for himself, Mr. STEVENS, and Mr. JACKSON):

S.J. Res. 42. Joint resolution designating Alaska Statehood Day, January 3, 1984; to the Committee on the Judiciary.

ALASKA STATEHOOD DAY

● Mr. MURKOWSKI. Mr. President, I am proud to introduce today a Senate Joint Resolution with my good friend, the senior Senator from Alaska, TED STEVENS, commemorating the silver anniversary of the entry of Alaska as the 49th State of the Union. The United States bought the Territory of Alaska in 1867 from Russia as an effort to extend this Nation's presence in the Pacific Northwest. Alaska. It took Alaska almost 100 years before it finally became part of the Union.

After years of struggle, proposals, and counterproposals, the U.S. Congress voted statehood for Alaska in June 1958. President Dwight D. Eisenhower on July 7, 1958, signed the bill providing the final action needed to complete the act. Six months later on January 3, 1959, Alaska was formally brought into the Union. Alaska erupted in celebration the day the bill was signed into law. Newspaper headlines printed: "We're In!" in bold letters covering half a page, church bells rang, businesses closed for the day, and city streets were clogged with merrymakers.

Despite the economic buildup during the gold rush, Alaska was an unknown quantity as it entered the Union. In Fairbanks, where I now make my home, the site of the city's first supermarket was still covered with trees and a used car lot. Anchorage, which has a population today of 220,000, had only a few paved streets. And the wealth that lay under Alaska's North Slope would remain undiscovered for nearly a decade.

The people of the United States decided by the enactment of the Alaska Statehood Act that Alaska could be a contributing member of the Union. We, the Government and people of this country have been rewarded many times over for that decision. For an original investment of approximately $7 million, the Nation has reaped a bonanza in return. At the turn of the century, for example, one goldfield near Nome, Alaska, returned that much gold ore in less than 1 year.

The Federal Government currently collects $3 in revenue from Alaska for every $1 it spends there. From Alaska comes one-eighth of the Nation's gold; one-fifth of the Nation's oil production; and two-fifths of its harvested fish. Alaska, in addition, possesses 10 of the 16 strategic minerals needed for the Nation's security. As an example Alaska has one of the world's largest molybdenum deposits located at Quartz Hill near Ketchikan, Alaska. When developed, it will supply one of this country's strategic minerals.

I recite this list of Alaska's resources not to laud my State's wealth, but to point out that America has benefited from the inclusion of its northernmost and most western member, just as Alaska has thrived as the 49th State.

During the 1950's the issue of Alaska statehood was heatedly debated across the Nation and in Alaska. There still exist some people who contend we should not have been allowed in the Union. But the conclusion reached by the Alaska Statehood Commission that just completed its review of the State and Federal relationship, was that statehood was in the interest of the people of Alaska and to the interest of all the people of the Nation.

No Member of the U.S. Senate knows the history of the struggle for Alaska's statehood better than the senior Senator from Washington, HENRY JACKSON. It was his leadership and foresight that helped shepherd the Alaska Statehood Act throughout the U.S. Congress in 1958. I am proud to have my good friend, the senior Senator from the State of Washington, join Senator STEVENS and myself in cosponsoring this resolution.

I therefore respectfully submit that January 3, 1984, be known as Alaska Statehood Day in honor of the silver anniversary of Alaska's entry into the United States of America.

I ask unanimous consent that the resolution be printed in the RECORD immediately after my statement.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 42

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas, July 7, 1958, marks the twenty-fifth anniversary of enactment of the Alaska Statehood Act as approved by the United States Congress and signed by President Dwight D. Eisenhower;

Whereas the Alaska Statehood Act authorizes the entry of Alaska into the Union on January 3, 1959;

Whereas the State of Alaska is still growing and developing based on the principles established by the Alaska Statehood Act;

Whereas the Alaska Statehood Act is the foundation of the union between the State of Alaska and the United States of America which has been to the benefit of both parties;

Whereas many commitments between Alaska and the Federal government are still being fulfilled;

Whereas the State of Alaska is a storehouse of this nation's natural resources;

Whereas Alaska provides one-eighth of the nation's gold; one-fifth of the nation's oil production; and two-fifths of its harvested fish all to the benefit to the Union;

Whereas Alaska possesses ten of the sixteen strategic minerals needed for our nation's security;

Whereas the Federal government collects three dollars in taxes from Alaska for every dollar it spends there;

Whereas the United States has reaped economic rewards from Alaska many times greater than its original $7 million investment;

Whereas the people of Alaska contribute to the cultural diversity and cultural resources of this nation; and

Whereas the Alaska Statehood Act authorized Alaska's entry into the United States of America and provided the basis for these benefits shared by Alaska and the Union: Therefore, be it

Resolved by the Senate and House of Representatives of the United States in Congress assembled that January 3, 1984, be known as "Alaska Statehood Day" in honor of the silver anniversary of the entry of Alaska into the Union. The President is requested and authorized to issue a proclamation calling upon the people of the United States; and the Federal, State and local governments to observe "Alaska Statehood Day" with the appropriate ceremonies and recognition.●

Mr. STEVENS. Mr. President, today I join with my distinguished colleague from Alaska, Senator FRANK MURKOWSKI, in sponsoring this resolution designating January 3, 1984, as Alaska Statehood Day, recognizing Alaska's 25th anniversary as the Nation's 49th State.

In those 25 years, the Nation and the world have become increasingly aware of the Great Land, the name given to Alaska by its first settlers and cherished by Alaskans today.

In this past quarter century more and more Americans have learned to enjoy our State's natural wonders, from the continent's highest mountain to Alaska's 10 million lakes and streams.

Alaska's 34,000 miles of coastline are the gateway to the world's greatest fishery. Alaska's forests offer the Nation a valuable portion of its timber and pulp. Beneath Alaska's surface lies an abundance of energy for all Americans—coal and oil and natural gas.

By far Alaska's greatest resource is its people. Alaskans typify our forefathers' dreams of freedom of spirit, a love of the land, and the vision and strength to be pioneers.

Since the Secretary of the Treasury William Seward convinced President McKinley that the United States should purchase Alaska for $7.2 million in 1867, Alaska has played a vital part in shaping our Nation. At 2 cents per acre, for 365 million acres, Alaska has been a pretty darn good deal.

Achieving statehood for Alaska was the product of hard work by scores of individuals. Seven Congresses considered legislation regarding the admission of the territory as a State of the Union.

Alaskans by the planeload made countless trips to Washington, D.C., to testify in support of statehood for Alaska. So many Alaskans were involved in creating the compact between Alaska and the Federal Government. Some are no longer with us, but many are Alaskans today, still working to continue the tradition they began. Two are memorialized right here in the Halls of the Capitol, E. L. "Bob" Bartlett, and Ernest Gruening. To them and to all of those Alaskans who worked toward statehood we are eternally grateful.

There are others still in this Congress today who were instrumental in gaining statehood status for Alaska. Among them, my good friend from the State of Washington, Senator JACKSON, who was chairman of Territories on the Senate Interior Committee when the Alaska statehood bill was passed. His work has not gone unnoticed in my State, and over the years he has taken a good friend to Alaska.

When the Alaska statehood bill was debated for the last time in Congress, former Senator James Edward Murray, of Montana, made an observation that has proved prophetic. In noting that 35 new States had been added to the Union prior to Alaska, he said:

> But none . . . has been more freighted with destiny or has been of more potential epoch-making significance than . . . Alaska.

The silver anniversary has a special meaning to me. As the legislative counsel to the Secretary of the Interior Fred Seaton during the Eisenhower administration, I had the opportunity of working on the Statehood Act in its embryonic stage. We spent a great deal of time helping to fashion the final product that was finally passed by Congress.

Alaskans are proud to be part of the United States. They are well aware of the invaluable contributions the State makes to our Nation's well-being. They are conscious of Alaska's critical strategic position for defense, as well as its important resources and its natural beauty.

The Nation and the State are both the stronger for the compact between us.

Alaska, the northernmost, westernmost and easternmost State of the Union, spans four time zones. A land one-fifth the size of the contiguous 48 States, it is unique in its setting, its resources and its needs.

Historically, we Alaskans have enjoyed a streak of independence that will remain a part of our heritage forever. But Alaskans are proud to be a part of the most free, stable, and independent political system in the world, a system designed to allow each State appropriate latitude to manage its affairs.

The silver anniversary of Alaska statehood symbolizes our continued faith and trust in the Federal relationship created 25 years ago.

ADDITIONAL COSPONSORS

S. 14

At the request of Mr. HUDDLESTON, the name of the Senator from South Dakota (Mr. ABDNOR) was added as a cosponsor of S. 14, a bill to provide authority for activities to develop and expand markets for U.S. agricultural commodities, and for other purposes.

S. 17

At the request of Mr. DOLE, the name of the Senator from Arizona (Mr. DECONCINI) was added as a cosponsor of S. 17, a bill to expand and improve the domestic commodity distribution program.

S. 23

At the request of Mr. MOYNIHAN, the names of the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 23, a bill to conduct an inventory of our Nation's water and sewer systems, bridges, highways and roads; to develop a 10-year investment plan to rebuild the public improvements essential to economic development; and for other purposes.

S. 29

At the request of Mr. GRASSLEY, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 29, a bill to strengthen law enforcement in the areas of child exploitation and pornography, and for other purposes.

S. 44

At the request of Mr. KASTEN, the name of the Senator from Kentucky (Mr. HUDDLESTON) was added as a cosponsor of S. 44, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 65

At the request of Mr. RANDOLPH, the names of the Senator from Virginia (Mr. TRIBLE), the Senator from New York (Mr. MOYNIHAN), and the Senator from North Dakota (Mr. BURDICK) were added as cosponsors of S. 65, a bill to extend the Appalachian Regional Development Act to provide transitional assistance to the Appalachian region.

S. 103

At the request of Mr. BOREN, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 103, a bill to amend the Highway Revenue Act of 1982 to repeal the increase in the highway use tax.

S. 117

At the request of Mr. CHILES, the name of the Senator from Louisiana (Mr. LONG) was added as a cosponsor of S. 117, a bill to improve the effectiveness and efficiency of Federal law enforcement efforts.

S. 131

At the request of Mr. SASSER, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of S. 131, a bill to require the Economic Regulatory Administration of the Department of Energy to complete the investigation of all oil overcharge cases pending within the Administration.

S. 145

At the request of Mr. MITCHELL, the names of the Senator from California (Mr. CRANSTON), and the Senator from Maine (Mr. COHEN) were added as cosponsors of S. 145, a bill to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes.

S. 209

At the request of Mr. INOUYE, the names of the Senator from South Dakota (Mr. ABDNOR), the Senator from Michigan (Mr. LEVIN), and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S. 209, a bill to amend the Controlled Substances Act to establish a temporary program under which heroin would be made available through qualified hospital pharmacies for the relief of pain of cancer patients.

S. 212

At the request of Mr. PRESSLER, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 212, a bill to authorize funds for the U.S. Travel and Tourism Administration.

S. 222

At the request of Mr. KASTEN, the name of the Senator from Colorado (Mr. HART) was added as a cosponsor of S. 222, a bill to repeal the withholding of tax from interest and dividends and to require statements to be filed by the taxpayer with respect to interest, dividends, and patronage dividends.

S. 242

At the request of Mr. QUAYLE, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of S. 242, a bill to provide additional authorizations for labor intensive programs, to provide additional provisions for the dislocated workers program under title III of the Jobs Training Partnership Act, to promote employment and training for recipients of federally financed unemployment benefits, to provide procurement targeting in labor surplus areas, and for other purposes.

S. 331

At the request of Mr. BYRD, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 331, a bill to create a National Investment Corporation.

S. 401

At the request of Mr. DODD, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 401, a bill to authorize financial assistance for a continuing education program to secondary school teachers of science and mathematics designed to increase their competency, and for other purposes.

S. 430

At the request of Mr. TSONGAS, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 430, a bill to prohibit employment discrimination on the basis of sexual orientation.

S. 443

At the request of Mr. DOLE, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 443, a bill to reorganize the court system for cases and proceedings under the bankruptcy laws, and for other purposes.

S. 444

At the request of Mr. DURENBERGER, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 444, a bill to provide that registration and polling places for Federal elections be accessible to handicapped and elderly individuals, and for other purposes.

S. 445

At the request of Mr. DOLE, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Arizona (Mr. DECONCINI), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 445, a bill to amend title 11, United States Code, and for other purposes.

S. 450

At the request of Mr. PRYOR, the name of the Senator from Illinois (Mr. DIXON) was added as a cosponsor of S. 450, a bill to amend title 39, United States Code, to strengthen the investigatory and enforcement powers of the Postal Service by authorizing certain inspection authority and by providing for civil penalties for violations of orders under section 3005 of such title (pertaining to schemes for obtaining money by false representation or lotteries), and for other purposes.

S. 454

At the request of Mr. BYRD, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 454, a bill to provide for an accelerated study of the causes and effects of acidic deposition during a 5-year period, and to provide for grants for mitigation at sites where there are harmful effects on ecosystems resulting from high acidity.

S. 476

At the request of Mr. LEVIN, the name of the Senator from Oklahoma (Mr. BOREN) was added as a cosponsor of S. 476, a bill to amend title II of the Social Security Act to require a finding of medical improvement when disability benefits are terminated, to provide for a review and right to personal appearance prior to termination of disability benefits, to provide for uniform standards in determining disability, to provide continued payment of disability benefits during the appeals process, and for other purposes.

S. 490

At the request of Mr. DIXON, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 490, a bill to amend the Agricultural Trade Development and Assistance Act of 1954 to improve certain agricultural commodity donation programs, and for other purposes.

S. 501

At the request of Mr. DOLE, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Alaska (Mr. STEVENS), the Senator from Pennsylvania (Mr. SPECTER), and the Senator from South Dakota (Mr. ABDNOR) were added as cosponsors of S. 501, a bill to amend the laws of the United States to eliminate gender-based distinctions.

S. 527

At the request of Mr. GRASSLEY, the names of the Senator from Texas (Mr. TOWER), and the Senator from Missouri (Mr. DANFORTH) were added as cosponsors of S. 527, a bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of agricultural commodities received under a payment-in-kind program.

S. 540

At the request of Mr. GOLDWATER, the names of the Senator from West Virginia (Mr. RANDOLPH), the Senator from Ohio (Mr. GLENN), the Senator from Connecticut (Mr. DODD), the Senator from Illinois (Mr. DIXON), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Louisiana (Mr. JOHNSTON) were added as cosponsors of S. 540, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases, and for other purposes.

SENATE JOINT RESOLUTION 15

At the request of Mr. MOYNIHAN, the names of the Senator from Nebraska (Mr. EXON), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of Senate Joint Resolution 15, a joint resolution designating the month of March 1983 as National Eye Donor Month.

SENATE JOINT RESOLUTION 20

At the request of Mr. INOUYE, the names of the Senator from North Dakota (Mr. BURDICK), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Georgia (Mr. MATTINGLY), the Senator from New York (Mr. MOYNIHAN), the Senator from Indiana (Mr. QUAYLE), the Senator from

Idaho (Mr. SYMMS), the Senator from Nebraska (Mr. ZORINSKY), the Senator from Kentucky (Mr. FORD), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. ABDNOR), the Senator from Arizona (Mr. DECONCINI), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Indiana (Mr. LUGAR), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of Senate Joint Resolution 20, joint resolution to authorize and request the President to designate March 27, 1983, as "National Recovery Room Nurses Day."

SENATE JOINT RESOLUTION 21

At the request of Mr. DECONCINI, the name of the Senator from Kentucky (Mr. FORD) was added as a cosponsor of Senate Joint Resolution 21, joint resolution to designate April 1983 as "National Child Abuse Prevention Month."

SENATE JOINT RESOLUTION 36

At the request of Mr. PRYOR, the names of the Senator from Ohio (Mr. GLENN) and the Senator from Rhode Island (Mr. PELL) were added as cosponsors of Senate Joint Resolution 36, joint resolution designating April 29, 1983, as "National Nursing Home Residents Day."

SENATE CONCURRENT RESOLUTION 2

At the request of Mr. CRANSTON, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of Senate Concurrent Resolution 2, concurrent resolution expressing the sense of the Congress with respect to the role of the Administrator of the Veterans' Administration.

SENATE CONCURRENT RESOLUTION 11—RELATING TO SOVIET GOVERNMENT OBLIGATIONS WITH RESPECT TO HUMAN RIGHTS

Mr. MITCHELL (for himself, Mr. PACKWOOD, and Mr. MOYNIHAN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 11

Whereas the Government of the Soviet Union is pursuing a policy of virtually closing its borders to Jewish emigration, as evidenced by declining emigration levels which for 1982 were the lowest since 1970, with only 2,688 Soviet Jews allowed to emigrate;

Whereas this policy has left tens of thousands of people seeking to emigrate from the Soviet Union with little hope of being granted permission to emigrate in the foreseeable future;

Whereas there are several hundred long-term "refuseniks", including many children, who applied to emigrate from the Soviet Union between 1970 and 1976 and have been waiting for permission to emigrate since that time;

Whereas those who have been denied emigration rights, especially the long-term "refuseniks", are often subjected to a life as internal refugees in the Soviet Union, resulting in loss of jobs, loss of membership in important social and professional organizations, revocation of academic degrees, surveillance and arbitrary assault, and other forms of harassment of social isolation;

Whereas these individuals also suffer physical, emotional, and psychological problems which result from social isolation;

Whereas these individuals are also denied the right to cultural expression, evidenced by the breaking up of cultural seminars and Hebrew classes and harassment by Soviet officials of those individuals participating in those forms of cultural expression;

Whereas these individuals are subjected to arbitrary arrest, imprisonment, and internal exile, as is the case with the Jewish "Prisoners of Conscience" currently serving sentences in the Soviet Union;

Whereas it is the stated policy of United States law, including section 502B (a)(1) of the Foreign Assistance Act of 1961 and section 402 of the Trade Act of 1974, that human rights considerations are a vital element of United States foreign policy; and

Whereas the Government of the Soviet Union, by arbitrarily denying its citizens the right to emigrate and the right to religious and cultural expression, and by harassing members of a specific ethnic group, is violating the norms of international law as set forth in agreements and declarations such as the Final Act of the Conference on Security and Cooperation in Europe (hereafter in this concurrent resolution referred to as the "Helsinki Final Act"), the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the International Labor Organization Convention Concerning Employment Policy, and the UNESCO Convention Against Discrimination in Education: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the Government of the Soviet Union should fulfill obligations undertaken in the Helsinki Final Act, the Universal Declaration of Human Rights, and other international agreements relating to human rights, by pursuing a more humane emigration policy and ceasing harassment of Jews and others seeking to emigrate;

(2) the fulfillment by the Government of the Soviet Union of its obligations with respect to internationally recognized emigration rights would significantly promote improved relations between the United States and the Soviet Union;

(3) the President or his representatives should convey to the Government of the Soviet Union the concerns of the Congress expressed in this concurrent resolution at every appropriate opportunity, including—

(A) at such time as agreements are negotiated between the United States and the Soviet Union in the areas of trade, commerce, including grain sales, and science and technology exchange; and

(B) at such time as the President or his representatives meet with leaders of the Soviet Union concerning other aspects of relations between the two countries; and

(4) the President or his representatives should also convey these concerns of the Congress to the governments of allies of the United States and urge the cooperation of those governments in efforts to promote emigration from the Soviet Union.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President with the request that he transmit such copy to the Chairman of the Presidium of the Supreme Soviet of the Soviet Union.

Mr. MITCHELL. Mr. President, the Senate concurrent resolution I am submitting today expresses the sense of this Congress that our Government do everything in its power to encourage the Soviet Union to observe the international guarantees of human rights which it has signed.

The Soviet Government's perception of human rights is not the same as ours. But if the Soviet Union wants to claim a right to be a respected member of world community of nations, it must recognize that its signature to human rights documents carries with it a commensurate obligation.

This is important, not only for the people directly addressed in this Senate resolution, but for all people, everywhere. If a nation can, with impunity, disregard its solemn international undertakings in this respect, it can do so in any other. And if other governments allow international obligations to be flouted, they undermine the structures of international cooperation on which our hopes for peace rest.

This resolution directly addresses the plight of Soviet Jewry, for the reason that this minority group in the Soviet Union today is the subject of an escalating campaign of harassment and outright anti-Semitism. In a tragically ironic twist of history, the inheritors of the czarist state have reinstituted one of its most notorious features.

The Soviet Constitution officially recognizes over 100 different Soviet nationalities and guarantees to each the right to maintain its own language, culture, and traditions. In many cases, that guarantee is honored more in the breach than in the observance, but in no case more blatantly than as it affects Soviet Jews.

Although Jewish people are the 16th largest of the Soviet nationalities, they alone are denied schools in either Yiddish or Hebrew; they alone are denied links with coreligionists in other countries; and they alone are the subject of an official campaign of anti-Semitism.

Soviet treatment of its Jewish citizens has eerie echoes of the other great totalitarianism of our century: the National Socialist government of Adolf Hitler, whose 50th anniversary falls this year. Hitler, too, relied on the world's not recognizing the implications of his government's actions until it was too late. His reliance was, unfortunately, not misplaced.

For that reason it is imperative for all people, Jewish and Gentile alike, to understand what is meant by the "plight of Soviet Jewry" and to recognize that it is a threat to all human rights.

In 1948, Stalin destroyed the Jewish cultural and educational institutions that then existed in the Soviet Union. Jewish theaters, Jewish schools, Jewish publications and printing presses; the institutions by which Jewish culture and identity were sustained; all were destroyed. Despite changes in Soviet leadership since Stalin's death, that destruction has never been remedied.

Schools for Jewish children are not permitted. Only 57 synagogues exist in the entire country, 20 in Soviet Georgia, which has 28,000 Jews. The remaining 37 synagogues serve a community of 2 million people.

Jewish religious gatherings in private homes are systematically discouraged. Established study groups are broken up by police. There is in the Soviet Union no seminary for the training of rabbinical students. Four individuals were granted the right to enter rabbinical studies in Budapest. A commitment that two would be permitted to do so in the United States has not been honored. Even Jewish cemeteries are being systematically liquidated.

Two press organs serve the 2 million Jewish citizens of the Soviet Union. One is a Yiddish-language newspaper published in the so-called Jewish autonomous region, where only 10,000 Jews live. It is published in editions of 1,000 copies. The other is a monthly literary journal, published in editions of 7,000, of which half are sent abroad.

The teaching of Hebrew is illegal, because it is not considered "socially useful" labor. Hebrew teachers are thus guilty of "parasitism," and liable to arbitrary arrest and detainment.

No Russian-language translations of Jewish or Hebrew works have been published, although over 97 percent of Soviet Jews do not speak Yiddish or Hebrew. Despite Government claims that Jewish religious literature is regularly published, no copies of such publications have been seen by Soviet Jews.

In 1977, the Soviet Union started an indoctrination course for the armed services which continues today. It ascribes to a mythical "Masonic-Zionist" conspiracy the goal of world domination. This course, and the anti-Semitic publications Soviet censors have passed in recent years, is nothing but a thinly disguised reiteration of anti-Semitic propaganda of the most virulent kind. The Soviet state is mimicking the czarist regime, whose secret police originated the notorious "Protocols of the Elders of Zion," a staple of anti-Semites everywhere. Official Soviet art is propagating the monstrous perversion of truth that Jews collaborated with the Nazis in death camps.

In practical terms Soviet Jewish citizens are suffering economic discrimination.

In 1950, 15 percent of scientific workers were Jewish. Today, the proportion is less than 5 percent. Quotas have systematically reduced the number of Jewish students admitted to higher educational institutions. Jews are 3.56 percent of the Moscow population, but only 1.6 percent of Moscow University students. Between 1970 and 1975, the number of Jewish postgraduate students in the Soviet Union fell from 4,945 to 2,841. For a people which was traditionally barred from any but urban professions, the implication is clear: There is a systematic effort underway to deny to young people of Jewish origins the basic right to equal educational opportunity within the Soviet Union.

And today, in an ominous echo of the Hitler years in Germany, the Soviet Government is revoking scientific diplomas earned by Jews. Not since the promulgation of the Nuremburg racial laws has any advanced nation sought to use its institutions to legally strip certain citizens of their rights. Yet that is precisely the case in the Soviet Union today.

Given these realities it is not surprising that some Jewish citizens of the Soviet Union seek to leave their country.

The plight of would-be emigrants is well known. Application to leave entails interminable delays in receiving official papers and clearances, loss of work, dismissal from professional associations, lengthy interviews with security forces, and all the attendant harassment a totalitarian state has within its power.

Jewish applicants for emigration must receive an invitation from an immediate family member in Israel. Invitations are frequently intercepted in the mail. The definition of "family" is further being narrowed by the demand that there be a relationship of economic dependence as well as first-degree consanguinity.

Those who are not discouraged and repeatedly seek the right to leave are subjected to intimidation and harassment, which can range from lengthy interviews with the police to arrest and conviction. The outcome of arrests is predetermined: To be charged is to be convicted. So, all over the Gulag of the Soviet prison system there are Jewish prisoners of conscience, whose only crime is the desire to leave a nation which has done its utmost, both officially and unofficially, to make them unwelcome and unwanted.

The purpose of the resolution we are introducing today is twofold. On the one hand, it is vital that the recent dramatic drop in emigration permits be reversed, so that those Soviet Jews who wish to leave may do so. Over 51,000 people were allowed to depart in 1979. In 1982, only 2,688 people are allowed out. Over 10,000 people who have applied for exit permits exist inside the Soviet Union today.

They include longtime "refuseniks" who have waited for exit permission for a decade. Ida Nudel, for example, applied to leave in 1971. Her sister was permitted to leave with her family, but she was not. Since 1971, this woman has tried to exercise a fundamental right: The right to leave her country for another. She has been harassed, beaten, imprisoned, and exiled. In 1978 she was exiled to Siberia and forced to live with 60 male prisoners. She slept with an axe under her pillow to protect herself. On her return to Moscow she was denied a residence permit. She was forced to sleep at the railway station in Riga, having been refused residence and the right to seek shelter elsewhere. Her whereabouts today are unknown.

Other refuseniks have seen their sons inducted into the military. Soviet law prohibits departure within 3 years' of military service, so such inductions are tantamount to a sentence of living without permanent work, under police surveillance and harassment, with interrupted mail and telephone service and the constant fear of arrest, detainment or prison.

We cannot condemn 10,000 people to such an existence for an indeterminable number of years. The resolution therefore expresses the sense of Congress that this situation be taken into account in the negotiation of trade, technical, and other agreements with the Soviet Union.

The second purpose of our resolution is directed to the vast majority of Soviet Jews, who have not requested permission to leave.

They are the world's third largest Jewish comunity, consituting one-fifth of the world's Jewish population. Discrimination against Jews in the Soviet Union could, over time, so undermine Jewish traditional, religious and cultural life as to virtually extinguish all trace of an identifiable Jewish community.

Deportation of some national groups and forced Russification of others have weakened many national communities within the Soviet Union. Those which most successfully maintain their culture and language have a geographic base.

The same is not true of Soviet Jews. The Jewish autonomous region in the Central Asian desert contains less than 10,000 Jewish inhabitants. Soviet Jews are dispersed in urban areas throughout the Soviet Union. Consequently, Soviet law, which formally bans the teaching of Hebrew, and Soviet practice, which effectively prevents organized religious and cultural observance, is a far more serious threat to Jewish survival than russification of a geographically compact community. And the pervasive, offi-

cially sponsored and sanctioned anti-Semitism in the Soviet Union is clearly designed to send the message that Soviet Jews cannot be good citizens so long as they are Jews.

A generation ago, the Jewish people lost a third of their entire population to the lunatic demand of Adolf Hitler that Europe be made "judenrein." The subtler undermining of Jewish life in the Soviet Union today is a less savage but not less serious threat to survival.

There are ominous signs that repression of all forms of dissent is being stepped up in the Soviet Union today. And because Jewish emigrants constitute the largest remaining discrete group of dissidents, repression falls most heavily on them.

Last April saw the arrests of a number of religious groups. In July and August, there was a dramatic interruption of telephone service. Direct dial service, introduced for the 1980 Olympics, has been terminated. In September, the KGB stepped up efforts to terminate all contracts between refuseniks and overseas supporters. Alexander Lerner, the patriarch of the refusenik movement, has been warned to stop speaking with foreigners.

So the second goal of this resolution is directed to alleviating the conditions of life that most Soviet Jews will be forced to face indefinitely.

This resolution is designed to encourage our Government to do its best in all dealings with the Soviet Union to bring home the fact that relations between our two countries will never see real and permanent improvement so long as the most fundamental rights of human beings are brutally suppressed by Soviet officials.

Relations between ourselves and the Soviet Union are strained today. The invasion of Afghanistan and the Soviet role in the suppression of the Polish people cannot be ignored. But just as the military invasion was a breach of the geographic frontiers of a sovereign state, so is Soviet treatment of Soviet Jewry an invasion of the spirit of all people, everywhere. The Soviets must recognize that violence against humanity is no less intolerable than violation of geographic borders.

The Soviet view of human rights is not identical to ours. It is clear, for instance, that the Soviets regard Jewish emigrants as a bargaining chip in relations with the United States, a repugnant use of human lives and human fears. But if, by taking advantage of that Soviet view, we can shorten the ordeal of any human being, we should do so.

In the long term, the Soviet Union must come to recognize that our concern about human rights springs, not from an anti-Soviet political animus, but from the same foundations that underly all our political and cultural traditions.

We did not fight Hitler's extermination policy only to stand by silently while the Soviet Government launches its own official anti-Semitism 30 years later. We do not condemn repression in authoritarian countries only to condone it in totalitarian states.

We do not believe that the rights of any human being must depend on the accidental geography of his birth. We believe that unless and until nations can reach accommodation on the basic rights of the individual, there can be little or no hope for permanent friendship and peace.

Indirectly, the Soviet Union acknowledges this reality. The Soviet Government gives lip service to the ideals of human rights expressed in countless international documents. In public pronouncements, the Soviets are willing to recognize the fundamental rights that all people share and to which all people, including their own, aspire. What we must do is persuade the Soviet Government that verbal acknowledgment, by itself, is not an adequate way to recognize human rights.

It must be the task of our Government, and of all world governments, to impress upon the Soviet leadership that lip service does not discharge the Soviet responsibility to fulfill the international agreements it has signed. If the Soviet Government wants the respect of other peoples as an international leader to go beyond recognition of Soviet ownership of a nuclear stockpile, then it must begin to extend to its own citizens the respect for human rights that is indivisible from human dignity.

I hope President Reagan's recently announced effort to publicly promote the ideals of democratic nations will focus on the fundamental reality. And I urge all Senators to make the plight of Soviet Jewry a human rights priority in the coming months.

● Mr. PACKWOOD. Mr. President, I am pleased to join today with my colleague from Maine in introducing a resolution which addresses the tragic plight of Soviet Jewry. The purpose of our resolution is to express the sense of the Congress that the Soviet Union should pursue a more humane emigration policy and stop harassing Jews and others seeking to emigrate. The resolution urges the President and other members of the administration to convey the concerns of Congress to Soviet officials.

Mr. President, the climate in the Soviet Union has evolved into one in which anti-Semitism thrives. Progressively greater injustices are permitted and the frequency and severity of discrimination against the Jewish population has grown dramatically. The cruel denial of equal rights continues in employment and education, obstacles to religious and cultural expression proliferate, and anti-Jewish propaganda fills the media.

In 1950, Jews constituted 15 percent of all scientific workers in the Soviet Union; today, the figure is less than 5 percent. A quota system at most universities and in hiring policies has resulted in an increasingly smaller number of Jewish university students and professionals. The anti-Jewish discriminatory pattern in higher education poses a direct challenge to historic job opportunities and traditional lifestyles of Soviet Jews.

The Soviet Government has long pursued a policy aimed at suppressing Jewish culture and at severing Soviet Jewry from its cultural heritage. While it is true that restrictions apply to the observance of all religions in the Soviet Union, those aimed specifically at Judaism are especially severe. Synagogues have been closed, contact with other religious groups are forbidden, no seminary exists to train clergy, Jewish religious texts have been confiscated, and no Jewish literature may be published or distributed. The private teaching of Hebrew—the only language common to all Jews everywhere—has been outlawed. It is virtually impossible for Jews to pass on the rituals and traditions of Judaism to younger generations. As a result, the Jewish religion could face extinction in the Soviet Union.

The worsening situation for Soviet Jews has led hundreds of thousands to apply to emigrate. And yet the number of Jews allowed to leave the Soviet Union has rapidly diminished. Only 2,688 Soviet Jews emigrated last year, the lowest level since 1971 when truly effective emigration began. This represents a decrease of a staggering 95 percent in the past 3 years. In addition, the approximately 300,000 Soviet Jews awaiting exit visas face increasingly severe governmental harassment. Many have been fired from their jobs and some scientists have been advised that their academic degrees have been or will be revoked. Only in Hitler's Germany have the academic degrees of Jews been revoked.

There are a multitude of individual examples—documented cases—of hardship, of separated families, and of persecution. The Helsinki accords, which the Soviet Union signed, requires respect for the rights of religious and ethnic groups. They also forbid Governments from holding people who want to emigrate and rejoin their families. Minority rights are also guaranteed in the Soviet Constitution, the International Covenant on Civil and Political Rights, and the Universal Declaration on Human Rights. The Soviet Union, however, continues to blatantly ignore these agreements.

The persistence of an international voice of outrage against the treatment of Soviet Jews must continue. Our message helps sustain the hope and courage of Jews who face vicious op-

pression day after day. It also reminds the Soviet Union of our concern for the plight of these people.

I ask my colleagues to lend their voices to this cause by cosponsoring and supporting the resolution Senator MITCHELL and I are introducing today—and thereby demonstrate to the Soviets our commitment to do whatever we can to halt their anti-Semitic activities.●

SENATE RESOLUTION 71—HONORING THE TWELFTH ANNUAL MODEL SENATE OF STETSON UNIVERSITY AND THE CENTENNIAL OF STETSON UNIVERSITY

Mr. CHILES (for himself and Mrs. HAWKINS) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 71

Whereas one hundred years ago, Henry A. DeLand founded DeLand Academy, which later became Stetson University;

Whereas Stetson University has grown from a small academy to a first class university with alumni who have served at all levels of government;

Whereas Stetson University, for the past twelve years, has sponsored a United States Model Senate, allowing students from Florida and the southeastern United States an opportunity to learn about the performance of the United States Senate by portraying Senate Members;

Whereas through the model Senate students learn to draft bills, work on committees, and understand the internal workings of the United States Senate;

Whereas each year the Model Senate has had outstanding support from fine men and women who now serve or have served in the United States Senate;

Whereas opportunities like the Model Senate help to direct the future of aspiring political personalities; and

Whereas the Model Senate is an educational program that promotes better government by encouraging student participation in legislative affairs: now, therefore, be it

Resolved, That the United States Senate recognizes and honors the Twelfth Annual Model Senate of Stetson University and the University in its centennial year marking the founding of Stetson University.

● Mr. CHILES. Mr. President, this week Florida's Stetson University is holding its 12th Annual Model Senate. To mark the 12th Annual Model Senate and the centennial of the founding of Stetson University, I am submitting, along with Senator HAWKINS, this Senate resolution. Speakers for the model senate have included Senators BAKER, BRADLEY, BUMPERS, BYRD, HAWKINS, INOUYE, KASSEBAUM, MATHIAS, and myself. Former Senators Sam Ervin, Richard Stone, and Spessard Holland have also served as speakers. Senator Holland was the first speaker and is credited with helping the program get off the ground. This year's keynote address will be delivered by Senator DAVID PRYOR from Arkansas.

Started in 1971 under the auspices of Dr. Wayne Bailey, chairman of Stetson University's Political Science Department, the model senate has grown to include students from colleges and universities all over the Southeastern United States. The program includes 3 days where conditions of the U.S. Senate are recreated with 75 to 100 students playing the roles of actual Senators. The model senate has been guided in its 12-year history by Dr. Floyd Riddick, former U.S. Senate Parliamentarian. Participants choose key leaders and the approximate Republican-Democratic balance is preserved. The model senate involves over 150 students each year, many of whom go on to become active in government and politics. It is with great pleasure that I offer this resolution to honor such an effective educational tool patterned after the U.S. Senate.

Stetson has more to be proud of than the model senate. This university is celebrating the 100th anniversary of its founding. Started in 1883 by Henry Deland as Deland Academy, it was renamed Stetson University in 1889 in honor of hat manufacturer John B. Stetson. Chartered in the same year as a university by the Florida State Legislature, Stetson has grown into one of the State's foremost schools and has achieved a number of firsts in its 100 years. Stetson had the first music school in Florida and the first business school in the State. The university was one of the first, if not the first, to admit women as students in Florida and had the first forensic and debate program in the State. Added to this list of firsts is Stetson's victories in the State's first baseball championship and first men's and women's basketball championships. One of Stetson University's students, Benjamin Hulley, was awarded the first Rhodes Scholarship given in the State of Florida. Stetson's first 100 years have been filled with many achievements and I extend to the university best wishes for the next 100 years.●

SENATE RESOLUTION 72—RELATING TO ARMS SALES TO JORDAN

Mr. KENNEDY (for himself, Mr. HEINZ, Mr. HART, Mr. BOSCHWITZ, Mr. BYRD, Mr. PACKWOOD, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BOREN, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CHILES, Mr. COHEN, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DECONCINI, Mr. DIXON, Mr. EAGLETON, Mr. EXON, Mr. FORD, Mr. GLENN, Mr. GRASSLEY, Mr. HATCH, Mrs. HAWKINS, Mr. HEFLIN, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JACKSON, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. PELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. PRYOR, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. SPECTER, Mr. STAFFORD, Mr. WEICKER, and Mr. ZORINSKY) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 72

Whereas Israel is a stable, democratic and reliable ally of the United States;

Whereas the security of Israel is in the national interest of the United States;

Whereas Jordan continues to oppose the Camp David peace process;

Whereas Jordan has aligned with Iraq, whose government is committed to the destruction of Israel;

Whereas Jordan is purchasing advanced weapons from the Soviet Union;

Whereas the sale of advanced arms to Jordan would jeopardize the security of Israel and increase the overall instability of the region;

Whereas promises to sell advanced U.S. arms to Jordan set the stage for an unnecessary and divisive confrontation with Congress; and

Whereas an escalation of the arms race in the Middle East is contrary to the interests of the United States, Israel and Jordan.

Resolved, it is the sense of the Senate of the United States of America, That—

1. The United States should not sell advanced fighter aircraft, mobile anti-aircraft missiles, or any other advanced arms to Jordan under present conditions, in which Jordan continues to oppose the Camp David peace process and purchases arms from the Soviet Union, and in which such sales jeopardize both the security of Israel and progress toward peace in the Middle East.

2. The United States should ensure that Israel retains its qualitative military edge over any combination of Mideast confrontation states.

3. The United States should focus its efforts on bringing Jordan into direct peace negotiations with Israel.

Mr. KENNEDY. Mr. President, I am pleased to join with Senators HEINZ, HART, BOSCHWITZ and 47 other Senators in introducing a Senate resolution opposing the sale of advanced weapons to Jordan and calling on Jordan to enter direct peace negotiations with Israel. A similar resolution was introduced in the past Congress.

All of us hope that recent public reports will be borne out, and that Jordan is reconsidering its past opposition to the Camp David peace process and direct peace negotiations with Israel. For many years, I have strongly urged King Hussein, both publicly and privately, to engage in such negotiations with Israel. I am confident that all the sponsors of our resolution today will enthusiastically welcome such a development—as will all peoples who support the cause of peace around the world. As our resolution makes clear, our first priority must be peace, not another escalation of the arms race in the Middle East.

Reintroduction of our resolution at this time, supported by a majority of the newly elected Senate, should be clear notice to the administration of our determination to enhance the Middle East peace process and to

oppose destabilizing arms sales in that violatile region of the world.

Over the past year, reports have circulated with disturbing persistence that the Reagan administration is considering the sale of advanced arms to Jordan. These reports include the possible sale of fighter aircraft such as the F-5G or F-16, portable Stinger antiaircraft missiles, Sidewinder air-to-air missiles and laser-guided bombs. The F-5G, which is being redesignated the F-20A, is a highly capable aircraft, built to carry Sidewinder missiles, and also capable of carrying bombs and other ordnance. It could be readily integrated into the AWACS system which, under the administration's misguided policy, is being sold to Saudi Arabia. The shoulder-fired Stinger missiles have never before been transferred outside of NATO; they can be carried and used by individual soldiers—and they can be seized by terrorists.

Sales to Jordan of this sophisticated weaponry would significantly increase the military threat against Israel. With its fast scramble time, short takeoff and landing characteristics, high acceleration and maneuverability and superior ground attack capabilities, the F-5G would greatly enhance Jordan's ability to participate in a surprise Arab air attack on Israel.

The Arab States give high priority to strengthening their air forces, and Jordan is the state with the best geographic position to spearhead a combined Arab attack on Israel; Jordan shares the longest border with Israel and has airfields closest to key targets in Israel. Amman is barely 50 miles from Jerusalem.

Provision of the F-5G or other advanced aircraft will increase the likelihood of escalation of conflict between Israel and Jordan, make it more difficult for Jordan to stay out of any future Middle Eastern conflict, and destabilize the already delicate balance of power in the Middle East.

In addition, Jordan has continued to acquire advanced weapons, including surface-to-air missiles, from the Soviet Union. Its forces have received military training on Soviet territory and from Soviet technicians in Jordan. These Soviet ties raise serious questions about the security of any high technology weapons supplied by the United States to Jordan. Sales such as those proposed by the administration could undermine not only Israeli but also American security.

The Congress has repeatedly expressed concern to the administration on this issue. In February 1982, 33 Senators wrote President Reagan to express concern over disturbing reports that the administration might transfer F-16 and mobile Hawk air-to-ground missiles to Jordan. Subsequently we introduced two Senate resolutions opposing such sales, and the resolution we are introducing today parallels these efforts. In 1982 and again in 1983, a majority of the Senate sponsored our resolution.

Jordan obviously has its own legitimate security needs. But what is needed now from the United States is not more sophisticated arms for Jordan, but more sophisticated diplomacy in bringing Jordan into the Camp David peace process. The administration should be concentrating its resources on a vigorous effort to engage Jordan in direct peace negotiations with Israel. This is a far more promising avenue for lasting peace in the Middle East.

Mr. HEINZ. Mr. President, last May Senator KENNEDY and I, together with a majority of the Senate, submitted a resolution expressing opposition to the sale of advanced weapons to Jordan. Today, we are resubmitting this resolution, again with a majority of the Senate in support.

As March 1 approaches, the date of King Hussein's self-imposed deadline for his decision on whether or not—or on what terms—to participate in the Mideast peace process, we are all anxious to find a way to persuade the King to join the peace negotiations. Our focus on his potential role is appropriate. Without question, the King is not only a valuable addition to advancing the peace process, but also a necessary element. Further progress is unlikely to be made without him. Despite his importance, however, we must be certain that the means we employ to bring the parties to the bargaining table are consistent with our national security interests and those of our long-standing friend and ally, Israel, and with achievement of our ultimate goal: a just and lasting peace.

It is no secret that King Hussein wants American arms. Although no sale has been formally announced, the administration has discussed, without necessarily committing itself, a variety of difficult weapons systems with the Jordanians. The clear signal sent has been that advanced weapons would be more easily obtained were Jordan more cooperative in participating in the construction of peace agreements. My concern is that the administration, in its zealous pursuit of peace, will interpret token conciliatory gestures by Jordan as real movements toward peace, and thereby provide a still uncooperative Jordan with highly sensitive weapons that both endanger Israel's security and do not, in fact, bring us one step closer to peace.

Such a sale would produce multiple ill effects. Clearly, it would threaten Israel whose security is in our national interest. Although it is difficult to discuss specific weapons systems in the absence of a specific sale, persistent rumors have suggested some highly advanced arms, some of which have never been sold outside of NATO, are being considered. The list of weapons discussed has been said to include advanced fighter aircraft, including the F-5G, or F-16, portable Stinger antiaircraft missiles, Sidewinder air-to-air missiles, and laser-guided bombs. The F-5G, built to carry Sidewinders as well as bombs and other ordnance, can also be integrated into the AWACS system being sold to Saudi Arabia. The Stinger missiles, never before sold outside of NATO, can be carried and used by individual soldiers, and therefore could be more readily seized by terrorists.

Second, as I have stated before, I am greatly disturbed by the counterproductive policy trend this sale would reinforce; that is, trying to buy peace with weapons of war. Both logic and experience show this policy to be unsuccessful. From an a priori standpoint, it just does not make sense to add weapons to an already extremely volatile area; we would merely be increasing the chance of violence, as well as escalating its extent when it does occur.

Furthermore, in practice, this policy has been as unfruitful as logic would predict. In 1978, when the Carter administration first proposed a major arms sale to Saudi Arabia, it was hinted that such a sale would make the Saudis more amenable to suggestions for peace talks. Having sold the Saudis both F-15's and then the AWACS in 1981, we still find them unceasingly intransigent. They have not only remained opposed to any negotiations, but have also vented their hostility at the most trivial opportunity. At this year's World's Fair, for example, an event designed to promote world understanding, the Saudis distributed maps that designated the land where Israel now stands as part of Jordan.

King Hussein's lack of cooperation, though less trivial, has been no less injurious to hopes of peace. At the time of the signing of the Camp David accords, on which President Reagan's proposals are based, the King expressed vehement opposition. He strengthened his ties with Iraq and the PLO, both sworn enemies of Israel and promoters of terrorism. In addition, he has, in the past, asked for his friends the Soviets to mediate peace talks rather than the United States.

Most frustrating, though, is the King's habit of appearing to soften his stance only later to resume his intractable position. He has continually aroused our hopes with his apparent willingness to cooperate, then disappointed us with a variety of excuses. Most recently, he has cited doubts about America's ability to obtain Israel's withdrawal from Lebanon as another explanation for his hesitancy.

Of course, we cannot lay all the blame for that problem at the King's

door. We must guard against our tendency to attribute the King with more independence than he actually enjoys. The King wants to act in the interest of the Arab States collectively, and his own political position gives him little choice. Yet the Arab States' inability to reach a consensus has helped to cause the King's apparent unreliability. Moreover, his hesitancy to enter negotiations concerning PLO autonomy without a mandate from that organization is understandable. Unfortunately, recent events have further complicated the King's task; though the PLO's traditional intransigence has softened somewhat, the problem of a mandate has been complicated by factionalism within its ranks. Thus, it is becoming increasingly unclear from whom the King should seek his mandate and for whom such a mandate will hold validity. The PLO executive committee seems to have regrouped in Algiers, only to deny King Hussein a mandate to negotiate on its behalf.

In any case, with the King's past record of noncommitment, an arms sale at this time without any definite assurance would be a gamble with terrible odds.

In the final analysis, though, it is essential to examine why the King, a careful and astute politician, may finally be warming toward President Reagan's peace initiative. Could it be that the King is only interested in obtaining American weapons? Last January 10, an article in the Washington Post suggested to the contrary. It reported that the King's "new thinking is said to reflect growing fears generated by the greatly accelerated pace of Israeli settlements in the occupied territories, the perceived threat of Israeli aggression against Jordan's East Bank and other threats to the Kingdom he has ruled for decades."

Thus it appears the King is searching for ways to insure Jordan's national security. Seeking that through an arms sale would be illusory, at best. But, by providing arms to Jordan we enhance the King's idea of security, thereby providing a disincentive to find real security through lasting peace. Our irony is that we may have finally found the King at a point where he believes peace is his country's most attractive option; an arms sale at this time would only serve to offer him a destructive alternative.

Finally, it is only fair to acknowledge that the King's reluctance to negotiate may stem at least partly from doubts about the outcome of the negotiations. A weapons sale would not bridge major fissures that could prove to be impasses once both sides begin talking. For example, though the King is now discussing President Reagan's suggestion of Palestinian autonomy on the West Bank and Gaza, the King has never retracted his demand for the establishment of a Palestinian homeland, an entity precluded by the Reagan plan, as well as by Israeli Government policy. Jordan must enter negotiations as a state committed to peace, willing to compromise, not as a reluctant participant brought to the table by a weapons sale.

For these reasons, at the present time, I oppose an arms sale to Jordan without an adequate commitment by Jordan to enter the peace process. Such a sale endangers the security of Israel, destabilizes a volatile area, and impedes our most important objective: the creation of a just and lasting peace.

● Mr. LAUTENBERG. Mr. President, I join today in sponsoring this Senate resolution opposing the sale of sophisticated weapons to Jordan. When one examines the situation in the Middle East, one is struck by the role Jordan could play in seeking peace in the region. But Jordan has refused. Instead, Jordan continues to stand by while others actively seek peace. Arms should not be Jordan's reward.

Anwar Sadat sought peace with Israel. Israel welcomed him, and the Camp David process ultimately brought peace between Israel and Egypt. I think we all share the hope that there also can be peace between Israel and Jordan. But it cannot come while King Hussein passively stands by. Hints are not enough. The United States must require of Jordan a real and tangible commitment to peace with Israel.

Until that is forthcoming, the sale of sophisticated arms to Jordan must be seen as a menacing threat to Israel—our stable, reliable, and democratic ally—and a threat to peace.

For these reasons, I believe that the Congress should express its opposition now to any proposal to sell sophisticated weapons to Jordan.●

● Mr. PRYOR. Mr. President, I have joined with other Senators today to express my concern over the prospect of a request for a substantial sale of arms to Jordan in the next few months.

In this matter, we may be putting the cart before the horse since King Hussein requested no arms during his recent visit to the United States and President Reagan has not proposed a sale at this time. But I think a signal from the Congress can be useful at this time as an indication of our concern over the rising level of arms in the Middle East and the death and destruction that will inevitably result from the abundant availability of land and air weapons in that region.

According to Andrew J. Pierre, author of "The Global Politics of Arms Sales," over three-fourths of all purchases of arms by Third World nations were by Middle Eastern countries, and the United States bears the major responsibility for arms buildups around the world since we have supplied 45 percent of all arms aid to the developing nations. That is a heavy moral responsibility that we share along with the Soviet Union, France, and Great Britain.

President Reagan has reversed the Carter administration policy of reducing the level of arms sales and has made such sales a centerpiecee of our foreign policy. I hope that the Congress of the United States will use all the power at its disposal to refute the Reagan policy and restore some sanity and foresight to our military assistance programs.

Thus, while I recognize Jordan's crucial role in establishing peace in the Middle East and the importance of continued good relations with that country, I want to put the President on notice today that any future arms sales proposals will receive a close and critical scrutiny by the Congress.●

● Mr. CHILES. Mr. President, I am pleased to join Senator KENNEDY and others today in sponsoring this resolution opposing the sale of advanced arms to Jordan.

Since we first got wind that President Reagan was considering such a sale, we have been able to discourage him from pursuing the idea. Our efforts last year ranged from letters to the President to the introduction of a resolution of disapproval. This time around, we have over half the Members of the Senate signed on as cosponsors. It is my hope that sustained opposition here in Congress will kill the proposal.

Selling sophisticated weapons to Jordan at this time is ill-advised, to say the least. Not only would it pose a threat to Israel's security, but it would also send a very wrong message to the Arab world.

I am particularly concerned that the administration wants to deal with the Jordanians in this way, when they have not agreed to participate in the peace process. At a time like this, it makes absolutely no sense to sell them advanced weapons. All we accomplish by doing that is to destroy some of their incentive for making peace.

The hopes for a just and lasting peace in the Middle East do depend to a large extent on Jordan. Hopefully, King Hussein can be convinced to step forward. I think he has the capacity to do so, but there is no reason to even consider selling him arms until he does.

The proper pattern was set by the late Anwar Sadat. By going to Israel and offering peace, he set the stage for friendship with the United States. That friendship has brought Egypt many rewards. If King Hussein is looking for similar rewards, let him also come forward—without preconditions—in pursuit of peace.●

● Mr. BINGAMAN. Mr. President, I am pleased to be an original cosponsor

of the resolution introduced today by Senator KENNEDY opposing the sale of advanced weapons to Jordan, supporting Israel's security, and urging efforts to bring Jordan into direct peace negotiations with Israel.

I want to commend the principal cosponsors of this resolution, Senators KENNEDY, HEINZ, HART, and BOSCHWITZ, for taking this initiative both in the last Congress and again here today. I am convinced that the sale of advanced weapons to Jordan will only contribute to further instability in the Middle East. Further, we should not be rewarding Jordan for its failure thus far to engage in the search for peace in the Middle East through direct negotiations with Israel.

The search for peace, for political stability, and economic vitality, must be our first and foremost task in the Middle East, as in other troubled regions like Central America and southern Africa. Our emphasis should be on bringing the rivals in these conflicts together in direct negotiations and on aiding the economic recovery of these countries as peace is restored.

Sophisticated arms transfers of the sort apparently being discussed within the administration in the case of Jordan seldom contribute to political stability and never advance the economic revitalization of these regions. My cosponsorship of this resolution reflects in part this broader concern about our arms transfer policy to the Third World.●

● Mr. SARBANES. Mr. President, I have joined in sponsorship of Senate Resolution 72, to assure the security of Israel, to further peace in the Middle East, and to oppose the sale of advanced arms to Jordan. This resolution carries forward the commitment of Senate Resolution 406, which was introduced nearly 1 year ago in the 97th Congress in response to unwarranted statements by the Secretary of Defense with respect to the sale of sophisticated arms, including the Hawk mobile missile system, to Jordan.

Those statements were made in an airport interview apparently without regard to the delicate balance in the Middle East, despite the continuing refusal of King Hussein to participate in peace negotiations within the framework of Camp David, and in clear contravention of the 1975 agreement carefully worked out between the Congress and the President to preclude the sale of the Hawk anti-missile system. They were made on the Secretary's own initiative, without prior consultation with the Congress and in the absence even of any request from the King of Jordan.

This year's resolution, like last year's, is intended to make plain the strong commitment of the Senate to support a just and lasting peace in the Middle East, a peace that will be accomplished only through direct negotiations among the parties directly concerned, and the equally strong opposition of the Senate to any steps that will make such negotiations more difficult to achieve. The sale of sophisticated military equipment to Jordan at this time will impede, not promote, the peace process. It is no more likely to induce Jordan to participate in good-faith negotiations than the sale of advanced military equipment to Saudi Arabia has caused the Saudis to moderate their intransigent position.

Furthermore, it is important to remember that Middle East States hostile to Israel have a very significant quantitative advantage in the weapons at their disposal. In the face of that threatening arsenal, Israel has had to rely, and has been encouraged to rely, on the qualitative superiority to aggression, and Israel's security depends on it. The sale of technologically advanced weapons system to Saudi Arabia in 1978, and again in 1981, introduced a new and destabilizing factor into the military equation in the Middle East. A sale of comparable importance to Jordan would further erode the qualitative margin which is essential to Israel's survival and would only make more difficult the task of bringing about fruitful negotiations for peace.

Mr. President, as the resolution states, the sale of sophisticated military equipment to Jordan would "jeopardize both the security of Israel and progress toward peace in the Middle East"; it would undermine Israel's "qualitative military edge over any combination of Mideast confrontation states"; and it would divert the energies and attention of our own Nation from the urgent task of "bringing Jordan into direct peace negotiations with Israel." For these reasons, I join in sponsoring Senate Resolution 72.●

SENATE RESOLUTION 73—RELATING TO TARGETING OF JOBS LEGISLATION

Mr. SPECTER (for himself and Mr. DIXON) submitted the following resolution; which was referred to the Committee on Labor and Human Resources:

S. RES. 73

Whereas, our nation's rate of unemployment is over 10 percent, and persists at record levels, leaving over 11.4 million Americans out of work; and,

Whereas, the unemployment level is much greater in some states, even exceeding 50 percent in some localities; and,

Whereas, our economy is undergoing profound structural changes, creating high levels of long-term unemployment and causing many traditional manufacturing and heavy industries to severely curtail production; and,

Whereas, the ongoing recession has produced approximately four million dislocated workers whose skills are no longer appropriate for existing or emerging employment opportunities; and,

Whereas, millions of families have suffered tragically from the burden of unemployment and many individuals, unemployed through no fault of their own, have become so discouraged that they are no longer seeking work; and,

Whereas, traditional anti-recessionary approaches have often compromised their effectiveness in providing jobs in high unemployment areas at the expense of parochial interests: Therefore be it

Resolved, It is the sense of the Senate that, any jobs program or other form of anti-recessionary assistance be targeted to areas of high unemployment, and

Further, that any such program or assistance provide special aid to the long-term unemployed and dislocated workers.

Mr. SPECTER. Mr. President, I rise today to request that the Senate, in legislating a jobs bill, give priority to those areas of the country that have suffered the most.

The President has forwarded a proposal to provide assistance for creating jobs. Congress must now decide what action to take and how this money is to be allocated. The temptation to manufacture pork-barrel measures which serve special interests only must be resisted. If we are to offer effective assistance to meet the critical needs of the many unemployed individuals throughout this country, the Congress must enact legislation that is targeted to reach the economic casualties of this ongoing recession.

In this regard, the Congress should approach this bill with its priorities firmly in place; assistance must be granted to regions that have incurred the most severe stress as a result of the recession. Many people, including the President, have been encouraged by the Department of Labor's most recent release of unemployment statistics. These numbers indicate that the jobless rate declined from 10.8 percent to 10.4 percent in January 1983. While this is positive news, it does not reflect the fundamental structural unemployment problem our economy is experiencing. Although the national unemployment rate declined, the rate for my State—Pennsylvania—increased from 12.9 percent to a staggering 13.6 percent. Other States and areas experienced similar increases. Some counties in Pennsylvania and throughout the rest of the country have more than 20 percent of their work force unemployed; some localities even exceed 50 percent.

Economic indicators suggest this country may be breaking the grips of a harsh recession, but I can offer convincing evidence that hard times persist where structural changes in our economy have left thousands of dedicated workers unemployed.

Certain segments of the economy are undergoing profound transition. Manufacturing industries continue to give way to service-oriented businesses requiring skilled labor. Martin Feldstein, the President's chief economic

adviser, estimates that dislocated workers comprise at least one-third of our unemployed work force. It is likely that these individuals will never regain their jobs, notwithstanding a prosperous recovery. These people were dedicated workers and deserve the opportunity to become contributing and productive members of our work force once again. Today, they are victims of our changing economy, uncertain whether unemployment compensation will be extended long enough for them to find work again. These individuals and their families rest uneasily as they are delinquent in their mortgages and unable to pay their bills.

Mr. President, it is incumbent upon this body to present a rational and thoughtful response to the unemployment dilemma this Nation faces. We must resist any temptation to fill this bill with miscellaneous projects and programs to meet the numerous and diverse needs of the many interests that call upon us to act. Instead, our action here must be intelligent and concentrated.

In the past, legislative efforts to combat the pains of recessionary times have exhibited a propensity to be diluted and short-term in nature. The diagnosis is indisputable; the medicine must be administered promptly and correctly. We are obligated to allocate the modest Federal resources we make available to those areas greatest in need. Only through acknowledging that certain elements of our work force require the focus of our efforts will we achieve the objectives of this proposal.

Mr. President, today I am offering a resolution that expresses the sense of the Senate that any increased assistance to address the critical unemployment problem should be targeted at those States suffering most from our sluggish economy. I am asking the Senate to resolve to channel any jobs program or antirecessionary assistance to areas afflicted with high unemployment. Furthermore, such program or assistance should provide special aid to the long-term unemployed and dislocated workers.

It is essential that we bear in mind those individuals that will be left behind in the wave of economic recovery. I am hopeful that the Senate will act swiftly to meet this critical need for jobs, and that the legislation we construct will assure the most equitable and effective distribution of Federal resources to alleviate the problem of unemployment.

Mr. DIXON. Mr. President, I am pleased to join my distinguished colleagues from Pennsylvania. ARLEN SPECTER, in sponsoring this resolution which will put the Senate on record as being committed to providing meaningful help to the people who need it most and the areas of the country which are hardest hit by this recession.

There are many proposals now pending before this Congress to provide assistance to the unemployed. It is certainly a problem of such critical dimensions, that we can never do enough to alleviate the problem. But we must try.

The administration has projected unemployment levels above 10 percent for the remainder of this year, and near that for the next 2 years. It is not that people are not trying to find work; they are and the media is full of examples—20,000 people in Milwaukee lined up in January for 200 jobs; 2,000 people in Peoria lined up for 100 jobs; 30,000 people in Chicago lined up for 2,000 jobs. The list is endless.

People are doing without the basic necessities, losing everything they have worked their whole lives to obtain; standing in line for hours to get a pound of cheese or a single stick of butter; losing their homes; keeping their heat turned off because they cannot afford the utility bills; neglecting medical care for themselves and their children because they no longer have issurance and do not qualify for medicaid.

The pain is real. The need, dire. Our responsibility is clear, and our agenda, vast.

AMENDMENTS SUBMITTED FOR PRINTING

OCEAN SHIPPING ACT

AMENDMENT NO. 5

(Ordered to be printed.)

Mr. METZENBAUM proposed an amendment to the bill (S. 47) to improve the international ocean commerce transportation system of the United States.

DEPARTMENT OF TRADE

AMENDMENT NO. 6

(Ordered to be printed and referred to the Committee on Governmental Affairs.)

Mr. COHEN submitted an amendment intended to be proposed by him to the bill (S. 121) to establish as an executive department of the Government of the United States a Department of Trade, and for other purposes.

NOTICES OF HEARINGS

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs will not hold the scheduled hearing on proposed legislation to create a Department of Trade on Tuesday, March 1. The hearing will be rescheduled at a later date. For further information, please contact Mike Mitchell at 224-4751.

SUBCOMMITTEE ON LABOR, HEALTH AND HUMAN SERVICES, EDUCATION AND RELATED AGENCIES

Mr. WEICKER. Mr. President, I am pleased to advise the Senate that the Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies will hold its fiscal year 1984 public witness hearings on Thursday, April 28; Friday, April 29; Monday, May 2; and conclude on Tuesday, May 3. These hearings will be preceded by a hearing on Wednesday, April 27 when the subcommittee will take testimony from Members of Congress.

The deadline for interested groups and individuals to submit their requests for an opportunity to testify is Tuesday, March 15. All requests must be in writing and should be addressed to me in care of the Labor, Health and Human Services, Education and Related Agencies Appropriations Subcommittee, SD-186, Washington, D.C. 20510.

Those persons whose requests are received by March 15 will receive a letter providing instructions for their appearance before the subcommittee.

In addition, the deadline for those who only wish to submit statements for the hearing record will be Friday, May 6. Such statements must be no longer than seven double-spaced pages, and 3 copies should be sent to me in care of the subcommittee.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of public hearings before the Committee on Energy and Natural Resources to consider pending natural gas legislation. The hearings will be held on Wednesday, March 9; Thursday, March 10; Friday, March 11 and Saturday, March 12, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, room SD-360, Washington, D.C. 20510.

For further information regarding these hearings you may wish to contact Mr. David Doane at 224-7144 or Mr. Howard Useem at 224-5205.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Subcommittee on Energy Research and Development to consider the President's proposed budget for fiscal year 1984 for the Department of Energy's nuclear energy programs—other than the breeder reactor programs. The hearing will be held on Friday, March 4, beginning at 9:30

a.m. in room SD-366 of the Dirksen Senate Office Building. Testimony will be received from administration witnesses.

For further information regarding this hearing you may wish to contact Mr. Paul Gilman of the subcommittee staff at 224-4431.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES

Mr. GORTON. Mr. President, I ask unanimous consent that the Subcommittee on Energy and Mineral Resources of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, February 24, to hold an oversight hearing on abandoned mine land fund.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

STATE FISCAL CONDITIONS ENTERING 1983

● Mr. DURENBERGER. Mr. President, I would like to call to the attention of my colleagues a recent survey conducted for the National Conference of State Legislatures by Steven Gold and Karen Benker under the auspices of the Ford Foundation. The report on the findings of the survey is entitled "State Fiscal Conditions Entering 1983."

The authors characterize the fiscal conditions of the States as "exceedingly grim" as State legislatures prepare for their 1983 sessions. They found that only six States expect a year-end balance at or above the level traditionally considered the "minimum prudent balance"—5 percent of annual general fund spending—while 19 States are projecting actual deficits at the year's end. Furthermore, this fiscal stress is not specific to any particular region of the country. The survey found that "at least two States in each of the Nation's eight regions anticipate ending fiscal year 1983 with a deficit unless present policies are changed."

To meet the constitutional requirement of a balanced budget or the demands of prudent fiscal management, the survey found that all States intend to adopt "some combination of spending reductions and tax increases" in the coming legislative sessions. Moreover, the authors saw evidence that, based on current service levels, "ballooning revenue shortfalls" are in the offing for fiscal year 1984 as well.

This report is very useful for the comprehensive picture it yields of the States' fiscal condition. It is also of great importance, because it provides an explanation of why the States are presently in such fiscal straits. And it is only by carefully considering the causes, as well as the conditions those causes create, that Congress can determine what, if any, the Federal role should be in alleviating this fiscal pressure.

The report points to four basic explanations for the States' current fiscal dilemma. By far the most important explanation is the recession. In the words of the report, "the recession is the major source of State fiscal problems." This is both good news and bad news. It is bad news in that it means States' fiscal problems will almost certainly persist as long as the economy does not recover. It is good news in that it means most of the stress is not the result of a permanent structural defect in the Federal system.

Recognizing that the recession accounts for most of the fiscal conundrum facing the States also gives clear signals to Congress as to where Federal responsibility lies: To put in place policies that will insure a strong and sustained economic recovery. More than any aid program created in Washington, a vibrant economic recovery is the lasting solution to States' fiscal woes. Happily, we are beginning to see signs that such a recovery has begun. This also implies that Congress has a responsibility to monitor States' fiscal conditions closely during the recovery period for any signs of crisis at which time Federal action would be called for. We are not yet to that point in spite of the bad news in this report.

The second major explanation of fiscal distress cited by the report is the widespread tax cuts adopted by State and local governments in the late 1970's. The authors found that when States raise taxes in 1983, they will often be recouping some of the revenue given away during the recent period of tax relief. Table 9 in the report makes this point dramatically. To the extent that revenue shortfalls result from earlier tax cuts, the dilemma States face is more political than fiscal. The authors observe that "legislators and Governors do not enjoy raising taxes or cutting popular programs, but that course appears inevitable." Indeed, governing in a democracy was never meant to be easy. That is the essence of democracy.

The third explanation for the revenue shortfalls, while less important than the former two, is the most ironic. As the inflation rate has been brought under control, State and local tax collections, like those of the Federal Government, have fallen off. This aspect of the problem may therefore be the dark before the dawn as lower rates of inflation set the stage for true economic recovery and as real economic growth begins to increase tax collections once more.

The final explanation for States' fiscal problems offered by the authors of this report is the one of greatest concern to me in my role as chairman of the Subcommittee on Intergovernmental Relations. At precisely the time economic slump and declining inflation decreased State revenues, Congress has made major cuts in Federal aid to State and local governments. The overall contribution of these cuts to the fiscal stress revealed here should be put in perspective. They contribute little compared to the effects of the recession and lowered inflation. But such cuts have had their effect, and because they have come in programs that tend to deliver human services directly to people, they have worked together with the other forces mentioned here to produce hardship on certain segments of society.

Federal aid, Mr. President, cannot create jobs on any meaningful scale. Federal aid cannot make a significant dent in the infrastructure problem if it is anywhere near the magnitude we are led to believe. Countercyclical Federal aid intended to have macroeconomic effects to help end the recession is destined to be too little, too late and directed to the wrong place. However, Federal aid can, when delivered efficiently, help State and local governments meet emergency needs they otherwise would not be able to meet during fiscal hard times. And when a recession becomes so severe as to inflict unacceptable hardship on a relatively small segment of society, Federal aid, judiciously administered, can help to redistribute some of that hardship broadly across society.

This report is required reading as we begin to consider this year's Federal budget. If ever careful thought were called for, this is the year. Simple solutions seldom solve complex problems, but this year in particular, they are apt to make them worse. I ask that the report entitled "State Fiscal Conditions Entering 1983" be printed in the RECORD.

The report follows:

STATE FISCAL CONDITIONS ENTERING 1983

(By Steven Gold and Karen Benker,* fiscal affairs program, National Conference of State Legislatures)

SUMMARY

Fiscal conditions are exceedingly grim in most states as legislators begin their 1983 sessions. This is the overwhelming message of a survey of legislative fiscal officers conducted in December 1982 and January 1983.

Principal findings of the survey include the following points:

At the end of the current fiscal year, 19 states project deficits in their general funds and another 12 states anticipate having a

* Steven Gold is the Director of the Intergovernmental Finance Project and Karen Benker is a research analyst. This report was prepared with financial support from the Ford Foundation. The views expressed are the authors' and do not reflect the positions of the Ford Foundation or NCSL.

year-end balance of 1 percent or less of their annual general fund spending. At the other extreme, only six states expect a balance of more than 5 percent, which has traditionally been regarded as the minimum prudent balance.

Thirty-five states have reduced their spending for the current fiscal year below the level in their original budgets for fiscal year 1983.

The reason for these cutbacks is a plague of revenue shortfalls that has afflicted nearly every state. As the recession has persisted much longer than expected, all but three states have seen their tax revenue flow in more slowly than anticipated in their budgets.

As a result of amendments to budgets adopted in most states, the median increases of revenues and expenditures are 5.5 percent and 6.4 percent respectively. This is less than the inflation rate for the goods and services which states purchase.

Total state employment has been decreasing since mid-1981. During the past year there has been a decrease in the number of state workers in 28 states.

All regions of the country have been affected by fiscal miseries. At least two states in each of the nation's eight regions anticipate ending fiscal year 1983 with a deficit unless present policies are changed.

While the budget problems of the states are similar in 1983 to those of 1982, the outlook is that the policies adopted in many states will differ. Tax increases are likely to play a much larger role in budget adjustments than they have in many years. Meeting in special sessions during the last few weeks of 1982, five states raised either their personal income or general sales tax or both. This is probably a harbinger of things to come.

If the states do resort to general tax increases in 1983, it will represent a major policy shift for most of them. Between fiscal years 1978 and 1982 state taxes fell as a percentage of personal income in 44 states. The national average of state taxes in relation to personal income decreased from 7 percent to 6.5 percent during those four years.

In addition to the widespread tax cuts adopted in the wake of the Tax Revolt of the late 1970s, the recession is the major source of state fiscal problems. The reduction of federal aid and the drop in the inflation rate (which lowered tax collections) also contributed to budget difficulties.

The results of the survey confirm the gloomy prognosis of a survey by the National Governors' Association and the National Association of State Budget Officers compiled in December. Conditions are considerably worse, however, than the earlier survey reported. For example, the number of states anticipating deficits is more than twice as great.

All states will adopt some combination of spending reductions and tax increases to eliminate or reduce their prospective deficits, so the actual number of states ending the fiscal year with deficits will certainly be less than the survey indicates.

Although it was not the focus of the survey, the outlook for fiscal 1984 budgets is also very bleak. Unless the national economy recovers strongly, balancing state budgets will continue to be difficult.

Any report on state fiscal conditions today will have a familiar ring. One year ago an NCSL report began this way: "With their revenues buffeted by the national recession, the majority of states entered 1982 either in deficit or teetering on the brink of deficit."[1] In July, summarizing state budget actions, another report stated, "State legislatures met this year amidst perhaps the worst fiscal conditions in forty years . . . Fiscal conditions are bleak in most states."[2]

Each of these statements made in 1982 is just as true today but there are two important differences now. First, state fiscal conditions have seriously deteriorated since mid-1982. Second, while most states are still teetering on the brink of deficits, 1983 will not be a re-run of 1982 because the policies adopted are likely to differ. Indications are that in 1983 raising taxes will play a much larger part in solving budget problems than was true in 1982.

Last year most states dealt with their budget problems by holding the line on spending and making minor adjustments in their taxes. During the regular legislative sessions held in the first half of 1982, only nine states raised either their personal income or general sales tax.[3] Budgets were constructed on the assumption that an economic recovery beginning during the late summer would boost revenues and keep budgets in the black. When the recession not only continued but intensified as the year progressed, many state budgets were thrown out of balance.

Virtually every state is required to balance its budget annually. Because of revenue shortfalls two-thirds of the states—an unprecedented number—have already reduced their spending for this fiscal year below the level originally enacted. In many states, however, further spending reductions or tax increases are needed to avoid deficits for the current fiscal year. In addition, legislation will be wrestling with imbalances in their fiscal year 1984 budgets (for the period beginning July 1) because of the continuing weak economy.

WHAT THE SURVEY RESULTS MEAN

This report described the fiscal position of the states as of early January, 1983. It is based on results of a survey of legislative fiscal officers conducted in December 1982 and January 1983. In most states the information reflects projections which have been revised within the past few weeks in preparation for the coming legislative sessions. Many states are understandably unwilling to provide updated estimates to NCSL before they have been released to the public at large.

The survey dealt primarily with general fund spending and revenue, which does not include certain special funds, such as for highways in most states. The general fund accounts for the majority of total spending in nearly all states, and it is the focus of most attention in budget deliberations. In some instances, states earmark a large portion of tax revenues for specific purposes. For example, Alabama and Utah have separate school funds; for purposes of this report, these funds have been added to the general fund. A number of states, particularly those with extensive energy industries, dedicate a portion of their tax revenue collected from those industries to trust funds. Federal aid is generally not included in the general fund, so it is not reflected here.

In recent years 22 states have created contingency funds or "rainy day funds". These funds receive revenue in "good years" which can be used to help finance services in years when revenue collections are less than normal. This year's survey, unlike previous ones, includes revenue in these funds as part of the balances available to states. To omit them would understate the resources available.

A key indicator of fiscal conditions is how large a state's year-end balance is in relation to its total spending during a year. In the past, states generally viewed a 5 percent balance as a prudent level to maintain. One reason to keep such a large balance is to guard against unexpected decreases of revenue or emergencies requiring increased spending. Additionally, states must allow for variations in cash flow during the year. Revenue flows in at a greater pace during the second half of the fiscal year (January to June) than during the first half, but spending occurs relatively evenly throughout the year. Therefore, the balance at the start of the fiscal year (July 1 for 46 states) is considerably higher than the average throughout the year. The need for a 5 percent balance may be less than it was in the past because states have adopted more sophisticated cash management practices, but balances of 1 percent or less definitely cause serious problems.

States with projected deficits or small surpluses will undoubtedly take action during their 1983 legislative sessions to adjust revenues and spending. As a result, the actual balances in these states at the end of fiscal year 1983 may be larger than this survey indicates. For example, last year's NCSL January survey indicated that 30 states faced deficits or anticipated year-end balances of one percent or less of general fund spending, but by the end of the fiscal year only 19 states had deficits or such small balances.[4]

MAJOR RESULTS OF SURVEY

As noted above, the prospective year-end balance is a very important indicator of state fiscal conditions. However, it is susceptible to misinterpretation if viewed in isolation. For example, some states in the last two months of 1982 enacted major increases of sales and income tax rates. The year-end balance in these states is now expected to be positive, although large forecasted deficits had prompted the tax increases. Therefore, this survey considers not only the year-end balance, but four other indicators as well—the actions already taken to deal with budget problems, the growth rates of spending and revenues, the frequency of shortfalls below anticipated revenues, and changes in state employment levels.

Balances: Surplus or deficit

A very significant indicator of budget problems is that 31 states expect to conclude fiscal year 1983 with a balance of one percent or less or their annual spending, including 19 states which at this time anticipate deficits. Eight other states forecast balances between 1 and 3 percent of spending and 5 states anticipate balances of 3 to 5

[1] Steven Gold and Karen Benker, "State Fiscal Conditions as States Entered 1982" (NCSL, Legislative Finance Paper 13, 1982), p.1.

[2] Steven Gold, Karen Benker, and George Peterson, "State Budget Actions in 1983" (NCSL, Legislative Finance Paper 27, 1982).

[3] Florida, Nebraska, Washington, Vermont, and Wisconsin raised their general sales tax; Michigan, Ohio, Minnesota, and Oregon raised their income taxes. Gold et. al. "State Budget Actions," pp. 7-12.

[4] The only states with other dates for the end of their fiscal years are New York (March 31), Texas (August 31), Michigan (September 30), and Alabama (September 30). As originally reported by NCSL, 29 states anticipated surpluses of 1 percent or less or deficits. Shortly after the survey was completed, Wisconsin lowered its revenue estimate, shifting it into the deficit category.

percent, for a total of 44 states with balances below 5 percent.

Tables 1 and 2 report the prospective balances for 1983 in comparison with those for 1982. As Table 1 shows, in all but four cases 1983 surpluses are smaller than those that actually occurred in 1982. Table 2 compares the 1983 projections with similar forecasts reported by NCSL in January 1982. The 19 states projecting a deficit now are a considerably greater number than the 13 making that projection a year ago.

TABLE 1.—YEAREND GENERAL FUND BALANCES AS A PERCENTAGE OF GENERAL FUND SPENDING, FISCAL YEAR 1982 AND FISCAL YEAR 1983.

	Actual 1982	Projected 1983
New England:		
Connecticut	−1.3	−1.9
Maine	2.9	0
Massachusetts	0	.7
New Hampshire	−10.9	−5.4
Rhode Island	.4	−4.0
Vermont	0	−2.5
Mideast:		
Delaware	[1] 7.9	[1] 5.3
Maryland	[1] 5.4	[1] 1.0
New Jersey	2.0	1.1
New York	[1] 1.5	−3.3
Pennsylvania	0	−2.2
Great Lakes:		
Illinois	2.2	0
Indiana	0	2.7
Michigan	−1.5	−13.8
Ohio	1.0	.9
Wisconsin	2.1	−7.7
Plains:		
Iowa	1.0	−4.0
Kansas	6.9	6.4
Minnesota	−13.3	−.2
Missouri	3.2	3.3
Nebraska	.4	2.5
North Dakota	25.0	2.3
South Dakota	7.3	2.4
Southeast:		
Alabama	1.4	0
Arkansas	[1] 5.2	[1] 4.9
Florida	[1] 5.4	[1] 0
Georgia	[1] 1.4	[1] .5
Kentucky	2.1	[1] .6
Louisiana	6.3	−3.5
Mississippi	[1] 2.9	[1] .3
North Carolina	3.3	0
South Carolina	[1] 4.2	[1] 1.6
Tennessee	[1] 2.4	[1] 1.1
Virginia	[1] 6.7	[1] −3.5
West Virginia	6.3	1.4
Southwest:		
Arizona	.5	[1] −11.9
New Mexico	[1] 18.2	[1] −3.2
Oklahoma	[1] 17.4	[1] 4.4
Texas	13.6	9.4
Rocky Mountain:		
Colorado	1.0	−6.1
Idaho	0	−16.1
Montana	9.9	4.2
Utah	3.0	−.6
Wyoming	52.0	11.0
Far West:		
California	[1] .5	[1] −4.5
Nevada	[1] 12.5	[1] 5.1
Oregon [1]	0	.3
Washington [2]	0	−2.1
Alaska	[1] −7.1	[1] 8.8
Hawaii	17.1	3.7

[1] Includes contingency fund.

[2] Figures compare changes in the fiscal year 1979–81 biennium budget period to the fiscal year 1981–83 budget period. Annual figures are not available.

Notes.—

Alabama: Figures shown combine the general fund and the education fund. Then fiscal year 1983 general fund revenue projections indicate a $6 million deficit, while the education fund shows a $25.1 million balance which will be prorated to $0 by the end of the fiscal year.

Alaska: The revenue and expenditures figures do not reflect reversions and changes to other funds that relate to the general fund.

Arkansas: A $50 million working capital fund is included in the balance, but it is used solely for cash flow purposes.

California: The projected deficit estimates range from $1 to $1.8 billion.

Illinois: State officials require that a $200 million balance is necessary for cash flow purposes, so that the real shortfall is $200 million.

Maine: Projecting $1.2 million fiscal year 1982 balance, but actual revenues are down by $4.5 million. Also, in November 1982 the voters passed a personal income tax measure that is retroactive to tax years 1981–82 which will cost the state $32 million in tax rebates. This initiative is likely to be amended by the legislature.

Minnesota: A deficit was allowed in fiscal year 1982 as long as the budget is balanced at the end of the biennium which is June 30, 1983.

Montana: Fiscal year 1982 revenues came in higher than originally anticipated, so fiscal year 1983 revenues were revised upward. In January 1983, fiscal year 1983 revenue estimates were revised downward.

Nebraska: Fiscal year 1982 closing balance and fiscal year 1983 balance forward does not include $18.6 million of outstanding interfund borrowing.

New Jersey: Figures shown combine the general fund and the property tax relief fund.

Ohio: Unofficial revenue estimates show the general fund short $200 to $500 million.

Oklahoma: Due to unique budgeting methods, carryovers and balances may not be comparable to other states.

Oregon: Unofficial revenue estimates show the general fund balance lower than indicated in this table.

Tennessee: Unofficial revenue estimates show the general fund short $130 to $140 million. Monthly allotment holdbacks have already been initiated and savings to date total $42 million.

Texas: Figures shown combine the general fund with other major State funds.

Utah: The uniform school fund is combined with the general fund.

TABLE 2.—PROJECTED YEAREND BALANCES, FISCAL YEAR 1982 AND FISCAL YEAR 1983

Balance as a proportion of annual appropriations	Fiscal year 1982		Fiscal year 1983 as projected in January 1983
	As projected in January 1982	Actual	
Deficit	13	5	19
1 percent or less	17	14	12
1.1 to 3 percent	3	10	8
3.1 to 5 percent	6	4	5
More than 5 percent	11	17	6

Many more states would have been classified as expecting a deficit were it not for the budget cuts and tax increases which have already been implemented (described in Appendices A and B). Likewise, most or all of the states presently projecting a deficit will restore a balanced budget before the end of the fiscal year by raising revenue, reducing spending, or some combination of the two. Only five states finished 1982 with deficits, although 13 had projected one in the January survey by NCSL.

During the past five years, there have always been at least a half dozen states with large balances of 10 percent or more, but that is not true at the present time. Only Wyoming reports a balance of that magnitude. The main reason for the absence of states with large balances is the downturn in the oil industry. Last year in January five of the seven states projecting balances over 10 percent were among the major oil producing states.

Questions sometimes arise as to how it is possible for states to finish their fiscal years with deficits. In some states the balanced budget requirement applies only at the end of a biennial budget period, not at its midpoint. Elsewhere, states must adopt a balanced budget but are not forced to make adjustments if an unexpected deficit arises. In most states, however, the actual budget (not merely the enacted one) must be balanced at the end of each fiscal year.

Actions already taken

Revenue shortfalls have forced most states to amend the budgets they had initially enacted for FY 1983. Table 3 shows the percentages by which spending and revenues have been raised or lowered from the levels incorporated in the initial budgets. The great majority of changes are in a downward direction.

TABLE 3.—PERCENTAGE CHANGE IN REVENUES AND APPROPRIATIONS DURING FISCAL YEAR 1983

	Revenues	Appropriations
New England:		
Connecticut	−1.5	0.7
Maine	0	0
Massachusetts	0	0
New Hampshire	−6.1	−5.1
Rhode Island	−3.6	.7
Vermont	−5.4	−2.8
Mideast:		
Delaware	−4.4	−2.0
Maryland	−.4	−.7
New Jersey	2.5	.9
New York	−2.2	−.9
Pennsylvania	−2.3	0
Great Lakes:		
Illinois	−5.2	−2.7
Indiana	−12.8	−11.8
Michigan	−11.2	4.4
Ohio	−2.5	−2.9
Wisconsin	11.4	−1.8
Plains:		
Iowa	−6.5	−3.5
Kansas	−2.7	−4.4
Minnesota	−11.4	−16.2
Missouri	−3.9	−4.1
Nebraska	−2.2	−1.5
North Dakota	−36.7	7.2
South Dakota	−2.6	.3
Southeast:		
Alabama	−7.1	−7.9
Arkansas	−2.7	−2.7
Florida	−8.7	−7.7
Georgia	−2.7	−1.4
Kentucky	−4.0	−2.7
Louisiana	−6.5	−1.8
Mississippi	−7.1	−6.9
North Carolina	−3.7	−3.6
South Carolina	−3.8	−3.8
Tennessee	0	0
Virginia	−4.3	−2.3
West Virginia	−7.3	−8.9
Southwest:		
Arizona	−12.4	−4.0
New Mexico	−3.4	0
Oklahoma	0	−9.1
Texas	−3.5	0
Rocky Mountain:		
Colorado	−13.4	−.7
Idaho	−25.4	−5.2
Montana	8.5	5.4
Utah	−4.0	−1.4
Wyoming	−4.2	0
Far West:		
California	−3.1	3.2
Nevada	−15.2	−11.1
Oregon [1]	−7.6	−7.0
Washington [1]	−9.6	−7.3
Alaska	29.8	0
Hawaii	−5.7	0

[1] Figures compare changes in the fiscal years 1979–81 biennium budget period to the fiscal years 1981–83 budget period. Annual figures are not available.

Spending Reductions: One of the most dramatic signs of state fiscal problems is that 35 states have already reduced spending below the level set when the 1983 budget was adopted. Most of these reductions were considered necessary to avoid deficits although in some instances these actions were taken to prevent balances from falling to an undesirably low level.

A description of these budget cuts is provided in Appendix B. Most reductions were on an across-the-board basis, with exemptions for welfare, Medicaid, aid to local governments including public schools, and certain other programs. In many states, however, aid to local governments has been reduced below the amount budgeted, although aid was often cut by a smaller percentage than funds for states agencies. In a few states, even income maintenance programs have been reduced.

These spending reductions are occurring in budgets which were fairly lean when originally passed. The average increase in appropriations for FY 1983 was less than 8 percent before the cuts.

Tax increases: From July to late November, the only response to disappointing revenue collections was to reduce spending. In the last several weeks of 1982, five states went into special session and increased their sales and/or income taxes.

Minnesota raised its sales tax from 5 percent to 6 percent and added a 3 percent

surtax on an already existing surtax of 3.5 percent. Both actions expire June 30, 1983.

Indiana raised its sales tax from 4 percent to 5 percent and also increased its income tax. Both actions are permanent.

New Jersey raised its sales tax from 5 percent to 6 percent and increased the income tax rate for returns over $50,000. Both actions are permanent.

Mississippi temporarily raised its sales tax from 5 percent to 5.5 percent effective in 1984 and increased its income tax beginning in 1983.

Nebraska increased its income tax from 17 percent to 18 percent of federal income tax liability.

The results of recent special sessions are described further in Appendix A.

Many actions taken by states during 1982 were in the nature of stop-gap measures: they helped to balance the FY 1983 budget but often left unresolved problems for FY 1984. Examples include acceleration of tax payments, postponement of expenditures, interfund transfers, and issuance of short term debt. See Appendix C for details on which states employed each of these devices.

Acceleration of tax payments: Seventeen states speeded up tax collections, providing them with a one-time windfall. For example, Missouri is now collecting income tax withholding from large firms on a weekly basis rather than monthly, netting the state an additional $34 million this year.

Postponement of payments: Eighteen states deferred certain expenditures into the next fiscal year. For example, in a special session Indiana postponed over $250 million in payments to local governments until FY 1984. Michigan recently postponed $500 million of aid payments. Other states that deferred expenditures include California, Illinois, Minnesota, New Jersey, and Wisconsin.

Interfund transfers: In order to cope with cash flow problems, at least 16 states borrowed from pools of money other than the general fund. One state to do this was Wisconsin, which temporarily borrowed $200 million and must repay this loan with interest. Other states include Illinois, Michigan, Nebraska, Oregon, New York, and Utah. States that transferred funds directly into the general fund and are not obligated to repay the funds include California, Kentucky, and New Hampshire.

Short term debt: This past year several states borrowed in the short term credit market in response to cash shortages. In July 1981, Minnesota legislators raised the short term debt limit from $100 million to $360 million, and in January 1982 increased the limit again to $850 million. The full $850 million must be repaid by the end of June 1983. New Hampshire also raised its debt limit from $40 million to $60 million.

Michigan, which has been particularly hard hit as a result of foreign trade competition, obtained a loan guarantee from Japanese bankers so that the $500 million borrowed in October 1982 would carry a lower investment risk and reduce Michigan's interest payments.

California, Idaho, Rhode Island, and Washington were other states that borrowed unusually large amounts in FY83 to help pay bills.

Growth of revenues and expenditures

The median increases for FY 1983 after taking revisions into account are 5.5 percent for revenues and 6.4 percent for expenditures. These increases are lower than the inflation rate for goods and services states purchase (which has been increasing more rapidly than prices of consumer purchases).[5] Table 4 shows the reported increases for each state.

TABLE 4.—PROJECTED GROWTH RATES OF GENERAL FUND REVENUES AND EXPENDITURES, 1982 to 1983

	Percentage change	
	Revenue	Spending
New England:		
Connecticut	6.7	8.4
Maine	7.7	9.4
Massachusetts	5.5	4.9
New Hampshire	7.2	.6
Rhode Island	5.2	6.4
Vermont	15.0	18.3
Mideast:		
Delaware	4.9	7.2
Maryland	5.7	10.3
New Jersey	11.4	9.3
New York	1.8	5.3
Pennsylvania	4.5	5.4
Great Lakes:		
Illinois	1.4	3.6
Indiana	4.8	.7
Michigan	−8.2	5.6
Ohio	14.9	15.6
Wisconsin	6.1	19.0
Plains:		
Iowa	1.4	4.1
Kansas	11.2	6.3
Minnesota	12.8	−21.6
Missouri	7.9	7.1
Nebraska	19.1	2.4
North Dakota	−10.9	−.7
South Dakota	−.3	4.3
Southeast:		
Alabama	2.6	2.6
Arkansas	5.3	5.7
Florida	8.0	5.7
Georgia	7.5	7.5
Kentucky	6.4	9.4
Louisiana	.9	.8
Mississippi	.8	.2
North Carolina	5.0	6.8
South Carolina	9.3	9.2
Tennessee	16.5	17.0
Virginia	6.4	13.8
West Virginia	−1.6	2.3
Southwest:		
Arizona	−3.8	−1.5
New Mexico	3.0	15.0
Oklahoma	27.1	15.0
Texas	2.8	11.1
Rocky Mountain:		
Colorado	12.6	17.4
Idaho	−9.6	8.2
Montana	−1.3	−4.1
Utah	7.4	11.7
Wyoming	5.4	50.5
Far West:		
California	.6	2.8
Nevada	−9.3	.9
Oregon [1]	10.8	0
Washington [1]	24.1	17.9
Alaska	−15.2	−85.0
Hawaii	2.2	13.3

[1] Figures compare changes in the fiscal year 1979–81 biennium budget period to the fiscal year 1981–83 budget period. Annual figures are not available.

Interpretation of increases for many states is difficult because of devices employed to maintain budget solvency. As noted above, eighteen states deferred spending from one year to the next, while 17 states accelerated tax collections into an earlier year. Such actions can seriously distort comparisons between years. For example, suppose that spending is planned to rise from $1.00 billion to $1.05 billion, a 5 percent increase. Then, in order to avoid a deficit in the earlier year, $.05 billion of spending is deferred from the first year to the second. Since the spending levels will now be $.95 billion and $1.1 billion respectively, the percentage increase between the two years is nearly 16 percent rather than 5 percent. California, Colorado, Illinois, and New Jersey are among the states where this occurred.

[5] U.S. Office of Business Economics, Surveys of Current Business.

Rate of revenue inflow

As Table 5 shows, nearly every state reporting indicated that revenue was coming in more slowly than had been anticipated. Only three states responding to this question did not indicate that it faces a shortfall. States with particularly large shortfalls were Colorado, Idaho, and Michigan. As noted above, states with large petroleum industries have not been spared in this recession. Collections have been depressed not only for severance taxes (i.e., those directly on the extraction of oil and gas), but also for personal and corporation income taxes and general sales taxes.

TABLE 5.—FISCAL YEAR 1983 REVENUE SHORTFALLS AS OF JANUARY 1983

[Dollars in millions]

	Amount of projected shortfall	Percent of general fund revenues
Alabama	$130–160	6.7–8.2
Alaska	[1]	
Arizona	220	13.5
Arkansas	27	2.6
California	1,000–1,800	4.6–8.3
Colorado	170–200	9.7–11.4
Connecticut	49	1.5
Delaware	29.6	4.2
Florida	390–411	7.5–7.9
Georgia	100	2.7
Hawaii	70	5.4
Idaho	94	20.3
Illinois	362–435	4.1–4.9
Indiana	282	12.5
Iowa	126	6.1
Kansas	39	2.7
Kentucky	75–89	3.2–3.8
Louisiana	250–400	6.1–9.8
Maine	4.5	.7
Maryland	12	.4
Massachusetts	[1]	
Michigan	660–900	14.4–19.7
Minnesota	500	10.2
Mississippi	85	6.9
Missouri	86–95	3.7–4.1
Montana	[1]	
Nebraska	16.8	2.1
Nevada	68	16.2
Mew Hampshire	19.6	5.7
New Jersey	60–100	1.0–1.7
New Mexico	160	12.9
New York	579	3.3
North Carolina	126	3.6
North Dakota	123	26.9
Ohio	178–400	2.5–5.6
Oklahoma	26	1.5
Oregon (biennium)	221	7–1
Pennsylvania	188	2.5
Rhode Island	35	4.1
South Carolina	75	3.7
South Dakota	7	2.5
Tennessee	130–140	4.0–4.4
Texas	340	3.3
Utah	70	7.4
Vermont	17	5.1
Virginia	130–206	4.1–6.5
Washington (biennium)	632	8.2
West Virginia	91	6.8
Wisconsin	423	10.2
Wyoming	16	4.0

[1] Revenue equaled or exceeded projection.

Employment policies

After rising for 35 years, state workforces have been decreasing since mid-1981, according to data collected by the Bureau of Labor Statistics (BLS).[6] NCSL survey data supports the BLS findings. Twenty-eight of the states surveyed have reduced the level of their state workforce from 1981 to 1982. In comparison, the average annual growth of state employment was 3.3 percent between 1969 to 1980. The largest decreases in 1982 occurred in Nevada, New Hampshire, and Michigan, where employment declined 16

[6] According to the U.S. Bureau of Labor Statistics state employment in October 1982 was 1.5 percent below its level a year earlier.

percent, 10 percent, and 7.3 percent respectively.

Appendix D reports changes in employment levels and other policies affecting workers.

In addition to cutting back employment levels, 21 states currently have a hiring freeze in effect. Other states effectively have an "informal" hiring freeze since budget cuts have deterred agencies from filling vacant positions. In January 1983 California became the latest state to initiate a freeze, while other states such as North Carolina, Iowa, and Illinois have had hiring restrictions in effect since at least 1980.

Seventeen states postponed, scaled down, or eliminated scheduled Cost of Living Adjustments (COLA) and/or merit raises for state employees due to budget problems. For example, North Dakota reduced the average COLA from 8 percent to 4 percent, and California eliminated a 5 percent COLA, for savings of 1.4 billion.

Financially hard-pressed states also adopted more drastic measures to cut employee costs such as: reducing the hours worked during the work week; initiating mandatory furloughs or "payless vacation" days; and adopting a lagged payroll which lengthens each pay period until one entire payroll is deferred into the next fiscal period.

More specifically, during a December special session, Minnesota legislators decided to temporarily transfer part of the cost of the state pension program to employees, resulting in a 2 percent wage reduction. This action saved the state $63 million. Several states considered reducing work weeks, although only Oregon came close in adopting this option for FY83 by reducing the 40-hour work week to 36 hours. In negotiations with the unions, this measure was exchanged for elimination of a COLA. Thus far, only Idaho has temporarily reduced the work week for the last 6 weeks of FY82 to balance the budget.

In a similar action, Illinois asked state employees to take 5 day furloughs throughout this fiscal year, while in Alabama negotiations are under way for public safety employees to take 1 day unpaid leave every 2 weeks.

In New York and Washington less drastic action was taken when these states endorsed a plan to defer one pay period into the next fiscal year. Employees in Washington took the state to court over this action, but the court upheld the right of the state to enact this policy.

At NCSL's Annual Meeting in July 1982, George Peterson of the Urban Institute stated that state employees had been hit harder than any other group by state budget ajdustments up to that time.[7] That still appears to be true.

REGIONAL PATTERNS

Table 6 shows how the prospective year-end balances for 1983 vary across the country. Fiscal distress is found in all regions. Each of the eight regions of the country has at least two states with a prospective deficit. In all regions except the Plains, at least half of the states anticipate a balance of 1 percent of less. New England has the most uniformly dismal fiscal conditions, with every state projecting a balance of 1 percent or less.

TABLE 6.—GENERAL FUND BALANCES FOR YEAREND, 1983 BY REGION

Region	Percent				Deficit	Total
	Over 5	3.1 to 5	1.1 to 3	0 to 1.0		
New England	0	0	0	2	4	6
Mideast	1	0	1	1	2	5
Great Lakes	0	0	1	2	2	5
Plains	1	1	3	0	2	7
Southeast	0	1	3	6	2	12
Southwest	1	1	0	0	2	4
Rocky Mountain	1	1	0	0	3	5
Far west	2	1	0	1	2	6
Total	6	5	8	12	19	50

The Sunbelt is no better off than other regions. Deficit states in the South include Louisiana, Virginia, Arizona, and New Mexico. Two of these states—Louisiana and New Mexico—are among those where booming severance taxes during the late 1970s and early 1980s had produced overflowing state treasuries. Due to the "oil glut" severance tax collections in 1982 fall short of 1981 levels.

The figures in Table 6 illustrate why the year-end balance can be a misleading indicator of budget problems. Fiscal conditions in New England are no worse than in the Pacific Northwest or the Great Lake states—the two hardest hit regions of the country—but several states in those regions, such as Indiana, Ohio, Wisconsin, Oregon, and Washington, have already raised taxes and cut expenditures sharply. No New England state other than Vermont raised its sales or income tax in 1982, nor have most New England states made large spending reductions in FY 1983 budgets.

Table 7 examines regional patterns from another perspective—differences in the size of revenue shortfalls. The Great Lakes, Rocky Mountain, and Far West states had the highest proportion of states with shortfalls of 5 percent or more.

TABLE 7.—REVENUE SHORTFALLS BY NUMBER OF STATES, BY REGION

Region	Under 5 percent	Over 5 percent
New England	3	2
Mid-East	6	0
Great Lakes	1	4
Plains	4	3
Southeast	6	6
Southwest	2	2
Rocky Mountain	1	4
Far West	1	5

Note.—In cases where the revenue shortfall was estimated within a range, the high point of the range was used to classify the state.

In general, Great Lake states such as Indiana, Ohio, Wisconsin, Minnesota, and Michigan and states of the Pacific Northwest—Idaho, Oregon, and Washington—have had the most serious fiscal problems during the past year.[8]

Figure 1 shows unemployment rates in each state for November 1982. While there are exceptions, the states with extremely high unemployment rates tended to have more serious state fiscal problems.

CAUSES OF FISCAL PROBLEMS

Several factors have contributed to the serious fiscal problems facing most state governments. The recession is the most important consideration, since people who are unemployed pay little if any income tax and relatively little sales tax, while companies with low profits pay little if any corporate income tax. The decrease of inflation added to states' problems, since it lowered the yields from the sales tax and other taxes while having a much smaller impact on costs. The reduction of federal aid also contributed to state fiscal woes, although it had less effect than the impact of the recession. Finally, the legacy of the state tax cuts enacted in reaction to the Tax Revolt of the late 1970s sharply reduced the revenue which many states had available. As Table 8 shows, in 44 states the tax burden as a proportion of personal income decreased between 1978 and 1982. Nationally, state taxes fell from 6.98 percent to 6.48 percent of personal income during that period.[9]

TABLE 8.—*Unemployment rates by State, November 1982*

Alabama	15.3
Alaska	9.8
Arizona	10.4
Arkansas	10.0
California	11.0
Colorado	8.9
Connecticut	6.9
Delaware	9.2
Florida	9.5
Georgia	8.0
Hawaii	7.0
Idaho	8.6
Illinois	12.7
Indiana	13.0
Iowa	8.5
Kansas	7.1
Kentucky	10.7
Louisiana	10.7
Maine	7.0
Maryland	7.7
Massachusetts	6.5
Michigan	16.4
Minnesota	8.6
Mississippi	11.9
Missouri	9.4
Montana	9.4
Nebraska	6.2
Nevada	11.3
New Hampshire	7.0
New Jersey	9.4
New Mexico	9.9
New York	9.5
North Carolina	9.5
North Dakota	6.9
Ohio	14.0
Oklahoma	6.6
Oregon	11.9
Pennsylvania	11.6
Rhode Island	9.5
South Carolina	10.8
South Dakota	5.6
Tennessee	11.8
Texas	7.6
Utah	8.7
Vermont	6.7
Virginia	8.1
Washington	12.4
West Virginia	16.4
Wisconsin	11.0
Wyoming	6.9

[7] George Peterson, "The Pattern of Legislative Cutbacks: Nine Propositions," in The Legislative Role in Budget Cutback Management (NCSL, Legislative Finance Paper 30, 1982).

[8] Minnesota is classified as a Plains State in Table 6 and Table 7.

[9] Steven Gold, "Recent Developments in State Finances" (NCSL, Legislative Finance Paper 33, 1983).

TABLE 9.—STATE TAX REVENUE PER $1,000 OF PERSONAL INCOME, SELECTED FISCAL YEARS

State	1970	1974	1978	1982
Alabama	$72.11	$74.26	$74.90	$68.20
Alaska	68.28	63.41	130.71	449.77
Arizona	83.07	76.98	87.49	69.50
Arkansas	70.81	75.21	77.98	68.17
California	65.91	70.08	86.70	75.65
Colorado	62.10	65.08	64.64	50.23
Connecticut	53.82	59.84	61.88	58.15
Delaware	88.21	92.59	100.46	89.75
Florida	63.45	73.74	66.63	54.14
Georgia	66.04	72.03	71.93	65.90
Hawaii	111.26	108.00	111.42	98.51
Idaho	75.53	75.41	82.06	70.39
Illinois	60.60	62.98	66.11	60.80
Indiana	53.13	63.15	66.54	57.48
Iowa	63.66	65.63	70.81	65.69
Kansas	53.23	58.13	63.34	56.09
Kentucky	76.40	82.07	89.59	80.79
Louisiana	80.55	89.19	85.40	76.11
Maine	69.51	80.16	84.78	75.53
Maryland	70.56	70.65	76.75	65.36
Massachusetts	61.33	72.14	78.66	74.79
Michigan	66.98	73.33	78.28	63.51
Minnesota	75.92	92.02	97.38	86.04
Mississippi	92.81	92.02	91.03	78.19
Missouri	51.03	56.46	55.86	48.52
Montana	59.31	65.16	72.57	71.03
Nebraska	46.96	49.91	64.84	52.79
Nevada	73.21	79.86	77.21	75.44
New Hampshire	38.07	44.48	43.34	34.82
New Jersey	43.95	47.79	58.71	62.08
New Mexico	94.99	102.69	109.19	108.41
New York	75.16	81.73	80.94	76.48
North Carolina	79.19	80.01	79.55	73.53
North Dakota	65.68	60.00	76.56	79.51
Ohio	42.21	51.20	54.54	52.02
Oklahoma	64.17	67.27	73.78	85.34
Oregon	59.31	65.25	69.60	58.54
Pennsylvania	64.32	77.56	75.83	66.57
Rhode Island	65.06	70.84	72.37	70.92
South Carolina	77.47	85.20	84.30	76.96
South Dakota	56.49	51.29	54.48	53.39
Tennessee	61.39	64.15	68.52	55.19
Texas	54.17	60.99	68.52	57.28
Utah	80.33	77.07	80.69	75.49
Vermont	94.80	95.50	83.10	73.54
Virginia	61.90	64.15	66.27	57.89
Washington	78.52	76.93	88.91	72.93
West Virginia	91.31	85.85	88.13	89.64
Wisconsin	86.68	93.64	96.40	82.05
Wyoming	78.73	74.98	94.20	131.45

Source: U.S. Census Bureau.

COMPARISON WITH NATIONAL GOVERNORS' ASSOCIATION SURVEY

In December 1982 the National Governors' Association and the National Association of State Budget Officers published a survey very similar to the present one, "Fiscal Survey of the States: December 1982 Update." In a news release accompanying the report, it was noted that ". . . the fiscal situation in the states is probably worse than portrayed here. Several states have not recently updated their estimates; and since revenues across the country were lower than expected this fall, these early estimates will no doubt prove optimistic."

The current survey confirms the NGA-NASBO prediction. Since the information in this survey is more current than that reported by NGA and NASBO, it is not surprising that the outlook is bleaker than the earlier report described. For the 41 states reporting in the NGA-NASBO survey, this survey has lower fiscal year 1983 year-end balances in 19 states, roughly the same balances in 17 states, and higher balances in only 5 states. In four of the five cases where the NGA-NASBO figure was lower, the discrepancy can be explained by state budget adjustment actions adopted since the earlier survey or by the inclusion in this report of "rainy day funds" which NGA-NASBO did not include. (In this comparison, if the difference in year-end balance was projected to be less than one percent, the two surveys were considered to be in agreement.)

The eight states where the current survey portrays a considerably weaker fiscal situation than NGA-NASBO are:

PROJECTED FISCAL YEAR 1983 BALANCE

	NCSL	NGA-NASBO
Connecticut	−1.9	0.1
Michigan	−13.8	0
Iowa	−4.0	.5
Louisiana	−3.5	.5
Colorado	−6.1	−1.7
Idaho	−16.1	.7
Montana	4.2	10.4
Wyoming	11.0	26.9

Despite these differences, the two surveys are in substantial agreement as to the severity of state fiscal problems. As the NGA-NASBO report states, "The recession and other factors have caused state fiscal conditions to deteriorate badly through 1982." The accompanying news release added, "This is the ninth NGA-NASBO report and is by far the bleakest yet."

CONCLUSION

It appears that legislators and governors will face very tough decisions as they develop budgets for fiscal year 1984. Although this report has concentrated on prospects for the current fiscal year, the magnitude of problems in the year beginning July 1 is even greater. Early revenue projections, based on current service levels, indicate ballooning revenue shortfalls. Some examples:

California is forecasting a shortfall as high as $4.5 billion.

New York's impending deficit may be $1.8 billion.

Wisconsin and Minnesota face biennial budget gaps of $1.3 billion and $1.5 billion respectively. The shortfall in Wisconsin had been estimated at $2.5 billion prior to a recent special session at which some temporary tax increases were made permanent.

Reports from around the country as well as the results of special sessions held in December suggest that 1983 will see more increases of major state taxes than any year in more than a decade. This does not mean that states are increasing the size of government. As John Shannon, Assistant Director of the U.S. Advisory Commission on Intergovernmental Relations, said recently: [10]

"The evidence suggests that a major state tax increase is a signal of fiscal desperation—not the proof that the big spenders are once again in the saddle. Since Proposition 13, a state government only turns to its citizenry for a major tax transfusion when it is clearly apparent that the state is suffering a severe fiscal hemorrhage—a large revenue shortfall due to the economic recession."

Tax increases of 1983 should be viewed in the context of the tax reductions of recent years. When states raise taxes in 1983, they will often be recouping some of the revenue given away during the recent period of tax relief.

A year ago we wrote, "one implication of this survey is that in most states budget deliberations this year will be more excruciating than usual." That is also true this year. Legislators and governors do not enjoy raising taxes or cutting popular programs, but that course appears inevitable.

Budget-making in the states contrasts sharply with budget-making in Washington, D.C. When states confront deficits, they nearly always act to eliminate them. Fiscal discipline is much stronger in the state capitols than in our national capital.

[10] John Shannon, "Fiscal Federalism after Proposition 13: Federal and State-Local Spenders Go Their Separate Ways" (Paper presented at American Economic Association meetings, Dec. 29, 1982).

APPENDIX A.—FISCAL YEAR 1983 SPECIAL SESSIONS

Indiana

A special session was held in December to resolve an estimated $452 million shortfall. Actions include: permanently raising the sales tax from 4 percent to 5 percent beginning January 1983; permanently increasing the flat rate personal income tax from 1.9 percent to 3 percent beginning January 1983; postponing $286 million in payments to fiscal year 1984; and cutting the budget $59 million.

Minnesota

In December with a $312 million deficit projected for the remainder of the fiscal year 1981-83 biennium, the legislature chose to: add a 3-percent personal income tax surcharge on top of the 3.5-percent surcharge enacted for 1983 earlier, with both scheduled to sunset in June 1983; made the temporary sales tax increase from 4 percent to 5 percent permanent; enacted a temporary 1-percent sales tax increase bringing the rate to 6 percent which will expire June 1983; shift $100 million of payments to fiscal year 1984; lower benefits for State employees; and cut the budget $79 million.

Mississippi

The Governor called a special session in December to propose a State public school kindergarten program and raise the appropriate revenue. The legislature voted to: increase the sales tax from 5 percent to 5.5 percent effective January 1984 to December 1986; and created a third top tax bracket of 5 percent for taxpayers with income over $10,000 effective January 1983 to December 1986.

Nebraska

In November, the legislature met and cut the budget by $18.1 million. The Board of Equalization: postponed the scheduled sales tax decrease from 3.5 percent to 3 percent from December 1982 to December 1983, and increased the personal income tax from 17 percent to 18 percent of Federal tax liability retroactive to tax year 1982. This will automatically increase the corporate income tax since this tax rate is tied to a percentage of the personal income tax rate.

New Jersey

During the last week in 1982, the legislature met in a special session and: permanently raised the sales tax rate from 5 percent to 6 percent January 1983; increased the top personal income tax bracket from 2.5 percent to 3.5 percent on income in excess of $50,000 effective January 1983; ordered the Governor to cut the budget by $30 million; and provided for supplemental appropriations of $85 million primarily for aid to education that was cut out earlier.

New York

The legislature resolved the $200 million deficit faced by the Mass Transit Authority in New York City by raising all business taxes for 2 years in areas served by the MTA. The State deficit and New York City deficit remains unresolved.

Wisconsin

In a special session during the first week in January, the legislature made the previously enacted temporary sales tax and cigarette tax increase permanent.

APPENDIX B.—STATE BUDGET CUTS IN FISCAL YEAR 1982 AND FISCAL YEAR 1983

State	Fiscal year 1982 budget cuts	Fiscal year 1983 budget cuts (actual and pending)
Alabama		In October 1982, general fund was over $55 million or 12.4 percent. Education fund cut $96.4 million or 6.7 percent.
Arizona	Cut 5 percent across the board exempting corrections	Agency budgets cut 10 percent in July 1982 to save $65 million. Shortfall of $155 million pending.
Arkansas		Budget reduced by 2 percent or $27.5 million. Second shortfall of $17 million pending.
California	Cut $67 million or 2 percent from State agency budgets	Cut $70 million or 2 percent from state agency budgets. Shortfall of $1.5 billion pending.
Colorado	Cut 1 percent across the board	Cut 2 percent across the board to save $30 million in October 1982. Second shortfall of $102 million currently pending.
Connecticut		Cut 5 percent from agency budgets in January 1983. Will save about $20 million. $60 million shortfall will probably roll over into next fiscal year.
Delaware		Shortfall of $28 million. Options include cutting the budget or spend down rainy day fund.
Florida	Cut $27 million in agency budgets. Remainder of $190 million shortfall was taken from working capital fund.	First across-the-board budget cut in August 1982 totaled $109 million or 2 percent of the budget, with no program exemptions. Second across-the-board in December, cut another 2.5 percent to save $136 million. Remaining shortfall $166 million made up with other budget adjustments.
Georgia		State agency budgets cut by $106 million. Cut represents 2.8 percent of total general fund budget.
Idaho	Cut 4 percent across the board with only 2 months left in fiscal year 1982 to save $17 million. State employees worked 4-day workweeks for 6 weeks.	Cut 10.5 percent across the board, exempting school aid and corrections, to save $19 million. Second shortfall of $70 million pending.
Illinois		Cut $164 million in selective cuts; second shortfall pending.
Indiana		Budget cut 4.5 percent or $117 million for biennium. Second shortfall for fiscal year 1984 totaled $452 million or 19 percent of budget. Primarily raised taxes in special session with some cuts.
Iowa		Voluntary State agency cuts totaling $70 million or 3.4 percent of general fund. Second shortfall of $80 million pending.
Kansas		Agency budgets cut 4 percent or $22.5 million from budgets in July. Second short fall of $60 million partially corrected with 4 percent cuts to school and entitlement budgets saving $22 million.
Kentucky	Cut 6 percent across the board to save $282 million	Revenues are down by $102 million. Cut 3 percent of the budget, but exempted higher education, K–12, and entitlement programs. This cut will also apply to fiscal year 1984.
Louisiana		Cut agency budgets $76 million in October. Represents 1.8 million of general fund. Second shortfall of $149 million pending.
Maine		This past election, an indexing measure was passed by the voters which will cost the State an estimated $32 million. In addition, revenues are down $4.5 million.
Maryland		Cut 1.5 percent or $10 million from agency budgets in November. Exempted Department of Public Safety and Corrections.
Michigan	Total cuts were $778 million or 15 percent of general fund. There were 4 rounds of selective cuts.	No cuts enacted, but current revenue shortfall is $660 to $900 million or 14.4 percent to 19.7 percent of total general fund budget.
Minnesota	Budget cut 5 percent for biennium or $450 million	In December 1982, special session additional cuts were made totaling $145 million.
Mississippi	Cut $59 million or 4.8 percent from general fund. Reduced ½ of the scheduled increase from the prior year.	Projected $85 million shortfall. Cut the budget 1.5 percent to save $20 million.
Missouri	In June 1981, cut $75 million or 3.5 percent of general fund in selective cuts	In October 1982, cut $95.3 million or 4.1 percent; 10 percent in agency budgets and 5 percent higher education and K–12 budgets.
Nebraska	In November 1981, cut $17.1 million or 2.3 percent of the general fund. Exemptions include aid to local governments and schools, welfare, and corrections.	In November 1982, cut $16.3 million or 2.2 percent of the budget with few exemptions.
Nevada		Cut $33.6 million or 7.9 percent of general fund in selective cuts.
New Hampshire	In 1981 session, cut 10 percent in personal services for both fiscal year 1982 and fiscal year 1983 to save $14 million.	In addition to the cut made in the 1981 session, in the 1982 session another cut of 5 percent was enacted. Also in January 1983, a 4 percent across-the-board cut was made to save $15.7 million.
New Jersey		In January 1983, selective cuts of $30 million or ½ of 1 percent of the general fund were made. Aid to local government was not affected.
New Mexico		Revenue estimates down $165 million. $100 million will be made up with contigency funds. Remaining $65 million may be made up with 3.5 percent cuts.
North Carolina	In November 1981, 5 percent of the budget was frozen to save $150 million	In July 1982, a 5 percent across-the-board cut was enacted and in September was increased to 6 percent to save $127 million. Smaller cuts to public school and human service programs were made.
North Dakota	In Noermber 1981, cut $26.7 million from State agency budgets for the biennium. Total equals 3 percent of general fund.	The November 1981 cut was also applied to fiscal year 1983.
Ohio	In February 1982, cut $102.6 million or 1.7 percent of general fund. Selective cuts exempted welfare and medicaid. In March 1982, cut another $56 million in across-the-board cuts (some exemptions) or 0.9 percent of general fund. In April 1982, cut $50.9 million or 0.8 percent of general fund.	In July 1982, cut $321 million or 4.6 percent of general fund. Most State agencies were cut 10 percent. Second short fall of $200–$500 million pending.
Oklahoma		October allotments held back 5.5 percent to save $8 million. November allotment held back 13 percent to save $18 million. Basic school aid, welfare, and medicaid cut only 4 percent.
Oregon	In March 1982, selectively cut $126.5 million. Reduced property tax relief program. basic school support (3.6 percent), and State agencies (up to 6.4 percent).	In June 1982, cut selectively $73.7 million from agency budgets, employee salary adjustment, property tax relief program, and basic school support. In September 1982, cut $14 million in agency budgets and property tax relief program. Total cuts equal 6.9 percent of general fund.
Pennsylvania	Cut general fund 1 percent across the board exempting certain basic educational subsidies to save $44 million.	$164 million shortfall pending.
Rhode Island	Budget cut selectively $10 million or 1.2 percent in December 1981	$35 million shortfall pending million.
South Carolina	Cut 2.2 percent across the board exempting debt service in December 1981 to save $40 million.	Cut the budget 4.6 percent to save $80 million.
Tennessee		Monthly cuts in allotments amount to $42 million or 2.2 percent of the general fund. Cuts were selective exempting public shcool aid, but cutting high education 5 percent. Total projected shortfall is $130–$140 million.
Utah		2 percent voluntary cuts in the general fund and the uniform school fund to save $18 million. Second shortfall was $30 million corrected with a one-time windfall due to a court decision.
Vermont	Selectively cut $2 million or 1 percent of general fund	Selecetively cut $4.3 million or 1.3 percent of general fund. General fund still short $8 million.
Virginia		Cut State agency budgets $55.1 million in October. Cuts total 1.8 percent of general fund. State agency budgets cut $55 million in October. Cuts total 1.8 percent of general fund. Revenues are down another $130 million and a second cut is expected.
Washington	Budget cut 5 percent across the board in April, exempting certain programs to save $180 million for fiscal year 1981–83 budget period.	Special session in June to make up $253 million shortfall with cuts and revenue increases. Recent projections show another $145 million shortfall.
West Virginia	In January 1982, general fund budget cut by 2.4 percent to save $30 million. Most agencies cut 5 percent. Certain programs exempted.	In November 1982, budget reduced by $22 million with most agencies cut 3 percent (K–12 exempted). In January 1983, the budget was cut another $70 million to increase the cut to 10 percent. K–12 budget was cut only 4 percent. These cuts equal 6.8 percent of the general fund.
Wisconsin	State agency budgets cut 8 percent for both years of the biennium	State agency budgets cut another 2 percent for fiscal year 1982 and 4 percent for fiscal year 1983. Total biennium cuts total $91 million. Currently short $315 million. Will probably roll over into next budget period.

APPENDIX C.—STOP-GAP BUDGET ADJUSTMENTS IN 1982 [1]

	Postponed payments into next budget cycle	Postponed capital construction	Transfers to general fund	Tax speedup	Excess short-term debt [2]
Alabama			X		
Alaska	X			X	
Arizona		X	X		
Arkansas		X			
California	X	X	X	X	X
Colorado	X				
Connecticut	X			X	
Delaware					
Florida		X	X	X	
Georgia					
Hawaii					
Idaho		X		X	X
Illinois	X	X	X	X	
Indiana	X	X		X	

APPENDIX C.—STOP-GAP BUDGET ADJUSTMENTS IN 1982 [1]—Continued

	Postponed payments into next budget cycle	Postponed capital construction	Transfers to general fund	Tax speedup	Excess short-term debt [2]
Iowa				X	
Kansas	X			X	
Kentucky	X		X		
Louisiana					
Maine					
Maryland					
Massachusetts					
Michigan	X		X		X
Minnesota	X				X
Mississippi	X				
Missouri		X		X	
Montana					
Nebraska		X	X	X	
Nevada				X	
New Hampshire	X		X		X
New Jersey	X	X		X	
New Mexico					
New York			X		X
North Carolina	X				
North Dakota					
Ohio	X			X	
Oklahoma					
Oregon			X	X	
Pennsylvania		X	X		
Rhode Island	X			X	X
South Carolina			X		
South Dakota					
Tennessee					X
Texas					
Utah			X		
Vermont					X
Virginia		X	X		
Washington	X	X		X	X
West Virginia					
Wisconsin	X		X		
Wyoming					

[1] Adjustments reflected in this table all occurred in calendar year 1982 but may affect 1982, 1983, or 1984 fiscal years.
[2] Excess short-term debt means unusualy high State borrowing compared to borrowing during the previous 5 years.

APPENDIX D.—1982 STATE PERSONNEL ADJUSTMENTS

State	Hiring freeze	Merit/COLA adjustment	Change in workforce from 1981 to 1982 (percent)
Alabama		X	[1] 10.5
Alaska			6.2
Arizona			([2])
Arkansas			0
California	X	X	[3] 1.0
Colorado			−5.1
Connecticut			1.1
Delaware	X		[1] 2.9
Florida	X		1.0
Georgia	X		([2])
Hawaii	X		[3] .2
Idaho			−2.4
Illinois	X		−2.3
Indiana	X	X	[1] −5.0
Iowa	X		0
Kansas		X	([4])
Kentucky	X		[1] −2.6
Louisiana			[1] 3.3
Maine			0
Maryland			1.5
Massachusetts			[1] −6.8
Michigan		X	[1] −7.3
Minnesota	X		−5.4
Mississippi		X	[1] −5.5
Missouri	X		−1.0
Montana			−2.0
Nebraska		X	−2.9
Nevada	X		[1] −16.0
New Hampshire	X	X	[1] −10.0
New Jersey			−.2
New Mexico			[3] 3.2
New York	X	X	3.3
North Carolina	X	X	[3] 0
North Dakota	X	X	([4])
Ohio			[1] −1.2
Oklahoma	X		[1] 5.4
Oregon		X	−3.0
Pennsylvania			[3] −1.6
Rhode Island	X	X	[1] −1.8
South Carolina		X	[3] 3.0
South Dakota			−1.0
Tennessee	X		[1] −1.2
Texas			3.1
Utah			([2])
Vermont			[1] −1.8
Virginia			−1.4
Washington	X	X	−3.4

APPENDIX D.—1982 STATE PERSONNEL ADJUSTMENTS—Continued

State	Hiring freeze	Merit/COLA adjustment	Change in workforce from 1981 to 1982 (percent)
West Virginia	X	X	−6.3
Wisconsin		X	1.0
Wyoming			[1] 2.4

[1] Does not include higher education employees.
[2] Decrease.
[3] Includes K–12 employees.
[4] Not available.●

ESTONIAN INDEPENDENCE DAY

● Mr. ZORINSKY. Mr. President, today marks the 65th anniversary of Estonian Independence Day. On this day in 1918, Estonia proclaimed its independence from imperialist Russia and opened an era of unprecedented liberty and equality.

Sadly, it was to last only a few short years. In 1939, the Molotov-Ribbentrop Pact was signed dividing Poland between the two military superpowers of Germany and Russia. Estonia, along with Latvia and Lithuania, was bartered away to Russia. The free and independent infancy of a sovereign people was replaced by a cold, hard domination of Russia as she prepared to go to war. In the postwar era, the Soviet Union has maintained its stranglehold over the area and its people.

To their credit, the Estonians have never relinquished their dream of freedom, despite threats to their language, culture, and their very existence. The Soviets have set out to crush their individuality, to Russianize them out of existence.

The practical effects of this are readily apparent in Estonia today. The right of Estonians to use their mother tongue is attacked and hundreds of thousands of non-Estonian immigrants have poured into Estonia's overindustrialized cities.

Yet another cause for concern is the rise of Yuri Andropov to a position of supreme power in the Soviet Union. He is the only Russian leader, to date, who has visited Estonia. He went there after the student demonstrations of 1980 in his role as chief of the KGB to chastise the local KGB for not adequately controlling and suppressing national sentiments.

Considering also the ruthless suppression of the Ukrainian national movement executed by the KGB under Andropov, the Estonian national movement—in fact, all national movements within the Soviet Union—must view the future with apprehension.

But there are bright spots as well on this 65th anniversary of Estonian Independence Day. Last month, the European Parliament passed a resolution reiterating the right of the Baltic States of Estonia, Latvia, and Lithuania to self-determination. And the continuing refusal of the United States to recognize the Soviet seizure of the Baltic States gives strength to those still struggling to free themselves from Soviet oppression.

Today, it is most appropriate that we join with the Estonian people to commemorate their dream of freedom. We honor them for their courage and determination. We express our solidarity with them in the fight to regain their sovereignty. And most important, Mr. President, we reaffirm our commitment to work with them to try to make Estonian Independence Day more than just a memory.●

IN COMMEMORATION OF ESTONIAN INDEPENDENCE DAY

● Mr. DOLE. Mr. President, on February 24, Estonians throughout the world will commemorate the 65th anniversary of Estonian independence. On this day in 1918, out of the havoc of post-World War I Europe, the courageous Estonian people proclaimed their nation an independent republic and asserted their right to self-determination. Although invaded by the armies of Soviet Russia that very same year, the independence of Estonia was not to be denied. In the ensuing year, the Estonians were able to repulse the Soviets and conclude a treaty of peace in February 1920, in which the Soviets officially recognized the new republic and explicitly renounced "voluntarily and forever all rights of sovereignty over the Estonian people and territory." Thus, after centuries of domination by foreign powers, Estonia became a member of the community of free and independent states.

In the two decades that followed, the Estonian people demonstrated their unshakable commitment to the ideals of liberty and justice. They adopted a constitution which embraced democratic principles and protected the rights of all citizens of Estonia, including those of minorities. This democracy fostered the development of a flourishing national culture, the heart of which was, and still is, the Estonian language, the symbol of their country's national identity. The Estonian heritage of a colorful national folklore and specifically a distinctive style of choral singing sprung to life as never before. Estonia may also be proud of the great strides made in both the agricultural and industrial sectors of the economy during this period. Indeed, these 20 years of independence clearly demonstrated what a small nation is able to achieve in all fields of life when its people are permitted to be the masters of their own destiny.

THE SOVIETS ANNEX ESTONIA

The year 1939 saw the end of sovereignty for the Estonian state as Stalin and Hitler carved up the Baltic region and Poland in the notorious secret protocol of the Molotov-Ribbentrop Pact of August 1939. All three Baltic nations fell victim to the vicious impulse toward hegemony by the Soviet empire. Treaties of nonaggression were forced upon these three small states by Stalin in 1939 and, on August 3, 1940, in complete contradiction to the terms of the 1920 peace treaty, Estonia was declared a republic of the Soviet Union. The United States has never recognized the forcible incorporation of the Baltic States into the U.S.S.R. and, to this day, continues to speak out against this illegal Soviet act.

The 43 years of Estonian victimization to Soviet expansionism contrasts strikingly with the period of Estonian independence. A massive effort of Russification has been employed, threatening the future of Estonia. The Estonian people now face the possibility of becoming a minority in their own country. The Estonian language is being replaced with the Russian language in business affairs, official gatherings, in schools and kindergartens. Journals devoted to the Estonian language and culture are becoming harder to find with each passing year as they are displaced by Russian publications. History and other fields of study are presented from a strictly Soviet perspective.

Not only are the Estonian people denied their sovereignty and national identity, they are also denied their basic human rights. Estonians are now subjected to the dictates of a government which routinely denies the rights embodied in the U.N. declaration on human rights and the Helsinki Final Act to its citizens. Those who speak out against Soviet violations of human rights are liable to be sent to prisons, labor camps and psychiatric wards.

COURAGEOUS INDIVIDUALS STILL SUFFER FOR ESTONIA

Yet, despite these risks, in recent years numerous individuals have spoken out in support of Estonian rights and independence. One such courageous individual was Juri Kukk, a chemist, teacher and Estonian nationalist who, in January 1981, was sentenced to hard labor for the peaceful expression of his opinions. He undertook a hunger strike before his trial began, and by the end of March 1981, he was dead.

Another patriot is Mart Niklus, who in November 1981, was sentenced to 10 years of special regimen camp and 5 years of internal exile for sending an appeal to Leonid Brezhnev and a memorandum to the Atlantic charter states calling for the publication in the Soviet Union of the secret protocol of the Molotov-Ribbentrop Pact that doomed his nation to Soviet tyranny.

Tiit Madison, an Estonian human rights activist, was arrested in October 1980 and sentenced to 6 years of imprisonment for his effort. Religious leaders also have been harassed and arrested. Villu Jurgo, an Estonian Lutheran pastor, lost his state license to preach in December 1980 for encouraging national consciousness among Estonian youths. The methodist pastor, Herbert Murd, arrested for the second time in October 1981, spent a year behind bars before he was released in September 1982.

In addition to these individuals who dare to speak out, many groups of people have protested Soviet repression. In September 1980, over 1,000 young people demonstrated in Tallinn, the capital of Estonia, after the performance of a popular musical group was suddenly banned because Soviet authorities detected nationalistic elements in the group's lyrics. Demonstrations followed on October 1 and 3, during which an estimated 5,000 students waved the banned Estonian national flag and shouted slogans calling for the independence of Estonia and the removal of foreign troops. After the demonstrations were suppressed and many students thrown out of school, forty Estonian intellectuals, including Juri Kukk, wrote to the Communist Party paper Pravda, calling for a wider and more candid discussion of the tense situation in Estonia.

OPPRESSION CONTINUES

Tragically, the Soviet Government continues to invoke crude and repressive measures against the people of this small, captive nation. Russification has been stepped up with an expected new influx of Russian workers for a project to deepen the harbor in Tallinn. Those who point out that the Kremlin violates the U.N. declaration on human rights, the Helsinki, Final Act, and even the Soviet constitution, article 72, which states that "each union republic should retain the right to freely secede from the U.S.S.R.," continue to be harassed, confined to psychiatric wards or sentenced to lengthy prison terms.

Despite the horrendous acts inflicted upon them by Soviet authorities, the people of Estonia continue to cherish their own language and culture. They have withstood the attempts to destroy their national identity and yearn for the life of freedom and independence that was theirs 65 years ago. In pursuit of this goal of freedom, it is vital that they be made aware that the free peoples of the world have not forgotten and that they deeply empathize with them. They must be assured that the United States will never recognize as legitimate Soviet control of the Baltic States. Only with the extension of our support can the 65th anniversary of the proclamation of Estonian independence be a day of hope for the future rather than a day of sadness for the past.●

65TH ANNIVERSARY OF ESTONIAN INDEPENDENCE

● Mr. D'AMATO. Mr. President, on February 24, 1983, we commemorate the 65th anniversary of the establishment of the Independent Democratic Republic of Estonia by the Estonian National Council.

The Estonian people have a long history of resistance to foreign oppression. In 1227, the country was divided between the Danes and the German knights. However, the Estonians did not readily submit to their conquerors, and finally there occurred a series of uprisings which forced the Danes to relinquish control. The same flame of resistance refused to be quenched during successive foreign regimes, especially during the brutal establishment of a program of Russification instituted in 1882. On February 23, 1918, German troops entered Estonia, causing the Russian Bolsheviks to flee. At this time, the Estonian leaders took a symbolically momentous step; on February 24, 1918, they proclaimed Estonian independence. Although Germany refused to recognize this patriotic declaration, Estonian leaders, who had fled the country, persuaded France, Britian, and Italy to accord de facto recognition of independence.

After the German withdrawal, the Estonians, with the help of the Finns, successfully drove the invading Red army out of the country. The Soviet Union "voluntarily and forever" renounced its sovereign rights over the "peoples and territory of Estonia" in the Soviet-Estonian Peace Treaty of 1920. The new constitution of Estonia was modeled on the United States, French, and Swiss constitutions, affirming independence, a republican form of government, and emphasizing human rights and dignities of minorities. De jure recognition by almost all sovereign states and admission to the League of Nations in 1921 brought Estonia to the fore in world affairs as the spokesman for the small democratic states.

Immediately following the Nazi-Soviet nonaggression pact in 1939, this new free Estonia was dissolved, by the terror tactics of Josef Stalin's totalitarian regime. During this time, Estonia was illegally incorporated in the Soviet Union. Upon German reconquest in 1941, the Estonian resistance movement flourished despite German atrocities, until the Red army once again overran Estonia in 1944 and purged all enemies of the people.

The people of Estonia have managed to uphold their national character, in spite of the harsh realities of life under their Communist masters. The United States has never accepted the validity of the Soviet annexation of Estonia, and consequently has not invalidated the recognition it accorded to the Estonian Republic in 1922. The stoicism and dignity with which the Estonian people have suffered at the hands of the Communist dictators as well as their fierce resistance to foreign aggression throughout history show that the democratic spirit of the Estonian people cannot be broken.

On February 24, Estonians around the world, including 20,500 Estonian-Americans, will join in solidarity with their countrymen in observance of Estonian independence. In light of our Nation's dedication to the principles of independence and commitment to protection of human rights, it is appropriate that we join with members of the Estonian community in observing the 65th anniversary of Estonian Independence Day. It is imperative that the United States send a clear and strong sign of moral support to the 1.3 million Estonians living under Soviet oppression and that our Government continue to champion the cause of independence for Estonia. I urge my colleagues to join me in voicing support for the struggling people of Estonia and outrage over continued Soviet hegemony in the Baltic region.●

REPEAL WITHHOLDING NOW

● Mr. KASTEN. Mr. President, over the Lincoln Day recess, I had a chance to travel through Wisconsin and visit with my constituents. As many of my colleagues know, the American people are deeply concerned about the law that requires 10 percent withholding of interest and dividend income.

Withholding is a people issue, not just a fight between savings institutions and the Treasury. My office receives an average of 3,000 letters a day against withholding. After reading some of them, I am even more commit-

ted to repealing withholding in the 98th Congress.

Withholding will hurt a number of low-income and elderly Americans—and even though many will be exempt from withholding, they will not be exempt from the problems it will cause.

Mr. President, I have come across two letters in recent weeks that have touched me deeply. These letters were written by people who worked hard all their lives to provide for their families and their retirement. And now, thanks to withholding, their lives will change. Through the letters of Mildred Meyer of Jefferson, Wis., and Mr. and Mrs. Harry Kornburger of Milwaukee, Wis., we see what impact the 10-percent withholding tax will have. I ask that these letters be included in the RECORD.

The letters follow:

MILWAUKEE, WIS., *January 24, 1983.*
Hon. ROBERT W. KASTEN, Jr.,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR: Regarding the 10 percent withholding tax your planning on Savings, Certificates, and dividends; being senior citizens (78 yrs), we are asking that you repeal this law, because it would impose a very unnecessary and unfair penalty on small savers like ourselves.

The most direct effect this will have on us personally is that the compounded interest yields on our savings will be diminished by the 10 percent withheld.

We haven't had to pay an income tax for quite some time because of insufficent income in our retirement years. We have strived so hard to have a modest saving for a rainy day, denying ourselves many things. The exception has been this past year receiving a higher interest on some of our saving certificates, but in 1983 this will not be so, because of interest rates being lowered, and the spending for eye glasses, perhaps dentures, repairs on our home, as well as new linoleum on kitchen floor, which is 43 years old and crumbling, and aluminum siding, because of our heart condition not being able to paint anymore. This will all take quite a bit away from our savings.

Much more would be taken away if the 10 percent withholding tax goes thru, than any tax we would normally have to pay, if any. Also this will entail a lot of extra book work for banks, building and Loans institutions, and U.S. government returning moneys to the poorer or modest class of people.

You all claim there is such a large deficit, but do not hesitate to raise your own salaries, in such bad times as these. Anyone you talk to, say its so unfair to all of us, and then penalizing us with a withholding tax. You would all set a good example to reduce your salaries instead of raising them.

What about people with a lot of money, investing in tax sheltered bonds or stocks? How can they get away with it?

Please, we beg of you, to repeal this unfair 10 percent withholding tax.

Yours very truly,

MR. AND MRS. HARRY KORNBURGER.

JEFFERSON, WIS., *January 9, 1983.*
Hon. ROBERT W. KASTEN,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am a widow, seventy-three years of age. My husband and I were married during the Great Depression. We knew how it felt to do without, to suffer hunger. Yet never once did we ask anyone for help. We reared four children, four wonderful children who had to pitch in and help earn the money towards their educations. Six years ago my husband died. By careful living (and denying ourselves things many might consider essential), we finally had a few dollars in the bank. I had hoped the interest realized on that investment would help ease the financial burden of the few years ahead for me. Now there are those who support legislation to take away a goodly percentage of even that. For shame!

I'll continue teaching my piano class, raising the few vegetables I can in my little garden, mowing my lawn myself, in winter shoveling the snow from my walks myself. After there is no more strength to do these things, then what? Will the same government that taketh away, give? If so, it will be at a terrible expense to its people.

God bless America! May God grant her legislators who are truly mindful of the needs of the peoples of our beloved nation.

Respectfully yours.

MILDRED O. MEYER.●

KENNETH ADELMAN SHOULD BE CONFIRMED

● Mr. EAST. Mr. President, several Senators have recently expressed opposition to the nomination of Kenneth Adelman to be Director of the Arms Control and Disarmament Agency. The leadership of the Soviet Union has also voiced the opinion that Mr. Adelman ought not to be appointed. I disagree with both groups.

In my view, Mr. Adelman has encountered opposition primarily because of his honesty in recognizing the Soviet dictatorship for what it is: A government totally devoid of honor and unworthy of the trust of civilized nations.

Very recently the Soviet Union has again shown its utter contempt for arms control agreements with the United States and with other nations.

On February 8, 1983, the Soviet Union flight tested an apparent second new type of ICBM with total encryption of telemetry. On July 4, 1982, the Soviet Union violated the threshold test-ban treaty by exploding a nuclear weapon with yield in excess of the treaty limits. The Soviet Union has used poison gas against women and children in Laos, Cambodia, and Afghanistan.

How many violations of international obligations are required before the U.S.S.R. will be seen for what it is? Why should honesty in a Presidential nominee be punished while Soviet deceit and duplicity goes unchallenged as if nonexistent?

Mr. President, I ask that three articles from the Washington Times, which I am providing, and a letter I received recently from former Secretary of Defense Donald Rumsfeld be printed in the RECORD at the conclusion of these remarks.

The material follows:

[From the Washington Times, Feb. 23, 1983]

BYRD ANNOUNCES OPPOSITION TO ADELMAN

(By Thomas D. Brandt)

Senate Minority Leader Robert Byrd, D-W. Va., came out yesterday in opposition to Kenneth Adelman, President Reagan's nominee to head U.S. arms control efforts, while Adelman is being called back to Washington for a third hearing on Thursday.

And the Senate Foreign Relations Committee today is polling its members by hand-carried letter to see if a majority of them want to subpoena New York Daily News columnist Ken Auletta who quoted Adelman as saying in 1981 that negotiating arms control was "a sham."

Adelman said he has no recollection of the interview and that those are not his views. Last Friday Auletta released all his notes, some of which further complicate the record of Adelman's views.

In the interview, according to Auletta, Adelman also said, "I'd go into negotiations willing to give up a great deal—a real reduction in nuclear weapons, if the Soviets were willing to."

The thrust of his position in 1981, Auletta said, was that Adelman was emphasizing an arms buildup as part of his view that honest arms reductions were not achievable at that time.

Auletta said that Adelman was also opposed to the SALT II treaty, which was a position that President Reagan used as part of his campaign platform.

Last week the committee appeared to be divided 9-6 against Adelman, but Sen. Charles Percy, R-Ill., committee chairman, said he wants to move to a vote on the nomination immediately after the hearing and get the issue to the Senate floor, whether the committee recommends approval or not.

Byrd said he opposed Adelman's nomination because he questioned his competence and because of his cavalier attitude in his committee testimony. In not answering a number of questions, according to Byrd's discussion of the matter in the Senate Democratic caucus yesterday, Adelman either was not informed about the issues, or did not take the committee seriously enough to answer them.

Auletta, who is being advised by Floyd Abrams, an attorney who is an authority on 1st Amendment constitutional issues, said he was concerned about the precedent of a newsman voluntarily responding to a congressional committee's request for information, so he said he would only appear under subpoena.

On a personal level he said, "I like the guy (Adelman). We swim in the same pool.

"I don't want to appear to be, or am I, an adversary of Ken Adelman. I'm not here to pass judgment on him."

[From the Washington Times, Feb. 23, 1983]

A SHAM IS A SHAM IS A SOVIET SHAM

Did Kenneth Adelman, the president's nominee to head the Arms Control and Disarmament Agency, once tell a columnist that arms control talks with the Russians would be "a sham"? Well, I don't know if he did or didn't. But he certainly should have

said this. And he should have added that any agreements with the Russians are a sham. My dictionary defines "sham" as "an imitation that is meant to deceive; counterfeit; deception; fake."

As a case in point, consider the unratified SALT II treaty which various administration spokesmen have told us—with straight faces—is not being undercut by the Soviets. According to reliable sources, on Feb. 8 of this year, the Soviets tested a new type of ICBM which resulted in a triple violation of SALT II.

This new missile, known as the PL-5 (it is named after the Plesetsk Test Range 5 from which it was fired), has multiple independently targeted re-entry vehicles and it is mobile. It is a new light ICBM. It carries four MIRV warheads. The missile's telemetry signals were 100 percent encoded. Furthermore, its Transportation Erector-Launcher is 1.7 meters longer than the TEL of the mobile SS-16. And this establishes it as a missile derivative of the SS-16. The new missile the Soviets have tested cannot be regarded as a mere follow-on to the SS-13 because it is MIRVed.

What all of this amounts to is at least three violations of SALT II:

(1) As a derivative of the SS-16, the PL-5 violates the prohibitations on SS-16 testing, development, production and deployment contained in SALT II and its protocol.

(2) The PL-5 is a second new type Soviet ICBM, yet Article IV of SALT II allows only one new type ICBM for the Soviets. In mid-December of last year, State Department spokesman Alan Romberg said that if the Soviets tested the kind of missile they have just tested, "this would conflict with the terms of SALT II."

(3) The 100 percent encryption of the PL-5's telemetry signals by the Soviets violates Article XV of Salt II, which prohibits such encryption because this interferes with the capability of the United States to verify this arms control agreement.

The Soviets' illegal testing of its PL-5 missile is but the most recent violation of a series of United States-Soviet agreements. Other violations include the following:

There have been 15 Soviet underground nuclear weapons tests which United States intelligence sources believe to be over 150 Kilotons. These tests violate the Threshold Test Ban signed in 1974 and jointly put into effect in 1976.

In January of this year, the Soviets used naplam to murder scores of men, women and children trapped in a cave in Afghanistan. These innocent non-combatant civilians were burned to death. This is a blantant violation of the 1980 Convention on Unhumane Acts of War, an agreement signed by the Russians in 1980.

The Arms Control and Disarmament Agency has recently completed a study, by Charles Sorrells, compiling the evidence that the Soviets have deployed SS-16s at Plesetsk. This study strongly supports the judgment that the Soviets have done this in violation of SALT II.

A new SS-20 mobile intermediate-range ballistic missile complex containing nine SS-20 launchers has recently been discovered near Novosibirsk in the U.S.S.R. This newly discovered complex—not previously associated with any missile activity—has been operational for several years. What this means is that all SS-20 deployment numbers must now be revised upwards. And this new discovery suggests that the U.S. verification capability may be inadequate to verify any Soviet intermediate range nuclear force agreement such as the one presently being negotiated with the Russians.

And finally, on May 25, 1972, the United States and the Soviets signed the so-called incidents at sea treaty which is designed to reduce the risk of unintended serious confrontations between our two countries on and over the high seas. Despite this agreement, the Soviets have repeatedly precipitated such incidents.

Based on this sorry record of performance, the word "sham' would seem to be a rather understated characterization of the Soviet attitude regarding bilateral agreements with the United States. When Lawrence Eagleburger, undersecretary of state for political affairs, testifies tomorrow before the Senate Foreign Relations Committee, it should be interesting to see what word he uses to describe how the Soviets have behaved. One thing's for sure: He will definitely be asked.

[From the Washington Times, Feb. 22, 1983]

HEADS THEY WIN, TAILS WE LOSE

Wonder how many of the dewy-eyed disarmers in the West are aware of the asymmetry (that's a busy word in the arms-talk lexicon) between U.S. and Soviet observance of weapons limitation treaties? Not a great many, we suppose, and probably fewer still who think it important.

But the distinctions are interesting as the frenzy for some—for any—treaty with the Soviets gains political velocity here.

At the Puget Sound Naval Shipyard, for example, the U.S. is busily dismantling its third Polaris-missile submarine, per terms of the SALT-I treaty that expired in 1977. The three subs were denuded of their missiles as a quid pro quo for putting the first two of America's Trident subs in service.

Uncle Sugar, good citizen of the world community, is living up to the treaty, as well as abiding by the unratified SALT-II agreement—so long, President Reagan says, as the Kremlin is equally meticulous.

On the same day, however, that Washington Times columnist John Lofton recounted his inability to get Navy permission to photograph the Polaris strip-tease (a "bizarre" episode, said Lofton, who readers know is given to understatement), U.S. intelligence sources were reporting indications that the Soviets are playing the arms-control game by their rules.

The gunners in the Kremlin have test-fired a new intercontinental ballistic missile, a "light" version with four nuclear warheads, the Associated Press reported.

The ICBM reportedly fired on Feb. 8, though, may be the second new missile the Soviets are polishing up for their arsenal. Last December, the U.S. government confirmed reports that a medium-sized, solid fuel ICBM was being launched.

Hold on, gang. The SALT-II treaty provided that each nation could deploy one new ICBM, and that a light one. "If they begin to test another new type of ICBM," a State Department spokesman said, "this would conflict with the terms of SALT-II."

But intelligence sources also warned the AP not to jump to conclusions based on initial indications of a new Soviet missile test. Okay.

The fat young oysters did not jump to conclusions about what the Walrus and the Carpenter had in mind when they invited the tasty fellows for a little walk along the beach.

DONALD RUMSFELD,
Skokie, Ill., February 10, 1983.

Hon. JOHN P. EAST,
U.S. Senate,
Washington, D.C.

DEAR SENATOR EAST: As you know, Ambassador Kenneth Adelman has been nominated by the President to the post of Director of ACDA. Because I have known him so long and so well, I want you to know of my very high regard for his abilities.

Dr. Adelman has served in the United States government on and off for a dozen years. When I was in the Pentagon, he served as my assistant with great skill and dedication. After leaving government in 1977, he was a Senior Member of the Strategic Studies of Stanford Research Institute (SRI), where he researched and wrote on foreign policy and defense issues, including arms control.

As you know, for the last 18 months, he has served as Ambassador Jeane Kirkpatrick's principal Deputy at the United Nations. In that position, he has had broad management experience and has participated in many National Security Council decision sessions on arms control. He has represented the United States ably in the First Committee, dealing with multi-lateral arms control matters. He also coordinated the United States' delegation to the United Nation's Second Special Session on Disarmament.

Ken will bring to this post his dedication, a fine brain, tremendous energy and creativity, and the intellectual toughness necessary to deal with difficult problems and bureaucratic complexities. I am confident he will do a first-rate job for the country.

I hope that you will get to know Ken and give him a hand on his nomination.

Thanks so much. With my best personal regards.

Sincerely,

DONALD RUMSFELD.●

HERITAGE FOUNDATION REPORTS CONTINUED UNITED STATES RETREAT FROM TAIWAN

● Mr. GOLDWATER. Mr. President, a short but thorough paper has just reached my desk which proves beyond any question that the present administration is following the same mistaken policies of the last three administrations by making unnecessary, unilateral concessions to Communist China which damage Taiwan. The author of this paper is Mr. Jeffrey B. Gayner, who is a specialist on international affairs at the Heritage Foundation. His paper was circulated as one of the foundation's regular Backgrounder reports.

Among the major conclusions made by Mr. Gayner, and supported with factual evidence, are:

Major concessions made to Peking have led to neither a more conciliatory People's Republic of China attitude toward the United States nor a diminution in demands that the United States place additional pressure on Taiwan to succumb to the People's Republic of China

These unnecessary unilateral concessions only stimulated more exorbitant demands.

The August joint communique of the Reagan administration has substantially undermined the character of United States-China policy carefully crafted by Congress in the Taiwan Relations Act.

The principal provision in the Communique reduces, and presumbably will terminate, arms sales to Taiwan.

Peking's "peaceful resolution" for Taiwan consists only of a willingness to accept a surrender of Taiwan's sovereignty.

The August communique completely ignores the vital military needs of Taiwan.

Not only does the paper point out the obvious contradictions between the Taiwan Relations Act and the joint communique, but Mr. Gayner finds that present Chinese military developments threaten obsolescence for Taiwan's current inventory of U.S. supplied aircraft. The last thing Taiwan needs is a U.S. pledge to reduce arms sales. Instead, if our purpose is to help safeguard the security of Taiwan, the United States should provide Taiwan with an advanced fighter, such as the F-16/79 or the F/5G.

Mr. President, the Heritage Foundation paper is an important document. It is clearly and persuasively written, and I ask that it may appear at this point in the RECORD.

The document follows:

FEBRUARY 3, 1983.

THE UNITED STATES, CHINA, AND THE SECURITY OF TAIWAN

INTRODUCTION

During the first two years of the Reagan Administration, constructing a coherent China policy has posed a vexing problem. The United States regrettably has allowed demands by the People's Republic of China (PRC) concerning Taiwan to dominate U.S. China policy, and even U.S. relations with Asia in general. In particular, Washington felt compelled to react positively to Peking's demands that all arms sales to Taiwan be terminated. In the five months following a Joint Communiqué of last August, it has become increasingly obvious that the major concessions made to Peking have led to neither a more conciliatory PRC attitude toward the U.S., nor a diminution in demands that the U.S. place additional pressure on Taiwan (Republic of China) to succumb to the PRC. Rather than pacifying the PRC or protecting vital U.S. interests. These unnecessary unilateral concessions, as they had in the three previous administrations, only stimulated more exorbitant demands in subsequent negotiating periods.

Through the provisions of the August Joint Communiqué, the Reagan Administration has substantially undermined the character of U.S. China policy carefully crafted by Congress in the course of passing the Taiwan Relations Act (TRA) in 1979. That act provided a workable foundation for dealing with the fundamental reality of the two hostile Chinese authorities governing the Republic of China and the PRC. Moreover, the TRA protected the close ties established over nearly three decades between Taiwan and the U.S., as manifested in the Mutual Security Treaty and a wide range of economic, social, and cultural bonds as well.

The August Joint Communiqué, more than the actions of any previous administration, threatens the continued integrity and security of Taiwan. By asserting more carelessly than ever before that Taiwan is China's internal affairs and that the U.S. "has no intention of . . . interfering in China's internal affairs, the Reagan Administration has logically undermined Taiwan's already precarious legal position. This invariably leads to endless demands from Peking to further degrade the status of Taiwan, such as the recent assertion that Taipei should be expelled from the Asian Development Bank (ADB). Taiwan is a founding member of the ADB and has fulfilled all of its obligations there. Therefore the United States should not act on behalf of Peking's political aggression to expel Taiwan, particularly since such action would violate both Section 4(d) of the Taiwan Relations Act and Section 25 of the Foreign Assistance Authorization Act (P.L. 96-259) passed by Congress in 1980.

By stating that the U.S. "understands and appreciates" Peking's "peaceful overtures" to Taiwan, the Reagan Administration in effect ignored the PRC's political history for the past thirty-four years. The implication arises therefore that only recalcitrance in Taipei prevents an accommodation between the two Chinese political authorities. Clearly the terms of any currently possible agreement have been set in Peking and require nothing less than the obliteration of the de facto sovereignty of Taiwan. By thus bending toward Peking's rhetoric on Taiwan, the U.S. makes any mutual accommodation of interests far less likely.

The principal provision in the Communiqué reduces, and presumably will terminate, arms sales to Taiwan. By placing stringent military sanctions on Taiwan that adversely affect both its military and psychological strength, the U.S. gratuitously applies pressure on behalf of Peking that can ultimately be fatal to Taipei. If, as reported, Washington were considering providing the PRC with detailed information on the defensive equipment supplied to Taipei over thirty years, the U.S. would be committing an unprecedented action toward an ally—turning over information to a hostile communist regime. The PRC will likely press for the information during the upcoming Shultz visit to Peking.

In the face of the obviously escalating potential PRC military threat to Taiwan, the U.S. should have pursued exactly the opposite course of action and provided advanced fighters to Taipei along with other new military equipment. Only a military balance across the Taiwan Straits can preserve peace in the area. If the Reagan Administration fails to reverse the direction of its China policy, the possibility of open military conflict between an increasingly powerful and aggressive PRC and an increaseingly desperate and insecure Taiwan can only be enhanced. Further, such a betrayal of an ally will seriously erode U.S. credibility in Asia and ultimately diminish its security capabilities in East Asia generally. Finally, the futility of basing U.S. political and military policy on Peking's reliability is amply demonstrated by the current prospect of a modest rapprochement between the PRC and the Soviet Union.

THE U.S. POLITICAL RETREAT FROM TAIWAN

The August 17, 1982, Communiqué marked a possibly decisive political turnaround in the decade of discussions between Washington and Peking. President Ronald Reagan and Assistant Secretary of State John Holdridge both issued statements that downplayed the significance of the Communiqué, implying that it merely continued previous policies. Analysis of the text of the agreement and its obvious implications indicates that the agreement seriously tilts U.S. policy in favor of Peking's efforts to obliterate Taiwan as a viable independent political entity.

President Reagan stated on August 17 that "This document preserves principles on both sides and will promote the further development of friendly relations between the governments and peoples of the United States and China." Similarly, in testimony before the House Foreign Affairs Committee, Assistant Secretary of State John Holdridge asserted that "The present wording evolved from ten months of intense negotiations in which fundamental principles were at stake on both sides."

However, as in all previous negotiations with the PRC, U.S. objectives dissolved, and the process led to simply resolving the extent of additional U.S. concessions. The PRC sought several interrelated objectives: an immediate oversight role in sale of arms to Taiwan, termination of such sales by a date certain, U.S. pressure on Taipei to negotiate its "reintegration" into mainland China, alteration of the strict provisions of the Taiwan Relations Act, and an explicit U.S. affirmation of Peking's legal sovereignty over Taiwan. The U.S. entered the negotiations with the principal objective of modifying PRC demands sufficiently to quiet Peking's threat to downgrade relations with Washington, mounting since the Reagan inauguration. Consequently, on every point they sought, the PRC gained either explicit, implicit, or deferred concessions from Washington. On the other hand, U.S. negotiators claimed that Peking's retreat from some of its original bargaining positions constituted PRC "concessions."

A review of these issues reveals that, however adroitly the language of the eventual Communiqué was manipulated, Peking made major gains of which President Reagan himself was perhaps not sufficiently aware. This was evidenced by the President's peculiar telephone call to Dan Rather at CBS News denying that the agreement had seriously altered the status quo.

"There has been no retreat by me. We will continue to arm Taiwan. We have a moral obligation to Taiwan. I am concerned about what the reports will do to our international relations. The Taiwan question is a matter for the Chinese people, on both sides of the Taiwan Strait, to resolve, we will not interfere in this matter or prejudice the free choice of, or put pressure on, the people of Taiwan in this matter."

On numerous occasions in private conversations with conservatives, the President has continued to deny adamantly that the Communiqué constituted retreat from his previous position on Taiwan. Only by severely straining the meaning of the language and context of the agreement, however, can it be construed that the U.S. did not retreat significantly on some fundamental issues. Greater care must be exercised in future discussions with Peking.

PEKING'S MEDIATING ROLE IN ARMS SALES

The specific language of the Taiwan Relations Act makes no provision for the PRC's having a role in the determination of arms sales to Taiwan. The language of the act [Section 3(b)] reads as follows:

"The United States will make available to Taiwan such defense articles and defense services in such a quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability . . . . (and) the President and the Congress shall determine the nature and quantity of such defense articles and services based solely upon their judgement of the needs of Taiwan, in accordance with procedures established by law."

Moreover, throughout the legislative history of the passage of that act, Members of Congress made clear that consulting Peking about such matters would be totally inappropriate. Nonetheless, the record of the past two years clearly indicates that, rather than consulting Congress as provided by the law, the U.S. State Department in fact consulted Peking. No reasonable review of the record can overlook that, each time the U.S. appeared on the verge of selling arms long promised to Taipei, Peking raised protests, which led to additional delays in concluding the arms sales. Then two days after the Communiqué was issued, the U.S. formally announced the sale of 60 F-5E fighters (worth $240 million) to Taiwan. Nonetheless, Secretary Holdridge ironically testified that the Communiqué which promised to reduce arms sales "should not be read to imply that we have agreed to engage in prior consultations with Beijing on arms sales to Taiwan." Secretary Holdridge had just concluded ten months of negotiations with the PRC precisely on such arms sales. The U.S. should refuse to allow the subject to be placed on the agenda for discussions between PRC and U.S. authorities, as such an action in effect would include the PRC in the U.S.-Taiwan arms sales process.

TERMINATION OF ARMS SALES AND PEKING'S "PEACEFUL INTENTIONS"

From the beginning of the Reagan Administration, the PRC was determined to force the U.S. to abandon its military support for Taiwan. Even Secretary Haig's efforts in June 1981, when he offered military equipment to the PRC, failed to quell Peking's demands that arms sales to Taiwan end. In fact, U.S. arms sales to Taiwan fell from $800 million under Carter in 1979 to only $225 million under Reagan in 1981. But by its single-minded demand that all sales end, the PRC eventually succeeded in extracting point 6 of the Communiqué from the United States:

"Having in mind the foregoing statements of both sides, the United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan, that it arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution. In so stating, the United States acknowledges China's consistent position regarding the thorough settlement of this issue."

The heart of the Communiqué resides in this provision. To again quote Secretary Holdridge, the U.S. "did not agree to set a date certain for ending arms sales to Taiwan." At the same time Peking promised in the "foregoing statement," alluded to in point 6 above, that it is a "fundamental policy [of the PRC] to strive for a peaceful solution to the Taiwan question" (point 4 of the Communiqué).

In the first place, even if no agreement existed on a termination date, the PRC extracted a pledge from the U.S. to freeze Taiwan forces at existing levels, an unprecedented U.S. agreement. The New York Times editorialized on its obvious implication:

"The practical significance of the American pledge should not be minimized. The limit on qualitative improvement means the equipment Taiwan gets from the United States will be increasingly obsolete. Should Peking ever change its mind about a peaceful resolution, Taiwan's ability to defend itself directly, or even to negotiate liberal terms of autonomy directly within a unified China, would be impaired."

The second point to note is that the PRC has already interpreted "final resolution" of this issue to mean, in the words of their foreign ministry spokesman, that U.S. arms sales "must be completely terminated over a period of time." Thus, the U.S. agreed to ambiguous language that indubitably will limit its latitude of action in future arms sales to Taiwan. In order to verify American adherence to the language of this provision, the PRC has already demanded detailed confidential information on precisely the character and quantity of all arms previously supplied to Taiwan. Of some immediate military value, the information could then become a "benchmark" for judging future reductions in sales.

Finally, Peking denies making any substantive concessions to extract Washington's unilateral disarmament of Taipei and has insisted since that no linkage exists between arms sales to Taiwan and a peaceful method of resolving the Peking-Taipei conflict. On the day of the Communiqué, the official organ of the Central Committee of the Communist Party boldly stated in an editorial:

"The United States has no right to demand that China undertake any obligation as to the methods it chooses in solving the Taiwan problem, nor should the United States put forth as a prerequisite condition for the cessation of arms sales to Taiwan that China commit itself to not solving the Taiwan problem by any means other than a peaceful one. * * *"

Similarly three days later the official PRC news agency Xinhua stated: "Here, it should be pointed out once again that U.S. arms sales to Taiwan and China's efforts for peaceful resolution of the Taiwan issue are two separate questions of an entirely different nature. * * *"

"PEACEFUL RESOLUTION" FOR TAIWAN AND PEKING'S INTERNAL AFFAIRS

In his official report to the XIIth Communist Party Congress, Chairman Hu Yaobang reiterated that the Taiwan question is an internal Chinese affair and thus arms sales mean that the U.S. is "treating Taiwan as an independent political entity." The report reads in part, as follows:

"As the Chinese Government has repeatedly stated, these are acts of infringement on China's sovereignty and of interference in China's internal affairs. Not long ago, after nearly a year of talks, the Chinese and U.S. Governments issued a joint communique providing for a step-by-step solution of the question of U.S. arms sales to Taiwan, leading to a final thorough settlement.

"We hope that these provisions will be strictly observed. Sino-U.S. relations can continue to develop soundly only if the principles of mutual respect for sovereignty and territorial intergrity and non-interference in each other's internal affairs are truly adhered to."

Unfortunately the plain language in the Communiqúe provides American acquiescence to the Chinese interpretation of the issue as an internal affair. Every allusion in the Communiqúe to the term "peaceful resolution" derives form the PRC's position linking such a "peaceful" resolution of the PRC-Taiwan conflict to Peking's internal solution of the problem. Thus, in paragraphs 4 and 5, references appear three times to Peking's "fundamental policy" of a peaceful solution. But each of these references relates to "peaceful reunification" of the PRC and Taiwan under either the Message to Compatriots in Taiwan issued by the PRC on January 1, 1979, or the Nine Point Proposal made by the PRC on September 30, 1981.

This point was reinforced by the PRC Ambassador to Washington Chai Zemin in an interview on CBS News and later reprinted in Peking. He referred to the "peaceful settlement" under the 1979 and 1981 proposals and then said, "However, we are not to make any commitment to any country on the peaceful settlement to the Taiwan problem. We consider the Taiwan problem to be China's internal affair. It is up to us to decide how to solve this problem."

In other words, Peking's peaceful policy consists only of a willingness to accept "peacefully" a surrender of Taiwan's sovereignty. Thus, U.S. enthusiasm for a so-called fundamental policy of peace obviously will be interpreted in Peking as support from Washington for their demands concerning Taiwan. The Communiqué even explicitly states that "The U.S. Government understands and appreciates the Chinese policy of striving for a peaceful resolution of the Taiwan question as indicated in China's Message to Compatriots . . . and the Nine Point proposal."

Although construed as a "new situation," according to Holdridge, the breakthrough for the agreement consisted of nothing more than a reaffirmation of Peking's previous proposals. Moreover, while embracing Peking's proposals without qualification, the U.S. completely ignored Taipei's proposals. A speech by Premier Sun Yun-hsuan on June 28, 1982, proclaimed Taiwan's three conditions for reunification: "The goal of the Principle of Nationalism is a government of the people. The goal of the Principle of People's Rights is a government by the people, and the goal of the Principle of the People's Livelihood is a government for the people." In a separate statement, the Premier indicated that "if the political, economic, social, and cultural gap between the China mainland and Free China continues to narrow, the conditions for peaceful reunification can gradually mature."

President Reagan seemed in support when he stated on the day the Communiqué was issued "We will not interfere in this matter [the Taiwan question] or prejudice the free choice of, or put pressure on, the people of Taiwan in this matter." But the actions of his Administration speak louder. Beyond embracing Peking's reunification proposals, the U.S. has promised to end arms sales to Taiwan and may even initiate a military sales program to the PRC.

The Senate Judiciary Subcommittee on Separation of Powers has launched a formal

inquiry into the possibility that the Communiqué violated the authority of Congress. For again, as when President Carter broke relations with Taiwan without consulting Congress and during the 1978 Christmas recess, the Reagan Administration has contravened the clear intentions of the Congress.

THE GROWING PRC MILITARY THREAT TO TAIWAN

Peking's policies in the defense area cannot seriously challenge Soviet military forces in Asia. Nonetheless, the PRC has augmented significantly its military power, particularly in terms of new fighter aircraft. While this buildup can only have a modest deterrent effect on the Soviets, its strengthened air power can pose a substantial military threat to Taiwan.

The August 17th Communiqué completely ignores the vital military needs of Taiwan. Rather than relating future military sales to Taiwan to the potential military threats to the island, the Communiqué pledges to downgrade, and presumably end, military sales on the basis of Peking's peaceful rhetoric. Unfortunately, as so many other nations have discovered, rhetoric can change daily, but military capabilities cannot. Thus, the security of a country, such as Taiwan, can only be adequately maintained if it can be defended against the most likely adversaries. An examination of the current military capabilities of the People's Republic of China, coupled with prospective force improvements, indicates that the plan to downgrade the military capabilities of Taiwan will create a dangerously unstable situation. In fact, in order to maintain military balance in the region, and hence a stable environment for deterrence of war, the United States should supply Taiwan with a more advanced fighter, either the F5G (sometimes designated the F-20) or the F16/79.

Present Chinese military developments threaten obsolescence for the current Taiwanese inventory of U.S. supplied aircraft. While Taiwan's Air Force at the moment has a qualitative superiority over most of the PRC combat aircraft sufficient to guarantee its security, it is not clear that this will continue to be the case. The PRC is acquiring at least three new aircraft that are significantly more capable than its imitations of the Soviet MiG 15/17/19/21.

These three aircraft, the F-8/12, A-5, H-8, alone pose a significant threat to Taiwan's increasingly outdated planes, for they will close the qualitative gap between the two air forces and the PRC's greater number will tip the balance in their favor. Moreover, other more advanced aircraft are being developed at research institutes on the mainland or possibly being purchased abroad. Should they be deployed, without a parallel deployment by Taiwan, the PRC would have total air supremacy over the Straits.

Thus, there is an overriding need to rearm Taiwan now. It takes, on average, at least two to four years, from the time of ordering, for a new aircraft to be delivered in significant numbers; then it takes another couple of years for an air force to become accustomed to the new aircraft and develop the tactics best suited to it.

THE BASIS OF PRC AIR STRENGTH

Careful examination of the three new PRC aircraft reveals how large the advances of the Chinese Communists really are. The least advanced is the A-5, a totally redesigned MiG-19 with tactical strike as its primary mission. It has new wings with 30 percent increase in surface area as well as side air intakes, thus leaving the nose free for a new targeting radar randome. This aircraft is generally considered to be underpowered with its two copies of the Soviet Tumansky R-9BF/R-9B-811 engine (the Chinese designation is Wopen 6A). There are, however, reports that new engines might be provided by the Rolls Royce Spey, which would afford significantly more thrust for its weight and size. This, of course, would greatly increase the plane's capabilities by solving what were first thought to be serious design problems. The A-5 is now being produced in significant numbers, 500 having been built by mid-1981 at the main arsenal at Shenyang (see Table 1 for performance characteristics).

The F-8/F-12 is the principal fighter in production for the People's Liberation Army Air Force. The F-12 is a PRC designed plane powered by two souped-up 20,000+lb. thrust Rolls-Royce RB-168 Spey engines (the same engine that powers the Royal Air Force Buccaneer and the RAF F-4 Phantom aircraft). It is primarily a fighter and secondly a tactical strike aircraft. It is believed to have the same, or slightly more advanced, radar fire control system and navigational aids as the A-5. Consequently, it commends an advanced all weather day/night capability that has not previously been available to the PRC.

The F-12 was based on the design concept of the MiG-23 Flogger. The Chinese have examined an Eygptian Flogger and apparently have incorporated many of its advanced features, with the exception of the swing wings (the PRC plane has delta wings). The Spey engines give the F-12 a speed of Mach 2.4. New electronic systems also are being developed for this and other aircraft. New ECM pods have been sighted indicating other internal electronic improvements. The F-12 is believed to have been in full-scale production since 1981 at the PRC's largest aircraft facility in Chengtu, the capital of the southwestern province of Szechuan. There could be increasing numbers facing Taiwan in the very near future.

The twin-engined bomber, the H(Hong)-8, is supposedly similar to a Backfire in configuration. There is little information available about this aircraft at the moment, except that it is likely to be a multi-role, swing-wing bomber, with a prime role as an anti-shipping and precision, medium-range strike on military land targets.

SUPPORTING PRC MILITARY STRENGTH

The Chinese have not limited themselves to designing/producing new planes. They have also developed new weapons systems. William Perry, Under Secretary of Defense for Research and Engineering, visited China in late 1980 and said that he saw a complete disassembled IR (infrared) guided Sidewinder missile. A conventional or nuclear tipped, radar guided stand-off missile with an estimated range of 50km has apparently been developed for the H-8. An infrared homing air-to-surface bomb has also been developed for the F-12. These new systems give the PRC Air Force an accuracy and an all-weather capability they did not have five years ago—one that will eliminate the advantage Taiwan heretofore enjoyed.

As alarming as these developments are, there is no sign of their abating. The Spey engine plant at Xian, set up in 1976, is now, after some delay, producing 20 engines a month, enough for 240 planes a year. At that rate it would take only two years to exceed the entire inventory of Taiwan's Air Force. Furthermore, the Chinese are gaining full mastery of the new technology as 70 of their technicians and engineers went to England to be taught about the Spey. Rolls Royce also sent some of their experts to the PRC to train additional scientists. As an extension of this effort the Chinese Government has started to pump funds and additional expert personnel into the premier scientific research institution, the Institute of Aeronautical Design in Peking. The PRC has also obtained U.S. technology through 400 U.S. export licenses and advanced French aeronautical technology through the purchase of the Super Frelon and the SA-365N Dauphin 2 helicopters. A plant is being constructed to build the latter in Northeast China. In addition, Marconi Avionics is to upgrade the electronics in the F-6 and F-7 in a $90 million contract. Marconi is also competing for a $500 million contract for added avionics systems.

Thus it appears that, with the initial breakthrough of signing the Spey contract in December 1975, the stagnation of Chinese aircraft production and design ended. In view of the obvious Chinese needs in the field of new advanced aircraft these production and design efforts will continue to escalate.

Examples of this threat are the F-8A and the F-8B, both of which are currently being produced by the Chinese aircraft industry. The latter aircraft is swing-wing attack plane and the former is a delta-wing interceptor.

RELATIVE STRENGTH: PRC AND TAIWAN

The qualitative threat posed to Taiwan by the F-12, A-5, and H-8 is obvious. Along with the existing numerical advantages, it casts serious doubt on the future security of Taiwan. The PRC has over 6,000 combat aircraft to Taiwan's 484, a 12 to 1 ratio; and 528,000 air force personnel to 77,000, giving the PRC an advantage of 6.8:1 in this category.

The PRC's current inventory should not be underestimated. Though the old Mig-19/21s are of limited range and growth potential, they have impressive maneuverability and dogfight potential. The Mig-19 is reported by Jane's All the World's Aircraft to outmaneuver all aircraft in the Asian theater with the exception of the F-86. The Mig-19 (F-6) reportedly can outclimb the F-104, a plane renowned for its rate of climb. The U.S. Air Force uses the F-5E to simulate Mig-21 performance characteristics when it practices air-to-air combat. The additional F-5E aircraft being supplied to Taiwan will do nothing to redress the growing qualitative imbalance between the two Chinese Air Forces.

All of the advanced Chinese aircraft, the A-5, F-7 (Mig-21), and F-12 (Mig-23), possess capabilities equal or superior to those of the F-5E, the mainstay of the Taiwan Air Force. The PRC planes, in general, are faster, have a greater thrust-to-weight ratio and approximately equal or better radar fits and rates of climb.

Recent reports claim that the PRC has contacted France concerning the procurement and possible production in China of large numbers of Mirage 2000 jet fighters. This is the most modern plane currently produced by France and is considered to be on rough parity with the F-16A. The Mirage 2000 would be a quantum leap for the PRC in terms of airframe design, power-plant, and avionics. It would easily out perform any aircraft in the Taiwan inventory. The 2000 would provide the PRC with an all-weather, day/night fighter that is equipped

with advanced, radar guided, medium range air-to-air missiles. Since Taiwan lacks an equivalent system or the potential for developing one, its air force would thus be at the mercy of the PRC.

With the possible acquisition of Mirage 2000s and the other planes now being designed and produced in the PRC, Peking would have an overwhelming numerical and technological advantage over the Taiwan Air Force and its increasingly obsolescent F-5A/Es. It would no longer be prohibitively costly for the PRC to destroy the Taiwan Air Force and gain air superiority over the island itself and the surrounding seas.

Once the Taiwanese lose the ability to dominate their own airspace, especially the seas and the Straits, the PRC will gain an increased capability to either invade the island or to implement an effective naval blockade. An invasion might be too costly a manner to destroy Taiwan as an independent entity, but the PRC still refuses to rule it out. A blockade would cripple the economy and bring Taiwan to its knees. Then Taipei would be forced to eventually surrender, failing significant outside military assistance.

These actions are not so remote as they might seem. In recent years, PRC leadership has been chronically unstable. It is conceivable that the leadership could change again or that domestic political pressure could lead to vigorous pursuit of the repeatedly avowed goal of reintegration of the island with the mainland. The military would be eager to redeem itself after the recent humiliation in Vietnam and to try out new equipment. By 1984/85, it is estimated the PRC will have 700+ A-5 attack aircraft, several hundred F-12 fighter aircraft and perhaps some Mirage 2000s as well as the thousands of aircraft that they already possess. In addition, the PRC will have advanced air-to-air missiles (AAMs) and a superb all-weather capability, which Taiwan will lack. Given this, the Taiwan Air Force would probably last less than two weeks under an intensive attack by the PRC.

Only with the prospective acquisition of an advanced fighter such as the F-5G, F-16/79, or even the F-16A can Taiwan hope to maintain a military balance in the area. By 1984-1986, Taiwan will have a maximum of 250 to 260 F-5E aircraft; all other aircraft, such as the F-104, F-5A, and the F-100 will likely be obsolete. Taiwan would need the F-16A or possibly the F-16/79 to guarantee its security as both planes constitute advanced, all-weather fighter fitted with advanced AAMs. Even with the F-5G, Taiwan might be at a slight disadvantage vis-a-vis such a plane as the Mirage 2000. However, with the superior training of its pilots, Taiwan could probably discourage PRC attack. The F-16A/F-16/79 and the F-5G could be ready for Taiwan by late 1984 or early 1985; at least 160 to 200 would be needed. Even fewer would dramatically restore military balance and substantially boost the morale of Taiwan.

Objections to the sale of these planes have centered on their range as posing a threat to the PRC. According to Jane's All the World's Aircraft 1981-1982, when both planes are carrying two AAMS and at least two bombs, the present F-5E has an equal or greater range than the F-16/79. Thus no new threat would be posed to the PRC in terms of increased ability to strike further inland. The F-16/79 would offer more to Taiwan's security than the F-5G in its ability to patrol and interdict the sea lanes and the Straits, a prime U.S. concern. With it, Taiwan could use its superior piloting capabilities to better advantage, whereas the F-5G would be easier for Taiwan to maintain because of extensive experience with the F-5E. However, the F-16/79 would not in any way be beyond Taiwanese operational capability.

Because the F-16/79 is a better plane, some degree of additional threat to the PRC would exist, but certainly not enough to raise significantly Taiwan's offensive capability. If the objective is to eliminate any possible threat that Taiwan poses to the PRC, the answer is quite simple—disarm Taipei. Unfortunately, this is the policy implicit in the August 17 Communiqué.

But if the aim is to safeguard the security of Taiwan, the U.S. should provide Taipei with an advanced fighter. The F-16/79/A is the best plane. The F-5G cannot be adequately equipped as an all-weather intercepter and retain its combat maneuverability. The F-16/79 has this potential, and the F-16A is already so fitted. The F-5G will be outdated sooner than the F-16/79, as the latter is inherently more advanced and has more room for growth. The costs of the F-16/79 and the F-5G are comparable and both planes could be available at approximately the same time.

Even if the F-16/79 or the F-5G were construed as a threat to the PRC, Taiwan is threatened far more by the PRC. Taiwan cannot even consider an invasion of the PRC; not only would it be doomed to military defeat, but such an action would guarantee the end of its political support from other nations. Consequently, the only reason for denying Taiwan an advanced fighter aircraft is that the PRC opposes the sales for primarily political reasons.

CONCLUSION

As Ronald Reagan campaigned for president in 1980, he promised, to restore balance and integrity to U.S. relations with Taiwan. Specifically he pledged that, unlike the Carter Administration, he "would not impose restrictions which are not required by the Taiwan Relations Act and which contravene its spirit and purpose." Moreover, he stated that, among the provisions of that act, the "most important . . . spells out our policy of providing defensive weapons to Taiwan." Finally candidate Reagan criticized Carter for making "concessions that were not necessary and not in our national interests."

Unfortunately, President Reagan, like his three predecessors in the White House, has continued to pursue a policy of successive concessions to Peking at the expense of the future security and integrity of Taiwan. The August 17th Communiqué made more drastic concessions to the PRC than had any previous agreement. By conceding that Taiwan is an "internal problem" of China, the U.S. has undermined morale in Taiwan and compromised its future legal status. By specifically negotiating with the PRC concerning Taiwan, the U.S. has, in fact, conceded to the PRC oversight authority of this aspect of U.S.-Taiwan relations. By using the same argument (that arms sales violate Peking's sovereignty over internal affairs), future dealings with Taiwan in trade, tourism, investment, social and cultural relations can similarly be challenged by Peking.

Numerous U.S. concessions to Peking over the last decade have neither satisfied the PRC demands concerning Taiwan, nor significantly affected their conduct of foreign policy. The U.S. has misinterpreted a serious split between the PRC and the Soviet Union as only a minor dispute that could end abruptly without constant U.S. cultivation of Peking. The PRC has effectively played upon these American fears of a Sino-Soviet rapprochement and American hopes for a peaceful PRC-Taiwan rapprochement as well. But, Taiwan, like other noncommunist countries in Asia, distrusts the PRC on the basis of bitter historical experience. Before giving support to implicit PRC pledges to resolve disputes peacefully, the U.S. should make the same demand of Peking that the PRC made recently to Moscow. In his official report to the XIIth Party Congress, Hu Yaobang, said Soviet "deeds, rather than words, are important."

In the 1951 Agreement on Peaceful Liberation of Tibet, Peking promised that "The central authorities also will not alter the established status, function, and powers of the Dalai Lama." The Dalai Lama had to flee Tibet and has never returned. Most recently the PRC has not even been able to assuage the suspicions of the Chinese in Hong Kong that prospective Peking sovereignty would not lead to disaster.

It should be noted as well that even the PRC denies any explicit connection between pursuing a peaceful policy toward Taiwan and resolving its differences with Taipei. This is the fatal flaw of the August 17th Communiqué. Thus, the U.S. should cease its tacit support of any "peaceful" proposals from Peking until such time as the PRC actually demonstrates genuine tolerance for diversity within the domain it currently governs. If the PRC refuses to concede genuine regional autonomy to areas such as Tibet that they now control, should the U.S. give credence to its vague promises for Taiwan or Hong Kong?

Given the PRC's political hostility to Taiwan coupled with its military buildup, any reduction of arms sales to Taipei would be both inappropriate and dangerously destabilizing. Maintaining a reasonable military balance over the Taiwan Straits, on the other hand, has effectively deterred war between the two Chinas for the last three decades.

In view of the continued reliability of Taiwan as an authentic ally of the United States and the growing potential PRC military threat to Taiwan, the Reagan Administration should be upgrading, rather than downgrading, the sophistication of equipment being sold to Taiwan. Specifically, the United States should sell a more advanced all-weather fighter to Taiwan to counter the new generation of aircraft being deployed by Peking. Though the August Communiqué unfortunately complicates such an action, the United States should revert to sound military and political principles and provide the equipment necessary to ensure the continued survival of Taiwan. Failure to do so can only lead to the eventual destruction of one of America's oldest and closest allies in the postwar era.●

SINTE GLESKA COLLEGE

● Mr. ABDNOR. Mr. President, today I would like to join with countless other individuals in saluting the accreditation of Sinte Gleska College, located on the Rosebud Indian Reservation, by the North Central Association of Colleges and Schools.

This is perhaps the most important milestone in Indian education as Sinte

Gleska is the first Native American college in the country to receive this accreditation.

I know that his special moment is shared by many people who have worked so hard through the years to make this dream a reality. Many times in the past 12 years, I have met with students, educators, officers, and supporters of Sinte Gleska to discuss the progress of this goal. I am especially pleased that their efforts were rewarded on January 31 when Sinte Gleska College received the authority to award both associate and baccalaureate degress.

It is my hope that this designation will serve as a symbol to other Native American colleges throughout the Nation and that they will pursue their goals as strongly as the supporters of Sinte Gleska College have.

Mr. President, I ask that a resolution adopted and concurred to by the South Dakota State Legislature honoring Sinte Gleska College be printed in the CONGRESSIONAL RECORD.

The resolution follows:

SENATE CONCURRENT RESOLUTION NO. 9

Whereas, the Rosebud Tribe in 1971 incorporated the Sinte Gleska College with the mission to provide for college education for its students and to promote the self-determination of its people; and

Whereas, Sinte Gleska has provided for college degrees and credits through a cooperative agreement with the Board of Regents through Black Hills State College, University of South Dakota and University of South Dakota-Springfield for both associate and baccalaureate degrees; and

Whereas, among the many progressive accomplishments since its inception, Sinte Gleska has now been formally awarded on January 31, 1983, initial accreditation at the associate and baccalaureate degree granting level by the North Central Association of Colleges and Schools; and

Whereas, with this formal approval, Sinte Gleska becomes the first reservation based tribally chartered college to be accredited at the baccalaureate degree level, and the second tribal institution with associate degrees in the United States:

Now, therefore, be it resolved, by the Senate of the Fifty-eighth Legislature of the state of South Dakota, the House of Representatives concurring therein, that Sinte Gleska College of the Rosebud Sioux Reservation be heartily congratulated for its exemplary educational effort and accomplishment; and

Be it further resolved, that the South Dakota Legislature extend its support and encouragement toward a cooperative and productive relationship between the state of South Dakota and Indian people in all future education endeavors for the mutual benefits of its people.●

DETROIT SCIENCE CENTER MONTH

● Mr. LEVIN. Mr. President, March 1983, has been designated "Detroit Science Center Month." The month has been highlighted to underline the evergrowing importance of science and mathematics in all communities. The Detroit Science Center plays an important part in the study of science and mathematics in southeastern Michigan schools.

The many events scheduled to help celebrate Detroit Science Center Month are intended to focus the community's awareness on the Detroit Science Center and the vital role it plays. Among the activities planned for March is a PRISM award which is given to the outstanding science teacher in the area who has best encouraged his or her students in the pursuit of science. There will also be a contest for schoolchildren in which they must develop ideas for new power sources, transmission methods and coding. A fashion show with a space theme is planned to raise funds to aid the science center. There will be a science film festival and Black Press Day will be celebrated on March 16. These are just a few of the many activities planned for the month.

The Detroit Science Center is dedicated to meeting the vital needs of the public to better understand science and technology. It is a real pleasure to recognize the Detroit Science Center for its fine achievements and the valuable service it provides people—young and old—in the area. I am sure that Detroit Science Center Month will only enhance the reputation of this outstanding facility and I am confident that its importance will increase in the years ahead.●

COMMENDATION OF REPRESENTATIVES SHANNON AND CONTE

● Mr. TSONGAS. Mr. President, we have a long tradition of cooperation in the Massachusetts congressional and senatorial delegation, and sometimes we take that collegial spirit for granted.

Today, I should like to take a few moments to express my gratitude for the outstanding service which has been rendered to my home city of Lowell, Mass., by two of my distinguished colleagues in the House, Mr. SHANNON and Mr. CONTE. It is not overstating it to say that they have together made the difference for the most exciting urban renaissance in this country.

Back in 1978, Congress approved the establishment of the Lowell National Historical Park and the Lowell Historic Preservation Commission. The mission of these two bodies is to preserve and restore the historic structures which embody the birthplace of the American Industrial Revolution. The park and the commission have become the catalyst for an enormous surge of private investment in what was a failed industrial center, and is now returning to a position of preeminence.

So, because of the national park and Commission, over $90 million in private investment has been sparked in projects ranging from housing to high technology. We have the worldwide headquarters of one of the Nation's leading computer companies, and we soon hope to have a first-class hotel, and training center to serve our business and industrial core.

We had authorized the park and Commission, but we found ourselves immediately in a position where the Federal support was lagging far behind the private support for our city's rebirth. The Federal Government, in its shortsightedness, was not willing to fund the park and Commission to undertake the important restoration work which Congress had authorized it to do. Each year, when the Federal budget was released, Lowell received either zero funds, or funds which would permit only a snail's pace of development, rather than the intense, short term development effort that was required.

Faced with this, we turned to JIM SHANNON and SILVIO CONTE for help. Over the past 4 years, these two men have worked tirelessly to insure that funds were available in the budget for the Lowell projects. They have testified, spread the Lowell story throughout the Congress, and gained the strength needed to pass the funding bills for Lowell.

Last year, when I was unable to secure Senate support for the Lowell Park and Commission, Mr. SHANNON and Mr. CONTE had an especially difficult task, which was to convince the Senate to accept the House approved funding in conference on the legislation. Throughout this time, these two Congressmen and their staffs, Dan Adams and Mary Silviera, have not only provided the technical and substantive backup and research needed to get funds secured, they have lent the most important ingredient of all—a sincere commitment and enthusiasm for the work which is taking place in our city.

While I have thanked them both privately for the miracles they have worked, I want to let everyone here and in Lowell know that they owe a deep debt of gratitude to these two outstanding public officials.●

CONGRESSIONAL BUDGET OFFICE ANALYSES ON SENATE JOINT RESOLUTION 25, S. 459, S. 473, AND S. 577

● Mr. McCLURE. Mr. President, on February 23, the Committee on Energy and Natural Resources reported the bills Senate Joint Resolution 25, a bill to redesignate the St. Croix Island National Monument in the State of Maine as the "St. Croix Island International Historic Site"; S. 459, a bill to authorize and direct the Secretary of the Interior to convey, by

quitclaim deed, all right, title, and interest of the United States in and to certain lands that were withdrawn or acquired for the purpose of relocating a portion of the city of American Falls out of the area flooded by the American Falls Reservoir; S. 473, a bill to authorize the Secretary of the Interior to acquire certain lands by exchange for addition to Effigy Mounds National Monument in the State of Iowa; S. 577, a bill to provide for the conveyance of certain Federal lands adjacent to Orchard and Lake Shore Drives, Lake Lowell, Boise Project, Idaho, at that time the Congessional Budget Office analyses were not available.

I ask that the budget analyses for the bills prepared by the Congressional Budget Office be printed in the CONGRESSIONAL RECORD at this point.

The analyses follow:

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C. February 23, 1983.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed S.J. Res. 25, a bill to redesignate the Saint Croix Island National Monument in the State of Maine as the "Saint Croix Island International Historic Site", as ordered reported by the Senate Committee on Energy and Natural Resources, February 23, 1983.

Based on this review, it is expected that no significant additional cost to the federal government would be incurred as a result of enactment of this bill.

Enactment of this bill would not affect the budgets of state and local governments.

Sincerely,

ALICE M. RIVLIN,
Director.

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., February 23, 1983.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed S. 459, a bill to authorize and direct the Secretary of the Interior to convey, by quitclaim deed, all right, title, and interest of the United States in and to certain lands that were withdrawn or acquired for the purpose of relocating a portion of the city of American Falls out of the area flooded by the American Falls Reservoir, as ordered reported by the Senate Committee on Energy and Natural Resources, February 23, 1983.

The bill directs the Secretary of the Interior to convey without cost to the city of American Falls, Idaho, approximately 82.09 acres. The United States reserves all right-of-way and oil and gas in the land, together with the right to prospect for, mine, and remove the same.

Based on information received from the Bureau of Reclamation, it is expected that enactment of this bill will result in no significant additional cost to federal, state or local governments.

Sincerely,

ALICE M. RIVLIN,
Director.

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., February 23, 1983.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed S. 473, a bill to authorize the Secretary of the Interior to acquire certain lands by exchange for addition to Effigy Mounds National Monument in the State of Iowa, as ordered reported by the Senate Committee on Energy and Natural Resources, February 23, 1983.

This bill authorizes the Secretary of the Interior to exchange approximately three acres of land within the Effigy Mounds National Monument for approximately four acres of land adjacent to the monument in order to make use of an existing road to clearly delineate the boundary between the national monument and private landholdings. Based on information from the National Park Service, it is estimated that no significant additional cost to the federal government would be incurred as a result of enactment of this legislation.

Enactment of this bill would not significantly affect the budgets of state and local governments.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN,
Director.

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., February 23, 1983.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed a bill to provide for the conveyance of certain federal lands adjacent to Orchard and Lake Shore Drives, Lake Lowell, Boise Project, Idaho, as ordered reported by the Senate Committee on Energy and Natural Resources, February 23, 1983.

This bill authorizes the Secretary of the Interior to convey certain parcels of land to adjacent landowners for fair market value. Based on information from the Bureau of Reclamation, it is estimated that during fiscal years 1983–85 a total cost of approximately $50,000 will be incurred by the federal government for land surveys, appraisals, and preparation of legal descriptions associated with these conveyances, and a fair market value of approximately $350,000 will be received.

Enactment of this bill would not affect the budgets of state and local governments.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN,
Director.●

AMBASSADOR JEANE KIRKPATRICK ON EL SALVADOR

● Mr. HELMS. Mr. President, just a few days ago, U.S. Ambassador to the United Nations Jeane Kirkpatrick returned from an extended trip to Latin America. Mrs. Kirkpatrick is one of America's best informed and astute observers of events in Latin America. We are especially fortunate to have her as a member of this administration, speaking on behalf of the devotion of the United States to the principles of freedom and human dignity throughout the world.

Others do not feel so blessed. Upon her return, she was invited to speak at the University of California at Berkeley, a place which first became prominent in the lexicon of U.S. activism during the early sixties with the so-called free speech movement. There are those at Berkeley who believe in free speech only when it comes from the mouth of leftist ideologues. I regret that Ambassador Kirkpatrick was refused an opportunity to speak by a shrill and unruly gang of bigots who were determined that the Ambassador would not be accorded the dignity to speak from the very platform to which she had been invited.

The very university selected by American scholars as the most prestigious in a number of fields thus became the scene of a crime against the basic rights of freedom of speech and expression, which form the very basis of our representative system of government. It was a dark day indeed in the history of free institutions when an unruly mob deprived the community of the opportunity to hear a dispassionate debate of issues of burning importance.

The people at Berkeley lost their opportunity to hear the gentle but firm voice of this great lady. Perhaps they are still there, shouting, "Out of El Salvador, out of El Salvador," drowning out other speakers, perhaps their own teachers, perhaps the voice of reason itself.

Mr. President, I know my colleagues would join me in expressing dismay at this incident. I hope that they would also share my delight in hearing the comments which Ambassador Kirkpatrick delivered just a few days later, on February 19, to the conservative political action conference here in Washington. Her remarks speak for themselves. I commend them to the Members of this body and to all those who are interested in Central America. I commend them especially to the students and teachers at Berkeley who refused the opportunity to consider Mrs. Kirkpatrick's remarks the first time around. I hope they have had time to reflect on the implications of their actions and will now be open to a voice to which, it seems, they have paid all too little attention in the past.

Mr. President, I ask that the text of Ambassador Kirkpatrick's address be printed in the RECORD.

The address follows:

ADDRESS BY AMBASSADOR JEANE J. KIRKPATRICK, U.S. PERMANENT REPRESENTATIVE TO THE UNITED NATIONS BEFORE THE CONSERVATIVE POLITICAL ACTION CONFERENCE

Thank you very much. I tell you this is a lot nicer than it was at Berkeley. I really, truly, very deeply, appreciate that very generous introduction. Your welcome was a great deal more pleasant than another one I had this week.

I have had the experience in the past week of being shouted and chanted at in one place and picketed in another, presumably for the offense of supporting United States' aid to the Government of El Salvador. I say presumably because there wasn't a formal statement of charges, but there was a chant in the background that said something like "forty-thousand dead, out of El Salvador." I thought to myself if those thirty-seven American advisors have produced forty thousand dead, that was pretty extraordinary. Needless to say, we know better.

The Government of El Salvador, as you know, continues to labor under the terrible burden of trying to oppose a well-armed, well-financed campaign brought against it by guerrillas, supported and sponsored by the Soviet Union, the Soviet Bloc and Cuba, and closer to home, Nicaragua. Probably most of the people who picketed or chanted or shouted, I thought to myself, consider themselves liberals. Almost everybody who takes that position these days considers themselves liberals, and a significant portion of persons who consider themselves liberals take that position. Probably they consider that the liberal position is to oppose the not very generous U.S. aid to the elected Government of El Salvador.

Probably, some of those who were shouting and chanting and picketing were simply students who were not very well informed about events in Central America; conceivably they had been misled by their teachers. But some of them presumably were teachers. I say that because I read an interview reported in the school newspaper afterward with some people who purported to be teachers, who were outside. And when one thinks about those teachers, one wonders who misled them into thinking that the defense of an elected democracy or the defense of the United States national interest so near our border against a well-armed, well-financed guerrilla attack, is an un-liberal thing to do. I found myself wondering whatever made them think the "U.S.-out-of-El Salvador" position was a liberal position. I find myself wondering about what they knew about Nicaragua. I wondered, for example, did they know that Nicaragua, with a population of 2.7 million, now has an active-duty armed force of approximately 25,000, at least, twice the size of the National Guard of Somoza, with another 50,000 reservists and militia; much larger than any other military force in the region. I wondered did they know that to accommodate and train this force, 36 new Cuban-designed military garrisons had been built in addition to the 13 inherited from the National Guard. I wondered did they know that there were several thousand—the exact number is disputed, at the minimum 2,000, at the maximum 7,000—Cuban military and internal security advisors in Nicaragua today: that several hundred Nicaraguans are training or have completed training in Cuba and other Eastern European countries. I wondered did they know that sophisticated weapons including Soviet-made T-55 tanks, amphibious ferries, helicopters and transport aircraft had been added to Nicaragua's arsenal, all presumably to protect it against the potential aggressions of—Costa Rica.

In the background there were chants suggesting that Nicaragua's democracy needed to be protected. And I wondered what they knew about Nicaragua's democracy. I wondered, for example, did they know that the independent press in Nicaragua had been virtually silenced. That of all of what had been a flourishing, independent press only La Prensa remains, and La Prensa, for many years the voice of opposition to the Somoza government, is today heavily censored, subject to prior censorship, forbidden to publish without permission in advance on each item and forbidden to print blank spaces. I wondered did they know about the systematic destruction of the way of life of the Miskito and Sumo and Rama Indians from Nicaragua's Atlantic Coast; about villages burned to the ground, Indians moved from their ancestral homes to detention camps, about the arrests, and indeed, murder of many indigenous Indians, some 15,000 of whom today are in exile as refugees in Honduras. I wondered did they know about the 3,500 to 7,000 political prisoners languishing today in Nicaragua's prisons. About the harassment and slow strangulation of Nicaragua's independent labor unions? About the beating and arrests of their leaders? About the tightly controlled labor and peasant organizations that have been established in lieu of the independent trade union and peasant movements of Nicaragua? I wondered, indeed, just what it was they know when they chanted "U.S. out of El Salvador" and shouted of preserving Nicaraguan democracy. I wondered even more what it was they knew when they talked about, as they did, and waved placards announcing "No more Vietnams." I, too, think it is very important that we have no more Vietnams. I wondered if they meant the same thing I did when they talked about that.

It is a fact, we all know it, that Vietnam developed into a moral symbol with powerful emotional overtones—a symbol that gives intensity to any discussion of the use of U.S. power. That same intense emotional resistance against the use of U.S. power anywhere in the world, for any purpose in the world, still lingers like smog. The offer to send a peace-keeping force of U.S. Marines to the Lebanon to help in the evacuation of the PLO evoked a fear of the Vietnam syndrome.

What was that syndrome that they feared that seems to apply to any sort of military entanglement anywhere in the world? What were the lessons of Vietnam that evoked such feeling? First among the lessons that Vietnam could teach us is that where American power withdraws, something very terrible happens under certain kinds of circumstances. The argument that was made about Vietnam, everyone remembers it, was that the Government of South Vietnam—we used to call it—was probably morally unworthy of support by the United States. It was said to be guilty of serious human rights violations, of regular abuses of personal and legal rights. It was said that the United States should not stand in the way of the resolution of an internal matter by a coalition government, which you may recall, it was claimed would represent the full panoply of opinion in Vietnam.

I think we all know something about what the Government of Vietnam has turned out to be. We seem not to have learned much, however, from the lessons of Vietnam human rights under national liberation governments, or about the control and manipulation of American public opinion. How little we hear about human rights abuses in Vietnam today. Just after the war, after we withdrew from our Vietnam war, there was a good deal of emphasis on the fact that the predicted bloodbath had not taken place. Since then, there has been very little discussion of the most extraordinarily oppressive re-education camp system in the contemporary world. That complex network of camps features forced labor and employs political indoctrination. The inmates include military, political, intelligence officers, former government officials, cadres of non-Communist political parties, common criminals, ordinary citizens attempting to flee the country, and, it appears, the entire membership of the elite units of the former South Vietnamese military forces. Most inmates of the re-education camp system have never been charged with a crime. Indeed, the process of arrests and detention in these re-education camps lacks even pretext of a legal basis. Most terms are indefinite. Food supplies in the camps are totally inadequate, even for a person undertaking very light work. By late 1978, the rice ration had dropped between 400 and 470 grams a day. Meat and fish are supplied only on national holidays. Medical supplies are virtually non-existent. Malnutrition and disease are now very slowly killing the inmates. Nobody knows quite how many people are still confined to these camps. The lowest figure which I have seen anywhere is that which was cited in the Human Rights Report of the State Department submitted last month, that is 60,000. The figure more commonly encountered in European, particularly French, sources who follow the Vietnamese situation very closely, is something over 200,000. It is generally conceded that conditions in these Communist prisons are far worse than under what used to be called the "Thieu regime." Torture is very wide-spread. For example, Nguyen Van Cai, a leader of the Hoa Hao sect, who recently was released, explained to a French journalist that he had had a high-voltage light shined into his eyes, that he was hung upside down and had fish sauce poured into his nose, that he was then beaten by his guards into a state of unconsciousness. Similar experiences of torture were reported by monks arrested by the Communists and many examples of such torture have been reported by former officers and soldiers in the armed forces of South Vietnam who had the misfortune to fall prisoner in those camps.

What can we say about this? We can say that we didn't know it would happen. We can say, I suppose, that we are sorry. We can recognize, I suppose, that we bear some sort of responsibility for what has happened to these people. Solzhenitsyn wrote: "Members of the United States anti-war movement became accomplices in the betrayal of Far Eastern nations, in the genocide and the suffering today imposed on 30 million people there." Solzhenitsyn pointed out that convinced pacifists do not seem to hear the moans coming from the re-education camps of Vietnam nor do they seem to understand their responsibility for what happens there. Oscar Handlin, commenting on this in Freedom at Issue, noted that Lyndon Johnson had once agonized each day over each day's bombing targets. "Who," said

Handlin, "mourns the victims today?" Reflecting after the fact about those events Handin wrote in 1978: "The United States no more confronted the choice of war or peace in 1968 than it did in 1941, nor a choice of coalition or anti-Communist governments, not even a choice of bombing or not bombing targets that would save lives and spare dikes. The actual choice, the only choice, was between war with all its horrible risks and consequences and surrender to totalitarian aggressors whose appetite grew with the feeding. The clatter heard in the past decade out of Angola, Ethiopia, Afghanistan and Iran was the sound of falling dominoes as awareness of Western paralysis eased restraints upon assualts from within and without." The clatter is also heard in El Salvador.

The political and social events that occur where Marxist-Leninist rule are matters of fact, facts which are, moreover, readily available and have been replicated in every country which has had the misfortune to experience a "liberating" Communist revolution. The list of such countries, you know it, is now long: The Soviet Union, itself, Latvia, Lithuania, Estonia, Poland, Czechoslovakia, Albania, East Germany, Cuba, Vietnam, Korea, Cambodia, Laos, Yemen, Ethiopia, Angola, Mozambique, Guinea-Bissau, Benin, Nicaragua, Grenada. In not one country where a Communist revolution has occurred have citizens been permitted free elections, a free press, trade unions, free speech, freedom to immigrate without official obstacles. In not one country, where Communists have come to power, have the objective conditions ever been judged such that the vanguard could safely permit the toiling masses to control their own lives.

Not all Communist governments feature slave labor, forced migration, engineered famine, forced separation of families of the sort that at one time or another have characterized the Soviet Union, Cambodia, Afghanistan, Vietnam. Not all have, after the fashion of Stalin or Castro, imprisoned tens of thousands of their own citizens. But none has produced either freedom or economic development. Not one has ever evolved into a democracy. Not one. Despite the various iron curtains—electronic, political, physical—with which Communist rulers try to keep information in and information out, knowledge of political repression in those countries, of social regimentation, of economic failure, is widely, easily available elsewhere. But the faith that Communism is somehow progressive, a good thing, and the hope that each new Marxist-Leninist triumph will turn out well, seems—incredibly enough—to persist. Many liberals who had great expectations for the soi-disant nationalists and agrarian reformers of this and that—Cuba, Vietnam, Cambodia—now pin their hopes on Salvador's guerrilla coalition. And already we have heard marvelous accounts of Guatemala's indigenous, agrarian reformers.

How can it be that persons so deeply committed to the liberation of South Vietnam and Cambodia from Generals Thieu and Lon Nol are so little affected by the enslavement that followed the "liberation" of those countries? Why was there so little anguish among the American accomplices who helped Pol Pot to power? Why is there so little anguish among the ardent proponents of Sandinista revolution now that that revolution has turned into a new and more complete tyranny? Since the evidence is overwhelming that Marxist-Leninists everywhere impose economic systems that cannot produce goods and political systems that cannot produce loyalty or liberty, why is it so difficult to accept, to believe, to understand?

I was very deeply impressed last summer by Saul Bellow's most recent novel, "The Dean's December"—I commend it to all of you. In the course of that novel Bellow wrote:

"Liberalism had never accepted the Leninist premise that this was an age of wars and revolutions. Where the Communists saw class war, civil war, pictures of catastrophy, we saw only temporary aberrations. Capitalistic democracies could never be at home with the catastrophic outlook. We are used to peace and plenty. We are for everything nice and against cruelty and wickedness and craftiness, monstrousness. Worshippers of progress, its dependents, we are unwilling to reckon with villainy, misanthropy. We reject the horrible, the same as saying we are anti-philosophical."

"Our outlook," Bellow continues, "requires the assumption that each of us is at heart trustworthy. Each of us is naturally decent and wills the good. The English-speaking world is tempermentally like this. You see it in the novels of Dickens, clearly. In his world there is suffering, there is evil, betrayal, corruption, savagery, sadism, but the ordeals end and the decent people arrange a comfortable existence. In themselves, they make themselves cozy. You may say that it is simply Victorian, but it isn't. Modern businessmen and politicians, if they are going to give a billion dollars in credit to the other side, do not want to think them monstrous."

My own reflections on recent history and the contemporary scene have led me to the conclusion that we Americans are specialists in the production and distribution of wealth and goods. We are very good at it. Despite our contemporary economic problems and temporary recessions, we remain the world's greatest experts in this field. The Soviet Union, to the contrary, contains the world's greatest experts in the use and the extension of political power. They have demonstrated in continuing expansion unparalleled skill in winning control over governments and populations and in using that control in turn to win control over more governments and more populations. They are not very good at the production of goods and wealth, and we sometimes seem not to be very good at the preservation and extension of political power. Each of these activities, producing wealth and producing power, has its own rules. The production and distribution of wealth is not a zero-sum game. Quite the contrary, you need to share it in order to increase it. That is the reason that internal markets always develop and living standards go up where economic development takes place. Power, on the other hand, is a zero-sum value. The more one person has, the less another has.

An unfortunate aspect of these two qualities is that each of us tends to project to the other our own motives and goals. We cannot resist imagining that they long, above all, to develop more efficient, productive economic systems and raise the standard of living of their deprived people. They cannot but imagine that we, whatever we may say, are just about to use our undoubted might to expand our control over some new area of the world.

Sometimes, it seems to me, that we are rather like a man who goes out for a walk, finds that he is being pursued by a mugger bent on attacking him. He begins to run and so does the mugger. Then the man who went out for a walk thinks to himself, I'm not a runner. I don't want to be in a race but if I stop, he'll beat me to death. The man runs a little longer. He gets tired. He thinks maybe I misunderstood this situation anyway, maybe he just came out for a walk too. So the man slows down and he hears footsteps coming just in back of him. Then he looks back. The mugger is almost upon him. The man starts to run again. That man is us. We don't want to be in a race. We didn't come out to run. We'd really like to live our own lives, enjoy our own liberty. That's all we want to do. How can we create a situation that will permit us to do that?

Last night I spoke in Tacoma, Washington. In the question period a man said, from the left side: "This administration, Ambassador Kirkpatrick, insits on seeing the events in Central America as an East-West conflict and not in terms of the question of basic, social injustice." I said to him I wasn't sure that was a correct formulation. It is true that in this Administration we see plenty of evidence of the presence of the East. We see in El Salvador, for example, Soviet Tanks, howitzers, Sam's, a great quantity of eastern bloc arms. We see an Eastern presence. But an East-West conflict? Not necessarily. This, after all is a democracy. The people decide. Congress decides. Maybe it won't be an East-West conflict. Maybe it will just be a steady, Soviet expansion near our Southern border without any Western response at all. That is for the people to decide.

Thank you. Good night.●

CLINCH RIVER—NOW INDUSTRY IS SAYING NO

● Mr. HUMPHREY. Mr. President, for the last 2 years I have argued against further Federal support of construction of the Clinch River breeder reactor project. Throughout this period I have emphasized just how economically foolish it is for the Department of Energy (DOE) to spend money to commercialize breeder reactor technology now. I have always believed that spending so much on such a premature effort was counterproductive—that it would serve to distract the nuclear industry from its real problems and opportunities, which lie with conventional reactors.

Now the nuclear industry is starting to agree. In its most recent issue, Nuclear Engineering International concluded that the current pace of breeder development was no longer justifiable. This journal is the most popular and respected of international nuclear trade publications and previously has been a staunch supporter of breeder reactor development. Yet, in its leading comment page, the journal concluded that national efforts to build large-scale breeder projects such as Clinch River are "premature and can damage the prospects for the acceptance of nuclear technology." The journal went on to explain that:

The United States has the least need for fast reactors (and is spending the most on them) and it is difficult to see any economic or technical justification now for proceeding

with Clinch River. . . . The utilities and the vendors in the United States, as elsewhere, are putting little or none of their own money into the fast reactor. The push is coming from the scientists in the national research establishment, the existence of which is at stake.

The U.S. nuclear industry apparently agrees. In the latest issue of Nucleonics Week, the lead article, "CRBR Supporter Says Utilities Won't Put More Money into Project," details the difficulty DOE faces in gaining additional financial support for Clinch River.

Both of these articles are important reading as the Congress faces the task of bringing the Federal budget back into balance. I ask that they be printed in the RECORD.

The articles follow:

[From Nucleonics Week, Feb. 24, 1983]

CRBR SUPPORTER SAYS UTILITIES WON'T PUT MORE MONEY INTO PROJECT

The issue of utilities putting more money into the Clinch River Breeder Reactor is dead, an official who is one of the project's main supporters tells Nucleonics Week. The possibility further complicates efforts to find ways to take CRBR off the federal budget cycle and put it on a private funding footing. A utility task force examining the alternatives is considering the possibility of selling the project's electricity production, after the plant's five-year demonstration period, to DOE to power its gaseous diffusion plants, although there are problems with that idea.

Most of the ideas the task force is looking at involve capitalizing on the plant's commercial value after its demonstration period. In particular, the task force is looking at indirect loan guarantees, a DOE official said, guaranteeing on-time completion, performance and operation of the project at a reasonable cost.

One problem involved with the sale of CRBR's electricity to DOE for its diffusion plants is the existence of take-or-pay contracts DOE had already signed with Tennessee Valley Authority for electricity to run those plants. Additionally, the enrichment plant most likely to be powered by the CRBR is the first one DOE has been expected to shut down once the gas centrifuge enrichment plant at Portsmouth, Ohio, goes into operation.

Another problem the task force may face is that in taking the project out of the federal budget, fuel costs will be significantly increased. DOE has always counted on obtaining fuel for the breeder from government stockpiles, with no charge levied against CRBR since it was all part of the government. But if the project is placed on a commercial basis, the entire fuel cycle cost would have to be charged against it, Shelby Brewer, DOE assistant secretary for nuclear energy, admitted to a congressional subcommittee this week. The General Accounting Office, Congress' financial arm, has estimated fuel costs for the 25-year CRBR life span after the five-year initial period would be about $5-billion.

DOE officials have made clear that while they would like to continue to fund CRBR, they don't expect to get any more money from Congress if private industry doesn't increase its support, possibly to as much as $1-billion. Industry was originally supposed to pay half the cost of CRBR when it was estimated at $700-million. Now it is estimated to cost $3.6-billion and utilities are contributing $338-million. Increased utility or vendor contributions and/or foreign government participation are being eyed as ways of raising funds to complete the project, as are federal loan guarantees, performance guarantees and tax incentives. The final DOE recommendation may include a mix of options.

The project faces tough sledding in Congress this year. Last year the House pulled funding for it from the continuing resolution that is financing DOE's fiscal 1983 operations. The Senate restored funding, but the compromise conference report set aside $1-million for DOE to come up with a report on funding alternatives by March 15. Whatever DOE comes up with, however, will probably be the beginning of the debate. An industry source says the existing task force primarily is being handled by the utilities, and vendors and general industry will probably have some ideas of their own to propose. The Edison Electric Institute testified before a Congressional subcommittee on behalf of the project this week but made no reference to increased funding by utilities.—*Frances Seghers, Washington, and James Branscome, Knoxville.*

[From Nuclear Engineering International, February 1983]

FACING FACTS ON FAST REACTORS

(By Richard Masters)

The large amounts of money being spent world-wide by the nuclear industry on the development of fast breeder reactors is becoming increasingly difficult to justify.

Is this continuing level of expenditure appropriate if one takes a rational view of future trends in energy demand and fuel supply? Will it ever be possible to recoup the vast sums that have been spent and the much greater sums that will need to be spent before the fast reactor can become a commercial option for electricity utilities?

The present nationalistic and quasicommercial approach to the development of the fast reactor in many countries is premature and can damage the prospects for the acceptance of nuclear technology. Serious reappraisal is needed of national expenditures on fast reactor R.&D. and measures are urgent to bring about effective savings and improved results through international cooperation.

It is not enough to compare the production costs of one kilowatthour from an FBR with those from an IWR. This ignores all the other factors, including the time scale, involved in bringing FBRS into commercial operation. There should in each country be a systematic quantification of the costs of introducing FBRS and comparison with expected benefits, all discounted to an appropriate date with due allowance for the risks. Similar studies are also needed on an international scale. An international project does not automatically justify what does not make sense nationally.

For the past 30 years the conventional wisdom in the nuclear industry has been that fast breeder reactors will eventually take over the base load generation of electricity, at least in industrialized countries.

More generally the fast reactor has been seen as offering energy independence and a more than transitory existence to the nuclear industry.

The need to press ahead with the development and application of FBRS has been seen as urgent. In 1967 the IAEA predicted that "if only the current types of nuclear reactor continue to be built, then by 1980 all known reserves of low cost uranium would be committed." And some 10 years later the UK Atomic Energy Authority was confidently predicting an installed capacity of 33 GWe of breeder capacity in Britain by 2000, with a huge expansion to follow.

Even at that time serious independent observers of the industry in Britian were questioning whether the FBR could ever be economic and there has been growing acceptance that Britain cannot justify going it alone. How many countries can?

TIMESCALE

Every year the timescale gets longer and the economics more uncertain. The British Central Electricity Generating Board in its evidence to the Sizewell inquiry says it might need to order fast reactors in 25 years from now, but adds: "There is considerable uncertainly about this date; it could be somewhat earlier or perhaps considerably later." The Board's new chairman, Sir Walter Marshall, who as chairman of the UKAEA was until recently in charge of Britain's fast reactor programme, has said that the first truly commercial fast reactor with its fuel cycle could not possibly be operating in Britain until 2013 and in practice it was more likely to be commissioned a decade later.

Sir Walter believes it would be "irresponsible" to abandon a fast reactor programme but accepts that "in view of the demand for electricity and the fall in the price of uranium there is a strong a priori reason for saying that the right economic decision is to slow up."

Similar caution is evident in all other western countries with fast reactor programmes including France, where the utility Electricité de France is showing no enthusiasm for a "commerical" programme of fast reactors to follow Superphenix.

The United States has the least "need" for fast reactors (and is spending the most on them) and it is difficult to see any economic or technical justification now for proceeding with Clinch River. Unfortunately here as elsewhere arguments based on national prestige are brought to bear on what should be economic decisions. The utilities and vendors in the United States, as elsewhere, are putting little or none of their own money into the fast reactor. The push is coming from the scientists in the national research establishments, the existence of which is at stake.

The recent statement on fast reactors by the British government has the merit of recognizing the real position. The UKAEA, under its new chairman Sir Peter Hirsch, has been asked to draw up a development programme that is geared to the longer timescale for the likely introduction of FBRS and which takes account of the potential for securing the maximum benefits from international collaboration.

The timing is good. The Authority has an opportunity for taking a lead in specifying what a realistic r and d programme for keeping the fast reactor option open should consist of in present circumstances and how effective international co-operation might be achieved. Britain could, for example, buy into Superphenix for operating experience and offer PFR at Dounreay as a test bed for components. It has unrivalled expertise on the FBR fuel cycle and also plutonium to contribute to an FBR club. In this way Britain's current r and d expenditure on fast reactors of £100 million a year could be reduced considerably. There is a precedent

here in the approach by the AEA to expenditure on fusion which lead to the setting up of Jet.

Uranium will not be suddenly exhausted or become excessively expensive in the early years of the next century. There will be plenty of time to identify the trend and decide when it is worth ordering FBRS instead of thermal reactors. In any case there is scope for stretching out supplies by improving uranium utilisation in light water reactors and the introduction of reactors with better neutron economies.

But perhaps of greater significance to fast reactor economics than the availability of uranium is the fact that with advances in techniques for the storage of irradiated fuel from light water reactors utilities can avoid reprocessing. The uncertain and growing costs of reprocessing are then properly loaded on the fast reactor and with limited reprocessing there will be doubts about the availability of plutonium to fuel a large programme of fast reactors. In these circumstances the fast reactor may never be economic.

There still remains the strategic argument but the benefits must still be properly quantified and balanced against the premium it is worth paying for an insurance policy of fast reactors. At present it seems excessive. If the nuclear industry is to win support and acceptance for the fast reactor it will have to provide effective answers nationally and internationally. Evangelical fervour is not a substitute for sound technical and economic argument.●

SALUTE TO PETER DeSIBIO

● Mr. D'AMATO. Mr. President, on February 28, 1983, a very dear friend of mine, Peter DeSibio, known to everyone in Nassau County as "Uncle Pete," will celebrate his 75th birthday.

Uncle Pete has been a Republican Party leader in Nassau County for over 40 years. He has been an inspiration to me personally and to all who have served with him in civic and charitable organizations.

Uncle Pete has been deeply involved in civic, cultural, and humanitarian activities and he continues to serve a broad range of community interests. Many institutions have benefited from his strong commitment to public service.

The list of his achievements is very long and impressive. I will list only a few to indicate to my colleagues the breadth of his interests. He has raised money for the Hebrew Academy of Nassau County for almost 30 years, and at the same time has headed drives for the Catholic Diocese of Rockville Centre, the Community Chest, the Salvation Army, the American Red Cross, the American Cancer Society, and Scholarship Awards for the Lawrence Public Schools.

Mr. DeSibio has served his community tirelessly. I am proud to say that he is a consitutent and a friend. I ask my fellow Senators to join me in wishing him a happy birthday.●

THE PRESIDENT SHOULD SEEK A SECOND TERM

● Mr. WILSON. Mr. President, I ask that my remarks made at the California State Republican Party Convention, urging the President to seek a second term, be printed in the RECORD.

The statement follows:

PRESIDENT REAGAN SHOULD SEEK REELECTION

(By Senator Pete Wilson)

("* * * President Reagan has * * * inspired in us a profound pride, gratitude, admiration and confidence * * * his enormous challenges in restoring America to prosperity, opportunity, and the strength required to keep the peace, will require not just the two years remaining in his present term but a second term. "—California Republican Party resolution by Sen. Wilson, Jan. 30, 1983.)

WASHINGTON.—He's called "The Great Communicator." And, President Reagan proved why once again recently when he delivered his masterful State of the Union address.

In a command performance, he proved wrong all those preachers of doom and gloom who would like to portray this presidency in disarray.

I happened to escort the President as he came before the joint session of Congress. Let me tell you: this is not the wounded stag that those partisan detractors hope for.

President Reagan demonstrated once again that he is a man who understands what the country needs. He will not perscribe the quick fix. He has the wisdom, the courage, the experience, the know-how, to do the job right.

His tradition is that of our party's founder, President Lincoln, who once said, "Let us have faith that right makes might, and in that faith, let us to the end dare to do our duty as we understand it."

Like Lincoln, our President told us truthfully that the nation faces difficult challenges. We are experiencing hard times. But we are coming out of the tailspin. We are on the road to recovery. We are getting America back to work.

The President focused rightfully on the economy. The deficit, he said, is like an anchor being tossed a drowning man and with it we would drown in a tide of red ink.

He recognizes the need to bring spending under control. Yet we find ourselves in a position of having to rebuild and strengthen our defense. We have little choice when during the 1970's defense spending nosedived while domestic spending increased in some categories as high as 97%.

Did you know that in 1962 about 50% of the budget went for national defense? Or that in 1982 that amount is only about 20%? Compare that to the Soviet Union which over the past decade has outspent us by $140 billion on strategic weaponry alone. Add that to the conventional superiority the Soviets are acknowledged to have.

Yet, this is a President committed to peace through strength. Strength and a clear resolve to protect American interests are the only credible deterrents to Soviet aggression.

In the face of this inevitable clash of priorities, this President recognizes we can't afford a near $200 billion deficit. He knows that we cannot be strong abroad unless we are strong at home. He knows that America cannot be strong and healthy until our economy is strong and healthy.

The President has offered to tough austerity program to bring that spending down and to get the job-generating ability of the economy going strong. Results are already clearly being shown.

One of the areas he is addressing has tremendous impact on California—high technology. Our state is #1 when it comes to this new vanguard of job development. He understands that in marketing and agricultural states like ours need to have legitimate access and the right of fair competition overseas.

The President appealed for bipartisan support, of the kind he gave leadership to in forging a compromise on Social Security. He has shown his willingness to work and to communicate together.

Now the time has come to work with and communicate something to The Great Communicator. We out to say enough to the gleeful pessimists.

We need to tell this President that he is not only a great human being for whom we have a deep personal affection, but that he is a superb President whose performance in office has inspired pride and confidence.

This is a President in the tradition of Lincoln. This is a President blessed with the vision, faith and stamina to do his duty as he so clearly understands.

That is why I offer this resolution to the California Party so that we will be united in purpose for 1984. We will under the banner of President Ronald Reagan and Vice President George Bush complete the task that they've begun and to lead us to peace and prosperity.●

SENATOR SIMPSON'S COMMENTARY

● Mr. DANFORTH. Mr. President, no Senator can make a point more clearly or more colorfully than the junior Senator from Wyoming. Not only are his points well made, they are worth making. ALAN SIMPSON is a person of principle and conviction. He has no reticence about honestly stating his views without regard to the trendiness of the moment.

Last Sunday a column written by Senator SIMPSON appeared in the Washington Post. It is a valuable piece because it provides at least a modicum of balance to the criticism incessantly directed at the EPA.

Senator SIMPSON's column deserves not only our reading but our reflection. It is an important commentary not just about the EPA but about the Congress, the media, and popular trends in public discourse.

I ask that Senator SIMPSON's column be reprinted in the RECORD.

The column follows:

[From the Washington Post, Feb. 20, 1983]

IN DEFENSE OF ANNE GORSUCH—EPA IS DOING THINGS BETTER

(By Senator Alan K. Simpson)

Lord, here we go again! With the scent of the kill filling the flared and twitching nostrils of "the observers" in Washington, and with good old "high emotion" vaporizing all desire to seek reason and balance, the "pack" is circling in on the Environmental Protection Agency and its administrator, Anne Gorsuch. It reminds me of that old

cartoon of the two buzzards in the tree, with one saying, "Patience, my ass. I'm going to kill something!"

I am not an apologist for Anne Gorsuch. She beautifully expresses her own thoughts in a very frank and candid manner—an interesting woman. Yes, I, too, have heard the same comments about her—that she is aloof, cold, tough as hell, arrogant, confrontational, sly—the full spectrum of adjectival abuse.

Have you ever seen a pack of coyotes? They are not the kind of warm and furry animals that you pat gently on the head and feed a dish of warm milk. They circle their prey—fired up and lathered by the chase—and then rip at the throat. They will polish off a lamb in pretty short order. Anne Gorsuch is not perceived as being a lamb—indeed not—and it may be that fact alone that has helped get the old juices flowing as the pack attempts to drag her agency to its knees.

What spurs this kind of attack? What fires and focuses all this energy? It may be that everything else is too dry or boring to bear. After all, legislating—often like administering—is just about the driest and sometimes dullest form of human endeavor. For it consists of research, reading, reviewing, meeting with fellow legislators, amending, searching, learning, growing, determining how to compromise an issue without compromising yourself, and in humility finding how to take a crumb when you can't get a loaf. It is not high drama.

But when all of that pent-up frustration born of boredom finds a chink in the boilerplate then hallelujah, the chase is on! At the first mention of the word "shredder" the old eyeballs bulge and fangs come out. With all the gleeful licking of the chops going on, and now even a new "in" title ("Sewergate"), it is sometimes difficult to inquire as to whether there is any reason or balance or fairness lurking in the organization being assaulted. Possibly we might consider taking a few moments for a presentation of "the other side."

The version of recent agency history that is currently fashionable is that the pre-Gorsuch EPA was a heady model of efficiency and fairness ("One of the most efficient and capable agencies of government," according to The New York Times). That is not the EPA I remember. I recall an EPA that was hopelessly behind schedule on the implementation of the major environmental laws, constantly mired in controversy and battles with the states and other branches of the federal government, and frequently accused of "anti-business bias" in the ideological interpretation of scientific evidence. It was an agency whose leadership was portrayed as being largely indifferent to the efficient management of the nation's resources.

Given our national fiscal situation, it was both necessary and inevitable that Anne Gorsuch would be asked to prune the EPA budget and subject agency activities to a more rigorous scrutiny than they had ever undergone before.

Perhaps some of the subsequent changes at EPA have been unwise. It is difficult to tell since there seems to be such a dearth of knowledgeable and disinterested analysis of what has really taken place. The hard-hitters in the Washington environmental community have been unremittingly hostile to Gorsuch since well before her confirmation and have always denounced in near hysterical tones virtually everything she has done. Most of Gorsuch's critics are simply so pinched and shriven with bias partisanship that they would flunk a saliva test.

The administrator of EPA has the task of trying to enforce some of the most convoluted and ambiguous statutes and regs ever enacted. Almost every significant regulatory action she takes is challenged in court—by someone. Not only is she subject to the constant cross fire from the environmentalists, the business community and Congress, but her actions are under a barrage of continuing judicial review. The fact that she is widely criticized does not succinctly mean that Anne Gorsuch is doing a miserable job.

An interesting example is the criticism that EPA is now getting—from the environmentalists, of all people—for taking seriously the statutory deadlines for attainment of clean air standards. We now hear the extraordinary argument that these attainment dates really don't have anything to do with actual air quality—that the deadlines Congress fussed, struggled and busted its fanny over a few years ago don't apply out there in the real world. I think Anne Gorsuch might be forgiven for having the impression that she just can't win regardless of what she does.

One of the delightful ways for a lawmaker to pick up a few headlines in the old hometown press is to subpoena Gorsuch before one of the many committees and subcommittees in this place, whose staff spend an inordinate amount of of hours sniffing out subject matter that can get "the boss" on the tube. Just run out a subpoena and have Anne Gorsuch haul up to the Hill, by pack mule train, about 750,000 documents having to do with, say, Superfund. It's a great and time-honored game. But is it always productive? I think not.

The theory here, when the fur begins to fly, is to get on the "right side." Which side is the right side? Quite naturally its the side that makes you a folk hero at home.

There is no question that the basic philosophy and style of this administrator is less pleasing and digestible to the environmental community than that of previous administrators. But I do labor under the longstanding illusion that a public official should be judged not on the basis of clamor or conflict but on the basis of certain results—in this case, environmental quality. The truth is that the health of the American people and the quality of their environment are getting better, not worse. The air and water may not be as clean as we wish, but they are eminently cleaner than they were, and show continuing improvement. Hazardous waste dumps are being cleaned up. No previous EPA administrator can boast of that fact.

It is not my purpose to defend all actions that Anne Gorsuch has taken as administrator of EPA. I've surely resisted some. I know I would have handled some matters quite differently had I been in her shoes—but who of us can object to fair and informed criticism of the record of any public official?

What I do not have much stomach for is the mindless antipathy, the raging harassment and assertions, the blatant lust for the "kill" that has been so evident recently.

Much has been made of the reduced budgets at EPA. This is seen by some thoughtful people as a lessening of the commitment to clean up our nation. Is it? What happened may be something that makes sense. Lawyers were fired and scientists were hired. Anne Gorsuch stated, "I don't need all that money for lawyers and litigants and bright stars and fancy writers and paper peddlers and white paper specialists. Just give me some 'grinders' who can sit down with the deputy, John Hernandez, and other scientists and crank out a list of the chemicals that cause difficulties for human beings. I want to know what they are, how they can be controlled, what we should be up to. Let's toss out the lawyers and hire the scientists and get some rationalization about scientific effect of chemicals." Makes sense.

I believe many of us have finally plugged our ears to the old siren song of Washington. The words and music went, "If we only had a good chunk more money and some more good people, we could do you a tremendous job." There aren't too many people left around here pumping out that guff any more or buying it. Many see clearly that we no longer need lengthy litigation, marvelous memorandums, ponderous tomes, distinction piled upon distinction, and paralysis by analysis. Start walking the walk instead of talking the talk.

But others still don't agree. Seems every time we take a crack at a responsible amending or reauthorization of the Clean Air Act we get letters from constituent groups who have been wired up in a miasma of misrepresentation: "Lay off the Clean Air Act, Simpson, or we'll tear your shorts off!"

Recent public opinion polls clearly show that the American people want clean air and clean water and are willing to pay for it. I go for that. This does not mean that the public's willingness to pay should be translated into a willingness of the federal government to spend itself goofy on environmental programs. We can have a clean environment and reduced budgets if appropriations are expended wisely. That is what Anne Gorsuch's administrative efforts are about—the wise and thoughtful use of limited resources.

All federal agencies and departments are finding the going tough in these times of tremendous deficits. Should EPA be exempt from all economic constraints while our right to sensible environmental protection is already being maintained under current funding levels? None of EPA's harshest critics has shown that EPA has not continued to follow the law just as set out by Congress, nor can the critics show that the environment has been degraded, because just the opposite is true.

"Superfund" is a case in point. Under the stewardship of Anne Gorsuch, EPA has taken significant and effective actions to establish priorities to clean up some of the worst dump sites in the nation. Some will argue that litigation is preferable to any out-of-court settlements. But let us not forget that each case litigated costs the taxpayers hundreds of thousands of dollars while always delaying the actual cleanup. Out-of-court settlements are not intrinsically evil.

So: what the hell *have* they been doing over there? Well, EPA has been active in reducing the backlog of state implementation plans (plans required of the states before environmental protection strategies can be approved by EPA). This backlog has been reduced by 98 percent under Anne Gorsuch.

Through management streamlining, the requested budget reduction of 50 percent in 1982 has not prevented the EPA from proposing 14 effluent guidelines and promulgating 12 of those—when before this administration came on the scene only one was birthed after an investment of more than $100 million. For the very first time, EPA is on track with court-ordered deadlines. Is this not responsible action? One would think so.

The backlog of overdue decisions on chemical testing has been reduced by 25 percent. Backlogged applications for pesti-

cide registrations have been reduced by 97 percent and use permit delays reduced by 83 percent. The backlog on grants and other resistance agreements has been reduced by 95 percent. The clogging of unresolved audits has dropped from 653 to 5 during the past 18 months. And if one examines the actual record, acid rain research levels have increased—contrary to the comments of the critics.

As chairman of the subcommittee on nuclear regulation, I observe EPA's Office of Radiation Programs. That office has accomplished much since Anne Gorsuch and John Hernandez took charge. It has really zeroed in on its mission of establishing environmental standards for a variety of activities in the nuclear field, many of which were hopelessly behind schedule and had, prior to Gorsuch's arrival, been but "pacing items" for the regulatory progrmas of other federal and state departments and agencies. This re-emphasis of ORP's mission might well be one of the most important achievements of EPA in the nuclear field.

EPA has also proposed standards for high-level waste repositories, an issue that the agency had been grappling with for an extraordinary period of time. These standards, once adopted, will be incorporated into the Department of Energy and the Nuclear Regulatory Commission high-level waste repository programs.

Final standards for inactive uranium mining and milling activities, which were recently promulgatd by EPA, will allow DOE to move forward in its cleanup program for these inactive sites. Standards in numerous other areas related to the nuclear field have shown great progress since Gorsuch took over the shop, including standards for active uranium mill tailings sites that EPA in the past had failed to promulgate, even in the face of a statutory congressional mandate.

Because enforcement and implementation of clean air programs are two of the EPA's most important responsibilities, virtually no funding reductions have been proposed in those areas. Research support for national hazardous air emission standards has increased by $1.3 million to ensure their timely completion. The enforcement effort continues at the same funding levels as fiscal 1983, and EPA is maintaining its focus on the most significant violators, which include those tampering with auto pollution equipment and the large industrial polluters. The 17 percent reduction in state grants in this area is based on EPA's belief that improvements in federal and state operations will enable states to operate effectively with a reduction in the federal share of the total resource support.

Acid rain research will increase by $1.5 million to a total of $14 million. Total government-wide funding for acid rain will be $27.6 million, an increase of $4.3 million over the past fiscal year. Quality assurance efforts will get a $1.3 million injection.

There was an increase of nearly $1 million for improving toxic risk assessments. Total health effects studies will be funded at an increased level of $51 million, an increase felt necessary to continue to protect the health of American people.

The most diligently ignored factor in EPA's budget is the increase in funding for Superfund by 48 percent—and increases in resources for site cleanup by nearly 55 percent. If numbers alone are the game, then know that in 1982 EPA obligated 81 percent of all the funds appropriated in this program—including obligation of 90 percent of all waste-site cleanup funds. In 1984, EPA will be expanding the number of sites where response actions will be conducted.

The EPA budget proposals for 1984 deserve sensible analysis and not ridicule. The proposals for both 1982 and 1983 have resulted in environmental progress. Programs that were dormant are now productive. Savings of nearly $200 million over the 1981 appropriations are to be achieved while the EPA continues environmental progress through a series of actions: addressing a growing number of the most dangerous hazardous waste sites; improving management of our basic regulatory process in the EPA such as in the toxic new source performance standards, effluent guidelines and pesticides programs, and basic and essential regulatory reform efforts that have enabled the agency to implement statutory responsibilities in a much more sensible and effective manner.

We hear much about the acid rain issue—and should. We hear that EPA may be "stalling," prolonging research efforts as a means of reducing any chances for successful acid rain legislation. Yet there are (believe it or not!) professional scientists at EPA—career people—who survive all of the changes in administration throughout the years. The criticism leveled at EPA is a whack in the chops to these dedicated scientists and their objective work, as well as to many of the politically appointed administrators. The real truth is that Congress *does* need more information on acid rain—regardless of the lack of House action or the recent action taken by the Senate. EPA has been responding to this need for more information and will certainly continue to do so. Congress does need some more information on things like: the buffering capacity of different soils; the effects of oxidant catalysis; the role of long-range transport; the efficacy of different control strategies; and the effects of windblown alkaline dust on acid rain formation. EPA is not stalling on the acid rain issue. Instead, Congress is severely reined in by a lack of finite knowledge about the cause-and-effect relationships of different industrial control strategies. Congress should take the rap on inaction and stalling on acid rain, not EPA.

Notice, too, that when persons have expressed to Anne Gorsuch that something might be awry, or that sly trickery is afoot, or that the sneak thieves are in full flight or that the shredder has shorted out-or when they say Rita Lavelle shouldn't be working here, or that she should, or that Hugh Kaufman shouldn't be here, or that he should—all of those mumblings, memos and meanderings get turned over to the Department of Justice. It seems like a good place to report charges of wrongdoing. If things are really out of whack, it will come out in the wash.

And finally—isn't it interesting how "the observers" seem to foster preconceived notions about this administration and the environment? I would hope we might dispel one notion—that the proection of the environment and the public health and safety is solely in the domain of those of the other political faith. Check out the record of the Republican Senate and a Democratic House and review the number of environmentally responsible bills that have been passed by those bodies and praised by the president as he signed them into law—endangered species, barrier islands and nuclear waste legislation to mention but three.

Perhaps it would be well for us all—congress-persons, "the observers" and the public we serve to consider again the words of Edmond Burke: "Those who would carry the great public schemes must be proof against the most fatiguing delays, the most mortifying disappointments, the most shocking insults and worst of all—the presumptious judgment of the ignorant beyond their design."●

PREVENTING HUNGER AT HOME

● Mr. SASSER. Mr. President, I am pleased to be a cosponsor of Senate Concurrent Resolution 6, "Preventing Hunger at Home." The resolution expresses Congress commitment to insure that federally funded nutrition programs are protected from budget cuts which would prevent them from responding effectively to the nutritional needs of children and adults in these times of economic hardship and high unemployment.

During recent Budget Committee hearings, I had the opportunity to ask Secretary of Agriculture Block about proposed cuts in the child nutrition programs and the special supplemental food program for women, infants, and children (WIC). His response was disturbing for the administration's budget proposals amount to reneging on the Federal Government's commitment to and responsibility for nutrition programs.

The administration is proposing, once again, to put the summer food program, child care food program, and the school breakfast program into a general nutrition block grant. If this proposal is enacted, there would be a 15 percent reduction in the funding for these programs and the child care food programs for family and group day-care homes would be eliminated. Under the block grant, States would be permitted to use their grant money to finance child nutrition and related activities, however, there is no assurance that the States would replace the money lost by these programs.

Mr. President, child nutrition programs are significant to the future of our Nation, and to reduce them to the proposed levels would be a calamity. Let me illustrate the effects of block granting the breakfast, child care, and summer feeding programs.

In Tennessee, a 15-percent reduction in funding would eliminate 11,131 schoolchildren from the school breakfast program. Nationally, the number of children forced out of the program could be as many as 500,000. Since the onset of this administration's budget-cutting tactics, 900,000 fewer children participate in this program.

The child care food program (CCFP) provides assistance to family and group day care operations in low-income areas so that they can provide nutritious meals and snacks to preschoolers without raising day care costs for their families. The proposed budget removes all funding for CCFP for family and group day care homes and consequently cuts out one-third to

one-half of the daily nutritional requirements for 165,000 low-income children. The outcome of this action can only be to raise fees charged to already financially strapped working parents or reduce the quality of care provided these children.

As for the summer feeding program, 500,000 low-income children who had been served in previous summers have already been eliminated from the program because of budget cuts and new operating restrictions. Further budget cuts will only mean that more children will be subjected to the health problems associated with inadequate diets.

The school lunch program currently serves 23,000,00 children in over 90,000 schools of which half are from low-income families. There are over 3,000,000 fewer children and 2,000 fewer schools—a 12-percent decrease—participating in the school lunch program than before the administration's initial budget cuts, and a third of these children had been receiving free and reduced price lunches.

The administration is proposing a couple of disturbing technical changes to the school lunch program in their 1984 budget. First, they are proposing to delay the inflation adjustment reimbursement rate until January 1984. This translates into schools losing money operating the program since they would be paying current prices for food supplies and would be reimbursed based on prices from 6 to 20 months in the past. Schools with a high number of low-income students are reimbursed more, therefore, their losses due to the delay would be greater. A second administration proposal would require certification from the food stamp office before children would be allowed to get free or reduced price lunches. Families who refuse to apply for food stamps because they view it as humiliating are often willing to get free or reduced price lunches because the rules of the program protect their children from being treated differently from paying children. These families will probably drop out of the program should this proposal be enacted. Moreover, certification by the food stamp office would require parents to appear at the food stamp office and thus would mean losing time from work, which they cannot afford, and, in most cases in my State, traveling to the county seat which is miles away from home, school, and work. Food stamp workers are already overburdened and this added change will not only jeopardize the efficiency of the school lunch program and the food stamp program, but also result in the loss of more children from the school lunch program.

Mr. President, as has been widely publicized, the special supplemental food program for women, infants, and children (WIC) clearly leads to a decrease in the number of premature births and low-birthweight babies, and for every $1 spent on the program there is a saving of at least $3 in future medical care expenses. This program is designed to provide supplemental nutritious food to pregnant, postpartum, and breastfeeding women, infants, and young children from low-income families who are determined by professionals to be at nutritional risk. The administration is proposing $1.06 billion for the program in 1984, the current level of funding. Yet food prices are expected to rise 5 percent in fiscal year 1984 and as a result about 5 percent of the WIC participants will be dropped from the program. This translates into approximately 115,000 low income, nutritionally at risk women, infants, and children being terminated from the rolls of one of the most successful and effective nutrition programs we have on the books.

Mr. President, we are presently experiencing a WIC caseload reduction of approximately 150,000 from the number served in fiscal 1982. The current reductions and proposed reductions are coming at a time when our Nation is reeling from an anemic economy and historically high unemployment. Infant mortality is on the rise in cities with severe unemployment; if anything, we should be increasing support for WIC. I am deeply concerned, too, for the thousands who are not being served by this program who have historical health problems and are eligible for WIC and for those who have inadequate diets and desperately need it.

I would like to complement the Senator from Minnesota (Mr. BOSCHWITZ) for introducing this resolution which reaffirms Federal commitment to reducing hunger and malnutrition and provides reassurance to those who need and depend upon these nutrition programs to help them through the current difficult economic circumstances. I would also like to thank Ms. Janet L. Wolf and the Tennessee Hunger Coalition for their time and cooperation in providing my staff with information on the status of the Federal food programs in Tennessee.

In conclusion, I feel it is imperative that we take a long, hard look at ways to enhance these programs and seriously consider the long-term consequences—social, psychological, and financial—of domestic policies which address only immediate costs and benefits. I urge my colleagues to support Senate Concurrent Resolution 6 and the principles it embodies.

Mr. President, I ask that the letter from the Porter-Leath Children's Center, which illustrates the effects of the 1984 budget proposals on child nutrition programs, be printed at this point in my remarks.

The letter follows:

PORTER-LEATH CHILDREN'S CENTER,
Memphis, Tenn., February 7, 1983.

Hon. JAMES SASSER,
405 Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR SASSER: I am writing today about the administration's proposals for the Child Care Food Program (CCFP). I understand that the administration is proposing a block grant for food with a reduction of about 28 percent in funding. I further understand that they propose to eliminate from CCFP all funding for family day care.

Because our agency is the sponsoring organization for a network of day care homes, these proposed cuts are of serious concern to me. The 35 day care homes in our network serve about 110 children, all of them children from poverty families. We are totally dependent upon funding from CCFP for food for these children. This year we anticipate receiving about $55,000 from USDA for food service in this program. The other costs in the program come from Title XX and United Way, neither of which can make up any reductions for food service. In a nutshell, if we lost the money for food service, there is no way we could continue the program at all.

This would mean that the 110 children now in day care could no longer participate. Each of these children is in day care because a parent is working or in training for work. Remember these are low income families working at marginal jobs at best. They do not have resources to pay this cost of food for their children. These parents would undoubtedly have to drop out of training or quit work if their children were denied day care.

Senator Sasser, enough is enough. Our agency has cut services and cut services. We lost $70,000 in foster care and day care from Title XX in October, 1980. We cut back the number of children who were getting day care and foster care at that time. We lost $300,000 in health services in December, 1981. We dropped our program for pregnant adolescents, and further reduced our health services to children in North Memphis. Just last month we lost $50,000 in our emergency shelter program, reducing our capacity to serve abused and neglected children. Last year we took a cut in our food service, when the administration reduced the number of meals or snacks that are allowed to be served to children. Currently, we are permitted to serve only two meals and one snack each day. In all, we have lost more than $420,000 in actual reductions in this small agency. We cannot afford to take any more cuts at all. Reductions in food service will mean the end of our day care program.

This $420,000 cut in the last year and a half is more than a 30 percent reduction of our total budget and over 60 percent of our federal funds from Title XX, USDA, and Children & Youth Administration. It does not seem fair or right to me that we should be asked to take more cuts, especially when those cuts will simply put out of business entirely one of our programs.

Please help us to keep the program alive, and to keep the kids in the program eating properly. Don't let the administration take any more cuts out of programs such as this one. I count on you for your support.

Very truly yours,

JAMES R. BENNETT,
ACSW Executive Director.●

ACID RAIN

● Mr. LUGAR. Mr. President, my colleague the senior Senator from Illinois recently addressed the Illinois Mine Workers Legislative Conference on the problems of the high sulfur coal industry and the need to assure the future of midwestern coal. Senator PERCY finds that the impact of proposed acid rain legislation is as severe for Illinois as it is for Indiana and other midwestern coal-producing States. Senator PERCY points out that the acid rain legislation proposed last year by the Senate Committee on Environment and Public Works may have no impact on acid rain problems in the most sensitive areas while a liming program would provide immediate relief, relief which is needed until scientific knowledge advances far enough to suggest a reasonable solution to the acid rain problem. The Subcommittee on Energy, Nuclear Proliferation and Government Processes has also released two valuable studies of the impact of this proposed legislation.

I ask unanimous consent that the text of Senator PERCY's speech and the studies by the Department of Energy and the Congressional Research Service be printed in the RECORD for the benefit of my colleagues.

The material follows:

ADDRESS OF SENATOR CHARLES H. PERCY

Rich Trumka, John Banovic, Leroy Bauer, Joe Angleton, Jerry Hawkins, and my mine workers friends. I deeply appreciate your inviting me here today to address this Annual Legislative Conference of the United Mine Workers of America.

Since the topic of your conference is legislation, let me begin by just mentioning one piece of legislation which I feel will adversely affect not just mine workers, but all Americans who work and strive to save and invest for their financial futures.

Last summer, the Congress decided it would be a good thing to begin withholding Federal income taxes on both interest and dividend income. In the Senate, that particular provision passed on a close vote of 50 to 48. I am proud of the fact that I was one of the 48 Senators who opposed this provision. It runs counter to all of the things we have been trying to do in order to stimulate more personal savings.

I wanted to tell all of you who have taken the time to write your elected representatives in Washington about this matter that your message is being heard loud and clear. In the last four weeks, my office alone has received over 200,000 cards and letters on this issue—more mail than on any other single issue in the entire time I have been in the Senate. More mail on withholding than on Watergate, Vietnam, the Panama Canal, and even labor law reform. I have already introduced legislation to repeal this law. Keep those cards and letters coming in until it's taken off the books!

I certainly do not need to tell you about the troubles faced by Illinois miners. Thirty percent of our miners are out of work—5,000 miners out of a work force of 16,000. Domestic and international markets for our coal are sluggish, despite a good price and our best efforts to promote exports. Non-unionized Western coal continues to make inroads into the traditional markets for our coal. And acid rain legislation in Washington poses a significant threat to the Illinois coal industry.

I am not pleased with the present conditions for Illinois mine workers, and I know you aren't. Your challenge and mine is to see what we can do about it. There are some important and meaningful things that we can do. There are some things we should not do.

Illinois is the "Saudi Arabia" of coal. There are an estimated 162 billion tons of identifiable and recoverable coal reserves in Illinois—enough coal to provide centuries of power to American and foreign consumers. We must not permit Illinois coal to be lost as a national energy asset.

We are not going to let the Federal Government turn its back on important funding for fossil fuel research and development. I will vigorously fight the Office of Management and Budget's proposal to slash by 58 percent the funding for these crucial R&D projects. We need more of the kind of research being carried out at Argonne National Laboratory in Illinois—like the dry-scrubber that I dedicated one year ago—not less. I will also continue to fight with Congressman PAUL SIMON to turn the Carbondale Mining Technology Center into a national center for research into overcoming the problems of the high-sulfur coal industry.

We must not allow the current glut in the oil market to lull us into excessive dependence on a single energy source. The full utilization of high-sulfur coal as a liquid fuel—methanol—can and will be important to future generations.

In fact, while we in the United States have been slow to develop a real interest in the use of methanol, the Japanese have already expressed their eagerness to use methanol as a clean burning boiler fuel. As Chairman of the Foreign Relations Committee, I have been working on a project with the Japanese government which, over a 30-year period, could use as much as 186 million tons of number six Illinois coal.

In a nutshell, the project calls for the construction of a methanol plant in Panama that would be supplied with Illinois coal shipped through New Orleans. The methanol would be piped across Panama to supertankers for the trip across the Pacific to Japan. I am happy to report that progress to date on this project has been good—we already have $2.5 million in federal support for the project and we fully expect the private sector in the U.S. and the Japanese government to lend additional support.

I know that the issue of highest priority at your Legislative Conference this year is the acid rain legislation that has been introduced in the 98th Congress. Despite the lack of firm scientific evidence, this legislation calls for a ten-million ton annual reduction of sulfur dioxide emissions into the atmosphere. It places the entire burden of reducing emissions on the Midwest—on the utilities that burn high sulfur coal and, ultimately, on the miners who extract that coal. It callously disregards the human misery that will be felt from Illinois to West Virginia.

Up until now, the debate on this legislation has unfortunately been couched in the rhetoric of "environmentalists" versus "labor and industrial concerns." I do not see it that way. In my sixteen years in the U.S. Senate, I have worked closely with both industry and labor and I have enjoyed your support. And no one can question my record as an environmentalist or my support for providing a clean and healthful environment for all Americans. The real question at hand on this legislation is whether this can be achieved without sufficient evidence as to whether the benefits will outweigh the costs which would be borne by thousands of American workers and consumers.

Let's look at those costs. Six months ago, I asked the U.S. Department of Energy to prepare an impact statement on how this acid rain legislation would affect the high sulfur coal industry. I was so startled by their findings that I asked another agency, the Congressional Research Service of the U.S. Library of Congress, to conduct its own study. I am releasing both of these studies to you today. This is what they had to say:

Over 21,000 Illinois miners and allied workers will permanently lose their jobs if this legislation becomes law;

Most utilities now burning Illinois coal will switch to low-sulfur Western coal as the least costly way to comply with the stringent S-O-2 reductions called for in the legislation;

By 1995, Illinois coal production will drop by at least 40 percent, or 25.6 million tons, if this legislation becomes law;

The brunt of this decline in coal production will be felt in Randolph, Perry, Jackson, Williamson, Saline, and Gallatin Counties. Dr. Larry Parker of the Congressional Research Service calls the impact "very harsh." Unemployment in these counties, already at 18.2 percent last December, will be driven up to an unbelievable 29 percent. Personal income in those counties will drop by $200 million or 20 percent.

These casualties will be created despite the lack of evidence on the "benefits" side. despite the fact that we already have an acid rain strategy in place that requires up to a 90 percent reduction in S-O-2 emissions for new emissions sources. Despite the belief by some scientists that the 10-million-ton S-O-2 reduction called for by the legislation may not save a single fish or tree.

Let me tell you about my approach to this problem. It calls for evidence, hard facts on the benefits and the costs. I have cosponsored legislation with Senator Byrd of West Virginia that will accelerate the study of this problem, and get us clear answers to this problem no later than 1987. Our approach says let's not wait until 1995, as the acid rain legislation says, to bring relief to the sports fishing industry of the Northeast. Let us bring relief in 1984 through a federal program to fund the liming of acidified lakes, regardless of the cause.

Let's follow the lead of Sweden, which has successfully brought back to life up to 1,500 lakes where fish had previously been dying—at a cost of only five million dollars, no lost jobs, and no increased costs to utilities and consumers. Sweden plans to expand this program to 20,000 lakes by 1986.

The Byrd bill, which I fully support, provides for up to 75 percent federal support for state liming programs similar to those which have been so successful in Sweden. The most important aspect of this bill is that we are preserving jobs while we are searching for a viable solution to the acid rain problem—one which is based on hard facts and clear evidence.

We have learned from the U.S. Department of Energy and the Congressional Research Service that the acid rain legislation currently pending in Congress would cause an economic catastrophe in America's heartland. It will retard conversions to coal from overpriced Canadian natural gas and im-

ported oil. It will drive up the price of low sulfur coal, causing consumers to pay higher electricity bills and making low sulfur coal less competitive in world markets, which should be good news to the governments of South Africa and Poland.

Let's face it. It is an environmental problem when the elderly, the disabled, and the poor are forced to struggle to afford higher utility rates caused by this approach.

It is an environmental problem when a family is left with the breadwinner out of work without just cause.

It is a grave environmental problem when a whole region is economically destroyed because of the indifference of Washington.

I promise you this morning: as your senator, I will continue to fight on your side, every step of the way. The voice of Illinois coal—the strong voice of Illinois coal—will be heard in Washington.

Thank you.

DEPARTMENT OF ENERGY,
Washington, D.C., September 24, 1982.

Hon. CHARLES H. PERCY,
Chairman, Subcommittee on Energy, Nuclear Proliferation and Government Processes, Committee on Governmental Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR PERCY: I very much appreciate your concerns with the energy impacts of the "Acid Rain Proposal" approved by the Senate Committee on Environment and Public Works on July 22, 1982. The Department has also extensively reviewed the proposed legislation, especially the potential impacts to energy supply and demand, and has concluded that this legislation does not serve the best interests of the Nation.

Our analysis of the legislation pending before the Senate indicates that massive costs will be imposed on two key components of our Nation's energy infrastructure: the coal industry and electric utilities. Moreover, the costs incurred by these two sectors will eventually be borne by consumers and industries dependent upon coal and/or electricity for their energy needs. The Department is also concerned that the stress placed upon these sectors could lead to unnecessary increases in oil and gas use, harm our ability to participate in the growing coal export trade, impede the ability of the Midwestern and Appalachian coal industries to respond to long term energy needs, and seriously disrupt the economies and stability of major Eastern coal producing regions.

Portions of the proposed legislation addressing nitrogen oxide emissions would seriously impede the ability of electric utilities to convert existing oil or gas units to coal. Specifically, the bill would prohibit increases in nitrogen oxide emissions from January 1981 levels on a plant-by-plant basis. Since coal combustion inherently results in more nitrogen oxide emissions than does the combustion of natural gas or oil, savings estimated at between 350,000 and 400,000 barrels of oil per day from coal conversions will not take place. In addition, ten powerplants which have already converted to coal, representing a displacement of 60,000 barrels of oil per day, may have to be reconverted back to oil because these conversions resulted in nitrogen oxide emission increases beyond the January 1981 levels.

The Department is even more concerned with the provisions of the proposed bill that would mandate a reduction in annual sulfur dioxide emissions in 31 Eastern states by 8 million tons below 1980 levels. The Department's findings regarding these sulfur dioxide limitations are as follows:

There are only three methods available to achieve these levels of reduction: coal switching, flue gas desulfurization (scrubbers), or coal cleaning. On an annualized accounting basis, the costs of these three methods are comparable. The method of economic choice will depend upon site-specific characteristics of each powerplant.

Although the costs of each control method appear comparable, there will be a substantial bias towards coal switching. Almost all of the powerplants affected by the bill will already have been in service for at least twenty-five years. The capital investment needed to install flue gas scrubbers doesn't make economic sense if the powerplant has only a limited service life prior to retirement. The technologies for coal cleaning available today are limited in the degree to which sulfur compounds can be removed. Overall, the Department anticipates that between 50 and 75 percent of the sulfur dioxide reduction mandated by the bill would be achieved by switching from high to low sulfur coals.

Moreover, the sulfur emissions problem is largely a problem of older plants. Modern plants have installed extensive clean-up systems. Thus, the problem is self-correcting over time as the older plants move into retirement.

The direct dollar costs of the sulfur dioxide reduction mandated by the bill have been calculated by the Department to be at least $3.5 to $4.6 billion annually in 1982 dollars. Because of a number of simplified assumptions, these calculated costs should be considered as a lower bound or minimum estimate. Actual direct costs are likely to be in the range of $5 to $7 billion annually in 1982 dollars.

These annual costs eventually taper off as the affected powerplants are retired. Taking such retirements into consideration, the Department anticipates that the total direct costs incurred over the effective lifetime of this legislation will be between $110 and $150 billion in uninflated dollars. The annual and total costs estimates are relatively insensitive to the control technique used (because direct costs of each method are roughly comparable).

These direct costs translate into higher bills for residential, commercial and industrial consumers of electricity. For 1982, the Department estimates total annual electricity revenues in the 31 Eastern states at about $70 billion. Thus, the $5 to $7 billion anticipated cost increase represents a seven to ten percent increase over current average electricity payments. Averages, however, can be deceptive since some states will bear very little of these extra costs while others, especially those highly dependent upon coal for electricity generation, would see substantial rate increases. It appears that five states (Ohio, Indiana, Missouri, Pennsylvania and Illinois) would be required to achieve about 60 percent of the initial 8 million ton sulfur dioxide reduction, 16 states would be responsible for attaining about 35 percent of the reduction, and 10 states for about 5 percent. Those states required to achieve the greatest levels of emission reduction will also bear the greatest portion of the overall costs.

The proposed legislation will cause a major disruption to the Nation's coal mining industry by eliminating the market for an estimated 140 to 175 million tons per year of medium and high sulfur coals and placing almost an equivalent amount of demand on low sulfur coal supplies. While nationwide coal mine employment is unlikely to be significantly affected, between 36,000 and 45,000 miners employed in medium and high sulfur coal mines are likely to lose their current jobs. Unfortunately, low sulfur coals are generally not found in the same geographical areas as the medium and high sulfur coals mines that would be forced to shut down. For example, net coal production in Illinois is estimated to drop from its 1981 level of 51 million tons to 26 million tons by 1995. This represents a decline of about 70 million tons from 1995 coal production forecasts, and would result in a loss of employment opportunities for about 18,000 miners.

These production and employment decreases will lead to significant adverse regional impacts. Because the average miner's family consists of 3.6 persons, the proposed legislation will adversely affect between 130,000 and 160,000 citizens. On top of this, local businesses and the communities in which these miners and their families live are likely to experience substantial economic disruption and social dislocations. These adverse impacts will occur in an industry and in regions already experiencing significant unemployment. For example, the United Mine Workers reports 18.7 percent (or 32,400 miners) of its membership as currently unemployed. Illinois coal miner unemployment is currently running at about 16 percent or 2,700 miners. Almost all of this unemployment is associated with our medium and high sulfur coal fields.

The proposed legislation will also cause the demand for low sulfur coal to increase sharply. The greatest demand stresses resulting from this legislation are likely to be on our premium low sulfur Eastern coals. Our major concern is that a sharp increase in the demand for these coals will result in significant increases in prices. Higher prices for low sulfur coals will adversely affect more than the large number of electrical utility and industrial powerplants that would be forced to switch from high sulfur coals. Throughout the Eastern United States, current users of low sulfur coals would also see higher coal prices. In addition, coal conversion, especially by industrial boilers, will be significantly reduced resulting in continued high oil and natural gas use. Unfortunately, we are unable to provide reliable quantitative estimates of the anticipated rise in low sulfur coal prices, the impacts on industrial coal users and regional industrial development, and the potential increase of oil imports. This is because the shift in coal demand is so significant as to call into question the usefulness of our analytical prediction tools which model fuel-choice behavior under stable market and economic conditions.

The Department of Energy is also concerned with the potential impact of this legislation on coal exports. The coal export trade consists almost entirely of low sulfur coals. Higher prices for U.S. coals will alter the competitive position of U.S. producers, could reduce the incentive for foreign energy users to substitute coal for petroleum and natural gas, and may be interpreted by our allies as an example of U.S. Government interference in coal markets that is insensitive to their energy needs.

Our Nation's ability to support its energy requirements is strongly dependent upon the use we make of our vast coal reserves. Close to 50 percent of these reserves are found in the Midwest and Appalachian states; yet only 15 percent of these Eastern reserves are known to consist of low sulfur coals. Therefore, we must be able to rely

upon our Midwestern and Appalachian medium and high sulfur coal reserves. The Midwest and Appalachian states, traditionally strong coal producing regions, have the infrastructure and workers needed to respond to our Nation's short and long-term energy needs. However, the impacts of the proposed legislation literally portend the crippling of these essential medium and high sulfur coal industries.

In summary, the Department of Energy finds the acid rain proposal now pending before the Senate as a premature move toward legislation. The costs of this proposed acid rain legislation are massive. These costs alone would not deter our support if we had evidence that would indicate that commensurate benefits would be achieved. That evidence is simply not available. In essence, we are being asked to set aside billions of our Nation's wealth to obtain benefits that have yet to be demonstrated.

Sincerely,

J. HUNTER CHILES III,
Director, Policy, Planning, and Analysis.

IMPACT OF PROPOSED ACID RAIN LEGISLATION ON THE ILLINOIS COAL INDUSTRY

(Prepared for Senate Subcommittee on Energy, Nuclear Proliferation, and Government Processes, Senate Governmental Affairs Committee, by Larry B. Parker, Analyst in Energy Policy, Environment and Natural Resources Policy Division, Congressional Research Service, February 21, 1983)

[Graphs and charts mentioned in article not reproduced in the RECORD.]

INTRODUCTION

In an effort to begin mitigating the acid rain problem, several bills were introduced in the 97th Congress to reduce sulfur oxide (SO_2) and nitrogen oxides (NO_x) emissions from utility and industrial plants. In August 1982, the Senate Environment and Public Works Committee passed a proposed program to reduce SO_2 emissions by 8 million tons over the next twelve years and to freeze NO_x emission rates at their current level. The bill does not dictate the manner in which the reduction would be achieved, providing affected States with flexibility in meeting the mandated reduction.[1]

A primary focus of the discussion on this bill has been the cost of compliance in terms of higher utility bills. Utilities have generally argued that political constraints will force them to place flue gas desulfurization (FGD) units on their plants, inceasing electricity rates. The coal companies and United Mine Workers Union have argued that utilities will switch from burning high-sulfur coal to lower-sulfur coal because switching is cheaper then FGD units. Finally, analyses done for various government agencies and interest groups have suggested that a "least-cost" mixture of FGD units and fuel switching may occur which would minimize electricity rate increases.[2] This final scenario tends to favor fuel switching over FGD units because of cost, but includes some FGD because of various technical, contractual, and site-specific constraints to fuel switching.

A "cost" issue which has not been addressed adequately is the impacts of such a bill on the coal industry in major coal-producing States.[3] If a State attempts to minimize the electricity rate increases from acid rain legislation, it will tend to maximize the impact on high-sulfur coal-producing States by favoring fuel switching over FGD units. If a State attempts to protect its local high-sulfur coal industry by insisting on FGD units, it will maximize the electricity rate impact of the legislation. However, these two issues have generally been discussed separately, preventing the tradeoff identified above from being discussed fully.[4]

This paper examines tradeoffs between electricity rates and the high-sulfur coal industry by analyzing the effects of a "least-cost" reduction scenario for the coal producing areas of Illinois. The discussion is divided into four parts: (1) background on coal producing areas in Illinois; (2) analysis of the effect acid rain legislation would have on those areas, focusing on particular counties; (3) discussion of potential mitigating factors to the impacts identified; and, (4) a conclusion.

BACKGROUND

Illinois has the third largest coal reserves in the nation behind North Dakota and Montana. As shown in Figure 1, most of the State has some reserves with particular concentrations in the southern half of the State. As shown in Figure 2, most of the State's 50 to 60 mines are located in the southern region. The smaller mines tend to be surface mines with the larger operations being deep mines. The State's coal production is divided between the two modes with deep-mining having a slightly larger percentage of the production.

Illinois coal is burned primarily in two regions, as shown in Table 1. The first is the midwest, the traditional area for consumption of Illinois coal. The primary consumers in this region include Illinois, Indiana, Iowa, Missouri, and Wisconsin. Generally, the coal is transported by rail or barge with some intra-state shipments by truck. Shipment by barge generally involves some shipment by rail or truck to the river at the production end or from the river at the receiving end. In 1977, the largest railroad haulers of Illinois coal were: (1) Missouri Pacific (11.8 million tons); (2) Illinois Central Gulf (10.9 million tons); (3) Burlington Northern (6.2 million tons); (4) Chicago and Northwestern (3.1 million tons); and, (5) Conrail (2.8 million tons).[5] The second region is the southeast, particularly Florida, Georgia, and Mississippi. This region represents a growing market for Illinois coal. Generally coal shipped to the southeast entails a combined barge and railroad transportation mode.

Table 1.—Shipments of Illinois coal to large (over 25MW) powerplants in 1979

State:	*Tonnage*
Florida	1,420,000
Georgia	2,962,900
Illinois	18,341,700
Indiana	9,317,900
Iowa	1,666,000
Kentucky	539,800
Michigan	766,300
Minnesota	515,700
Mississippi	260,500
Missouri	12,039,500
Tennessee	483,000
Wisconsin	3,279,400

Source: National Coal Association. Data include shipments to powerplants which total over 100,000 tons.

The coal being mined is bituminous with a fairly high energy content—11,000 to 13,000 Btus per ton. However, it is considered high-sulfur coal having an average sulfur content above two percent. Ash content averages about 10 percent.[6]

It is the sulfur content of Illinois coal which makes it less desirable than some other coals, particularly western coals.[7] The imposition of air quality standards in the early 1970's placed a premium on low-sulfur (under 1 percent) coal. This bias toward lower-sulfur coal has changed the pattern of coal consumption in Illinois. In 1966, before passage of the Clean Air Act, Illinois utilities burned Illinois coal almost exclusively. However, as shown in Figures 3 and 4, by 1975 low-sulfur western coal accounted for about 30 percent of the market. This trend has continued. By 1981, Illinois coal accounted for only 47 percent of the coal burned by State utilities.[8]

Partly because of declining production in high-sulfur coal areas during the early and mid-1970's, (Figure 5) the Congress changed the sulfur dioxide requirements in 1977 to mandate a percentage reduction in SO_2 emissions regardless of the sulfur content of the coal. This sliding scale replaced the New Source Performance Standard (1.2 lbs. per million Btus) for coal-fired power plants established in response to the 1970 Clean Air Act. This change has eliminated the clear cost advantage low-sulfur coal had previously with respect to future power plants. However, the trend of the early and mid-70's of converting existing power plants to low-sulfur coal to meet emissions standards continues, although at a significantly slower pace as the compliance process is virtually complete. (See Table 2)[9]

TABLE 2. FUEL CHANGES IN COAL-FIRED POWER GENERATION CAPACITY IN ILLINOIS

[Megawatts]

Total coal-fired power generation capacity in 1972		16,424
Converted to low-sulfur Western coal by 1977	6,852	
Converted to low-sulfur Eastern coal by 1977	351	
Scheduled to convert to low-sulfur coal	1,673	
Maintaining high-sulfur coal combustion	5,798	
Conversions to oil		430
Retirements by 1977		1,320
Additions since 1972		3,800
Low-sulfur Western coal	893	
Low-sulfur Eastern coal	450	
Scrubbers	1,187	
Variances	1,270	
Total coal-fired power generation capacity in 1977		18,474

Source: Form 67, Federal Energy Regulatory Commission, 1977. Table from Boyce, et al. op. cit.

The proposed acid rain legislation requires sulfur dioxide reductions from existing plants. If the experience of the early to mid-1970's is a guide to future utility action, much of this reduction would probably come from fuel switching, unless political factors constrain that option. Such a scenario would minimize the electricity rate increases, but maximize the impact on high-sulfur coal areas.

IMPACT OF "LEAST COST" SCENARIO ON ILLINOIS

As noted earlier, the primary parties directly affected by the proposed acid rain reduction program have generally taken opposite and extreme positions regarding implementation strategies. The utilities have suggested that they will use FGD units, driving up the initial cost of compliance to consumers. The coal companies have suggested that the utilities will fuel switch, lessening the cost to their consumers but maximizing the cost to the high-sulfur coal industry.

For this analysis, a least cost scenario is used because neither of the extreme alternatives discussed above is likely to occur. Assuming economic forces are allowed to work unhindered (as in a least cost scenario), the

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Footnotes at end of article.

result would be a mixture of FGD units and fuel switching.[10] A least cost scenario would tend to favor fuel switching because of its cost advantage. However, as shown in Table 3, the cost differential between most alternatives is insufficient to conclude that one alternative will be consistently chosen over others. The inclusion of other market conditions, such as boiler compatibility, contractual arrangements, transportation costs, and low-sulfur coal demand, will dictate FGD units in some circumstances. It is the inclusion of these other considerations which makes an all fuel switching scenario impossible.

As suggested by utilities, political forces may be used to alter the least cost solution. However, such a result would come as a response to perceived inequities in the least cost solution. Hence, to determine whether sufficiently serious inequities will occur to warrant political action, one must first examine the market solution. From that analysis, one can determine what, if any, kind of mitigating action is necessary. As suggested later, there are several alternatives and degrees of alternatives available to policymakers, depending on the perceived seriousness of the problem. To assume a worst-case scenario as fact is to prejudge the result of the political process, and ignore other possible, and less costly, solutions.

Table 3. Representative Annualized Costs of SO_2 Reduction Alternatives [1]

Control strategy:	*$/ton SO_2 removed (mid-1982 dollars)*
Shift from high- to low-sulfur coal [2]	250–300
Shift from high- to medium-sulfur coal [2]	350–400
Shift from medium- to low-sulfur coal [2]	400–450
Shift from high- to low-sulfur residual oil	450–600
Shift from unscrubbed to scrubbed high-sulfur coal [3]	400–500
Shift from unscrubbed to scrubbed medium-sulfur coal [3]	600–1,100
Shift from unscrubbed to scrubbed low-sulfur coal [3]	1,500–2,000

[1] Cost will vary considerably depending on region and plant size. Costs per ton presented in this table are intended to be representative of average control costs only.

Costs include costs of upgrading particulate removal equipment.

Based on retrofit scrubbing costs for a 500-megawatt powerplant.

Source: ICF, Inc.

Methodology

The specific least-cost scenario chosen for this analysis is an 8.1 million ton reduction as modeled by ICF Incorporated.[11] The 8.1 million ton scenario was chosen for analysis due to its similarity to the proposed bill. However, it should be noted that the specific reduction requirement does not have a significant influence on Midwest coal production shifts. Because fuel switching is usually the easiest and cheapest method to achieve a quick reduction in SO2 emissions, fuel switching is generally employed first. As the reduction requirement rises, more reliance is placed on FGD. Table 4 lists the production impact of various reduction targets assuming a least-cost implementation strategy. As shown, the effect of SO2 reductions on the Midwest does not change significantly until 13.1 million tons.

To determine the reduction for Illinois, the Midwest production number (which includes Illinois, Indiana, and western Kentucky) was broken out according to the individual state's 1980 production (the base year of the projections). For Illinois, this resulted in an 25.6 million ton reduction in coal production.[12]

Impact—A six county example

A reduction of 25.6 million tons could have a dramatic effect on parts of Illinois. Twenty-five million tons of coal is about 40 percent of Illinois' 1980 production. If one restricts coal production to that consumed by electric utilities, the percentage is closer to 50. Unless Illinois could at least partially mitigate this production loss by acquiring new markets for Illinois coal by 1995 (when the reduction would be in full effect) or by some other means, significant economic disruption could occur.

TABLE 4. PRODUCTION IMPACTS OF VARIOUS ACID RAIN SCENARIOS

Region	Reduction scenarios (millions of tons)			
	13.1	12.0	[1] 10.0	8.1
Northern Appalachia	[2](42)	(43)	(33)	(33)
Central Appalachia	55	50	47	47
Southern Appalachia	(4)	(4)	2	(3)
Midwest	(63)	(51)	(58)	(55)
West	55	46	40	40

[1] Numbers calculated from different base than other scenarios. Scenarios also assumes interstate trading of sulfur dioxide reductions.

[2] ( ) represents a decline in production.

Source: ICF, Inc.

To examine more closely the effect of such a production decline on Illinois, the analysis will focus on six counties in southern Illinois which produce over 50 percent of Illinois' steam coal. These counties are: Randolph, Perry, Jackson, Williamson, Saline and Gallatin. As shown in the Figure 6, they form a belt across southern Illinois and are dependent on the coal industry to a significant degree. These and surrounding counties will received the brunt of any steam coal reduction because of an acid rain program.

Description

During the 1950's, southern Illinois was a declining area, both in terms of coal production and population. From 1950 to 1960, the area's population declined 20 to 30 percent in contrast with significant gains in the northern part of the State. During the 1970's coal production stabilized in Illinois at a higher level than during the 1950's (see Figure 5) and the population trend reversed (see Table 5).

During the early 1980's, southern Illinois is an economically depressed area. Table 6 shows the high unemployment rate in southern Illinois. As indicated, the current recession has taken its toll with the area's unemployment considerably over the national average in some southern counties.

TABLE 5.—POPULATION TRENDS IN SOUTHERN ILLINOIS—1970–81

County	1981 population	Percent change from 1970
Franklin	44,300	15.6
Gallatin	7,600	2.5
Hamilton	9,300	7.3
Jackson	63,000	14.5
Jefferson	37,500	17.7
Perry	22,100	11.9
Randolph	36,500	16.3
Saline	28,900	12.4
Wabash	13,900	8.2
Williamson	58,000	18.3
Illinois	11,493,000	3.4

Source: Sales & Marketing Management magazine, 1982. 1982 Survey of Buying Power Data Service.

TABLE 6.—EMPLOYMENT AND UNEMPLOYMENT FOR SOUTHERN ILLINOIS, AUGUST 1982 (PRELIMINARY)

County	Labor force	Employment	Unemployment	
			Number	Rate
Franklin	16,959	14,483	2,476	14.6
Gallatin	2,662	2,088	574	21.6
Hamilton	4,749	4,202	547	11.5
Jackson	28,575	25,451	3,124	10.9
Jefferson	19,089	16,371	2,718	14.2
Perry	10,009	8,651	1,358	13.6
Randolph	16,955	15,256	1,699	10.0
Saline	11,302	9,173	2,129	18.8
Wabash	7,301	6,465	836	11.5
Williamson	22,694	18,955	3,739	16.5

Source: Illinois Bureau of Employment Security.

Besides high unemployment, the effective buying income (EBI) of southern counties is generally less than the State average. As shown in Table 7, the disparity between southern Illinois and the State average is wide: southern Illinois' EBI is from 20 to 40 percent lower than the State average across the three measures listed. The coal industry plays an important part in preventing this disparity from widening. As shown in Table 8, employment in the six county area falls into six categories: mining, manufacturing, transportation and public utilities, retail sales, services, and government (mostly State and local employees such as school teachers). These sources also account for the major share of personal income in the six counties. However, as shown in Table 9, the mining industry accounts for more wealth in the community relative to other sources than the employment figure would suggest. While the industry is fifth in wage and salary employment, it is second in total income. This is due primarily to the higher wages the coal industry pays its wokers relative to most other employment sectors in the six county area.

Impact of acid rain legislation on six county area

As stated earlier, a least-cost implementation strategy for an 8.1 million ton reduction in SO2 emissions would translate into a 25.6 million ton reduction in Illinois coal production. The six county area being focused on here produces 55 percent of Illinois coal destined for electric utilities. In 1980, this production was 29.2 million tons. Assuming a proportional reduction between the six county area and other coal-producing counties, the study area's reduction would be 14.1 million tons or 48 percent.

In 1980, about 6,000 of Illinois' 16,000 coal industry employees worked in the six county area.[13] If the projected 48 percent reduction is spread evenly across the counties' coal industry, 2,880 jobs in the coal industry would be lost.[14] This would be out of a total loss of 6,560 jobs statewide. A similar reduction in the personal income statistic would result in a loss addition of the 9,360 job loss calculated here, the unemployment rate would rise to 21.4 percent, assuming a constant labor force and no re-employment. Loss of personal income to the area would be on the order of $200 million or between 15 and 20 percent of the area's income.[15]

Unless the coal industry could be revived through new markets or the manufacturing sector be expanded rapidly, the area's recovery from such an event would probably be slow. The area lacks the diversity of economic activities to absorb the significant reduction of the mining industry in a quick or

timely manner. Hence, pressure to provide some social assistance would probably arise. However, this call for support would come at a time when the area's own tax base would be reduced due to lessened economic activity and employment. The State or Federal Government would probably be requested to provide assistance to the area. How much assistance the State or Federal Government could afford to provide is unknown.

TABLE 7.—EFFECTIVE BUYING INCOME OF SOUTHERN COUNTIES

[1981 dollars]

County	Median household EBI	Average household EBI	Per capita EBI
Franklin	$13,399	$16,500	$6,518
Gallatin	13,281	15,299	5,838
Hamilton	11,381	15,110	6,174
Jackson	15,848	21,433	8,029
Jefferson	15,970	19,415	5,559
Perry	16,579	18,672	7,013
Randolph	15,432	17,057	5,701
Saline	11,015	14,149	5,630
Wabash	17,724	20,464	7,656
Williamson	14,220	16,734	6,549
State average	24,424	27,225	9,808

Source: Sales and Marketing Management magazine, 1982. 1982 Survey of Buying Power Data Service.

Table 8. 1980 employment in six counties in selected categories (full and part-time)

Wage and salary employment catagory:	*1980 employment*
Mining	5,548
Construction	2,961
Manufacturing	10,593
Transportation and public utilities	4,169
Wholesale trade	2,164
Retail trade	11,746
Service	10,518
Government	20,812
Total	59,802

Source: Bureau of Economic Analysis, Department of Commerce.

Table 9. Personal income by major sources—1980

Employment source:	*Labor and proprietors income*
Mining	$188,353,000
Construction	67,727,000
Manufacturing	170,084,000
Transportation and public utilities	89,661,000
Wholesale trade	37,317,000
Retail trade	116,345,000
Services	126,590,000
Government	276,750,000
Total	1,148,427,000

Source: Bureau of Economic Analysis, Department of Commerce.

This result suggests that a "least cost" strategy for electricity consumers would not be a "least-cost" situation for southern Illinois, unless new markets could be created for Illinois coal. That possibility and other potential mitigating factors are discussed below.

POTENTIAL MITIGATING FACTORS

There are several factors which might mitigate the impact of an acid rain program. These include: (1) developing new markets for Illinois coal, (2) requiring use of FGD where practical, (3) reducing the SO2 reduction requirement, and (4) retraining or relocating coal workers. These options are discussed below.

Developing new markets for Illinois coal

Under the proposed reduction program, Illinois would have 12 years to develop new markets for its coal to replace those lost due to fuel switching. To examine market conditions in 1995 is difficult. However, current assessments suggest such markets would probably be in one of three areas: (1) new power plants, (2) synthetic oil or natural gas processes, and, (3) overseas sales. However, as indicated in Table 11, there is little agreement on these areas' ability to significantly mitigate the production lost from a least-cost reduction strategy.

Because all new powerplants constructed after 1977 are required to effect a percentage reduction in SO2 emissions, Illinois coal is in a competitive situation with low-sulfur coals for use in those new boilers. However, as shown in Table 11, there is little agreement on the potential future demand for electricity. Currently, due primarily to the recession, electricity use for 1982 is expected to be less than for 1981.[16] Even with economic recovery, it is not clear that many planned power plants will be needed in the near future.[17] Given the uncertainty regarding future demand and the high cost of overbuilding, utilities are exploring alternatives to increasing capacity to meet their customers' need for electricity.[18] To the extent these efforts are successful, the need for some future coal-fired power plants will be at least delayed. If the delay extends beyond 1995, the affected power plants will not present as timely an influence on coal production as could be hoped.

TABLE 11.—PROJECTED 1990 ILLINOIS COAL PRODUCTION

Projection	Millions of tons		U.S. electricity growth rate assumption		1990 nuclear capacity (GW)
	Base year production	1990 production	Year	Percent	
Environmental Protection Agency	[1] 62.5	55.8	1980–85	1.7	107
			1986–90	2.5	
National Wildlife Federation	[2] 60.0	74.0	1980–90	3.4	117

[1] 1980.
[2] 1979.
Source: ICF Inc.

A second possible market for Illinois coal is as feedstock for future synthetic fuel plants. With the passage of the Energy Security Act, there was great hope that a new synthetic fuels industry would take root in the U.S. and that commercial quantities of synthetic fuels would be produced by 1995.[19] However, with the decline in world oil prices and the Reagan Administration's attitude toward both coal research and development and the Synthetic Fuels Corporation, it seems unlikely that the ambitious goals of the Energy Security Act will be realized or that synthetic fuels will represent a significant market for Illinois coal in the near to mid-term.

A final possible market for Illinois coal is overseas. Currently, Illinois exports very little coal to other countries. The major difficulty in increasing exports is the sulfur content of the coal: the same problem facing Illinois coal under an acid rain reduction program. The Europeans have been reluctant to install FGD units to meet air quantity standards, placing Illinois coal at a disadvantage there.[20] Indeed, some governments have imposed upper limits on the sulfur content of imported coal. Finally, significantly increased coal exports would require a commitment toward increased port capacity, a commitment the current Administration has yet to make.

Requiring use of FGD where practical

In 1977, the Congress required a percentage reduction in new power plant emissions, regardless of the coal being burned. This requirement has helped to reduce the cost advantage low-sulfur coal had over high-sulfur coal under the previous performance standard. To protect the high-sulfur coal industry again, Congress could mandate continued use of local coals and require use of FGD where practical in meeting an acid rain reduction goal. For example, the program could require FGD units on all baseload power plants over 100MW which began operation after 1960 (except under extreme circumstances). Such a requirement would reduce the production impact on Illinois from 25.6 million tons to between 5 to 6 million tons.[21] Such a reduction would represent about 10 percent of Illinois' coal production and would be more manageable than the 40 percent reduction under the "least cost" scenario.

A scrubbing alternative would also create jobs in Illinois' emerging air pollution control industry. Illinois is estimated to be in the top ten States in terms of air pollution control industry employment.[22] An FGD scenario would increase demand for FGD designers and constructors along with operations and maintainance jobs to operate the installed equipment.

An FGD requirement would increase the cost of compliance to electricity consumers, particularly in the first few years of the program. However, as was shown in Table 3, scrubbing of high-sulfur coal (such as Illinois' coal) would not be prohibitively more expensive. However, the cost would increase significantly if utilities had to scrub lower sulfur coals.

If such a requirement could not be enacted on a national level, the State of Illinois could require such action intra-state. Using the same FGD scenario suggested earlier, Illinois would have about five plants in FGD conversion category.[23] These plants consume about 11 million tons of primarily Illinois coal per year. To the extent the utilities would have fuel switched these plants in lieu of the proposed FGD requirement, this production would be "saved". However, as with a national restriction, such a local requirement would entail higher costs to electricity consumers.

Reducing the SO2 reduction requirement

The impact of a reduction program on Illinois coal production could be reduced by reducing the SO2 reduction requirement. Such a move would have precedent as the committee bill has already cut the proposed 10 million ton reduction to eight million tons. However, for reasons discussed earlier, the level does not decline in proportion to the SO2 requirement. As shown in Table 12, assuming a 'least cost' scenario, the portion of coal production reduction would be less than the 25.6 million tons estimated for the 8.1 million ton scenario, but not dramatically. This situation would make justifying a reduced SO2 requirement more difficult.

Retraining or relocating coal workers

The final alternative discussed here is to "manage" the economic distruption by retraining or relocating coal workers. The extent of retraining needed would vary significantly from worker to worker. For example, operators of heavy equipment at strip mines would presumably need little retraining to work similar jobs in construction, whereas underground coal miners may need considerable training to obtain a job. Also,

retraining does not mean that a job would be available. In the case of the six county area, the loss of a substantial part of their basic industry, coal mining, might deprive the area of the vitality necessary to attract new industry to the area. Finally, retraining would be expensive to either the State or Federal Government. Given current financial difficulties on both the State and Federal levels, it is not clear from where such assistance would come.

Relocation of workers would be an option if an appropriate job could be located. However, jobs created by an acid rain bill would probably be located in West Virginia, Kentucky or the West—the low-sulfur coal production areas. In the eastern States of West Virginia and Kentucky, each State would have its own displaced high-sulfur coal workers to care for. Also, displaced coal workers in other affected States such as Pennsylvania and Ohio are geographically closer to the eastern low sulfur coal areas than Illinois and would therefore have an advantage in obtaining jobs there.

TABLE 12.—COAL PRODUCTION IMPACTS OF VARIOUS REDUCTION SCENARIOS

[In millions of tons]

Region	Reduction scenario	
	5.1	2.7
Midwest	[1](24)	(18)
Illinois	(17)	(14)

[1] ( ) equals reduction in production.
Source: ICF, Inc.

Relocation to western coal areas would have two problems. First, the distance and change in lifestyle would discourage some Illinois coal workers from seeking jobs there. Second, because of the geology and strip mining technique used in the West, worker productivity is five to six times that of Illinois workers.[24] Hence, fewer jobs will be created and virtually none for underground miners. Also, because of the high-paying nature of the mining jobs created, competition from local residents could be expected.

CONCLUSION

Assuming economic forces were allowed to work unhindered, enactment of an 8 million ton SO2 reduction program could have a dramatic effect on the Illinois coal industry. Employing a least-cost scenario for electricity consumers would entail a 25.6 million ton loss in production, approximately 40 percent of Illinois' 1980 production. For the southern Illinois counties examined here, such a loss would almost double that area's 1980 unemployment rate from 11 to 21 percent and involve loss of about $200 million in personal income (about 17 percent of the counties' total).

Of the mitigating factors investigated, only two provide any potentially significant relief for Illinois' industry: (1) finding new markets for Illinois coal, and (2) requiring FGD units on power plants where practical. Current uncertainty about future electricity demand, synthetic fuels, and export potential makes evaluation of the first alternative difficult. However, current circumstances suggest that new markets sufficient to overcome the deficit caused by the proposed program will not be forthcoming, at least through 1995.

Requiring FGD units on power plants where practical would be effective in reducing the production loss in Illinois from 25.6 to between 5 and 6 million tons, and creating jobs in the air pollution control industry. However, such a provision would require a consensus that the high-sulfur coal industry is sufficiently important for consuming States to pay higher electricity bills to maintain it. Such a debate could be similar to that over the 1977 amendments to the Clean Air Act regarding percentage reduction.

In sum, a "least cost" scenario would not be least cost to the coal industry in Illinois. Indeed, for coal-producing counties in southern Illinois, the cost could be very high. The Congress may wish to consider this tradeoff between electricity rates and coal employment in determining any implementation plan for reducing SO2 and NOx emissions.

FOOTNOTES

[1] See: Title I, Section 120 of S. 3041. Clean Air Act Amendments of 1982. Approved by the Senate Environment and Public Works Committee, August 1982. S. Rept. 97-666, 97th Cong., 2d sess.

[2] See: Parker, Larry B. "Summary and Analysis of Technical Hearings on Costs of Acid Rain Bills". Prepared for the Senate Committee on Environment and Public Works, July 26, 1982. CRS unnumbered report.

[3] The major studies on the effect of acid rain bills on the coal industry have been done by Peabody Coal Company and the United Mine Workers Union. These studies project massive unemployment in most eastern coal producing States. However, there are two major problems with the studies which limit their usefulness. First, the studies are based on a 10 million ton requirement which is achieved entirely by fuel switching. Besides being a technical impossibility due to factors such as boiler design, the "least cost" studies show that in some cases, due to contractual or site specific circumstances, fuel switching is not an economical alternative to FGD. Hence, the unemployment projections are overstated. Second, the studies do not attempt to address the issue of job creation in low sulfur coal areas as a possible mitigating factor.

[4] Indeed, there have been attempts by some opponents of acid rain legislation to combine both the high unemployment figures of the coal companies' projections and the high electricity rate increases of the utility companies' projections into one "disaster" scenario. As indicated above, such an extreme scenario would not happen. If the utilities use FGD on a plant, they would not also fuel switch that plant to low-sulfur coal. If the utilities switch to low-sulfur coal, they would not also install FGD.

[5] Boyce, David E., et al. "Implications of Expanding Coal Production for Illinois' Transportation Systems." University fo Illinois at Urbana-Champaign: Department of Civil Engineering, March 1981.

[6] "1981 Keystone Coal Industry Manual." New York: Mining Informational Services, Keystone Coal Industry Manual, 1981.

[7] As noted by Thompson, because of the organic sulfur content of Illinois coal, Illinois coal must be scrubbed after burning to meet current emissions standards, both in the U.S. and abroad. See footnote 20.

[9] Boyce, David E., et al. "Implication of Expanding Coal Production for Illinois' Transportation Systems." University of Illinois at Urbana-Champaign: Department of Civil Engineering, March 1981.

[10] See Parker, Larry B. op. cit. for a discussion of the different "least cost" analyses done on the acid rain issue.

[11] ICF, Inc. Summary of Acid Rain Analyses Undertaken by ICF for the Edison Electric Institute, National Wildlife Federation and Environmental Protection Agency. "Prepared by ICF Inc." for the Edison Electric Institute, May 1982.

[12] 1980 was chosen as the base year for projecting coal production because it is the most recent year of "normal" Illinois production for which data are available. (1981 was a strike year.) The reduction presented is in the range presented by other studies using a least cost methodology but assuming a higher reduction requirement. For example, ICF's analysis for the Environmental Protection Agency put the Illinois production loss at 24 million tons while the ICF analysis for the National Wildlife Federation put the loss at 27 million tons at the beginning of an acid rain reduction program. Since SO_2 reduction scenarios between eight and twelve million tons have little effect on midwest production losses, the figure of 25.6 million tons seems a reasonable estimate of the production impact on Illinois of an eight million ton reduction.

[13] Based on data from the Illinois Department of Mines and Minerals on people working in Illinois mines as reported by mine operators. This number includes all people working and therefore is greater than the wage and salary employment presented in table 8.

[14] This methodology was chosen over a "miner productivity" factor because the difference between the Illinois coal industry as a whole and the coal industry in the six county area. While the State's coal production is 56 percent deep-mined, the six county's coal production is about 75 percent strip-mined. Hence, any employment number based on "average productivity" would be artificially high. The actual number of jobs lost could be higher or lower than projected here depending on specific circumstances and on whether surface or deep mines would be disproportionately affected by the production decline. Such a determination would require a site specific study which is beyond the scope of this study.

[15] Assuming indirect job salary of about $15,000 a year in 1980. This compares with a direct job salary of over $20,000 a year.

[16] See Edison Electric Institute. Electric Output. Washington, D.C.: Edison Electric Institute, published weekly.

[17] See Kaufman, Alvin, and Nelson, Karen K. "Do We Really Need All Those Electric Plants?" Congressional Research Service Report 82-147S, August 1982.

[18] See Parker, Larry B. "Energy Demand Forecasting and its Appropriate Role in Planning and Policy." Report for the House Committee on Science and Technology, September 1981. Committee print.

[19] Energy Security Act of 1980. Public Law 96-294.

[20] See Thompson, Duane. "Factors Affecting the Export of High-Sulfur Coal From the Eastern Interior Basin." Report for the Senate Committee on Governmental Affairs, June 1981. Committee print.

[21] Estimated from data provided by National Coal Association. Steam Electric Plant Factors. Washington, D.C.: National Coal Association, 1982.

[22] H & W Management Science Consultants. "Employment in the Air Pollution Control Industry." Prepared for the Industrial Gas Cleaning Institute, February 1982.

[23] These plants are Coffeen, Kincaid, Baldwin, Dallman, and part of Meredosia.

[24] U.S. Department of Energy. Coal Production—1980. Washington, D.C.: Energy Information Administration. 1982.●

RACIAL AND RELIGIOUS BIGOTRY

● Mr. INOUYE. Mr. President, the recent anniversary of Abraham Lincoln's birth has brought to mind a matter which has been troubling me for some time—a matter which I am certain has not gone unnoticed by my colleagues in the Senate and other fellow Americans. This is the increased incidence of racially and religiously inspired violence in the United States. Ladies and gentlemen, this problem is not going away, and it will require constant vigilance on all of our parts to insure that gross errors of the past are not repeated.

According to a report issued last month by the Commission on Civil Rights, violence and harassment still exist, and such incidents are "a serious threat to the maintenance of a peaceful, democratic, and pluralistic society."

The fundamental cause of racially and religiously inspired violence, ac-

cording to the Commission, is the "continuing presence and tenacious survival of deep-seated racism and anti-Semitism" in the United States. As the report notes, however, this is only part of the problem. Add the suffering and misery caused by high unemployment, the human tendency to find scapegoats, and the perception that enforcement of civil rights laws is diminishing. What results is a potentially vicious breeding ground for violence.

It is unfortunate, yet all too human, that in times of stress and misfortune many cannot resist the impulse to lay the burden of blame on the "other guy"—be it the black man on the street, the Japanese autoworker, or the newly arrived Southeast Asian immigrant. Acting on such impulses only adds new poison to the bitter fruit spawned by what many have aptly characterized as the "politics of frustration."

Striking out at those who are less fortunate, who are of a different race, or who are perceived to be benefiting unreasonably from "handouts" is not the answer. It is also no secret that bigotry-bred violence is difficult to pinpoint, and even more difficult to quantify. But as the report mentions, many cities and States are making the effort, with quite positive results. For example, attempts are being made to monitor religious and racial violence and the groups that foster such incidents. Maryland has passed a unique law requiring police to keep statistics on crimes of religious or racial prejudice. Several private groups have been keeping a watchful eye on the Ku Klux Klan, and often file lawsuits against KKK activity.

Many schools have launched programs specifically designed to teach children about the effects of anti-Semitism and racism. The National Education Association in conjunction with other groups distributes a teacher's list on the KKK, and in Detroit the study of racial and religious bigotry is being built into the public school curriculum. Over half the battle is fostering an awareness of the problem, and it behooves us, as leaders of this Nation, to do all that we can to stop this subtle, yet very real, problem from escalating any further.●

OPERATION HOMECOMING

● Mr. TSONGAS. Mr. President, February 12 marked the 10th anniversary of the beginning of "Operation Homecoming." After years of war, turmoil, and captivity, 40 U.S. prisoners of war embarked on their long-awaited journey home. In the 6-week period that followed, a total of 587 POW's made that journey.

These very special men withstood torture, humiliation, and untold abuse in the prison camps of North Vietnam. Whatever our feelings were about the Vietnam war, this Nation shared in the joy of those who returned and we mourned those who never made it. We paused 10 years ago to pay homage to their bravery and valor and it is fitting that we pause once more.

The February issue of the American Legion magazine featured an article by Philip C. Clarke, entitled "Return From Hell—the POW's Remember." I ask that this article be printed in the RECORD.

The article follows:

RETURN FROM HELL—THE POW'S REMEMBER

Former POW Richard Keirn remembers well that day of freedom 10 years ago. "It was like a fairy tale, a dream," says the retired Air Force colonel. "After more then seven and one-half years in prison in North Vietnam, I was coming home along with all the others. Waiting at the Hanoi airport was the big, beautiful American plane. A U.S. airman was supposed to escort one of my fellow POWs, Kyle Berg, and me to the aircraft, but I don't think the airman's feet ever touched the ground till he got there because we were carrying him by both arms. 'Aw, come on fellas,' he said. 'I'm supposed to be escorting you.'

"And that airplane . . . It was the cleanest thing I had seen in nearly eight years. We got aboard, all 40 of us, very quietly. They started the engines and taxied out for takeoff and every one of us remained very quiet. The plane started down the runway and the pilot poured on the coal. As pilots ourselves, we knew when the gear left the ground. At that precise moment, as skinny and beat up as we were, we let out a mighty whoop and damned near tore that airplane apart. The shrink, who was over in the corner making notes, just ripped them up and tossed the pieces in the air. It was the wildest, most wonderful celebration I've ever known!"

And so it was, not only for the 587 POWs who had resisted and survived throughout the years of bestial torture and privation in North Vietnam, but also for their families, other loved ones and the entire country. Over a period of six weeks, from February 12 to March 29, 1973, a grateful America welcomed home with cheers, tears and overwhelming pride and affection some of the bravest and most dedicated men ever to wear the nation's uniform.

Frank A. Sieverts, then-special assistant to the deputy secretary of state for prisoner of war/missing in action matters, was at Hanoi's Gia Lam airport when the first group of POWs arrived for their flight to freedom. "The guards ordered the men off the bus. Suddenly, the senior American officer of the group took command away from the guards and gave the orders for the men to march in formation to the release point. The guards tried to intervene but fell back. It was clear then that, despite the grim experience of captivity, our men had endured and prevailed."

On this 10th anniversary of "Operation Homecoming," the American Legion Magazine sought out and interviewed more than a score of representative ex-POWs from across the country, including three who received the Medal of Honor, the nation's highest award. Their responses reflect a deep and lasting bond, forged amid the hatred and savagery of wartime Hanoi. Few humans have suffered such extreme physical and mental abuse, yet have emerged with spirits unbroken. There is even now no precise count of the Americans who died on the blood-spattered floors of the Communist torture chambers. But of the more than 1,800 Americans shot down over North Vietnam, fewer than one-third returned home. And throughout the war theater, 114 American POWs are known to have died in captivity.

A majority of those who survived the gulags of the North give full credit to their military training and discipline. Despite solitary confinement and the risk of severe punishment for anyone caught communicating, the POWs somehow managed to establish and maintain a clandestine keep-in-touch network, tapping out Morse code messages through the prison walls. Amazingly, they also set up a secret chain of command headed by the senior ranking prisoner and known as the "4th Allied POW Wing." One of its chief organizers, and first C.O., was Col. John P. Flynn, a courageous and intrepid flier who had been downed over North Vietnam in October 1967, and who was promoted to brigadier general while still in prison.

The former prisoners also attribute their survival to faith—faith in God, their country, their fellow Americans and in themselves. "The ability to hang on to that faith helped see us through some of the toughest times," says Air Force Col. Wayne Waddell, current president of "NAM-POW's, Inc," the close knit fraternal group that still links some 430 onetime residents of the infamous hellhole nicknamed, with macabre humor, the "Hanoi Hilton," and other North Vietnamese prison camps. "It was a matter of knowing that there were a couple of hundred million people back home who were not going to forget about you. It sure helped every morning to wake up thinking, 'one of these days . . .'"

To a man, the former POWs believe that Vietnam was "a noble cause," however badly misunderstood and often misrepresented at the time in the news media and elsewhere. There remain, inevitably, remnants of regret and even some bitterness that the nation failed to unite behind its fighting men so that the war could have been won, quickly and at less cost in lives and treasure.

"I'm convinced we were in Vietnam for the right reasons—and just as convinced we fought the war in the wrong way," says retired Col. Leo K. Thorsness, USAF, a Medal of Honor recipient who spent nearly six years in captivity. "As it turned out, it was the politicians who decided we should go to war, which was the correct thing, but then they continued trying to run the war, which was the wrong thing. They never gave us an opportunity to win."

Although there are still some skeptics, most of the ex-POWs sense that the country's attitude toward Vietnam and the military in general is changing for the better. Their advice: continue to strengthen America's will and determination to defend peace and freedom, whatever the price.

That the POWs paid the price, none can deny, And though most of the scars have healed, the memories remain.

Retired Vice Adm. James Stockdale, whose heroic resistance to the Communists is now legendary, says the most critical time in his capitivity came in 1969. "I have been senior officer at two prison camps that had been 'purged.' In each instance, our underground communications network had been uncovered and there had been much interrogation and torture of those involved to try to pry forth more names and details. Some

of our people had been badly hurt and at least one of the Americans had died under torture.

"After these two disastrous episodes, I was placed in total isolation and heavily guarded at all times. By then, however, I and several other POWs were in the process of setting up a third communications link by means of a note-drop system. To my dismay, I learned that the guards had found one of the notes on my person.

"I became deeply despondent, not because of the torture I knew would be inflicted on me, but because once more the cycle of terror was to be repeated. I felt I had to stop it. So the night before the interrogations, I broke a window and lacerated my wrist. I was discovered in a pool of blood and revived and, so help me, the North Vietnamese dropped the investigation and none of the other POWs were compromised or tortured."

Stockdale, who received the Medal of Honor for his acts of valor, recalls a more heartening experience, when human compassion contrived to pierce the prison's inhumane barriers of silence and despair. "For two years," says Stockdale, "11 of us were isolated in a section of the prison we called Alcatraz. We were the so-called 'bad cases,' those who had been identified as POW ringleaders or who had tried to escape. All of us were in leg irons 15 hours a day and confined in solitary cells 10 by 4 feet. But because our cells were crammed together, we could communicate.

"After dumping our slop buckets every morning, we would wash them out with a bamboo broom, using the wooden handle to rap out a few words of code. As a kind of ritual, we decided to honor one another on the anniversary of each of our shootdowns. Mine was September 9, and as I listened intently on the third anniversary of my shootdown, I heard my fellow prisoners tap out this message: 'Here's to CAG—my tag as a former carrier wing commander—for three great years. We love you. We are with you to the end.' I don't think I've ever received a medal, an award or citation that meant as much to me as did that message from my fellow POWs."

Retired Navy Capt. John S. McCain, III, remembers the agonizing decision he made in 1968 when the North Vietnamese offered him an opportunity to return home along with the six other POWs who were released to anti-war activists from the United States. "Even though I was in very poor physical condition at the time, thank God I had the strength to reject the offer and remain with the others." McCain, then a lieutenant commander, had been badly injured after parachuting from his crippled plane over the North and had been severely tortured. As the son of the then-Commander in Chief, Pacific, the late Adm. John S. McCain, Jr., the young flier was under intense pressure by the Communists to denounce the U.S. war effort.

Retired Air Force Col. Larry Guarino doesn't conceal his disgust for leading war critics who traveled to Hanoi and he believes, "weakened our country's resolve and caused us all a great deal of harm." Shot down June 14, 1965, Guarino, then a major, spent seven years and eight months in captivity, or, as he recalls, 2,801 days and 400 "beer calls." During that seemingly endless nightmare he underwent, by his own accounting, 390 days of hard torture. It's a record he'd just as soon forget, but one that marks him forever as a towering hero among his peers.

How did he manage to endure his long ordeal?

"You stand up to them whenever you can," says Guarino. "But then, if you want to save your life and your sanity, there are times when it's best to hunker down and sweat it out. It's a survival program: You do as little as they demand of you and still come out alive. And I can say that most of our guys tried their best to live up to the Code of Conduct."

They were difficult rules to observe, given the inhumane nature of the Communist cadres that rode herd at the Hanoi Hilton. But somehow, almost miraculously, the Americans managed for the most part to retain a sense of organization and self-discipline. And at times, they outwitted their captors. In a classic example, former Navy pilot Jeremiah Denton, now a senator from Alabama who spent seven years and seven months as a POW after his Navy fighter was shot down, blinked his eyes during a Japanese television interview from Hanoi to spell out in Morse code the word "t-o-r-t-u-r-e." It confirmed what many Americans had feared was happening behind the confines of Hanoi's prison walls.

Retired Col. John W. Finlay III, USAF, who endured nearly five years of captivity, says he still marvels at the resilience of the POWs. "The Viets never really understood us as well as we understood them," he remembers, "and I didn't understand them at all! They could break one of their own people under pressure, but break an American and he'd bounce right back the next day. The Communists just couldn't figure it out.

"On occasions," says Finlay, "the questioners would ask, 'Why don't you agree with what Jane Fonda says about the war?' And I would reply that as an American she was free to say what she pleased, and that I had just as much right to disagree. The Communists couldn't understand this either."

Except for the Communist propaganda broadcasts, which none of the Americans believed, the POWs were kept mostly in the dark about happenings on the outside. A newly arrived POW often could fill in some of the blank spaces, but normal conversations were impossible.

In late 1970, however, the prison regimen eased slightly and the Americans sensed something important had taken place. Later, it was learned that a U.S. commando team had raided the Son Tay prison camp west of Hanoi. Unfortunately, the camp had been evacuated earlier and the would-be rescuers had to return empty-handed. But the audacious action surprised and frightened the North Vietnamese. They hurriedly moved American POWs from other outlying prisons and trucked them to the more heavily defended Hanoi Hilton. And, for the first time, the POWs were placed in large, open bay rooms holding from 20 to 50 men each. Although senior officers were still held in isolation, there was now an opportunity for most of the Americans to talk with one another.

Taking advantage of the ease-up, the POWs in early February 1971 conducted their first do-it-yourself church service inside the prison compound, despite the ranting and raving of the camp commandant, a sadistic torturer nicknamed "Bug." That evening, the singing of hymns was followed by a spontaneous outburst of patriotic songs, including "The Star-Spangled Banner." Nearly every American joined in and the "Bug" was apoplectic. Troop reinforcements were called in, apparently in expectation of a prison riot or breakout. But for the POWs, it was a turning point. Morale soared, and so did hopes of freedom.

But setbacks were yet to come. On an April night in 1972, the prison "goon squad" administered a terrible beating to Air Force Lieut. Mike Christian, apparently after a small handmade American flag was discovered inside his shirt. The flag, pieced together from scraps by the lieutenant and another POW, Air Force Capt. Jim Hivner, had been secretly displayed while the Americans quietly recited the "Pledge of Allegiance." It was confiscated by the guards, but soon replaced with another improvised "Old Glory," and the pledges continued.

The so-called "Christmas bombing," ordered by President Richard M. Nixon in December 1972 to hammer a recalcitrant Hanoi back to the peace conference table, marked the beginning of the end of the long ordeal. The POWs erupted in a surge of unrestrained joy and relief, greeting each wave of B-52s and F-101s with resounding cheers. The Communist captors were struck by fear.

Retired Air Force Col. Richard D. Vogel was in a group of 180 POWs, that had been moved to a camp near the Chinese border. "We were trucked back to the Hanoi Hilton right after the Christmas bombing," he says, "and we could almost taste freedom."

As Leo Thorsness remembers: "Happiness was those B-52s that kept coming and coming, night and day. We knew then it was nearly over. Even if a bomb or two had hit the prison, we couldn't have cared less. We had been there so long. And on the faces of the guards, we could tell that Uncle Sam had finally got their attention. The one thing they understood was force."

The ex-POWs remember homecoming as a star spangled blur of joy, excitement and pride. Jim Stockdale says that after the years of death-like silence in isolation, the outside world seemed "awfully noisy, like being inside a bass drum. It was, to me, a yakety-yak world of noise, but a happy noise!"

Thorsness says, "One returning American was taken off a homeward bound plane in Hawaii because he was running a fever. It was I. They kept me there until they got my temperature down, and then I came home in an airliner all to myself, with the best-looking nurses in the world. When we sighted the lights of California, I got an OK to come up front and as the crew played some background music on tape, I reported our position and told the tower we had presidential clearance all the way to St. Louis. Not bad for a farm boy from the Middle West!"

Thorsness, now living in Santa Monica, Calif., and active in politics, is among those who believe the nation's sacrifices in Vietnam were not in vain. "Most Americans may still feel it was a mistake to get involved . . . but what's important, I believe, is that for 10 years we tied the Communists down in Indochina and gave other countries in the region—Thailand, Malaysia, Singapore, Indonesia, the Philippines—a chance to strengthen themselves. Their people, some 250 million strong, are still free and doing pretty well, which may not have been the case had we not gone to Vietnam. To my way of thinking, this is a living tribute to the Americans who died over there."

As for the future, Thorsness believes that "so long as we're the leader of the free world, like it or not, there are obligations. This doesn't mean we should send our men to fight for every nation trying to remain

free. But if we shrink back from our responsibilities, we could some day lose our own freedom."

Jim Stockdale, now with the Hoover Institution, a defense-oriented "think tank" at Stanford University, takes a different view of the Vietnam experience. "I see it as a national tragedy," says Stockdale. "We squandered so much public goodwill and credibility by trying to conduct a very worthwhile effort 'on the cheap,' so to speak. The nation's leaders never did explain to the people what we were fighting for, nor did they do the things that would have signified a national commitment, such as formally declaring war and mobilizing the reserves.

"Our leaders early on in the war were so afraid of public disapproval that they thrust the country headlong into a disastrous situation. In years to come, I believe it will be perceived as the nadir of the American political experience.

"But don't sell America short," says the retired admiral. "We are people of great resilience. And when inspired by comradeship, as in the case of our POWs, we are capable of superhuman feats. Our biggest enemies today are timidity, fear and selfishness in facing up to trying circumstances. This should not be. Our people can cope with wars, floods and other disasters much better than Americans themselves realize . . ."

Ex-POW John Finlay, now with the Planning Research Corporation in Florida, believes the United States "had every right in the world" to defend Vietnam. He wishes that those Americans who "bum rap" their country could have "an opportunity to live in, say, Vietnam or any Communist country for awhile and see how the other side lives. They'd certainly end up with a better appreciation of our way of life!"

Lt. Col. Melvin Pollack, who serves with the Forward Air Control program and systems command at Patrick Air Force Base, Fla., is one of the relatively few ex-POWs still on active military duty.

On returning from Vietnam, Pollack decided to catch up on the lost years (he spent five years and eight months as a POW). "While attending the University of Southern California in the fall of 1974, I read every issue of Newsweek going back six years. What amazed me was that with all the trouble in this country and what seemed almost like anarchy, we still held together. So, despite all the dissent, I realized that this country was great enough to go through what it went through and yet survive intact. That, I feel, is the beauty of our country."

Pollack remembers running into antiwar critics, including many old friends, after returning from Vietnam. "Some called me a liar for trying to answer their questions about how it really was. And they had never been to 'Nam! It was my first taste of the militant mindset of the antiwar people.

"Now," he adds, "I see the mood changing. ROTC on campus has picked up. It's in vogue to be in the military, and short haircuts are coming back—even in California. The pendulum is swinging again."

As for the public's perception of the military, Pollack says: "More than just respect, it's important that people appreciate that we're ready to defend the country if the time ever comes. And what's important for every citizen is to ask of himself: 'Am I or am I not willing to support my country in adversity?' That's the bottom line."

Larry Guarino, whose unyielding resistance to his Communist captors was an inspiration to other POWs, is now retired and living in Satellite Beach, Fla. On returning home from his long ordeal, Guarino was disillusioned by what he felt was the don't-give-a-damn attitude of the average American. "I just couldn't see how anyone could sit back after it was all over and not care—care about those poor people who got themselves killed, or fed themselves to the sharks or to the pirates of the South China Sea in their attempt to get away from Communism. All those poor people . . . they must be in the hundreds of thousands, even millions! How could anyone say we did not try to fight for a 'noble cause?' No matter how bad it looked, the cause was just!"

Retired Air Force Capt. Howard Rutledge of Norman, Okla., now active in politics and veterans affairs, says his experiences as a POW in Hanoi convinced him that Gen. Douglas MacArthur was absolutely right when he admonished that in war "there is no substitute for victory." Observes Rutledge: "What came out of the Vietnam War is that our people probably never again will accept the idea of committing our armed forces to battle without an equal commitment to win. I believe that Americans will say, 'yes, there are some things worth fighting for and our way of life is one of them.' But they'll also insist that once committed, we must go to win or not go at all . . ."

Dick Vogel, who retired from the Air Force in 1976, now works for Collins Avionics "helping make some of the stuff I used to fly with." The former POW believes there are some situations where the United States should get involved. "I don't think we need to be caretakers of the entire free world. But where our national interests are at stake, as I believe they were in Vietnam, we should take effective action. And if that happens, we need to explain why we're doing what we're doing so the public will back our military . . ."

Richard Keirn—"Pop" to his many friends—was knocked down in July 1965 by what he believes was the first Soviet-made SAM fired by the North Vietnamese. After military service going back to World War II—during which he also was shot down and spent 11 months as a POW in Germany—the colonel is now retired in Indian Harbour, Fla. Like other POWs, Keirn believes fervently in a strong America. "It's the best country on earth and we must protect it. I know. I've lived under Communism for nearly eight years and I experienced just how insidious it is. Just to get back to this country where I could say 'nuts to you,' or anything else I wanted to say without being tortured for it was the greatest feeling. It's been said a man doesn't appreciate freedom until he loses it. To which I would add, if a man's not willing to fight for the freedom of his country and his kids, he's not worth a damn!"

Ex-POW John McCain, who hung up his uniform to serve in Congress from Arizona, sees America emerging from its Vietnam trauma as, overall, "a far better nation. Maybe some of the activists of the '60s and '70s still haven't 'found themselves.' But certainly the young people I have met in recent years are dedicated Americans, truly super people."

On the basis of his Vietnam experiences, McCain, who comes from a long line of distinguished naval officers, offers this advice: "The right to disagree, to demonstrate and show one's ideological preferences is a precious heritage that we must guard, even if at times it seems to erode our national will, as I believe it did during the Vietnam War. Nevertheless, it is a right we should cherish, never forgetting that we still are the greatest nation, founded on the noblest principles conceived by the mind of man. It is our duty to preserve it."

What manner of men, we might ask, are these POWs, these indomitable Americans who prevailed for so many hellish years in Hanoi, and then faced the divisiveness of their countrymen back home, and yet remain so steadfast in their patriotism?

In contrast to earlier wars, our POWs in Vietnam were mostly mature men, career officers acquainted with the art of survival and with the Code of Conduct. Since retirement, many have distinguished themselves in business, the professions, academic life and public service. As POW wife Doris Day says, "They are a pretty special group."

That they are, and more.

Explained former POW Howard Rutledge: "I don't know what it was that pulled us so tightly together. There was no specific event. But I believe we were on the leading edge of a change in attitude, or philosophy, of the country as a whole. We came back 10 years ago with ideas that only recently have begun to be accepted, nationwide. I think we were ahead of where people are coming to right now."

Whatever changes develop in our society as a whole, the POWs of the Vietnam War most assuredly brought out the best in our nation and set examples of courage that will inspire Americans for generations to come.●

RECESS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1:45 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 12:37 p.m., the Senate recessed until 1:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mrs. HAWKINS).

The PRESIDING OFFICER. The Chair, in her capacity as the Senator from Florida, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. What is the business before the Senate, Madam President?

The PRESIDING OFFICER. The motion to proceed to the consideration of S. 47.

Mr. BYRD. I thank the Chair.

Madam President, notwithstanding the Pastore rule, I ask unanimous consent that I may speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUS DEREGULATION BACKFIRES IN WEST VIRGINIA

Mr. BYRD. Madam President, I hate to say "I told you so," but precisely what I predicted would happen with

the passage of the Bus Regulatory Reform Act of 1982 is beginning to happen in West Virginia.

Shortly after the law became effective on November 20 of last year, Trailways and Greyhound—the two companies that provide 99 percent of the intrastate bus service in West Virginia—filed to abandon or curtail most of the bus routes in my State.

It is cold comfort to me that I was correct in predicting the adverse impact of this law, as I think of the many elderly people and people with modest incomes who will be without means of transportation if these applications for abandonment or curtailment are approved.

There have been 10 public hearings held in my State on the proposed Greyhound abandonments, and 4 hearings held on the proposed Trailways abandonments. Public opposition to the abandonments or curtailments was expressed in a loud and clear fashion at each of these hearings. The West Virginia Public Service Commission obtained a "temporary restraining order" through the Federal district court in the Trailways case, and is seeking injunctive relief from the court to require Trailways to continue two-way service while the proposals are under consideration by the commission.

According to the Commission, the temporary restraining order expired on Sunday, February 20. The Commission expects to learn shortly whether the court will issue a permanent injunction against the abandonments. There are indications that the bus companies may have gone beyond the limits of the law governing service reductions and have cut service in certain areas of West Virginia to one trip per day in only one direction. The Commission is pressing the court to consider that curtailment of service will leave many West Virginians without transportation.

I am assured by the Public Service Commission that the companies intend to appeal any adverse decisions at the State level to the Interstate Commerce Commission here, in Washington. This is precisely the problem that I brought to the attention of the Senate when the bus deregulation bill was being debated on June 30, and when the conference report on the bill came before the Senate on August 20 of last year.

I quote a letter sent to me by the chairman of the West Virginia Public Service Commission, Mr. E. Dandridge McDonald, concerning the bus deregulation bill:

> Consumers in West Virginia who might wish to be heard in cases appeared to the ICC * * * would be, in effect, precluded from effectively protesting since it would be virtually impossible to muster the resources necessary to retain specialized legal talent to represent them before the ICC in Washington.

That quote is a portion of a letter dated May 25, 1982, from Chairman McDONALD. I inserted the test of the entire letter in the RECORD on June 30 last year when the Senate voted on this bill. In retrospect, the concern expressed by Chairman McDONALD to me, and by me to the Senate—that abandonments would be almost impossible to stop—is now unfortunately becoming a reality.

Madam President, it is my hope that the ICC, in considering abandonment or curtailment proposals, will pay heed to the policy statement included in the law directing the Interstate Commerce Commission to consider the needs of small communities. There are few large cities in West Virginia, and even they do not have populations of more than 100,000 persons. The majority of the people in my State live in much smaller towns, and it is these communities that will suffer immediately from curtailments. And I fear that the abandonments will not stop at the small communities, but will affect practically every town in my State.

I feel so strongly about this subject that I wrote the President after the Senate had passed the bill and urged him to veto the measure. Unfortunately, he did not do so. When the Senate considered the conference report on the bill in August, I inserted an article from the Wall Street Journal into the RECORD. The article described the effects of a Florida State bus deregulation statute on small communities in that State. Small communities were suffering under the Florida law.

Despite all of these efforts, the bus deregulation legislation was passed overwhelmingly in the Senate by a vote of 85 to 10. The Senate adopted the conference report by a vote of 84 to 8. Yet these massive majorities do not alter the fact that this law works to the detriment of my State. I would presume that other States are going to likewise feel the pinch if they are not already feeling it.

Through smooth and persuasive arguments, the Congress was convinced that the public interest would best be served by deregulation of the bus industry. I was not persuaded, and I was 1 of the 10 Senators who voted against passage of the bill. I was also one of the eight lonely votes against the conference report. I stated that I was voting against the measure because of my fear that bus transportation service to communities in West Virginia would be reduced or eliminated. My worst fears are in the process of being realized.

To top it off, the communities that Trailways proposes to abandon constitute one of the most economically depressed regions in the United States. McDowell County, W. Va., where the town of Welch is located, had an astronomical 36 percent unemployment rate in December. People in the area are desperate for work. Many move about by bus, going from town to town looking for work. And now the bus may not run anymore.

Madam President, I ask unanimous consent that an article from the February 16 edition of the Huntington Herald-Dispatch, entitled, "West Virginia Unemployment Rate Highest Ever," be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BYRD. This situation reminds me of the trials of Job. How much pain and misery can be inflicted on these people? The elderly, who often cannot drive themselves, and people of modest means, who simply cannot afford an automobile, are being threatened with total isolation.

For these reasons, I have contacted the Chairman of the Interstate Commerce Commission, Reese H. Taylor, Jr., to make him aware of the serious effects that abandonment or curtailment of bus service would have on the people of West Virginia. I urged him to bring to the attention of the Commission the plight of small communities in my State, whose citizens could be effectively stranded if bus service is diminished. I also urged him to pay heed to the policy statement included in the Bus Regulatory Reform Act, which states that it is our national transportation policy to "* * * provide and maintain service to small communities and small shippers and intrastate bus services."

I hope that the ICC and the bus companies will examine the likely effects of proposed abandonments with the greatest care, and act to prevent further damage to the transportation system in West Virginia.

EXHIBIT 1

[From the Huntington Herald-Dispatch, Feb. 16, 1983]

WEST VIRGINIA UNEMPLOYMENT RATE "HIGHEST EVER"

CHARLESTON.—West Virginia's unemployment rate shot to 17.8 percent in December, the nation's highest figure during the recession, the federal government reported yesterday.

"West Virginia broke through the stratosphere this month," said Mike Cimini, director of the United States Bureau of Labor's state and local unemployment statistics project. "It would appear, just from eyeballing it, that this is the highest rate we've ever had."

The national unemployment average for December was 10.5 percent, the Bureau of Labor Statistics said.

In November, West Virginia and Michigan tied for the nation's worst unemployment rate—16.4 percent—but Michigan's rate dropped to 15.9 percent in December. Cimini noted that Hawaii had the lowest unemployment, at 6.3 percent.

Coal miners make up most of the unemployed, especially in the southern part of the state where many mines are idled by low

demand. The southern county of McDowell has 36 percent unemployment.

The Bureau of Labor statistics estimated that 138,000 West Virginians were out of work during December, nearly doubling the jobless rate recorded in December 1981, when 77,600 were without jobs.

It also noted that unemployment had worsened noticeably in all of West Virginia's metropolitan areas.

According to its figures, 14,500 people, or 11.9 percent of the work force, in the greater Charleston area were jobless during December. In the Parkersburg-Marietta area, 11,400, or 15.5 percent of the work force, were unemployed, while in the Wheeling area 14,000 people were jobless in December for a 17.8 percent unemployment rate.

The House of Delegates yesterday approved a resolution calling for creation of a special committee to study the unemployment problem.

"The alternative is to do nothing. To do nothing is unacceptable," said House Speaker Clyde See of Hardy County.

Also in the West Virginia House yesterday, a bill was introduced to raise $30 million by taxing liquor and using the money for public works projects and job training programs in counties with unemployment rates of 7 percent or more.

Applicable only to establishments holding private liquor club or beer licenses, the bill would put a tax of 10 cents an ounce on liquor and five cents on a 16-ounce container of beer or soft drinks. Soft drink sales would not be taxed in establishments holding neither private club nor beer licenses.

Mr. BAKER. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NICKLES). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 47

Mr. BAKER. An hour late perhaps but nonetheless welcome, I am pleased to announce, Mr. President, that an agreement appears to have been reached on this subject, and I would like to state it now. Before I do so, may I say that the staff for the minority leader and, indeed, the minority leader himself, have been made aware of the exact contents of the request I am about to put, which has been reduced to writing. He has indicated to me that it is agreeable to him and that he does not have a requirement to be on the floor at the time the request is put.

Mr. President, I ask unanimous consent that the bill, S. 47, be made the pending business; provided that no cloture motion in respect to that bill will be in order prior to the hour of 3:15 p.m. today; and provided that the committee substitute proposed by the Committee on Commerce, Science, and Transportation, as well as the 17 amendments to be offered by Senator THURMOND on behalf of the Committee on the Judiciary and one amendment to be offered by Senator LONG be considered germane under the provisions of rule XXII, and that the vote on the cloture motion occur without the requirement for a mandatory quorum at 4 p.m. on March 1; provided that Senator STEVENS will be recognized to offer an amendment to the Judiciary Committee amendments pertaining to past filing and enforcement; and provided further, Mr. President, that the Senate, when it completes its business today, stand in recess until Monday, February 28, at 10 a.m.; that on Monday, after the Senate completes its business, it stand in recess until Tuesday, March 1, at 11:30 a.m.; that at 12 noon on Tuesday, March 1, the Senate stand in recess until 2 p.m., and that at 2 p.m., until the vote on cloture occurs at 4 p.m., the time be equally divided and controlled by the majority and minority leaders or their designees.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Mr. President, reserving the right to object, and I do not intend to object, it is my understanding—and I address this inquiry more to the manager of the bill, Senator GORTON—that the 17 committee amendments that are referred to are otherwise known as the Judiciary Committee amendments?

Mr. GORTON. The Senator is correct.

Mr. METZENBAUM. Is the Senator from Ohio correct as well that there is an understanding that the Judiciary Committee amendments are not going to be offered today?

Mr. GORTON. The Judiciary Committee amendments will not be offered this afternoon because of the absence of the chairman of the committee.

Mr. METZENBAUM. I have no objection. I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENS. Mr. President, reserving the right to object, just so we are clear, the Senator is aware that there are 17 amendments? There is one that is in disagreement, which is the one that I intend to offer my amendment to; there are 16 amendments that are in semi-agreement and one is in disagreement?

Mr. METZENBAUM. I understand full well, and I think that is contemplated by the unanimous-consent agreement, that the Senator from Alaska does have an amendment to one of the Judiciary Committee amendments.

The PRESIDING OFFICER. Is there objection to the majority leader's request? Without objection——

Mr. METZENBAUM. Reserving the right further to object, and I still do not intend to object, am I clear that when the Stevens amendment is offered, there is nothing about this unanimous-consent request that would deny any Member of the Senate any right to move to amend, to lay on the table, or to take any such other action to which that Senator would normally be entitled in connection with the handling of an amendment?

Mr. STEVENS. Mr. President, may I respond and make sure we are not getting confused. That is not a parliamentary inquiry, as I understand it.

It is my understanding that this agreement does not bar motions to table or other amendments and that there are other amendments that are contemplated to be offered under this agreement. This does not preclude other amendments, nor does it preclude other motions.

The PRESIDING OFFICER. The Senator is correct.

Is there objection to the majority leader's request? Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the Chair. I thank the distinguished Senator from Ohio for his cooperation and consideration. I thank the Senator from Alaska for his help and assistance. I thank the Senator from Washington for his help and assistance as well. The Senator from South Carolina, the President pro tempore, has been most helpful in trying to work this out, as has the chairman of the Commerce Committee, the Senator from Oregon (Mr. PACKWOOD).

I neglected to say earlier that I talked on the telephone with the chairman of the Commerce Committee and indicated to him that I wished to make this request. He cleared it as well and indicated that it was not necessary for him to be on the floor at the time, or at least that was my understanding.

Mr. President, I think we are on the track now. I believe the Senator from Ohio may wish to offer an amendment this afternoon.

ORDER TO TEMPORARILY LAY ASIDE METZENBAUM AMENDMENT

May I ask the Senator from Ohio if he is agreeable to a further unanimous-consent request respecting that amendment; that is, if an amendment is offered by the Senator from Ohio today and it is not disposed of today, that on Monday next, it might be temporarily laid aside so we can proceed to the consideration of the several Judiciary Committee amendments?

Mr. METZENBAUM. I have no objection to that.

Mr. BAKER. I make that request, Mr. President.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

CLOTURE MOTION—SHIPPING ACT OF 1983

Mr. BAKER. Mr. President, in keeping with the order previously entered, it is in order, I believe—and under the rules of the Senate—to file a motion of cloture on this measure. I now send to the desk a cloture motion under rule XXII.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 47, a bill to improve the international ocean commerce transportation system of the United States.

Howard Baker, Strom Thurmond, Nancy Landon Kassebaum, Slade Gorton, Charles H. Percy, Gordon Humphrey, Jake Garn, Ted Stevens, Dan Quayle, Charles McC. Mathias, Frank H. Murkowski, Thad Cochran, Bob Packwood, Roger W. Jepsen, Paul Trible, Mark Andrews, John Danforth, Malcolm Wallop, Paula Hawkins, and Pete Wilson.

Mr. BAKER. Mr. President, this is the cloture motion which was referred to in the unanimous-consent agreement entered into a few moments ago, on which a vote will occur at 4 p.m. on Tuesday next, without the necessity of the mandatory quorum call as contemplated by rule XXII.

SENATE SCHEDULE

Mr. BAKER. Mr. President, the Senate will not be in session tomorrow. We will be in session today as long as it is productive to do so. I do not anticipate a late day today, however.

Under the order previously entered, the Senate will convene at 10 a.m., on Monday next.

I urge Senators to consider that on Monday there is a high likelihood of votes, perhaps even several votes. There are a number of amendments to be offered by the Senator from Ohio, I believe, as well as by the Judiciary Committee and perhaps by other Senators.

So, once again, I urge Senators to consider that Monday is likely to be a busy day. We will begin at 10 a.m., and votes should be expected throughout that day.

Mr. METZENBAUM. Mr. President, if the Senator will yield, I should like to indicate publicly at this point that quite often when there are a number of amendments, a request is made to stack up those amendments. The Members of the Senate have been given notice adequately in advance that there will be votes on Monday. Therefore, I want to add that I would not be inclined to stack up amendments for a later vote. I would have no difficulty in accommodating for an hour or something of that kind, but I would not be agreeable to holding them over until Tuesday. I hope the Members of the Senate will be present, because there may be more than one rollcall vote on Monday.

Mr. BAKER. I thank the Senator.

Senators should be on notice that votes should be expected on Monday and I believe will occur on Monday. With the announcement of the Senator from Ohio that he will object to a unanimous-consent request for an extensive stacking of votes, they should take account of that.

Mr. President, I do not anticipate a vote this afternoon. I believe I am correct in saying that the Senator from Ohio does not wish to do that.

I expect that we will continue for a little while this afternoon, perhaps at least with the opening statements of the managers. I do not anticipate a late day today.

SHIPPING ACT OF 1983

Mr. BAKER. Mr. President, I now ask the Chair to lay before the Senate S. 47.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 47) to improve the international ocean commerce transportation system of the United States.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation with an amendment, as follows: Strike out all after the enacting clause, and insert the following:

S. 47

That this Act may be cited as the "Shipping Act of 1983".

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SEC. 2. DECLARATION OF POLICY.

The objectives of United States regulation of international liner shipping are—

(1) to develop and maintain an efficient ocean transportation system through commercial means, with minimum government involvement, in order to serve the needs of United States foreign commerce;

(2) to foster reliable and responsible service by marine terminal operators, ocean common carriers, and conferences;

(3) to encourage ocean transportation rates and practices for United States exporters and importers that are internationally competitive, and which are not unjustly discriminatory;

(4) to harmonize United States shipping practices with those of its major trading partners;

(5) to permit cooperation among carriers and rationalization of services; and

(6) to facilitate efficient and timely regulation by a single Federal agency of the various aspects of international liner shipping, responsive to the growth of ocean commerce and international developments affecting that commerce.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) "agreement" means an understanding, arrangement, or association, written or oral, and any modification or cancellation thereof; but the term does not include a maritime labor agreement;

(2) "antitrust laws" means the Act of July 2, 1890 (ch. 647, 26 Stat. 209), as amended; the Act of October 15, 1914 (ch. 323, 38 Stat. 730), as amended; the Federal Trade Commission Act (38 Stat. 717), as amended; sections 73 and 74 of the Act of August 27, 1894 (28 Stat. 570), as amended; the Act of June 19, 1936 (ch. 592, 49 Stat. 1526), as amended; the Antitrust Civil Process Act (76 Stat. 548), as amended; and amendments and Acts supplementary thereto;

(3) "assessment agreement" means an agreement, whether part of a collective-bargaining agreement or negotiated separately, only to the extent that it provides for the funding of collectively bargained fringe benefit obligations on other than a uniform man-hour basis, regardless of the cargo handled or type of vessel or equipment utilized;

(4) "bulk cargo" means cargo that is loaded and carried in bulk without mark or count;

(5) "Commission" means the Federal Maritime Commission;

(6) "common carrier" means a person holding itself out to the general public to provide transportation of passengers or property between the United States and a foreign country for compensation that—

(A) assumes responsibility for the transportation from the port or point of receipt to the port or point of destination; and

(B) utilizes, for all or part of that transportation, a vessel operating on the high seas or the Great Lakes between ports in the United States and ports in foreign countries.

(7) "conference" means an association of ocean common carriers permitted, pursuant to an approved or effective agreement, to engage in concerted activity and to utilize a common tariff; but the term does not include a joint service, consortium, pooling, sailing or transshipment arrangement;

(8) "controlled carrier" means an ocean common carrier that is, or whose operating assets are, directly or indirectly, owned or controlled by the government under whose registry the vessels of the carrier operate;

ownership or control by a government shall be deemed to exist with respect to any carrier if—

(A) a majority portion of the interest in the carrier is owned or controlled in any manner by that government, by any agency thereof, or by any public or private person controlled by that government; or

(B) that government has the right to appoint or disapprove the appointment of a majority of the directors, the chief operating officer, or the chief executive officer of the carrier;

(9) "deferred rebate" means a return by a common carrier of any portion of the freight money to a shipper as a consideration for that shipper giving all, or any portion, of its shipments to that or any other common carrier, or for any other purpose, the payment of which is deferred beyond the completion of the service for which it is paid, and is made only if, during both the period for which computed and the period of deferment, the shipper has complied with the terms of the rebate agreement or arrangement;

(10) "fighting ship" means a vessel used in a particular trade by an ocean common carrier or group of such carriers for the purpose of excluding, preventing, or reducing competition by driving another ocean common carrier out of that trade;

(11) "forest products in an unfinished or semifinished state" means forest products that require special handling moving in lot sizes that range from being too large for containers up to and including shipload lot sizes, including, but not limited to lumber in bundles, rough timber, ties, poles, piling, laminated beams, bundled siding, bundled plywood, bundled core stock or veneers, bundled particle or fiber boards, bundled hardwood, wood pulp in rolls, wood pulp in unitized bales, paper board in rolls, and paper in rolls;

(12) "inland division" means the amount paid by an ocean common carrier to any inland carrier for the inland portion of through transportation offered to the public by the ocean common carrier;

(13) "inland portion" means the charge to the public by an ocean common carrier with respect to the nonocean portion of through transportation;

(14) "loyalty contract" means a contract with an ocean common carrier or conference, other than a service contract or a contract based on time-volume rates, by which a contract shipper obtains lower rates by committing all or a fixed portion of its cargo to that carrier or conference;

(15) "marine terminal operator" means a person engaged in the United States in the business of furnishing wharfage, dock, warehouse, or other terminal facilities in connection with a common carrier;

(16) "maritime labor agreement" means a collective-bargaining agreement between an employer or group of employers, subject to this Act and a labor organization representing employees in the maritime or stevedoring industry, or an agreement preparatory to such a collective-bargaining agreement among members of a multiemployer bargaining group, or an agreement specifically implementing provisions of such a collective-bargaining agreement or providing for the formation, financing, or administration of a multiemployer bargaining group; but the term does not include an assessment agreement;

(17) "non-vessel-operating common carrier" means a common carrier that does not operate the vessels by which the ocean transportation service is provided, and is a shipper in its relationship with an ocean common carrier;

(18) "ocean common carrier" means a vessel operating common carrier; but the term does not include one engaged in ocean transportation by ferry boat or ocean tramp;

(19) "ocean freight forwarder" means a person in the United States who—

(A) dispatches shipments via common carriers and books or otherwise arranges space for such cargo on behalf of shippers, and

(B) processes the documentation or performs related activities incident to such shipments;

(20) "person" includes individuals, corporations, partnerships, and associations existing under or authorized by the laws of the United States or of a foreign country;

(21) "service contract" means a contract between a shipper and an ocean common carrier or conference in which the shipper makes a commitment to provide a certain minimum quantity of cargo over a fixed time period, and the ocean common carrier or conference commits to a certain rate or rate schedule as well as a defined service level—such as, assured space, transit time, port rotation, or similar service features; the contract may also specify provisions in the event of nonperformance on the part of either party;

(22) "shipment" means all of the cargo carried under the terms of a single bill of lading;

(23) "shipper" means an owner or person for whose account the ocean transportation of cargo is provided or the person to whom delivery is to be made;

(24) "shipper's council" means an association of shippers or their agents, other than ocean freight forwarders and non-vessel-operating common carriers;

(25) "tariff" means any schedule of rates, charges, classifications, rules, and practices, including any supplement, amendment or reissue pertaining to services or accommodations subject to this Act;

(26) "through rate" means the single amount charged by a common carrier in connection with through transportation;

(27) "through transportation" means continuous transportation between origin and destination for which a single amounts is assessed and which is offered or performed by one or more carriers, at least one of which is a common carrier, between a United States point or port and a foreign point or port; and

(28) "United States" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, and all other United States territories and possessions.

SEC. 4. AGREEMENTS WITHIN SCOPE OF ACT.

(a) OCEAN COMMON CARRIERS.—This Act applies to agreements by or among ocean common carriers to—

(1) discuss, fix, and regulate rates, accommodations, and other conditions of service including through rates and through transportation,

(2) pool or apportion earnings, losses or traffic;

(3) allot ports or restrict or otherwise regulate the number and character of sailings between ports;

(4) limit or regulate the volume or character of cargo or passenger traffic to be carried;

(5) engage in exclusive, preferential, or cooperative working arrangements among themselves or with one or more marine terminal operators or non-vessel-operating common carriers

(6) control, regulate, or prevent competition in international ocean transportation and,

(7) consult and confer with shippers and shippers' councils regarding general rate levels, charges, classifications, rules, practices, or services.

(b) MARINE TERMINAL OPERATORS.—This Act applies to agreements among marine terminal operators, and to agreements among one or more marine terminal operators and one or more ocean common carriers to—

(1) discuss, fix, and regulate rates and other conditions of services;

(2) pool or apportion earnings, losses, or traffic; and

(3) engage in exclusive, preferential, or cooperative working arrangements.

(c) SHIPPERS' COUNCILS.—Shippers may establish shippers' councils in order to—

(1) mutually consult and exchange information or views regarding rates, charges, classifications, rules, practices, or services;

(2) agree upon common positions;

(3) consult and confer with any ocean common carrier or conference regarding general rate levels, charges, classifications, rules, practices, or services; and

(4) in the case of a small shipper, combine cargo with another small shipper for the purpose of obtaining time-volume rates and service contracts with ocean common carriers. For the purposes of this paragraph, a small shipper shall be considered to be any shipper who in the normal course of its business (including any business conducted by a parent corporation or subsidiary that, in whole or in part, either controls or is controlled by such shipper) ships in ocean transportation an average of no more than 30 containers a month.

(d) ACQUISITIONS.—This Act does not apply to an acquisition by any person, directly or indirectly, of any voting security or assets of any other person.

SEC. 5. AGREEMENTS.

(a) FILING REQUIREMENTS.—A true copy of every agreement entered into with respect to an activity described in section 4 shall be filed with the Commission, except agreements related to transportation to be performed within or between foreign countries. In the case of an oral agreement, complete memorandum specifying in detail the substance of the agreement shall be filed. The Commission may by regulation prescribe the general form and manner in which agreements shall be filed.

(b) NOTICE AND REJECTION.—Within 10 working days after an agreement is filed, the Commission shall transmit a notice of its filing to the Federal Register for publication. The Commission shall within 30 days after filing reject any agreement that on its face fails to comply with this section. In rejecting an agreement, the Commission shall state, in writing, the deficiency or deficiencies that caused the Commision to reject the agreement.

(c) CONFERENCE AGREEMENTS.—Each conference agreement must—

(1) state its purpose and the manner in which it will be implemented;

(2) provide reasonable and equal terms and conditions for admission and readmission to conference membership of any ocean common carrier willing to serve the particular trade or route;

(3) permit any member to withdraw from conference membership upon reasonable notice without penalty;

(4) require an independent neutral body to police fully the obligations of the conference and its members;

(5) provide for a consultation process designed to promote—

(A) commercial resolution of disputes; and

(B) cooperation in preventing and eliminating malpractices; and

(6) establish procedures for promptly and fairly considering shippers' requests and complaints.

(d) CONFERENCES UTILIZING LOYALTY CONTRACTS.—

(1) Each conference agreement must provide that, if the conference has in effect a loyalty contract with one or more shippers, any member of the conference may take independent action on any rate or service item required to be filed in a tariff under section 9 whenever—

(A) a member requests the conference to amend a rate or service item and announces its intention to take independent action if the conference does not agree to the amendment;

(B) the conference fails to adopt the proposed amendment within 30 days after the first consideration of the amendment in a conference meeting; and

(C) the member seeking the amendment requests the conference to include in the conference tariff a separate entry for its account as proposed in the amendment.

(2) Each conference agreement must further provide that, if the requirements of paragraph (1) are met, the conference shall include the proposed amendment in its tariff as the rate or service item of the proponent and any other members of the conference wishing to adopt the new rate or service item and that the new rate or service item shall become effective on publication and filing but no later than 45 days after the initial request.

(e) INTERCONFERENCE AGREEMENTS.—Each agreement between carriers not members of the same conference must provide the right of independent action for each carrier. Each agreement between conferences serving the same or different trades that would otherwise be naturally competitive must provide the right of independent action for each conference.

(f) SHIPPERS' COUNCIL AGREEMENTS.—Each shippers' council agreement must—

(1) limit membership to those shippers that have a direct financial interest in the export or import of the cargo covered by the agreement;

(2) provide that membership is voluntary;

(3) provide that the members have the right to act independently with any carrier or conference;

(4) provide for a consultation process designed to promote—

(A) commercial resolution of disputes; and

(B) cooperation in preventing malpractice; and

(5) provide for regular and orderly communication and exchange of information with conferences in their trade.

(g) ASSESSMENT AGREEMENTS.—

(1) Assessment agreements shall be filed with the Commission and shall be deemed approved upon filing. The Commission shall thereafter, upon complaint filed within 2 years of the date of filing of the agreement, disapprove, cancel, or modify any such agreement, or charge or assessment pursuant thereto, that it finds, after notice and hearing, to be unjustly discriminatory or unfair as between carriers, shippers, or ports. The Commission shall issue its final decision in each proceeding within 1 year of the date of filing of the complaint. If an assessment or charge is found to be unjustly discriminatory or unfair as between carriers, shippers, or ports, the Commission shall remedy the unjust discrimination or unfairness for the period of time between the filing of the complaint and the final decision by means of assessment adjustments. These adjustments shall be implemented by prospective credits or debits to future assessments or charges, except in the case of a complainant who has ceased activities subject to the assessment or charge, in which case reparation may be awarded. To the extent that any provision of this paragraph conflicts with the language of any other section of this Act, the Shipping Act, 1916, or the Intercoastal Shipping Act, 1933, the provisions of this paragraph shall control.

(2) This Act, the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, do not apply to maritime labor agreements. This section does not exempt from the provisions of this Act, the Shipping Act, 1916, or the Intercoastal Shipping Act, 1933, any rates, charges, regulations, or practices of a common carrier or marine terminal operator that are required to be set forth in a tariff, whether or not such rates, charges, regulations, or practices arise out of, or are otherwise related to, a maritime labor agreement.

SEC. 6. ACTION ON AGREEMENTS.

(a) EFFECTIVE DATE.—Except with respect to assessment agreements, each agreement filed under section 5(a) shall become effective 45 days after filing, unless rejected under section 5(b) or suspended pursuant to subsection (b) but in no case may an agreement become effective in less than 30 days from its publication in the Federal Register.

(b) SUSPENSION.—At any time prior to the expiration of the forty-five day period referred to in subsection (a), the Commission, upon complaint of a person, may suspend the effective date of an agreement pending the outcome of any proceeding pursuant to subsection (c), if the Commission, after preliminary hearing, finds that—

(1) the complainant has shown a reasonable probability that the agreement will operate in violation of section 5 or 12; and

(2) the complainant will be substantially injured in the interim if the agreement is allowed to go into effect before a final decision on the merits.

No suspension period may exceed 180 days.

(c) CANCELLATION OR MODIFICATION.—The Commission may, at any time, upon complaint or upon its own motion, institute and conduct a hearing to determine if any agreement filed under section 5(a) operates in violation of section 5 or 12, and if so, shall by order, cancel or modify that agreement. Each agreement that is in effect at the time it is the subject of an investigation and hearing shall remain in effect during the investigation and hearing.

(d) HEARING.—Hearings pursuant to this section shall be limited to the submission of affidavits of fact and memorandums of law unless, in the opinion of the Commission, there is a genuine issue of fact that requires an oral evidentiary hearing. Oral argument may be ordered at the discretion of the Commission.

(e) BURDEN OF PROOF.—The burden of proof in any proceeding under this section, or under section 5(g)(1) or under any other section of this Act where an agreement is concerned, is at all times on any party, including the Commission, opposing the agreement.

(f) COMPLIANCE WITH SUBPENA OR DISCOVERY.—In any proceeding under this section, the Commission may disapprove or cancel an agreement for failure of a proponent of the agreement to comply with a subpena or discovery order lawfully issued by the Commission.

(g) FINAL DECISION TIME.—The Commission shall issue a final decision in each hearing under this section within 180 days of ordering the hearing. If, within this time period, the Commission determines that it is unable to issue a final order because of undue delays, the Commission may make a decision in the proceeding adverse to the delaying party on the basis of the delay, or in the case of undue delay caused by a proponent of an agreement, alternatively, toll the 180-day period for the period of delay.

(h) DURATION OF EFFECTIVENESS.—Each agreement, once in effect, shall remain in effect until withdrawn or until canceled or modified by the Commission. The Commission may not limit the effectiveness of an agreement.

SEC. 7. LOYALTY CONTRACTS.

(a) CONTRACT REQUIREMENTS.—Any ocean common carrier or conference engaged in foreign commerce may utilize loyalty contracts, including contracts for through transportation, if—

(1) the contract is available to all shippers on equal terms and conditions and, where the contract covers service under through rates via a United States port or ports, it also offers the shipper an option of port-to-port contract service, and provides that use of either service shall satisfy the shipper's loyalty obligation;

(2) the contract shipper is permitted prompt release from the contract with respect to any shipment or shipments for which the contracting carrier or conference cannot provide space as requested on reasonable notice by the shipper;

(3) the contract provides that whenever a rate for the carriage of goods under the contract becomes effective, insofar as it is under the control of the carrier or conference, the rate—

(A) may not be increased on less than 90 days' notice, except upon agreement of the applicable shippers; and

(B) may be increased on not less than 30 days' notice if the increase is to a level no higher than that from which the particular rate was reduced within 180 days immediately preceding the filing of the increase;

(4) the contract covers only those goods of the contract shipper as to the shipment of which it has the legal right at the time of shipment to select the carrier. It shall be deemed a breach of the contract if, before the time of shipment and with the sole intent to avoid its obligation under the contract, the contract shipper divests itself, or with the same intent permits itself to be divested, of the legal right to select the carrier and the shipment is carried by a carrier that is not a party to the contract. In any dispute under this paragraph, the contract shipper will prevail upon producing evidence which establishes the truth of its claim not to be in breach of the contract. No contract shall require the shipper to refuse to purchase, sell, or transfer any goods on terms that vest the right to select the carrier in any other person;

(5) the contract shipper is not denied the right to utilize competing services that involve loading to or from a vessel at a port or

points located beyond a carrier's or conference's geographic scope as defined in the contract;

(6) the damages recoverable for breach by either party are limited to actual damages to be determined after breach in accordance with the principles of contract law. The contract may specify, however, that in the case of a breach by a contract shipper the damages may be an amount not exceeding the freight charges computed at the contract rate on the particular shipment, less the cost of handling;

(7) the shipper, carrier, or conference is permitted on ninety days' notice to terminate the contract rate system in whole or with respect to any commodity without penalty;

(8) the contract provides for a spread or series of spreads between non-contract rates and rates charged contract shippers that shall not exceed an aggregate of 15 per centum; and

(9) the contract excludes bulk cargo (except liquid bulk cargoes, other than chemicals, in less than full shipload lots) and forest products in an unfinished or semifinished state.

(b) TREATMENT OF CONTRACT NOT IN CONFORMITY.—Utilization of a loyalty contract that does not conform with each of the requirements of this section is a violation exclusively of this Act.

SEC. 8. EXEMPTION FROM ANTITRUST LAWS.

(a) The antitrust laws do not apply to—

(1) any agreement that has been filed under section 5 and has become effective under section 5(f) or section 6, or is exempt under section 18 from any requirement of this Act;

(2) any activity or agreement within the scope of this Act, whether permitted under or prohibited by this Act, undertaken or entered into in the reasonable belief that (A) it is pursuant to an agreement on file with the Commission and in effect when the activity took place, or (B) it is exempt under section 18 from any filing requirement of this Act;

(3) any loyalty contract or any activity pursuant to a loyalty contract;

(4) any agreement or activity that relates solely, to ocean or through transportation services within or between foreign countries, whether or not via the United States;

(5) any agreement or activity concerning the foreign inland segment of through transportation that is part of transportation provided in a United States import or export trade;

(6) any agreement or activity with a shipper's council organized under the laws of a foreign country and operating exclusively outside the United States, even when that agreement or activity affects cargo transported in a United States import or export trade;

(7) any agreement or activity to provide or furnish wharfage, dock, warehouse, or other terminal facilities exclusively outside the United States; and

(8) subject to section 21(e)(2), any agreement, modification, or cancellation approved by the Commission before the effective date of this Act under section 15 of the Shipping Act, 1916, or permitted under section 14(b) thereof, and any properly filed and published tariff rate, charge, classification, rule, or practice implementing that agreement, modification, or cancellation.

(b) This Act does not extend antitrust immunity—

(1) to any agreement with or among air carriers, rail carriers, motor carriers, or common carriers by water not subject to this Act with respect to transportation within the United States; or

(2) to any discussion or agreement among common carriers that are subject to this Act fixing the inland divisions (as opposed to the inland portions) of through rates within the United States.

(c)(1) Any determination by any agency or court that results in the denial or removal of the immunity to the antitrust laws set forth in subsection (a) shall not remove or alter the antitrust immunity for the period before the determination.

(2) No person may recover damages under section 4 of the Clayton Act, or obtain injunctive relief under section 16 of the Clayton Act, for conduct that is prohibited by this Act.

SEC. 9. TARIFFS.

(a) IN GENERAL.—

(1) Except with regard to bulk cargo and forest products in an unfinished or semifinished state, each common carrier and conference shall file with the Commission, and keep open to public inspection, tariffs showing all its rates, charges, classifications, rules, and practices between all points or ports or its own route and on any through transportation route that has been established. However, common carriers shall not be required to state separately or otherwise reveal in tariff filings the inland divisions of a through rate. Tariffs shall—

(A) plainly indicate the places between which cargo will be carried;

(B) list each classification of cargo in use;

(C) set forth the level of freight forwarder compensation, if any, by a carrier or conference;

(D) state separately each terminal or other charge, privilege, or facility under the control of the carrier or conference and any rules or regulations that in any way change, affect, or determine any part or the aggregate of the rates or charges; and

(E) and include sample copies of any loyalty contract, bill of lading, contract of affreightment, or other document evidencing the transportation agreement.

(2) Copies of tariffs shall be made available to any person and a reasonable charge may be assessed for them.

(b) TIME-VOLUME RATES.—Rates quoted in tariffs may vary with the volume of cargo offered over a specified period of time.

(c) SERVICE CONTRACTS.—An ocean common carrier or conference may enter into a service contract with a shipper or shippers council to provide specified services under specified rates and conditions, subject to the requirements of this Act. Each contract entered into under this subsection shall be filed confidentially with the Commission, and at the same time, a concise statement of its essential terms shall be filed with the Commission and made available to the general public in tariff format, and such essential terms shall be available to all shippers similarly situated. The essential terms shall include—

(1) the origin and destination port ranges in the case of port-to-port movements, and the origin and destination geographic areas in the case of through intermodal movements;

(2) the commodity or commodities involved;

(3) the minimum volume;

(4) the line-haul rate;

(5) the duration;

(6) service commitments; and

(7) the liquidated damages for nonperformance, if any.

The exclusive remedy for a breach of a contract entered into under this subsection is an action in an appropriate court, unless the parties otherwise agree. This subsection does not affect service contracts relating to bulk cargo or forest products in an unfinished or semifinished state.

(d) RATES.—No new or initial rate or change in existing rate that results in an increased cost to the shipper may become effective earlier than 30 days after filing with the Commission. The Commission, for good cause, may allow such a new or initial rate or change to become effective in less than thirty days. Any change in an existing rate that results in a decreased cost to the shipper may become effective upon publication and filing with the Commission.

(e) REFUNDS.—The Commission may, upon application of a carrier or shipper, permit a common carrier or conference to refund a portion of freight charges collected from a shipper or to waive the collection of a portion of the charges from a shipper if—

(1) there is an error in a tariff of a clerical or administrative nature or an error due to inadvertence in failing to file a new tariff and the refund will not result in discrimination among shippers, ports, or carriers;

(2) the common carrier or conference has, prior to filing an application for authority to make a refund, filed a new tariff with the Commission that sets forth the rate on which the refund or waiver would be based;

(3) the common carrier or conference agrees that if permission is granted by the Commission, an appropriate notice will be published in the tariff, or such other steps taken as the Commission may require, which gives notice of the rate on which the refund or waiver would be based, and additional refunds or waivers as appropriate shall be made with respect to other shipments in the manner prescribed by the Commission in its order approving the application; and

(4) the application for refund or waiver is filed with the Commission within 180 days from the date of shipment.

(f) FORM.—The Commission may by regulation prescribe the form and manner in which the tariffs required by this section shall be published and filed. The Commission may reject any tariff that is not in conformity with this section and its regulations. Upon rejection by the Commission, the tariff is void and its use is unlawful.

SEC. 10. CONTROLLED CARRIERS.

(a) CONTROLLED CARRIER RATES.—No controlled carrier subject to this section shall maintain rates or charges in its tariffs filed with the Commission that are below a level that is just and reasonable, nor shall any such carrier establish or maintain unjust or unreasonable classifications, rules, or regulations in such tariffs. An unjust or unreasonable classification, rule, or regulation means one which results or is likely to result in the carriage or handling of cargo at rates or charges which are below a level which is just and reasonable. The Commission may, at any time after notice and hearing, disapprove any rates, charges, classifications, rules, or regulations which the controlled carrier has failed to demonstrate to be just and reasonable. In any proceeding under this subsection, the burden of proof shall be on the controlled carrier to demonstrate that its rates, charges, classifications, rules, or regulations are just and reasonable. Rates, charges, classifications, rules, or regulations filed by a controlled carrier that have been rejected, suspended, or disap-

proved by the Commission are void, and their use is unlawful.

(b) RATE STANDARDS.—For the purpose of this section, in determining whether rates, charges, classifications, rules, or regulations by a controlled carrier are just and reasonable, the Commission may take into account appropriate factors including, but not limited to, whether—

(1) the rates or charges which have been filed or which would result from the pertinent classifications, rules, or regulations are below a level which is fully compensatory to the controlled carrier based upon that carrier's actual costs or upon its constructive costs, which are hereby defined as the costs of another carrier, other than a controlled carrier, operating similar vessels and equipment in the same or a similar trade;

(2) the rates, charges, classifications, rules, or regulations are the same as or similar to those filed or assessed by other carriers in the same trade;

(3) the rates, charges, classifications, rules, or regulations are required to assure movement of particular cargo in the trade; or

(4) the rates, charges, classifications, rules, or regulations are required to maintain acceptable continuity, level, or quality of common carrier service to or from affected ports.

(c) EFFECTIVE DATE OF RATES.—Notwithstanding the provisions of section 9(d), the rates, charges, classifications, rules, or regulations of controlled carriers shall not, without special permission of the Commission, become effective sooner than the 30th day after the date of filing with the Commission. Each controlled carrier shall, upon the request of the Commission, file, within 20 days of request (with respect to its existing or proposed rates, charges, classifications, rules, or regulations), a statement of justification that sufficiently details the controlled carrier's need and purpose for such rates, charges, classifications, rules, or regulations upon which the Commission may reasonably base its determination of the lawfulness thereof.

(d) DISAPPROVAL OF RATES.—Whenever the Commission is of the opinion that the rates, charges, classifications, rules, or regulations filed by a controlled carrier may be unjust and unreasonable, the Commission may issue an order to the controlled carrier to show cause why such rates, charges, classifications, rules, or regulations should not be disapproved. Pending a determination as to their lawfulness in such a proceeding, the Commission may suspend such rates, charges, classifications, rules, or regulations at any time before their effective date. In the case of rates, charges, classifications, rules, or regulations that have already become effective, the Commission may, upon the issuance of an order to show cause, suspend such rates, charges, classifications, rules, or regulations on not less than 60 days' notice to the controlled carrier. No period of suspension under this subsection may be greater than 180 days. Whenever the Commission has suspended any rates, charges, classifications, rules, or regulations under this subsection, the affected carrier may file new rates, charges, classifications, rules, or regulations to take effect immediately during the suspension period in lieu of the suspended rates, charges, classifications, rules, or regulations—except that the Commission may reject such new rates, charges, classifications, rules, or regulations if it is of the opinion that they are unjust and unreasonable.

(e) PRESIDENTIAL REVIEW.—Concurrently with the publication thereof, the Commission shall transmit to the President any order of suspension or final order of disapproval of rates, charges, classifications, rules, or regulations of a controlled carrier subject to this section. Within 10 days after the receipt or the effective date of such Commission order, the President may request the Commission in writing to stay the effect of the Commission's order if he finds that such stay is required for reasons of national defense or foreign policy which reasons shall be specified in the report. Notwithstanding any other provisions of law, the Commission shall immediately grant such request by the issuance of an order in which the President's request shall be described. During any such stay, the President shall, whenever practicable, attempt to resolve the matter in controversy by negotiation with representatives of the applicable foreign governments.

(f) EXCEPTIONS.—The provisions of this section shall not apply to—

(1) any controlled carrier of a state whose vessels are entitled by a treaty of the United States to receive national or most-favored-nation treatment;

(2) any controlled carrier of a state which, on the effective date of this section, has subscribed to the statement of shipping policy contained in note 1 to annex A of the Code of Liberalization of Current Invisible Operations, adopted by the Council of the Organization for Economic Cooperation and Development;

(3) rates, charges, classifications, rules, or regulations of any controlled carrier in any particular trade which are covered by an agreement effective under section 6, other than an agreement in which all of the members are controlled carriers not otherwise excluded from the provisions of this subsection;

(4) rates, charges, classifications, rules, or regulations governing the transportation of cargo by a controlled carrier between the country by whose government it is owned or controlled, as defined herein and the United States; or

(5) a trade served exclusively by controlled carriers.

SEC. 11. OCEAN FREIGHT FORWARDERS.

(a) LICENSE.—No person may act as an ocean freight forwarder unless that person holds a license issued by the Commission. The Commission shall issue a forwarder's license to any person who—

(1) the Commission determines to be qualified by experience and character to render forwarding services; and

(2) furnishes a bond in a form and amount determined by the Commission to insure financial responsibility that is issued by a surety company found acceptable by the United States Department of the Treasury.

(b) SUSPENSION OR REVOCATION.—The Commission shall, after notice and hearing, suspend or revoke any license if it finds that the ocean freight forwarder is not qualified to render forwarding services or that it willfully failed to comply with any provision of this Act or with any lawful order, rule, or regulation of the Commission. The Commission may also revoke a forwarder's license for failure to maintain a bond in accordance with subsection (a)(2).

(c) EXCEPTION.—A person whose primary business is the sale of merchandise may forward shipments of that merchandise for its own account without a license.

(d) COMPENSATION OF FORWARDERS BY CARRIERS.—

(1) A common carrier may compensate an ocean freight forwarder in connection with any cargo shipment dispatched on behalf of others only when the ocean freight forwarder has certified in writing that it holds a valid license and has performed the following services:

(A) engaged, booked, secured, reserved, or contracted directly with the carrier or its agent for space aboard a vessel or confirmed the availability of that space; and

(B) prepared and processed the ocean bill of lading, dock receipt, or other similar document with respect to the cargo.

(2) No common carrier may pay compensation for services described in paragraph (1) more than once on the same cargo shipment.

(3) No compensation may be paid to an ocean freight forwarder except in accordance with a tariff filed under section 9(a).

(4) No ocean freight forwarder may receive compensation from a common carrier with respect to any shipment in which the forwarder has a direct or indirect beneficial interest nor shall a common carrier knowingly pay compensation on any such shipment.

SEC. 12. PROHIBITED ACTS.

(a) IN GENERAL.—No person may—

(1) operate under an agreement described in section 4 that has not become effective under section 6, or that has been suspended, disapproved, or canceled;

(2) operate under an agreement described in section 4 except in accordance with its terms and any modifications to the agreement made by the Commission; or

(3) knowingly and willfully, directly or indirectly, by means of false billing, false classification, false weighing, false measurement, false report of weight or measures, or by any other unjust or unfair device or means obtain or attempt to obtain ocean transportation for property at less than the rates or charges that would otherwise be applicable;

(b) COMMON CARRIERS.—No common carrier, including a joint venture, either alone or in conjunction with any other person, directly or indirectly, may—

(1) charge, demand, collect, or receive greater, less, or different compensation for the transportation of property or for any service in connection therewith than the rates and charges that are specified in its tariffs;

(2) rebate, refund, or remit in any manner, or by any device, any portion of its rates except in accordance with its tariffs;

(3) extend or deny to any person any privilege, concession, equipment, or facility except in accordance with its tariffs;

(4) allow any person to obtain transportation for property at less than the rates or charges established by the carrier in its tariff by means of false billing, false classification, false weighing, false measurement, or by any other unjust or unfair device or means;

(5) retaliate against any shipper by refusing, or threatening to refuse, cargo space accommodations when available, or resort to other unfair or unjustly discriminatory methods because the shipper has patronized another carrier, or has filed a complaint, or for any other reason;

(6) make any unfair or unjustly discriminatory contract with any shipper or engage in any unfair or unjustly discriminatory practice against any shipper or port, in the matter of—

(A) rates or charges;

(B) cargo classifications;
(C) cargo space accommodations or other facilities, due regard being had for the proper loading of the vessel and the available tonnage;
(D) the loading and landing of freight in proper condition; or
(E) the adjustment and settlement of claims;
(7) employ any fighting ship; or
(8) offer or pay any deferred rebates.

(c) CONCERTED ACTION.—No conference or group of two or more common carriers, other than a joint venture operating by itself, may collectively—
(1) boycott or take any other concerted action resulting in an unreasonable refusal to deal;
(2) utilize a device or means that unreasonably sets conditions or otherwise unreasonably restricts the ability of a shipper to select an ocean common carrier in a competing trade, or an ocean tramp, or a bulk carrier;
(3) unreasonably restrict the employment of intermodalism or other technological innovations by member common carriers;
(4) engage in any predatory practice designed to eliminate the participation, or deny the entry, in a particular trade of an ocean common carrier not a member of the conference, a group of common carriers, an ocean tramp, or a bulk carrier;
(5) negotiate with any nonocean carrier or group of nonocean carriers (for example, truck, rail, or air operators) on any matter relating to rates or services provided to ocean common carriers within the United States by such nonocean carriers: *Provided,* That this prohibition shall not prohibit the setting and publishing of a joint through rate by a conference, joint venture, or an association of ocean common carriers authorized to file tariffs;
(6) deny in the export foreign commerce of the United States compensation to an ocean freight forwarder or limit the amount thereof to less than 1¼ percent of the freight charges; or
(7) allocate shippers among specific carriers that are parties to an agreement or prohibit any carrier that is a party to the agreement from soliciting cargo from any particular shipper, except as otherwise required by the law of the United States or the importing or exporting country, or as agreed to by a shipper in a service contract.

(d) COMMON CARRIERS, OCEAN FREIGHT FORWARDERS, AND MARINE TERMINAL OPERATORS.—No common carrier, ocean freight forwarder, or marine terminal operator may—
(1) fail to establish, observe, and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property;
(2) make or give any undue or unreasonable preference or advantage to any particular person, locality, or description of traffic in any respect whatsoever, or subject any particular person, locality, or description of traffic to an unreasonable refusal to deal or any undue or unreasonable prejudice or disadvantage in any respect whatsoever; or
(3) knowingly disclose, offer, solicit, or receive any information concerning the nature, kind, quantity, destination, consignee, or routing of any property tendered or delivered to a common carrier, ocean freight forwarder, or marine terminal operator consent of the shipper or consignee if that information—
(A) may be used to the detriment or prejudice of the shipper or consignee:
(B) may improperly disclose its business transactions to a competitor; or
(C) may be used to the detriment or prejudice of any common carrier.

Nothing in this paragraph shall be construed to prevent providing such information in response to any legal process, to the United States, or to any independent neutral body operating within the scope of its authority to fulfill the policing obligations of the parties to an agreement effective under this Act. Nor shall it be prohibited for any ocean common carrier that is a party to a conference agreement approved under this Act, or any receiver, trustee, lessee, agent, or employee of such carrier or person, or any other person authorized by such carrier to receive information, to give information to the conference or any person, firm, corporation, or agency designated by the conference, or to prevent the conference or its designee from soliciting or receiving information for the purpose of determining whether a shipper or consignee has breached an agreement with the conference or its member lines or for the purpose of determining whether a member of the conference has breached the conference agreement, or for the purpose of compiling statistics of cargo movement, but the use of such information for any other purpose prohibited by this Act or any other Act shall be prohibited.

(e) If, after notice and hearing, the Commission finds that the actions of carriers or foreign governments have unduly impaired access of any ship documented under United States flag to ocean trades between foreign ports, the Commission shall suspend the tariffs of such carriers or the national lines of such foreign governments, or both, in trades to and from United States ports, pursuant to the provisions of section 15(b)(1).

SEC. 13. COMPLAINTS, INVESTIGATIONS, REPORTS, AND REPARATIONS.

(a) FILING OF COMPLAINTS.—Any person may file with the Commission a sworn complaint alleging a violation of this Act and may seek reparation for any injury caused to the complainant by that violation.

(b) SATISFACTION OR INVESTIGATION OF COMPLAINTS.—The Commission shall furnish a copy of a complaint filed pursuant to subsection (a) to the person named therein who shall, within a reasonable time specified by the Commission, satisfy the complaint or answer it in writing. If the complaint is not satisfied, the Commission shall investigate it in an appropriate manner and make an appropriate order.

(c) COMMISSION INVESTIGATIONS.—The Commission upon its own motion may, in like manner and with the same powers, investigate any conduct that it believes may be in violation of this Act.

(d) SPECIAL INVESTIGATIONS OF CONDUCT PURSUANT TO POOLING AGREEMENTS.—(1) The Commission, upon complaint of a person, may initiate an investigation of conduct pursuant to an agreement to pool or apportion traffic or revenues, or establish a joint venture, with other common carriers operating in the same trade if it believes that conduct pursuant to the agreement substantially reduces competition in the trade.

(2) The Commission shall cancel or modify, any agreement subject to investigation pursuant to paragraph (1) if it determines that conduct pursuant to the agreement substantially reduces competition in the trade as a whole unless the agreement—
(A) results in gains in efficiency or services that outweigh any substantial reduction in competition; or
(B) is authorized by an express provision of a government-to-government agreement or undertaken pursuant to a government-to-government agreement in effect at the date of enactment of this Act, or an extension thereof; or
(C) is in furtherance of foreign policy interests of the United States that outweigh the interests of the United States in preventing the substantial reduction in competition.

(3) The sole remedy under this Act for conduct found to violate paragraph (2) is cancellation or modification of the agreement.

(e) REPORTS.—The Commission shall make a written report of every investigation made under this Act in which a hearing was held stating its conclusions, decisions, findings of fact, and order. A copy of this report shall be furnished to all parties. The Commission shall publish each report for public information and the published report shall be competent evidence in all courts of the United States.

(f) REPARATIONS.—For any complaint filed pursuant to subsection (a) within 2 years after the cause of action accrued, the Commission may, after notice and hearing and when appropriate, direct the payment of reparations to the complainant for actual injury caused by a violation of this Act.

SEC. 14. SUBPENAS AND DISCOVERY.

(a) IN GENERAL.—In investigations and adjudicatory proceedings under this Act—
(1) depositions, written interrogatories, and discovery procedures may be utilized by any party under rules and regulations issued by the Commission which rules and regulations, to the extent practicable, shall be in conformity with the rules applicable in civil proceedings in the district courts of the United States; and
(2) the Commission may by subpena compel the attendance of witnesses and the production of books, papers, documents, and other evidence.

(b) WITNESS FEES.—Witnesses shall, unless otherwise prohibited by law, be entitled to the same fees and mileage as in the courts of the United States.

SEC. 15. PENALTIES.

(a) ASSESSMENT OF PENALTY.—Whoever violates any provision of this Act, any regulation issued thereunder, or any Commission order is liable to the United States for a civil penalty. The amount of the civil penalty, unless otherwise provided in this Act, may not exceed $5,000 for each violation unless the violation was willfully and knowingly committed, in which case the amount of the civil penalty may not exceed $25,000 for each violation. Each day of a continuing violation shall constitute a separate offense.

(b) TARIFF SUSPENSION.—
(1) For any violation of section 12(b) (1), (2), (3), (4), or (8), or section 12(e), the Commission may suspend any or all tariffs of any common carrier, or that common carrier's right to use any or all tariffs of conferences of which it is a member, for a period not to exceed 12 months.
(2) For failure to supply information ordered to be produced or compelled by subpena under section 14, the Commission may suspend any or all tariffs of any common carrier, or that common carrier's right to use any or all tariffs of conferences of which it is a member.
(3) Any common carrier who accepts or handles cargo for carriage under a tariff that has been suspended or after its right to utilize that tariff has been suspended shall

be subject to a civil penalty of not more than $50,000 for each shipment.

(4) If, in defense of its failure to comply with a subpena or discovery order, a common carrier alleges that documents or information located in a foreign country cannot be produced because of the laws of that country, the Commission shall immediately notify the Secretary of State of the failure to comply and of the allegation relating to foreign laws. Upon receiving the notification, the Secretary of State shall promptly consult with the government of the nation within which the documents or information are alleged to be located for the purpose of assisting the Commission in obtaining the documents or information sought.

(5) Before any tariff suspension ordered under this subsection becomes effective, it shall be immediately submitted to the President who may, within 10 days after receiving it, disapprove the order if he finds that disapproval is required for reasons of the national defense or the foreign policy of the United States.

(c) ASSESSMENT PROCEDURE.—The Commission may, after notice and an opportunity for hearing, assess each civil penalty provided for in this Act. In determining the amount of the penalty, the Commission shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the violator, the degree of culpability, history of prior offenses, ability to pay, and such other matters as justice may require. The Commission may compromise, modify, or remit, with or without conditions, any civil penalty.

(d) REVIEW OF CIVIL PENALTY.—Any person against whom a civil penalty is assessed under this section may obtain review under chapter 158 of title 28, United States Code.

(e) FAILURE TO PAY ASSESSMENT.—If any person fails to pay a civil penalty that has been assessed after it has become final or after the appropriate court has entered final judgment in favor of the Commission, the Commission shall seek to recover the amount assessed in any appropriate district court of the United States. In such an action, the court shall enforce the Commission's order unless it finds that the order was not regularly made or duly issued.

(f) LIMITATIONS.—

(1) No fine or other punishment may be imposed for criminal conspiracy to violate any provision of this Act, or to defraud the Commission by concealment of any such violation.

(2) Any enforcement action under this Act and any formal proceeding to assess any penalty under this section shall be commenced within 5 years from the date the violation occurred.

SEC. 16. COMMISSION ORDERS.

(a) IN GENERAL.—Orders of the Commission relating to any violation of this Act or any regulation issued thereunder shall be made, upon sworn complaint or on its own motion only after an opportunity for hearing. Each order of the Commission shall continue in force for the period of time specified in the order or until suspended, modified, or set aside by the Commission or a court of competent jurisdiction.

(b) REVERSAL OR SUSPENSION OF ORDERS.—The Commission may reverse, suspend, or modify any order made by it, and upon application of any party to a proceeding may grant a rehearing of the same or any matter determined therein. No rehearing shall, except by special order of the Commission, operate as a stay of such order.

(c) ENFORCEMENT OF NONREPARATION ORDERS.—In case of violation of any order of the Commission, or for failure to comply with a Commission subpena, the Commission, or any party injured by such violation, or the Attorney General may seek enforcement by any United States district court having jurisdiction over the parties. If, after hearing, the court determines that the order was properly made and duly issued, it shall enforce the order by an appropriate injunction or other process, mandatory or otherwise.

(d) ENFORCEMENT OF REPARATION ORDER.—(1) In case of violation of any order of the Commission for the payment of reparation, the person to whom the award was made may seek enforcement of the order in any United States district court having jurisdiction of the parties.

(2) In any United States district court the findings and order of the Commission shall be prima facie evidence of the facts therein stated, and the petitioner shall not be liable for costs, nor for the costs of any subsequent stage of the proceedings, unless they accrue upon his appeal. A petitioner in a United States district court who prevails shall be allowed a reasonable attorney's fee to be assessed and collected as part of the costs of the suit.

(3) All parties in whose favor the Commission has made an award of reparation by a single order may be joined as plaintiffs, and all other parties in the order may be joined as defendants, in a single suit in any district in which any one plaintiff could maintain a suit against any one defendant. Service of process against any defendant not found in that district may be made in any district in which is located any office of, or point of call on a regular route operated by, that defendant. Judgment may be entered in favor of any plaintiff against the defendant liable to that plaintiff.

(e) STATUTE OF LIMITATIONS.—Any action seeking enforcement of a Commission order shall be filed within 1 year after the date of the violation of the order.

(f) REPRESENTATION IN COURT.—Attorneys employed by the Commission may, if the Attorney General, after appropriate notice, does not object, appear for and represent the Commission in any case before a court of the United States or a State of the United States.

(g) IMPACT REPORTS.—The Commission shall be exempt from the requirements for the preparation of impact reports pursuant to 42 U.S.C. 6362(b).

SEC. 17. REPORTS AND CERTIFICATES.

(a) REPORTS.—The Commission may require any common carrier, marine terminal operator, or ocean freight forwarder, or any officer, receiver, trustee, lessee, agent, or employee thereof, to file with it any periodical or special report or any account, record, rate, or charge, or memorandum of any facts and transactions appertaining to the business of that common carrier, marine terminal operator, or ocean freight forwarder. The report, account, record, rate, charge, or memorandum shall be made under oath whenever the Commission so requires and shall be furnished in the form and within the time prescribed by the Commission. Conference minutes and self-policing reports required to be filed with the Commission shall not be released to third parties or published by the Commission.

(b) CERTIFICATION.—The Commission shall require the chief executive officer of every ocean common carrier and, to the extent it deems feasible, may require any shipper, consignor, consignee, non-vessel-operating common carrier, marine terminal operator, ocean freight forwarder, or broker to file a periodic written certification made under oath with the Commission attesting to—

(1) a policy prohibiting the payment, solicitation, or receipt of any rebate that is unlawful under this Act;

(2) the fact that this policy has been promulgated recently to each owner, officer, employee, and agent thereof;

(3) the details of the efforts made within the company or otherwise to prevent or correct illegal rebating; and

(4) full cooperation with the Commission in its investigation of illegal rebating or refunds in United States foreign trades and in its efforts to end those illegal practices.

Failure to file a certification shall result in a civil penalty of not more than $5,000 for each day the violation continues.

SEC. 18. EXEMPTIONS.

The Commission, upon application or on its own motion, may by order or rule exempt for the future any specified activity or class of agreements subject to this Act from any requirement of this Act, if it finds that the exemption will not substantially impair effective regulation by the Commission. The Commission may attach conditions to any exemption and may, by order, revoke any exemption. No order or rule of exemption or revocation of exemption may be issued unless opportunity for hearing has been afforded interested persons (who, for purposes of this section, include the departments and agencies of the United States).

SEC. 19. REGULATIONS.

The Commission may promulgate rules and regulations as necessary to carry out the provisions of this Act.

SEC. 20. REPORT TO CONGRESS.—No later than 2 years after the effective day of this Act, the Comptroller General shall submit to the Congress a comprehensive study of, and make recommendations concerning, the regulation of international ocean shipping by common carriers. Such comprehensive study shall specifically address—

(1) various options of deregulation of the international ocean shipping industry, with reference to their ability to promote an efficient, stable, and competitive United States common carrier fleet;

(2) the opportunities for harmonizing United States policy toward international ocean shipping with the policies of our major trading partners;

(3) the system for determining tariffs based on the classification of goods and its role in a deregulated international ocean shipping industry; including the most effective method for eliminating unnecessary cargo classifications as a basis for establishing tariffs and the feasibility of establishing a single tariff by each conference or common carrier for all cargoes shipped in units of comparable size, weight, and handling characteristics;

(4) the role of the antitrust laws in the international shipping industry and their impact upon our relations with foreign nations;

(5) the impact of the "rules of competition" being considered by our trading partners and their relationship to the trend in the developing world toward structured cartelization;

(6) the impact deregulation may have on the growth of State-owned or State-controlled merchant fleets;

(7) the size of the United States liner fleet, by number and cargo capacity, which each option may produce; and

(8) the future structure and role of the Federal Maritime Commission in a deregulated international ocean shipping industry.

SEC. 21. REPEALS AND CONFORMING AMENDMENTS.

(a) REPEALS.—The laws specified in the following table are repealed:

Shipping Act, 1916:	
Sec. 13	36 Stat. 117
Sec. 14a	46 U.S.C. 813
Sec. 14b	46 U.S.C. 813a
Sec. 18(b)	46 U.S.C. 817(b)
Sec. 18(c)	46 U.S.C. 817(c)
Sec. 26	46 U.S.C. 825
Sec. 44	46 U.S.C. 841b
Merchant Marine Act, 1920:	
Sec. 20	41 Stat. 996
Merchant Marine Act, 1936:	
Sec. 212(e)	46 U.S.C. 1122(e)
Sec. 214	46 U.S.C. 1124
Omnibus Budget Reconciliation Act of 1981:	
Sec. 1608	95 Stat. 752

(b) CONFORMING AMENDMENTS.—The Shipping Act, 1916 (39 Stat. 728), as amended (46 U.S.C. 801 et seq.), is amended as follows:

(1) in section 1 by striking the definition "controlled carrier";

(2) in sections 14, 15, 16, 20, 21(a), 22, and 45 by striking "common carrier by water" wherever it appears in those sections and substituting "common carrier by water in interstate commerce";

(3) in section 14, first paragraph, by striking "or a port of a foreign country";

(4) in section 14, last paragraph, by striking all after the words "for each offense" and substituting a period;

(5) in section 15, fourth paragraph, by striking "(including changes in special rates and charges covered by section 14b of this Act which do not involve a change in the spread between such rates and charges and the rates and charges applicable to noncontract shippers)" and also "with the publication and filing requirements of section 18(b) hereof and";

(6) in section 15, sixth paragraph, by striking ", or permitted under section 14b," and in the seventh paragraph, by striking "or of section 14b";

(7) in section 16, in the paragraph designated "First", by striking all after "disadvantage in any respect" and substituting "whatsoever.";

(8) in section 17 by striking the first paragraph, and in the second paragraph, by striking "such carrier and every";

(9) in section 21(b) by striking "The Commission shall require the chief executive officer of every vessel operating common carrier by water in foreign commerce and to the extent it deems feasible, may require any shipper, consignor, consignee, forwarder, broker, other carrier or other person subject to this Act," and substituting "The Commission may, to the extent it deems feasible, require any shipper, consignor, consignee, forwarder, broker, or other person subject to this Act,";

(10) in section 22 by striking subsection (c);

(11) in section 25, at the end of the first sentence, by adding "under this Act";

(12) in sections 29, 30, and 31, after the words "any order of the board", by adding "under this Act,";

(13) in section 32(a), by striking "and section 44"; and

(14) in section 32(c), after the words "or functions,", by adding "under this Act,".

(c) TECHNICAL AMENDMENTS.—Section 212 of the Merchant Marine Act, 1936 (46 U.S.C. 1122) is amended by—

(1) striking after subsection (d) the following undesignated paragraph:

"The Federal Maritime Commission is authorized and directed—";

and

(2) striking after subsection (e) the following undesignated paragraph:

"The Secretary of Transportation is authorized and directed—".

(d) EFFECTS ON CERTAIN AGREEMENTS AND CONTRACTS.—All agreements, contracts, modifications, and exemptions previously approved or licenses previously issued by the Commission shall continue in force and effect as if approved or issued under the provisions of this Act; and all new agreements, contracts, and modifications to existing, pending, or new contracts or agreements shall be considered under the provisions of this Act.

(e) SAVINGS PROVISIONS.—

(1) Notwithstanding section 9(c), each service contract entered into by a shipper and an ocean common carrier or conference before the date of enactment of this Act, may remain in full force and effect and need not comply with the requirements of that subsection until 15 months after the date of enactment of this bill.

(2) This Act and the amendments made by it shall not affect any suit filed before the date of enactment of this Act.

SEC. 22. EFFECTIVE DATE.

This Act shall become effective 180 days after the date of its enactment, except that section 19 shall become effective upon enactment.

Mr. GORTON. Mr. President, I am proud to bring before you today a bill that, if enacted, will be the most significant maritime legislation in decades. The Ocean Shipping Act of 1983 provides long overdue regulatory reform for international ocean liner shipping which will benefit both ocean liner carriers and the users of their services, our exporters and importers. S. 47 is supported by all segments of the maritime community: carriers; freight forwarders; labor; both small and large ports; and shippers, who are the consumers of carrier services.

THE NEED FOR REFORM

For the past 100 years, carriers have formed conferences to establish collectively rates and services. This is the accepted practice worldwide. Before World War I, Congress studied the ocean conference system to decide whether the then new antitrust laws should apply to this aspect of foreign commerce. Its findings are as relevant now as they were in 1913:

A shipping conference is a voluntary association of ocean carriers operating on a particular trade route between two or more countries.

The conference system could not operate legally in U.S. trades without express immunity from the application of the antitrust laws of the United States. The U.S. trades, however, were served by many foreign-owned companies, as well as U.S. operators, and U.S. imports and exports were also the imports and exports of many foreign nations with fully equal interest in our commerce. In the face of the unusual characteristics of international economic competition, it is concluded that some degree of immunity from the antitrust laws should be granted to liner operators in our foreign commerce.

The United States enacted the Shipping Act of 1916 to place some control over, but not prevent, conferences. The United States has been the only Nation to regulate strictly its ocean shipping industry. The Federal Maritime Commission regulates conferences by requiring tariff filing and by approving conference agreements on a case-by-case basis. As a result of a number of judicial decisions, the original antitrust immunity for international liner shipping has been eroded until, at this point, it is largely illusory. Antitrust principles are now part of FMC oversight and the Department of Justice also regulates—through antitrust litigation—international liner shipping serving the United States.

There are at least four problems with the current regulatory scheme. First, the system is unpredictable. A carrier is never sure whether the FMC will approve its agreements. The standards by which both the FMC and the Department of Justice scrutinize carrier agreements are so vague that they are almost wholly discretionary and are a constant source of dispute and litigation. Even if the FMC approves an agreement, carriers must "look over their shoulders" for Department of Justice enforcement, the aggressiveness and substance of which has also changed over time.

Second, lengthy delays in the FMC decisionmaking process result from the uncertainty discussed above. Delays in approving an agreement can, and often do stretch on for years. Even routine matters take an inordinate amount of time to complete.

Third, U.S. carriers complain of unequal enforcement of antitrust laws. They claim that the Department of Justice scrutinizes and challenges their activities far more than their foreign competition. Foreign carriers operate in the U.S. trade with highly efficient joint ventures, consortia, revenue pools, and space sharing arrangements that reduce overcapacity and therefore reduce the cost of transportation. U.S.-flag carriers, however, are unable to operate on an equal footing with their foreign competition.

Fourth, the regulatory system strains our international relations. Our trading partners claim the extension of our antitrust laws constitutes an outrageous meddling in international commerce, which subjects foreign carriers and shippers to laws and general competitive concepts that are completely foreign to them. In fact, some Europeans nations, such as Great Britain have passed blocking statutes which prevent their companies from responding to and cooperat-

ing with the Department of Justice when it seeks to exercise its antitrust authority. It is clear that, when price-fixing and collective activity are the worldwide practice, when subsidies and government ownership are common, and when cargo reservation is the trend, our traditional concepts do not apply.

LEGISLATIVE HISTORY

Since 1977, there have been several legislative initiatives to reform the regulation of international ocean liner shipping. These initiatives have been the subject of literally months of hearings in the Senate and the House. S. 47 is similar to a House bill in the 97th Congress that passed 350 to 33 and to a Senate bill in the 97th Congress that the Commerce Committee reported out unanimously. In the 96th Congress the Senate unanimously passed legislation with similar maritime goals.

S. 47

S. 47 retains the two fundamental features of the 1916 Shipping Act: First, antitrust immunity for liner conference agreements—agreements by an organization of liner operators establishing rates and joint services—and second, common carrier requirements that liner operators publish tariffs establishing rates and services available to all shippers without discrimination.

The purpose of S. 47 is to allow international liner shipping serving the United States to operate in a manner more similar to shipping elsewhere in the world. It accomplishes this by:

First. Reinstating the antitrust immunity originally provided by the Shipping Act of 1916.

Second. Providing shippers with the ability to negotiate flexible terms of carriage while retaining the common carrier system of liner ocean transportation.

Third. Streamlining FMC's regulatory role by providing a swift and predictable review process.

The bill's premise is that liner conferences are healthy because they reduce overcapacity and stabilize rates, which result in more efficient and predictable service for shippers. Shippers, the consumers of ocean liner services, endorse S. 47 because lower carrier costs and more predictable service will mean lower shipping costs. The bill protects against conference abuses and insures that these lower costs are passed on to shippers and ultimately to consumers in the form of lower prices for imported and exported goods. Conferences must maintain open memberships and in certain circumstances must permit members to set independent rates. Shippers are permitted to form shippers' councils and may negotiate contracts based on their special market needs. The bill prohibits predatory practices and rebating. International ocean liner shipping is a robustly competitive business and S. 47 is designed to keep it that way.

Mr. President, I now intend to outline the highlights of S. 47.

HIGHLIGHTS OF S. 47

First, it provides antitrust immunity for agreements between carriers, shippers, and ports. All enforcment is consolidated in one agency, the Federal Maritime Commission, under one law, the Shipping Act.

Second, it eliminates vague standards of Federal Maritime Commission review, such as "detrimental to the commerce of the United States" and "public interest" tests. Instead, S. 47 lists specific prohibited acts, such as rebating, and specific unfair, discriminatory, or predatory practices.

Third, the bill requires tariff filing at, and enforcement by, the Federal Maritime Commission.

Fourth, the bill allows shippers and carriers to negotiate time/volume rates and service contracts.

Fifth, the act requires prompt Federal Maritime Commission review of agreements and places the burden of proof on opposition to those agreements.

Sixth, the bill provides swift and predictable penalties for violations.

Seventh, S. 47 provides limited antitrust immunity for shippers to organize and confer on shipper-carrier practices, but not to negotiate specific rates.

Eighth, the bill requests a GAO study of deregulation of liner shipping for 1 year.

REBUTTAL TO OPPONENTS' ARGUMENTS

During the last Congress some newspapers pubished editorials opposing shipping bills in the House of Representatives and Senate. The editorials generally said that the bills were special interest legislation granting the carriers a new, sweeping exemption to the antitrust laws. This would occur at the expense of the shippers and the consumers, the editorials went on, who would pay higher shipping rates as a result. I believe that the writers of those editorials failed to consider why all of the groups affected by the legislation as well as all of the Senators on the Commerce Committee supported it.

As I have said, the Ocean Shipping Act is simply not a gross new inroad into the antitrust laws. The United States has exempted ocean common carriers' price setting functions since 1916. S. 47 would clarify the scope of antitrust immunity and would speed up the regulatory process, which has become a procedural morass.

Ocean shipping is a highly competitive industry. Nonconference carriers, tramps, neobulk operators, and gateway competition insure that no carrier or conference can extract monopoly rents for their services. S. 47 contains its own prohibitions and sanctions to keep ocean shipping competitive. These include prohibitions against predatory practices, limits on loyalty contracts, and mandatory rights of independent action in trades with loyalty contracts.

I wish simply to depart from this formal text to emphasize the fact that this is and has been for many years a highly competitive industry. Unlike transportation by rail or even to a certain extent by road, the oceans, of course, are open at all times, There is no investment in a trade route. It is extremely easy to move a ship from one trade route to another, all across the entire world. Wherever traffic exists, ships will search it out. Wherever one can make a profit, there will be a high degree of competition.

Opponents of the Ocean Shipping Act, including Dr. Allen Ferguson of the National Institute of Economics and Law, claim that S. 47 will harm shippers, consumers, and the economy in general because it will raise shipping rates by 20 percent, for a total cost of approximately $3 billion per year, a figure frequently used in the course of the last 2 days by the Senator from Ohio.

At the Merchant Marine Subcommittee hearing on February 2 of this year Dr. Ferguson was unable to present any evidence to support his supposition. He offered no theoretical or factual basis for his 20-percent figure which has been widely quoted in the press. The 20-percent figure appears to be a guess based on an event in the Canadian-European trade during the last session of Congress. There the chief nonconference carrier in the trade announced that it intended to join the conference. At approximately the same time the conference announced a 20-percent rate increase. Apparently Dr. Freguson deduced that the same thing would happen if the United States passed the Shipping Act. In fact, almost as soon as the rate increase was announced, executives of a major Canadian conference carrier resigned to form a new nonconference carrier to compete in the trade. The conference rate increases were immediately withdrawn.

I emphasize that this took place in a trade which did not then and has never enforced any laws remotely comparable to the antitrust laws of the United States. That incidentally is also the case throughout the rest of the world.

Almost all of those who Dr. Ferguson claims will be hurt by S. 47 support this bill. The shippers, the importers and exporters who pay for carrier services, support S. 47 because they will benefit from reduced carrier costs. Ports, both large and small, support S. 47. In the last Congress the American Association of Port Authorities rebutted Dr. Ferguson's position

paper, which asserted that small ports would be hurt by the Shipping Act. Small ports have a strong voice in the AAPA, as those familiar with disputes over waterway user charges can easily verify. The opponents' arguments came down to an assertion that these groups do not know their own interests; that, despite 66 years of experience with the conference system, they are wrong in believing that the system reduces the cost of ocean transportation.

So we have the paradox of a handful of outsiders saying that people who have made their lives in this business over the years do not know what their own interests are, do not know what the effect of changes in practices will be, but that they, the outsiders, do.

Conference systems operate everywhere in the world and are almost entirely unregulated outside the United States. Under Dr. Ferguson's theories shipping rates outside the U.S. trades should be higher because of the ease of forming conferences and the absence of antitrust laws.

Incidentally, in many of those other areas of the world, those conferences are closed, that is to say, outsiders may not join them. Under this bill conferences will be open to joining by any carrier who wishes to do so.

Dr. Ferguson in his testimony declined to compare shipping rates in the U.S. trades with those in other comparable trades, but Mr. Clifford Sayre, who manages shipping for DuPont, said that it was his company's experience that other trades offer lower rates, in part because they have developed true intermodal systems.

S. 47 would foster intermodalism. It resolves a long-standing dispute over where conference activities include intermodal transportation, which has developed because of containerships. At the same time S. 47 contains procompetitive safeguards, such as limits on the geographic scope of conference agreements.

The Ocean Shipping Act is not special interest legislation to bail out the U.S. merchant marine. It does not affect issues such as Government subsidies for U.S. shipbuilding or use of foreign ships in U.S. domestic trades. U.S.-flag carriers will benefit because they will no longer be the target of discriminatory enforcement of our antitrust laws.

I am a strong advocate of the antitrust laws and have worked to strengthen these laws and their enforcement in domestic industries. But in the international arena, we must recognize that we cannot work our will unilaterally over international markets. Conferences have existed for a century in international ocean shipping. American experience since 1916 has shown that they are an effective device to lower carrier costs and that shippers benefit from less costly and more reliable service.

The Ocean Shipping Act of 1983 is necessary to streamline the regulatory role of the Federal Maritime Commission, to reaffirm carrier participation in conferences, and to improve our strained international relations. The bill is supported by a broad range of people who participate, directly or indirectly, in international shipping.

I am grateful to the Senator from Ohio for permitting us now to move to the debate on this bill.

During the remainder of the day we will hear from a number of other Senators in opening statements and I understand there will be presented the first amendment proposed by the Senator from Ohio.

It is important at this point, however, to indicate that this bill went from the Commerce Committee to the Judiciary Committee, and that as a result of the hearings of the Judiciary Committee the chairman of that committee will have some 17 amendments to introduce on Monday. They have been the subject of long and intensive negotiation between members of the Judiciary Committee and members of the Commerce Committee, myself, and the chairman of the Merchant Marine Subcommittee included.

When Monday arrives either 15 or 16 of those amendments will be accepted on our part.

Many of them significantly improve the bill, in my view. Others, while they do not, I believe, necessarily improve the bill, nonetheless allow it to retain its deregulatory and procompetitive charcter.

One of those amendments—perhaps the most important—addresses the fundamental question of whether or not tariffs are to be filed with and enforced by the Federal Maritime Commission. That proposal will be opposed by the Committee and by this Senator, but will be thoroughly debated, and I trust will be voted on Monday.

This is controversial legislation. It is also very, very complex legislation. I began working in this field 2 years ago as the then chairman of the Merchant Marine Subcommittee without the slightest knowledge of the field and with no bias toward any of the many interests which are included in it.

I feel very deeply that the subcommittee has, particularly with the great help of the senior Senator from Hawaii, who has worked in this field during his entire career, come up with a bill which is relatively unique in that it will benefit not only the professional carriers who originally proposed changes in the law 6 years or so ago, but their consumers, and all of the other professions which are concerned with ocean transportation of goods, such as the ports, the labor unions, freight forwarders, and the like, as well. We have probably come closer to causing both the suppliers of services and the consumers of those services to agree on changes, which are quite significant, than has been the case in any of the other business deregulatory legislation to appear on the floor of this body for the last half dozen years or so.

While the bill remains highly controversial, I believe that it deserves the support of all Senators. I believe it will improve the competitive position of the United States in international trade, and I commend the passage of the bill, without amendments to which the Commerce Committee does not agree, to my colleagues.

The Senator from Hawaii (Mr. INOUYE) does wish to come over and deliver an opening statement. I would be happy to yield the floor to the Senator from Ohio, but we hope that the Senator from Hawaii's statement would be included in the RECORD prior thereto.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I thank the Chair.

Seven years ago the Senate Commerce Committee began the long and difficult task of maritime regulatory reform in an effort to revitalize the international segment of our merchant marine, when we first looked into the problem of illegal rebating. I am certain most of my colleagues are aware of what illegal rebating is all about. It is a secret form of rate war in which carriers surreptitiously, clandestinely, depart from the terms of their published tariffs on file with the FMC, and offer inducements and incentives that attract cargo to the detriment of their competitors.

In other parts of the world, illegal rebating may be called Kumshaw, or under-the-table payments, and this is what I am talking about, Mr. President.

Our liner trades operate on a come one, come all basis, inviting participation of foreign-flag carriers as cross-traders (that is, carriers of a nation(s) other than those of our trading partner in a given trade).

Since we are the largest trading nation in the world, our policy of freedom of access to our liner trades has attracted cross traders from all over the world. The result is our liner trades are overtonnaged and a climate conducive to rebating prevails.

Rebating can take many forms other than outright cash rebates. A carrier is, in effect, granting a rebate when it absorbs or pays for the cost of services which, under its tariff, would be paid by the shipper. Some examples are: Payment of the cost of inland transportation charges from the shipper's facility to the ocean carrier's terminal at the port; payment of the cost of inland transportation charges from

the ocean carrier's port terminal to the point of delivery to the consignee; free warehousing; or permitting unreasonable use of carrier equipment, for example, failure to collect container demurrage. Another form is payment of terminal charges that are the responsibility of the shipper or consignee, such as truck load-loading or unloading charges.

Obviously, rebate schemes in the U.S. liner trades are not designed to preserve a complete documentary record for posterity. They are designed to conceal the payment. In addition, deals can be consummated overseas where the chance of detection is slim at best. Accordingly, to eliminate rebating in our liner trades is a difficult task.

At the time we began our investigation into rebating in 1977, the FMC testified that it had evidence indicating a pervasive pattern of rebating in virtually all significant U.S. liner trades, and that it amounted to at least $100 million annually. Others estimated the amount to be at least five times that, a half a billion dollars. And that was in 1977.

There are those who say rebating is all right because it is the result of healthy competition. In fact, that is what the antitrust theorists are maintaining at this moment in this Chamber.

Let me repeat what an expert witness with 30 years experience in the real world of international shipping had to say about rebating (Manuel Diaz, president of Adherence Group, Inc.);

It results in unreasonable preference and advantage or prejudice and disadvantage, to shippers, ports, and other concerned interests.

It never benefits the consumer, and ultimately, must result in predatory competition leading to unbridled rate wars which will ultimately make it impossible for privately owned companies to continue to operate much less to replace their fleets.

In a nutshell, the result of illegal rebating, whatever its degree, is the enrichment of a few at the expense of the public interest and commerce between nations.

In addition to effects described by Mr. Diaz, illegal rebating posed additional problems for U.S. carriers vis-a-vis foreign-flag competition because there was an enforcement bias against the U.S. carriers.

In the case of foreign-flag carriers, their records, which were necessary to establish their illegal rebating, even when the FMC sought to obtain the records of a foreign-flag carrier, the agency was often confronted with a "blocking statute", which prohibited that carrier from turning over its records.

At the time of our investigation in 1977, according to the FMC, the United Kingdom, Belgium, Sweden, France, Finland, the Netherlands, the Federal Republic of Germany, Australia, and Norway had enacted such secrecy laws.

Mr. Diaz concluded by telling our committee that he did not think that the U.S. liner fleet had any future if our trades continued to be rife with rebating. He said he did not know "how any man in his right mind would invest one single cent in the building of U.S. vessels for the liner trade."

About 6 years later, it appears our liner industry's prospects for attracting investment have not improved, according to the statistics of the Council of American-Flag Ship Operators:

The consistent inability of the industry to earn a return on equity commensurate with other industries has weakened its ability to attract much needed capital investment. In comparison to other industry groups, the ocean liner industry is one of the poorest and most inconsistent in terms of return on equity:

Between 1976 and 1980, the industry has only generated a return on assets of between 0.9 percent and 6.1 percent.

During the same period, long-term debt increased from 0.76 of equity to 3.83 times equity. The ratio of current assets to current liabilities fell from 1.7 to 1.3.

The liner industry's return on equity in 1979 was less than one-fifth the all-industry average, in 1981 it was less than half and over the last 5 years has never been greater than two-thirds of the all industry average.

In any event, when the committee began its investigation in 1977, rebating was one of the major afflictions in our liner trades. The following year we strengthened our laws dealing with the problem, and provided, among other things, tariff suspension if a carrier failed to comply with an FMC request for records in an investigation into rebating.

Then, 2 years after we enacted that law, the FMC testified that the problem had greatly improved.

In the same year—1977—the committee began looking into the problem of rebating, it renewed earlier efforts to deal with the rate-cutting practices of State-controlled carriers—chiefly the Soviets—who were operating as cross-traders in our trades. These rate-cutting practices not only threatened to destroy legitimate competition in our foreign commerce, they put the survival of our merchant fleet in jeopardy.

By 1977, Soviet penetration of U.S. liner freight routes had grown substantially since 1971. From a relatively insignificant penetration level of 0.3 percent in 1971, the Soviet merchant marine had increased its share of the U.S. commercial liner cargo market to 3.4 percent as of the first 9 months of 1977. This represented a tenfold increase in the Soviet's market share during the 6-year period.

The Maritime Administration projected that by 1986 Soviet-flag ships would be hauling some 6.6 percent of our liner cargoes.

Our committee felt there was ample reason to infer that Soviet carriers cross trading in our liner trades were doing so at rates below the cost of commercially motivated carriers for noncommercial purposes such as an accumulation of hard currency, military, and political objectives. To put it in simple language, the Soviet fleet has no chief executive officer, board of directors, chairman of the board, and, most importantly, no stockholders.

The Soviet merchant fleet is part of their naval fleet. It is run by admirals, not by civilians, as you will find in the United States. Profit is not their motive. Their motives and objectives are military and political, so they are able to cut rates below cost to attract cargo.

Some of the more striking examples of rate cutting cited at our hearings in 1977 included: First, imported shoes from North Europe with a 44-percent rate variance; second, commercial household goods from the United States to Europe with a 33-percent rate variance; third, textile machinery from the United States to Europe at a 42-percent rate variance; and fourth, rattan furniture from the Philippines to the United States at a 31-percent rate variance.

Another instance concerned Lykes Bros. Steamship Co., and involved the shipment of buses—purchased by the Urban Mass Transit Administration—moving from Germany to Houston which was carried by the Soviet carrier Baltic Shipping Co. at rates well below those quoted by Lykes for the same shipment. Lykes had quoted a lash barge load rate of $20,000, which equals approximately $6,500 per bus. Baltic Shipping Co., however, quoted a rate approximately 55 percent lower, about $3,500 per bus.

As a result of investigation into the rate-cutting practices of the Soviets and other state-controlled carriers, Congress enacted legislation strengthening the provisions of the Shipping Act 1916, by giving the FMC power to regulate those practices. Among other things, that law prohibits these carriers from maintaining rates or changes in their tariffs which are below a level that is just and reasonable; and gives the FMC power to suspend their tariffs.

Again, as in the case of our laws against illegal rebating, the problems caused by the practices of these state-controlled carriers are substantially less.

Around the time our committee began looking into maritime regulatory reform, the Antitrust Division of the Department of Justice conducted its own study of the regulated ocean shipping industry. That study proposed repeal of the Shipping Act, which included abolition of tariff enforcement by the FMC, as a way to increase competition in ocean shipping.

Dr. Diaz, whom I have mentioned, testified before our committee that:

The test tube "free market" philosophy espoused by the Department of Justice in

their recently completed "study of the regulated ocean shipping industry" is singularly dangerous. By advocating repeal of the Shipping Act, so that steamship carriers in the foreign commerce would be regulated under U.S. domestic common law of common carriers and U.S. antitrust laws, the Department of Justice gives clear evidence of a thorough lack of sensitivity and, indeed, of understanding of the world outside its judicial laboratory. Our major trading partners have shown that their philosophy with respect to world liner shipping works infinitely better than ours. If this committee does no more, it should repudiate the proposals of the Department of Justice, however well intentioned those proposals may actually be, especially if you wish to save U.S.-flag liner shipping. If you don't believe me, take a look at what the "free market" philosophy has done for the U.S.-flag bulk carrier fleet.

I have been talking about the type of competition that the Department of Justice would like to have.

There have been times when I looked upon the activities of our agencies with disbelief, Mr. President.

I remember once the FMC subpenaed a Soviet shipping company, because it believed that the Soviets were not complying with some of our shipping laws.

Well, Mr. President, one agency filed an amicus curiae, not on behalf of the FMC, but in support of the Soviet position, saying that the Soviets are sovereign, and we have no business touching them.

Guess who that agency was. The very agency that says; "Wipe out the FMC." The Justice Department.

We have asked the Justice Department. "How often have you investigated consortia or combinations of foreign shipping companies for antitrist activities?" The Department had to tell us, "Never." They have only investigated consortia where U.S. flags were involved.

Well, Mr. President, I could go on and on. I am surprised at the GAO report that says we are in great shape. If great shape means carrying less than 4 percent of our foreign cargo, then I do not know what bad business is all about.

Before I close, Mr. President, I would like to just cite one experience.

Events proved that with enactment of the Controlled Carrier Act and the legislation strengthening our laws against illegal rebating, Congress has made a start toward correcting the abuses that threatened our foreign commerce and the viability of the U.S. merchant marine. Essential to that success were retention of the requirement for tariff filing and the strengthened enforcement powers given the FMC. Tariff filing and enforcement were necessary tools to stabilize our trades because our open trade policy attracted so many cross traders, overtonnaging was the inevitable result. In the words of a distinguished former Chairman of the FMC, Karl E. Bakke,

Political freedom begat freedom of seas; freedom of the seas begat freedom of access; freedom of access begat overtonnaging; and overtonnaging begat rebating.

Similarly, the lucrative nature of our trades, and the free access to them without virtually any protection against predatory practices, invited the Soviets to come in as cross traders for their national political purposes.

It may interest Members to know that even now, according to statistics I have seen, foreign flags carry over 30 percent of U.S. mail. These foreign-flag carriers include state-controlled lines such as Polish-Ocean Lines. Most other countries reserve their postal cargos for their own flagships as a matter of commercial practice.

Mr. President, during the past few days the Senate has heard a good deal of untested economic theory to the effect that more and freer competition will benefit our foreign commerce. The principal means for achieving these goals would be the abolition of tariff enforcement. The very tool which has helped correct the anticompetitive abuses which were rampant in our trades. But the arguments are based on just that—untested theory.

Our recommendations, however, are the result of 7 years of comprehensive investigation, supported by extensive testimony of those who have spent their lives in the real and practical world of international liner shipping.

The threat to our merchant marine is grave and it is immediate. Should its deterioration continue, the day may soon come when we will have to rely on the Soviets and other foreign flags to carry our exports and imports. In that sad event, it will be an easy matter for Mr. Andropov to say:

We don't agree with your policy in the Middle East, and we have therefore directed our vessels not to call at your ports.

Should anyone think this is an exaggeration, he need only recall the instructions the Liberian Government gave its flag vessels during the Yom Kippur war. They were prohibited from carrying oil to Israel for fear of offending the Arab countries.

But the U.S. merchant marine is also our fourth arm of defense. It was vital in World War II, the Korean war, and Vietnam. The Senate may recall that many of our allies refused to carry our cargo to Vietnam because they did not agree with our policy.

What will happen in the event of war or a national emergency if we have no merchant marine to call upon?

During the Falkland Islands crisis when ocean transport for troops and material was essential, the British had the *QE II* and other passenger vessels available. And according to statistics I have seen, the Soviets have over 70 troop transports available.

What is our situation at the moment? The military Sealift Command has had to charter foreign-flag vessels which have been reflagged United States, to supply our Rapid Deployment Force with arms and equipment.

Whereas, according to MarAd, we had 54 vessels capable of carrying troops in 1950, and 40 in 1960, today we have only 2. And those two are in the Pacific Ocean cruising around my State of Hawaii.

Mr. President, I ask the question, even if we were willing to risk the present and future welfare of our foreign commerce on untested economic theory, are we also willing to subject our national security to the same risk?

Our passenger fleet and our dry-bulk fleet are virtually nonexistent. The following statistics of the Council of American-Flag Ship Operators gives further evidence of the decline of the U.S. fleet:

The number of U.S. general cargo vessels declined from 523 in 1970 to 256 in 1980.

Relative size of the U.S. fleet declined from first in the world in 1950 to eighth in 1979.

Between 1971 and 1976 the U.S. general cargo fleet declined in GRT's by over 35 percent, from 8,462,000 to 5,490,000. During the same period, the Soviet fleet increased by over 25 percent, from 6,202,000 to 7,796,000.

The number of U.S. companies declined from 19 in 1970 to 9 in 1981. Of the nine, three are currently in serious financial difficulty.

In 1956–60, the U.S.-flag fleet carried 35.8 percent by value and 33.1 percent by weight of U.S. liner cargoes. The data utilized by GAO showed that by 1978, this had declined to 30.1 percent and 29.9 percent, respectively. GAO believed this indicates stability of U.S.-flag market share. However, more recent information shows this trend has continued, with data for 1981 showing a decrease to 27.6 percent by weight and 28 percent by value.

Mr. President, 2 days ago my distinguished colleague, the senior Senator from Louisiana, explained at some length why there was nothing hurried, secret, or sinister about the legislative process leading up to the Senate's consideration of S. 47.

He also explained quite convincingly, in my judgment, that international liner shipping is different than other modes of transportation, and must therefore have a limited exemption from our antitrust laws if the shipping public is to receive efficient, reliable service at fair prices. For these reasons, enactment of S. 47 would not, as some of its critics have alleged, "allow our free enterprise system to be picked to pieces by industry-by-industry efforts to escape competition."

The senior Senator from Louisiana also said that as we debate S. 47, it will become evident that much of the criticism is without substance.

At this point, Mr. President, I would like to address myself to some of the specifics of that criticism, and explain why I feel it is unwarranted.

Allegation. The proposed bill would expand the limited antitrust immunity now enjoyed by the ocean common-carrier industry into complete immunity from antitrust laws.

Fact. As reported by the Senate Commerce Committee, S. 47 would extend antitrust immunity only to concerted activity that is:

Pursuant to an agreement that has been filed with the Federal Maritime Commission (FMC) and is actually in effect subject to stringent standards of fairness set forth in the act;

Pursuant to an agreement concerning activity that has been expressly exempted by the FMC, after notice and hearing, from the filing requirement of the act as having de minimis anticompetitive consequences;

Believed in good faith to be pursuant to an effective or exempt agreement. Participation in "secret" anticompetitive agreements would continue, as now, to be subject to criminal sanctions under the antitrust laws. It should also be pointed out that under S. 47, the civil penalties for violation of the Shipping Act could amount to as much as 10 times the fine for the same conduct if subject to the antitrust laws.

Allegation. S. 47 would eliminate the FMC's authority to disapprove conference agreements that are not in the public interest or are detrimental to U.S. commerce.

Fact. S. 47 carefully catalogs, in a section entitled "Prohibited Acts," the kinds of agreements or activities that experience has demonstrated to be contrary to the public interest or detrimental to the foreign commerce of the United States.

If, upon complaint of a private party and after a preliminary hearing, the FMC determines that a filed agreement is likely to lead to one or more prohibited acts, there is provision in the bill for suspension of the agreement pending the outcome of a formal investigation that may lead to disapproval. If disapproved, parties to the proposed agreement have full exposure to the criminal sanctions of the antitrust laws should they nevertheless implement the agreement. Moreover, the bill expressly empowers the FMC to maintain continuing surveillance of implemented agreements and to modify or cancel any that are found to be operating in violation of the stringent and objective standards of fairness expressly required of such agreements.

Allegation. S. 47 would preclude parties injured by agreements and who successfully prove antitrust violations from recovering treble damages, as would be permitted by existing antitrust laws.

Fact. Parties to "secret" agreements or activity not reasonably believed to be within the scope of an agreement that is in effect pursuant to the act would continue to have criminal liability under the antitrust laws. While S. 47 would allow parties injured by violations of the Shipping Act to recover only the amount of actual damages suffered, rather than treble damages, that is fair to all concerned.

Treble damages under the antitrust laws are not intended to be compensatory; rather, the "treble damage" provision of the antitrust laws is a deterrent feature, which is mild by comparison with the liability exposure of one who violates the Shipping Act prohibitions—action that could lead to 10 times the criminal fine under the antitrust laws. The difference is that under S. 47, the injured party would be made whole, and the U.S. Treasury would benefit from the penalty assessment, whereas under the antitrust laws the consumer who may have suffered some injury reaps a windfall and the U.S. Treasury is usually a net loser in cost/return ratio in litigation.

The attached hypothetical illustrates that penalties for violations of S. 47 are potentially 10 times greater than Sherman Act criminal fines and 1916 act civil penalties combined.

HYPOTHETICAL

Assume facts which clearly violate both the current Shipping Act, 1916, and the Sherman Act and assume that the same facts violate S. 47:

A and B are competitors in the liner trade. They serve the same multiple ports. They agree to an allocation of ports, to an allocation of customers and to maintaining prices at artificially high levels.

A and B implement their agreement without filing it with the FMC and operate under the unfiled unapproved agreement for 2 years before it is discovered.

Under a one-count Sherman Act indictment, each would face a maximum fine of $1,000,000.

Under S. 47, the penalty for an unaggravated violation of the statute would be up to $5,000 per day. In this hypothetical, the violation would probably be found to have been willful and knowing—bringing the maximum civil penalty to $25,000 per day for each carrier: a total of $18,200,000 each versus the $1,728,000 under the Sherman and 1916 acts combined.

Allegation. S. 47 would permit the formation of shippers' councils—federations of shippers authorized to bargain with the conferences over rates, services, and so forth.

Fact. S. 47 allows conferences only to consult and confer—not "bargain"—with shippers' councils concerning general rate matters and services. This authority is consistent with the long-established and mutually beneficial consultation procedure between shipper groups and conferences in all other major maritime nations and trades, and merely brings the United States into legal conformity with the "real world" of commercial relationships in liner shipping matters. In fact, section 15 of the present Shipping Act requires conferences to "adopt and maintain reasonable procedures for promptly and fairly hearing and considering shippers' requests and complaints," but giving full effect to that requirement has not been possible because of antitrust concerns shared by shippers and carriers alike. S. 47 would make effective consultations of this sort possible, but at the same time imposes specific restrictions and requirements on shippers' councils to insure that antitrust immunity is limited to concerned activity relating only to transportation in the import or export trade. There is full exposure to liability under the antitrust laws for shipper activity that violates antitrust constraints applicable to domestic commerce, or activity other than what invoives transportation-related matters in the foreign trade.

Allegation. S. 47 would virtually free the industry entirely from Government oversight and regulations.

Fact. Government oversight and regulation is the pervasive theme of S. 47; streamlining and simplifying those processes are its principal objectives. The ocean common-carrier industry would still be subject to substantially more restrictive Federal oversight and regulation than its counterpart modes in domestic inland rail, motor, air, and water transportation.

[Note: It should be recognized that under S. 47, the role of the Department of Justice is substantially reduced, and that the FMC will be doing the "oversight and regulation." Critics say such reliance on the FMC is not justified by its record. On the other hand, those who stand to be injured (shippers, ports, etc.) support S. 47, and are therefore satisfied with its regulatory regime.]

Allegation. S. 47 would lead to higher rates for shippers, and therefore consumers. Recent experience shows that rates could rise as much as 20 percent a year, leading to $3 billion per year annual cost increases to consumers.

Fact. This argument was advanced in the committee hearings by an economist (Dr. Ferguson) as a guess (see responses to questioning in the hearing before the Senate Commerce Committee on February 2). The fact is, objective studies by a major carrier in the U.S. North Atlantic-Europe trade (Hapag-Lloyd) and independent research organizations familiar with economics of the industry have demonstrated with solid statistical data that rationalization of services could reduce ocean transportation costs by as much as 30 percent. The dictates of the marketplace would mandate that a significant portion of this saving be passed on to the shipper—and consumer—in the form of: Lower rates on individual commodities, less frequent escalation of particular rates, greater intervals

between general rate increases, or all of these. This result would be particularly to be anticipated if shippers' councils are permitted to engage in the consultations with conferences contemplated in S. 47.

Allegation. S. 47 would primarily benefit foreign carriers since 72 percent of conference membership is made up of foreign carriers.

Fact. This bill would benefit the U.S. merchant marine more than the foreign carriers in our trade because it would allow our carriers to do what their competitors now do without constraint of U.S. domestic law. For example, the formation of joint ventures and consortia to rationalize utilization of vessels, shoreside facilities, personnel, cargo solicitation, and ancillary services. The very fact that the U.S. liner fleet now carries only about one-fourth of our own foreign trade is reason enough, both as a matter of national pride and of critical national interest, to take steps calculated to give our flag fleet a fighting chance to compete fairly in the marketplace on a commercial basis. S. 47 is intended to provide that opportunity.

Allegation. S. 47 will lead to increased unemployment in the industry.

Fact. Any measure that strengthens the competitive position of the U.S.-flag merchant marine, as this bill would, can only ameliorate the present plight of U.S. seamen and licensed officers. Graduates of our Merchant Marine Academy at Kings Point and its sister State institutions now are having to seek foreign employment, both initially and even after U.S. service, to gain experience necessary to upgrade their tickets. This has profound negative implications for both the quality and dedication of those responsible for our supply lifeline in time of national emergency, whether at home or abroad. S. 47 would be a positive step toward bringing our U.S. merchant marine resources back under domestic control.

Allegation. S. 47 will reduce the numbers of ports served by shippers.

Fact. Shippers are cost conscious, and there is nothing in S. 47 that would induce shippers to make any decision regarding port of entry or exit of shipments that they could not already make under present law. Indeed, S. 47 is supported by U.S. ports themselves.

Allegation. Shippers' councils will likely benefit large shippers at the expense of small shippers.

Fact. That is not the view of the National Industrial Transportation League concerning S. 47, or of testimony on prior legislation by representatives of the Secretariat of the European National Shippers' Councils. Concern about abuse of the "cartel versus cartel" consultation process is based on lack of comprehension of how that process works in the real world. The parties are not concerned about particular commodity rates—that is a matter customarily resolved between the conference and an individual shipper—but rather about general rate increases, adjustment surcharges—currency, bunker, congestion (demurrage), war risk, et cetera—and integrity of tariff rates. Those issues affect all shippers, regardless of size.

Allegation. According to the GAO report, the industry does not need legislation such as S. 47.

Fact. The GAO report in question—PAD-82-11; July 2, 1982—came nowhere near that unqualified conclusion. The full text of the GAO statement reads:

> Thus, it appears that the U.S. flag liner fleet is not in a state of general distress significant enough to justify a major revision of the Shipping Act.

Moreover, a fair reading of the entire report reveals that GAO carefully straddled the issue of revisions in the Shipping Act, concluding that there were merits both pro and con and inviting the Congress to sort them out. Indeed, on the issue of weakening versus strengthening the present limited degree of antitrust immunity available to conferences under the Shipping Act, GAO stated:

> Thus, while the first alternative may be preferable on economic grounds, certain diplomatic costs are associated with it that are not present in the second alternative. Since it was not possible for us to weigh these economic and diplomatic costs against one another, *we could not reach a conclusion as to which alternative was preferable.*

Allegation. The GAO report found that the average annual U.S.-flag share of U.S. liner cargo actually increased from 1966-70 to 1976-78.

Fact. Apart from the distortion introduced by carriage of military cargo during the Vietnam involvement in the comparison made by GAO, the fact is that the U.S.-flag share of this Nation's liner trade since 1976 has been declining steadily—from 31 percent in 1976 to 26 percent for the first 9 months of 1982, and heading further downward.

Allegation. According to the GAO report, the U.S.-flag liner fleet is in no chronic distress attributable to the Shipping Act.

Fact. Testimony by carriers, shippers, and consumers during consideration of several measures in the 95th Congress; consideration of S. 2585 and the omnibus shipping bill in the 96th Congress; the Shipping Act of 1982 in the 97th Congress—H.R. 4374; S. 1593—and the Shipping Act of 1983 in this Congress—S. 47—clearly establishes the contrary.

Moreover, it is instructive to read the full text of the GAO statement from which this single sentence allegation was extracted:

> Our review certainly did not indicate that the U.S. flag fleet is in any general chronic distress attributable to the Shipping Act. Of the eight defunct companies considered, a majority offered service on only one trade route at the time they were either acquired by other liner companies or ceased operation. This suggests that, in the future, successful liner companies may be those that are larger, multi-route operations. *As advances in containership technology produce even larger, more costly vessels, the continued successful operation of the fleet may require that U.S. flag companies form consortia similar to those formed by Japanese companies. These arrangements, in which capital resources are pooled, would enable U.S. operators to acquire the equipment needed to compete effectively against foreign flag consortia while still retaining the possibility of interline competition.*

Facilitation of such developments is precisely what S. 47 seeks to accomplish.

Allegation. FMC authority over tariff filing and enforcement should be repealed because it is unnecessary; introduces substantial inefficiencies in conference rate setting; and requires the U.S. Government to police and therefore support conference agreements. Moreover, the carriers can police themselves through neutral bodies.

Fact. Tariff filing and enforcement is an essential tool if we are to insure that all carriers in our trades compete equitably and fairly; and that all shippers are treated on a nondiscriminatory basis. Given the fact that we are the largest trading nation in the world, and that our trades are badly overtonnaged, there is the ever present temptation to illegally rebate to attract cargo.

Statutory tariff enforcement authority is important because the act prohibits secret rebating. By its very nature, rebating can and does involve sophisticated techniques using dummy bank accounts, corporate shells, and other devices that can be investigated effectively only with government-to-government cooperation.

Statutory tariff enforcement authority is important because the act prohibits shippers from obtaining or seeking to obtain ocean transportation at less than published tariff rates. If statutory sanctions against shipper violations are eliminated, this prohibition is meaningless. And if shippers are to remain subject to statutory fines and penalties, it is inequitable that the other party to an illegal transaction—the carrier involved—should not be subject to the same sanctions.

Statutory tariff enforcement authority is important because the act presently requires an effective tariff to be on file in order for a carrier to operate in the U.S. trades. If there is no requirement that carrier adhere to its tariff, the sanction of tariff suspension for egregious violations of the act becomes meaningless because even if the

right to use a tariff may be suspended—as proposed by the Judiciary Committee—there is noting to prevent an independent carrier merely from continuing to do business by ignoring its tariff or to prevent a conference member denied the right to use the conference tariff from resigning and filing a pro forma tariff that it then proceeds to ignore.

Although the "antidiscrimination" provisions of S. 47 may well protect shippers from prejudice arising from carrier departures from a published tariff, the same cannot be said for conference carriers that are prejudiced by failure of an independent carrier to observe its published tariff, or vise versa.

Without a mandate of tariff adherence, the "antidiscrimination" provision of S. 44 becomes a nightmare to enforce, because departure from the published tariff in a given case could no longer be viewed as a prima facie case of discrimination. The burden of proof would be shifted to the party alleging discrimination to show damage.

With respect to conferences, neutral body policing is a useful supplement to statutory tariff enforcement authority because it reduces the degree of government involvement in commercial matters and the administrative burden on the Federal regulatory agency. However, it is not a satisfactory alternative to Federal regulation, because the neutral body does not have access to compulsory process for access to investigatory information nor does it have recourse to diplomatic intervention where essential information located abroad is protected by "blocking statutes."

With respect to independent carriers, neutral body policing is not required. Absent statutory tariff enforcement authority, there would be no check at all on their tariff adherence.

With statutory tariff enforcement authority, the penalties for violations of tariff adherence requirements can be set by statute at a punitative level for all carriers. There is no assurance that as a contractual matter, under neutral body policing alone, a conference would be as stringent, given the commercial reality that in overtonnaged trades—which are prevalent in U.S. foreign commerce—rebating and other malpractices may be viewed as a competitive necessity—and even a matter of survival—for some carriers, given no comparable statutory constraints on independents. On the other hand, whatever the level of neutral body sanctions for tariff violations by conference members, independents would be undeterred from violations because of total lack of required supervision by any body.

Finally, I would say, Mr. President, that the attempts being made by some of our colleagues to weaken the Federal Maritime Commission, to take away part of the tariff regulations, will not only weaken our fleet; they will wipe it out.

So, Mr. President, with those words of sadness, I yield the floor.

(Mr. ABDNOR assumed the chair).

Mr. GORTON. Mr. President, I thank my distinguished colleague, the Senator from Hawaii (Mr. INOUYE) for his eloquent opening statement.

Mr. President, the Senate has before it now the first in a series of amendments which will be offered by the Senator from Ohio (Mr. METZENBAUM). This one is very simple in its phraseology. It strikes only the words, "through rates" and "through transportation," from the section of the bill dealing with intermodal rates. It is an ill-conceived amendment which would hurt not only the ocean common carriers of the United States and their trading partners but, most particularly, people who are in the business of both importing and exporting goods to and from the United States.

Obviously, Mr. President, the entire business of ocean transportation of goods has changed significantly since 1916. One of the most important of those changes has been the advent of intermodalism—that is the use of the same containers but on various modes of transportation such as ship and road. The advent of intermodalism has caused a serious problem which threatens the efficiency of our liner services to the detriment not only of conferences but of shippers.

In the late 1960's, the technical innovation of containerization made possible new economies of scale and thus promised the potential for substantial reductions in real costs to vessel operators and shippers. As a consequence, containerization became rapidly established on the most important U.S. trade routes. The full benefits of containerization can only be realized, however, when a container moves between shipper and consignee or between inland consolidation centers without breaking bulk. Under these circumstances, additional economies are derived from the speed with which intermodal transfer takes place, from savings in the labor and "storage" costs associated with this process, and from cost reductions in packaging and insurance as well as substantial reduction in damage and pilferage claims. The Federal Maritime Commission has approved conference agreements which authorize intermodal rates.

The Department of Justice, however, has taken a position contrary to the Federal Maritime Commission, claiming that the Commission has no authority to approve conference agreements providing for the fixing of through intermodal rates and that such agreements therefore violate the antitrust laws. This uncertainty regarding antitrust immunity inhibits conferences in U.S. trades from agreeing among themselves on the charge to quote shippers who choose to use conference facilities for the inland leg of a foreign door-to-door movement and it clearly frustrates the growth of an innovative, efficient, and economical transportation service.

It is to make certain that the Federal Maritime Commission can approve just such agreements that the section which the Senator from Ohio seeks to strike is included in S. 47.

Right at the outset of this debate, Mr. President, this amendment illustrates a lack of knowledge of the real world of the transportation of goods. Simply speaking, no one would be benefited by the passage of this amendment of the Senator from Ohio. He would continue a system in which there is great confusion in American foreign trade. He would continue a system in which only lawyers are enriched. He would continue a system which is very much to the detriment of both major and minor importers and exporters of the United States.

We need to encourage and not to discourage intermodal transfers of goods to and from the United States of America.

The Senator from Ohio claims that this could somehow be used to allow railroads, or perhaps common carriers such as trucks, to avoid antitrust actions and to gain antitrust immunity and to raise prices on what are essentially domestic trades. He raises the specter of using an ocean common carrier for a very short portion of what is essentially domestic trade and, somehow or other, greatly raising the rates for that trade.

Besides the logical inconsistency of that position, I must point out the fact that this act only applies to international trade. Somehow or other, the Senator from Ohio must believe that a domestic carrier by land would somehow find it economical to take his goods to an American seaport or to a foreign seaport, I would suppose, put them on a ship, take them off a ship a short distance later in an American seaport, repack them, send them by land to their ultimate destination. Somehow or other, the Senator from Ohio believes it would be economical for a carrier to do this because he would be able to fix prices on the ocean transportation of those goods, he would hurt consumers, and he would create a monopoly or an antitrust violation where one could now successfully be prosecuted by the Department of Justice.

Simply to describe the complexity of this kind of system and its overwhelming expense indicates that it, of course, will never happen. Anyone who tried it would immediately find himself in ruinous competition with a

normal carrier of goods in our domestic trades.

In addition to that, it is even in error, conceptually, and in illustrating that point I wish to read from the bill:

> This act applies to agreements by or among ocean common carriers to * * * work on various matters including through rates and through transportation.

In other words, this does not increase or create in any respect whatsoever antitrust immunities on the part of railroads or trucking firms in the United States. What it does allow is a conference made up of ocean carriers to get together and to create intermodal rates or through rates for the entire carriage of goods from, say, Europe to an internal point in the United States. This is something which they can do in almost every other part of the world, something which will save money not only for them but for their customers, the shippers of various goods. It does not add to the independent authority of land carriers whatsoever. It is in every respect an important part of the bill. It is important not only for American-flag carriers but also for all of the shippers in the United States. It should be rejected as ill conceived and detrimental to the commerce of the United States.

Mr. STEVENS. Mr. President, I support S. 47, the Ocean Shipping Act of 1983, a bill to revise regulation of international liner shipping operating in the U.S. foreign commerce.

After years of hearings and debate, this long-awaited legislation will bring U.S. regulation of international ocean-borne commerce into the 1980's—this change is sorely needed.

The Shipping Act of 1916 cannot accommodate the radical changes that have taken place in both international and domestic economic and political environments. First, the Ocean Shipping Act of 1983 responds to the need to achieve comity with our trading partners in regulating ocean commerce. This is accomplished by clarifying the antitrust immunity that is extended to international ocean liner conferences. Essentially, the rules of the game are better definded and more consistent with international practices.

Second, in clarifying the scope of the antitrust immunity, the legislation serves to better balance the burden of fear of prosecution under U.S. antitrust laws. Existing law weighs heavily on American interests while foreign liner operators, under the protection of their governments, have little or nothing to fear from enforcement of U.S. antitrust laws. It is high time that we act to correct the unfairness of this situation by making the rules the same for everyone in the liner shipping business.

Third, this bill deregulates sensibly. By eliminating the costly and time-consuming preapproval review of commercial agreements by the Federal Maritime Commission, private enterprise can more quickly respond to a changing international marketplace. Elimination of unnecessary intervention by the Federal Government in commercial activities is a primary objective of S. 1593, and is consistent with the Commerce Committee's desire and the Senate's wish to improve the performance and productivity of Government agencies. Ths bill also reduced the wasteful, needless, and confusing dual jurisdiction between the Federal Maritime Commission and the Department of Justice. Predictability in the enforcement of our maritime statutes has been wanting of late. Unfortunately, this has caused increasing friction among our trading partners and uncertainty in the industry, the tremendous costs of which are not easily measured.

Finally, the passage of S. 47 will begin an era of prosperity for U.S. exports. No one here can argue the importance of increasing the export of U.S. goods and products to foreign markets. The health and welfare of the American economy depends on sustaining growth in this area. The key to growth is in creating an environment conducive to shipping U.S. goods abroad. This important legislation is a critical step in that process. As the bill took shape, compromises reached between the export shippers and the ocean carriers assured that commercial flexibility is at the heart of this legislation. In providing for service contracts, including time/volume rates, and independent action, this legislation allows U.S. shippers to exercise considerable flexibility in arranging favorable terms for the carriage of U.S. products to foreign markets. This means that U.S. goods will be more competitive in foreign markets. Export growth will follow.

Furthermore, American interests will be better able to capitalize on the efficiencies of intermodalism by clarifying regulatory jurisdiction of such cargo movements. Dual intermodal jurisdiction between the ICC and FMC is harmful to U.S. foreign commerce and needs to be eliminated. This Nation can no longer afford to not take full advantage of advances in intermodal technology and the commercial opportunities that follow.

Even beyond the strong support of the many and diverse elements of the maritime industry, this legislation has widespread support from other areas as well. Our Nation's ports have endorsed this bill. Shippers, both large and small, believe this bill would result in lower freight rates and more flexible service. The overwhelmingly favorable vote on a similar bill last year in the House of Representatives—350 in favor to only 33 opposed—is further evidence of the worth of this legislation. The issue clearly enjoys bipartisan support.

This legislation is sorely misunderstood. The bill is fundamentally a long step toward deregulation. It provides U.S. enterprise with greater freedom and flexibility to better compete in a dynamic international marketplace. It clarifies the scope of antitrust immunity clouded by years of piecemeal court decisions and regulatory zeal.

The need to change the way we regulate international maritime trade is long overdue. S. 47 is a good start and I urge my colleagues to vote in favor of this measure.

● Mr. PACKWOOD. Mr. President, as chairman of the committee that has oversight over a number of transportation modes, I am pleased with the product now being brought before the Senate and urge its passage.

The Shipping Act of 1983 is unusual in that it represents for the most part a consensus of carriers and shippers—those who provide ocean shipping services and are seeking to maximize income, and those who are consumers of that service seeking the lowest cost ocean transportation. For this reason, I feel comfortable that the Senate Commerce Committee has reported out an excellent piece of legislation.

At the end of World War II, U.S. ships carried the most of U.S. goods moving in foreign commerce. Today, roughly 25 percent of these goods move on U.S. ships. In other words, U.S. carriers receive only $4.5 billion of the $15 billion freight bill paid by U.S. producers to move $200 billion of U.S. goods on liner ships.

A major reason for U.S. carriers' diminishing role in ocean commerce is our outmoded and complicated system of Federal regulation, which has been more heavily enforced against U.S. carriers than their foreign competition and imposed operating restrictions inhibiting their ability to respond to changing market conditions and to best serve shippers' needs.

S. 47 is a long-overdue update and recodification of these laws. Its intent is to clarify this antiquated and highly technical statute (the Shipping Act, 1916) to reflect today's commercial needs and requirements.

By streamlining the regulatory review process and by increasing opportunities for marketplace competition, many federally imposed barriers, which helped to inflate transportation costs, will be removed. Once these barriers are removed, the marketplace's competitive forces should aid U.S. producers and carriers in their efforts to contain and reduce ocean transportation costs.

A recent General Accounting Office study on the need for maritime regulatory reform also recommends eliminating these Federal regulatory barriers. It offered two options for doing so.

The first would require uniform enforcement of our antitrust laws. This proposal is unworkable because many of our trading partners have passed laws prohibiting antitrust actions against their citizens. The second called for complete deregulation. While S. 47 does not provide for total deregulation of the maritime liner industry, it goes a long way toward achieving many of the reforms recommended in this study.

In short, S. 47 is a regulatory reform bill which streamlines Federal regulation and which assists U.S. carriers and U.S. producers in their efforts to compete effectively in world trade. It changes Federal law to recognize more than 60 years of technological progress and innovation.

I. LEGISLATIVE HISTORY

S. 47 has its genesis in legislation studied and debated in both the Senate and House of Representatives in each of the past 5 years. As of today a total of 68 days of hearings have been held in the two Houses of Congress since 1977 on the issues addressed by this bill. Over that period testimony has been received from hundreds of witnesses, and compiled in many volumes of records. The ample record has established the need for maritime regulatory reform

In the 96th Congress, the Senate unanimously passed a bill which was quite similar to S. 47. Last year, the House passed a similar bill by a vote of 350 to 33. Senate consideration was prevented by a filibuster threat during the closing days of last session.

A hearing concerning S. 47 was held on February 2, 1983. Even though the vast majority of parties which would be affected by reform of ocean liner shipping regulation have voiced strong support for legislation, such as S. 47, the committee sought out opponents of the bill to testify at the hearing, so that they might have equal time to present their position.

Opponents of the bill had claimed that its enactment would raise shipping rates by as much as 20 percent. This figure was never substantiated. On the contrary, the committee received testimony from shippers who will actually have to pay the tariffs, that enactment of S. 47 could well reduce ocean shipping rates.

Despite testimony that the effect of the bill would be to harm small shippers, small shippers themselves testified that S. 47 would help them obtain better ocean transportation service at favorable rates.

A position paper of the representative Association of American Ports countered claims by one witness that the bill was inimical to ports' interests.

The committee heard suggestions that penalties under the Shipping Act were insufficient to discourage prohibited activities, and were substantially less than antitrust treble damage penalties. This was rebutted by presentation of a comparison of potential penalties as calculated under the antitrust laws as opposed to the significantly higher penalties that can be assessed by the Federal Maritime Commission under S. 47.

Substantial written comment was received from various shipper organizations. These focus on the need for oversight over pooling arrangements and joint ventures, the restriction of antitrust immunity to these agreements approved by the Federal Maritime Commission, prohibiting the allocation of shippers among conference carriers, the need for new authority provided in S. 47 for shippers and carriers to develop time-volume rates and service contracts, and the burden of proof regarding exceptions from loyalty contracts.

In addition, the committee adopted a revision of existing law in order to more effectively prevent exclusion of U.S.-flag carriers—and consequential increased cargo rates—by foreign nations or carriers.

Confident that with these changes the bill would benefit both carriers and shippers, the committee unanimously ordered S. 47 reported on February 15, 1983. In order to allow Judiciary Committee consideration, the committee also ordered that an original bill, identical to the S. 47 as reported by the committee, also be reported to the Senate. This original bill, S. 504, was reported on February 17, 1983 and referred to the Judiciary Committee.

II. ANTITRUST IN INTERNATIONAL OCEAN SHIPPING

I would like to say a few words about our antitrust laws and fair trade in world commerce. I and other sponsors of this legislation are strong proponents of antitrust as means of maintaining competition in our free enterprise system. Thus, it might appear to the most casual observer that there is inconsistency in the unanimous support of the Senate Commerce Committee for S. 47. There is not.

Domestic rules of competition may work at home and fully justify recent deregulatory approaches to trucking, rail, and domestic aviation, but they have been proven, not to work in international liner shipping.

These are international trades. The U.S. companies are only a few of many participants in these trades. To compete successfully, the U.S. participants must be able to play by similar rules. Since the United States does not have jurisdiction over the entire industry as we do in trucking, railroads, bottle manufacturing, steel, and so forth, we cannot make all the rules. If we try, we cannot enforce them. Our antitrust laws are not recognized abroad. England, for example, has passed blocking statutes to protect their companies from extraterritorial application of U.S. law.

Most of the regulatory problems and many of the competitive problems facing our industry are due to the intrusion of U.S. antitrust laws in an arena for which they are not designed—international commerce. Thus, it is the primary thrust of Congress this year to more closely conform domestic law with that of our foreign trading partners.

Unequal enforcement has hurt American carriers. The Department of Justice has generally not opposed consortia and joint service arrangements where all the parties were foreign-flag carriers. But it has opposed such agreements where one or more of the parties were U.S.-flag carriers.

The Justice Department has also adopted a double standard in seeking penalties for conduct already penalized by the Federal Maritime Commission. It has sought additional penalties under conspiracy statutes against U.S.-flag lines, but less often against foreign-flag lines.

In effect, the Justice Department's selective enforcement activities have imposed stricter and more burdensome standards on our own merchant marine. In those few cases where the Department of Justice has investigated rebating and other practices, it has created a major source of irritation to our foreign trading partners who operate in an unregulated marketplace, free of antitrust restraints.

III. RESTRAINTS ON CARRIERS

No one should think that carriers will be freely allowed to engage in anticompetitive practices. That is neither the intent nor the effect of this bill.

First, the grant of antitrust immunity is limited and specified. Generally speaking, activities or agreements by or among ocean common carriers, and by or among marine terminal operators as described in section 4 of this amendment, are only exempted from antitrust laws if they have been filed with the Federal Maritime Commission (FMC) under procedures set forth in section 5, and have become effective under section 6, or are reasonably believed to be filed and in effect.

Thus, carriers are not now, and will not in the future, be allowed to enter into secret agreements. Should they do so, they will not qualify for the antitrust exemption and will come under the full force of our antitrust laws.

Further, the antitrust exemption is not vague. Rather only those certain agreements or activities described in section 8 qualify.

Second, once under the Shipping Act jurisdiction, carriers face significant restrictions, specifically detailed in section 12. These are not vague, generalized rules, but rather prohibitions of

specific activities. All parties have a right to be able to ascertain beforehand the legality of any contemplated action. The replacement of vague "public interest" and "detrimental to commerce" standards in the 1916 act, with the specific prohibitions in this legislation will be one of the primary achievements of Congress in this area.

IV. SHIPPER-CARRIER COMPROMISE

As I mentioned at the outset, this bill reflects an agreement reached between shippers and carriers on how to assist carriers, while providing shippers the flexibility and protection they need.

There are some who will admit that shippers—importers and exporters—are the consumers in the transportation industry, and do seek the lowest tariffs, but claim that the final purchaser of the product is not well-served by this bill. That is simply not true. A U.S. exporter of chemicals will be better able to compete abroad if the ocean transportation costs are low and service is responsive. This, in turn, means jobs in U.S. manufacturing plants to supply the exports. If the shipper is a U.S. importer, he must also constantly seek the lowest ocean tariffs. If his imports are too expensive, the ultimate consumer will turn to less expensive domestic alternatives. In other words, to compete abroad or at home, U.S. shippers must always seek the lowest tariff, and the ultimate beneficiary of a lower tariff will be the U.S. consumer or worker. Thus, the endorsement of this legislation by shippers is particularly meaningful.

To provide an equal competitive stance for U.S. shippers, we must start from a base which balances the legal regimes of United States and foreign carriers. That is the goal of this bill.

Specifically, this bill would make lawful certain activities designed to enhance the negotiating power of shippers vis-a-vis the carrier conferences. Under section 9, tariffs, shippers may negotiate time-volume rates which vary with the volume of cargo offered over a period of time. They may also enter into a service contract with a carrier or conference to provide specific services, rates, and conditions to accommodate the shippers' individual needs. Under section 5, agreements, any conference utilizing a loyalty contract—by which lower rates are provided to shippers who commit their cargo to a particular carrier or conference—must provide the right of independent action. Thus, should a shipper seek a rate or service item which the conference is unwilling to agree to, that shipper need only convince one carrier to provide the service requested. The carrier will, under this bill, be able to offer that service without fear of expulsion from the conference.

Under section 4, shippers could create shippers' councils to discuss general rate levels. For smaller shippers this will provide the opportunity to combine shipments in order to gain the negotiating leverage necessary to obtain discount volume rates.

Finally, shippers will be beneficiaries of the expedited review processed and increased certainty provided in section 6 and elsewhere in this bill. New export opportunities will arise. An excellent example of such a scenario was described to me by an Oregon timber and wood products company executive. He noted that in bidding for a contract to export certain wood products to the Far East, he has faced lengthy delays in obtaining necessary ocean tranportation arrangements and their costs, so that he might calculate his expenses and submit a bid. As a result of these delays, the Far East purchaser looked elsewhere, and the contract went to a Norwegian firm. Such a situation is not good for U.S. carriers which might have carried his timber, and it is certainly not good for U.S. industry which lost an export market and jobs.

V. CONCLUSION

The Shipping Act of 1982 revises the Shipping Act, 1916, to provide an updated, simplified, more efficient regulatory scheme for international liner shipping. The paramount objective is to develop and maintain an efficient ocean transportation system through commercial means with minimum government involvement.

The legislation certainly considers:

The ocean common carrier who desires stability in enforcement;

The independent nonconference carrier who desires to remain in business as a competitive alternative to conferences;

The large shipper who desires broad loyalty arrangements and flexibility;

The small shipper who fears market dominance by his larger competitors and desires to see his goods compete with those similarly produced in foreign countries;

The freight forwarder who wants to be assured that the existing system of licensing and bonding will be retained and that he will continue to receive compensation; and

Ports and marine terminal operators who seek an increased volume of trade.

This bill truly represents a consensus by the affected parties. It is bipartisan. It is long overdue. I urge its passage.●

● Mr. LONG. Mr. President, the savings provisions found in the Shipping Act legislation now before the Senate state, at section 21(e)(2):

This Act and the amendments made by it shall not affect any suit at law filed before the date of enactment of this Act.

This provision was originally proposed by me last year when the Shipping Act of 1982 was before the Senate Committee on Commerce, Science, and Transportation. It was adopted by the Commerce Committee at that time in roughly the same form, and subsequently it was included in the version of the Shipping Act of 1983 approved consecutively by the House Merchant Marine Committee, the House Judiciary Committee, and the House of Representatives itself. It is fitting and proper, therefore, that this provision is still included in the Shipping Act of 1983 presently before the Senate for consideration.

The purpose and intent of this provision, of course, is to make it clear that, if this new Shipping Act legislation is ultimately enacted into law, courts and administrative agencies shall not retroactively apply it, or any changes it might make in existing law, to any antitrust suit or Shipping Act proceeding commenced prior to the date of enactment of the new law. Thus, under this provision, pending antitrust actions, whether in a district court, or in the appeal, or certiorari process—as well as pending administrative proceedings under the Shipping Act—shall continue to be decided by courts and the Federal Maritime Commission on the basis of statutory and case law in effect prior to the date of enactment of the Shipping Act of 1983.

Consequently, even if it might be contended that the Shipping Act of 1983, if enacted, will operate legislatively to overrule, from that date forward, landmark antitrust decisions such as *Federal Maritime Commission* v. *Svenska Amerika Linien*, 390 U.S. 238, *Carnation Co.* v. *Pacific Westbound Conference*, 383 U.S. 213, and *Sabre Shipping Corp.* v. *American President Lines*, 285 F. Supp. 949, cert. denied, sub nom. *Japan Line, Ltd.* v. *Sabre Shipping Corp.*, 395 U.S. 922—these longstanding decisions will continue to be applicable to and decisive in cases pending before the date of enactment of the Shipping Act of 1983. Similarly, sections of the Shipping Act of 1916 and/or the Clayton Act, repealed or modified by the Shipping Act of 1983, shall continue to have the same effect and force of law they now have in pending cases prior to enactment of the Shipping Act of 1983. In other words, as the Senate Commerce Committee has stated in its reports in support of this new Shipping Act legislation: "[T]his bill shall not affect preexisting suits at law in any manner. * * *" [1]

The fairness of this provision is self-evident. It assures that justice will continue to be done in pending cases under existing law, while cases commenced after the date on which the Shipping Act of 1983 might become law in the future will alone be subject to the new, drastically different rules

[1] See S. Rept. 97-414, 97th Congress, 2d session, pg. 44.

of antitrust and maritime law it establishes.●

UP AMENDMENT NO. 2

(Subsequently numbered amendment No. 5.)

Purpose: To eliminate antitrust immunity for intermodal rate

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposes an unprinted amendment numbered 2:

On page 62, lines 5 and 6 strike: "through rates and through transportation" and insert in lieu thereof "of ocean transportation".

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the amendment which I have just called up be set aside at such time as the Senator from South Carolina, the chairman of the Judiciary Committee, reaches the floor and is prepared to call up his Judiciary Committee amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, the amendment I have sent to the floor has to do with the question of intermodal rates.

As currently drafted, S. 47 would allow conferences to fix rates for through transportation, including truck or rail transportation, from inland points to the ocean ports.

Understand what that means. That means we are providing an exemption not alone for the shipping industry but for that portion of the transportation that goes from the inland points to the ocean ports. For example, let us assume there is a shipment that comes in from England or any other place, and it could be from an island 100 miles from our shores, and the carrier would then be in a position to combine and to set rates not alone for the ocean shipping part of the voyage or the trip but for the land transportation as well.

We do not do that; we do not provide that the antitrust laws are not applicable to the trucking industry; we do not provide that the antitrust laws are not applicable to the railroad industry.

Why are we suddenly broadening out the expanse of exemption to include not only the ocean shipping but to include the land transportation part as well?

Frankly speaking, you do not have to be a genius to figure out that if you really want to have a combination to evade—and I am not saying avoid, I am saying evade—the antitrust laws of this country with respect to land transportation, then you can use this law to provide for that means. You can figure out a way to provide a very short hop by ocean carrier touching two ports and then provide for an exemption across the entire breadth of the United States. That is what this amendment is all about.

This amendment would deny that antitrust exemption. It is bad enough to provide this exemption for the shipping industry, but they have the audacity to come to the Congress of the United States and say:

"We not only want exemption for our segment of the industry, the ocean-carrying aspect, we want to broaden it all the way across the United States."

That is an insult to our intelligence; that is going far beyond the purview of what anybody really in good sense and common judgment ought to agree on.

Any need to offer through rates beause of shippers' desire for a single transportation price can be done with the law as is there proposed simply by allowing an individual carrier rather than a conference to offer a through rate. That could be done without the law. This would provide something special—an exemption.

What I just mentioned is already legal under the antitrust laws. Certainly one carrier can do that. One carrier could provide for transportation across the breadth of the United States in addition to the ocean-shipping portion, but a group of carriers ought not to be permitted to get together to evade the antitrust laws of this country with respect to ground transportation whether or not we pass this legislation giving the shippers an antitrust exemption for the ocean-shipping portion.

Mr. President, I will address myself further to this subject on Monday, but I hope that at the conclusion of the vote on the Judiciary Committee amendments to be offered by Senator THURMOND, that the Senate will see fit to adopt this, which will be one of a number of amendments that I will offer prior to the cloture vote on Tuesday.

HISTORY OF THE SENATE

(The following occurred during Mr. BYRD's presentation today of the "History of the Senate," which is printed later in today's RECORD:)

Mr. BYRD. Mr. President, I now yield to the distinguished majority leader, with the understanding that my speech in the RECORD not show an interruption, and with the understanding that I do not care whether it is counted as a second speech or not. [Laughter.]

Mr. BAKER. I thank the Senator. The minority leader is very generous.

To begin with, I commend him for another presentation on the history of the Senate. I look forward to the day when we can publish the first volume of those speeches. I will take that up with him in private.

I expect that this series of speeches on the history of the Senate, which will perhaps run two to three volumes when it is finished and bound, may be the definitive work on the history of the Senate of the United States. That is a major accomplishment, and we owe the minority leader a debt of gratitude for his perseverance in this scholarly effort.

Mr. BYRD. I thank the majority leader.

THE CALENDAR

Mr. BAKER. Mr. President, I have a number of items that appear to be cleared on this side for action by unanimous consent. I inquire of the minority leader whether he is prepared to consider those matters at this time.

Mr. BYRD. Yes.

Mr. BAKER. I thank the Senator.

Mr. President, I ask unanimous consent that we may proceed as in morning business for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, first, there are a number of calendar items that appear to be cleared. I speak of Senate Joint Resolution 15, Senate Joint Resolution 21, Senate Joint Resolution 27, S. 143, S. 304, and S. 419.

I inquire of the minority leader if he is prepared to consider all or any of those measures.

Mr. BYRD. Yes; Mr. President, all the measures enumerated by the majority leader have been cleared on this side.

Mr. BAKER. I thank the Senator.

NATIONAL EYE DONOR MONTH

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 15.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 15) designating the month of March 1983 as National Eye Donor Month.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. RANDOLPH. Mr. President, it is gratifying to be a cosponsor of Senate Joint Resolution 15, to designate the month of March 1983 as National Eye Donor Month. By this designation, we will bring to the attention of the American public an important humanitarian organization—the Eye Bank Association, whose goal is bringing light to those whose world is dark. We hope to also encourage more people to

participate in this noble goal—by donating, at death, their corneas, so that sight can be restored to many individuals who suffer corneal disease or injury.

My involvement with corrective eye surgery dates back to 1930-31 when it was my privilege and responsibility to serve as governor of the Lions Clubs of West Virginia. Our statewide project was the securing of funds to provide medical services for children at the West Virginia State schools for the deaf and blind. Through our efforts and the surgical skill of the late Dr. J. E. Blaydes, we succeeded in restoring full or partial vision to more than two dozen young men and women.

The work performed by this gifted surgeon was enormous—more than 100 operations. His reward was enormous, too. Although he performed the surgery without charge, he later told the Lions Clubs of West Virginia:

The joy of seeing the faces of these little children brighten, and hearing their expressions of happiness and gratitude, has repaid me a thousandfold.

I shall always be grateful for the privilege I had of being a part of this great undertaking.

Since that time, we have seen remarkable advances in eye surgery, particularly the development of the corneal transplant operation to the point where it is practically a surgical commonplace. However, because the supply of this precious tissue has never quite kept up with the need, all of the visually impaired individuals who could benefit from this operation have not been served. By designating March 1983 as "National Eye Donor Month" we will increase public awareness of the benefits provided through cornea donation. I urge my colleagues to join in supporting this legislation.

The preamble was agreed to.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

This joint resolution (S.J. Res. 15), with its preamble, reads as follows:

S.J. RES. 15

Whereas eye banks in the United States have grown from a single institution in 1944 to eighty in 1982;

Whereas over fifteen thousand children and adults in the United States have benefited as a direct result of efforts made by eye banks;

Whereas eye banks have sought to encourage research into the prevention and treatment of eye disease and injury in the United States; and

Whereas increased national awareness of benefits rendered through eye donation may add impetus to efforts to expand research activities, and benefit those persons affected by blinding diseases: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of March 1983 is designated as "National Eye Donor Month", and the President is authorized and requested to issue a proclamation calling on all citizens to join in recognizing this humanitarian cause with appropriate activity.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL CHILD ABUSE PREVENTION MONTH

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 21.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 21) to designate April 1983 as "National Child Abuse Prevention Month."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S.J. RES. 21

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1983 is designated as "National Child Abuse Prevention Month" and the President is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL EMPLOY THE OLDER WORKER WEEK

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 27.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 27) authorizing and requesting the President to designate the week of March 13 through 19, 1983, as "National Employ the Older Worker Week."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 27), with its preamble, reads as follows:

S.J. RES. 27

Whereas individuals aged fifty-five and over are a major national resource, constitute 22 per centum of the population of the United States at the present time, and are likely to constitute a larger precentage of the population in future decades;

Whereas a growing number of such individuals, being willing and able to work, are looking for employment opportunities, want to remain in the work force, or would like to serve their communities and their Nation in voluntary roles;

Whereas such individuals, who have made continuing contributions to the national welfare, should be encouraged to remain in, or resume, career and voluntary roles that utilize their strengths, wisdom, and skills;

Whereas career opportunities reaffirm the dignity, self-worth, and independence of older individuals by encouraging them to make decisions and to act upon those decisions, by tapping their resources, experience, and knowledge, and by enabling them to contribute to society;

Whereas the operation of title V of the Older Americans Act of 1965 has demonstrated that older workers are extremely capable in a wide variety of job roles;

Whereas recent studies conducted by the United States Department of Labor and the Work in America Institute indicate that, in many cases, employers prefer to retain older workers or rehire former older employees due to the high quality of their job performance and their low rate of absenteeism; and

Whereas the American Legion has sponsored a "National Employ the Older Worker Week" during the second full week of March in every year since 1959, focusing public attention on the advantages of employing older individuals: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to designate the week of March 13 through 19, 1983, as "National Employ the Older Worker Week", and to issue a proclamation calling upon—

(1) the employers and labor unions of the United States to give special consideration to older workers, with a view toward expanding career and employment opportunities for older workers who are willing and able to work and who desire to remain employed or to reenter the work force;

(2) voluntary organizations to reexamine the many fine service programs which they sponsor with a view toward expanding both the number of older volunteers and the types of service roles open to older workers;

(3) the United States Department of Labor to give special assistance to older workers by means of job training programs under the Jobs Training and Partnership Act, job counseling through the United States Employment Service, and additonal support through its older worker program, as authorized by title V of the Older Americans Act; and

(4) the citizens of the United States to observe this day with appropriate programs, ceremonies, and activities.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I say to the distinguished majority leader, for the Record, that I have no objection to the immediate consideration of the next four items, provided there are no amendments thereto, other than the technical amendment by Mr. ANDREWS.

Mr. BAKER. Mr. President, I ask unanimous consent that no amendment be in order to the next four items except the technical amendment to Calendar No. 21.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEASE OF CERTAIN LANDS BY THE TWENTY-NINE PALMS BAND OF LUISENO MISSION INDIANS

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 143.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 143) to authorize the Twenty-nine Palms Band of Luiseno Mission Indians to lease for ninety-nine years certain lands held in trust for such band.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ANDREWS. Mr. President, I rise on behalf of S. 143, the Twenty-Nine Palms Band Leasing Act. This act would authorize the leasing of trust lands held by the United States for the benefit of the Twenty-Nine Palms Band of California. This act will enable the band to enter into a 99-year lease of their property to the sanitary district of Indio, Calif. The arrangement will permit the bank to derive income from its trust lands and yet will provide a sufficient duration to the lease to protect the capital investment of the sanitary district.

I point out that S. 143 is the successor to S. 2418, of the 97th Congress. Extensive hearings were held on S. 2418 and the Indian Affairs Committee filed a report on that bill. For the legislative history on this legislation, therefore, reference should be made to the committee's hearing record and our report, Senate Report 97-656.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of August 9, 1955 (69 Stat. 539), as amended (25 U.S.C. 415), is further amended by inserting ", and lands held in trust for the Twenty-nine Palms Band of Luiseno Mission Indians," immediately after "Chelan County, Washington", in the second sentence.

Mr. BAKER. Mr. President, I ask unanimous consent to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RESERVING CERTAIN LANDS FOR BURNS PAIUTE TRIBE

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 304.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill to hold a parcel of land in trust for the Burns Paiute Tribe.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ANDREWS. Mr. President, I rise on behalf of S. 304, the Burns Paiute Inheritance Act. This act will accomplish several things. First, it will authorize the taking in trust of the public domain allotment of Jesse L. James, a Burns Paiute Indian, for the benefit of the Burns Paiute Tribe. Second, it will provide that, in the future, the public domain allotments of all Indians in Harney County, Oreg.; who die intestate and without heirs shall be taken in trust for the benefit of the Burns Paiute Tribe. Third and last, it will raise the value of lands that are subject to the discretion of the Secretary of the Interior under 25 U.S.C. 373b from $2,000 to $50,000.

I should note that S. 304 is the successor to S. 1468 of the 97th Congress. The Indian Affairs Committee held a thorough hearing on that bill and filed a report on it. For the legislative history on this act, therefore, the hearing record of the Indian Affairs Committee on S. 1468 and Senate Report 97-508 should be consulted.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, pursuant to section 2 of the Act of November 24, 1942 (56 Stat. 1021, 1022; 25 U.S.C. 373b), the estate of Jesse Joseph James, Burns 144-N1116, consisting of a public domain allotment numbered 144-111, northwest quarter, section 32, township 23 south, range 32½ east, Willamette meridian, Harney County, Oregon, is hereby declared to be held in trust by the United States for the Burns Paiute Indian Colony of Oregon and part of the Burns Paiute Indian Reservation.

SEC. 2. Section 2 of the Act of November 24, 1942 (56 Stat. 1022; 25 U.S.C. 373b), is amended by inserting the following immediately before the period at the end thereof: *"Provided further,* That interests in all Burns public domain allotments located in Harney County, Oregon, belonging to Indians who die intestate without heirs shall be held in trust by the United States for the Burns Paiute Indian Colony of Oregon and shall be part of the Burns Paiute Indian Reservation." However no non-Indian lands in Harney County, Oregon, shall be considered Indian country as defined in section 1151 of title 18, United States Code.

SEC. 3, Section 2 of the Act of November 24, 1942 (56 Stat. 1022; 25 U.S.C. 373b), is amended by deleting "$2,000" and inserting in lieu thereof "$50,000".

Mr. BAKER. Mr. President, I ask unanimous consent to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PER CAPITA PAYMENTS TO INDIANS

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 419.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 419) to provide that per capita payments to Indians may be made by tribal governments, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ANDREWS. Mr. President, I rise today to speak on behalf of S. 419, the Per Capita Distribution Act. This act would authorize Indian tribes to make distributions among their members of the proceeds from the sale or lease of trust assets. This act is in keeping with the policy of self-determination which has been endorsed by this administration. The act illustrates the progress that has been made to date in Indian affairs. Many tribes have developed the capacity to make these distributions more promptly and efficiently than the Bureau of Indian Affairs. It is, moreover, appropriate that the tribes make these distributions because they concern the allocation of the proceeds of assets that belong to the tribes.

Mr. President, I point out that S. 419 is the successor of H.R. 4365 of the 97th Congress. There was no Senate companion to that bill. The Indian Affairs Committee held a hearing on H.R. 4365 and filed a report on it. For the legislative history on this act, one should refer to the Senate hearing on H.R. 4365 and Senate Report 97-659.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds which are held in trust by the Secretary of the Interior (hereinafter referred to as the "Secretary") for an Indian tribe and which are to be distributed per capita to members of that tribe may be so distributed by either the Secretary or, at the request of the governing body of the tribe and subject to the approval of the Secretary, the tribe. Any funds so distributed shall be paid by the Secretary of the tribe directly to the members involved or, if such members are minors or have been legally determined not competent to handle their own affairs, to a parent or guardian of such members or to a trust fund for such minors or legal incompetents as determined by the governing body of the tribe.

SEC. 2. (a) Funds distributed under this Act shall not be liable for the payment of previously contracted obligations except as may be provided by the governing body of the tribe and distributions of such funds shall be subject to the provisions of section 7 of the Act of October 19, 1973 (87 Stat. 466), as amended.

(b) Nothing in this Act shall affect the requirements of the Act of October 19, 1973 (87 Stat. 466), as amended, or of any plan approved thereunder, with respect to the use or distribution of funds subject to that Act: *Provided,* That per capita payments made pursuant to a plan approved under that Act may be made by an Indian tribe as provided in section 1 of this Act if all other provisions of the 1973 Act are met, including but not limited to, the protection of the interests of minors and incompetents in such funds.

(c) Nothing in this Act, except the provisions of subsection (a) of this section, shall apply to the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation, Wyoming.

SEC. 3. (a) The Secretary shall, by regulation, establish reasonable standards for the approval of tribal payments pursuant to section 1 of this Act and, where approval is given under such regulations, the United States shall not be liable with respect to any distribution of funds by a tribe under this Act.

(b) Nothing in this Act shall otherwise absolve the United States from any other responsibility to the Indians, including those which derive from the trust relationship and from any treaties, Executive orders, or agreements between the United States and any Indian tribe.

SEC. 4. (a) The following provision of section 1 of the Act of June 10, 1896 (29 Stat. 3360), is repealed: "That any sums of money hereafter to be paid per capita to individual Indians shall be paid to said Indians by an officer of the Government designated by the Secretary of the Interior.".

(b) Section 19 of the Act of June 28, 1898 (30 Stat. 502), is repealed.

Mr. BAKER. Mr. President, I ask unanimous consent to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MASHANTUCKET PEQUOT INDIANS

Mr. BAKER. Mr. President, I have another item that is cleared on this side, and I speak now of Calendar Order No. 21, S. 366, to which there is an amendment which qualifies, I believe, under the unanimous-consent order previously entered. If the minority leader has no objection I will ask the Chair to proceed to consideration of that item.

Mr. BYRD. Mr. President, we are ready to proceed on that measure.

Mr. BAKER. I thank the Senator.

Mr. President, I ask the Chair to lay before the Senate S. 366, Calendar Order No. 21.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 366) to settle certain claims of the Mashantucket Pequot Indians.

The Senate proceeded to consider the bill.

UP AMENDMENT NO. 3

Mr. BAKER. Mr. President, I send to the desk an amendment on behalf of the distinguished Senator from North Dakota and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER), on behalf of Mr. ANDREWS, proposes an unprinted amendment numbered 3.

On page 11, line 13, in between "$900,000" and "to" insert the following: "for the fiscal year beginning October 1, 1983".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee.

The amendment (UP No. 3) was agreed to.

Mr. ANDREWS. Mr. President, I today speak on behalf of S. 366, the Mashantucket Pequot Indian Claims Settlement Act. This act will settle claims to land in Ledyard, Conn., that have been raised by the Mashantucket, or Western, Pequot Tribe of Connecticut. These claims are based on the tribe's assertion that certain transfers of its lands were made with Federal approval that was allegedly required by the Nonintercourse Act of 1790 and succeeding versions of that act.

These suits are extremely complex and four earlier claims, in the States of Maine, Florida, Virginia, and Rhode Island, have already been addressed by settlement acts approved by Congress.

I note that S. 366 is the successor to S. 2719 of the 97th Congress. That bill was the subject of an extensive hearing by this committee. It was ordered reported and a report was filed. Therefore, for the legislative history on this act, one should consult the Senate hearings on S. 2719 and Senate Report 97-596.

With respect to the report on S. 2719, I would like to point out that the committee report on this bill contains a garbled description of the effect of the jurisdiction section of the bill, section 6. This portion of the report should read as follows:

Sec. 6 provides that the reservation of the Mashantucket Pequot Tribe is Indian Country and that the reservation of the Tribe shall be subject to the full extent of state jurisdiction as provided in title IV of the Act of April 11, 1968, the Indian Civil Rights Act. The Tribe's reservation has this status notwithstanding section 406 of the Indian Civil Rights Act which requires a majority of the enrolled members of an Indian tribe before a state may assume jurisdiction over that tribe.

Mr. President, the Indian Affairs Committee has been alerted to the fact that S. 366, as reported, would require a waiver under section 402 of the Budget Act because it authorizes appropriations in the current fiscal year and, of course, was not reported out of committee on May 15 of last year. I would note that this was the case with S. 2719 as well because it was not introduced until after the May 15 deadline. Last fall, the Budget Committee granted a waiver for the bill but, as this is a new Congress, still another waiver is in order. Rather than seek that waiver, however, I would like to offer an amendment to cure the problem altogether. The amendment I am offering would change the fiscal year authorizing the appropriation from 1983 to 1984.

I urge the adoption of this amendment and the passage of S. 366 as amended.

● Mr. DODD. Mr. President, I rise today in support of S. 366, the Mashantucket Pequot Indians Claims Settlement Act of 1983, which I first introduced with my colleague, Senator WEICKER, on June 30, 1982. While this measure passed both bodies in the previous session, it was not enacted prior to sine die adjournment. I want to commend the Select Committee on Indian Affairs for its prompt and favorable consideration of this measure in the 98th Congress. This bill settles the first outstanding Indian land claim in the State of Connecticut and serves as a reaffirmation of Connecticut's policy which upholds the constitutional rights of our State's native Americans. Representative GEJDENSON has been the principal sponsor of identical legislation on the House side that together with this legislation carries the support of the entire Connecticut delegation.

I would also like this opportunity to express my appreciation to Chairman COHEN, Senator MELCHER, and the Select Committee on Indian Affairs for holding hearings and for their

careful consideration of this legislation.

This bill is the culmination of years of negotiations between the Mashantucket Pequot Tribal Council and the private landowners in Ledyard, Conn. Specifically, the Ledyard property owners have agreed to transfer 800 acres of undeveloped land to the tribe. Let me make it clear that this legislation would not displace a single homeowner and that all the property owners have agreed to this settlement and still reserve the right to not sell their property if they so choose.

In addition, the bill establishes a Federal trust of $900,000 for the purpose of land acquisition by the tribe as agreed to in the negotiated settlement and makes the Pequots a federally recognized tribe, giving the tribe all the rights and privileges which accompany such recognition. The bill also extinguishes all aboriginal title to land and subjects the tribe to the laws of the United States.

It must be made clear that in order for this well-thought-out agreement, which is the product of several years of negotiations, to be legal and valid, Congress will have to ratify the settlement.

I would also like to point out that this legislation reverses a trend in Indian land claim settlements by increasing the State's involvement. Connecticut has provided monetary and special in kind assistance to the tribe totaling $250,000. Recently, the State contributed 20 acres of land to the Pequots as part of the negotiated settlement. This land was their ancient burial ground. Again, the State legislation granting this land is contingent upon the passage of this bill in Congress.

Lastly, let me say that this legislation circumvents the need for uncertain and time-consuming litigation. The only viable alternative to litigation is to negotiate, and that is exactly what I am asking the Senate to affirm by passing this bill.●

● Mr. WEICKER. Mr. President, the Senate has before it S. 366, which would provide settlement of certain claims of the Mashantucket Pequot Tribe of Connecticut, and which would establish Federal recognition of the tribe.

It is great pleasure that I rise in support of this legislation. Essentially, the bill guarantees that the rights of minorities in the case of the Mashantucket Pequot Tribe are equally protected under our laws. This bill is motivated by the wish to provide a fair settlement to all involved parties and I believe that it accomplishes that aim. S. 366 has the support of the Connecticut congressional delegation, the Connecticut State government, the Mashantucket Pequot Tribe, and affected property owners.

Connecticut is proud of this bill which represents the "state of the art" in Indian land claims settlement legislation. We believe that it could set a precedent for Connecticut in future cases of this nature. I urge my colleagues to support S. 366.●

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mashantucket Pequot Indian Claims Settlement Act".

CONGRESSIONAL FINDINGS

SEC. 2. The Congress finds that—

(a) there is pending before the United States District Court for the District of Connecticut a civil action entitled Western Pequot Tribe of Indians against Holdridge Enterprises Incorporated, et al., Civil Action Numbered H76-193 (D. Conn.), which involves Indian claims to certain public and private lands within the town of Ledyard, Connecticut;

(b) the pendency of this lawsuit has placed a cloud on the titles to much of the land in the town of Ledyard, including lands not involved in the lawsuit, which has resulted in severe economic hardships for the residents of the town;

(c) the Congress shares with the State of Connecticut and the parties to the lawsuit a desire to remove all clouds on titles resulting from such Indian land claims;

(d) the parties to the lawsuit and others interested in the settlement of Indian land claims within the State of Connecticut have reached an agreement which requires implementing legislation by the Congress of the United States and the Legislature of the State of Connecticut;

(e) the Western Pequot Tribe, as represented as of the time of the passage of this Act by the Mashantucket Pequot Tribal Council, is the sole successor in interest to the aboriginal entity generally known as the Western Pequot Tribe which years ago claimed aboriginal title to certain lands in the State of Connecticut; and

(f) The State of Connecticut is contributing twenty acres of land owned by the State of Connecticut to fulfill this Act. The State of Connecticut has provided special services to the members of the Western Pequot Tribe residing within its borders. The United States has provided few, if any, special services to the Western Pequot Tribe and has denied that it had jurisdiction over or responsibility for said Tribe. In view of the provision of land by the State of Connecticut and the provision of special services by the State of Connecticut without being required to do so by Federal law, it is the intent of Congress that the State of Connecticut not be required to further contribute directly to this claims settlement.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) The term "Tribe" means the Mashantucket Pequot Tribe (also known as the Western Pequot Tribe) as identified by chapter 832 of the Connecticut General Statutes and all its predecessors and successors in interest. The Mashantucket Pequot Tribe is represented, as of the date of the enactment of this Act, by the Mashantucket Pequot Tribal Council.

(2) The term "land or natural resources" means any real property or natural resources, or any interest in or right involving any real property or natural resources, including without limitation minerals and mineral rights, timber and timber rights, water and water rights, and hunting and fishing rights.

(3) The term "private settlement lands" means—

(A) the eight hundred acres, more or less, of privately held land which are identified by a red outline on a map filed with the Secretary of the State of Connecticut in accordance with the agreement referred to in section 2(d) of this Act, and

(B) the lands known as the Cedar Swamp which are adjacent to the Mashantucket Pequot Reservation as it exists on the date of the enactment of this Act. Within thirty days of the enactment of this Act, the Secretary of the State of Connecticut shall transmit to the Secretary a certified copy of said map.

(4) The term "settlement lands" means—

(A) the lands described in sections 2(a) and 3 of the Act to Implement the Settlement of the Mashantucket Pequot Indian Land Claims as enacted by the State of Connecticut and approved on June 9, 1982, and

(B) the private settlement lands.

(5) The term "Secretary" means the Secretary of the Interior.

(6) The term "transfer" means any transaction involving, or any transaction the purpose of which was to effect, a change in title to or control of any land or natural resources, and any act, event, or circumstance that resulted in a change in title to, possession of, dominion over, or control of land or natural resources, including any sale, grant, lease, allotment, partition, or conveyance, whether pursuant to a treaty, compact or statute of a State or otherwise.

(7) The term "reservation" means the existing reservation of the Tribe as defined by chapter 824 of the Connecticut General Statutes and any settlement lands taken in trust by the United States for the Tribe.

APPROVAL OF PRIOR TRANSFERS; EXTINGUISHMENT OF ABORIGINAL TITLES AND INDIAN CLAIMS

SEC. 4. (a) Any transfer before the date of enactment of this Act from, by, or on behalf of the Tribe or any of its members of land or natural resources located anywhere within the United States, and any transfer before the date of enactment of this Act from, by, or on behalf of any Indian, Indian nation, or tribe or band of Indians of land or natural resources located anywhere within the town of Ledyard, Connecticut, shall be deemed to have been made in accordance with the Constitution and all laws of the United States, including without limitation the Trade and Intercourse Act of 1790, Act of July 22, 1790 (ch. 33, Sec. 4, 1 Stat. 137, 138), and all amendments thereto and all subsequent reenactments and versions thereof, and Congress hereby does approve and ratify any such transfer effective as of the date of said transfer.

(b) By virtue of the approval and ratification of a transfer of land or natural resources effected by subsection (a), any aboriginal title held by the Tribe or any member of the Tribe, or any other Indian, Indian nation, or tribe or band of Indians,

to any land or natural resources the transfer of which was approved and ratified by subsection (a) shall be regarded as extinguished as of the date of such transfer.

(c) By virtue of the approval and ratification of a transfer of land or natural resources effected by this section, or the extinguishment of aboriginal title effected thereby, any claim (including any claim for damages for trespass or for use and occupancy) by, or on behalf of, the Tribe or any member of the Tribe or by any other Indian, Indian nation, or tribe or band of Indians, against the United States, any State or subdivision thereof or any other person which is based on—

(1) any interest in or right involving any land or natural resources the transfer of which was approved and ratified by subsection (a), or

(2) any aboriginal title to land or natural resources the extinguishment of which was effected by subsection (b),

shall be regarded as extinguished as of the date of any such transfer.

(d) Nothing in this section shall be construed to affect or eliminate the personal claim of any individual Indian (except for Federal common law fraud claim) which is pursued under any law of general applicability that protects non-Indians as well as Indians.

(e)(1) This section shall take effect upon the appropriation of $900,000 as authorized under section 5(e) of this Act.

(2) The Secretary shall publish notice of such appropriation in the Federal Register when the funds are deposited in the fund established under section 5(a) of this Act.

MASHANTUCKET PEQUOT SETTLEMENT FUND

SEC. 5. (a) There is hereby established in the United States Treasury an account to be known as the Mashantucket Pequot Settlement Fund (hereinafter referred to in this section as the "Fund"). The Fund shall be held in trust by the Secretary for the benefit of the Tribe and administered in accordance with this Act.

(b)(1) The Secretary is authorized and directed to expend, at the request of the Tribe, the Fund together with any and all income accruing to such Fund in accordance with this subsection.

(2) Not less than $600,000 of the Fund shall be available until January 1, 1985, for the acquisition by the Secretary of private settlement lands. Subsequent to January 1, 1985, the Secretary shall determine whether and to what extent an amount less than $600,000 has been expended to acquire private settlement lands and shall make that amount available to the Tribe to be used in accordance with the economic development plan approved pursuant to paragraph (3).

(3)(A) The Secretary shall disburse all or part of the Fund together with any and all income accruing to such Fund (excepting the amount reserved in paragraph (2)) according to a plan to promote the economic development of the Tribe.

(B) The Tribe shall submit an economic development plan to the Secretary and the Secretary shall approve such plan within sixty days of its submission if he finds that it is reasonably related to the economic development of the Tribe. If the Secretary does not approve such plan, he shall, at the time of his decision, set forth in writing and with particularity, the reasons for his disapproval.

(C) The Secretary may not agree to terms which provide for the investment of the Fund in a manner inconsistent with the first section of the Act of June 24, 1938 (52 Stat. 1037), unless the Tribe first submits a specific waiver of liability on the part of the United States for any loss which may result from such an investment.

(D) The Tribe may, with the approval of the Secretary, alter the economic development plan subject to the conditions set forth in subparagraph (B).

(4) Under no circumstances shall any part of the Fund be distributed to any member of the Tribe unless pursuant to the economic development plan approved by the Secretary under paragraph (3).

(5) As the Fund or any portion thereof is disbursed by the Secretary in accordance with this section, the United States shall have no further trust responsibility to the Tribe or its members with respect to the sums paid, any subsequent expenditures of these sums, or any property other than private settlement lands or services purchased with these sums.

(6) Until the Tribe has submitted and the Secretary has approved the terms of the use of the Fund, the Secretary shall fix the terms for the administration of the portion of the Fund as to which there is no agreement.

(7) Lands or natural resources acquired under this subsection which are located within the settlement lands shall be held in trust by the United States for the benefit of the Tribe.

(8) Land or natural resources acquired under this subsection which are located outside of the settlement lands shall be held in fee by the Mashantucket Pequot Tribe, and the United States shall have no further trust responsibility with respect to such land and natural resources. Such land and natural resources shall not be subject to any restriction against alienation under the laws of the United States.

(9) Notwithstanding the provisions of the first section of the Act of August 1, 1888 (25 Stat. 357, chapter 728), as amended, and the first section of the Act of February 26, 1931 (46 Stat. 1421, chapter 307), the Secretary may acquire land or natural resources under this section from the ostensible owner of the land or natural resources only if the Secretary and the ostensible owner of the land or natural resources have agreed upon the identity of the land or natural resources to be sold and upon the purchase price and other terms of sale. Subject to the agreement required by the preceding sentence, the Secretary may institute condemnation proceedings in order to perfect title, satisfactory to the Attorney General, in the United States and condemn interests adverse to the ostensible owner.

(c) For the purpose of subtitle A of the Internal Revenue Code of 1954, any transfer of private settlement lands to which subsection (b) applies shall be deemed to be an involuntary conversion within the meaning of section 1033 of such Code.

(d) The Secretary may not expend on behalf of the Tribe any sums deposited in the Fund established pursuant to subsection (a) of this section unless and until he finds that authorized officials of the Tribe have executed appropriate documents relinquishing all claims to the extent provided by sections 4 and 10 of this Act, including stipulations to the final judicial dismissal with prejudice of its claims.

(e) There is authorized to be appropriated $900,000 for the fiscal year beginning October 1, 1983, to be deposited in the Fund.

JURISDICTION OVER RESERVATION

SEC. 6. Notwithstanding the provision relating to a special election in section 406 of the Act of April 11, 1968 (82 Stat. 80; 25 U.S.C. 1326), the reservation of the Tribe is declared to be Indian country subject to State jurisdiction to the maximum extent provided in title IV of such Act.

LIMITATION OF ACTIONS: FEDERAL COURT JURISDICTION

SEC. 7. (a) Notwithstanding any other provision of law, the constitutionality of this Act may not be drawn into question in any action unless such question has been raised in—

(1) a pleading contained in a complaint filed before the end of the one-hundred-and-eighty-day period beginning on the date of the enactment of this Act, or

(2) an answer contained in a reply to a complaint before the end of such period.

(b) Notwithstanding any other provision of law, exclusive jurisdiction of any action in which the constitutionality of this Act is drawn into question is vested in the United States District Court for the District of Connecticut.

(c) Any action to which subsection (a) applies and which is brought in the court of any State may be removed by the defendant to the United States District Court for the District of Connecticut.

(d) Except as provided in this Act, no provision of this Act shall be construed to constitute a jurisdictional act, to confer jurisdiction to sue, or to grant implied consent to any Indian, Indian nation, or tribe or band of Indians to sue the United States or any of its officers with respect to the claims extinguished by the operation of this Act.

RESTRICTION AGAINST ALIENATION

SEC. 8. (a) Subject to subsection (b), lands within the reservation which are held in trust by the Secretary for the benefit of the Tribe or which are subject to a Federal restraint against alienation at any time after the date of the enactment of this Act shall be subject to the laws of the United States relating to Indian lands, including section 2116 of the Revised Statutes (25 U.S.C. 177).

(b) Notwithstanding subsection (a), the Tribe may lease lands for any term of years to the Mashantucket Pequot Housing Authority, or any successor in interest to such Authority.

EXTENSION OF FEDERAL RECOGNITION AND PRIVILEGES

SEC. 9. (a) Notwithstanding any other provision of law, Federal recognition is extended to the Tribe. Except as otherwise provided in this Act, all laws and regulations of the United States of general application to Indians or Indian nations, tribes or bands of Indians which are not inconsistent with any specific provision of this Act shall be applicable to the Tribe.

(b) The Tribe shall file with the Secretary a copy of its organic governing document and any amendments thereto. Such instrument must be consistent with the terms of this Act and the Act To Implement the Settlement of the Mashantucket Pequot Indian Land Claim as enacted by the State of Connecticut and approved June 9, 1982.

(c) Notwithstanding any other provision of law, the Tribe and members of the Tribe shall be eligible for all Federal services and benefits furnished to federally recognized Indian tribes as of the date of enactment of this Act.

OTHER CLAIMS DISCHARGED BY THIS ACT

SEC. 10. Except as expressly provided herein, this Act shall constitute a general discharge and release of all obligations of the State of Connecticut and all of its politi-

cal subdivisions, agencies, departments, and all of the officers or employees thereof arising from any treaty or agreement with, or on behalf of the Tribe or the United States as trustee therefor.

INSEPARABILITY

SEC. 11. In the event that any provision of section 4 of this Act is held invalid, it is the intent of Congress that the entire Act be invalidated. In the event that any other section or provision of this Act is held invalid, it is the intent of Congress that the remaining sections of this Act shall continue in full force and effect.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR REFERRAL OF S. 460

Mr. BAKER. Mr. President, next I have a request for a referral which I shall state for the benefit of the minority leader and other Senators.

Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be discharged from further consideration of S. 460, the flood insurance bill, and it be referred to the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, there are a number of items on the Executive Calendar on this side that are cleared for action by unanimous consent.

I inquire of the minority leader if he is prepared for the Senate to go into executive session briefly to consider all or any part of that calendar beginning with nominations on page 1 and continuing through nominations placed on the Secretary's desk in the Air Force, Army, and Navy.

Mr. BYRD. Mr. President, on this side of the aisle we are prepared to proceed with all nominations on the calendar.

Mr. BAKER. I thank the Senator.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering the nomination on today's Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

U.S. POSTAL SERVICE

The assistant legislative clerk read the nomination of John R. McKean, of California, to be a Governor of the U.S. Postal Service.

Mr. STEVENS. Mr. President, John R. McKean has been serving as a Governor of the Postal Service since last March, for the balance of a term which expires on December 8, 1986. He was appointed to this term to fill a vacancy which was created when a previous Governor resigned after serving only 15 months of a 9-year term.

The President recently nominated Governor McKean for a different term on the same Board with a full 9 years to run.

It is a pleasure to see that Mr. McKean is making the kind of long-term commitment which is essential to providing the leadership that is needed in this important position. The U.S. Postal Service, in particular, needs the mature, experienced guidance which can be obtained only when the members of its Board of Governors are sufficiently interested in and dedicated to their jobs to serve for the extended period which the Congress intended when it provided for 9-year terms.

The Postal Service has a highly complex, increasingly technological job to do. Its effective performance of that job is vital to the Nation's economy and to the daily lives of every citizen. We need, as Governors of the Postal Service, leaders who are prepared to stay with the job over a long enough period to get to know the complexities of the system and to provide an effective contribution. I am pleased that we have such an individual in Governor McKean.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF DEFENSE

The assistant legislative clerk read the nomination of Vincent Puritano, of Virginia, to be an Assistant Secretary of Defense.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

AIR FORCE—ARMY—NAVY—MARINE CORPS

The assistant legislative clerk read nominations in the Air Force, Army, Navy, and Marine Corps, as follows:

IN THE AIR FORCE

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapter 837, title 10, United States Code:

To be major general

Brig. Gen. William L. Copeland, [redacted] FV, Air Force Reserve.
Brig. Gen. Gerald E. Marsh, [redacted] FV, Air Force Reserve.
Brig. Gen. Edward L. McFarland, [redacted] FV, Air Force Reserve.
Brig. Gen. John D. Moore, [redacted] FV, Air Force Reserve.
Brig. Gen. Joseph L. Shosid, [redacted] FV, Air Force Reserve.
Brig. Gen. James L. Tucker, Jr., [redacted] FV, Air Force Reserve.
Brig. Gen. Jerome N. Waldor, [redacted] FV, Air Force Reserve.

To be brigadier general

Col. Clyde F. Autio, [redacted] FV, Air Force Reserve.
Col. Norman J. Deback, Jr., [redacted] FV, Air Force Reserve.
Col. Ira De Ment III, [redacted] FV, Air Force Reserve.
Col. Ralph D. Erwin, [redacted] FV, Air Force Reserve.
Col. Walter Jajko, [redacted] FV, Air Force Reserve.
Col. Simeon Kobrinetz, [redacted] FV, Air Force Reserve.
Col. Frances I. Mossman, [redacted] FV, Air Force Reserve.
Col. Thomas R. Pochari, [redacted] FV, Air Force Reserve.
Col. William C. Roxby, Jr., [redacted] FV, Air Force Reserve.
Col. Rocco R. Sgarro, [redacted] FV, Air Force Reserve.
Col. John G. Sullivan, [redacted] FV, Air Force Reserve.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Richard C. Henry, [redacted] FR, U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Robert L. Bergquist, [redacted], U.S. Army.

The U.S. Army Reserve officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371, and 3384:

To be major general

Brig. Gen. Jimmy F. Bates, [redacted].
Brig. Gen. Robert S. Holmes, [redacted].
Brig. Gen. Robert E. Louque, Jr., [redacted].
Brig. Gen. Norman W. Martell, [redacted].
Brig. Gen. James R. Montgomery, [redacted].
Brig. Gen. Donald A. Pearson, [redacted].

To be brigadier general

Col. Joseph G. Gray, [redacted].
Col. James F. Robb, [redacted].
Col. Guilford J. Wilson, Jr., [redacted].
Col. Edward Y. Hirata, [redacted].
Col. Dennis R. Jones, [redacted].
Col. George V. Bauer, [redacted].

The Army National Guard of the United States officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, section 593(a), 3385, and 3392:

To be major general

Brig. Gen. John G. Castles, [redacted].

To be brigadier general

Col. Charles F. Battner, [redacted].
Col. Ralph H. Brown, [redacted].

Col. Samuel E. Fleming, Jr., [redacted].
Col. Alvin D. McArthur, Jr., [redacted].
Col. Harry L. Moore, [redacted].
Col. Kenneth R. Newbold, [redacted].
Col. David L. Nudo, [redacted].
Col. Ervin T. Osborn, [redacted].
Col. Joseph J. Saladino, [redacted].
Col. James E. Threlfall, [redacted].
Col. Mucio Yslas, Jr., [redacted].

The following-named officer, under the provisions of title 10, United States Code, section 3019, for a period of 4 years beginning 1 June 1983, to be reappointed as chief, Army Reserve:

To be chief

Maj. Gen. William R. Berkman, [redacted], U.S. Army Reserve.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Edward C. Meyer, [redacted], age 54, U.S. Army.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be admiral

Adm. Robert L. J. Long, [redacted], U.S. Navy.

The following-named captains of the various staff corps of the Navy for promotion to the permanent grade of commodore, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

MEDICAL CORPS

To be commodore

Louis Henry Eske
James Joseph Quinn

SUPPLY CORPS

Robert Burke Abele
Daniel Wayne McKinnon, Jr.
Phillip Freeman McNall

CHAPLAIN CORPS

John Richard McNamara

CIVIL ENGINEER CORPS

Arthur William Fort

DENTAL CORPS

Henry John Sazima

NURSE CORPS

Mary Joan Nielubowicz

The following-named captains of the Line of the Navy for promotion to the permanent grade of commodore, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER

To be commodore

Edwin Knowles Anderson
Clarence Ervin Armstrong, Jr.
Roger Francis Bacon
Bruce Raymond Boland
Jerry Creighton Breast
Charles H. Brickell, Jr.
Paul Donald Butcher
Richard Franklin Butts
Denny Bruce Cargill
David Fessenden Chandler
Guy Haldane Curtis III
Thomas R. M. Emery
Gerard Joseph Flannery, Jr.
Dale Norman Hagen
John Joseph Higginson
Chauncey Frazier Hoffman
Raymond Paul Ilg
Jerome Lamarr Johnson
Wendell Norman Johnson
Robert Joseph Kelly
Robert Kalani Uichi Kihune
Willis Ivan Lewis, Jr.
Henry Herrward Mauz, Jr.
Alvin Simmerman Newman
William Joseph M. O'Connor
William Tyler Pendley
Leonard Gordon Perry
James Guy Reynolds
Dean Reynolds Sackett, Jr.
John Frederick Shaw
Vernon Charles Smith
Robert Jay Steele

ENGINEERING DUTY OFFICER

Malcolm Mackinnon III
Kenneth Cornelius Malley
Thomas Uhlian Seigenthaler

SPECIAL DUTY OFFICER (CRYPTOLOGY)

Charles Francis Clark

IN THE MARINE CORPS

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Richard E. Carey, [redacted], U.S. Marine Corps.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed.

DEPARTMENT OF TRANSPORTATION

The assistant legislative clerk read the nomination of L. Steven Reimers, of North Dakota, to be a member of the Advisory Board of the St. Lawrence Seaway Development Corporation.

Mr. ANDREWS. Mr. President, as the one who recommended Steve Reimers for this appointment, I feel particularly appreciative that the administration has recognized the talents and qualifications of a man I have known since we were both farm kids back in North Dakota.

As you know, the St. Lawrence Seaway is one of the major transportation arteries for the export of grain from the upper Midwest, and who better than a farmer with the leadership credentials of Mr. Reimers to bring an unusual depth of skill and experience to the Corporation's Advisory Board.

Mr. Reimers and his family farm in central North Dakota near Carrington. Amongst his many activities which attest to his widely recognized ability, Steve has served on the USDA Advisory Committee on Grains, and has served on and chaired the North Dakota State Wheat Commission.

As a fellow farmer, I am pleased and proud of the recognition the President has given our noble profession through this nomination, and I strongly urge my colleagues to approve it.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF THE INTERIOR

The assistant legislative clerk read the nomination of J. J. Simmons III, of Oklahoma, to be Under Secretary of the Interior.

● Mr. McCLURE. Mr. President, I strongly support the nomination of Mr. J. J. Simmons to be Under Secretary of the Department of the Interior. Mr. Simmons has a solid background in both the public and private sectors. Upon receiving his graduate degree in geological engineering from the University of St. Louis in 1949, he joined a family oil and gas business, where he worked for 13 years. He spent the next decade working in various positions within the Department of the Interior. In his last public capacity he served as the Administrator of the Oil Import Administration. Mr. Simmons then served for 12 years as vice president of government relations for Amerada Hess before being confirmed by the Senate as a Commissioner of the Interstate Commerce Commission in 1982.

Mr. Simmons' distinguished career, particularly his experience within the Interior Department make him eminently qualified for the position of Under Secretary.

The Committee on Energy and Natural Resources held hearings on Mr. Simmons' nomination on Monday, February 14, 1983, and reported him favorable for consideration by the Senate on a vote of 19 to 0. I know of no opposition to Mr. Simmons and strongly urge my colleagues to vote in favor of his nomination.●

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force, in the Army, and in the Navy placed on the Secretary's desk.

Mr. BAKER. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

(The nominations confirmed above are printed at the conclusion of today's Senate proceedings.)

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTION DURING THE RECESS OF THE SENATE

Mr. BAKER. Mr. President, I have one housekeeping request I wish to make if it is agreeable to the minority leader. Let me state it now for his consideration.

I ask unanimous consent that during the recess of the Senate over until Monday at 10 a.m. next the Secretary of the Senate be authorized to receive and refer messages from the President of the United States and the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CHAIR TO RECESS SENATE TODAY

Mr. BAKER. Mr. President, I wish, if there is no other Senator who has indicated he has further business to transact today, to enter an order providing that the Chair will recess the Senate in accordance with the order previously entered at the conclusion of the remarks by the minority leader if he is agreeable with that.

Mr. BYRD. Yes. Mr. President, I will do as I did the last day that I made a similar speech. That is, when I get to the last paragraph I shall make sure that there is no other Senator wishing to speak before I read that paragraph because I know the Chair will then recess the Senate.

Mr. BAKER. That is very thoughtful of the minority leader and very accommodating indeed and I thank him for it.

Mr. President, I now ask unanimous consent that at the conclusion of the remarks made by the distinguished minority leader the Chair automatically place the Senate in recess over according to the order previously entered until the hour of 10 a.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I express my gratitude to the minority leader for his cooperation, and I will now leave the floor to his tender mercies.

Mr. BYRD. I thank the distinguished majority leader and wish him a good weekend and look forward to seeing him on Monday next.

THE UNITED STATES SENATE

THE SENATE IN THE TURBULENT 1850's

Mr. BYRD. Mr. President, it is one of the ironies of American history that in the decade preceding the Civil War the states and sections were growing more interdependent. Southern and western agriculture supplied northern industry, which in turn provided those regions with consumers goods. The Mississippi River carried an increasingly heavy north-south trade. And Senator Stephen A. Douglas, the manager of the Compromise of 1850, was fighting hard for a transcontinental railroad to link the Atlantic and Pacific. In fact, it may well have been his fight in the Senate to build that railroad that unleashed the full fury of sectionalism which the Compromise had attempted to contain. The paradoxes of the Kansas-Nebraska Act of 1854, and the turbulent years that followed, will be the subject of my remarks today, in my continuing series of addresses on the history of the United States Senate.

As Senator from Illinois, and Chairman of the Senate Committee on Territories, Stephen Douglas was most interested in settling the western territorial issues so that a transcontinental railroad could be built from Chicago to California. Of most immediate concern to him was the "Nebraska Territory," an area covering present-day Kansas, Nebraska, North and South Dakota, and Montana. Any railroad out of Chicago would necessarily pass westward through this territory. But the Nebraska Territory lay north of the Missouri Compromise line, and was therefore closed to slavery. Southern senators opposed such a route and threatened to filibuster against it. They instead favored a southern route through Texas. If Senator Douglas was to succeed, he would have to find some means of organizing the Nebraska territory that would be acceptable to both North and South.

On January 4, 1854, Douglas introduced a bill to organize the territory "with or without slavery, as their constitutions may prescribe at the time of admission." While this provision clearly contradicted the Missouri Compromise of 1980, which prohibited slavery north of the 36th degree of latitude, it was not strong enough to please proponents of slavery. Led by Senator David Atchison of Missouri, they pressed for an explicit repeal of the Missouri Compromise. It was Senator Archibald Dixon, a Kentucky Whig, who took Stephen Douglas, an Illinois Democrat, aside to convince him that only the repeal of the prohibition on slavery in the territories would save his bill. "By God, sir, you are right," Douglas responded at last. "I will incorporate it in my bill, though I know it will raise a hell of a storm." [1] He was correct in anticipating the ferocity of opposition to his measure.

On January 24, Douglas introduced his revised bill, which now divided the territory into Nebraska to the north and Kansas to the south. Contained in the Kansas-Nebraska bill was the explicit repeal of the Missouri Compromise which Southerners had demanded. Douglas explained that he introduced his bill early in the first session of the Thirty-Third Congress, because: "I find it generally to be the case with my territorial bills, that if I do not get them acted on early in the session they are crowded over by other business at the end of the session, and are always postponed for want of time." Senator Salmon P. Chase of Ohio then rose to request a postponement in the debate over the bill since few senators had had the opportunity to read the new version. Douglas graciously acceded to this request, not knowing that Chase and Massachusetts Senator Charles Sumner, both Abolitionists, had already prepared a stinging denunciation of his bill for publication as "The Appeal of the Independent Democrats." They wanted the debate held up until their charges could appear in the newspapers. Their broadside denounced Douglas for betraying the nation to "slavery despotism" by permitting slavery into the territories. After publication of this appeal, as Professor David Potter has noted, the Nebraska bill ceased to be primarily a railroad question and became instead a slavery question.[2]

When debate on the Kansas-Nebraska Act resumed on January 30, 1854, Senator Douglas was clearly a very angry man. "Sir," he said on the Senate floor, "little did I suppose at the time that I granted that act of courtesy to the two senators, that they had drafted and published to the world a document, over their own signatures, in which they had arraigned me as having been guilty of a criminal betrayal of my trust, as having been guilty of an act of bad faith against the cause of free government." Douglas had good reason for anger. The opponents of his measure had personified the issue by identifying it with him, and had stirred public sentiment against the senator throughout the north. Public opinion so turned against him that Douglas later remarked that he could ride all the way from Washington to Chicago by the light of his burning effigy. The anti-slavery senators, however, denied that they intended to make Douglas himself the object of their attack. "Sir, our offense is that we deny the nationality of slavery," Senator Chase responded. "All that we have ever insisted upon is that the territories of this Union shall be preserved from slavery." [3]

These speeches set the tone for the three and a half months of debate that followed. On February 6, 1854, for instance, the new Senator from Ohio, the vituperative Ben Wade, jumped into the fray with a fiery speech against Douglas. He had been but a young man when Congress

passed the Missouri Compromise in 1820 to save the Union, Wade recalled, and was also not a member of the Senate when the Compromise of 1850 was passed to soothe sectional anxieties. Now he professed to have been shocked when the chairman of the Committee on Territories announced that the 1850 compromise had superceded that of 1820 and wiped out the Missouri line between slavery and freedom. What was at stake, Wade insisted, was a vast territory, "large as an empire. It is pure as nature; it is beautiful as the Garden of Eden," and it should not be sullied by slavery. Free farmers of the north should not be degraded by working on the same level as slaves. "I am a believer in the Declaration of Independence," said Ben Wade. "I believe that it was a declaration from Almighty God that, all men are created free and equal, and have the same inherent rights."

Senator Dixon of Kentucky was immediately upon his feet. "Does the senator mean that the slave is equal to those free laborers that he speaks of in the North?" Dixon asked.

"Certainly. Certainly," replied Wade. "The slave, in my judgment is equal to everybody else, but is degraded by the nefarious acts and selfishness of the master, who compels him, by open force and without right, to serve him alone."

"Does the senator," Dixon persisted, "consider the free negroes in his state as equal to the free white people."

"Yes," said Wade. "Why not equal? Do they not all have their life by Almighty God?"

Anti-slavery senators like Wade were willing to accept that the Constitution of the United States was itself a compromise between the free and slave states. Although the Constitution had prohibited the importation of slaves after 1808, it had established a system whereby three-fifths of the slaves would be counted for purposes of apportioning representation, thereby increasing Southern power in the House of Representatives. In effect, the Constitution recognized and permitted slavery, at least where it already existed. The North had helped enforce the law, had accepted the institution of slavery in the South, although Northern states had themselves abolished slavery long before. But, said Ben Wade, "what will be said when you have thrown down the gauntlet on the other side, and told us that compromises for our benefit mean nothing at all?" [4]

Southerners, by contrast, argued that they had inherited the institution of slavery. Senator James C. Jones of Tennessee complained that Wade's speech had been "a tirade of abuse and denunciation of an institution which had descended to us from the fathers of the Republic." The very men who had fought the battles for liberty and independence, George Washington, Thomas Jefferson, James Madison, and so many others, had been owners of slaves. From these "fathers of the Republic" Southerners had inherited slavery as an economic and social system, and they could not conceive of life and orderly society without it. Abolition of slavery, as they saw it, would mean the collapse of their economy and ultimate economic domination by the industrial North.

Slavery also provided a system of absolute racial superiority, and they feared its unraveling. For Southerners the question was the legitimacy of their peculiar institution. If slavery was not an evil, but a necessity, then it should not be forever boxed into a limited area. Southerners, like those from other states, should be permitted to expand westward—or even southward into the Caribbean.

For Northerners, whether they morally accepted or rejected the institution of slavery—and there was no unanimity in the North over the question—the *extension* of slavery would undermine the ideals of the nation. The very existence of slavery made a mockery of the phrase "all men are created equal." Its extension meant a degradation of labor. Individual farmers would be placed in unfair competition with slaveowners and slave labor in the fields. The future of America, the "Garden of Eden," that they wanted, would be corrupted with the spread of slavery.

The lines were being drawn sharply, so sharply that they divided members of the same party. As Senator Jones, a Southern Whig, responded to Senator Wade, a Northern Whig: "If he [Wade] considered the association which has bound us together as members of the great Whig party to imply that I had any affinities with the doctrines which he proclaims here today, I now and forever eschew any such understanding, intention, or purpose . . . I utterly deny that it ever was, or ever can be, a principle of the Whig party, to inveigh against the institutions of the country which have descended to us from our fathers." The anti-slavery advocates, however, remained decidedly in the minority in both parties, and the efforts of Chase, Sumner, Wade, and others to strike from the Kansas-Nebraska bill the language which nullified the Missouri Compromise, lost by a vote of 13 to 30.[5]

An air of tension filled the Old Senate Chamber during the debate over the Kansas-Nebraska bill. Senators huddled together in frequent and sometimes frantic caucuses preparing amendments and other strategy. Senator Douglas, as floor manager for the bill, stayed largely in the background and allowed others to indulge in oratory. Senator Chase of Ohio—a formidable opponent who later became Chief Justice of the United States—led the anti-slavery forces. Although decidely in the minority, Chase exploited all the weaknesses and ambiguities in the bill, forcing Douglas to take more clear-cut stands than he had hoped would be necessary. How, for instance, should the popular sovereignty aspects of the bill be interpreted? Chase maintained that it would give the people of the territories, through their territorial legislatures, the power to ban slavery. This was indeed true, although Douglas had been arguing a policy of noninterference with slavery in the territories. That the territories should have the power to allow slavery, was a considerable change in emphasis. Chase's pressure on this point helped raise Southern doubts and fears about the results of the Kansas-Nebraska Act.[6]

Senator Douglas, and other Northern advocates of the bill simply did not believe that slavery would be economically feasible on the frontier. The climate and geography of the Plains territories would be inhospitable to the large-scale plantation farming that existed in the South. The majority of the settlers in these territories would be subsistance farmers, relying more on family labor than slave labor; and when these territories reached the stage of applying for statehood, their citizens would most likely adopt anti-slavery constitutions. But while Douglas believed this, he could not openly argue it without losing Southern support.

Public opinion weighed on everyone's mind, and the Kansas-Nebraska bill was stirring up hostile reactions in both the North and the South. Senator Lewis Cass, a supporter of the bill, quoted some of the more flamboyant charges made against it:

"This bill is a silent, halting, creeping, limping, aquinting motion, conceived in the dark, and mid-wifed in a committee room. It is a farrango, an olla-podrida /which was a highly seasoned Spanish stew, also known as a 'rotten pot'/. It is a juggle worthy of the trick of one egg under three hats. It is buttered on both sides. It is untrue, contradictory, suicidal, and preposterous. It is a shilly-shally, willy-won't, don'ty, can'ty style of legislation." [7]

As the debate wore on, as Professor Robert Johannsen has written in his stirring biography of Stephen Douglas,

"the exhaustion of the senators took its toll as they became increasingly impatient and irascible, quick to take affront and magnifying small details into major issues. Insults were hurled and denied, and quarrels broke out even among friends of the bill." All of this climaxed on the afternoon and evening of March 3, 1854. The debate lasted all night. Douglas did not gain the floor until nearly midnight. "Will the senators give way to a motion to adjourn?" he asked. "Oh, no! Oh, no!" came the reply. Douglas then offered to waive his final speech, but again the crowd responded: "Oh, no; go on." [8]

One of those who witnessed Douglas' speech that night was the Senate Doorkeeper, Isaac Bassett. Bassett recorded in his diary that this speech was one of Douglas' greatest and most memorable efforts. The galleries were filled with a brilliant array of ladies and gentlemen. Ladies who could not find seats in the galleries were invited onto the Senate floor. The appearance of Senator Douglas provoked applause from the assembled crowd, which sat through his entire three-hour address, late into the night. Isaac Bassett gives us a vivid description of the "Little Giant," Stephen Douglas, whom he called "one of the foremost debaters in the Senate. He had a rich voice, fluent in speech . . . He was short in stature, broad-shouldered, deep-chested /with/ a large developed head . . . somewhat like Daniel Webster's . . . In person he was considerably below the common height of men. Thick set, large expanding chest, remarkable large head, dark hair and eyes. Wide of mouth, he had a loud, full voice. As a speaker he was forcible, strong, clear, rapid. As he progresses he throws his whole soul into a subject." As Bassett recalled, "the multitude hung upon his words."[9]

Senator Douglas concluded debate on the Kansas-Nebraska bill with a lucid, well-reasoned speech. He held back no scorn for the arguments of his four leading opponents, Seward, Chase, Wade, and Sumner. Popular sovereignty, he insisted, would solve the sectional problems of the country and provide for the peaceful settlement of the great western territories. "You cannot fix bounds to the onward march of the great and growing country," Douglas told the Senate. "You cannot fetter the limbs of the young giant. He will burst all your chains. He will expand, grow, and increase, and extend civilization, Christianity and liberal principles." At last, at five in the morning, after seventeen hours of continuous debate, the Senate was ready to vote. Earlier, in a private letter, Douglas had predicted that if the full Senate voted, he would win by a margin of 45 to 17. As it transpired, the Senate vote was 37 to 14, showing that the "Little Giant" was a shrewd head-counter.[10]

Debate then shifted to the House of Representatives, and Senator Douglas was present at almost every session in which the House took up the Kansas-Nebraska bill, rallying its supporters. The House passed the bill on May 22, and President Franklin Pierce signed it into law on May 30. No one, especially not its sponsor, could imagine what a fury this bill would unleash.

Mr. President, it is outside the intended scope of my speeches to describe in detail the events that followed the passage of the Kansas-Nebraska Act. We may remember how Northern Abolitionists sponsored anti-slavery settlers to move into Kansas, and how pro-slavery Missourians crossed the border into Kansas to outvote Northern settlers. Douglas' bill, and his dream of popular sovereignty, had not led to peaceful settlement, but to open warfare between partisans of both sides, with Kansas as the stage and the Nation as the audience. The anti-slavery settlers located in and around the town of Lawrence. The pro-slavery forces concentrated at Leavenworth. After an election marked by thinly disguised election frauds, the pro-slavery settlers elected a territorial government, which immediately passed laws to permit slavery in Kansas and to make it illegal even to question the right to hold slaves. Meanwhile, the anti-slavery forces elected their own governor and legislature. Two "Kansases" existed, and each petitioned the federal government for recognition as a state.[11]

Senator Douglas was appalled by this course of events. By all accounts, Douglas was an ambitious man who had hoped for the Democratic nomination for president in 1852 and 1856; but on both occasions the nod went to lesser men, Franklin Pierce and James Buchanan, both "Northern men with Southern principles." The intense reaction against the Kansas-Nebraska Act throughout the North clearly threatened Douglas' presidential chances. He became the personification of the bill and the subject to countless petitions from clergy and other Northern groups denouncing him for his role in its passage. Douglas also became the target of a new political party that sprang from the opposition to his bill.

The "Appeal to the Independent Democrats" had galvanized anti-slavery forces. Many members of the Free Soul Party, and those who identified themselves as Free Democrats, began to rally together with anti-slavery Whigs. On March 20, 1854, in Ripon, Wisconsin, a meeting of those opposed to the Kansas-Nebraska Act proposed the creation of a new party, to be called the Republican Party. New York Tribune editor Horace Greeley gave this idea national publicity, and the new party with surprising speed and force. Anti-slavery Whig senators like Ben Wade abandoned their party to join the Republicans, as did Free Democrats like Senator Charles Sumner. Republicans ran a strong race in the elections of 1854, and Douglas' home state of Illinois elected a Republican senator, Lyman Trumbull (who defeated former Congressman Abraham Lincoln among others). The Democrats retained their majority in the Senate but lost control of the House to the new party.[12]

When the Thirty-Fourth Congress opened on December 3, 1855, opponents of the Kansas-Nebraska Act immediately seized the initiative. New Hampshire Senator John Hale introduced the following resolution on December 6:

> Resolved, That the President of the United States be requested to inform the Senate whether he has received any evidence of such resistance to the execution of the laws in Kansas as to require the interposition of military force for the restoration or preservation of law and order in that Territory; and if he has received such evidence, that he will lay the same before the Senate, and also copies of any order which may have been issued by his authority for the employment of military force in said Territory, if any such order has been issued.[13]

The Senate, however, carried on no substantive business throughout December and into January 1856 because the House was locked in a protracted battle over the election of a speaker. Meanwhile, the situation in Kansas worsened. The Territorial Governor appealed to President Pierce for Federal troops to maintain order. On January 24, Pierce notified Congress that he had decided "it is not the duty of the President of the United States to volunteer interposition by force to preserve the purity of elections either in a State or Territory." Pierce recommended instead that Kansas be permitted to organize into a state government, to "dispose of the question itself/slavery/which constitutes the inducement of occasions of internal agitation and of external interference." Thus the House was disorganized, the Senate paralyzed, the president timid, and the situation grave.[14]

During this period, Senator Stephen Douglas was absent from Washington, suffering from a severe case of bronchitis. He returned still weak and fatigued in early February 1856, but once again tried to seize the leadership on the controversial territorial issue. As chairman of the Committee on Territories, Douglas immediately went to work on a committee report to make Kansas a state. On March 12, he submitted the 40-page report to the Senate, and read it aloud for some two hours. This report, as Douglas' biographer has noted, was "a significant step in the development of Douglas' view of popular sovereignty. No longer satisfied merely to defend it as an expedient, or even as a moral right, he now sought a legal and constitutional basis for his position. Congress' power to create territories derived from the power to admit new states; in organizing a territory, Congress must not impose any limitation that would destroy or impair the equality of the proposed state with the original states." While Douglas and the committee's majority wanted the issue decided by the Kansas settlers, Senator Jacob Collamer of Vermont presented the minority report, which proposed that Kansas be admitted as a free state."[15]

Douglas' report brought oratorical rebuttal from Senators Charles Sumner and William Seward, but it was the Senate's newest member, the junior senator from Douglas' home state—Lyman Trumbull—who drew the greatest attention. All eyes fixed on Trumbull when he rose in the Senate to speak on March 14, 1856. Trumbull dismissed Douglas' theory of popular sovereignty for its "vagueness and uncertainty." He quoted from the Territorial committee's report that Northern settlers had moved west to "abolutionalize" Kansas. "What! *abolutionize* Kansas!" cried Trumbull. "It was said on all sides of the Senate chamber that it was never meant to have slavery go into Kansas. What is meant, then, by abolutionizing Kansas? Is it abolutionizing a territory already free, and which was never meant to be anything but free, for free-State men to settle it? I cannot understand the force of such language." [16] During Trumbull's speech, Senator Douglas entered the chamber and sought recognition. Furious that Trumbull had not notified him in advance of the speech, Douglas explained that he had been absent due to ill health. "I never dreamed that any man in this body would so far forget the courtesies of life, and the well known usages of the Senate, to make an assault in my absence in violation of the distinct understanding of the body when the subject was postponed." Since Trumbull's speech would not be published in the *Congressional Globe* until the following Monday, Douglas announced that he would give his own rebuttal the next week, after he had had the opportunity to read Trumbull's charges.[17]

Thursday, March 20, was the appointed day for Douglas' remarks. As was so often the case during those great nineteenth century debates, it seemed as if the whole populace of Washington sought admittance to the Senate galleries. The doorkeeper, Isaac Bassett, recorded in his diary that "the Ladies from a very early hour filled the Galleries, occupying even that assigned to the Reporters." Douglas had a great reputation as an orator, and on that occasion he did not disappoint his listeners. Dressed in a black suit, with his frock coat buttoned to his chin to protect his ailing throat, Douglas addressed the Senate for some two and a half hours. Douglas began by berating his Illinois colleague, Lyman Trumbull, for having deserted the Democratic Party and allied himself with "Black Republicanism." He defended his report, and his theory of popular sovereignty, and taunted his opponents by noting that the free-State settlers in Kansas wanted to ban the immigration not only of slaves but of free blacks into their territory, at the same time they claimed to be "especial friends of the negro." Popular sovereignty would work, he insisted, but it was being subverted by "two rival and hostile systems of emigration" being organized by extremists in the North and South to capture Kansas. Douglas' remarks, Professor Johannsen concluded, "aroused admiration and praise, if not always agreement." But for all Douglas' efforts, he could not bring the Kansas statehood bill to a quick vote, and the debate went on for months.[18]

The year 1856 was a presidential election year and Douglas was a leading candidate for the Democratic nomination. But he had come to epitomize the Kansas controversy, and had become the target of abuse from both Northern and Southern partisans. "Douglas has brains," wrote a reporter for the *New York Times*, "but so has the Devil, so had Judas and Benedict Arnold." Another detractor was Massachusetts' patrician Senator Charles Sumner. To the tall and haughty Sumner, the short and stocky Douglas was "a brutal vulgar man without delicacy or scholarship/who/looks as if he needed clean linen and should be put under a shower bath." It is hard to imagine two more dissimilar men than Douglas and Sumner, violently opposite in politics, style, and demeanor. But in that year of 1856, both men became national symbols—Douglas of the popular sovereignty approach to the territorial issue, and Sumner of the unyielding free soil approach. Senator Sumner also became a symbol of the violent current bubbling just below the surface of this political controversy.[19]

For two months, Sumner prepared an elaborate speech in defense of the free-State government of Kansas. Moreover, he intended the speech to defend his home state for its support of the free soil movement, and to attack Douglas and the leaders of the South. Senator Sumner was not considered a man of moderation, tact, and conciliation. But even for him his "Crime Against Kansas" speech was extreme in its bitterness and reckless in its denunciations. Again the galleries were packed on May 19, when Sumner addressed the chamber. Sumner denounced the Kansas-Nebraska Act as a "swindle," and claimed that Douglas' popular sovereignty had resulted in "popular slavery." During this speech, Sumner described Douglas as the "Sancho Panza" of slavery, and ascribed the role of "Don Quixote" to South Carolina's Senator Andrew Butler.

Sumner was particularly severe in dealing with the sixty-year-old State Rights Democrat, Butler, who was not present in the chamber during the attack. Here is a portion of his remarks:

> The Senator from South Carolina has read many books of chivalry, and believes himself a chivalrous knight, with sentiments of honor and courage. Of course he has chosen a mistress to whom he has made his vows, and who, though ugly to others, is always lovely to him; though polluted in the sight of the world, is chaste in his sight—I mean the harlot, Slavery. For her, his tongue is always profuse in words. Let her be impeached in character, or any proposition made to shut her out from the extension of her wantonness, and no extravagance of manner or hardihood of assertion is then too great for this Senator. The frenzy of Don Quixote, in behalf of his wench, Dulcinea del Toboso, is all surpassed.[20]

Strong words! Today such remarks would be ruled out of order as a violation of Senate Rule 19, prohibiting senators from imputing the conduct of other senators. In 1856, however, the Senate had no such rule, although *Jefferson's Manual* prohibited speakers from "reviling, nipping, or unmannerly words against a particular member." Charles Sumner had clearly stretched the bounds of decorum to their utmost limit. One of Sumner's admirers, the Senate's principal clerk, Lewis Machen, wrote to his son that Sumner's rhetoric had not been exhibited "since the palmy days of Webster," but that he regretted that the senator had indulged in personal expressions whose only effect would be to "irritate and wound."[21]

Irritate they certainly did. Sumner's words irritated, wounded, and inflamed many in Washington, most notably Senator Butler's nephew, Representative Preston Brooks of South Carolina. Brooks had been among the crowd in the Senate chamber that had heard Sumner's allusions to Butler as Don Quixote. "I felt it to be my duty to relieve Butler and avenge the insult to my State," Brooks wrote to his brother. He chose as his weapon a gutta-percha walking stick with a gold handle. At first, Brooks planned to assault Sumner on the Capitol grounds, but when the senator failed to pass by, the congressman sought him in the Senate chamber.

It was 12:45 p.m. on Thursday, May 22, 1856, when the Senate adjourned, in memory of a recently deceased member of the House. Sumner was seated at his desk in the rear row of the Senate chamber, franking copies of his "Crime Against Kansas" speech to send to his constituents. Brooks approached him from the front aisle and called his name. As Sumner looked up, Brooks said (according to Doorkeeper Isaac Bassett, who witnessed the scene): "I have come over from the House to chastize you for the remarks that you made against my relation, Senator Butler. I have read your speech and it is a libel on South Carolina." As Brooks spoke those words, he raised his cane and brought it down upon Sumner's head, and then again, and again, and again in fury. Sumner, dazed from the blows and blinded by blood, lurched up from his desk, which

was bolted to the floor, ripping it loose as he struggled to stand. Sumner lifted his arms to protect himself, but the blows fell about his head, and neck, and shoulders until the cane has smashed itself to pieces against his body. Witnesses described Sumner "reeling around the seats, backwards and forwards." All this took place within a minute's time, before any of the other senators or staff could come to Sumner's aid.[22]

Senator Cass and Doorkeeper Bassett rushed to assist the injured Sumner, lifting him up and helping him into the reception room. There Bassett got towels and a basin of water and washed his head, which bled profusely. A physician was called for, and at first it was feared that the blows had fractured his skull. Soon it was determined that the wounds were serious but not fatal, and the senator was able to walk down the Capitol steps and take a carriage back to his lodgings.[23]

We can imagine the commotion in the Senate chamber at this time. Brooks had appeared in the chamber with two House members for protection, Representatives Lawrence Keitt of South Carolina and Henry Edmundson of Virginia. Few senators had been present in the chamber, since the Senate had adjourned for the day, and even fewer wished to come to the unpopular Sumner's rescue. Indeed, it was another House member, Ambrose Murray of New York, who grabbed Brooks' arm to prevent him from further striking Sumner. During the melee, Whig Senator John J. Crittenden of Kentucky approached Brooks to denounce the use of force in the Senate chamber. When Congressman Keitt lifted his cane against Crittenden, Georgia Senator Robert Toombs came to the elderly Kentuckian's defense.[24]

During the assault, Senator Douglas had been talking with colleagues in the reception room. When a messenger burst in with the news that Sumner was being attacked, Douglas jumped to his feet, but then thought the better of it. Considering his poor relations with Sumner, he decided against becoming involved. Indeed, Senator Sumner later stated that he thought Douglas had accompanied Congressman Brooks—a mistake he made perhaps because the nearsighted Sumner was not wearing his glasses during the attack. But later, when Sumner had left the Capitol and staff members were picking up the papers that had been scattered throughout the chamber, Douglas approached the staff member who had found the gold handle (all that was left intact of Brooks' cane) and asked to keep it as a momento of the occasion.[25]

Mr. President, it is appalling even to this day to think of such an unprecedented—and fortunately never repeated—attack on a member of the Senate as he sat at his desk in the chamber. The caning of Senator Sumner became a symbol of the rising tide of violence between the North and the South, and of the tensions under which the political leaders of the nation had to deal. Sumner became a hero to the North, just as Brooks became a hero to many in the South. Brooks and his companions walked out of the Senate chamber unhindered that day. The House debated expelling him for his actions, but failed to do so on a straight party-line vote. Brooks then resigned his seat and was immediately reelected by voters in his district. Death, however, cut short this mercurial and hot-tempered young man. Preston Brooks died six months later at the age of thirty-eight. His companions, Keitt and Edmundson, were also brought before the House on charges. The House voted to censure Lawrence Keitt, who then resigned and was reelected. A similar censure vote against Henry Edmundson was unsuccessful. It is amazing that their behavior was so lightly punished. Sumner, in the meantime, began a long and painful recuperation, which kept him absent from the Senate for the next three years. Some of his critics charged that he was afraid to return, and his biographer, Professor David Donald, has suggested there were psychosomatic reasons for this long absence, but the fact is that Sumner's empty chair in the chamber was a powerful reminder to those who felt the day for compromise over slavery had ended.[26]

The Senate appointed a committee of five to investigate the caning of Charles Sumner, and debate over the issue was often heated and furious. Out in Kansas, events turned even more ominous. Word reached Washington that pro-slavery forces had sacked the anti-slavery capital of Lawrence. Thus "Bleeding Kansas" and "Bleeding Sumner" became rallying cries for the North. Nor were acts of atrocity limited to pro-slavery factions. In response to the sack of Lawrence, in which the newspaper presses, hotel, and a few houses were burned, a fanatic named John Brown raised a small posse to wreak vengeance, killing five pro-slavery settlers at Pottawatomie Creek. Civil war had broken out in Kansas. These events worked against the presidential candidacy of Stephen A. Douglas, who had hoped to win recognition for his political compromises to settle the territorial issue. Instead, Douglas was again passed over for the Democratic nomination, which this time went to James Buchanan. Former Senator and Secretary of State Buchanan had the advantage of being absent from the country during the past trying years, as Ambassador to the Court of St. James. Another "Northern man with Southern principles," Buchanan was popular among Southern Democrats.

The new Republican party nominated its first candidate for the presidency, the flamboyant explorer, military man, and former senator from California (as well as the son-in-law of Thomas Hart Benton), John C. Fremont. Although Buchanan defeated Fremont, Fremont's very candidacy as an anti-slavery Republican struck fear in many Southern hearts and talk of secession spread through such states as South Carolina and Virginia. Fremont's strong showing in many Northern states seemed to portend a Republican victory in the not-to-distant future, which Southerners saw as the end of the Union.

As the distinguished historian Roy Nichols has written: "The Democratic victory of 1856 settled nothing." It merely established a four-year truce. President Buchanan began his administration with a vain hope that the territorial issue could be solved not by the Congress or by his administration, but by the Supreme Court. Chief Justice Roger Taney had let the president know that the court would soon hand down a landmark decision on slavery in the territories. On the day that the Senate considered Buchanan's cabinet nominees, one flight below in the Old Supreme Court Chamber, Chief Justice Taney read the majority opinion in the now famous Dred Scott case. No matter what the fuss had been over the Kansas-Nebraska Act, the court ruled that the Missouri Compromise had been unconstitutional to start with, on the grounds that Congress could not deny rights in the territories that were enjoyed in the states. The Republican Party's platform was thus declared unconstitutional. It was folly for the court to believe they could settle such an emotional issue so simply.[27]

In the election of 1856 the Democratic Party regained control of the House of Representatives, and retained its majority in the Senate. But the party had lost an important internal balance. Whereas before the controversy over the Kansas-Nebraska Act the Democrats had been divided roughly equally between North and South, now the Southern Democrats had a commanding lead in both houses: 75 to 53 in the House, and 25 to 12 in the Senate. This erosion of the Northern Democratic bloc weakened the role of Stephen Douglas and correspondingly strengthened the hand of the new president.[28]

Although Douglas was the leader of the Northern Democrats in Congress, we would be mistaken to think he was anti-Southern. Douglas approved of the Dred Scott decision, which held that black people were not citizens of the United States and did not share in its civil rights; he accepted racial inferiority; and through his wife's inheritance he owned slaves in Louisiana.

Douglas spent his years in Congress trying to unite the sections of his party, not divide them. He never ceased appealing to the Southern Democratic constituency. But events kept pressing the sections farther apart, and inflaming issues beyond Douglas' ability to control them.

It was Douglas who had first sponsored Kansas statehood, and it was Douglas who paid the greatest price when Kansas eventually did apply to enter the Union. In 1857, pro-slavery settlers met in Lecompton, Kansas, in a constitutional convention. There they drafted a predictably pro-slavery constitution. But whereas Douglas expected they would submit the constitution to the population of the territory for ratification—the "popular sovereignty" he had long espoused—the convention instead sent the Lecompton Constitution directly to Congress for approval. Douglas considered this act a sham and a violation of popular sovereignty. He commented privately that he could not support the Lecompton Constitution without "repudiating all the acts of my life, and doing a political act that I did not believe was moral and just."[29]

If Stephen Douglas had been solely an ambitious man with his sights set on the White House, he would have endorsed the Lecompton Constitution, demonstrating his loyalty to the Buchanan administration and winning the support of Southern radicals. It is a measure of the man that he did not choose to abandon his principles to satisfy his ambitions. When President Buchanan's first State of the Union message was read to the Senate on December 8, 1857, Senator Douglas was the first to rise in response, saying: "I totally dissent from all that portion of the message which may fairly be construed as approving of the proceedings of the Lecompton convention." The next day, Douglas delivered a major address against the Lecompton Constitution, stating that it did not reflect the will of the people of the territory because it had not been submitted to the inhabitants in a referendum. "I do hold that the people of Kansas have the right to be consulted and decide it," he insisted. "If this constitution is to be forced down our throats, in violation of the principle of free government, under a mode of submission that is a mockery and insult, I will resist it to the last." The *Congressional Globe* records that "at the conclusion of the honorable gentleman's speech loud applause and clapping of hands resounded through the crowded galleries."[30]

On February 2, 1858, the president submitted the Lecompton Constitution to the Senate. By this time, not one but two referendums on the constitution had been held in Kansas. One by pro-slavery forces produced a vote of 6,000 votes in favor and 500 opposed; the other vote, taken by anti-slavery settlers, produced 10,000 opposed to the Lecompton Constitution, with 100 supporting it. If a fair vote had been taken of all settlers throughout the territories, it appears that the pro-slavery constitution would have lost by a wide margin. Still, the Buchanan administration defended it as the will of the people of Kansas. Among those who wholeheartedly supported Buchanan, the Lecompton Constitution, and the extension of slavery into all the territories, was the stately senator from Mississippi, Jefferson Davis. One visitor to the galleries, Miss Mary Jane Windle, who wrote occasional articles on Washington life for the South Carolina papers, described the "profound silence and the fixing of every eye" on Senator Davis when he rose to speak. "Since the days of Mr. Clay, we have never heard any one so powerfully rivet the attention of the spectators as this gentleman (Mr. Jefferson Davis). It is scarcely an exaggeration to say that his keen eye literally blazed as he poured forth a torrent of withering sarcasm and cursching invective."[31]

It soon became clear that while Stephen Douglas commanded great public attention and could fill the galleries for his speeches, he no longer led the Senate Democratic forces. Even on his own committee the pro-Lecompton majority took control of writing the committee report on Kansas away from the chairman, and forced Douglas to file a minority report. During the debate on Lecompton during March, Douglas was too ill to participate, but he rallied his strength to give the concluding speech, speaking to a "prodigious multitude" in the chamber "beyone all precedent." On March 23, the Senate voted 33 to 25 to uphold the Lecompton Constitution. Only three other Democrats and two Whigs joined Douglas in voting with the Republican minority against the measure. The House, however, adopted a different measure, recommending that the Lecompton Constitution be returned to Kansas for a popular vote. This proposal was unacceptable to the majority in the Senate, and finally a conference committee met to reach a compromise. The Lecompton Constitution would be resubmitted to the Kansas voters, but they would vote only on a land grant issue, not on slavery. This compromise was adopted by the Senate and House at the end of April, and the Lecompton Constitution went back to Kansas, where the settlers overwhelmingly rejected it, as Douglas believed they would.[32]

Stephen Douglas' split with the Buchanan administration had clearly jeopardized his position as a national Democratic leader, and there were many who suspected he might switch his allegiance to the new Republican Party, or to work some form of coalition between Northern Democrats and Republicans based on anti-Lecomption sentiments—a strange twist for the man whose Kansas-Nebraska Act had led to the birth of the Republican Party in the first place. But Douglas was not destined to become a Republican, and indeed, in 1858 he faced a challenge for reelection to the Senate from the Republicans of Illinois, who nominated a Springfield lawyer and former congressman by the name of Abraham Lincoln. The Lincoln-Douglas debates of that famous senatorial election are so much a part of our popular history that we may forget that it was Douglas, not Lincoln, who won the election, albeit by a slim margin. But, while the Illinois state legislature returned Stephen Douglas for another term in the Senate, Lincoln's crafty debating had forced Douglas to take stands that would separate him both from Northern Republicans and Southern Democrats. Douglas returned to the Senate for the second session of the Thirty-Fifth Congress in a considerably weakend position.

Symbolic of Douglas' shaky position was his loss of the chairmanship of the Committee on Territories, his power base in the Senate. The Democratic caucus met on December 9, 1858, to assign members to committees and immediately became bogged down in debate over Douglas. Senators Jefferson Davis of Mississippi, John Slidell of Louisiana, and Jesse Bright of Indiana led the fight to remove Douglas, and President Buchanan added his endorsement by passing the word that Douglas was no Democrat and did not deserve a chairmanship. The caucus action in stripping Douglas of his chairmanship reflected a hardening of sentiment among pro-slavery senators. They now rejected popular sovereignty as a half-way measure, and insisted on nothing less than complete equality for the South in expansion into the Western territories.[33]

This was the first time in history that a senator had been removed as a committee chairman. In subsequent years, only one other senator lost his chairmanship: Charles Sumner, who was removed as Foreign Relations chairman in 1871. (In 1913, the Democratic caucus prevented Senator Benjamin Tillman from becoming chairman of the Appropriations Committee because he had suffered a stroke. And in 1924 the Republican conference removed Senator Albert Cummins as chairman of the Interstate Commerce Committee because he was also president pro tempore; the conference also rejected the ranking Republican, Robert La Follette, because of his independent politics—thus although the Republicans held a majority in the Senate, the committee chairmanship went to a Democrat by default.)[34]

Although rejected, Stephen Douglas did not storm out of the Democratic Party; he remained to fight within its ranks. In 1860 Douglas was again a candidate for its presidential nomination. But by then the split in the party was irreparable. At the Charleston convention, the Democratic party divided into two hostile camps. Southern Democrats nominated Vice President John Breckinridge for president; Northern Democrats removed to Baltimore where they nominated Stephen Douglas as their candidate. In that presidential election, Douglas once again faced Abraham Lincoln as his Republican challenger, but with the Democratic Party divided there was no hope for Douglas' election. It is a tribute to Douglas' statesmanship that he devoted his remaining months to supporting President Lincoln and opposing the secessionist movement. He placed the Union over all political considerations. Stephen Douglas died in June 1861, at the age of forty-eight.

Mr. President, I have been speaking today about the Senate in the turbulent 1850s. Without a doubt, this must have been the most difficult of all decades in the Senate's history. When we look back at the deepening divisions between North and South, we marvel that the Senate was able to conduct any business at all during those trying times. It is instructive to note that despite the fiery rhetoric, despite the sectional passions, the Senate's precedents, traditions, and folkways—what political scientists call its "norms"—continued in place and enabled the Senate to function as a body. Professor Dean Yarwood of the University of Missouri has done a content analysis of the *Congressional Globe* for the Thirty-First and Thirty-Sixth Congresses, which frame the 1850s, to study the use of order, decorum, courtesy, and "gentlemanly deportment" in the Senate and found a strikingly high percentage of observance of Senate rules and norms. Legislative norms, he noted, "provided one standard of fair play by which the behavior of unionists and secessionists alike could be judged by people in the border states." Both sides were appealing to this neutral faction, and felt compelled to play within the rules and to present a dignified case. "During the processes leading to disintegration," Professor Yarwood wrote, "Senate norms allowed the articulation of sharp conflict and at the same time limited its scope so as to minimize the chances that physical conflict would break out and bring about the unintentional rupture of the Senate." [35]

Perhaps the weight of history also bore on these men, as they dealt with the nation's affairs on the eve of a terrible civil war. The Senate at that moment made a great change, which drew the attention of its members back for a moment from the issues of the day to its illustrious past. On Tuesday, January 4, 1859, the Senate held its last session in its old chamber, and prepared to move to its new accommodations. The issue of the territories, which had caused the disturbances of the 1850s, was also responsible for this move. For so many new states had been added to the Union in the 1830s, '40s, and '50s that both the Senate and House had outgrown their chambers. In 1851, the cornerstone for the new Senate wing had been laid, and by 1859, the new chamber, in which I stand today, and new committee rooms were ready for occupancy. The *New York Times* described the new chamber—this very chamber—as "an immense oblong apartment with sloping galleries on its four sides, capable of holding about seventeen hundred spectators, and with gilded partitions dropping down from the floor of the galleries aforesaid to the floor. The light comes in from above, through windows richly colored with armorial bearings of the various States; while the remainder of the ceiling is a mass of fresco and gilding, carved cornices and marble ornaments, of a style some little more gaudy and less artistic than could be wished." (It is clear that this chamber has undergone some renovation since the time this description was written.) "On the floor beneath us—which somewhat resembles a richly carpeted cock-pit—"continued the *Times*' account, "there are as many leathern arm-chairs as there are Senators, and opposite to each chair a little rosewood desk supported on their legs. These seats are arranged in semicircular rows, four deep, facing the elevated platform on which the Vice-President sits as presiding officer." [36]

But before the senators marched off to this splendid new chamber, they said a formal farewell to the old chamber which had housed them since 1810. The Old Senate Chamber was always hard to heat in the winter and to cool in the summer. Members complained about the lack of ventilation. The lack of adequate gallery space had crowded up the chamber with visitors on many occasions. But it was, and still is, a beautiful room with splendid acoustics, the perfect setting for the great debates of Webster, Clay, Calhoun, Benton, Douglas, Davis, and many more. "This chamber has been the scene of great events," said Senator John J. Crittenden, that day in 1859. "Here questions of American constitutions and laws have been decided; questions of war and peace have been debated and decided; questions of empire have occupied the attention of this assemblage in times past; this was the great theater upon which these things have been enacted. They give a sort of consecrated character to this Hall." Vice President John Breckinridge echoed Crittenden's sentiments. "The Senate is assembled for the last time in this chamber," he said. "Hereafter, the American and the stranger, as they wander through the Capitol, will turn with instinctive reverence to view the spot on which so many and great materials have accumulated for history. They will recall the image of the great and the good, whose renown is the common property of the Union; and chiefly, perhaps, they will linger around the seats once occupied by the mighty three, whose names and fame, associated in life, death has not been able to sever; illustrious men, who in their generation sometimes divided, sometimes led, and sometimes resisted public opinion—for they were of that higher class of statesmen who seek the right and follow their convictions." [37]

At the conclusion of Breckinridge's remarks he invited the members to accompany him to the new chamber. They formed in procession, with the vice president at the head, followed by the secretary and sergeant-at-arms, the senators, staff, and spectators from out of that grand old chamber and down the corridor to their new home—this chamber. Mr. President, here I shall leave this procession in transit between the old and the new, as I conclude my remarks on the history of the United States Senate during the turbulent 1850s. In my next address I shall discuss the fateful events that awaited these senators when they reached their destination.

NOTES TO "THE SENATE IN THE TURBULENT 1850s"

[1] David M. Potter, *The Impending Crisis, 1848-1861* (New York: Harper and Row, 1876), 145-160.

[2] Ibid., 161-163; *Congressional Globe*, 33rd Congress, 1st sess., 239-240.

[3] *Congressional Globe*, 33rd Congress, 1st sess., 275, 280.

[4] Ibid., 338-340.

[5] Ibid., 341-343.

[6] Robert W. Johannsen, *Stephen A. Douglas* (New York: Oxford University Press, 1973), 424.

[7] *Congressional Globe*, 33rd Congress, 1st sess. 774.

[8] Ibid., 9.

[9] Isaac Bassett Diary, Senate Curator of Art and Antiquities.

[10] Johannsen, *Stephen A. Douglas*, 428-433; also Johannsen, ed., *The Letters of Stephen A. Douglas* (Urbana: University of Illinois Press, 1961), 281-282; *Congressional Globe Appendix*, 33rd Congress, 1st sess., 324-342.

[11] Potter, 199-224.

[12] Hans L. Trefousse, "The Republican Party, 1854-1864" in Arthur M. Schlesinger, Jr., ed., *History of U.S. Political Parties*, Vol. II (New York: R. R. Bowker, 1973), 1141-1148.

[13] *Congressional Globe*, 34th Congress, 1st sess., 8.

[14] Ibid., 296-298.

[15] Johannsen, *Stephen A. Douglas*, 491-493.

[16] Mark M. Krug, *Lyman Trumbull, Conservative Radical* (New York: A. S. Barnes and Company, 1965), 122-125; *Congressional Globe Appendix*, 34th Congress, 1st sess., 200-206.

[17] *Congressional Globe*, 34th Congress, 1st sess., 654.

[18] Isaac Bassett Diary; *Congressional Globe Appendix*, 34th Congress, 1st sess., 280-289; Johannsen, *Stephen A. Douglas*, 496-497.

[19] Johannsen, *Stephen A. Douglas*, 499; David Donald, *Charles Sumner and the Coming of the Civil War* (New York: Alfred A. Knopf, 1961), 278.

[20] *Congressional Globe Appendix*, 34th Congress, 1st sess., 530.

[21] Arthur W. Machen, Jr., *Letters of Arthur W. Machen with Biographical Sketch* (Baltimore: privately printed, 1917), 64-65.
[22] Donald, *Charles Sumner*, 288-295.
[23] Isaac Bassett Diary.
[24] Donald, *Charles Sumner*, 296.
[25] Johannsen, *Stephen A. Douglas*, 504; Isaac Bassett Diary.
[26] Congressional Quarterly, *Guide to Congress* (Washington: Congressional Quarterly, 1976), 692; Donald, *Charles Sumner*, 312-347.
[27] Roy Franklin Nichols, *The Disruption of American Democracy* (New York: Macmillan Company, 1948), 72-73.
[28] Potter, *Impending Crisis*, 238-239.
[29] Johannsen, *Stephen A. Douglas*, 576-582.
[30] Ibid., 582-583; *Congressional Globe*, 35th Congress, 1st sess., 5, 14-18.
[31] Mary J. Windle, *Life in Washington and Life Here and There* (Philadelphia: J. B. Lippincott, 1859), 266.
[32] Johannsen, *Stephen A. Douglas*, 606-613.
[33] Ibid., 685-697.
[34] *Guide to Congress*, 402.
[35] Dean L. Yarwood, "Norm Observance and Legislative Integration: The U.S. Senate in 1850 and 1860," *Social Science Quarterly*, 51 (June 1950), 57-69.
[36] *New York Times*, January 26, 1860.
[37] *Congressional Globe*, 35th Congress, 2nd sess., 202-204.

RECESS UNTIL MONDAY, FEBRUARY 28, 1983

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 10 a.m. Monday.

Thereupon, at 5:21 p.m., the Senate recessed until Monday, February 28, 1983, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate February 24, 1983:

Environmental Protection Agency

Courtney Riordan, of Virginia, to be an Assistant Administrator of the Environmental Protection Agency, vice Stephen John Gage.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 24, 1983:

Department of Transportation

L. Steven Reimers, of North Dakota, to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

Department of the Interior

J. J. Simmons III, of Oklahoma, to be Under Secretary of the Interior.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

U.S. Postal Service

John R. McKean, of California, to be a Governor of the U.S. Postal Service for the term expiring December 8, 1991.

Department of Defense

Vincent Puritano, of Virginia, to be an Assistant Secretary of Defense.

In the Air Force

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapter 837, title 10, United States Code:

To be major general

Brig. Gen. William L. Copeland, xxx-xx-x... xxx-...FV, Air Force Reserve.
Brig. Gen. Gerald E. Marsh, xxx-xx-xxxx xxx-...FV, Air Force Reserve.
Brig. Gen. Edward L. McFarland, xxx-xx-x... FV, Air Force Reserve.
Brig. Gen. John D. Moore, xxx-xx-xxxx FV, Air Force Reserve.
Brig. Gen. Joseph L. Shosid, xxx-xx-xxxx xxx-...FV, Air Force Reserve.
Brig. Gen. James L. Tucker, Jr., xxx-xx-x... xxx-...FV, Air Force Reserve.
Brig. Gen. Jerome N. Waldor, xxx-xx-xxxx xxx-...FV, Air Force Reserve.

To be brigadier general

Col. Clyde F. Autio, xxx-xx-xxxx FV, Air Force Reserve.
Col. Norman J. Deback, Jr., xxx-xx-xxxx xxx-...FV, Air Force Reserve.
Col. Ira De Ment, III xxx-xx-xxxx FV, Air Force Reserve.
Col. Ralph D. Erwin, xxx-xx-xxxx FV, Air Force Reserve.
Col. Walter Jajko, xxx-xx-xxxx FV, Air Force Reserve.
Col. Simeon Kobrinetz, xxx-xx-xxxx FV, Air Force Reserve.
Col. Frances I. Mossman, xxx-xx-xxxx FV, Air Force Reserve.
Col. Thomas R. Pochari xxx-xx-xxxx FV, Air Force Reserve.
Col. William C. Roxby, Jr., xxx-xx-xxxx xxx-...FV, Air Force Reserve.
Col. Rocco R. Sgarro, xxx-xx-xxxx FV, Air Force Reserve.
Col. John G. Sullivan, xxx-xx-xxxx FV, Air Force Reserve.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Richard C. Henry, xxx-xx-xxxx xxx-...FR, U.S. Air Force.

In the Army

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Robert L. Bergquist, xxx-xx-xx... xxx-... U.S. Army.

The U.S. Army Reserve officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371 and 3384:

To be major general

Brig. Gen. Jimmy F. Bates, xxx-xx-xxxx.
Brig. Gen. Robert S. Holmes, xxx-xx-xxxx.
Brig. Gen. Robert E. Louque, Jr., xxx-xx-x... xxx-...
Brig. Gen. Norman W. Martell, xxx-xx-xx... xxx-...
Brig. Gen. James R. Montgomery, xxx-xx-x... xxx-...
Brig. Gen. Donald A. Pearson, xxx-xx-xxxx xxx-...

To be brigadier general

Col. Joseph G. Gray, xxx-xx-xxxx.
Col. James F. Robb, xxx-xx-xxxx.
Col. Guilford J. Wilson, Jr., xxx-xx-xxxx.
Col. Edward Y. Hirata, xxx-xx-xxxx.
Col. Dennis R. Jones, xxx-xx-xxxx.
Col. George V. Bauer, xxx-xx-xxxx.

The Army National Guard of the U.S. officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, section 593(a), 3385, and 3392:

To be major general

Brig. Gen. John G. Castles, xxx-xx-xxxx.

To be brigadier general

Col. Charles F. Blattner, xxx-xx-xxxx.
Col. Ralph H. Brown, xxx-xx-xxxx.
Col. Samuel E. Fleming, Jr., xxx-xx-xxxx.
Col. Alvin D. McArthur, Jr., xxx-xx-xxxx.
Col. Harry L. Moore, xxx-xx-xxxx.
Col. Kenneth R. Newbold, xxx-xx-xxxx.
Col. David L. Nudo, xxx-xx-xxxx.
Col. Ervin T. Osbourn, xxx-xx-xxxx.
Col. Joseph J. Saladino, xxx-xx-xxxx.
Col. James E. Threlfall, xxx-xx-xxxx.
Col. Mucio Yslas, Jr., xxx-xx-xxxx.

The following-named officer, under the provisions of title 10, United States Code, secton 3019, for a period of 4 years beginning 1 June 1983, to be reappointed as chief, Army Reserve:

Maj. Gen. William R. Berkman, xxx-xx-x... xxx-... U.S. Army Reserve.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Edward C. Meyer, xxx-xx-xxxx (age 54) U.S. Army.

In the Navy

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be admiral

Adm. Robert L. J. Long, xxx-xx-xxxx /1120, U.S. Navy.

The following-named captains of the various staff corps of the Navy for promotion to the permanent grade of commodore, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

MEDICAL CORPS

To be commodore

Louis Henry Eske
James Joseph Quinn

SUPPLY CORPS

Robert Burke Abele
Daniel Wayne McKinnon, Jr.
Phillip Freeman McNall

CHAPLAIN CORPS

John Richard McNamara

CIVIL ENGINEER CORPS

Arthur William Fort

DENTAL CORPS

Henry John Sazima

NURSE CORPS

Mary Joan Nielubowicz

The following-named captains of the line of the Navy for promotion to the permanent grade of commodore, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER

To be commodore

Edwin Knowles Anderson
Clarence Ervin Armstrong, Jr.
Roger Francis Bacon
Bruce Raymond Boland
Jerry Creighton Breast
Charles H. Brickell, Jr.
Paul Donald Butcher
Richard Franklin Butts
Denny Bruce Cargill
David Fessenden Chandler

Guy Haldane Curtis III
Thomas R. M. Emery
Gerard Joseph Flannery, Jr.
Dale Norman Hagen
John Joseph Higginson
Chauncey Frazier Hoffman
Raymond Paul Ilg
Jerome Lamarr Johnson
Wendell Norman Johnson
Robert Joseph Kelly
Robert Kalani Uichi Kihune
Willis Ivan Lewis, Jr.
Henry Herrward Mauz, Jr.
Alvin Simmerman Newman
William Joseph M. O'Connor
William Tyler Pendley
Leonard Gordon Perry
James Guy Reynolds
Dean Reynolds Sackett, Jr.
John Frederick Shaw
Vernon Charles Smith
Robert Jay Steele

ENGINEERING DUTY OFFICER

Malcolm Mackinnon III
Kenneth Cornelius Malley
Thomas Uhlian Seigenthaler

SPECIAL DUTY OFFICER (CRYPTOLOGY)

Charles Francis Clark

IN THE MARINE CORPS

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Richard E. Carey [redacted], U.S. Marine Corps.

IN THE AIR FORCE

Air Force nominations beginning Carl P Arant, Jr., and ending Charles R. Dorn, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 25, 1982.

Air Force nominations beginning Milton B. Baxter, and ending Maritta L. Loo, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 25, 1983.

Air Force nominations beginning Richard M. Anders, and ending Joseph K. Criqui, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 25, 1983.

Air Force nominations beginning James A. Kee, and ending Vernon L. James, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 25, 1983.

Air Force nominations beginning Philip G. Bail, Jr., and ending Susan L. Mehargue, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 26, 1983.

IN THE ARMY

Army nominations beginning Richard A. Buckner, and ending Arthur L. Cole, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 25, 1983.

Army nominations beginning Donald J. Evans, and ending John T. Digilio, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 31, 1983.

Army nominations beginning Lois M. Aasland, and ending Karen M. Wesson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 31, 1983.

Army nominations beginning Robert D. Abell, and ending Garland T. Walker, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 31, 1983.

Army nominations beginning Ronald P. Abreu, and ending Lawrence A. Smith, which nominations were received by the Senate on February 8, 1983, and appeared in the CONGRESSIONAL RECORD of February 14, 1983.

IN THE NAVY

Navy nominations beginning Ronald Jay Lentz, and ending David Haskell Trump, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 25, 1983.

Navy nominations beginning Herb I. Arnold, and ending Randolph M. Stevens, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 25, 1983.

Navy nominations beginning Cornelius K. Aaron, and ending Michael H. Zupke, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 25, 1983.

Navy nominations beginning Joseph A. Felchko, and ending Robert H. Klenke, which nominations were received by the Senate on February 8, 1983, and appeared in the CONGRESSIONAL RECORD of February 14, 1983.

Navy nominations beginning Lisa C. Barfield, and ending William A. Herndon, which nominations were received by the Senate on February 8, 1983, and appeared in the CONGRESSIONAL RECORD of February 14, 1983.

EXTENSIONS OF REMARKS

PERSONAL JUSTICE DENIED

HON. ROBERT T. MATSUI
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. MATSUI. Mr. Speaker, today, the Commission on Wartime Relocation and Internment of Civilians will deliver to Congress and release to the public its report setting forth the facts and circumstances surrounding Executive Order 9066 and the impact of the order on Japanese American citizens and resident aliens.

The report, entitled "Personal Justice Denied," sets forth the circumstances surrounding the initiation and implementation of orders from the highest authorities of our land to evacuate and intern American citizens and resident aliens of Japanese ancestry.

The commission, after 1½ years of study and after hearing from over 750 witnesses, has concluded that there was no military or security justification for the mass exclusion and detention. The commission identified the causes of these decisions as race prejudice, war hysteria, and a failure of political leadership.

Mr. speaker, I commend the members of the Commission on Wartime Relocation and Internment of Civilians for their outstanding report. It is a report that for the first time sets forth the tragic and shameful chapter of our history that is unknown to millions of Americans. It is a chapter in which over 120,000 American citizens and resident aliens were denied their freedom without consideration for their constitutional rights.

The grave injustice forced upon these Japanese Americans is truly a case of personal justice denied. I encourage all of my colleagues to read this report.

Mr. Speaker, at this time I would like to include for the RECORD a statement by Joan Z. Bernstein, chairperson of the Commission on Wartime Relocation and Internment of Civilians.

Today the Commission on Wartime Relocation and Internment of Civilians is delivering to Congress and releasing to the public its findings with regard to the promulgation of Executive Order 9066 and the wartime events which followed from it.

On February 19, 1942, President Franklin D. Roosevelt signed Executive Order 9066. Under that Order 120,000 people—American citizens of Japanese ancestry and resident aliens of the immigrant generation from Japan, who were barred by law from becoming American citizens—were prohibited from living and working on the West Coast. Almost all were later sent to "relocation centers"—bleak barrack camps ringed by barbed wire and military guards in isolated areas of the West. Most remained in the camps until the mass exclusion was ended in December 1944, more than two and a half years after the policy of exclusion and detention began. These events are unique in our history.

No program of mass exclusion or detention was imposed on German and Italian aliens nor upon American citizens of German or Italian descent.

The government justified the exclusion from the West Coast of all American citizens of Japanese descent and Japanese resident aliens on the basis of military necessity. The first task of the Commission has been to look at the facts and consider whether military necessity justified this course of action.

The Commission has found that the record does not permit the conclusion that there was any military justification for the mass exclusion and detention of American citizens of Japanese ancestry and their resident alien parents.

There were no documented cases of sabotage, espionage or fifth column activity by Japanese Americans on the West Coast. There was a widespread—but false—belief that the attack on Pearl Harbor had been aided by sabotage and fifth column activities. The President and his cabinet officers did not forcefully dispel these stories and rumors. On the West Coast, where there had been a long history of prejudice and discrimination against the ethnic Japanese, there were sustained and even louder demands for the exclusion of Japanese Americans. These demands were made by organized anti-Japanese interest groups, the press and the West Coast members of Congress—they came from every segment of the political spectrum.

The civilian clamour for exclusion was reflected in the actions of the War Department. Lieutenant General John L. DeWitt, in command of Army forces on the West Coast, recommended to Henry L. Stimson, the Secretary of War, that authority be sought to remove the Japanese Americans from the West Coast. DeWitt made his recommendation on the ground that loyalty was determined by ethnicity, "In the war in which we are now engaged," DeWitt wrote Secretary Stimson, "racial affinities are not severed by migration. The Japanese race is an enemy race and while many second and third generation Japanese born on United States soil possessed of Unites States citizenship, have become 'Americanized,' the racial strains are undiluted." The record shows that DeWitt's views were substantially influenced by the governors and public officials of the West Coast states whose views he sought out before taking his own position.

Secretary Stimson and President Roosevelt did not subject this program to sufficiently close and critical scrutiny. The Attorney General, Francis Biddle, did not believe the program necessary, but acceded to it when proposed by the War Department.

Few Americans were familiar with American citizens of Japanese descent. The opinions of those with intelligence responsibility, such as the FBI, who believed that there was no sound basis for mass exclusion, were ignored or drowned out in the frightened uproar of the time.

The Commission has carefully reviewed the extensive record of events which led to Executive Order 9066. It has found no evidence of a military or security threat from the Japanese Americans. As General DeWitt conceded at the time, no sabotage had taken place. The later justifications offered by DeWitt in his Final Report on the exclusion and by the Justice Department which defended the exclusion in court also fail to demonstrate any military or security threat. In fact the realistic estimates of the time suggested that there was as much or more danger from other segments of the population.

DeWitt's contention that ethnicity determined loyalty was answered as early as May 1942, by a Congressional Committee which examined the impact of the Executive Order in extensive hearings on the West Coast:

"This testimony has impressed upon us in convincing fashion the fundamental fact that place of birth and technical noncitizenship alone provide no decisive criteria for assessing the alinement of loyalties in this world-wide conflict."

True of aliens, that statement can only be more powerful with regard to Amercian citizens. Our legal system is founded on determining guilt or fault on an individual basis, and citizens must be given the presumption of loyalty. Moreover, the conclusion that ethnicity determined loyalty was not a military judgment deserving of any deference. Generals are not experts on race; their views on the political loyalties of civilians are only as good as the facts they can marshal in their support. The lack of any evidence of disloyalty on the part of Americans of Japanese ancestry in 1942 speaks for itself.

The Commission has concluded that the broad historical causes of the Executive Order were race prejudice, war hysteria, and a failure of political leadership. Widespread ignorance about Japanese Americans contributed to a policy conceived in haste and executed in an atmosphere of fear and anger at Japan.

Ending the exclusion was bitterly and forcefully opposed on the West Coast, just as the decision to exclude and detain had effectively been promoted. The Commission's report provides substantial new information on those events.

Secretary Stimson and John J. McCloy, who served as Assistant Secretary of War, approved the original order of exclusion, but they were men who were open to an understanding of the facts and they did not accept General DeWitt's views on race or believe that the Japanese Americans should be excluded from the West Coast for the duration of the war.

McCloy and Stimson opposed professional military opinion in deciding that the Army would seek volunteers among the Japanese

Americans, thus opening the door to persuading even the most prejudiced of the loyalty of Japanese Americans who returned from European battlefields loaded with honors won in the service of the United States.

Most importantly, by the spring of 1943, the civilians at the head of the War Department had reached the position that no justification existed any longer for excluding loyal Japanese American citizens from the West Coast. In April 1943, McCloy laid out the basic points very forcefully to General DeWitt, who was on the West Coast. I quote the letter at length because it states succinctly the situation in the spring of 1943 and lays bare the differences of opinion with General DeWitt and those who supported exclusion:

"The threat of Japanese attack is far from what it was. We are better organized to meet such an attack if it occurred. And we know a great deal more about our Japanese population. Furthermore, the War Department has established a combat team for volunteer American citizens of Japanese ancestry . . . [T]he War Department has initiated a process for loyalty investigations of all Japanese Americans to determine their eligibility for work in plants and facilities vital to the war effort. In other words, . . . the policy of the national Government, as well as that of the War Department, is presently looking toward the restoration to all loyal persons of Japanese ancestry of all their normal rights and privileges, to the end that they may be able to make their maximum contribution to the war effort. The very 'entering wedge' which you appear to dread is precisely what must be accomplished.

• • •

"That there is serious animosity of the West Coast against all evacuated Japanese I do not doubt, but that does not necessarily mean that we should trim our sails accordingly. The longer California luxuriates in the total absence of the Japanese the more difficult it will be to restore them to the economy of California. They have a place in California as well as in any other state as long as military considerations do not intervene. I cannot help but feel that social considerations rather than military ones determine the total exclusion policy. The Army, as I see it, is not responsible for the general public peace of the Western Defense Command. That responsibility still rests with the civil authorities. There may, as you suggest, be incidents, but these can be effectively discouraged by prompt action by law enforcement agencies, with the cooperation of the military if they even assume really threatening proportions."

McCloy was entirely correct in his view that the military situation no longer justified exclusion (if indeed it ever could). A program for returning the Japanese Americans to the West Coast needed to be started and McCloy urged the gradual return of Japanese Americans beginning at once.

Unfortunately it did not happen as McCloy told General DeWitt it should. The exclusion was not ended for another eighteen months. General DeWitt continued to support the exclusion with every tactic available until he left the Western Defense Command in the fall of 1943. Anti-Nisei feeling was whipped up by the Dies Committee in the early summer of 1943 when the West Coast newspapers carried hearsay reports of the rift between McCloy and General DeWitt. Throughout 1943 and 1944 there continued to be virulent and widespread opposition in the West Coast press, among West Coast politicians and interest groups to the return of Japanese Americans to the West Coast. These views prevailed. For at least the last six months of that period, immediately before the Presidential election of 1944, the decision to continue the exclusion was that of President Roosevelt.

By any analysis with the least sensitivity to American constitutional values there was no justification for holding loyal American citizens of Japanese descent in detention or prohibiting them from traveling, living and working where they chose.

In his memoirs, Secretary Stimson cogently called the evacuation of "personal injustice" to loyal Japanese Americans. It was a personal injustice precisely because the country failed to apply justice in a personal or individual manner. Men, women and children were uprooted from their homes and their lives shattered because the United States failed to provide personal justice in time of war. It is important to emphasize that we are dealing here with American behavior. It is not a question of how the Japanese or the Nazis treated Americans or other prisoners which is one of the darkest chapters of modern history. What the Commission has examined and taken testimony about is how the United States dealt with American citizens and residents.

The damage done by this country to its own citizens and residents is a mosaic made up of thousands of lives and thousands of personal histories. The Commission's hearing record is replete with searing and painful testimony. There is the economic loss of farms and homes sold in distress circumstances, of elderly people having to start from scratch a second time after the war, of families detained in camps without employment and unable to meet tax and mortgage and insurance payments; of education and careers disrupted.

Over time and with perseverance material losses may be repaired, but the hidden scares of lives damaged by this experience remain. Each individual excluded from the West Coast and sent only with the baggage he could carry to spend two and a half years behind barbed wire carries his own marks from that time. For people who knew their innocence and the injustice of their treatment the burden was not light. They bore the stigma of having been branded potentially disloyal, the deprivation of liberty and the loss of the common decencies of daily life. An essential foundation of our government—the citizens trust that the government will deal with him individually and fairly—was deeply damaged. The injuries inflicted by the country on these citizens were different in kind from the suffering and loss which the Second World War brought to all Americans.

In Hawaii, we did things differently. Despite the Pearl Harbor attack, there was no exclusion or detention of any significant number of Japanese Americans. Calmer minds with a better sense of justice prevailed and today neither the material nor the intangible injuries of the Japanese Americans on the mainland remain to haunt us in Hawaii.

No recommendation which this Commission will make can undo this history. No redress to Japanese Americans can assure that we will not repeat the errors of 1942. What happened after Pearl Harbor is particularly sobering because men of the greatest stature with careers of the most distinguished public service—Democrat and Republican, conservative and liberal, judges, legislators and cabinet members, the President himself—were personally involved in a course of action which today we can only find gravely unjust and deeply injurious. The bulwark of our Constitution did not withstand it. Ignorance was a major contributing factor in these events; knowledge is the surest guardian against their repetition. We can only hope to abide by our better judgement in the future if we have made our past our own and are determined to learn by its lessons.

Ronald Reagan, speaking in 1970 as Governor of California, pointedly and accurately underscored what each American should take from this history:

"A lesson was learned in California during World War II, which should be made a part of the record and the heritage of Americans everywhere who cherish liberty, freedom, and constitutional guarantees."

The Commission's second important task was to review the evacuation of the Aleuts from the Aleutian and Pribilof Islands and their treatment in camps in Southeastern Alaska.

The situation in Alaska was very unlike that on the West Coast. The Japanese attacked the two most western islands in the Aleutian chain in the summer of 1942 and took 42 Aleut prisoners. As part of the reaction to that attack, the military evacuated the Aleuts from the Pribilof islands and from a large part of the Aleutian chain. The evidence shows that the evacuation was a rational response to the danger presented. Both whites and Aleuts, apart from those necessary to defense work, were removed. The protection of an exposed population was the motivating force for the evacuation.

The camps to which the Aleuts were taken are an entirely different matter. Approximately 850 Aleuts were housed in abandoned buildings, typically at gold mines and fish canneries. The conditions and the care were deplorable. In some camps there were inadequate sleeping quarters and sanitation. Health conditions were particularly bad. Epidemics raged throughout the Aleuts' stay in southeastern Alaska; they suffered from influenza, measles and pneumonia along with tuberculosis. Twenty-five died at Funter Bay in 1943 alone, and it is estimated that probably ten percent of the evacuated Aleuts died during their two or three year stay in southeastern Alaska. The standard of care which the government owes to those under its protection was clearly violated by this treatment.

The Aleuts were only returned to their islands in 1944 and 1945. On arriving home, they found that their communities had been vandalized and looted by the military forces. Many homes were uninhabitable and many heirlooms of great spiritual as well as material value, particularly religious icons, had been destroyed. Other possessions, such as furniture, boats and fishing gear, were also gone. The Aleuts rebuilt their homes themselves, being "paid" with free groceries, and military surplus goods. The Aleuts' ancestral treasures can never be replaced. The Aleuts have never received full or fair compensation for their war time losses.

The World War II history of the Aleuts is largely unknown or forgotten. The Commission's report is an important step to provide knowledge and recognition of the treatment of this people under the pressures of war.

In sum, despite the fact that the Aleutians were a theatre of war from which evacuation was sound policy, there was no justification for the manner in which the Aleuts were treated in the camps in south-

eastern Alaska, nor for failing to compensate them fully for their material losses.

As to the Japanese Americans on the West Coast, the promulgation of Executive Order 9066 was not justified by military necessity and the decisions which followed from it—detention, ending detention and ending exclusion—were not driven by analysis of military conditions. The broad historical causes which shaped these decisions were race prejudice, war hysteria and a failure of political leadership. A grave injustice was done to those American citizens and resident aliens of Japanese ancestry, who without individual review or any probative evidence against them, were excluded, removed and detained by the United States during World War II.●

MODIFIED DAIRY PRICE SUPPORT PROGRAM

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. DOWDY. Mr. Speaker, yesterday I was pleased to introduce a bill, along with Mr. FOWLER of Georgia, Mr. SPRATT of South Carolina, and Mr. MOORE of Louisiana, which will give needed relief to dairy farmers and benefit American consumers as well. We have called our proposal the modified dairy price support program.

Enacted in 1949, the dairy price support program was designed to provide an equitable return to dairy farmers while insuring a stable supply of milk to the consumer. The program has come under fire in recent years because of the large surplus of dairy products which has developed and which has been of grave concern to all of us.

In seeking a solution to the problem of overproduction, I do not think it is fair to punish dairy farmers from the southeastern region of the United States, who have not been responsible for the surplus. That is why I voted against the Omnibus Budget Reconciliation Act last year which contained a provision allowing the Secretary of Agriculture to deduct 50 cents per hundredweight from the proceeds of the sale of all milk marketed commercially and remit the proceeds to the Commodity Credit Corporation.

Although the provision has been enjoined by the Federal District Court for the State of South Carolina, the Secretary of Agriculture recently announced his intention to try to collect both the original 50 cents and an additional 50 cents, for a total of $1 on all milk marketed as of April 1 of this year.

The bill we have introduced would repeal the dairy tax enacted in the Omnibus Reconciliation Act and substitute a decrease in the price support for milk. The price support will be lowered $1 from $13.10 per hundredweight to $12.10 per hundredweight for the period beginning April 1, 1983, and ending September 30, 1984. If during that time the Secretary determines that the CCC will purchase less than expected quantities of dairy products, he would have the authority to raise the support price up to a maximum of $1.

Effective October 1, 1984, we would revert to a price support based on the concept of parity. The exact price support level would depend upon the quantity of dairy products that the Secretary expects the CCC to purchase during the forthcoming fiscal year.

The current situation requires prompt and decisive action, for the benefit of both dairy farmers and American consumers. The current tax on dairy production has been rendered unenforceable by the court, and would most likely prove an ineffective solution, since it would only encourage more production to compensate for the loss of the 50-cent tax.

Along with the other cosponsors of this bill, I strongly urge the members of the Committee on Agriculture to give immediate consideration to the modified dairy price support program.●

A STUDY ON IDEAS FROM EUROPE THAT COULD IMPROVE U.S. FIRE SAFETY

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. WALGREN. Mr. Speaker, as the chairman of the House Subcommittee on Science, Research and Technology of the Committee on Science and Technology, which has jurisdiction over the Federal Fire Prevention and Control Act, I am concerned about the future of the Nation's fire effort. Last year the Reagan administration proposed to eliminate the U.S. Fire Administration. However, Congress restored $4.1 million to the Federal Emergency Management's fiscal year 1983 budget to keep the U.S. Fire Administration alive. Unfortunately, Congress is faced with the proposed elimination of the Center for Fire Research at the National Bureau of Standards. The Center for Fire Research performs and supports research in all aspects of fire and develops scientific knowledge applicable to the prevention and control of fires. This proposed elimination comes at a time when approximately 8,000 people die annually in fires in this country. The majority of these deaths occur in homes. Well over $5 billion worth of property goes up in smoke each year.

In contrast, Europe has only half the fire death rate of the United States. Death rates in European countries are already below the level set as the goal for the U.S. Fire Administration at its creation, when the long-term objectives was to cut the U.S. fire death rate in half in a generation. Several countries, such as Switzerland and West Germany, have death rates less than a quarter of ours. They achieve this in spite of having smaller fire departments.

Some of the key factors that explain Europe's good track record are described in a recently released study by Philip Schaenman. The study was started in 1980 while he was Associate Administrator of the U.S. Fire Administration, Federal Emergency Management Agency, and has been completed under a grant from the Tobacco Institute to TriData Corp.

Successful fire protection in Europe was found to be less a matter of novel solutions or high technology than persistent, widespread application of basic fire prevention principles. Perhaps the key difference is that the public is aware of the fire problem and provides political support for a wide range of fire prevention efforts.

Most European practices are transferable to the United States, and some are already being used. Others can be adapted. We should consider European practices as a stimulus to our own thinking. The U.S. Fire Administration and the National Fire Academy seem particularly well suited to identify practical ideas that can be disseminated here.

Among the European fire protection practices that contribute to their success are:

PUBLIC AWARENESS AND PUBLIC FIRE EDUCATION

The European public is more aware of the need for fire safety as a result of its history of cities which have burned down and their desire to protect their family and civic heritage. The public knows more about fire safety, teaches it at home, and practices it. They seem to exercise more care with hot objects such as portable heaters, woodburning stoves, cigarettes, and matches.

CODE ENFORCEMENT

Plans for new buildings or alterations to old buildings are more rigorously reviewed by the fire service, insurance agencies, or building departments. A greater percentage of such construction is reviewed by more highly trained personnel than in the United States. Building in rural areas receive almost as much screening as in cities. The fire service has more discretion and is more likely to be backed by the courts both for the initial plans review and subsequent inspections.

CONSUMER PRODUCT SAFETY

All electrical products, heating appliances and systems, and gas-powered appliances and systems must be government tested and approved in some countries. Different countries share

their testing results and abide by them.

INSURANCE AND ARSON

Insurance philosophy is that someone who has a fire should not profit from it and that the purpose of insurance is not only to prevent large losses to individuals but also to preserve the appearance of the community. Thus, insurance is paid in full only when a building that has burned is restored on the same site. This policy provides a disincentive for arson. The ability to obtain insurance is often tied to whether a building is up to code.

CHIMNEY SWEEPS

Chimney sweep visits are mandatory in several countries and strongly encouraged in most others. Most homes are visited from one to four times a year by sweeps. The sweeps often provide advice on woodburning stoves and heating systems, and help test and maintain them. Sometimes the chimney sweeps also perform fire safety inspections. The sweeps often are trained at national fire academies, plus serve an apprenticeship. The result is that there are proportionately far fewer heating-related fires in Europe; in the United States heating is the leading cause of residential fires.

FIRE PREVENTION BUREAUS

Most European fire departments emphasize fire prevention—especially plans review and code enforcement—more so than in the United States. European senior fire officers spend the majority of their time on prevention.

FIREFIGHTER TRAINING

The average European fire officer receives far more training than his U.S. counterpart and also greater technical education. The training is more uniform within a country, and senior officers usually have experience in several cities before assuming command of a large fire department. Firefighters have higher entrance requirements—they often must have a trade, such as mechanics or carpentry—and receive more training, too.

FIREFIGHTER HEALTH AND SAFETY

The European firefighter is generally not better equipped than his American counterpart. However, European firefighters are more uniformly equipped, more likely to use their safety equipment, and receive more safety training. They also are not expected to take high risks to save property. These factors, coupled with a lower fire rate, result in dramatically lower death and injury rates.

These and other issues are described more fully in "International Concepts in Fire Protection: Ideas From Europe Which the U.S. Might Adopt," by Philip S. Schaenman, 1983, available from TriData Corp., 1500 Wilson Boulevard, Arlington, Va. 22209, telephone (703) 841-2975.●

THE CONTINUING PLIGHT OF IDA NUDEL

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. LENT. Mr. Speaker, I am deeply honored to once again speak before the House of Representatives on behalf of Ida Nudel, my "Prisoner of Conscience," a truly remarkable, heroic, and courageous woman. As we begin the 1983 Congressional Call to Conscience Vigil for Soviet Jewry under the able chairmanship of our colleague, TIM WIRTH, of Colorado, I believe special attention should be paid to the plight of Soviet Jews, for at this time, emigration is at its lowest point since 1970. As chairman of the 1982 Vigil, I urge my colleagues, especially our new colleagues, to actively participate in this year's Vigil.

For over 11 years, Ida Nudel has been one of the leaders of the Soviet Jewry movement in the Soviet Union. Ida, affectionately known as the "Guardian Angel" for her activities on behalf of Soviet Jewish Prisoners of Conscience, was charged and convicted in June 1978 of "malicious hooliganism" and sentenced to 4 years of internal exile.

Although Ida Nudel has returned from her 4-year exile in Siberia, the Soviet Union continues to harass and intimidate her in hopes that she will surrender her tireless campaign for the rights of Soviet Jews. The Soviet authorities have denied her legal residence in Moscow and Riga, and she remains homeless, but still committed to securing a visa to Israel.

Today, Ida Nudel needs our help. Although she has been released from internal exile, her dream to emigrate to Israel is unfortunately, still a dream. Our efforts in the past have accomplished a great deal, as Ida Nudel's release points out. But we must not stop short of our goal of freedom for this brave woman. Soviet officials must know that we are very aware of the difference between appeasement and justice. Ida Nudel's struggle continues as long as she is denied the right to emigrate to Israel and is at the mercy of Soviet officials.

We, as Members of Congress, must continue to actively fight for her freedom. The Soviet Union's oppressive tactics should never be tolerated by free-thinking people around the world. I therefore urge the Soviet Union to grant this true champion of liberty an exit visa.

Ida, we are with you all the way. You have continued the fight. We will, too.●

ESTONIAN INDEPENDENCE DAY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. MICHEL. Mr. Speaker, February 24, 1983, marks the 65th anniversary of Estonian Independence.

As you know Estonia is one of those Baltic nations that became a victim of the Hitler-Stalin, Nazi-Communist alliance of 1939-1941. The principles of both totalitarian systems are, of course, the same, so it is no wonder that the people of Estonia are now the victims of a Soviet campaign to deprive them of their very national identity through directives against the Estonian language and culture.

I have learned that Yuri Andropov, the Soviet KGB master who is now the head man in the Kremlin, is the only Russian Communist leader ever to have personally visited Estonia. He came there in 1980 to oversee the suppression of expressions of Estonian nationalism.

People say: Be realistic. Estonia has for over 40 years been enslaved by communism. What can be done? Let us just forget it and go on with business as usual.

Granted, not much can be done directly to regain Estonian lost freedom. But we can at least point out the fact thus freedom has been lost and stop pretending that the people of Estonia are simply "citizens" of the Soviet Union. They are not. They are its victims.●

BARBARA M. WATSON

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. RODINO. Mr. Speaker, on February 22, 1983, Ambassadors, Members of Congress, high U.S. Government officials, prominent city and community leaders, and friends attended "A Tribute and Thanksgiving for Barbara M. Watson" at the Washington Cathedral.

Barbara Watson, whose last official Government post in 1981 was as Ambassador to Malaysia, died February 17 at George Washington Hospital at the age of 64.

Although her contacts on the Hill were legion, we of the Committee on the Judiciary considered her as a very special person and an especially close friend. She served with the Department of State under Presidents Johnson, Nixon, Ford, and Carter from 1968 to 1980, as Administrator and later Assistant Secretary of State for Consular Affairs. It was in this posi-

tion that we came to know her, through her appearances on numerous occasions as a witness on behalf of the Consular Service, her attendance at international conferences, and, above all, in the informal meetings with the Members and staff concerned with matters of mutual interest.

Barbara was the first woman and first black to achieve the rank of Assistant Secretary of State. She frequently jokingly referred to herself as a "two-fer" minority person. She had tremendous diplomatic talents, a vibrant personality, and a commitment to excellence.

Barbara Watson was born in New York City, the eldest daughter of Judge James S. and Violet Lopez Watson. She graduated from Barnard College and New York Law School. Her desire to render public service was immediately evident when she worked as assistant corporation counsel for the city of New York and later as executive director of the New York City Commission to the United Nations where she represented the mayor and maintained close liaison with various missions in the U.N.

In 1980, President Carter appointed Barbara Watson as U.S. Ambassador to Malaysia where she became an influential and distinguished member of the Diplomatic Corps.

Barbara was largely responsible for enhancing the status of the Consular Service in the Foreign Service, an achievement which has served as a solid foundation for its continued advancement.

Although Barbara had left public life several years ago, she continued to exercise her considerable talents in many humanitarian fields. We shall miss her.

On behalf of her many friends on the Committee on the Judiciary, I express our profound sympathy to her distinguished family, her two brothers, Douglas C. Watson and Judge Samuel Watson of New York, and her sister, Grace Elizabeth Watson, of Washington.●

LET'S GET AMERICA'S ECONOMY GOING AGAIN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. HUBBARD. Mr. Speaker, Ben Hall, city editor of one of the newspapers in my district, the Madisonville Messenger, Madisonville, Ky., has written an excellent editorial which I would like to share with my colleagues. My constituent's comments about America's economy which President Reagan inherited and his efforts to work the country out of a "monumental morass" are timely and worthy of consideration. Mr. Hall's January 19, 1983, editorial follows:

[From the Madisonville (Ky.) Messenger, Jan. 19, 1983]

PRESIDENT REAGAN DOING THE BEST HE CAN

(By Ben Hall)

At any given time, there are certain things that it is fashionable to be in favor of and another list that it is fashionable to be against, if you are in the writing business.

A man who drives a nine-year-old car is not particularly worried about being fashionable and my car came out of Detroit in 1974.

The President is an example of something, or someone, against whom, to be fashionable, one must write.

I supported Ronald Reagan when he ran for office and I still think that he is doing about as well as anybody could considering the unbelievable mess he inherited when he took office two years ago.

There is nothing party-political about the mess; both Republican and Democratic presidents and congresses had a hand in creating the monumental morass we are trying now to work our way out of.

The remarkable aspect of all this is the widespread feeling expressed by a local woman recently when she said "Reagan could change all this tomorrow if he wanted to."

Nobody could "change all this tomorrow" and everybody does want to. Probably Ronald Reagan more than most.

The hard fact is that the country had been going the way of all flesh for a considerable amount of time and rather than continue to ride the rocket, Reagan is trying to bring the whole thing down to earth.

It is not easy and it is not painless and nobody who thought about it at all ever expected it to be.

But the simple fact is that neither a government nor an individual can consistently spend more than he makes and stay out of trouble indefinitely.

Our trouble finally caught up with us and, as difficult as it is now and is going to be for a while, there shouldn't be anything shocking about it.

Perhaps the shock, if there is any due, should be becasue the recession (or depression if you prefer) is now worse than it is.

Since the days of Franklin D. Roosevelt, we have been building the psychology that "the government" owes everybody something.

Any politicians who could see perfectly well as far as the next election but not much farther, have not only fed this fantasy but made it come true.

The sad fact is that government produces no money (just confusion, someone has said) but must take its funds from those who do produce income.

The upshot is that there has been a great shell game going on for nearly five decades. It is a kind of bureaucratic Robin Hood act with government using various Merry Men to take from those who had and giving to those who have not.

After a while, those had "had not" had as much or more than those who had "had." And they got it a lot easier.

In effect, those who had the git-up-and-go to get up and go to work to make a living found that they were supporting a segment of the population that chose to get up around noon and go out when they felt like it.

The people who got weary supporting the "poor" whose only contribution to the society was to feed and breed, elected Reagan partly to clean up the abuses of the programs that began with the best intentions in the world and wound up as the biggest monument to greed in the world.

Now the President is getting flak from all quarters because he is doing what we elected him to do.

It is unfashionable to be critical of "the poor," of course.

I doubt if there is anyone who is critical of the truly poor who are needy because of cricumstances beyond their control.

But many of us find reason to be critical of the professional poor who live off the fruits of our labor after those rewards are filtered through the hands of the federal and state Merry Men.

I have no objection to giving my mite to feed and clothe some hungry folks in Alabama, or Detroit, or Houston; but I get less than ecstatic over supporting people half my age who simply choose not to support themselves because it is more fun to drink beer and sleep around.

It is not fashionable either to be in favor of a strong defense and against "peace" as if the two were opposite.

In my short but dull life, I have seen enough of wars to have some appreciation of peace.

But neither my limited experience nor a study of history shows examples of nations plunged into war because they were over prepared to defend themselves and make the starting of a war a profitless proposition for an adversary.

Are those who still march the streets of the nation crying "Peace" so naive as to think that the entire western world should throw itself on the mercy of the Soviet Union and say, in effect, "Look, we have disarmed and are helpless. Now, play fair, and destroy your weapons"?

Perhaps they are.

Although it is not fashionable to say so, if I am given a choice, I'll put my faith in the Pentagon with all its boondoggles and empire building, rather than leave myself to the tender mercies of the Kremlin.

Jimmy Carter tried, and apparently succeeded, in impressing the world with the country's weakness and the purity of his motives, until a maniac with a handful of rabble behind him could hold an entire American embassy staff hostage until the captors were good-and-dammed-ready to turn them loose.

That, too, was something we elected Ronald Reagan to correct. But it seems that it had to be done without inconveniencing anybody.

The irony in the present situation is that the President is doing about as well as anybody could to carry out the tasks we set for him when we elected him to office.

If it is more painful than some segments of the society thought that it would be, that is their lack of foresight, not his lack of performance.

After all, Ronald Reagan was elected to the highest executive office in the land, not to the position of chief magician.●

LITHUANIAN INDEPENDENCE

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1983

● Mr. MORRISON of Connecticut. Mr. Speaker, I am proud to join my colleagues and Lithuanian people everywhere in commerating the 65th anniversary of "Lithuanian Independence Day." It was 65 years ago that Lithuania, after centuries of domination, issued a declaration of independence in the city of Vilnius to form an independent and united nation.

Today, the small country of Lithuania is again forced to fight for its freedom and independence. In June of 1940, using the Nazi-Soviet alliance of Hitler and Stalin, the Soviet Union demanded a Soviet-installed government in Lithuania and held single-party elections. One month later, Lithuania was annexed by the Soviet Union, occupied by German troops until the end of World War II, and then reoccupied by Soviet forces. Our Nation has never recognized this illegal annexation by the Soviet Union and continues to maintain diplomatic relations with representatives of the former independent government.

The history of Soviet occupation has been one of oppression of hundreds of thousands of Lithuanians forced to flee their native land for the strength of their beliefs and their fierce desire for a free Lithuania. Unknown thousands more were imprisoned in Siberia: Those who fought for a sovereign state, for their religious freedom, and for the rich culture and heritage of their homeland dating back more than 700 years to the founding of the Lithuanian state.

This day of commemoration, February 16, 1983, serves as a symbol of our support of the Lithuanians and their heroic struggle for human rights, and I am honored to have the opportunity to show them that we are with them in their quest for a free and independent Lithuania.●

ESTONIAN INDEPENDENCE DAY

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. DONNELLY. Mr. Speaker, I would like to take a few moments to share my thoughts on the importance of Estonian Independence Day. Today marks the 65th anniversary of the declaration of Estonian independence. As we know, the celebration of freedom in Estonia was short-lived as Soviet troops moved with brutal force to occupy and subjugate that nation, and her neighboring Baltic States of Lithuania and Latvia.

We are greatly alarmed by continuing Soviet efforts to remove Estonia's unique national character by a campaign of russification. Estonians are being publicly harassed for speaking their native language, and for observing national customs and culture which predate the illegal Soviet occupation of their land.

I hope it is some relief and support to the embattled people of Estonia that we in Congress join them in commemorating today's anniversary. Our interest, and that of the people we represent, in the rightful cause of renewed independence for Estonia will continue unabated until the dream becomes reality. When that day comes, we will truly celebrate.●

THE 65TH ANNIVERSARY OF ESTONIAN INDEPENDENCE

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. SENSENBRENNER. Mr. Speaker, I am honored to join my colleagues today in commemorating the 65th anniversary of the Declaration of Independence by the Estonian people. On February 24, 1918, the proud people of Estonia proclaimed their just right to self-determination. As we know, however, the Soviet Union invaded Estonia before the year was out, and thus denied the Estonians of their freedom.

Despite the signing of a treaty in 1920 in which the Soviets explicitly renounced "voluntarily and forever all rights of sovereignity over the Estonian people and territory," they again violated the sovereignity of Estonia in 1939 when the Soviets signed a pact with Nazi Germany. They forcefully invaded Estonia again, and have continued to occupy this tiny Baltic nation ever since. The Soviets' actions in 1918, 1939, and up to the present day constitute a flagrant violation of the bilateral pact with Estonia, international law which recognizes the rights to self-determination, and the Helsinki accords on human rights, to which the Soviet Union is a signatory.

The plight of the Estonian people, and all other peoples annexed by the Soviet Union, continues to be one of repression and Russification. The effects of Moscow's policies on Estonia are clear. The Estonian culture—a colorful language, and creative literature and rich heritage—is being systematically destroyed. Demographic statistics provide irrefutable evidence that the Russians are succeeding in several aspects of their policies. The percentage of Estonians in Estonia decreases each year while the percentage of great Russians increases.

The availability of periodicals, journals, and school books in the Estonian language continues to decline. Religious persecution is carried on, and the routine violation of basic civil rights is well-known. Still, in spite of these hardships, the Estonian people have not lost their love for basic freedoms and their desire to live as a sovereign nation. The demonstrations which took place in 1980 throughout Estonia are strong witness to this.

As Americans, we must continue to identify with the Estonian people. They carry the flame of freedom in their hearts—the very flame our forefathers carried in founding our Nation, and that for which our Nation stands today. Earlier this year, the European Parliament passed a resolution reiterating the right of all the Baltic nations to self-determination. The resolution also called for their case to be brought up at followup meetings for the Helsinki accords. The U.S. Government has endorsed this resolution, and I am proud to state my support for it here today.

We must continue to recognize the courage of the Estonian people in their fight for freedom and maintain our refusal to legitimize the Soviet annexation. They are a proud people and truly deserve this recognition.●

WORTHLESS AT 65

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. LANTOS. Mr. Speaker, I would like to draw my colleagues attention to an article written by Mr. Sheldon Weinig entitled, "Worthless at 65." The article appeared in INC magazine's January 1983 issue.

Mr. Weinig is a close personal friend and his article alerts us to the opportunity before this Congress to "rethink" our attitudes toward mandatory retirement. I think Mr. Weinig's perspective on this issue is innovative and deserving of our serious consideration:

[From INC magazine, January 1983]

SPEAKING OUT WORTHLESS AT 65

(Retirement marks the point at which we cease being overpaid and start being underemployed. What a silly system!)

(By Sheldon Weinig)

Government policymakers—in Congress and the White House—tend to view the Social Security crisis as a choice between two equally unpalatable alternatives: higher taxes and lower benefits.

But the crisis really presents an opportunity, even if politicians aren't imaginative enough to see it that way. It is an opportunity not only to bring government spending on Social Security into line with revenues, but also to solve a lot of problems created, for businesses and for people, by the way we

now go about rewarding and retiring people in this country.

Our reward and retirement policies proceed form the mistaken notion that the U.S. worker operates on a curve of increasing talent and productivity until age 65, when he or she suddenly becomes completely useless, leaves the company, and begins drawing Social Security.

Just about everything is wrong with this system.

First, it is going to bankrupt the government. People are retiring faster than they are entering the work force. In 1950, there were 16 taxpaying workers to support each retiree. Today there are only 3.2. By the early part of the next century, there will be only 2 workers paying taxes fo finance the benefits paid to each Social Security recipient.

Second, and maybe more important, the system is nor fair to employees, and it is terrible for business. I am suggesting that we scrap it. Not immediately. We are used to our current system, even if we don't like it. But over time, we could get used to a new system that better serves companies and employees.

The current system is unfair to employers because it institutionalizes the Peter Principle. When you go to a retirement party, you never see the honored guest smiling. It is always his boss who is smiling, happy to jettison—under honorable circumstances—an employee who has been earning increasingly more than he is worth.

It is true that most people perform better as they spend more time in their careers; they acquire both knowledge and experience. We reward them with more responsibility, more prestige, and more money.

But it is also true that most people reach the peak of their performance well before they reach their 65th birthday. They don't suddenly become useless but their effectiveness and contribution to the company gradually trail off. By the time they actually retire, they are overbearing, overtitled, and overpaid, and we are anxious to see them leave.

Among other things, the practice is cruel. Every year we traumatize millions of retirees with a sense of worthlessness that is tragic and generally unjustified. While most people at age 65 are no longer at their peak, most are certainly able—and usually eager—to continue making a contribution. I would like to open my next plant in some location like Miami or San Diego, where hundreds of thousands of retirees are desperate for the chance to work a couple of hours a day. They would probably pay me for the privilege of enhancing their own self-esteem.

The notion of mandatory retirement at age 65 has thrown millions of Americans into geriatric depression. It has also cost U.S. industry the talents of many experienced workers, contributed to the imbalance between employees entering and leaving the work force, and overwhelmed the Social Security system.

There must be a better way, a system that abandons the expensive myths of the past and compensates employees in accordance with reality. We need a system—call it Potential Lifetime Employment—that reinforces the employee as he travels up the curve to his performance peak but also recognizes when he begins to slide down the other side. Responsibilities, titles, and wages could all begin a slow deceleration, one that involved no loss of face.

The question of who decides when a worker—either in the executive suite or on the production line—has reached his or her peak is obviously troublesome. It would be less so if each of us were not culturally indoctrinated to believe that someone is less of a man (or woman) at 64 than he or she was at 34. There is no reason, other than cultural conditioning, to label a failure the person who, at 55 or 59 or 63, decides he no longer wants to carry the responsibilities of vice-president or shift foreman.

An easy system to design and put into place? Of course not. It flies in the face of much of what we have been taught to expect throughout our lives. It demands new criteria of success, security, and accomplishment.

But I would bet that millions of Americans would jump at the opportunity to remain useful, contributing members of society well into their seventies and beyond. They would love to trade their Social Security checks for a paycheck and a chance to remain involved.

Can we design—and market—a system that recognizes that people, even after peaking, can still contribute? Can we find a way to bring them down slowly, in a culturally acceptance deceleration of working hours, responsibilities, pay, and prestige? Can we do it all without causing loss of self-respect?

We could try. The results couldn't be much more damaging than the effects of our current retirement system.●

THE PLIGHT OF LITHUANIAN CATHOLICS

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. FEIGHAN. Mr. Speaker, I rise today to draw congressional attention to the intensification of antichurch activities in the Soviet Union.

Any Soviet official will tell you that individuals can worship as they please in the U.S.S.R. The Soviet Constitution, he says, guarantees freedom of religion and freedom from religion. A clever phrase, but what does it mean? It means religious sites are razed, religious processions are disrupted, and religious officials are prevented—sometimes violently—from carrying out their functions.

In the wake of the Polish unrest—and the strong role of the Catholic Church in that protest—religious repression has become more widespread and more brutal, particularly in Poland's small but strategic neighbor Lithuania. Since October 1980, three priests have been murdered under suspicious circumstances in Lithuania. Eyewitnesses saw one of the victims, Father Bronius Laurinavicius, thrown beneath the wheels of a speeding truck. The KGB has been implicated in all three deaths and numerous other physical assaults on priests. The young Father Ricardas Cerniauskas was warned by Soviet security police to silence his criticism of the system or face an extraordinary death. And now, for the first time in 10 years, a priest faces imprisonment in Lithuania for religious activity. On January 26, the Soviet news agency Tass reported that Father Alfonsas Svarinskas had been charged with anti-Soviet activity for giving sermons that systematically instigated believers, to wage, an open struggle against Soviet power.

The opening of criminal proceedings against Father Svarinskas coupled with heightened harassment of Catholics in general is a clear sign from Moscow to the Lithuanian Church: It will not enjoy the latitude allowed the Polish Church. At the same time, the unusual announcement of a human rights arrest by Tass may be regarded as an ominous test of Western opinion before a renewed crackdown on human rights activity in Lithuania.

The Soviet Union adheres to a clear double standard on human rights issues. It is fine for the government to profess its commitment to liberty and freedom, but any individual who requests that these promises be kept is subject to intimidation, imprisonment, or even death. We cannot allow this brutal disregard for human dignity to go unnoticed. The people of Lithuania—a nation that has always received steadfast U.S. support—deserve our attention and concern. I urge all of my colleagues to join me in public protest against religious repression in Lithuania.●

LEGISLATION TO DESIGNATE JANUARY 4, 1984 AS ALASKA STATEHOOD DAY

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. YOUNG of Alaska. Mr. Speaker, 25 years ago this June, Congress approved the Alaska Statehood Act, paving the way for Alaska's entry into the Union as the 49th State. I am proud to introduce today in the House of Representatives a resolution commemorating the silver anniversary of Alaska statehood.

Alaska's entry into the Union was not easily accomplished. World War II had pointed to the necessity of statehood for Alaska. The Japanese invasion of the Aleutians, lend lease flights across Alaska to the Soviet Union, and later the cold war and its resulting early warning radar stations convinced the Nation that Alaska was vital to the national defense. Even so, the Alaska statehood issue was a hotly contested subject during the 1950's with the chief arguments against statehood being Alaska's alleged inability to pay its own way and the fact that Alaska was not contiguous to the continental United States. In June 1958, after numerous proposals and counterproposals, Congress approved statehood for Alaska. On July 7, 1958,

President Dwight D. Eisenhower signed into law the Alaska Statehood Act. Alaska formally entered the Union as the 49th State 6 months later on January 3, 1959.

Alaskans reacted with unrestrained joy to the news of the signing of the Statehood Act. Bold, half-page headlines declared, "WE'RE IN," residents danced in the streets, and church bells and factory whistles spread the news.

Most citizens of the lower 48 knew very little about the new State of Alaska. Despite the infrastructure buildup resulting from World War II, vast areas of the State were underdeveloped. Basic services, such as roads and schools were in poor condition. When I arrived in Fort Yukon, Alaska, to begin my work as a school teacher, my teaching facilities were located in a one-room log cabin, built around the turn of the century. Even in Anchorage, Alaska's largest city, very few streets were paved.

I can proudly report, however, that Alaska has made impressive progress in all areas over the past 25 years, and for an initial investment of just over $7 million, the Nation has reaped a bonanza in return. Anchorage is now a modern city of 220,000 people, and the State has established a fine system of State universities, and communication and transportation facilities. Alaska produces one-eighth of the Nation's gold; one-fifth of the Nation's oil; and two-fifths of its harvested fish; 74 percent of the Nation's Outer Continental Shelf, containing vast amounts of resources, lies off the coast of Alaska. In sum, Alaskans are proud and productive Americans.

Clearly, the United states has benefited from the inclusion of Alaska as its most northern and western State, just as Alaska has prospered as the 49th State. The Alaska Statehood commission has recently released its findings after a reexamination of Alaska statehood, and has determined that statehood is in the best interest of Alaskans, and to the interest of all the people of the United States.

I therefore respectfully submit this resolution designating January 3, 1984, as Alaska Statehood Day in honor of the 25th anniversary of Alaska's entry into the United States of America.●

PASSENGERS' FLIGHTS INCREASE AT DULLES AIRPORT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. WOLF. Mr. Speaker, I would like to bring to the attention of my colleagues an editorial in the Northern Virginia Sun edition of February 11, 1983, which comments on an encouraging upward trend in passenger and flight levels at the federally owned Dulles International Airport.

UP, UP, AND . . .

The moral battle over Washington's airports is finally taking on material proportions. Ever since Dulles International Airport was unveiled in 1964, this newspaper and hundreds of thousands of Northern Virginians have known it was better than National Airport for most of the things the area needs from airports. Now, finally, there are signs that common sense is beginning to take hold on people's travel habits.

The Washington Dulles Task Force announced Tuesday that in 1982 the number of flights out of Dulles increased steadily. So did the number of passengers using the airport. The gains are strong and from a large enough base that one can say it is a sustainable trend. That sense is even stronger when one takes into consideration that 1982 was the roughest year for air travel in ages. The recession has taken a real chunk out of people's travel dollar, and the result is they are flying less. Yet, somehow, Dulles enjoyed 2.6 million travelers—12.3 percent more than in 1981.

The reasons are many. Community leaders have pounded home the airport's superior qualities for nearly 20 years. The Air Florida crash last January revealed the tenuous safety of National Airport. The air controllers strike forced a limitation of flights at National. And the completion of a Washington to Dulles roadway devoid of traffic lights came very close to reality. All these factors combined in people's minds to say, "Hey, why not fly out of Dulles this time?"

At 2.6 million passengers a year Dulles remains a distant third in Washington area airport use. National drew about 14 million, and Baltimore Washington International drew about half that. The fact remains that Dulles is fighting an uphill battle. National enjoys the benefits of being located on a Metro line and at a central location. BWI boasts the aggressive support of the State of Maryland, complete with a huge advertising budget and its own Amtrak rail stop. Dulles, by contrast, has struggled ahead with the minimal support of the Commonwealth of Virginia and an ugly duckling attitude from the Federal Aviation Authority, which owns both National and Dulles.

In the absence of powerful help from government, private citizens like those in the Washington Dulles Task Force have taken the responsibility to lobby airlines for more and better flights out of Dulles. They are providing an invaluable service. We thank them for their efforts and hope that someday the federal government can be persuaded to listen to common sense—just like 2.6 million people did last year.●

ESTONIAN INDEPENDENCE DAY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. HUGHES. Mr. Speaker, February 24, 1983 marks the 65th anniversary of the formation of the free and independent Republic of Estonia. On this occasion, let us call attention to the proud history of the Estonian nation.

The struggle for independence that has characterized Estonia's history began in 1918. The Estonian people, aided by England, Finland, Sweden, and Denmark, threw off the yoke of Communist rule. In 1920, the Soviet Union renounced all claim over Estonia. For the next 20 years, the independent Republic of Estonia flourished, developing a rich national culture and a prosperous economy.

But the liberty was not to last. In flagrant violation of the peace treaty of 1920, the Soviets signed the Molotov-Ribbentrop Pact, condemning Estonia and its Baltic neighbors, Latvia and Lithuania, to the harsh burden of Soviet rule. The Soviet forcibly annexed the territory of Estonia in 1940 and subjugated a free people.

Today, the culture of Estonia is in peril. Russification is rampant, and the Estonian language and culture are threatened with extinction. Fundamental freedoms have been virtually abolished: human rights violations are commonplace, and dissidence is punished swiftly by arrest, deportation, or even execution.

The Estonian people, however, refuse to this day to succumb to Soviet tyrrany and oppression. In the struggle for independence, Estonian youth continue to resist subjugation through their demonstrations and appeals to the free world. In support of this quest for freedom, the United States refuses to recognize the annexation of the Republic of Estonia by the Soviet Union. We who live free urge the government of the Soviet Union to comply with the provisions of the Helsinki accords, and grant the citizens of Estonia their basic individual liberties and human rights.

The brave people of Estonia deserve international recognition today for their never-ending struggle for liberty and emancipation from Soviet control. I join Estonians and Estonian-Americans in their hope that their quest for independence will end in victory, and the Independent Republic of Estonia will again take its deserved place among the free nations of the world.●

ESTONIAN INDEPENDENCE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. ANDERSON. Mr. Speaker, today I would like to honor a people who, in the face of great danger, are struggling to keep their identity as a nation intact. I am speaking of the people of Estonia, long a proud and accomplished nation, but now a Russian colony under the shadow of Soviet oppression. Today is their independence day, which cannot be celebrated in Es-

tonia, but serves to remind Estonians worldwide of their identity.

The Estonians have lived on the same land for over 2,000 years, developing a rich Estonian tradition from a culture that is neither Slavic nor Germanic. Although, since the 13th century, the Estonians have often been ruled by others, an independent Estonian state was declared on February 24, 1918, and freely ruled until 1940, when it was invaded and annexed by the Soviet Union. Currently, Estonians are facing the greatest threat ever to their language, culture, and their very existence as a nation.

Ever since Estonia unwillingly became part of the Soviet empire, Estonian culture and identity have been repressed. Although nominally an independent state in the Union of Soviet Socialist Republics, Estonia is, in reality, totally controlled by Moscow, which does not tolerate any autonomy in its subject states. The Soviet Union is now attempting to destroy the Estonian, and replace him with the "new Soviet man", who, schooled to believe in the tenants of Soviet communism, would reject the culture of his ancestors, and embrace that of the Soviet Union. In reality, this is a policy aimed at crushing any culture other than the precribed Russian Communist model.

In Estonia, this policy has already had many serious consequences, including the suppression of the Estonian mother tongue. Russian language is granted preferential status at all official, educational, and even cultural levels, whereas the status of Estonian has diminished.

The Soviet Union is also attempting to destroy Estonian culture by flooding the area with Russian workers. This has upset the demographics of the region, as well as the Estonian national identity. Russians now make up almost half of the population of the capital city of Tallinn, and may outnumber native Estonians after the completion of the new harbor there. Currently only about two-thirds of the country's population is Estonian, and that ratio is falling as increasing numbers of Russian workers are brought in.

There are signs of hope, such as the student anti-Russian protests in 1980. On January 13 of this year, the European Parliament passed a resolution reiterating the right of the Baltic States of Estonia, Latvia, and Lithuania, to self-determination, and called for their case to be brought up at the followup meetings for the Helsinki accords, and to be submitted to the U.N. Subcommittee on Decolonization, inasmuch as these countries are, in effect, Soviet colonies. Every sign of encouragement that the West did not abandon the Baltic States at Helsinki will help keep hope alive for Estonians, both in this land, and in Estonia itself. Let us hope that some day soon, Estonian Independence Day can have real meaning again.●

STATE COLLEGES AND UNIVERSITIES TAKE NATIONAL STAND

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. FORD of Michigan. Mr. Speaker, the board of directors of the American Association of State Colleges and Universities (AASCU) has taken a position of leadership within the higher education community by viewing the problems of higher education in the broad context of national policy. The AASCU board of directors called for a delay in the 10-percent tax reduction scheduled for this July and for no further reductions in Federal aid to States. AASCU represents 354 State colleges and universities which enroll more than 2 million students. The text of the resolutions follows, and I call it to the attention of my colleagues:

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES

Whereas the growth rate in funding for domestic programs, including higher education, has been slowed and, in some cases, has been cut; and

Whereas defense spending has increased dramatically; and

Whereas tax cuts have reduced available revenues; and

Whereas the federal deficit is projected to be $185 billion in FY 83, over $200 billion in FY 84, and in excess of $288 billion in FY 88; and

Whereas further cuts in domestic spending cannot offset the revenue losses resulting from the tax cuts, provide the revenue necessary for planned increases in defense spending, and therefore will not have a significant impact on the size of the deficit; therefore be it

Resolved, That the Board of Directors of the American Association of State Colleges and Universities, representing 354 public colleges and universities in the United States, urges the delay of the 10 percent tax cut scheduled for implementation in July of 1983.

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES

Whereas the recession has resulted in substantial losses of state revenues, including more than $8 billion lost since revenue estimates were made last spring; and

Whereas the federal government will have cut over $57 billion in aid to the states by the end of fiscal year 1983; and

Whereas State expenditures already have been cut substantially in the last two years and are estimated to have fallen by $5 billion since last spring; and

Whereas cuts in expenditures by state governments have had a significant and damaging impact on public higher education institutions; therefore be it

Resolved, That the Board of Directors of the American Association of State Colleges and Universities, representing 354 public colleges and universities, urges that no further cuts be made in aid to state governments; and be it further

Resolved, That the Board of Directors of AASCU urges that programs which are currently the responsibility of the federal government not become the responsibility of the states, unless the federal government provides the necessary funding.●

PLIGHT OF THE SPERM WHALE

HON. WILLIAM R. RATCHFORD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. RATCHFORD. Mr. Speaker, in 1975, the sperm whale was designated as the State animal of Connecticut, not only for its special contribution to the State's history, but in recognition of its current plight as an endangered species. It is estimated that even if all hunting of sperm whales was to cease immediately, some populations would continue to decline for another 20 years. Commercial catch limits imposed on the remaining whaling industry are more a reflection of the dwindling numbers of whales in existence than of serious conservation efforts. For these reasons, I applaud the recent passage of a ban on all commercial whaling by the International Whaling Commission (IWC) effective in 1985. I address you here today, however, because this spectacular victory is gravely threatened.

Japan, Norway, the Soviet Union, and Peru, all member nations of the IWC, have filed objections to the IWC ban. Since the IWC is without the power to enforce its own rulings, these nations will ultimately become exempt from the ban if their objections are not withdrawn. The tragedy and the irony is that it is these nations that harbor the last vestiges of the archaic whaling industry.

Many conservation and environmentalist groups were urging Congress to put pressure on these nations by denying the approval of their U.S. fishing rights. Under the Fishery Conservation and Management Act, countries wishing to fish within our 200-mile fishery conservation zone must have a Governing International Fishing Agreement, or GIFA. Japan, who depends heavily on the fish they obtain from U.S. waters, was seeking reauthorization of their GIFA last year. Japan's GIFA was, in fact, approved during the lameduck session as a part of a larger package of fisheries matters. Their agreement is effective for 5 years.

While the GIFA was passed, it is only the first step. Subsequent determination must be made regarding how many and what types of fish may be taken under the GIFA. The U.S. Department of State conducts a quarterly review of these allocations during

each year the GIFA is in effect. The first review of Japan's GIFA will be conducted next month. It is here that the United States can still bring pressure to bear on nations to withdraw their objections to the whaling ban.

To this end, I am introducing a concurrent resolution expressing the sense of Congress that the U.S. Department of State should give consideration to whether or not a nation has filed an objection to the IWC ban when determining the level of allocations a nation is to receive under a GIFA. While the Fishery Conservation and Management Act contains two amendments—the Packwood-Magnuson and the Pelly amendments—through which unilateral sanctions can be leveled against countries who violate IWC rulings, these provisions will not be triggered into effect until the ban, which takes effect in 1985, is actually violated. My resolution is intended to affect the quarterly reviews of allocation levels being set under the GIFA beginning next month and continuing for the duration of the agreement.

This resolution gives Congress an opportunity to reaffirm the U.S. policy of preventing the continuing decline in the world's whale populations through the conservation and protection of whale species. It sends a strong message to the nations who have filed an objection to the IWC ban that the United States finds the cruel and unnecessary slaughter of whales unacceptable.

I must point out that the continuation of whaling by these nations is hardly justifiable from an economic standpoint. Japan, which has the largest of the remaining industries, is the only market for whale meat in the world. Most important, the market for this meat accounts for a mere 0.3 percent of the total annual Japanese protein consumption. It is clearly not a staple of the diet. We are looking at the potential annihilation of the greatest and most intriguing of nature's marine marvels for the production of such items as pet food, fertilizer, and industrial lubricants. Adequate substitutes for these products are readily available at reasonable cost. Not one need that is being met through the extermination of whales cannot be met in a less drastic way. The products derived from whales are either disposable or replaceable. The whales themselves are not.

These purely economic considerations, which alone are a compelling argument in favor of the ban, do not even touch on the scientific and humanitarian concerns at stake. The administration has endorsed the imposition of the legislative sanctions against the nations refusing to withdraw their objections to the IWC ban in 1985. It is my hope that these objections will be withdrawn before more vigorous actions contained in the Fisheries Conservation and Management Act are triggered, and I urge my colleagues to join with me in conveying this message.●

LEGISLATION TO AVERT UTILITY SHUTOFFS IN WINTER MONTHS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. CONYERS. Mr. Speaker, today, I have introduced the "Home Heating Protection and Utility Regulation Act of 1983" (H.R. 1594). This bill would amend the Public Utility Regulatory Policies Act of 1978 to provide for uniform, mandatory Federal standards governing terminations of natural gas and electric home heating service by the utilities.

The legislation seeks to prevent the involuntary termination of utility service in households that are unable to pay their bills on time and in cases that would endanger the health of individuals. The bill establishes standards and procedures for State regulatory authorities to avert shutoffs during the winter period and requires arrangements between affected households and the utilities for the scheduling of deferred payment and repayment of past bills. The legislation builds on the voluntary standards set in the 1978 law, which in many instances have proved inadequate, and incorporates key features of the best State regulations currently in force.

The record number of utility shutoffs this winter, along with the steep increase in gas prices and the insufficient funding of the low-income energy assistance program, have produced a crisis for tens of thousands of low-income households. Across the Nation, the Citizen Labor Energy Coalition estimates, more than 300,000 households have experienced gas shutoffs this winter. Preliminary data collected by the National Consumer Law Center indicate that the number of shutoffs this winter far exceeded the average in the past few years, and low-income families are disproportionately affected. Since there are no Federal or State reporting requirements on terminations, the data collected is likely to understate the dimensions of the problem. Associated with utility shutoffs is the dramatic increase in the number of households that have fallen into arrears. The increase in unpaid utility bills has reached critical levels in several States.

Under the pressure of the situation, some progress has been made to establish reasonable standards and procedures to assist households to avert shutoffs. Often these standards rest upon voluntary compliance. In too few cases have State regulatory authorities protected individuals whose health can be affected by terminations. For example, only 17 States permit utility customers to request a formal hearing before a regulatory body. Only 10 States have procedures to protect young children and elderly persons. Only a handful of States compel utilities to enter into repayment or deferred payment agreements. The disparities in State regulations and indifferent enforcement of existing standards present sufficient reasons to propose uniform, mandatory Federal standards. The alarming increase in illness and death attributable to loss of body heat points to the inadequacy of existing standards.

The legislation I have introduced provides for: First, the adoption and enforcement by State regulatory authorities of standards to protect against termination of service of households who lack financial resources and can demonstrate a danger to health; second, standards and procedures to require the reinstatement of service to households that meet certain criteria; third, standards and procedures permitting customers to have hearings before a State regulatory authority; fourth, procedures to encourage agreements on deferred payment or repayment of past bills, and to compel such arrangements if voluntary efforts fail; fifth, standards and procedures to protect tenants in buildings whose landlords are in arrears, and to permit direct payment by tenants through the use of escrow accounts; sixth, collection of comprehensive data on utility service shutoffs by each State regulatory authority, and the filing of such reports with the Secretary of Energy for public use; and seventh, an authorization of funds to cover the additional costs and responsibilities imposed on State regulatory authorities under this legislation.

Sooner or later—if not this winter, then next—uniform, mandatory Federal standards have to be adopted to protect citizens against heating shutoffs during the winter months. Access to heating, like access to food, should not be treated as a privilege. Too many households already confront life-threatening choices between paying for food and paying fuel bills.

This legislation provides safeguards to insure that the utility companies are paid for the services they provide. It also calls upon the utilities to act responsibly in emergency situations, and strengthens the role of State regulatory authorities in fulfilling their public obligations.●

ONE BILLION DOLLARS SPENT IN STEEL CREATES 52,000 JOBS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. GAYDOS. Mr. Speaker, in my recent special orders on the Buy American amendment to the Surface Transportation Act I said that an estimated $918 million will be spent on manufactured goods a year under the bill; the correct estimate is that $918 million will be spent on manufactured goods over the life of the plan.

Nevertheless, it still would be a significant blow to the intent of Congress and the plan to exempt nearly $1 billion in manufactured goods from the Buy American provisions, which the Federal Highway Administration is considering.

This $1 billion would lead to substantial activity.

Information recently developed by the Congressional Research Service indicates that every $1 billion spent on steel generates 52,000 jobs; and that every $1 spent on steel leads to $2.20 in economic activity.

This means the Federal Highway Administration—by exempting manufactured goods from Buy American—would waive almost 52,000 jobs and $2.2 billion in economic activity.

These jobs and this activity should remain in the United States, and I say again that creating jobs in the United States was what Congress intended in passing the bill and in passing the Buy American amendment.●

FINDING A CURE FOR NEUROFIBROMATOSIS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. WALGREN. Mr. Speaker, today I am introducing a bill to establish a National Commission on Neurofibromatosis (NF). This disorder received national attention several years ago by the Broadway play, "The Elephant Man," a remarkable saga of a man struggling with this disorder.

Neurofibromatosis is a genetic disorder of the central nervous system occurring in 1 out of every 3,000 births.

It afflicts approximately 100,000 people in the United States and occurs in both sexes and in all ethnic and racial groups. Each child of an affected parent has a 50-percent chance of inheriting the gene and developing NF. Dr. Frederick von Recklinghausen first published medical literature on the disorder in 1882.

Manifestations of the disorder usually appear in childhood or adolescence, though they can appear later in life. Children with NF can frequently be identified shortly after birth by the appearance of a number of light brown spots. NF patients may develop a number of problems, including many small tumors under or on the skin, large tumors just under the skin, curvature of the spine, enlargement and deformation of bones, and tumors of the auditory, and optic nerves. These problems can lead to other problems like deafness and blindness which then create severe educational, economic, and social problems.

Presently there is no cure for NF and medical opinions on treatment vary tremendously. In my view, we need to bring into focus what we are doing as a Nation to find a cure for NF and identify what more we need to do. I am hopeful that my bill will lead us in that direction.

The bill I am introducing today will establish a national commission that will have 2 years to assess the nature and extent of public and private research into neurofibromatosis and to develop a plan to identify the research needed to develop a cure for NF. The Commission would be composed of 12 members, including representatives of the National Institute of Neurological and Communicative Disorders and Stroke, the Director of the National Cancer Institute, the National Institute of General Medical Sciences, the National Institute of Child Health and Development, and the Department of Education. These representatives would be joined by three scientists or health professionals, and three individuals who have experience with the disorder. This approach is modeled after the National Commission established by the Congress for Huntington's disease in 1977.

In the last Congress, we took a big step by enacting the Orphan Drug Act which offers hope to many people afflicted with rare diseases. I hope that my colleagues will join me in pressing the Nation to combine its resources to eradicate the many diseases for which we have not found a cure.

The text of my bill follows:

A bill to establish a National Commission on Neurofibromatosis

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Commission on Neurofibromatosis Act".

FINDINGS

SEC. 2. The Congress makes the following findings:

(1) Neurofibromatosis (also known as Von Recklinghausen's Disease) is a genetic disorder of the nervous system. Fifty percent of all cases of neurofibromatosis are inherited from one of the victims' parents. The other 50 percent are a result of a spontaneous change or mutation of a gene. The cause of this mutation is unknown.

(2) While the exact incidence of neurofibromatosis in unknown, it is estimated that the disorder affects one in every three thousand persons.

(3) Neurofibromatosis occurs equally in both sexes and in all racial and ethnic groups. It often imposes severe economic, social, and emotional hardships on individuals and on the families of individuals affected by the disorder.

(4) Neurofibromatosis is one of the world's most serious genetic disorders.

(5) Characteristic signs of neurofibromatosis may be present at birth. Manifestations usually appear in early childhood or adolescence, but can occur later, particularly at times of increased hormonal activity.

(6) There is a critical shortage of specialized programs and properly trained professionals in the United States for neurofibromatosis research, treatment, care, education, and rehabilitation.

(7) The training of health and educational professionals in the treatment of neurofibromatosis deserves the highest national priority.

(8) The people of the United States have an inadequate understanding of the nature of the personal, medical, social, and economic impact of neurofibromatosis.

(9) There is a great potential for making advances in the treatment of neurofibromatosis and other genetic disorders through the National Institutes of Health and other research centers.

ESTABLISHMENT

SEC. 3. The Secretary of Health and Human Services (hereinafter in this Act referred to as the "Secretary"), in consultation with the Director of the National Institutes for Health, shall within sixty days after the date of the enactment of this Act establish a National Commission on Neurofibromatosis (hereinafter in this Act referred to as the "Commission").

DUTIES OF COMMISSION

SEC. 4. (a) The Commission shall assess the nature and extent of public and private research into neurofibromatosis and shall develop a plan to identify the research needed to develop an effective treatment and a cure for neurofibromatosis. In formulating such plan the Commission shall consider the incidence of neurofibromatosis, its epidemiology, its economic and social consequences, and the most effective application of scientific and health care resources.

(b) The plan developed under subsection (a) shall provide for—

(1) research into the epidemiology, etiology, prevention, and control of neurofibromatosis which shall include studies involving the disorder's social, environment, nutritional, biological, and genetic determinants and influences;

(2) research into the development, evaluation, and application of techniques and drugs used in, and approaches to, the treatment and prevention of neurofibromatosis and its consequences;

(3) the education and training of scientists, clinicians, educators, and allied health personnel in the fields and specialties requisite to the conduct of programs concerning neurofibromatosis; and

(4) development of a system for collection analysis, and dissemination of all data useful in the prevention, diagnosis, and treatment of neurofibromatosis.

MEMBERSHIP

SEC. 5. (a) Commission shall be composed of twelve members as follows:

(1) The Secretary of Health and Human Services (or his delegate).

(2) The Director of the National Institute of Neurological and Communicative Disorders and Stroke (or his delegate).

(3) The Director of the National Cancer Institute (or his delegate).

(4) Director of the National Institute of General Medical Sciences.

(5) Director of the National Institute Child Health and Human Development.

(6) The Secretary of Education (or his delegate).

(7) Three individuals appointed by the Secretary of Health and Human Services who are not officers or employees of the Federal Government, who are scientists or health professionals representing the various behavioral, biomedical, and educational specialties concerned with the research, treatment, and remediation of neurofibromatosis.

(8) Three individuals appointed by the Secretary of Health and Human Services from the general public with personal experience with neurofibromatosis.

A vacancy in the Commission shall be filled in the same manner as the original appointments was made.

(b) If any member of the Commission who was appointed to the Commission by virtue of such individual's office leaves that office, or if any member of the Commission who was appointed from individuals who are not officers or employees of the Federal Government becomes an officer or employee of the Federal Government, such individual may continue as a member of the Commission for not longer than the thirty-day period beginning on the date such individual leaves that office or becomes such an officer or employee, as the case may be.

(c) Members shall be appointed for the life of the Commission.

(d)(1) Except as provided in paragraph (2), members of the Commission shall each be entitled to receive the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission who are full-time officers or employees of the Federal Government shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(e) The Chairman of the Commission shall be elected by the members of the Commission.

(f) The Commission shall first meet on a date specified by the Secretary, not later than thirty days after the Commission is established, and thereafter shall meet at the call of the Chairman or a majority of its members, but on at least three occasions during the life of the Commission.

DIRECTOR AND STAFF OF COMMISSION

SEC. 6. (a) The Commission shall have an Executive Director who shall be appointed by the Commission and paid at a rate not to exceed the rate of basic pay payable for level 5 of the Executive Schedule.

(b) With the approval of the Commission, the Executive Director may appoint and fix the pay of such additional personnel as the Executive Director considers appropriate.

(c) The Executive Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) Subject to such rules as may be prescribed by the Commission, the Executive Director may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed $200 per day.

(e) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act.

(f) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

POWERS OF COMMISSION

SEC. 7. (a) The Commission may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(b) Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

REPORT

SEC. 8. The Commission may transmit to the President and to each House of the Congress such interim reports as it considers appropriate and shall transmit a final report to the President and to each House of the Congress not later than twenty-four months after the date the Commission is duly organized. The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

TERMINATION

SEC. 9. The Commission shall cease to exist three months after the submission of the final report under section 8.●

PUT AMERICA BACK TO WORK AND SAVE ENERGY

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. EDGAR. Mr. Speaker, I am deeply concerned about the large-scale unemployment across the United States. In 1982, I orchestrated a discussion on the floor of the House of Representatives on the positive impacts of renewable energy development on our Nation's employment. I believe we must put the American people back to work in occupations with high future growth potential. The employment title of the Solar Energy National Security and Employment Act (SENSE) is a rational step in this direction. I would like to submit the article by the Christian Science Monitor published February 7, 1983, titled "A Way to Help Put America Back to Work—and Save Energy."

[From the Christian Science Monitor, Feb. 7, 1983]

A WAY TO HELP PUT AMERICA BACK TO WORK—AND SAVE ENERGY

(By Leon Lindsay)

One of the best job-producing moves government could make, according to energy-conservation advocates, would be an investment in weatherization and solar-energy devices for homes and businesses across the United States.

People involved in such conservation activities say their potential for producing new jobs, business expansion, and energy savings has been demonstrated. A much larger commitment than has been proposed either by the Reagan administration or congressional Democrats is justified, the conservationists argue.

A $5.4 billion Democratic jobs bill, passed by the U.S. House late last year but not acted upon by the Senate, would have provided $250 million for weatherproofing homes and apartments occupied by low-income residents.

Although Department of Energy funding for conservation projects is cut almost in half in President Reagan's proposed fiscal 1984 budget—from $670 million in fiscal '83 to $383 million in the budget year beginning next July 1—statistics gathered over the past several years by agencies involved in weatherization and solar energy projects indicate these activities are very efficient employment stimulators.

The Solar Lobby in Washington, D.C., will announce later this month a "Solar Energy, National Security, and Employment Act." The measure would provide major impetus to the energy conservation effort. It will not require any new funding in fiscal 1984, according to Scott Sklar, the lobby's political director.

The bill has four parts, explains Mr. Sklar, dealing with small business, national security, employment, and consumer information. "Basically they either protect or broaden certain programs to help renewable energy or extend programs that are due to be cut off in the future," he says. Energy tax credits for small businesses and homeowners, due to expire in 1985, would be extended to 1990. Under the bill, skill training for workers in renewable energy and conservation activities, such as solar and weatherization, would be allowable in all federal jobs programs.

A bipartisan group of 20 U.S. senators and representatives, several of them chairmen of key committees, are sponsoring the legislation.

Ted Rauh, chief of the Division of Conservation of the California Energy Commission, points out that conservation activities are a close second to highway construction in providing jobs and stimulating business activity—with the added benefit of cutting energy consumption and costs. Energy efficiency programs and businesses in California provided $750 million worth of jobs and investments in 1982, Mr. Rauh reports.

Representatives for the AFL-CIO's Industrial Union Department project that energy conservation activities could create 600,000 jobs by 1990.

Michael Gordon, program director of The Institute for the Human Environment in San Francisco, says: "An expanded effort to 'button up our homes' would provide many thousands of jobs in both the public and private sectors—through production of home weatherization materials; retail sales of insulation, weatherstripping, caulk, water-heater blankets, low-flow shower heads, and other products; and the organization, administration, and implementation of coordinated local weatherization programs throughout the United States."

He cites Santa Clara County, Calif., as an example. It is estimated, Mr. Gordon says, that "if even 25 percent of homes in the county needing weatherization were made energy-efficient, almost $30 million in local sales of material could be realized."

Portland, Ore., which began an ambitious weatherization and energy-conservation program in 1979, provides impressive evidence of what it can mean to a local economy.

According to Jeanne McCormick, director of the Portland [Ore.] Energy Office, that city's weatherization and energy-conservation program has produced many benefits in terms of residential and business savings—and jobs saved as well as created. "We have found," she says, "that, generally, investment of $15 million by local businesses in such projects such as insulating buildings, or changing to more energy-efficient ways of making their products, create—directly—525 jobs.

"There's not only the contractor who comes in to do the job, there are engineers who perform energy audits and architects who design changes. They there's what we call the "leveraging effect," where you have the secretary who works for the contractor, and so forth.

"We have done energy audits for 146 small businesses, which have been able to cut energy consumption (an average of) 19½ percent as a result. Even though energy costs in Portland are lower than in many other areas of the country, those firms collectively are saving $525,000 a year. They can reinvest that money in expansion.

"So it's not just the number of jobs created by the weatherization itself, but how much money that business saves that can be used to diversify or expand or spend on training or use it to keep people on the job."

Mrs. McCormick and others point out that little retraining of workers is involved in these energy-conservation activities. Most come from the existing pool of unemployed skilled workers—carpenters, pipefitters, boilermakers, and plumbers, and other in light construction and light manufacturing. Other direct and indirect positions are created in marketing, retail sales, business management, lending, and the appraisal and real estate fields.●

INTRODUCING THE NEIGHBORHOOD DEVELOPMENT DEMONSTRATION ACT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. GARCIA. Mr. Speaker, today I am introducing, along with Congressman BILL COYNE and 26 cosponsors, the Neighborhood Development Demonstration Act of 1983. We drafted this legislation because of the urgency of augmenting existing housing and community development programs. With proposed budget cuts in economic development, assisted housing, and community development block grants, we must turn to new avenues to promote business, jobs, and adequate housing for the needy.

The act would authorize the Secretary of Housing and Urban Development to establish a 3-year demonstration program to provide Federal matching funds to private nonprofit neighborhood organizations. For each participating organization, the Secretary would establish a ratio by which voluntary charitable contributions made by individuals and businesses would be matched by Federal funds. Depending on the economic conditions and the number of households and businesses in the neighborhoods involved, this ratio would be set no lower than 3 Federal dollars for every dollar of voluntary contribution, nor higher than 10 Federal dollars for every dollar of voluntary contribution. Perhaps the most significant objective of this legislation is to encourage a stronger financial base, for neighborhood groups through increased private sector donations.

Neighborhood organizations often provide the most successful programs in depressed urban areas, such as my congressional district, the Bronx. Neighborhood groups can serve as a unifying force around which concerned citizens can work for the betterment of their communities. During a time marked by decreases in social spending and aid to urban regions, it is vital to augment the neighborhood development organizations that strive for the revitalization of our cities. I urge your support of the Neighborhood Development Demonstration Act of 1983 so that we can assist community groups in their effort to revive urban America.●

MAUMEE BAY STATE PARK

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Ms. KAPTUR. Mr. Speaker, I am introducing legislation to authorize a shoreline erosion protection project at Maumee Bay State Park in northwest Ohio.

Maumee Bay State Park is a multiuse facility located in Lucas County, Ohio, on the south shore of Lake Erie near Toledo. The park covers 1,700 acres and adjoins the federally owned Cedar Point National Wildlife Refuge. The shoreline protection project is critical to the future of this parkland. Shoreline erosion is occurring at the rate of 12 feet each year. Without the shoreline protection project, the beach will continue to erode. Until the shoreline is stabilized, the State of Ohio cannot go forward with its major development plans for the park. The State is committed to significant capital improvements for the park. To date, the State has already contributed $440,000 for purchase of the property and $1,500,000 for campground development. A recent $60,000 study has been funded to design a lodge complex. The State of Ohio's investment in the Maumee Bay State Park is already in excess of $2 million.

The estimated current cost of the shoreline project is $10,396,000, with the State of Ohio providing approximately a third of that amount. In addition to its contribution to the shoreline project, the State has expressed its intent to complete the overall development of Maumee Bay State Park currently estimated at $36 million.

The revitalization of the Maumee Bay State Park would provide much needed short- and long-term employment opportunities in a region suffering from high unemployment. During the span of the park's construction, 2,000 new jobs are expected to be generated. In addition, permanent jobs will be created in the park and in related industries. The permanent jobs that will result can be filled by area residents lacking specific job skills. The overall park investment is expected to generate $3 per visitor. With an estimated 1 million visitors per year, this would yield $3 million in new annual revenues for the Toledo area. The park will also serve to attract industry and provide for new Toledo convention trade. The park, the only major State park in northwest Ohio and the only one in close proximity to a major metropolitan area, will directly serve five congressional districts. It will capture local tourism and recreation dollars which are being spent out of the State.

Given the tremendous national development potential of Lake Erie, a fresh water lake, and the need for a major State park to serve northwest Ohioans, I believe that the jobs and dollars that would be generated by the Maumee Bay State Park warrant its immediate development. An indispensable first step is to halt the shoreline erosion. Ohioans have already made a significant investment in the park. It is time they receive a return on their investment.●

TRIBUTE TO COUNCILMAN NORMAN REEVES

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. MITCHELL. Mr. Speaker, my entire city of Baltimore still mourns

the death of Norman V. A. Reeves who was serving on the Baltimore City Council at the time of his passing. He was such a remarkable human being that as much of his life history as possible must be shared with as many as possible.

I urge my colleagues to read the story of this man, a victim of muscular dystrophy, who lived a life much more full than many of us.

NORMAN V. A. REEVES

(By Langston Hughes)

Norman V. A. Reeves' life is a statement that is both profound and simple. His role as a father, husband, freedom fighter, city councilman, businessman, educator are all variations on a single theme—the burning desire to succeed. His family life, his reaction to his physical handicap, and his successful pursuit of public office are elements that provide a study in the positive expression of the black experience.

He was born on April 27, 1935. His mother, Lucy Mason Reeves Jones, is one of Baltimore's first black women podiatrists. His father, Norman V. A. Reeves, Sr., died when Norm was five-years-old. When Norm was three-years-old, it was determined that he had musclular dystrophy. His doctor predicted that he would be in a wheelchair or dead by the time he was 13, and advised Norman's mother to restrict his physical activities. Norm's reaction was to become even more active and he was able to participate in sports as a fierce competitor up until age 13. His old doctors marveled at his general good health as the disease slowly took its toll. Not until several years before his death was he confined to a wheelchair, from which he continued to pursue an active public life.

He attended Douglass High School, graduating in 1953. Later, at Lincoln University, Norm majored in psychology and minored in economics and philosophy, graduating with honors in 1957. His active involvement in college life is chronicled in the 1957 edition of "Who's Who in American Colleges and Universities". Upon graduating from Lincoln, he joined the Baltimore City Department of Social Services as a caseworker. Here he met Walter P. Carter, a local leader in the Congress of Racial Equality (CORE), who was later to become known as Baltimore's "Mr. Civil Rights". The two started Howard University together in 1961 to pursue a Masters degree in Social Work. This was during a period when Walter was heavily involved in the Route 40 demonstrations and other CORE campaigns. Walter and Norm discussed strategy and tactics on the daily trip between Baltimore and Washington, D.C. Newspaper headlines during the height of the Maryland fight against segregated public accommodations was an indirect result of some of these discussions and Norman's commitment to an ongoing involvement in efforts to effect change deepened. At Howard, Norm met Iris Gant of North Carolina who was also studying for an MSW. The couple exchanged vows in August of 1962. "Little Norm" was born in 1963, and daughter Traci in 1969.

Norm was the first black supervisor serving the Baltimore County Department of Welfare in the late 1960's. During this time, black militancy was generating fear and confusion among whites. Norm conducted race relations seminars and pointed up numerous areas of racism within the County department, providing many whites with their first real glimpse into the black ethos. It was also during this period that Norm headed up the William L. Moore Foundation and its Center for Afro-American Studies. The Foundation headquarters was established in the former home of the late William Moore, the Baltimore postman gunned down while on a freedom walk through Alabama. During the hectic 1960's, the Foundation was a frequent and important meeting place of community organizations and activist groups. The Center maintained an extensive library on black history and sponsored annual symposiums during Black History Week focussing on the historical and cultural aspects of the Black Movement. It was the first local group to demand that the City of Baltimore and the State of Maryland declare a Black History Week.

Norman worked as a counselor at the University of Maryland Baltimore County Campus in 1969, where he founded the Black Caucus of Faculty and staff. Within a year the Caucus became the basis for a larger organization, the Black Coalition of University of Maryland Campuses. Norm served as co-chairman of the coalition, along with Howard "Pete" Rawlings, a UMBC instructor who is now a delegate from the 40th district. The coalition's efforts resulted in an increase of black faculty and students on the undergraduate and graduate level, and integration of the Board of Regents.

In 1971, Norm accepted the position of principal of the Ralph Young School for Boys, a Catholic school. It was during this period that he decided to run for political office. His first try in 1971 produced a spirited grassroots effort, but no victory. A second try in 1975 brought together an even greater community based organization and victory seemed within reach. However, the opposition also recognized the threat, and the use of the same name ploy—an unemployed truck driver named "Reeves"—cost the Fifth District their first Black city councilman.

There was never any question in Norm's mind as to whether he should run again for the prize that had twice eluded him. He had proven that he could build a political organization and that his community involvement could translate into political action. He had also answered the often unspoken question in the minds of many—whether he could withstand the rigors of the campaign trail. The stage was set for a history-making victory and Norm did just that, leading the Fifth District field of candidates by a wide margin.

One of the remarkable aspects of Norm's election was the diversity of his vote, which included a sizable percentage of Jewish and white liberal voters. His appeal as a candidate experienced in the problems of race relations and urban blight was seen by many as a bridge across the gap of race and class that often inhibits community progress. Norm promised to represent the needs of all his constituents and considered the diversity of his vote a mandate to promote a new era of political cooperation in the Fifth District. And because the district was itself a microcosm of Baltimore—ranging from lower Park Heights to Roland Park—Norm saw it as a basis for a citywide attack on urban problems.

The range of issues Norm became involved in during his brief tenure on the City Council reflected his broad interests and concerns. He passed consumer protection legislation setting safety standards for the installation of woodburning stoves. He passed housing legislation designed to keep out-of-state property owners from evading their responsibility for housing conditions by requiring that they appoint a local residential agent to respond to notices. He passed a bill requiring for the first time the registration of single family and duplex rental units. The bill will raise $600,000 to a million dollars a year and should bolster the housing inspection services for the City of Baltimore.

He passed other resolutions calling for a study of the feasibility of using City pension funds for home mortgages (before a similar State program was announced) and a study of the City Civil Defense program. His work on the Budget and Finance Committee and Urban Affairs Committee has resulted in commitments of several thousand jobs for blacks and assistance to a number of black businesses. He also passed a resolution calling for a task force to study the problem of black economic development and black unemployment in the City of Baltimore, which he chaired.

As a community activist, Norm had been a strong advocate for peace and asserted that a world view is necessary to combat the forces impacting on people at the local level. He successfully sponsored resolutions for the condemnation of South Africa and the role of the United States in El Salvador, and co-sponsored a resolution urging a nuclear weapons freeze.

Councilman Reeves was in full stride at the time of his death. He had become recognized as a hard-working, effective legislator who did his homework and attempted to represent his district with integrity and compassion. At a salute held for him on April 25, 1982, it was clear that a future in the City Council was assured. No one knew better than he how short that future was to be. He is quoted in one news account shortly after his 1979 election as saying: "I want to see that my agenda is finished before I am finished." There is no question that Norm's agenda, viewed as a statement which speaks eloquently of the aspirations of a man and his people, is complete.

Norman V. A. Reeves died in Provident Hospital on February 13, 1983. He was 47 years old. He is survived by wife, Iris; son, Norman III, 19; daughter, Traci, 13, and mother, Dr. Lucy Mason Reeves Jones.●

HARRIS COUNTY PHYSICIANS PROVIDE SHINING EXAMPLE OF VOLUNTARISM

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. PAUL. Mr. Speaker, in these hard economic times, millions of American workers are facing unemployment and, as a consequence, loss of their health care benefits. Some would have us believe that the best way to deal with this kind of personal hardship is for the Federal Government to step in with various welfare programs.

But there is another kind of solution—a solution that is a proud tradition in America. This solution comes through the private, voluntary efforts of individual Americans.

This course of action—voluntary help on an individual basis—has been chosen by over 1,000 physicians in the Houston area. These doctors, members of the Harris County Medical Society, are providing free medical care to those in the Houston area who are temporarily unemployed, or lack medical insurance.

I believe this effort on the part of Harris County physicians and the Harris County Medical Society is an inspiring example of the spirit of generosity and community that characterizes our great Nation and our people.

We are often told that it is necessary for the Federal Government to provide help to the needy and the unfortunate, because people will not choose to help others voluntarily. This recent action by Harris County doctors proves just how wrong that attitude is. I salute these fine physicians for their willingness to help those in need.

[From the Houston Chronicle, Feb. 14, 1983]

MORE THAN 1,000 PHYSICIANS OFFERING FREE CARE TO UNEMPLOYED

(By Ruth Sorelle)

More than 1,000 of the Harris County Medical Society's 4,500 members began offering free care today to area residents temporarily out of work or without health insurance.

"We have long maintained that no person in Harris County should ever go without care because of an inability to pay," Dr. Joel Reed, society president, said. "This voluntary effort is designed to provide physician care to that segment which finds itself temporarily out of work and in many cases out of health care coverage.

"We are aware that some individuals and families have fallen through the cracks of the system and we are ready, willing and able to augment the existing city, county and state assistance programs by addressing the recession-distressed segment of our population."

This month Reed asked all physicians in Harris County to consider volunteering their time in their private offices or at one of the many free clinics through the area.

Many physicians were already volunteering their services to patients unable to pay, he said, but many still volunteered to help others.

The volunteer physicians' names have been entered into a special computer at the medicial society by physician specialty and zip code so patients and their families will not have to travel far to obtain care.

"While we believe we will be able to handle almost any professional need, we do not have the ability to cover the hospital, drug or lab costs," Reed added.

However, he said, the physician group is working with drug companies and the Greater Houston Hospital Council to obtain their support in these areas.

Reed said Mayor Kathy Whitmire has authorized the city Health Department to provide some lab tests.

A medical society spokesman said the effort is not designed to cover indigents who have traditionally obtained their health care through city, county or federal programs.

"We are attempting to address those who because of the economic climate need temporary help," Reed said.

Referral to a doctor participating in this program can be obtained by calling 790-1838 Monday through Friday from 9 a.m. to 5 p.m.

The medical society spokesman said patients should first call their personal physicians to determine if they are participating in the program.●

ESTONIAN INDEPENDENCE DAY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. PORTER. Mr. Speaker, today is the 65th anniversary of Estonian Independence day. In honoring this day it is important to remember that Estonia was once a free and independent sovereign democracy. It was forcefully absorbed into the U.S.S.R. in 1940 along with its sister states in the Baltic.

The Soviets have tried to create a "new Soviet man." They have done this by systematically attempting to suppress the culture, religion, and existence of these former states. This program of Russification has been resisted vigorously by the people of Estonia. Its purpose is clear: to crush the individuality of the many nationalities within the Soviet Union, and to subjugate them to the dominance of the Russian majority.

The proud people of Estonia have fought to be independent, and will surely continue their fight until they have achieved their goal of rejoining the free and independent nations of this world.

There are hopeful signs on the horizon in the future. The European Parliament on January 13 passed a resolution reiterating the right of the Baltic states of Latvia, Lithuania, and Estonia to self-determination. This resolution called for their case to be brought up at followup sessions of the Helsinki accords, and to be submitted to the U.N. Subcommittee on Decolonization, because these countries are Soviet colonies. The United States has endorsed this in a Voice of America editorial. The 1983 Defense appropriations bill insisted that all maps of the U.S.S.R. clearly print the names of each Baltic state, as if they were sovereign nations.

The United States has refused to legitimize the Soviet seizure of the Baltic states. I am hopeful that this policy has given strength to dissidents in Estonia to continue their brave struggle against the tyranny of their Soviet masters. Estonian Independence Day gives Americans who cherish their freedom an opportunity to remind the Russians that we have not forgotten Estonia. We will never forget the cause of Estonian independence and will continue to fight for its restoration along with all the other subjugated nations of the U.S.S.R.●

EFFECTIVENESS OF CHAIRMAN CHUCK MANATT

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. COELHO. Mr. Speaker, I would like to draw attention to two recent articles that were published in the Washington Post.

I hope that all the Members will take a minute to look them over, because they provide an excellent overview of the great strides taken by our party under the able leadership of Chuck Manatt.

During his 2 years as chairman of the Democratic National Committee, Chuck Manatt has worked closely with the Democratic House and Senate leadership to rebuild our party from the ground up.

While the GOP got lazy, Chairman Manatt took the DNC back to basics after 1980. There has been renewed emphasis on fundraising and grassroots party building. And there are many other accomplishments as well, most notably our tremendous success in the 1982 elections.

Perhaps the strongest testimony to Chairman Manatt's effectiveness is a recent statement made by the new Republican National Committee chairman, who said that his goal is to catch up to Chairman Manatt.

Mr. Speaker, thanks in large part to the fine stewardship of Chuck Manatt, our party has experienced a revival at all levels.

As we prepare for 1984 and beyond, we can be confident that the DNC and Chuck Manatt will continue to take a leading role in the effort to rebuild our party.

I ask unanimous consent that the Post articles be printed in the CONGRESSIONAL RECORD.

[From the Washington Post, Feb. 5, 1983]

MANATT REBUILDING DEMOCRATS, STEP BY STEP, FOR 1984 BATTLES

(By David S. Broder, Washington Post Staff Writer)

He came to town two years ago, a bespectacled, largely unknown Los Angeles lawyer-banker. If people wondered anything about Charles T. (Chuck) Manatt, it was why a successful, self-made millionaire would have worked as hard as Manatt did after the 1980 election to outdistance four rivals for the dubious honor of taking over the debt-ridden Democratic Party in the wake of its worst defeat in a generation.

Today, with the Democratic National Committee in the midst of its annual winter meeting here this weekend, its chairman remains largely anonymous in the capital, but he is no longer inconsequential.

Manatt, 46, has consolidated his grip on the Democratic headquarters and has put himself in a position to play a major role in what happens to his party and its candidates at least through convention time in the summer of 1984.

From the "down-draft" he says he felt when he took over in February, 1981, "a time when we had no idea who we were or what we were up against," until today, Manatt has witnessed a revival of his party's political prospects, which many party activists attribute in part at least to his stewardship.

Among the accomplishments for which he receives a share of the credit from Democratic governors, members of Congress and state party officials:

A midterm election rebound, including a strikingly successful demonstration project in state party-building that will serve as a model for the 1984 contest.

A healthy start on a direct-mail fund-raising mechanism that could, in time, cut down the Republicans' still-growing financial advantage.

Negotiation of the formal return of organized labor as a participating and contributing part of the Democratic Party and partial repair of the Carter-era breach with business and the Jewish community.

The peaceful acceptance by the party's women, minority and liberal caucuses of a substantial revision in the delegate-selection system, which will set aside one-seventh of the seats at the 1984 convention for members of Congress and other elected and party officials, whose voices may dilute the influence of the grass-roots activists.

A thin but reasonably noncontroversial outline of a Democratic policy alternative, given public exposure in a harmonious midterm conference, campaign ads and the coordinated responses to President Reagan's television and radio speeches.

To cap off this effort to reassemble the elements of the Democratic coalition that fell to quarreling in the 1970's, Manatt expects to announce within a month firm plans for financing and constructing a long-sought Democratic headquarters building on Capitol Hill, the first permanent home in the long history of the nation's oldest party.

"Little by little," said one Democratic congressional leadership aide, "Chuck has accomplished quite a lot, maybe more than he gets credit for."

One reason for the lack of credit may be Manatt's stiffness as a spokesman for the party. His speeches, though earnest, rarely soar, and his style interviews and news conferences is pallid when compared with that of his two Texas predecessors in the chairmanship, John C. White and Robert S. Strauss.

Strauss' continued high-profile presence on the Washington scene is a particular problem for Manatt, who contested the flamboyant Texan for the party chairmanship a decade ago and lost.

Paradoxically, Manatt's public statements over the last two years rank among the most consistent and strongly worded indictments of the record and intentions of the Reagan administration.

On Jan. 23, 1981, three days after Reagan was inaugurated and while Manatt was still campaigning for his job, he told the Democratic state chairmen that "there can be no honeymoon era for Ronald Reagan Republicanism," which he characterized as "people who dress their wives in minks and $10,000 dresses cutting programs for the aged and the children."

He never relented, nor he did he mince words when many other Democrats were granting Reagan that honeymoon.

At the National Press Club, less than a week after the assassination attempt on Reagan, Manatt moved in seven paragraphs from expressing his wishes for a "speedy recovery" to voicing his conviction that "Republicans have a hidden agenda. In the name of fighting inflation and stimulating the economy, they are attempting to roll back 50 years of progressive tax and social policy. They want more for the rich and less for the average American family.

"I knew these people," Manatt says now of the Reaganites, "and I knew where they were coming from, even if other people didn't back then. I had seen them operate in California, and their view is that 'we got ours,' and everyone else ought to shift for themselves. They think if you go to the government for help, you're not as strong and not as virtuous as they were."

This kind of populism came naturally to the Iowa farm boy who worked his way through George Washington Law School with a job at the Democratic National Committee as executive secretary of the Young Democrats and once was fired from its staff in an economy move.

But it sounds strange to many people coming from a Century City bank president and senior partner in an aggressively expanding law firm with lots of high-powered clients.

Manatt insists there is no paradox.

"I never got the GI bill or a VA loan for myself," he says, "but I believe in government as a way in which we help each other cooperate in this country. In my mind, I'm an Iowa farmer, and when the American Banking Association voted in 1981 on endorsing the Reagan tax bill, I was outvoted 400 to 6.'"

Despite opposition by Senate Minority Leader Robert C. Byrd (D-W.Va.) to formation of a DNC policy arm, Manatt has been able to work cooperatively with Hill Democrats in orchestrating an effective Democratic propaganda attack on such issues as Social Security and the recession, using some paid advertising but relying mainly on the free response time the networks have granted Democrats to answer Reagan speeches. The line, "It isn't fair—it's Republican," came out of one of the Manatt-financed ads.

Every couple of months, he presides at a meeting of the House and Senate Democratic leadership. Participants say that Manatt sets the agenda and moves the discussion along, usually on what one called "safe topics," like the plans for the mini-convention or the next big fund-raiser.

"He comes in with his flip-charts, just like a Harvard MBA," said one participant, "and that's unusual enough up here, so they all listen."

Manatt has had some failures outside the policy area. His effort to shorten the presidential campaign season was overwhelmed by the ambitions of contenders to get a head start and of individual states to get to the head of the line in staging primaries, caucuses and straw votes.

The strength of his chairmanship, almost all those who have watched him agree, has been in the basics: fund-raising and grass-roots party-building. And he has been helped mightily in both areas by the alarm traditional Democratic constituencies have felt at some Reagan policies.

Organized labor ended an eight-year estrangement even as he took over, gaining 15 seats on the Democratic National Committee and contributing about 20 percent of its budget. Manatt pushed the party into vocal opposition to Reagan's sale of Airborne Warning and Control System (AWACS) planes to Saudi Arabia, reaping a reward from revived Jewish support.

His biggest potential fund-raising success is in direct mail, where aides say the DNC has gone from 25,000 contributors to 230,000. The startup costs of that drive mean that Republicans have continued during the last two years to increase their lead in both receipts and expenditures. But as time goes on, aides say, the expanded contributor base will put the Democrats back into a more competitive position.

Similarly, in organizing efforts: Manatt took one small state, New Mexico, and used it as a laboratory for a coordinated voter registration, targeting and turnout effort, using national funds to pay consultant Matt Reese to pull together the efforts of individual campaigns.

The payoff was spectacular: Democrats held the governorship against a serious challenge, captured a Senate seat and a newly created House district, and other offices. Next year, Manatt says, the program will be expanded to as many as 10 states.

Probably the biggest compliment to Manatt's work came this week from the new Republican national chairman, Frank J. Fahrenkopf Jr. Manatt had come to office in 1981 saying publicly that he wanted to emulate what Bill Brock did at the RNC in the period from 1977 though 1980. Fahrenkopf said Thursday that his goal was to catch up to Manatt. "We made a mistake in reading our press reviews," he said, "and thinking that we were so technologically advanced over the Democrats they'd never catch up * * *. We have to get back to the basics * * *."

Manatt is moving into a position where he has goodies to hand out. He will have the controlling voice in the decision where the Democrats meet and in the arrangements for the convention, giving him leverage with the aspirants.

He told the state chairmen Thursday night, "The next two years will be more fun." For Manatt, they probably will be.

[From the Washington Post, Feb. 9, 1983]

THE INVALIDS ARE SITTING UP

(By David S. Broder)

The Republican and Democratic national committees have met in Washington during the past two weeks, and the news is that both parties are in pretty good shape.

The Republicans control two-thirds of the national government—the presidency and the Senate. The Democrats control two-thirds of the state and local governments. Each is prepared to defend what it has and raid the other's territory, in the kind of healthy competition that makes for good government and lively politics.

There would be no news in this, except that we are accustomed to thinking that every institution in America is either going to hell or is already there. Having written at considerable length on the weakness of the parties myself, at various times past, I am personally delighted to see that the invalids are sitting up and taking nourishment.

Just how this came about is not entirely clear, but, it is certain that for both Republicans and Democrats, catastrophe was one mother of recovery.

For the GOP, that calamity came in the form of Richard Nixon, who drove his party deeper than ever into minority status with his Watergate crimes and then cost it the presidency via the pardon he obtained from Jerry Ford.

The revival of the GOP organization, under the 1977-80 chairmanship of Bill Brock, began only after everyone in the

party had a vivid demonstration of the danger of letting it become a wholly owned subsidiary of a particular president. When he wrecked, the party had no lifeboats of its own.

Though his failings were political, not criminal, Jimmy Carter provided the same lesson to the Democrats, costing them the White House, the Senate and a slew of House seats in 1980.

In both cases, the effect was to revive interest in the party machinery from officeholders, constituencies and interest groups that had deluded themselves into thinking they could make it on their own in Washington—or with just a friend in the White House to lend them a hand.

Since 1980, the Democrats, under their chairman, Charles T. Manatt, have been doing what the Republicans did under Brock; raising money and pumping it back into party-building projects at the state and local level, while cementing relationships with mayors, governors, state legislators and members of Congress.

The Democrats' progress has been less dramatic so far, than the GOP's under Brock, but it is sufficient to make the Republicans nervous about their financial-organizational edge. After two years in which the Republican National Committee was afraid even to burp without a signal from the Reagan White House, it has a new chairman, Frank J. Fahrenkopf Jr., of Nevada, who at least says he is going back to Brock-style basics, without waiting for Ronald Reagan to decide his own 1984 plans.

The result is a healthy aura of competition, centering around not just the presidency but control of the Senate in 1984 and a multitude of state and local contests—and the constituencies that decide them.

Manatt was down in Florida last week, pitching for money to the biggest bunch of businessmen the Democrats have been able to corral in years. Fahrenkopf is going to Florida in a couple of weeks to tell the AFL-CIO leadership why it would be a mistake for them to sign up early with the Democrats for 1984.

Democrats are finally building an effective direct-mail fund-raising program for themselves, moving into an area where the Republicans have had a virtual monopoly. Republicans, in turn, are finally getting serious about listening to the gripes working women have with the Reagan administration, ending an ostrich policy that was costing the party dearly.

All this comes under the heading of good news, because healthy, competitive parties make for better government. As a case in point, look how the Republicans in Congress, who showed extraordinary cohesion in support of the Reagan program in 1981, have been exerting steady, strong and effective pressure on Reagan for the past year to modify his policies to meet the changed economic and political realities.

That is what should happen in a healthy part. One reason those Republican legislators can do what they are doing is that they know the party will support them strongly—with money and organization—whatever Reagan thinks or does in 1984.

The Democrats are not at that point yet, but they are moving toward it. And that promises that if and when they come back to power, they will not have to suffer the vagaries of another Jimmy Carter—or the dire consequences of his kind of insulated presidency.

It's good news—just what the White House has been begging us reporters to give you. So even if you don't buy a new car or house this week to celebrate the Reagan Recovery, at least send a few bucks to the party of your choice.●

DOMESTIC CONTENT AND HIGH TECHNOLOGY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. DINGELL. Mr. Speaker, for some years workers in the auto, steel, rubber, electrical, and other basic industries have been suffering widening layoffs and unemployment as jobs and investment in these industries have moved abroad. A number of people have viewed this as perfectly natural and, indeed, desirable, arguing that the American economy should shift away from these "old smokestack industries" and into new "high tech industries." The problem is that the same forces which are undermining our heavy industries also affect the new technologies. Unless we understand our role in the evolving world economy and develop pragmatic policies to deal with the new realities, we may lose both old and new industries.

I invite the attention of my colleagues to an article which appeared in the Washington Post business section yesterday. It should be noted that in moving to East Asia, Atari is joining one of its principal competitors, Apple, which already does much of its manufacturing in Hong Kong.

The article follows:

ATARI TO FIRE 1,700, SHIFT PLANTS TO ASIA

(By Martha M. Hamilton)

Atari Inc., the video game and home computer manufacturer that has sometimes been used to symbolize America's employment future in high-technology jobs, said yesterday it will fire nearly a quarter of its U.S. work force in a shift of Atari's manufacturing operating overseas.

Atari said that 1,700 workers in California will lose their jobs as a result of the company's decision to shift production from Sunnyvale, Calif., to Hong Kong and Taiwan. The layoffs will be phased in from now to June or July with 600 workers out of a job yesterday.

The production move comes only weeks after Atari's parent, Warner Communications, reported lower-than-expected earnings for 1982 for its consumer electronics division.

Analysts said the production shift, which follows the pattern of consumer electronics items such as watches and television, results from economic pressures in the highly competive home computer and video games industries. Atari said yesterday it is designed "to reduce escalating manufacturing costs"—such as labor, the value of the dollar and regulatory costs.

The announcement of the move and the large layoff is bound to raise questions about projections that jobs lost in the foundaries and auto plants can be replaced easily by jobs in high technology industries and that high-tech industries can preserve the U.S. position in international trade.

"It clearly indicated that the high-tech firms are also moving abroad and that they are no guarantee for absorbing the nation's jobless," said Rudy Oswald, director of research for the AFL-CIO.

The value of high technology in America's future has been espoused by a group that has been dubbed the "Atari Democrats," who advocate shifting resources away from declining industries, such as steel and automobile manufacturing, into the high technology and service industries where growth is expected to occur.

President Reagan, too, echoed some of those sentiments in his State of the Union speech, earning for himself the label "Atari Republican"—a label likely to be revised as a result of yesterday's announcement.

Atari has said that financial considerations dictate that some of its production be moved abroad. "Our computer production costs will go down dramatically in 1983," John Cavalier, president of Atari's Home Computer division, is quoted in Electronic News, a trade publication.

Atari already manufactures some video games in Taiwan and in Limerick, Ireland.

Interviewed by that magazine at the Consumer Electronics Show, Cavalier noted that "there were no [Atari] computers manufacturered offshore in 1982. There will be a significant percentage manufactured offshore in 1983." In fact, an Atari spokesman said yesterday, virtually all its home computers will be manufactured abroad.●

ESTONIAN INDEPENDENCE DAY

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. DAUB. Mr. Speaker, today marks the 65th anniversary of the Declaration of Estonian Independence. While Estonian-Americans today observe this anniversary, Estonians in their homeland continue to face serious threats to their language, their culture, and their very existence as a nation.

The United States, to this day, refuses to recognize the Soviet seizure of the Baltic States which took place nearly 40 years ago. Concern for human rights plays a major role in the foreign policy of the United States, and we should take this opportunity to assure the people of Estoniz, as well as the people of Latvia and Lithuania, that their struggle for self-determination is not forgotten.

I encourage my colleagues to continue their support for the cause of freedom on this anniversary of Estonian Independence.●

NEEDLES HIGH SCHOOL AWARDS RECEPTION

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. LEWIS of California. Mr. Speaker, on March 2, 1983, the San Bernardino County schools and the Constitutional Rights Foundation will be sponsoring an awards reception and dinner honoring the finalists in the California State mock trial competition. I would like to take this opportunity to recognize and commend the team from Needles High School who will be representing the county of San Bernardino.

Over 2,500 students from 14 counties statewide participated in the mock trial program this year. The competition involved 15-member teams working with a teacher, Mr. Sonny DeMarto and attorneys John and Louise Closs, to prepare a criminal case which was presented in courtrooms before municipal and superior court judges. Through the mock trial program, students of varied ability levels increased their proficiency in communication skills, developed self confidence and furthered their knowledge of the content and process of the legal system. Approximately 200 students will compete for the State championship and participate in activities which will familiarize them with the workings of State government from March 1 to 3, 1983.

Mr. Speaker, I take great pride in commending to my colleagues not only the team of Needles High School, but also the attorneys, judges, and teachers for their countless hours of work and preparation that were volunteered to make this mock trial competition such a success.●

ESTONIAN INDEPENDENCE DAY

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. STRATTON. Mr. Speaker, today marks the 65th anniversary of the Estonian Declaration of Independence. I am pleased to join my colleagues in Congress and the members of the Estonian-American community in showing my support for their fight for freedom from Soviet domination and to state that we in the United States shall support their cause until they are once again free.

Independent Estonia emerged from the turmoil of World War I and the Russian revolution, when the small country proclaimed its independence on February 24, 1918. Although Estonia was soon invaded by Soviet armies, the small country was able to repulse them in 1920 and win freedom for 20 years. Estonia enjoyed a generation of independence and economic and cultural growth, until 1940 when the Soviet Union annexed Estonia, Latvia, and Lithuania in the wake of the infamous Hitler-Stalin pact.

During the last 40 years of foreign rule, the Estonian people have bravely and stoutly resisted Soviet efforts at Russification, or the subjugation of their language, culture, and religion to Russian practices. The importation of foreign workers and the often brutal industrialization of their country have made this a tough fight.

The plight of Estonia and the other captive nations becomes more urgent every year, as the Soviets continue to pursue a massive military buildup to tighten their hold on the countries under their rule, and to discourage other free nations from challenging their empire. As a longtime advocate of a strong defense for the United States to meet the Soviet threat, I hope that this will serve to undermine their hold on other, smaller nations.

With admiration and respect, I salute the people of Estonia and their friends and families in the United States and throughout the world in their struggle to regain their independence from the Soviets. I reaffirm my support for their fight and renew my conviction that Estonia will soon be free again.●

DILLONITES RAISE SCHOLARSHIP FUNDS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. RODINO. Mr. Speaker, this Saturday night, February 26, a very special event will be held in Newark—the third annual dinner dance held by an organization known as the Dillonites.

These dedicated individuals are originally from Dillon, S.C., and the proceeds from the event will be donated to a scholarship fund for high school students in that town.

The distinguished guests will include Mayor Kenneth Gibson and members of the city council and the featured speaker will be Dr. Fred Means from Jersey State College. Among those being honored by the Dillonites are Joseph Benucci, Newark's postmaster; Dorothy Gould, the assistant executive superintendent of the Newark schools; Carl Jones, president of the Bridge Club; Verdell Roundtree, the New Jersey director of the United Negro College Fund; Miles Berger, president of the Berger Hotel Corp.; Eutha Grier, historian for the Garden State Chapter of the Dillonites; and Louise Epperson, director of patient relations of the University of Medicine and Dentistry, who will receive the 1983 Health Education Award.

I am extremely proud of this chapter of the Dillonites, and president Thomas Carmichael, for their generous spirit and hard work assisting these young people of Dillon in obtaining an education.●

SOCIAL SECURITY CARDS SOLD TO ILLEGAL ALIENS

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. WHITEHURST. Mr. Speaker, earlier this month I introduced H.R. 1272, the Social Security Alien and Foreign Resident Limitations Act. The intent of this measure is to reform certain aspects of the social security system's overseas program, as well as prohibiting people who have worked unlawfully in this country from collecting benefits.

The introduction of my legislation coincided with the release of a General Accounting Office study I requested on this subject nearly 2 years ago, the findings of which are highlighted in the CONGRESSIONAL RECORD of February 3, 1983, on E306.

Mr. Speaker, I testified a few weeks ago before the Subcommittee on Social Security, which is conducting hearings on the long-term financing problems facing the social security system. Observing that "we need to correct this," Chairman J. J. PICKLE announced that his subcommittee will conduct hearings on this issue as soon as possible.

In the few weeks since I introduced H.R. 1272, I have received letters in support of this measure from citizens throughout the country.

One of the major problem areas associated with this issue is the relative ease in which individuals can obtain social security cards.

A few days ago, WLS-TV in Chicago ran a series of stories compiled by its team of investigators on the illegal alien issue. One segment was particularly enlightening in showing what lengths people will go to in obtaining and providing social security cards. The following transcript of that segment details how a Federal employee engaged in selling social security cards at $75 apiece to illegal aliens. The employee has since been arrested and charged with in connection the sale of the cards. The transcript follows:

ILLEGAL ALIENS: ABUSE ON BOTH SIDES

ROSA CHAVEZ (illegal alien). When you go to apply for a job, they ask you for a social security card.

ROBERTA BASKIN. Rosa Chavez is an illegal alien. But she now has a real, American

social security card. She needed it last April so she could work . . . so she could support her seven children.

This is Eduardo Medina. Inside the Social Security Administration, he makes it possible for people in Rosa's situation to get a card.

ROSA CHAVEZ. The man came with the applications. He filled them out. And all I did was sign them. After about six weeks, the cards arrived.

ROBERTA BASKIN. This social security card cost Rosa $175. The card is supposed to be free. Social Security officials are supposed to ask for certain documents.

Did you show any documents at all to get the social security card?

ROSA CHAVEZ. No. Nada.

ROBERTA BASKIN. And social security also requires an interview . . . in person . . . in the social security office. But Rosa never had to show up.

ROBERTA BASKIN. This is the alley behind the social security office on North California. At the end of the alley is a Chicago police station. This is the spot that Eduardo Medina chooses to sell social security cards . . . out the back door.

Target 7 sent in Tony Prince. He told Medina he needed three social security cards for friends.

TONY PRINCE (target 7 researcher). He looks kind of nervous, you know. And he goes to me, the price will be $75 each, which equal $225. Can you make sure you bring the money tomorrow, and I give you the receipts.

ROBERTA BASKIN. We paid the money, and filled out applications in the names of three illegal aliens, people Medina never met. He did check this box to say that he interviewed them, and he falsified our applications, claiming he'd seen some documents that don't even exist.

He got away with it because of a flaw in the social security system.

JIM STOKES (Office of Inspector General). The current social security enumeration system did not have a sufficient safeguard. This lack of safeguard allowed the employee to process numerous social security card applications without bringing an alert to the social security management.

ROBERTA BASKIN. We gave Tony more money to make one last buy from Eduardo Medina. They met near the social security office and went inside a doorway to do business. Tony counted out the money to buy the social security cards. As soon as he got the receipts, we caught up with Medina to introduce him to those illegal aliens he'd gotten cards for.

Have you ever seen these people before?

EDUARDO MEDINA (Federal employee). No ma'am.

ROBERTA BASKIN. Did you ever see him?

EDUARDO MEDINA. No ma'am.

ROBERTA BASKIN. And did you ever see her?

EDUARDO MEDINA. No ma'am.

ROBERTA BASKIN. Well, you sold two social security cards in their name last week, and you put down—here it is—on the application for her, you put down that you did an, that you did an in-person interview again.

EDUARDO MEDINA. Right.

ROBERTA BASKIN. Yeah, and what about this health card, the green card, and the library card? She doesn't have those things.

EDUARDO MEDINA. Okay, so that I put down.

ROBERTA BASKIN. So why'd you put that down?

EDUARDO MEDINA. That's a, that's just Tony told me to help him out.

ROBERTA BASKIN. And how much money did you make?

EDUARDO MEDINA. That's only $75 I pay there, that's all.

ROBERTA BASKIN. $75 for each social security card you sell.

EDUARDO MEDINA. That's the only one.

ROBERTA BASKIN. This person, Rosa Chavez is in the country illegally. You sold a social security card to somebody on her behalf.

EDUARDO MEDINA. No. I didn't make no.

ROBERTA BASKIN. So that she could work.

EDUARDO MEDINA. I didn't make no arrangement for that. The only think I say was with Mr. Tony.

ROBERTA BASKIN. Do you know want a serious crime it is to put down that you did an in-person interview with somebody when you didn't?

EDUARDO MEDINA. Yes.

ROBERTA BASKIN. Tell me, because I don't know if you do.

EDUARDO MEDINA. Yes, I understand it's jail sentence, that you can get.

ROBERTA BASKIN. Then why'd you do it? For money?

EDUARDO MEDINA. Well, I just did that for money. That's all I did. But not any more.●

A FAIR ADJUSTMENT TO IMPROVE SELECTIVE SERVICE REGISTRATION

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. GUNDERSON. Mr. Speaker, the recent debate and controversy concerning the implementation of the Solomon amendment, which prevents distribution of Federal student aid to any individual who has failed to register with the Selective Service, has once again opened the entire debate surrounding registration. The failure of some 6 percent of those required to register to do so causes one to examine the opposition to such a simple procedure. However, what is relatively simple in practical implementation may cause severe emotional stress for some Americans. While approximately half of the nonregistered population is attributed to administrative difficulties, the remaining young American men have failed to do so intentionally for personal reasons.

Today, I am introducing legislation which will both facilitate complete registration while also giving young men the opportunity to indicate their intent to apply for conscientious objector status. This legislation is based upon the presumption that a high percentage of those who intentionally fail to register do so on the basis of conscientious objector principles.

Under current law, an individual may apply for such status only at the time the draft is actually implemented. The application may be made to his local Selective Service board which will determine the acceptability of his case. In order to qualify for classification as a conscientious objector, a person must be conscientiously opposed to participation in any war. Beliefs must be religious, moral, or ethical in nature, as opposed to those based solely on politics, expediency, or self-interest.

In addition, a conscientious objector is not relieved of the obligation to serve. Two types of service may be performed, depending upon the individual's specific beliefs: First, the person who is opposed to any form of military service (Class 1-0) performs a period of civilian service in a job which contributes to the national health, safety, or interest; or, second, the person whose beliefs will allow him to serve in the Armed Forces in a noncombatant capacity (Class 1-A-0) becomes a member of the Armed Forces but does not receive any training in the use of weapons. Many of these serve in the medical corps.

This legislation would simply add two questions to the Selective Service registration form which would allow the registrant to indicate his preference to be considered for classification as a conscientious objector serving in either noncombatant military service or available for alternate service. Notice shall also be provided on the forms that this indication is not binding on the United States and that the marking of such an indication does not assure that the registrant will be so classified.

It should be emphasized that this is not an attempt to circumvent registration, but to facilitate it. These changes in the registration form will not harm the intent of draft registration—early preparation and organization in case conscription should be required—but, in fact, will improve and economize the entire system by indicating to the Selective Service System those individuals who are likely to apply for conscientious objector status in either a noncombat or alternate service role.

At the same time, these changes will also facilitate the complete registration of the eligible population by removing the stigma that registration leads to immediate participation in a draft, without an opportunity to indicate ones desire to apply for conscientious objector status.●

ESTONIAN INDEPENDENCE

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. HOWARD. Mr. Speaker, 65 years after the official declaration of Estonian independence, this proud Baltic nation is fighting for its very existence under the cruel jackboot of Soviet tyranny. The drive for Russification of this ethnically distinct people is characteristic of the Soviet

terror mechanism in one of its many contemporary forms.

In the individual human dimension, the death of Prof. Juri Kukk 2 years ago in a Volga labor camp represents both the perseverance and the tragedy so typical of the Estonian struggle. Even as Juri Kukk rests in peace, his codefendant, Mart Niklus, struggles on, serving a 5-year sentence in a Soviet labor camp. These two men are symbols of a much larger atrocity. The relative proportion of Baltic nationals to other ethnic groups in Soviet labor camps demonstrates the magnitude of this injustice.

It has been four decades since the Soviet empire swallowed Estonian and the other Baltic nations in perhaps the most repugnant act of blatant hegemony in our century. The hopes of these nations, the hopes of an Estonian people so capable of fulfilling their potential as a country, have been subverted to the wishes of a Soviet elite which differs little in essence from its progenitors. It is up to us in the free world to keep the light of publicity on the Estonian struggle—their hopes are our hopes, their dreams our dreams—the fate of the human community rests with the solidarity of its defenders.●

SERIOUS RISK OF RAPID DEFENSE BUILDUP

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Ms. KAPTUR. Mr. Speaker, the administration's proposed rapid defense buildup poses serious risks both to our national security and to the health of our economy. Congress, in considering the President's massive rearmament program, must weight its costs to the American people.

In his budget for fiscal year 1984, President Reagan proposed the continuation of the 5-year military buildup that he initiated 2 years ago at a cost of $1.8 trillion, roughly a cost of $20,000 in taxes per household over the next 5 years. This constitutes the largest peacetime defense spending program in the history of our Nation, at a real rate of increase after inflation of 7 percent. Yet, despite estimates of wasteful Pentagon spending ranging from $30 to $100 billion, the President's budget provides for no savings based on elimination of wasteful spending.

The President's military budget gives top priority to the development of new strategic nuclear weapons, a 37-percent increase in nuclear force funding in this year's budget. I fear that adding to our nuclear arsenal will only trigger another dangerous escalation in the balance of terror between the United States and the Soviet Union. The administration's arms control policy, based as it is on arms increases, is a bankrupt policy. We need a President who will assume the leadership role in arms control negotiations with the Soviets. Congress must take its own lead on arms control by passing the resolution calling for a bilateral, verifiable freeze on nuclear weapons production, development, testing, and delivery systems.

The greater share of our defense budget should be spent on conventional systems, although streamlined, to insure readiness and sustainability, and to educate our service personnel. We now have complex weapons systems with personnel lacking the expertise to use them. In addition, I believe it is time for our allies to assume their fair share of their own defense, rather than relying solely on the American people to finance their defense-related expenditures. The President's budget includes no initiative for cost sharing with our allies.

At the same time that the military budget is being increased, spending on human needs program is being drastically reduced. In my estimation, our natural resources should be invested in activities which would put Americans back to work and put the United States on the road to prosperity. Our economic recovery must not be jeopardized by excessive defense spending.

Studies have documented that every dollar spent on military programs creates far fewer jobs than the same dollar spent in any other sector of the economy. Jobs in the defense industry are more highly skilled than in other sectors and thus open to fewer American workers. Furthermore, some influential economists have voiced concern that the planned rate of increase for military spending is too fast and might strain some sectors of the economy, thereby contributing to another inflationary spiral similar to those which occurred when the United States expanded its arsenals as rapidly in the past.

Excessive military spending also contributes to declining productivity. Concentrating scientific work on military projects reduces the share available for productivity that increases innovation in other sectors. With so much money and skilled labor diverted to military programs and away from civilian production, America's competitive advantage over Japan and other industrialized nations is bound to suffer.

Defense spending is one of the most regionally unbalanced categories of Federal spending. More than any other other Federal program, defense spending drains resources and jobs out of the industrial Midwest and transfers them to economically healthier areas of the country. According to Department of Defense figures, $93.4 billion of the fiscal 1983 defense budget—excluding procurement—will go to States in the South and West, while only $28.6 billion will be spent in the Northeast-Midwest region.

This amounts to $278 per capita in the Northeast and Midwest compared to $739 in the South and West. Ohio receives $3 billion less in Pentagon spending than it contributes in tax moneys which are channeled to the defense budget. Current military spending is contributing to idle capacity and unemployment in our area.

The costs of the proposed weapons systems, once approved, will grow dramatically in succeeding years and contribute to even greater deficits. Now is the time to rein in the administration's military spending proposals. A strong national defense cannot be minimized, but scarce Federal funds must be spent wisely. If we cannot create jobs for the unemployed, revitalize our basic industries, educate the next generation or care for the members of our society who depend on the Government for their basic needs, we will not be contributing to our Nation's security.●

ESTONIAN INDEPENDENCE DAY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. FORD of Michigan. Mr. Speaker, it is with great pride and admiration that I join in the commemoration of the 65th anniversary of Estonian Independence Day. The remarkable strength and proud heritage of the Estonian people in the Soviet Union, who face a never-ending quest to regain their freedom, has established a model for the world.

Today we mark the proclamation of independence for the Republic of Estonia. The Estonians made significant economic, educational, and cultural progress until their freedom and independence came to an end in 1940 when they were forcibly annexed by the Soviet Union. On a day-to-day basis in the Soviet Union, the Estonians are facing serious attacks to rid them of their strong sense of heritage. They face serious threats to their language and culture. This is yet another example of the Soviet attempt to Russianize these people out of existence.

Free nations of the world must continue to speak out against this Soviet aggression. We will never recognize their seizure of Estonia. As a signatory of the Helsinki accords, the Soviet Union continues to deny these individuals their basic human rights—the free exercise of political, cultural, and religious freedoms.

Mr. Speaker, I am very moved by the strength and conviction of these brave people. I am thankful for this oppor-

tunity to pay tribute to these courageous people and their overwhelming commitment to human rights and freedom that free nations of the world cherish so deeply.●

FTC OVERSIGHT OF PROFESSIONS BACKED BY PUBLIC ACCOUNTANTS

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. DINGELL. Mr. Speaker, since renewed attempts will be made in the 98th Congress to restrict the authority of the Federal Trade Commission over professions, my colleagues should be aware that professional associations continue to line up in opposition to efforts by the American Medical Association to exempt the professions from regulation by the FTC. The 33 national organizations and their 800 affiliated organizations representing 17 million individuals formed a coalition to save the jurisdiction of the FTC over professions in the last Congress. I have been recently notified by the National Society of Public Accountants that their Board of Governors had unanimously adopted a resolution stating the National Society's opposition to any legislation which would exempt professionals from FTC jurisdiction and resolving support and assistance for continued FTC regulation and investigation of the activities of professionals. A copy of their correspondence follows along with a list of the member organizations of the Coalition to Save the Jurisdiction of the Federal Trade Commission Over Professions.

NATIONAL SOCIETY OF
PUBLIC ACCOUNTANTS,
January 14, 1983.

Hon. JOHN D. DINGELL,
Chairman, Energy and Commerce Committee, Rayburn House Office Building, Washington, D.C.

DEAR MR. DINGELL: At its regular meeting in November, the Board of Governors of the National Society of Public Accountants unanimously adopted a resolution stating the National Society's opposition to any legislation which would exempt professionals from Federal Trade Commission jurisdiction, and resolving support for FTC to continue to regulate and investigate the activities of state-regulated professionals.

The National Society of Public Accountants is an individual membership professional association consisting of 17,000 members throughout the United States, who are vitally concerned with the issues and problems facing small accounting firms and the more than four million small businesses which they serve.

The members of the National Society firmly believe that the antitrust laws should be applied to state regulated professionals in order to ensure competition and fully competitive markets, regardless of the product, occupation or service provided.

The members of the National Society appreciate your efforts in behalf of a free-market system, and the position which you took and maintained as Chairman of the Energy and Commerce Committee.

Should renewed attempts be made in the 98th Congress to restrict the authority of the FTC over professions, I hope that you or the members of the Committee's staff will call upon the National Society for whatever assistance we can provide.

Sincerely,

LOUIS MIRMAN,
President.

COALITION TO SAVE THE JURISDICTION OF THE FEDERAL TRADE COMMISSION OVER THE PROFESSIONS

American Nurses' Association.
American Society for Medical Technology.
American Association of Pastoral Counselors.
American Academy of Physican Assistants.
Association for the Advancement of Psychology.
American Psychological Association.
American Dental Hygienists' Association.
American Speech-Language-Hearing Association.
American College of Nurse-Midwives.
American Public Health Association.
International Chiropractors Association.
National Association of Optometrists and Opticians.
National Association of Chain Drug Stores.
American Chiropractic Association.
Women's Equity Action League.
American Association for Clinical Chemistry.
American Medical Technologists.
American Association of Bioanalysts.
International Society for Clincial Laboratory Technology.
American Society of Allied Health Professions.
National Rehabilitation Counseling Association.
National Women's Health Network.
Women and Health Roundtable.
American Association of Retired Persons.
American Retail Federation.
Congresswatch.
U.S. Women's Health Coalition.
National Consumers League.
Consumers Union of America.
Consumers Federation of America.
American Association of Nurse Anesthetists.
United Automobile, Aerospace, and Agricultural Implement Workers of America.
United Steelworkers of America.●

DISC REVISION ACT OF 1983

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. VANDER JAGT. Mr. Speaker, I am today introducing H.R. 1673, the DISC Revision Act of 1983. Briefly stated, the purpose of the bill is to revise the existing Domestic International Sales Corporation (DISC) provisions of the Internal Revenue Code so as to make them consistent with the General Agreements on Tariffs and Trade (GATT) while at the same time preserving significant export incentives similar to those contained in the existing DISC provisions.

The United States is currently faced with a significant international trade problem because the General Agreements on Tariffs and Trade have concluded that the existing DISC provisions violate GATT. In addition, the U.S. Trade Representative has assured representatives to the GATT that the United States will soon modify the existing DISC provisions to bring them into compliance with GATT. In the meantime, DISC has been a continuing thorn in our side as we attempt to further other important trade-related matters before the GATT, including many of those that were discussed at the GATT Ministerial in November 1982. The progress on these important initiatives will be stymied until a GATT legal DISC alternative has been presented. Although it is necessary to modify the existing DISC provisions, at the same time it is very important that the modified version continue to provide export incentives to our various domestic manufacturers, especially for those small manufacturers who may have only recently become exporters or who are in the process of considering to become exporters. The importance of encouraging export of products domestically in the United States cannot be underscored, because the alternative is to encourage manufacturers to locate manufacturing plants outside the United States, thus removing valuable jobs from our shores. The DISC solution also should not attempt to use gimmicks which will only temporarily avoid a GATT challenge. Rather, it should attempt to arrive at a solution which will be GATT defensible for the long term, thus avoiding another disruptive period in our trade policy similar to that which has accompanied the DISC dispute. Many proposals have been floated in the last year which would generally only modify the existing DISC provisions to require the use of a foreign corporation rather than a domestic corporation. This alternative presents many problems including the prospect of not being able to sustain a GATT challenge. From a tax policy standpoint, the use of a foreign alternative is also questionable because it is inconsistent with the administration's tax treaty negotiating policy which attempts to discourage the use of foreign tax havens by U.S. taxpayers. The modification of DISC so as to require incorporation in a foreign jurisdiction will only provide a sufficient economic benefit to the exporter if the foreign corporation is located in a jurisdiction which imposes little or no tax, in other words, a foreign tax haven.

The bill which I have introduced today attempts to address the problems identified above with the existing

DISC and with respect to the various foreign solutions which have been proposed in the last couple of months. As such, it attempts to achieve three important policy goals. First, the bill sufficiently modifies the existing DISC provisions so as to make them GATT defensible. Second, the proposal avoids the use of a foreign corporation as the solution to the existing DISC problem. By doing so, it avoids a significant inconsistency with our tax treaty negotiating policy. More importantly, it insures that small businesses will be able to continue to benefit from the DISC provisions. Modifying DISC to require the use of a foreign corporation would make it very unlikely that small exporters would be able to utilize the provisions due to the complexities of doing business in a foreign jurisdiction, especially if a substantial foreign presence is required. Third, the proposal insures that trade incentives provided for exporters, especially small exporters, will continue.

DESCRIPTION OF THE PROPOSAL

The DISC Revision Act makes several significant changes in the existing DISC provisions. First, it provides for the imposition of an interest charge on the accumulated DISC income which has been subject to deferral. The interest charged for small exporters—those with less than $250,000 of DISC taxable income—is 4 percent while the interest charge for larger exporters is the average Federal funds rate, that is, the rate at which banks in the Federal Reserve System borrow money from other banks in the system. Second, rules controlling the amount of income which is subject to deferral are significantly simplified. The complicated incremental rule is eliminated. The amount of deferral which is permitted annually is increased to 100 percent for DISC taxable income up to $250,000. The amount of deferral permitted for DISC taxable in excess of $250,000 is 45 percent. Third, all accumulated DISC income existing for taxable years beginning on or before December 31, 1983, will be permanently deferred. This provision is clearly sensible because many companies by following the rules of DISC under existing law could effectively achieve this result by simply avoiding a distribution of the accumulated income and investing in qualified assets. By statutorily providing that the income is permanently deferred it eliminates significant financial accounting problems while at the same time preserving the likely tax result which would occur under existing law. An added benefit of this change is that it effectively results in a liberalization of the DISC asset test because the substantial pool of capital consisting of accumulated deferred DISC income which must be invested in specified assets will have been reduced. Many companies both large and small have indicated a concern with meeting the qualified assets test under the existing law because of the large pool of deferred income which must be invested in a limited range of assets in order to satisfy the existing qualified asset test. By reducing the size of that pool of capital which must be so invested, the problems of meeting the qualified assets test will also be substantially eliminated. Fourth, the bill permits the use of excess investment tax credits to be used to pay the interest charge which is imposed on accumulated DISC income. In addition, excess net operating losses may be used to reduce the amount of accumulated DISC income which is subject to the interest charged. Finally, the bill provides that accumulated DISC income which has been subject to the interest charge will qualify for a permanent deferral at the end of 10 years and cease to be subject to the interest charge. It should be noted, however, that this provision would not have any effect if the parent of the DISC had made the election to utilize its excess net operating losses to reduce the accumulated DISC income subject to the interest charge prior to the expiration of 10 years.

The bill does not modify the gross receipts test to expand the use of DISC for the service sector of our economy. Because this is a matter of growing concern in view of the increasing portion of our economy which consists of service-type industries, it is my hope that the enacted legislation will direct the Treasury to study the advisability of extending DISC-type treatment to the service sector.

On balance, I believe that the bill provides the most workable solution to a complex problem facing us both with respect to U.S. tax policy and U.S. trade policy in a way that will continue important export incentives which are necessary for the United States to compete in the world trading markets.●

HOUSE OF REPRESENTATIVES—*Friday, February 25, 1983*

The House met at 11 a.m. and was called to order by the Speaker pro tempore (Mr. WRIGHT).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
February 24, 1983.

I hereby designate the Honorable JIM WRIGHT to act as Speaker pro tempore on Friday, February 25, 1983.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

Rev. Charles Mallon, permanent deacon, Holy Family Church, Mitchellville, Md., offered the following prayer:

Make me to know Thy ways, O Lord; teach me Thy paths. Lead me in Thy truth, and teach me, for Thou art the God of my salvation for Thee I wait all the day long.—Psalm 25, 4–5.

Father, during this time of Lent, give us the wisdom and grace of self-denial that we might discipline ourselves against attitudes that bring self-deception. Protect us from the pitfalls that await individuals of special circumstance and make us ever conscious of the great Commandment to love God and to love our neighbor as ourselves.

Father, grant that we may remain forever, in Your plan of salvation, we ask this through Christ our Lord. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making appropriations to provide emergency expenditures to meet national needs for the fiscal year 1983, and for other purposes.

Mr. CONTE reserved all points of order on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

WHAT IS DEMOCRACY ALL ABOUT?

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, the Justice Department has apparently decided that three films, all produced by the Canadian Government, not exactly a hostile Government, including a documentary on nuclear war that has been nominated for an Academy Award, are to be looked at as political propaganda and may not be shown in the United States without a disclaimer stating that the U.S. Government does not approve of these films.

Mr. Speaker, what is the first amendment supposed to include? What is democracy all about?

This is an administration that apparently believes in a free market for big business, but a regulated market for free speech.

Mr. Speaker, I am very concerned that when the Justice Department is involved in censorship of these movies that they may have some concerns about whether people view such movies as "Missing," "Apocalypse Now," and "The Deer Hunter." Perhaps when we see the sequel to "The Winds of War," "War and Remembrance," the Justice Department may have the same concerns about some of the positive allusions that it may have to our former ally, the Soviet Union.

Mr. Speaker, this type of Justice Department determination is reprehensible. My colleague from Iowa (Mr. LEACH) and my colleague from Michigan (Mr. WOLPE) and I will be sending a letter to the Justice Department urging that this policy be immediately rescinded. I felt that it should immediately be brought to the attention of our colleagues so that they, too, could join in repudiating this type of improper activity in a democratic society.

ADMINISTRATION HAS NOT GONE FAR ENOUGH ON EPA

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, on Wednesday of this week, we learned of the resignation of two more high-ranking officials at the Environmental Protection Agency, and yesterday, the Reagan administration moved to bring the Environmental Protection Agency under tighter control by appointing four veteran governmental managers to run the Agency. But today, the New York Times reports that the White House Counsel has been ordered to examine contacts between senior aides of the President and the Environmental Protection Agency for any evidence of political manipulation.

While I commend the actions of the White House in their efforts to clean up the Environmental Protection Agency. I do not think that the administration has gone far enough. The credibility and the efficiency of the Environmental Protection Agency has been severely damaged by this affair. This can only be remedied by the following three measures:

First, the administration should cooperate with the ongoing congressional investigations;

Second, the President should appoint a special prosecutor to investigate the changes of conflict of interest, political manipulation of the Superfund by senior administration officials, and conducting private business on public time by employees of the Environmental Protection Agency;

Third, finally, the President should demand the resignations of the two officials that are charged with the protection of the environment, Mrs. Anne Gorsuch Burford and Mr. James Watt.

Only if these three remedies are followed can the Environmental Protection Agency return to its congressionally mandated objective, the protection of the environment.

IS "1984" JUST FOOD FOR THOUGHT?

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, in his novel, "1984," George Orwell describes in chilling detail a world in which public opinion is carefully controlled by Government bureaucrats. Nothing is said, heard, or thought without Government approval. But Orwell wrote fiction, and "1984" is just "food for thought." Or, is it?

A story in today's edition of the Washington Post serves as a frightening reminder that fiction is sometimes prophecy.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

The U.S. Department of Justice has labeled three Canadian films "propaganda," and has ruled that they cannot be shown within the United States without a disclaimer stating that the U.S. Government does not approve of them. The films, Mr. Speaker, include an academy-nominated documentary featuring a lecture by antinuclear activist Dr. Helen Caldicott, as well as two films on the environmental hazards of acid rain. And what is more, the Justice Department is seeking a list of all organizations or individuals that have seen or have requested to see the films. I wonder what Justice intends to do with that list?

Mr. Speaker, big brother appears to be watching us, and I—for one—am uncomfortable under his sobering stare.

I suspect that my discomfort is shared by Americans throughout our land.

JUSTICE DEPARTMENT RESTRICTIONS ON CANADIAN FILMS DEPLORED

(Mr. LEACH of Iowa asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEACH of Iowa. Mr. Speaker, I join with Congressmen WOLPE and LEVIN in expressing shock and dismay at the action of the Justice Department in labeling three Canadian-produced films as "political propaganda." These films, which deal with nuclear arms cnntrol and environmental protection, apparently suffer from the sole defect of reflecting views different from those of the administration, a right, Mr. Speaker, which when last checked was still enshrined in the first amendment to the Constitution.

This Justice Department decision is an egregious insult not only to our friends and allies in Canada, but also to the fundamental right of Americans to view, read, or think what they wish without governmental interference or governmental disclaimers. If the administration carries its twisted reasoning to its logical extreme, will ABC, CBS and NBC, which daily carry views in opposition to administration policy, be forced to run disclaimers too?

I call upon Attorney General Smith to reverse this childish decision without delay. The Justice Department is charged with protecting the constitutional rights of American citizens, not with infringing upon them. It may be too extreme to label this minor league act of censorship a harbinger of McCarthyism, but it sends a chilling message to those Americans deeply concerned about environmental issues in general and about the ultimate environmental issue of our time, the survival of the planet.

The administration would be better served if it spent more time negotiating arms restraint agreements with the Soviets and repairing the corrosive effects of acid rain on our environment, rather than wasting the time of all Americans on its clumsy efforts to erode the freedoms of choice and thought of our citizens.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I take this time for the purpose of receiving the schedule for next week and I am happy to yield to the distinguished majority leader.

Mr. WRIGHT. If the distinguished gentleman from Mississippi, the acting minority leader, yields, we have a full schedule next week. It will be our busiest schedule thus far in the session.

We will have a pro forma session on Monday, meeting at noon, and it will be my purpose to ask that when we adjourn today, we adjourn to meet at noon Monday.

On Tuesday, we will have one bill on suspension, the American Conservation Corps authorization.

We meet at 3 o'clock on Wednesday, and we expect to take up the emergency supplemental appropriations bill for fiscal year 1983. That is the jobs bill that is being marked up at this moment in the Committee on Appropriations.

On Thursday, we meet at 11 o'clock. There are two bills. Subject to the granting of a rule, we expect to consider the Emergency Math and Science Education Act, and also a resolution providing for a permanent staff for the Intelligence Committee.

The House would not be in session on Friday, March 4. Of course, any further program would be announced later.

Mr. LOTT. Mr. Speaker, I would like to just inquire, on Tuesday the gentleman has the American Conservation Corps authorization. Does the gentleman anticipate a vote being taken on Tuesday, or would you defer that vote?

Mr. WRIGHT. I would anticipate that we probably would have a vote on that bill on Tuesday. If the gentleman requests, on behalf of any number of Members whom he knows to be unavoidably engaged, we conceivably could postpone the vote.

□ 1130

But it is Tuesday rather than a Monday, and it seems to me that most Members would probably expect to be in town.

Mr. LOTT. Mr. Speaker, I just made the inquiry to see if we do expect a recorded vote. It is obviously possible that a recorded vote might not be called or asked for, but if it is, may we anticipate that we will have a recorded vote on Tuesday?

Mr. WRIGHT. Mr. Speaker, it is our expectation that if a recorded vote is demanded, we would go ahead and have a recorded vote unless there is a reason to do otherwise of which I am not aware.

Mr. LOTT. Mr. Speaker, I thank the gentleman from Texas (Mr. WRIGHT).

ADJOURNMENT TO MONDAY, FEBRUARY 28, 1983

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore (Mr. LEVINE of California). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
February 25, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope from the White House, received in the Clerk's Office at 6:18 p.m. on Thursday, February 24, 1983 and said to contain a message from the President wherein he transmits the following four pieces of draft legislation: the State Fiscal Assistance Block Grant Act; the Local Fiscal Assistance Block Grant Act of 1983; the Federalism Block Grant Highway Act of 1983; and the Rural Housing Block Grant Act.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

STATE FISCAL ASSISTANCE BLOCK GRANT ACT; LOCAL FISCAL ASSISTANCE BLOCK GRANT ACT OF 1983; FEDERALISM BLOCK GRANT HIGHWAY ACT OF 1983; AND RURAL HOUSING BLOCK GRANT ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-22)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Agriculture, the Committee on Banking, Finance and Urban Affairs, the Committee on Education and Labor, the Committee on Energy and Commerce, the Committee on Government Operations, the Committee on the Judiciary, the Committee on Public Works and Transportation, the Committee on Rules, and the Committee on Ways and Means, and ordered to be printed:

To the Congress of the United States:

I am transmitting to the Congress today four pieces of legislation: the State Fiscal Assistance Block Grant Act; the Local Fiscal Assistance Block Grant Act of 1983; the Federalism Block Grant Highway Act of 1983; and the Rural Housing Block Grant Act.

These four proposals represent a continuation and expansion of the efforts of my Administration to return authority, responsibility and revenue resources to State and local governments.

In my January 25, 1983 State of the Union message, I indicated that I would be sending to the Congress shortly a comprehensive federalism proposal that will continue our efforts to restore to State and local governments their roles as dynamic laboratories of change in a creative society. We have now completed our work on this effort and it is embodied in these four proposed bills.

Therefore, I am requesting today that these bills be referred to the appropriate committees and I urge their early enactment.

THE NEED FOR CHANGE

In a 1957 speech to the National Governors' Conference, President Eisenhower sounded the first words of caution about the trend toward increased central government control. He said:

"Our governmental system, so carefully checked, so delicately balanced, with power fettered and people free, has survived longer than any other attempt to conduct group affairs by the authority of the group itself. Yet, a distinguished American scholar has only recently counseled us that in the measurable future, if present trends continue, the states are sure to degenerate into powerless satellites of the national government in Washington.

"That this forecast does not suffer from lack of supporting evidence, all of us know full well. The irony of the whole thing is accentuated as we recall that the national government was itself not the parent, but the creature of the states acting together. Yet today it is often made to appear that the creature, Frankenstein-like, is determined to destroy the creator."

Had he known how prophetic his statement was, his rhetoric undoubtedly would have been far stronger. During the two decades following the Eisenhower Administration, the Federal government increasingly encroached on state and local prerogatives. Narrow and restrictive Federal grant-in-aid programs grew from under 50 to over 500, pervading such obviously local concerns as rat control and sewer extensions. The dollar amount usurped from State and local treasuries to finance these programs ballooned from $7 billion in 1960 to $95 billion in 1981, with increased Federal dollars came suffocating Federal control. Lost was the efficiency and accountability of local spending priorities.

A generation of governors, state legislators, mayors and county officials began to echo President Eisenhower's sentiments throughout the 1960's and 1970's. They came to realize that the mushrooming Federal programs reflected the fact that Presidents and Congresses failed to trust State and local officials as their partners in our Federal system.

The Federal government had too much control, many felt. Programs lacked flexibility. Regulations were restrictive. Federal mandates were depleting State and local treasuries. Expenditures were being made for programs that were not really needed in particular localities. In short, State and local officials believed that they were more capable of making more prudent decisions to run their own jurisdictions than Federal bureaucrats. They started calling for a reordering of priorities and a sorting out of responsibilities among the various levels of goverment.

INITIATIVES IN 1981-82

During the past two years, hundreds of decisions and proposals have been made by my Administration in an effort to restore balance to our Federal system.

For example, throughout the economic recovery program, which I proposed in 1981, there was the underlying theme of federalism. The spending reductions were a reordering of priorities so that the national budget would address truly national needs. The tax cuts addressed the problem created by the Federal government usurping revenue sources which otherwise would have been available to State and local governments and to individuals. And the regulatory relief effort was directed in large part to removing the regulatory manacles which bind State and local governments.

In a more direct assault on Federal usurpation, we proposed the consolidation of scores of narrow and restrictive categorical grant-in-aid programs into seven broad block grants. The package which was ultimately passed by the Congress, and which I signed, consolidated 57 programs into nine block grants. It is estimated that these block grants resulted in a reduction of 5.4 million manhours (83%) in FY '82 for State and local officials and 5.9 million manhours (91%) in subsequent years from the level required to administer the predecessor categorical programs.

This block grant effort continued in 1982, with enactment of the Job Training Partnership Act and the Urban Mass Transportation Block Grant.

Many other initiatives were taken on the federalism front.

—Of the 119 regulatory reviews targeted by the Task Force on Regulatory Relief, 35 were directed to State and local governments.

—For the first time in many years, the Executive branch actively participated in the Advisory Commission on Intergovernmental Relations (ACIR).

—I created a Federalism Advisory Committee chaired by Senator Paul Laxalt (R-Nevada). The work of that committee has now been completed and its suggestions have been incorporated into the package which I am today sending to the Congress.

—At the White House, we have pursued an active outreach effort with State and local officials. Personally, I have met with more than 1,000 such officials in the White House during 1981 and 1982.

Finally, early in 1982, I proposed the outline of a major Federalism Initiative. I stated at the time that my package was just a conceptual framework and that I wanted to work out the details following extensive consultation with State and local officials. The process which followed was unprecedented, and I want to thank the many State and local officials who assisted me in the development of the legislation. The package which I am sending to the Congress today reflects the input which we received from State and local officials throughout 1982 and early 1983.

THE 1983 FEDERALISM INITIATIVE

These legislative proposals would consolidate 34 programs into four mega-block grants. The Administration's budget request for these programs for FY '84 is approximately $21 billion.

The following programs would be consolidated into the four mega-block grants.

STATE BLOCK GRANT

Rehabilitation Services
Vocational Education
Adult Education
State Education Block Grant (ECIA, Chapter 2)
WIN
Low-Income Home Energy Assistance
Social Services Block Grant
Community Services Block Grant
ADAMHA Block Grant
MCH Services Block Grant
Rural Water and Waste Disposal Grants (FmHA)
Water and Sewer Facility Loans (FmHA)
Community Facility Loans (FmHA)
CDBG—Non-Entitlement Portion
Grants for the Construction of Municipal Waste Water Treatment Works (EPA)
Child Welfare Services
Child Welfare Training
Adoption Assistance
Foster Care
Prevention Health and Health Services Block Grant
Child Abuse State Grants
Runaway Youth

FEDERAL-LOCAL BLOCK GRANT

General Revenue Sharing
CDBG—Entitlement Portion

TRANSPORTATION BLOCK GRANT

Urban System
Secondary System
Non-Primary Bridges
Highway Safety (FHWA 402 Grants)
Hazard Elimination
Rail-Highway Crossing

RURAL HOUSING BLOCK GRANT

Rural Housing Insurance Fund
Very Low-Income Repair Grants
Mutual and Self-Help Grants
Rental Assistance Program

This is a five-year program. It would guarantee funding for the programs turned back at the level enacted for FY '84. This funding level would remain in effect through FY '88.

This will provide a stable and certain funding source for State and local governments. It is *not* a vehicle for budgetary savings.

During this five-year period we will carefully monitor the block grants and determine whether it would be feasible to return revenue sources, such as Federal excise taxes or a percentage of the Federal income tax, to State and local governments along with the programs in the block grants. I will appoint a presidential commission to review this issue and to provide recommendations to me.

The proposals have been drafted to avoid dislocations on State and local governments. For example:

—For the Federal-State and Federal-Local block grants, beginning on October 1, 1983, a recipient could take 20 percent of the money from the program and spend it anywhere else within the block. This percentage would increase to 40 percent, 60 percent, 80 percent, and finally 100 percent in each of the succeeding four fiscal years. Thus, in fiscal year 1988, a recipient would be able to spend 100 percent of the dollars in each block for any of the purposes within the block.

—In the Federal-State block grant, for programs where Federal dollars go to the States but are passed through to some degree by the State to local units of government, each State would be required to pass through the percentage that was available to localities in fiscal years 1981, 1982 and 1983 in that program.

—States would be required to have meaningful consultations with local officials prior to final decisions on the distribution of these pass-through funds.

—For three Farmer's Home Administration (FmHA) programs—rural water and sewer grants, water and sewer loans, and community facility loans—100% of these FmHA program funds will be passed through State governments directly to rural communities of less than 10,000 in population. In Addition, at least 70% of the "small cities" funds of the Community Development Block Grant program will be apportioned to communities of less than 20,000 in population.

Implicit in the Federal-local block grant is the assumption that revenue sharing would be reauthorized for 5 years at the current funding level of $4.6 billion annually.

Allocations to States for each program included in the State block grant, would be based on the historical program shares (FY '81-'83), or on the basis of formula allocations.

Funding for the Federal-State block grant would come from three Federal excise taxes on alcohol, tobacco, and telephones. The transportation block grant would be funded by part of the Federal gasoline tax.

The swap of federalization of Medicaid for State assumption of AFDC and Food Stamps, which was included in my January, 1982 framework has been dropped from the package. Reform of these three programs will be considered on a separate track.

Many of the more controversial programs in the original package (such as child nutrition, handicapped education, urban development action grants and others) have been dropped from the initiative.

The block grants include vastly reduced Federal strings and regulations. I strongly urge Congress to provide the flexibility in the programs that State and local officials need and deserve.

I request that Congress give these legislative proposals its immediate attention. With the help of the Congress, we can make government work more effectively for all Americans.

RONALD REAGAN.

THE WHITE HOUSE, *February 24, 1983.*

WELCOMING SALVADORAN PEACE COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. LEACH) is recognized for 30 minutes.

Mr. LEACH of Iowa. Mr. Speaker, all Americans, regardless of their views on the current situation in El Salvador, should join in welcoming Salvadoran President Magana's creation of a special commission to foster, as he described it, "the conditions for social and political justice and a program for peace."

I think it is especially auspicious that President Magana himself will head the commission and that it includes members from the major political parties represented in the Salvadoran constituent assembly. This bold and constructive initiative offers a real hope for the beginning of a dialog among the various political groupings in El Salvador leading, we all pray, to an end to the fighting that has plagued that country for far too long.

The guerrillas and their political spokesmen in the FDR/FMLN should scrutinize President Magana's action carefully. They have insisted that they are prepared to engage in discussions with the Salvadoran Government without preconditions. The new commission may well be the opening that will allow those discussions to move from the realm of rhetoric into the realm of reality. The shape of a political settlement in El Salvador is as yet far from clear, but what is certain is that a military settlement is out of the question and runs the risk of involving all of Central America in a wider conflict from which no one will profit.

Mr. Speaker, I have urged before and I urge today that the administration not let slip the opportunity for a negotiated settlement in El Salvador. We must aid the process, rather than inhibit it. I submit again that the best way for the United States to pay a positive role in Central America is to name immediately a special envoy to the region. The appointment of a prestigious special envoy in and of itself would signal a new willingness by the

United States to open channels of communication, to work for peace rather than posture for political or propaganda gain. The creation of a Peace Commission by the Government of El Salvador and the impending visit of the Pope require that the United States demonstrate a willingness to take definitive steps toward peace.

Maintaining status quo policies means maintaining a military stalemate. The killings will not stop until policies are changed.

TAX ON TIPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. LEWIS) is recognized for 5 minutes.

● Mr. LEWIS of California. Mr. Speaker, in southern California there is a group of women and men who are demonstrating their objection to a very burdensome and unnecessary law. They are waitresses and waiters who cannot live with a portion of the Tax Equity and Fiscal Responsibility Act of 1982 which requires extra reporting to the Internal Revenue Service with respect to tips. Last year, because of this provision and other portions of TEFRA which create undue hardship on American taxpayers, I cast my vote against this legislation. The additional reporting requirements, as they appear in regulation, turn waitresses and waiters into bookkeepers and turn employers of these people into agents of the IRS. For these hard-working citizens, it is now necessary for waitresses and waiters to keep daily books on their tips, and for their employers to make new and confusing calculations of gross receipt percentages and tip allocations. Because of the lack of information on this new rule, there have been instances of mistaken actions taken by employers, who are anxious to comply with the law. Unfortunately, some of these actions have hurt diligent employees. It is my further understanding that over 80 percentage of the workers affected by this law are women.

It is my intention to place my full support behind the elimination of this onerous law. On behalf of all those affected in the 35th Congressional District of California and nationwide, I am introducing legislation to repeal the section of Public Law 97-248 which contains the tip reporting provisions.●

INTRODUCTION OF THE PUBLIC HEALTH EMERGENCY RESEARCH ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. WAXMAN) is recognized for 5 minutes.

● Mr. WAXMAN. Mr. Speaker, I am today introducing the Public Health Emergency Research Act. This bill provides for an emergency response fund at the National Institutes of Health. This fund will allow the Secretary of the Department of Health and Human Services to respond quickly to public health emergencies with basic biomedical research.

The Centers for Disease Control are clearly the day-by-day acting agency for public health. CDC moves quickly to identify outbreaks of disease, to do epidemiological work, and to perform initial biomedical research. CDC's work is exemplary and the standard for the world.

But in many ways, the National Institutes of Health are the Nation's best hope for breakthroughs in major problems of public health. As the Public Health Service's premier basic research agency, NIH has been involved—and is still involved—in such crises as Legionnaire's disease and acquired immune deficiency syndrome.

However, in other ways, NIH Is unable to be as responsive to emergencies as it should be. Peer review, advisory councils, and competitive bidding slow NIH grants and contracts. Those restrictions and limitations on research grants that make good, unbiased basic research over years also make the award of "expedited grants" take over 10 months.

I want to be the first to say that we should continue our support for the NIH grants process. The advice and counsel of experts in each of the fields of research is invaluable in buhlding a portfolio of creative and useful long-term research.

But as public health has become more and more complex, requiring not just the traditional county nurse but also multiyear lab work, it has become clear that NIH must also have the ability to respond to emergencies quickly. The bill that I am introducing will set aside 1 percent of the 1984 appropriation for NIH to be put in an emergency response fund. In subsequent years only enough money to keep the fund equal to 1 percent is set aside. The bill also empowers the Secretary—if, after consultation with the Director of NIH, the Commissioner of FDA, or the Director of CDC, he determines a disease or disorder to present a public health emergency—to conduct or support research on the disease or disorder. When using these emergency funds, the Secretary is authorized to waive the usual requirements for the making of awards.

I believe that this legislation will create an expedited means to provide research on epidemics and emergency disease control. I urge Members to support the bill.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. LOTT) to revise and extend their remarks and include extraneous material:)

Mr. LEACH of Iowa, for 30 minutes, today.

Mr. LEWIS of California, for 5 minutes, today.

(The following Members (at the request of Mr. BATES) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BATES, for 5 minutes, today.

Mr. WAXMAN, for 5 minutes, today.

Mr. ALEXANDER, for 60 minutes, February 28.

Mr. ALEXANDER, for 60 minutes, March 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. LOTT) and to include extraneous matter:)

Mr. BROOMFIELD.

Mr. KEMP.

Mr. LEACH of Iowa.

Mr. RITTER.

Mr. GEKAS.

Mr. FIELDS.

Mr. LENT.

Mr. WINN.

(The following Members (at the request of Mr. BATES) and to include extraneous matter:)

Mr. DINGELL in two instances.

Mr. UDALL.

Mr. HERTEL of Michigan.

Mr. HOYER.

Mr. BROWN of California.

Mr. OTTINGER.

Mr. LELAND.

Mr. ROE.

Mr. WAXMAN.

Mr. RAHALL.

Mr. LEVITAS.

Mr. BONKER.

Mr. DE LUGO in two instances.

Mr. LOWRY of Washington.

Mr. PATTERSON.

ADJOURNMENT

Mr. BATES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 25 minutes a.m.), under its previous order, the House adjourned until Monday, February 28, 1983, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 98th Congress, pursuant to the provisions of 2 U.S.C. 25:

PHIL GRAMM, Sixth District, Texas.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

421. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to repeal the requirement to solicit suggestions from certain military and civilian retirees for methods to improve procurement procedures; to the Committee on Armed Services.

422. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a report on the status of loans and contracts of guaranty or insurance for the Department of Defense, pursuant to section 25(a)(11) of the Arms Export Control Act; to the Committee on Foreign Affairs.

423. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Ambassador-designate Lewis A. Tambs, and by members of his family, pursuant to section 304(b)(2) of Public Law 96-465; to the Committee on Foreign Affairs.

424. A letter from the Assistant Secretary of State for Congressional Relations, transmitting the annual report on the Panama Canal Treaties of 1977 for the period October 1, 1981, through September 30, 1982, pursuant to section 3301 of Public Law 96-70; jointly, to the Committees on Merchant Marine and Fisheries, Foreign Affairs, the Judiciary, and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FUQUA: Committee on Science and Technology. H.R. 1310. A bill to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide for cost-sharing by the private sector in training such personnel; and for other purposes; with amendments (Rept. No. 98-6, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BONKER (for himself, Mr. FOLEY, Mr. PRITCHARD, Mr. DICKS, Mr. LOWRY of Washington, Mr. MORRISON of Washington, Mr. SWIFT, and Mr. WYDEN):

H.R. 1682. A bill to modify the navigation project on the Cowlitz River, Wash., to authorize the Secretary of the Army to implement interim measures to control floods in the lower Cowlitz River area and improve navigation on the Columbia River; to the Committee on Public Works and Transportation.

By Mr. DE LUGO:

H.R. 1683. A bill to amend the Agricultural Act of 1949 to limit the authority of the Secretary of Agriculture to make deductions from the proceeds of milk marketed commercially by producers in the United States; to the Committee on Agriculture.

By Mr. DE LUGO (for himself and Mrs. HOLT):

H.R. 1684. A bill to exempt certain charterboats in the U.S. Virgin Islands from the entry requirements of the customs laws; to the Committee on Ways and Means.

By Mr. HERTEL of Michigan:

H.R. 1685. A bill to amend the Natural Gas Policy Act of 1978 to prohibit take-or-pay clauses or similar minimum purchase requirements under natural gas supply contract, prohibit indefinite price escalator clauses, and to allow the Federal Energy Regulatory Commission to prohibit pass-through of natural gas prices, or take other corrective action, if the prices paid by natural gas companies are excessive due to waste or imprudence; to the Committee on Energy and Commerce.

H.R. 1686. A bill to amend the Natural Gas Policy Act of 1978 to freeze the price under any natural gas contract at the price applicable as of January 1, 1983, to exempt from such freeze any contract having a market-out clause if the contract was entered into after the effective date of this act and any contract entered into on or before such date which is renegotiated as to price after such date and which has a market-out clause; to the Committee on Energy and Commerce.

By Mr. HOWARD (for himself and Mr. SNYDER) (by request):

H.R. 1687. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; to the Committee on Public Works and Transportation.

By Mr. HOYER:

H.R. 1688. A bill to restrict the disposal by the Administrator of General Services of certain real property located at the Beltsville Agricultural Research Center; to the Committee on Government Operations.

By Mr. LELAND:

H.R. 1689. A bill to amend the act commonly known as the Second Morrill Act to repeal statutory language purporting to permit racial segregation in colleges financed under such act, and for other purposes; to the Committee on Agriculture.

H.R. 1690. A bill to amend title 5, United States Code, to revise the pay structure for Federal employees whose duties primarily relate to firefighting; to the Committee on Post Office and Civil Service.

By Mr. LEWIS of California:

H.R. 1691. A bill to repeal the provisions of the Tax Equity and Fiscal Responsibility Act of 1982 which require employer reporting with respect to tips; to the Committee on Ways and Means.

By Mr. PRICE (for himself and Mr. DICKINSON)(by request):

H.R. 1692. A bill to amend section 171 of title 10, United States Code, to provide that the Commandant of the Marine Corps shall be a member of the Armed Forces Policy Council; to the Committee on Armed Services.

By Mr. SOLARZ (for himself, Mr. DIXON, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. FOGLIETTA, Mr. GRAY, Mr. MARKEY, Ms. MIKULSKI, Mr. MITCHELL, Mr. OBERSTAR, Mr. OTTINGER, Mr. STOKES, and Mr. CROCKETT:

H.R. 1693. A bill requiring U.S. persons who conduct business or control enterprises in South Africa to comply with certain fair employment principles, prohibiting any new loans by U.S. financial or lending institutions to the South African Government or to South African corporations or other entities owned or controlled by the South African Government, and prohibiting the importation of South African krugerrands or other South African gold coins; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. VENTO:

H.R. 1694. A bill to prohibit the drugging or numbing of racehorses and related practices, and to amend title 18, United States Code, to prohibit certain activities conducted in interstate or foreign commerce relating to such practices; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. WAXMAN:

H.R. 1695. A bill to establish the National Commission on Orphan Diseases; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself and Mr. MADIGAN):

H.R. 1696. A bill to amend the Public Health Service Act and related laws to consolidate the laws relating to the Alcohol, Drug Abuse, and Mental Health Administration, the National Institute of Mental Health, the National Institute of Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself, Mr. BERMAN, Mrs. BOXER, Mr. BURTON of California, Mr. DIXON, Mr. LEVINE of California, and Mr. WEISS):

H.R. 1697. A bill to amend the Public Health Service Act to enable the Secretary of Health and Human Services to expedite the initiation of research to be conducted or

supported by the National Institutes of Health into the prevention, diagnosis, and treatment of diseases or disorders which constitute a public health emergency; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 4 of rule XXII,

15. The SPEAKER presented a memorial of the Legislature of the State of West Virgina, relative to a mutual and verifiable nuclear weapons moratorium; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MCCLOSKEY introduced a bill (H.R. 1698) for the relief of Dr. Honesto K. Fenol, Rosabella Montes-Fenol, and Lawrence Mark Fenol; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 174: Mr. JONES of Oklahoma, Mr. WYDEN, Mr. DE LA GARZA, Mr. ENGLISH, Mr. PANETTA, Mr. YATRON, Mr. WYLIE, Mr. GOODLING, Ms. OAKAR, Mr. FISH, Mr. HUCKABY, Mr. FORD of Michigan, Mr. LELAND, Mr. FLORIO, Mr. GILMAN, Mr. STRATTON, Mr. BIAGGI, Mr. MINISH, and Mr. MCDADE.

H.R. 616: Mr. VANDER JAGT, Mr. CLINGER, Mrs. SNOWE, Mr. MCGRATH, Ms. MIKULSKI, Mr. MOLLOHAN, Mr. O'BRIEN, Mr. YOUNG of Alaska, Mr. DEWINE, Mr. WHITEHURST, Mr. PRICE, Mr. BARNES, Mr. BROYHILL, Mr. WALGREN, Mr. MCKINNEY, Mr. FORSYTHE, Mr. LENT, Mr. EDGAR, Mr. CONABLE, Mr. MAVROULES, Mr. DUNCAN, Mr. RAHALL, Mr. PASHAYAN, Mr. BIAGGI, Mr. NOWAK, Mr. WISE, Mr. MADIGAN, Mr. FOGLIETTA, Mr. TALLON, Mr. BLILEY, Mr. RITTER, Mr. MOAKLEY, Mr. LAGOMARSINO, Mr. BEVILL, Mr. YOUNG of Missouri, Mr. GEKAS, Mr. SENSENBRENNER, Mr. WORTLEY, Mr. BEREUTER, Mr. COLEMAN of Missouri,

Mr. CORCORAN, Mr. TRAXLER, Mr. COATS, Mr. DURBIN, Mr. HUBBARD, Mr. ROGERS, Mr. ROE, Mr. HOPKINS, Mr. OXLEY, Mr. BONIOR of Michigan, Mr. MCKERNAN, Mr. GREGG, Mr. DAVIS, Mr. SIMON, Mr. LELAND, Mr. MITCHELL, Mr. DIXON, Mr. THOMAS of Georgia, Mr. TAUKE, and Mr. MCCANDLESS.

H.R. 822: Mr. GEJDENSON, Mr. GREEN, Mr. LEACH of Iowa, Mr. AUCOIN, and Mr. BONIOR of Michigan.

H.R. 873: Mr. MCNULTY, Mr. GRAY, and Mr. BROWN of California.

H.R. 944: Ms. FIEDLER.

H.R. 1039: Mr. CONTE and Mr. MAVROULES.

H.R. 1092: Mr. BARNARD, Mr. LEWIS of Florida, and Mr. MCCOLLUM.

H.R. 1245: Mr. LELAND, Mr. CROCKETT, Mr. COUGHLIN, Mr. EDGAR, Mr. MITCHELL, and Mr. MCCOLLUM.

H.R. 1379: Mr. SUNIA.

H.R. 1444: Mr. MITCHELL and Mr. HUCKABY.

H.J. Res. 22: Mr. PETRI and Mr. NOWAK.

H.J. Res. 59: Mr. TAUZIN.

H.J. Res. 120: Mr. FRENZEL.

H. Con. Res. 20: Mr. BATES, Mr. WALGREN, Mr. YATES, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. EDWARDS of California, Mr. LEHMAN of Florida, Mr. DYMALLY, Ms. KAPTUR, Mr. LOWRY of Washington, Mr. DELLUMS, and Mr. COYNE.

EXTENSIONS OF REMARKS

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the House of Representatives here in the CONGRESSIONAL RECORD. I strongly believe that the people of Arizona have a right to know where I stand on the issues decided by the House, and I have found that printing my record here is the best way to provide that information.

This is not an all-inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for specifics, or to visit my district office at 300 North Main in Tucson or 1419 North Third Street, Suite 103, in Phoenix.

The list is arranged as follows:

KEY

1. Official rollcall number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of issue being voted on;
5. The date of the action;
6. My vote, in the form Y=yes, N=no, and NV=not voting;
7. The vote of the entire Arizona delegation, in the form (Yes-No-Not voting);
8. An indication whether the motion or amendment was passed or rejected; and
9. The total vote.

86. H.R. 6267. Net Worth Guarantee Act. Passage of the bill to revitalize the housing industry by setting up a Treasury fund to guarantee the net worth of qualified mortgage lending institutions. Passed 272-91: Y(1-3-0), May 20.

88. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Motion that the House resolve itself into the Committee of the Whole for consideration of the concurrent resolution to set budget targets for the fiscal year ending Sept. 30, 1983. Motion agreed to 342-0: Y(4-0-0), May 21.

90. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Substitute, known as the "pay as you go" budget, to require that any increases in spending above fiscal 1982 levels be matched by offsetting revenue increases or spending cuts in other programs. The substitute would result in a $27.5 billion surplus in fiscal 1985, according to Congressional Budget Office estimates. Rejected 181-225: Y(1-3-0), May 24.

91. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Substitute to provide funding for emergency jobs programs while maintaining other domestic programs at real fiscal 1982 levels and increasing nonpay defense programs by 7 percent, and to scale back the tax cuts enacted in 1981. The substitute would result in a $1.3 billion deficit in fiscal 1985, according to Congressional Budget office estimates. Rejected 152-268: Y(1-3-0), May 24.

92. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Substitute, proposed by the Congressional Black Caucus, to make substantial increases above current policy levels in spending for non-defense programs, hold defense spending at fiscal 1982 levels, and increase revenues through extensive tax reforms. The substitute would result in an $18.7 billion surplus in fiscal 1985, according to Congressional Budget Office estimates. Rejected 86-322: Y(1-2-1), May 24.

94. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Substitute to balance the budget in fiscal 1983-85 by making large cuts in non-defense programs while maintaining the three-year tax cut enacted in 1981. The substitute assumed higher revenues under current tax policy than projected by the Congressional Budget Office. Rejected 182-242: N(3-1-0), May 25.

95. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment, to the Latta, R-OH, substitute, to express the sense of the House that Congress should close tax loopholes to the maximum extent possible as a way of raising revenues over the next three years. Rejected 68-342: N(0-3-1), May 25.

96. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment, to the Aspin, D-Wis., substitute, to set a level for total tax expenditures of $273.1 billion. Rejected 164-246: NV(0-2-2), May 25.

97. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-OH, substitute, to increase fiscal 1983 revenues by $7.5 billion and redistribute those funds to entitlement and domestic discretionary programs. Rejected 175-237: Y(1-2-1), May 25.

98. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment, to the Jones, D-Okla., substitute, to reduce revenue levels by $10.8 billion. Rejected 178-237: N(2-1-1), May 25.

100. S. Con. Res. 60. Disapproval of Federal Trade Commission Use-Car Rule. Motion to limit debate to two hours on the Federal Trade Commission use-car rule. Motion agreed to 317-92: Y(3-0-1), May 26.

101. S. Con. Res. 60. Disapproval of Federal Trade Commission Used-Car Rule. Adoption of the concurrent resolution to disapprove the Federal Trade Commission rule to require used-car dealers to inform customers of major known defects in used automobiles. Adopted 286-133: N(2-1-1), May 26.

102. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment, to the Jones, D-Okla., substitute, to increase budget authority by $10.5 billion and outlays by $7.6 billion in fiscal 1983-85 and to reduce discretionary programs and entitlements by the same amounts. Rejected 83-339: N(0-4-0), May 26.

103. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment, to the Jones, D-Okla., substitute, to reduce fiscal 1983 defense budget authority by $16 billion and outlays by $4 billion annually in fiscal 1983-85 and to reduce revenues by $4 billion in each of those years. Rejected 125-295: NV(0-2-2) May 26.

104. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment, to the Jones, D-Okla., substitute, to reduce budget authority by $20.4 billion and outlays by $8 billion in fiscal 1983, reflecting a freeze on nuclear weapons testing, production and deployment. Rejected 28-383: NV(0-2-2) May 26.

105. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-OH, substitute, to reduce fiscal 1983 defense outlays by $7.5 billion and increase revenues by $15 billion through enactment of luxury and excise taxes. Rejected 128-285: N(0-3-1), May 26.

106. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-OH, Jones, D-Okla, and Aspin, D-Wis., substitutes, to increase budget authority by $1.85 billion in fiscal 1982-85 and outlays by $450 million in fiscal 1984-85 to accommodate additional funding for the Export-Import Bank direct loan program. Rejected 186-232: Y(1-2-1), May 26.

107. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment, to the Jones, D-Okla., substitute, to increase budget authority by $668 million and outlays by $87 million for education programs in fiscal 1983, and to make corresponding reductions in the allowances function. Adopted 323-99: Y(1-2-1), May 26.

108. H. Con. Res. 345. First Budget Resolution, Fiscal 1983, Amendment to the Latta, R-Ohio, substitute, to increase budget authority by $1.7 billion and outlays by $837 million for education programs in fiscal 1983, and to make corresponding reductions in the allowances function. Adopted 343-72: Y(1-2-1), May 26.

110. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-Ohio, substitute, to increase budget authority by $400 million and outlays by $4.85 billion for health programs in fiscal 1983 to accommodate Medicare funding at current services levels, and to make corresponding reductions in defense programs. Adopted 228-196: Y(1-2-1), May 27.

111. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Aspin, D-Wis, substitute to increase budget authority by $200 million and outlays by $2.35 billion for health programs in fiscal 1983 to accommodate Medicare funding at current services levels and to make corresponding reductions in defense programs. Adopted 328-94: Y(3-0-1), May 27.

112. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-Ohio, Aspin, D-Wis, Jones, D-Okla, substitutes to increase fiscal 1983 budget authority and outlays by $1.15 billion to accommodate a 7 percent pay raise for federal employees, rather than 4 percent as assumed in the substitutes. Rejected 143-281: N(0-3-1), May 27.

113. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Latta, R-Ohio, Aspin, D-Wis, Jones, D-Okla, substitutes to increase fiscal 1983 budget authority by $396 million and outlays by $398 million to accommodate a 5 percent pay raise for federal employees rather than 4 percent as assumed in the substitutes. Adopted 259-159: Y(1-2-1), May 27.

114. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-Ohio, Jones, D-Okla, substitutes to increase fiscal 1983 budget authority by $200 million and outlays by $500 million to accommodate removals of the 4 percent ceiling on cost-of-living adjustments (COLAs) for federal civilian and military retirees. Adopted 327-94: Y(2-1-1), May 27.

115. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-Ohio, Aspin, D-Wis, Jones, D-Okla, substitutes to increase fiscal 1983 budget authority by $451 million and outlays by $501 million (above the Latta substitute) to accommodate funding at authorized levels for law enforcement activities. Rejected 152-264: N(0-3-1), May 27.

116. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-Ohio, Aspin, D-Wis, Jones, D-Okla, substitutes to increase fiscal 1983 budget authority by $1.15 billion and outlays by $100 million (above the Latta substitute) to accommodate funding at the levels recommended by House authorizing committees for drug law enforcement agencies. Rejected 182-237: N(0-3-1), May 27.

117. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Aspin, D-Wis, Jones, D-Okla, substitutes to strike reconciliation instructions directing the House Education and Labor Committee to reduce fiscal 1983 budget authority and outlays by $73 million through savings in the worker compensation program for federal civilian employees. Rejected 193-225: Y(1-2-1), May 27.

118. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-Ohio, substitute to delete all reconciliation instructions requiring committees to report legislation making changes in programs within their jurisdictions to achieve specified savings targets. Rejected 60-357: NV(0-2-2), May 27.

119. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Jones, D-Okla., substitute to delete provisions calling for deferred enrollment, until adoption of the second budget resolution, of any spending bill that exceeds the allocations provided under the first resolution. Adopted 212-202: Y(2-1-1), May 27.

120. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Amendment to the Latta, R-Ohio, substitute to delete provisions calling for deferred enrollment, until adoption of the second budget resolution of any spending bill that exceeds the allocations provided under the first resolution. Adopted 212-206: Y(2-1-1-) May 27.

121. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Substitute, as amended, to set budget targets for the fiscal year ending Sept. 30, 1983, as follows: budget authority, $805.8 billion; outlays $769.4 billion; revenues, $665.9 billion; and deficit, $103.5 billion. Rejected 192-235: N(3-1-0), May 27.

122. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Substitute, as amended, to set budget targets for the fiscal year ending Sept. 30, 1983, as follows: budget authority, $825.5 billion; outlays, $772.9 billion; revenues, $675.7 billion; and deficit, $97.2 billion. Rejected 137-289: N(0-4-0), May 27.

123. H. Con. Res. 345. First budget Resolution, Fiscal 1983. Substitute as amended, to set budget targets for the fiscal year ending Sept. 30, 1983, as follows: budget authority, $781.7 billion; revenues, $676.7 billion; and deficit, $105.0 billion. Rejected 171-253: Y(1-3-0), May 27.

124. H. Con. Res. 345. First Budget Resolution, Fiscal 1983. Adoption of the concurrent resolution, as reported by the House Budget Committee, to set budget targets for the fiscal year ending Sept. 30, 1983, as follows: budget authority, $828 billion; outlays, $780.5 billion; revenues, $676.7 billion; and deficit $103.85 billion. Rejected 159-265: Y(1-3-0), May 27.

125. H.R. 4. Intelligence Identities Protection Act. Adoption of the conference report on the bill to make it a felony to publicly expose the identities of U.S. covert intelligence officers, agents, informants and sources. Adopted 315p32: Y(3-0-1), June 3.

127. H.R. 4861. American Conservation Corps. Motion to suspend the rules and pass the bill to establish an American Conservation Corps to employ youths aged 16-25 for conservation, rehabilitation and improvement projects on federal, state or Indian lands. Motion agreed to 291-102: Y(2-2-0), June 9.

128. H.R. 5922. Urgent Supplemental Appropriations, Fiscal 1982. Motion to order the previous question (thus ending debate and the possibility of amendment) on the Myers motion to instruct the House conferees on the fiscal 1982 urgent supplemental appropriations bill to accept Senate amendments to delete the House-passed amendment repealing a provision of existing law to require a balanced federal budget by fiscal year 1981 and to restore a $3,000 annual limit on business-related tax deductions, even in excess of $3,000, provided they were substantiated. Motion rejected 176-218: Y(2-1-1), June 9.

129. H.R. 5922. Urgent Supplemental Appropriations, Fiscal 1982. Amendment to the Myers, R-Ind, motion to instruct conferees on the fiscal 1982 urgent supplemental appropriations bill to accept the Senate amendments relating to the balanced budget, and restoring the $3,000 limit on business-related tax deductions claimed by Members of Congress. Adopted 356-43: Y (3-0-1), June 9.

130. H.R. 5922. Urgent Supplemental Appropriations, Fiscal 1982. Myers, R-Ind, motion, as amended by the Schroeder, D-Colo, amendment to instruct the conferees on the fiscal 1982 urgent supplemental appropriations bill to accept Senate amendments. Motion agreed to 378-7: Y (4-0-0), June 9.

132. H. Con. Res. 352. First Budget Resolution, Fiscal 1983. Adoption of the rule (H Res 496) providing for House floor consideration of the first concurrent budget resolution to set budget targets for the fiscal year ending Sept. 30, 1983. Adopted 339-72: Y (4-0-0), June 10.

133. H. Con. Res. 352. First Budget Resolution, Fiscal 1983. Substitute to the Latta, R-Ohio, substitute to set budget targets for the fiscal year ending Sept. 30, 1983, as follows: budget authority, $836.2 billion; and deficit, $107.45 billion. Rejected 202-225: Y (1-3-0), June 10.

134. H. Con. Res. 352. First Budget Resolution, Fiscal 1983. Substitute for the President's fiscal 1983 budget submission, to set budget targets for fiscal year ending Sept. 30, 1983 as follows: budget authority, $800.38 billion; outlays, $765.17 billion; revenues, $665.9 billion; and deficit, $99.27 billion. Adopted 220-207: N (3-1-0), June 10.

135. H. Con. Res. 352. First Budget Resolution, Fiscal 1983. Adoption of the first concurrent budget resolution to set budget targets for the fiscal year ending Sept. 30, 1983, as follows: budget authority, $800.38 billion; outlays, $765.17 billion; revenues, $665.9 billion, and deficit, $99.27 billion. The resolution also set preliminary goals for fiscal 1984-85, revised budget levels for fiscal 1982 and included reconciliation instructions requiring House and Senate committees to recommend legislative savings to meet the budget targets. Adopted 219-206: N (2-1-1), June 10.

136. H.R. 6198. Copyright Manufacturing Clause Protection Act. Motion to suspend the rules and pass the bill to extend until 1986 a provision in copyright law providing copyright protection for books and periodicals written in English only if they are printed in the United States. Motion agreed to 339-47: Y(3-1-0), June 15.

137. H.R. 6350. Veterans Administration Health Care. Motion to suspend the rules and pass the bill to permit Veterans Administration nurses who work two 12-hour regularly scheduled shifts over a weekend to be considered as having worked a full work week; to extend until Sept. 30, 1983, the authority of the VA adminsitrator to contract out medical services and hosptial for veterans in Puerto Rico and the Virgin Islands; and to extend through Sept. 30, 1985 a program of grants to states for the construction and alteration of state veterans' homes. Motion agreed to 390-0: Y(4-0-0), June 15.

138. H.R. 6254. Protection of Foreign Missions. Passage of the bill to increase to $7 million, from $3.5 million, the amount to be reimbursed to local governments in fiscal 1983 for their expenses in protecting foreign diplomatic missions. The bill also authorized reimbursements to state and local governments for protection of motorcades and visits by foreign dignitaries and authorized $17.7 million in reimbursements for expenses incurred prior to Oct. 1, 1982. Passed 218-177: Y(2-2-0), June 15.●

BURDENSOME REGULATIONS SWAMP VIRGIN ISLANDS' CHARTERBOAT INDUSTRY

HON. RON de LUGO

OF VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. DE LUGO. Mr. Speaker, I would like to call our colleagues' attention to a bill I am introducing today, which would exempt certain charterboats in the U.S. Virgin Islands from the entry requirements of Customs laws. This bill attempts to alleviate the expense and burden placed on owners of charterboats on either day sail or term charter who are obliged to make entry at the customhouse after excursions to the British Virgin Island.

I must point out that the British Virgin Islands lie literally a stone's throw away from the U.S. Virgin Islands, yet our charterboats, which carry an average of only 4 to 5 people, must fill out the same copious paperwork for a 1 hour trip over the international boundary as a supertanker or a commercial cargo vessel after a trip

halfway around the world. This unnecessary paperwork, which certainly must be a problem to store, or more likely dispose of, creates burdensome delays and inconveniences for the charterboat captains and their guests, and, I must emphasize here the importance of the charterboat industry to our tourism economy.

In place of the current reporting requirements, that are costly and burdensome to the U.S. Customs Service as well as the charterboats, I propose that charterboats be granted the same consideration as yachts and pleasure vessels, whose masters are only required to make a report within 24 hours after arrival to the appropriate customs officer of any article on board for which entry is required by law. Comments from the International Trade Commission and other administrative agencies have been supportive, and helpful technical changes in the language have been incorporated in this bill.

I urge my colleagues to carefully consider this measure and ask that the text of my bill be printed here for their review.

The text of the bill follows:

H.R. 1684

A bill to exempt certain charterboats in the United States Virgin Islands from the entry requirements of the customs laws

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 441(3) of the Tariff Act of 1930 (19 U.S.C. 1441(3)) is amended by inserting immediately before "*: Provided:*" the following: ", and charterboats, whether on day sail or term charter, carrying passengers for hire, on excursion from the United States Virgin Islands to the British Virgin Islands, or the waters thereof, and return, and not having visited any hovering vessel".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to charterboats returning from the British Virgin Islands on or after the date of the enactment of this Act.●

COMPETITION FROM DEVELOPING NATIONS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. RAHALL. Mr. Speaker, the recent announcement by the Atari Corp., the electronic games and computer manufacturer, that it is going to eliminate approximately 1,700 jobs in California and transfer them to Hong Kong came as a great surprise to me. During the last several years all that we have been hearing is that this so-called high-tech industry is the wave of the future and could replace the jobs which have been lost in many of our heavier industries.

I represent a district that includes many of these heavy industries—steel, chemical, coal plants, et cetera. During the past several years those of us who represent areas with these older industries have been calling for our Government to look at the problem we face. Now it appears that even this country's new industries are subject to the same problems.

With this recent decision by Atari it is clear, we, as a country, must seriously discuss how we are going to meet the competition we face from developing nations. This will require cooperation from government, management, and labor whose goal must be to find a solution that will keep our products competitive both at home and abroad. We can no longer afford to offer only passive resistance to the threat our Nation faces from nations such as Japan, which have trade policies designed to protect their domestic industries and destroy those in other nations. The time is now, Mr. Speaker.●

JAPANESE-AMERICAN HUMAN RIGHTS VIOLATION REDRESS ACT

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. LOWRY of Washington. Mr. Speaker, 41 years ago last Saturday, on February 19, 1942, Executive Order 9066 authorized the incarceration of 120,000 Japanese-American citizens and legal aliens. Without ever being accused of any crime, these individuals were deprived of liberty, property, and a chance for a day in court. Triggered by wartime hysteria, our Government sanctioned that internment through Congress and the courts. The American Civil Liberties Union has accurately characterized that Government action as "one of the worst single wholesale violations of civil rights in our history."

Although we can never fully rectify this grievous injustice, we can provide meaningful compensation to the survivors. I believe that reparations for these violations are long overdue. Responsible citizens and legislators from my home State of Washington are working to persuade Government to accept responsibility for its actions. A measure was recently introduced in the Washington State Legislature by Senator George Fleming to provide $5,000 compensation to each Washington State employee who was terminated as a result of Executive Order 9066. Legislation for similarly affected city of Seattle employees will soon be introduced by Seattle City Council Member Dolores Sibonga.

The Japanese-American Citizens League and the Washington Coalition on Redress continue their tireless efforts to advance this long overdue remedy. I am deeply impressed by the courage of Japanese-Americans as well as their confidence in the U.S. governmental process despite having suffered such a great injustice. The response of the Japanese-American community demonstrates an unmatched spirit of loyalty and patriotism.

The courts now have an opportunity to clear their record and provide assurances that constitutional guarantees still stand for all citizens, regardless, of race, creed or national origin. Forty-one years ago, Gordon Hirabayashi, then a student at the University of Washington, was convicted of violating the wartime curfew imposed on persons of Japanese ancestry and of refusing to report to a civil control station for evacuation. Charging that U.S. Government officials suppressed evidence which could have led the Supreme Court to prohibit the internment of Japanese Americans, Dr. Hirabayashi filed a petition in U.S. district court in Seattle to seek a reversal of the verdict.

During the 96th Congress I introduced a reparations bill, "the World War II Japanese-American Human Rights Violation Redress Act." The 97th Congress established a Commission on Wartime Relocation which studied the wartime treatment of Japanese Americans and held hearings throughout the Nation to document its findings. The widespread publicity from the Commission hearings made millions of Americans aware of the wrongs done to west coast Japanese Americans during World War II. The Commission on Wartime Relocation will soon issue its findings. I will soon reintroduce an updated version of the World War II Japanese-American Human Rights Violation Redress Act in the 98th Congress.

I am convinced that justice requires an offical apology and monetary compensation. I urge my colleagues to join me in support of this goal.●

LITHUANIAN INDEPENDENCE DAY

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1983

● Mr. GEKAS. Mr. Speaker, we are commemorating today in the House of Representatives the 65th anniversary of Lithuanian Independence Day. Sixty-five years ago yesterday the brave people of Lithuania declared their independence from Russia and embarked upon an all too brief period of freedom until 1940. In the years of World War II, the Lithuanians were overtaken by Soviet armies, then by Nazi armies, and finally by Soviet soldiers once again. The Soviets maintained control over Lithuania at the

completion of World War II, ignoring the rightful independent status of the Baltic state.

The United States has never acknowledged the Soviet controlled Lithuania, and to this day maintains a Lithuanian legation here in Washington to represent the Lithuanian people. We are gathered here today in Congress to further drive home the point to the Soviets that our Nation will never accept the Soviet Union's practice of denying basic human rights to all Lithuanians. I am confident that one day soon we will be celebrating this independence day with our Lithuanian friends in a Lithuania that is once more free and independent. These are my thoughts because it is impossible for the Soviets to control the Lithuanian spirit, and it is the spirit that will outlast all the guns and tanks of the Soviet Army.

Here in the United States, there are many noble Lithuanian-Americans who help keep the fires of the Lithuanian spirit burning. I am quite fortunate to count as one of my friends Florence Surace, who is an excellent example of the positive contribution Lithuanian-Americans have made to our country. I am sure she joins with me today in celebrating this anniversary, and she too feels that Lithuanians will be free to commemorate this day once again in their native land.●

THE RESTING PLACE OF THE COMB: SOVIET BRUTALITY IN ACTION

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. BROOMFIELD. Mr. Speaker, I want to call the attention of my colleagues to a recent tragedy in Afghanistan. I believe that this incident reconfirms that the Soviets will do anything to maintain their viselike grip over that once free and peaceful nation.

As all of you know, the brutal Soviet occupation of Afghanistan began in 1980. Since that time, Afghani resistance fighters have engaged in a lonely, and difficult guerrilla campaign against superior Russian air and ground forces. Although the heavy fighting will continue, the Kremlin has already basically fulfilled its primary objectives in Afghanistan. It has set up the puppet Karmal regime in Kabul and has occupied the country with 105,000 well-armed troops.

According to the article which appeared in the Washington Post this month, over 105 Afghani men, women, and children were brutally burned to death in an underground well by Soviet soldiers. The "Resting Place of the Comb" is a small village some 30 miles south of Kabul.

As Soviet soldiers and tanks approached the small village, many of its frightened inhabitants fled and hid in an underground water tunnel that serves as the town's water supply. Following the commanding officer's orders, Soviet soldiers pumped hundreds of gallons of gasoline into the tunnel when the Afghani villagers refused to come out of their hiding place. A few minutes later, after incendiary chemicals were dropped into the tunnel, the gasoline was ignited and 105 innocent people were burned to death. It took 7 days for the villagers to drag all of the bodies out of the tunnel.

The World Press has carried equally horrible stories of Soviet forces poisoning village wells, using poison gas, and strafing innocent Afghanis with the intimidating firepower of their helicopters. While all of this violence goes on, the Kremlin insists that it is a peace-loving nation which respects human rights and has no expansionist tendencies.

In spite of more than 12,000 Soviet dead and wounded and an estimated $1.5 billion in direct aid merely to prop up the Afghan army, I believe that the Russians intend to stay.

With this in mind, our Government should do everything in its power to call this bloody occupation of a small and peaceful nation to the attention of the world. Let us also bring pressure to bear on the Soviets to convince them that they must withdraw. I am sure that many of my colleagues can recall the many clever techniques which the Kremlin used against our Government when we were so heavily involved in Vietnam a number of years ago. Let all of us in the Congress commit ourselves to getting the illegal occupiers out of Afghanistan.●

CONGRESSIONAL COMMEMORATIVE SALUTE TO THE ESTONIAN PEOPLE ON THE 65TH ANNIVERSARY OF ESTONIAN INDEPENDENCE DAY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. ROE. Mr. Speaker, I rise today to join my colleagues in commemorating the 65th anniversary of the Republic of Estonia's Declaration of Independence. It is a day for all of us to remember that there are millions of people living in Estonia and other nations around the world who do not enjoy the basic rights of freedom of thought, movement, and expression that we all take for granted.

The situation taking place in Poland has special significance for the people of Estonia. Both nations emerged as independent states following the end of World War I. But the great potential they both expressed as free states came to a tragic end as a result of the heinous Molotov-Ribbentrop Pact of 1939. As a result of that agreement, Poland was divided between Germany and the Soviet Union, while Estonia, Latvia, and Lithuania were condemned to the Soviet rule that controls them to this day.

The Soviet ruling elite should take note that while it maintains political control over Estonia, it will never be able to obliterate the strong national traditions held by the people who live there. In spite of Soviet domination, the Estonian people continue to hold onto their cultural heritage. They have never given up the hope that someday they will once again be able to raise the Estonian national flag in a declaration of freedom from Russian rule.

The stirrings of that new independence are being expressed in Estonia today. The Polish Solidarity movement has had a strong influence on Estonian workers. In September 1980, Estonian dissidents sent a message of support to Solidarity leader Lech Walesa, and 1 month later, a strike took place at an Estonian tractor plant.

It has recently been reported in the press that Estonian workers are attempting to organize a countrywide half-hour strike every month in support of Solidarity. It has also been reported that Soviet authorities have detained 150 Estonians for attempting to organize that work stoppage.

All Americans should give their strongest support to this stirring of human rights activism in Estonia. The events in Poland have set off a chain of events that hopefully will culminate in a new burst of freedom for the Soviet-occupied Baltic republics.

Mr. Speaker, as a member of House Ad Hoc Committee on the Baltic States, I urge my colleagues to support the efforts of the Estonian human rights movement.●

SOVIET WATCH

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. FIELDS. Mr. Speaker, in 1935 the noted historian, Will Durant, wrote.

> For barbarism is always around civilization, amid it and beneath it, ready to engulf it . . . Barbarism is like the jungle; it never admits its defeat; it waits patiently for centuries to recover the territory it has lost.

In all the history chronicled in Durant's monumental, 11-volume work, "The Story of Civilization," in no place or time has this statement been

more true than in the history of the Soviet Union and its client states.

As E. J. Dillion observed in 1930:

Sovietism is no mere philosophy content to assert itself or even endoctrinate others by convincing, persuading, or cajoling them . . . (it is) first of all a relentless destroyer of the roots of past culture, religious, social, pedagogical, and also of those champions of that culture who remain true to it, refusing to be converted and live.

So it is that the leadership of the Soviet Union, from Lenin to Andropov, have been men of unrestrained brutality who have progressively, patiently, driven back the boundaries of civilization, both Western and Eastern, with a relentless sword of blood and horror, allowing the jungle of barbarism to reclaim the earth, masked by mendacity, propaganda, and the kindly face of socialism.

The following material is presented as another evidence.

YELLOW RAIN AND RED WARS

(By Charles Martin)

Have the Soviet Union and its allies been waging chemical and biological warfare against civilians in Indochina, Afghanistan, and Ethiopia? Convinced by eyewitness reports and a growing volume of circumstantial evidence, American officials have long believed—and occasionally have charged—that the answer is yes. Late in November, the United States presented the strongest documentation yet to support its case. The State Department disclosed that it had obtained two gas masks used by Soviet forces in Afghanistan that were contaminated with potent fungal poisons—the active ingredients of a weapon that has come to be known as yellow rain.

The clear implication, the State Department said, is that Soviet troops were wearing the masks while directing poison spray against Afghan victims. The report cited the testimony of Soviet, Laotian, and Vietnamese defectors, accounts by refugees arriving in Thailand and Pakistan, blood and urine samples from apparent victims, and other evidence.

Pressing its attack, the U.S. charged in December that Soviet-backed government forces in Ethiopia appeared to be employing deadly nerve gas in their campaign against Eritrean insurgents. In fact, the State Department says, the Soviet bloc is also using cyanide, phosgine oxine, chlorpierin, and "unidentified agents" in military operations around the world.

The Soviets have indignantly denied any involvement in chemical or biological warfare, which is forbidden by international law. The 1925 Geneva Protocol bans first use of chemical weapons, and the 1972 United Nations Convention prohibits even the possession of biological weapons; the U.S. and the U.S.S.R., Afghanistan, and most other countries have signed both agreements. But the Soviets are quick to point out that it was the United States that used Agent Orange, a toxic defoliant, during war in Vietnam. Not only does the Reagan administration hope to even the propaganda score, say the Soviets, but it is also trying to gain support for a proposal to resume production of chemical and biological weapons after a ten-year halt.

The U.S. is not alone in its accusations. The Canadian government, conducting its own investigation, concluded in August that "chemical and biological agents are being used in Southeast Asia." A group of United Nations experts although they came to no conclusion, acknowledged in November that it "could not disregard the circumstantial evidence suggestive of possible use of some sort of toxic chemical substance in some instances." France was impressed enough by that evidence to urge the creation of a permanent United Nations panel of experts to investigate charges of biological or chemical of biological or chemical attacks as they occur.

Proving Soviet guilt has been difficult, partly because the exotic and poorly understood poisons involved are often present in small quantities in nature. The quest for proof began in 1976, after reports of chemical attacks in Laos against the Hmong, a hill tribe supported by the CIA during the war in Indochina. The Hmong have continued to oppose the communist forces that sized power in Laos in 1975, and the Vientiane government has apparently used chemical warfare in an effort to crush them. Journalist, refugee workers, and diplomats heard tales from Hmong refugees describing a variety of horrors. These usually involved the release of colored gases—white, blue, green, red, or yellow—from low-flying helicopters and airplanes. Sometimes the material dropped was sticky, and smelled like comphor or rotten meat; at other times it was dry, and had the odor of "rubbed bamboo sticks" or burning peppers. The Hmong called the vapors "medicine that fell from the sky" or "yellow rain."

The symptoms described by victims covered the gamut of medical complaints, and defied diagnosis. What, doctors asked, could cause bloody diarrhea, nausea, shortness of breath, a drop in the white blood cell count, dizziness, convulsions, and skin disease, all at the same time?

At first, the strange stories of the sick Hmong were largely discounted as just another form of anti-communist propaganda. But the Hmong kept straggling into refugee camps in neighboring Thailand, repeating their tales: yellow rain dropped on villages by aircraft had infected people, domestic animals, and vegetation. Seeking to document cases, two men attached to the U.S. embassy in Bangkok, Ed McWilliams and Lieutenant Colonel Charles Dennision Lane, began persuading the Hmong to bring samples of the mysterious yellow rain out of Laos.

Toward the end of 1980 the two men approached Dr. Amos Townsend, the International Rescue Committee's medical coordinator, who was working with Laotian refugees in northeastern Thailand, and asked him to help document chemical warfare cases. (The IRC is a privately financed relief organization.) Townsend agreed to cooperate. He prowled the border areas, collecting samples of dust-covered leaves from the local Thai police, camp leaders, and the refuges themselves. "Usually the refugees gave whatever samples they brought out to the Thai border police," Townsend told DISCOVER's Victoria Butler, "and the border policemen tended to put the samples in their desk drawers and forget about them. If it sounds like a highly amateurish affair, it was."

In 1981, while Townsend continued to gather samples of leaves from Laos, the first concrete evidence of chemical attacks elsewhere on the Indochina peninsula turned up. Khmer Rouge guerrillas, who was Thailand as a sanctuary from attacks by the Vietnamese forces occupying Cambodia, gave U.S. government officials a contaminated leaf and a contaminated twig collected after what was apparently a gas attack. The material was promptly forwarded to the Chemical Systems Laboratories at Edgewood Arsenal in Maryland.

Around the same time, the Army Surgeon General's Office assigned Sharon Watson, a toxicologist with the Army Medical Intelligence and Information Agency, to oversee the analysis of all yellow rain samples. Watson was an expert in mycotoxins—fungal poisons sometimes found in nature, which are dangerous to both human beings and livestock. She began to wonder whether yellow rain might have something to do with these little-known poisons.

After reviewing the scientific literature, reading transcripts of interviews with witnesses and victims in Southeast Asia, and studying new reports from Afghanistan, Watson decided she was on the right track. The medical symptoms matched those known to result from eating grain infected with a fungus belonging to the genus Fusarium. This fungus grows and feeds on a number of edible plants, and it produces mycotoxins as by-products. One of the most dangerous groups of mycotoxins is known as trichothecenes, which have been identified as the cause of epidemic poisonings around the time of World War I in regions of the Soviet Union where poor rural families had eaten infected grain products. As a result of these outbreaks, Soviet scientists were the first to begin organized research into the effects of trichothecenes on human beings.

Watson enlisted the assistance of Chester Mirocha, a plant pathologist at the University of Minnesota, to study the yellow rain theory. Mirocha, a specialist in mycotoxins, had examined a crude mixture of Fusarium toxins from the Soviet Union during the early 1970's, and had found high concentrations of a particularly deadly trichothecene called T-2 toxin. At Watson's request, Mirocha analyzed the samples from Cambodia, unaware of their origin or nature. Using a computerized gas chromatograph and mass spectrometer, he found three trichothecene mycotoxins in the samples: T-2 toxin, deoxynivalenol, and diacetoxyscirpenol. In the spring of 1981, when Army scientists at Edgewood Arsenal tested three additional samples—one from Cambodia and two from Laos—they detected two of the three toxins that Mirocha had found in his samples. These results led to an announcement by Secretary of State Alexander Haig in September 1981 that the United States had obtained physical evidence that lethal mycotoxins were being used as weapons in Southeast Asia.

As Mirocha analyzed urine, blood, and tissue samples collected by Townsend from victims of yellow rain attacks in Thailand, evidence (mycotoxins in greater amounts than occur in nature) continued to accumulate. Tests also revealed an abnormally low level of white blood cells in some of the victims, a condition that seemed to persist for several weeks after exposure to the toxins. On the strength of this and other evidence, the State Department issued a report last March formally charging the Soviet bloc with waging biological and chemical warfare.

Many scientists, both in the United States and abroad, are withholding judgment on the American charges until all phases of the investigation have been reviewed by other researchers. Skeptics among them have been particularly concerned about the authenticity of samples. They charge that one sample cited by the State Department as

evidence, for example, was supplied by a correspondent representing Soldier of Fortune magazine, known for its strong anti-communist stance.

One critic of the State Department study was Matthew Meselson, a biochemist at Harvard and an authority on biological weapons. "My point is not that trichothecenes can't be in use," he said after the March report, "but that there are some very serious questions about the adequacy of the evidence." Among the concerns raised by Meselson: lack of reliable sampling and control methods; uncertainty as to what constitutes a lethal dose of the toxin; and the government's use of what he considered inconclusive evidence to support sweeping conclusions.

Even in light of the evidence in the State Department's November report, Meselson remains unconvinced. He does not challenge the honesty of the scientists who have analyzed and evaluated samples, but insists that too many questions remain unanswered about the authenticity of the samples.

To counter such skepticism, American authorities have refined the methods by which samples are collected, preserved, and analyzed, and now have answers for some of the objections raised by critics. For instance, Meselson and others had found discrepancies between the accounts of survivors of yellow rain attacks and the effects of trichothecene poisons observed in animal experiments. Refugees claimed that exposure to yellow rain sometimes caused hemorrhaging and death within minutes, although no such rapid effects had been observed in laboratory animals.

State Department experts now believe that they have discovered a synergistic effect between trichothecene poisons and another class of fungal poisons, called aflatoxins. Used together, they bring on much more rapid symptoms of poisoning than when used separately, and just such a combination was detected in some samples collected recently. In Southeast Asia, Soviet-backed forces are supposed to be using a lethal mixture of trichothecenes, aflatoxins, pollen and binding agents, and other materials that permit use of the poison as either a wet spray or a dry powder.

Important questions about fungal poisons remain unanswered. American scientists say they are uncertain about the mechanisms by which these poisons attack the body, and know little of their long-term effects. Still, the State Department appears to have gone a long way toward making its case with disinterested scientists.

Says Eugene Smalley, a plant pathologist at the University of Wisconsin and a member of the National Academy of Sciences committee evaluating the Army's technological defenses against mycotoxins, "There is an impressive amount of documentation, and although much of it is circumstantial. I don't have grave doubts that something like this [chemical and biological warfare by Soviet-backed forces] is going on."

There will probably be no quick settlement of the yellow rain controversy, but the charges against Moscow and its allies have become vastly harder to refute.●

H.R. 1690, THE FEDERAL FIREFIGHTERS' SALARY ACT OF 1983

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. LELAND. Mr. Speaker, today, I am introducing legislation which addresses and seeks to remedy the inequitable and inconsistent treatment Federal firefighters receive under current pay practices.

The present compensation scheme for Federal firefighters includes three basic elements—base pay, premium pay, and overtime pay. Base pay is compensation under the General Schedule; premium pay, of up to a maximum of 25 percent of base pay for a 72-hour workweek, is paid for the long and irregular hours Federal firefighters work; and overtime pay is provided for all hours worked in excess of 54 per week.

This complicated formula has resulted in a number of inequities and inconsistencies, demonstrating the inappropriateness of the General Schedule for compensating Federal firefighters. The General Schedule was designed to cover the wide range of employees and occupations making up the majority of the Federal work force. While premium and overtime pay provisions seek to recognize the unique nature of firefighting as compared to other occupations falling under the General Schedule, the current pay scheme does not allow for an appropriate classification of Federal firefighters which reflects the actual level of duties, responsibilities, and skills involved in the performance of duty. In fact, it has ignored the increasing difficulty, responsibility, and hazards with which the Federal firefighter is continually being confronted, as the state-of-the-art advances in aircraft, weapons, and building construction, in rescue procedures, and as hazardous materials have become more and more abundant and their handling more technical.

In spite of current premium and overtime pay provisions, the average Federal firefighter works a 72-hour workweek, for which he receives approximately the same pay as most municipal firefighters receive for an average 54-hour week. The glaring inequity of these long hours and relatively low wages as compared to municipal firefighters threaten morale and has led to difficulties in retaining high quality personnel, with many firefighters leaving the Federal service to work for municipal fire departments.

The computation of overtime pay under the current pay scheme has also been a source of serious discontent. While the Fair Labor Standards Act extended special overtime provisions to all fire and police personnel, mandating the payment of overtime for all hours in excess of 54 hours per week, Federal firefighters working 72 hours per week receive only one-half time, not time and one-half, for each of the 18 hours of overtime they are required to work.

In addition, the current pay scheme has had a severe negative impact on the career development of Federal firefighters. The problem arises due to a reluctance on the part of qualified personnel to move into positions involving promotion and increased responsibilities but, because of a shorter workweek and parallel reductions in the rate of premium pay and in overtime pay, offers less take-home pay as a result.

For example, an assistant chief, who is ruled to be "exempt" under the FLSA, gets paid at a lower rate than a crew chief, who is two grades lower and subordinate to him. Similarly, the fire chief, who is a program manager and administrator and, therefore, must work a tour of duty more nearly coinciding with the work hours of other managers at a particular facility, makes considerably less than the assistant chief. As a result of these pay practices, it is becoming more and more difficult to get employees to accept "promotions" to more responsible jobs, since they must take substantial cuts in pay to do so.

For the above reasons, I am introducing legislation today that removes Federal firefighers from the General Schedule classification and pay system and establishes a separate pay system which is designed to deal with, and eliminate, the inequities and inconsistencies of current compensation schemes. This separate pay schedule brings Federal firefighter salaries in line with the vast majority of the profession and provides a realistic classification system that accurately reflects the nature and level of duties performed at every level of the Federal fire service.

In addition, by providing compensation levels that include payment for their long and irregular hours and the hazardous nature of firefighting, this bill disposes of the need for premium and overtime pay calculations and eliminates the problems and inequities that have resulted from these pay practices.

I believe that this discussion of the issues involved supports the argument that Federal firefighters are treated unfairly by the Federal Government in terms of pay and classification. I ask that Congress lend its support to this legislation, so that the current inequities might finally be remedied.●

ALLOW MARTA CONSTRUCTION TO GO FORWARD

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 24, 1983

● Mr. LEVITAS. Mr. Speaker, my colleague, Mr. GINGRICH and I introduced the bill, H.R. 1572, to repeal section 311 of the Surface Transportation Act because there is no longer a need for that provision in the Federal law.

Section 311 of the Surface Transportation Act requires that if the Metropolitan Atlanta Rapid Transit Authoriaty (MARTA) is to receive Federal assistance for the construction of its north-south lines, certain construction priorities must stay in place. These priorities were set to assure that construction of the line in one direction would not take precedence over construction in the other direction, and the amendment to the Surface Transportation Act sought to maintain these priorities. We know that due to budget constraints, any progress on construction of the MARTA system under these priorities would have been difficult to achieve. I was also concerned that under the existing priority requirements, as interpreted by the MARTA board chairman, the next phase of construction could go south rather than north thereby further delaying the benefits to the patient taxpayers in DeKalb County in the Chamblee and Doraville areas. Accordingly, I felt it was important the leaders in the Georgia General Assembly and the local community leaders of the metropolitan area get together and seek a solution to this dilemma. Such a meeting took place on February 11, 1983.

In an admirable display of statesmanship and cooperation, the officials at all levels of government, in the counties, cities, and congressional districts directly involved in this matter, sat down and worked out a compromise which will allow construction of the MARTA lines to go forward. Parochial considerations were put aside as the representatives of the areas served by the north-south lines came together and worked out an agreement which serves the needs of each community adequately and fairly. The diplomatic spirit which guided this group of officials produced an agreement which serves the interests of the entire metopolitan area, and incidentally will assure that the MARTA line will be deeper into DeKalb County at an earlier time than might otherwise have occurred. These leaders truly had the best interests of their constituents and the greater community at heart in reaching this compromise.

DeKalb County, which is in my district, will fare well under this compromise. Under the old north-south formula for constructing the lines in equal priorities, construction of the line to Chamblee would have actually been delayed. The chairman of the MARTA board of directors had said that the Brookhaven line would be completed first and then the East Point line would be built. After that, they would have had to make a decision as to whether or not to go to College Park or to Chamblee next as there was not enough money to do design and construction on both. Under the compromise reached, the Brookhaven and East Point legs would be completed next, with the Chamblee station thereafter, followed by the airport leg and then the Doraville station. The compromise will serve DeKalb well. The plan also will serve the airport and the community of airport users well.

At this point, I would like to place in the RECORD an article from the Atlanta Journal of February 16, 1983, which discusses the benefits of this compromise.

MARTA'S CART BEFORE HORSE

Rep. Elliott Levitas is to be commended for trying to resolve MARTA's construction impasse—a legal mandate that it build the North-South line in equal parts.

Levitas knows well the plain truth that in a simultaneous construction plan the money would run out before the rapid rail reached Doraville on the north or Hartsfield International Airport on the south.

To bring some sense to that, the construction schedule must be changed by an act of the General Assembly. Atlanta and Fulton and DeKalb County leaders must decide whether north or south will come first.

But the discussion is academic.

MARTA now has the money to build to its Brookhaven and Lakewood stations by next year. The transit agency anticipates having the money from its share of the federal gasoline tax increase to build to East Point on the south by 1986.

Stations and service for Chamblee and Doraville and College Park and the airport remain only plans without funds.

We have recommended just the segmented construction approach that Levitas is espousing. Rapid rail service would be extended north to Chamblee first, then to the airport and finally to Doraville.

It makes sense because Chamblee will serve the northern reaches of DeKalb County, an area slighted by MARTA's timetable. It will also relieve the pressure on the station in residential Brookhaven as a terminal.

Then can come the important airport link and eventually Doraville, which will also serve Gwinnett County. Residents there aren't paying the MARTA sales tax.

But even if every MARTA rider and supporter agreed to the construction schedule, the money isn't there. We hope Levitas continues his efforts for federal funds and presses state legislators to extend the MARTA sales tax and search for new construction funds.

Blueprints won't get riders from the airport, Chamblee or Doraville.

All of the local officials, State senators and House members, and Members of Congress involved in this matter endorsed the compromise plan. It is a good plan which will allow the lines to stretch into the northern portions of DeKalb County at an earlier date as well as allowing the lines to reach the airport at an earlier date. In order to let the Georgia General Assembly implement the compromise, section 311 needs be repealed because its purpose has been served.

I would like to thank and commend all of those who took part in this effort and who worked with us to reach this compromise.●

SOCIAL SECURITY ACT AMENDMENTS OF 1983

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. ROSTENKOWSKI. Mr. Speaker, on Tuesday, March 1, the Committee on Ways and Means will begin consideration of the Social Security Act Amendments of 1983. Because of the importance of this major legislation, it is anticipated that when this bill is reported by the committee, we will be asking the leadership to schedule it for floor consideration at the earliest opportunity. As a result, in accordance with the rules of the Democratic Caucus, I take this time to inform my colleagues that it will be the intention of the committee to request less than an open rule on this matter.●

BLACK HISTORY MONTH—RECOUNTING THE TRUE HISTORY OF AMERICA

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. PATTERSON. Mr. Speaker, February is Black History Month. We have so designated this month in order that all Americans might take the time to learn more about the history of a group of Americans who much too often have been forgotten in the recounting of American history.

Black Americans, enslaved and free, were among the very first American citizens. Although their history is full of tragic accounts of injustice suffered by persons oppressed by slavery and institutionalized racism, it is also the history of a people who have relentlessly struggled to make this Nation live up to its creed "* * * with liberty and justice for all." Their stories are those of heroism, courage, and perseverance.

During Black History Month in my home district, several commemorative events are scheduled. Organizations such as the Orange Black Historical Commission, the Inter-Cultural Com-

mittee for the Performing Arts, the Interested Citizens of Santa Ana, The Orange County Links, the Alpha Kappa Alpha Sorority, and the Park and Recreation Department of the city of Santa Ana are sponsoring black history programs in an effort to educate the public and recognize the many contributions made by outstanding black members of the community.

Among the activities scheduled is a fund-raising event designed to gather funds necessary to establish a scholarship in memory of one of Orange County's most outstanding black women and a personal friend of mine, Mrs. Lilly King. We lost Lilly this past fall to a fatal bout with cancer, but she will be remembered as an exceptional human being who gave unselfishly of her time and talents so that others in the community might enjoy a more enriching human experience. As coordinator of the Santa Ana Corbin Community Center for several years, Lilly King's work touched the lives of many. She was an active member of several boards, councils, and interested groups, including my own minority advisory council. She was also particularly concerned about the future of young people, especially black youngsters, and she was a most devoted and loving wife and mother.

While I cannot begin to note the long list of achievements and contributions Lilly made during her lifetime, let it suffice to say that she was truly an extraordinary individual who set an example not only for those of us who knew her, but also those who will undoubtedly learn about her in the future; and I am so thankful to have had her counsel and friendship.

As the month of February unfolds I urge my colleagues to join me in recognition of our black forefathers and mothers. By acknowledging the history of black Americans, we embrace the true breadth of American history.●

BLIND TRUST FOR PAC'S

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. COURTER. Mr. Speaker, we are all aware of the growing cries for campaign financing reform, resulting from the fact that the 1982 midterm elections were the costliest in history. While the mounting price of running for office can be attributed to a number of factors—inflation, more sophisticated campaign techniques, the increase in individual contributions, and so forth—it is widely asserted that the proliferation of PAC's is the primary force behind rising campaign expenditures. This popular notion, reinforced through the media, has caused our constitutents to assume that PAC's enjoy an inordinate level of influence in the House and Senate.

It has become evident to me that the average American believes that PAC money is dramatically transforming the Federal legislature. I personally believe this is a gross misperception. PAC's are not necessarily evil. PAC's, in and of themselves, can be an effective way for individuals to amplify their participation in the democratic process. Furthermore, I am confident that the tremendous majority of contributions donated by these special interest organizations come with no strings attached. Nevertheless, there is an overwhelming apprehension that the political quid pro quo is the norm; and, consequently, the public believes PAC's control the actions of Congress and influence the votes of its Members.

The problem with PAC money is not simply that there is too much of it, or that it is unrepresentative of the general will. Instead, the problem is people perceive that PAC money is buying our votes. The seriousness of this charge cannot be overstated.

We must eliminate that single factor which permits the perception that Members of Congress can be influenced $10 worth or $10,000 worth. We must eliminate the opportunity for a quid pro quo. Therefore, I have introduced legislation which would create a blind trust instrument for distributing PAC contributions to candidates for Congress. According to this proposal, the FEC would be the funnel agent for all PAC contributions and would set up individual accounts for each candidate for the House and Senate. PAC's would be instructed to send their contributions to the FEC, which, in turn, would distribute these funds to the designated candidates in a timely manner. This mechanism would preserve the important right of PAC's to support a candidate with whom they are in general philosophical agreement. However, my bill would prohibit PAC's, the FEC, or any individual from disclosing the dollar amount of PAC contributions, thereby eliminating the grounds for concern that PAC's can unduly influence the decisions of elected officials.

Although my legislation would not permit specific dollar amounts of contributions to be made public, the right of PAC's to express their support for a candidate and the need for the candidate to be cognizant of those groups which are endorsing his platform should be upheld. For this reason, a provision has been included which mandates public disclosure of the specific PAC's which have given financial support to each candidate for Congress. This public disclosures would also include the aggregate amount of PAC contributions to a given candidate and the aggregate amount of money each PAC has given to all congressional candidates.

As penalties for abuses of the Federal election campaign laws are traditionally determined by the FEC, this legislation contains no specific fines for illegal disclosures of PAC contributions. However, it is intended that disclosures of dollar amounts of contributions would be considered criminal action. While some may charge that it would be impossible to stop a PAC representative from subtly indicating to a candidate that he or she can expect a large "donation" in return for certain action, I submit that, in the wake of Abscam and the general paranoia surrounding this scandal, candidates would be loath to take part in such a blatant disregard for the law. Furthermore, in view of the fact that candidates would be prohibited from viewing the financial records of PAC's, the candidate would inevitably doubt the veracity of any hint that he or she was receiving a substantial contribution from a given PAC.

To date, most efforts to address the need for campaign financing reform have missed the real issue: the perceived pressure applied to Federal legislators on each and every vote. Public disclosure of political contributions, the most widely accepted means of deterring corruption, has indirectly served to heighten public skepticism, while suggestions to limit the percentage or aggregate amount of PAC contributions to candidates further limit the scope of participation in congressional elections, and do nothing to eliminate the candidate's ability to connect specific PAC contributions with their sources. And finally, although the public financing initiative has been endorsed by well-meaning groups and individuals, this effort to "sanitize" the entire campaign process would present numerous difficulties. In particular, it would stifle free expression.

We must erase the opportunity for suspicion that every vote comes with its own price tag, and I am confident that a "blind trust" for PAC contributions would do just that. I submit my proposal as a good faith effort to maintain the intergrity of our political system, and I sincerely hope my colleagues in the House and Senate will join with me in support of its passage.●

A LOOK AT THE REAGAN BUDGET

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. HOYER. Mr. Speaker, the budget delivered to the Congress by the administration exposes the contra-

diction and cruel irony of the President's campaign last year to enact a constitutional amendment to balance the budget.

The 1984 Reagan budget projects next year's deficit at a level eight times the size of Richard Nixon's largest deficit. It anticipates a 1984 deficit almost three times the size of Gerald Ford's largest deficit. And it projects a deficit in 1984 that is almost 3½ times the size of Jimmy Carter's largest deficit. In short, Ronald Reagan is the only President—Democrat or Republican—who has had the courage to sponsor the drive for a constitutionally mandated balanced budget at the same time he was sponsoring the largest deficits in the history of the Republic. It is almost as if the administration were asking Congress and the American people for protection from itself.

The administration has no one to blame for these deficits but itself. It has no one to blame for the Government's debt frustrating private investment but itself. It has no one to blame for the debilitating rate of unemployment but itself. The administration has chosen a set of priorities that have robbed the middle class of education benefits, targeted tax breaks to the wealthy, and funded a defense program at levels that are unreasonable in light of our fiscal condition.

The administration's budget, like all budgets, reveals something about its crafters. This budget is not a thrifty budget—it is the most expensive in history. This budget does not result in a balanced budget as we were promised during the 1980 Presidential campaign; instead, it offers us unprecedented deficits. This budget does not deal with unemployment; instead, it places highly accelerated defense spending over the needs of the jobless.

The administration has characterized Democrats as the party that taxes and taxes and spends and spends. I would counter, Mr. Speaker, that this administration has given us the largest tax increase in history, the largest budget in history, the largest deficits in history, and the highest interest rates, and the highest unemployment rate in five decades.

If budgets tell you something about an administration and its priorities, this document, Mr. Speaker, says it all.●

YOUR GIFT COULD SAVE A LIFE

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. OTTINGER. Mr. Speaker, I am pleased to bring to the attention of my colleagues a most important and worthwhile event.

Tuesday, March 1, the National Kidney Foundation will kick off the "National Organ Donor Awareness Week," designed to increase the public's awareness of the importance of organ donation.

Members of Congress and their staffs are invited to participate in this campaign, on March 1, by joining in the scheduled signing ceremony from noon to 3 p.m. in room H-128 of the Capitol.

This session provides Members and their staffs with the opportunity to publically sign an organ donor card. Art Buchwald and Pat Paulsen will be on hand to act as the necessary witnesses.

The organ donor card has been legally recognized in all States since the passage of the Uniform Anatomical Gift Act of 1968. Signing this card gives one a chance to provide the gift of life to another by donating one's organs after death.

Dramatic improvements in surgical techniques and vastly improved immunosuppressive drug therapy have radically altered the potential for successful transplantation and survival of many human organs from unrelated donors. Among these are procedures for transplant of kidney, cornea, liver, heart, and combined heart/lung.

While there are 4,500 kidney transplants annually, another 10,000 Americans cannot receive one because of a lack of suitable organs.

In addition, these recent medical advances have uncovered profound deficiencies in our present system of organ procurement.

An immediate opportunity for congressional action to remedy this lack of organs is to complete the uniform donor card provided by the National Kidney Foundation.

Further problems and solutions will be examined in hearings held April 13 and 14 by the Subcommittee on Investigations and Oversight, chaired by Representative ALBERT GORE, JR.

In the meantime, we look forward to seeing you on March 1.●

THE 65TH ANNIVERSARY OF THE DECLARATION OF INDEPENDENCE OF THE REPUBLIC OF ESTONIA

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. LENT. Mr. Speaker, I would like to take this opportunity to call to the attention of my colleagues the 65th anniversary of the Declaration of Independence for the Republic of Estonia. This most important event in world history climaxed years of struggle for freedom on the part of the Estonian people. For only two brief decades, between 1920 and 1940, the Republic of Estonia grew and flourished, enjoying the fruits of independence and freedom we all take so much for granted.

However, in 1940, this peace was shattered with brutal and unrelenting force when, as it has done so often, Communist Russia violated its own peace treaties and conquered Estonia and its Baltic neighbors, Latvia and Lithuania. For nearly 43 years, the Estonian people have been severely persecuted and oppressed by the Soviet Union. They have been denied the basic human rights stipulated in the Helsinki Final Act, signed by the hypocritical leadership of the Soviet Union nearly 8 years ago. Despite these violations, the courageous and proud Estonians have contained their heroic struggle against the dark and fearsome powers of the Kremlin.

My colleagues, we must not forget the cries of millions of tortured, oppressed peoples and must continue to press for that day when the Estonians will again breathe the fresh air of freedom, liberated from the depths of the dank dungeons of the Soviet geopolitical machine.

Mr. Speaker, as we observe this 65th anniversary of Estonia's independence, let us remember that the United States stands as a beacon of hope to not only Estonians, but to millions of people across the globe who are oppressed by the cruel leaders in the Kremlin. As a bulwark of democracy, the United States has the honor and responsibility to champion the cause of freedom worldwide so that freedom and self-determination may once again come to the courageous people of Estonia and the other captive nations on this Earth.●

TRIBUTE TO MS. MILLIE DANIELS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. SKELTON. Mr. Speaker, I take this time to recognize and honor Ms. Millie Daniels, who, for the past 33 years, has worked for the Department of the Army. Ms. Daniels, who is originally from Missouri, has made a significant contribution to the morale and welfare of countless soldiers and airmen since before the Korean war, to the present, in her duties in the Recreation Services of the Army. In the past few years Ms. Daniels has been working in Korea and has been an extraordinary good will ambassador from the American people to the Korean people. Through her work, she has made American service men and women feel more at ease while stationed so far from home. Ms. Daniels'

long years of dedicated service provide us with a model that all people can look to and attempt to emulate in their own lives.●

THE PEOPLE'S PARADISE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. FIELDS. Mr. Speaker, some form of socialism/communism is dominant in many nations and every continent. The idea of socialism is especially attractive to intellectuals who are able to maintain a comfortable distance from actual socialist practices.

Though socialism is a god that fails continuously, and causes more human suffering and tragedy than any idea or practice in history, there are those who stubbornly cling to its high-minded idealism. They religiously close up their eyes to the reality that the socialist promise of instant utopia brings only the tyranny of a real dystopia.

It is for them that the following glimpse of reality is provided.

[From Human Events, Nov. 20, 1982]

FOR THE AVERAGE RUSSIAN CITIZEN: LONG LINES, FEW GOODS, AND AN INCREASINGLY BLEAK LIFE

(By Allan Brownfeld)

Moscow.—Visiting the Soviet Union is a sobering experience. It is one thing to review statistics about declining Soviet grain production and to read reports about the shortage of even the most basic necessities of life, and quite another to walk the streets of Moscow and other Russian cities and observe the life of average citizens of the USSR.

For those Russians who are not part of the Communist elite, life is increasingly bleak. This writer visited department stores, food and clothing shops in Moscow, Leningrad and Kiev. In all of them, lines were long and goods were few.

In a meat shop on Gorky Street, Moscow's equivalent of Fifth Avenue, I observed what almost developed into a brawl, as customers fought over the one remaining chicken. The line was 20 deep, and many who had waited for at least an hour or more arrived at the counter only to find that nothing was left to purchase. In a vegetable shop in Kiev on a sunny Sunday afternoon, 12 people waited in line with shopping bags. The only things available were potatoes, cabbages and cucumbers.

At the famous GUM department store, across from the Kremlin and Red Square, long lines were to be found on weekday evenings at 9 p.m. for such basic items as socks, underwear and toothpaste. Shopping for the basic necessities of life occupies much of the non-working time of Russians.

Hedrick Smith, former New York Times correspondent in Moscow, notes, "The accepted norm is that the Soviet woman daily spends two hours in line, seven days a week, going through double the gauntlet that the American housewife undergoes at her supermarket once, maybe twice a week.

"I noted in the Soviet press that Russians spend 30 billion man-hours in line annually just to make purchases. That does not count several billion more man-hours expended waiting in tailor shops, barbershops, post offices, savings banks, dry cleaners and various receiving points, for turning in empty bottles and so on. But 30 billion man-hours alone is enough to keep 15 million workers busy year-round on a 40-hour week.

"Personally, I have known of people who stood in line 90 minutes to buy four pineapples, three hours for a two-minute roller-coaster ride, three and a half hours to buy three large heads of cabbage, only to find the cabbages were gone as they approached the front of the line, 18 hours to sign up to purchase a rug at some later date. . . . Lines can run from a few yards to half a block to nearly a mile. . . . The instinctive reaction of a Russian woman when she sees a queue forming is to get in line immediately—even before she knows what is being sold."

The group of journalists with whom I was traveling stayed in new, modern hotels which were constructed for the Russians by Swedes and Finns for the 1980 Olympics. We were provided with the best available food, although, even for foreign visitors, the Russians were unable to provide fruit of any kind—much less orange or grapefruit juice.

The bars appeared to be well stocked, yet we were told on at least three occasions that as early as 10 p.m., "we are out of beer for tonight." Anyone who wanted a second cup of coffee with dinner was charged an additional fee. We were told that coffee was a scarce and valuable commodity in the Soviet Union. Our privileged life was meant to be as separated as possible from average Soviet citizens. Guards stood at the doors of the hotel to keep Russians out.

While the Soviet Union has devoted its funds and energy to building the world's most powerful military machine, its domestic economy is in a state of growing disarray. No place is this more apparent than in the agricultural sector.

Almost a quarter of Soviet workers are in agriculture, yet they still cannot feed the country. By contrast, only 3 per cent of the American labor force is engaged in farming and produces vast surpluses. Each U.S. farm worker feeds 60 Americans; each Soviet farmer feeds only eight Russians. In fact, no country has ever dominated world grain trade as the United States does today. Its 55 per cent share of world grain exports in 1981 easily overshadows Saudi Arabia's 32 per cent share of world oil exports.

This year, because of its own failed system of collective farms, the Soviet Union will attempt to import 46 million tons of grain—more than any other country in history. As a result, one-fourth of all the grain for Soviet human and livestock consumption will come from abroad, according to a study by the Worldwatch Institute. Over one-half of this imported grain will come from North America, most of it from the United States. In this sense, we continue to bail out Moscow's failed agricultural system and permit its massive expenditures for defense.

While communism may have made the Soviet Union a military success, it remains clearly an economic failure. The average Russian has one of the lowest standards of living in the industrial world. As Nicholas Daniloff, the Moscow correspondent of U.S. News & World Report, points out, "The fact that the Soviet economy is an economy of scarcity is underlined by long lines at stores, black marketeering, bribe-giving and bribe-taking—and the government's harsh new campaign to stamp out speculation and corruption."

The only bright spot in Soviet agriculture is the small island of free enterprise represented by the tiny private plots that workers on collective and state farms are allowed to cultivate—occupying less than 2 per cent of the farmland, but producing one-third of the total meat and vegetable output.

Westerners resident in Moscow report that the people seem to have lost whatever incentive they had to work—not only in agriculture, but throughout the Soviet economy. The incentive of private gain has been banned and the ideological exhortations to avoid waste and work harder no longer have much effect.

Soviet officials are now admitting their concern. Radio Moscow, for example, recently compared the Tolyatti plant, built by Fiat on the Volga River, and the Daimler-Benz plant in West Germany. The broadcast complained that Soviet output lags far behind in quality and quantity because of chronic absenteeism and tea breaks.

It is the Soviet elite, however, which pursues the profit motive to ever greater heights. While Communist ideology speaks of a "classless" society—and a state designed to serve the "worker," it is the governing elite which is largely served. They do not wait in long lines for meager goods. Instead, the elite groups shop in separate stores, deliberately unmarked to avoid attention and accessible only with a special pass.

"These stores," Hedrick Smith points out, "insulate the Soviet aristocracy from chronic shortages, endless waiting in line, rude service and other daily harassments that plague ordinary citizens. Here, the politically anointed can obtain rare Russian delicacies like caviar, smoked salmon, the best canned sturgeon, export brands of vodka or unusual vintages of Georgian or Moldavian wines, choice meat, fresh fruit and vegetables in winter that are rarely available elsewhere. . . . Certain stores also provide the elite with foreign goods the proletariat never lays eyes on. . . .

"Supreme leaders of the Communist party get the kremlevsky payok, the Kremlin ration—enough food to feed their families luxuriously every month—free. By contrast, an ordinary urban family of four might spend 180-200 rubles a month, easily half its income on food."

Western Marxists who view the U.S.S.R. as a model for their own societies should come here for a visit. They would be quickly disabused of their romantic notions and would discover that the myth and the reality are radically different.

A SALUTE TO U.S. ENGINEERS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. BROWN of California. Mr. Speaker, the national progress and economic health of the United States are directly linked to technological and industrial innovations. Engineers foster the innovation process by taking scientific knowledge and converting it into the design of products and processes. All of us share in the economic, environmental, and social benefits. Therefore, I would like to take this opportunity to remind my

colleagues to honor engineers this week, February 20-26, 1983, National Engineers Week.

Engineers make an important contribution to our society, because our economic leadership has resulted in large part from our lead in technological and industrial innovations. New technologies will help to revitalize our economy by making basic industries competitive and by expanding opportunities in high-technology growth industries. One of the keys to our future success will be the dedication and creativity of engineers.

The following articles salute U.S. ingenuity by naming the outstanding engineering achievements of 1982 and by honoring the 1983 inductees into the National Inventors Hall of Fame.

[From the Engineering Times, February 1983; National Society of Professional Engineers (NSPE)]

WINNERS INCLUDE BRIDGES, AIRCRAFT—NSPE SALUTES U.S. INGENUITY, NAMES OUTSTANDING ENGINEERING ACHIEVEMENTS FOR 1982

An offshore oil platform, a 4.2-mile-long bridge, a lightweight airplane, and a three-dimensional photographic system are among the 10 winners in NSPE's annual salute to American engineering ingenuity—the Outstanding Engineering Achievement awards program.

Chosen from among many entries in a national competition, the winners for 1982 exemplify the very best in U.S. engineering technology. Each winner was nominated by one or more NSPE chapters, as part of NSPE's ongoing effort to promote public recognition of the widespread contributions of engineering to all aspects of American life.

The Outstanding Engineering Achievements of 1982 are:

The Seven Mile Bridge, Florida Keys. The longest (35,000 ft.) bridge of its kind in the world, it is made of precast, prestressed concrete segments which saved more than $7 million over conventional design. The bridge, completed six months ahead of schedule, was nominated by the Big Bend Chapter of the Florida Engineering Society.

1982 World's Fair, Knoxville, Tenn. Engineering feats at the fair, where a total of more than $250 million in construction was accomplished in just 30 months, include the trademark "Sunsphere," a 74-foot-diameter sphere sitting atop a 192-ft. hexagaonal steel tower. The Fair was nominated by the Knoxville Chapter of the Tennessee Society of Professional Engineers.

Bacardi Waste Treatment and Energy Recovery System, San Juan, Puerto Rico. This facility converts rum distilling waste to methane gas for use in distillery boilers, supplying one-half the energy requirements of the distillery. The system, which saves the distillery $3500 daily, was nominated by the Western Chapter of the Missouri Society of Professional Engineers.

Cerveza Ligera Platform, Union Oil Co. Located in the Gulf of Mexico, 100 miles from the Texas shore, this platform features a very light oil rig jacket (the steel frame that supports the platform). This type of jacket makes possible the development of oil and gas fields in waters as deep as 1400 ft. The platform was nominated by the New Orleans Chapter of the Louisiana Engineering Society.

Lear Fan aircraft. Developed by Lear Fan Ltd. of Reno, Navada, this revolutionary business aircraft features fuselage-mounted engines and a rear-mounted propeller. Built almost completely of graphite/epoxy composites, the plan is half the weight of aluminum and uses only one-half to one-third the fuel of a comparable conventional aircraft. The plane was nominated by the Reno Chapter of the Nevada Society of Professional Engineers.

Jesse H. Jones Memorial Bridge, Houston Ship Channel, Texas. Including its ramps, the bridge project runs 4.2 miles, and includes the longest main span (750 ft.) for a segmentally constructed concrete bridge in the Americas. Engineers working on the project developed a superstrong concrete mix to combat humid weather. The bridge was nominated by the Western Chapter of the Missouri Society of Professional Engineers, and by the Texas Society's San Jacinto Chapter. Solar energy system, Illinois Department of Agriculture, Springfield. A showplace of solar technology and energy-efficient design, the facility includes more than 10,000 feet of solar collectors, which are designed to supply 22% of air-conditioning, 43% of heating, and 70% of hot water needs. The Capital Chapter of the Ilinois Society of Professional Engineers nominated the project for an award.

EPCOT Center, Orlando, Florida. An acronym for Experimental Prototype Community of Tomorrow, EPCOT Center is the largest private building project in the U.S., costing more than $800 million and covering 260 acres of the 28,000-acre site of Disney World near Orlando. Exhibits are both entertaining and educational, dealing with such subjects as communications and energy technologies, the history of transportation, and state-of-the-art agricultural engineering. The center was nominated by the Central Florida Chapter of the Florida Engineering Society.

Nimslo Three-Dimensional Photographic System Engineers at the Nimslo Corp. near Atlanta have developed a fuly automatic three-dimensional photographic print system for consumer use. The system produces 3-D photos which can be viewed without aids. The camera weighs only 12 oz.; the price for prints is comparable to other instant cameras. The system was nominated by the Sandy Springs Chapter of the Georgia Society of Professional Engineers.

Fast Flux Test Facility, Hanford, Washington. The largest experimental fast flux nuclear reactor in the U.S., this 400 megawatt facility is designed for irradiation testing of fuels, alloys, and components for breeder reactor systems of the future. Many of its designs, components, and operating systems are "firsts" that, it is hoped, will pave the way for future breeder reactor technologies. The facility, owned by the U.S. DOE, was nominated for an award by the Tri-Cities Chapter of the Washington Society of Professional Engineers.

[From the National Inventors Hall of Fame, U.S. Department of Commerce, Patent and Trademark Office]

THE NATIONAL INVENTORS HALL OF FAME

The National Inventors Hall of Fame is dedicated to the individuals who conceived the great technological advances which this nation fosters through its patent system. The purpose of The Hall is to honor these inventors and bring public recognition to them and to their contributions to the nation's welfare.

Inventors are selected for The Hall of Fame by the Selection Committee of the National Inventors Hall of Fame Foundation. The Selection Committee is composed of representatives from national scientific and technical organizations. Each year the members of this Committee vote to select the most qualified inventors from those who are nominated for induction.

In its voting, the Selection Committee considers whether the invention of the nominee is covered by a United States Patent, the contribution of the invention to the nation's welfare, and the extent to which it promotes the progress of science and useful arts.

ALEXANDERSON (PATENT NO. 1,088,557) HIGH-FREQUENCY ALTERNATOR

Ernst Alexanderson, Swedish-born American inventor, who died on May 14, 1975, at the age of 97, was the General Electric Company engineer whose high frequency alternator gave America its start in the field of radio communication.

During his 46-year career with GE, he became the company's most prolific inventor, receiving a total of 322 patents. He produced numerous inventions in such fields as railway electrification, motors and power transmissions, telephone relays and electric ship propulsion, in addition to his pioneer work in radio and television.

In 1904, Dr. Alexanderson was assigned to build a high frequency machine that would operate at high speeds and produce a continuous wave transmission. Before the invention of his alternator, radio was an affair only of dots and dashes transmitted by inefficent crashing spark machines. After two years of experimentation, Dr. Alexanderson finally constructed a two-kilowatt, 100,000-cycle machine. It was installed in the Fessenden station at Brant Rock, Massachusetts, and on Christmas Eve, 1906, it enabled that station to transmit a radio broadcast which included a voice and a violin solo.

Alexanderson's name also will be recorded in history for his pioneer efforts in television and the transmission of pictures by radio. On June 5, 1924, he transmitted the first facsimile message across the Atlantic. In 1927 he staged the first home reception of television at his own home in Schenectady, New York using high frequency neon lamps and a perforated scanning disc. He gave the first public demonstration of television on January 13, 1928.

He held patents on such devices as the inverter, by which direct current can be changed into alternating current through the mercury vapor arc, and single-phase motors for railway electrification. He also made important contributions to radiant-energy guiding systems for aircraft and the automatic steering of both air and water craft, and developed countless applications of vacuum tubes in power transmission.

He also was associated with the amplidyne—an extremely sensitive and powerful system of amplification and automatic control adapted to the firing of antiaircraft guns in World War II.

He received many honors and several honorary degrees. He was awarded, among others, the Gold Medal of the Institute of Radio Engineers in 1919 and the Edison Medal from the American Institute of Electrical Engineers in 1944.

ALFORD (PATENT NO. 2,682,050) LOCALIZER ANTENNA SYSTEM

Andrew Alford, president and founder of the Alford Mfg. Co., was born August 5, 1904 in Samara, Russia.

He was graduated from the University of California in 1924 with an A.B. degree and received the honorary title of D.S. from Ohio University in 1975.

He was employed with the Harvard University Radio Research Lab from 1943 to 1945; was division head, Direction Finder and Antenna Division, ITT, from 1943 to 1945; was head, Air Navigation Lab, International Telegraph Development Corp., 1938-41; was with Mackay Radio and Telegraph Co., 1934-41; did engineering work for Fox Film Corp., 1929-31; and was on the sound lab staff at California Institute of Technology, 1927-28.

He is a member of IEEE, Past Chairman Antenna Committee; and Radio Technical Commission for Aeronautics.

He received the Pioneer Award, IEEE, in 1965; the Certificate of Merit in 1948; and a graduate fellowship in physics and astronomy at the University of California in 1924.

He invented and developed antennas for radio navigation systems, including VOR and instrument landing systems, and the "Alford Loop" antenna.

DOW (PATENT NO. 11,232) PROCESS OF EXTRACTING BROMINE

Herbert Henry Dow, founder of the Dow Chemical Company and one of the creators of the modern American chemical industry, was born in Belleville, Ontario, in 1866.

His native genius and foresight enabled him to build a fortune from the very salts of the earth. He received his formal training from Case School of Applied Science and was graduated in 1888 with a B.S. degree.

As a young man he entered the rudimentary chemical industry of the 1890's by inventing an entirely new method of extracting bromine from the prehistoric brine trapped underground at Midland, Michigan. His first patent was issued in 1889 and by 1933 he had over 90 patents. While his inventions include such diverse items as electric light carbons, steam and internal combustion engines, automatic furnace controls and water seals, most of his inventions were chemical in nature.

He is best known for his work in halogen chemistry, particularly the production of bromine and chlorine. Most of his chemical patents were for truly "pioneer" inventions, and the remainder were practical improvements which took halogen science from theory to reality, creating employment and an environment which encouraged a healthy combination of basic and applied research. The combined effect of his inventions was to improve the quality of life for millions of people around the world.

He was a public-spirited citizen, serving on boards of public works and education for many years. He was a trustee of the Case School of Applied Science and a member of the American Chemical Society, American Association for the Advancement of Science and many other technical societies. During the First World War he was a member of the advisory committee of the Council of National Defense. In 1930 he was awarded the Perkin medal by the Society of the Chemical Industry.

His favorite saying was, "If we can't do it better than the others, why do it?" That philosophy became the cornerstone of the Dow Chemical Company.

Herbert Henry Dow died in 1930 following an operation in Rochester, Minnesota.

NOYCE (PATENT NO. 2,981,877) SEMICONDUCTOR DEVICE-AND-LEAD STRUCTURE

Robert N. Noyce was born in Iowa in 1927. He received a B.A. degree from Grinell College (Iowa) in 1949, and a Ph.D. in physical electronics from the Massachusetts Institute of Technology in 1953. He did research at Philco Corp. until 1956 when he joined Shockley Semiconductor Laboratory, Palo Alto, California, to work on transistor technology.

In 1957 he co-founded the Fairchild Semiconductor Corp. in Mountain View, California. He was research director until early 1959 when he became vice-president and general manager.

As research director of Fairchild Semiconductor, he was responsible for initial development of the firm's silicon mesa and planar transistor product lines.

In July 1968 he co-founded Intel Corp. with Gordon E. Moore, who had also been a co-founder of Fairchild Semiconductor and a member of the Shockley laboratory staff.

He is vice-chairman of the board of directors of Intel Corp. in Santa Clara, California. He served as president of Intel until 1975 and chairman of the board from 1975 to 1979.

Dr. Noyce received the Ballantine Medal of the Franklin Institute and the Cledo Brunetti Award of the IEEE for work on the integrated circuit. He and Gordon Moore received the AFIPS Harry Goode award for leadership in computer science. He was awarded the National Medal of Science and the IEEE Faraday Medal in 1979, and the IEEE Medal of Honor in 1978. He is a member of the National Academy of Sciences, the National Academy of Engineering, the American Academy of Arts and Sciences, and is a Fellow of the IEEE.

He holds 16 patents for semiconductor devices, methods and structures.

STIBITZ (PATENT NO. 2,668,661) COMPLEX COMPUTER

George R. Stibitz was born on April 30, 1904, in York, Pennsylvania. He attended Moraine Park, an experimental school in Dayton, Ohio, and was graduated from Denison University in 1926 with a Ph.B. in Applied Mathematics. He received an M.S. from Union College in 1927 and a Ph.D. from Cornell in 1930 in the field of physics.

Stibitz joined Bell Telephone Laboratories in 1930 where he served as a mathematical consultant. From 1940 to 1945 he was on loan to the Office of Scientific Research and Development. Following World War II, he was an independent consultant in applied mathematics for various government and industrial agencies. In 1964 he joined the Department of Physiology at Dartmouth Medical School as a research associate. Since that time he has been working primarily on applications of physics, mathematics and computers to biophysical systems. He became a professor in 1966 and professor emeritus in 1970.

His interest in computers arose from an assignment in 1937 to study magneto-mechanics of telephone relays; he turned his attention to the binary circuits controlled by the relays, to the arithmetic operations expressible in binary form, and in November 1937 to the construction of a two-digit binary adder. The next year, with the help of S. B. Williams of Bell Labs, he developed a full scale calculator for complex arithmetic. This computer was operational late in 1939 and was demonstrated in 1940 by remote control between Hanover, New Hampshire, and New York. Several binary computers of greater sophistication followed. In these computers were introduced the excess 3 code, floating decimal arithmetic, self-checking circuits, jump program instructions, taped programs and "table-hunting" subcomputers. He has 34 patents and is internationally recognized as the father of the modern digital computer.

Dr. Stibitz received the Harry Goode Award of the American Federation of Information Processing Societies in 1965, and an Honorary Doctrate of Science from Denison University in 1966. He was the first recipient of the IEEE Emanuel R. Piore Award for "outstanding achievement in the field of information processing" in 1977.●

NICARAGUAN LOAN ENDANGERS IDB

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. KEMP. Mr. Speaker, I was troubled greatly to learn that the Inter-American Development Bank is considering once more a $30 million loan to Marxist Nicaragua. This loan has been brought forward twice before only to be withdrawn under pressure from the United States. Now it appears that IDB managers are prepared to bring the loan to a vote, despite our objections.

Over the past two years, our Subcommittee on Foreign Operations has worked very closely with the Treasury to change the direction of the multilateral development banks, including the IDB. One of our goals has been to assure that the policies of these institutions reflect the ideals and philosophy of the democratic capitalist nations which provide their funding. My personal view had been that substantial progress was being made in terms of the types of loans being made and in the management of the funds provided by U.S. taxpayers. The actions of IDB management in renewing attempts to channel these funds to Nicaragua are causing me to reconsider this view.

Nicaragua is an avowedly Marxist state. It shares none of our democratic ideals nor does it share our philosophy of free enterprise. Since the Sandinista regime assumed power in 1979, it has moved steadily to destroy the private sector and has achieved a record for oppression of the Nicaraguan people at least equal to the Somoza regime it replaced. There is no justification for making U.S. taxpayer dollars, indeed the tax dollars of any freedom-loving people, available to support the corrupt practices and bankrupt policies of Marxist-Communist regimes.

Quite aside from the economic policies of the Sandinista regime, Mr. Speaker, is its support and instigation of terrorist activities across the borders of its neighbors. Combined with Castro's Cuba and Grenada, Nicaragua forms a dangerous triangle for Soviet adventures in Latin America, a triangle which provides communications

coverage—and a very real military threat—over all gulf coast shipping lanes.

In the near future, the Treasury will complete negotiations for a replenishment of funds for the IDB. The Congress will be asked to review the IDB's activities over the past 4 years and determine if its activities are carrying out the mandate under which we serve. Given the attitude of IDB management as reflected in the pending loan to Nicaragua, I urge my colleagues to turn special attention to this review. As we are joining in a bipartisan spirit to provide additional assistance to our friends and allies in Latin America, we can ill afford to negate these efforts by supporting loans which enable terror and oppression to be spread to those we would help.●

TERRITORIES' DAIRY PRODUCTION THREATENED BY COLLECTION PLAN

HON. RON de LUGO

OF VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. DE LUGO. Mr. Speaker, when Congress approved the collection of a 50-cent-per-hundredweight fee on the production of milk, backers of the proposal argued that it was reasonable to impose what was in effect a user fee for those milk producers benefiting from the dairy price support system. Unfortunately, like the rain that falls on the just and the unjust alike, this collection plan included our Nation's territories, whose fledgling dairy farmers are now threatened with extinction due to this added burden.

I would like to establish for the record the many distinctions between the dairy market in our insular areas and those of the mainland which will justify my colleagues' approval of my proposal to exempt them from this onerous fee:

One. The U.S. Virgin Islands and the other territories are not part of the mainland market. Milk produced in the territories is not marketed on the mainland and does not contribute to the existing surplus there.

Two. There is an acute shortage of fresh milk in the territories. In my community, the U.S. Virgin Islands, 90 percent of our dairy products are imported. That figure is even higher in Guam, American Samoa, and the Northern Mariana Islands.

Three. Due to the unique geographic location and size of the dairy industry in the territories, we have never nor will we ever participate in the dairy price support system.

Four. Milk produced in the territories must compete with imported dairy products and reconstituted milk made from components imported from outside of the United States. The price of these other dairy products is significantly lower than that for fresh milk produced locally. For example, reconstituted milk made from foreign components costs $11.34 per hundredweight, while production costs for natural milk from local farms run over $20 per hundredweight. The imposition of this additional fee serves as a further disadvantage for our local producers.

Mr. Speaker, I urge my colleagues to relieve the dairy farmer and consumer of the Nation's insular areas from this terrible burden. I ask that the text of my bill to accomplish this objective be printed here for their review.

H.R. 683

A bill to amend the Agricultural Act of 1949 to limit the authority of the Secretary of Agriculture to make deductions from the proceeds of milk marketed commercially by producers in the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201(d) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)) is amended—

(1) in paragraph (2) by inserting "in the several States, the District of Columbia, and the Commonwealth of Puerto Rico" after "marketed commercially by producers", and

(2) in paragraph (3)(A) by inserting "in the several States, the District of Columbia, and the Commonwealth of Puerto Rico" after "marketed commercially by producers".

SEC. 2. The amendments made by the first section of this Act shall take effect on October 1, 1982.●

THE WEST GERMAN ELECTIONS

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. WINN. Mr. Speaker, on March 6, 1983, the Federal Republic of Germany will go to the polls to elect the West German Parliament. The results of this election will decide who will serve as the German Federal Chancellor. The incumbent Chancellor is Helmut Kohl who has held this position since October 1, 1982, succeeding Helmut Schmidt. Chancellor Kohl, who is the head of the Christian Democratic Union Party, governs in coalition with the Christian Social Union Party and the Free Democratic Party. Kohl is being challenged by the leader of the opposition, Hans-Jochen Vogel of the Social Democratic Party.

Because of the importance of West Germany to the United States and NATO, there has been avid interest in this country in the German elections. However, the West German electoral process is complex, different from our own, and possibly not readily understood by Americans. Therefore, as the ranking Republican of the Europe and Middle East Subcommittee of the House Foreign Affairs Committee, I thought it would be useful for my colleagues to have access to an explanation of this process published by the German Information Center. This excellent summary follows:

WHY ARE ELECTIONS NOW BEING HELD IN WEST GERMANY?

The Bundestag, the West German parliament, was last elected on October 5, 1980. As in the United States, elections are held in Germany every four years. Following the last election, the Social Democrats (SPD) and the Free Democrats (FDP) decided to continue for another four years their governing coalition that had been in effect since 1969. The combined parliamentary votes of these two parties resulted in the election of Helmut Schmidt as Federal Chancellor.

For political reasons, this coalition broke up in the course of the year 1982. Under the leadership of the Chairman of the FDP, Foreign Minister Hans-Dietrich Genscher, the majority of the FDP deputies decided to form a new coalition with the Christian Democratic Union (CDU) and Christian Social Union (CSU), which had been in opposition since 1969.

In a "constructive vote of no-confidence" based in Article 67 of the Basic Law (constitution), on October 1 the Bundestag elected Helmut Kohl (CDU) to be the new Chancellor. After more than eight years, Helmut Schmidt's term of office as Chancellor was over, and since October the SPD has been the opposition party.

The new government has a secure majority in the parliament, and in compliance with the constitution could have governed until the end of the present legislative period in the fall of 1984. However, the government decided against doing so. Like the opposition, it desired the vote of the electorate on this abrupt and unprecedented change of government.

THE ELECTORAL SYSTEM

The Federal Electoral Law provides for elections on the basis of both proportional representation and personal election of candidates, a mixed system in which—

Half of the members are elected by direct vote in 248 constituencies (i.e., on a first-past-the-post basis) and

The other 248 members are elected from lists of candidates (proportional representation) put up by the parties in the Laender (states).

Under this system, each eligible voter has two separate votes. The first vote is cast for one of the candidates within the voter's constituency. The second vote is cast for one of the party lists within the particular federal state in which the voter resides.

The candidate who polls the greatest number of votes in a constituency is the winner there.

The second vote is cast for one of the lists put up by the parties within each federal state with the exception of West Berlin. The sequence of candidates on the lists is predetermined by the parties and cannot be changed by the voter.

The Federal Electoral Committee establishes the number of seats each party is to receive on the basis of the second votes. The second votes are therefore decisive for the outcome of the election.

The Bundestag seats are distributed among the parties in proportion to the total number of second votes polled by them in

the entire electoral area. Only those parties can be considered that have polled at least five percent of the second votes nationwide or that have won at least three constituency seats.

This "five percent clause" was designed to prevent a recurrence of the splintering of the parliament into numerous parties, a situation that drastically weakened the Weimar Republic. Along with the mood of the electorate, this clause has undoubtedly contributed to the predominance of merely four major parties in the Federal Republic of Germany.

In addition to the elected members of parliament, 22 representatives from West Berlin are delegated by the city's parliament. Because of the reservation rights of the Allies, these members cannot vote on legislative issues or in the election of the Federal Chancellor.

FORMING THE NEW GOVERNMENT

After election results have determined the number of Bundestag seats won by each party, the Federal President consults with the party leaders and proposes a candidate for Federal Chancellor to be elected by the Bundestag. In making his proposal, the Federal President takes into account the voting strength in the Bundestag.

To win, the candidate for Chancellor must poll more than half of the Bundestag's votes. If he does not, the Bundestag must, within fourteen days, on its second ballot choose a majority candidate nominated by its own members. The winner is automatically appointed to office by the President.

If the Bundestag does not agree on a majority candidate, it must at once elect a candidate by plurality.

In the event that this candidate obtains the votes of the majority of the members of the Bundestag, the Federal President must appoint him within seven days of the election. But if the candidate obtains merely a plurality of votes, the Federal President can within seven days either appoint him or dissolve the Bundestag for new nationwide elections to be held within 60 days.

Once the Chancellor is elected, he nominates the Federal Ministers (usually from among the members of the Bundestag) to be formally appointed by the Federal President. The Federal Chancellor, together with the Federal Ministers, comprise the Federal Government, which is often simply called the Cabinet.

WHICH PARTIES ARE RUNNING?

At present, the Bundestag is made up of four parties, all of which are running in the March 6 election:

The Christian Democratic Union (CDU);

The Christian Social Union (CSU), the Bavarian faction of the CDU;

The Free Democratic Party (FDP);

The Social Democratic Party of Germany (SPD).

The three parties first mentioned have made up the ruling coalition since October 1982; the SPD has been in the opposition since then.

In addition to these parties, candidates from 14 other parties are running in the election, among them

The Greens, an ecological-pacifist party;

The German Communist Party (DKP);

The National Democratic Party of Germany (NPD).

The Greens are the only one of these parties that has a serious chance of achieving at least five percent of the vote and of reaching the Bundestag. In the 1980 federal election, the Communists and the National Democratic Party each achieved 0.2 percent of the vote, and other minority parties tallied up even less.

PARTY PLATFORMS

The Christian Democratic Union (CDU) and Christian Social Union (CSU) are running with a joint platform calling for sacrifice by all sectors of the population for the solution of economic problems, particularly for lowering unemployment.

They favor some tax cuts starting in 1984 as a measure toward providing relief for small business and facilitating capital formation by employees. Tax subsidies for business should be reduced and the abuse of tax relief impeded.

On questions of foreign policy and security, the CDU and CSU affirm their commitment to the Atlantic Community, detente, and the NATO Two-Track Decision. Their goal is to bring about a dismantling of Russian nuclear missiles aimed at Europe.

The main emphasis of the Social Democratic Party (SPD) is on combatting unemployment, on environmental protection, and on promoting disarmament, particularly with regard to medium-range nuclear missiles in Europe.

The SPD calls for an "international employment agreement" by the large industrialized countries for the purpose of stimulating the economy. All sectors of the German economy are urged to join forces to combat unemployment. The SPD favors shortening the work week and lowering the retirement age.

The Geneva Disarmament Negotiations between the United States and the Soviet Union should be conducted with the goal of bringing about the dismantling of Soviet missiles. The Social Democrats would do everything within their power to obviate the stationing of new U.S. medium-range nuclear missiles in Europe. They would review the status of the NATO Two-Track Decision in the fall of 1983. The eventual goal is a Europe free of nuclear weapons.

The Free Democrats (FDP) also view the fight against unemployment as a top priority, and want to encourage private investment, consolidate public finances, and insure the funding of pension, health care and unemployment benefits.

On matters of national security, the FDP supports the zero solution to the Geneva negotiations on medium-range nuclear missiles. The party will reconvene in the future to decide whether the stationing of additional nuclear missiles in West Germany is called for.

The Free Democrats want the designated stationing sites of the nuclear missiles made public and the communities involved consulted.

The Greens are the political surprise of Germany within recent years. They are now represented in six of the eleven state parliaments, and have good prospects of reaching the Bundestag on March 6.

The Greens are striving for a new economic order that will do better justice to the basic needs of people both "here and in the Third World." They support shortening the work week to 35 hours in order that available jobs be distributed among a greater number of employees.

They support diverting investment into the ecological and social shperes. Their long-term goals include the elimination of private ownership of property, natural resources, the means of production, and banks which should be transformed into new social structures of ownership.

The Greens accord special importance to environmental protection, and they favor abandonment of nuclear energy.

The Greens oppose the stationing of nuclear weapons in West Germany.●

JIM WRIGHT SPEAKER OF THE YEAR

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● MR. WON PAT. Mr. Speaker, on Friday, February 25, the distinguished majority leader of the House of Representatives will be presented the prestigious Speaker of the Year Award from the Capitol Hill Toastmasters Club.

As a former member of the Capitol Hill Toastmasters, I can attest to the importance of this special, seldom-profered honor.

You yourself were the first and only other recipient of the award. In your acceptance speech, you said that in your opinion there were only two orators in the House—JOHN ANDERSON and JIM WRIGHT.

It is fitting, therefore, that the Speaker of the Year Award should go to JIM WRIGHT, who is recognized by Members of both sides of the aisle to be the finest speaker in the House.

Very few Members, today, have the verbal skills to cut through the near-constant drone that arises from the floor. Not so JIM WRIGHT. When he arises to speak on a major issue, the undercurrent of conversation stops. Even his opponents, who disagree with what he is saying, cease their asides and listen attentively because of the polish and aplomb with which he speaks.

He is an artist who often brings despair to the hears of his opponents. He uses the techniques of all great orators. He quotes from the classics; he uses effective alliteration; he uses words that are colorful and imaginative.

JIM WRIGHT is the master of the gesture, who with the slanting of a beetling brow can dredge up from his audience the desired response. When JIM WRIGHT speaks, he creates a cavalcade of oratorical excellence.

Mr. Speaker, I am pleased to be able to announce to my colleagues that the majority leader is the most worthy recipient of the Capitol Hill Toastmasters Speaker of the Year Award.●

ESTONIAN INDEPENDENCE DAY

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. RITTER. Mr. Speaker, I am honored to join with many of my colleagues and with Estonians around the world in commemorating the 65th anniversary of Estonian Independence Day.

The fate of Estonia is as sad as that of its Baltic neighbors, Lithuania and Latvia. As a result of the Hitler-Stalin pact, Russian forces invaded the Baltic countries, in 1940, and forced them to be annexed into the Soviet Union. This annexation was soon followed by massive arrests, deportations, and deaths as the Soviets committed what was later to become known as the Baltic genocide. In June of 1941 60,000 Estonians, more than 5 percent of the entire population, were either killed or sent to Soviet concentration camps. Even after World War II ended, the terror continued as the Soviets collectivized the land displacing 80,000 farmers. Between 1939 and 1949 350,000 people or one-third of the population was lost. Of the 350,000 many died in Russian labor camps and many more died in defense of their homeland.

Over the past four decades, the Soviets have employed virtually every method known to destroy Lithuanian culture and heritage. Rural life has been uprooted, the practice of Estonian language and culture forbidden and human rights activists either imprisoned or deported. In more recent years, the Soviets have taken young Estonians from their homeland and forced them into labor camps in the farflung parts of the Soviet Empire in an effort to destroy their will. However, despite the repression and forced attempts at Sovietization, Estonian culture still survives.

The Lehigh Valley of Pennsylvania, the area I am proud to represent in Congress, is the home for many families who trace their heritage to Estonia. Fleeing Soviet domination, many Estonians came here with only the clothes on their back and made a new life for themselves and children. Their many contributions have helped strengthen our community and make it a better place in which to live.

We in Congress have an important role in supporting the cause of Lithuanian freedom and, for that matter, freedom for all oppressed peoples. As the cochairman of the Adhoc Committee on the Baltic States and Ukraine, I am proud to rise with my colleagues in support of Lithuanian Independence Day and pray for the time when Estonia will once again to take its rightful place among the free nations of the world.●

NATURAL GAS CONTRACTING PROBLEM

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. HERTEL of Michigan. Mr. Speaker, Wednesday the Federal Energy Regulatory Commission approved more than $500 million in annual natural gas price increases for Midwestern States to purchase high-priced Algerian liquefied natural gas. This gas is triple the current average of U.S. prices. Ironically the Commission acknowledged that these prices are distorted and should be reduced, but neatly avoided how to force price reductions. This ruling is an obvious attempt by a natural-gas-producer-biased Commission to trigger a pricing crisis in this resource and accelerate decontrol of all natural gas. This is a direct affront to the depression-ravaged residents of the Midwest who are faced with natural gas rate increases of more than 25 percent. Record unemployment will be further aggravated by record home-heating bills.

In my home State of Michigan, the natural gas distributing utility has a 20-percent uncollectable rate for its residential users. The State of Michigan has a program to help the needy pay their heating bills. Michigan is spending $300 million in 1982-83. Next year it is estimated at $350 million, not counting this increase. By the 1990's more than $1 billion will be spent if this trend is not reversed.

Today I am proposing two pieces of legislation which address these natural gas contracting problems. The first freezes the pricing mechanisms of the Natural Gas Policy Act in relation to any natural gas contract at the price applicable as of January 1, 1983, unless those contracts are renegotiated to the satisfaction of purchasing parties and those contracts contain escape clauses called market out provisions. Upon renegotiation the course of the NGPA is once again set in motion. The second bill, a comprehensive package of much-needed tools to aid the renegotiation of these contracts and force downward pressure on the price of natural gas. This bill prohibits take or pay clauses or similar minimum purchase requirements under natural gas supply contracts, prohibits indefinite price escalator clauses, grants specific authority to FERC to prohibit pass through of natural gas prices or take other corrective action if the prices paid by natural gas companies are excessive to waste or imprudence.

The natural gas contracts problem is an extremely complex topic which requires a brief understafding of the history of Federal natural gas regulation.

The Natural Gas Policy Act is a law which has been mislabeled regulatory legislation. It is actually incentive or promotional legislation to encourage production of new reserves of natural gas. In contrast, the Natural Gas Act of 1936, which created the Federal Power Commission, would be considered classical regulatory legislation. The rates set for natural gas prices were based on the cost of production plus a just and reasonable profit. This rate model is a theoretical approximation of pricing theory in a truly competitive market. There were numerous problems with the administration of the act of 1936. These problems were illustrated in the congressional hearings on the Natural Gas Policy Act. In addition, the gas shortages of the mid-1970's highlighted the regulatory shortcomings of that act.

What, then, was the pricing mechanism upon which the Natural Gas Policy Act was based? Pricing is designed to encourage exploration and production of new reserves as well as tying the market price to a comparable fuel of similar heating capability. For the purpose of the act, the index fuel is sometimes No. 2 and sometimes No. 6 heating oil. To minimize the impact of a change to a producer-incentive price from a regulated price based on ideal free market conditions, complex formulas of wellhead pricing provisions were established for eight types of natural gas production. These formulas included escalator and inflation factors designed to smoothly bring the price of natural gas up to that of index fuel oil over an 8-year period.

As originally contemplated by the Natural Gas Policy Act, the projected price of heating oil was estimated at $15 a barrel in 1985. This is where the producer incentive pricing system broke down. The price of oil has been in the effective control of foreign-dominated cartels since the early 1970's. The pricing policies of this cartel are not based upon either the cost of production plus a fair and reasonable return or a producer-incentive price. Cartel pricing is based upon controlling production and supply to extract maximum premiums. When revolution devastated Iran and terminated oil and gas production, the price of oil doubled and now currently hovers around $35 a barrel. The pricing formulas of the Natural Gas Policy Act followed the inflationary curve of oil, skyrocketing upward.

Fundamentally, there is absolutely nothing to force any downward pressure on natural gas prices. There are also contracting provisions between gas producers and pipelines, and pipe-

lines and utilities which strongly reinforce the upward pricing spiral. This effect is the so-called price spike. The general concerns of advocates and adversaries of natural gas decontrol is that there will be further spike effects ranging between 60 percent to 100 percent should decontrol occur.

As stated above, these price spikes take place because Congress in passing the Natural Gas Policy Act, did not take into account possible disruptions in world energy prices, nor did Congress provide any mechanism to give downward pricing pressure. In the arcane world of natural gas regulation, there are certain identifiable factors which support the price spiral. Among these factors are escalator clauses, favored nations or field price clauses, and take or pay provisions. These devices appear uniformly in contracts between producers and pipelines and also between pipelines and utilities. Utilities then secure price adjustment allowances from State utility regulatory commissions. The effect this complex web of contracting provisions is to pass the price of the highest cost gas from producer to consumer in the fastest possible manner. That is why gas prices go up constantly.

Without entering the fray of decontrol versus contained control of natural gas, there are concrete proposals which the Congress can act upon to greatly slow the rapid increases in natural gas prices. I am proposing to suspend all escalator, favored nation, or field price clauses in natural gas sale or purchase contracts. Furthermore, it would address take-or-pay provisions by prohibiting minimum energy purchase requirements unless such requirements are absolutely essential to make a specific supply of energy economically feasible. Such requirements are to continue only so long as it is necessary to amortize that specific supply of energy.

These two measures are essential because these contracting provisions make natural gas supply contracts enforceable only for volume. Purchasers have no control, more certainty of price under currently existing market contract conditions. Pipelines, utilities, and ultimate users must ransom any certainty of price for certainty of volume. There is no incentive to reduce gas prices. The first two consumer energy relief acts seek to provide that incentive.

The text of the measures are as follows:

H.R. 1686

A bill to amend the Natural Gas Policy Act of 1978 to freeze the price under any natural gas contract at the price applicable as of January 1, 1983, to exempt from such freeze any contract having a market-out clause if the contract was entered into after the effective date of this Act and any contract entered into on or before such date which is renegotiated as to price after such date and which has a market-out clause

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title I of the Natural Gas Policy Act of 1978 is amended by inserting after section 110 the following new section:

"SEC. 111. CEILING PRICE FOR NATURAL GAS SOLD UNDER CERTAIN CONTRACTS.

"(a) APPLICATION.—The maximum lawful price computed under subsection (b) shall apply to any first sale of natural gas for any month beginning after the effective date of this section if such natural gas is sold under any contract with—

"(1) was entered into on or before the effective date of this section if such contract (A) is not renegotiated as to price on or after such date or (B) does not contain a market-out clause; and

"(2) was entered into after such effective date if such contract does not contain a market-out clause.

"(b) MAXIMUM LAWFUL PRICE.—The maximum lawful price, per million Btu's, under this section for any month shall be—

"(1) in the case of any contract entered into on or before such effective date, the price applicable under the contract for deliveries on January 1, 1983; and

"(2) in the case of any contract entered into after such effective date, the maximum lawful price determined by the Commission to be applicable under this subtitle for deliveries of the category of natural gas involved which occurred on January 1, 1983, or in the case of high-cost natural gas described in section 107(c)(1), (2), (3), or (4) the maximum lawful price under this subtitle which would have been applicable if the such natural gas were not decontrolled under section 121(b).

"(c) MARKET-OUT CLAUSE.—For purposes of this section, the term 'market-out clause' means the following contract provisions (or contract provisions having substantially the same effect);

"(1) GENERAL RULE.—The purchaser may, without obligation to pay, exercise a right not to accept delivery of any portion of the volumes of natural gas the purchaser has contracted to accept if the purchaser has determined he cannot market the total volume of natural gas contracted for.

"(2) AMOUNT OF REDUCTION.—A purchaser may not reduce, pursuant to these contract provisions, the volume the purchaser accepts delivery of below a level equal to 50 per centum of the volume the purchaser contracted to take delivery of under the contract (without regard to any previous reduction under these contract provisions).

"(3) HIGHEST PRICE GAS REDUCED FIRST.—Except as provided in paragraph (4), the purchaser may not reduce under these contract provisions the volume he accepts delivery of if he had not exercised his right under these provisions to reduce (to the maximum extent permitted under paragraph (2)) deliveries of natural gas he has contracted to take delivery of at a higher price under any other contract.

"(4) AFFILIATED PRODUCERS.—The purchaser may not reduce under these contract provisions the volume he has contracted to take delivery of if he has not exercised his right under these provisions to reduce (to the maximum extent permitted under paragraph (2)) deliveries of natural gas he has contracted to take at the same or a higher price under any other contract between the purchaser and any other person who is an affiliate of the purchaser.

"(5) CONTRACTED TO TAKE DEFINED.—For purposes of these contract provisions, the term 'contracted to take' refers to the volume of natural gas for which the purchaser has contracted to take delivery under a contract (whether or not the purchaser is obligated under the contract to pay for any lesser volume in the event delivery is not taken).

"(6) EFFECT OF TAKE-OR-PAY AND MINIMUM-BILL CLAUSES.—Any provision of any contract shall not apply to the extent it requires a purchaser to pay any fee or other charge with respect to any natural gas for which delivery is not taken pursuant to these contract provisions.

"(7) LIMITATION ON CONTRACTING FOR NEW SUPPLIES.—Any purchaser who has exercised his right under these contract provisions to reduce the volumes of natural gas he is obligated to take shall not accept delivery during the period of such reduction of any other volumes of natural gas at a price that is equal to or higher than the price of the natural gas involved in the reduction if such delivery is under any contract entered into or renegotiated after the date of the exercise of such right.

"(8) CONTRACTS COVERING MORE THAN ONE CATEGORY OF NATURAL GAS.—Any contract establishing two or more categories of natural gas for purposes of pricing the natural gas delivered under the contract shall be treated as separate contracts for each such category.

"(d) BAR AGAINST NONPRICE DISCRIMINATION.—Nothing in this section shall be construed as allowing any pipeline to discriminate against any one or class of producers or other sellers of natural gas on any basis other than the price of natural gas.

"(e) COMMISSION TO CONSIDER USE OR NONUSE OF CONTRACT CLAUSE IN CERTAIN PROCEEDINGS.—Notwithstanding section 601(c) or any other provision of this Act or the Natural Gas Act, the Commission shall take into account the use of or failure to use the contract provisions available by this section by any pipeline under the jurisdiction of the Commission as an element of—

"(1) any purchase gas adjustment proceeding under the Natural Gas Act involving that pipeline, and

"(2) any general rate proceeding under section 4 or 5 of the Natural Gas Act involving that pipeline.".

(b) Section 121 of such Act is amended by adding at the end thereof the following new subsection:

"(f) SECTION NOT TO AFFECT CONTROLS UNDER SECTION 111.—Notwithstanding any other provision of this section, this section shall not affect the applicability of section 111.".

(c) The table of contents for such Act is amended by adding after the item relating to section 110 the following new item:

"Sec. 111. Ceiling price for natural gas sold under certain contracts."

SEC. 2. The amendments made by this Act shall take effect on the first day of the first calendar month beginning more than fif-

teen days after the date of the enactment of this Act and shall apply in the case of any contract, whether entered into before, on, or after such date.

H.R. 1685

A bill to amend the Natural Gas Policy Act of 1978 to prohibit take-or-pay clauses or similar minimum purchase requirements under natural gas supply contracts, prohibit indefinite price escalator clauses, and to allow the Federal Energy Regulatory Commission to prohibit passthrough of natural gas prices, or take other corrective action, if the prices paid by natural gas companies are excessive due to waste or imprudence.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PROHIBITION OF INDEFINITE PRICE ESCALATOR CLAUSES

SECTION 1. Section 313 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3373) is amended by redesignating subsections (a) and (b) as subsections (c) and (d), and by inserting before subsection (c) (as redesignated) the following new subsections:

"(a) GENERAL RULE.—Except as provided in subsection (b), any indefinite price escalator clause of any contract which is entered into on or after the date of the enactment of this subsection and which is applicable to the first sale of natural gas or to any subsequent sale of natural gas is hereby declared to be against public policy and unenforceable.

"(b) EXISTING CONTRACTS.—In the case of any indefinite price escalator clause of any contract which is entered into before the date of the enactment of this subsection and which is applicable to the first sale of natural gas or to any subsequent sale of natural gas, such clause shall be against public policy and unenforceable if the purchaser elects to have such clause voided. Such election shall be made at such time and in such manner as the Commission shall by rule prescribe. If such an election has not been made, the provisions of subsections (c) and (d) shall apply.".

PROHIBITION OF TAKE-OR-PAY CLAUSES

SEC. 2. (a) The Natural Gas Policy Act of 1978 (15 U.S.C. 3301 and following) is amended by inserting after section 315 the following new section:

"SEC. 316. TAKE-OR-PAY CONTRACT CLAUSES.

"(a) GENERAL RULE.—Except as provided in subsections (b) and (c), any take-or-pay clause of any contract which is entered into on or after the date of the enactment of this section and which is applicable to the first sale of natural gas or to any subsequent sale of natural gas is hereby declared to be against public policy and unenforceable.

"(b) EXISTING CONTRACTS.—In the case of any take-or-pay clause of any contract which is entered into before the date of the enactment of this section and which is applicable to the first sale of natural gas or to any subsequent sale of natural gas, such clause shall be against public policy and unenforceable if the purchaser elects to have such clause voided. Such election shall be made at such time and in such manner as the Commission shall by rule prescribe.

"(c) EXEMPTION FOR CHARGES REQUIRED FOR RECOVERY OF CERTAIN COSTS.—The Commission may, by rule, provide for exemption from the application of subsections (a) and (b) for take-or-pay clauses to the extent that such clauses are necessary for the recovery of natural gas acquisition costs of the seller or for the amortization of equipment and facilities used in connection with the delivery of natural gas to the purchaser.

"(d) DEFINITION OF TAKE-OR-PAY CLAUSE.—For purposes of this section, the term 'take-or-pay clause' means any contract provision which requires payment for the minimum quantity of natural gas contracted for under the contract in the event the purchaser fails to take delivery. Such term also includes any other contract clause which the Commission determines has the same effect.".

(b) The table of contents for such Act is amended by inserting after the item relating to section 315 the following new item:

"Sec. 316. Take-or-pay contract clauses.".

AUTHORITY TO PROHIBIT PASSTHROUGH OF EXCESSIVE COSTS DUE TO WASTE OR IMPRUDENCE

SEC. 3. Section 601(c) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3431(c)) is amended by striking out "or similar grounds." and inserting in lieu thereof "waste, imprudence, or similar grounds including action not in the public interest, in which case the Commission shall take appropriate action under sections 4 and 5 of the Natural Gas Act, including but not limited to, the revision, annulment, or mandating of contract terms and provisions.".●

HUMAN RIGHTS WORSEN IN U.S.S.R.

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. BONKER. Mr. Speaker, during the January 1983 recess, I joined a congressional delegation tour of Russia and three Eastern bloc countries to review our Government's relations with those nations, particularly concerning East-West trade—including export controls—rights violations, and the status of current disarmament negotiations. The delegation visited Leningrad, Moscow, Budapest, Bucharest, and Belgrade. The trip also included Athens where our delegation met with European parliamentarians on similar issues.

While the U.S. delegation met with a variety of officials and covered a range of subjects, I am limiting this report to human rights issues.

Overall, there is no discernible improvement in the oppressive conditions that exist in Communist countries. As the world becomes more conscious of human rights as a measure of national decency and many countries are working to improve the political conditions as an acceptable form of national behavior, we found little evidence of similar improvements in Russia and her satellite neighbors. If anything, the political climate has worsened in Russia and Romania with small likelihood that there will be any easing of the internal tension that is so obvious in those two countries. We discovered cautious optimism in the other countries as limited freedom is being experienced, but that may prove illusionary depending on a number of factors in what definitely is an uncertain future for the people of these areas.

At least two important developments add to that uncertainty. First, Secretary Yury Andropov, who has emerged as the undisputed boss at the Kremlin, remains an enigmatic political figure. In Russia, it is obvious that everyone was waiting and watching to see what kind of leadership he will provide. Andropov has moved quickly on a campaign against corruption, which was interpreted as legitimate given the widespread abuses at higher levels, but also a move of weeding out the decaying and possibly hostile elements in high level government and party positions.

The new Kremlin leader is viewed as smart and tough, and capable of providing enlightened leadership compared to the more bureaucratic Leonid Brezhnev, but he is equally adept of using his personal resources as a ruthless and unrelenting advocate of global communism. The consensus is that it is much too early to tell how he will deal with human rights issues at home, or how much latitude will be given to Soviet-dominated countries in Eastern Europe.

The second factor may be beyond Andropov's or anyone's control, for it concerns the economic fate of these countries. Everywhere we visited, it was the state of the economy, particularly the emerging Third World countries and the shaky international financial system that worried people the most. Economic strains were being felt, particularly in Hungary, Romania, and Yugoslavia. The link between economic conditions, public unrest and suppression is an undisputable fact. Poland is an obvious reminder. Leaders with whom we met talked incessantly about their economic problems and urged the United States to be sensitive and provide more help. In my judgment, the human rights picture will not improve under such conditions. As these regimes become more threatened by greater unrest among their populations, who have enjoyed meager but relatively bitter economic standards, there will undoubtedly be more repressive measures introduced.

U.S.S.R.

In our 4-day visit to Russia, we found no improvement in the human rights situation. If anything, we heard repeated statements about a new crackdown. There was little evidence that immigration quotas, which have declined remarkably in recent years, would improve. Refuseniks were frustrated in their attempts to leave the country. The more celebrated dissidents have all but given up hope for freedom. Religious persecution persists throughout the Soviet Union. We

know of several incidents where intimidation was used against people as the result of our visit. The Embassy staff, well informed and sensitive about individual cases, confirmed our suspicions that if anything, things were much worse in the Soviet Union, and will probably not get better in the foreseeable future.

Jewish immigration has nearly come to a standstill. Since reaching a yearly high of 51,000 in 1979, it has declined precipitiously to 10,000 in 1981 and a projected total of under 3,000 this year. In Leningrad, we met one evening in the small flat of a refusnik family and nine others to discuss their plight. The frustration was painfully evident. They have been denied visas and subjected to long delays and uncertainty about their applications to leave the country. Long-term refusniks have been threatened with arrest if they came in contact with westerners. Those present shared their own experiences, some of whom were professionals who were dismissed from their jobs and forced into temporary menial employment.

Despite the CSCE principle of family reunification, in practice the Soviet authorities have employed various procedural and technical pretexts to delay or deny immigration applications. It is currently estimated that some 50,000 Soviet Jews still are actively seeking to leave Russia. The tales we heard from this small group are being shared by many thousands throughout the country.

Congressman Lantos and others also met with Elena Bonner, wife of Sakharov; Leonard Shcharansky, brother of Anatoly and others in Moscow. They heard the same story. But the Moscow meeting had more ominous overtones because the group included close relatives of prominent dissidents.

Religious persecution remains a serious problem in the U.S.S.R. This discrimination is applied to all religious sects, but notably the Pentecostalists. The most publicized and moving example, of course, are the Vashchanks and Chmykholove families living like refugees in the basement of the U.S. Embassy. Every congressional delegation that visits Moscow cannot pass up this display of Russian tyranny, nor can they avoid heartbreak seeing a courageous family endure this crude punishment.

We met with the family and through their spokesperson, Lida Vashchanks, heard about their existence and particular problems, not only with the Soviet outbreaks but the U.S. Government as well.

We did not miss an opportunity to register our concern with Government officials. In our meeting with Vadim Zaglandin, First Deputy Chief of the Central Committees, our delegation pressed hard to have the families released. Representative SAM GIBBONS in particular demanded that Russia quickly resolve this problem by letting them immigrate.

Their fate is uncertain, but time is running out for the Embassy will be moving to new quarters shortly. President Reagan had made reference to this matter in national speeches, but apparently it is an issue that is not being raised at high official levels in deliberations among the two great powers. This is a source of frustration for the families because they are aware of all the political commotion and publicity about their circumstances, yet there seems to be little action by the U.S. Government. They also had some grievances with the U.S. Embassy which we took up with the appropriate officials there.

One other related matter. Apparently, it is possible the family could be reconciled with family members in West Germany if a request was submitted, but the family in question refuses to make application because of differing doctrinal views on Biblical Scripture. If this is the case, the Department of State should make an effort to clear up the matter if possible.

Two other cases of religious persecution should be mentioned. One concerns Matuey Finkel, who is a Soviet national, but whose wife is an American citizen. This is another example of family reunification—Finkel is not allowed to leave the U.S.S.R. and his wife, Susan Graham, cannot receive a travel visa to see him in Russia. I was to meet with Matuey Finkel at an Embassy reception, but he did not appear. We learned later that Mr. Finkel was visited by two policemen that evening. He was subjected to intimidation and warned not to attend the reception. We learned that it was possibly due to Andropov's son being at the reception.

Finally, I had intended to meet with another person who works with religious groups on human rights matters. The U.S. Embassy cautioned me not to meet her for apparently she was under surveillance and could be arrested at any moment.

HUNGARY

In Budapest, we found a different environment: a slowly emerging market economy with enough freedom for people to appear relaxed, but a government wholly pledged to back Russian foreign policy. Of all the Eastern bloc countries, Hungary appears to have the least restrictions on individual liberties. It retains its European flourish on cultural matters and is experimenting with democratic socialism. We were informed that most of national and local political offices are now contested and the process is increasingly becoming responsive to local needs and concerns. We met with the top leader of the Catholic Church, Cardinal Lekai. While there is relative freedom for the institutionalized church, smaller evangelical groups experience difficulty in a variety of ways—required permits to emigrate, churches being bulldozed to make way for other buildings, and so forth.

We did raise the case of Sander Zoboki at the meetings with top officials. Young Zoboki, age 12, is the son of Lt. Sander Zoboki, Sr., formerly of the Hungarian Air Force, who in 1970, flew a fighter jet from Hungary to Odino, Italy and requested and received political asylum from the United States. He has been in the United States since, and now wants his son to join him. Young Zoboki's mother died several years ago and is under custody of his elderly grandmother. Until now, Hungarian authorities forbid a passport so the father and son can unite. We got a formidable response from the officials, including the Prime Minister, that the case was under review and were left with the impression that the young boy will be allowed to depart shortly.

YUGOSLAVIA

Yugoslavia is not unlike Hungary with respect to human rights. The country is not without its problems given the multiple areas ethnic groups that comprise the present state. Marshal Tito, a much celebrated leader 3 years after his death, successfully guided Yugoslavia toward an independent foreign policy and relaxation of tensions at home as he championed the course of the nonalined states in the 1960's and 1970's. There is no single political figure capable of united support and the personal charisma that Tito enjoyed, so it is a collective effort, similar to a board of directors with the chairmanship routinely passed around to everyone who sits on the board.

There are no noticeable human rights problems that we knew of so none were raised with the many officials with whom we met. The exception was a meeting Representative and Annette Lantos and I had with Michael Djelas. A former compatriot of Tito's in the early years, Djelas fell out of favor because of his criticism, among other things, of the extravagant lifestyle of Communist leaders. This landed him in jail for a period of time and he is now persona non grata. He is denied a passport to leave the country and his son, now living in England and an occasional critic of the regime, is not allowed in the country. Mr. Djelas is a distinguished author whose books are not allowed to be published or distributed in the United States. His only request was that we ask the authorities to allow distribution of his nonpolitical works in the country.

ROMANIA

Romania, our last stop, is in a special category. While it retains a somewhat independent line of foreign policy mat-

ters, much to the consternation of the Kremlin leaders, it is undeniably the most repressive of the Eastern bloc countries and its leader, Nicolae Ceausescu, is a virtual dictator.

The delegation made two attempted landings in Bucharest, but poor weather conditions aborted our scheduled stop there.

The following week, Chairman LANTOS, Representative BILL FRENZEL, and I flew back to Bucharest to meet with Mr. Ceausescu and his top aides. Our 2-hour session with the Romanian President proved very disappointing. Representative FRENZEL questioned Romania's new law to impose an educational tax on emigrants. The issue is being linked by the administration to the extension of nondiscriminatory (MFN) treatment to imported products from Romania under the waiver provision in title IV of the Trade Act of 1974. Section 402 of the act prohibits the granting of MFN treatment if that country does not allow its citizens the freedom to emigrate.

Since 1976, the President, supported by the Congress, has moved the emigration requirements of section 402 because of its policy on Jewish emigrations, family reunification, and more recently the emigration of ethnic Germans has been satisfactory. There have been recent concerns about overall quotas—Romanian Jewish emigration to Israel has dropped from a high of 4,000 in 1973 to 1981 level of 1,012. Resolutions have been introduced to disapprove the extension of the waiver authority. Concerned about the massive "brain drain" from his country, Mr. Ceausescu wants further emigrants to pay hard currency for the full costs of their education—a sum that has been estimated to be $10,000 to $12,000. In addition, the property of emigrants would be confiscated.

Our visit followed Under Secretary of State Lawrence Eagleburger's meeting in Bucharest with Ceausescu. The Romanian leader informed us that he has no intention of repealing the new law, insisted that it was fair and equitable given the Government's cost of educating its citizens, expressed anger that the United States had no right to meddle in his country's internal affairs, and apparently he is willing to risk discontinuance of MFN treatment if the United States carries out its policy threat.

I raised the problem of religious persecution as a human rights problem, explaining that a number of religious organizations, human rights groups and individual Congressmen have expressed concern about repressive measures addressed at certain denominations. He denied the charges, pointed out that the institutionalized church is even subsidized by the state and referred to religious cults, some of whose leaders may have been arrested but only because they broke the laws.

Later I met with top aides to discuss individual cases, including Pastor Troian Dorg, who is in need of medical attention as he languishes in jail for possession of contraband of religious literature. Time did not permit us to raise the question of the more than 2 million ethnic Hungarians who live in that part of Romania known as Transylvania. They are the victims of earlier decisions to redraw European boundaries and now their cultural and ethnic identity are being threatened by a systematic, if not brutal, attempt by Romanian authorities to assimilate this large and reluctant population.

Repression is a way of life in Romania and the future looks even bleaker as economic conditions worsen and which will undoubtedly result in greater hardship. Credit should be given to Ceausescu for his independence on foreign policy matters, but the repression so readily apparent within the country does not justify our continued policy of extending favorable trade benefits to Romania.●

ALCOHOL AND DRUG ABUSE AMENDMENTS OF 1983

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, February 25, 1983

● Mr. WAXMAN. Mr. Speaker, I am pleased to announce the introduction of H.R. 1696, the "Alcohol and Drug Abuse Amendments of 1983." The legislation extends through fiscal year 1984 the authorization of appropriations for the research activities of the National Institute on Alcohol Abuse and Alcoholism (NIAAA) and the National Institute on Drug Abuse (NIDA). NIAAA and NIDA are agencies of the Alcohol, Drug Abuse and Mental Health Administration (ADAMHA).

Funding is authorized in accordance with the following table.

	Fiscal year 1983 appropriation	Fiscal year authorization
Research:		
NIAAA	$33,484,000	$45,790,000
NIDA	47,374,000	56,160,000

Although the authorizations are not as high as I would like, nor as high as could be productively used by the institutes, they provide for a significant and long overdue increase in alcohol and drug abuse research capacity. The budget will permit the funding of 58 new research grants in fiscal year 1984 and continued emphasis upon alcohol and drug abuse prevention and education activities targeted to high risk populations.

Only recently have we come to appreciate the enormous human toll caused by addictive disorders. The impact of alcoholism, drug addiction and alcohol and drug abuse are staggering. They contribute to higher health care costs and decrease the productivity of our workforce.

The research activities of NIAAA and NIDA represent the Federal Government's commitment to better understand these disorders. Through the efforts of these agencies improvement in prevention and the development of more successful forms of treatment will be possible.

In addition, H.R. 1696 provides for:

Technical revision of the statutory authority for ADAMHA consistent with the agency's status as an independent agency of the Public Health Service.

Consolidation of alcohol and drug abuse congressional reporting requirements.

Increased emphasis upon support of prevention research through establishment within ADAMHA of a new position of Assistant Administrator for Prevention. The Assistant Administrator is charged with promotion and coordination of prevention research sponsored by NIAAA, NIDA, and the National Institute of Mental Health, and with preparation of an annual report to Congress describing these activities.

Systematic peer review of intramural research.

Establishment of a system for the investigation of reports of scientific misconduct.

Preparation of a report by the Secretary of the Department of Health and Human Services on the effectiveness of the alcohol, drug abuse, and mental health services block grant.

Dissemination of publications on current research findings respecting alcohol and drug abuse.

Mr. Speaker, H.R. 1696 is a noncontroversial bill and reflects provisions passed by the House at the end of the 97th Congress as a result of successful negotiations with the Senate on H.R. 6458 and a Senate amendment reflecting the provisions of S. 2365. Although the differences between our bills were resolved, the 97th Congress adjourned prior to the Senate completing action on the legislation.

I hope consideration of this legislation can be expedited in both the House and Senate early this year. An identical bill, S. 126, has been introduced in the Senate by Senators HUMPHREY and HATCH and it is my understanding that the Senate Labor and Human Resources Committee will consider the legislation at its earliest opportunity:

H.R. 1696

A bill to amend the Public Health Service Act and related laws to consolidate the laws relating to the Alcohol, Drug Abuse, and Mental Health Administration, the National Institute of Mental Health, the National Institute of Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; STATEMENT OF POLICY

SECTION 1. (a) This Act may be cited as the "Alcohol and Drug Abuse Amendments of 1983".

(b) It is the policy of the United States and the purpose of this Act to provide leadership in the national effort to reduce the incidence of alcoholism and alcohol-related problems and drug abuse through—

(1) a continued Federal commitment to research into the behavioral and biomedical etiology, the treatment, and the mental and physical health and social and economic consequences of alcohol abuse and alcoholism and drug abuse;

(2) a commitment to—

(A) extensive dissemination to States, units of local government, community organizations, and private groups of the most recent information and research findings with respect to alcohol abuse and alcoholism and drug abuse, including information with respect to the application of research findings; and

(B) the accomplishment of such dissemination through up-to-date publications, demonstrations, educational programs, and other appropriate means;

(3) the provision of technical assistance to research personnel, services personnel, and prevention personnel in the field of alcohol abuse and alcoholism and drug abuse;

(4) the development and encouragement of prevention programs designed to combat the spread of alcoholism, alcohol abuse, drug abuse, and the abuse of other legal and illegal substances;

(5) the development and encouragement of effective occupational prevention and treatment programs within Government and in cooperation with the private sector; and

(6) the provisions of a Federal response to alcohol abuse and alcoholism and drug abuse which encourages the greatest participation by the private sector, both financially and otherwise, and concentrates on carrying out functions relating to alcohol abuse and alcoholism and drug abuse which are truly national in scope.

THE ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION AND THE NATIONAL INSTITUTE OF MENTAL HEALTH, THE NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM, AND THE NATIONAL INSTITUTE ON DRUG ABUSE

SEC. 2. (a)(1) Title V of the Public Health Service Act is transferred to the end of the Public Health Service Act and redesignated as title XXI and sections 501 through 515 are redesignated as sections 2101 through 2115, respectively.

Sections 217(c), 217(d), and 384 of the Public Health Service Act (42 U.S.C. 218 and 278) are each amended by striking out "501" and inserting in lieu thereof "2101".

(b)(1) The Public Health Service Act is amended by inserting after title IV a new title designated as follows:

"TITLE ADMINISTRATION AND COORDINATION OF THE NATIONAL INSTITUTE OF MENTAL HEALTH, THE NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM, AND THE NATIONAL INSTITUTE ON DRUG ABUSE

"PART A—ADMINISTRATION AND INSTITUTES".

(2) Section 201 of the Act of May 14, 1974 (42 U.S.C. 3511) is transferred to title V of the Public Health Service Act established by paragraph (1), redesignated as section 501, and amended—

(A) by striking out "of Health, Education, and Welfare" each place it occurs;

(B) in subsection (c), by striking out "of the Public Health Service Act";

(C) by amending subsection (d) to read as follows:

"(d) To educate the public with respect to the health hazards of alcoholism, alcohol abuse and drug abuse, the Administrator shall take such actions as may be necessary to ensure the widespread dissemination of current publications of the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse relating to the most recent research findings with respect to such health hazards.";

(D) by adding at the end the following:

"(e)(1) There shall be in the Administration an Associate Administrator for Prevention to whom the Administrator shall delegate the function of promoting the prevention research programs of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse and coordinating such programs between the Institutes and between the Institutes and other public and private entities.

"(2) On or before January 1, 1984, and annually thereafter, the Administrator, acting through the Associate Administrator for Prevention, shall submit to the Congress a report describing the prevention activities (including preventive medicine and health promotion) undertaken by the Administration, the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse. The report shall include a detailed statement of the expenditures made for the activities reported on and the personnel used in connection with such activities.

"(f) The Administrator shall establish a process for the prompt and appropriate response to information provided the Administrator respecting (1) scientific fraud in connection with projects for which funds have been made available under this Act, and (2) incidences of violations of the rights of human subjects of research for which funds have been made available under this title. The process shall include procedures for the receiving of reports of such information from recipients of funds under this title and taking appropriate action with respect to such fraud and violations.".

(3) Section 101 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is transferred to title V of the Public Health Service Act, inserted after the section 501 inserted by paragraph (2), redesignated as section 502, and amended—

(A) in subsection (a)—

(i) by striking out "this Act" the first time it occurs and inserting in lieu thereof "this section",

(ii) by striking out "assigned to the Secretary of Health and Human Services (hereafter in this Act referred to as the 'Secretary')" and inserting in lieu thereof "relating to alcohol abuse and alcoholism assigned to the Secretary", and

(iii) by striking out "of the Public Health Service Act", and

(B) by amending the section heading to read as follows:

"NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM".

(4) Section 501 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act is transferred to title V of the Public Health Service Act, inserted after the section 502 inserted by paragraph (3), redesignated as section 503, and amended—

(A) in subsection (a)—

(i) by inserting "SEC. 503." before "(a)".

(ii) by striking out "this title" and inserting in lieu thereof "this section",

(iii) by striking out "of the Secretary of Health and Human Services (hereinafter in this title referred to as the 'Secretary') with respect to drug abuse prevention functions" and inserting in lieu thereof "relating to drug abuse assigned to the Secretary by this Act", and

(iv) by striking out "of the Public Health Service Act",

(B) by striking out "(hereinafter in this title referred to as the 'Director')" in subsection (b)(1), and

(C) by striking out the section heading

"§ 501. Establishment of Institute."

and inserting in lieu thereof the following:

"NATIONAL INSTITUTE ON DRUG ABUSE".

(5) Subsection (a) of section 406 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act is transferred to section 503 (as so redesignated), inserted after subsection (d), and redesignated as subsection (e).

(6) Section 455 of the Public Health Service Act is inserted in title V of the Public Health Service Act after the section 503 inserted by paragraph (4) of this subsection and redesignated as section 504.

(7) The following sections are inserted in title V of the Public Health Service Act after the section 504 inserted by paragraph (6):

"REPORTS ON ALCOHOLISM, ALCOHOL ABUSE, AND DRUG ABUSE

"SEC. 505. (a) The Secretary shall submit to Congress on or before January 15, 1984, and every three years thereafter a report—

"(1) containing current information on the health consequences of using alcoholic beverages.

"(2) containing a description of current research findings made with respect to alcohol abuse and alcoholism, and

"(3) containing such recommendations for legislation and administrative action as the Secretary may deem appropriate.

"(b) The Secretary shall submit to Congress on or before January 15, 1984, and every three years thereafter a report—

"(1) describing the health consequences and extent of drug abuse in the United States;

"(2) describing current research findings made with respect to drug abuse, including current findings on the health effects of marihuana and the addictive property of tobacco; and

"(3) containing such recommendations for legislation and administrative action as the Secretary may deem appropriate.

"PEER REVIEW

"SEC. 506. (a) The Secretary, after consultation with the Directors of the National Institute of Mental Health, the National Insti-

tute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse shall by regulation require appropriate technical and scientific peer review of biomedical and behavioral research and development grants, cooperative agreements, and contracts to be administered through the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse.

"(b) Regulations promulgated under subsection (a) shall require that the review of grants, cooperative agreements, and contracts required by the regulations be conducted—

"(1) in a manner consistent with the system for scientific peer review applicable on the date of the enactment of this section to grants, cooperative agreements, and contracts under this Act for biomedical and behavioral research, and

"(2) to the extent practical, by peer review groups performing such review on or before such date.

"(c) The members of any peer review group established under such regulations shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of the group and not more than one-fourth of the members of any peer review group established under such regulations shall be officers or employees of the United States.

"(d) The Administrator of the Administration shall establish procedures for periodic, technical, and scientific peer review of research at the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse. Such procedures shall require that—

"(1) the reviewing entity be provided a written description of the research to be reviewed; and

"(2) the reviewing entity provide the advisory council of the Institute involved with such description and the results of the review by the entity.".

(8) The following heading is inserted in title V of the Public Health Service Act after the section 506 inserted by paragraph (7):

"PART B—RESEARCH

"Subpart 1—Alcohol Abuse and Alcoholism".

(9) Sections 501, 503, and 504 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 are transferred to the subpart 1 of part B of title V of the Public Health Service Act established by paragraph (8), redesignated as sections 510, 511, and 512, respectively, and amended as follows:

(A) Section 510 (as redesignated) is amended—

(i) by striking out "the Institute" in subsection (a) and inserting in lieu thereof "the National Institute of Alcohol Abuse and Alcoholism (hereinafter in this subpart referred to as the 'Institute')",

(ii) by striking out "make available through publications and other appropriate means" in subsection (b)(1) and inserting in lieu thereof "disseminate through publication and other appropriate means (including the development of curriculum materials)",

(iii) by striking out "; and such Council shall give" and all that follows in subsection (b)(3) and inserting in lieu thereof the following: ", giving special consideration to projects relating to—

"(A) the relationship between alcohol abuse and domestic violence,

"(B) the effects of alcohol use during pregnancy,

"(C) the impact of alcoholism and alcohol abuse on the family, the workplace, and systems for the delivery of health services,

"(D) the relationship between the abuse of alcohol and other drugs,

"(E) the effect on the incidence of alcohol abuse and alcoholism of social pressures, legal requirements respecting the use of alcoholic beverages, the cost of such beverages, and the economic status and education of users of such beverages,

"(F) the interrelationship between alcohol use and other health problems, and

"(G) the comparison of the cost and effectiveness of various treatment methods for alcoholism and alcohol abuse and the effectiveness of prevention and intervention programs for alcoholism and alcohol abuse.",

(iv) by inserting "or the impact of alcohol abuse on other health problems" before the semicolon in subsection (b)(5), and

(v) by amending the section heading to read as follows:

"ALCOHOL ABUSE AND ALCOHOLISM RESEARCH"

(B) Section 511 (as so redesignated) is amended—

(i) by striking out the last sentence of subsection (a),

(ii) by striking out the second sentence of subsection (b),

(iii) by striking out "of the Public Health Service Act (42 U.S.C. 292a)" in subsection (b), and

(iv) by striking out subsection (c).

(C) Section 512 (as so redesignated) is amended to read as follows:

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 512. There is authorized to be appropriated to carry out this subpart $45,790,000 for fiscal year 1984. Of the funds appropriated under this section for any fiscal year, not more than 35 percent may be obligated for grants under section 511.".

(10) The following heading is inserted in title V of the Public Health Service Act after the section 512 inserted by paragraph (9):

"Subpart 2—Drug Abuse Research".

(11) Section 503 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act is transferred to the subpart 2 of part B of title V established by paragraph (10), redesignated as section 515, and amended—

(A) by striking out "The Director" the first time it occurs in subsection (a) and inserting in lieu thereof "The Director of the National Institute of Drug Abuse",

(B) by amending subsection (b) to read as follows:

"(b) In carrying out the activities described in subsection (a), the Secretary, acting through the Institute, may—

"(1) collect and disseminate through publications and other appropriate means, including the development of curriculum materials, information as to, and the practical application of, the research and other activities under this section,

"(2) make grants or enter into contracts with individuals and public and nonprofit entities for the purpose of determining the causes of drug abuse in a particular area, and

"(3) make grants to and enter into contracts with individuals and public and private nonprofit entities for research respecting improved drug maintenance and detoxification techniques and programs.",

(C) by amending subsection (c) to read as follows:

"(c) For the purposes of subsections (a) and (b), there is authorized to be appropriated $56,160,000 for fiscal year 1984.",

"(D) by striking out the section heading and inserting in lieu thereof the following:

"DRUG ABUSE RESEARCH",

and

"(E) by inserting before "(a)" in subsection (a) the following: "SEC. 515.".

(12) The following headings are inserted in title V of the Public Health Service Act after the section 515 inserted by paragraph (11):

"PART C—MISCELLANEOUS PROVISIONS RELATING TO ALCOHOL ABUSE AND ALCOHOLISM AND DRUG ABUSE

"Subpart 1—Provisions Relating to Alcohol Abuse and Alcoholism".

(13) Sections 301, 201, 321, and 333 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 are transferred to the part C of title V established by paragraph (12), redesignated as sections 520, 521, 522, and 523, respectively, and amended as follows:

(A) Section 520 (as so redesignated) is amended—

(i) by striking out "the Institute" in subsection (a) and inserting in lieu thereof "the National Institute of Alcohol Abuse and Alcoholism",

(ii) by striking out "section 321" in subsection (a)(4) and inserting in lieu thereof "section 522", and

(iii) by striking out "under this Act and under the Drug Abuse Prevention, Treatment, and Rehabilitation Act" and inserting in lieu thereof "under this title".

(B) Section 521 (as so redesignated) is amended—

(i) by striking out "section 413(b) of the Drug Abuse Prevention, Treatment, and Rehabilitation Act" in subsection (b)(4) and inserting in lieu thereof "section 525",

(ii) by striking out "title" in subsection (d) and inserting in lieu thereof "section", and

(iii) by striking out subsection (e).

(C) Section 522 (as so redesignated) is amended by striking out "of the Public Health Service Act" in subsection (a).

(14) The following heading is inserted in part C of title C of title of the Public Health Service Act after section 523 (as so redesignated):

"SUBPART 2—PROVISIONS RELATING TO DRUG ABUSE".

(15) Section 502 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act is transferred to title V of the Public Health Service Act, inserted after the heading inserted by paragraph (14), redesignated as section 524, and amended—

(A) by striking out "The Director" in subsection (a) and inserting in lieu thereof "The Director of the National Institute on Drug Abuse",

(B) by striking out ", to promote the purposes of this Act," in subsection (b)(2),

(C) by striking out "section 407" in subsection (d) and inserting in lieu thereof "section 526",

(D) by striking out "under this Act and under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970" in subsection (d) and inserting in lieu thereof "under this title",

(E) by striking out the section heading and inserting in lieu thereof:

"TECHNICAL ASSISTANCE TO STATE AND LOCAL AGENCIES",

and

(F) by inserting before "(a)" in subsection (a) the following: "SEC. 524.".

(16)(A) Section 413 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act is transferred to title V of the Public Health Service Act, inserted after the section 524 inserted by paragraph (15), redesignated as section 525, and amended—

(i) by striking out the section heading and inserting in lieu thereof:

"DRUG ABUSE AMONG GOVERNMENT AND OTHER EMPLOYEES";

(ii) by inserting before "(a)" the following: "SEC. 525."; and

(iii) by striking out "section 201(b) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970" in subsection (b)(4) and inserting in lieu thereof "section 521".

(B) Sections 407 and 408 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act are transferred to title V of the Public Health Service Act, inserted after the section 525 inserted by subparagraph (A), redesignated as sections 526 and 527 and amended as follows:

(i) Section 526 (as so redesignated) is amended—

(I) by striking out the section heading and inserting in lieu thereof:

"ADMISSION OF DRUG ABUSERS TO PRIVATE AND PUBLIC HOSPITALS";

and

(II) by inserting before "(a)" in subsection (a) the following: "SEC. 526.".

(ii) Section 527 (as so redesignated) is amended—

(I) by striking out the section heading and inserting in lieu thereof:

"CONFIDENTIALITY OF PATIENT RECORDS";

(II) by inserting before "(a)" in subsection (a) the following: "SEC. 527."; and

(III) by striking out "of Health and Human Services" in subsection (g).

(c)(1) Sections 102, 103, and 502 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 are repealed.

(2) Section 405 and 504 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act are repealed.

(d) Title V of the Medical Facilities Construction and Modernization Amendments of 1970 (Public Law 91-296) is repealed.

ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH REPORTS BY THE SECRETARY

SEC. 3. (a) The Secretary of Health and Human Services shall submit to the Congress, on or before January 15, 1984, a report describing the extent to which Federal and State programs, departments, and agencies are concerned and are dealing effectively with—

(1) the problems of alcohol abuse and alcoholism,

(2) the problems of drug abuse, and

(3) mental illness.

(b) The report required by subsection (a) shall include information with respect to the services provided for alcohol abuse, alcoholism, drug abuse, and mental health under part B of title XIX of the Public Health Service Act. To obtain information respecting such services, the Secretary shall work with appropriate national organizations to ensure that State and local governments use compatible means of collecting data respecting such services so that uniform national data with respect to the provision of such services will be available to the States and to the Secretary.

(c) In compiling data for the report required by subsection (a), the Secretary may not require any State to submit any information which is not required under section 1916(a) of the Public Health Service Act.

DRUG ABUSE STRATEGY REPORT

SEC. 4. (a) Section 305 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act (21 U.S.C. 1165) is amended to read as follows:

"§ 305. Report

"The President shall submit to the Congress, on or before August 1, 1984, and every two years thereafter, a written report describing the strategy. The report shall specify the objectives, nature, and results of the strategy and shall contain an accounting of funds expended under title II.".

(b) Section 207 of such Act (21 U.S.C. 1117) is repealed.

HOUSE OF REPRESENTATIVES—*Monday, February 28, 1983*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. LONG of Louisiana).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, D.C.,
February 24, 1983.

I hereby designate the Honorable GILLIS W. LONG to act as Speaker pro tempore on Monday, February 28, 1983.

THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, You have promised to be with all people wherever they are, whatever their need. We reach out in prayer for the homeless, the poor, those anxious about the future, those who are ill, or those to whom freedom has been denied. Instill in us, O God, the will to labor for justice and righteousness in our world that people will know Your fullness of spirit that gives peace and comfort to all. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 143. An act to authorize the Twenty-nine Palms Band of Luiseno Mission Indians to lease for 99 years certain lands held in trust for such band;

S. 304. An act to hold a parcel of land in trust for the Burns Paiute Tribe;

S. 366. An act to settle certain claims of the Mashantucket Pequot Indians;

S. 419. An act to provide that per capita payments to Indians may be made by tribal governments, and for other purposes;

S.J. Res. 15. Joint resolution designating month of March 1983 as "National Eye Donor Month";

S.J. Res. 21. Joint resolution to designate April 1983 as "National Child Abuse Prevention Month"; and

S.J. Res. 27. Joint resolution authorizing and requesting the President to designate the week of March 13 through 19, 1983, as "National Employ the Older Worker Week."

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries.

TRIBUTE TO FORMER STAFF MEMBER, DR. WILLIAM R. PITTS, SR.

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, it is my sad duty to inform the House of the passing this morning of Dr. William R. Pitts, Sr., one of the most dedicated and distinguished individuals ever to serve this House and its Members.

Bill Pitts, Sr., whose son continues to follow in his footsteps today, was a public servant in the truest and best sense of the words.

Bill devoted more than 40 years to the House, serving for a quarter century with Les Arends, my predecessor as minority whip. I know that Les admired him and depended upon him for everything. Being on staff back then was not what it is today.

Bill was a jack of all trades and superb at every task assigned him. If there was ever a staff member who could be described as indispensable, it was the old professor, Dr. Pitts.

Bill retired from the House in 1973, a scholar, a doctor of law, a counselor to statesmen and politicians and a citizen of great stature. He was wise, yet warm, intellectual, yet common in his approach. He was a great man, yet a humble man.

For all that he was and did, I suspect Bill would consider it an honor to be recorded in the history of the House as simply a dedicated public servant who left his mark on the institution he loved.

Bill may have lived his life behind the headlines, behind the spotlight, and in the shadow of the Members of this body, but he stood above us all. He contributed more to this country and more to the American way of life than most of us will ever hope to.

Services for Bill will be Friday at Fort Myer Chapel at 1 p.m. Memorials may be made to Arlington, Community Residences, Inc., 3136 North 10th Street, Arlington, Va. 22201.

CRISIS IN SCIENCE AND MATH EDUCATION, SHORTAGE OF SCIENTISTS, ENGINEERS AND TECHNICIANS

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, later this week the House is scheduled to consider two of the most critical issues facing our Nation: The crisis in science and math education and the shortage of scientists, engineers, and technicians. I urge my colleagues on both sides of the aisle to support H.R. 1310, the Emergency Mathematics and Science Education Act and the National Engineering and Science Personnel Act. This bipartisan initiative will go far toward attracting new teachers and upgrading the skills of current math and science teachers. This legislation will also insure an adequate supply of well-trained scientists, engineers and technicians to carry America into the technological age.

H.R. 1310 does not, however, address the problem of retaining math and science teachers. Thousands of math and science teachers leave the classroom each year for higher paying jobs in industry. If we do not eliminate the salary differential, the people we invest in with H.R. 1310 will apply their skills in industry rather than in the classroom. I have introduced legislation which directly attacks this problem. H.R. 836, the Math and Science Education Act, grants a tax credit to high-tech firms that hire math and science teachers during the summer. This initiative would supplement teacher salaries and provide them with hands-on-high-technology experience to prepare their students for future jobs.

H.R. 836 is an essential component of the solution to our education crisis. I urge my colleagues to support and cosponsor this initiative so vital to our Nation's future.

BAN ANY LAND DISPOSAL OF LIQUID HAZARDOUS WASTES

(Mr. BREAUX asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BREAUX. Mr. Speaker, the real problem with liquid hazardous waste in this country is simply not being addressed, in my opinion. The real problem is not that we are dumping chemical wastes in violation of existing regulations, but rather that we are continuing to dump them at all.

Our entire country is sick and tired of having toxic chemical wastes injected into our soil or dumped onto the ground. Those methods do not dispose of hazardous chemicals; they only store them so they can continue to haunt us like some dark cloud hanging over our heads.

I have, therefore, introduced legislation which will immediately ban any land disposal of liquid hazardous waste unless EPA finds there is no other technologically feasible means of doing it located within 500 miles.

Within 5 years no person could dispose of these chemical wastes by any land method, period.

Also, immediately the Federal Government, which is the largest generator of liquid hazardous waste is directed to dispose of these wastes by means other than land storage.

I would offer this legislation and ask other Members who are interested in taking an approach which eliminates the real problem to join me in cosponsoring this legislation.

SPECIAL SCREENING OF FILM, "ACID RAIN: REQUIEM OR RECOVERY"

(Mr. D'AMOURS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. D'AMOURS. Mr. Speaker, I would like to advise Members that I have arranged a special screening of the film, "Acid Rain: Requiem or Recovery." The film will be shown at 10:30 a.m., Tuesday, March 1, in the House Merchant Marine and Fisheries Committee hearing room, 1334 Longworth House Office Building.

"Acid Rain: Requiem or Recovery," produced by the National Film Board of Canada, has been showing in the United States for over 9 months, and has won top honors in a competition sponsored by the American Society of Foresters. The Justice Department has now classified this film as political propaganda.

In view of this extreme action, I think it is important that Members avail themselves of the opportunity to see this film irrespective of their personal positions on this issue in order to judge for themselves the propriety or impropriety of the administration's action.

WHISTLE BLOWERS USUALLY ARE DEMOTED, TRANSFERRED, AND REPRIMANDED

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, there is a phenomenon in this city which I find particularly distasteful. Whenever one of the courageous members of the bureaucracy, be it the EPA or the Defense Department, tells the truth—the whole truth—to Congress, we rarely hear from that person again. The internal pressures of the bureaucracy have a way of responding to the so-called whistle blowers which usually results in demotion, transfer, and reprimand. Recently we have seen this occur with Hugh Kaufman of the Environmental Protection Agency, and I fear that our next candidate now appears on this week's cover of Time magazine. Franklin Charles Spinney testified last Friday before the Senate Budget Committee and was candid, honest, and thorough in saying that our vaunted defense buildup is a house of cards. In typical fashion, the Defense Department tried to cancel, postpone, and downplay the Budget Committee meeting last week; and since it has issued several confusing clarifications and denials of parts of Mr. Spinney's statement. But once again we are fortunate that the national media has revealed the importance of Mr. Spinney's remarks. Unfortunately, however, I fear that the picture of Mr. Spinney on the front cover of Time magazine may preclude further comment from Spinney to congressional committees. As a member of one of those interested committees, the Defense Appropriations Subcommittee, I would like to state that I hope we will be seeing a lot more of Mr. Spinney around Capitol Hill.

SYNFUELS PROGRAM SHOULD BE RESEARCH AND DEVELOPMENT

(Mr. CORCORAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CORCORAN. Mr. Speaker, today I am introducing legislation which would change the statutory character of the U.S. Synthetic Fuels Corporation.

Mr. Speaker, you may remember that back in 1980 when the Congress first created this agency, it had originally begun here in the House of Representatives as an R&D activity at a cost of some $3 billion. However, when it came back from the Senate, a tremendous amount of additional money, some $85 billion, had been added to it and the character had been changed from an R&D activity to a commercial-scale development.

In my judgment, Mr. Speaker, this needs to be changed. Our legislation would convert it back strictly to research and development. In today's energy marketplace, we certainly do not need to be spending the billions upon billions of dollars that we are now spending in order to finance the synfuels program. In my judgment, Mr. Speaker, we can use that money in a much better way, particularly to reduce the large deficits.

THE INTERNATIONAL DEBT PROBLEM

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LEWIS of California. Mr. Speaker and my colleagues: One of the most critical issues facing the Congress this year involves the international monetary crises, the reality that the Third World presently finds itself in some $700 billion of debt largely extended by allied and American bankers—a good portion of which will not likely be repaid.

Recently I had the privilege of meeting with a group of distinguished American economists who had come together in Washington to analyze this situation. Following their discussions, they prepared a paper which I would add to my remarks today. This is, in my judgment, the most lucid and the most objective analysis of this circumstance, with clear recommendations as to what policy changes ought to be a part of the decisions we will be making in the months ahead.

Mr. Speaker, I commend this paper to my colleagues and suggest they evaluate it in depth before they are asked to vote on the international financial issues that confront this Congress.

The analysis follows:

THE INTERNATIONAL DEBT PROBLEM, INSOLVENCY AND ILLIQUIDITY: A POLICY PROPOSAL

(A Statement prepared by the Ad Hoc Committee on International Debt and U.S. Financial Policies—Jan. 14, 1983—Karl Brunner, Michele Fratianni, Morris Goldman, Jerry L. Jordan, Allan H. Meltzer, Anna J. Schwartz)

I. THE PROBLEM

The total volume of international debt of developing nations rose from about $340 billion in 1978 to about $640 billion in 1982. This increase of almost 90 percent over four years, even after adjustment for world inflation, has outpaced the debtor nations' real growth. Interest payments measured in current dollars exploded from about $20 billion to approximately $66 billion over the same period. A marked increase in the average rate of interest payable on outstanding loans, reflected in a more than 300 percent rise of interest payments compared to the 90 percent increase in debt, aggravated the debtor nations' real debt burden. Over the

same four years the proportion of international reserves to imports of developing nations fell from 27 percent to 17 percent.

A change in the debtor nations' structure of outstanding debt worsened their position. One-third of the $300 billion addition to developing nations' indebtedness was short term. The proportion of short-term debt in total international indebtedness of developing nations rose from about 18 percent in 1978 to approximately 28 percent in 1982. Commercial banks dominated international lending during the past four years. "Official sources" supplied less than one-third of total international loans.

The surge of international indebtedness exceeded any relevant real economic prospects and could be validated only by an acceleration of world-wide inflation, or at least, by an acceleration of inflationary policies in the United States. When major industrial nations shifted around 1980 to an anti-inflationary policy there were severe adjustment problems in all economies, and particularly for debtors, domestic and international, who had extended their debt position on the assumption that inflationary policies would continue.

The change from an inflationary to a disinflationary regime was not the only change affecting debtor nations. The variations in the real price of oil observed over the past four years first disappointed expectations of oil-importing and subsequently of oil-exporting nations. That change did not dominate their economic fate, however. The variety of experiences among developing nations points to the decisive role of domestic economic policies. Fiscal and monetary policies in some countries raised inflation above the worldwide average, and induced a flight of capital or stimulated hoarding of foreign currency. Economic policies frequently obstructed exports and encouraged imports. Policies to control food prices discouraged agricultural expansion so foreign exchange has been used to import food.

The complex network of international credit began to crack with the suspension of payments on Poland's debt. The fissures widened last year and the events in Argentina, Brazil and other nations, foremost in Mexico, threatened a chain reaction of insolvencies in debtor and creditor nations and a spreading liquidity crisis. Many feared that the world economy would be pushed into a disastrous depression.

II. THE SEARCH FOR A POLICY

A sense of emergency has gripped policymaking in Washington and Europe. Complex negotiations are under way to prevent defaults: to ward off the insolvency of creditors, and to exorcise the threat of financial collapse. Central banks have provided new credits and regulators have assured banks that they would disregard the low quality of de facto defaulted claims. Commercial banks have been urged and even prodded to extend additional credit to finance overdue interest payments. Perhaps most indicative of the current mood are the moves to enlarge the borrowing facilities of the IMF and related international institutions. The magnitude of the planned expansion of the IMF's facilities has been repeatedly raised over the past twelve months, particularly by the US government.

There is little evidence and almost no assurance that the series of piecemeal improvisations will provide a solution to the international debt problem. A policy dominated or publicly justified by panicky fears of a "debt bomb" or a deflationary collapse will most likely produce serious new problems in the future. The improvisations may obscure de facto defaults on actually prevailing moratoria, preventing deflation, but risking a drift into a new round of worldwide inflation or the wasteful use of potentially productive resources in various forms of a bailout.

The rush to improvise some urgent actions should not blur policymakers' vision. A long-run strategy is required to guide the tactical choices to be made in the more immediate future. The following criteria constitute a viable long-run strategy to overcome the current problem and provide a framework for the future.

No deflation: There is no reason to let the world or the creditor nations slide into a deflation and deep depression. A financial collapse or a major collapse in the financial industry should be, and can be, avoided.

No inflation: Similarly, there is not justification for recourse to inflationary policies to alleviate the debtor nations' real debt burden or to "provide additional liquidity" to debtors and creditor banks. Inflationary policies "solve" the debt problem by shifting the losses associated with the current state of international debt to the ultimate creditors, i.e., the holders of money and other nominal liabilities issued by banks and governments. This "solution" would reenforce the tendencies toward permanent inflation and impose high social costs.

No bailouts: There should be neither bailouts of debtor nations nor of creditor banks. The losses experienced or expected by the banks should be borne by their management and shareholders. Each case of potential default should be judged separately to determine the relative permanence of the underlying conditions. Additional loans cannot solve the permanent underlying problem of countries that have borrowed to maintain consumption above their prospective income; additional loans can assist countries faced with transitory adjustment difficulties. Poland and Brazil exemplify the two alternative cases. The probability that citizens of creditor nations will pay a tribute to the debtor nation under the guise of additional loans is comparatively small when loans are made to adjust to a transitory problem. The failure of the creditor nations to cope with de facto permanent default encourages the taxing of citizens in the creditor nations and imposing on them a corresponding loss of wealth. The loss could be contained if the permanence of the problem would be recognized now and acknowledged by policy makers, regulators, and banks.

The provision of additional loans without discrimination between permanent and transitory problems of debtors fosters incentive among debtor nations to continue policies that contribute to the current problem. Under the circumstances they find it useful to raise their demand for loans, to reject requests for domestic adjustments, or renege on implementing the policies that are agreed to when loans are extended.

The long-run consequences of negative incentives produced by piecemeal improvisations seriously affect the productive use of our resources. A persistent stream of bailout funding directs portions of our savings away from the most productive use. The savings absorbed in bailouts most probably will be used by debtor nations to maintain consumption in excess of their expected income or to protect a large political apparatus that makes little contribution to real economic growth.

The requirement that short-run measures be formulated in the context of an explicit longer-run strategic conception helps to assure that policy will not decay into imaginatively camouflaged bailouts. The longer-run strategy imposes obligations on both creditor and debtor nations. The creditor nations must seek a stable pattern of financial policymaking to prevent major swings between inflationary and disinflationary phases of policymaking. Creditor nations must oppose protections. The expansion of world trade forms a necessary condition for the resolution of the longer-run debt problem.

Debtor nations also bear an important responsibility. Variations in the financial fate observable among many nations in the "Third World" direct our attention to the role of domestic policies. This overhaul is an important condition for the economic viability of the debt. Without the needed changes in the course of domestic policies the probability of de facto default remain high.

III. ASPECTS BEARING ON DEBTOR NATIONS

The accumulated volume of international debt contains liabilities of both government and private institutions usually contracted in terms of a foreign currency. This latter condition exposes the debt to risks beyond those associated with the fate of a private business.

The financial failure of a private firm does not destroy the real resources it owns. These resources will remain intact and can still be operated to produce output in the future. The financial failure simply means that the balance sheet must be reevaluated and union contracts possibly renegotiated. Procedures exist to adjust valuations and to distribute the loss. Nothing in the procedures prevents the continued operation of productive resources. On the contrary, the adjustments described create an opportunity for a new management to put productive resources to work and to scrap unproductive processes. Financial failure of a private firm need not involve a social loss. It always involves a redistribution of wealth however.

Our current problem has an additional dimension that arises from the fact that foreign debt must be serviced in foreign currency. This exposes both private debt and government debt demoninated in foreign currency to the risks of government policy. With all debt denominated in domestic currency the government can always prevent explicit default by taxation or inflation. International indebtedness closes this route. Servicing of foreign debt requires conversion of domestic money into foreign money at exchange rates that reflect the government's policies. Policies that obstruct activities with comparative advantage, that guide the allocation of investable resources to raise consumption at the cost of investment for political convenience, and lastly, that support highly inflationary monetary actions, all contribute to raise the cost of conversions into foreign currency. Whatever other conditions may have contributed, or may contribute in the future, the domestic policies pursued by the debtor nations are generally sufficient to create or avoid a permanent problem of de facto default on a nation's international debt.

The best opportunities for productive investments in private firms can be turned into highly risky prospects by a government's general economic or financial policies. The pattern of policies pursued by governments determines the usefulness of continued lending. There is clearly no justification to lend additional funds without a clear understanding that a debtor nation's policy

if pernicious, will be substantially changed. Without such a commitment the underlying pattern will persist. Under such conditions it is advisable to recognize the actual default. The default acknowledges that the creditor nations have suffered a loss and that further lending will not prevent a future default. The creditors must be made to recognize that they have suffered a permanent loss that cannot be recouped by further transfers of wealth camouflaged as loans.

IV. ASPECTS BEARING ON CREDITOR NATIONS

The improvisations emerging under the pressures of concerned policymakers and banks confronted with potential insolvency offer no assurance that they will not drift into an international Ponzi scheme. The absence of any lien on government assets, in contrast to what is customary in private borrower-lender relations, makes the problem of an insolvent government debtor very difficult indeed. The dependence of private debt servicing on government policy amplifies the problem. It becomes tempting under the circumstances to develop bailout policies benefiting both creditors and debtors at the expense of the ordinary citizen.

Once more, an explicit default without bailout is the better course whenever debtor nations show little prospect of accepting conditions that are consistent with the long-term economic viability of their international debt. This admission of default means recognition and acceptance of a loss in wealth by creditors. This loss, even in the case of a temporary insolvency, need not destroy the real resources used in the financing industry. Banks, like other firms that are temporarily insolvent, can operate after appropriate adjustments and pursue a prospective stream of earnings. The human and non-human resources would still be available to generate future earnings that would absorb the current losses over time. The losses would thus be borne by those groups responsible for them.

There is of course the possibility that recognition of such losses may invite liquidity problems. A run on banks, as in the early 1930's, may emerge. In contrast to the 1930's, the liquidity problem would appear as a consequence of insolvencies.

Governments have a responsibility to prevent such runs. The appropriate central bank's response to bank runs has been clearly defined since Bagehot's Lombard Street, published more than one hundred years ago. The central bank needs to act promptly as a lender of last resort, offering whatever advances of base money may be required to finance the conversion of deposits into currency. The execution of this function presents no basic problem and can be carried out in various ways without recourse to accelerated monetary expansion and inflation.

Some confusion apparently prevails in the public arena about the distinction between a bailout and the execution of a lender-of-last resort function. Lending base money as a "last resort function" does not, and should not, mean that the loss of wealth is transferred to the central bank or the taxpayers. Nor should the central bank hesitate in extending loans because of inadequate collateral. Such hesitation would be entirely inappropriate as the banks involved would still, over time, have to bear their own losses.

V. THE COMPONENTS OF A POLICY

The characterization of the problem and the associated issues leads us to make seven recommendations.

1. Explicit formulation of a long-term strategy

The government has not formulated a long-term plan to guide its short-run actions. We run the risk of drifting into a policy of accelerated inflation and bailouts with burdensome long-term consequences. To stop this drift, governments must discriminate between countries that are unlikely to repay in the future and countries that can be expected to earn enough foreign exchange to repay principal and interest if payments are rescheduled. Countries that are unlikely to repay should be declared in default.

2. Rescheduling the maturity structure of outstanding debt

Insistence on repayment of maturing debt lowers any chance of a longer-run solution. Maintaining the flow of interest payments should be the immediate concern to protect the economic value of the loans. The magnitude of the problem and the long-term requirements of the solution suggest that rescheduling should be arranged at regular intervals. This approach offers an opportunity to monitor and assess the execution of commitments to adjust domestic policies that debtor countries accept as a condition of rescheduling.

3. Gradual adjustment of new loan extensions

This aspect is similar to a shift from an inflationary to a disinflationary policy. A sudden halt in international loan extension is likely to aggravate the problem. It contributes to uncertainty and confusion. But further loan extensions by governments and the financial industry without attention to a long-run strategy will worsen future problems. Loan extensions need to be tied to the debtor nations' commitment to alter their domestic policies. In the absence of such a commitment, interest payments may depend on further loan extensions even after the improvements expected with recovery from the current recession. This is not a viable solution. The veil of financial operations covering the de facto moratorium would rip open at some point in the future. Bailouts without reform merely postpone the day of reckoning. The ultimate reckoning would involve even larger losses of wealth for the western nations as a result of the implicit tribute or capital levy they paid to debtor nations.

4. The role of the IMF

Monitoring and assessment of domestic policies of both debtor and creditor nations form a crucial element in our program. The IMF seems the only institution equipped to perform this duty. However, this task requires a reexamination of the IMF's usual "austerity programs" that encourage countries to reduce imports. Concurrent reductions of imports by several debtor nations shifts the burden of adjustment onto other countries. Financial policies and the creation of incentives to produce and export should be the major targets of the IMF.

We admit at this point to some unease and reservations about a permanent increase in the IMF quota. The institutional interests of its bureaucracy contribute to the likelihood of massive expansion of lending facilities with a disposition for bailout under one guise or another. The only justification for loans is to assist countries to solve a temporary problem. Temporary problems do not require a permanent increase in the IMF quota.

5. Illiquidity

No liquidity crisis has thus far emerged and no such crisis need be tolerated. The prevention of such a crisis with the consequent threat of deflation does not require inflationary actions by the central banks. The central banks, as lenders of last resort, should make a commitment in advance to provide the required amounts in central bank money to all banks suffering mass conversion of deposits into currency. This operation can proceed without accelerating monetary growth and without abandoning a policy of gradually moving to a stable price level.

6. Insolvency

The potential spread of insolvency in the financial industry presents a state of affairs very different from the 1930's. Insolvency then resulted from the mismanagement of the liquidity crisis by the Federal Reserve. In contrast, a liquidity crisis would probably result now from defaults by borrowers.

Insolvency involves a loss of wealth. The loss must be suffered by some group. Our stand against its "socialization" i.e., a bailout, means that owners of banks (i.e., their shareholders), management, and some groups of creditors (owning non-liquid claims) must bear the loss. This does not require a formal bankruptcy and a closure of the banks involved in all cases. Banks that possess capital in the form of human resources, organization and connections may be able to operate profitably. They should be enabled to continue as operating units if they can be expected to cover their losses from prospective earnings and reestablish their solvency within a stipulated number of years.

7. Long-term consequences

A proper long-run policy will induce a sharpened risk evaluation of the competing banks by borrowers and depositors. It will reward management with a better sense of the risks associated with various loans and penalize incompetent or reckless management. Divergent movements in share values, in the cost of capital for various banks, and in their respective liability costs will express these evaluations. The currency ratio maintained by the public will probably be somewhat larger for some time as a result. The average spread between asset yields and interest rates offered on liabilities will also increase. These adjustments to a long-term plan will reduce the risk of a reoccurrence. A bailout, with losses borne by the taxpayers, will teach the lenders and borrowers that there is little risk to them in international lending and low costs of following imprudent policies.

EPA DELAYED CLEANUP OF HAZARDOUS WASTES IN MINNESOTA

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, this weekend a UPI story confirmed my worst suspicion that the highest officials of EPA delayed cleanup of hazardous wastes at the Reilly Tar Site in Minnesota because of politics. It seems our site was a victim of EPA's political response to the Stringfellow site in California.

Although EPA Administrator Anne Gorsuch Burford has claimed her "program has been aggressive and free of politics," at least four EPA officials have now confirmed it is simply untrue. This is a classic, immoral example of what happens when a public official departs from her oath of office and makes decisions based on politics.

Even more shocking is today's disclosure that the Justice Department is not aggressively pursuing prosecution of just this type of political manipulation of Superfund money.

I call on the President to fire the EPA Administrator and instruct the Justice Department to undertake the aggressive, thorough investigation that is needed to get this mess cleaned up.

ISRAEL

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, recent events in the international waters of the Gulf of Sidra, the deployment of four AWAC's to Egypt, and the continuing presence of 1,200 marines in the international peacekeeping force in Lebanon remind all of us of the volatile problems in the Eastern Mediterranean.

In international affairs it is most important to remember the art of getting done what can be done.

Perhaps the most fruitful opportunity in the region is to encourage King Hussein of Jordan to begin direct negotiations with Israel.

The example set by the late President Sadat of Egypt ought to be followed in entering discussions: That no attempt ought to be made by either party to dictate the outcome before the negotiation process begins.

Direct discussions must be held. The Jordanian Government cannot expect to negotiate through American proxies with Israel. America can support the beginning of the process but neighbors must talk with neighbors.

There is no linkage between the issues outstanding between Israel and Jordan to other myriad problems of the Middle East. Matters between these two States are sufficiently complicated as it is.

Mr. Speaker, America has an abiding and permanent interest in the security of the Israeli democracy. It is in pursuit of that interest that America can and must act to see that negotiations begin.

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NATURAL GAS CONSUMER REGULATORY REFORM AMENDMENTS OF 1983—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-23)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce and ordered to be printed:

(For message, see the proceedings of the Senate of today, Monday, February 28, 1983.)

HEALTH INCENTIVES REFORM PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-24)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and the Committee on Energy and Commerce and ordered to be printed:

(For message, see proceedings of the Senate of today, Monday, February 28, 1983.)

SYNFUELS: R&D ONLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 20 minutes.

Mr. CORCORAN. Mr. Speaker, since 1980, we have learned much about the way this Nation produces and consumes oil. We know now that it was not the political turmoil in Iran that put Americans in gasoline lines in 1979, but a misguided system of federally imposed price and allocation controls. We also know that when domestic price controls on oil were removed, domestic oil production held steady, rather than declined as had been occurring under price controls. We have seen consumers large and small devise ways to use energy more efficiently. As a result, oil consumption has fallen 13 percent since 1979 in the non-Communist world while U.S. demand has fallen 19 percent. This decline in demand, in conjunction with the development of non-OPEC crude oil supplies, has brought OPEC to the brink where it now teeters.

There are those professional doomsayers who forecast that with economic recovery, America will return to its oil-guzzling ways. Certainly some oil demand will come back with increasing economic activity. However, people are not going to take off their storm windows or rip out their insulation. More importantly, since they are larger consumers, industries are not about to undo the steps they have taken to reduce their engrgy costs. A February 24, 1983, Wall Street Journal article reported that most oil companies predict flat demand or small increases this year and "unspectacular gains even during an extended economic recovery."

Why? As the article explains:

> Commercial airlines are unlikely to burn more than the 10 billion gallons of oil they used last year even if traffic gains appreciably, because new planes on order use about 35 percent less fuel * * * new-model autos also are likely to continue emphasizing fuel efficiency even if they start growing in size again * * *

Celanese Corp., reports that conservation steps have made one of its chemical plants 79 percent more fuel efficient. Ford Motors is now monitoring heat flow by computers to save energy. According to Ford's energy engineering manager, these changes are part of basic operations and are not going to be reversed.

These basic changes in operating have completely turned the tables on OPEC and the conventional wisdom of ever-increasing oil prices. On February 22, John Lichtblau, president of the Petroleum Industry Research Foundation, testified before the Senate Energy Committee that OPEC will probably be able to hold a new price floor at $28 to 30 per barrel. He noted, however, that "the possibility of a price collapse is a very real one and will remain so for a number of years, given the likely demand for OPEC oil in the 1980's."

With this background, it should not be surprising that after more than 2 years, the Synthetic Fuels Corporation has been unable to find a single commercial synthetic fuel project upon which to bestow some of the nearly $15 billion in authorized funding authority that is available to it. As the cost of synthetic fuel projects soared and the cost of oil dropped, major equity sponsors withdrew from project after project. Now, the SFC has been reduced to issuing "letters of intent," and "letters of interest." With these letters in hand, the SFC hopes that project sponsors will be able to round up the remaining equity partners that they need.

Judging from the two letters of intent that have been issued, we may be better off it they do not. The first offers $465 million in loan guarantees and price guarantees to the first colony peat-to-methanol project in Creswell, N.C. This was done in December over the objection of SFC staff who warned that the limited availability of peat moss and its location in wetlands areas prevent any technology based on peat moss from making a significant contribution to our domestic

energy production capability. Moreover, there currently exists substantial excess methanol production capability capacity in this country and the price support subsidy ($1.05 per gallon as of January 1983 plus inflation plus 2 percent annually) is more than double the cost of methanol on the spot market.

The SFC has also signed a letter of intent with sponsors of the Santa Rosa tar sands project in New Mexico to provide up to $41 million in loan and price guarantees for the production of 4,000 barrels per day of oil. Apparently the SFC has some misgivings about how meritorious this project really is because the Santa Rosa sponsors must construct and operate a pilot project for 90 days "to confirm the technical and economic feasibility of the project" before any final assistance contracts are signed.

In January, the SFC issued a "targeted" solicitation for western oil shale projects, which promises up to $1.6 billion per project in price guarantees, up to an average of $67 per barrel in March 1983 dollars, with incremental prices as high as $95 per barrel. Offering such extravagant price guarantees, the SFC is putting itself in the same position as the banks who made liberal loans to oil producing nations on the security of ever-rising oil prices. In effect, the American people will be forced to pay for falling oil prices when they ought to be benefiting from them.

The potential for billion dollar outlays under such price guarantees is not idle speculation. Union Oil is constructing a plant near Parachute, Colo., that is expected to begin producing 10,000 barrels of oil from shale daily by late 1983. In July 1981, the Department of Energy guaranteed Union a floor price of $42.50 a barrel escalated for inflation and increases in natural gas costs, up to a total of $400 million. When the SFC became formally operational, the Union project was transferred to it from DOE.

In a February 18, 1983, report, "Analysis of U.S. Liability for Payments Under the Union Oil Shale Purchase Agreement," CRS analysts Larry B. Parker and Lawrence C. Kumins determined that the initial subsidy to Union will be $13 per barrel during 1983. This is the difference between the market price of $39.48 per barrel for the products specified in the DOE agreement and the guaranteed price of $52.57 per barrel to which Union is entitled under the agreement.

Although any oil price projections must be regarded as speculative, CRS indicates that the "most likely outcome will be that $342 million will be paid out in subsidies by 1989." Even with higher oil price assumptions, more than a quarter of a billion dollars will be paid to Union by 1989. Lower oil prices will cause the entire $400 million to be expended before 1989. With this kind of a deal, it is not surprising that Union has applied for additional SFC assistance to expand its oil shale facilities.

I have been studying the synthetic fuels program for some time. I have met with members of the SFC Board and I respect their competence and integrity. They are doing their best to implement the Energy Security Act of 1980, a law based on the conventional petroleum wisdom of 1980. I am now convinced that we must change that law. One look at the current and projected budget deficits is enough to show that we cannot afford to spend $88 billion or $50 billion or even $15 billion on synthetic fuels now or in the foreseeable future.

This does not mean we should abandon synthetic fuels entirely. I voted for the original Moorhead synthetic fuels research and development bill in 1979 and I continue to believe in the desirability of synthetic fuel research and development. The Chairman of the Synthetic Fuels Corporation, Edward Noble, notes that 90 percent of the Nation's fossil energy reserves are either oil shale, tar sands, or coal. We should be working to prepare the technology to utilize these reserves when they are needed.

Therefore, I am introducing today legislation to retool and redirect our synthetic fuels program from synfuel commercialization to synfuel research and development. Up to $3 billion of the funding authority currently available to the SFC may be used by the SFC, preferably for the purpose of funding synthetic fuel research and development. The remaining $11.9 billion now available to the SFC would revert to the Treasury. There would be no additional funds for the SFC and its ability to enter into new commitments would terminate on June 30, 1984, rather than September 30, 1992, as provided by the Energy Security Act. Finally, the Corporation would not be authorized to enter into joint ventures or to own synthetic fuel projects as it now may do.

This legislation would save more than $12.2 billion, assuming as the Executive Vice President of the SFC, Jimmie Bowden, has said, that the Corporation "will have to make good on most of the $15 billion in contingent liabilities it is expected to commit" and that the SFC's operating budget between 1988, when the Corporation would phase out entirely, and 1997, when the Corporation ends under present law, would be $35 to $40 million per year. At the same time, we will be using the expertise the SFC has developed to advance the state of synthetic fuel technology and hopefully to bring us closer to the time when commercial production of synthetic fuels does make sense.

With your support, we can make a change that is good energy policy, good environmental policy, and good budget policy.

Mr. Speaker, in view of the changed conditions, I would hope that not only would I have the support of my good friend, the gentleman from Massachusetts (Mr. MARKEY) but also that we would be able soon to get hearings in the Committee on Energy and Commerce on which both of us are privileged to serve.

Mr. MARKEY. Mr. Speaker, will the gentleman yield?

Mr. CORCORAN. I am pleased to yield to my good friend, the gentleman from Massachusetts.

Mr. MARKEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I, too, support the general thrust of the proposal of the gentleman from Illinois (Mr. CORCORAN). I believe that the Synthetic Fuels Corporation, from the very first day, was a poor concept. It was one that said we were going to substitute Federal intervention for the workings of the free market principles that I think all of us in this body espouse.

My belief, as I am sure is that of the gentleman from Illinois, is that either we do one of two things. Either we put all energy sources out there to compete equally for scarce private investment dollars or we give all the same kinds of subsidies. In fact, there are many energy sources in this country that are starved for financing and cannot possibly compete for the development of new energy resources, as can those people who are able to benefit from having the life support system of the Federal Government being strapped on to a synthetic fuels industry that in fact could not survive otherwise.

There are many other better ways in which that money could be spent. I feel that the gentleman from Illinois (Mr. CORCORAN) in his philosophy is correct, and that is that the reordering of the energy markets in this country are better served by allowing those free market forces that he spoke of to operate freely rather than having us substitute our judgment as to which energy sources ought to be given preference.

In this particular instance I think that $3 billion is better than $88 billion. I would prefer to see it even less, but if in fact that is the best we can do, I think it is an approach that we ought to accept. So we ought to allow Adam Smith to rest comfortably, because I am sure he would be spinning in his grave if he ever saw a free market administration also simultaneously supporting a synthetic fuels program.

Mr. Speaker, I do support the direction of the gentleman from Illinois (Mr. CORCORAN).

Mr. CORCORAN. Mr. Speaker, I thank my good friend, the gentleman from Massachusetts (Mr. MARKEY), for his comments and I look forward to having his support on this issue.

A MEXICAN CUBA?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

● Mr. GONZALEZ. Mr. Speaker, human grievances are piling up in Mexico, and they threaten to create violent disorder there. The kind of poverty that exists is beyond most American understanding, and the fact is that Mexico is getting more—not less—poor. In the smooth phrasing of bankers and economists, Mexico is experiencing real losses in living standards. Put in more realistic terms, hunger is turning into starvation. Mass misery and mass despair are the ingredients of instability and the feeding ground of revolution, the match that sets off the fire of violence.

We have already seen disaster in the case of Mexico's neighbors—Guatemala and El Salvador. The Government of Honduras burst like a rotten corpse, and the new government could not today be said to be exactly a close friend of the United States. These events did not happen overnight; they were the result of years of neglect, malign and benign alike. They were the result of corrupt government, of grievances left unredressed. They were the result of poverty that finally turned to desperation.

Mexico is in very great trouble. We speak of it here as economic trouble, but it is more than that; it is human and political trouble as well. The pressure is building up in Mexico like steam in a closed vessel. Left untended, that pressure may well burst. If it does, El Salvador will look like a county fair, and the Cuban boat exodus like a Sunday excursion.

We need not face all this idly; in fact, we cannot afford to do so. If we want a friendly and stable neighbor in Mexico, we have to act. We have to be constructive and positive. We cannot afford to wait until the dam bursts; that will be too late.

Last October, and again in November, I urged the President to undertake an effort to build strength and stability in Mexico and elsewhere in Latin America. I asked that the President convene a summit conference for that purpose. I suggested that the organization of American States could be strengthened and vitalized, and that it could be a source of great strength. All of these suggestions were rejected by the administration.

I believe that it is not too late to overcome the problems in Mexico and elsewhere in Latin America, but the day is growing late. It will not be possible to solve those problems without American leadership and commitment. It will not be possible to solve those problems without hemispheric cooperation and commitment. It will not be possible to solve those problems by continuing to ignore the need for human hope and progress. It will not be possible to solve those problems without creative action.

I renew my suggestion to the President, and make part of the RECORD my correspondence with him, and also comments that I made in San Antonio on February 21, as reported in the San Antonio Express of the following day.

If we know what is happening, it is incumbent on us to act. We do know what is happening. We have a responsibility to act, and I urge the President to convene a hemispheric conference to exert American leadership, through the Organization of American States. That, and that alone, would be the kind of action that is broad enough, deep enough, and of a range long enough, to quell the fires that are raging in Latin America today, and not only in Mexico—though certainly it is there that our interests are greater, most exposed, and most vulnerable.

[From the San Antonio Express, Feb. 22, 1983]

HBG WARNS MEXICO COULD BE NEW CUBA

(By James McCrory)

The United States cannot afford to have a Cuba next door in Mexico, and if it reaches that point the United States will have an Afghanistan on its hands, U.S. Rep. Henry B. Gonzalez declared Monday.

DISORDER

Speaking out as he prepared to leave San Antonio for Washington, the 11th District congressman said that given the conditions of the economy in Mexico and the resulting social problems, there is a potential for serious disorder in Mexico.

Whether this disorder is seen as Marxism or Castroism, the congressman said, is beside the point point once things get out of control.

Gonzalez said the United States cannot continue to unilaterally intervene in countries to the south, as it has, without tragic results.

"We have viable international agencies like the OAS (Organization of States) we could cooperate with in an effort to stabilize the continent," Gonzalez said.

"What it means is, America is abdicating its responsibilities as leader in this part of the world. We have vital stakes in our front porch and we can't turn our backs on it. Of course, we can't tolerate a hostile government—fascist, communistic, vegetarian, or what have you."

Gonzalez's remarks came after U.S. Sen. Henry Jackson, member of the Senate Armed Services Committee, appeared on CBS's "Face the Nation" and said Mexico is the real target of Castro-Soviet activity to the south.

Jackson also said the fragile situation in Mexico is one of the prime concerns of the United States and warned of the possibility of a revolution and a Castro government on the border if the government is destabilized.

Gonzalez said Jackson's concern is proper but that it is unfortunate that the senator didn't speak out against what he said were the bankrupt policies of former Secretary of State Alexander Haig and President Reagan and others making the potential dangers a reality.

SUMMIT DENIED

He said the White House turned a deaf ear to his suggestion for an inter-American summit conference with the leaders of Mexico and other countries, saying the suggestion was not valid or feasible.

The congressman warned it is inexcusable for the United States to wait until things have reached a point calling for intervention with American soldiers in Mexico when corrective measures could be taken now.

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 6, 1982.

Hon. RONALD REAGAN,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: Though for the past two years national attention has been concentrated on domestic economic issues, these are momentous times in the realm of foreign policy. Your planned meetings with heads of state in Washington, and your forthcoming journey to Latin America, clearly evidence the scope and depth of urgent problems.

I am, as you know, gravely concerned about the economic and social problems of our neighboring countries—problems that are reflected in grave political events. It was this concern that led me to suggest earlier a hemispheric version of the Bretton Woods talks. Concentrating on economic problems, these talks produced the framework of economic growth, international cooperation, and political stability that blessed the industrial world in postwar times. Since President Nixon ended the Bretton Woods monetary policy in 1971, there has been nothing to replace it. During the intervening years, we have seen an explosive growth in debt, a rapid erosion in trade terms for developing countries, and a steady march toward protectionism and similar beggarthy-neighbor policies. It is no secret that the prospect for world economic growth is not very bright today, nor that country after country is finding itself unable to repay debt, resist the drift toward trade warfare (for example, the threat only this week by Secretary Block to dump U.S. dairy products on the world market; Japan's deliberate cheapening of the yen; unwarranted European and Japanese export subsidies), or maintain political stability. More and more, it seems, there is a drift toward radical schemes that promise something different—though the radical is not often something that works. All of this, I think, reflects a growing kind of anarchy. This trend can be stopped, and must be. It can only be done if the world finds within itself the leadership and discipline to agree on sensible problems of the beneift of all—which is what Bretton Woods was all about. It ever there was a time when new arrangements were needed, it is now. If ever there was an opportunity for American leadership, it is now. Opportunity is at hand, and you can grasp it by the forelock, and I urge that you do.

Not only do I think that you should propose a Hemispheric Conference, on the order of Bretton Woods, I believe you should reassert American commitment to democracy and human rights. This could be done by revising the Haig policy of vast arms sales. This could be done by maintaining insistence (for example) that the Gov-

ernment of El Salvador make genuine progress toward redressing the grievances of that country's people. Violence is no substitute for honest government, and no substitute for necessary reform. The flight of hundreds of thousands of political refugees to our country signifies but one thing: that ours is a land of honest government, a land of open voices, a land where peaceful changes is possible.

Our country is frequently blamed for all the problems of neighboring nations. Mexican politicians, no less than Fidel Castro, are prone to blame their ills on the United States. Yet everywhere, the great mass of people look to the United States as the hope for reform, for progress, for a better world. To the extent that our policy nourishes those hopes, helps to realize them, we remain true to our Revolution, our national principles. But if we merely peddle arms, ignore abuse and grievance, and stand silent in the face of overwhelming abuse, we not only fail to live up to our own ideals, we promote enmity elsewhere. Therefore, I hope that you will use your forthcoming journey to revise the Haig arms sales drive, call for a Hemispheric Conference on economic and human progress, and hold high the American dream of freedom for all people.

With all good wishes, I am,

Respectfully yours,

HENRY B. GONZALEZ,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 27, 1982.

Hon. RONALD REAGAN,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: Between 1975 and this year, the foreign indebtedness of Latin American countries quadrupled. During that same time, American bank lending in Latin America doubled. U.S. bank loans to Argentina increased sixfold in that period, while loans to Mexico increased fourfold. Neither Argentina nor Mexico is able to repay its debt. Brazil is also in great difficulty.

The extraordinary problems in Mexico caused the United States to take emergency action to stave off an outright collapse of the Mexican economy. There is still considerable question about Mexico's future. The future course of Mexico and other hard-pressed nations is very much an open question. These are not matters that trouble only the affected countries; economic crises do not respect national borders, they affect us all.

The problems of Mexico, for example, have caused U.S. citizens to take large losses on debts owed to them by Mexico. One constituent of mine is owed almost $200,000 for goods sold in Mexico. He has been told that he can be paid only in pesos, at a rate that would cause him to lose forty per cent of the amount due. The result will be ruinous. Another individual, a wholesaler, has found his business wiped out because his Mexican customers can no longer obtain currency to deal with him. Dozens of others who had a large Mexican retail trade now find their business in grave difficulty. Thousands of U.S. citizens with dollar deposits in Mexico are unable to recover their deposits. Hundreds of businesses throughout the border region are near collapse, unemployment is up, and there is no prospect for relief. At the same time, massive unemployment, rapid inflation, and growing desperation is sure to cause a large increase in illegal immigration from Mexico. These are matters that affect Americans, and as such they are of real and immediate concern to our country.

You know, I am certain, that economic disintegration soon leads to social unrest and political disorder. The threat facing Mexico is real. There is no question that disorder in Mexico would create enormous problems in our own country, and pose serious challenges to our policy.

The United States cannot ignore the problems of Mexico, Your clear recognition of this fact is evidenced by the emergency action that you took earlier this year. But more than emergency action is needed. It is necessary now for the United States to work with Mexico and other Latin American nations to forge a blueprint for the future. United States leadership and cooperation is essential if the economic problems of Latin America are to be resolved. Failure to address these problems will only complicate our already difficult domestic situation.

I know that you are planning a trip to Latin America at the end of November. Before that time, I believe that the United States should propose a mini-Bretton Woods Conference, to devise workable programs to deal with the debt crisis facing Latin America, to devise programs for recovery, and to establish mechanisms for cooperation. The problems that exist are too complex to be dealt with on an ad hoc, bilateral basis. They are too difficult to be resolved with emergency actions. They require a genuine program, and a genuine commitment of United States leadership. It was just such a program, just such leadership, and just such commitment at Bretton Woods that enabled the world to recover from the chaos and destruction of World War II, and to benefit from the longest and greatest economic growth of all time.

As matters now stand, the world is threatened with trade warfare, more so than at any time in the past five decades. We know, from long and bitter experience, that beggar-thy-neighbor actions not only fail to resolve domestic problems, but lead down the road to universal tragedy. This need not happen. We can best help ourselves, and our neighbors, by positive and responsive leadership. I urge that you act at once to establish a Western Hemisphere Conference on economic recovery, stabilization and cooperation. This type of conference, like Bretton Woods, offers the best hope of exerting the leadership that is essential to resolving the very great problems that our country and our neighbors must face together.

Respectfully yours,

HENRY B. GONZALEZ,
Member of Congress.●

NATURAL GAS DECONTROL—A FREE LUNCH

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Mr. Speaker, the natural gas decontrol bill which the Reagan administration is introducing today is hailed by the President as that rarest of all commodities—a free lunch. According to the President, prices will go down, supplies will go up, the free market will operate perfectly to bring buyers and sellers together in harmony—in short, everyone will be fat and happy.

Mr. Speaker, that "free lunch" will be cooked with gas, but it will not be free. It is the American consumer who is going to pick up the $50 billion tab.

We are in our present predicament, with demand down and prices soaring up, because natural gas producers and natural gas pipelines used current legislation and an inactive Federal Energy Regulatory Commission to bid prices out of reason on contracts which pass costs on to the consumers whether or not the gas is actually shipped or consumed.

Those same companies now claim that the contracts which they negotiated are the blame of regulation and not their own greed. So how does the administration respond?

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Take away any ceilings on gas discovered before 1977, which was never to be decontrolled.

The administration's proposal for extinguishing a fire is to pour on more fuel. It is like saying "We are going too fast; step on the gas."

What we need is a solution to the current gas price increases that treats all Americans fairly, that assures adequate supplies, adequate incentive for gas exploration and reasonable prices.

The President's proposal assures none of these basic criteria. His proposal is only a fool's rush to stuff more dollars into the pockets of the major oil companies. There is no free lunch. There can be none. When the President learns that basic lesson, then and only then will the American people accept his word on energy policy.

The residential consumer and America's small businesses and farmers deserve the assurance that their livelihoods will not be endangered by the cost of keeping warm. They deserve the help in the midst of their peril. They deserve much more than the wolf of decontrol in the attractive wrapping of consumer protection.

Mr. CORCORAN. Mr. Speaker, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Illinois.

Mr. CORCORAN. Mr. Speaker, I am somewhat hesitant to risk the newfound alliance that we have by commenting on what my good friend from Massachusetts has said. However, I think, upon his examination of the actual language of the legislation, which I understand the President has submitted to the Congress today, he will find that the impact of the changes will not be borne by the residential user of natural gas or the industrial user of natural gas because of the change in current law, which I think is absolutely essential.

Today, you know, as a result of the Natural Gas Policy Act of 1978, which I voted against, I would say to my

good friend from Massachusetts, there is in section 601 of the law the automatic opportunity for the pipeline company to pass through to the consumer, which is exactly what is being done with Algerian high-priced gas, Canadian gas, Mexican gas, and the like. What the President is proposing to do is to tighten that up so that you do not get the added passthrough to the consumer. I think that is the basis why the consumer will be benefited from this legislation. And, as I started to say, the President is correct in saying that this is really a consumer protection bill.

Mr. MARKEY. Mr. Speaker, I will reclaim my time to briefly comment, because I do not want to strain our alliance any more than is necessary either, and the point is this: Somebody is going to have to pay. The illusory promises of the increase in the cost of natural gas and oil back in the late 1970's and the accompanying programs for low income fuel assistance and funding for rapid transit and conservation and renewable energy source programs have proven to be false. And just as I believe that the same kind of inevitable, inexorable eventual increase in the price of natural gas to those end use customers, whether they be residential, commercial or industrial, has to eventually transpire; that there is no way in which the kinds of revenues that the gas companies are looking for can be generated without having someone pay the bill. And what we are talking about now is, again, something that is very much akin to Reaganomics, which is that there is some kind of major change in the way in which we deal with a significant economic program in this country without any dislocation whatsoever, that somehow or other prices come down, supply goes up and everybody is fat and happy. There is not any such thing. Somebody has to pay the price to get the kind of result that the President is looking for, and I believe that whether it be now or in the future a couple of years from now, that that will be the eventual result. FERC has shown absolutely no desire, no willingness to take the kinds of protective action that the gentleman is talking about in order to assure that the consumer is not affected.

Mr. CORCORAN. Well, Mr. Speaker, that is because of the law.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WOLF) to revise and extend their remarks and include extraneous material:)

Mr. CORCORAN, for 20 minutes, today.

(The following Members (at the request of Mr. SIKORSKI) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WOLF) and to include extraneous matter:)

Mr. FISH.

Mr. YOUNG of Alaska in three instances.

Mrs. HOLT.

Mr. KEMP.

Mr. SCHULZE.

Mr. GREEN in two instances.

Mr. BEREUTER.

(The following Members (at the request of Mr. SIKORSKI) and to include extraneous matter:)

Mr. FORD of Michigan.

Mr. HERTEL of Michigan.

Mr. MAZZOLI.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. DORGAN.

Mr. DOWNEY of New York.

Mr. STRATTON in two instances.

Mr. COELHO in two instances.

Mr. BENNETT in two instances.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 143. An act to authorize the Twenty-nine Palms Band of Luiseno Mission Indians to lease for 99 years certain lands held in trust for such band; to the Committee on Interior and Insular Affairs.

S. 304. An act to hold a parcel of land in trust for the Burns Paiute Tribe; to the Committee on Interior and Insular Affairs.

S. 366. An act to settle certain claims of the Mashantucket Pequot Indians; to the Committee on Interior and Insular Affairs.

S. 419. An act to provide that per capita payments to Indians may be made by tribal governments, and for other purposes; to the Committee on Interior and Insular Affairs.

S.J. Res. 15. Joint resolution designating the month of March 1983 as "National Eye Donor Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 21. Joint resolution to designate April 1983 as "National Child Abuse Prevention Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 27. Joint resolution authorizing and requesting the President to designate the week of March 13 through 19, 1983, as "National Employ the Older Worker Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. SIKORSKI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 34 minutes p.m.), the House adjourned until tomorrow, Tuesday, March 1, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

425. A letter from the Secretary of Housing and Urban Development, transmitting a report on the administration of the Interstate Land Sales Full Disclosure Act, pursuant to section 1421 of the act, as amended; to the Committee on Banking, Finance and Urban Affairs.

426. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on the assessment of the United Nations Educational, Scientific and Cultural Organization, pursuant to section 108(d) of Public Law 97-241, and a report on the United Nations Educational, Scientific and Cultural Organization's policies that would restrict the free flow of information, pursuant to section 109(b) of Public Law 97-241; to the Committee on Foreign Affairs.

427. A letter from the Chairman for the Federal Election Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1980, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

428. A letter from the Assistant Secretary of Defense (Public Affairs), transmitting a report on the Department's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

429. A letter from the Chairman, Federal Election Commission, transmitting proposed regulations governing the inclusion of disclaimer notices in political communications and advertising, pursuant to 2 U.S.C. 438(d)(1); to the Committee on House Administration.

430. A letter from the Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refunds of $46,666.40 to the Exxon Co., U.S.A., Chevron U.S.A. Inc., Sonat Exploration, and General American Oil Co. of Texas of excess royalty payments, pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

431. A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation Radio Broadcasting to Cuba Act; jointly, to the Committee on Foreign Affairs and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolu-

tions were introduced and severally referred as follows:

By Mr. PERKINS (for himself, Mr. FUQUA, Mr. SIMON, Mr. GOODLING, Mr. HAWKINS, Mr. FORD of Michigan, Mr. BURTON of California, Mr. GAYDOS, Mr. CLAY, Mr. BIAGGI, Mr. ANDREWS of North Carolina, Mr. MILLER of California, Mr. MURPHY, Mr. CORRADA, Mr. KILDEE, Mr. WILLIAMS of Montana, Mr. KOGOVSEK, Mr. WASHINGTON, Mr. MARTINEZ, Mr. OWENS, Mr. HARRISON, Mr. BOUCHER, Mr. WALGREN, Mr. ROE, Mr. BROWN of California, Mr. SCHEUER, Mr. HARKIN, Mr. WIRTH, Mr. GLICKMAN, Mr. YOUNG of Missouri, Mr. VOLKMER, Mr. NELSON of Florida, Mr. LUNDINE, Mr. MCCURDY, Mr. DYMALLY, Mr. MINETA, Mr. DURBIN, Mr. ANDREWS of Texas, Mr. VALENTINE, Mr. REID, Mr. TORRICELLI, and Mr. CHANDLER):

H.R. 1699. A bill to provide assistance to improve elementary, secondary, and postsecondary, education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide cost sharing by the private sector in training such personnel; to encourage creation of new engineering, technical, and scientific jobs; and for other purposes; jointly, to the Committees on Education and Labor and Science and Technology.

By Mr. BREAUX (for himself and Mr. FORSYTHE):

H.R. 1700. A bill amending title I of the Marine Protection, Research and Sanctuaries Act of 1972, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Energy and Commerce.

By Mr. CORCORAN (for himself and Mr. BROWN of Colorado):

H.R. 1701. A bill to eliminate phase II of the U.S. Synthetic Fuels Corporation, to support synthetic fuel research and development, to eliminate the authority of the Corporation to enter into joint ventures or own corporation construction projects, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

By Mr. DOWNEY of New York:

H.R. 1702. A bill to amend title 23, United States Code, to require the Secretary of Transportation to reduce the apportionments of certain Federal-aid highway funds to any State in which highway motor vehicles displaying a handicapped parking sticker issued by any other State are not allowed to park in the parking spaces in which highway motor vehicles displaying a handicapped parking sticker issued by such State are allowed to park; to the Committee on Public Works and Transportation.

By Mr. FAZIO (for himself, Mr. MATSUI, Mr. PORTER, Mr. BARNARD, Mr. COELHO, Mr. BEREUTER, Mr. WILSON, Mr. EDGAR, Mr. RAHALL, Mr. HOWARD, Mr. MARTINEZ, Mr. DWYER, of New Jersey, and Mr. ROYBAL):

H.R. 1703. A bill to modify the mandatory sentence structure for the use of a firearm in the commission of a Federal felony, to establish a mandatory sentence for the use of a cutting or stabbing weapon in the commission of a Federal felony, and for other purposes; to the Committees on the Judiciary.

By Mr. HEFTEL of Hawaii (for himself, Mr. SUNIA, Mr. DE LUGO, Mr. WON PAT, Mr. CORRADA, and Mr. YOUNG of Alaska):

H.R. 1704. A bill to amend the Agricultural Act of 1949 to provide that the Secretary of Agriculture may not require deductions from the proceeds of sale of milk produced and commercially marketed in jurisdictions other than the 48 contiguous States and the District of Columbia; to the Committee on Agriculture.

By Mr. JACOBS (for himself, Mr. ROSTENKOWSKI, Mr. CONABLE, and Mr. MOORE) (by request):

H.R. 1705. A bill to provide for prospective payment rates under medicare for inpatient hospital services, and for other purposes; to the Committee on Ways and Means.

By Mr. MINETA (for himself, Mr. PANETTA, Mr. BARNARD, Mr. BONER of Tennessee, Mr. BONKER, Mr. BROOKS, Mr. BROWN of California, Mr. CORRADA, Mr. DAUB, Mr. DWYER of New Jersey, Mr. EMERSON, Mr. FLIPPO, Mr. FLORIO, Mr. FORSYTHE, Mr. FRENZEL, Mr. FROST, Mr. HOPKINS, Mr. HORTON, Mr. HUGHES, Mr. JEFFORDS, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANTOS, Mr. MCHUGH, Mr. MARTINEZ, Mr. MATSUI, Mr. MONTGOMERY, Mr. MORRISON OF WASHINGTON, , Mr. O'BRIEN, Mr. RATCHFORD, Mr. REID, Mr. ROBINSON, Mr. ROE, Mr. SHARP, Mr. SHELBY, Mr. STANGELAND, Mr. TALLON, Mr. VANDERGRIFF, Mr. VENTO, Mr. WAXMAN, Mr. GUARINI, and Mr. DANIEL):

H.R. 1706. A bill to designate the square dance as the national folk dance of the United States to the Committee on Post Office and Civil Service.

By Mr. MINETA (for himself, Mr. HOWARD, Mr. SNYDER, Mr. HAMMERSCHMIDT, Mr. ANDERSON, and Mr. SHUSTER) (by request):

H.R. 1707. A bill to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1984, 1985, and 1986, and for other purposes; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

By Mrs. ROUKEMA:

H.R. 1708. A bill to require that the fourth Presidential certification with respect to El Salvador include a determination that the Government of El Salvador has made every effort to bring to justice those responsible for the murder of journalist John Sullivan; to the Committee on Foreign Affairs.

By Mrs. SNOWE:

H.R. 1709. A bill to amend chapter 44 of title 18 of the United States Code (relating to firearms) to penalize the use of firearms in the commission of any felony and to increase the penalties in certain related existing provisions; to the Committee on the Judiciary.

By Mr. WON PAT:

H.R. 1710. A bill to amend the Clean Air Act to exempt electric power generating facilities on Guam from certain provisions of the Clean Air Act; to the Committee on Energy and Commerce.

H.R. 1711. A bill to amend the Immigration and Nationality Act to permit nonimmigrant alien crewmen on U.S.-flag fishing vessels to stop temporarily at ports in Guam; to the Committee on the Judiciary.

H.R. 1712. A bill to amend the Immigration and Nationality Act to permit waiver of the nonimmigrant visa requirement in the case of certain visitors to Guam; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

16. The SPEAKER presented a memorial of the General Assembly of the State of Arkansas, relative to mineral leases on Federal-owned lands; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNES:

H.R. 1713. A bill for the relief of Yelizaveta Fankukhina; to the Committee on the Judiciary.

By Mr. BURTON of California:

H.R. 1714. A bill for the relief of Antonio Callejo Carsola; to the Committee on the Judiciary.

By Mr. FAZIO:

H.R. 1715. A bill for the relief of Margaret Patricia Lind; to the Committee on the Judiciary.

H.R. 1716. A bill for the relief of Divinia Manatad and Jeuerita Manatad; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. GORE.

H.R. 42: Mr. HALL of Ohio, Mr. HAMILTON, Mr. GRAY, Mr. SABO, Mr. CORRADA, and Mr. BARNARD.

H.R. 50: Mr. LEWIS of Florida.

H.R. 52: Mr. LEWIS of Florida.

H.R. 53: Mr. LEWIS of Florida.

H.R. 70: Mr. LEWIS of Florida and Mr. STENHOLM.

H.R. 836: Mr. DURBIN and Mr. GOODLING.

H.R. 1015: Mr. SOLARZ, Mr. LEVIN of Michigan, and Mr. DE LUGO.

H.R. 1016: Mr. SOLARZ, Mr. LEVIN of Michigan, and Mr. DE LUGO.

H.R. 1078: Mr. BEREUTER and Mr. DONNELLY.

H.R. 1147: Mr. STOKES.

H.R. 1176: Mr. WRIGHT, Mr. RANGEL, Mr. GORE, Mr. SHANNON, Mr. DASCHLE, Mr. STUDDS, Mr. COYNE, Mr. BERMAN, Mr. DE LA GARZA, Mr. MRAZEK, Mr. GILMAN, Mr. JONES of Tennessee, Mr. FORSYTHE, Mr. BOSCO, Mr. DURBIN, Mr. LUJAN, Mr. DYSON, Mr. HERTEL of Michigan, Mrs. SCHROEDER, Mr. SUNDQUIST, Mr. COOPER, Mr. AUCOIN, Mr. EDGAR, Mr. SPENCE, Mr. RICHARDSON, Mrs. BYRON, Mr. THOMAS of Georgia, Mr. DAVIS, Mr. VENTO, Mr. JEFFORDS, Mr. ANDREWS of North Carolina, Mr. RAHALL, Mr. CARR, Mr. CLAY, Mr. SEIBERLING, Mr. BARNARD, Mr. KILDEE, Mr. LUKEN, Mr. MCCURDY, Mr. SHELBY, Mr. MCKINNEY, Mr. DWYER of New Jersey, Mr. COELHO, Mrs. SCHNEIDER, Mr. TORRICELLI, Mrs. HOLT, Mr. NICHOLS, Mr. JONES of North Carolina, Mr. PERKINS, and Mr. WORTLEY.

H.R. 1285: Mr. WIRTH, Mr. MARTINEZ, Mrs. HALL of Indiana, Mr. EDGAR, Mr. SCHULZE, Mr. MRAZEK, Ms. MIKULSKI, Mr. CARR, Mr. OWENS, Mr. GILMAN, Mrs. COLLINS, Mr. GEJDENSON, Mr. FRENZEL, Mr. YATES, Mr. GREGG, Mr. D'AMOURS, Mr. LOWRY of Washington, Mr. WAXMAN, Mr. DASCHLE, Mr. BEDELL, Mr. MCNULTY, Mr. FORD of Tennessee, Mr. PANETTA, Mr. TORRICELLI, Mr. FAZIO, Mr. WOLPE, Mr. TOWNS, Mr. ROE,

Mrs. BOGGS, Mr. FOGLIETTA, and Mr. DE LUGO.

H.J. Res. 1: Mr. LEWIS of California.

H.J. Res. 2: Mr. OLIN, Mr. HORTON, Mr. VOLKMER, Mr. LONG of Louisiana, and Mr. ROSE.

H.J. Res. 22: Mr. DELLUMS, Mr. SILJANDER, and Mr. LOWERY of California.

H. Con. Res. 39: Mr. SCHEUER, Mr. SHELBY, Mrs. KENNELLY, Mr. BATES, Mr. TORRICELLI, Mr. BORSKI, Mr. FAZIO, Mr. FISH, Mr. ROE, and Mr. MOLLOHAN.

H. Con Res. 46: Mr. BLILEY, Mr. CORCORAN, Mr. DANNEMEYER, Mr. TAUKE, and Mr. WEAVER.

H. Res. 50: Mr. ANDREWS of North Carolina, Mr. OWENS, Mr. SMITH of Florida, Mr. LOWRY of Washington, Mr. MITCHELL, Mr. TOWNS, Mr. SHANNON, Mr. FRANK, Mr. HOWARD, Mr. STOKES, Mr. FAUNTROY, Mr. WEISS, Mr. DELLUMS, Mr. RATCHFORD, Mr. EDWARDS of California, Mr. MARKEY, Mr. SUNIA, Mr. FASCELL, Mr. ROE, Mr. FROST, Mr. DWYER of New Jersey, Mr. EVANS of Illinois, Mr. MRAZEK, Mr. OBERSTAR, Mr. LEVIN of Michigan, Mr. FAZIO, Mr. YATES, Mr. HALL of Ohio, Mr. OTTINGER, Mr. SCHEUER, Mr. BERMAN, Mr. WYDEN, Mr. MOODY, Mr. HUGHES, Mr. TORRICELLI, Mr. MORRISON of Connecticut, Mr. ADDABBO, Mr. MINETA, Mr. BATES, and Mrs. HALL of Indiana.

SENATE—*Monday, February 28, 1983*

(Legislative day of Wednesday, February 23, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious Father in Heaven, we have so much for which to be grateful. We thank Thee for breath and life—for health and strength—for clear intellect—the ability to reason and the freedom to choose. We thank Thee for our families, our most precious asset. Help us to honor them—to love them—to be to them all that strengthens enduring family ties. We thank Thee for peers, associates and staffs. May we never presume upon their dedicated, untiring service. Help us never to impose upon them more than body, mind and heart can bear. We thank Thee for the privilege of serving in the Senate. May we never forget that we are here by the suffrage of the people and that behind their choice is the appointment of the One from whom derives all power and authority.

Help us never to forget Thee, Loving God, and the common benefits which Thou hast so uncommonly lavished upon us and our beloved land. Receive our profound gratitude and consecrate us to the supreme destiny to which Thy perfect will calls us. In the name of the Sovereign Lord of History we pray. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. STEVENS. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE SCHEDULE

Mr. STEVENS. Mr. President, today the Senate will continue consideration of S. 47, the shipping bill.

An amendment is pending, and we anticipate amendments to be offered and rollcall votes to occur throughout the day—that is, if it is possible. Debate is scheduled to continue on this bill through Tuesday. Under the previous order and the cloture motion filed, there will be a vote on the question of cloture, in relation to S. 47, at 4 p.m. tomorrow.

The schedule for the remainder of the week may include a number of bills reported by the Committee on Energy and Natural Resources, consideration of Senate committee budgets and, it is hoped, the Montreal Aviation Protocols.

Mr. President, in order for the Senate to complete necessary business by July 1, the leadership urges all Senators to be diligent and to seek the reporting of legislation from the various committees at the earliest possible date.

We do have looming on the horizon issues that will undoubtedly require a substantial amount of time during March—the first concurrent budget resolution, the urgent supplemental, which has a jobs proposal, and social security.

Again, as to the plan for this week, we do anticipate that the Senate will see a series of votes this week. The majority leader will make a further announcement later in the day concerning the legislative schedule.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that following the time for the two leaders, there be a period for the transaction of routine morning business, not to extend beyond 11 a.m. today, during which Senators may speak for not to exceed 5 minutes each.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I reserve the remainder of our time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE RUMOR

Mr. BAKER. Mr. President, this week's poem, "The Rumor," was written by Liam Rector. Mr. Rector's poems have appeared in Paris Review, Partisan Review, Shenandoah, the Reaper and other magazines. He is currently teaching at Phillips Academy in Massachusetts.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

I am busy doing drawings
for the upcoming publication
Drawings of Schizophrenics In Closed Institutions.
I am busy doing drawings
for the upcoming publication
Drawings of Schizophrenics In Closed Institutions.
because angelic voices will sing
if I draw lost enough to listen
and because it quiets the doctors down
since they are anxious
to see the book published
and to have my efforts included. . . .
If I could find the right line, I could balance
the entire design.
Not everyone has a career,
but the doctors have one, each of them,
and the publication of the book *should* help
to secure
that section of their lives.
Alice, across the hall, is doing
a goodbye drawing. The doctors
are wary of this impulse
on her part, noting that Alice
says goodbye
too often. They encourage her to talk
of her plans, should she be released,
or of her past,
should she end up staying.
Alice tells them it's a "picnic,
a picnic in a light drizzle."
Here in the hospital Alice,
who killed Frank, crosses the hall each
night
into my doorway and says,
"Frank, is that *you*, Frank?"
In my drawings I omit Alice
and concentrate
on calling forth the hall. Schizophrenia,
in this book, is another way of saying
across the hall.
In the public room, the section where we sit
and watch,
some read the newspaper while getting
the national news off the tube.
That way, if you read and listen,
you get the feeling
that the news is really coming at you,
that it might really amount to something.
Of late I have begun to think,
I get the impression,
that our lives are being moved
by some very public rumor.
We, in darkness, picture ourselves alone
with some sort of headline: *Man Claims He
Got Away*
With Murder, that sort of thing. . . .
We read as if dreaming and are then
dreamt as if living. Between
the solitary and the public, the rumor.
We picture ourselves closed-in, whirring,
but I doubt that.
In the drawings I stress
(and then surrender to) the fact

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

that there is some very "hard news"
in all of us, a murderer
for each of us, and that this is how
all these reports, these *mayhems,*
finally do manage to reach us.
Pavese, the Italian, said that each
murderer is a timid suicide. Alice,
who killed Frank, wanders each night
for all of us, wondering who Frank
really is.
If I could find the right line, I could balance
the entire design.
George, who lost his mind after losing
Carol, lives far down the hall. George says
Carol's infidelities first made him want
to do away with himself, to surrender, but
that later,
through the help of the doctors,
he realized it was Carol
that he wanted to kill
all along, that his impotence
was caused by a gun
that he didn't want to point
towards her, a thing he didn't want to see
go off.
None of this surprises me.
The drawings get so lost because the hall
is so wide. You come through a cauldron
before you ever sight home. . . .
My own crime bears no mention.
It was an argument, a debate gone wrong,
an affection historied into the beserk.
My work here now, my *calling,*
is to get these lines down right, to *delineate*
their deep gossip, that precise chamber
where they, right or wrong, do yak sub-
lime. . . .
The doctors say the book will receive
national distribution and I'm glad,
yes glad with all my heart,
for that. Ambition,
which is finally what we do to each other,
will undoubtedly see this project
into its rise and quiet. . . .
And the lines, they go off, they wander. . . .
If I could find the right line, it could bal-
ance, balance
this riot, that hall, that vacancy and pres-
sure
wherein we draw towards goodbye.

ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that the remainder of the leadership time be reserved for the majority leader and the minority leader, for their use later today, and that the Senate now proceed with a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

A NEW REPORT ON HUMAN RIGHTS VIOLATIONS

Mr. PROXMIRE. Mr. President, on Wednesday, February 16, the United Nations issued a report stating that in the past 15 years, over 2 million people have been put to death without due process of law. These victims were executed without a fair trial, without the right to a lawyer, and without the right to appeal their sentences.

This appalling statistic was gathered by the U.N. Human Rights Commission and represents findings from 37 countries. The murders include officially authorized executions ranging from scattered slayings to mass purges. While some killings were politically inspired, many others clearly resulted from religious, racial, ethnic or national prejudice. Torture and unjustified imprisonment preceded a number of these murders.

Mr. President, I think this terrible condition is another reason why the Senate should give serious consideration to action on the Genocide Convention.

I point out to the Senate that if we are to act on this kind of treaty, we should act at the beginning of a session, for obvious reasons, because there could be the problem of having it delayed later on. I have found in the past that it is impossible to call this up once we move into the body of the session, particularly in the second year. So this is an ideal time to act on it, and I hope the leadership will give it consideration.

The Commission based its report on information received from governments, international organizations, and human rights groups. Although the report refrains from giving individual figures for each country, it does indicate that these killings were almost equally frequent in Latin America, Africa, and Asia.

Mr. President, the growing scorn for human life has reached a point where it has become an international problem which must be confronted quickly. In its report, the United Nations reminds us that the principles of nondiscrimination and equality before the law and the right to freedom of thought, conscience, religion, and belief are the inalienable rights of every human being. As the world's foremost leader in the fight for justice, equality, and freedom, the United States must heed the message of the United Nations and take bold and meaningful steps to assure the protection of human rights throughout the world.

What can we do here in the Senate to respond to the U.N. call to defend the rights of the world's people? We can ratify the Genocide Convention. This treaty, which declares genocide of a national, ethnic, racial or religious group an international crime, stands for the same vital principles outlined in the United Nations' report.

Mr. President, let us take swift action toward giving our advice and consent to the Genocide Convention.

CONGRESSMAN GORE'S LOGICAL INTEGRATION OF ARMS CONTROL AND STRATEGIC ARMS POLICY

Mr. PROXMIRE. Mr. President, Congressman ALBERT GORE, JR., recently wrote the New York Times to propose a thoughtful integration between our arms control policies and our strategic weapons policies. Congressman GORE contends that a shift to single warhead missiles could reduce our vulnerability to Soviet attack provided we could achieve suitable changes in Soviet ICBM deployment through sensible arms control initiatives. Certainly, the purpose of arms control is to diminish the likelihood of nuclear war. Arms control can help greatly to achieve this by persuading both countries to adopt weapons that will provide effective deterrence with as little threat to the other side's deterrence as possible. To do this, we should work toward an enforceable arms control agreement to forgo or destroy weapons that pose a threat to the survival of the other side's deterrent.

Congressman GORE ably makes the case in his letter that appeared last Friday in the New York Times, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FOR A COURSE CHANGE ON ARMS AND THEIR CONTROL

To the Editor:

Leslie Gelb reports that the Scowcroft Commission may recommend a significant departure from earlier Administration plans for a new ICBM, i.e., that some MX ICBM's should be deployed in existing silos, but that we should also deploy small ICBM's, designed to carry only single warheads (news story Feb. 8).

I have thought for some time that a move to single-warhead missiles could help resolve our most difficult strategic problem—fears concerning the theoretical vulnerabilities of U.S. ICBM's to a Soviet first strike.

Single-warhead missiles would be less profitable targets for the Soviets than MIRV'd missiles. Moreover, it would require a great many single-warhead ICBM's to pose a first-strike threat against Soviet ICBM silos. Single-warhead ICBM's could be deployed in a variety of mobile modes, if that were necessary to prevent them from becoming targets. But they might also be deployed in fixed silos if suitable changes in Soviet ICBM deployments were to be worked out through arms control.

This last point is crucial. The proper context for this, or any other deployment, is a clear and sensible arms-control initiative. If the Administration hopes to put together a durable consensus in the Congress, and in the country, in support of a new proposal for strategic weapons, it must come to grips with political as well as technical realities.

The country wants arms control to be pursued vigorously, It is prepared to support new strategic weapons only with reluctance and only if the relationship between those weapons and our arms-control objectives has been made understandable in a manner that has so far eluded this Administration.

The Administration's efforts have heretofore been directed toward deploying new weapons that would put Soviet ICBM's at theoretical risk, just as ours are currently at theoretical risk—meanwhile, exempting from reductions new categories of weapons, such as the cruise missile, where the U.S. has an advantage.

Such an approach offers the prospect of mutual vulnerability, mutual instability and mutual fear. That objective is strategically

unwise and has become politically insupportable. In presenting any new approach to weapons, the Administration must display more restraint in its planning and much more initiative in its arms-control efforts.

The overall objective of U.S. policy for nuclear weapons and for arms control must be to combine the two in a manner which points us toward a strategically stable relationship with the Soviet Union, at sharply and progressively reduced numbers of weapons.

ALBERT GORE, JR.,
Member of Congress,
Fourth District, Tenn.,
Washington, Feb. 10, 1983.

REPORT ON THE ACTIVITIES OF THE SENATE SELECT COMMITTEE ON INTELLIGENCE AND RULES OF PROCEDURE

Mr. GOLDWATER. Mr. President, I send to the desk a report on the activities of the Senate Select Committee on Intelligence, and I ask unanimous consent to have 1,000 copies of this report printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. The Senate Intelligence Committee submits this report of its activities covering the period January 1, 1981, to December 31, 1982. Under the provisions of Senate Resolution 400, the committee has been charged with the responsibility to carry out oversight over the intelligence activities of the United States. Most of the work of the committee is, of necessity, conducted in secrecy. Nonetheless, the committee believes that intelligence activities should be as accountable as possible. Therefore, we submit this public report to the Senate in order to meet this responsibility.

I believe this report will reflect my view that the intelligence community is alive and well, and getting better every day despite the turmoil it experienced in the 1970's. This committee was formed 7 years ago as a result of that turmoil and, I am happy to say, the recovery process started following the committee's formation.

Mr. President, we are the only nation in the world that makes the intelligence community accountable to the general public. No other government produces the kind of public report that summarizes the activities of its intelligence oversight. In effect, we have made our intelligence services the most public secret services in the world. This action, along with the well established budget authorization procedure, has made the American system of legislative oversight of the intelligence community unique.

The budget authorization process is standard procedure now. No other nation in the world does this. I believe it is the best method of accountability there is in our Government. This method makes it clear that our constitutional responsibilities are fulfilled, while at the same time maintaining the confidentiality necessary for an effective intelligence system.

We examine in detail the budgets of the Central Intelligence Agency, the National Security Agency, and the intelligence activities of the Department of Defense, State, and Treasury, and of the Federal Bureau of Investigation, and the Drug Enforcement Administration. This function is a key aspect of effective congressional oversight of the intelligence community. Through this process, we can determine if intelligence continues to be well managed and responsive to our needs. It gives us a chance to focus on a wide range of issues, all important to our national interests, such as international trade and monetary policy, nuclear proliferation, energy, political developments in Third World countries, international terrorism, and narcotics.

Mr. President, even covert action, the most secret and sensitive activity of the intelligence community, comes under the scrutiny of the Intelligence Committee. The committee has received detailed reports and has heard testimony on covert action programs, and has actively monitored the progress of those programs once launched. Certain covert action programs have been modified to take into account views expressed by the committee. Under the provisions of Senate Resolution 400, the committee has also provided briefings on some programs to members of other committees.

In addition, the committee has been active in reviewing covert action during the annual budget authorization process. In that connection, the committee has continued its practice of annual review of each covert action line-item by line-item. Given the sensitivity of information regarding covert action, and the Presidential findings regarding it, this report does not discuss the details of these matters although they occupied a substantial amount of time and attention of our committee members.

This report shows that the committee and staff were involved in many areas of interest to our national security and foreign policy. For example, we have examined whether the intelligence community was effectively responding to the situation in Central America. The committee also made an inquiry into the conduct of the Director of Central Intelligence. It looked into the serious problems of technology transfer and it supported legislation to protect our agents' indentities from being disclosed.

Recent years have witnessed a growth in public awareness of the importance of intelligence that is timely, relevant, and of the highest quality. Accurate intelligence is required for informed decisionmaking on many critical defense and foreign policy issues, such as the development of national nuclear weapons programs or Soviet use of chemical agents in warfare.

Mr. President, my firm belief has always been that good intelligence is needed to protect the kind of freedom we enjoy in our great country. I believe this report will also show that we are getting good intelligence information which is so vital to our survival as a people and a Nation. I hope that this report will also show that congressional oversight of intelligence activities is effective, and that the American people are better off because of it.

In concluding, I would like to thank all of the staff for its fine work over the course of the 97th Congress. As well, I would like to thank Robin Cleveland, a professional staff member of the committee, who bore the major burden of preparing this report and coordinating its production with the members of our committee.

Mr. President, in accordance with rule XXVI of the Standing Rules of the Senate, requiring the publication of the rules of each Senate committee in the CONGRESSIONAL RECORD not later than March 1 of each year, I submit the procedural rules of the Senate Select Committee on Intelligence and ask unanimous consent that they be printed in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF PROCEDURE

RULE 1. CONVENING OF MEETINGS

1.1 The regular meeting day of the Select Committee on Intelligence for the transaction of committee business shall be every other Wednesday of each month, unless otherwise directed by the chairman.

1.2 The chairman shall have authority, upon proper notice, to call such additional meetings of the committee as he may deem necessary and may delegate such authority to any other member of the committee.

1.3 A special meeting of the committee may be called at any time upon the written request of five or more members of the committee filed with the clerk of the committee.

1.4 In the case of any meeting of the committee, other than a regularly scheduled meeting, the clerk of the committee shall notify every member of the committee of the time and place of the meeting and shall give reasonable notice which, except in extraordinary circumstances, shall be at least 24 hours in advance of any meeting held in Washington, D.C., and at least 48 hours in the case of any meeting held outside Washington, D.C.

1.5 If five members of the committee have made a request in writing to the chairman to call a meeting of the committee, and the chairman fails to call such a meeting within seven calendar days thereafter, including the day on which the written notice is submitted, these members may call a meeting by filing a written notice with the clerk of the committee who shall promptly notify each member of the committee in writing of the date and time of the meeting.

RULE 2. MEETING PROCEDURES

2.1 Meetings of the committee shall be open to the public except as provided in Senate Resolution 9, 94th Congress, 1st session.

2.2 It shall be the duty of the staff director to keep or cause to be kept a record of all committee proceedings.

2.3 The chairman of the committee, or if the chairman is not present the vice chairman, shall preside over all meetings of the committee. In the absence of the chairman and the vice chairman at any meeting the ranking majority member, or if no majority member is present the ranking minority member present shall preside.

2.4 Except as otherwise provided in these rules, decisions of the committee shall be by majority vote of the members present and voting. A quorum for the transaction of committee business, including the conduct of executive sessions, shall consist of six committee members until that date of the sine die adjournment of the 1st session of the 95th Congress, and thereafter, shall consist of five committee members, except that for the purpose of hearing witnesses, taking sworn testimony, and receiving evidence under oath, a quorum may consist of one Senator.

2.5 A vote by any member of the committee with respect to any measure or matter being considered by the committee may be cast by proxy if the proxy authorization (1) is in writing; (2) designates the member of the committee who is to exercise the proxy; and (3) is limited to a specific measure or matter and any amendments pertaining thereto. Proxies shall not be considered for the establishment of a quorum.

2.6 Whenever the committee by roll vote reports any measure or matter, the report of the committee upon such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee.

RULE 3. SUBCOMMITTEES

Creation of subcommittees shall be by majority vote of the committee. Subcommittees shall deal with such legislation and oversight of programs and policies as the committee may direct. The subcommittees shall be governed by the rules of the committee and by such other rules they may adopt which are consistent with the rules of the committee.

RULE 4. REPORTING OF MEASURES OR RECOMMENDATIONS

4.1 No measures or recommendations shall be reported, favorably or unfavorably, from the committee unless a majority of the committee is actually present and a majority concur.

4.2 In any case in which the committee is unable to reach a unanimous decision, separate views or reports may be presented by any member or members of the committee.

4.3 A member of the committee who gives notice of his intention to file supplemental, minority, or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than three workings days in which to file such views, in writing with the clerk of the committee. Such views shall than be included in the committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report.

RULE 5. NOMINATIONS

5.1 Unless otherwise ordered by the committee, nominations referred to the committee shall be held for at least 14 days before being voted on by the committee.

5.2 Each member of the committee shall be promptly furnish a copy of all nominations referred to the committee.

5.3 Nominees who are invited to appear before the committee shall be heard in public session, except as provided in rule 2.1.

5.4 No confirmation hearing shall be held sooner than seven days after receipt of the background and financial disclosure statement unless the time limit is waived by a majority vote of the committee.

5.5 The committee vote on the confirmation shall not be sooner then 48 hours after the committee has received transcripts of the confirmation hearing unless the time limit is waived by unanimous consent of the committee.

5.6 No nomination shall be reported to the Senate unless the nominee has filed a background and financial disclosure statement with the committee.

RULE 6. INVESTIGATIONS

No investigation shall be initiated by the committee unless at least five members of the committee have specifically requested the chairman or the vice chairman to authorize such an investigation. Authorized investigations may be conducted by members of the committee and/or by designated committee staff members.

RULE 7. SUBPENAS

Subpenas authorized by the committee for the attendance of witnesses or the production of memoranda, documents, records or any other material may be issued by the chairman, the vice chairman, or any member of the committee designated by the chairman, and may be served by any person designated by the chairman, vice chairman or member issuing the subpenas. Each subpena shall have attached thereto a copy of State Resolution 400, 94th Congress, 2d session, and a copy of these rules.

RULE 8. PROCEDURES RELATED TO THE TAKING OF TESTIMONY

8.1 *Notice.*—Witnesses required to appear before the committee shall be given reasonable notice and all witnesses shall be furnished a copy of these Rules.

8.2 *Oath or affirmation.*—Testimony of witnesses shall be given under oath or affirmation which may be administered by any member of the committee.

8.3 *Interrogation.*—Committee interrogation shall be conducted by members of the committee and such committee staff as are authorized by the chairman, vice chairman, or the presiding member.

8.4 *Counsel for the witness.*—(a) Any witness may be accompanied by counsel. A witness who is unable to obtain counsel may inform the committee of such fact. If the witness informs the committee of this fact at least 24 hours prior to his appearance before the committee the committee shall then endeavor to obtain voluntary counsel for the witness. Failure to obtain such counsel will not excuse the witness from appearing and testifying.

(b) Counsel shall conduct themselves in an ethical and professional manner. Failure to do so shall, upon a finding to that effect by a majority of the members present, subject such counsel to disciplinary action which may include warning, censure, removal, or a recommendation of contempt proceedings.

(c) There shall be no direct or cross-examination by counsel. However, counsel may submit in writing any question he wishes propounded to his client or to any other witness and may, at the conclusion of his client's testimony, suggest the presentation of other evidence or the calling of other witnesses. The committee may use such questions and dispose of such suggestions as it deems appropriate.

8.5 *Statements by Witnesses.*—A witness may make a statement, which shall be brief and relevant, at the beginning and conclusion of his testimony. Such statements shall not exceed a reasonable period of time as determined by the chairman, or other presiding member. Any witness desiring to make a prepared or written statement for the record of the proceedings shall file a copy with the clerk of the committee, and insofar as practicable and consistent with the notice given, shall do so at least 72 hours in advance of his appearance before the committee.

8.6 *Objections and Rulings.*—Any objection raised by a witness or counsel shall be ruled upon by the chairman or other presiding member, and such ruling shall be the ruling of the committee unless a majority of the committee present overrules the ruling of the chair.

8.7 *Inspection and Correction.*—All witnesses testifying before the committee shall be given a reasonable opportunity to inspect, in the office of the committee, the transcript of their testimony to determine whether such testimony was correctly transcribed. The witness may be accompanied by counsel. Any corrections the witness desires to make in the transcript shall be submitted in writing to the committee within 5 days from the date when the transcript was made available to the witness. Corrections shall be limited to grammar and minor editing, and may not be made to change the substance of the testimony. Any questions arising with respect to such corrections shall be decided by the chairman. Upon request, those parts of testimony given by a witness in executive session which are subsequently quoted or made part of a public record shall be made available to that witness at his expense.

8.8 *Requests to Testify.*—The committee will consider requests to testify on any matter or measure pending before the committee. A person who believes that testimony or other evidence presented at a public hearing, or any comment made by a committee member or a member of the committee staff may tend to affect adversely his reputation, may request to appear personally before the committee to testify on his own behalf, or may file a sworn statement of facts relevant to the testimony, evidence, or comment, or may submit to the chairman proposed questions in writing for the cross-examination of other witnesses. The committee shall take such action as it deems appropriate.

8.9 *Contempt Procedures.*—No recommendation that a person be cited for contempt of Congress shall be forwarded to the Senate unless and until the committee has, upon notice to all its members, met and considered the alleged contempt, afforded the person an opportunity to state in writing or in person why he should not be held in contempt, and agreed, by majority vote of the committee to forward such recommendation to the Senate.

8.10 *Release of Name of Witness.*—Unless authorized by the chairman, the name of any witness scheduled to be heard by the committee shall not be released prior to, or after, his appearance before the committee.

RULE 9. PROCEDURES FOR HANDLING CLASSIFIED OR SENSITIVE MATERIAL

9.1 Committee staff offices shall operate under strict security precautions. At least one security guard shall be on duty at all times by the entrance to control entry. Before entering the office all persons shall identify themselves.

9.2 Sensitive or classified documents and material shall be segregated in a secure storage area. They may be examined only at secure reading facilities. Copying, duplicating, or removal from the committee offices of such documents and other materials is prohibited except as is necessary for use in, or preparation for, interviews or committee meetings, including the taking of testimony, and in conformity with Section 10.3 hereof.

9.3 Each member of the committee shall at all times have access to all papers and other material received from any source. The staff director shall be responsible for the maintenance, under appropriate security procedures, of a registry which will number and identify all classified papers and other classified materials in the possession of the committee, and such registry shall be available to any member of the committee.

9.4 Whenever the Select Committee on Intelligence makes classified material available to any other committee of the Senate or to any member of the Senate not a member of the committee, the clerk of the committee shall be notified. The clerk of the committee shall maintain a written record identifying the particular information transmitted and the committee or members of the Senate receiving such information.

9.5 Access to classified information supplied to the committee shall be limited to those committee staff members with appropriate security clearances and a need-to-know, as determined by the committee, and under the committee's direction, the staff director and minority staff director.

9.6 No member of the committee or of the committee staff shall disclose, in whole or in part or by way of summary, to any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial or otherwise, any testimony given before the committee in executive session including the name of any witness who appeared or was called to appear before the committee in executive session, or the contents of any papers or other materials or other information received by the committee except as authorized by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such a manner as may be determined by the Senate.

9.7 Before the committee makes any decision regarding the disposition of any testimony, papers, or other materials presented to it, the committee members shall have a reasonable opportunity to examine all pertinent testimony, papers, and other materials that have been obtained by the members of the committee or the committee staff.

RULE 10. STAFF

10.1 For the purpose of these rules, committee staff means employees of the committee, employees of the members of the committee assigned to the committee, consultants to the committee, employees of other government agencies detailed to the committee, or any other person engaged by contract or otherwise to perform services for or at the request of the committee.

10.2 The appointment of committee staff shall be confirmed by a majority vote of the committee. After confirmation, the chairman shall certify committee staff appointments to the financial clerk of the Senate in writing.

10.3 The committee staff works for the committee as a whole, under the general supervision of the chairman and vice chairman of the committee. Except as otherwise provided by the committee, the duties of committee staff shall be performed, and committee staff personnel affairs and day-to-day operations, including security and control of classified documents and material, shall be administered under the direct supervision and control of the staff director. The minority staff director and the minority counsel shall be kept fully informed regarding all matters and shall have access to all material in the files of the committee.

10.4 The committee staff shall assist the minority as fully as the majority in the expression of minority views, including assistance in the preparation and filing of additional, separate and minority views, to the end that all points of view may be fully considered by the committee and the Senate.

10.5 The members of the committee staff shall not discuss either the substance or procedure of the work of the committee with any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial, or otherwise, either during his tenure as a member of the committee staff or at any time thereafter except as directed by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such a manner as may be determined by the Senate.

10.6 No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment to abide by the conditions of the nondisclosure agreement promulgated by the Senate Select Committee on Intelligence pursuant to section 6 of Senate Resolution 400 of the 94th Congress, 2d Session.

10.7 No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment, to notify the committee or in the event of the committee's termination the Senate of any request for his testimony, either during his tenure as a member of the committee staff or at any time thereafter with respect to information which came into his possession by virtue of his position as a member of the committee staff. Such information shall not be disclosed in response to such requests except as directed by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such manner as may be determined by the Senate.

10.8 The committee shall immediately consider action to be taken in the case of any member of the committee staff who fails to conform to any of these rules. Such disciplinary action may include, but shall not be limited to, immediate dismissal from the committee staff.

RULE 11. PREPARATION FOR COMMITTEE MEETINGS

11.1 Under direction of the chairman and the vice chairman, designated committee staff members shall brief members of the committee at a time sufficiently prior to any committee meeting to assist the committee members in preparation for such meeting and to determine any matter which the committee member might wish considered during the meeting. Such briefing shall, at the request of a member, include a list of all pertinent papers and other materials that have been obtained by the committee that bear on matters to be considered at the meeting.

11.2 The staff director shall recommend to the chairman and the vice chairman the testimony, papers, and other materials to be presented to the committee at any meeting. The determination whether such testimony, papers, and other materials shall be presented in open or executive session shall be made pursuant to the rules of the Senate and rules of the committee.

RULE 12. LEGISLATIVE CALENDAR

12.1 The clerk of the committee shall maintain a printed calendar for the information of each committee member showing the measures introduced and referred to the committee and the status of such measures; nominations referred to the committee and their status; and such other matters as the committee determines shall be included. The calendar shall be revised from time to time to show pertinent changes. A copy of each such revision shall be furnished to each member of the committee.

12.2 Unless otherwise ordered, measures referred to the committee shall be referred by the clerk of the committee to the appropriate department or agency of the Government for reports thereon.

RULE 13. COMMITTEE TRAVEL

13.1 No member of the committee or committee staff shall travel abroad on committee business unless specifically authorized by the chairman and vice chairman. Requests for authorization of such travel shall state the purposes and extent of the trip. A full report shall be filed with the committee when travel is completed.

13.2 When the chairman and the vice chairman approve the foreign travel of a member of the committee staff not accompanying a member of the committee, all members of the committee are to be advised, prior to the commencement of such travel, of its extent, nature and purpose. The report referred to in rule 13.1 shall be furnished to all members of the committee and shall not be otherwise disseminated without the express authorization of the committee pursuant to the rules of the committee.

13.3 No member of the committee staff shall travel within this country on committee business unless specifically authorized by the staff director as directed by the committee.

RULE 14. CHANGES IN RULES

These rules may be modified, amended, or repealed by the committee, provided that a notice in writing of the proposed change has been given to each member at least 48 hours prior to the meeting at which action thereon is to be taken.

S. RES. 400

Resolved, That it is the purpose of this resolution to establish a new select committee of the Senate, to be known as the Select Committee on Intelligence, to oversee and make continuing studies of the intelligence activities and programs of the United States Government, and to submit to the Senate appropriate proposals for legislation and

report to the Senate concerning such intelligence activities and programs. In carrying out this purpose, the Select Committee on Intelligence shall make every effort to assure that the appropriate departments and agencies of the United States provide informed and timely intelligence necessary for the executive and legislative branches to make sound decisons affecting the security and vital interests of the Nation. It is further the purpose of this resolution to provide vigilant legislative oversight over the intelligence activities of the United States to assure that such activities are in conformity with the Constitution and laws of the United States.

SEC. 2. (a)(1) There is hereby established a select committee to be known as the Select Committee on Intelligence (hereinafter in this resolution referred to as the "select committee"). The select committee shall be composed of fifteen members appointed as follows:

(A) two members from the Committee on Appropriations;

(B) two members from the Committee on Armed Services;

(C) two members from the Committee on Foreign Relations;

(D) two members from the Committee on the Judiciary; and

(E) seven members to be appointed from the Senate at large.

(2) Members appointed from each committee named in clauses (A) through (D) of paragraph (1) shall be evenly divided between the two major political parties and shall be appointed by the President pro tempore of the Senate upon the recommendations of the majority and minority leaders of the Senate. Four of the members appointed under clause (E) of paragraph (1) shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader of the Senate and three shall be appointed by the President pro tempore of the Senate upon the recommendation of the minority leader of the Senate.

(3) The majority leader of the Senate and the minority leader of the Senate shall be ex officio members of the select committee but shall have no vote in the committee and shall not be counted for purposes of determining a quorum.

(b) No Senator may serve on the select committee for more than eight years of continuous service, exclusive of service by any Senator on such committee during the Ninety-fourth Congress. To the greatest extent practicable, one-third of the Members of the Senate appointed to the select committee at the beginning of the Ninety-seventh Congress and each Congress thereafter shall be Members of the Senate who did not serve on such committee during the preceding Congress.

(c) At the beginning of each Congress, the Members of the Senate who are members of the majority party of the Senate shall elect a chairman for the select committee, and the Members of the Senate who are from the minority party of the Senate shall elect a vice chairman for such committee. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman. Neither the chairman nor the vice chairman of the select committee shall at the same time serve as chairman or ranking minority member of any other committee referred to in paragraph 6(f) of rule XXV of the Standing Rules of the Senate.

(d) For the purposes of paragraph 6(a) of rule XXV of the Standing Rules of the Senate, service of a Senator as a member of the select committee shall not be taken into account.

SEC. 3. (a) There shall be referred to the select committee all proposed legislation, messages, petitions, memorials, and other matters relating to the following:

(1) The Central Intelligence Agency and the Director of Central Intelligence.

(2) Intelligence activities of all other departments and agencies of the Government, including, but not limited to, the intelligence activities of the Defense Intelligence Agency, the National Security Agency, and other agencies of the Department of Defense; the Department of State; the Department of Justice; and the Department of the Treasury.

(3) The organization or reorganization of any department or agency of the Government to the extent that the organization or reorganization relates to a function or activity involving intelligence activities.

(4) Authorizations for appropriations, both direct and indirect, for the following:

(A) The Central Intelligence Agency and Director of Central Intelligence.

(B) The Defense Intelligence Agency.

(C) The National Security Agency.

(D) The intelligence activities of other agencies and subdivisions of the Department of Defense.

(E) The intelligence activities of the Department of State.

(F) The intelligence activities of the Federal Bureau of Investigation, including all activities of the Intelligence Division.

(G) Any department, agency, or subdivision which is the successor to any agency named in clause (A), (B), or (C); and the activities of any department, agency, or subdivision which is the successor to any department, agency, bureau, or subdivision named in clause (D), (E), or (F) to the extent that the activities of such successor department, agency, or subdivision are activities described in clause (D), (E), or (F).

(b) Any proposed legislation reported by the select committee, except any legislation involving matters specified in clause (1) or (4)(A) of subsection (a), containing any matter otherwise within the jurisdiction of any standing committee shall, at the request of the chairman of such standing committee, be referred to such standing committee for its consideration of such matter and be reported to the Senate by such standing committee within thirty days after the day on which such proposed legislation is referred to such standing committee; and any proposed legislation reported by any committee, other than the select committee, which contains any matter within the jurisdiction of the select committee shall, at the request of the chairman of the select committee, be referred to the select committee for its consideration of such matter and be reported to the Senate by the select committee within thirty days after the day on which such proposed legislation is referred to such committee. In any case in which a committee fails to report any proposed legislation referred to it within the time limit prescribed herein, such committee shall be automatically discharged from further consideration of such proposed legislation on the thirtieth day following the day on which such proposed legislation is referred to such committee unless the Senate provides otherwise. In computing any thirty-day period under this paragraph there shall be excluded from such computation any days on which the Senate is not in session.

(c) Nothing in this resolution shall be construed as prohibiting or otherwise restricting the authority of any other committee to study and review any intelligence activity to the extent that such activity directly affects a matter otherwise within the jurisdiction of such committee.

(d) Nothing in this resolution shall be construed as amending, limiting, or otherwise changing the authority of any standing committee of the Senate to obtain full and prompt access to the product of the intelligence activities of any department or agency of the Government relevant to a matter otherwise within the jurisdiction of such committee.

SEC. 4. (a) The select committee, for the purposes of accountability to the Senate, shall make regular and periodic reports to the Senate on the nature and extent of the intelligence activities of the various departments and agencies of the United States. Such committee shall promptly call to the attention of the Senate or to any other appropriate committee or committees of the Senate any matters requiring the attention of the Senate or such other committee or committees. In making such reports, the select committee shall proceed in a manner consistent with section 8(c)(2) to protect national security.

(b) The select committee shall obtain an annual report from the Director of the Central Intelligence Agency, the Secretary of Defense, the Secretary of State, and the Director of the Federal Bureau of Investigation. Such reports shall review the intelligence activities of the agency or department concerned and the intelligence activities of foreign countries directed at the United States or its interest. An unclassified version of each report may be made available to the public at the discretion of the select committee. Nothing herein shall be construed as requiring the public disclosure in such reports of the names of individuals engaged in intelligence activities for the United States or the divulging of intelligence methods employed or the sources of information on which such reports are based or the amount of funds authorized to be appropriated for intelligence activities.

(c) On or before March 15 of each year, the select committee shall submit to the Committee on the Budget of the Senate the views and estimates described in section 301(c) of the Congressional Budget Act of 1974 regarding matters within the jurisdiction of the select committee.

SEC. 5. (a) For the purposes of this resolution, the select committee is authorized in its discretion (1) to make investigations into any matter within its jurisdiction, (2) to make expenditures from the contingent fund of the Senate, (3) to employ personnel, (4) to hold hearings, (5) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (6) to require, by subpena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (7) to take depositions and other testimony, (8) to procure the service of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946, and (9) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The chairman of the select committee or any member thereof may administer oaths to witnesses.

(c) Subpenas authorized by the select committee may be issued over the signature of the chairman, the vice chairman, or any member of the select committee designated by the chairman, and may be served by any person designated by the chairman or any member signing the subpena.

SEC. 6. No employee of the select committee or any person engaged by contract or otherwise to perform services for or at the request of such committee shall be given access to any classified information by such committee unless such employee or person has (1) agreed in writing and under oath to be bound by the rules of the Senate (including the jurisdiction of the Select Committee on Standards and Conduct and of such committee as to the security of such information during and after the period of his employment or contractual agreement with such committee; and (2) received an appropriate security clearance as determined by such committee in consultation with the Director of Central Intelligence. The type of security clearance to be required in the case of any such employee or person shall, within the determination of such committee in consultation with the Director Central Intelligence, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by such committee.

SEC. 7. The select committee shall formulate and carry out such rules and procedures as it deems necessary to prevent the disclosure, without the consent of the person or persons concerned, of information in the possession of such committee which unduly infringes upon the privacy or which violates the constitutional rights of such person or persons. Nothing herein shall be construed to prevent such committee from publicly disclosing any such information in any case in which such committee determines the national interest in the disclosure of such information clearly outweighs any infringement on the privacy of any person or persons.

SEC. 8. (a) The select committee may, subject to the provisions of this section, disclose publicly any information in the possession of such committee after a determination by such committee that the public interest would be served by such disclosure. Whenever committee action is required to disclose any information under this section, the committee shall meet to vote on the matter within five days after any member of the committee requests such a vote. No member of the select committee shall disclose any information, the disclosure of which requires a committee vote, prior to a vote by the committee on the question of the disclosure of such information or after such vote except in accordance with this section.

(b)(1) In any call in which the select committee votes to disclose publicly any information which has been classified under established security procedures, which has been submitted to it by the executive branch, and which the executive branch requests be kept secret, such committee shall notify the President of such vote.

(2) The select committee may disclose publicly such information after the expiration of a five-day period following the day on which notice of such vote is transmitted to the President, unless, prior to the expiration of such five-day period, the President, personally in writing, notifies the committee that he objects to the disclosure of such information, provides his reasons therefor, and certifies that the threat to the national interest of the United States posed by such disclosure is of such gravity that it outweighs any public interest in the disclosure.

(3) If the President, personally in writing, notifies the select committee of his objections to the disclosure of such information as provided in paragraph (2), such committee may, by majority vote, refer the question of the disclosure of such information to the Senate for consideration. The committee shall not publicly disclose such information without leave of the Senate.

(4) Whenever the select committee votes to refer the question of disclosure of any information to the Senate under paragraph (3), the chairman shall, not later than the first day on which the Senate is in session following the day on which the vote occurs, report the matter to the Senate for its consideration.

(5) One hour after the Senate convenes on the fourth day on which the Senate is in session following the day on which any such matter is reported to the Senate, or at such earlier time as the majority leader and the minority leader of the Senate jointly agree upon in accordance with section 133(f) of the Legislative Reorganization Act of 1946, the Senate shall go into closed session and the matter shall be the pending business. In considering the matter in closed session the Senate may—

(A) approve the public disclosure of all or any portion of the information in question, in which case the committee shall publicly disclose the information ordered to be disclosed,

(B) disapprove the public disclosure of all or any portion of the information in question, in which case the committee shall not publicly disclose the information ordered not to be disclosed, or

(C) refer all or any portion of the matter back to the committee, in which case the committee shall make the final determination with respect to the public disclosure of the information in question.

Upon conclusion of the consideration of such matter in closed session, which may not extend beyond the close of the ninth day on which the Senate is in session following the day on which such matter was reported to the Senate, or the close of the fifth day following the day agreed upon jointly by the majority and minority leaders in accordance with section 133(f) of the Legislative Reorganization Act of 1946 (whichever the case may be), the Senate shall immediately vote on the disposition of such matter in open session, without debate, and without divulging the information with respect to which the vote is being taken. The Senate shall vote to dispose of such matter by one or more of the means specified in clauses (A), (B), and (C) of the second sentence of this paragraph. Any vote of the Senate to disclose any information pursuant to this paragraph shall be subject to the right of a Member of the Senate to move for reconsideration of the vote within the time and pursuant to the procedures specified in rule XIII of the Standing Rules of the Senate, and the disclosure of such information shall be made consistent with that right.

(c)(1) No information in the possession of the select committee relating to the lawful intelligence activities of any department or agency of the United States which has been classified under established security procedures and which the select committee, pursuant to subsection (a) or (b) of this section, has determined should not be disclosed shall be made available to any person by a Member, officer, or employee of the Senate except in a closed session of the Senate or as provided in paragraph (2).

(2) The select committee may, under such regulations as the committee shall prescribe to protect the confidentiality of such information, make any information described in paragraph (1) available to any other committee or any other Member of the Senate. Whenever the select committee makes such information available, the committee shall keep a written record showing, in the case of any particular information, which committee or which Members of the Senate received such information. No Member of the Senate who, and no committee which, receives any information under this subsection, shall disclose such information except in a closed session of the Senate.

(d) It shall be the duty of the Select Committee on Standards and Conduct to investigate any unauthorized disclosure of intelligence information by a Member, officer or employee of the Senate in violation of subsection (c) and to report to the Senate concerning any allegation which it finds to be substantiated.

(e) Upon the request of any person who is subject to any such investigation, the Select Committee on Standards and Conduct shall release to such individual at the conclusion of its investigation a summary of its investigation together with its findings. If, at the conclusion of its investigation, the Select Committee on Standards and Conduct determines that there has been a significant breach of confidentiality or unauthorized disclosure by a Member, officer, or employee of the Senate, it shall report its findings to the Senate and recommend appropriate action such as censure, removal from committee membership, or expulsion from the Senate, in the case of Member, or removal from office or employment or punishment for contempt, in the case of an officer or employee.

SEC. 9. The select committee is authorized to permit any personal representative of the President, designated by the President to serve as a liaison to such committee, to attend any closed meeting of such committee.

SEC. 10. Upon expiration of the Select Committee on Governmental Operations With Respect to Intelligence Activities, established by Senate Resolution 21, Ninety-fourth Congress, all records, files, documents, and other materials in the possession, custody, or control of such committee, under appropriate conditions established by it, shall be transferred to the select committee.

SEC. 11. (a) It is the sense of the Senate that the head of each department and agency of the United States should keep the select committee fully and currently informed with respect to intelligence activities, including any significant anticipated activities, which are the responsibility of or engaged in by such department or agency: *Provided,* That this does not constitute a condition precedent to the implementation of any such anticipated intelligence activity.

(b) It is the sense of the Senate that the head of any department or agency of the United States involved in any intelligence activities should furnish any information or document in the possession, custody, or control of the department or agency, or person paid by such department or agency, whenever requested by the select committee with respect to any matter within such committee's jurisdiction.

(c) it is the sense of the Senate that each department and agency of the United States

should report immediately upon discovery to the select committee any and all intelligence activities which constitute violations of the constitutional rights of any person, violations of law, or violations of Executive orders, President directives, or departmental or agency rules or regulations; each department and agency should further report to such committee what actions have been taken or are expected to be taken by the departments or agencies with respect to such violations.

SEC. 12. Subject to the Standing Rules of the Senate, no funds shall be appropriated for any fiscal year beginning after September 30, 1976, with the exception of a continuing bill or resolution, or amendment thereto, or conference report thereon, to, or for use of, any department or agency of the United States to carry out any of the following activities, unless such funds shall have been previously authorized by a bill or joint resolution passed by the Senate during the same or preceding fiscal year to carry out such activity for such fiscal year:

(1) The activities of the Central Intelligence Agency and the Director of Central Intelligence.

(2) The activities of the Defense Intelligency Agency.

(3) The activities of the National Security Agency.

(4) The intelligence activities of other agencies and subdivisions of the Department of Defense.

(5) The intelligence activities of the Department of State.

(6) The intelligence activities of the Federal Bureau of Investigation, including all activities of the Intelligence Division.

SEC. 13. (a) The select committee shall make a study with respect to the following matters, taking into consideration with respect to each such matter, all relevent aspects of the effectiveness of planning, gathering, use, security, and dissemination of intelligence:

(1) the quality of the analytical capabilities of United States foreign intelligence agencies and means for integrating more closely analytical intelligence and policy formulation;

(2) the extent and nature of the authority of the departments and agencies of the executive branch to engage in intelligence activities and the desirability of developing charters for each intelligence agency or department;

(3) the organization of intelligence activities in the executive branch to maximize the effectiveness of the conduct, oversight, and accountability of intelligence activities; to reduce duplication or overlap; and to improve the morale of the personnel of the foreign intelligence agencies;

(4) the conduct of covert and clandestine activities and the procedures by which Congress is informed of such activities;

(5) the desirability of changing any law, Senate rule or procedure, or any Executive order, rule, or regulation to improve the protection of intelligence secrets and provide for disclosure of information for which there is no compelling reason for secrecy;

(6) the desirability of establishing a standing committee of the Senate on intelligence activities;

(7) the desirability of establishing a joint committee of the Senate and the House of Representatives on intelligence activities in lieu of having separate committees in each House of Congress, or of establishing procedures under which separate committees on intelligence activities of the two Houses of Congress would receive joint briefings from the intelligence agencies and coordinate their policies with respect to the safeguarding of sensitive intelligence information;

(8) the authorization of funds for the intelligence activities of the Government and whether disclosure of any of the amounts of such funds is in the public interest; and

(9) the development of a uniform set of definition is for terms to be used in policies or guidelines which may be adopted by the executive or legislative branches to govern, clarify, and strengthen the operation of intelligence activities.

(b) The select committee may, in its discretion, omit from the special study required by this section any matter it determines has been adequately studied by the Select Committee To Study Governmental Operations With Respect to Intelligence Activities, established by Senate Resolution 21, Ninety-fourth Congress.

(c) The select committee shall report the results of the study provided for by this section to the Senate, together with any recommendations for legislative or other actions it deems appropriate, no later than July 1, 1977, and from time to time thereafter as it deems appropriate.

SEC. 14. (a) As used in this resolution, the term "intelligence activities" includes (1) the collection, analysis, production, dissemination, or use of information which relates to any foreign country, or any government, political group, party, military force, movement, or other association in such foreign country, and which relates to the defense, foreign policy, national security, or related policies of the United States, and other activity which is in support of such activities; (2) activities taken to counter similar activities directed against the United States; (3) covert or clandestine activities affecting the relations of the United States with any foreign government, political group, party, military force, movement or other association; (4) the collection, analysis, production, dissemination, or use of information about activities of persons within the United States, its territories and possessions, or nationals of the United States abroad whose political and related activities pose, or may be considered by any department, agency, bureau, office, division, instrumentality, or employee of the United States to pose, a threat to the internal security of the United States, and covert or clandestine activities directed against such persons. Such term does not include tactical foreign military intelligence serving no national policymaking function.

(b) As used in this resolution, the term "department or agency" includes any organization, committee, council, establishment, or office within the Federal Government.

(c) For purposes of this resolution, reference to any department, agency, bureau, or subdivision shall include a reference to any successor department, agency, bureau, or subdivision to the extent that such successor engages in intelligence activities now conducted by the department, agency, bureau, or subdivision referred to in this resolution.

SEC. 15. For the period from the date this resolution is agreed to through February 28, 1977, the expenses of the select committee under this resolution shall not exceed $275,000, of which amount not to exceed $30,000 shall be available for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(i) of the Legislative Reorganization Act of 1946, expenses of the select committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the select committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 16. Nothing in this resolution shall be construed as constituting acquiescence by the Senate in any practice, or in the conduct of any activity, not otherwise authorized by law.

S. RES. 9

Resolved, That paragraph 7(b) of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"(b) Each meeting of a standing, select, or special committee of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee or subcommittee, as the case may be, determines by record vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

"(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

"(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;

"(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

"(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

"(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

"(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

"(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

Whenever any hearing conducted by any such committee or subcommittee is open to the public, that hearing may be broadcast by radio or television, or both, under such rules as the committee or subcommittee may adopt.".

SEC. 2. Section 133A(b) of the Legislative Reorganization Act of 1946, section 242(a) of the Legislative Reorganization Act of 1970, and sections 102 (d) and (e) of the Congressional Budget Act of 1974 are repealed.

Mr. MOYNIHAN. Mr. President, I rise to join the Senator from Arizona, Senator GOLDWATER, the distinguished chairman of the Select Committee on Intelligence, in submitting this report of the committee's activities during the 97th Congress.

As vice chairman of the select committee for those 2 years, I believe the report accurately reflects the work done by the committee.

The report is important because it is an opportunity for the Senate and the public to get some sense of the nature of the committee's oversight of the intelligence community. It is also important in that its compilation forces the committee to see where it has been these past 2 years and, implicitly, where it is headed.

We do well to recall the situation in 1976 when the select committee was established. Investigations had revealed that our intelligence agencies abused their authority. In addition, the intelligence community had experienced a 40-percent reduction in personnel in the previous decade. Yet the world was becoming an increasingly dangerous place as the Soviet Union was engaging in an unprecedented military buildup and the Third World presented new challenges to the interests of the United States. Not surprisingly, questions were raised about the ability of the CIA and its sister agencies to supply the President and his advisers the kind of information they need to steer a prudent course for American foreign policy.

During my 6 years on the committee, we have concentrated our efforts on two major tasks. The first of these was to establish effective mechanisms for insuring that the intelligence community stays within the bounds of the law and common decency. The second was to provide the resources necessary for rebuilding our intelligence capabilities. It is to be hoped that the readers of this report will cull from its somewhat cryptic and numerous pages a sense that these tasks are in large part being accomplished.

Mr. President, in 1972, I observed that the public life of our age seems dominated by the unexpected and the unforeseen, while the task of governing seems increasingly that of imposing some measure of order on this less than cosmic chaos. I referred to the task as one of coping—of striving or contending on equal terms with a measure of success. While my remarks then concerned the practice of Government in general, they are entirely applicable to the experience of the Select Committee on Intelligence. I think it can fairly be said that the committee has coped well with the issues it has addressed. But in citing the committee's accomplishments, there is no intent to imply a sense of complacency. Oversight is not a static process. We have lain only the first blocks in the reconstruction of our intelligence community, not the final edifice. We are still a young committee, and during its less than 7 years tenure, there has been a continual effort to identify ways to improve our oversight. This is the spirit in which the members of the committee will continue their work in the 98th Congress.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 86-380, appoints the Senator from Delaware (Mr. ROTH) and the Senator from Minnesota (Mr. DURENBERGER) to the Advisory Commission on Intergovernmental Relations.

The Chair, on behalf of the Vice President, pursuant to Public Law 83-420, appoints the Senator from New York (Mr. D'AMATO) to the Board of Directors of Gallaudet College.

The Chair, on behalf of the Vice President, pursuant to Public Law 81-754, appoints the Senator from Oregon (Mr. HATFIELD) to the National Historical Publications and Records Commission.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 94-118, appoints the Senator from Delaware (Mr. ROTH) to the Japan-United States Friendship Commission.

The Chair, on behalf of the President pro tempore, pursuant to Public Law 96-388, as amended by Public Law 97-84, appoints the following Senators to the U.S. Holocaust Memorial Council: The Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Missouri (Mr. DANFORTH), and the Senator from Kansas (Mr. DOLE).

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

Mr. PERCY. Mr. President, pursuant to the requirements of Senate Rule XXVI.2, I ask to have printed in the CONGRESSIONAL RECORD the rules of the Committee on Foreign Relations, for the 98th Congress, adopted by the Committee on February 22, 1983.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF THE COMMITTEE ON FOREIGN RELATIONS

RULE 1—JURISDICTION

(a) *Substantive.*—In accordance with Senate Rule XXV.1(j), the jurisdiction of the Committee shall extend to all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

1. Acquisition of land buildings for embassies and legations in foreign countries.
2. Boundaries of the United States.
3. Diplomatic service.
4. Foreign economic, military, technical, and humanitarian assistance.
5. Foreign loans.
6. International activities of the American National Red Cross and the International Committee of the Red Cross.
7. International aspects of nuclear energy, including nuclear transfer policy.
8. International conferences and congresses.
9. International law as it relates to foreign policy.
10. International Monetary Fund and other international organizations established primarily for international monetary purposes (except that, at the request of the Committee on Banking, Housing, and Urban Affairs, any proposed legislation relating to such subjects reported by the Committee on Foreign Relations shall be referred to the Committee on Banking, Housing, and Urban Affairs).
11. Intervention abroad and declarations of war.
12. Measures to foster commercial intercourse with foreign nations and to safeguard American business interests abroad.
13. National security and international aspects of trusteeships of the United States.
14. Ocean and international environmental and scientific affairs as they relate to foreign policy.
15. Protection of United States citizens abroad and expatriation.
16. Relations of the United States with foreign nations generally.
17. Treaties and executive agreements, except reciprocal trade agreements.
18. United Nations and its affiliated organizations.
19. World Bank group, the regional development banks, and other international organizations established primarily for development assistance purposes.

The Committee is also mandated by Senate Rule XXV.1(j) to study and review, on a comprehensive basis, matters relating to the national security policy, foreign policy, and international economic policy as it relates to foreign policy of the United States, and matters relating to food, hunger, and nutrition in foreign countries, and report thereon from time to time.

(b) *Oversight.*—The Committee also has a responsibility under Senate Rule XXVI. 8, which provides that ". . . each standing Committee . . . shall review and study, on a continuing basis, the application, administration, and execution of those laws or parts of laws, the subject matter of which is within the jurisdiction of the committee."

(c) *"Advice and Consent" Clauses.*—The Committee has a special responsibility to assist the Senate in its constitutional function of providing "advice and consent" to all treaties entered into by the United States and all nominations to the principal executive branch positions in the field of foreign policy and diplomacy.

RULE 3—MEETINGS

(a) *Regular Meeting Day.*—The regular meeting day of the Committee of Foreign Relations for the transaction of Committee business shall be on Tuesday of each week, unless otherwise directed by the Chairman.

(b) *Additional Meetings.*—Additional meetings and hearings of the Committee may be called by the Chairman as he may deem necessary. If at least three members of the Committee desire that a special meeting of the Committee be called by the Chairman, those members may file in the offices of the Committee their written request to the Chairman for that special meeting. Immediately upon filing of the request, the Chief Clerk of the Committee

shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of that special meeting. The Committee shall meet on that date and hour. Immediately upon the filing of the notice, the Clerk shall notify all members of the Committee that such special meeting will be held and inform them of its date and hour.

(c) *Minority Request.*—Whenever any hearing is conducted by the Committee or a subcommittee upon any measure or matter, the minority on the Committee shall be entitled, upon request made by a majority of the minority members to the Chairman before the completion of such hearing to call witnesses selected by the minority to testify with respect to the measure or matter during at least one day of hearing thereon.

(d) *Public Announcement.*—The Committee, or any subcommittee thereof, shall make public announcement of the date, place, time and subject matter of any hearing to be conducted on any measure or matter at least one week in advance of such hearings, unless the Chairman of the Committee, or subcommittee, determines that there is good cause to begin such hearing at an earlier date.

(e) *Procedure.*—Insofar as possible, proceedings of the Committee will be conducted without resort to the formalities of parliamentary procedure and with due regard for the views of all members. Issues of procedure which may arise from time to time shall be resolved by decision of the Chairman, in consultation with the Ranking Minority Member and with the advice of the Chief Clerk. The Chairman, in consultation with the Ranking Minority Member, may also propose special procedures to govern the consideration of particular matters by the Committee.

(f) *Closed Sessions.*—Each meeting of the Committee on Foreign Relations, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the Committee or a subcommittee on the same subject for a period of no more than fourteen calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated in paragraphs (1) through (6) would require the meeting to be closed followed immediately by a record vote in open session by a majority of the members of the Committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of Committees staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct; to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(6) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

A closed meeting may be opened by a majority vote of the Committee.

(g) *Staff Attendance.*—A member of the Committee may have one member of his or her personal staff, for whom that member assumes personal responsibility, accompany and be seated nearby at committee meetings.

Each member of the Committee may designate members of his or her personal staff, who hold a Top Secret security clearance, for the purpose of their eligibility to attend closed sessions of the Committee, subject to the same conditions set forth for Committee staff under Rules 12, 13, and 14.

In addition, the Majority Leader and the Minority Leader of the Senate, if they are not otherwise members of the Committee, may designate one member of their staff with a Top Secret security clearance to attend closed sessions of the Committee, subject to the same conditions set forth for Committee staff under Rules 12, 13 and 14. Staff of other Senators who are not members of the Committee may not attend closed sessions of the Committee.

Attendance of Committee staff at meetings shall be limited to those designated by the Staff Director or the Minority Staff Director.

The Committee, by majority vote, or the Chairman, with the concurrence of the Ranking Minority Member, may limit staff attendance at specified meetings.

RULE 4—QUORUMS

(a) *Testimony.*—For the purpose of taking sworn or unsworn testimony at any duly scheduled meeting a quorum of the Committee and each subcommittee thereof shall consist of one member.

(b) *Business.*—A quorum for the transaction of Committee or subcommittee business, other than for reporting a measure or recommendation to the Senate or the taking of testimony, shall consist of one-third of the members of the Committee or subcommittee, including at least one member from each party.

(c) *Reporting.*—A majority of the membership of the Committee shall constitute a quorum for reporting any measure or recommendation to the Senate. No measure or recommendation shall be ordered reported from the Committee unless a majority of the Committee members are physically present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of those members who are physically present at the time the vote is taken.

RULE 5—PROXIES

Proxies must be in writing with the signature of the absent member. Subject to the requirements of Rule 4 for the physical presence of a quorum to report a matter, proxy voting shall be allowed on all measures and matters before the Committee. However, proxies shall not be voted on a measure or matter except when the absent member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded.

RULE 6—WITNESSES

(a) *General.*—The Committee on Foreign Relations will consider requests to testify on any matter or measure pending before the Committee.

(b) *Presentation.*—If the Chairman so determines, the oral presentation of witnesses shall be limited to ten minutes. However, written statements of reasonable length may be submitted by witnesses and other interested persons who are unable to testify in person.

(c) *Filing of Statements.*—A witness appearing before the Committee, or any subcommittee thereof, shall file a written statement of his proposed testimony at least 48 hours prior to his appearance, unless this requirement is waived by the Chairman and the Ranking Minority Member following their determination that there is good cause for failure to file such a statement.

(d) *Expenses.*—Only the Chairman may authorize expenditures of funds for the expenses of witnesses appearing before the Committee or its subcommittees.

(e) *Requests.*—Any witness called for a hearing may submit a written request to the Chairman no later than twenty-four hours in advance for his testimony to be in closed or open session, or for any other unusual procedure. The Chairman shall determine whether to grant any such request and shall notify the Committee members of the request and of his decision.

RULE 7—SUBPENAS

(a) *Authorization.*—The Chairman or any other member of the Committee, when authorized by a majority vote of the Committee, when authorized by a majority vote of the Committee at a meeting or by proxies, shall have authority to subpoena the attendance of witnesses or the production of memoranda, documents, records, or any other materials. When the Committee authorizes a subpoena, it may be issued upon the signature of the Chairman or any other member designated by the Committee.

(b) *Return.*—A subpoena, or a request to an agency, for documents may be issued whose return shall occur at a time and place other than that of a scheduled Committee meeting. A return on such a subpoena or request which is incomplete or accompanied by an objection constitutes good cause for a hearing on shortened notice. Upon such a return, the Chairman or any other member designated by him may convene a hearing by giving two hours notice by telephone to all other members. One member shall constitute a quorum for such a hearing. The sole purpose of such a hearing shall be to elucidate further information about the return and to rule on the objection.

RULE 8—REPORTS

(a) *Filing.*—When the Committee has ordered a measure or recommendation reported, the report thereon shall be filed in the Senate at the earliest practicable time.

(b) *Supplemental, Minority and Additional Views.*—A member of the committee who gives notice of his intentions to file supplemental, minority, or additional views at the time of final Committee approval of a meas-

ure or matter, shall be entitled to not less than 3 calendar days in which to file such views, in writing, with the Chief Clerk of the Committee. Such views shall then be included in the Committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the Committee report may be filed and printed immediately without such views.

(c) *Rollcall Votes.*—The results of all rollcall votes taken in any meeting of the Committee on any measure, or amendment thereto, shall be announced in the Committee report. The announcement shall include a tabulation of the votes cast in favor and votes cast in opposition to each such measure and amendment by each member of the Committee.

RULE 9—TREATIES

(a) The Committee is the only committee of the Senate with jurisdiction to review and report to the Senate on treaties submitted by the President for Senate advice and consent. Because the House of Representatives has no role in the approval of treaties, the Committee is therefore the only congressional committee with responsibilitiy for treaties.

(b) Once submitted by the President for advice and consent, each treaty is referred to the Committee and remains on its calendar from Congress to Congress until the Committee takes action to report it to the Senate or recommend its return to the President, or until the Committee is discharged of the treaty by the Senate.

(c) In accordance with Senate Rule XXX.2, treaties which have been reported to the Senate but not acted on before the end of a Congress "shall be resumed at the commencement of the next Congress as if no proceedings had previously been had thereon."

(d) Insofar as possible, the Committee should conduct a public hearing on each treaty as soon as possible after its submission by the President. Except in extraordinary circumstances, treaties reported to the Senate shall be accompanied by a written report.

RULE 10—NOMINATIONS

(a) *Waiting Requirement.*—Unless otherwise directed by the Chairman and the Ranking Minority Member, the Committee on Foreign Relations shall not consider any nomination until six calendar days after it has been formally submitted to the Senate.

(b) *Public Consideration.*—Nominees for any post who are invited to appear before the Committee shall be heard in public session, unless a majority of the Committee decrees otherwise.

(c) *Required Data.*—No nomination shall be reported to the Senate unless (1) the nominee has been accorded a security clearance on the basis of a thorough investigation by executive branch agencies; (2) in appropriate cases, the nominee has filed a confidential statement and financial disclosure report with the Committee; (3) the Committee has been assured that the nominee does not have any interests which could conflict with the interests of the government in the exercise of the nominee's proposed responsibilities; (4), for persons nominated to be chief of mission, ambassador-at-large, or minister, the Committee has received a complete list of any contributions made by the nominee or members of his immediate family to any Federal election campaign during the year of his or her nomination and for the four preceding years; and (5) for persons nominated to be chiefs of mission, a report on the demonstrated competence of that nominee to perform the duties of the position to which he or she has been nominated.

RULE 11—TRAVEL

(a) *Foreign Travel.*—No member of the Committee on Foreign Relations or its staff shall travel abroad on Committee business unless specifically authorized by the Chairman, who is required by law to approve vouchers and report expenditures of foreign currencies, and the Ranking Minority Member. Requests for authorization of such travel shall state the purpose and, when completed, a full substantive and financial report shall be filed with the Committee within 30 days. This report shall be furnished to all members of the Committee and shall not be otherwise disseminated without the express authorization of the Committee. Except in extraordinary circumstances, staff travel shall not be approved unless the reporting requirements have been fulfilled for all prior trips. Except for travel that is strictly personal, travel funded by non-U.S. government sources is subject to the same approval and substantive reporting requirements as U.S. government-funded travel. In addition, members and staff are reminded of Senate Rule XXXV.4 requiring a determination by the Senate Ethics Committee in the case of foreign-sponsored travel.

Any proposed travel by committee staff for a subcommittee purpose must be approved by the subcommittee chairman and ranking minority member prior to submission of the request to the Chairman and Ranking Minority Member of the full committee.

When the Chairman and the Ranking Minority Member approve the foreign travel of a member of the staff of the Committee not accompanying a member of the Committee, all members of the Committee shall be advised, prior to the commencement of such travel, of its extent, nature, and purpose.

(b) *Domestic Travel.*—All official travel in the United States by the Committee staff shall be approved in advance by the Staff Director, or in the case of minority staff, by the Minority Staff Director.

(c) *Personal Staff.*—One member of the personal staff of a member of the Committee may travel with that member with the approval of the Chairman and the Ranking Minority Member of the Committee. During such travel, the personal staff member shall be considered to be an employee of the Committee.

RULE 12—TRANSCRIPTS

(a) *General.*—The Committee on Foreign Relations shall keep verbatim transcripts of all Committee and subcommittee meetings and such transcripts shall remain in the custody of the Committee, unless a majority of the Committee decides otherwise. Transcripts of public hearings by the Committee shall be published unless the Chairman, with the concurrence of the Ranking Minority Member, determines otherwise.

(b) *Classified or Restricted Transcripts.*—

(1) The Chief Clerk of the Committee shall have responsibility for the maintenance and security of classified or restricted transcripts.

(2) A record shall be maintained of each use of classified or restricted transcripts.

(3) Classified or restricted transcripts shall be kept in locked combination safes in the Committee offices except when in active use by authorized persons. They must never be left unattended and shall be returned to the Chief Clerk promptly when no longer needed.

(4) Except as provided in paragraph 7 below, transcripts classified secret or higher may not leave the Committee offices except for the purpose of declassification.

(5) Classified transcripts other than those classified secret or higher may leave the Committee offices in the possession of authorized persons with the approval of the Chairman. Delivery and return shall be made only by authorized persons. Such transcripts may not leave Washington, D.C. unless adequate assurances for their security are made to the Chairman.

(6) Extreme care shall be exercised to avoid taking notes or quotes from classified transcripts. Their contents may not be divulged to any unauthorized person.

(7) Subject to any additional restrictions imposed by the Chairman with the concurrence of the Ranking Minority Member, only the following persons are authorized to have access to classified or restricted transcripts:

(i) Members and staff of the Committee in the Committee rooms;

(ii) Designated personal representatives of members of the Committee, and of the Majority and Minority Leaders, with appropriate security clearances, in the Committee's Capitol office;

(iii) Senators not members of the Committee, by permission of the Chairman;

(iv) Members of the executive departments involved in the meeting, in the Committee's Capitol office, or, with the permission of the Chairman, in the offices of the officials who took part in the meeting, but in either case, only for a specified and limited period of time, and only after reliable assurances against further reproduction or dissemination have been given.

(8) Any restrictions imposed upon access to a meeting of the Committee shall also apply to the transcript of such meeting, except by special permission of the Chairman and notice to the other members of the Committee. Each transcript of a closed session of the Committee shall include on its cover a description of the restrictions imposed upon access, as well as any applicable restrictions upon photocopying, note taking or other dissemination.

(9) In addition to restrictions resulting from the inclusion of any classified information in the transcript of a Committee meeting, members and staff shall not discuss with anyone the proceedings of the Committee in closed session or reveal information conveyed or discussed in such a session unless that person would have been permitted to attend the session itself, or unless such communication is specifically authorized by the Chairman, the Ranking Minority Member, or in the case of staff, by the Staff Director or Minority Staff Director. A record shall be kept of all such authorizations.

(c) *Declassification.*—

(1) All restricted transcripts and classified Committee reports shall be declassified on a date twelve years after their origination unless the Committee by majority vote decides against such declassification, and provided that the executive departments involved and all former Committee members who participated directly in the sessions or reports concerned have been consulted in advance and given a reasonable opportunity to raise objections to such declassification.

(2) Any transcript or classified Committee report, or any portion thereof, may be declassified fewer than twelve years after their origination if:

(i) the Chairman originates such action or receives a written request for such action, and notifies the other members of the Committee; and

(ii) the Chairman, Ranking Minority Member, and each member or former member who participated directly in such meeting or report give their approval, except that the Committee by majority vote may overrule any objections thereby raised to early declassification; and

(iii) the executive departments and all former Committee members are consulted in advance and have a reasonable opportunity to object to early declassification.

RULE 13—CLASSIFIED MATERIAL

(a) All classified material received or originated by the Committee shall be logged in at the Committee's offices in the Dirksen Senate Office Building, and except for material classified as "Top Secret" shall be filed in the Dirksen Senate Building offices for Committee use and safekeeping.

(b) Each such piece of classified material received or originated shall be card indexed and serially numbered, and where requiring onward distribution shall be distributed by means of an attached indexed form approved by the Chairman. If such material is to be distributed outside the Committee offices, it shall, in addition to the attached form, be accompanied also by an approved signature sheet to show onward receipt.

(c) Distribution of classified material among offices shall be by Committee members or authorized staff only. All classified material sent to members' offices, and that distributed within the working offices of the Committee, shall be returned to the office designated by the Chief Clerk. No classified material is to be removed from the offices of the members or of the Committee without permission of the Chairman. Such classified material will be afforded safe handling and safe storage at all times.

(d) Material classified "Top Secret," after being indexed and numbered, shall be sent to the Committee's Capitol office for use by the members and authorized staff in that office only or in such other secure committee offices as may be authorized by the Chairman or Staff Director.

(e) In general, members and staff shall undertake to confine their access to classified information on the basis of a "need to know" such information related to their Committee responsibilities.

(f) The Staff Director is authorized to make such administrative regulations as may be necessary to carry out the provisions of these regulations.

RULE 14—STAFF

(a) *Responsibilities.*—

(1) The staff works for the Committee as a whole, under the general supervision of the Chairman of the Committee, and the immediate direction of the Staff Director; provided, however, that such part of the staff as is designated Minority Staff, shall be under the general supervision of the Ranking Minority Member and under the immediate direction of the Minority Staff Director.

(2) Any member of the Committee should feel free to call upon the staff at any time for assistance in connection with Committee business. Members of the Senate not members of the Committee who call upon the staff for assistance from time to time should be given assistance subject to the overriding responsibility of the staff to the Committee.

(3) The staff's primary responsibility is with respect to bills, resolutions, treaties, and nominations.

In addition to carrying out assignments from the Committee and its individual members, the staff has a responsibility to originate suggestions for Committee or subcommittee consideration. The staff also has a responsibility to make suggestions to individual members regarding matters of special interest to such members.

(4) It is part of the staff's duty to keep itself as well informed as possible in regard to developments affecting foreign relations and in regard to the administration of foreign programs of the United States. Significant trends or developments which might otherwise escape notice should be called to the attention of the Committee, or of individual Senators with particular interests.

(5) The staff shall pay due regard to the constitutional separation of powers between the Senate and the executive branch. It therefore has a responsibility to help the Committee bring to bear an independent, objective judgment of proposals by the executive branch and when appropriate to originate sound proposals of its own. At the same time, the staff shall avoid impinging upon the day-to-day conduct of foreign affairs.

(6) In those instances when Committee action requires the expression of minority views, the staff shall assist the minority as fully as the majority to the end that all points of view may be fully considered by members of the Committee and of the Senate. The staff shall bear in mind that under our constitutional system it is the responsibility of the elected Members of the Senate to determine legislative issues in the light of as full and fair a presentation of the facts as the staff may be able to obtain.

(b) *Restrictions.*—

(1) The staff shall regard its relationship to the Committee as a privileged one, in the nature of the relationship of a lawyer to a client. In order to protect this relationship and the mutual confidence which must prevail if the Committee-staff relationship is to be a satisfactory and fruitful one, the following criteria shall apply:

(i) Members of the staff shall not be identified with any special interest group in the field of foreign relations or allow their names be be used by any such group.

(ii) Members of the staff shall not accept public speaking engagements or write for publication in the field of foreign relations without specific advance permission from the Staff Director, or, in the case of minority staff, from the Minority Staff Director. In the case of the Staff Director and the Minority Staff Director, such advance permission shall be obtained from the Chairman or the Ranking Minority Member, as appropriate. in any event, such public statements should avoid the expression of personal views and should not contain predictions of future, or interpretations of past, Committee action.

(iii) Staff shall not discuss their private conversations with members of the Committee without specific advance permission from the Senator or Senators concerned.

(2) The staff shall not discuss with anyone the proceedings of the Committee in closed session or reveal information conveyed or discussed in such a session unless that person would have been permitted to attend the session itself, or unless such communication is specifically authorized by the Staff Director or Minority Staff Director. Unauthorized disclosure of information from a closed session or of classified information shall be cause for immediate dismissal and may, in the case of some kinds of information, be grounds for criminal prosecution.

RULE 15—STATUS AND AMENDMENT OF RULES

(a) *Status.*—In addition to the foregoing, the Committee on Foreign Relations is governed by the standing rules of the Senate which shall take precedence in the event of a clear inconsistency. In addition, the jurisdiction and responsibilities of the Committee with respect to certain matters, as well as the timing and procedure for their consideration in Committee, may be governed by statute.

(b) *Amendment.*—These Rules may be modified, amended, or repealed by a majority of the Committee, provided that a notice in writing of the proposed change has been given to each member at least 48 hours prior to the meeting at which action thereon is to be taken. However, rules of the Committee which are based upon Senate rules may not be superseded by Committee vote alone.

S. 145.—ACID RAIN CONTROL LEGISLATION

Mr. COHEN. Mr. President, I am pleased to cosponsor S. 145, legislation introduced by my colleague from Maine, Mr. MITCHELL, to control the spread of acid rain in the Northeast.

I cosponsored similar legislation in the last session of Congress, and want to commend my colleague for his persistent efforts in bringing this important and sensitive issue to the attention of the Senate and the Nation as a whole.

In November 1980, I addressed a conference on "Acid Rain and the Atlantic Salmon" and at that time indicated that the choices Congress makes on controlling the pollution of our atmosphere will determine the extent to which we can prevent an environmental disaster. This legislation provides us with the means to make intelligent choices, which will lead to an improved outlook for this Nation's wildlife, forests, and agriculture. By requiring a 10-million-ton reduction in sulfur dioxide emissions within 10 years of enactment of this legislation, S. 145 provides us with the tools with which we can carve out a better economic and environmental future.

We must act now on the issue of controlling acid rain, and the evidence exists overwhelmingly to support such action. A report published in September 1981 by the National Academy of Sciences concluded that the circumstantial evidence for the role played by powerplant emissions in the production of acid rain is plentiful. Since the publication of that report, additional evidence has been accumulated linking acid rain with crop damage, restricted timber growth, and the death of thousands of fishery habitats in the Northeastern United States.

The phenomenon of acid rain is by no means limited to this country. Canadian scientists have predicted the death of over 48,000 lakes in Canada over the next 20 years because of the effects of acid rain. Researchers in Sweden have estimated that forest growth in the Scandinavian peninsula has been reduced by 15 percent due to the acidification of the soil.

The evidence we have before us, though, hits very close to home. In my home State of Maine, it has been established that the acidity of the lakes in the State, which support valuable sport and commercial fishery activities, has increased eightfold since 1940. In the Adirondack Mountains of New York, 10 percent of the high-altitude lakes can no longer support fish life.

This kind of documented evidence supports the view that the problem of acid rain cannot be neglected any longer. The United States must join other nations of the world in acting to restrict harmful air pollutants. Our northern neighbor, Canada, has been looking to us for leadership on this matter, following on our earlier promises to make an effort to combat acid precipitation. There is no better time than the present to make good on our commitment.

According to the National Academy of Sciences study, the control of sulfur emissions is the key to the reduction in acidification of our soils and lakes. The evidence amassed over the past few years supports this conclusion, and the legislation I am cosponsoring provides the means to take on the responsibility of producing cleaner air.

I am pleased to have the opportunity once again to support such legislation, and I urge my colleagues to act quickly on S. 145.

WEST VIRGINIA STATE LEGISLATURE APPROVES A NUCLEAR WEAPONS MORATORIUM RESOLUTION

Mr. RANDOLPH. Mr. President, on February 25, I received a copy of West Virginia State Senate Resolution No. 8, memorializing Congress to adopt a resolution requesting the President of the United States to propose to the Union of the Soviet Socialist Republics a mutual and verifiable nuclear weapons moratorium.

The West Virginia State Senate passed the resolution on February 2, 1983, by a vote of 28 to 5. The West Virginia House of Delegates approved the same resolution on February 18, 1983, by a voice vote.

The alarming growth of nuclear weapons is a major concern to all of us. It is my belief that every American stands to lose or gain through the mechanisms we are able to set in place to assist us in preventing wars.

Mr. President, I ask unanimous consent that West Virginia State Senate Resolution No. 8 be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE CONCURRENT RESOLUTION No. 8

Memorializing Congress to adopt a resolution requesting the President of the United States to propose to the Union of Soviet Socialist Republics a mutual and verifiable nuclear weapons moratorium.

Whereas, The greatest challenge facing the earth is to prevent the occurrence of nuclear war by accident or design; and

Whereas, The nuclear arms race is dangerously increasing the risk of a holocaust which would be humanity's final war; and

Whereas, The United States of America and the Union of Soviet Socialist Republics already have a combined total arsenal in excess of fifty thousand nuclear weapons; and

Whereas, An all-out nuclear exchange between said two nations would result in the deaths of millions of Americans and Soviet citizens and would result, throughout the entire world, in death, injury and disease on a scale that has no precedent in the history of human experience; and

Whereas, There is widespread agreement that the United States of America and the Union of Soviet Socialist Republics currently have equal nuclear fighting capabilities with neither nation having a distinct advantage over the other; and

Whereas, An immediate halt in the testing, production and deployment of new nuclear weapons would help secure world peace and avoid the possibility of a nuclear conflagration and would save our nation, over the next ten years, billions of dollars in military expenditures, which savings could be used to help balance the federal budget, reduce taxes, create employment and improve human services; therefore, be it

Resolved by the Legislature of West Virginia, That the Congress of the United States adopt a resolution requesting that the President of the United States propose to the government of the Union of Soviet Socialist Republics a mutual and verifiable nuclear weapons moratorium by which the said two nations would agree to halt immediately the testing, production and deployment of all nuclear warheads, missiles and delivery systems; and, be it

Resolved further, That the West Virginia delegation to the Congress of the United States introduce such a resolution or join with other members of Congress in its introduction; and, be it

Resolved further, That copies of this resolution be sent to the Clerk and Speaker of the United States House of Representatives, the Secretary and Majority Leader of the United States Senate, and to each member of the West Virginia Congressional delegation.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PROPOSED BLOCK GRANT LEGISLATION—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 18

Under the authority of the order of the Senate of Thursday, February 24, 1983, the Secretary of the Senate, on February 24, 1983, during the recess of the Senate, received the following message from the President of the United States, together with accompanying papers; which was ordered to lie on the table:

To the Congress of the United States:

I am transmitting to the Congress today four pieces of legislation: the State Fiscal Assistance Block Grant Act; the Local Fiscal Assistance Block Grant Act of 1983; the Federalism Block Grant Highway Act of 1983; and the Rural Housing Block Grant Act.

These four proposals represent a continuation and expansion of the efforts of my Administration to return authority, responsibility and revenue resources to State and local governments.

In my January 25, 1983 State of the Union message, I indicated that I would be sending to the Congress shortly a comprehensive federalism proposal that will continue our efforts to restore to State and local governments their roles as dynamic laboratories of change in a creative society. We have now completed our work on this effort and it is embodied in these four proposed bills.

Therefore, I am requesting today that these bills be referred to the appropriate committees and I urge their early enactment.

THE NEED FOR CHANGE

In a 1957 speech to the National Governors' Conference, President Eisenhower sounded the first words of caution about the trend toward increased central government control. He said:

"Our governmental system, so carefully checked, so delicately balanced, with power fettered and people free, has survived longer than any other attempt to conduct group affairs by the authority of the group itself. Yet, a distinguished American scholar has only recently counseled us that in the measurable future, if present trends continue, the states are sure to degenerate into powerless satellites of the

national government in Washington. That this forecast does not suffer from lack of supporting evidence, all of us know full well. The irony of the whole thing is accentuated as we recall that the national government was itself not the parent, but the creature of the states acting together. Yet today it is often made to appear that the creature, Frankenstein-like, is determined to destroy the creator.

Had he known how prophetic his statement was, his rhetoric undoubtedly would have been far stronger. During the two decades following the Eisenhower Administration, the Federal government increasingly encroached on state and local prerogatives. Narrow and restrictive Federal grant-in-aid programs grew from under 50 to over 500, pervading such obviously local concerns as rat control and sewer extensions. The dollar amount usurped from State and local treasuries to finance these programs ballooned from $7 billion in 1960 to $95 billion in 1981. With increased Federal dollars came suffocating Federal control. Lost was the efficiency and accountability of local spending priorities.

A generation of governors, state legislators, mayors and county officials began to echo President Eisenhower's sentiments throughout the 1960's and 1970's. They came to realize that the mushrooming Federal programs reflected the fact that Presidents and Congresses failed to trust State and local officials as their partners in our Federal system.

The Federal government had too much control, many felt. Programs lacked flexibility. Regulations were restrictive. Federal mandates were depleting State and local treasuries. Expenditures were being made for programs that were not really needed in particular localities. In short, State and local officials believed that they were more capable of making more prudent decisions to run their own jurisdictions than Federal bureaucrats. They started calling for a reordering of priorities and a sorting out of responsibilities among the various levels of government.

INITIATIVES IN 1981–82

During the past two years, hundreds of decisions and proposals have been made by my Administration in an effort to restore balance to our Federal system.

For example, throughout the economic recovery program, which I proposed in 1981, there was the underlying theme of federalism. The spending reductions were a reordering of priorities so that the national budget would address truly national needs. The tax cuts addressed the problem created by the Federal government usurping revenue sources which otherwise would have been available to State and local governments and to individuals. And the regulatory relief effort was directed in large part to removing the regulatory manacles which bind State and local governments.

In a more direct assault on Federal usurpation, we proposed the consolidation of scores of narrow and restrictive categorical grant-in-aid programs into seven broad block grants. The package which was ultimately passed by the Congress, and which I signed, consolidated 57 programs into nine block grants. It is estimated that these block grants resulted in a reduction of 5.4 million manhours (83%) in FY '82 for State and local officials and 5.9 million manhours (91%) in subsequent years from the level required to administer the predecessor categorical programs.

This block grant effort continued in 1982, with enactment of the Job Training Partnership Act and the Urban Mass Transportation Block Grant.

Many other initiatives were taken on the federalism front.

—Of the 119 regulatory reviews targeted by the Task Force on Regulatory Relief, 35 were directed to State and local governments.

—For the first time in many years, the Executive branch actively participated in the Advisory Commission on Intergovernmental Relations (ACIR).

—I created a Federalism Advisory Committee chaired by Senator PAUL LAXALT (R-Nevada). The work of that committee has now been completed and its suggestions have been incorporated into the package which I am today sending to the Congress.

—At the White House, we have pursued an active outreach effort with State and local officials. Personally, I have met with more than 1,000 such officials in the White House during 1981 and 1982.

Finally, early in 1982, I proposed the outline of a major Federalism Initiative. I stated at the time that my package was just a conceptual framework and that I wanted to work out the details following extensive consultation with State and local officials. The process which followed was unprecedented, and I want to thank the many State and local officials who assisted me in the development of the legislation. The package which I am sending to the Congress today reflects the input which we received from State and local officials throughout 1982 and early 1983.

THE 1983 FEDERALISM INITIATIVE

These legislative proposals would consolidate 34 programs into four mega-block grants. The Administration's budget request for these programs for FY '84 is approximately $21 billion.

The following programs would be consolidated into the four mega-block grants.

STATE BLOCK GRANT

Rehabilitation Services.
Vocational Education.
Adult Education.
State Education Block Grant (ECIA, Chapter 2).
WIN.
Low-Income Home Energy Assistance.
Social Services Block Grant.
Community Services Block Grant.
ADAMHA Block Grant.
MCH Services Block Grant.
Rural Water and Waste Disposal Grants (FmHA).
Water and Sewer Facility Loans (FmHA).
Community Facility Loans (FmHA).
CDBG—Non-Entitlement Portion.
Grants for the Construction of Municipal Waste Water Treatment Works (EPA).
Child Welfare Services.
Child Welfare Training.
Adoption Assistance.
Foster Care.
Prevention Health and Health Services Block Grant.
Child Abuse State Grants.
Runaway Youth.

FEDERAL-LOCAL BLOCK GRANT

General Revenue Sharing.
CDBG—Entitlement Portion.

TRANSPORTATION BLOCK GRANT

Urban System.
Secondary System.
Non-Primary Bridges.
Highway Safety (FHWA 402 Grants).
Hazard Elimination.
Rail-Highway Crossing.

RURAL HOUSING BLOCK GRANT

Rural Housing Insurance Fund.
Very Low-Income Repair Grants.
Mutual and Self-Help Grants.
Rental Assistance Program.

This is a five-year program. It would guarantee funding for the programs turned back at the level enacted for FY '84. This funding level would remain in effect through FY '88.

This will provide a stable and certain funding source for State and local governments. It is *not* a vehicle for budgetary savings.

During this five-year period we will carefully monitor the block grants and determine whether it would be feasible to return revenue sources, such as Federal excise taxes or a percentage of the Federal income tax, to State and local governments along with the programs in the block grants. I will appoint a presidential commission to review this issue and to provide recommendations to me.

The proposals have been drafted to avoid dislocations on State and local governments. For example:

—For the Federal-State and Federal-Local block grants, beginning on October 1, 1983, a recipient could take 20 percent of the money from the program and spend it any-

where else within the block. This percentage would increase to 40%, 60%, 80%, and finally 100% in each of the succeeding four fiscal years. Thus, in fiscal year 1988, a recipient would be able to spend 100 percent of the dollars in each block for any of the purposes within the block.

—In the Federal-State block grant, for programs where Federal dollars go to the States but are passed through to some degree by the State to local units of government, each State would be required to pass through the percentage that was available to localities in fiscal years 1981, 1982 and 1983 in that program.

—States would be required to have meaningful consultations with local officials prior to final decisions on the distribution of these pass-through funds.

—For three Farmer's Home Administration (FmHA) programs—rural water and sewer grants, water and sewer loans, and community facility loans—100% of these FmHA program funds will be passed through State governments directly to rural communities of less than 10,000 in population. In addition, at least 70% of the "small cities" funds of the Community Development Block Grant program will be apportioned to communities of less than 20,000 in population.

Implicit in the Federal-local block grant is the assumption that revenue sharing would be reauthorized for 5 years at the current funding level of $4.6 billion annually.

Allocations to States for each program included in the State block grant, would be based on the historical program shares (FY '81-'83), or on the basis of formula allocations.

Funding for the Federal-State block grant would come from three Federal excise taxes on alcohol, tobacco, and telephones. The transportation block grant would be funded by part of the Federal gasoline tax.

The swap of federalization of Medicaid for State assumption of AFDC and Food Stamps, which was included in my January, 1982 framework has been dropped from the package. Reform of these three programs will be considered on a separate track.

Many of the more controversial programs in the original package (such as child nutrition, handicapped education, urban development action grants and others) have been dropped from the initiative.

The block grants include vastly reduced Federal strings and regulations. I strongly urge Congress to provide the flexibility in the programs that State and local officials need and deserve.

I request that Congress give these legislative proposals its immediate attention. With the help of the Congress, we can make government work more effectively for all Americans.

RONALD REAGAN.

THE WHITE HOUSE, *February 24, 1983.*

NATURAL GAS CONSUMER REGULATORY REFORM AMENDMENTS OF 1983—MESSAGE FROM THE PRESIDENT—PM 19

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

I am pleased to transmit to the Congress today proposed legislation entitled the "Natural Gas Consumer Regulatory Reform Amendments of 1983." The proposal is designed to benefit consumers by creating a system in which gas prices can be responsive to the pressures of the market. Also attached is an associated Statement which I have issued today.

RONALD REAGAN.

THE WHITE HOUSE, *February 28, 1983.*

HEALTH INCENTIVE REFORM PROGRAM—MESSAGE FROM THE PRESIDENT—PM 20

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Finance:

To the Congress of the United States:

I am today transmitting to the Congress legislation comprising the Health Incentives Reform program. This legislation reforms health care financing policies to constrain rising health care costs and to keep high quality health care affordable for all Americans. Because of the coming shortage in the Medicare Trust Fund, prompt action is particularly important.

This legislative package addresses the underlying causes of excessive increases in health costs: The perverse incentives operating in the market for health services. Cost-based reimbursement, poorly structured cost-sharing, and open-ended tax subsidies for health insurance have contributed to inefficiency and inflation in the health sector. Our proposals correct these incentives. Our plan involves all participants in the health care market in restructuring financing and service delivery arrangements: Providers and patients, physicians and hospitals, and beneficiaries of public programs as well as privately insured workers. Thus it shares the responsibility for bringing down health care costs fairly among all segments of society.

THE HEALTH CARE COST PROBLEM

The need for action now is clear. Health care costs are climbing so fast they may soon threaten the quality of care and access to care which Americans enjoy. In 1982 health care costs went up almost three times the national inflation rate. Taxpayers have seen Federal outlays for Medicare and Medicaid go up nearly 600 percent since 1970. Health care funding is one of the fastest-rising expenditures in the Federal budget. The cost of health insurance rose 15.9 percent in 1982, the biggest increase ever. Health care costs are consuming a growing portion of the Nation's output: 10.5 percent of GNP in 1982, compared with 5.9 percent in 1965.

The cost of the average hospital stay jumped from $316 in 1965 to $2,168 in 1981. American taxpayers (mainly through Medicare and Medicaid) pay a large part of those costs: 40 percent of all hospital bills.

Rising health care costs are a problem that affects everyone. The elderly, who are covered by Medicare, face the threat of catastrophic illness expense, against which Medicare offers no protection. The poor on Medicaid have seen coverage reduced as States have been forced by rising costs to make cutbacks. Workers with employment-based health insurance have received lower cash wages, because of the unchecked cost increases for health benefits. Americans pay for health care costs in other hidden forms, including higher costs for the merchandise they buy, since the costs of employee health care benefits must be included in the price of products.

As is the case with many of our national difficulties, past Federal policy has been a part of the problem. These policies have thwarted normal incentives for efficiency in health care.

—Medicare's cost-based system has actually rewarded inefficiency by paying more to less efficient, higher cost hospitals.

—Cost sharing in Medicare has been backwards. Those who are less ill, and could act to keep their hospital stays shorter have been given no cost incentive to do so, and severely ill patients have been penalized with high cost sharing and no catastrophic coverage.

—Federal tax policy has created a bias for high priced medical coverage instead of wages, since employer contributions to health care benefits are not treated as income to the employee.

—Federal health care programs have made too little use of competitive bidding practices.

—Medicare beneficiaries have been unable to enroll in efficient private health plans.
—Unnecessary regulations have added to higher costs in past years.

THE ELEMENTS OF HEALTH INCENTIVES REFORM

The Health Incentives Reform package contains a number of specific provisions which address each facet of our multi-pronged strategy. First, it initiates Medicare coverage for the catastrophic costs of lengthy hospital stays and improves Medicare's cost-sharing provisions. These reforms encourage efficiency while reducing the cost burden on the severely ill.

The plan establishes a prospectively-set hospital rate structure under Medicare that rewards cost-effective hospital practices. This contrasts with the traditional Medicare policy of reimbursing hospitals retrospectively for whatever "reasonable" costs they incurred.

The plan limits the open-ended tax subsidy of relatively high-cost private health plans, which biases employee compensation towards elaborate health coverage instead of cash wages.

The plan expands opportunities for Medicare beneficiaries to use their benefits to enroll in private health plans as an alternative to traditional Medicare coverage.

The plan freezes payments to physicians under Medicare's reasonable charge system for one year at 1983 levels.

The plan provides for gradual yearly increases in the Medicare Part B premium and deductible once again to cover a sufficient portion of the program's costs through beneficiary payments.

The plan expands authority under Medicare for the use of competitive bidding procedures and other cost efficient approaches for the purchase of laboratory services, durable medical equipment, and other non-physician services and supplies. Furthermore, payment for durable medical equipment provided through home health agencies would be limited to 80 percent, the same percentage covered by Medicare under other circumstances.

A provision of the plan will entitle the elderly to Medicare benefits on the first day of the full month that individuals meet all eligibility conditions. At present, entitlement begins on the first day of the month in which an individual meets the conditions for only one day. This proposal is consistent with initial Social Security eligibilities for individuals who attain age 62. Also, most private insurance coverage now remains in effect until Medicare coverage begins; thus most beneficiaries would not be affected.

Finally, the plan makes two changes in Medicaid. The reduction in Federal payments to States authorized by the Omnibus Budget Reconciliation Act of 1981 would be extended beyond 1984 for an indefinite period. The reduction would be cut, however, from 4.5 percent to 3 percent. In addition, Medicaid beneficiaries would have to make nominal copayments for outpatient visits and hospital stays.

Our legislative package contains additional Medicare and Medicaid provisions to strengthen program management, simplify requirements for program participation, produce savings in program spending, and reduce waste, fraud and abuse in these programs.

MEDICARE CATASTROPHIC COVERAGE AND COSTS-SHARING REFORM

The "Medicare Catastrophic Hospital Costs Protection Act of 1983" improves coverage for long and expensive hospitalizations and introduces modest coinsurance on the initial days of hospitalization.

The current Medicare Hospital Insurance program neither adequately protects beneficiaries in cases of prolonged illness, nor provides financial incentives to minimize unnecessary utilization of services. Medicare covers only 90 to 150 days of hospitalization during a spell of illness (depending on whether a "lifetime reserve" of 60 days has been previously exhausted), even if additional hospitalization is clearly warranted. After the 60th day, cost sharing becomes onerous. Patients pay 25 percent of the inpatient hospital deductible ($88/day) for the 61st to 90th day and 50 percent ($175/day) for lifetime reserve days. On the other hand, after a deductible is paid for the first day, no coinsurance at all is imposed until the 61st day of hospitalization, eliminating any financial incentive for the beneficiary to leave a hospital as soon as it is medically advisable to do so.

The bill provides Medicare reimbursement for unlimited days of hospitalization under the Medicare Hospital Insurance program. At the same time, the bill imposes coinsurance for a maximum of 60 days annually (8 percent of the inpatient hospital deductible for the 2d through 15th day of a spell of illness and 5 percent thereafter) to encourage beneficiary cost-consciousness and the efficient use of health resources. The bill also limits to two the number of inpatient hospital deductibles that could be imposed annually (no matter how many spells of illness occur) and reduces the skilled nursing facility coinsurance rate from 12.5 to 5 percent of the inpatient hospital deductible.

PROSPECTIVE PAYMENT FOR INPATIENT HOSPITAL SERVICES UNDER MEDICARE

The "Medicare Prospective Payment Rates Act" will establish Medicare as a prudent buyer of services and will ensure for both hospitals and the Federal government a predictable payment for services. This system of payment can be implemented in October, 1983.

Medicare traditionally paid hospitals retrospectively determined reasonable costs. This system essentially paid hospitals for whatever they spent. There were, therefore, weak incentives for hospitals to conserve costs and operate efficiently. It is not surprising that under this system hospital expenditures have been and are continuing to increase rapidly. Medicare expenditures for hospital care have increased 19 percent annually from 1979 to 1982. The cost of a service varies substantially from hospital to hospital.

The Tax Equity and Fiscal Responsibility Act (TEFRA) changed this system of hospital reimbursement by placing limits on what hospitals could be paid. My proposal builds upon the TEFRA improvements. This bill establishes a system of prospectively determined rates which will foster greater efficiency in the provision of hospital services. Medicare payments for operating costs will be specifically related to the patient's condition, but will not vary from hospital to hospital (except to allow for differences in area wage rates). Rates will be set for each of 467 diagnosis-related groups. Capital expenditures and medical education costs will be excluded initially from the calculation of basic payments and reimbursed separately. Additional payments will be made for unusual cases involving exceptionally long hospital stays.

To the extent that a hospital operates efficiently it would earn a surplus, and to the extent it operates inefficiently it would show a deficit. Hospitals with higher costs will not be able to pass on extra costs to Medicare beneficiaries and thus will face strong incentives to make cost-effective changes in practices.

CHANGES IN THE TAX TREATMENT OF EMPLOYER CONTRIBUTIONS TO HEALTH PLANS

The Health Costs Containment Tax Act of 1983 is designed to encourage employers to provide an adequate level of health benefits to their employees, while eliminating the open-ended tax preference for health benefits over cash wages.

Under current tax law an employer's contribution to an employee's health plan is not included in the employee's gross income. This bill will limit tax-free health benefits paid by an employer to $175 per month for a family plan and $70 per month for individual coverage. These limits will be indexed to increase yearly in proportion to the Consumer Price Index. Employer contributions above these amounts will be included in the employee's income and taxed (income and Social Security) accordingly. Thus, individuals can choose to purchase as much health insurance as they wish with after-tax dollars, but the tax laws will not subsidize the purchase of unlimited health insurance.

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Elaborate health benefits funded with tax-free, employer-paid contributions are inflationary—they insulate consumers, providers, and insurers from the cost consequences of health care decisions. By doing so, they contribute both to the persistence of inefficient forms of health care financing and delivery and to overuse of health services. The limit on tax-free benefits will help to alleviate these problems while allowing employers to provide adequate tax-free coverage to protect an employee against the serious financial consequences of illness. Employees will be free to purchase more comprehensive health care coverage with after-tax dollars.

The proposal will be effective on January 1, 1984, except with respect to collective bargaining agreements in effect on January 31, 1983, which will not be subject to the new rules until the earlier of January 31, 1986, or the first date on which such agreement is reopened after January 31, 1983.

OPTIONAL MEDICARE VOUCHER

The provision of the Health Incentive Reform package that creates an opportunity for Medicare beneficiaries to enroll in alternative health plans is contained in the "Medicare Voucher Act of 1983."

Last year Congress, with the support of my Administration, amended the Medicare statute to permit payments on a risk basis to HMOs and other competitive medical plans that provide Medicare beneficiaries with coverage at least as extensive as the Medicare benefit package. The optional voucher provision will build on current law by allowing Medicare beneficiaries to use Medicare benefits to enroll in a wider array of private health plans. Medicare will contribute an amount equal to 95 percent of what it would have cost to care for the beneficiary if he or she had elected traditional Medicare coverage. If a beneficiary selects a private health plan with a premium lower than Medicare's contribution, the beneficiary will be eligible for a cash rebate from the private plan. If, on the other hand, the private plan costs more than Medicare's contribution, the beneficiary must pay the difference.

Enrollment in a private health plan will be voluntary. Once a year, beneficiaries will have the opportunity to switch private health plans or to elect traditional Medicare coverage. A qualified health plan may be an HMO, an indemnity insurer, or a service benefit plan. All private plans must cover, at a minimum the services provided under Parts A and B of Medicare, and must participate in a coordinated annual open enrollment period.

MEDICARE PHYSICIAN PAYMENT FREEZE AND HOSPITAL REIMBURSEMENT LIMITS

The other provisions of this package are contained in the "Health Care Financing Amendments of 1983."

Medicare customary and prevailing charges for physician services will be held at 1983 levels for one year beginning in July, 1984. Under current law prevailing charges would otherwise be increased in July, 1984, by the annualized 1984 value of the Medicare Economic Index while increases in customary charges would not be constrained. This limit is consistent with other steps contained in the Budget to reduce the structural deficit.

The Tax Equity and Fiscal Responsibility Act (TEFRA) limited the increase in hospital expenditures under Medicare to the increase in the cost of goods and services hospitals purchase (the hospital "market basket index") plus one percent. This provision amends TEFRA to limit the rate of increase in hospital expenditures for fiscal year 1984 only to the increase in the hospital market basket index.

These proposals are part of a government-wide freeze aimed at reducing the Federal deficit. Medicare spending for physicians increased by 21 percent in 1982 and is expected to rise by 19 percent in 1983 and 17 percent in 1984. As mentioned earlier, Medicare hospital expenditures have grown at comparable rates. In this time of fiscal crisis, we must ask all participants in the health care market, physicians, hospitals, and program beneficiaries, to do their part in slowing increases in spending.

GRADUATED INCREASES IN THE SUPPLEMENTARY MEDICAL INSURANCE (SMI) OR PART B PREMIUM

This provision will freeze the Part B premium at the present $12.20 per month for the remainder of 1983, instead of increasing it to $13.50 in July as was previously announced. The delay coincides with the delay in the cost-of-living increase for Social Security recommended by the National Commission on Social Security.

In January 1984, the Part B premium will be set at 25 percent—the percentage specified in current law—of program costs for aged beneficiaries for that calendar year. Over the next 4 years, the Part B premium will be increased 2.5 percentage points each year, to reach 35 percent of program costs for the elderly in January 1988. Thereafter, the premium for each calendar year would be set at 35 percent of program costs (the actuarially adequate rate) for the elderly for that year. When Medicare began, Congress envisioned that the elderly would bear 50 percent of SMI costs and the law initially required that SMI costs be equally financed by the general taxpayer and the users of SMI services.

By gradually raising the SMI premium to 35 percent of program costs, this provision provides for a more equitable balance between general revenue and premium financing of Medicare Part B.

INDEXING THE PART B DEDUCTIBLE

The Part B deductible will be increased in January of each year based on annual changes in the Medicare Economic Index. This provision would maintain the constant dollar value of the deductible.

The 1981 Reconciliation Act increased the Part B deductible from $60 to $75. Before this amendment, the deductible had remained at $60 since 1972, despite a 250 percent increase in program reimbursements per aged enrollee between 1972 and 1981.

Current law does not provide for future increases in the deductible. As a result, the initial beneficiary liability for medical services will decrease in real terms over time and these costs will be shifted to the Federal government. Furthermore, the value of the deductible as a deterrent to unnecessary utilization will again diminish.

OTHER PROPOSALS

The legislation I am submitting today includes other items, all of which are designed to make Medicare and Medicaid more effective and efficient programs. They include, among others, proposals for competitive purchasing for laboratory services and durable medical equipment and reimbursement charges for certain Medicare services.

NOMINAL MEDICAID COPAYMENTS

This provision requires States to impose nominal copayments on all Medicaid beneficiaries for hospital, physician, clinic, and outpatient department services. Specifically, the categorically needy would have to pay $1 per day for hospital services and $1 per visit for physician or outpatient services. The medically needy would have to pay $2 per for hospital services and $1.50 per visit for physician services. Beneficiaries who are enrolled in HMOs or who are institutionalized would be exempt from all copayment requirements.

First-dollar insurance coverage, such as that which Medicaid provides, leaves the consumer with virtually no financial incentive to question the need for services. Services that are totally free are likely to be overutilized. If patients share in some of the costs, they and their physicians will reduce unnecessary or marginal utilization. There is substantial evidence that cost-sharing can reduce health care costs, mostly by reducing unnecessary utilization.

BUDGETARY EFFECT OF THE HEALTH INCENTIVES REFORM PACKAGE AND OTHER MEDICARE AND MEDICAID PROVISIONS

These provisions will have a substantial impact on reducing the size of the Federal budget and the Federal deficit. In fiscal year 1984 this legislative package will have a cumulative budgetary impact of $4.2 billion: the net Medicare impact of spending reductions and premium increases is a budg-

etary reduction of $1.7 billion; Federal Medicaid spending reductions amount to $256 million, and increased tax revenues from the change in the tax treatment of employer-paid health benefits amount to $2.3 billion. These savings are sustained and, in fact, grow in subsequent years.

The legislation that we are advancing today reflects our most thoughtful effort to address and reform the basic economic incentives that operate in the health care sector. Since health care now represents over 10 percent of our Nation's Gross National Product and is growing as a proportion of GNP each year, the enormous task of structural reform is well worth undertaking. As I mentioned earlier, we have taken great care to devise a legislative package that shares the responsibility for such reform and the burden of reductions in health care financing fairly among all segments of our society. The distribution of budgetary savings among workers and Medicare and Medicaid beneficiaries confirms our efforts in this regard.

Our need to constrain the growth of our national spending for health care in the interests of a healthy and stable economy is urgent. Regulatory approaches to health care cost containment tried previously have proven ineffective and sometimes counterproductive to this goal. I urge you to join me in facing the challenge before us and consider favorably our approach to health incentives reform.

RONALD REAGAN.

THE WHITE HOUSE, *February 28, 1983.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-284. A communication from the Chairman of the U.S. International Trade Commission, transmitting a draft of proposed legislation to provide authorization of appropriations for the U.S. International Trade Commission for fiscal year 1984; to the Committee on Finance.

EC-285. A communication from the Acting Secretary of State, transmitting, pursuant to law, the status of certain loan guarantees to Poland; to the Committee on Foreign Relations.

EC-286. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60 days prior to February 3, 1983; to the Committee on Foreign Relations.

EC-287. A communication from the District of Columbia Auditor, transmitting, pursuant to law, reports of the District of Columbia Auditor on the District of Columbia Boxing and Wrestling Commission annual report and the report of the Advisory Neighborhood Commission; to the Committee on Government Affairs.

EC-288. A communication from the Director of the Office of Personnel Management, a report on the Senior Executive Service; to the Committee on Governmental Affairs.

EC-289. A communication from the Chairman of the Merit Systems Protection Board transmitting, pursuant to law, the annual report of Board for calendar year 1981; to the Committee on Governmental Affairs.

EC-290. A communication from the Acting Assistant Secretary of the Interior for Indian Affairs transmitting, pursuant to law, a plan for the use of the judgment funds of the Choctaw Nation; to the Select Committee on Indian Affairs.

EC-291. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Inconsistencies in Administration of the Criminal Justice Act"; to the Committee on the Judiciary.

EC-292. A communication from the Chairman of the Federal Maritime Commission transmitting, pursuant to law, the 1982 report of the Commission under the Freedom of Information Act; to the Committee on the Judiciary.

EC-293. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to amend the maternal and child health block grant; to the Committee on Labor and Human Resources.

EC-294. A communication from the Secretary of Agriculture transmitting, pursuant to law, annual evaluation reports by the Forest Service relative to forest and rangeland renewable resources planning; to the Committee on Agriculture, Nutrition, and Forestry.

EC-295. A communication from the Assistant Secretary and Chairperson of the National Advisory Council on Maternal, Infant, and Fetal Nutrition, Department of Agriculture, transmitting, pursuant to law, the 1982 report of the Council; to the Committee on Agriculture, Nutrition, and Forestry.

EC-296. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to provide that the Commandant of the Marine Corps shall be a member of the Armed Forces Policy Council; to the Committee on Armed Services.

EC-297. A communication from the Principal Deputy Assistant Secretary of Defense (Comptroller) transmitting, pursuant to law, the fourth quarterly report for 1982 on the value of property, supplies, and commodities provided by the Berlin Magistrate and under the German Offset Agreement; to the Committee on Armed Services.

EC-298. A communication from the Under Secretary of Defense for Research and Engineering transmitting, pursuant to law, a report on funds obligated for defense research in chemical warfare and biological defense research; to the Committee on Armed Services.

EC-299. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, descriptions of country-to-country and multinational agreements entered into by each Military Department during fiscal 1982 and expected to be in effect in fiscal 1983; to the Committee on Armed Services.

EC-300. A communication from the Chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the monetary policy report pursuant to the Full Employment and Balanced Growth Act of 1978; to the Committee on Banking, Housing, and Urban Affairs.

EC-301. A communication from the General Counsel of the Federal Emergency Management Agency transmitting a draft of proposed legislation authorizing appropriations for the conduct of flood studies; to the Committee on Banking, Housing, and Urban Affairs.

EC-302. A communication from the General Counsel of the Federal Emergency Management Agency transmitting a draft of proposed legislation to extend the national flood insurance program; to the Committee on Banking, Housing, and Urban Affairs.

EC-303. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Improving Medicare and Medicaid Systems To Control Payments for Unnecessary Physicians' Services"; to the Committee on Finance.

EC-304. A communication from the President of the National Railroad Passenger Corporation transmitting, pursuant to law, the Amtrak Legislative Report; to the Committee on Commerce, Science, and Transportation.

EC-305. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "An Analysis of Natural Gas Pricing Policy Alternatives"; to the Committee on Energy and Natural Resources.

EC-306. A communication from the Assistant Secretary of the Interior transmitting, pursuant to law, financial statements for the Colorado River Basin project for 1982;

EC-307. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on oil and gas lease sale No. 57; to the Committee on Energy and Natural Resources.

EC-308. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report entitled "Controlling Emissions From Light-Duty Motor Vehicles at Higher Elevations"; to the Committee on Environment and Public Works.

EC-309. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on the Agency's 5-year plan for research, development, and demonstration; to the Committee on Environment and Public Works.

EC-310. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, a report on the Soil Conservation Service's plan for the Elk Creek Watershed, Kans.; to the Committee on Environment and Public Works.

EC-311. A communication from the Acting Director of the U.S. Arms Control and Disarmament Agency transmitting a draft of proposed legislation authorizing appropriations for the Agency; to the Committee on Foreign Relations.

EC-312. A communication from the Secretary of the Treasury transmitting a draft of proposed legislation to provide for increased U.S. participation in the African development fund; to the Committee on Foreign Relations.

EC-313. A communication from the Director, Office of Legislative Affairs, AID, transmitting, pursuant to law, a report on the Egyptian economy and debt repayment prospects; to the Committee on Foreign Relations.

EC-314. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international

agreements, other than treaties, entered into by the U.S. within the previous 60 days; to the Committee on Foreign Relations.

EC-315. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-3; to the Committee on Governmental Affairs.

EC-316. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports issued by the General Accounting Office for the month of January 1983; to the Committee on Governmental Affairs.

EC-317. A communication from the Chief, Insurance and Debt Management, Executive Secretariat, Air Force Welfare Board, transmitting, pursuant to law, the annual report on the Air Force nonappropriated fund retirement plan for civilian employees; to the Committee on Governmental Affairs.

EC-318. A communication from the Director of the Administrative Office of the U.S. Courts, transmitting, pursuant to law, the annual report on the 15 positions (grades 16, 17, and 18) allocated to the Administrative Office of the U.S. Courts as of December 31, 1982; to the Committee on Governmental Affairs.

EC-319. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a Privacy Act system of records; to the Committee on Governmental Affairs.

EC-320. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-321. A communication from the Assistant Attorney General for Administration, Department of Justice, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-322. A communication from the Freedom of Information/Privacy Officer of the Interstate Commerce Commission, transmitting, pursuant to law, the annual report of the Commission on activities under the Freedom of Information Act for calendar year 1982; to the Committee on the Judiciary.

EC-323. A communication from the Director of the Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to reorganize the court system for cases and proceedings under the bankruptcy laws, and for other purposes; to the Committee on the Judiciary.

EC-324. A communication from the chairman of the Depository Institutions Deregulation Committee, transmitting, pursuant to law, the annual report of the committee on activities under the Freedom of Information Act for calendar year 1982; to the Committee on the Judiciary.

EC-325. A communication from the Director of the National Science Foundation, transmitting a draft of proposed legislation to authorize appropriations for the National Science Foundation for fiscal years 1984 and 1985; to the Committee on Labor and Human Resources.

EC-326. A communication from the Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a request by the Mobil Oil Corp. for a refund of excess royalty payments; to the Committee on Energy and Natural Resources.

EC-327. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to terminate the authority of the Administrator of Veterans' Affairs to make advance payments of educational and subsistence allowances, and for other purposes; to the Committee on Veterans' Affairs.

EC-328. A communication from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to repeal the authority for eligible veterans and eligible spouses to pursue correspondence training, and for other purposes; to the Committee on Veterans' Affairs.

EC-329. A communication from the Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a request from the Superior Oil Co. for repayment of excess royalty payments; to the Committee on Energy and Natural Resources.

EC-330. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act to authorize the Secretary of Agriculture to determine the degree of inspection to be conducted in meat, poultry, and egg processing plants, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EC-331. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover the cost of providing plant variety protection pursuant to the Plant Variety Protection Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-332. A communication from the Assistant Administrator of the Environmental Protection Agency (Pesticides and Toxic Substances), transmitting, pursuant to law, a report on the total number of applications for conditional registrations under the Federal Insecticide, Fungicide, and Rodenticide Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-333. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the allocation of funds made available for the fiscal year 1983 international military education and training and military assistance programs; to the Committee on Appropriations.

EC-334. A communication from the Secretary of the Army, transmitting, pursuant to law, a report stating that the Copperhead program has exceeded baseline unit costs by more than 25 percent; to the Committee on Armed Services.

EC-335. A communication from the Director of the Office of Legislative Affairs, Department of the Navy, transmitting, pursuant to law, notice of the intent of the Department of the Navy to donate a B-29 Superfortess aircraft to the Commonwealth of the Northern Mariana Islands for display at the Saipan International Airport; to the Committee on Armed Services.

EC-336. A communication from the Secretary of the Navy, transmitting, pursuant to law, a report that certain major defense acquisition programs have exceeded baseline unit costs; to the Committee on Armed Services.

EC-337. A communication from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, notice of the conversion of the shelf stocking function at the naval commissary store, Oceana, Va., to performance by contract; to the Committee on Armed Services.

EC-338. A communication from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of the shelf stocking function at the commissary store, Naval Station, Norfolk, Va., to performance by contract; to the Committee on Armed Services.

EC-339. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the Department's report on Federal tax incentives and rental housing; to the Committee on Banking, Housing, and Urban Development.

EC-340. A communication from the Executive Director of the Neighborhood Reinvestment Corporation, transmitting a draft of proposed legislation to extend the authorization of appropriations for the Neighborhood Reinvestment Corporation; to the Committee on Banking, Housing, and Urban Affairs.

EC-341. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by Eximbank during October 1982 to Communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EC-342. A communication from the Secretary of Transportation, transmitting, pursuant to law, the final Urban Mass Transportation Administration's quarterly report for fiscal year 1982; to the Committee on Banking, Housing, and Urban Affairs.

EC-343. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a waiver of section 11(b) of the Stevenson-Wydler Act relating to scheduling of technology innovations functions in fiscal year 1984; to the Committee on Commerce, Science, and Transportation.

EC-344. A communication from the Chairman of the National Transportation Safety Board, transmitting a draft of proposed legislation to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1984, 1985, and 1986, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-345. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to enhance the transfer of technical information to industry, business, and the general public by amending the act of September 9, 1950 (64 Stat. 823-824; 15 U.S.C. 1151-1157), as amended, to establish the technical information clearinghouse fund, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-346. A communication from the Director of the Office of Congressional Relations, Consumer Product Safety Commission, transmitting, pursuant to law, proposed safety standard for omnidirectional citizens band base station antennas; to the Committee on Commerce, Science, and Transportation.

EC-347. A communication from the Director of the Office of Congressional Relations, Consumer Product Safety Commission, transmitting, pursuant to law, amendments to the requirements for full-size and nonfull-size baby cribs; to the Committee on Commerce, Science, and Transportation.

EC-348. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to improve the nuclear powerplant siting and licensing process, and

for other purposes; to the Committee on Environment and Public Works.

EC-349. A communication from the Chairman of the Advisory Council on Historic Preservation, transmitting, pursuant to law, the annual report of the Council for fiscal year 1982; to the Committee on Energy and Natural Resources.

EC-350. A communication from the Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, applications by Amoco Production Co., Shell Oil Co., ARCO Oil & Gas Co., and Texaco, Inc. for repayment of excess royalty payments; to the Committee on Energy and Natural Resources.

EC-351. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report on the industrial energy efficiency improvement program for calendar year 1980; to the Committee on Energy and Natural Resources.

EC-352. A communication from the Secretary of the Interior, transmitting, pursuant to law, notice on leasing systems for oil and gas lease sale No. 69 (part II), Gulf of Mexico; to the Committee on Energy and Natural Resources.

EC-353. A communication from the Secretary of Energy, transmitting, pursuant to law, the first biennial report on implementation of the Alaska Federal-Civilian Energy Efficiency Swap Act of 1980; to the Committee on Energy and Natural Resources.

AC-354. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report of the nondisclosure of safeguards information by the Nuclear Regulatory Commission for the quarter ending December 31, 1982; to the Committee on Environment and Public Works.

EC-355. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the Toxic Substances Control Act report for fiscal year 1982; to the Committee on Environment and Public Works.

EC-356. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the report on abnormal occurrences at licensed nuclear facilities for the third calendar quarter of 1982; to the Committee on Environment and Public Works.

EC-357. A communication from the Deputy Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to accept gifts and bequests for the purposes of the Department of the Treasury; to the Committee on Finance.

EC-358. A communication from the Assistant Secretary of State for Congressional Relations, transmitting, pursuant to law, an agreement on trade in cotton, wool, and manmade fiber textile and textile products between the American Institute in Taiwan and the Coordination Council for North American Affairs; to the Committee on Foreign Relations.

EC-359. A communication from the Director of the Office of Legislative Affairs, Agency for International Development, transmitting, pursuant to law, notice of the delay in the submission of the annual report on the minority recruitment program; to the Committee on Foreign Relations.

EC-360. A communication from the Secretary of State, transmitting, drafts of proposed legislation to authorize supplemental assistance to aid Lebanon in rebuilding its economy and armed forces, and for other purposes; to authorize supplemental international security assistance for urgent purposes for the fiscal year 1983, and for other purposes; and to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize security and development assistance programs for the fiscal years 1984 and 1985, and for other purposes; to the Committee on Foreign Relations.

EC-361. A communication from the Secretary of State, transmitting, pursuant to law, the annual report of the Department of State's activities related to recruitment and equal employment efforts for fiscal year 1982; to the Committee on Foreign Relations.

EC-362. A communication from the Chairman of the Commission on Security and Cooperation in Europe, transmitting, pursuant to law, the annual report of the Commission for calendar year 1982; to the Committee on Foreign Relations.

EC-363. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to February 17, 1983; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-22. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia; to the Committee on Armed Services:

"SENATE JOINT RESOLUTION No. 23

"Whereas, the United States Navy is striving to perform responsibilities essential to national defense over a three-ocean area while possessing ships and other resources adequate only for an area of about one and one-half oceans; and

"Whereas, it is well known that the battleship USS Missouri, a formidable ship of international renown with the potential for being modernized and outfitted with an array of modern and highly effective weapons systems, is available in the Navy's inactive fleet; and

"Whereas, this reactivation and modernization can be accomplished at a cost of about $325 million, far less than a new construction cost of nearly $2 billion, and would therefore be cost and time effective; and

"Whereas, the Soviet Navy is already three times as large as the United States Navy, is aggressively building larger and more powerful ships, and is expanding over the oceans of the world; and

"Whereas, in response to continuing needs in international theaters, the United States Navy has developed specific plans for the deployment and utilization of battleships as central ships in battle groups; and

"Whereas, this reactivation, modernization, deployment and utilization of the USS Missouri are important to the overriding national mission of providing for the common defense; and

"Whereas, this would also ensure employment and associated benefits for thousands of American citizens; and

"Whereas, the Congress of the United States has been requested to authorize and fund the reactivation of the battleship USS Missouri, and has not yet provided this augmentation of our naval defenses; now, therefore, be it

Resolved by the Senate, the House of Delegates concurring, That the Congress of the United States is hereby memorialized to provide the United States Navy with the extraordinary resources embodied in the battleship USS Missouri by authorizing and funding this project, and in petition for this purpose, we affix our signatures hereto; and, be it

Resoloved further, That the Clerk of the Senate send a copy of this resolution to the President of the United States, the presiding officer of each house of Congress, and to members of the Virginia Congressional Delegation."

POM-23. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia; to the Committee on Commerce, Science, and Transportation:

"SENATE JOINT RESOLUTION No. 74

"Whereas, on January 18, 1983, the Honorable Andrew B. Fogarty, Secretary of Transportation for the Commonwealth of Virginia made a presentation to the Virginia Senate Finance Committee concerning the impact of the recently enacted Surface Transportation Assistance Act of 1982, and during the presentation, it became clear that Congress had included a number of mandates that will adversely affect certain laws of Virginia; and

"Whereas, the Act, which includes many provisions affecting the widths and lengths of tractor-trailers and the allowance of twin trailers, renders the Commonwealth powerless to determine if twin trailers are suitable for travel upon interstate and arterial highways of the Commonwealth; and

"Whereas, the operation of twin, and possible triple, trailers on Virginia highways, which has consistently been prohibited by the General Assembly, is a highly controversial issue which the General Assembly has the right and duty to resolve; and

"Whereas, this federal legislation serves to nullify laws that the General Assembly of Virginia has deemed to be in the best interest of the people traveling on the highways of the Commonwealth, and usurps state authority in an area previously controlled by both state and federal government; now, therefore, be it

"Resolved by the Senate, the House of Delegates concurring, That it is the sense of the General Assembly that the regulation of tractor-trailer length and width is the responsibility of state government; and, be it

"Resolved further, That the Surface Transportation Assistance Act of 1982 usurps the power of the Commonwealth and nullifies laws that the General Assembly of Virginia has deemed to be in the best interest of the people traveling on the highways of the Commonwealth; and, be it

"Resolved finally, That the Clerk of the Senate prepare a copy of this resolution for transmittal to the Congressional Delegation of Virginia, the Speaker of the House of Representatives, the President of the United States Senate, and the President of the United States in order that they may be apprised of the sense of the Senate of Virginia."

POM-24. A concurrent resolution adopted by the General Assembly of the State of Indiana; to the Committee on Commerce, Science, and Transportation:

A CONCURRENT RESOLUTION URGING CONGRESSIONAL APPROVAL FOR THE AMTRAK CINCINNATI-INDIANAPOLIS RAIL LINE

Whereas, Indiana has historically been a hub for rail transportation; and,

Whereas, Conrail and the United States Department of Transportation have threatened to close the Shelbyville to Thatcher rail line; and

Whereas, legislation now before Congress would authorize Amtrak to purchase and upgrade this line restoring passenger train service between Indianapolis and Cincinnati and completing the vital Chicago to Indianapolis to Cincinnati link; and

Whereas, freight trains would continue to run on this line, insuring service to shippers in southeastern Indiana and the 13,000 jobs they represent: Therefore,

"Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

"SECTION 1. That the General Assembly of the State of Indiana supports continued rail service, both passenger and freight transportation, to southeastern Indiana.

"SEC. 2. That we call upon all members of the Indiana delegation to the Congress of the United States of America to work for the approval of the Amtrak purchase in the last session days of the 97th Congress.

"SEC. 3. That immediately on its approval the Principal Secretary of the Senate transmit copies of this resolution to the leadership of both parties in both houses of Congress, the two United States Senators and eleven Congressional Representatives from Indiana, to Secretary of Transportation, Drew Lewis, to Conrail Chairman, Stanley Crane, and to Amtrak President, Graham Claytor."

POM-25. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Energy and Natural Resources:

"RESOLUTION NO. 349

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, serious questions have been raised about a possible cover-up in the Department of the Interior involving Assistant Secretary for Territorial and International Affairs Pedro Sanjuan and the Governor of Guam; and

"Whereas, Assistant Secretary Sanjuan, who last year pledged to work in the best interest of Guam, has interferred with the affairs of the government of Guam by removing the Government Comptroller during an investigation; and

"Whereas, the Government Comptroller, Ben T. Fukutome, was acting well within the duties of his assignment by investigating allegations that votes for the Primary Election has been "bought" with government funds by employing over 1,000 provisional employees—and Assistant Secretary Sanjuan's recall of Fukutome has clouded the credibility of Guam's electoral process; and

"Whereas, the Executive Branch is still hiring provisional employees; and

"Whereas, it is the sense of the Sixteenth Guam Legislature that it would be in the best interest of the people of Guam, as well as the taxpayers of America, if the Department of Justice were requested to probe this relationship and answer the questions that are being raised; and

"Whereas, it was only six months ago that the Guam Legislature adopted Resolution 244, a copy of which is attached, 'Expressing the Guam Legislature's support for Ben T. Fukutome for his objective examination of the fuel oil supply contract between Guam Power Authority and Coastal/Bermuda Limited'; and

"Whereas, the Sixteenth Guam Legislature adopted Resolution 244 as a result of Sanjuan's recall of Fukutome, and his arbitrary assignment of a retired federal comptroller from American Samoa to complete the audit commenced by Fukutome; and

"Whereas, the audit vindicated Fukutome and the Sixteenth Guam Legislature; now, therefore, be it

"Resolved, That Assistant Secretary Sanjuan's latest recall of Fukutome over the provisional hirees, and his withholding of the Supply Management Division audit impels the Sixteenth Guam Legislature to request the President of the United States to direct the Federal Bureau of Investigation to investigate a possible cover-up by Assistant Secretary Sanjuan and the Governor of Guam and the former's involvement in the internal affairs of the government of Guam during an election year; and be it further

"Resolved, That it is the sense of the Sixteenth Guam Legislature for the justice to prevail the federal comptroller must be free to objectively analyze the expenditures of Guam's public funds, in a timely manner so that honest public servants need not fear the results of audit; and be it further

"Resolved, That the members of the Sixteenth Guam Legislature request that the President of the United States direct the Secretary of the Interior to have the Government Comptroller for Guam immediately complete the audit concerning the provisional hirees; and be it further

"Resolved, That the Sixteenth Guam Legislature, on behalf of the people of Guam, does hereby express support for Fukutome's continuance as the Government Comptroller for Guam; and be it further

"Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States; to the Vice President of the United States; to the President Protem of the United States Senate; to the Speaker of the United States House of Representatives; to the Secretary of the Interior; to the United States Attorney General; to the Comptroller General, General Accounting Office; to Guam's Delegate to the United States Congress; to the Chairman of the United States Senate Committee on Energy and Natural Resources; to the Chairman of the House Committee on Interior and Insular Affairs; and to the Governor of Guam."

POM-26. A resolution adopted by the City Council of the City of Long Beach, Calif., urging the Federal Energy Regulatory Commission to exercise its full regulatory authority; to the Committee on Energy and Natural Resources.

POM-27. A resolution adopted by the Board of Commissioners of Grand Traverse County, Mich., supporting Traverse Bay Regional Planning regarding Michigan House Resolution No. 6695; to the Committee on Environment and Public Works.

POM-28. A concurrent resolution adopted by the General Assembly of the State of Pennsylvania; to the Committee on Environment and Public Works:

RESOLUTION

"Whereas, the unemployment rate for the Commonwealth of Pennsylvania is 11.3% and some counties have rates which far exceed the average for the State; and

"Whereas, In certain areas of this Commonwealth, one out of every four workers is unemployed; and

"Whereas, The bridges, roads and mass transit systems of the Nation are in need of repairs and renovations; and

"Whereas, This Commonwealth is fourth in the number of bridges and total miles of highways which are adversely affected by the harsh winter weather prevalent in the area; and

"Whereas, Public Works Programs have had positive results in the past; and

"Whereas, Public Works spending plans could be justified solely on the need to repair our faulty transportation system; and

"Whereas, These projects need to be done regardless of the unemployment rate and doing these projects now gives us the perfect way to reduce high unemployment; therefore be it

"Resolved, (the House of Representatives concurring), That the General Assembly of the Commonwealth of Pennsylvania hereby memorializes Congress to appropriate funding as quickly as possible for an Accelerated Public Works Program, which will be established by the Commonwealth of Pennsylvania and all other states, to reduce unemployment, upgrade our bridges, roadways and missing links in Federal and State programs; and be it further

"Resolved, That copies of this resolution be delivered to the President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate and each Senator and Congressman from Pennsylvania."

POM-29. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Environment and Public Works:

"RESOLUTION

Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the matter of disposing of nuclear wastes by dumping them in the Pacific Ocean has become a matter of extreme concern to the people of Oceania; and

"Whereas, the people of Guam have repeatedly voiced through their elective representatives their stringent opposition to such dumping; and

"Whereas, the people of Guam are joined in this opposition by the people who inhabit the Commonwealth of the Northern Marianas, the Republic of Nauru, the Solomon Islands, the Republic of the Philippines, Vanuatu, Palau, Korea, Thailand, the Marshall Islands and other islands and nations in the Pacific Basin; and

"Whereas, the issue of nuclear waste dumping in the Pacific Ocean generated sustained discussion and controversy at the recently concluded General Assembly of the Asian-Pacific Parliamentarians' Union (APPU) in Guam; and

"Whereas, the only nation at the APPU General Assembly which supported the concept of ocean nuclear dumping and thus prevented the adoption of a resolution expressing the body's clearly dominant position (the APPU operating under a rule requiring unanimity for the adoption of any General Assembly Resolution) was Japan, a highly industrialized nation whose interests are not necessarily in sympathy with nor understanding of the positions of the people of Oceania; and

"Whereas, the subject of nuclear waste dumping in ocean waters will again be addressed at the London Dumping Convention in February; and

"Whereas, the people of Guam will not be represented at the London Dumping Convention except by the representatives of the United States at large; and

"Whereas, the representatives of the United States, not being directly affected nor fully advised as to the position of the people of Guam and the rest of the Pacific upon this critical subject, are unlikely to speak up against nuclear waste ocean dumping; and

"Whereas, the Seventeenth Guam Legislature finds it necessary that the delegates to the London Dumping Convention be informed of the widespread opposition of the people of the Pacific to this form of disposing of nuclear wastes; now, therefore, be it

"Resolved, That the Seventeenth Guam Legislature, on behalf of all of the people of the Pacific, save those of Japan, does state its unqualified opposition to any plan to dump nuclear wastes not only in the Pacific but in any ocean water; and be it further

"Resolved, That the Seventeenth Guam Legislature does request the representatives of the United States at the London Dumping Convention to register the opposition of the people of Guam and the Pacific to such dumping and, upon examination of the dangers of the dumping of nuclear wastes in ocean waters, to oppose any plan that would permit such dumping; and be it further

"Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States; to the Secretary of State; to the Secretary of the Interior; to the Speaker of the House of Representatives; to the President of the Senate; to Guam's Delegate to Congress; to the Secretary General of the London Dumping Convention; to the Governor and presiding officer of each State Legislative body of California, Washington and Oregon; to the delegations of the Asian-Pacific Parliamentarians' Union; and to the Governor of Guam."

POM-30. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on Finance:

"RESOLUTION No. 2

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, Public Laws 15-11, 15-110, 16-65 and 16-115 set the establishment of Guam as an international financial center as an economic objective for the territory of Guam; and

"Whereas, current tax statutes reasonably, rationally and consistently afford Guam rightful status as an international financial center; and

"Whereas, the U.S. Treasury Department is currently attempting to have The Netherlands/Antilles Treaty relative to tax applications repealed or modified; and

"Whereas, Guam as an integral part of the United States and with sources of international funds from international financial center activities would satisfy a major objective in the negotiations relative to the current treaties with The Netherlands/Antilles and of the British Virgin Islands in the past, that of increasing funds to the United States balance of payments; and

"Whereas, the U.S. Treasury Department, Internal Revenue Service issued Temporary Regulation T. D. 7865 (4a 861-1), December 28, 1982 and issued Internal Revenue Rulings 83-9 and 83-10, December 29, 1982; and

"Whereas, while Guam is denied voting representation in Congress, it nevertheless is granted the right under Section 31 of the Organic Act of Guam to administer and enforce the Guam Territorial Income Tax; and

"Whereas, the United States Department of the Treasury (Internal Revenue Service) by issuing Revenue Ruling 83-9 pertaining to the administration and enforcement of the Guam Territorial Income Tax is in violation of Section 31 of the Organic Act; and

"Whereas, such ruling would place Guam at a marked disadvantage in attracting foreign investment, compared to jurisdictions such as The Netherlands/Antilles; and

"Whereas, such ruling would prohibit Guam from engaging in certain activities which the United States Treasury has permitted in The Netherlands/Antilles for two decades and continues to permit in The Netherlands/Antilles; and

"Whereas, such ruling is based upon Temporary Regulation (4a 861-1) and proposed amendments to regulations 1.861-2 and 1.861-3; and

Whereas, such regulations reverse regulations which have been in effect for many years (1.935-1 (a) (ii) (A) fifth sentence), whose underlying principle was affirmed only a few months ago in Revenue Ruling 82-114; and

"Whereas, the proposed action by the United States Treasury would greatly handicap the development of Guam as a financial center and impair the ability of this government to become economically and financially self-sufficient; now, therefore, be it

"Resolved, That the Seventeenth Guam Legislature hereby expresses its opposition to the U.S. Treasury Department's rulings and regulations relative to Guam as a financial center; and be it further

"Resolved, That the Acts of the United States Treasury herein recited by imposing additional taxes and extending the jurisdiction of the United States Treasury beyond its established limits have a manifest tendency to subvert the rights and liberties of the people of Guam; and be it further

"Resolved, That the rule which the United States Treasury is attempting to force upon Guam will be extremely burdensome and grievous; and be it further

"Resolved, That the increase, prosperity and happiness of this territory depends on the full and free enjoyment by its residents of their rights and liberties, and a relationship with the United States which is mutually affectionate and advantageous and be it further

"Resolved, That this legislature petitions the United States Treasury to revoke Revenue Ruling 83-9 and Temporary Regulation (4a 861-1) and withdraw the proposed amendments to Regulations 1.861-2 and 1.861-3; and be it further

"Resolved, That this legislature petitions the Congress of the United States and the President of the United States to require that such remedial action be taken; and be it further

"Resolved, That the Governor of Guam and Guam's Delegate to the United States House of Representatives present this Resolution to the person petitioned; and be it further

"Resolved, That thirty days from the date hereof, the Governor of Guam report to this legislature upon the results of the petition contained herein, and in the event that the petition is not granted, recommend alternate means of achieving the same and including resort to the Courts of Guam and the United States, appeal to the United Nations, or action consistent with the traditions of the American People when subject to injuries and usurpations by an unyielding sovereign; and be it further

"Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Secretary of the Treasury of the United States; to the Vice-President of the United States in his capacity as presiding officer of the United States Senate; to the President of the United States; to Guam's Delegate to the United States House of Representatives; and to the Governor of Guam."

POM-31. A resolution adopted by United Paperworkers International Union Executive Board supporting the recommendations of the National Commission on Social Security in order to restore financial integrity to our Nation's social security system; to the Committee on Finance.

POM-32. A resolution adopted by the city of Altamonte Springs, Fla., supporting the reenactment of the general revenue sharing fund; to the Committee on Finance.

POM-33. A resolution adopted by the city commission of the city of Hallandale, Fla., requesting Congress to approve a joint resolution for a freeze and reduction in nuclear weapons; to the Committee on Foreign Relations.

POM-34. A resolution adopted by the House of Representatives of the State of Minnesota; to the Committee on Foreign Relations:

"RESOLUTION

"Whereas, a decade ago, on January 27, 1973, the Paris Peace Accords were signed to end American involvement in the war in Southeast Asia; and

"Whereas, one of the conditions of that agreement was provision for a return or accounting for prisoners of war and persons missing in action; and

"Whereas, the government of Vietnam has only provided information on a few of the missing and this only through the pressure of determined families and dedicated congressmen; and

"Whereas, 2,490 Americans, including 48 Minnesotans, remain unaccounted for with investigation of their status arrested by failure of the Socialist Republic of Vietnam and its allied governments to cooperate and assist; and

"Whereas, there have been repeated verified sighting reports that some of the missing men are still alive in Southeast Asia; and

"Whereas, the sorrow, anxiety, and frustration of the families of these men cannot be dispelled by delay or neglect; and

"Whereas, it is America's duty to ensure, through an authentic, comprehensive investigation, the return of Americans still in Southeast Asia and to account for Americans who have perished there; and

"Whereas, it is absolutely essential that the governments of the United States and the Socialist Republic of Vietnam act now to account for the missing; Now, therefore, be it

"Resolved by the House of Representatives of the State of Minnesota, that it joins with the families of the missing men in maintaining a constant vigil of anticipation and hope for a true accounting of their loved ones and the immediate return of the

remains of those who died as a result of the war or imprisonment. Be it further

"Resolved, That the government of the United States should do all it can to answer the questions surrounding the status of the missing men, to secure the return of any living prisoners or missing persons, and to secure the return of the remains of the dead. Be it further

"Resolved, That the Chief Clerk of the House of Representatives is directed to send enrolled copies of this resolution, authenticated by his signature and that of the Speaker, to the President of the United States, the Speaker and Chief Clerk of the United States House of Representatives, the President and Secretary of the United States Senate, the chairman of the Committee on Foreign Affairs of the United States House of Representatives, the chairman of the Committee on Foreign Relations of the United States Senate, to the Minnesota Representatives and Senators in Congress and to the Permanent Representatives of the Socialist Republic of Vietnam to the United Nations."

POM-235. A resolution adopted by the Senate of the State of Minnesota; to the Committee on Foreign Relations:

"SENATE RESOLUTION

"Whereas, a decade ago, on January 27, 1973, the Paris Peace Accords were signed to end American involvement in the war in Southeast Asia; and

"Whereas, one of the conditions of that agreement was provision for a return or accounting for prisoners of war and persons missing in action; and

"Whereas, the government of Vietnam has only provided information on a few of the missing and this only through the pressure of determined families and dedicated congressmen; and

"Whereas, 2,490 Americans, including 48 Minnesotans, remain unaccounted for with investigation of their status arrested by failure of the Socialist Republic of Vietnam and its allied governments to cooperate and assist; and

"Whereas, there have been repeated verified sighting reports that some of the missing men are still alive in Southeast Asia; and

"Whereas, the sorrow, anxiety, and frustration of the families of these men cannot be dispelled by delay or neglect; and

"Whereas, it is America's duty to ensure, through an authentic, comprehensive investigation, the return of Americans still in Southeast Asia and to account for Americans who have perished there; and

"Whereas, it is absolutely essential that the governments of the United States and the Socialist Republic of Vietnam act now to account for the missing; Now, Therefore, be it

"Resolved by the Senate of the State of Minnesota, That it joins with the families of the missing men in maintaining a constant vigil of anticipation and hope for a true accounting of their loved ones and the immediate return of the remains of those who died as a result of the war or imprisonment. Be it further

"Resolved, That the government of the United States should do all it can to answer the questions surrounding the status of the missing men, to secure the return of any living prisoners or missing persons, and to secure the return of the remains of the dead. Be it further

"Resolved, That the Socialist Republic of Vietnam should immediately yield all information it has on the status of the missing especially since there is no reason for them to refuse to give this information other than a calculated effort to protract the agony of the families of the missing. Be it further

"Resolved, That the Secretary of the Senate is directed to send enrolled copies of this resolution, authenticated by his signature and that of the President, to the President of the United States, the Speaker and Chief Clerk of the United States House of Representatives, the President and Secretary of the United States Senate, the chairman of the Committee on Foreign Affairs of the United States House of Representatives, the chairman of the Committee on Foreign Relations of the United States Senate, to the Minnesota Representatives and Senators in Congress and to the Permanent Representatives of the Socialist Republic of Vietnam to the United Nations."

POM-36. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia; to the Committee on Foreign Relations:

"SENATE JOINT RESOLUTION NO. 65

"Whereas, the war in Southeast Asia ended over a decade ago but is still a tragic memory to those who did return as well as the families who lost their loved ones; and

"Whereas, the Commonwealth of Virginia recognizes the unique sacrifices made by the veterans of the war in Southeast Asia who answered their country's call in order to provide the American people with a strong national defense; and

"Whereas, there are still approximately 2,500 Americans unaccounted for in Southeast Asia; and

"Whereas, the Defense Intelligence Agency of the Department of Defense has collected and analyzed information which clearly establishes that the governments of Indochina possess information regarding American POWs and MIAs; and

"Whereas, the Defense Intelligence Agency is currently investigating more than 460 firsthand live sighting reports of Americans in Southeast Asia; and

"Whereas, the Defense Intelligence Agency obtained and substantiated information that the Socialist Republic of Vietnam has in its possession the remains of at least 400 U.S. personnel who were killed as the result of hostilities in Southeast Asia; and

"Whereas, the Socialist Republic of Vietnam has failed to accommodate American humanitarian and compassionate concerns regarding the release of American prisoners of war and the return of the remains of U.S. servicemen and civilians; and

"Whereas, the families of those U.S. servicemen and civilians missing in Southeast Asia have suffered untold grief and uncertainty because the governments of Indochina have failed to provide an adequate accounting of those missing; and

"Whereas, the Commonwealth of Virginia has an enduring interest in the welfare of Americans listed as missing or otherwise unaccounted for in Southeast Asia; now, therefore, be it

"Resolved by the Senate of Virginia, the House of Delegates concurring, That the General Assembly of Virginia memorializes the President and the United States Congress to call upon the Socialist Republic of Vietnam to end the years of uncertainty for American POW/MIA families by releasing all U.S. prisoners still held, providing all information concerning the fate of U.S. servicemen and civilians still missing, and repatriating all American remains which are now in their possession or may subsequently be found; and, be it

"Resolved finally, That the Clerk of the Senate is directed to prepare copies of this resolution for transmittal to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate and the members of the Virginia Congressional Delegation in order that they may be apprised of the sense of the General Assembly."

POM-37. A petition from the Statewide Committees Opposing Regional Plan Areas (SCORPA) relative to redress of grievances under section 5 of rule VII, U.S. Senate; to the Committee on Governmental Affairs.

POM-38. A resolution adopted by the Legislature of the Territory of Guam; to the Committee on the Judiciary:

"RESOLUTION NO. 16

"Be it resolved by the Legislature of the Territory of Guam:

"Whereas, the unincorporated territory of Guam is a territory of the United States and its people are subject to certain benefits, privileges, powers, rights and duties derived from the Constitution of the United States; and

"Whereas, a resolution proposing an amendment to the United States Constitution which would guarantee the equal rights of all persons regardless of sex has been introduced in the United States Congress for its consideration; and

"Whereas, the people of Guam are firmly committed to the principle embodied in the proposed amendment, namely that equality of rights under the law shall not be denied or abridged by the United States government or any state on account of sex; now, therefore, be it

"Resolved, That the Guam Legislature does request the United States Congress to expeditiously approve the proposed amendment to the United States Constitution; and be it further

"Resolved, That the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to the Vice President of the United States; to the President Pro-tempore of the Senate; to the Speaker of the House of Representatives; to the Chairperson of the Senate Judiciary Committee; to the Chairperson of the House Judiciary Committee; to Guam's Representative in the United States Congress; and to the Governor of Guam."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Select Committee on Intelligence:

Annual Report of the Select Committee on Intelligence for the period January 1, 1981 through December 31, 1982 (Rept. No. 98-10).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment, and an amendment to the title:

S.J. Res. 37. Joint resolution providing that the week containing March 8, 1983, 1984, and 1985, shall be designated as "Women's History Week".

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment:

S. 612. An original bill to amend the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701) to permit temporary use by Federal departments and agencies of public lands controlled by the Bureau of Land Management, Department of the Interior. (Rept. No. 98-11).

S. 613. An original bill to direct the Secretary of Agriculture to convey certain property to the city of Show Low, Arizona (Rept. No. 98-12).

By Mr. HEINZ, from the Special Committee on Aging:

Special report entitled "Developments in Aging, Volumes 1 and 2" (Rept. No. 98-13).

Mr. HEINZ. Mr. President, as chairman of the Special Committee on Aging, under authority of Senate Resolution 333, 97th Congress, I submit the report of the committee entitled "Developments in Aging: 1982," volumes 1 and 2.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

Lewis Arthur Tambs, of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States to Colombia.

(The above nomination was reported from the Committee on Foreign Relations with the recommendation that it be confirmed; subject to the nominee's commitment to respond to the requests to appear and testify before any duly constituted committee of the Senate.)

LEWIS A. TAMBS

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Lewis A. Tambs.

Post: U.S. Ambassador to Colombia; Nominated January 25, 1983.

Contributions, Amount, Date, Donee:

1. Self—Volunteer worker, $100.00, 1978-82, Republican Party of Arizona; 1980, Ronald Reagan, Barry Goldwater, John Rhodes; Volunteer Foreign Policy Consultant, 1982 to Dean Sellers and Pete Dunn.

2. Spouse—$100.00 in 1980 to Woody Jenkins of Louisiana.

3. Children and spouses, None.

4. Parents—Marguerite J. Jones, Mother, $50.00, 1978-82 Robt. Lagomarsino (R., Ca); Father (deceased).

5. Grandparents (deceased).

6. Brothers and spouses (only child).

7. Sister and spouses (only child).

Mr. PERCY. Mr. President, for the Committee on Foreign Relations, I also report favorably a nomination list in the Foreign Service which appeared in the CONGRESSIONAL RECORD of February 14, 1983, and, to save the expense of reprinting them on the Executive Calendar, ask that these nominations lie on the Secretary's desk for the information of Senators.

By Mr. HATCH, from the Committee on Labor and Human Resources:

Robert A. Gielow, or Illinois, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1982.

(The above nomination was reported from the Committee on Labor and Human Resources with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE:

S. 606. A bill to prohibit the owners and operators of federally assisted rental housing for the elderly or handicapped from restricting the ownership of pets by the tenants of such housing; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GOLDWATER (for himself and Mr. HOLLINGS):

S. 607. A bill to amend the Communications Act of 1934; to the Committee on Commerce, Science, and Transportation.

By Mr. PERCY (by request):

S. 608. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations; to the Committee on Foreign Relations.

S. 609. A bill to provide for increased participation by the United States in the African Development Fund; to the Committee on Foreign Relations.

By Mr. SPECTER:

S. 610. A bill entitled the "Collegiate Student-Athlete Protection Act of 1983"; to the Committee on the Judiciary.

By Mr. COHEN:

S. 611. A bill for the relief of the Bank of Maine; to the Committee on the Judiciary.

By Mr. McCLURE:

S. 612. An original bill to amend the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701) to permit temporary use by Federal departments and agencies of public lands controlled by the Bureau of Land Management, Department of the Interior; from the Committee on Energy and Natural Resources; placed on the calendar.

S. 613. An original bill to direct the Secretary of Agriculture to convey certain property to the city of Show Low, Ariz.; from the Committee on Energy and Natural Resources; placed on the calendar.

By Mr. GORTON (for himself, Mr. DANFORTH, Mr. DOMENICI, Mr. GOLDWATER, Mr. HEFLIN, Mr. HEINZ, and Mr. TSONGAS):

S. 614. A bill to establish within the Office of Science and Technology Policy a Presidential program for the Advancement of Science and Technology and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. McCLURE:

S. 615. A bill to correct deficiencies in the Natural Gas Policy Act of 1978, to protect natural gas consumers from price increases because of current distortions in the regulated market for natural gas, to provide for a free market for natural gas, to permit natural gas contracts to reflect the change from a regulated to a free market, to eliminate incremental pricing requirements for natural gas, to eliminate certain fuel use restrictions, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DURENBERGER (for himself, Mr. BAUCUS, Mr. DOMENICI, Mr. BUMPERS, Mr. COHEN, Mr. GOLDWATER, Mr. PELL, Mr. PERCY, Mr. STENNIS, and Mr. TSONGAS):

S. 616. A bill to promote the use of solar and other renewable forms of energy developed by the private sector; to the Committee on Finance.

By Mr. STENNIS (for himself, Mr. GOLDWATER, Mr. DOMENICI, and Mr. BUMPERS):

S. 617. A bill to promote the use of energy-conserving equipment and biofuels by the Department of Defense, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PERCY (for himself, Mr. PELL, Mr. DOMENICI, and Mr. BUMPERS):

S. 618. A bill to revise certain Federal training and economic development programs to create jobs and develop skills in renewable energy and energy conservation industries, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. TSONGAS (for himself, Mr. COHEN, Mr. DOMENICI, and Mr. BUMPERS):

S. 619. A bill to reauthorize, extend, and enhance existing Federal programs to encourage conservation and the use of renewable energy by this Nation's consumers.

By Mr. LEVIN (for himself and Mr. RIEGLE):

S. 620. A bill to amend Public Law 89-668 relating to the Pictured Rocks National Lakeshore to require the development of a local land use plan and zoning regulations for the inland buffer zone; to the Committee on Energy and Natural Resources.

By Mr. BYRD:

S. 621. A bill to place signs memorializing the New River Gorge Bridge as the world's largest steel-arch span bridge; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PELL (for himself, Mr. GLENN, and Mr. KENNEDY):

S. Res. 74. Resolution expressing the sense of the Senate concerning the future of the people on Taiwan; to the Committee on Foreign Relations.

By Mr. PERCY (for himself, Mr. DIXON, Mr. JOHNSTON, Mr. BOSCHWITZ, Mrs. KASSEBAUM, Mr. DANFORTH, Mr. BURDICK, Mr. JEPSEN, and Mr. LEVIN):

S. Res. 75. Resolution to ask for international negotiations on natural gas; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE:

S. 606. A bill to prohibit the owners and operators of federally assisted rental housing for the elderly or handicapped from restricting the ownership of pets by the tenants of such

housing; to the Committee on Banking, Housing, and Urban Affairs.

PET OWNERSHIP IN FEDERALLY SUBSIDIZED HOUSING

Mr. PROXMIRE. Mr. President, today I would like to introduce a bill that would prohibit Federal assistance to all local housing projects which bar pet ownership by elderly and handicapped tenants.

Neither HUD nor the Federal Housing Administration have any regulations dealing with pets in apartment buildings insured by the FHA or subsidized by HUD. Whether or not tenants in such housing are allowed to keep pets is a decision of the building owner or manager, not the Federal Government. This leaves a wide degree of discretion for local housing projects and usually results in a blanket no-pet policy for these rental units. Such a policy is, in a sense, one of the last strongholds of discrimination a renter must face.

Rather than sanctioning the use of Federal funds to discriminate against pet owners, Government should try to find ways to support and facilitate the rich relationships that can develop between pets and their owners.

The growing number of elderly member of society who are in need of inexpensive public housing have been hardest hit by no-pet clauses. They are often forced to surrender their longtime companions when they move into public housing. This surrender is more than an inconvenience; frequently it has a traumatic effect on the senior citizens' physical and mental health.

An animal depends on its owner for care, feeding, and love, and returns these favors by offering companionship and a feeling of importance to that person. Psychological experimentation has shown that pets often comfort their owners by drawing their attention away from lonely and painful thoughts of an uncaring world outside. Pets also offer protection and unconditional love to their owners. Unlike spouses or family members, pets do not talk back, criticize, or issue commands. They are generally nonthreatening, nonjudgmental, and attentive.

Dr. Bill McCulloch, professor of veterinary medicine at Texas A&M University, and his brother Dr. Michael McCulloch, a Portland, Oreg., psychiatrist, have studied pet-people relationships extensively. In a Detroit Free Press article, Michael said that people project personalities onto their pets and will construe even their boa constrictor's, hamster's, or turtle's behavior as loving or caring. According to his studies, owning a pet seems to significantly contribute to self-esteem and gives the owner a sense of affiliation and bonding which can be very therapeutic.

Besides the direct companionship that a pet can give to its owner to combat loneliness, a pet can increase its owner's chances of meeting other people. A study in London's Hyde Park showed that when accompanied by their dogs, pet owners spoke to more people and had longer conversations than when they walked alone.

Pets can be especially good for the handicapped because animals do not reject someone who is an amputee, nor do they look away when someone is in a wheelchair, or shun those with speech impediments. Pets accept anyone and will seek anyone's love and attention.

One program run by Dr. Daniel Lagos at Pennsylvania State University gave pets to 65 rural elderly people, nearly one-half of whom lived alone. Dr. Lagos reported that for some people the pets sparked dramatic transformations, enabling severely disabled people to rise above their handicaps and helping depressed reclusive people to become more socially active.

Scientific evidence also shows that the presence of pets can help heal human infirmities and, in some cases, may even increase life expectancy. One study showed that 94 percent of heart patients who owned pets survived the difficult years following a heart attack as opposed to 62 percent who survived and did not own pets.

The evidence from these studies reads clearly: Pets seem to have a profound influence on the ability to survive.

Findings like this have prompted a host of programs in which pets are used to revitalize the elderly and motivate the handicapped. One such program, sponsored by the American Humane Education Society, places shelter animals in area nursing homes. Judith Star, director of AHES, says of the program's benefits to the elderly, "They are enormous. There are physical and mental benefits—having to get up to feed an animal, the person finds a sense of reality and added motivation to live."

By contrast, the loss of a pet can have a severe negative influence upon both the health and the emotional states of the owner. One such example comes to my mind, of Bambi, a Chihuahua who was the constant companion of a school-crossing guard named Roy. Bambi used to nestle every day in the pocket of Roy's parka as he conducted his duties. Upon retirement, Roy's small pension compelled him to move into an apartment complex for senior citizens. Two months later, Roy's distressed sister called Bambi's veterinarian and explained to him that the apartment manager had ordered Roy to dispose of Bambi or move out of the apartment. This order, she concluded, was responsible for Roy's severe depression. He refused to eat and sat crying all day long with Bambi. Fortunately, this story has a happy ending. With the help of the veterinarian, Roy's sister was able to convince the manager to let Bambi stay. But how many elderly and handicapped pet owners who are not as fortunate as Roy must make the choice between keeping their beloved pet and having a roof over their head?

An important battle for the rights of elderly pet owners has recently been won in California. Thanks to a law that went into effect on January 1, 1982, no city, State, or Federal agency can prohibit the elderly from owning pets in public housing. Similar legislation is now pending in Connecticut, New Jersey, New York, and Maryland.

A resolution allowing the elderly and disabled to keep pets in federally funded housing passed the 1981 White House Conference on the Aging, proving again that more and more people are beginning to understand the critical importance that a pet can have on one's health, safety, and happiness.

Landlords and managers of public housing are not necessarily the villains in this story. Fearful of the actions of irresponsible pet owners, they have resorted to blanket no-pet policies. However, nothing in the bill I am introducing can prevent a building manager of federally assisted rental housing from ordering the removal of a pet that constitutes a health or safety threat to the occupants of the building. Owning a pet is not a right without a responsibility.

This legislation should be dealt with as seriously as any law or regulation aimed at improving the health, safety, and well-being of the elderly or handicapped. These people matter, their needs must be considered, and they deserve to be protected under the law. I hope that my colleagues will join me in an effort to prevent the elderly and handicapped in our society from being victimized by blanket bans on pets.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no owner or operator of any federally assisted rental housing for the elderly or handicapped may—

(1) as a condition of tenancy or otherwise, prohibit or prevent any tenant in such housing from owning pets or having pets living in the dwelling accommodations of such tenant in such housing; or

(2) restrict or discriminate against any person in connection with admission to, or continued occupancy of, such housing by reason of the ownership of pets by, or the presence of pets in the dwelling accommodations of, such person.

SEC. 2. Not later than the expiration of the twelve-month period following the date

of the enactment of this Act, the Secretary of Housing and Urban Development and the Secretary of Agriculture shall each issue such regulations as may be necessary to ensure compliance with the provisions of the first section of this Act with respect to any program of assistance referred to in section 4 that is administered by such Secretary.

SEC. 3. Nothing in this Act may be construed to prohibit any owner or operator of federally assisted rental housing for the elderly or handicapped, or any local housing authority or other appropriate authority of the community where such housing is located, from requiring the removal from any such housing of any pet whose conduct or condition is duly determined to constitute a threat to the health or safety of the other occupants of such housing or of other persons in the community where such housing is located.

SEC. 4. For purposes of this Act, the term "federally assisted rental housing for the elderly or handicapped" means any rental housing project that—

(1) is assisted under section 202 of the Housing Act of 1959; or

(2) is assisted under the United States Housing Act of 1937, the National Housing Act, or title V of the Housing Act of 1949, and has as a majority of its tenants elderly or handicapped families, as such term is defined in section 202(d)(4) of the Housing Act of 1959.

By Mr. GOLDWATER (for himself, Mr. PRESSLER, and Mr. STEVENS):

S. 607. A bill to amend the Communications Act of 1934; to the Committee on Commerce, Science, and Transportation.

AUTHORIZATION OF APPROPRIATIONS FOR FEDERAL COMMUNICATIONS COMMISSION

Mr. GOLDWATER. Mr. President, the bill I introduced today authorizes appropriations for the Federal Communications Commission (FCC) for 2 years, fiscal year 1984 and 1985, at $86.4 million for each year.

Prior to the last Congress, the FCC was permanently authorized pursuant to the Communications Act of 1934. This act established the FCC to plan and carry out reallocation of broadcast stations to prohibit interference. The Agency's permanent status was based upon the need to expertly regulate rapidly expanding broadcast services—the only regulatory need at that time. Today, however, the FCC has far-reaching jurisdiction over international and interstate communications by radio, television, wire, and cable.

During the last Congress, the Senate Communications Subcommittee originated major amendments to the Communications Act, several of which were enacted into law. Other significant amendments passed the Senate but were not acted on by the House. One of the major amendments to the act was based on a widespread belief that Congress ought to exercise closer scrutiny of administrative agencies in recognition of its appropriate role in making national telecommunications policy. Thus, in 1981, we enacted an FCC authorization for 2 years. This bill continues the process begun in the 97th Congress. Periodic authorization gives the Congress an opportunity to supplement the ongoing oversight of the FCC's implementation of congressional policy with a regularly scheduled expiration of the authorization. In effect, through this process, the FCC must justify its continued activities and the appropriate level of those activities.

By Mr. PERCY (by request):

S. 608. A bill to amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations; to the Committee on Foreign Relations.

AUTHORIZATION OF APPROPRIATIONS UNDER THE ARMS CONTROL AND DISARMAMENT ACT

● Mr. PERCY. Mr. President, by request, I introduce for appropriate reference a bill to amend the Arms Control and Disarmament Act, as amended.

This legislation has been requested by the U.S. Arms Control and Disarmament Agency and I am introducing the proposed legislation in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Acting Director of the Arms Control and Disarmament Agency to the President of the Senate dated February 16, 1983.

S. 608

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 49(a) (22 U.S.C. 2589(a)) of the Arms Control and Disarmament Act, as amended, is further amended to read as follows:

"SEC. 49(a) To carry out the purposes of this Act, there are authorized to be appropriated—

(1) for the fiscal year 1984, $21,385,000 and for the fiscal year 1985, $21,675,000 (and such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates).

Amounts appropriated under this subsection are authorized to remain available until expended."

U.S. ARMS CONTROL AND DISARMAMENT AGENCY,
Washington, February 16, 1983.

Hon. GEORGE BUSH,
President of the U.S. Senate.

DEAR MR. PRESIDENT: Enclosed is a draft bill to amend the Arms Control and Disarmament Act to extend the authorization for appropriations for the U.S. Arms Control and Disarmament Agency (ACDA).

The Agency's current two-year authorization expires on September 30, 1983. The proposed legislation would authorize appropriations of $21,385,000 for fiscal year 1984 and $21,675,000 for fiscal year 1985.

The funds to be authorized by this legislation will be devoted primarily to the conduct of and support for negotiations on the Intermediate-Range Nuclear Forces in Europe (INF), and the Strategic Arms Reduction Talks (START), both in Geneva; the Mutual and Balanced Force Reduction Talks (MBFR) in Vienna; the 40-nation Committee on Disarmament in Geneva, where we are working to develop effective limitations on nuclear testing and chemical weapons, and at the United Nations in New York.

In addition, these funds will help support implementation of the Nonproliferation Treaty and our policy to prevent the spread of nuclear explosives to additional countries, as well as enable us to fulfill other statutory arms control responsibilities. The early enactment of this legislation will facilitate congressional consideration of the Agency's 1984 budget.

The Office of Management and Budget has advised that there is no objection to the presentation of this proposal to the Congress, and that its enactment would be in accord with the program of the President.

Sincerely,

JAMES L. GEORGE,
Acting Director.●

By Mr. PERCY (by request):

S. 609. A bill to provide for increased participation by the United States in the African Development Fund; to the Committee on Foreign Relations.

AFRICAN DEVELOPMENT FUND

● Mr. PERCY. Mr. President, by request, I introduce for appropriate reference a bill to provide for increased participation by the United States in the African Development Fund.

This legislation has been requested by the Department of the Treasury and I am introducing the proposed legislation in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the Secretary of the Treasury to the President of the Senate dated February 18, 1983.

S. 609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the African Development Fund Act, as amended (22 U.S.C. 290g, et seq.), is further amended by adding at the end the following new section:

"SEC. 213. (a) The United States Governor of the Fund is hereby authorized to contribute on behalf of the United States $150,000,000 to the Fund as the United States contribution to the third replenishment of the resources of the Fund, except

that any commitment to make such contribution shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the United States contribution provided for in this section, there is hereby authorized to be appropriated without fiscal year limitation $150,000,000 for payment by the Secretary of the Treasury."

THE SECRETARY OF THE TREASURY,
Washington, February 18, 1983.

Hon. GEORGE BUSH,
President of the Senate, Washington, D.C.

DEAR MR. PRESIDENT: Transmitted herewith is a draft bill, "To provide for increased participation by the United States in the African Development Fund."

Submission of a bill is required by Section 205 of the African Development Fund Act, 22 U.S.C. 290g, et seq., which provides that Congressional authorization must be obtained for the United States to agree to increase its contribution of the Fund.

The bill being submitted authorizes the U.S. Governor of the African Development Fund (AFDF) to contribute on behalf of the United States $150,000,000 as the U.S. contribution to the third replenishment of the resources of the AFDF. It requires that any commitment to make a contribution to the Fund be made subject to obtaining the necessary appropriations. It also authorizes the appropriation of $150,000,000 for payment of the contribution to the AFDF.

U.S. participation in the third replenishment of the African Development Fund is an important way of demonstrating this country's continuing commitment to Africa's economic growth and development. The United States has increasing economic, political and security interests in Africa which underscore the need to strengthen our ties with the nations of that continent. We also have a strong humanitarian interest in helping to reduce poverty among the poorest people in the world's least developed continent.

The U.S. contribution to the AFDF is fundamental to the Fund's program to help meet developmental needs of the poorest African countries, those with low per capita incomes and limited external debt repayment capacity which warrant concessional lending terms. Except under the most unusual circumstances, AFDF loans are not granted to countries with a 1976 per capita GNP which is above $550. Absolute priority is given to countries which have a 1976 per capital GNP of $280 or less. Since its establishment, the Fund has channeled lending to high priority projects for agriculture, transportation, water supply and sewerage.

As a result of provisions contained in the replenishment agreement, the Fund has a backlog of approved loans that it cannot sign until the United States makes its contribution. In addition, the Fund can only make contingent commitments until the United States agrees to participate in the replenishment and makes its first payment.

The replenishment, which is to finance AFDF lending for the 1982-84 period, totals about $1075 million. The proposed U.S. share is $150 million, or 14 percent of the total. Appropriations for the first $50 million installment of the U.S. contribution would be provided under the FY 1983 Continuing Resolution and the two remaining installments would be sought in fiscal years 1984 and 1985.

It would be appreciated if you would lay this bill before the Senate. An identical bill has been submitted separately to the Speaker of the House of Representatives.

The Office of Management and Budget has advised that there is no objection to the presentation of this proposal to Congress and that enactment of this bill would be in accord with the President's program.

With best wishes.

Sincerely,

DONALD T. REGAN.●

By Mr. SPECTER:

S. 610. A bill entitled the "Collegiate Student-Athlete Protection Act of 1983"; to the Committee on the Judiciary.

COLLEGIATE STUDENT-ATHLETE PROTECTION ACT OF 1983

Mr. SPECTER. Mr. President, last week, longstanding rules governing recruiting by professional football teams of college players, who had not completed their education or eligibility, were shattered in the Herschel Walker case. The reason—or perhaps the excuse—given by the commissioner of the U.S. Football League, Chet Simmons, was that the league rules, which limited recruiting, violated antitrust laws. In the volatile competition between the National Football League and the U.S. Football League, the Walker case could lead to a stampede on recruiting of college players if the longstanding rules are not reinstated and preserved. For this reason, I am today introducing the Collegiate Student-Athlete Protection Act of 1983.

At the outset, I emphasize that this bill does not inject Congress into a determination of what rules and regulations should govern this issue. This bill only grants a limited exemption which makes it clear that the antitrust laws do not prohibit the professional football teams or any professional teams from establishing a rule prohibiting recruitment of college athletes who have not finished their education or eligibility.

Professional and college athletes obviously have a significant impact on interstate commerce. The games stimulate many jobs at the stadium and in the surrounding areas when large crowds travel to cities or campuses for the games.

Based on my experience in the antitrust filed in private practice and the insights gained from similar issues on the professional football stabilization bill, (S. 2821—97th Congress), it is my judgment that the problems posed by the Herschel Walker case can be effectively dealt with by the approach in this proposed legislation.

In dealing with the U.S. Football League, Walker's attorney repeatedly had submitted a legal brief which concluded that the antitrust laws prohibited the league rules banning recruitment of his client. The U.S. Football League then reportedly secured opinions from two other law firms on the same subject which led the league to annouce that it approved the contract between Herschel Walker and the New Jersey Generals, because the league rules violated the antitrust laws.

There has been immediate speculation that other college football stars will be targeted for such recruitment. Given the tremendous public interest in football and the gigantic money-making opportunities for the franchises and collegiate athletes, it would indeed be amazing if owners, general managers, attorneys, and collegiate athletes were not, at this very moment, running in the open field created by the Herschel Walker precedent.

Certainly, there is a substantial public interest in a policy to encourage student-athletes to finish college. There are many examples of collegiate athletes, lured by the big bucks of professional athletics to leave school, who later sustain injuries and spend the rest of their lives regretting their decision to enter professional athletics early.

At the same time, there is a serious question on the right of young adults to decide their employment opportunities for themselves and leave school to take advantage of phenomenal offers. Given the limited timespan of a professional football career and the possibility of a collegiate injury precluding a later professional career, there is some validity to the contention that college players should be free to seek lucrative contracts before finishing their education and eligibility. Commentators have also suggested that the professional leagues use college football as a minor league system which has enabled the National Football League and the colleges to reap big profits at the expense of the collegian.

These and other issues should be fully explored at hearings. At a minimum, in my judgment, Congress should give careful consideration to this bill to preserve the current arrangements regarding recruitment of college football players which has worked reasonably well over the many years. The absence of any successful legal challenge to the existing rule is significant evidence of its value.

These issues have a somewhat different focus in this setting than when Congress itself must resolve such competing issues of public policy. Here, the scope of the congressional judgment is more restricted since we need decide only whether the antitrust laws should ban the freedom of the teams to limit their own activities to leave collegians in school and avoid interference with college football which is a major national pastime.

While other issues may be addressed in hearings, it is my view that Congress should not act more broadly than the narrow issue posed by the current problem. In my judgment, the

Congress should not now deal with any antitrust issues raised by the NCAA or Olympic rules barring athletes from amateur competition after negotiation with professional teams. It was for this reason that I personally opposed legislation to create a general antitrust exemption for professional football on the issue raised by the move of the Raiders from Oakland last year.

This limited antitrust exemption addresses the problem posed by the Herschel Walker case for college football athletes and professional football with an appropriately narrow response.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Collegiate Student-Athlete Protection Act of 1983.

SEC. 2. The Act of September 30, 1961 (75 Stat. 732; 15 U.S.C. 1291-1295), is amended by inserting after section 5 the following:

"SEC. 6. The antitrust laws as defined in section 1 of the Clayton Act, and in the Federal Trade Commission Act shall not apply to a joint agreement by or among persons engaging in or conducting the professional sports of football, baseball, basketball, soccer or hockey designed to encourage college student-athletes to complete their undergraduate education before becoming professional athletes.

By Mr. COHEN:

S. 611. A bill for the relief of the Bank of Maine; to the Committee on the Judiciary.

RELIEF OF THE BANK OF MAINE

Mr. COHEN. Mr. President, I am introducing legislation to reimburse a Maine bank for the wrongful loss of interest resulting from an erroneous transfer of funds to the U.S. Treasury.

The increasing use of computers in every field has made Americans more aware of the unfortunate errors that result when fallible human beings enter incorrect data into the computer. These mistakes can—and do—occur in the banking industry, given its growing reliance on high-speed and high-volume electronic transfers of funds.

Generally, when errors in transmitting funds occur, banks simply reimburse one another for any lost interest income, whether the mistake is caused by the sending or the receiving financial institution. This comity, however, apparently does not apply when a bank has the misfortune to misdirect funds to a U.S. Treasury account.

On December 24, 1980, the bank of Maine, N.A. attempted to transfer more than $2 million to the Bank of Nova Scotia via Bankers Trust in New York. The bank's staff incorrectly wired the funds, entering the wrong code which sent the money to a U.S. Treasury account at the Federal Reserve Bank of New York, instead of to its proper destination.

In most cases, the receiving financial institution catches a wiring error on the day of the transfer and notifies the sending bank. The funds are then forwarded to the correct location with no loss of interest. The Treasury Department, however, did not discover the error and notify the Bank of Maine until January 1, 1981, 9 days after the erroneous transfer had occurred.

The correct recipient of the funds, the Bank of Nova Scotia, asked the Bank of Maine to reimburse it for the interest lost during the 9 days that the funds were held by the Treasury. After considerable negotiation, the Bank of Nova Scotia agreed to settle for payment of $9,605.45, the amount of interest computed at the 19.13 percent Federal funds rate for the applicable period and less than the 22-percent interest rate on the loan against which the funds were to be applied.

Since the Bank of Maine had to compensate its customer for the loss of interest, bank officials requested that the Treasury pay the imputed interest for the time it held the funds. Stating that it was unable to pay interest on a claim unless pursuant to a specific statutory authority or a court order, the Treasury refused to reimburse the bank. This legislation will provide that statutory authority.

Mr. President, it is clear that the Treasury has been unjustly enriched at the expense of the Bank Maine. And, although $9,605.45 is a small amount compared to multi-billion-dollar Treasury accounts, it is not insignificant to a small Maine bank. I think that simple equity requires that the Bank of Maine be compensated for the loss of its interest.

I ask unanimous consent that this legislation be printed in the RECORD following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, the sum of $9,605.45 to the Bank of Maine, Augusta, Maine, in full satisfaction of the claim of the Bank of Maine for interest on funds which were erroneously transferred from the Bank of Maine to the United States Treasury on December 24, 1980, and retained by the United States Treasury until January 2, 1981.

SEC. 2. No part of the amount appropriated by the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the enactment of this Act, any contract to the contrary notwithstanding. Violation of the provision of this section is a misdemeanor punishable by a fine not to exceed $1,000.

By Mr. GORTON (for himself, Mr. DANFORTH, Mr. DOMENICI, Mr. GOLDWATER, Mr. HEFLIN, Mr. HEINZ, and Mr. TSONGAS):

S. 614. A bill to establish with the Office of Science and Technology Policy a Presidential program for the advancement of science and technology, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL SCIENCE AND TECHNOLOGY ADVANCEMENT ACT OF 1983

Mr. GORTON. Mr. President, today, our Nation faces a problem and a challenge unprecedented since the launching of Sputnik. For nearly three decades, Americans have assumed that the United States led the world in its scientific, engineering, and technological resources and achievement. But in recent years, quietly and without fanfare, that lead has slipped. The implications, both now and for the future, are devastating. This challenge to our prominence has impacts not only in the potential failure to achieve new breakthroughs; it has real human impacts that touch the lives of working men and women across the country.

While the importance of adequate technological resources cannot be overstated, the most significant factor in our Nation's decline in prominence is the human factor. Across the United States, there is a growing awareness that the next generation of Americans lacks the scientific, mathematical, and technological skills needed to enable them to participate fully in the technological revolution sweeping the world. Without those skills, individuals cannot hope for a decent life, and our Nation cannot regain its lead among tough international competition. Without that skilled work force, economic recovery can be only marginal and short-lived at best.

The following facts amply illustrate the severity of the problem:

During the past decade, the number of precollege science and mathematics teachers decreased by 50 percent while demand rose by 50 percent, according to researchers at the University of Washington;

Nationwide, in 1981-82, 50 percent of the newly employed precollege mathematics and science teachers were teaching under emergency certification, according to a survey by the National Science Teachers Association;

In Washington State, it is estimated that 25 percent of the secondary school science and mathematics teachers currently teaching will leave the profession in 3 to 5 years, according to researchers at the University of Washington;

Ten percent of all engineering faculty positions, some 3,000, remain un-

filled because of a critical lack of qualified candidates;

In the United States, only 9 percent of high school graduates take even 1 year of physics, 16 percent a year, of chemistry, and 45 percent a year, of biology. By contrast, the average Soviet high school graduate has taken 5 years of physics, 4 years of chemistry, and 5 years of biology;

In 1980 men outnumbered women in the entire scientific and technological work force by more than 4 to 1. In some fields, such as engineering and environmental sciences, women comprise less than 10 percent of the work force.

Only 20 percent of the students enrolled in technical vocational programs are women, and women comprise only 5 percent of the recipients of advanced engineering degrees.

The problems of inadequate numbers of secondary science and mathematics teachers, unfilled teaching positions, unprepared secondary school students and under representation of women and minorities demand bold new approaches.

This administration has been very supportive of basic research. In the state of the Union address, the President called for a national commitment to scientific and technological research and literacy, stating:

> * * * Education, training and retraining are fundamental to our success, as are research, development and productivity. Labor, management and government at all levels can and must participate in improving these tools of growth. Tax policy, regulatory practices, and government programs need constant re-evaluation in terms of our competitiveness. * * *

In my judgment, the Congress must also join in a wide bipartisan effort to address this urgent national problem. For this reason, today I am introducing the National Science and Technology Advancement Act of 1983.

The essential elements of my bill provide for assessments of the critical problems of our science and technology work force, strengthening of research and instructional facility capabilities in the sciences, engineering and mathematics, and a cooperative sharing of responsibility among the Federal Government, universities, industry, States and localities in the efforts to address these problems.

While it is entirely appropriate for the Federal Government to take the leadership role in addressing this problem, the States, localities, and the private sector all have a role to play as well.

Already, cooperative programs are forming between some of our great research universities and the public schools in the communities those universities serve. Major corporations, such as IMB and Hewlett-Packard, are emphasizing their commitment to engineering, science, and technology by increased funding of both basic research in universities and graduate fellowships to train our next generation of scientists.

A number of the States have begun to develop initiatives to encourage the growth of high technology industry. Cities are developing innovative approaches for attracting and holding qualified teachers of science and mathematics in their elementary and secondary schools. The National Science and Technology Advancement Act of 1983 is designed to encourage those initiatives, and to provide incentives for new initiatives.

In the bill, we propose a program aimed not only at inservice training of elementary and secondary teachers, but at the development of materials, resource centers and innovative programs in cooperation with university departments of physical and biological sciences, mathematics, and engineering. Any and all such programs will be developed in close cooperation with the States so as to adequately reflect their needs and will involve the private sector and the schools.

Another issue that cuts across many disciplines is that of support of our young scientific and engineering research faculty in the first years of their careers. These young faculty face enormous competition for scarce research funds. It is imperative that these young faculty not desert the academic environment for industry since it is they who will train the next generation of scientists and engineers. We recognize this and so provide for Presidential science, engineering, and technology awards for promising young faculty. These awards, consisting of Federal dollars matched with money from any non-Federal source can run up to $100,000 for 5 years. Not only will this provide the freedom and the resources to help these promising scientists realize their full potential as innovative researchers—and mentors for their graduate students—but will also encourage the private sector to share in the support of this important endeavor.

In addition, to further support this effort, we propose that those Federal agencies with heavy obligations in basic research share with the private sector in supporting academic research—such support could include equipment for research and instructional facilities improvement, scholarships, and fellowships, as examples. Cost estimates for upgrading research equipment in university laboratories to industrial standards range from $1 to $4 billion. Thus, industry has a critical stake in the health and success of the academic research enterprise. My legislation recognizes this shared responsibility by providing incentives for matching funding.

For years, women and minorities have been discouraged from entering the sciences, mathematics, and engineering. The result is an untapped and largely wasted reservoir of potential talent. It is vital that we increase the role of women and minorities in science, mathematics, and engineering. My bill addresses this need by directing that the Office of Science and Technology Policy specifically assess the influences that affect the interest of children in science and mathematics at an early age.

Mr. President, I believe that the approach which we are proposing is responsive and appropriate and I ask unanimous consent that a copy of the National Science and Technology Advancement Act of 1983 and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Science and Technology Advancement Act of 1983."

FINDINGS AND PURPOSES

SEC. 2. The Congress finds that—

(1) the Nation's economy, welfare and security have been and increasingly are dependent on the vitality and productivity of research and development in science and technology;

(2) the advantages which the Nation has enjoyed due to research and development in science and technology are being challenged increasingly and vigorously by other nations, with adverse implications for the economic competitiveness, general welfare and national security of the United States;

(3) the most important elements of research and development are the men and women who make discoveries and inventions and who transform such discoveries and inventions into new goods and services, thereby contributing to our national welfare and security, and to the vitality of our economy;

(4) there exists a pressing need for men and women trained and qualified in the fields of science and technology, and mathematics, and such a need is likely to increase as our Nation's welfare, security, and economic well-being become increasingly reliant on new technological developments;

(5) during the past decade there has been a continuing decline in the level of the science and mathematics literacy needed to provide a base for quality higher education or for maintenance of a technically skilled work force;

(6) women and minorities have historically been underrepresented in science, engineering and technical professions and can make such greater contributions to meeting the Nation's needs for research and development in science and technology; and

(7) achieving and maintaining a superior capability for research and development in science and technology is a national responsibility which must be actively assumed and shared, as appropriate, by the public and private sectors.

POLICY

SEC. 3. (a) The Congress declares that it is the policy of the United States to—

(1) promote international leadership by the United States in science and technology;

(2) pursue Federal responsibilities for research and development, particularly those for basic research, applied research and engineering applications;

(3) encourage the development of scientific, engineering, and technical personnel necessary to achieve the policies of this Act; and

(4) solicit the support of the private sector in meeting the Nation's needs for research and development and for science, engineering and technical personnel.

(b) The Congress further declares that the primary responsibility in the executive branch for developing policies for Federal support of resarch and development, science engineering, and technical personnel lies with the Office of Science and Technology Policy in the Executive Office of the President.

PRESIDENTIAL PROGRAM FOR THE ADVANCEMENT OF SCIENCE AND TECHNOLOGY

SEC. 4. There is established in the Executive Office of the President a Presidential program for the advancement of science and technology, to be administered by the Office of Science and Technology Policy. Such program shall consist of science and technology policy assessments, research capabilities improvements, Presidential science, engineering and technology awards, and a Presidential science and mathematics enhancement program, as provided in this Act.

SCIENCE AND TECHNOLOGY POLICY ASSESSMENTS

SEC. 5. The Office of Science and Technology Policy will undertake a study of currently critical problems of science and technology policy, including—

(1) the nature and distribution of shortages of elementary and secondary teachers qualified in science and mathematics, along with recommendations for increasing the relevant personnel pools;

(2) the needs of business and industry for personnel trained and qualified in the fields of science and technology, and mathematics;

(3) the problem of retraining workers in the fields of decreasing employment and from traditional skills to new skills appropriate to the needs of existing and emerging high technology businesses and industry; and

(4) factors which are most consequential to the development of interest in science and mathematics in young children and those factors which are most likely to increase the population of children who are competent in science and mathematics.

The Office of Science and Technology Policy shall submit such assessments, along with any recommendations for further action, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives prior to the submission by the President to the Congress of the Federal Budget for fiscal year 1985.

RESEARCH CAPABILITIES IMPROVEMENT

SEC. 6. (a) There is established a Federal program for the improvement of university research facilities and scientific and technical personnel for the physical and biological sciences, mathematics, and engineering. Any Federal agency with obligations for basic research in excess of $100,000,000 in any fiscal year is authorized to make grants by means of the program. Such grants shall be made to any academic institution for research and instructional scientific equipment, renovation of research facilities, fellowships, scholarships, and such other purposes as the Director of the Office of Science and Technology Policy determines are most appropriate to promote academic research and scientific and technical personnel improvement in the physical and biological sciences, mathematics, and engineering.

(b)(1) The Office of Science and Technology Policy will develop guidelines and plans for agency participation in the program established under subsection (a) of this section. Such guidelines and plans shall include a provision that the Federal contribution in any fiscal year to awards under such program shall not exceed the amount of funds contributed for such awards by non-Federal and private sources.

(2) The Director of the Office of Science and Technology Policy shall submit such guidelines and plans to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives prior to the submission by the President to the Congress of the Federal Budget for fiscal year 1985.

(c) The Director of the Office of Science and Technology Policy shall submit a report at least annually on such program to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science and Technology of the House of Representatives.

(d) The program established under subsection (a) of this section shall continue in effect for five years after the date of enactment of this Act. Continuation of such program after that date shall require the specific authorization of Congress.

PRESIDENTIAL SCIENCE, ENGINEERING AND TECHNOLOGY AWARDS

SEC. 7. (a) There is established within the Executive Office of the President the Presidential science, engineering and technology awards program to support and encourage promising new scientists and engineers to establish careers in academic research. The program shall be administered by the Office of Science and Technology Policy.

(b) The Director of the Office of Science and Technology Policy, after consulting with representatives from the scientific and educational communities and with such other persons as the Director considers appropriate, shall select the recipients of such awards from among individuals who—

(1) are untenured faculty members in the physical or biological sciences, mathematics, or engineering;

(2) have received a doctoral degree in one of these disciplines or have reentered academic research within five years before the award is made; and

(3) show unusual promise in their respective fields.

(c)(1) Any such award will consist of—

(A) a base research support award of $25,000 per year for five years; and

(B) at the discretion of the Director, an additional research support award of up to $75,000 per year for five years; the total annual Federal share of the additional research support award shall not exceed $25,000 and shall be contingent upon private and other non-Federal unrestricted matching of at least $2 for each Federal dollar awarded.

(d) Any such award shall be made on the basis of merit only and may not be used to pay the salaries of Presidential science, engineering and technology award recipients during any academic year.

(e) There is authorized to be appropriated for the Presidential science, engineering and technology awards program not to exceed $10,000,000 for the fiscal year ending September 30, 1984; not to exceed $20,000,000 for the fiscal year ending September 30, 1985; not to exceed $30,000,000 for the fiscal year ending September 30, 1986; not to exceed $40,000,000 for the fiscal year ending September 30, 1987; and not to exceed $50,000,000 for the fiscal year ending September 30, 1988.

PRESIDENTIAL SCIENCE AND MATHEMATICS PERSONNEL ENHANCEMENT PROGRAM

SEC. 8. (a) There is established within the Executive Office of the President a Presidential science and mathematics personnel enhancement program. Such program shall be administered by the Office of Science and Technology Policy, which shall develop a plan and guidelines for the program. To ensure that the program reflects appropriately the plans and intentions of the separate States and to assist them in their responsibilities, the Director of the Office of Science and Technology Policy shall coordinate the activities of such programs with—

(1) the Governors of the separate States; or

(2) in the case of States in which the Members of the State Board of Education are elected (including election by the State Legislature), by such Board.

(b)(1) The plan and guidelines developed pursuant to subsection (a) of this section shall provide for stipends for eligible elementary and secondary teachers of science and mathematics to enable such teachers to participate in programs to improve their instructional skills and subject-matter expertise. Such plan and guidelines may also include—

(A) development of instructional materials for teachers through university departments of physical and biological sciences, mathematics and engineering;

(B) teacher institutes and resource centers; and

(C) other innovative instructional programs.

(2) Such plan shall include criteria for selection of participants in such programs.

(3) The nominations of eligible participants in such programs shall primarily be the responsibility of State and local school authorities.

(4) At least one-half of the funds necessary for such stipends shall be made available through non-Federal or private sources.

(c) There is authorized to be appropriated for the Presidential science and mathematics personnel enhancement program not to exceed $10,000,000 for the fiscal year ending September 30, 1984; not to exceed $20,000,000 for the fiscal year ending September 30, 1985; not to exceed $30,000,000 for the fiscal year ending September 30, 1986; not to exceed $55,000,000 for the fiscal year ending September 30, 1987; and not to exceed $55,000,000 for the fiscal year ending September 30, 1988.

SECTION BY SECTION ANALYSIS

Section 1. *Title.*

Section 2. *Findings and Purposes.*

Section 3. *Policy.*

Section 4. *Presidential Program for the Advancement of Science and Technology.* Authorizes the Director of the Office of Science and Technology Policy in the Executive Office of the President to establish the programs in Sections 5,6,7 and 8.

Section 5. *Science and Technology Policy Assessments.* Directs the Office of Science and Technology Policy to undertake assess-

ments of critical problems of science and technology policy including: shortages of teachers qualified in science and mathematics; the needs of business and industry for personnel trained and qualified in science and mathematics; the need for retraining workers for the new demands of existing and emerging high technology industries and the factors influencing the interest of young children in science and mathematics.

Section 6. *Research Capabilities Improvement.* Establishes a program for improvement of university research facilities, instructional and research equipment, and scientific and technical personnel for the physical and biological sciences, engineering and mathematics. Authorizes Federal agencies with basic research obligations in excess of $100 million dollars per year to participate in this program. Directs the Office of Science and Technology Policy to develop guidelines for agency participation, to submit their guidelines and report annually on this program to the appropriate Congressional committees. Federal monies contributed under this program shall not exceed the amounts contributed by non-Federal or private sources.

Section 7. *Presidential Science, Engineering and Technology Awards.* Establishes an awards program administered by the Office of Science and Technology Policy to support promising new scientists and engineers in academic research. The Director of the Office of Science and Technology Policy in consultation with other appropriate persons shall select recipients from untenured, unusually promising faculty members in the sciences, engineering or mathematics who have either received their doctorates or reentered academic research within 5 years prior to the award. Awards, based on merit only, will consist of a base support amount and an additional discretionary sum of which the Federal share shall not exceed one-third. Authorizes appropriations for this program of $10 million for fiscal year 1984, $20 million for fiscal year 1995, $30 million for fiscal year 1986, $40 million for fiscal year 1987 and $50 million for fiscal year 1988.

Section 8. *Presidential Science and Mathematics Personnel Enhancement Program.* Establishes a program, administered by the Office of Science and Technology Policy, which may provide for stipends for: (1) elementary and secondary science and mathematics teachers to participate in programs to improve their instructional skills and subject-matter knowledge; (2) monies for development of instructional materials for teachers through university departments; (3) teacher institutes or resource centers; and, (4) other innovative instructional programs. The Office of Science and Technology Policy shall coordinate this program with the appropriate State officials and shall develop a plan and guidelines for the program. At least one-half the funds necessary for this program shall be obtained through non-Federal or private sources. Authorizes appropriations of $10 million for fiscal year 1984; $20 million for fiscal year 1985; $30 million for fiscal year 1986; $55 million for each of fiscal year 1987 and fiscal year 1988.

Mr. HEFLIN. Mr. President, I am pleased to cosponsor, with Senator GORTON, this legislation for advancing the science and technology programs so vitally needed today by this Nation. The ability of the United States to maintain a competitive edge in science and technology will influence not only our economic well-being but our national security as well. In recent years our leadership position has become at risk to the technological base formed by other nations. This is partially due to the national negligence of the growing problems of inadequate supply of trained personnel to meet the rapidly increasing demand by high technology industries, the shortage of qualified science and mathematic teachers, and inadequate instructional and research equipment.

Past basic research into the fundamental laws of mathematics, physics, and engineering was the foundation on which the development of new ideas, procedures, and products such as the laser were built. Without the talent and tools for careful basic research we would not be blessed with the numerous applications of the laser, such as its fantastic uses in medicine, in industry, and the national defense.

My primary goal as ranking Democrat of the Science, Technology, and Space Subcommittee is to see that the United States remains the world leader in science and technology on which so much of our future depends. I look forward to working with Senator GORTON on this high priority legislation that will put us back on the right track for maintaining our leadership. I believe that it provides a basis for us to address the immediate science and technology problems facing us and will also provide a basis for evaluating the national science and technology goals and establishing a coherent policy to avoid future problems.

By Mr. McCLURE:

S. 615. A bill to correct deficiencies in the Natural Gas Policy Act of 1978, to protect natural gas consumers from price increases because of current distortions in the regulated market for natural gas, to provide for a free market for natural gas, to permit natural gas contracts to reflect the change from a regulated to a free market, to eliminate incremental pricing requirements for natural gas, to eliminate certain fuel use restrictions, and for other purposes; to the Committee on Energy and Natural Resources.

NATURAL GAS CONSUMER REGULATORY REFORM AMENDMENTS OF 1983

● Mr. McCLURE. Mr. President, today I am introducing the administration's natural gas bill, which was transmitted to the Congress a few hours ago.

Mr. President, during the past 2 years, average prices of natural gas have increased rapidly, with the result that financial hardships have been imposed on large numbers of gas consumers in many parts of the country. Furthermore, serious gas marketing distortions have occurred within the natural gas industry. Some pipelines have been compelled to buy too much high-priced gas, and there are severe inequities in the pricing of gas among various regions of the country. These distortions are being criticized extensively by a wide spectrum of gas consumers, distributors, pipelines, and producers. We cannot permit these conditions to continue, Mr. President. I am convinced that the Congress must act, as soon as possible, to restrain retail gas price increases and to correct the current distortions in the natural gas markets.

The administration bill contains all of the elements needed to achieve those two basic goals, as well as the equally important objective of insuring that gas shortages do not occur in the late 1980's. The bill would allow the free market to operate to provide natural gas at the lowest competitive price, while providing solutions for most of the distortions which regulation has introduced into the marketing system. It would also provide a very strong consumer protection feature in insuring that, during the transition to free market pricing, the basic wholesale price of natural gas cannot rise in real terms except after careful scrutiny and justification.

The bill would establish a true free market price and would allow the market some latitude to operate. The bill would accomplish this by allowing complete freedom both as to terms and as to price on all new contracts for natural gas and on all renegotiated contracts. Because these contracts can be freely signed, there should be an appropriate balance of terms and prices between the various parties. In light of current market conditions, it appears that these new free market contracts are likely to be at or below some of the prices now being charged for regulated gas.

Consumers would gain an immediate benefit from this new free market price because that price would serve as an additional ceiling on regulated prices which have not yet been renegotiated. In other words, if the current regulated price is below the free market average, it remains subject to the Natural Gas Policy Act ceilings. However, if the regulated price is higher than the new free market average, then the regulated price is reduced to that average until or unless the contract is renegotiated.

In addition, parties to current contracts would have an immediate incentive to renegotiate their contracts, because the bill provides that on January 1, 1985, any contract that has not been renegotiated may be abrogated at the request of either party. The bill also provides that natural gas sellers not bound by contract may sell their gas directly to any purchaser, and interstate pipelines would be required

to furnish transportation when they have available capacity.

The bill contains several mechanisms that would provide consumer protection during the transition to free market pricing. These include reducing all pipeline take-or-pay obligations to 70 percent. If a pipeline exercises its option to change its contract, it runs the risk that the seller may sell the gas elsewhere, with the pipeline being required to furnish transportation at a modest profit. This provision should insure a reasonable bargaining relationship between the two parties, and it would also allow pipelines who have improvidently entered into excessive take-or-pay requirements some opportunity to reduce those obligations.

The bill contains two additional consumer protection features. First, it would limit the price increases that would result from applying indefinite price escalator clauses. Price increases under such clauses could not exceed the free market price ceiling. Second, there have been allegations of problems because of pipelines dealing more favorably with their own affiliates or company divisions than with outsiders. The bill would require that a pipeline take gas from itself or its affiliates at rates no higher than its rate of take from others at a cheaper price. This insures equitable treatment of all producers, and it would protect consumers.

Mr. President, in my judgment, the key feature of the administration bill is that it would permit gas producers and pipelines, through the process of renegotiating and terminating contracts, to receive market signals and to make the necessary adjustments in prices, purchases and sales. By relying on the free market to establish the lowest possible competitive prices, the administration has wisely refrained from choosing the alternative approach that has proven to be unfair and unworkable—the setting of wellhead price ceilings by the Congress and the Federal Energy Regulatory Commission.

The administration bill is comprehensive and reasonably balanced, and it represents a solid first step in the development of final legislation. That process will begin next week, when the Committee on Energy and Natural Resources holds hearings on the bill on March 9–12, 1983.

Mr. President, I ask unanimous consent that the following documents be printed in the RECORD: The President's statement of February 28, 1983, transmitting the legislation; the text of the President's radio address to the Nation of February 26, 1983; the bill; the section-by-section analysis; the DOE executive summary of the legislation; and the DOE factsheet for the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
February 28, 1983.

STATEMENT BY THE PRESIDENT

It is a pleasure today to do what we long have anticipated: to send to Congress our proposal for correcting problems that have resulted from excessive regulation of the natural gas market. Our goal must be to obtain an adequate supply of natural gas at a reasonable price. Anything less is not sufficient and will not solve the problems currently faced by many Americans who depend on natural gas.

In recent months, thousands of people have written to me, to Members of Congress and to State and local officials expressing their distress about rapidly rising natural gas bills. Some areas of the country have been especially hard hit. It is clear that consumers are being poorly and unfairly served by the existing regulatory system—a system which prevents natural gas producers and their customers from establishing contracts that respond to market forces, including downward pressure on prices that otherwise would occur as a result of plentiful gas supplies and declining oil prices. There is widespread agreement that something must be done to relieve the regulatory straight jacket in which the natural gas market now operates.

The proposal I am submitting to the Congress today will achieve the needed result. It is not a partisan plan, nor does it resort to seemingly simple "quick fixes," which would turn out to be neither simple nor quick and ultimately would not fix the problems. Instead, our approach is a comprehensive proposal that can—and I believe will—be supported by Congressmen and Senators of both parties and will be beneficial to the consumers they represent.

Our legislative package will allow, but not require, the parties to negotiate toward a free market, so that there will be real and long-term incentives to produce and market abundant gas supplies at the lowest possible cost. In this regard, I note the declines in gasoline and home heating oil prices that have occurred since we deregulated oil two years ago.

Although we believe free markets not only can, but will, achieve these results, the American consumer need not take this on faith alone. To assure that the consumer is protected, I have insisted on a provision which reverses the present law by providing that, untill 1986, there will be a moratorium on the automatic pass-through of increased gas costs other than those increases attributable to inflation, which as you know has been declining steadily.

We believe these ideas offer the best achieveable combination of consumer protection and efficient, economic use of our valuable gas resources. I look forward to working closely with the Congress to obtain passage of this urgently needed legislation without delay.

THE WHITE HOUSE,
February 26, 1983.

RADIO ADDRESS OF THE PRESIDENT TO THE NATION

The PRESIDENT: My fellow Americans, today I'd like to talk to you about a subject that touches on all of us one way or another in our homes, schools and work places and in the overall economy. I want to talk about one of our major energy sources—natural gas—and what this administration proposes to do to ensure abundant supplies of it at reasonable prices.

As the situation stands now, the American consumer is being hurt by government regulations that actually contribute to higher gas bills. We want to change that. Now, I know all too well that energy is a subject that some people in public life just can't resist playing politics with. It's unfortunate, but I guess it's a fact of life, or at least a fact of life as we know it in Washington, which can be pretty different from hometown America.

Many of you, I'm sure, recall the howls that went up when we acted to deregulate oil prices two years ago. Remember how you were told that deregulation would lead to skyrocketing prices for the gasoline that fuels millions of American cars or the oil that heats millions of American homes? Well, the evidence is in. And the doomsayers were dead wrong.

You don't have to go any further than the nearest filling station to see that prices have gone down, not up since decontrol, just as we promised they would. The economic realities of the marketplace have done more to bring down the price of oil than all those years of frenetic government regulating.

I think there's a lesson here for all of us and one that goes a lot deeper than the price of energy. Way back in 1824, Thomas Jefferson wrote about the difference between two kinds of political mentalities. Both of them are still very much with us today. Here's what Jefferson said about them. "Men by their constitutions are naturally divided into two parties—those who fear and distrust the people and wish to draw all powers from them and those who identify themselves with the people and have confidence in them."

Now, the vast majority of us identify with the second group, the one that believes in trusting the wisdom of the people rather than taking power away from them and concentrating it in the other hands. On a more personal level, anyone who's ever wrestled with a tax form or had to make sense out of a complicated bureaucratic regulation knows how costly and time-consuming government over-regulation can be.

And that brings me back to regulation, in this case regulation of natural gas. I'm convinced, and I believe that the evidence backs me up that just as deregulation of oil has led to a better deal for the American consumer, a freer market in natural gas will have the same beneficial effect for you. So, next week I'm sending the Congress a proposal for correcting the problems that have resulted from past excessive regulation of the natural gas market.

While I'm taking this step out of a deep belief in the principle involved, there are human reasons as well. In recent months, thousands of you have written to me, to members of Congress, and to state and local officials expressing your distress about rapidly rising natural gas bills. Some areas of the country have been especially hard-hit and it's clear that consumers are being poorly and unfairly served by the existing regulatory system.

That system prevents natural gas producers and their customers from entering into contracts that respond to market forces including pressure for lower prices that are now possible due to plentiful gas supplies and declining oil prices. Today there's a surplus of natural gas and oil prices are dropping. These factors normally would result in lower natural gas prices. But the regulatory morass has kept the marketplace from achieving lower natural gas prices. In sharp contrast, the Department of Energy esti-

mates that if our proposal is enacted, natural gas prices will drop by at least 10 to 30 cents per thousand cubic feet in the first year.

The measure I will submit to the Congress is not a partisan plan and it resorts to no quick political fixes. Instead our approach is a comprehensive proposal that can and I believe will be supported by Congressmen and Senators of both parties and will benefit the consumers they represent.

Basically, out legislative package will allow a freer market for natural gas so that there will be real and long-term incentives to produce and market abundant gas supplies at the lowest possible cost, just as gasoline and home heating oil prices have declined since we deregulated oil. Although we believe free markets not only can but will achieve these results, we aren't asking you, the consumer, to take that on faith. To assure that consumers are protected, I have insisted on a provision which reverses the present law and provides that until 1986, there will be a moratorium on the automatic pass-through to consumers of increased gas costs by the gas pipelines other than those caused by inflation which, as you know, has been declining steadily.

The key to cheaper, more abundant energy for all Americans is a policy that combines consumer protection, incentives to produce, and efficient economic use of our resources. That's what our program will do. And I look forward to working closely with members of both parties in the Congress to obtain its passage without delay.

Until next week, thanks for listening and God bless you.

S. 615

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Consumer Regulatory Reform Amendments of 1983".

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TITLE I—PURCHASED GAS COST

PURCHASED GAS COST

SEC. 101. (a) Title VI of the Natural Gas Policy Act of 1978 (15 U.S.C. 3431 et seq.) is amended by adding a new section 603 to read as follows:

"SEC. 603. LIMITATION ON THE PASSTHROUGH OF CERTAIN PURCHASED GAS COSTS.

"(a) LIMITATION ON PURCHASED GAS ADJUSTMENTS.—Notwithstanding section 601(c) of this Act, for purposes of sections 4 and 5 of the Natural Gas Act, from the first day of the first month following enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983 through December 31, 1985, the part of a pipline's rate that reflects purchased gas costs may not exceed its allowed rate for purchased gas cost, except as provided in subsection (b).

"(b) RECOVERY OF ADDITIONAL PURCHASED GAS COST.—A pipeline may file an application under this subsection with the Commission to increase its rates to reflect any purchased gas cost that subsection (a) of this section prevents it from recovering. Notwithstanding section 4(e) of the Natural Gas Act, no increase to the rates of a pipeline that may be recovered under this subsection may go into effect unless the Commission, after opportunity for hearing, issues an order that grants the application, in whole or in part, with such modifications and upon such terms and conditions as the Commission may find necessary and appropriate. The proceeding under this subsection shall be conducted by the Commission separately from proceedings on other rate applications that are filed under section 4 of the Natural Gas Act. In any such proceeding, the Commission shall allow recovery if it determines that the costs sought to be recovered were just, reasonable, and prudently incurred. In making this determination, the Commission shall consider the reasonable availability of lower cost supplies to the pipeline and the necessity of such costs for the pipeline to render adequate service to its existing customers. Within sixty days of the date of the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983, the Commission shall prescribe rules for applications under this subsection. These rules shall facilitate expeditious decisions on these applications.

"(c) DEFINITIONS.—

"(1) ALLOWED RATE FOR PURCHASED GAS.—The term "allowed rate for purchased gas" means, for a particular pipeline, for a particular month, the pipeline's average cost per million Btu's for purchased gas delivered to the pipeline during the month preceding the enactment of the Natural Gas Consumer Regulatory Reform Act of 1983 plus the adjustment amount for that particular month.

"(2) ADJUSTMENT AMOUNT.—The term "adjustment amount" means, for a particular month, the difference between the national rate and the adjusted national rate for that particular month.

"(3) NATIONAL RATE.—the term "national rate" means the national average cost per million Btu's for purchased gas delivered to all interstate pipelines during the month preceding the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983.

"(4) ADJUSTED NATIONAL RATES.—The term "adjusted national rate" means—

"(A) for the month in which the Natural Gas Consumer Regulatory Reform Amendments of 1983 is enacted, the national rate multiplied by the annual inflation adjustment factor (as defined in section 101(a) of this Act) for that month; and

"(B) for any particular succeeding month, the adjusted national rate for the preceding month multiplied by the annual inflation factor (as defined in section 101(a) of this Act) for that particular month.

"(d) REPORTING REQUIREMENT.—By the fifth day following the enactment of the Natural Gas Consumer Regulatory Reform Amendment of 1983, each interstate pipeline shall report its average cost per million Btu's for purchased gas delivered to it during the month preceding the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983 and the volume of purchased gas delivered to it during that month.

"(e) PUBLICATION.—The Commission shall compute and publish the adjustment amount for each month at least five days before the beginning of that month.

"(f) AFFILIATED PRODUCTION.—No interstate pipeline may recover any costs associated with its own production or purchases from any affiliated producer to the extent such production or purchases were not reduced to a percentage of deliverability no higher than the percentage of deliverability to which the pipeline had exercised contemporaneously a contractual right to reduce its takes of less expensive gas."

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by inserting after the item relating to section 602 the following:

"Sec. 603. Purchased Gas Cost."

TITLE II—REMOVAL OF WELLHEAD PRICE CONTROLS AND REPEAL OF JURISDICTION OVER CERTAIN FIRST SALES

REMOVAL OF WELLHEAD PRICE CONTROLS

SEC. 201. Section 121 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3331) is amended to read as follows:

"SEC. 121. ELIMINATION OF PRICE CONTROLS FOR CERTAIN NATURAL GAS SALES.

"(a) GENERAL RULE.—The provisions of subtitle A respecting the maximum lawful price for any first sale of natural gas shall cease to apply to any first sale of natural gas subject to any contract that was executed or amended after the date of enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983, unless the contract specifically provides that the contract shall not operate to terminate the application of subtitle A.

"(b) HIGH-COST NATURAL GAS.—Except as provided in subsection (a) of this section, with respect to the first sale of high-cost natural gas which is described in section 107(c) (1), (2), (3), or (4)—

"(1) beginning on the effective date of the incremental pricing rule required under section 201, the provisions of subtitle A respecting the maximum lawful price for the first sale of natural gas shall cease to apply; and

"(2) beginning on the date of enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983 through December 31, 1985, the price shall not exceed

the higher of the contract price on the date of the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983 or the gas cap price, if published, for the month during which the gas is delivered.

"(c) SPECIAL RULE FOR CERTAIN GAS.—Except as provided in subsection (a), with respect to the first sale of gas covered by this subsection,—

"(1) beginning January 1, 1985, the provision of subtitle A respecting the maximum lawful price shall cease to apply; and

"(2) beginning January 1, 1985, through December 31, 1985, the price shall not exceed the gas cap price for the month during which the gas is delivered.

"(3) GAS COVERED BY THIS SUBSECTION.—This subsection applies to—

"(A) new natural gas (as defined in section 103(c));

"(B) natural gas produced from any new, onshore production well (as defined in section 103(c)), if such natural gas—

"(i) was not committed or dedicated to interstate commerce on April 20, 1977; and

"(ii) is produced from a completion location which is located at a depth of more than 5,000 feet; and

"(C) natural gas sold under an existing contract, any successor to an existing contract, or any rollover contract, if—

"(i) such natural gas was not committed or dedicated to interstate commerce on the day before the day of the enactment of this Act; and

"(ii) the price paid for the last deliveries of such natural gas occurring on December 31, 1984, or, if no deliveries occurred on such date, the price that would have been paid had deliveries occurred on such date is higher than $1.00 per million Btu's.

"(d) REMOVAL OF WELLHEAD PRICE CONTROLS ON ALL NATURAL GAS.—Except as provided in subsections (a), (b), or (c), beginning January 1, 1986, the provisions of subtitle A respecting maximum lawful price shall cease to apply to the first sale of any natural gas."

REPEAL OF NATURAL GAS ACT JURISDICTION OVER FIRST SALES OF COMMITTED OR DEDICATED NATURAL GAS

SEC. 202. Section 601(a)(1)(B) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3431(a)(1)(B)) is amended to read as follows:

"(B) COMMITTED OR DEDICATED NATURAL GAS.—Effective on January 1, 1985, for the purposes of section 1(b) of the Natural Gas Act, the provisions of such Act and the jurisdiction of the Commission shall not apply solely by reason of any first sale of natural gas which was committed or dedicated to interstate commerce as of the day before the date of enactment of this subsection. Effective on the date of enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983 through December 31, 1984, for the purposes of section 1(b) of the Natural Gas Act, the provisions of such Act and the jurisdiction of the Commission under such Act shall not apply solely by reason of any first sale of natural gas which is committed or dedicated to interstate commerce as of the day before the day of enactment of this Act and which is—

"(i) high-cost natural gas (as defined in section 107(c) (1), (2), (3), or (4) of this Act);

"(ii) new natural gas (as defined in section 102(c) of this Act);

"(iii) natural gas produced from any new, onshore production well (as defined in section 103(c) of this Act);

"(iv) natural gas exempted from the operation of subtitle A of title I pursuant to section 121(a); or

"(v) natural gas that was subject to a contract that expired, lapsed, was terminated pursuant to its own terms, or was terminated pursuant to the provisions of section 316 of this Act."

REPEAL OF PROVISIONS ALLOWING REIMPOSITION OF PRICE CONTROLS AND REPORT TO CONGRESS

SEC. 203. (a) Sections 122, 123, and 507 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3332, 3333, and 3417) are repealed.

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by striking the items relating to sections 122, 123, and 507.

TITLE III—TRANSITIONAL PRICE AND CONTRACT PROVISIONS LIMITATION ON CEILING PRICES FOR CERTAIN NATURAL GAS

SEC. 301. (a) Title I of the Natural Gas Policy Act of 1978 (15 U.S.C. 3311-3333) is amended by adding the following new section:

"SEC. 111. LIMITATION ON CEILING PRICES FOR CERTAIN NATURAL GAS.

"(a) GENERAL RULE.—Except as provided in section 121 of this Act, beginning on the date of enactment of this section, the maximum lawful price of any first sale of natural gas subject to this subtitle shall not exceed the lower of the applicable price as calculated pursuant to sections 102 through 106, 108, and 109 or the gas cap price, if published, for the month during which the gas is delivered.

"(b) SPECIAL RULE FOR SECTION 107(c)(5) GAS.—Except as provided in section 121 of this Act, beginning on the date of the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983, the maximum lawful price for gas described in subsection (c)(5) of section 107 of this Act shall be no higher than the maximum lawful price for such gas during the month in which the Natural Gas Consumer Regulatory Reform Amendments of 1983 are enacted.

"(c) DEFINITION OF GAS CAP PRICE.—The term "gas cap price" means, for a particular month, the volume-weighted average price of natural gas that is estimated to be—

"(1) delivered during the second, third, and fourth months preceding that particular month; and

"(2) delivered during the first three months of deliveries under a contract filed under subsection (e) of this section.

"(d) CALCULATION AND PUBLICATION OF THE GAS CAP PRICE.—Beginning with the fourth month after enactment of the Natural Gas Consumer Regulatory Amendments of 1983, the Commission (in accordance with section 101(a)(6) of this subtitle) shall compute and publish the gas cap price for each month through December 1985.

"(e) FILING REQUIREMENT.—A purchaser of natural gas subject to a first sale contract executed or amended on or after the date of the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983 shall file with the Commission within five days of the date on which the contract is executed or amended—

"(1) a summary of the contract and all ancillary agreements, including all pricing provisions;

"(2) the prices to be paid under the contract during the first three months of deliveries;

"(3) the estimated volumes (in millions of Btu's) to be delivered during the first year of the contract; and

"(4) any additional data required by the Commission.

This filing requirement does not apply in the case of an amendment of a contract for which data previously relating to price has been filed with the Commission under this subsection.

"(f) COMMISSION RULES.—Within thirty days of the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983, the Commission shall issue rules to implement this section."

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by inserting after the item relating to section 110 the following:

"Sec. 111. Limitation on Ceiling Prices for Certain Natural Gas."

(c) Section 101(b)(5) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3311(b)(5)) is amended by striking the period at the end and inserting the following:

", but in no event shall the operation of this paragraph be deemed to entitle any seller to collect a price in excess of that established pursuant to section 111."

(d) Section 105(b)(3)(B) of the Natural Gas Policy Act of 1978 is amended by adding a new sentence at the end to read as follows:

"This definition shall not include any clause which establishes the price for natural gas exempted from the operation of this subtitle pursuant to section 121(a)."

REPEAL OF CERTAIN CONTRACT REQUIREMENTS AND IMPOSITION OF TAKE-OR-PAY LIMITS

SEC. 302. (a) Section 315 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3375) is repealed, and a new section 315 is inserted in its place to read as follows:

"SEC. 315. IMPOSITION OF TAKE-OR-PAY LIMITS.

"(a) GENERAL RULE.—In the case of any first sale contract in effect on the date of enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983, which has not been amended subsequent to the date of enactment, and which contains a clause requiring a purchaser to take delivery of, or if not taken, to pay for, volumes of gas in excess of 70 percent of available deliverability from those wells included under a contract, the purchaser may exercise without obligation to pay for volumes not taken in excess of 70 percent of well deliverability, a right not to accept delivery of any portion of the total volume which exceeds 70 percent of well deliverability. This right applies only to deliveries under a contract from the date of enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983 through December 31, 1985.

"(b) NOTICE REQUIREMENT.—Any purchaser electing to reduce volumes purchased pursuant to this section must give the seller a minimum of thirty days written notice prior to the date of delivery of the natural gas involved.

"(c) RELEASE OF CONTRACTUAL OBLIGATIONS.—Upon receipt of the notice provided for in subsection (b), the seller shall have the right to terminate the contract with respect only to amounts not taken by reason of this section. If the seller elects to terminate the contract in accordance with this section, the purchaser shall tender to the seller full and unconditional release from all duties and obligations in contract or in law. The purchaser, if a transporter of natural

gas, shall tender transportation in accordance with the provisions of section 316(d) of this Act.

"(d) DRAINAGE SITUATIONS.—The Commission, by rule or order, may determine that this section shall not apply to the extent the production of the volume for which delivery is required to be taken is necessary in order to prevent drainage and protect the correlative rights of the person producing the natural gas involved.

"(e) CASINGHEAD NATURAL GAS.—This section shall not apply to casinghead natural gas.

"(f) CONTRACTS COVERING MORE THAN ONE CATEGORY OF NATURAL GAS.—For purposes of this section, any contract establishing two or more categories of natural gas for purposes of pricing the natural gas delivered under the contract shall be treated as separate contracts for each such category.

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by striking the item relating to section 315 and inserting in its place the following:

"Sec. 315. Imposition of Take-or-Pay Limits."

MARKET-OUT PROVISION

SEC. 303. (a) Title III of the Natural Gas Policy Act of 1978 (15 U.S.C. 3361-3375) is amended by adding a new section 316 to read as follows:

"SEC. 316. MARKET-OUT PROVISION.

"(a) GENERAL RULE.—Beginning January 1, 1985, either party to a contract for the first sale of natural gas which was in effect on the date of enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983 and which contract was not thereafter amended shall have the right to terminate the contract under the following conditions:

"(1) The party wishing to terminate the contract must give notice to the other party between November 16, 1984, and November 15, 1985, and at least 45 days in advance, that the contract is to be terminated;

"(2) the party giving notice of termination does not materially breach the contract at any time prior to the end of the notice period; and

"(3) the party giving notice of termination must offer to the other party a full and unconditional release from all future duties and obligations in contract or in law relating to the contract, which release is effective upon termination of the notice period.

"(b) EFFECT OF SECTION 315 REDUCTION.—A reduction of a take-or-pay obligation pursuant to section 315 of this Act shall not be considered an amendment for purposes of subsection (a) of this section.

"(c) OBLIGATIONS OF PARTIES UPON TERMINATION.—Neither party to a contract terminated pursuant to this section shall have an obligation to perform any act because of the contract on and after the effective date of the termination of the contract, except that a party that has received a good or service under the contract before the effective date of its termination shall have a duty to pay for that good or service as provided for in the contract and that a party that has received payment under the contract for a good or service that was not provided before the effective date of its termination shall have a duty to make restitution of the payment in cash or in kind in accordance with the contract.

"(d) TRANSPORTATION OBLIGATION.—

"(1) IN GENERAL.—In the event that a contract is terminated under this section, a pipeline that was a party to the terminated contract shall have an obligation to transport natural gas for a producer that was a party to the terminated contract. The obligation of the pipeline shall not exceed on an annual basis the largest volume delivered under the contract during any twelve consecutive months in the thirty-six months prior to its termination.

"(2) LIMITATION OF OBLIGATION.—The Commission, or in the case of an intrastate pipeline the State agency with jurisdiction over that pipeline, upon application by the pipeline and after opportunity for hearing, may order a limitation of the obligation of the pipeline under this subsection if compliance with the obligation would require construction of additional facilities or would impair the ability of the pipeline to render adequate service to its existing customers.

"(3) CONSIDERATION.—The consideration for any transportation provided under this subsection shall be $.05 per million Btu's plus the cost of such transportation, as established by the appropriate State or Federal regulatory body, unless the Commission has established, by rule, a different rate as just compensation for such transportation. No amount of such consideration shall be required to be credited and flowed back to the customers of such pipeline."

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by inserting after the item relating to section 315 the following:

"Sec. 316. Market-Out Provision."

EFFECT OF GAS CAP PRICE

SEC. 304. (a) Title III of the Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3361-3375) is amended by adding a new section 318 to read as follows:

"SEC. 318. EFFECT OF GAS CAP PRICE.

"(a) PRICE ESCALATOR CLAUSES.—Except for natural gas described in section 107 of this Act, no price escalator clause may operate to establish a price for natural gas which is subject to the provisions of subtitle A respecting the maximum lawful price for the first sale of natural gas higher than the gas cap price. For purposes of this subsection, the term "price escalator clause" means any contract clause that provides for a periodic price increase, either on a fixed or indefinite basis, or that references other natural gas prices, Federally imposed price ceilings, or prices of other commodities.

"(b) AREA RATE CLAUSES.—For purposes of an area rate clause, the gas cap price is a Federally established rate or price. After December 31, 1985, the gas cap price for December 1985 is a Federally established rate or price."

(b) The table of contents of the Natural Gas Policy Act of 1978 (U.S.C. 3301 note) is amended by inserting after the item relating to section 317 the following:

"Sec. 318. Effect of Gas Cap Price."

TITLE IV—REMOVAL OF IMPEDIMENTS TO INTERSTATE MOVEMENTS OF GAS

AUTHORIZATION OF CERTAIN INTERSTATE SALES, TRANSPORTATION AND ASSIGNMENTS

SEC. 401. (a) Section 311(a) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3371(a)) is amended by—

(1) amending subparagraph (A) of paragraph (1) to read as follows:

"(A) IN GENERAL.—The Commission may, by rule or order, authorize any interstate pipeline to transport natural gas on behalf of any person."

(2) inserting "AND LOCAL DISTRIBUTION COMPANIES" after "INTRASTATE PIPELINES" in the paragraph (2) heading;

(3) inserting in paragraph (2) "or local distribution company" after "intrastate pipeline";

(4) amending subparagraph (A) of paragraph (2) to read as follows:

"(A) IN GENERAL.—The Commission may, by rule or order, authorize any intrastate pipeline or local distribution company to transport natural gas on behalf of any person."

(5) in subparagraph (B)(ii) (I) and (II) of paragraph (2), inserting "or company" after "pipeline".

(b) Section 311(b) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3371(b)) is amended by—

(1) amending paragraph (1) to read as follows:

"(1) IN GENERAL.—The Commission may, by rule or order, authorize any pipeline or local distribution company to sell natural gas to any pipeline or local distribution company."

(2) amending paragraph (2) by—

(A) striking "MAXIMUM FAIR AND EQUITABLE PRICE" after the subparagraph designator "A" and inserting in its place "INTRASTATE PIPELINES AND LOCAL DISTRIBUTION COMPANIES";

(B) inserting "or local distribution company" following "pipeline" and "or local distribution company's" following "pipeline's" wherever they appear; and

(C) inserting "(including storage)" after "transportation" in clause (i) of subparagraph (B);

(D) adding a new subparagraph (D) to read as follows:

"(D) INTERSTATE PIPELINES.—The rates and charges of any interstate pipeline with respect to any sales authorized under subsection (b)(1)(A) shall be just and reasonable (within the meaning of the Natural Gas Act).";

(3) in paragraph (4), striking "pipeline's" and inserting in its place "seller's," and striking "INTRASTATE" in the heading and inserting in its place "EXISTING;"

(4) in paragraphs (4)-(7), except for subparagraph (5)(a)(i), striking "intrastate pipeline" or "pipeline" wherever they appear and inserting in their place "seller;"

(5) in paragraph (5)(A)(i), striking "interstate pipeline or local distribution" and inserting in its place "purchasing;" and

(6) adding a new paragraph (8) to read as follows:

"(8) DEFINITION OF SELLER.—For purposes of this subsection, the term 'seller' means any person that sells gas under paragraph (b)(1)."

(c) Section 312 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3372) is amended—

(1) by amending subsection (a) to read as follows:

"(a) AUTHORIZATION OF ASSIGNMENTS.—The Commission may, by rule or order, authorize a pipeline or local distribution company to assign, without compensation, to any other pipeline or local distribution company, all or any portion of the assignor's right to receive surplus natural gas at any first sale, upon such terms and conditions as the Commission determines appropriate."; and

(2) by amending subsection (c) to read as follows:

"(c) SURPLUS NATURAL GAS.—For purposes of this section, the term 'surplus natural gas' means, with respect to any pipeline or local distribution company, any natural gas

which exceeds the then current demands of such person for natural gas, as determined by—

"(1) the Commission, or

"(2) the State agency having regulatory jurisdiction over that person."

ACCESS TO INTERSTATE SUPPLY SOURCES

SEC. 402. (a) Section 314 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3374) is amended by—

(1) striking "first" in subsection (a), and

(2) amending subsection (b) to read as follows:

"(b) NATURAL GAS COVERED BY THIS ACT.—For purposes of subsection (a), the term 'natural gas covered by this Act' means—

"(1) for any first sale contract, natural gas—

"(A) which is not subject to the jurisdiction of the Commission under the Natural Gas Act by reason of section 601(a)(1) (A) or (B);

"(B) the sale in interstate commerce of which—

"(i) is authorized under section 302(a) or 311(b); or

"(ii) is pursuant to an assignment under section 312(a); or

"(C) the transportation in interstate commerce of which is—

"(i) pursuant to any order under section 302(c) or section 303(b), (c), (d), or (h), or

"(ii) authorized by the Commission under section 311(a); or

"(2) for any contract, natural gas the sale of transportation of which under the contract is not in interstate commerce by reason of section 601(d) of this Act."

"(b) Section 601 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3431) is amended by adding new subsections (d) and (e) to read as follows:

"(d) LIMITATION OF COMMISSION JURISDICTION OVER INTRASTATE TRANSACTIONS.—

"(1) GENERAL RULE.—No intrastate pipeline or local distribution company shall be subject to the jurisdiction of the Commission under the Natural Gas Act by reason of purchasing natural gas in a covered transaction.

"(2) SUBSEQUENT TRANSACTIONS.—Any transportation or sale of natural gas purchased in a covered transaction which occurs beyond the point at which such gas is received in the facilities of the purchaser in the covered transaction shall not be in interstate commerce (within the meaning of the Natural Gas Act) and shall not be subject to the jurisdiction of the Commission under the Natural Gas Act to the extent that such gas remains in the State of purchase.

"(3) NATURAL-GAS COMPANY.—For purposes of the Natural Gas Act, the term "natural-gas company" (as defined in section 2(6) of that Act) shall not include any person by reason of, or with respect to, any transportation or sale of natural gas if the transportation or sale is not subject to the jurisdiction of the Commission solely by reason of paragraph (2) of this subsection.

"(4) STATE OF PURCHASE RULE.—For purposes of this subsection, natural gas shall be deemed to remain in the State of purchase if the gas is not transported outside the State in which it was received into the facilities of the purchaser of the gas in a covered transaction, unless such transportation occurs in connection with—

"(A) transportation authorized under sections 302(a) or 311(a) of this Act, or

"(B) a sale or assignment authorized under sections 311(b) or 312 of this Act.

"(5) DEFINITION OF COVERED TRANSACTION.—For purposes of this subsection, the term "covered transaction" means—

"(A) a first sale of gas—

"(i) which is not subject to the jurisdiction of the Commission under the Natural Gas Act by reason of subparagraphs (A) or (B) of paragraph (1) of subsection (a),

"(ii) which is produced on the outer Continental Shelf, or

"(iii) which is transported pursuant to an order issued under section 317 of this Act;

"(B) a sale or assignment authorized under sections 302(a), 311(b), or 312(a) of this Act; or

"(C) a sale for resale by any person not subject to the jurisdiction of the Commission solely by reason of section 1(c) of the Natural Gas Act.

"(e) NONDISCRIMINATION PROVISION.—The Commission may not condition or deny any authorization of the sale or transportation of natural gas under this Act or the Natural Gas Act on the basis of whether gas is consumed in the interstate market or the intrastate market."

CONTRACT CARRIER AUTHORIZATION

SEC. 403. (a) Title II of the Natural Gas Policy Act of 1978 (15 U.S.C. 3361-3375) is amended by adding a new section 317 to read as follows:

"SEC. 317. CONTRACT CARRIER AUTHORIZATION.

"(a) IN GENERAL.—Upon application by a producer of natural gas or by a purchaser of natural gas from a producer, the Commission shall order any interstate pipeline to carry gas under contract between producer and purchaser upon such terms and subject to such conditions as it considers just and reasonable if the Commission finds that such pipeline has available capacity, that no undue burden will be placed upon such pipeline, that no construction of new facilities would be required, and that such order would not impair the ability of such pipeline to render adequate service to its existing customers. The Commission may implement this section by rule or order.

"(b) CONSIDERATION.—The consideration for any transportation provided under this section shall be $.05 per million Btu's plus the cost of such transportation, as established by the Commission, unless the Commission has established, by rule, a different rate as just compensation for such transportation. No amount of such consideration shall be required to be credited and flowed back to the customers of such pipeline."

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by inserting after the item relating to section 316 the following:

"Sec. 317. Contract Carrier Authorization."

TITLE V—REPEAL OF CERTAIN RESTRICTIONS ON NATURAL GAS AND PETROLEUM USE AND PRICING

REPEAL OF CERTAIN SECTIONS OF THE POWERPLANT AND INDUSTRIAL FUEL USE ACT OF 1978

SEC. 501. (a) The following sections of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301 et seq.) are repealed:

(1) sections 102(a)(16), (a)(18), (a)(19), and (a)(29) (42 U.S.C. 8302 (a)(16), (a)(18), (a)(19,) and (a)(29));

(2) sections 201 and 202 (42 U.S.C. 8311 and 8312);

(3) section 302 (42 U.S.C. 8342);

(4) section 401 (42 U.S.C. 8371);

(5) section 402 (42 U.S.C. 8372); and

(6) section 405 (42 U.S.C. 8375).

(b) The table of contents in section 101(b) of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301(b)) is amended by striking the items relating to the sections repealed by subsection (a) of this section.

CONFORMING AMENDMENTS

SEC. 502. (a) Section 102 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301) is amended by striking "and major fuel-burning installations" and "and new" wherever these phrases appear.

(b) Section 103 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8302) is amended—

(1) in subsections (a)(13)(B), by—

(A) striking clause (ii)(III);

(B) striking "; or" at the end of clause (ii)(II), and inserting a period in its place; and

(C) inserting "and" at the end of clause (ii)(I);

(2) in subsection (a)(15), by striking "or major fuelburning installation" and "or new" wherever these phrases appear;

(3) in subsection (a)(20), by striking "or major fuelburning installation";

(4) by redesignating subsections (a)(17), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), (a)(25), (a)(26), (a)(27), and (a)(28) as subsections (a)(16), (a)(17), (a)(18), (a)(19), (a)(20), (a)(21), (a)(22), (a)(23), (a)(24), and (a)(25);

(5) in subsection (b), by striking or "major fuelburning installation" wherever this phase appears;

(6) in subsection (b)(1)(D), by striking everything after "synthetic gas involved" and inserting in its place a period; and

(7) by striking subsection (b)(3), and redesignating subsection (b)(4) as subsection (b)(3).

(c) Sgction 104 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8303) is amended to read as follows:

"The provisions of this Act shall apply in all the States, Puerto Rico, and the territories and possessions of the United States."

(d) Section 303 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8343) is amended—

(1) by striking "or installation" and "or installations" wherever the phrases appear;

(2) by striking "or 302" wherever the phrase appears;

(3) by striking subsection (a)(3);

(4) by amending subsection (b)(1) to read as follows:

"(1) The Secretary may prohibit, by rule, the use of natural gas or petroleum under section 301(b) in existing electric powerplants.";

(5) in subsection (b)(3), by striking "or major fuelburning installation"; and

(6) by amending the last sentence of subsection (b)(3) to read as follows:

"Any such rules shall not apply in the case of any existing electric powerplant with respect to which a comparable prohibition was issued by order."

(e) Section 403 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8373) is amended by striking—

(1) in subsection (a)(1), "major fuel-burning installation, or other unit" and the comma immediately preceding this phrase and "installation, or unit" and the comma immediately preceding this phrase;

(2) in subsection (a)(2), "installation, or other unit" and the comma immediately preceding that phrase, and "installation, or unit" and the comma immediately preceding that phrase;

(3) in subsection (a)(2), the last sentence; and

(4) subsection (a)(3).

(f) Section 404 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8374) is amended by striking—

(1) in subsection (c), "new or" in the phrase "applicable to any new or existing electric powerplant"; and

(2) subsection (g).

(g) Section 701 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8411) is amended by striking—

(1) in the last sentence of subsection (b), "or installation";

(2) subsection (c);

(3) in the title of subsection (d), "AND EXEMPTIONS";

(4) in the first sentence of subsection (d)(1), "or any petition for any order granting an exemption (or permit)";

(5) in subsection (d)(1)(B), "or in the consideration of such petition";

(6) in subsection (f), "or a petition for an exemption (or permit) under this Act (other than under section 402 or 404),"; and

(7) subsection (g).

(h) Section 702 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8412) is amended by striking—

(1) in the title of subsection (a), "OR EXEMPTION";

(2) in subsection (a), "or granting an exemption (or permit)";

(3) subsection (b), and redesignating subsection (c) as subsection (b);

(4) in the first sentence of subsection (b)(1) (as redesignated), "or by the denial of a petition for an order granting an exemption (or permit) referred to in subsection (b),";

(5) in the first sentence of subsection (b)(1) (as redesignated), "such rule, order, or denial is published under subsection (a) or (b)" and inserting in its place "such rule, or order is published under subsection (a)";

(6) in the first sentence of subsection (b)(2) (as redesginated), "the rule, order, or denial" and inserting in its place "the rule or order";

(7) in the second sentence of subsection (b)(2) (as redesignated), "(or denial thereof)"; and

(8) in subsection (b)(3) (as redesignated), "any such rule, order, or denial" and inserting in its place "any such rule or order".

(i) Section 711 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8421) is amended by striking in the first sentence of subsection (a), "or major fuel-burning installation".

(j) Section 721 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8431) is amended by striking subsection (c) and redesignating subsection (d) as subsection (c).

(k) Section 723 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8433) is amended by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c).

(l) Section 731 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8441) is amended by striking—

(1) "or major fuel-burning installation" wherever the phrase appears; and

(2) "title II or" in subsections (a)(1) and (g)(3).

(m) Section 745 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C 8455) is amended by striking in the first sentence of subsection (a), "from new and existing electric powerplants and major fuel-burning installations" and inserting in its place "from existing electric powerplants".

(n) Section 761 of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C 8471) is amended by striking—

(1) in subsection (a), "any existing or new electric powerplant or major fuel-burning installation" and inserting in its place "any existing electric powerplant"; and

(2) in subsection (b)—

(1) "new or" in the phrase "In the case of any new or existing facility"; and

(2) "except to the extent provided under section 212(b) or section 312(b)" and the comma immediately preceding that phrase.

REPEAL OF INCREMENTAL PRICING REQUIREMENTS

SEC. 503. (a) Subject to subsections (b) and (c) of this section, title II of the Natural Gas Policy Act of 1978 (15 U.S.C. §§ 3341-3348) is repealed, and the items relating to title II are stricken from the table of contents of that Act.

(b) A rule promulgated by the Commission under title II of the Natural Gas Policy Act of 1978 shall continue in effect only with respect to the flow-through of costs incurred before the enactment of the Natural Gas Consumer Regulatory Reform Amendments of 1983, including any surcharges based on such costs.

(c) The Commission may take appropriate action to implement this section.

SECTION-BY-SECTION—NATURAL GAS CONSUMER REGULATORY REFORM AMENDMENTS OF 1983

TITLE I—PURCHASED GAS COSTS

Section 101 would amend Title VI of the Natural Gas Policy Act of 1978 (NGPA) to add a new section 603, entitled "Limitation on the Passthrough of Certain Purchased Gas Costs." This section would impose a moratorium until 1986 on the automatic passthrough to natural gas customers of price increases that result from an interstate pipeline's paying higher prices for natural gas. A pipeline could increase the price to its customers to reflect higher acquisition costs for natural gas only if the Federal Energy Regulatory Commission ("Commission") approved recovery of such costs after a hearing in which the Commission considered the question of whether these higher costs were just, reasonable, and prudently incurred.

Currently, a pipeline can recover its costs of acquiring natural gas at the wellhead and from other pipelines ("purchased gas costs") by means of either a general rate proceeding or a purchased gas adjustment ("PGA") proceeding. A general rate proceeding reviews all aspects of a pipeline's operation, while a PGA proceeding considers only a pipeline's purchased gas costs. A pipeline can apply in either type of proceeding to raise its rate to reflect increased purchased gas costs and the rate increase can, and in a PGA proceeding usually does, go into effect after a one day suspension, subject to refund if the Commission ultimately determines the change in rate is not just and reasonable. Alternatively, the Commission can suspend the effectiveness of the rate increase for no more than five months, at which time the rate goes into effect subject to refund.

Section 603(a) would prohibit the immediate passthrough of purchased gas costs to the extent such costs have increased at a rate higher than the rate of inflation. Section 603(b) would provide that rate increases prohibited by section 603(a) could not go into effect unless the Commission made an affirmative determination, after providing an opportunity for hearing to interested persons, that the costs were just, reasonable, and prudently incurred. In making this determination the Commission would be required to consider the availability of lower priced gas and the need of the pipeline to acquire the gas in order to render adequate service to its existing customers. The Commission also could consider other factors, including the physical depletion of old gas. In order to minimize the amount of time a pipeline would have to wait to find out whether the passthrough of any costs in excess of inflation would be allowed, this section would establish a special Commission proceeding to review applications to pass through such costs. The Commission would be required to adopt rules for such proceedings that would facilitate expeditious decisions.

Section 603 would not affect all increases to a pipeline's rate, but only increases in the purchased gas cost component of the rate that exceeded the pipeline's allowed rate for purchased gas costs. Each pipeline would have a different allowed rate. Section 603(d) would define the term "allowed rate" as the average price a particular pipeline paid for gas delivered to it during the month preceding the enactment of this Bill plus an "adjustment amount" to reflect inflation. Section 603(d) would define the "adjustment amount," which would be the same for each pipeline, as the difference between the average price all pipelines paid for gas delivered during the month preceding the enactment of this Bill and that average price adjusted to reflect inflation since the enactment of this Bill.

Subsection (f) would establish a rateable purchase requirement for interstate pipelines. Under this requirement, an interstate pipeline would be required to reduce its own production or purchases from any affiliated producer to a percentage of deliverability no higher than the percentage of deliverability to which the pipeline had exercised contemporaneously a contractual right to reduce its takes of less expensive gas. If a pipeline violated this rateable purchase requirements, it would be prohibited from passing through any purchased gas costs that resulted from the violation.

TITLE II—REMOVAL OF WELLHEAD PRICE CONTROLS AND REPEAL OF JURISDICTION OVER CERTAIN FIRST SALES

Section 201 would amend NGPA section 121 to provide for the ultimate elimination of all price controls on first sales of natural gas. New subsection (a) would establish the general rule, under which natural gas sold under contracts executed or amended after the enactment of this Bill would be free from any NGPA price controls. This provision would permit natural gas prices to be established immediately in accordance with market forces and not the existing artificial price ceilings. Subsection (b) would establish a price cap for high-cost section 107(c)(1)-(4) gas sold under contracts in effect on the date of enactment of this Bill. The cap would be the higher of the contract price in effect on the date of enactment of this Bill or the gas cap price (*see* section 301). The cap would be effective from the date of enactment through December 31, 1985. However, the cap would be removed immediately from any gas which qualified for free market prices under subsection (a). Subsection (c) would remove price controls from section 102 gas, certain section 103 gas, and certain intrastate natural gas on January 1, 1985, as currently scheduled under the NGPA. However, during 1985, this gas could not exceed the gas cap price, unless the gas is sold under a contract covered by subsec-

tion (a). Subsection (d) would remove price controls on January 1, 1986, from all first sales of natural gas not previously decontrolled and thus end the Federal government's involvement in establishing wellhead price for natural gas.

Section 202 would eliminate the Commission's jurisdiction under the Natural Gas Act (NGA) to regulate non-price aspects (such as certification and abandonment) of first sales of natural gas. NGPA section 601(a)(1) currently exempts from such jurisdiction first sales of natural gas that was not dedicated to interstate commerce prior to the enactment of the NGPA or that was described in certain sections of the NGPA (such as high-cost gas in section 107). Section 202 would amend NGPA section 601(a)(1)(B) to eliminate the Commission's NGA jurisdiction over any first sale of natrual gas after 1984. NGPA section 601(a)(1)(B) also would be amended to provide for the immediate elimination of Commission jurisdiction over any gas exempted from price controls by reason of the post-enactment execution or amendment of a contract, and thus make the first sale of such gas free from both price and non-price regulation. In addition, any gas that previously had been sold under a contract that lapsed, expired, terminated by its own terms, or terminated because of the market-out provision of new NGPA section 316 after the enactment of the Bill would be exempted from the Commission's NGA jurisdiction. This provision would allow the fullest operation of the market by permitting the gas to be sold to any purchaser and not just the purchaser under the terminated contract.

Section 203 would repeal those sections of the NGPA that would have allowed the President or the Congress to reimpose price controls.

TITLE III—TRANSITIONAL PRICE AND CONTRACT PROVISIONS

Section 301 would add a new section 111 to the NGPA that would provide a transitional pricing mechanism for natural gas currently subject to price controls. Section 111 would establish a new limit, or price cap, for all currently price controlled natural gas, except section 107 gas. This price cap would be the lesser of the maximum lawful price under any other section of the NGPA and the "gas cap price", which would be the average price of natural gas under recent new or amended contracts which could reflect market prices because of new NGPA section 121(a). Until the gas cap price is computed and published, the NGPA prices would apply. Section 107(c)(5) natural gas, including "tight sands" and other types of gas, would be capped at the applicable maximum lawful price under the NGPA for such gas in the month this Bill is enacted. However, the Commission would retain its current authority under section 107(b) to lower the incentive price that such gas currently receives and, if it does so, the new, lower price would be applicable. The price limits established by section 301 would terminate on January 1, 1986, and could be terminated earlier if a producer and purchaser agree to a new or renegotiated contract. (*See* discussion of section 201 for treatment of section 102, certain section 103, and certain intrastate gas during 1985.)

The gas cap price would reflect the current market price for natural gas and thus would eliminate distortions under the NGPA by which maximum lawful prices act as "price floors" preventing gas prices from responding to downward market pressures. In order to reflect current market conditions, the gas cap price would be a volume-weighted average of prices paid during the first three months of deliveries under any contract that had been executed or renegotiated since the date of enactment of this Bill. This average would be based on the prices estimated to be paid for gas estimated to be delivered under all such contracts during the second, third, and fourth months before the month for which the gas cap price is published. The estimated prices and volumes would be required to be filed with the Commission within five days of the post-enactment execution or amendment of a contract. Beginning with the fourth month following the enactment of this Bill, the Commission would be required to calculate the gas cap price for each month through December 1984. The Commission would publish the gas cap price for each month at least five days before the beginning of that month.

The gas cap price would be calculated as follows. If this Bill is enacted on March 15, 1983, July 1983 would be the first month for which a gas cap price would be published. The July gas cap price would be the average of the estimated prices paid for estimated deliveries from March 15 through May 31, 1983. The gas included in the average would be all gas estimated to be delivered during the first three months of operation of a contract whose execution or amendment removed the gas from price controls. The average would be weighted to reflect the various volumes of gas at different prices. The August gas cap price would be the average price for certain gas estimated to be delivered in April, May, and June, and so forth. The effect of dropping March and adding June would be to make the gas cap price a rolling average that reflects the most recent market prices.

Section 302 would repeal NGPA section 315 and substitute a new section 315 entitled "Imposition of Take-or-Pay Limits" giving purchasers the right to refuse volumes in excess of 70 percent of available deliverability from wells included under a first sale contract.

Currently, section 315(a) provides that the Commission can specify the minimum duration of certain contracts. Section 315(b) provides purchasers with a right of first refusal in certain circumstances. Section 315(c) permits the Commission to require the filing of contracts for the first sale of natural gas. The repeal of the existing NGPA section 315, along with the elimination of the Commission's NGA jurisdiction over first sales (*see* section 202), would remove all non-price regulation of first sales of natural gas.

New section 315 would free purchasers to respond to market signals and reject deliveries of high priced gas that was not marketable. New section 315(a) would give purchasers subject to take-or-pay requirements under contracts not amended after the date of enactment a right to refuse delivery of volumes in excess of 70% of available deliverability from those wells included under the contract. Purchasers that exercised this right would also be relieved of their contractual obligation to pay for volumes not taken under this provision. This right could be exercised with respect to deliveries made from the date of enactment through December 31, 1985. New section 315(b) would require a purchaser electing to refuse deliveries to give notice to the seller at least 30 days prior to the date of the delivery being reduced. New section 315(c) would enable a seller that has been notified that its purchaser has elected to refuse delivery of certain volumes to protect its ongoing financial requirements by allowing the producer to terminate the contract with respect to the volumes refused. If a producer terminated a contract in this manner, the refusing purchaser would be subject, however, to certain transportation obligations described in new section 316(d). New section 315(d) would allow the Commission to determine, by rule or order, that the election to refuse delivery under this section shall not apply where production of the volume subject to a take-or-pay requirement is necessary to prevent drainage. New section 315(e) exempts casinghead natural gas from this section. Section 315(f) would treat contracts covering two or more pricing categories of natural gas as separate contracts for each category.

Section 303 would add a new section 316 to the NGPA, entitled "Market-Out Provision", that would allow either party to a contract for the first sale of natural gas to terminate the contract. Any termination under this section could not go into effect before January 1, 1985 or after December 31, 1985.

Section 316(a) would permit both the purchaser and seller under a first sale contract in effect on the date of enactment and not amended thereafter to terminate the contract as follows. The party terminating the contract would be required to give notice to the other party at least 45 days in advance of the termination of the contract. This notice could not be given before November 16, 1984 or after November 15, 1985. The party terminating could not materially breach the contract prior to the end of the 45 day notice period and would be required to release the other party from all future obligations under the terminated contract. Section 316(b) would provide that, for purposes of this section, a reduction of a take-or-pay obligation under new section 315 would not be considered an amendment of the contract. This provision would make clear that a pipeline did not have to choose between reducing its take-or-pay obligation immediately or waiting until 1985 to terminate the entire contract. Section 316(c) would require a party that had received a good or service under the contract prior to termination under this section to make payment for that good or service, and also would require a party that received payment for a good or service that was not provided before the effective date of termination to make restitution of the payment, in cash or in kind, in accordance with the contract. This provision would ensure that parties to a terminated contract resolve on an equitable basis any questions concerning advance payments, prepayments or other matters. It is intended that any payments returned to a pipeline under this provision would be flowed through to the pipeline's customers to the extent that the pipeline's rates previously had reflected the payments. Section 316(d) would require a terminating pipeline to transport a volume of natural gas not to exceed, on an annual basis, the largest volume delivered under the contract during any twelve consecutive months in the thirty-six months immediately prior to termination. This provision would permit a producer to seek another buyer for the gas sold under the terminated contract even if the former purchaser controlled all the transportation facilities servicing the producer. Upon application by the affected pipeline and after hearing, the Commission or State agency with jurisdiction over that pipeline could limit by order the transportation obligation if it determined that full

compliance would require the pipeline to construct additional facilities or would impair the pipeline's ability to render adequate service to existing customers.

Section 304 would add a new section 318 to the NGPA entitled "Effect of Gas Cap Price," that would define the effect of the gas cap price on certain contract clauses. New section 318(a) would provide that no price escalator clause could operate to establish a price for natural gas subject to NGPA Title I (other than section 107 gas) higher than the gas cap price. New section 318(b) would provide that, for purposes of any area rate clause, the gas cap price is a Federally established rate or price.

TITLE IV—REMOVAL OF CERTAIN IMPEDIMENTS TO INTRASTATE MOVEMENTS OF GAS

Section 401 would facilitate transactions between the interstate and intrastate markets without subjecting those transactions to certification procedures under section 7 of the Natural Gas Act (NGA), and without requiring intrastate companies to become jurisdictional "natural gas companies" under the NGA. Current NGPA section 311(a) permits the Commission to authorize transportation by interstate pipelines on behalf of any intrastate pipeline or local distribution company, and by an intrastate pipeline on behalf of any interstate pipeline or local distribution company served by an interstate pipeline. Current NGPA section 311(b) permits the Commission to authorize any intrastate pipeline to sell gas to any interstate pipeline or local distribution company. Current NGPA section 312 permits the Commission to authorize any intrastate pipeline to assign surplus gas to an interstate pipeline or local distribution company. These provisions were designed to permit the then existing "bubble" of gas in intrastate markets to flow into interstate markets that were facing gas shortages. Sections 401(a), (b), and (c) would amend these NGPA provisions to allow natural gas to flow both ways to correct imbalances in any market. Section 401(a) would expand NGPA section 311(a) to permit the Commission to authorize any pipeline or local distribution company to transport gas on behalf of any person. The use of the phrase "any person" is not intended to reflect any view concerning the persons on whose behalf gas currently can be transported under section 311(a). Section 401(b) would expand NGPA section 311(b) to permit the Commission to authorize any pipeline or local distribution company to sell gas to any other pipeline or local distribution company. Section 401(c) would expand section 312 to permit the Commission to authorize any pipeline or local distribution company to assign surplus gas to any other pipeline or local distribution company. In addition, the definition of "surplus gas" would be broadened.

Section 402(a) would expand NGPA section 314. Currently, NGPA section 314 voids anticommingling clauses with respect to certain first sales. Section 402(a) would expand section 314 to void anticommingling and similar clauses in contracts for the resale and transportation of natural gas that is not deemed to be in interstate commerce because of NGPA section 601(d) (see section 402(b)). This change is designed to facilitate transactions between the interstate and intrastate markets.

Section 402(b) would add a new subsection (d) to NGPA section 601 which would establish the principle that, in most instances, intrastate pipelines should not be subject to the Commission's jurisdiction just because the intrastate pipeline acquires gas from another State as long as there is no regulatory gap concerning the sale and transportation of such gas. New NGPA section 601(d)(1) would provide that purchasers of gas in certain "covered transactions" would not become subject to the Commission's jurisdiction because of such purchases. New section 601(d)(2) would provide that transactions downstream from such covered transactions would not, solely on that basis, be considered to be in interstate commerce, and that intrastate recipients of this natural gas would not thereby be considered to be "natural gas companies" under the NGPA. Covered transactions would be defined as the first sale of natural gas not subject to the jurisdiction of the Commission by reason of section 601(a)(1) (A) or (B), the first sale of gas produced on the outer Continental Shelf, a sale or assignment under sections 302(a), 311(b) or 312(a), a first sale under section 317 (the new "Contract Carrier" provision), and a sale for resale by a Hinshaw pipeline. This section would only apply to natural gas that remained in the State in which the purchaser in the covered transaction received the gas, except if gas is transported outside of that State in connection with a transaction under sections 302(a), 311(a), 311(b) or 312.

Section 402(b) also would add a new subsection (e) to NGPA section 601, entitled "Nondiscrimination Provision." New subsection (e) would prohibit the Commission, in exercising its jurisdiction over any gas under either the Natural Gas Act or the NGPA, from discriminating against either intrastate or interstate purchasers.

Section 403 would add a new section 317 to the NGPA providing for "Contract Carrier Authorization." Section 317(a) would provide that, upon application by a producer or a producer's customer, the Commission shall order an interstate pipeline to transport gas on behalf of the producer and purchaser, under such terms and conditions as the Commission determines to be just and reasonable. This section is intended to open the natural gas market to the operation of the laws of supply and demand to the fullest extent possible by allowing producers and users of natural gas to deal directly with one another. There would be limitations on this provision to protect the pipeline and its customers. A pipeline would not be required to construct new facilities. In addition, the Commission could find the transportation would impair service to the pipeline's customers, and thus limit or disallow the application. Finally, the Commission is given the option to implement this section either by rule or order. Section 317(b) would provide that in consideration for this carriage, the pipeline would receive five cents per million Btu's in addition to the normal transportation rate which the pipeline would receive under the Natural Gas Act for such transportation. The five cents would not be credited and flowed back to the pipeline's customers, but would be reserved for the pipeline's shareholders. Except for the special treatment of the five cents, the revenue from transportation under this provision would be treated in the same fashion as revenue from transportation under the Natural Gas Act.

TITLE V—REPEAL OF CERTAIN RESTRICTIONS ON NATURAL GAS AND PETROLEUM USE AND PRICING

Sections 501 and 502 would repeal several sections of the Powerplant and Industrial Fuel Use Act of 1978 (FUA).

The bill would repeal (1) the prohibitions on the use of natural gas and petroleum as a primary energy source in new electric powerplants and new major fuel-burning installations, (2) the prohibition on the construction of new powerplants without alternate fuel capability, (3) the discretionary authority of the Secretary of Energy to prohibit nonboiler installations from using natural gas and petroleum as a primary energy source, and (4) all corresponding exemption provisions.

The bill would repeal section 302 of FUA which authorizes the Secretary of Energy to prohibit the use of natural gas or petroleum as a primary energy source where coal or alternate fuel capability exists in existing major fuel-burning installations.

The Secretary of Energy's authority under section 401 of FUA to prohibit the use of natural gas as a primary energy source in certain boilers would be repealed.

The bill would repeal section 402 of FUA which prohibits certain installations of new outdoor lighting fixtures that use natural gas and certain uses of natural gas therein.

The bill would repeal section 405 of FUA which authorizes the Secretary of Energy to restrict, by rule, increases in the use of petroleum as a primary energy source in existing powerplants that used coal or another alternate fuel in 1977.

The bill would repeal subsections 103(a)(16), (a)(18), (a)(19) and (a)(29) of the Powerplant and Industrial Fuel Use Act of 1978, which provide certain definitions for general reference that are no longer necessary due to the proposed repeal of many statutory provisions.

Section 503 would repeal title II of the NGPA, which provides for an incremental pricing system whereby low priority users of natural gas pay a larger share of the first sale acquisition costs for natural gas, and thus would end this regulatory system. Acquisition costs incurred prior to the enactment of this bill would be passed through to users on the basis of the existing Commission regulations for incremental pricing. Any acquisition costs incurred after the enactment of this bill would be dealt with without regard to incremental pricing requirements.

EXECUTIVE SUMMARY—ANALYSIS OF NATURAL GAS CONSUMER REGULATORY REFORM LEGISLATION

BACKGROUND

If the wellhead price of natural gas were not regulated, market forces would affect natural gas prices as they do all other unregulated commodities. When deliverable supplies were high, as they are today, the price would fall; when deliverable supplies were reduced, the price would increase. If the price of the principal competing fuel (oil) were to drop, the price of natural gas also would drop in order to maintain a competitive position in the marketplace.

But the domestic gas market has been distorted by existing law. The Natural Gas Policy Act of 1978 (NGPA) currently is causing natural gas prices to rise despite an oversupply of deliverable gas, declining oil prices, and a low rate of inflation.

PROPOSAL

The legislative proposal provides a transition to a free market for natural gas that both protects consumers from the effects of market distortions on prices during the transition and provides strong incentives for producers and purchasers to renegotiate contracts to minimize costs. Key differences from the NGPA include the following:

Consumers are protected through a moratorium on automatic Purchased Gas Adjust-

ment (PGA) increases above the level of inflation, with other increases requiring a full public proceeding by the Federal Energy Regulatory Commission (FERC).

All new and renegotiated contracts are deregulated, with the volume-weighted average price of these new contracts becoming a cap on prices that can be charged under old regulated contracts. Pipelines may reduce take-or-pay contract volumes to 70 percent.

On January 1, 1985, either party may opt out of any old (pre-enactment) contract, and transportation of gas from producers to new buyers is guaranteed.

MAJOR ASSUMPTIONS OF THE ANALYSIS

Oil price assumptions are critical to any analysis of natural gas pricing policies because the fuels substitute for and compete with each other over a broad range of uses. This analysis uses in its reference cases those oil prices developed for the fiscal year 1984 budget. These prices are relatively flat in real terms ranging from about $31 to $32 over the 1983-90 time period. A low oil price sensitivity case was run at the $23-to-$24-barrel level in real terms through 1985, with growth at 1 percent in each year through 1990.

Other key assumptions include the following:

GNP growth at 1.7 percent in 1983 with a recovery peaking in 1984-85 (4 to 4.5 percent). The average annual growth rate for the rest of the decade is 3.4 percent.

Excess deliverability of natural gas in 1982 averaging about 1.4 trillion cubic feet.

Conservative estimates of the number of producer/pipeline contract renegotiations before January 1, 1985.

RESULTS OF THE ANALYSIS

Under current law, prices are projected to continue on a steady upward path, reflecting both the changes in mix (depleting supplies of old, low-priced gas and additions of more expensive gas) and some subsidization of drilling for more expensive gas. As prices currently are approaching market-clearing levels, the analysis does not show a sudden price increase when partial decontrol takes effect in 1985. But just what will happen to gas prices in 1985 will be strongly influenced by oil prices.

Under a low oil price scenario, prices under current law continue to rise until after the partial deregulation in 1985, as certain contract provisions cause the price ceilings under the NGPA to continue to act as floors that rise with the rate of inflation.

The legislative proposal shows a much different pattern in the near term. Under base case price assumptions, the average price of gas shows a decrease in the first year of 10 cents to 30 cents per thousand cubic feet. This is about 20 cents to 40 cents below projected NGPA prices. Prices under the proposal remain below those under current law (NGPA), with both rising to about 10 percent above 1982 prices by 1985, assuming no PGA restrictions as a worst case. If FERC disallows some purchased gas cost increases until 1986, residential prices will not rise by the full 10 percent.

Under a low oil price scenario, residential prices should drop by about 30 cents to 60 cents in the first year, about 40 cents to 70 cents below NGPA projections, and should remain well below 1982 levels until 1985. After 1985, the difference between current law and the proposal is very small, as low prices do not offer substantial incentives or subsidies to drill for expensive gas.

In terms of economic efficiency, the legislative proposal shows sizable gains as resources flow to their most efficient uses in a competitive market rather than to the less efficient uses caused by a distorted market. Under the base case oil price assumptions, the legislative proposal provides net national economic benefits over the period that are in the range of at least $1 billion to $2 billion. Such benefits to the economy also are very sensitive to oil prices; when oil prices increase, the free market will cause low-cost gas to be produced first—unlike the current situation with its distorted incentives to produce high-cost deep gas because of its deregulated status. Using the higher oil prices expected in the analysis of 1 year ago, economic efficiency gains are in the range of $25 billion.

DEPARTMENT OF ENERGY.
FEBRUARY 28, 1983.

DEPARTMENT OF ENERGY FACTSHEET: NATURAL GAS CONSUMER REGULATORY REFORM LEGISLATION

The Natural Gas Policy Act (NGPA) of 1978 currently is causing natural gas prices to rise in spite of an oversupply of deliverable gas, declininig oil prices, and a low rate of inflation.

The proposed natural gas legislation submitted by the President to the Congress today will benefit consumers by creating a system in which gas prices can be responsive to the pressures of the market. Through this approach to the free market, the proposal will protect consumers from uneconomic natural gas price increases while eliminating regulatory barriers that prevent natural gas from being purchased, distributed and used efficiently.

A primary purpose of the proposal is to see that consumers not bear the risk of price increases from this effort to let the market work. This proposal modifies, until January 1, 1986, the current Federal Energy Regulatory Commission regulations which allow pipelines immediately to pass through to consumers all wellhead cost increases. This will provide fairness to consumers and provide incentives to suppliers and pipelines to renegotiate contracts to minimize costs.

Purchased gas costs automatically passed to consumers will be limited to the pre-enactment levels plus the increase attributable to inflation.

Price increases above the rate of inflation may not be passed to consumers unless such increases specifically are approved by the Federal Energy Regulatory Commission after a public proceeding with appropriate standards.

Under current market conditions, the proposed natural gas legislation should result in a first year drop in the average price of gas of 10 to 30 cents per thousand cubic feet (mcf). This estimate is based on assumptions about the extent of producer-pipeline renegotiations, the current excess of deliverable gas supplies, the rate of economic growth and what path oil prices will follow over the next few years. If, for example, oil prices were to fall below the cautious projections used (which do not take into account recent price reduction announcements by major foreign oil producing nations), we would expect gas prices to drop even further in the near-term.

Under the proposed legislation, any new contracts for natural gas purchases may be negotiated, and existing contracts may be renegotiated, at the option of the contracting parties, and all these contracts will operate on whatever terms the parties agree. As an incentive to renegotiation, either party will be allowed to opt out of any pre-enactment contract beginning January 1, 1985.

Before 1986, the average price of gas purchased through renegotiated and new contracts will become the "gas cap," and the price for all regulated gas will be limited to the lower of either the "gas cap" or the NGPA-controlled price (where the price category remains in effect under NGPA), with the exception of "tight sands" gas which is capped at its maximum lawful price at date of enactment.

The price of gas not currently regulated—so-called "deep gas"—will be capped at the higher of the contract price as of the date of enactment or the "gas cap" until January 1, 1986, unless such contracts are renegotiated prior to that date.

The "gas cap" will be applied as a ceiling for price escalator clauses in existing contracts until January 1, 1986, or sooner if such contracts are renegotiated.

Until January 1, 1986, the legislative proposal will allow pipelines companies to reduce their minimum rates of take to 70 percent under those "take-or-pay" provisions that require pipelines to pay for a specified quantity of gas regardless of how much gas they can sell. If the purchaser elects to reduce the amount of gas taken under "take-or-pay" provisions, the seller may sell that portion of the gas elsewhere.

The proposal will require pipelines to carry gas at an incentive rate where producers can find buyers directly, there is available capacity, and existing pipeline customers are not penalized.

DEPARTMENT OF ENERGY.
FEBRUARY 28, 1983.●

By Mr. DURENBERGER (for himself, Mr. BAUCUS, Mr. DOMENICI, Mr. BUMPERS, Mr. COHEN, Mr. GOLDWATER, Mr. PELL, Mr. PERCY, Mr. STENNIS, and Mr. TSONGAS):

S. 616. A bill to promote the use of solar and other renewable forms of energy developed by the private sector; to the Committee on Finance.

SOLAR ENERGY NATIONAL SECURITY AND EMPLOYMENT ACT

● Mr. DURENBERGER. Mr. President, it is my pleasure to join with the Senator from Montana (Mr. BAUCUS) and others to introduce a bill entitled the Renewable Energy Small Business Development Act. This Legislation also serves as title I of the Solar Energy National Security and Employment (SENSE) Act of which I am a cosponsor.

The principal provision of this legislation extends the business energy tax credits for investment in renewable energy properties. Under current law, when a business buys wind, or solar, or geothermal equipment to generate power for its own use, the business gets a tax credit equal to 15 percent of the cost of the equipment purchased. That is a tangible incentive. But those credits expire in 1985—in most cases—and were somewhat diluted by the Tax Equity and Fiscal Responsibility Act passed last summer.

Renewable energy is an industry. In this country it is generally an industry of small businesses. But they are busi-

nesses. They need to make investments in plant to build the equipment for the marketplace. They need to plan. They need to know where their markets are headed. A tax credit which ends in 2 years is not much help, if you are planning for a business. Legislation will provide the real incentive that is needed to make sure that our progress toward a renewable energy future does not come to an abrupt halt with changing energy markets.

A second provision in the legislation reserves 12 percent of the Export-Import Bank's loan authority for small businesses—that is businesses with sales under $25 million in the previous year. The legislation puts particular emphasis on small renewable energy businesses because of the potential for renewable energy to lead the way in rebuilding export markets for America's products.

A third provision requires the U.S. Department of Commerce to put renewable energy on the same footing with other industries when it comes to the trade policy and export assistance of the U.S. Government.

A fourth provision relates to the cogeneration section of the Public Utility Regulatory Policies Act of 1978. That law assured that small generators using renewable energy resources would have a ready market for the energy they supply by requiring the electric utility industry to offer fair prices to small power producers for the energy that they feed into the electric utility grid.

Although the 1978 act is clear in its intent, it has been confused in the process of implementation. Electric utility companies across the Nation are resisting connection with small power producers and in many cases have gone to court to halt PURPA implementation.

The legislation I am offering today would restate congressional intent and make it clear that small power generators using renewable energy resources are to be offered prices for their electric production at least equal to the incremental cost of new production by the electric utility itself.

Finally, the Renewable Energy Small Business Act amends an act passed last year, the Small Business Innovation Act which set aside 1 percent of all research and development funds in several Federal Government agencies for small business. The bill I introduce today would assure that the Department of Energy includes research and development funds for small renewable energy businesses in its set-aside for small business generally.

Mr. President, with the news comming out of the OPEC cartel—the news that oil prices may be falling—it would be easy for Americans to get complacent about our energy supply once again. During an oil glut, like the one we have now, we tend to forget about things like conservation and alternative energy sources. The market sends business and consumers the wrong message.

But we must not forget that over the long term we will most assuredly run out of easily produced and relatively inexpensive fossil fuels. And in the short term, we will continue to be vulnerable to supply interruptions that can threaten our economy.

The legislation that we are introducing today gives Congress the chance to reply to the news from the OPEC capitals. The support already gathered for this legislation gives me real hope because it means that our reply will be a commitment not to forget that renewable energy is the future of this country.

Mr. President, I ask that a copy of the legislation that I am introducing be included in the RECORD with my comments today. Thank you, Mr. President.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 616

Be it resolved by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This act may be cited as the "Renewable Energy Small Business Development Act of 1983".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment of a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. FINDINGS AND POLICY.

(a) FINDINGS.—The Congress finds that—

(1) the United States of America is dependent on a finite and diminishing resource base of fuels;

(2) the business sector of the Nation, including small business, has the capacity to develop and market energy conservation and renewable energy devices and fuels;

(3) Federal programs to assist businesses in the financing and marketing of renewable energy systems are in place, and can be improved to provide even greater assistance in renewable energy development;

(4) energy tax credits provide incentives for the use of renewable energy systems that complement the natural forces of the marketplace;

(5) a guarantee that small renewable energy electric power producers will be able to interconnect with the utility grid and will be paid a fair and reasonable rate for their power will encourage them to help develop more diversified sources of electricity that will lead to lower rates for the Nation's consumers of electricity;

(6) the innovative character of the Nation's small business sector is critical to the success of the Nation's effort to develop productive renewable energy technologies, systems and components;

(7) the participation of small business in the export of renewable energy products is essential if the Nation is to take full advantage of the opportunities provided by the growing world renewable energy market.

(b) POLICY.—The Congress reaffirms that it is the policy of the federal government to—

(1) pursue a vigorous and balanced program of basic research and technology development that will make renewable energy a significant contributor to the Nation's future energy mix;

(2) assist the development of practical means to employ solar and other renewable forms of energy on a commercial scale; and

(3) reassert the goals of existing Federal legislation that encourages private-sector development of renewable energy, including the—

(A) Solar Heating and Cooling Demonstration Act of 1974,

(B) Solar Energy Research, Development and Demonstration Act of 1974,

(C) Ocean Thermal Energy Conversion Research, Development and Demonstration Act,

(D) Wind Energy Systems Act of 1980, and

(E) Solar Photovoltaic Energy Research, Development and Demonstration Act of 1978.

SEC. 3 INCREASE IN ENERGY PERCENTAGE.

(a) IN GENERAL.—The table contained in clause (i) of section 46 (a) (2) (C) is amended to read as follows:

"Column A—Description: In the case of:	Column B—The energy percentage is:	Column C—For the period: Beginning on:	And ending on:
I. General Rule.—Property not described in any of the following provisions of this column.	10 percent	Oct. 1, 1978.	Dec. 31, 1982.
II. Solar, Wind, or Geothermal Property.—Property described in section 48(1)(2)(A)(ii) or 48(1)(3)(A)(viii).	A. 10 percent.	Oct. 1, 1978.	Dec. 31, 1979.
	B. 15 percent	Jan. 1, 1980.	Sept. 30, 1983
III. Ocean Thermal Property.—Property described in section 48(1)(3)(A)(ix).	A. 15 percent.	Jan. 1, 1980.	Dec. 31, 1990.
IV. Qualified Hydroelectric Generating Property.—Property described in section 48(1)(2)(A)(vii).	A. 11 percent.	Jan. 1, 1980.	Sept. 30, 1983.
	B. 15 percent.	Oct. 1, 1983.	Dec. 31, 1990.
V. Biomass Property.—Property described in section 48(1)(2)(A)(x).	A. 10 percent.	Oct. 1,	Dec. 31, 1990.

(b) AFFIRMATIVE COMMITMENTS—

(1) IN GENERAL—Subparagraph (C) of section 46(a)(2) (relating to energy percentage) is amended by redesignating clause (iv) to clause (v) and by striking out clause (iii) and inserting in lieu thereof the following:

"(iii) LONGER PERIOD FOR CERTAIN PROPERTY—For the purpose of applying the energy percentage contained in subclause (I), (II), (III), or (IV) of clause (i) with respect to any property, the extended date shall be substituted for the termination date with respect to such property if—

"(I) on or before the termination date with respect to such property, the taxpayer or any other person has completed all feasibility studies in connection with the acquisition, construction, reconstruction, or erection of the property, or with the commencement of construction of the project which the property is a part, and has applied for all environmental and construction permits required under Federal, State, or local law in connection with the acquisition, construction, reconstruction or erection of the property, or with the commencement of the construction of the project of which the property is a part, and

"(II) on or before the date which is 3 years after the termination date with respect to such property, the taxpayer has entered into binding contracts for the acquisition, construction, reconstruction or erection of:

(A) the property;

(B) the equipment for the project of which such property is a part, the aggregate cost of which to the taxpayer is at least 50 percent of the reasonably estimated cost for all equipment which is to be placed in service as part of the project upon its completion, or

(C) the equipment specially designed for the project of which such property is a part, the aggregate cost of which to the taxpayer is at least 50 percent of the reasonably estimated cost for all equipment specially designed for the project which is to be placed in service as apart of the project upon its completion.

"(iv) DEFINITIONS RELATED TO CLAUSE (III).— For the purposes of clause (iii)—

"(I) In the case of subclause (I) of clause (i), the term 'termination date' means 'December 31, 1983', and the term 'extended date' means 'December 31, 1990'.

"(II) In the case of subclause (II), (III), or (VI) of clause (i), the term 'termination date' means 'December 31, 1990', and the term 'extended date' means 'December 31, 1995'.".

(2) HYDROELECTRIC GENERATING PROPERTY.— Clause (v) of section 46(a)(2)(C), as redesignated by paragraph (1), is amended to read as follows:

"(v) LONGER PERIOD FOR CERTAIN HYDROELECTRIC GENERATING PROPERTY.—If an application for a preliminary permit, license, or license exemption has been filed with the Federal Energy Regulatory Commission before January 1, 1990, with respect to the installation of any qualified hydroelectric generating property, for purposes of applying the energy percentage contained in subclause (IV)(B) of clause (i) with respect to such property, 'December 31, 1995' shall be substituted for 'December 31, 1990'.".

SEC. 4. AMENDMENTS RELATING TO BIOMASS AND COGENERATION PROPERTY.

(a) BIOMASS RECYCLING EQUIPMENT TREATED AS BIOMASS PROPERTY.—Subparagraph (A) of section 48(1)(15) is amended by striking out "and" at the end of clause (i), by striking out the period at the end of clause (ii) and inserting in lieu thereof ", and", and by adding at the end thereof the following new clause:

"(iii) any property described in paragraph (6), as modified by subparagraph (B) of this paragraph.".

(b) DEFINITION.—Subparagraph (B) of section 48(1)(15) is amended by striking out "and" at the end of clause (i), by striking out the period at the end of clause (ii) and inserting in lieu thereof ", and", and by adding at the end thereof the following new clause:

"(iii) for purposes of subparagraph (A)(iii) of this paragraph, paragraph (6) shall be modified by substituting 'biomass' for 'solid' each place it appears.".

(c) QUALIFIED FUEL.—Clause (ii) of section 48(1)(15)(C) is amended to read as follows:

"(ii) alcohol for fuel purposes.".

(d) ENERGY PROPERTY.—Subparagraph (A) of section 48(1)(2) is amended by striking out "or" at the end of clause (viii), by adding "or" at the end of clause (ix), and by adding at the end thereof the following new clause:

"(x) biomass property.".

SEC. 5. AMENDMENT TO EXPORT-IMPORT BANK ACT OF 1945.

Section 7(a) of the Export-Import Bank Act of 1945 is amended by adding at the end thereof the following:

"(3) Not less than 12 percent of the loan authority of the Export-Import Bank in any fiscal year shall be made available only to businesses with $25,000,000 or less in previous-year sales and shall include an amount of loan authority for transactions involving renewable energy that is appropriate to the demand for such loans."

SEC. 7. AMENDMENTS TO THE PUBLIC UTILITIES REGULATORY POLICIES ACT OF 1978.

(A) Subsection (b) of section 210 of the Public Utility Regulatory Policies Act of 1978 is amended to read as follows:

"(b) RATES FOR PURCHASE BY ELECTRIC UTILITIES.—(1) The rates for purchases by an electric utility under subsection (a) of this section of electric energy from any qualifying cogeneration facility or qualifying small power production facility shall be established at the incremental cost of alternative electric energy of such electric utility, unless—

"(A) the State regulatory authority having ratemaking authority over such electric utility determines (by rule or order of prospective application), or

"(B) a nonregulated electric utility determines, with prospective application, and publishes its reasons therefor,

that some other rate would be sufficient to encourage cogeneration and small power production, would not discriminate against qualifying cogenerators and small power producers, and would be consistent with the interests of consumers and with the public interest. In exercising the authority under this paragraph, a State regulatory authority or nonregulated electric utility may distinguish between new and existing facilities and may distinguish among classes of qualifying cogeneration facilties and qualifying small power production facilities.

"(2) A rate for the purchases under subsection (a) of this section of electric energy from any qualifying cogeneration facility or qualifying small power production facility which—

"(A) was established by a State regulatory authority, by State law, or by a nonregulated electric utility, prior to the date of enactment of the Renewable Energy Small Business Development Act of 1983, and

"(B) conformed with the requirements of regulations under this subsection (as in effect on January 1, 1982),

shall be treated as satisfying the requirements of this subsection unless and until such rate is amended or revised in accordance with this subsection, as amended by the Renewable Energy Small Business Development Act of 1983.

"(3) Nothing in this subsection—

"(A) limits the authority of an electric utility and a qualifying cogeneration facility or qualifying small power production facility to enter into a contract which contains a rate or rates which differ from those referred to in paragraph (1) or (2), or

"(B) affects the validity of such a contract."

(b) Subsection (a) of section 210 of the Public Utility Regulatory Policies Act of 1978 is amended:

(1) in paragraph (1), by striking out "and" and inserting in lieu thereof ";";

(2) in paragraph (2), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) the following:

"(3) interconnect with such facilities.".

(c) Section 210 of the Public Utility Regulatory Policies Act of 1978 is amended by adding at the end thereof the following new subsection:

"(k) ARRANGEMENTS FOR INTERCONNECTION.—(1) The rules under subsection (a)(3) of this section shall insure that, where any electric utility is required to offer to interconnect with a qualifying cogeneration facility or qualifying small power production facility, the qualifying cogeneration facility or qualifying small power production facility shall be obligated to pay any reasonable interconnection costs incurred by the utility, including costs incurred—

"(A) to protect the safety of (i) the electric utility's employees, (ii) other customers, and (iii) the public, and

"(B) to avoid the impairment of the reliability of any electric utility affected by such interconnection.

"(2) The rules referred to in paragraph (1) shall provide that if the electric utility and qualifying cogeneration facility or qualifying small power production facility are unable to resolve disputes concerning the interconnection between the electric utility and qualifying cogeneration facility or qualifying small power production facility, the State regulatory authority (in the case of an electric utility over which it has ratemaking authority) may prescribe the terms applicable to such interconnection, including the costs to be borne by the qualifying cogeneration facility or qualifying small power production facility on a nondiscriminatory basis.

"(3) The Commission shall promulgate the rules referred to in paragraph (1) not later than 6 months after the date of the enactment of the Renewable Energy Small Business Development Act of 1983. Prior to the effective date of such rules, the rules promulgated by the Commission respecting the interconnection of qualifying cogeneration facilities or qualifying small power production facilities and electric utilities, as in effect on January 1, 1983, shall remain in force and effect.".

AMENDMENT TO REORGANIZATION PLAN NO. 3 RELATING TO INTERNATIONAL TRADE FUNCTIONS

SEC. 7. Chapter 5 United States Code app. 19 of the Reorganization Plan No. 3 of 1979 is amended by inserting in section 1(b)(3)(F) after the word "energy" the words "including renewable energy."

AMENDMENTS TO THE SMALL BUSINESS INNOVATION ACT OF 1982

SEC. 8. Public Law 97-219 is amended—

(1) by adding after SEC. 4(f)(2) the following new paragraph

(3) A reasonable portion of the amounts appropriated and the non-nuclear programs of the Department of Energy shall for the purposes of paragraph (1) be set aside for renewable energy and energy conservation businesses.●

● Mr. BAUCUS. Mr. President, I am pleased to join my colleague from Minnesota, Senator DURENBERGER, in introducing the Renewable Energy Small Business Development Act, title I of the Solar Energy National Security and Employment Act (SENSE).

Montanans have been leaders in energy conservation and use of alternative, renewable energy resources. They understand that it makes good

sense—for the economy and for the environment.

Montanans understand the importance of diversifying our energy resources. That is why I am pleased to join in introducing the SENSE Act.

This bill is designed to spur the growth of this Nation's energy conservation and renewable energy industries. The goal of the bill is to create jobs, stimulate the growth of business, save consumers' money, give the United States new products for export, and decrease our vulnerability to disruptions in our oil supply.

The SENSE Act does not create giant, expensive new spending programs to accomplish these goals. Instead the bill refines existing conservation and renewables programs. It also broadens the use of renewables and conservation in other Federal programs.

SMALL BUSINESS

The first part of the SENSE Act, which I am sponsoring, is essentially an economic development program for small conservation and alternative energy businesses.

As a member of the Senate Finance and Small Business Committees, I am an ardent supporter of efforts to provide capital to small businesses that want to invest in renewables and conservation.

This legislation provides tax incentives that should be a great help to the growing alternate energy industry in Montana. Most important, this legislation would extend, and in some cases increase, the business tax credits available for renewable energy investments. These tax credits were scheduled to expire in 1985.

My bill would increase the tax credit for solar, wind, and geothermal investments from 15 to 25 percent, and it would extend the credit for all renewables to 1990. This includes the 11-percent credit for hydroelectric property and the 10-percent credit for biomass investments.

These tax credits are essential for maintaining the viability of thousands of renewable energy technology producers in Montana and across the Nation. They help offset Federal tax subsidies for the established energy industries with which the emerging renewable energy industry must compete. And they help these businesses overcome the high up-front costs that often act as a barrier to investments in renewable energy equipment.

EXPORTS

Title I of the bill also would help the American renewables industry enhance its position in the world market. Countries such as Japan, West Germany, and Italy have been able to erode the U.S. lead in many renewable energy technologies.

Many experts argue that the Japanese could capture more than half the expanding world market for photovoltaic cells within the next few years. This is despite the fact that until very recently, the United States controlled 80 percent of this market.

Japan, Germany, and Italy all give their renewables industries sizable government subsidies. My bill would put U.S. producers on a more equal footing.

My bill would increase the availability of loans for these businesses from the Export-Import Bank. It would reserve 12 percent of the Bank's loan authority for small businesses, with special emphasis on renewable energy investments.

Second, the act would require the U.S. Department of Commerce to provide the same treatment and export assistance to renewable energy as it does to other U.S. industries. The International Trade Administration at the Commerce Department has effective programs to help private businesses develop markets overseas.

In 1981, the Energy and Commerce Departments jointly sponsored a $500,000 trade development program for renewables businesses that, in turn, generated $3 million in immediate overseas sales and another $60 million in projected 12-month sales. One of the purposes of this bill is to encourage the Commerce Department even more to promote exports in an industry that has very high export potential.

SET-ASIDE

Finally, my bill would amend the Small Business Innovation Act, which requires the Energy Department and several other agencies to set aside at least 1 percent of their research and development funds for small businesses.

My bill would guarantee that renewable energy businesses that are included in this set-aside. This provision is necessary to insure that the Department of Energy does not allot its entire small business set-aside to research and development of conventional energy sources.

CONCLUSION

All of us recognize that these are difficult economic times. The alternative energy industry offers one way to create jobs, spur economic growth, and insure future energy self-sufficiency.●

● Mr. DOMENICI. Mr. President, I today join in introducing the Solar Energy National Security and Employment Act of 1983 (SENSE Act) along with Senators BUMPERS, BAUCUS, COHEN, DURENBERGER, GOLDWATER, PELL, PERCY, STENNIS, AND TSONGAS. This act, which is a series of four bills, is designed to emphasize renewable energy and conservation use as well as assist small businesses and jobs development related to these energy technologies. It will do so principally by emphasizing the use of these technologies in defense installations where cost effective, by targeting renewable and conservation small businesses in existing assistance programs, and by the expansion and extension of renewable energy tax credits for business and residential use.

This approach to the broadening of the use of renewable energy and conservation has been tried successfully in my State of New Mexico through a coordinated effort by the Solar Energy Industry Development Corp., founded by me and former Gov. Bruce King; solar businesses; and the State government to double the number of jobs related to renewable energy over the past 2 years—600 to 1,200—which we hope to double again over the next 2 years.

This legislation represents that same sort of cooperative effort to better utilize existing programs and emphasize renewable energy resources and conservation in our domestic economy as well as in international markets.

Mr. President, I would like to include at this point in the RECORD a summary of the provisions of the bill.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF SENSE ACT PROVISIONS

I. THE RENEWABLE ENERGY SMALL BUSINESS DEVELOPMENT ACT

The Small Business Title of SENSE redefines and broadens five existing federal programs that assist renewable energy small businesses to ensure that they are more effective. Except for the extension of the business energy tax credits, none of the provisions require additional federal expenditures. These provisions will assist and stimulate small business development through exports, interconnection with the utility grid, use of DOE research dollars, and business development spurred by the tax incentives.

1. This Act extends the renewable energy business tax credits to 1990 and increases the credits for solar, wind, and geothermal applications. Ocean thermal, biomass, and hydroelectric credits would remain at current levels through 1990. The business tax credits for renewable energy, due to expire in 1985, provide a 15 percent credit for solar, wind, and geothermal expenditures; 15 percent for ocean thermal applications designated by DOE; 11 percent credit for hydroelectric; and 10 percent for biomass.

2. The Act reserves 12 percent of the Export-Import Bank's loan authority to small businesses with previous-year sales of $25 million or less. Renewable energy businesses are highlighted as representative of the high-growth industries that should receive this money.

3. The Act requires the U.S. Department of Commerce to provide the same treatment and export assistance to renewable energy as it does to other U.S. industries. Currently, the Commerce Department's International Trade Administration handles export programs and has actively helped the renewable energy industry. In 1981, the Department of Energy and the Department of Commerce jointly sponsored a $500,000 trade development program that generated $3 million of immediate sales and another $60 million in projected 12-month sales.

4. It clarifies the original Congressional intent of PURPA to guarantee the right of

renewable energy small power producers to connect with the electric utility grid and to receive a fair and reasonable payment for the electricity they supply to the grid. The rate of payment should be based on the 100 percent replacement cost (or "full avoided cost") to the utility.

5. It expands the Small Business Innovation Act, which mandated that the Department of Energy and several other agencies set aside at least 1 percent of their research and development funds for small businesses, to guarantee that renewable energy businesses are included.

II. THE RENEWABLE ENERGY NATIONAL SECURITY ACT

The National Security Title uses three existing federal programs to establish a role for renewable energy in national defense planning and modernization. The expanded role of renewable energy and energy conservation will make the U.S. military more secure in its energy supply. Farmers will have access to liquid fuels (ethanol) produced domestically in times of petroleum shortages, a necessity at harvest time. The Department of Defense will have the access to information on production and fuel stockpiles of renewable energy technologies in times of natural emergencies. As a result, our nation will be prepared for unplanned cuts in conventional energy supplies.

1. The Act clarifies in legislative language that all renewable energy technologies and fuels and energy conservation equipment should be purchased when cost-effective. Language in the Defense authorization bill in 1982 directed the Department of Defense to procure only renewable energy generating devices. As the law stands, DOD should procure these technologies when cost-effective.

2. It directs USDA to assess the options for creating an alcohol fuels reserve and to report to Congress on its plan. In the provision, the Commodity Credit Corporation is directed to use spoiled and contaminated grains first for such a reserve and gives them the authority to store the ethanol fuel in an effective way.

3. It requires a two-page report from the Secretary of Defense on the feasibility of using mobile renewable energy generators such as photovoltaic cells and wood gasifiers to back up existing conventional energy supplies for military facilities in case of emergency.

4. It permits the Department of Defense access to other Federal databanks to collect information on the production capacity and stockpiles of renewable energy devices and fuels for use in emergencies. This information would be shared with the Federal Emergency Management Agency and others.

III. THE RENEWABLE ENERGY EMPLOYMENT ACT

This Employment Title uses two existing programs, the DOE weatherization program and the USDA Agricultural Extension Service to further energy conservation and renewable energy development in low-income housing stock and on small farms.

1. The Act requires that energy conservation and renewable energy skills be considered as allowable training skills in all renewable job training programs. The provision does not require these skills to be taught in each Federal jobs training program. It simply guarantees those programs that wish to provide this kind of training will be able to do so.

2. The Act reaffirms Congress' support of the DOE low-income weatherization program and requests level funding at the fiscal year 1983 level for the successive fiscal years.

3. The Act requires the Department of Agriculture to centralize information on low-energy, renewable energy farming practices and develop a process to convey this information to the Agricultural Extension Service. Agricultural agents can distribute the information and provide farm energy audits.

4. It requires the Farmers Home Administration Loan Programs (USDA) and the Urban Development Action Grant and Community Development Block Grant (HUD) to include renewable energy and energy conservation considerations as key components in the funding selection criteria.

IV. THE RENEWABLE ENERGY CONSUMER INCENTIVES ACT

Title IV uses existing federal programs to assist consumers in making informed decisions on renewable energy and energy conservation purchases and use. The Title also broadens existing programs that build consumer confidence in the use of renewable energy devices so that the transition to broad use of renewable energy takes place quickly.

1. It extends the residential tax credits to 1990 and directs the Internal Revenue Service to allow credits to be taken on both active and passive solar systems. The 40 percent tax credit for residential solar expenditures under current law expires in 1985.

2. It extends the authorization of the Solar Energy and Energy Conservation Bank until 1990 and directs the Bank to fund active solar applications, to treat single and multifamily housing equally, and to allow entities other than the states (e.g., cities, credit unions, banks) to participate in the Bank program.

3. It allows a small portion of funds appropriated for energy aid to be used to create formal information exchanges among governments at all levels to improve the effectiveness of energy programs. Through meetings, publications exchanges, or other means, the states will be able to learn from one another's experiences and to enhance the effectiveness of their energy programs.

4. This provision provides clearer authorization for three complementary renewable energy information programs now conducted by the federal government. The Technical Information Program of the Solar Energy Research Institute (SERI) produces technical documents for the commerical renewable energy sector that draws on highly technical information from specific research activities. The Conservation and Renewable Energy Inquiry and Referral Service (CAREIRS) provides general information and business referrals to consumers, through a toll-free phone number as well as by mail. The National Appropriate Technology Assistance Service (NATAS) will provide technical assistance to individuals designing and building their own renewable energy systems or devices.

5. It reaffirms Congress' intentions to provide consumers with energy-efficiency labels on automobiles and appliances so they can make informed purchasing decisions. This provision also directs the Small Business Administration Energy Loan Program to fund small renewable energy businesses for the testing of their new products.

6. It requires state electric utility regulatory commissions to implement programs under which electric utilities make available standardized interconnection and power purchase contracts under PURPA for renewable energy electric systems of less than 100 kW.

7. It requires all federal agencies to submit yearly reports of not more than 15 pages to Congress on their energy conservation and renewable energy program's impact on the production or use of renewable energy and energy conservation. In addition, it requires the Department of Energy in its Monthly Energy Review to include national statistics on energy conservation and renewable energy use as it does with other energy sources. Finally, the provision requires information from the Department of Commerce on the impact of renewable energy exports on the international balance of payments of the U.S.; and the Department of Labor on the employment generation of the renewable energy and energy conservation industries in the U.S. and the Department of Energy on the imported petroleum displacement.●

● Mr. BUMPERS. Mr. President, I am pleased to join the Senator from New Mexico in introducing the Solar Energy National Security and Employment Act of 1983, which we are calling the SENSE Act, because it makes such good sense. It recognizes the potential of renewable energy sources, not only in lessening our energy problems, but also in providing employment. It also recognizes the contribution which renewables can make to our national defense and to the economy by expanding export markets.

The potential of renewable energy sources is unmatched by any nonrenewable energy. The Department of Energy's second national energy plan estimated that renewables could provide as much as 28.5 quadrillion Btu a year by the year 2000. Such an achievement would represent more than 35 percent of current consumption or 24 percent of projected consumption in the year 2000. Admittedly, the DOE estimate is of the technical limit, but even the maximum practical amount of 18.5 quadrillion Btu is extremely impressive. It would equal 16 percent of the projected demand.

The recent growth of the photovoltaic industry demonstrates that the DOE projections may be achieveable. In 1981, domestic producers of photovoltaics sold 40 percent more cells than in 1980, and in 1982 the industry grew an additional 40 percent. It also attracted an additional $2 million in capital investment. Since this growth occurred during the worst recession since the Great Depression, it is truly stunning. The industry's future potential is even more impressive. DOE has estimated that the world market could increase by the year 2000 to 400 megawatts, an increase of 47 times the current sales.

It is essential for us to remove any barriers to the production of photovoltaics and other devices using renewable energy sources so that they will be able to compete in both the world and domestic markets. That is what the SENSE Act does.

Certainly one of the barriers to greater development of renewables is simply lack of information. Consequently, the SENSE Act would require the Department of Agriculture to centralize its information on low energy farming and disseminate it through the Agriculture Extension Service. It would also use the Service to coordinate a national rural energy service to identify methods of fertilizing, harvesting, and processing food without imported oil. Small farms hold great potential for using photovoltaic cells in irrigation systems. DOE has estimated that there are 50 million farms throughout the world that could use solar power where diesel-powered irrigation systems are not cost-effective. We should begin to develop that market.

Similarly, the SENSE Act requires the Department of Defense to assemble existing data on the location of renewable energy stockpiles and production facilities. It would continue the Conservation and Renewable Energy Inquiry and Referral Service, the National Appropriate Technology Assistance Service, and the technical information program at the Solar Energy Research Institute. These offices would disseminate existing information concerning renewable energy to consumers who are interested in installing devices to use renewable energy. It would also require a coordinated communications network among Federal, State, county, city, and other local governments in order to assure fuller awareness and use of available renewable energy sources.

In addition, the act recognizes the value of renewables in increasing employment. It would include renewable energy production, installation, and maintenance as allowable occupations eligible for Federal job training and placement purposes. It would require the Department of Labor to report to Congress the impact of renewable energy industries upon employment.

Furthermore, the act would help promote the export of renewables by creating a 12-percent set-aside of the Export-Import Bank's loan authority for small businesses. It also instructs the Department of Commerce International Trade Administration to treat renewable energy as a discrete industry sector which will help stimulate exports.

None of these provisions will require additional appropriations. In fact, the only provision with a substantial budget impact is the extension and increase of the energy tax credits. This change may cost as much as $333 million per year, but it will probably be less, especially when we take into account the effect of reduced business deduction for fuel costs. Moreover, this budget impact is necessary in order to put renewable energy sources on a footing more equal to its domestic competition, oil and gas, which received tax subsidies totaling $6.4 billion in 1982. By comparison, the energy tax credits totaled $1.1 billion. Since consumers and investors will choose tax considerations, there should be some sort of equality.

I have stressed the market opportunities which lie ahead for renewable energy, but we cannot forget their great environmental benefits. These sources have no emissions or effluents or wastes. They require no scrubbers, dumps, filters, or disposal sites. We will never need a Superfund to clean up a photovoltaic array. It will never require a waste disposal bill.

Just as we cannot ignore these market opportunities, neither can we ignore the consequences of failing to seize them. Just as we cannot ignore their benefits, neither can we ignore the damage stemming from failure to enjoy them. The report to the President called Global 2000 estimated that by the year 2000 worldwide demand for oil would exceed supply by 15.2 million barrels per day, an amount equal to 30 percent of anticipated demand. If this gap is not filled with energy from renewables, at least in part, Global 2000 concludes that it will require far higher prices, slower economic growth, and stronger Government policies. The energy report of the Harvard Business School, Energy Future, concluded that the United States would have two choices, either to import more oil or to conserve and use renewable energy sources. If the oil will not be available, there is only one choice, renewable energy.

Some might argue that we should build more nuclear plants and make more use of coal, but Global 2000 also contains the response to that approach. It estimates that with even moderate growth, emissions from some types of energy facilities will nearly double between 1985 and 1990 alone. For example, it estimates that emissions of tritium will increase from 361,000 curies to 655,000 curies and that solid high-level nuclear wastes will increase from 38.4 billion curies to 69.8 billion curies. Consequently, the exposure of people to radioactive materials will increase from 13,900 man-rems to 25,200 man-rems. This measure is usually given in millirems, that is in thousandths of a rem. The increase in a short 5 years would be enormous and possibly alarming. By comparison, no emissions will increase from the use of solar energy. It will not expose the population to radiation.

Finally, I should point out the clear precedent for Government involvement in developing such new technologies when the need is as pressing as it is here. For example, in the last century, when Congress concluded that railroads were necessary to hasten the development of the continent, it granted Federal lands to railroad companies. The Government similarly helped develop such divergent technologies as telegraphy, analog, and digital computers, scientific agricultural practices, radar and microwave communication, fixed-wing and rotary-wing aircraft, gas turbines, jet engines, and xerography. Most significant, the Government was instrumental in developing nuclear power, and it has provided essential support to the oil and gas industry through tax subsidies, the import quotas of the 1950's, and generous leasing policies.

The precedent is clear, the need is clearer and the opportunity is obvious. We must, at the very least, remove the obstacles to the development of promising renewable technologies. It makes good sense, and the SENSE Act will do it. I urge my colleagues to support this important legislation.●

By Mr. STENNIS (for himself, Mr. GOLDWATER, Mr. DOMENICI, and Mr. BUMPERS):

S. 617. A bill to promote the use of energy-conserving equipment and biofuels by the Department of Defense, and for other purposes; to the Committee on Armed Services.

RENEWABLE ENERGY NATIONAL SECURITY ACT OF 1983

● Mr. STENNIS. Mr. President, a great deal of this Nation's economic difficulties were caused by enormous increases in the price of oil and natural gas, especially imported energy, during the past 10 years. Out of this extremely difficult period we were taught the hard lesson of how vulnerable the industrial world was to the supply of energy and natural gas. This natural resource which had been taken for granted, is very limited.

Even if there is a temporary glut of oil and gas above the ground, there is a shortage beneath the ground. The clock is running on the supply of oil and natural gas. There is an urgent need to continue our development of alternate, abundant, and renewable sources of energy. Out of this urgency of need comes a great challenge and great opportunity for this country to offer scientific and engineering leadership to the rest of the world in the development of energy alternatives and energy conservation technologies. There are endless possibilities for research, experimentation, and development of new products and techniques which will alleviate the hardships caused by the current high costs of energy, especially the outrageous costs for heating and cooling our homes. And this effort will provide thousands of jobs for our scientists, and engineers, and technicians who pursue these new fields.

The Renewable Energy National Security and Employment Act of 1983 is a step in the right direction. This act

will coordinate existing Federal programs in renewable energy and conservation programs. It is my hope that this act will increase the efforts in this vital area and keep the focus of our scientific and technical community on the importance of developing new forms of energy and conservation to insure the prosperity of our Nation's future.●

● Mr. GOLDWATER. Mr. President, I am pleased to join today in introducing a bill to promote solar energy development and to coauthor with my distinguished colleague from Mississippi, Senator JOHN STENNIS, this bill which specifically relates to the use of solar and other renewable sources of energy at military installations. The legislation also encourages the development of storage facilities for alcohol produced from spoiled grain which would be utilized by farmers in times of national emergency.

The part of the Solar Energy National Security and Employment Act of 1983 authored by Senator STENNIS and myself is entitled "The Renewable Energy National Security Act of 1983." Many recent events, including our domestic economic recession, increased energy conservation, and the growing use of alternative and renewable sources of energy, such as solar, have substantially lessened our Nation's dependence on imported oil. However, we still depend on imported oil for over 30 percent of our daily petroleum needs. Because oil is a diminishing resource, it must in the long run be replaced.

Mr. President, I know my colleagues have heard these statements many times, but I believe they are worth repeating. Our large importation of foreign oil negatively affects our balance of trade. It feeds inflation and destroys job opportunities. It affects the foreign policy decisions because of the related need to protect foreign oil suppliers when other choices might be better for us. This oil dependence strikes directly at our national security. Obviously, it is not in the best interest of this country to allow this vulnerability in our energy supply to continue.

The Renewable Energy Security Act of 1983 encourages our military to utilize solar and other renewable sources of energy at military installations. The bill also asks the Department of Energy to maintain a data base of the locations of stockpiles of renewable fuels and production facilities. The possible use of mobile renewable energy production and conversion systems for use at military bases in times of shortages will be studied by the Department of Defense as part of this bill. The Department of Agriculture is given the authority to utilize waste commodities and surplus agricultural products for alcohol production to be used by farmers during times of fuel emergencies in order to assure a continuing supply of fuel for the agricultural sector.

Mr. President, I believe we must move toward energy independence at a faster rate in order to make certain that our economy and our national defense are much less influenced by external energy factors and the actions of other countries.●

By Mr. PERCY (for himself, Mr. PELL, Mr. DOMENICI, and Mr. BUMPERS):

S. 618. A bill to revise certain Federal training and economic development programs to create jobs and develop skills in renewable energy and energy conservation industries, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RENEWABLE ENERGY EMPLOYMENT ACT

● Mr. PERCY. Mr. President, today, together with my distinguished colleague from Rhode Island, I would like to introduce title III of the Solar Energy National Security and Employment Act.

This title emphasizes the role of the conservation and renewable energy in present Federal job training and placement programs.

I am particularly pleased to introduce this title because it captures three of my highest domestic priorities: job creation, energy conservation, and the development of a renewable energy industry in the United States.

Already, private industry has accomplished a great deal in this area.

As one of the cofounders of the Alliance to Save Energy, I think we can be very proud of the substantial progress made through more fuel-efficient automobiles and creative industrial and residential conservation programs.

As oil prices continue to break downward, we should not lose sight of the role conservation plays in lessening demand for overpriced imported petroleum. These conservation efforts must be continued until our importation of petroleum is at an absolute minimum.

Furthermore, the ethanol fuel industry in the United States has grown substantially in the last year. Ethanol-gasoline blends in 19 States, comprising the bulk of U.S. blend volume, were up 166 percent during the first 10 months of 1982 compared with the same period in 1981.

The increase in demand has created jobs in the United States and improved prices received by corn farmers.

A University of Illinois study reported that the ethanol and allied industries in the State have generated $1 million in additional income in 1981. Three thousand new jobs were created.

Title III of this legislation uses the Department of Energy weatherization program and the Agricultural Extension Service to further energy conservation and renewable energy development in low-income housing and on small family farms.

In summary here are the four major provisions of this important title:

First, requires that energy conservation and renewable energy skills training be allowable training activities in Federal job programs. The Joint Economic Committee reported that as many as 2 million jobs in this area could be created in the next 17 years.

Second, reaffirms Federal support for low-income weatherization programs and calls for the maintenance of the current $143 million Federal budget for these programs. This year 140,000 residences will benefit from lower utility bills as a direct and immediate result. This provision will help decrease the $2 billion the Federal Government pays annually to help low-income individuals pay their utility bills.

Third, requires the Department of Agriculture to centralize information on low-energy farming and convey this information through the Agricultural Extension Service.

Fourth, establishes renewable energy and conservation programs as key funding criteria for three large Federal economic development programs: the Farmers Home Administration, the urban development action grants (UDAG) program, and the community development block grants (CBDG) program. These programs have total funds of $4 billion and could be used as a valuable components of a low-capital, labor-intensive renewable and conservation industries.

Mr. President, the other titles of this legislation also merit enactment into law. These include titles pertaining to national security, small business, and consumer incentives.●

● Mr. PELL. Mr. President, I am very pleased to join with my distinguished colleague, Senator PERCY, today in introducing title III of the SENSE Act, the Renewable Energy Employment Act of 1983.

The Renewable Energy Employment Act is part of a four-title bill, the Solar Energy National Security and Employment Act (SENSE) developed in close cooperation with the solar lobby which attempts to again focus national attention and encourage a strong commitment by the Federal Government on the importance of renewable energy and conservation. The SENSE legislation integrates energy conservation and the use of renewable sources of energy, including wind, hydropower, and solar, into existing Federal efforts to create jobs, stimulate small business development, and enhance our national security.

Mr. President, the Reagan administration has for 2 years attempted to dismantle Federal renewable energy and conservation programs and to di-

minish the importance of the role that conservation and renewable energy can play in the American economy. The SENSE legislation attempts through strong congressional leadership and the outstanding efforts of the solar lobby to redirect our thinking toward the importance of renewable programs in revitalizing the American economy.

Title III of the SENSE legislation, the Renewable Energy Employment Act is a critical part of this renewable energy employment initiative. It is of great importance for many individuals across the Nation and in Rhode Island who are unemployed, and those who are deeply concerned about job security and job retraining in new career fields.

The provisions of title III have the potential to respond to some of these concerns almost immediately and with dramatic impact. Specifically, title III reaffirms the Nation's present commitment to low-income weatherization programs and funding at the fiscal year 1983 appropriation level—$143 million. The proposed measure will also include renewable energy and conservation production, installation, and maintenance activities as allowable occupations eligible for all Federal job training and placement programs.

In addition, the Renewable Energy Employment Act will target funds for renewable energy and conservation efforts in existing major development programs including the Farmers Home Administration loan program, urban development action grants, and community development block grants and urge that specific funds within each program be set aside for renewable energy and small business development.

Mr. President, the impact of the SENSE legislation and specifically the Renewable Energy Employment Act on the American economy would be significant.

According to a 1979 report for the Joint Economic Committee, a major solar and conservation investment could create 2.1 million jobs by 1990. In addition, such a major commitment to renewable energy over the next decade would result in a savings of an estimated 44.9 quads (Btu's) of energy per year, or an equivalent of 7.7 billion barrels of crude oil annually—quite impressive when compared to the estimated 100 quads (Btu's) that we are expected as a country to use every year if we continue our current rate of energy consumption. In this regard I ask unanimous consent that an article from the Christian Science Monitor on the employment potential from a renewed national effort on conservation and renewable energy be inserted in the RECORD at the end of my remarks.

Mr. President, I believe it is clear, considering an employment potential of 2.1 million jobs along with substantial energy savings which mean fewer dollars leaving our country and more for business development, that we must incorporate energy conservation and renewable energy development as an integral part of our domestic economic programs. We must also insure that American workers are trained appropriately for these new opportunities. At present, tragically, over 10 percent of the American work force is unemployed. Now is not the time for the Government to abandon its involvement in the development of the solar and conservation industries.

The United States now has an opportunity to shift its energy policy from one that is centered upon nuclear power and the polluting, finite fossil fuels industry which employs relatively few people per dollar of investment to a policy based on energy efficiency and renewable resources. Such a shift will help preserve our environment and create the jobs we so desperately need.

I hope my colleagues will strongly support this critical SENSE initiative.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Feb. 7, 1983]

A WAY TO HELP PUT AMERICA BACK TO WORK—AND SAVE ENERGY

(By Leon Lindsay)

SAN FRANCISCO.—One of the best job-producing moves government could make, according to energy-conservation advocates, would be an investment in weatherization and solar-energy devices for homes and businesses across the United States.

People involved in such conservation activities say their potential for producing new jobs, business expansion, and energy savings has been demonstrated. A much larger commitment than has been proposed either by the Reagan administration or congressional Democrats is justified, the conservationists argue.

A $5.4 billion Democratic jobs bill, passed by the US House late last year but not acted upon by the Senate, would have provided $250 millon for weatherproofing homes and apartments occupied by low-income residents.

Although Department of Energy funding for conservation projects is cut almost in half in President Reagan's proposed fiscal 1984 budget—from $670 million in fiscal '83 to $383 million in the budget year beginning next July 1—statistics gathered over the past several years by agencies involved in weatherization and solar energy projects indicate these activities are very efficient employment stimulators.

The Solar Lobby in Washington, D.C., will announce later this month a "Solar Energy, National Security, and Employment Act." The measure would provide major impetus to the energy conservation effort. it will not require any new funding in fiscal 1984, according to Scott Sklar, the lobby's political director.

The bill has four parts, explains Mr. Sklar, dealing with small business, national security, employment, and consumer information. "Basically they either protect or broaden certain programs to help renewable energy or extend programs that are due to be cut off in the future," he says. Energy tax credits for small businesses and homeowners, due to expire in 1985, would be extended to 1990. Under the bill, skill training for workers in renewable energy and conservation activities, such as solar and weatherization, would be allowable in all federal jobs programs.

A bipartisan group of 20 US senators and representatives, several of them chairmen of key committees, are sponsoring the legislation.

Ted Rauh, chief of the Division of Conservation of the California Energy Commission, points out that conservation activities are a close second to highway construction in providing jobs and stimulating business activity—with the added benefit of cutting energy consumption and costs. Energy efficiency programs and businesses in California provided $750 million worth of jobs and investments in 1982, Mr. Rauh reports.

Researchers for the AFL-CIO's Industrial Union Department project that energy conservation activities could create 600,000 jobs by 1990.

Michael Gordon, program director of The Institute for the Human Environment in San Francisco, says: "An expanded effort to 'button up our homes' would provide many thousands of jobs in both the public and private sectors—through production of home weatherization materials; retail sales of insulation, weatherstripping, caulk, water-heater blankets, low-flow shower heads, and other products; and the organization, administration, and implementation of coordinated local weatherization programs throughout the United States."

He cites Santa Clara County, Calif., as an example. It is estimated, Mr. Gordon says, that "if even 25 percent of homes in the county needing weatherization were made energy-efficient, almost $30 million in local sales of material could be realized."

Portland, Ore., which began an ambitious weatherization and energy-conservation program in 1979, provides impressive evidence of what it can mean to a local economy.

According to Jeanne McCormick, director of the Portland [Ore.] Energy Office, that city's weatherization and energy-conservation program has produced many benefits in terms of residential and business savings—and jobs saved as well as created. "We have found," she says, "that, generally, investment of $15 million by local businesses in such projects such as insulating buildings, or changing to more energy-efficient ways of making their products, create—directly—525 jobs.

"There's not only the contractor who comes in to do the job, there are engineers who perform energy audits and architects who design changes. Then there's what we call the "leveraging effect," where you have the secretary who works for the contractor, and so forth.

"We have done energy audits for 146 small businesses, which have been able to cut energy consumption [an average of] 19½ percent as a result. Even though energy costs in Portland are lower than in many other areas of the country, those firms collectively are saving $525,000 a year. They can reinvest that money in expansion.

"So it's not just the number of jobs created by the weatherization itself, but how much money that business saves that can be used to diversify or expand or spend on training or use it to keep people on the job."

Mrs. McCormick and others point out that little retraining of workers is involved in these energy-conservation activities. Most

come from the existing pool of unemployed skilled workers—carpenters, pipefitters, boilermakers, and plumbers, and others in light construction and light manufacturing. Other direct and indirect positions are created in marketing, retail sales, business management, lending, and the appraisal and real estate fields.●

By Mr. TSONGAS (for himself, Mr. COHEN, Mr. DOMENICI, and Mr. BUMPERS):

S. 619. A bill to reauthorize, extend, and enhance existing Federal programs to encourage conservation and the use of renewable energy by this Nation's consumers; to the Committee on Finance.

RENEWABLE ENERGY CONSUMER INCENTIVES ACT

● Mr. TSONGAS. Mr. President, though our energy problem appears to have abated with the disarray of OPEC and falling oil prices, I continue to believe that our energy situation is one of the most serious long-term threats to our economic and military security. That is why I am proposing today that the Senate consider the Solar Energy National Security and Employment Act.

Our energy vulnerability, and that of our allies, is still serious. Widening of the Iraq-Iran war, sabotage of critical oil facilities in the Mideast, or an assassination could precipitate the drastic price rises and global market disruptions that we have suffered in the past. As the world pulls out of the current recession, increasing oil demand could fuse OPEC back together again.

In this country, we continue to draw down our finite fossil resources. Pollution arising from energy production and consumption is still a serious and growing threat to our environmental quality and our health. As scientific evidence accumulates on acid rain and carbon dioxide, we will face increasing constraints on our ability to use coal.

Energy costs still represent a significant burden on most consumers. Oil imports continue to drain our country of tens of billions of dollars. The energy problem is still a reality, and energy efficiency and renewable resources must be the central elements of our response.

Ultimately, we must make the transition to renewable resources. The sooner we adopt more efficient energy utilization technologies and develop renewable energy sources, the easier that transition will be and the sooner we will enjoy the environmental and economic benefits that conservation and renewables can provide.

The current oil glut gives our Nation an opportunity to draft policy dispassionately. So far, our energy policy has been shaped by crises: the oil embargo, the natural gas shortage, the coal strike, and the Iranian oil cutoff. Each crisis resulted in a new set of Government programs—programs that have recently been sharply criticized.

Created during crises, these programs have had little opportunity to move up the learning curve. Frequent reorganization, large and rapid swings in annual budgets, unrealistic goals, and little regard for problems of implementation—all have plagued our Nation's energy program. But, there have been significant successes. Our technology has advanced because of Government supported R&D. Energy prices more realistically reflect the value of our energy resources. There is fairly widespread recognition of our energy vulnerability. The benefits and importance of energy efficiency and renewable resources are broadly acknowledged. Incentives for conservation and renewable resources have been enacted to offset the longstanding subsidies to conventional sources. We are also beginning to understand which programs have worked and why.

But the Reagan administration has brought a radically different—and I believe misguided—approach to energy policy. The administration believes that energy is not a priority, that it does not merit a Cabinet-level department. The administration takes an ideological approach, maintaining that the free market should determine which technologies are developed and adopted.

In carrying out this approach, the administration has tried to eliminate virtually every solar and conservation program that the last three Congresses have enacted, including tax credits, information programs, the Solar and Conservation Banks, and solar R&D. Yet the administration has not put in place any monitoring programs to determine whether the private sector is assuming responsibility for existing technology programs. And the administration has not applied its approach consistently, leaving the nuclear budget undiminished while slashing solar, conservation, and fossil budgets.

The administration justifies its efforts by asking us to rely on the free market. But does a free market in energy exist and will it result in a level of renewable energy development consistent with the national interest? I believe not. There are significant market imperfections that inhibit the market from performing optimally:

Energy prices. Energy prices do not reflect the national security costs or the environmental costs inherent in conventional energy sources. Energy prices also reflect average costs, not marginal costs, thus consumers undervalue energy conservation and renewable resources.

Capital availability. For the market to work, individuals must be free to respond to price signals by substituting capital for energy. If capital is too expensive for most individuals or is not readily available, then economically attractive investments are discouraged.

Discount rates. Individuals tend to avoid investments that have paybacks greater than 2 years. This rate of return is much higher than the social discount rate or the effective discount rate used in conventional energy sources.

Information. Even when price signals are accurate and capital is available on attractive terms, individuals need to have access to reliable information about the benefits and costs of various energy options.

Frustration factor. For many, the difficulty in learning about alternative energy sources, evaluating savings, obtaining loans, and selecting contractors is discouraging. It is thus often easier to pay higher bills each month than make the up-front investment no matter how economically attractive.

These and other factors result in smaller investments in renewable resources than is economically justified. Thus, through a range of programs, the Government has sought to encourage increased utilization of renewable resources.

While Congress has largely rebuffed the administration's proposals to eliminate the solar programs outright, funding cutbacks have taken their toll. The administration's de facto dismantling of the Department of Energy has also diminished its capacity to develop and carry out a rational, balanced energy policy. We are in danger of backtracking on all of the gains we have made since 1973.

It is time to launch a counteroffensive to regain the national initiative on renewable energy resources. The Solar Energy National Security and Employment Act (SENSE) is the opening salvo in this effort. I am proud to be part of it and pleased to sponsor title IV, the Renewable Energy Consumer Incentives Act.

This title encompasses a range of important programs for correcting market imperfections that affect the purchasing of renewable resources. The title reauthorizes the Solar and Conservation Bank, which I authored in 1980, and provides low interest loans for solar and conservation investments. It extends the 40 percent renewable energy tax credits and expands them to include passive solar. It maintains and coordinates consumer information services and requirements for appliance and auto efficiency labeling. It requires utilities to implement standardized power purchase agreements with individuals who install renewable energy equipment.

This title, combined with the other three titles, adds up to a coordinated Government policy in support of renewable resources. I urge my colleagues to examine it, consider it, and cosponsor it. Our energy future depends on it.

Mr. President, I ask unanimous consent that the following factsheet prepared by the Solar Lobby be printed in the RECORD.

Mr. President, I also ask unanimous consent that the text of the bill that I am introducing with Senator COHEN and others be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 619

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Renewable Energy Consumer Incentives Act of 1983".

FINDINGS AND POLICY

Sec. 2. The Congress hereby finds that—

(1) the United States of America is dependent upon a finite and diminishing energy resource base;

(2) energy is the lifeblood of every industrialized nation and, therefore, lasting economic prosperity is linked ultimately to access to plentiful and affordable energy resources;

(3) energy conservation and the development of domestic renewable energy technologies is of vital importance to our Nation's future;

(4) continuing the Federal energy conservation and solar energy tax credits and loan programs is critical to maintaining and expanding the market for energy conservation and renewable energy products;

(5) the coordinated dissemination of information regarding renewable resources that is not provided by the private sector is necessary for consumers and business to respond to the market;

(6) requirements for labeling of appliances and automobiles are essential for consumers to make informed purchasing decisions on the basis of energy efficiency;

(7) the private sector, especially small business, may benefit from financial assistance for the testing of new energy products, and that this assistance can be provided through existing Federal programs;

(8) standardized and streamlined methods for interconnecting into utility grids should be made available to individuals using renewable energy electrical generating equipment on their residences; and

(9) Federal agencies administering energy programs should provide information annually, in a brief form, on the contributions renewable energy and energy conservation have made to our balance of payments, the generation of employment, and the displacement of imported petroleum.

SOLAR ENERGY AND ENERGY CONSERVATION BANK

SEC. 3. (a) Section 505(a) of the Solar Energy and Energy Conservation Act of 1980 is amended by striking out the last sentence and inserting in lieu thereof "The Bank shall not exist after September 30, 1990."

(b) Section 509 of such Act is amended by adding at the end thereof the following:

"(d) Payments by the Bank to financial institutions made pursuant to section 509(1)(B)(i) shall allocate a portion of their funds for active type solar energy as defined in section 504(6).

"(e) No Federal preference shall exist with regard to financial assistance between single family residences and multifamily residences.

"(f) Subject to the conditions contained in sections 513, 514, and 515 and limitations in sections 516 and 517, that all financial institutions are permitted to apply directly to the Bank for funding and shall not be limited to apply directly for funds through State governments.".

(c) Section 522(a) of such Act is amended by—

(1) striking out "and" after the semicolon in clause (3); and

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(5) the sum of $875,000,000 for fiscal year 1985 and for each of the succeeding five fiscal years, of which sum for any such fiscal year not more than $7,500,000 may be used to carry out section 581.".

(d) Section 522(b) of such Act is amended by—

(1) striking out "and" after the semicolon in clause (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(4) the sum of $250,000,000 for fiscal year 1985 and for each of the succeeding five fiscal years, of which sum for any such fiscal year not more than $7,500,000 may be used to carry out section 518.

RENEWABLE ENERGY RESIDENTIAL TAX CREDITS

SEC. 4. (a) Section 44C(c)(4)(A)(viii) of the Internal Revenue Code of 1954 is amended by inserting after "dwelling" the following: "including any item that serves a purpose in addition to energy efficiency such as thermal draperies)".

(b) Section 44C(c)(5)(A)(i) of such Act is amended by adding after "solar energy" the following: "(including the passive type based on convective, conductive, or radiant energy transfer and which has significant impact on home energy savings)".

(c) Section 44C(f) of such Act is amended by striking out "1985" and inserting in lieu thereof "1990".

COORDINATION OF EXISTING ENERGY INFORMATION PROGRAMS ON THE STATE AND LOCAL LEVEL WITHIN THE UNITED STATES

SEC. 5. (a) Subsection (f) of section 2604 of the Low-Income Home Energy Assistance Act of 1981 (Public Law 97-35; 95 Stat. 893) is amended by—

(1) striking out "or" at the end of clause (2);

(2) adding "or" after the semicolon in clause (3);

(3) adding after clause (3) the following:

"(4) support of energy related information systems; and"; and

(4) striking out "and (3)." at the end of the first sentence and inserting in lieu thereof "(3), and (4).".

(b) The Secretary of Energy shall establish a process for the solicitation and consideration of views of—

(1) units of local government;

(2) regional councils;

(3) Indian tribes within the States;

(4) local educational agencies;

(5) not-for-profit and private sector organizations; and

(6) the public,

to develop a formalized exchange of information on the Federal, state and local levels so as not to duplicate information programs and provide the most efficient form of assistance to encourage the public to utilize conservation and renewable energy.

(c)(1) For the purpose of providing financial assistance to the States and local governments pursuant to this section, there is hereby authorized sums of money that may be considered appropriate by the Secretary of Energy under section 512 of the National Energy Extension Service Act (Public Law 95-39).

(2) For the purpose of cataloging information on Federal, State and local energy programs, the Secretary of Energy shall make available information on these various programs to other relevant Federal agencies and the appropriate arms of Congress such as the General Accounting Office, the Congressional Research Service, and the Office of Technology Assessment.

MAINTAINING ENERGY INFORMATION SYSTEMS

SEC. 6. Section 8(a) of the Solar Energy Research, Development, and Demonstration Act of 1974 (Public Law 93-473) is amended to read as follows:

"(a)(1) In carrying out his or her function under this Act, the Secretary of Energy, utilizing the capabilities of the Solar Energy Research Institute and other Federal laboratories and contractors of the United States Department of Energy involved in solar research and development activities, as well as other appropriate Federal agencies, shall maintain a continued program whereby information reflecting the latest results of federally-funded research and development activities is developed, centrally compiled, and transferred to the private sector in a timely, accurate and easily understandable manner.

"(2) Information to be developed and compiled shall include—

"(A) technical information including articles, dissertations and reports on renewable energy research and development;

"(B) information on the design, construction, an maintenance of equipment utilizing renewable energy;

"(C) information on the physical and chemical properties of materials required for renewable energy utilization; and

"(D) nontechnical information that affects renewable energy utilization, such as legal and environmental considerations of the commercial sector and prospective solar energy users.

"(3) In accordance with regulations prescribed under section 12, the Secretary of Energy shall take the appropriate steps to facilitate the timely transfer of the information described in paragraph (2) to—

"(A) the private sector;

"(B) universities, colleges and other educational institutions for their related research; and

"(C) other Federal, State and local information systems and the general public and consumers who express interest in this information.

"(4) In carrying out this subsection, the Secretary shall—

"(A) take all possible steps to assure that complete information with respect to renewable energy and conservation technologies, systems and components is made on a continuing basis to the general commercial sector and the concerned American public and is available in printed fashion and accessible by a toll-free telephone service to be known as the 'conservation and Renewable Energy Inquiries and Referral Service';

"(B) establish a 'National Appropriate Technology Assistance Service' (NATAS) to

provide individualized technical assistance to persons, local organizations, communities, and local governments seeking to apply self-built renewable energy and energy efficient technologies to cite specific applications by such methods as—

"(i) collecting and assessing data on small-scale renewable energy technologies;

"(ii) providing detailed, individualized, technical assistance to persons through available publications, bibliographies, and technical counseling; and

"(iii) cooperating closely with other providers of information to avoid duplication and publicize the service provided by NATAS; and

"(C) utilize, when feasible, existing scientific and technical information previously developed through Federal funding in order to prevent duplication and to ensure efficient operations.".

AUTOMOBILE AND APPLIANCE ENERGY EFFICIENCY LABELING

SEC. 7. Section 502(e) of the Motor Vehicle Information and Cost Savings Act is amended by—

(1) striking out "and" after the semicolon in paragraph (3);

(2) redesignating paragraph (4) as paragraph (5); and

(3) inserting after paragraph (3) the following:

"(4) the use or integration of renewable fuels and any other approach which maximizes conservation and renewable energy applications; and".

(b) Section 324(a)(1) of the Energy Policy Conservation Act is amended by inserting after "The Commission", the following: ", particularly in cases where there is a direct consumer benefit to save energy or utilize renewable energy,".

(c) Section 7(l)(1) of the Small Business Act is amended by inserting after "service any of the following energy measures," the following: "and reduced rate loans may be provided under this subsection to assist any qualified small business concern to acquire system performance ratings from testing laboratories for energy conservation and renewable energy systems and technologies:".

PROVISION FOR REQUIRING STANDARDIZED PURPA CONTRACTS

SEC. 8. Section 201 (f) of title 11, United States Code, is amended by adding at the end thereof the following:

"(3) Beginning on or before the date after any rule is prescribed by the Commission, with respect to this provision, each State regulatory authority shall, after notice and opportunity for public hearing and after consultation with each electric utility for which it has ratemaking authority, implement standardized contracts for renewable energy systems generating less than 100 kilowatts—

"(A) for the sale of electric energy from each utility for which it has ratemaking authority to any qualifying small power production facility; and

"(B) for the purchase of electric energy produced by any qualifying small power production facility to any electric utility for which it has ratemaking authority.".

FEDERAL REPORTING REQUIREMENTS

SEC. 9. (a) The Department of Energy shall include renewable energy as a discrete energy sector in all of its publications of "The Monthly Energy Review".

(b) Each Federal agency with programs that deal with renewable energy, shall submit to Congress an annual report of no more than fifteen pages, on their programs' impact on the production and utilization of domestic renewable energy resources, technologies and fuels, and energy conservation systems and measures.

(c) An annual report of at least two pages, shall be submitted to the appropriate committees of the Congress from—

(1) the United States Department of Commerce and the United States General Accounting Office, on the contribution of renewable energy to the United States' international balance of payments;

(2) the United States Department of Labor, on the impact of renewable energy and energy conservation industries on domestic employment levels; and

(3) the United States Department of Energy, or the quantities of imported energy displaced by renewable energy and energy conservation.

(d) All the reports required for the purposes of this section shall be submitted no later than thirty days after the close of each fiscal year.●

● Mr. COHEN. Mr. President, I am pleased to join with Senator TSONGAS in introducing the Renewable Energy Consumer Incentives Act as title IV of the Solar Energy National Security and Employment Act (SENSE). The SENSE Act is designed to better coordinate and sharpen the focus of Federal support for the development of renewable energy resources.

During the decade of the 1970's, energy issues dominated the national agenda. With the quadrupling of world crude oil prices following the 1973 oil embargo, many Americans began to change their habits and drive smaller cars and fewer miles. Thermostats were turned down and homes were insulated. Major changes occurred in the manner in which we used and thought about energy.

While all of us welcome the recent drop in energy prices, it remains clear that the United States still faces a major challenge in the energy area. The current glut of crude oil will not last and, in the absence of a continuing conservation effort, we could again find ourselves in serious trouble on the energy front. Rather than being complacent about our improved energy situation, we need to redouble our efforts to further reduce our dependency on foreign energy sources. In our volatile world, today's stability could easily become tomorrow's chaos.

The SENSE Act, which will be introduced today, is designed to further stimulate private investment in renewable energy resources. Increased development of renewable energy resources is critical to moving our Nation toward energy security.

Consumer motivation to invest in conservation and renewable measures stems largely from a desire to save money. The dramatic energy price increases of the past decade have demonstrated to consumers that reducing consumption is a wise investment. The decision to invest in conservation or renewable measures hinges on several factors: Whether reliable information on the systems and products can be obtained; whether the consumer has confidence that the system will produce the desired results; whether he is able to afford or finance such improvements; and whether he is assured of payback in a short-term period.

Title IV of the SENSE Act addresses these concerns by expanding a number of Federal programs that encourage private investment in energy conservation improvements and renewable energy measures. Before I discuss some of the provisions in title IV, I would like to comment briefly on the importance of removing market barriers to the increased application of renewable energy measures.

At present, there are a number of market barriers that inhibit private investment in energy efficiency and renewable energy measures. While oil decontrol was an important step in moving our Nation toward energy security, until all consumers pay the replacement cost of energy, our Nation's success in reducing consumption of traditional energy sources and moving toward greater use of renewables will be limited.

I must note that, hard as it may be for New Englanders to imagine, many people are unaware of how their energy habits affect their monthly energy bills. In these cases, increasing fuel prices will not alter a household's behavior. Consumers often lack sufficient information on the benefits of energy conservation and much of the information they do have access to is too complicated. This is especially true in apartments and condominiums where energy costs are included in monthly rents or condo fees. When a household pays a monthly fee based on aggregate energy use, there is little incentive to conserve.

Many homeowners lack practical knowledge about how to accomplish conservation and are unwilling or unable to pay for professional assistance. Moreover, they are often unwilling to pay a higher purchase price for a home that reflects the cost of insulation and other conservation measures.

Families are extremely mobile these days, reducing the prospects of recouping their investment costs. Without a 3- to 4-year payback, many homeowners are unwilling to make major energy investments. This is more evident in rental units where the tenants are almost certain to move before they can recoup any investment in energy efficiency equipment.

Another major impediment to increased energy conservation measures, both passive and active, is the inexperience of architects and builders in designing and installing such measures and equipment. All facets of the construction industry need to be provided with detailed and up-to-date technical

information on improving the energy efficiency of buildings.

Major household appliances such as furnaces, water heaters, and refrigerators pose an additional barrier to energy conservation. These appliances are usually purchased by builders, not homeowners, whose choices are often dictated by price rather than by energy efficiency. When consumers are purchasing appliances for themselves, their decisions are often influenced by price and/or appearance. Unless energy prices increase dramatically, appliance prices are likely to remain the major determining factor in selection. For example, the $20 to $50 annual savings that may be gained from using a highly efficient major appliance may seem insignificant to the buyer in comparison to the $20 to $300 in added costs for a highly efficient unit.

Studies have shown that while the individual energy savings from the use of efficient appliances may be minimal, the aggregate energy savings is quite significant. For example, if the efficiencies of space heaters and air conditioners were improved by 20 percent, 888,000 barrels of oil could be saved daily.

Until consumers become aware of the monetary benefits of purchasing energy efficient appliances and become confident of the seller's representation, many will continue to make unwise decisions.

Although rising prices provide a strong incentive for conservation, they present special hardships for low-income consumers who cannot meet increased fuel bills, and cannot afford energy conservation improvements. Many low-income families are spending nearly 40 percent of their disposable incomes on energy and, out of economic necessity, have reduced their energy consumption more than any other group in our society. These individuals can only further reduce their energy consumption by making permanent conservation improvements to their homes. Yet, many of these individuals are unable to afford such improvement even with the benefit of Federal energy tax credits. It is clearly in our Nation's best interest to continue to help these people reduce their energy consumption.

In an effort to overcome or minimize the aforementioned market barriers, a variety of Federal programs have been developed. Title IV of the SENSE Act broadens many of these programs. The principal Federal program to stimulate energy conservation and renewable energy development in the residential sector is the residential energy tax credit program authorized by the Energy Tax Act of 1978 and amended by the Crude Oil Windfall Profits Tax Act of 1980. This act authorizes tax credits of 15 percent for energy conservation investments up to $2,000, for a maximum credit of $300, and 40 percent for investments in renewable energy equipment up to $10,000, for a maximum of $4,000.

While residential energy tax credits have helped to overcome barriers, passive solar systems generally do not qualify for tax credits. Internal Revenue Service regulations preclude all components of passive solar systems which serve a dual function from being eligible for a tax credit. In effect, most passive systems do not qualify since, by design, they employ a combination of materials and components. As a result, very few homebuilders are utilizing passive solar designs because the front-end costs are so high. With interest rates high, most builders cannot afford to take such a risk. A tax credit for passive solar systems would reduce this risk substantially while, at the same time demonstrate benefits of passive solar construction. The SENSE Act will qualify passive systems for residential energy tax credits.

Although Federal tax credits provide an incentive for moderate and high-income families to make energy efficiency improvements and install renewable energy measures, the majority of low-income Americans are unable to benefit from them. The Solar Energy and Energy Conservation Bank was established to make loans to low-income families unable to afford such improvements. The SENSE Act will reauthorize the bank and insure that active solar applications are eligible for funding.

As I mentioned earlier, one of the primary obstacles to increased energy conservation and renewable energy applications is the lack of consumer information. Title IV of the SENSE Act will continue three Federal energy programs that provide consumers with information on renewable energy and energy conservation applications. The Conservation and Renewable Energy Information and Referral Service (CAREIRS) provides general information and business referrals to consumers, through a toll-free phone number as well as by mail. The National Appropriate Technology Assistance Service (NATAS) provides specialized technical information to individuals designing and building their own renewable energy systems. Finally, the technical information program of the Solar Energy Research Institute (SERI) produces technical documents for the commercial renewable energy sector.

To help the consumer to make more informed purchasing decisions, title IV will reaffirm energy-efficiency labeling for automobiles and appliances. If we are to increase our reliance on market forces to stimulate energy conservation, knowledge on the energy-efficiency of competing products is necessary. The marketplace simply does not provide complete and accurate information on all options.

The SENSE Act will also provide reduced-rate loans through the existing Small Business Administration energy loan programs for renewable energy small businesses to test their new products. This provision addresses the problem small businesses face in attempting to finance product testing in the current tight capital markets. Even if the small business is willing to take the risk, the lending institutions are frequently unwilling to participate.

While Federal, State, and local governments are each involved in establishing energy policies, they do not benefit from a transfer of information to one another. The SENSE Act authorizes a small amount of funds from the low-income energy assistance program to be used by States to establish a formal communications network between State, local, and Federal energy programs to prevent duplication.

In addition, title IV requires all Federal agencies to submit brief annual reports to Congress on their programs' impact on the production or use of renewable energy and energy conservation. There are currently no reporting requirements and we suffer from this lack of knowledge. A compilation of the Federal Government's application of renewable energy techniques and the savings which result will help to demonstrate the important role renewables play in reducing our dependency on foreign energy sources.

There are additional provisions in title IV which I will not mention in the interest of time. I urge my colleagues to review carefully these provisions as well as the preceding three titles.

In conclusion, I am pleased to be a sponsor of the SENSE Act, and in particular, title IV.

By broadening existing Federal programs that build consumer confidence in renewable energy equipment, title IV will expedite the transition to widespread use of renewables. Increased development of renewable energy sources is essential to our Nation's energy security.●

By Mr. LEVIN (for himself and Mr. RIEGLE):

S. 620. A bill to amend Public Law 89-668 relating to the Pictured Rocks National Lakeshore to require the development of a local land use plan and zoning regulations for the inland buffer zone; to the Committee on Energy and Natural Resources.

PICTURED ROCKS NATIONAL LAKESHORE LAND USE AND ZONING

● Mr. LEVIN. Mr. President, I am introducing legislation today for myself and Senator RIEGLE concerning Pictured Rocks National Lakeshore in the Upper Peninsula of Michigan. This bill

contains some technical modifications of an earlier version we introduced. These modifications are necessary so that the bill accurately reflects the agreement reached by the many groups that worked with my staff, Senator RIEGLE's staff, and the staff of Congressman DAVIS, including representatives of the Alger County Planning Commission, the Burt Township Zoning Board, the Friends of Pictured Rocks, and the Neighbors of Pictured Rocks. To avoid any confusion, I ask that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 620

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 8 of the Act entitled "An Act to establish in the State of Michigan the Pictured Rocks National Lakeshore, and for other purposes" approved October 15, 1966 (Public Law 89-668; 80 Stat. 922) is amended by adding at the end thereof the following: "The Secretary is further authorized to acquire by transfer from any Federal agency, or by donation, property within the Grand Marais, Michigan and Munising, Michigan corporate limits lying outside the boundary described in section 2 for the purpose of providing visitor information and administrative centers for the National Lakeshore.".

SEC. 2. Section 10 of such Act is amended to read as follows:

"SEC. 10. (a) The Secretary shall be prohibited from acquiring by condemnation any (1) improved property within the inland buffer zone, or (2) any other property used in a manner consistent with zoning regulations as may be adopted by local units of government pursuant to section 12.

"(b) As used in this Act, the term 'improved property' shall mean any one-family dwelling on which construction was begun before September 1, 1982, together with so much of the land on which the dwelling is situated (such land being in the same ownership as the dwelling) as shall be reasonably necessary for the enjoyment of the dwelling.".

SEC. 3. Section 12 of such Act is amended to read as follows:

"SEC. 12. (a) Local units of government having authority to establish zoning regulations for the regulation of land uses within their boundaries and having lands within the inland buffer zone within their boundaries may, within one year of the date of enactment of this section, jointly develop a land use plan and zoning regulations for the regulation and management of land uses within the inland buffer zone.

"(b) The land use plan and zoning regulations shall set forth specific policies for use of the inland buffer zone which are compatible with the intent and purpose of the Pictured Rocks general management plan, as prepared pursuant to section 6 and the purposes of this Act and with the following objectives:

"(1) define land uses for the stabilization and protection of the existing character and uses of lands, waters, and other properties within such zone, the preservation of the existing shoreline and lakes, and the protection of watersheds and streams;

"(2) establish standards for the encouragement of the private development and operation of visitor service facilities including overnight lodging, camping, and similar facilities in appropriate locations;

"(3) provide for the maximum economic utilization of the renewable resources through sustained yield timber management and other resource management;

"(4) maintenance and improvement of roads which provide access to and from the Pictured Rocks National Lakeshore; and

"(5) provide for the establishment of standards for improved residential properties and other appropriate land uses.

"(c) Zoning regulations developed by local units of government pursuant to this section shall provide for, among other things, the granting or denial of variances to such regulations and the continuance of land uses in existence prior to September 1, 1982, and shall, to the maximum extent possible, be consistent with State zoning laws and existing local zoning regulations.

"(d) The land use plan and zoning regulations adopted pursuant to this section shall be subject to the approval of the Secretary of the Interior, pursuant to the following procedure:

"(1) Within thirty days of completion of a land use plan and zoning regulations pursuant to this section, the local units of government shall hold a public hearing to present such plan and regulations for public review and comment. After the public hearing, the local units of government shall, within thirty days, make any changes or modifications in the land use plan and zoning regulations deemed necessary in light of the public comments received, and shall submit the land use plan and zoning regulations to the Secretary of the Interior for review and approval.

"(2) After receiving a plan and regulations submitted pursuant to paragraph (1), the Secretary shall have one hundred eighty days in which to review the plan and submit in writing to the local governments his approval or his specific objections and reasons for such objections regarding all or any part of the land use plan and the zoning regulations. If the Secretary objects he shall propose alternatives in accordance with his objections. The Secretary may hold a public hearing on the land use plan and zoning regulations as part of this review.

"(3) Upon disapproval by the Secretary of all or any part of the land use plan or the zoning ordinance, the local units of government shall have sixty days to make any changes or modifications necessary to bring the plan or the zoning regulations into conformance with the written objections of the Secretary. The local units may request a meeting with the Secretary or his designee to negotiate what changes or modifications need to be made in the land use plan or zoning regulations. If such a meeting is requested, the local units of government shall have an additional thirty days from the date of the meeting to make any changes and modifications necessary for approval.

"(e) Upon final approval of a land use plan and the zoning regulations by the Secretary, the land use plan and the zoning regulations shall be formally adopted, administered, and enforced by the local units of government pursuant to applicable State law.

"(f) In the event the Secretary determines under applicable State law that a land use within the inland buffer zone is inconsistent with the zoning regulations as may be adopted pursuant to this section, the Secretary shall petition the appropriate local zoning body to take remedial action pursuant to the provisions of such zoning regulations before the Secretary may initiate condemnation proceedings against such property.

"(g) Zoning regulations adopted by local units of government pursuant to this section may be changed or amended at any time in the same manner, and subject to the same procedure as adoption of the original ordinance.".

SEC. 4. Section 14 of such Act is amended to read as follows:

"SEC. 14. (a) There are hereby authorized to be appropriated not more than $6,873,000 for the acquisition of lands and interests in land in connection with, and not more than $26,780,800 for development of, the Pictured Rocks National Lakeshore.

"(b) There is authorized to be appropriated up to $350,000 annually for the maintenance and improvement of primary access roads within the boundary of the National Lakeshore as described in section 2 without regard to whether title to such road rights-of-way is in the United States, provided that such annual appropriations are authorized for a period not to exceed five years, beginning October 1, 1983.".●

By Mr. BYRD:

S. 621. A bill to place signs memorializing the New River Gorge Bridge as the world's largest steel-arch span bridge; to the Committee on Environment and Public Works.

NEW RIVER GORGE BRIDGE

Mr. BYRD. Mr. President, today I am introducing a bill to permit recognition of one of the world's great engineering wonders, the New River Gorge Bridge in West Virginia.

My bill authorizes the Secretary of Transportation, in cooperation with State officials, to permit signs memorializing the New River Gorge Bridge as "the world's largest steel-arch span," to be placed along U.S. Highway 19 in Fayette County.

The bridge has to be seen to be appreciated, but a short description is in order. The bridge rises 876 feet above the New River, making it the highest span east of the Mississippi River, and the third highest in the United States. It is 3,030 feet long—reportedly the longest in the world—and required 42.8 million pounds of structural steel for its construction.

The New River Gorge Bridge is an engineering marvel that spans a beautiful, untamed river valley in my State. My bill will provide the recognition that this amazing structure deserves.

ADDITIONAL COSPONSORS

S. 13

At the request of Mr. DOLE, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 13, a bill to amend the Internal Revenue Code of 1954 to decrease the holding period for long-term capital gain treatment from 1 year to 6 months.

S. 17

At the request of Mr. DOLE, the names of the Senator from South Dakota (Mr. ABDNOR), the Senator from Montana (Mr. BAUCUS), and the Senator from Kentucky (Mr. FORD) were added as cosponsors of S. 17, a bill to expand and improve the domestic commodity distribution program.

S. 26

At the request of Mr. HELMS, the name of the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 26, a bill to provide legal protection for unborn human beings and for other purposes.

S. 27

At the request of Mr. MOYNIHAN, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 27, a bill to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes.

S. 107

At the request of Mr. THURMOND, the names of the Senator from Iowa (Mr. GRASSLEY), and the Senator from Arizona (Mr. DECONCINI) were added as cosponsors of S. 107, a bill to establish the Veterans' Administration as an executive department.

S. 137

At the request of Mr. ROTH, the names of the Senator from Montana (Mr. BAUCUS), the Senator from South Dakota (Mr. PRESSLER), and the Senator from Georgia (Mr. MATTINGLY) were added as cosponsors of S. 137, a bill to amend the Internal Revenue Code of 1954 to continue to allow mortgage bonds to be issued.

S. 210

At the request of Mr. HELMS, the name of the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 210, a bill to provide legal protection for unborn human beings and for other purposes.

S. 212

At the request of Mr. PRESSLER, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 212, a bill to authorize funds for the U.S. Travel and Tourism Administration.

S. 216

At the request of Mr. THURMOND, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 216, a bill to amend title 18, United States Code, to combat, deter, and punish individuals who adulterate or otherwise tamper with food, drug, cosmetic, and other products with intent to cause personal injury, death, or other harm.

S. 217

At the request of Mr. THURMOND, the name of the Senator from Alabama (Mr. HEFLIN) was added as a cosponsor of S. 217, a bill to reform procedures for collateral review of criminal judgments, and for other purposes.

S. 250

At the request of Mr. PROXMIRE, the name of the Senator from Kansas (Mrs. KASSEBAUM) was added as a cosponsor of S. 250, a bill to abolish the Synthetic Fuels Corporation.

S. 283

At the request of Mr. HATCH, the name of the Senator from Nebraska (Mr. ZORINSKY) was added as a cosponsor of S. 283, a bill to amend titles 18 and 28 of the United States Code to eliminate, and establish an alternative to, the exclusionary rule in Federal criminal proceedings.

S. 292

At the request of Mr. DANFORTH, the name of the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 292, a bill to increase the funding authorization for low-income home energy assistance.

S. 307

At the request of Mr. RIEGLE, the name of the Senator from Montana (Mr. MELCHER) was added as a cosponsor of S. 307, a bill to provide for continuation of health insurance for workers who lose such insurance by reason of unemployment.

S. 338

At the request of Mr. COHEN, the name of the Senator from Missouri (Mr. DANFORTH) was added as a cosponsor of S. 338, a bill to revise the procedures for soliciting and evaluating bids and proposals for Government contracts and awarding such contracts, and for other purposes.

S. 454

At the request of Mr. BYRD, the names of the Senator from Hawaii (Mr. INOUYE), and the Senator from Virginia (Mr. TRIBLE) were added as cosponsors of S. 454, a bill to provide for an accelerated study of the causes and effects of acidic deposition during a 5-year period, and to provide for grants for mitigation at sites where there are harmful effects on ecosystems resulting from high acidity.

S. 497

At the request of Mr. HUMPHREY, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 497, a bill to amend title 39 of the United States Code to provide that drug abuse oriented advertisements and shipments of drugs in response to drug abuse oriented advertisements shall be nonmailable matter.

S. 503

At the request of Mr. HUMPHREY, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 503, a bill to make it unlawful to manufacture, distribute, or possess with intent to distribute, a drug which is an imitation of a controlled substance or a drug which purports to act like a controlled substance.

S. 518

At the request of Mr. CHAFEE, the name of the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 518, a bill to establish a program of grants administered by the Environmental Protection Agency for the purpose of aiding State and local programs of pollution abatement and control.

S. 527

At the request of Mr. GRASSLEY, the names of the Senator from Illinois (Mr. DIXON), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 527, a bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of agricultural commodities received under a payment-in-kind program.

S. 529

At the request of Mr. SIMPSON, the names of the Senator from Georgia (Mr. MATTINGLY), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 529, a bill to revise and reform the Immigration and Nationality Act, and for other purposes.

S. 554

At the request of Mr. PELL, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 554, a bill to authorize the Secretary of Education to provide financial assistance to States for the training and retraining of older Americans.

S. 563

At the request of Mr. CHILES, the names of the Senator from Indiana (Mr. LUGAR), and the Senator from Nebraska (Mr. EXON) were added as cosponsors of S. 563, a bill to reform the laws relating to former Presidents.

SENATE JOINT RESOLUTION 1

At the request of Mr. LONG, the names of the Senator from Hawaii (Mr. INOUYE), and the Senator from Missouri (Mr. DANFORTH) were added as cosponsors of Senate Joint Resolution 1, a joint resolution proposing an amendment to the Constitution of the United States with respect to fixing the compensation of Members of the Congress.

SENATE JOINT RESOLUTION 9

At the request of Mr. HELMS, the name of the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of Senate Joint Resolution 9, a joint resolution to amend the Constitution of the United States to protect the right to life.

SENATE JOINT RESOLUTION 11

At the request of Mr. ROTH, the name of the Senator from Idaho (Mr. SYMMS) was added as a cosponsor of Senate Joint Resolution 11, a joint resolution entitled "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 14

At the request of Mr. HELMS, the name of the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of Senate Joint Resolution 14, a joint resolution to amend the Constitution of the United States to protect the right to life.

SENATE JOINT RESOLUTION 34

At the request of Mr. RIEGLE, the names of the Senator from Michigan (Mr. LEVIN), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Montana (Mr. MELCHER), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Arkansas (Mr. BUMPERS), the Senator from Ohio (Mr. GLENN), the Senator from Montana (Mr. BAUCUS), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of Senate Joint Resolution 34, a joint resolution designating "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 37

At the request of Mr. HATCH, the names of the Senator from Pennsylvania (Mr. SPECTER), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Rhode Island (Mr. PELL), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Kentucky (Mr. HUDDLESTON) were added as cosponsors of Senate Joint Resolution 37, a joint resolution providing that the week containing March 8 of 1983, 1984, and 1985, shall be designated as "Women's History Week."

SENATE JOINT RESOLUTION 38

At the request of Mr. HEINZ, the name of the Senator from Kentucky (Mr. FORD) was added as a cosponsor of Senate Joint Resolution 38, a joint resolution to declare March 18, 1983, as "National Energy Education Day."

SENATE RESOLUTION 70

At the request of Mr. MELCHER, the names of the Senator from Tennessee (Mr. SASSER) and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of Senate Resolution 70, a resolution to encourge delay of the implementation of withholding of interest.

SENATE RESOLUTION 74—FUTURE OF TAIWAN

Mr. PELL (for himself, Mr. GLENN, and Mr. KENNEDY) submitted the following resolution, which was referred to the Committee on Foreign Relations:

S. RES. 74

Whereas February 28, 1983 marks the eleventh anniversary of the Shanghai Communique signed by the United States and the People's Republic of China;

Whereas the Communique and the 1979 U.S.-PRC normalization agreement greatly improved relations between Washington and Beijing;

Whereas peace has prevailed in the Taiwan Strait since the normalization of relations between the U.S. and PRC;

Whereas maintaining a sound U.S.-PRC relationship serves the interests of both countries and the interests of peace in the Pacific region;

Whereas the United States has also pledged in the Taiwan Relations Act to continue commercial, cultural and other relations between the people of the United States and the people of Taiwan;

Whereas the United States established diplomatic relations with the People's Republic of China in the expectation that the future of Taiwan will be determined by peaceful means: Now, therefore, be it

Resolved, That it is the sense of the Senate that Taiwan's future should be settled peacefully, free of coercion and in a manner acceptable to the people on Taiwan and consistent with the laws enacted by Congress and the communique entered into between the United States and the People's Republic of China.

Mr. PELL. Mr. President, I wish to introduce a resolution today concerning the future of the people of Taiwan. It asks that Taiwan's future be settled peacefully, free of coercion, and in a manner acceptable to the people of Taiwan. I believe it important, as we celebrate the 11th anniversary of the Shanghai Communique signed by the United States and the People's Republic of China on February 28, 1972, to remind ourselves that we also have an obligation to protect the rights and freedoms of the Taiwanese people.

After Mao Tse-tung's 1949 victory on the China mainland and the Korean war the United States tried to isolate China from the rest of the world. Hostility and misunderstandings strained relations throughout the 1950's and 1960's and caused each country to keep the other at arms length. President Nixon's dramatic 1972 visit to China presented both nations an opportunity to make a start at repairing the damage. President Carter's achievement of a United States-People's Republic of China normalization agreement in 1979 marked another important benchmark in our efforts to improve relations with China.

I supported these bipartisan efforts and hope for continued good relations with the People's Republic in the future. A positive dialog between the United States and a nation of over a billion people serves our interest, China's and, of course, our friends and allies in the region.

At the same time, we pledged in the Taiwan Relations Act to continue commercial, cultural and other relations with the people on Taiwan. And, our decision to normalize and improve relations with China assumed that Taiwan's future would be determined by peaceful means.

In this regard, I am happy to report that tensions in the Taiwan Strait are at an all time low. Moreover, China announced last August that it considers a peaceful resolution of its dispute with Taiwan to be a fundamental principle of its policy.

In fact, both China and the Chinese authorities on Taiwan agree that the island should someday be reunited with the mainland. Beijing presses for negotiations to settle the dispute and has offered a nine-point peace proposal. Taipei responds that it is prepared to talk but only if and when the PRC rejects communism. China contends that its patience is not infinite and refuses to rule out settling the dispute by force.

To complicate matters further, China insists that failure to resolve the matter poses a major obstacle to improved relations with the United States. Officials charge that the TRA, and the commitments to Taiwan it symbolizes, constitutes interference in China's internal affairs and bolsters Taipei's unwillingness to negotiate reunification. They demand that it be repealed or modified significantly. They also urge the United States to use its influence to force Taipei to come to the bargaining table. We respond that reunification is not something for us to decide but an issue that the Chinese on both sides of the Taiwan Strait must resolve themselves.

Some of you may say, "Well what's wrong with that?" We desire a peaceful resolution, as do China and Taiwan, and taking sides in the dispute would jeopardize our own national interests. Others argue that the sooner this problem is resolved the better.

I admit that these views made a lot of sense. No one wants a peaceful resolution more than I do. And, of course, I fully recognize the importance of our new relationship with China. But, what troubles me is that this practical approach fails to take into account the views of the people most affected by reunification—the people on Taiwan. Right now a majority of those people have little or no say in their future, and if given a choice would oppose the reunification option.

Some 2 million mainland Chinese, most of whom fled to the island after the 1949 Nationalist defeat, still rule over 16 million native Taiwanese. Martial law remains in effect after 34 years. Few Taiwanese participate at the highest level of government and all crucial decisions are made by a small mainlander elite. Although the political situation has improved somewhat over time, reforms fall far short of Taiwanese hopes and aspirations. Those who speak out too loudly for Taiwanese rights are often jailed or forced to flee the country.

Consequently, a decision by the authorities on Taiwan at this time to resolve their differences with the mainland would no doubt serve America's strategic interests, but only by presenting us with a monumental moral dilemma. Do we stand aside and watch

the fate of 16 million Native Taiwanese be decided by a Communist controlled mainland and a Taiwan Government in which a majority of its people have no voice? If we were talking about the people of Afghanistan or Poland we all know that the answer would be a resounding "No!" In the case of Taiwan, however, many try to avoid answering the question altogether or argue that raising the issue unduly complicates United States-People's Republic of China relations. They see no alternative to reunification and so, demand only that it be accomplished peacefully.

I accept the proposition that an accommodation of some sort between China and Taiwan serves everyone's interests. But I am not yet ready to concede that this should be accomplished without Taiwanese participation or that the only alternative is Taiwan's absorption by the mainland. Should this occur, it would be at the expense of those principles and freedoms that set America apart from most nations of the world. I do not think we can afford to stand back and let that happen.

Instead we should reaffirm to all parties concerned that we oppose settling the Taiwan dispute by force or coercion. Second, we should put the Taiwan authorities on notice that they must end martial law and speed up the process of reform so that the government on Taiwan speaks for all its people. Then, and only then, will an environment exist for China and Taiwan to resolve their differences. Then, and only then, can the United States expect a final resolution fair to all.

Thank you, Mr. President.

Mr. GLENN. Mr. President, I rise today to join with Senator PELL in introducing a resolution concerning the future of the people of Taiwan. The resolution reaffirms the Senate's hope that the Taiwan dispute can be settled peacefully, free of coercion, and in a manner acceptable to the people on Taiwan. It is the last provision—one we too often ignore—that I want to concentrate on today.

The Taiwan Relations Act states unequivocally our view on the necessity of peaceful resolution, free of coercion for the Taiwan problem. It addresses the hopes and aspirations of the Taiwanese less directly, however. Section 2(c) states that:

> Nothing contained in this act shall contravene the interest of the United States in human rights, especially with respect to the human rights of all the approximately 18 million inhabitants of Taiwan. The preservation and enhancement of the human rights of all the people of Taiwan are hereby reaffirmed as objectives of the United States.

For my part, I can think of a no more important human right than the right to participate in one's government and thereby have a say in the future course of national policy for one's self, his or her's children, and all the children yet unborn. Our forefathers believed this, of course, and established our Nation so that our fundamental rights could be preserved.

Unfortunately, the same is not true for a majority of the people on Taiwan. The government there continues to be dominated by the Mainland China political elite that retreated to Taiwan in 1949 after being defeated in the Chinese civil war. Today, some 16 million native-born Taiwanese participate actively in local affairs, but continue for the most part, to be effectively excluded from national level decisionmaking.

In fairness, I should also note the undenied accomplishments since 1949 of the island's Nationalist authorities. They brought stability to the island, instituted a sweeping land reform program and supervised the creation of an economic miracle for the island that provides a standard of living the envy of developing nations around the world. Small steps have also been made in widening the opportunity for political dissent and freedom of the press. Nevertheless much remains undone. In short, promises of reform must be matched by action.

I am confident that given time and repeated reminders of our interest in reform, that Taiwan's authorities will move foward in opening the political process to the Taiwanese majority. Hopefully, the leadership recognizes that its willingness to champion the cause of greater Taiwanese participation gains its support of the people while foot dragging causes animosities hard to ignore for long. Nothing would be more warmly received by the people on Taiwan than the authorities announcing that it was their long-range objective to allow for Taiwanization of the political system, and the presentation of a step-by-step plan for gradually implementing their proposal. In my view, they might begin by releasing political prisoners, such Reverend Kao and others.

Once the reform plan had been enacted and bore fruit the authorities would have a mandate from the people to then move forward in addressing the China-Taiwan dispute. Many Taiwanese politicians opposed to the present Nationalist policies have freely admitted to me that the dream of an independent Taiwan no longer seems practical. They recognize that an island of 18 million people must find a way to accommodate itself to a giant neighbor with a population of some 1 billion. They merely ask that when the deal is struck they have some say in deciding the terms.

As for those of us in the United States, Warren Christopher told the Foreign Relations Committee during the TRA debate:

> It is our position that if there is to be a reunification, it is of great importance that it be peaceful and not be destabilizing in the area. But we do not have a position of encouraging the people on Taiwan to do something against their will.

That was an excellent policy then an one I fully endorse today.

For me that was what the Taiwan Relations Act was all about. Despite derecognition, we were pledging to the people of Taiwan that the American people would do what they could to insure that the island's people had a free choice. If they freely chose to reunify with the mainland we would not object. But if they chose instead a course short of reunification that also would be acceptable.

Mr. KENNEDY. Mr. President, I am pleased to join Senators PELL and GLENN in introducing this resolution expressing the sense of the Senate concerning the future of the people on Taiwan.

Today marks the 11th anniversary of the Shanghai communique. On this date in 1972, leaders of the United States and the People's Republic of China jointly recognized that "progress toward the normalization of relations between China and the United States is in the interests of all countries." The communique rightly noted that normalization of relations between the two countries "is not only in the interest of the Chinese and American peoples but also contributes to the relaxation of tension in Asia and the world."

I am proud to have been among the first in the Senate to have called for normalization of relations with the People's Republic in 1966—6 years before the Shanghai communique was signed. Since diplomatic relations were finalized in 1979, I have advocated continuing steps to strengthen this important relationship. In 1977, I had the opportunity to travel to China, and through this trip to emphasize again the importance of improving relations between the United States and the People's Republic of China.

At the same time, America has had a long relationship with those who live on Taiwan. I am proud of my role in the Senate as a principal sponsor of the Taiwan security resolution in 1979, now a part of the law of the land. In that resolution, Congress reassured the people on Taiwan about our concern for their security and well-being, and for lasting peace in the area. I continue to support both the letter and the spirit of the Taiwan Relations Act. We must not jeopardize either our longstanding obligation to the people of Taiwan or our new relationship with the People's Republic.

Nor do these relations mean that we should shrink from criticism of human rights problems wherever they occur. I have spoken out against abuses both

in the People's Republic and on Taiwan.

The decision of the United States to establish diplomatic relations with the People's Republic of China was based on the expectation that the future of Taiwan would be determined by peaceful means, and that commercial, cultural, and other relations would continue between the people of the United States and the people on Taiwan. Subsequent experience has shown the wisdom of that approach. All of us take satisfaction today that peace has prevailed in the Taiwan Strait since the normalization of relations between the United States and the People's Republic.

It is thus entirely consistent with the Shanghai communique, with our promising new relationship with the People's Republic and with our historic ties to the people on Taiwan for the Senate to express its sense that Taiwan's future should be settled peacefully, free of coercion, and in a manner acceptable to the people on Taiwan. The United States should continue to act consistently both with the joint communiques between the United States and the People's Republic of China, including the Shanghai communique, and with the laws enacted by the Congress, including the Taiwan Relations Act.

The continued improvement of relations with the People's Republic and the continued security and well-being of the people on Taiwan are the two guiding principles of our Nation's Chinese policy. These same two principles guide our resolution today, and I join Senators PELL and GLENN in urging favorable action by the Committee on Foreign Relations and the Senate.

SENATE RESOLUTION 75—RELATING TO IMPORTED NATURAL GAS

Mr. PERCY (for himself, Mr. DIXON, Mr. JOHNSTON, Mr. BOSCHWITZ, Mrs. KASSEBAUM, Mr. DANFORTH, Mr. BURDICK, Mr. JEPSEN, and Mr. LEVIN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 75

Whereas the foreign policy and economic well-being of the United States depend on mutually-beneficial relationships with our trading partners throughout the world;

Whereas America's present economic difficulties have been caused in part by the huge increases in the price of energy, especially imported energy, during the 1970's;

Whereas at a time when prices for other forms of energy are stabilizing or falling, the burner-tip price of natural gas continues to rise throughout the United States;

Whereas the high price of natural gas is a severe hardship for low-income persons, the elderly, the agricultural industry, small businesses, and other consumers without alternative fuel sources.

Whereas high-priced imported natural gas is a major factor contributing to these price increases;

Whereas imports of high-priced natural gas continue at prices above fair market levels, despite the increased availability of uncommitted and ample supplies of lower-priced domestic gas;

Whereas it is in the interest of the United States to continue to import natural gas from secure sources in whatever quantity consumers require, as long as the price is fair;

Whereas the principles of free and fair international trade require that natural gas prices and terms of trade be made fair to all trading partners;

Whereas the immediacy of this problem requires the prompt and serious attention of all parties involved: Now therefore be it

Resolved, That it is the sense of the Senate that (1) the United States government should move immediately to reestablish fair market conditions and lower prices for imported natural gas; (2) to promote this objective, the Secretary of State, with the assistance of the Secretary of Energy, should immediately enter negotiations with nations presently exporting natural gas to the United States; and (3) 30 days after this Resolution is adopted, the Secretary of State should report to the Congress on the progress of these negotiations.

IMPORTED NATURAL GAS PRICES

Mr. PERCY. Mr. President, I would like to submit today, on behalf of myself, Senator DIXON, Senator JOHNSTON, Senator BOSCHWITZ, Senator KASSEBAUM, Senator DANFORTH, Senator BURDICK, Senator JEPSEN, and Senator LEVIN a resolution calling on the U.S. Government to take action immediately to reestablish fair-market conditions and lower prices for imported natural gas.

Earlier today, I chaired a hearing of a Governmental Affairs Energy Subcommittee inquiring into Government management of issues related to the high price of imported natural gas. Two conclusions were clear from this hearing: First, imported gas is exorbitantly priced, and U.S. consumers should not have to buy it; and second, regulatory officials at the Department of Energy have been far too slow to act in the public interest in this matter. This is why this resolution is so important.

Many gas-consuming States, including several in the Midwest, have suffered heavily from the current economic recession. Factories and plants have closed, and once prosperous businesses have been forced to lay off employees. Unemployment is approaching 20 percent in some areas. Now, in the midst of these economic difficulties, consumers are facing large increases in their natural gas bills—in part because they are paying super high prices for foreign gas while there is plenty of domestic gas available at much lower prices. This simply makes no sense.

Prices for imported gas are two or three times what we pay for domestic gas. I am including for the record a table which clearly shows this. Canadian gas is sold at the Toronto city gate for exactly half what this same gas is sold for in Springfield, Ill.—even though Springfield is closer than Toronto to the main Canadian wells.

This is a bizarre situation. In effect, this is the same thing as not just asking, but forcing American consumers to pay double for imported cars or televisions that are no better than the ones we make here at home.

We should not ask Americans to pay a premium, as we are currently doing, for imported natural gas. This is especially true at a time when many of our domestic producers are forced to shut in their gas wells. Dr. Alice Rivlin, of the Congressional Budget Office, concurs with this. She has stated in response to my letter on this issue, "there is no economic rationale for continuing to pay prices that are above the competitive level". I am submitting a complete copy of this letter for the record to share with my colleagues.

For the past 6 months, I have been particularly concerned about the import of exorbitantly priced liquefied natural gas from Algeria. Last week, I met with the Algerian Ambassador, and I told him that current LNG prices are way out of line. The pipeline acquisition cost for this Algerian LNG is two and a half times the average for domestic U.S. gas. And where does this gas go? It goes to Illinois, Michigan, Indiana, Ohio, and other hard-pressed Midwestern States.

We successfully won a postponement of a passthrough of the cost of this LNG to consumers during the winter months. But beginning tomorrow, the Trunkline and Panhandle Eastern pipeline companies, the ones shipping the Algerian LNG, will pass on the added costs of the LNG to consumers. This, by itself, will mean as much as a 10-percent increase in gas prices for our already beleaguered consumers.

We are not talking about small change here. We are talking about people's jobs, their daily lives, sometimes even their choice between eating and keeping warm. I have received piles of letters from consumers and businesses about this. Let me read an excerpt from a letter I recently received from a spokesman for our Nation's soybean processors:

With respect to the natural gas pricing situation in Illinois, occasioned by the resale of regasified Algerian LNG to soybean processors, soybean processing companies may be approaching the point of lay-offs of personnel and even plant shut-downs may be necessary.

I have been advised by industry sources that certain lay-offs have already occurred and that the scheduled March 1, 1983 natural gas pricing increases could provide the

occasion for more lay-offs and possible plant closings. While we can understand the need for a reasonable return on a natural gas suppliers' investment, at the same time we do not feel that industries such as ours—a fundamental link in the food and fiber chain which provides much of the protein content to the American diet—should have its profitability and viability undermined in Illinois by remote business arrangements entered into by natural gas suppliers with the Algerians over which it had no control.

Yet, last Wednesday, the Federal Energy Regulatory Commission approved this cost passthrough, at the expense of consumers throughout the Midwest. The FERC decision admits that prices are too high, and asks the LNG importers to renegotiate their contracts with the Algerians. And last Friday, the Department of Energy compounded this problem by approving the continuation of these overpriced imports, reaching the astonishing conclusion that it is premature to say that these prices are too high.

The FERC and DOE both offer vague statements that they may not tolerate these prices indefinitely, but vague statements of this kind are not enough. Consumers deserve price relief, and they deserve it soon. These regulatory agencies were created to serve the interests of American people, and it is time they started doing that.

The one bright spot is that every day, clearer and clearer signals are reaching all gas exporting nations that U.S. companies and U.S. consumers will not tolerate unrealistic prices for gas imports much longer. It is consumers—in Illinois and a great many other States—who will pay for any delays. Today, to reinforce this sense of urgency, I am introducing a resolution calling on the Secretary of State, with assistance from the Secretary of Energy, immediately to enter negotiations with nations presently exporting natural gas to the United States, and to report back to Congress on the progress of these discussions within 30 days.

Our Government has already discused gas prices with the Canadians, but I am concerned that these conversations have not had the sense of urgency they deserve. Canada has always been America's closest trading partner, and I have no doubt that the import by the United States of Canadian gas can continue to be mutually beneficial. But to keep this trading relationship fair, to keep it of mutual benefit, the gas must be priced at fair market levels. On Friday, I conveyed this message personally to two high ranking emissaries of the Canadian Prime Minister, Pierre Trudeau. I asked them to deliver a letter from me to the Prime Minister, in which I told him these prices have to come down soon. Last week, I conveyed the same message to a high ranking Mexican delegation.

It is time for the U.S. Government to promote the interests of American consumers more aggressively. This does not necessarily mean that prices should be altered through direct government-to-government negotiation. In fact, we may find that the best negotiations will be those involving the buyers and sellers of imported gas, It is my intention in introducing this resolution to leave the State Department as much flexibility as possible to solve this problem in the best and quickest manner, but we do need to bring more of a sense of urgency to the task.

In the past, we had to accept energy-exporting nation's policies of pushing natural gas and other energy prices up in times of tight markets. Now that markets are soft and domestic supplies abundant, it is time that gas prices move down. Our trading partners must understand this. Oil-exporting nations plainly do. It is time for gas-exporting nations to face the same facts.

I ask unanimous consent that the following exhibits be included in the RECORD: Domestic vs. Imported Gas Prices and a letter from Dr. Alice Rivlin, CBO, February 25, 1983.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DOMESTIC VERSUS IMPORTED GAS PRICES

(U.S. dollars per million Btu)

	1976	1977	1978	1979	1980	1981	1982
Domestic (interstate gas)	0.43	0.68	0.82	1.20	1.48	2.06	2.50
Domestic (intrastate gas)	.....	.79	.91	1.50	2.04	2.26	2.82
Canadian gas	1.64	1.95	2.15	2.56	4.23	4.73	4.92
Mexican gas	.....	.....	.....	.....	4.32	4.91	4.92
Algerian LNG	.....	1.05	1.50	1.99	3.70	5.94	6.56

Note: Data shown are average pipeline acquisition prices.

Source: Data Resources, Inc.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS
Washington, D.C., February 25, 1983.

Hon. CHARLES H. PERCY,
Chairman, Subcommittee on Energy, Nuclear Proliferation, and Government Processes, Committee on Governmental Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your inquiry of February 17, 1983, regarding imports of liquified natural gas from Algeria and pipeline gas from Canada and Mexico. These imports are currently priced well above many domestic sources of natural gas that are not being brought to market, thus raising the issue of whether the public interest would be served if this situation were to continue for the long run.

In general, there is no economic rationale for continuing to pay prices that are above the competitive level. If there is an energy policy rationale, it must rest with energy security—the need to build stable and diverse sources of energy supplies that can be guaranteed during future oil disruptions. Such a rationale is questionable for two reasons. First, the goodwill generated by such purchases may be fleeting, and there is no way to evaluate how strongly it would influence foreign actions during an energy crisis. This may be particularly true in the case of Alegeria, if the source of a future disruption lies in deliberate OPEC action. Second, even if goodwill could be counted upon to yield aditional natural gas during a future oil supply disruption, it unclear whether this would be a cost-effective investment. Other investment options, such as oil for the Strategic Petroleum Reserve, could well be superior and would certainly increase the degree of control that the U.S. government could exercise in an oil emergency.

If I can be of further assistance to you in this matter, please contact me.

With best wishes.

Sincerely,

JAMES BLUM
(For Alice M. Rivlin,
Director.)

Mr. DIXON. Mr. President, I rise as an original cosponsor of this resolution. Illinois is a State beset with a crisis—a natural gas crisis. I believe that with perhaps the sole exception of overall national economic conditions, nothing deserves our immediate attention more.

But how can economic recovery occur when the manufacturing plants, which are the largest users of natural gas, must pay almost three times the amount for imported gas when cheaper domestic supplies are readily available?

How can a family provide heat for its home without bankrupting its budget? Are we to tell the people in nearly 15 million households that they must choose between heating and eating?

I hope not. I will not.

Mr. President, I have petitioned both the Federal Energy Regulatory Commission (FERC) and the Economic Regulatory Administration (ERA), which have joint jurisdiction in this matter, arguing against these unnecessary price rises. Unfortunately, my petition has fallen on deaf ears.

Therefore, I believe that the fastest way to give relief to gas consumers will be with the passage of this resolution. It is straightforward in its approach. Thirty days after adoption, the Secretaries of State and Energy should report back to the Congress on the progress of negotiations in the private sector to bring about a reduction in the price of imported gas to a fair market level. The current cost for Algerian liquefied natural gas is $7.11 per Mcf. Canadian gas costs $4.94 when it crosses the border, as does Mexican gas. The most recent figure for the average wellhead price of domestic gas is $2.49.

It is because of these wide fluctuations in price and the resulting burdens on both consumers and industry that we have taken this action.

I hope every Senator will review this resolution carefully and consider the adverse impact imports are having on this country.

AMENDMENTS SUBMITTED FOR PRINTING

OCEAN SHIPPING ACT

AMENDMENT NOS. 7 THROUGH 231

(Ordered to be printed and to lie on the table.)

Mr. METZENBAUM submitted 225 amendments intended to be proposed by him to the committee substitute to the bill (S. 47) to improve the international ocean commerce transportation system of the United States.

AMENDMENT NOS. 232 THROUGH 460

(Ordered to be printed and to lie on the table.)

Mr. METZENBAUM submitted 229 amendments intended to be proposed by him to the bill S. 47, supra.

AMENDMENT NO. 461

(Ordered to be printed and to lie on the table.)

Mr. BOSCHWITZ submitted an amendment intended to be proposed by him to the bill S. 47, supra.

AMENDMENT NOS. 462 THROUGH 465

(Ordered to be printed and to lie on the table.)

Mr. STEVENS submitted four amendments intended to be proposed by him to the bill S. 47, supra.

AMENDMENT NO. 466

(Ordered to be printed and to lie on the table.)

Mr. STEVENS (for Mr. LONG) submitted an amendment intended to be proposed by him to the bill S. 47, supra.

AMENDMENT NO. 467

(Ordered to be printed.)

Mr. THURMOND proposed an amendment to the bill S. 47, supra.

AMENDMENT NO. 468

(Ordered to be printed.)

Mr. STEVENS proposed an amendment to the amendment (No. 467) proposed by Mr. THURMOND to the bill S. 47, supra.

AMENDMENT NO. 469

(Ordered to be printed.)

Mr. GORTON (for Mr. HATCH) proposed an amendment to the bill S. 47, supra.

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY CONSERVATION AND SUPPLY

Mr. WEICKER. Mr. President, I would like to announce for the information of the Senate and the public that the hearing previously scheduled before the Subcommittee on Energy Conservation and Supply on the fiscal year 1984 budget for energy conservation and related programs within the jurisdiction of the subcommittee for Tuesday, March 8, will begin at 8:30 a.m. instead of 10 a.m. Staff contact: Mr. Tom Winn at 224-0613.

In addition, the subcommittee has scheduled a hearing to consider S. 589, to amend section 1(a)(1) of Public Law 95-348 (92 Stat. 487) to authorize the appropriation of $4,038,000 for capital improvement projects on Guam for fiscal year 1984. This hearing will also be held on Tuesday, March 8, beginning at 9:30 a.m., following the abovementioned budget hearing. Staff contact: Mr. Jim Beirne at 224-2564.

The hearings will be held in room SD-366 of the Dirksen Senate Office Building.

COMMITTEE ON THE BUDGET

Mr. DOMENICI. Mr. President, the Senate Committee on the Budget will hold a hearing on Thursday, March 3, 1983 at 10 a.m. to receive testimony on defense matters from Senator JOHN TOWER, chairman of Senate Committee on Armed Services. The hearing will be held in Dirksen Senate Office Building, room 608.

For further information, contact Nancy Moore of the Budget Committee staff at 224-4129.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that the hearings scheduled before the Committee on Energy and Natural Resources for March 9, 10, 11, and 12, to consider pending natural gas legislation, will be hearings on the President's proposal, S. 615, as well as on S. 60, S. 239, S. 291, S. 293, and S. 370.

For further information regarding these hearings please contact Mr. David Doane at 224-7144 or Mr. Howard Useem at 224-5205.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON GOVERNMENTAL EFFICIENCY AND THE DISTRICT OF COLUMBIA

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Governmental Efficiency and the District of Columbia of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, March 1, at 9:30 a.m., to hold a hearing on the Chesapeake Bay program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON BUDGET AUTHORIZATION

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Budget Authorization of the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, March 1, at 2 p.m., to hold a closed-session hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, March 2, at 10 a.m., to consider agriculture export legislation and S. 17, Domestic Commodity Distribution and Food Assistance Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CAPITAL ASSISTANCE REVENUE SHARING DATA

● Mr. SASSER. Mr. President, I plan to introduce this week the Capital Assistance Revenue Sharing Act of 1983, a bill that would—in addition to the current general revenue sharing program—provide $3.5 billion annually for quick-start capital improvement projects by State and local governments, and today I want to share information on just how the funds under this act would be distributed to States and eligible local governments.

This legislation would have a twofold purpose: First, it would provide a minimum of 250,000 jobs annually; and second, it would make a start toward a long-range program of Federal aid to State and local governments aimed at needed capital construction projects, as well as repair and rehabilitation of existing infrastructure.

Of the $3.5 billion annually appropriated under this legislation, $3 billion would go to State and local governments on a formula basis: One-third would go to States and two-thirds to local government. The additional $500,000 million will constitute a discretionary fund, from which aid would be distributed on a project-by-project basis for those local governments not eligible for funding under the formulae.

This bill uses the current GRS distribution formulae as a model, but makes further simplifications by relying solely on population and per capita income as the distribution components.

Eligibility will be restricted to municipalities with populations of more than 35,000, and to counties with populations of more than 10,000.

Of course, I expect that there may be changes to the bill and I welcome discussion of its provisions

I want to point out today that, unlike any other public works jobs bill now under consideration in the Congress, there is no mystery attached to just how much each State would receive under the legislation: I have prepared a computer simulation of what the States and their local governments would receive under the bill's formula.

Prior to my formal introduction of the Capital Assistance Revenue Sharing Act of 1983, I want to share this data with my colleagues and urge that

they support my effort by cosponsoring the bill.

At this point, I want to commend Craig Doyl and Charles Gialloreto of the Senate Computer Center for their work in the design of the computer model which made the data breakdown possible, and I ask that this information be printed in the RECORD. My office will be happy to provide additional data or information concerning this bill prior to its introduction this week. For further information on the Capital Assistance Revenue Sharing Act and funding distributions to individual local jurisdictions in the various States, please contact Mr. Tom Berrigan of the staff of the Intergovernmental Relations Subcommittee, extension 49514.

The material requested to be printed in the RECORD follows:

CAPITAL ASSISTANCE REVENUE SHARING ACT OF 1983 ANNUAL ALLOCATION OF PROPOSED $3,000,000,000 APPROPRIATION

[Does not include funds from $500,000,000 discretionary fund]

State	Population	Income per capita	State total	Local governments allocation	State government allocation
Alabama	3,893,978	4,712	62,874,898	41,916,599	20,958,299
Alaska	401,851	9,170	3,334,147	2,222,765	1,111,382
Arizona	2,718,575	5,545	37,301,719	24,867,813	12,433,906
Arkansas	2,286,725	4,443	39,158,560	26,105,706	13,052,853
California	23,672,415	6,487	277,643,653	185,095,769	92,547,884
Colorado	2,889,835	6,118	35,937,897	23,958,598	11,979,299
Connecticut	3,107,906	6,564	36,023,706	24,015,804	12,007,902
Delaware	594,317	5,883	7,686,142	5,124,094	2,562,047
District of Columbia	638,762	7,074	6,870,101	4,580,067	2,290,034
Florida	9,746,451	5,761	128,717,534	85,811,689	42,905,845
Georgia	5,463,101	5,071	81,966,181	54,644,121	27,322,060
Hawaii	964,691	6,005	12,222,620	8,148,413	4,074,207
Idaho	944,038	5,072	14,161,176	9,440,784	4,720,392
Illinois	11,427,449	6,358	136,747,013	91,164,676	45,582,338
Indiana	5,490,380	5,751	72,635,364	48,423,576	24,211,788
Iowa	2,913,858	5,439	40,760,397	27,173,598	13,586,799
Kansas	2,364,386	5,861	30,692,746	20,461,830	10,230,915
Kentucky	3,660,257	4,851	57,407,599	38,271,733	19,135,866
Louisiana	4,206,098	4,790	66,808,690	44,539,127	22,269,563
Maine	1,125,027	4,627	18,499,182	12,332,788	6,166,394
Maryland	4,217,285	6,561	48,904,857	32,603,238	16,301,619
Massachusetts	5,737,081	5,826	74,922,038	49,948,025	24,974,013
Michigan	9,262,318	6,130	114,960,407	76,640,272	38,320,136
Minnesota	4,076,300	5,778	53,675,696	35,783,797	17,891,899
Mississippi	2,520,638	4,120	46,548,141	31,032,094	15,516,047
Missouri	4,916,899	5,493	68,103,710	45,402,473	22,701,237
Montana	786,690	5,288	11,318,823	7,545,882	3,772,941
Nebraska	1,569,915	5,326	22,426,632	14,951,088	7,475,544
Nevada	800,863	6,533	9,326,843	6,217,895	3,108,948
New Hampshire	920,610	5,365	13,055,546	8,703,697	4,351,849
New Jersey	7,365,011	6,492	86,314,542	57,543,028	28,771,514
New Mexico	1,303,445	4,837	20,502,447	13,668,298	6,834,149
New York	17,566,242	5,849	228,500,062	152,333,374	76,166,687
North Carolina	5,881,873	4,876	91,778,515	61,185,677	30,592,838
North Dakota	652,717	4,856	10,226,696	6,817,797	3,408,899
Ohio	10,797,784	5,796	141,740,950	94,493,967	47,246,983
Oklahoma	3,025,495	5,245	43,887,418	29,258,279	14,629,139
Oregon	2,633,149	6,018	33,289,888	22,193,259	11,096,629
Pennsylvania	11,864,751	5,622	160,567,213	107,044,808	53,522,404
Rhode Island	947,154	5,589	12,893,641	8,595,761	4,297,880
South Carolina	3,122,816	4,628	51,338,376	34,225,584	17,112,792
South Dakota	690,768	4,529	11,604,301	7,736,200	3,868,100
Tennessee	4,591,240	4,845	72,098,345	48,065,563	24,032,782
Texas	14,227,553	5,633	192,167,324	128,111,549	64,055,775
Utah	1,461,117	5,135	21,648,790	14,432,527	7,216,263
Vermont	511,456	4,770	8,157,911	5,438,608	2,719,304
Virginia	5,346,499	5,883	69,144,832	46,096,554	23,048,277
Washington	4,132,250	6,394	49,170,320	32,780,214	16,390,107
West Virginia	1,950,258	4,851	30,587,915	20,391,943	10,195,972
Wisconsin	4,706,381	5,660	63,264,449	42,176,300	21,088,150
Wyoming	469,557	6,454	5,535,393	3,690,262	1,845,131

NEW SOVIET MISSILE TEST

● Mr. BIDEN. Mr. President, the February 16 Washington Post and New York Times ran articles regarding a Soviet test of a new missile that convey a misunderstanding regarding the SALT II test. The articles say that the new, small intercontinental ballistic missile which the Soviets tested on February 8 differs from a medium-sized ICBM which the Soviets tested in October and December. Because SALT II limits the U.S.S.R. and the United States to the flight testing and deployment of only one new type of ICBM, which must be a light one, the article states that, according to a variety of U.S. officials, the recent test "could raise questions about whether Moscow is violating the terms of the unratified" SALT II.

In fact, if all three missiles tested to date have the same number of stages and same propellant, there has been no violation of the provisions alluded to in the SALT II text governing the testing of one new type of permitted ICBM.

Article IV of SALT II text requires only that, in the beginning of a test program, every missile tested of the one new type have the same number of stages and the same propellant of each stage as the first missile tested. It is only further into what is usually a test program of 20 or more launches that various dimensions of the tested missile must fall within narrow boundaries. Specifically, during the last 12 launches of the first 25 test flights or during the last 12 launches before deployment, whichever 12 launches occur earlier, the length, the diameter, the launch weight, and the throw-weight of the tested missile may vary by no more than 10 percent. After these 12 tests, these dimensions may vary by no more than 5 percent. In any event, the three launches to date of new ICBM's are almost certainly not among the last 12 launches of a new ICBM test program, and therefore, not limited by either the 5 or 10 percent boundaries.

Of course, there are other provisions of the SALT II text which come into play after these tests, such as the prohibition on the testing of the small-solid mobile SS-16 missile and on measures aimed at concealing the association between ICBM's and launchers during testing, among others. However, the articles as run contain no in-

formation which suggests that there has been a violation of SALT II's testing provisions although they do suggest the need for vigilant monitoring efforts.

I ask that the articles be printed in the RECORD.

The articles follow:

[From the Washington Post, Feb. 16, 1983]

SOVIETS TEST NEW MISSILE, POSSIBLY VIOLATING SALT TERMS

The Soviet Union has fired a new intercontinental ballistic missile in a test that could raise questions about whether Moscow is violating the SALT II nuclear arms treaty, U.S. intelligence sources said yesterday.

Officials said a small solid-fuel missile was launched Feb. 8 from Plesetsk and that preliminary analysis of information picked up by American monitoring equipment suggests that it may have been the first successful test of a second new Soviet ICBM.

U.S. officials confirmed in December that the Soviets had test fired a medium sized solid fuel ICBM.

The SALT II treaty specifies that the Soviet Union and the United States may flight test and deploy only one new type of ICBM, which must be a light one, according to a June 21, 1979, letter signed by then Secretary of State Cyrus R. Vance in submitting the treaty to President Carter.

There was no formal comment last night from either the Defense or State departments. Officials cautioned against jumping to the conclusion that the Soviets have broken the agreement.

Although the United States never ratified SALT II, the Reagan administration has said it will abide by it as long as the Soviets do the same.

[From the New York Times, Feb. 16, 1983]

UNITED STATES SAYS RUSSIANS SUCCESSFULLY TESTED A NEW TYPE ICBM

WASHINGTON, Feb. 15 (AP).—The Soviet Union has fired a new intercontinental ballistic missile in a test that could raise questions about whether Moscow is violating the terms of the unratified second strategic arms limitation treaty, United States intelligence sources said today.

Officials said that a small, solid-fuel missile was launched Feb. 8 from Plesetsk in northern Russia and that preliminary analysis of information picked up by American monitoring equipment suggested that it might have been the first successful test of a second new Soviet ICBM.

"It was a missile we haven't seen before," said one of the sources, who spoke on the condition that he would not be named.

United States officials confirmed last December that the Russians had test-fired a medium-size, solid-fuel ICBM.

TREATY LIMITS NEW TYPES

The second strategic arms limitation treaty, signed in 1979, specifies that the Soviet Union and the United States may flight-test and deploy only one new type of ICBM, which must be a light one, according to a letter of July 21, 1979 by Secretary of State Cyrus R. Vance submitting the treaty to President Carter.

There was no formal comment from either the Defense or State Departments. Officials cautioned against jumping to the conclusion that the Soviet Union had broken the agreement.

Although the United States did not ratify the 1979 treaty, the Reagan Administration has said it will abide by it so long as the Soviet Union does.

A State Department official said he was not "aware of any charges that the Soviets may be preparing to violate the agreement." He, like the intelligence sources, insisted that his name not be used.

TEST CONFIRMED IN DECEMBER

The United States Government confirmed in December that the Soviet Union had flight-tested a new type of ICBM. It did so after reports that a medium-size solid-fuel missile had been launched Oct. 26 but that its first-stage rocket motor had failed.

In late December, amid reports that the Soviet Union was preparing for another missile test, Alan Romberg, a State Department spokesman, said that "if they begin to test another new type of ICBM, this would conflict with the terms of SALT II."

According to intelligence sources, some of the characteristics of the small missile fired from Plesetsk on Feb. 8 differed from those of the medium-size solid-fuel missile tested last fall.

The missile fired a week ago carried four warheads, the intelligence sources said.●

FUNERAL RULE

● Mr. KASTEN. Mr. President, on January 25, 1983, the Federal Trade Commission formally submitted its proposed trade rule governing funeral home pricing practices to Congress for review under existing legislative veto procedures. On February 24, a resolution to disapprove the funeral rule was introduced in the House by Congressman MARTY RUSSO (H. Con. Res. 70)

I take this opportunity to announce to the Senate that after carefully studying the proposed rule, and considering the improvements the FTC has made during the course of the rule's development, I have decided to support the FTC rule and oppose any congressional veto.

The central provision of the funeral rule requires funeral directors to provide consumers with itemized price information about the goods and services offered for sale. Detailed priced lists must be available at the funeral home, and funeral directors must answer questions about prices over the telephone. Funeral directors must provide any combination of goods and services selected by the consumer, unless the combination is "impossible, impractical or excessively burdensome to provide."

The purpose of these requirements is to provide consumers with an alternative to the widespread industry practice of "package pricing" for "standard," preselected funeral packages. Under the rule, consumers who wish to do so would have the option of designing a funeral that best meets their needs, declining unwanted services, and perhaps saving some money in the process.

I support this goal, and I believe the terms of the FTC's funeral rule are reasonably and fairly calculated to achieve this end.

In 1977, the average price of a traditional funeral and burial was $2,400—making funerals one of the largest single purchases consumers ordinarily make. Despite the size and importance of this purchase to consumers, however, precious little price information is usually available to those making purchase decisions. According to industry data cited by the FTC, about 65 percent of all funeral directors use some form of package pricing.

A survey conducted in my own State of Wisconsin in 1981 showed that 85.5 percent of the funeral directors who responded to the survey use some form of package pricing, while only 14.5 percent issue separate individual charges for each item of service, merchandise, equipment and facilities.

While many—or even most—people planning a funeral would rather leave the arrangements in the able hands of a funeral director by accepting a predesigned funeral package, others would prefer to make a more systematic and well-informed choice. I believe that itemized price information—and a realistic alternative to package pricing—should at least be available to consumers wishing to exercise this option, and that the disclosure scheme devised by the FTC is a reasonable and balanced means to achieve this end.

The conservative Heritage Foundation also acknowledged the need for the funeral rule in a 1981 report on the FTC that was otherwise very critical of the agency:

> There is no effective remedy available to a consumer when a funeral home refuses to provide him with an itemized bill, or when it induces a family to purchase an unwanted package of services and goods for a funeral. In those instances, the bereaved family has no adequate market-place remedy. . . . Rules and regulations appear to be the only alternative.

The involvement of the Federal Government is appropriate in this instance due to a regulatory gap that now exists in most States. Virtually all States set educational, apprenticeship, and examination requirements for funeral directors, and public health standards for funeral homes. In addition, States typically have some form of consumer protection legislation on the books. In only a very limited number of States, however, does State law go on to require the kind of detailed price itemization required by the FTC rule.

Again, looking at Wisconsin, our State law contains only a general prohibition of fraud and deception in the funeral industry, and a requirement that a card or brochure be placed in each casket stating the price of the funeral using that particular casket and listing the service and merchandise included in that price. As noted above, only 14.5 percent of Wisconsin funeral

directors were found to itemize prices in 1981.

In addition, I would point out that the funeral rule has been altered substantially over the course of its development. The rule is now less "regulatory" in approach, relying relatively more heavily on market-oriented information disclosure remedies.

As proposed by the FTC staff in 1975, for example, the funeral rule provided that funeral directors could not furnish any funeral services or merchandise or even take custody of the body itself without explicit permission from the family. Funeral directors had to expand their casket selection facilities to make room for a full line of plain, inexpensive caskets, and they had to disclose in any advertising they did that detailed price information was now available over the telephone.

These provisions and others in the "command and control" tradition were dropped from the rule finally adopted by the FTC last September. Now, by and large, the rule seeks to use information disclosure, informed consumer choice, and the free market mechanism to address problems identified in the industry.

I also approve of a few other changes to the rule. First, the terms of rule now require the FTC to reevaluate the need for the rule within 4 years after it becomes effective. Second, recordkeeping requirements have been reduced. Indeed, the Office of Management and Budget has approved the rule under the Paperwork Reduction Act. Finally, States can be exempt from the rule if State consumer protection laws provide an equivalent or greater degree of protection to consumers. There is no attempted preemption of State law involved.

One important fact distinguishing the funeral rule from the FTC's used car rule which was vetoed by Congress in May 1982, is that Congress has already considered the funeral rule in detail and enacted specific guidelines for the FTC to follow in finalizing the rule.

Section 19 of the FTC Improvements Act of 1980 (15 U.S.C. 57a note), enacted after much public discussion of this issue, provided that the FTC's funeral rule may only:

One, require disclosure of the fees or prices charged for funeral goods and services; and

Two, prohibit misrepresentations, boycotts, tie-ins, and furnishing goods and services without prior approval.

Section 19 also required the FTC to take certain additional procedural steps to insure that public had notice of the terms of the proposed rule and that public comment was adequately solicited. In effect, at a relatively advanced stage in the rule's 10-year history, Congress considered the issue and gave advance prior approval to a rule meeting certain specific guidelines.

By contrast, in the case of the used car rule, while the 1975 Magnuson-Moss Act specifically authorized the FTC to develop a rule "dealing with warranties and warranty practices in connection with the sale of use motor vehicles," the FTC went further, requiring used car dealers to disclose "known" defects to consumers as well as warranty terms. Congressional consideration of the disclosure of known defects requirement was thus entirely appropriate.

The funeral industry has already filed challenges to the funeral rule in Federal court. The traditional role of the court in such a review is to see that the rule is adequately supported by the evidence, that it was developed in accordance with proper procedures, and that the agency acted within the bounds of its legal authority. The court may thus insure that the FTC has complied with the guidelines Congress established in the 1980 Improvements Act and also address concerns, expressed by FTC Chairman Miller and others, that the rulemaking record is inadequate to support the rule.

Mr. President, I support legislative veto and congressional oversight of regulatory agency decisions. This does not mean, however, that Senators and staff must spend hundreds of hours evaluating each and every rule issued by the Government. Congress itself would then become a bureaucracy out of control.

Rather, Congress must focus its efforts on the rules that are plainly out of sync with the goals of regulatory reform and leave to the courts their traditional task of seeing that other rules are lawfully promulgated and supported by the evidence. This latter course of action is especially appropriate in the case of the funeral rule, where Congress performed its oversight function in advance, setting out specific guidelines for the agency to follow.

Congressional disapproval is inappropriate also because the funeral rule addresses a real consumer need. Currently, most consumers do not have an adequate opportunity to comparison shop for funeral services and decline unwanted services and merchandise. State consumer protection laws and industry complaint-handling systems, as well motivated as they are, simply do not focus on this problem. The FTC rule, developed with broad public participation, is fair and balanced in approach and reasonably calculated to make useful information available to consumers with a minimum of disruption and burden to the funeral industry.

Mr. President, a coalition of groups has formed to oppose congressional veto of the funeral rule, including the American Association of Retired Persons, Congress Watch, Consumer Federation of America, Consumers Union, and Continental Association of Funeral and Memorial Societies. I am pleased to offer my support in opposing a veto of the funeral rule, and I look forward to working with this coalition and others in coming months.●

DANGERS TO SOCIAL SECURITY DISABILITY SYSTEM

● Mr. SASSER. Mr. President, I rise today to draw the attention of my colleagues to a recently proposed classification study by the Office of Personnel Management (OPM) of the Administrative Law Judge Corps and other legal personnel.

I point out this proposed study out because I believe that it is an ill-timed and ill-advised study which poses special dangers for the 810 Health and Human Services administrative law judges who will conduct more than 400,000 social security disability appeals during 1983.

I, along with my distinguished colleauges, Senator DAVID PRYOR and Senator CARL LEVIN, have formally protested this proposed classification study. We have done so for several reasons.

First, we believe that it is imperative that any classification study shall be done with due regard for the independence and impartiality of the Administrative Law Judge Corps. In that regard, we believe that it is unwise for the Office of Personnel Management to postpone action on pending requests for upgrading various ALJ positions, and ceasing to accept applications for GS-16 ALJ positions after March 18. Such actions appear to precondition the findings of the proposed classification study of administrative law judges. Second, we are distressed about the effect that this study may have on the social security disability appeals process. The 810 Health and Human Services administrative law judges will hear some 422,000 social security disability appeals during 1983. Their caseload has grown dramatically since 1965 when the national caseload was only 23,323. During these difficult times, it is imperative that disability recipients be assured of having experienced administrative law judges to hear their appeals. A classification study that appears preordained to "Downgrade" that status of these administrative law judges could have deleterious effects on the social security disability hearings and appeals system.

It is my hope that the Office of Personnel Management will rescind the personnel actions in the February 9 announcement. I also hope, as requested by our letter of February 24, that officials of the Office of Personnel

Management will meet with the Senate Governmental Affairs Committee to reconsider the merits of this proposed classification study.

Mr. President, I ask that our February 24 letter to OPM Director Donald Devine on this matter and OPM's February 9 announcement of this proposed classification study be printed in the RECORD.

The correspondence follows:

U.S. SENATE,
Washington, D.C., February 24, 1983.

Hon. DONALD J. DEVINE,
Director, Office of Management and Personnel, Washington, D.C.

DEAR MR. DEVINE: We understand that the Office of Personnel Management (OPM), pursuant to a letter of February 9, 1983, has initiated a one year "classification" study of Administrative Law Judges (ALJ's) and other government legal personnel. During the time that OPM proposes to conduct this study, OPM has taken other actions that have the cumulative effect of preventing any upgrading of ALJ classifications and the filling of vacant ALJ positions at the GS-16 level.

We are vitally concerned that these pending actions can have a demoralizing effect on the Administrative Law Judge Corps. And we are most distressed that this action could portend an effort by the Office of Personnel Management to downgrade Administrative Law Judges in violation of the letter and spirit of the laws governing classification of these federal employees. In light of the duties and responsibilities of Administrative Law Judges, any effort to downgrade these positions would be disruptive of the personnel standards set forth in U.S.C. 5, sections 5105, 5106, and 5341, as they apply to ALJs, most of which are classified at a GS-15 and GS-16 level.

Furthermore, the type of action suggested in the February 9th letter may run afoul of the Administrative Procedure Act (APA) which recognizes the independence of Administrative Law Judges. The comprehensive scheme of administrative adjudication established by the Administrative Procedures Act provides for an independent and impartial corps of Administrative Law Judges. Actions such as that contemplated in the cited OPM letter raise the possibility that OPM may be violating the rights of ALJ's to be secure in their tenure and compensation as provided for by 5 U.S.C. 7521.

In particular, we are extremely distressed at the impact that a reclassification study may have on the more than 800 ALJ's employed by the Department of Health and Human Services. These ALJ's are working under extreme pressures to review Social Security Disability claims and determinations under the Social Security Act. It is estimated that these 800 or so ALJ's will carry the heavy responsibility of hearing some 422,000 disability cases during 1983. With normal turnover of HHS ALJ's running about 40 per year, it is clear to us that any potential downgrading actions would add tremendously to an already heavy workload and have a devastating effect on the Social Security disability review process. Our concern about an adverse classification action is further heightened due to the pending suit brought by the HHS ALJ's against the Social Security Administration, *Association of Administrative Law Judges, Inc.* v. *Richard S. Schweiker et. al.*

Thus, we strongly recommend that the Office of Personnel Management rescind the actions contained in the February 9th letter to the Honorable Charles N. Bono and suspend the decision to conduct the proposed classification study until OPM officials have met with representatives of the Senate Governmental Affairs Committee to review the merits of such a proposed classification study. Such a meeting is necessary in order to determine and confirm to our satisfaction that the proposed classification study will not in any way adversely affect the independence and impartiality of the Administrative Law Judges Corps nor violate the statutory guidelines for classification procedures as they pertain to Administrative Law Judges.

We look forward to your prompt reply to this letter.

Sincerely,

JIM SASSSER,
CARL LEVIN,
DAVID PRYOR,
U.S. Senators.

U.S. OFFICE OF
PERSONNEL MANAGEMENT,
Washington, D.C., February 9, 1983.

Hon. CHARLES N. BONO,
Chairman, Association of Administrative Law Judges in the Department of Health and Human Services, Federal Office Building, Kansas City, Mo.

DEAR JUDGE BONO: The Office of Personnel Management (OPM) is concerned that the Federal government needs to do a better and more accurate job in the future of classifying Civil Service positions. With this concern in mind, OPM plans to develop, within one year, classification criteria for "hear and decide" type work performed by attorney examiners and ALJ's. These criteria will be incorporated in the classification standard for GS-905 attorney positions which has been used historically by OPM as a guideline for classifying ALJ positions.

Pending development of these new classification criteria, OPM is taking the following actions:

1. postponing action on pending and any future requests to upgrade Chief ALJ, Deputy Chief ALJ, Associate Chief ALJ, and all other ALJ positions;

2. ceasing to accept applications under the ALJ Examination Announcement No. 318 for the GS-16 register after March 18; and

3. filling all future ALJ position requests at the GS-15 level.

A meeting to discuss the above plans and actions is scheduled for agency Chief ALJ's, ALJ Association Representatives and Personnel Directors (or representatives) on Friday, February 18, at 1:00 p.m., in Room 1304, U.S. Office of Personnel Management, 1900 E Street, N.W., Washington, D.C. Your presence is cordially invited.

I look forward to seeing you at the meeting.

Sincerely,

RICHARD B. POST,
Associate Director, Staffing Group.●

SENATOR THURMOND'S REPORT ON VISIT TO THE FEDERAL REPUBLIC OF GERMANY

● Mr. TOWER. Mr. President, I would like to call to the attention of the Senate a report written by my distinguished colleague, the senior Senator from South Carolina, Senator STROM THURMOND.

Senator THURMOND visited the Federal Republic of Germany following the adjournment of the 97th Congress and toured several military installations. He also had occasion to visit with Ambassador Burns and his staff and receive their views on German-American relations. Additionally, Senator THURMOND had the opportunity to meet with officials of the German Ministry of State and Ministry of Defense.

Senator THURMOND's report indicates very serious German concern over issues such as "Specialty Metals" and the deletion of funds for "Host Nation Support." The decision on "Specialty Metals" alone could well destroy the cooperative efforts on standardizing NATO arms that have been underway since 1976.

Mr. President, I find Senator THURMOND's analysis to be timely and I commend it to the attention of my colleagues. I ask that the report with enclosures be included in the RECORD at the conclusion of my remarks.

The report follows:

VISIT TO THE FEDERAL REPUBLIC OF GERMANY—SENATOR STROM THURMOND

INTRODUCTION

General.—During the period December 26-31, 1982, Senator Strom Thurmond, Ranking Majority Member of the Senate Armed Services Committee and Chairman of its Military Construction Subcommittee, visited military installations in the Federal Republic of Germany (FRG). In addition, Senator Thurmond met with officials of the German government, and with Ambassador Burns and his staff.

Purpose.—Senator Thurmond last visited the FRG during April 1981. In making a return visit to the FRG, Senator Thurmond set several objectives:

1. To review the facilities situation with emphasis on the living and working conditions faced by American service personnel;

2. To review with major U.S. military commanders the overall balance of forces situation;

3. To meet with key German government officials to discuss matters of mutual concern; and

4. To confer with Ambassador Burns and his staff to get the benefit of their views on German-American relations.

Itinerary.—Travel to and from the FRG was by regularly scheduled Military Airlift Command C-5 aircraft. Senator Thurmond arrived in the FRG on the morning of December 27, 1982, and departed in the evening on December 31, 1982. Locations visited included Ramstein Air Force Base, Baumholder, Heidelberg, Bonn, Frankfurt, Fulda, Wildflecken, and Rhein Main Air Force Base. Key officials contacted included General Frederick Kroesen, Commanding General, U.S. Army Europe; Lieutenant General Robert Bazley, Deputy Commanding General, U.S. Air Forces Europe; Dr. Arthur Burns, U.S. Ambassador to the Federal Republic of Germany; His Excellency Peter-Kurz Wuerzbach, FRG Ministry of Defense and His Excellency Berndt von Staden, FRG Ministry of State. A detailed itinerary is attached as Enclosure 1.

U.S. FORCES ISSUES

General.—At each visit with U.S. forces, Senator Thurmond received briefings on the overall military situation with emphasis

on facilities issues. The issues discussed in detail in this section are the more significant issues which will require the support of, or action by, the Congress in future years.

Military Construction Levels.—The backlog of military construction requirements for U.S. forces in Europe is over $20 billion. In the past two years, construction spending for U.S. forces has been about $1.5 billion—$1.0 billion in appropriated funds, $400 million in NATO Infrastructure funds and $100 million in non-appropriated funds. Construction expenditures for the future are expected to remain at about these same levels. At these annual rates of expenditure there will be little chance that the construction backlog can be reduced in the future. A comprehensive capital investment program for Europe needs to be developed with emphasis on programs that will increase the allied contribution to U.S. force stationing requirements (e.g., the Master Restationing Program and family housing initiatives that are discussed in greater detail below).

The problem of military facilities is greatly compounded by the introduction of new equipment which is occurring at an unprecedented rate. For example, more than a third of USAEUR's construction budget for the next fiscal year will be spent on facilities that are needed to accommodate new weapon systems that are scheduled to arrive in Europe in the next few years. This necessary expenditure drains resources that might otherwise be applied against the backlog of replacement living and working facilities.

Family Housing.—The requirement to provide adequate military family housing has bcome a number one priority with General Kroesen. The number of service personnel eligible for family quarters has grown over time as more and more military personnel are now married. Currently, USAEUR has some 68,000 service persons that are eligible for family quarters; 61,000 of these persons are adequately housed, leaving 7,000 Army personnel without family housing. The only alternative for these personnel is to leave their families in the United States and to get on a waiting list. Some soldiers are being forced to wait nearly two years before a set of family quarters becomes available; waiting times of up to a year are not uncommon.

In an attempt to alleviate this situation, the Congress has agreed to additional lease allocations for Europe, and the lease term has been increased from five to ten years to encourage entrepreneurs to build additional housing for lease to the military. These efforts have been only marginally successful. For the first time in many years, the Army sought authority to build new family housing in Europe in conjunction with the fiscal year 1983 Military Construction Bill. The Congress was reluctant to start a family housing building program in Europe due to the high unit cost ($120,000 per unit) and directed the Defense Department to do a comprehensive analysis of the family housing requirements in Europe and examine options to address this requirement. It was evident from the briefings that considerable work had been done on this analysis, however, much remains to be done. This subject will get special attention during hearings on the fiscal year 1984 Military Construction Bill.

Force Modernization.—The Army is undergoing unprecedented force modernization. Nearly every major item of military equipment will be replaced in the next few years. The Abrams tank, the Bradley fighting vehicle, the Patriot air defense system, the Multiple Launch Rocket System, the Apache Attack helicopter, the Blackhawk support helicopter, and the Pershing II missile system, all will be fielded in the next five years. The introduction of these systems creates unforeseen problems—problems in manning, problems in logistical support, and problems in warfighting doctrine (for example, the most recent Reforger exercise revealed that field commanders are going to have to reevaluate armor doctrine because the capabilities of the Abrams tank—its speed and its ability to fire on the move—renders current armor doctrine virtually obsolete.) This force modernization effort is going to require strong leadership and resourceful management to prevent a hiatus that could damage the capability of U.S. forces. Military commanders are eager to get the new equipment and feel that they can absorb it, given currently anticipated delivery schedules. They emphasized that this new equipment will increase their conventional war-fighting capability by an order of magnitude which will substantially increase the deterrent value of our conventional forces.

End Strength Allowances.—One of the problems brought on by force modernization is the management of the numbers of personnel deployed to Europe. This year in the Continuing Resolution, the end strength for all service personnel stationed in Europe was "capped" at 315,600—the same as the level deployed in Fiscal Year 1982. This was the first time that the Congress specified a "not-to-exceed" figure for personnel deployed to Europe. The apparent purpose of this cap is to freeze spending on forces overseas and to send a message to the allies that they should pay an additional portion of the defense cost burden. This cap may be manageable for Fiscal Year 1983 (although the Air Force had planned personnel increases to accommodate the deployment of the Ground Launched Cruise Missile system). However, the Army has plans for significant personnel increases after Fiscal Year 1983 and if personnel ceilings are to be imposed in future years, the impact on force modernization and force structure must be carefully considered.

Pershing/GLCM Deployments.—Announcements have been made that the Army will deploy the Pershing II missile system in the FRG, and the Air Force will deploy the Ground Launched Cruise Missile (GLCM) in Italy and in Great Britain during the next year. Despite many minor problems, military commanders were confident that initial operating capability dates could be met. Significant, but manageable, public demonstrations in opposition to the deployments are anticipated.

Collocated Operating Bases (COBs).—The Air Force has a program to provide minimum essential facilities at selected allied airfields to permit deploying U.S. based aircraft to operate effectively upon arrival in Europe. At each such base, the Air Force negotiates with the host nation, an agreement that provides the basis for deploying U.S. Air Force units to use the airfields. To be able to operate effectively at these bases, certain minimum essential facilities must be constructed; these facilities generally involve additional ramp parking space and added storage capability for fuel and ammunition at a cost averaging $5 million at each base. This construction is eligible for NATO Infrastructure funding, and some $32 million in NATO funds has been made available for the current year. The Air Force accords this program high priority and in the past has sought unilateral U.S. funding to prefinance this construction with the intent to recoup the funding from NATO in the future; Congress has been reluctant to approve prefinancing, preferring instead that direct NATO funding be used. The Air Force advised that NATO has programmed only $1 million for COB construction for next year and, therefore, the Air Force intends to pursue the prefinancing option again in conjunction with the Fiscal Year 1984 budget. The failure of NATO to continue to accord COB construction sufficient priority, to maintain at least current year funding levels, is disappointing and may well prejudice Congress against further unilateral U.S. funding.

U.S.-FRG ISSUES

Continuing Resolution.—The visit occurred immediately following the "lame duck" session of the 97th Congress, and several issues resulting from the Continuing Resolution, which provides appropriations for the Defense Department for the remainder of Fiscal Year 1983, were uppermost in the minds of German officials and Ambassador Burns. Attached at Enclosure 2 are translations from German newspapers that provide their perspective on these issues.

The "specialty metals" issue seemed to be the item of greatest concern. From 1976 through 1982 there had been a provision in law which waived the so-called "specialty metals" import restrictions and permitted the U.S. to import certain defense-related items from our allies. In the Continuing Resolution this waiver provision was modified to permit the continued importing of "weapon systems", but the importing of components or parts that contain foreign specialty metals was prohibited. There was general consensus on this trip that this action could well destroy the cooperative efforts on standardizing NATO arms that had been underway since 1976.

The Administration's budget for Fiscal Year 1983 contained $40 million to begin a cooperative program with the FRG wherein the FRG would provide support to U.S. combat forces in time of war. This program, called "Wartime Host Nation Support", was the product of several years negotiations between the two countries that was finalized by the signing of an agreement by Ambassador Burns in April 1982. Under the agreement, the FRG would establish reserve units which would provide logistical support to U.S. combat units. The logistical support would include, for example, the transportation and treatment of battlefield casualties, rear area security, prisoner-of-war handling, the operation and maintenance of airfields, etc. Some 93,000 German reservists would be dedicated to this task. Costs for this support structure were to be shared under an agreed cost sharing formula. The $40 million request in the Defense Department's Fiscal Year 1983 budget was matched by a 43 million German mark appropriation which has been approved by the German government. If the same capability were to be provided with U.S. reserve units, estimates of the cost to the U.S. indicate that the U.S. would pay 20 to 30 times more than the costs now estimated to support the Wartime Host Nation Support agreement. The denial of the $40 million by the Congress places the entire Wartime Host Nation Support agreement in jeopardy.

Current U.S. plans envision the prepositioning of military equipment in Europe

in amounts sufficient to support six U.S. Army divisions that would deploy to NATO in time of war. The Continuing Resolution limits the amount of equipment that can be pre-positioned to an amount sufficient for only four U.S. divisions and funding requests to acquire the necessary depots for storage to support the fifth and sixth divisions were denied. This effort, as well as the Wartime Host Nation Support agreement mentioned previously, grew out of the 1978 NATO "Long Term Defense Program" which has provided the foundation for increasing the conventional war-fighting capability for the alliance. The failure of the U.S. Congress to support these initiatives is very damaging to the viability of NATO.

Master Restationing Plan (MRP).—Negotiations are in progress on a proposal to restation three U.S. Army brigades nearer to the East German border and their wartime fighting positions. This proposal was tabled with the FRG in the Stoessel Demarche of November 1980. The concept of the proposal was to restation U.S. units to improve the ability of these units to accomplish their wartime mission and at the same time to provide new or upgraded living and working facilities for U.S. forces that now occupy deplorable facilities. The U.S. has proposed to the FRG that the facilities costs at the restationing sites should be borne by the FRG. In negotiations to date, the FRG has agreed with the concept of the Master Restationing Plan, but there has been no agreement on cost sharing—in fact, to date, FRG negotiators have insisted that under the terms of the Status of Forces Agreement, the costs for replacement facilities should be borne by the United States. From all discussions, it appears that the Defense Department testimony and briefings to the U.S. Congress may have been overly optimistic with regard to the prospect to FRG funding. The U.S. Congress has agreed to certain limited MRP construction (and certain MRP construction funding has been authorized subject to an acceptable cost sharing arrangement being agreed to) with the expectation that the FRG will agree to fund a significant share of the cost. The Defense Department and the State Department need to impress on the FRG the importance of these negotiations; there is a perception in the U.S. Congress that our allies are not paying an appropriate share of the collective defense burden and this leads to actions such as the troop strength ceilings and the denial of unilateral U.S. funding requests in support of NATO. If the FRG refuses to fund a reasonable share of the MRP costs, it will be perceived by the Congress as an indication that the allies are unwilling to share equitably in the NATO collective defense burden. Officials from the FRG Defense Ministry did surface the option of paying MRP costs through some type of special arrangement with the NATO Infrastructure Fund. This option appears to have some merit (and is not without precedent since the previous Slice Group did contain the "U.S. Special Program") and should be pursued if unilateral FRG funding is not forthcoming.

Pershing II/GLCM Deployments.—The FRG appears firmly committed to proceeding with the deployment of the Pershing II as scheduled in the absence of firm progress at the Geneva disarmament talks and under the assumption that the GLCM deployment will occur on schedule in Italy and Great Britain. In all discussions, strong linkage between Pershing II deployment and the disarmament talks was emphasized. Civil disturbances and protests are anticipated as the deployment date approaches, but recent polls conducted by the FRG demonstrate that the vast majority of Germans support NATO and a continued U.S. presence. The poll results reflect little change in German popular opinion in support of U.S. forces that has prevailed over the last 20 years.

Terrorism.—Acts of terrorism against U.S. personnel, especially bombings, have increased in recent months. German officials expressed special concern for these incidents, contending that they were perpetrated by a very small radical element and did not represent a general decline in the support for U.S. forces. Special steps are being taken to attempt to reduce these terrorist incidents by both Germans and U.S. officials.

ENCLOSURE 1

ITINERARY

27 DECEMBER 1982

0900—Arrive Ramstein Air Force.

0900-0930—Check in Ramstein Hotel.

0930-1200—Briefings and discussions with Deputy Commanding General Bazley and USAFE staff.

1200-1300—Lunch Ramstein Officers Club.

1300-1400—Enroute Baumholder.

1400-1800—Visit U.S. Army units in Baumholder area, RON Ramstein Air Force Base Hotel.

28 DECEMBER 1982

0900-0930—Enroute Heidelberg Army Airfield.

0930-0945—Enroute Keyes Building.

0945-1000—Office call with General Kroesen, Commander in Chief, U.S. Army Europe (USAREUR).

1000-1230—Briefings and discussions in Keyes Building Conference Room as follows:

Briefing title and staff agency:

The Threat: Office of the Deputy Chief of Staff, Intelligence CPT Watford.

Force Modernization/Div. 86: Office of the Deputy Chief of Staff, Operations MG Dyke.

Wartime Host Nation Support Update: Office of the Deputy Chief of Staff, Host Nation Activities COL Schleusing.

USAREUR Construction Program (MCA): Office of the Deputy Chief of Staff, Engineer COL Royce.

Real Property Maintenance Activities (RPMA)/Backlog of Maintenance and Repair (BMAR): Office of the Deputy Chief of Staff, Engineer COL Franklin.

Army Family Housing: Office of the Deputy Chief of Staff, Engineer COL Benn.

Master Restationing Plan: Office of the Deputy Chief of Staff, Engineer COL Napper.

1230-1330—Lunch in CINC's Dining Facility hosted by the CINC.

1330-1700—Open time. RON Heidelberg, PHV Hotel.

29 DECEMBER 1982

0900-1600—Drive to Bonn with stops at Mainz, Ruedesheim and Remagen and Lunch enroute Bonn.

1600-1630—Arrive Bonn. Check in Dreesen Hotel.

1630-1900—Open time.

1900-TBD—Dinner with Ambassador and Mrs. Burns and guests. RON Bonn, Dreesen Hotel.

30 DECEMBER 1982

0900-1630—US Embassy Bonn itinerary to include discussion on emerging relations with Kohl government, Stoessel Demarche, Host Nation Support and Master Restationing Plan. Also, meeting with new Federal Republic of Germany Defense Minister and meet with Bundestag counterparts.

1630-1700—Enroute Rhein Main.

1700-1715—Check in Rhein Main Hotel. RON Frankfurt, Rhein Main Hotel.

31 DECEMBER 1982

0800-0900—Breakfast.

0900-0915—Enroute Abrams Building, V Corps Headquarters.

0915-1115—V Corps itinerary to include office call with Commander, GDP Update and briefings on Military Construction Army.

1115-1145—Press and TV availability.

1145-1230—Enroute Fulda and border trace flight via V Corps rotary wing aircraft.

1230-1330—Lunch with Commander, Command Sergeant Major, NCO's and soldiers 11th Armored Cavalry Regiment.

1330-1530—Visit East German border and receive 11th Armored Cavalry Regiment border briefing.

1535-1630—Enroute Rheim Main via V Corps rotary wing aircraft.

1630-1915—Open time and flight processing.

1915—Depart for CONUS.

ENCLOSURE 2

[Translated from: "Die Welt," Bonn, 23 December 1982, Page 1 by Th. Kielinger]

U.S. CONGRESS VIOLATES DECISIONS FOR THE STRENGTHENING OF NATO—STRIKE AGAINST ARMAMENT COOPERATION/WOERNER'S WARNING LETTER NOT HEEDED

In the heated final days of the debate about the continuing resolution, the US Congress made a few decisions, which will have long-range and partly negative repercussions for America's alliance relationships. This has just now become known. Details of these budget decisions were literally buried in the overall package for the vote with which the Congress made the continuation of the US budget for 1983 possible.

Following thorough inquiries by WELT among NATO diplomats and in the Congress the following picture appears, divided according to various programs of the budget.

1. The so-called Stevens Amendment, the proposal of Republican Senator Ted Stevens (Alaska) concerning a qualified US troops withdrawal from Western Europe, was turned down. Instead, both houses agreed on a freeze of the US troop ceiling in Europe at the 1982 level. This was received with great relief by European diplomats in Washington. The actual strength of 1982 (about 318,000 soldiers) is actually higher than the authorized level.

2. The Congress blocked the money for the procurement of further Pershing II medium-range missiles, for the present, until the US Army can prove that the weapon is reliable. To date, no Pershing II flight test has run flawlessly. The stationing of the missiles in the Federal Republic is to begin end of 1983, if there are no results in the Geneva disarmament talks.

The stationing time schedule will not be affected by the blocked procurement money, since the means for the construction of about 20 Pershing II missiles are available from last years' budget. The production of this number of missiles can continue.

3. Congress struck the defense cooperation within NATO with its decision for the so-called Specialty Metals Clause (see

WELT, 18 Dec 82). According to this, the US government may not import parts and components for the armament of the American forces—also not from NATO countries—in as far as these parts contain traces of certain metals, from simple alloy steel to chrome, nickel, titanium, etc.

This practically means the end of the German armament trade with the respective US industry and with the Pentagon. Also producers in Belgium, Holland or such non-NATO countries as Switzerland or Australia were strongly affected. Only complete weapon systems—for example, a plane like the British "Harrier"—are exempt from the ban.

The Congressional decision violates a 6 year old agreement of political NATO institutions according to which the "two-way street" within the alliance was to be continually expanded. The main point of this agreement was that the Europeans could compensate their extensive weapons purchases in the USA with orders for military equipment from the US, at least to a moderate extent. Especially for the sake of this cooperation, NATO was excluded already in 1976 from the Specialty Metals Clause (it has been discussed in Congress since the early 70s).

This exemption was now withdrawn, against the expressed wish of the White House and other participating cabinet ministers. Neither common European diplomatic efforts in Congress nor a letter from Defense Minister Woerner last week, who urgently warned once again against this Congressional decision were successful.

According to Woerner's letter, it should also be feared that the planned conventional modernization of NATO will be seriously delayed. Affected by the Specialty Metals Clause are a number of new joint projects, among them the air defense system Patriot. Orders for American defense materiel from NATO countries will probably decrease.

4. Likewise not approved by Congress was the US money for the so-called Wartime Host Nation Support. These are financial means for the logistical support on site for the six additional American divisions to be deployed to Western Europe in time of crisis or war. Also in this, the Congressional decision violates an existing NATO agreement, this time between the US and the Federal Republic of Germany.

Bonn had just approved this year, with great efforts, its share of Wartime Host Nation Support (WHNS). Accordingly, the Federal Republic of Germany agreed to mobilize 93,000 reserves and assume one half the cost for the logistical support for American reinforcements, deployed in crisis or war. The 1983 Bonn defense budget includes an initial amount of DM 48 million. The deleted 1983 US share would have amounted to approximately DM 100 million.

5. Finally, the Congress also cut funds for the construction of two new NATO depots in Belgium and Holland. These depots were to be used for storage of major military equipment, also planned for use in times of crisis. Consequently, the number of major depots maintained in Germany will remain at the present four. The program for prepositioning of major items of equipment is dealt with in NATO under the abbreviated title POMCUS, "prepositioned materials configurated in unit sets". This program, as well as "Wartime Host Nation Support" belongs to the approved 1978 "long-term defense program" with which NATO intended to strengthen the credibility of conventional deterrence.

The administration was not capable of reversing the above mentioned congressional resolutions because they were altogether part of the continuing resolution. The president would have to veto the whole package if he wanted to reject single programs. This straitjacket also hindered the president from rejecting a compromise concerning the MX, which Congress practically forced upon him. (WELT, 21 Dec. 82).

According to speculations by diplomatic observers in Washington, the fate of the affected NATO-budget positions was sealed when Congress buried all of its own hopes for funds for the jobs program. The legislators demanded as a price, reductions which were welcomed because of the constantly cited "insufficient European defense support".

In the total budget for the Pentagon, these reductions were not significant. All in all the Congress passed Reagan's wishes for defense and approved a record Pentagon budget at $231.4 billion, an absolute Pentagon record.

Concerning the MX and cut NATO funds, the next serious discussions will again be resumed in connection with the 1984 budget.

THE COMMENTARY—THE SETBACK

(By Thomas Kielinger)

German-American relations are not without frictions. Only one short year ago the US ambassador in Bonn warned against "noises" from Congress. In the meantime in the Federal Republic a new government established itself and friendship with America became more emphasized, considering a supremacy-oriented Soviet Union versus the free portion of Europe which interprets the identity of interests as President Reagan. One would think that this common philosophy would substantially improve relations. Unfortunately this is not the case.

Congress dismantles the foundation on which a "two-way street" of armament cooperation could be built over the transatlantic bridge from America to Europe. Congress requires that with a few exceptions, all weapons and materiel must be bought only on the domestic market—a completely new way of protectionism. In addition, the Congress halts the expansion of all programs, which in crisis would strengthen the presence of US defense forces in Europe with a few days, from 4 to 10 divisions, including additional air force squadrons.

Looking from Europe to America, it is becoming more and more difficult to understand the motives which lead the House of Representatives and the Senate to these decisions which will deeply shake NATO. Doesn't the Congress realize what it is doing to the friendly opposite coast on the other side of the Atlantic? The new decisions from the Capitol are contributing to estrange allied Europeans from the U.S. more and more.

The coming year—as things stand in Geneva—could mark the beginning of stationing of new American-produced deterrence weapons in Western Europe, which demands a high level of understanding and support from Washington in view of the anticipated domestic political differences in the affected European countries. None of this is demonstrated by Congress.

[From the Daily Press Review]

U.S. INFORMATION SERVICE, EMBASSY OF THE UNITED STATES OF AMERICA, OFFICE OF THE PRESS ATTACHÉ

Major topics today and over the Christmas weekend include optimistic statements by Bonn coalition party leaders on economic developments in the FRG in 1983, the closing of internment camps in Poland and the arrest of seven "solidarity" union leaders, reaction to Andropov's disarmament proposals, statements by President Reagan and other western political leaders on the third anniversary of the Soviet invasion of Afghanistan, and Bonn reaction to the decision by the U.S. Congress on the "Specialty Metals Clause."

Die Welt (Dec. 24) (lead story from Bonn by Ruediger Moniac) under the headline "Bonn: Decision by Congress may be more damaging than useful for the U.S.": Foreign Minister Genscher has emphatically warned the U.S. Congress against adhering to its protectionist measures which would adversely affect NATO cooperation. A similar statement was made by State Secretary Kurt Jung of the Bonn Defense Ministry in reaction to the decision by Congress to use the "Specialty Metals Clause" as a means of equipping the U.S. Armed Forces almost exclusively with U.S.-made arms. Genscher said in a "Deutschland-Funk" statement that, from the German point of view, the decision taken by Congress "can only be regretted" because arms cooperation in an alliance of partners of equal rights should provide for including the economies of individual allied countries.

State Secretary Jung called the "Specialty Metals Clause" a "purely protectionist measure that favors certain groups of the U.S. metal industry." On the basis of pertinent studies, "more jobs in U.S. industry will be lost as a result of less European orders than will be preserved as a result of the protectionist clause," Jung said. He referred to calculations by the U.S. Department of Commerce that orders in the amount of one billion dollars mean jobs for about 30,000 persons in U.S. industry. The FRG orders arms and equipment in the U.S. for about one billion dollars annually. About ten billion dollars are envisaged for implementing joint arms projects as planned by Bonn for the next ten years. The statement issued by the Bonn defense ministry points out that if the "specialty metals clause" is adhered to for an extended period, "basic reexamination of our arms cooperation with the U.S. will be inevitable." That would be the end of "two-way traffic" in transatlantic arms cooperation as called for especially by Bonn. Moreover, adherence to the "specialty metals clause" would undermine the decision taken by the NATO defense ministers in early December to improve within the framework of the transatlantic dialog the arms of allied forces for fighting second-echelon forces of the Warsaw Pact as envisaged by the "Rogers Plan." Genscher and Jung expressed the hope that the new Congress will "critically reexamine the clause" for the benefit of cooperation with the European NATO partners.

Handelsblatt (p. 1) covers the statement by Bonn Defense Ministry state Secretary Kurt Jung under the headline "arms cooperation with U.S. to be reexamined." Jung pointed out that the "Specialty Metals Clause" is "incompatible with the NATO decision on intensified arms cooperation," Handelsblatt says.

U.S. CONGRESS BREAKS DECISIONS ON STRENGTHENING NATO

Die Welt (Bonn, Lib-Cons, lead story by Thomas Kielinger, Washington, under the above headline): ". . . The U.S. Congress has taken a number of decisions that will

have grave and partly adverse repercussions for alliance policy . . . that has transpired most recently . . . on the basis of careful inquiries undertaken by this paper among NATO diplomats and in Congress, the following picture may be drawn . . .:

(1) The so-called Stevens amendment on withdrawal of U.S. troops from Europe has been rejected . . . Both Houses agreed to freeze U.S. troops in Europe at the level of 1982. That has given rise to great relief on the part of European diplomats in Washington . . .

(2) Congress refuses to make funds available for procuring additional Pershing-2 missiles unless the U.S. Army can prove the system's serviceability . . . That does not affect the time-table for deployment in Europe of Pershing-2 missiles since last fiscal year's budget provided for funds for continuing production of some 20 missiles . . .

(3) In endorsing the so-called 'specialty metals clause', Congress dealt a heavy blow to NATO armament cooperation . . . In effect, it kills U.S.-German arms trade . . . The congressional vote is incompatible with a NATO agreement achieved six years ago on 'two-way traffic' (in the area of arms procurements) . . . Its principal purpose was to make sure that the Europeans are given some compensation for their voluminous procurement of U.S.-made arms . . . For the sake of such cooperation, NATO was exempted from the specialty metals clause in 1976 . . . In spite of the White House's objection, this has been revoked now . . . Joint European diplomatic efforts at making a case with Congress produced as little effect as did a letter from Bonn Defense Minister Manfred Woerner in which he emphatically warned against such a congressional decision . . . According to this letter, there is now reason for concern lest the planned modernization of NATO's general-purpose forces be seriously impeded since the specialty metals clause affects several joint programs, including the 'patriot' air defense systems. Procurement by NATO countries of U.S.-made materiel probably will decline.

(4) Congress also refused to make funds available for the war-time host nation support' program which provides for rushing six additional U.S. divisions to Europe in a contingency . . . again Congress violates an existing NATO agreement, namely, an agreement between Washington and Bonn. . . .

(5) Congress also cancelled appropriations for the construction in Belgium and the Netherlands of two new NATO depots for prepositioning materials within the framework of contingency planning . . .

The administration could not prevent the above Congressional decisions because they are part of a coherent budget bill. The President could have tried to prevent individual elements only by casting his veto against the aggregate package . . ."

Die welt (editorial by Ruediger Moniac): "German-American relations are not free from strain. About a year ago, the U.S. Ambassador in Bonn warned of 'noises' from Congress. In the meantime, a new government was established in Bonn which keeps emphasizing friendship with America and, in view of supremacy-minded Soviet policy vis-a-vis the free part of Europe, shares President Reagan's view of the identify of interests. One should think such accord is found substantially to improve relations. Unfortunately, that is not so. Congress is destroying the fundament from which the transatlantic bridge for two-way traffic in the field of arms cooperation could be built from the U.S. to Europe. Congress insists that the U.S. Armed Forces, with only a few exceptions, buy arms and equipment exclusively on the American market. That is an entirely new kind of protectionism. Moreover, Congress is applying the brake to all programs which, in a contingency, would make it possible to reinforce within a few days U.S. defense forces in Europe from four to ten divisions plus additional air squadrons. From the European point of view, it is increasingly difficult to comprehend the motives of the Members of the House of Representatives and of the Senate for taking decisions that have a profoundly negative effect of NATO. Do Congressmen fail to see what damage they are causing in friendly countries on the other side of the Atlantic? The latest decisions taken on Capitol Hill contribute to growing estrangement between the U.S. and its European allies. As things are (in the INF negotiations) in Geneva, the coming year is likely to see the beginning of deployment of new U.S.-made weapons of deterrence in Western Europe. In view of the anticipated domestic controversies in European countries concerned, maximum understanding and support from Washington would be required. Congress is not showing anything like that."

[From the Daily Press Review, Dec. 28, 1982]

U.S. INFORMATION SERVICE, EMBASSY OF THE UNITED STATES OF AMERICA, OFFICE OF THE PRESS ATTACHÉ

Major topics include optimistic as well as skeptical prognoses for economic developments in the FRG in 1983, the third anniversary of the Soviet invasion of Afghanistan, Soviet calls for a "concrete" U.S. reply to Andropov's disarmament proposals, and the impending negotiations between Israel and Lebanon.

WARTIME HOST NATION SUPPORT

Frankfurter Rundschau (front-page report from Bonn by Horst Schreitter-Schwarzenfeld): Implementation of provisions of the U.S.-German Wartime Host Nation Support Agreement, which was signed in Bonn last April, has become questionable. Since the U.S. Congress—according to reports from Washington—has failed to appropriate the required funds, Bundestag deputies intend to block the 43.8 million Deutschmarks Bonn has earmarked for implementation host nation support projects in 1985. The agreement States that the funds for implementing the envisaged projects will be raised jointly by the two governments concerned. Bundestag Deputy Peter Wuerz (SPD) told this papers that "if the Americans do not spend money (on this project) we will not spend anything either," He indicated that he failed to understand the position taken by the U.S. Congress on this matter since it were "the Americans who had shown great interest in working out a joint program." If Washington drops that program "we would just say alright" since "Bonn would save money," Wuerz said sarcastically.

Lothar Haase (CDU), chairman of the Bundestag Budget Committee, used less pointed but equally clear language in saying that "this thing makes sense only if both partners participate." Bonn Foreign Office and Defense ministry quarters are not happy about this development. They say the Bonn Government regrets the decision taken by the U.S. Congress on this matter and hopes that it will be revised. They pointed out that the Bonn Government has made its contribution to implementing this project by appropriating the required funds.

Frankfurter Rundschau (editorial by Horst Schreitter-Schwarzenfeld): "The attitude taken by the U.S. Congress in failing to appropriate funds for implementing wartime host nation support projects given rise to three different conclusions:

(1) It may have been a deliberate affront.

(2) Nobody is interested in this subject.

(3) There is total chaos.

Perhaps it was a combination of all these three points. Things are taken more seriously on this side of the Atlantic. At stake is our security. The agreement was signed last spring in a ceremony marked by mutual references to the spirit of German-American friendship . . . it would be wrong to assume that the Washington administration backs Congress in this matter. The administration certainly will do all it can to correct this congressional blunder . . . However, if the U.S. failed to participate, the wartime host nation support project would sink into oblivion."

OBSERVATIONS FROM MY TRIP TO THE FEDERAL REPUBLIC OF GERMANY

(By Mrs. Nancy M. Thurmond)

RAMSTEIN AIR FORCE BASE

At Ramstein Air Force Base on December 27, 1982, I had the pleasure of meeting Mrs. Robert W. Bazley, wife of the Vice Commander of the U.S. Air Force—Europe, and other assembled ladies. No complaints per se were expressed. Most of the ladies seemed well integrated into the military and civil community and appeared to be very happy.

On a subsequent tour of the Family Services Center with Colonel Loy, the Base Commander at Ramstein, I saw firsthand the important benefit of the Center in orienting new families to the area and in providing needed items such as pots, pans, clothing, etc., for families when they are getting settled in an overseas assignment. For many, I am sure, the assignment at Ramstein Air Force Base is their first tour of duty outside the United States.

I was also impressed with the Youth Recreation facility, which I also toured with Colonel Loy. It occurred to me that it would be an excellent deterrent to crime and drug usage among young people. An ice cream bar had just been installed as an inducement for teenagers to use the Center and its facilities after school. Colonel Loy discussed in detail the problem of getting young people to use this facility since it is packed with younger children who arrive immediately after school.

Because of economics, many spouses work, necessitating adequate afternoon supervision and activities, as well as good day care centers.

We also had an opportunity to visit the Chapel at Ramstein Air Force Base which was very large and well staffed. It had a variety of nondenominational religious services and related activities.

The ladies with whom I visited were enthusiastic and well informed. Many of them live off base on the "German economy." Many have learned German in an effort to maximize the opportunities available to them and to their families. Even though they were from diverse backgrounds and of diverse ages, I was impressed with the rapport and friendship they felt for each other—a very supportive atmosphere and fraternal ambiance filled the room.

U.S. ARMY, V CORPS

Later during the trip I met with six ladies at the Army's V Corps headquarters in Frankfurt at the Abrams Building. All were extremely gracious and beautifully attired—after all, it was New Year's Eve, and they probably had many other places to go!

They immediately began discussing the various problems and difficulties they and their families have encountered:

1. Housing—The inadequacy of housing, especially for young families, was discussed in great depth. "Stairwell housing" received the worst criticism. Having appliances, i.e., washers and dryers in working order, and lack of space were also concerns.

2. Commissary Usage—All expressed deep alarm and grave concern that the commissary and PX facilities may be curtailed or abolished. The ladies repeatedly talked about how difficult it is to make it on "military pay" with the high cost of living. They also expressed anger at the lack of stock at the PX, i.e., toy selection prior to Christmas and even the lack of adequate grocery supplies at the commissary, such as flour.

3. Dependent or Spouse Seclusion—The ladies expressed themselves very vocally on the necessity of "getting out" and not becoming isolated, especially for the newly arrived wife. They said it helped both emotionally and financially to work and to become active in the wives' club. They said there was nothing such as a welcome kit or family services center to help orient and assist new families on base. They repeatedly said that the Army conditions were not up to the standards of the Air Force.

4. Schools—The ladies were adamant about the inadequacy of schools and lack of educational opportunities for their children. For example, one lady said that her elementary school-aged children came home at 1 p.m. because there was no lunch program at the school. Teacher shortage and lack of educational and recreational materials were also concerns.

5. Terrorism—All were very worried about terrorist attacks and the lack of security they felt. They said they had become paranoid about looking for bombs, i.e., on the seats of their cars, in the trash, in coke bottles and even in luggage, as these were all prime receptacles and locations for explosive devices planted by terrorists. There had been five incidents just in the previous month alone. One lady said her eight-year-old son has developed repeated nightmares because of the terrorist fear.

I felt their sense of desperation and despair as all plaintively told me details of their individual situations. I was candid in telling them that I as only one person, myself just a spouse, even though empathetic and sympathetic to their plight and their needs, could do little except to pass on their complaints and to do a little "Monday morning quarterbacking" with my husband. I frankly told them they needed to be talking to Senator Thurmond directly and to members of the Senate Armed Services Committee, the Secretary of the Army, Jack Marsh, the Secretary of Defense, Caspar Weinberger, or all of the above. They seemed very grateful that someone would listen to them, and I wondered if this was the first time anyone had taken time to sit down with them and let them air their grievances. They all seemed committed to serving their Country alongside their husbands, but were hopeful of improving the quality of their life overseas in the United States Army.●

PRINTING OF THE RULES OF THE COMMITTEE ON ARMED SERVICES

● Mr. TOWER. Mr. President, in accordance with rule XXVI of the Standing Rules of the Senate, requiring the publication of the rules of each Senate committee in the CONGRESSIONAL RECORD not later than March 1 of each year, I submit the procedural rules of the Committee on Armed Services and ask that they be printed in the RECORD.

The rules follow:

ARMED SERVICES COMMITTEE RULES OF PROCEDURE

(Adopted February 24, 1983)

1. Regular Meeting Day and Time. The regular meeting day of the committee shall be each Thursday at 10:00 a.m., unless the committee or the chairman directs otherwise.

2. Additional Meetings. The chairman may call such additional meetings as he deems necessary.

3. Special Meetings. Special meetings of the committee may be called by a majority of the members of the committee in accordance with paragraph 3 of Rule XXVI of the Standing Rules of the Senate.

4. Open Meetings. Each meeting of the committee, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a meeting or series of meetings by the committee or a subcommittee thereof on the same subject for a period of no more than fourteen (14) calendar days may be closed to the public on a motion made and seconded to go into closed session to discuss only whether the matters enumerated below in clauses (a) through (f) would require the meeting to be closed, followed immediately by a record vote in open session by a majority of the members of the committee or subcommittee when it is determined that the matters to be discussed or the testimony to be taken at such meeting or meetings—

(a) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(b) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(c) will tend to charge an individual with a crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy or will represent a clearly unwarranted invasion of the privacy of an individual;

(d) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement;

(e) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(1) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(f) may divulge matters required to be kept confidential under other provisions of law or Government regulations.

5. Presiding Officer. The chairman shall preside at all meetings and hearings of the committtee except that in his absence the ranking majority member present at the meeting or hearing shall preside unless by majority vote the committee provides otherwise.

6. Quorum. (a) A majority of the members of the committee are required to be actually present to report a matter or measure from the committee.

(b) Except as provided in subsections (a) and (c), and other than for the conduct of hearings, six members of the committee shall constitute a quorum for the transaction of such business as may be considered by the committee.

(c) Three members of the committee, one of whom shall be a member of the minority party, shall constitute a quorum for the purpose of taking sworn testimony, unless otherwise ordered by a majority of the full committee.

(d) Proxy votes may not be considered for the purpose of establishing a quorum.

7. Proxy Voting. Proxy voting shall be allowed on all measures and matters before the committee. The vote by proxy of any member of the committee may be counted for the purpose of reporting any measure or matter to the Senate if the absent member casting such vote has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded.

8. Announcement of Votes. The results of all rollcall votes taken in any meeting of the committee on any measure, or amendment thereto, shall be announced in the committee report, unless previously announced by the committee. The announcement shall include a tabulation of the votes cast in favor and votes cast in opposition to each such measure and amendment by each member of the committee who was present at such meeting. The chairman may hold open a rollcall vote on any measure or matter which is before the committee until no later than midnight of the day on which the committee votes on such measure or matter.

9. Subpoenas. Subpoenas for attendance of witnesses and for the production of memoranda, documents, records, and the like may be issued by the chairman or any other member designated by him, but only when authorized by a majority of the members of the committee. The subpoena shall briefly state the matter to which the witness is expected to testify or the documents to be produced.

10. Hearings. (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the committee, or any subcommittee thereof, at lecst 1 week in advance of such hearing, unless the committee or subcommittee determines that good cause exists for beginning such hearings at an earlier time.

(b) Hearings may be initiated only by the specified authorization of the committee or subcommittee.

(c) Hearings shall be held only in the District of Columbia unless specifically authorized to be held elsewhere by a majority vote of the committee or subcommittee conducting such hearings.

(d) Witnesses appearing before the committee shall file with the clerk of the committee a written statement of his proposed testimony at least 24 hours not including weekends or holidays prior to a hearing at

which he is to appear unless the chairman and the ranking minority member determines that there is good cause for the failure of the witness to file such a statement.

(e) Confidential testimony taken or confidential material presented in a closed hearing of the committee or subcommittee or any report of the proceedings of such hearing shall not be made public in whole or in part or by way of summary unless authorized by a majority vote of the committee or subcommittee.

(f) Any witness summoned to give testimony or evidence at a public or closed hearing of the committee or subcommittee may be accompanied by counsel of his own choosing who shall be permitted at all times during such hearing to advise such witness of his legal rights.

(g) Witnesses providing unsworn testimony to the committee may be given a transcript of such testimony for the purpose of making minor grammatical corrections. Such witnesses will not, however, be permitted to alter the substance of their testimony. Any question involving such corrections shall be decided by the chairman.

11. Nominations. Unless otherwise ordered by the committee, nominations referred to the committee shall be held for at least seven (7) days before being voted on by the committee. Each member of the committee shall be furnished a copy of all nominations referred to the committee.

12. Real Property Transactions. Each member of the committee shall be furnished with a copy of the proposals of the Secretaries of the Army, Navy, and Air Force, submitted pursuant to 10 U.S.C. 2662 and with a copy of the proposals of the Director of the Federal Emergency Management Agency, submitted pursuant to 50 U.S.C. App. 2285, regarding the proposed acquisition or disposition of property of an estimated price or rental of more than $50,000. Any member of the committee objecting to or requesting information on a proposed acquisition or disposal shall communicate his objection or request to the chairman of the committee within thirty (30) days from the date of submission.

13. Legislative Calendar. (a) The clerk of the committee shall keep a printed calendar for the information of each committee member showing the bills introduced and referred to the committee and the statute of such bills. Such calendar shall be revised from time to time to show pertinent changes in such bills, the current status thereof, and new bills introduced and referred to the committee. A copy of each new revision shall be furnished to each member of the committee.

(b) Unless otherwise ordered, measures referred to the committee shall be referred by the clerk of the committee to the appropriate department or agency of the Government for reports thereon.

14. Except as otherwise specified herein, the Standing Rules of the Senate shall govern the actions of the committee. Each subcommittee of the committee is part of the committee, and is therefore subject to the committee's rules so far as applicable.

15. Powers and Duties of Subcommittees. Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings whenever possible.●

ORGANIZATION OF THE COMMITTEE ON ARMED SERVICES FOR THE 98TH CONGRESS

● Mr. TOWER. Mr. President, I am pleased to report to the Senate that the Committee on Armed Services has completed the process of organizing and is now prepared to move forward with the orderly handling of those matters within our jurisdiction.

I ask that a copy of our subcommittee organization and the members of our six subcommittees be printed in the RECORD.

The material referred to follows:

SENATE ARMED SERVICES COMMITTEE

SUBCOMMITTEE ON MILITARY CONSTRUCTION

Senator Thurmond (Chairman), Senator Warner, Senator Humphrey, Senator Quayle, Senator East, Senator Hart (Ranking Member), Senator Jackson, Senator Stennis, Senator Exon.

SUBCOMMITTEE ON TACTICAL WARFARE

Senator Goldwater (Chairman), Senator Tower, Senator Warner, Senator Jepsen, Senator Wilson, Senator Kennedy (Ranking Member), Senator Levin, Senator Bingaman.

SUBCOMMITTEE ON STRATEGIC AND THEATER NUCLEAR FORCES

Senator Warner (Chairman), Senator Tower, Senator Thurmond, Senator Goldwater, Senator Cohen, Senator Quayle, Senator Jackson (Ranking Member), Senator Stennis, Senator Nunn, Senator Hart, Senator Exon.

SUBCOMMITTEE ON PREPAREDNESS

Senator Humphrey (Chairman), Senator Goldwater, Senator Jepsen, Senator Wilson, Senator Levin (Ranking Member), Senator Jackson, Senator Kennedy.

SUBCOMMITTEE ON SEA POWER AND FORCE PROJECTION

Senator Cohen (Chairman), Senator Tower, Senator Quayle, Senator East, Senator Wilson, Senator Nunn (Ranking Member), Senator Stennis, Senator Hart, Senator Levin.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Senator Jepsen (Chairman), Senator Thurmond, Senator Humphrey, Senator Cohen, Senator East, Senator Exon (Ranking Member), Senator Nunn, Senator Kennedy, Senator Bingaman.●

DR. HELEN CALDICOTT ADDRESSES NATIONAL PRESS CLUB

● Mr. KENNEDY. Mr. President, last Friday, February 25, I was honored to join in introducing Dr. Helen Caldicott, president of the Physicians for Social Responsibility, to the National Press Club.

Dr. Caldicott is one of the most eloquent voices on Earth for the prevention of nuclear war. Physicians for Social Responsibility, the group which she has led so ably and effectively, has taken a leading role in awakening people everywhere to the true horror of nuclear war. In the past 3 years alone, Physicians for Social Responsibility has grown tenfold to a membership of 30,000 in more than 180 chapters in all 50 States.

In her address to the National Press Club, Dr. Caldicott noted that:

In the past, PSR's role as a leader in the antinuclear movement has been to educate the public on the medical dangers of nuclear war. Now PSR must help to prescribe the therapy.

In its critical educational effort, Physicians for Social Responsibility has alerted the public to the dangers of the arms race and broken through psychic numbing on the consequences of nuclear war. It has now become a driving force in advocating an immediate, bilateral nuclear weapons freeze.

In addition, PSR is advocating a number of other important steps, including conclusion of a comprehensive test ban and opposition to the deployment of new destabilizing nuclear weapons systems by the United States and the Soviet Union.

I request that Dr. Caldicott's eloquent and compelling address be printed at this point in the RECORD.

The address follows:

[Embargoed until February 25, 1983]

SPEECH BEFORE NATIONAL PRESS CLUB

(By Dr. Helen Caldicott, President, Physicians for Social Responsibility)

In 1980, less than 26 percent of the voting American public elected Ronald Reagan as President. Recent Harris polls show that 66 percent of the public feel that President Reagan is doing an unsatisfactory job on arms control. 57 percent believe that America is at least as strong as the Soviet Union. 75 percent want a bilateral nuclear weapons freeze, and 80 percent favor bilateral reductions. 90 percent would favor a multi-lateral freeze, and 91 percent multi-lateral reductions in nuclear weapons.

Among the strongest supporters for these proposals are Republicans, conservatives, and people who voted for Ronald Reagan.

This represents almost a total mandate from the American people, people who are becoming increasingly knowledgeable about nuclear weapon strategies. They watch this Administration's policies with alarm. Yet, how does the President respond to this mandate? He produces two sets of proposals: INF and START, which are designed by the nature of the numerical advantage they give the U.S. to fail. The INF proposals do not account for the British, French, or Chinese nuclear weapons nor the American forward-based systems on bombers and submarines designated to NATO. Mr. Reagan's zero option is a call for partial unilateral disarmament on the part of the Soviet Union. The START proposal calls for dismantling of more than half the Soviet land-based strategic nuclear weapons (75 percent of which are land-based), while the U.S. can actually add a few more weapons to its 25 percent ratio of land-based nuclear weapons (50 percent are on relatively invulnerable submarines and 25 percent in bombers). Bombs on intercontinental airplanes are not included, nor are 8,000 cruise missiles about to be produced and deployed.

He has initiated a $65 million public relations program to convince the American and European public that more nuclear weapons are good for them, while the Arms Control

and Disarmament Agency—responsible for all the negotiations on arms control—has an annual budget of only $20 million. This will only act as a catalyst to the cynical, well-informed European public, and also I suggest to the increasingly well-informed American public.

While the President talks about deep reductions, he is, in fact, planning to build 17,000 more hydrogen bombs, including the small strategic sea-launched cruise missile, unverifiable by National Technical Means, which signals the end of arms control agreements; the extremely accurate and rapid Pershing II missile, which could well instigate a Soviet Launch-On-Warning system where computers initiate nuclear war; MX and D5 Trident II missiles, which were designed with the accuracy and reliability the Administration feels it needs for a first-strike, so-called "winnable" war. Such a nuclear war is described in the Pentagon's Five-Year "Defense Guidance," which calls for preparations for a protracted nuclear war to be fought over a period of 6 months, at the end of which time the U.S. will "prevail." That is, the U.S. will have more nuclear warheads than the Soviet Union. The "guidance" also calls for decapitation of the Soviet leadership by Pershing II missiles (leaders who could only "control" such a war if alive); for guerrilla warfare in eastern Europe; for anti-satellite and anti-submarine warfare; and for economic warfare with the Soviet Union.

The President's past advisor, Eugene Rostow, said that "We are living in a pre-war and not a post-war world," and his new nominee to head the Arms Control and Disarmament Agency, Kenneth Adelman, calls arms control a "sham," and said that one reason not to rush into talks is "that in a democracy these negotiations tend to discourage money for defense programs."

The Administration plans to spend $2.2 trillion, including cost over-runs on defense in the next 5 years, while programs for health care, Medicaid, health insurance are cut, and WIC programs which supply milk for infants and pre-natal and post-natal care for poor women are dismantled. The national infant mortality is now 12.8 per 1,000; in Washington, D.C., 22.8, with whites at 8 and blacks at 28 per thousand. The world's most affluent nation now ranks 11th in the world in infant mortality. The world spends $600 billion a year or $1 million a minute on the arms race, while two-thirds of the world's children are malnourished and starving. The economy of this country is in disrepair, a large cause being the cost-plus exorbitantly expensive dead-end defense industry. More than half the country's scientists and engineers are funded by the Defense Department. The brilliant technological expertise which once made this country so powerful economically is systematically being diverted towards weapons technology, while Japan and West Germany, with virtually no war budgets, forge ahead in their economies, relatively speaking.

The people of this country are now understanding the magnitude of the problem. They are beginning to realize that there is no "defense" against nuclear weapons; that the Department of Defense is a misnomer and should probably be accorded its original title of Department of War.

Physicians, along with many others, have produced this enormous popular mandate to end the arms race. The people now understand that there may very likely be no long-term biological or social survival after a nuclear war, and that nuclear war cannot be "limited" or "protracted."

Conversely, the Administration seems to believe in post-nuclear war survivability; otherwise, there can be no rationale for these new weapon systems. I would suggest that T. K. Jones, Deputy Under Secretary of Defense, who said, "If there are enough shovels to go around, we are all going to make it," and others, have not studied the scientific literature on long-term survivability.

Recently, the Royal Swedish Academy of Sciences investigated the medical and ecological consequences of a conservative nuclear war scenario, using only one-half the total 1985 megatonnage of the superpowers. Targeting involved all cities and towns with populations greater than 100,000 in the U.S., Canada, east and west Europe, USSR, Japan, North and South Korea, Vietnam, Australia, South Africa, and Cuba, and cities of more than 500,000 in India, China, Pakistan and the rest of Southeast Asia.

Of the 1.3 billion urban population in the northern hemisphere, 750 million would be killed immediately from blast alone, and 350 million severely injured. Fire and fall-out will kill hundreds of millions more. An attack only on the nuclear reactors in Europe and the U.S. would render uninhabitable by normal radiation standards for years or even decades both these continents.

Many millions of survivors would die from epidemics of cholera, typhoid, dysentery, tuberculosis, rabies, polio, Black Plague, and hepatitis. These diseases would be spread by proliferating radiation-resistant insect vectors (cockroaches, flies, lice and fleas) from animal and human corpses to the living. Birds which normally eat the insects will be killed from fall-out. Survivors will be susceptible to disease as fall-out and starvation compromise their immune systems, and antibiotics and medical care will be virtually non-existent.

By conservative estimates, 5.4–12.8 million will die of fatal cancers, 17–31 million will be sterile, and 6.4–16.3 million children will be born genetically defective. (These calculations were made only for a 7-day radiation dose. A 25-year dose would incur millions more cases of disease.)

A summer attack could spark forest and grass fires, which could cover the U.S. A thick layer of particulate and photo-chemical smog from forest, oil and gas fires could blanket the northern hemisphere, reducing noon-day sun by a factor of 2–150.

Massive reductions of stratospheric ozone could cause increased solar UV light to damage most unprotected human and animal eyes; induce lethal sunburn within an hour to exposed people; increase the incidence of skin cancer, melanomas, and vitamin D toxicity in the northern and southern hemisphere survivors; destroy large populations of phytoplankton in the ocean, which create oxygen to replace the ozone layer. The increased UV light could also kill most microorganisms which constitute the base of the pyramid of life at which man stands at the apex.

Severe famine induced by smog, UV damage, cooling of the earth, absent fertilizers, insecticides, machinery and manpower would catalyze the effects of disease and would kill hundreds of millions in the Third World. Cooling of the earth by 1–2 degrees Fahrenheit could induce another Ice Age.

Rain water and surface water and most food will be contaminated with radio-active isotopes. Survivors may well be psychotic with grief, acutely anxious, or so severely depressed that the drive for survival and reproduction may disappear.

If these known and unknown global effects reacted in a synergistic fashion, it is possible that most planetary life would be extinguished.

The 19th century German pathologist, Rudolph Virchow, said, "Medicine is a social science, and politics is medicine writ large." In the past, physicians have worked with politicians to practice preventive medicine—to eliminate smallpox, control malaria, and immunize our children.

Nuclear war is the ultimate medical issue. PSRA has effectively educated the public about the medical dangers of nuclear war. It must now help to prescribe the therapy. Prevention of nuclear war can only be accomplished through the democratic political process.

PSR will, therefore, encourage passage of bilateral nuclear weapons freeze resolutions in the House and Senate, will support passage of a comprehensive test-ban treaty, and will discourage authorization and appropriation for the new destablizing weapons and delivery systems—the MX, D5-Trident II Missile, Pershing II, sea-launched and advanced cruise missile. This is not unilateralism. There now exists a position of strategic parity between the two superpowers. Russia has said if these new weapons are produced she, too, will build them. Therefore, the window of opportunity for obtaining a freeze remains open, at the most, 1–2 more years.

The freeze movement has only just begun. It will become the dominant topic of the Presidential and Congressional campaigns.

But what beyond the freeze? There are still 50,000 nuclear weapons and only 1,000-2,000 "worthwhile" targets in either superpower. Every day we live on borrowed time. Do the politicians, Pentagon officials, scientists, and military industrial complex understand this?

The children do. Recently, the American Psychiatric Association studied 1,000 adolescents in Boston, and to their horror found the majority don't believe they will live to adulthood, have babies, or get jobs. One little girl recently said at a conference, "Nobody likes to be given a broken gift. This is how we feel about our future." The parents do. The polls reflect this. The women do, illustrated by the gender gap in the polls. Women and men with nurturing vision are the driving force in this movement. They provide a unique contribution. They comprehend the genesis of life and, also, understand the concept of conflict resolution. Negotiating from the "position of strength" never produces resolution, only destruction of relationships.

How many leaders of the world really emotionally understand what they are doing? They are people who are caught in pre-nuclear thinking. Einstein said, "The splitting of the atom has changed everything save man's mode of thinking, thus we drift towards unparalleled catastrophe."

How many leaders of the world have witnessed the explosion of a hydrogen bomb, felt the intense heat, and seen battleships disappear in the ocean like splinters? How many have witnessed the miracle of the birth of a baby? How many have helped a child to die and supported the parents in their grief?

The American people are realizing the only pragmatic way to break the psychic numbing of politicians is to threaten their political survival.

Americans are organizing in towns and cities throughout the country to elect a

President and Congress in 1984, committed to rapid bilateral nuclear disarmanent.

We live on a gravely threatened planet and face an acute clinical emergency. Time is of the essence. As we move towards disarmament, we must not forget that the cause of the illness is not the weapons per se, but the relationship of the superpowers. This can be solved only by moral initiatives and a climate of good will. Recent history demonstrates such a move with a hegemonic Communist superpower, which has not always respected human rights. Nuclear-armed China, once such a despised and bitter enemy, was made an ally by a conservative Republican president.

After the Cuban missile crisis, President Kennedy initiated conciliatory moves with the Soviet Union. He stopped atmospheric testing. They responded. They stopped production of strategic bombers. A hotline was established. The Russians were so pleased with these moves they called it "The Policy of Mutual Example." Tensions between the superpowers reached an all-time low. The whole world breathed a sigh of relief and then deeply mourned his death.

President Reagan could also be perceived by posterity as a great statesman, if he took the moral initiative and made the first move towards the Soviet Union. For example, he could offer them a much-wanted Most-Favored Nation status in trade. Should Russia and America become friends, the weapons would become anachronistic overnight.

America is the greatest democracy on earth. Because the Russian people don't have a democracy, we have double the responsibility to prevent nuclear war. Americans are wonderful, kind, loving people, who desperately want to do the right thing. America built and used the first nuclear weapon. It has led the arms race. It can and will lead the world to salvation and survival.

To this end and on behalf of humanity, I make this call today. Mr. President, you have given us a Five-Year Plan for massive rearmament with a goal of nuclear war fighting capability. We call upon you to respond to the peoples' needs, and give us a five-year plan for disarmament with a goal of nuclear war prevention.

We call upon you to negotiate a U.S.-Soviet freeze within one year.

We call upon you to achieve a 50 percent bilateral cut in all nuclear weapons and delivery systems in the next two years.

We call upon you to achieve a bilateral two-thirds reduction of the remainder in the following two years.

The vast majority of Americans want not only a freeze, but also reduction.

It is your patriotic duty to preserve this country. Four billion human beings live neither in America nor Russia and they, too, desperately want to survive.

We are the curators of life on earth. The decisions we make in the next two years may determine the future of God's creation.●

OLDER AMERICANS VOCATIONAL EDUCATION

● Mr. BENTSEN. Mr. President, I am pleased to join Senator PELL as an original cosponsor of the Older Americans Vocational Education Act, S. 554.

Unemployment amongst older Americans has grown at an alarming rate throughout the course of this recession with joblessness for those over 45 reaching a record of nearly 2 million persons during the month of December 1982. Approximately one-half of these individuals is 55 or older. Since July of 1981, this represents an increase of almost 58 percent for a group of persons who often face barriers to employment not applied to younger workers.

Mr. President, I would particularly like to call my colleagues attention to the eligibility criteria for participating in this program and to the structure through which the program, if enacted, will be administered. State allocations—based on the number of residents over 45 years of age—will be available for employment based programs where job opportunities can be identified, particularly in industries with new and emerging technology. Training programs, placement services, and counseling for older workers are also eligible for funding. I might point out that, in an effort to facilitate participation, the legislation specifically names as training sites community and junior colleges, vocational programs, and other facilities accessible and convenient to the older worker.

In carrying out the training programs under this act, priority will be accorded older Americans who are entering the work force for the first time, who are unemployed and in need of retraining for new job opportunities, and who need training for high technology positions.

Each State desiring to receive assistance will be required to establish an older Americans job training committee composed of representatives from the State education agency, the State agency on aging, the State board of vocational education, a representative from the postsecondary vocational education community, an officer from the State agency responsible for administering the Jobs Training and Partnership Act, and a representative of the private sector. The expertise represented on this committee should insure effective and innovative use of available funds with programs tailored to individual communities.

Mr. President, at a time when structural unemployment among the older members of our work force has reached an alltime high, I can think of no program more deserving of our attention than retraining and placement of those individuals who have a proven history of participation in the work force, who are anxious to continue to contribute actively, and whose principal barriers to effective contribution are age and the need to upgrade their skills.

I call upon my colleagues to join with us in support of the Older Americans Vocational Education Act—it is an investment well worth making.●

REAGAN ADMINISTRATION'S ARMS REQUEST FOR EL SALVADOR

● Mr. KENNEDY. Mr. President, I oppose the administration's request for an additional $60 million in arms aid for El Salvador. Instead of pursuing a policy of military escalation in that war-torn nation, I believe the United States must work with our democratic allies to achieve a military truce, a halt to arms supplies to any of the belligerents from any source, and a negotiated settlement of that tragic conflict.

In this connection, I would like to draw my colleagues' attention to "End Run on El Salvador," a commentary on the administration's unfortunate policy toward that country written by former New York Times senior editor John B. Oakes and published in that newspaper last week. Mr. Oakes warns that the United States risks total disaster in El Salvador by playing "fast and loose" with the certification process imposed by Congress, rejecting proposals for negotiations, and relying instead on increasingly massive American military equipment to save the day for democracy in Central America. I ask that Mr. Oakes' commentary be printed in the RECORD.

The commentary follows:

END RUN ON SALVADOR

(By John B. Oakes)

Secretary of State George P. Shultz is in danger of putting himself in the same class as the Watts and the Burfords and all the other Presidential appointees who are busily engaged in doing end runs around Congress and the law in order to carry out the policy objectives of the Reagan Administration.

He is falling into this trap by blandly and blindly following the road to disaster in Central America as laid out by his predecessor, former Secretary Haig, for whose policies Mr. Shultz only recently expressed warm admiration. That's not surprising, he observed, since they both serve the same President.

What is surprising, however, is that a man of Mr. Shultz's stature would put his name to the latest State Department document certifying to Congress that El Salvador's Government qualifies for the threefold increase in military aid that the Administration is now proposing.

Two revealing reports, virtually unnoticed in the press, by American observers just back from El Salvador demonstrated the falsity of the State Department's—and Secretary Shultz's—position.

The first of these comes from a mission to El Salvador of the Association of the Bar of the City of New York and is signed by a former President of the Association and a former chairman of its Committee on Inter-American Affairs.

"The slaughter of civilians by security forces goes on at a monstrous rate," the report declares, "and, thus far, there is no evidence that a single member of these forces has been convicted or sentenced in any case involving the murder or torture of a citizen labeled 'subversive' by the security forces. . . . If the incidence [of civilian mur-

ders] should decline to 'only' 5,000 killed a year [the most probably accurate count, as against the State Department's estimate of 2,600] it suggests a decline in available targets rather than an increase in humane behavior or attitude."

As a condition of continued aid, Mr. Shultz had to certify, under United States law, that El Salvador is making "a concerted and significant" human rights effort and is achieving enough control over its own security forces "to bring to an end the indiscriminate torture and murder of Salvadoran citizens." But if El Salvador's Government is in control of its security forces, then it obviously is not making the required human rights effort; if it is not in control, then it cannot bring the murders to an end. Either way, the report observes, the Secretary's certification is "unwarranted and unsupportable."

Secretary Shultz's certification does something more than evade the clear meaning of the law. It suggests to all the world that, despite the State Department's periodic denunciation of human rights violations, the United States is willing for policy reasons to acquiesce in the elimination by illegal means of alleged subversives abroad. If, then, abroad, why not at home?

The other new report cites compelling evidence of the State Department's obstructionism and collusion with Salvadoran authorities in blocking a thorough investigation of the murder two years ago of four American church-connected social workers, three of whom were nuns. Issued by the highly respected Lawyers Committee for International Human Rights, which represents the victims' families, this report is almost as much an indictment of Mr. Shultz's State Department as it is of Salvadoran justice. It accuses the Department of supporting Salvadoran officials in their refusal to follow leads that point clearly to the involvement of "higher-ups" in ordering the murders, for which five wretched low-ranking guardsmen are now awaiting trial.

The Reagan Administration has played so fast and loose with the certification procedure that proposed additional restrictions—such as a requirement that the Salvadoran Government open negotiations with the opposition—are likely to be no more effective than the existing ones. The real change that is needed is not in law but in policy.

Secretary Shultz sounded a good deal like former Secretary Haig the other day when he rejected the idea of negotiations to bring this American-fueled war to an end. In doing so, he only strengthened the analogy between United States policy in El Salvador now to that in Vietnam a few years ago, where a "no-negotiation" stance—until too late—helped pave the way to total disaster. If we continue to pursue the same course in Central America's revolutionary civil wars—whether in El Salvador, Nicaragua or Guatemala—as we did in Southeast Asia's, we are likely to end up with the same appalling result.

Unfortunately, the Reagan Administration still seems to believe that American military "advisers," American military training and increasingly massive American military equipment will save the day for democracy in Central America—instead of burying it.●

SENATOR SARBANES SALUTES BALTIMORE CITY SCHOOLS

● Mr. SARBANES. Mr. President, Thomas Jefferson told us that "If a nation expects to be ignorant and free, it expects what never was and never will be." From the beginning of the Republic, we have recognized the central importance of education and placed a premium on achieving the educated citizenry necessary to a democracy.

Unlike any other nation, America has established as a national goal the opportunity that a young boy or girl, through the development of their own talents and abilities, can go from the very bottom of the ladder to the top. It is the dedicated teachers and principals in our schools and classrooms day in and day out who are the prime resource for delivering on that promise of America.

In Maryland we are indeed fortunate to have large numbers of dedicated and qualified educators preparing our children and working to build the talents of the next generation. Every county and city has innumerable examples of such outstanding molders of our Nation's youth. I am pleased to bring to the attention of my colleagues a recent article from the Wall Street Journal which highlights two such educators in Baltimore City and points out the many advances and improvements in Baltimore's outstanding school system.

The two fine school principals, Evelyn Beasley and Arnett Brown, highlighted by the article are not only highly qualified educators and managers, but leaders involved in instilling the love of learning, as well as insuring that their students learn the fundamentals of the curriculum. Their efforts have been rewarded in the best way possible—in the achievement and success of their students.

Mr. President, all over Maryland and, I am sure, all over America, there are effective educators like Mrs. Beasley and Mr. Brown—strong, caring principals able to guide dedicated teachers. The recent article from the Wall Street Journal tells the story of two such outstanding leaders, and I ask that it be reprinted in the RECORD at this point.

The article follows:

INNER CITY SCHOOLS LIFT STANDARDS WITH HELP OF STRONG PRINCIPALS

(By Burt Schorr)

BALTIMORE.—Roland Park School here exemplifies an encouraging phenomenon in American education: the reconstituted urban public school that works, often under the leadership of a strong-minded principal.

Roland Park once was an elite preserve of the high-income northwest Baltimore neighborhoods that surround the elementary and junior high school. Then came desegregation and a 1971 rezoning plan. Black students and some whites from low-income neighborhoods arrived, and more-affluent white students departed.

Conditions at the school deteriorated, partly because many of the new arrivals resented being transferred. They wrote on the walls. Some urinated in the stairwells. In 1975, police had to break up a student melee in the streets outside. Worst of all, Roland Park ninth graders were scoring more than a year behind the national average for reading skills and almost two years behind in math.

Things began to change on March 8, 1976, the day Evelyn Beasley walked through Roland Park's battered front door and took over as principal. There were new rules: Bring a notebook and pen or pencil every day; don't wear tank tops or shorts; don't throw food in the cafeteria. And Mrs. Beasley, a chunky, motherly woman, didn't hesitate to suspend violaters. She also encouraged effective teachers and was able to get rid of poor ones. With parents, she lobbied successfully for an advanced academic program open to bright students citywide as well as to neighborhood children.

Today, with some 1,550 students crowded into its weathered brick building, a majority of them from low-income black homes. Roland Park School is 20 percent over capacity. But the walls and stairways are clean. Disciplinary suspensions have fallen more than 80 percent since 1976. And junior-high students are nearly two years ahead of the national reading and math averages.

BROAD TREND

Urban schools of this quality still are in the minority. Problems such as high dropout rates, low achievement and occasional violence continue to plague the upper grades of public education in many cities. However, educators say, some newly effective schools have emerged from one-time blackboard jungles in Baltimore, Richmond, Atlanta, Dallas, Detroit, Milwaukee and elsewhere. And despite budget cutbacks and teacher layoffs, these educators say, the trend continues.

Confidence in public education in Memphis was strong enough that a comfortable majority of black and white voters last year approved a sales-tax increase that includes $13 million annually for the city's schools. Willie Herenton, the Memphis school superintendent, estimates that 60 percent of his first-through-eighth graders currently score at or above their grade level in reading and math. Four years ago, only 40 percent did, he says. He attributes much of the improvement to training that principals are getting from administrators on how to evaluate teachers and suggest improvements.

The turnabout isn't limited to "magnet" schools like Roland Park that offer special programs to attract bright pupils. Baltimore's list of much-improved schools also includes Cherry Hill Junior High, whose student body is drawn almost entirely from an all-black, mostly poor or blue-collar community on the city's southeast side. Cherry Hill's principal, 54-year-old Arnett Brown Jr., plays the role of strong father for many of his students, the great majority of whom come from fatherless households.

The end of the Vietnam-protest era and the reviving of respect for authority have helped. "Ten years ago, you'd walk into a school and the kids would run all over you," says John Crew, who recently retired as Baltimore's superintendent of schools. "We don't have that anymore."

Another factor is community and state pressure to improve students' basic skills. "We want students who can read and write and compute, who can get and hold jobs and who can be active in Baltimore public life," says Baltimore's Mayor, William Schaefer.

Six years ago, after a decade marked by desegregation problems, a bitter teachers'

strike, white flight and declining test scores, Baltimore overhauled its school curriculum. It emphasized basics such as reading and arithmetic that would be tested on achievement exams, and it tied these to more-frequent testing of student skills. Reading and math scores have since climbed significantly throughout the system, although last spring's high-school graduates remained well below the national average on the Scholastic Aptitude Test for college admission.

Baltimore also has added a third year of math and science and a third and fourth year of French or Spanish to its graduation requirements for college-bound high-school students. Some middle-class white students have been returning to the system, officials say.

What makes a school effective continues to be debated. Not surprisingly, though everyone's list begins with a strong principal able to guide, or at least recognize and support, effective teachers—a description that fits Evelyn Beasley at Baltimore's Roland Park and Arnett Brown at Cherry Hill.

EVELYN BEASLEY

A few days before she took over troubled Roland Park school in 1976, Mrs. Beasley opened a folder that had been prepared for her. It contained letters and memos detailing the teacher shortcomings and other problems she would face at her new post. After glancing at a couple of the comments, though, she threw away most of the folder's contents. "I didn't want to read any of that stuff," she remembers, "I wanted to judge for myself."

Evelyn Beasley has been figuring it out for herself ever since her 1930s childhood in an east Baltimore black ghetto. The Baltimore school system knows her as "a bit of a renegade who often ignores bureaucratic procedures but who firmly believes that bright students should be challenged," says Ruth Silverstone, a former president of the Roland Park parent-teacher association and now a member of the Baltimore school board.

Soon after moving to Roland Park, Mrs. Beasley—who puts in 10- and 12-hour days and works through summer vacation as well—got out in front of parents and teachers who wanted to create the city's first advanced program at the school, with emphasis on math, science, writing and foreign languages.

The proposal irked some other principals, who resented—and still resent—the loss of their brightest students to Roland Park and what they saw as favored treatment for a well-off neighborhood. "Roland Park actually is a private school within a public system," complains Mr. Brown, the principal of Cherry Hill Junior High.

Mrs. Beasely counters that 75 percent of her junior-high youngsters are black—close to the citywide average; that 52 percent of her students qualify for free or reduced-price lunches; and that per-pupil costs and class sizes at Roland Park are no different from those at other schools.

Unquestionably, though, Roland Park is special. Last spring its math team placed second in a statewide competition. Close to 200 youngsters, some now enrolled in private schools, are on Roland Park's waiting list. Mrs. Beasely's ideas are spreading; a second Baltimore junior high school started an advanced program last year, and similar programs at still other schools are under study.

As the final evaluator of her teachers, Mrs. Beasley tries to remain aloof from their day-to-day problems. She delegates most classroom monitoring to department heads and two assistant principals. She also has brought in part-time "master teachers" to guide other teachers, seek out special books and teaching materials, and give additional instruction to extremely bright youngsters.

The Roland Park climate has attracted innovative teachers, as well as platoons of parent volunteers for activities ranging from music instruction to running the school fair. Dan Cohen, the youthful head of the math department, created a computer programming course with a single desktop computer that he won in a raffle. Later, he persuaded a Baltimore bank to donate four more computers.

Roland Park's principal describes herself as "a bug about grammar and syllabification." When a teacher's blackboard instructions or ditto sheets are deficient in either, the teacher hears about it from Mrs. Beasley. Recently, a teacher newly transferred from another school complained of unfair treatment by her former supervisors. After listening to the teacher's ungrammatical speech, Mrs. Beasely bluntly advised her that the criticism had been to the point. "I told her she needed to wear a dictionary on one wrist and an English grammar on the other," she says.

Discipline is strict, but the enforcement style is parental rather than penal. "Mrs. Beasley is like a mother to all the kids. They know she's going to be fair," says the parent of a seventh-grader after listening to the principal deliver a stern lecture to her son and three other boys found fighting in a washroom.

"Mrs. Beasley isn't going to let anyone hurt you," says Cydney Scott, a seventh grader, in explaining why her mother was willing to let her transfer from a private school to Roland Park this fall. A first grader who encounters Mrs. Beasley in a crowded hallway is even more direct. "I love you," she says, reaching up to hug the beaming principal.

ARNETT BROWN, JR.

If Roland Park school enjoys a certain mystique because of its location, Cherry Hill Junior High, situated in a poor black community overlooking an arm of Baltimore Harbor, suffers a certain reputation.

Mr. Brown saw the physical evidence when he took over as principal five years ago: burned-out student lockers, graffiti-covered walls, a ravaged second-floor corridor that was closed off with heavy steel gates to keep out the vandals and pot smokers. Some students customarily came equipped with nothing but their transistor radios. Cafeteria fights with full milk cartons and street fights with fists were regular events.

"The children acted like heathen," recalls Rosa McCoy, a city official based in the Cherry Hill section. She says the junior high was considered "a graveyard for older teachers." Students also were more than a year behind the national average in math and over two years behind in reading.

Today, Cherry Hill students get a tough message from their principal in his usual opening-day speech: "Students do as they are directed. Those who persist in disrupting our school are removed permanently."

Hall signs are reminders: "Late today? Stay today," and "I don't fight! I think!" To a newly arrived seventh grader who mumbles unconvincingly that he accidentally flushed away his washroom pass, Mr. Brown says sternly: "Don't tell me any Mary-had-a-little-lamb stories."

Mr. Brown has strictly enforced rules against troublemaking. He has reversed the previous principal's policy against ever calling the police. As a result, nowadays the school needs only one security officer instead of two.

"I've been like the bulldog here," Mr. Brown says. But, while Cherry Hill pupils now are a year ahead of the national average in math and up to grade level in reading, the principal fears that many still lack the ambition, curiosity and reasoning power they need to rise in the world. although they can add, subtract, multiply and divide well enough, for example, too often they can't compare unit prices at the supermarket, he says. (Tests suggest that student ability to use math in everyday life has declined nationwide.)

Mr. Brown prefers to give his teachers wide latitude. "There is no single method of effective teaching," he believes. His role, he says, is "to assure teachers of a disruption-free environment in the classroom."

Cherry Hill's best students usually come from two-parent homes—the ones in which adults tend to "reinforce what's done in the school," Mr. Brown observes. Unfortunately, over 90 percent of his kids are from homes without a father, he estimates.

Thus, the Cherry Hill principal plays an important role for his students by "providing a very strong black male figure" for them to look up to, says John Hulla, an English teacher at the school for much of the past decade.

Sophia Cooper, a ninth grader, seems to agree: "Mr. Brown treats us like his children, and that's good. Young people don't like discipline, but everybody has got to have rules."

To show his kids what blacks can achieve, Mr. Brown arranges such trips as a visit by 35 ninth graders with Baltimore's newly elected council president, Clarence Du Burns. Mr. Du Burns, a one-time school shower-room attendant and jazz saxaphonist who worked his way up in the city's Democratic Party, doesn't disappoint them.

"This was my seat for six years," Mr. Du Burns says, indicating one of the council's floor desks. "But my eyes were up here," he adds, pointing to the raised chair of the council president. "When the mayor goes out of town, I run the city. In other words, I'm the king and I love it. Being poor doesn't stop you from achieving."

With almost no parent volunteers at his school, Mr. Brown finds himself stretched to the limit. Unable to get a new desk, he rebuilt his old one himself in the school shop, gluing on an old door to provide a new top. He also built and installed many of the classroom bulletin boards and currently is planning to spray paint 25 drafting tables that an assistant found in a warehouse. He's the school photographer, posting pictures of honor-roll students to boost school spirit. His days begin at 6:30 or earlier, and three nights a week until 10 p.m. he supervises Cherry Hill's model-airplane club, one of its few extracurricular activities.

"I get involved in everything," he says. "Because if I do it, others on the staff will make similar contributions."●

DEDICATION OF THE ARTHUR ROSS GALLERY

● Mr. MOYNIHAN. Mr. President, I rise today to recognize the latest achievement of the Arthur Ross Foundation: The completion of the Arthur Ross Gallery at the University of

Pennsylvania. While I had the misfortune of being unable to attend the dedication of the gallery on February 7, I cannot let the moment pass without paying tribute, if all too briefly, to this generous man and the philanthropic organization he leads.

I speak with a certain authority in this regard. Having known Arthur for many years, I have long been impressed with his great personal generosity and desire to further the common weal. Indeed, he has served the public in several different and diverse capacities, including but not limited to his work as senior adviser to the United States delegation to the 18th annual conference of UNESCO in Paris in 1974 and closer to home as a member of the New York City Parks Council.

In addition, it has been my good fortune as a New Yorker that the foundation's efforts to construct, to improve, and to preserve have often had their greatest impact in my State. Put simply, the foundation has enhanced the cultural and artistic lives of many New Yorkers.

The dedication of the Arthur Ross Gallery at the University of Pennsylvania, then, is but the most recent of the foundation's accomplishments. Yet, in so many ways, it epitomizes Arthur Ross' extraordinary ability to identify and accomplish that which needs to be done. The university's museum has long been recognized for its most distinguished archeological and anthropological departments. Thanks to the Arthur Ross Foundation, it now has the facilities necessary to greatly expand its program in the visual arts as well.

Arthur Ross and all those who made the opening of the gallery possible are to be commended, and the University of Pennsylvania is to be congratulated on its newest addition to its museum. Mr. President, I ask that the eloquent words of Sheldon Hackney, president of the university, on the occasion of the dedication of the Arthur Ross Gallery be printed in the RECORD.

The remarks follow:

THE ARTHUR ROSS GALLERY OF THE UNIVERSITY OF PENNSYLVANIA

(By Sheldon Hackney)

With this exhibition of works by Goya from the collection of the Arthur Ross Foundation we celebrate an invaluable new resource at the University of Pennsylvania and dedicate the Arthur Ross Gallery.

Arthur Ross has a long-standing friendship with the University of Pennsylvania where he studied and which has benefited from his interest in education and the arts as well as his habitual energy in working to make dreams become reality. His keen sense of what needs to be done has been felt primarily in New York where his programs for preservation and beautification have affected both the cultural life and the environment of the city. It is a matter of pride he has chosen to establish the Arthur Ross Gallery in Philadelphia, recognizing it as an appropriate means of enriching the learning experience at the University of Pennsylvania.

Through his generosity Arthur Ross has also completed a cultural triangle—almost a century in the making—at this University. Since it opened its doors nearly a hundred years ago the University Museum has become one of the leading archeological and anthropological institutions in the country. More recently, major art exhibitions have been displayed at the University at the Institute of Contemporary Art. Philadephia's major institution devoted to the new visual arts. The potential for extending these academic and aesthetic experiences at the University is evident. The campus community comprises an alert body of students and faculty and the Graduate School of Fine Arts attracts people with special creativity in a variety of fields: fine arts, planning, and design, and includes acclaimed creative artist and renowed names in landscape design and architecture among its professoriat. In recent years the University of Pennsylvania has also attracted increasing numbers of visitors from the city and the region by its offerings on campus. This was apparent in 1981 when Arthur Ross lent his set of the Caprichos and the Proverbios etchings by Goya for display in the print room of the Van Pelt Library.

Arthur Ross has thoughtfully answered an educational need by providing the gallery the University lacked for displaying its treasures and making possible a variety of exhibitions. He is further to be congratulated for his help in enhancing the University's ability to contribute to the aesthetic and intellectual life of the Philadephia region. He has the appreciation of all of us.●

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, we are notified that Members who wish to be involved in the debate on the pending amendment will not be able to be here until approximately 11 a.m.

RECESS UNTIL 11 A.M.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 11 a.m.

There being no objection, the Senate, at 10:19 a.m., recessed until 11 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. DURENBERGER).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

SHIPPING ACT OF 1983

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 47) to improve the international ocean commerce transportation system of the United States.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

Mr. STEVENS. Mr. President, if I might inquire of the Senator from Ohio and the Senator from South Carolina, it is my understanding that there is a unanimous-consent agreement that this amendment of the Senator from Ohio be set aside until the chairman of the Judiciary Committee (Mr. THURMOND) wishes to propose the amendments referred to in the agreement that he will offer on behalf of the Judiciary Committee.

I would like to inquire of the Senator from Ohio if he is prepared at this time for the Senate to proceed with the Judiciary Committee amendments.

Mr. METZENBAUM. I am.

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendment of the Senator from Ohio be temporarily set aside and that we now proceed to the Judiciary Committee amendments. First, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. Mr. President, the distinguished chairman of the Committee on the Judiciary (Mr. THURMOND), will offer, on behalf of the committee, a series of amendments. I ask unanimous consent that those amendments be in order notwithstanding the fact that they may touch the bill in more than one place.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

UP AMENDMENT NO. 4

Mr. STEVENS. Is the distinguished chairman ready to offer the amendments?

Mr. THURMOND. Yes, Mr. President.

On behalf of the Committee on the Judiciary, I am pleased to offer a package of amendments to S. 47 which address the antitrust implications of this bill. These amendments were unanimously adopted by the committee on February 22, following a hearing and intensive study. I am personally satisfied that these amendments substantially improve S. 47 and are unquestionably in the public interest.

Taken as a whole, these amendments reflect the various concerns

raised by the Federal Trade Commission in testimony before the committee. The amendments have also been reviewed by the administration, which agrees that they are consistent with the essential goal of S. 47, to increase the efficiency of our ocean shipping industry while addressing the antitrust concerns raised by the legislation as currently drafted.

Mr. President, I believe that the Committee on the Judiciary has faithfully discharged its responsibilities to oversee the antitrust laws as they concern S. 47. Let me assure this body that the committee will continue to study this legislation closely and monitor its progress.

Mr. President, I send to the desk these amendments that are being offered.

The PRESIDING OFFICER. The clerk will state the amendments.

The legislative clerk read as follows:

The Senator from South Carolina (Mr. THURMOND) proposes a series of amendments numbered unprinted amendment numbered 4.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendments be considered en bloc with the exception of one amendment which deals with the tariff exemption in existing law.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, it is my understanding now that there is a group of amendments to be considered en bloc, There is one amendment that is separated out, is that correct? That was the intent of what I asked.

The PRESIDING OFFICER. That was the intent of the request.

Mr. STEVENS. Mr. President, I ask for the yeas and nays on the first group of amendments that will be considered en bloc.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, it is my intention, once that vote takes place, to offer an amendment in the second degree to the remaining amendment of the Judiciary Committee. This vote will dispose of the overwhelming majority of the Judiciary Committee amendments.

I say for the benefit of the cloakrooms that that first block of amendments will probably be voted on sometime between, I would say, 2 and 3 p.m. this afternoon.

Mr. METZENBAUM. Mr. President, I just want for the moment to indicate my support for all of the amendments that have been offered by the distinguished chairman of the Committee on the Judiciary. These amendments, in my opinion, go a long way toward improving this bill. In all fairness and frankness to my colleagues in the Senate, they do not make the bill acceptable to the Senator from Ohio. However, I strongly urge Members of this body to support these amendments.

They certainly represent not only a consensus of the position of the Judiciary Committee but the unanimous position of the Judiciary Committee. I commend the distinguished chairman of the committee for his leadership in proposing these amendments in committee and offering them here, on the floor.

With respect to the one more controversial amendment which will be offered, as I understand it, by the distinguished Senator from Alaska, I am prepared to debate that at the appropriate point, when the amendment is offered.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quroum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, my request was that the Judiciary Committee amendments be considered en bloc; that they not be considered as one amendment but a series of amendments that will be voted on en bloc.

The understanding the Commerce Committee had with the Judiciary Committee was that they had a series of amendments, and we would like to have them reported as a series of amendments and then voted on en bloc with the exception of the one amendment that was pulled off.

I ask, may that be done?

The PRESIDING OFFICER. It can be accomplished by unanimous consent.

Mr. STEVENS. I ask unanimous consent that the agreement be carried out and those amendments not be considered as unprinted amendment No. 4 but as a series from No. 4 through how many numbers they have to have in order to carry out the agreement we made, and that those amendments be considered en bloc for the purpose of voting with the exception of that one amendment we set aside, which is the tariff amendment which will be a separate amendment.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The amendments are as follows:

UP AMENDMENT NO. 4

(Purpose: To amend the provisions relating to tariff filing and enforcement)

On page 65, line 23, strike out all after "item".

On page 76, beginning with line 21, strike out all through line 25 on page 77.

On page 78, line 1, strike out "(b)" and insert in lieu thereof "(a)".

On page 78, line 4, strike out "(c)" and insert in lieu thereof "(b)".

On page 79, beginning with line 6, strike out all through line 20 on page 80.

On page 80, between lines 21 and 22 insert the following:

(a) TARIFFS.—(1) Each controlled carrier shall file with the Commission, and keep open to public inspection, tariffs showing all its rates, charges, classifications, rules, and practices between all points or ports or its own route and on any through transportation route that has been established. However, common carriers shall not be required to state separately or otherwise reveal in tariff filings the inland divisions of a through rate. Tariffs shall—

(A) plainly indicate the places between which cargo will be carried;

(B) list each classification of cargo in use;

(C) set forth the level of freight forwarder compensation, if any, by a carrier or conference;

(D) state separately each terminal or other charge, privilege, or facility under the control of the carrier or conference and any rules or regulations that in any way change, affect, or determine any part or the aggregate of the rates or charges; and

(E) include sample copies of any loyalty contract, bill of lading, contract of affreightment, or other document evidencing the transportation agreement.

(2) Copies of tariffs shall be made available to any person and a reasonable charge may be assessed for them.

On page 80, line 22, strike out "(a) Controlled Carrier Rates" and insert in lieu thereof "(b) Rates".

On page 81, line 16, strike out "(b)" and insert in lieu thereof "(c)".

On page 82, line 14, strike out "(c)" and insert in lieu thereof "(d)".

On page 82, line 14, beginning with "Notwithstanding" strike out through "9(d), the" on line 15, and insert in lieu thereof "The".

On page 83, line 3, strike out "(d)" and insert in lieu thereof "(e)".

On page 84, line 3, strike out "(e)" and insert in lieu thereof "(f)".

On page 84, line 19, strike out "(f)" and insert in lieu thereof "(g)".

On page 87, strike out lines 9 through 11.

On page 87, line 12, strike out "(4)" and insert in lieu thereof "(3)".

On page 88, line 11, strike out the comma after "greater".

On page 88, line 12, strike out "less, or different".

On page 88, beginning with line 16, strike out through line 2 on page 89.

On page 89, line 3, strike out "(5)" and insert in lieu thereof "(2)".

On page 89, line 9, strike out "(6)" and insert in lieu thereof "(3)".

On page 89, line 21, strike out "(7)" and insert in lieu thereof "(4)".

On page 89, line 22, strike out "(8)" and insert in lieu thereof "(5)".

On page 90, line 23, beginning with "authorized" strike out through "tariffs" on line 24.

On page 97, line 3, strike out "Tariff Suspension" and insert in lieu thereof "Suspension of Right to Use Tariff".

On page 97, lines 4 and 5, strike out "(1), (2), (3),".

On page 97, line 5, strike out "or (8)".

On page 97, strike out all of line 6 after "suspend".

On page 97, line 12, beginning with "any" strike out through "or" on line 13.

On page 97, line 17, beginning with "under" strike out through "or" on line 18.

UP AMENDMENT No. 5

(Purpose: To eliminate the exemption for shippers' councils.)

On page 63, strike out lines 5 through 25.

On page 64, line 1, strike out "(d)" and insert in lieu thereof "(c)".

On page 67, strike out lines 4 through 19.

On page 67, line 20, strike out "(g)" and insert in lieu thereof "(f)".

On page 75, line 18, strike out "and".

On page 76, line 2, strike out the period and insert in lieu thereof "; and".

On page 76, between lines 2 and 3 insert the following:

(9) joint ventures established by small shippers to—

(A) consult and confer with any ocean common carrier or conference regarding general rate levels, charges, classification, rules practices, or services; and

(B) combine cargo with one or more small shippers for the purpose of obtaining time-volume rates and service contracts with ocean common carriers. For the purpose of this subsection, a small shipper shall be considered to be any shipper who in the normal course of its business (including any business conducted by a parent corporation or subsidiary that, in whole or in part, either controls or is controlled by such shipper) ships in international ocean transportation an annual average of not more than 35, forty-foot containers a month.

On page 78, line 6, strike out "shippers council" and insert in lieu thereof "shipper joint venture".

UP AMENDMENT No. 6

(Purpose: To clarify immunity for pooling marine terminal operators)

On page 62, line 26, after "services;" insert "and".

On page 63, strike out lines 1 and 2.

On page 63, line 3, strike out "(3)" and insert in lieu thereof "(2)".

On page 92, line 2, strike out "or".

On page 93, line 11, strike out the period and insert in lieu there of "; or".

On page 93, between lines 11 and 12 insert the following:

(4) boycott or take any other concerted action resulting

in an unreasonable refusal to deal.

UP AMENDMENT No. 7

(Purpose: To prohibit the pooling of net profits and losses)

On page 91, line 4, strike out "or".

On page 91, line 11, strike out the period and insert in lieu thereof "; or".

On page 91, between lines 11 and 12 insert the following:

(8) form or participate in a net profit or loss pool with other common carriers operating in the same trade.

On page 59, between lines 19 and 20 insert the following:

(17) "net profit and loss pool" means a pooling or apportionment of net profit or losses, or any similar arrangement that results in the participants sharing all or virtually all of their costs of operation, but the term does not include a pooling or apportionment of revenues in which each participant continues to bear his own costs even if such a pooling provides for certain adjustments to revenue or expense or results in the sharing of certain costs.

On pages 59 through 61, renumber paragraphs (17) through (28) as paragraphs (18) through (29), respectively.

UP AMENDMENT No. 8

(Purpose: to amend the remedy provisions.)

Beginning on page 95, line 22, strike through line 2, page 96 and insert in lieu thereof the following:

(f) REPARATIONS.—For any complaint filed within three years after the cause of action accrued, the Commission shall, upon petition of the complainant and after notice and hearing, direct payment of reparations to the complainant for actual injury (which, for purposes of this subsection, also includes the loss of interest from the date of injury) caused by a violation of this Act. Upon a showing that the injury was caused by activity that is prohibited by section 12(b) (5) or (7) or section 12(c) (1) or (4), or that violates section 12(a) (1) or (2), the Commission may direct the payment of additional amounts; but the total recovery of a complainant may not exceed twice the amount of the actual injury. In the case of injury caused by an activity that is prohibited by section 12(b)(6) (A) or (B), the amount of the injury shall be the difference, plus interest from the date of the injury, between the rate paid by the injured shipper and the most favorable rate paid by another shipper.

(g) INJUNCTION.—In connection with any investigation conducted under this section, the Commission, at its sole discretion, may request the Attorney General to bring suit in a district courts of the United States to enjoin conduct in violation of this Act after notice to the defendant, and upon a determination that—

(1) the Attorney General demonstrates substantial likelihood to prevail on the merits,

(2) irreparable injury would otherwise occur,

(3) issuance of the relief requested will not unduly harm the defendant or other persons, and

(4) the public interest would be served,

the court may grant a temporary restraining order or preliminary injunction for a period not to exceed ten days after the Commission has issued an order disposing of the issues under investigation. Any such suit shall be brought in the district in which the defendant person, partnership, or corporation resides or transacts business.

UP AMENDMENT No. 9

(Purpose: To amend the standard required for immunity)

On page 74, line 21, strike out "in the reasonable belief" and insert in lieu thereof "with a reasonable basis to conclude".

UP AMENDMENT No. 10

(Purpose: To assure a broader right of independent action from interconference agreements)

On page 66, line 25 beginning with "serving" strike through line 1 on page 67.

UP AMENDMENT No. 11

(Purpose: To amend the provisions regarding contract disputes)

On page 73, line 2 beginning with "In any" strike through "the contract." on line 5.

UP AMENDMENT No. 12

(Purpose: To reserve 5 percent of a shipper's tonnage to independent carriers)

On page 74, line 4, strike out "and".

On page 74, line 8, stike out the period and insert in lieu thereof "; and".

On page 74, between lines 8 and 9 insert the following:

(10) the contract shipper is permitted to utilize competing services for 5 percent or less of the shipper's tonnage that would otherwise be subject to the loyalty obligation.

UP AMENDMENT No. 13

(Purpose: To provide procedures to obtain needed information)

On page 70, line 3, strike out "a hearing" and insert in lieu thereof "an investigation and hearing".

On page 70, between lines 19 and 20, insert the following:

(f) INFORMATION.—At any time before the expiration of the forty-five day period referred to in subsection (a), the Commission, upon its own motion or motion of the complainant, may issue a subpena or discovery order for any additional information that it deems necessary to determine whether the agreement is in violation of this Act.

On pages 70 through 71 redesignate subsections (f) through (h) as subsections (g) through (i), respectively.

UP AMENDMENT No. 14

(Purpose: To restrain the Federal Maritime Commission from creating exemptions that would significantly lessen competition)

On page 103, line 22, before the period insert the following: "and is not likely to result in any significant lessening of competition in any trade serving the United States in which ocean common carriers operate".

UP AMENDMENT No. 15

(Purpose: To provide that once litigation on a Commission order has begun, the Attorney General has control over the subsequent proceedings)

On page 98, line 21, strike out "The" and insert in lieu thereof "Until a matter is referred to the Attorney General, the".

On page 99, line 6, strike out "the Commission shall" and insert in lieu thereof "the Attorney General may".

On page 101, strike out lines 19 through 23, and insert in lieu thereof the following:

(f) ENFORCEMENT OF NONREPARATION ORDERS.—In case of violation of any order of the Commission, or for failure to comply with a Commission subpena, the Attorney General or any party injured by such violation may seek enforcement by any United States district court having jurisdiction over the parties. If, after a hearing, the court determines that the order was properly made and duly issued, it shall enforce the order by an appropriate injunction or other process, mandatory or otherwise.

UP AMENDMENT No. 16

(Purpose: To give ample time for discovery of a violation)

On page 101, line 17 beginning with "1" strike out through line 18 and insert in lieu thereof "two years after the date of the violation of the order, or one year after the date the violation is known or reasonably should have been known.".

UP AMENDMENT No. 17

(Purpose: To clarify that certain carriers not previously permitted to engage in cartel activity, will not be so permitted under this Act)

On page 60, line 4, before the semicolon insert the following: ", or bulk cargo vessels".

On page 60, line 1, after "means" insert ", for purposes of this Act only,"

UP AMENDMENT No. 18

(Purpose: To amend the provision dealing with discussions of inland divisions of through rates)

On page 76, line 9, strike out "fixing" and insert in lieu thereof "discussing".

Mr. STEVENS. Mr. President, I want to call to the attention of the Members of the Senate, this is the first time we have had this situation this year. It is my understanding that amendments in the first degree must be filed with the clerk before 1 p.m. today if they are to be considered under the cloture rule, if cloture is voted tomorrow afternoon at 4 p.m. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. I hope Members will be on notice and that the two cloakrooms will notify Members that those amendments must be on file. It is the intention of the leadership to ask that we stand in recess between 12:30 and 1:30 p.m., so I now ask that filing of the amendments take place in accordance with the rule, notwithstanding the fact that we are in recess. Is that proper?

The PRESIDING OFFICER. It is in order by unanimous consent.

Mr. METZENBAUM addressed the Chair.

Mr. STEVENS. I ask unanimous consent.

Mr. METZENBAUM. May I?

Mr. STEVENS. Yes.

Mr. METZENBAUM. I do not wish to take issue with the acting majority leader, and I will be able to protect myself, but because it is just possible that some Members could be anticipating filing amendments until 1 p.m., I wonder whether the acting majority leader, when he takes the recess, could not at that point get unanimous consent that, notwithstanding the recess, any Member could file his amendments up until 1 p.m.?

Mr. STEVENS. That is what I am doing right now.

The PRESIDING OFFICER. That is the request of the acting majority leader.

Mr. METZENBAUM. Fine. I stand corrected. I withdraw my comments.

The PRESIDING OFFICER. Is there any objection?

The Chair hears none, and it is so ordered.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. The amendments, I believe, have been sent to the desk?

The PRESIDING OFFICER. The Senator is correct.

STATEMENTS ON UNPRINTED AMENDMENT NOS. 5 THROUGH 18

Mr. THURMOND. Mr. President, I should now like to make a statement on unprinted amendment No. 5, shippers' councils.

In order to balance the power of the carriers who are permitted to cartelize and enforce their agreements with the help of the Federal Maritime Commission, S. 47 provides similar antitrust immunity for shippers' councils. Thus, rather than restraining the activities of carriers, S. 47 deals with their increased power by letting the shippers get together to price fix and engage in anticompetitive activities as well. Unfortunately, this solution has the sorry outcome of expanding the evils of price fixing to another industry. When widget manufacturers are permitted to "mutually consult and exchange information of views regarding rates, charges, classifications, rules, practices, or services," under Section 4(c) of this bill, there is little to prevent them from slipping into a discussion about the price of widgets at the same time.

This is far too risky a "solution." Eliminating the U.S. enforcement of conference agreements is a sufficient limitation on their power so as to make shippers' councils unnecessary. Accordingly, this amendment eliminates the exemption for shippers' councils provided in S. 47.

Mr. President, I have a statement on unprinted amendment No. 6, antitrust immunity for marine terminal operators.

S. 47 grants blanket antitrust immunity for Marine terminal operators to fix rates, to participate in pooling agreements and to engage in exclusive or preferential working arrangements. While some antitrust immunity may be appropriate to balance the bargaining power of the conferences, there is no justification for permitting pooling agreements. Indeed, we have been informed by representatives of the marine terminal operators that they neither need nor want immunity for pooling. In addition to eliminating pooling, our amendment would assure that marine terminal operator's cannot use their immunity for preferential or exclusive agreements to engage in group boycotts of independent carriers by adding them to the group of persons prohibited from such behavior.

Mr. President, I have a statement on unprinted amendment No. 7, an amendment to prohibit net profit and loss pools.

Pooling of profit and losses can have no puprose or effect except to reduce competition between carriers within a conference. If just revenues are pooled, a carrier will still have the incentive to keep his costs down in order to maximize his profits. If profits and losses are pooled as well, even this incentive is lost. This amendment would, therefore, prohibit the pooling of net profits and losses by making participation in such pool a prohibited act under section 12(c) of the bill. The language of this amendment was agreed to as part of the House/Senate compromise reached last Congress.

Mr. President, I have a statement to make on unprinted amendment No. 8, strengthened remedies.

The elimination of treble damage antitrust liability must be balanced by meaningful and substantial penalties for violation of the Shipping Act. This amendment increases the reparations which must be paid if there is a violation of the Shipping Act. It is consistent with the House/Senate compromise of last Congress.

Mr. President, I have a statement with respect to unprinted amendment No. 9, objective standard for activity pursuant to unfiled agreements.

As originally drafted, S. 47 would have provided antitrust immunity for all agreements within the scope of the act, even if the agreement was never filed or effective. The Commerce Committee amendment added two requirements for immunity: That the agreement be filed and effective, or that there was "reasonable belief" that the actions were pursuant to a filed and effective agreement. Our amendment makes the standard more objective than the "reasonable belief" of the particular carrier involved.

Mr. President, I have a statement to make concerning unprinted amendment No. 10, to expand the right of independent action from intraconference agreements.

As currently drafted, S. 47 would limit the right of independent action from interconference agreements in accordance with the language proposed to be stricken. There does not appear to be any justification for this limitation. The amendment would assure a broader right of independent action from interconference agreements.

Mr. President, I have a statement to make on unprinted amendment No. 11, loyalty contract disputes.

Loyalty contracts are a means for shippers to obtain discounts from the standard conference rate in return for

shipping all or a specified part of their goods via the conference. Shippers, however, will sometimes allow their customers to choose the form of transportation for their goods. When a customer requests a nonconference carrier, an occasional dispute will arise as to whether the shipper has deliberately breached the shipper-conference loyalty contract by guiding the customer's choice. S. 47 creates a special burden-of-proof rule for this situation. The amendment strikes this rule in favor of standard contract law.

Mr. President, I have a statement to make on unprinted amendment No. 12, loyalty contracts, percentage limitations.

S. 47 would allow conferences to require 100 percent of a shipper's tonnage to be subject to a loyalty contract. This would have the tendency of eliminating competition from independent carriers in trades where loyalty contracts are prevalent. The amendment would reserve 5 percent of a shipper's tonnage to independent carriers.

Mr. President, I have a statement to make on unprinted amendment No. 13, information needs.

S. 47 contains no procedure for a complaining party to obtain additional information which may be needed to determine whether a filed agreement will result in a violation of this act or substantial injury to a third party. This amendment will provide such a procedure.

Mr. President, I have a statement to make on unprinted amendment No. 14, to require a competition test for FMC exemption authority.

Section 18 of the bill gives the Federal Maritime Commission broad authority to exempt any activity or class of agreements from any requirement of the act so long as to do so would not "substantially impair effective regulation by the Commission." This broad and vague standard would allow the FMC to rewrite the carefully crafted provisions of this legislation almost at whim. This amendment, which was included in last year's House/Senate compromise bill, would restrain the FMC from creating exemptions that would significantly lessen competition.

Mr. President, I have a statement to make on unprinted amendment No. 15, court enforcement of commission orders.

Congress has long recognized that the Attorney General has the authority to conduct the litigation of the United States. Numerous policy goals are effectuated by this centralization of litigation authority. S. 47 deviates from this policy by permitting the Federal Maritime Commission to assess civil penalties and change that assessment after litigation has commenced, to seek payment of penalties through the courts, and to represent itself in any court case. This amendment, while allowing the Commission to assess penalties and conduct proceedings to that end, provides that once litigation on a Commission order has begun, the Commission's authority terminates and the Attorney General has control over any subsequent proceedings.

This amendment is specifically requested by the Department of Justice on behalf of the administration.

Mr. President, I have a statement to make on unprinted amendment No. 16, statute of limitations for bringing an action.

It could well be difficult to bring an action within 1 year of the violation as S. 47 now requires. The amendment will give greater time for discovery of a violation while providing a cutoff mechanism if due diligence would have led to the earlier discovery of a violation.

Mr. President, I have a statement to make on unprinted amendment No. 17, clarification of application to bulk parcel tankers.

There are only four major bulk parcel tanker companies serving the U.S. trades. Accordingly, the Commission has consistently refused to permit them to engage in joint activity and they have never had antitrust immunity. S. 47 automatically confers antitrust immunity on bulk parcel tankers because they meet the definition of "ocean common carriers." The amendment will clarify that these carriers, which have never been permitted to engage in cartel activity, will not be so permitted under S. 47, by removing them from the definition of ocean common carriers. However, I wish to make it very clear that this exemption from the definition of common carriers is for purposes of this act only.

Mr. President, I have a statement to make on unprinted amendment No. 18, protection against abuses of intermodal rate-setting authority.

An intermodal or through rate is the amount charged for carrying cargo from a port or inland point all the way to its inland destination. For example, shipping from London to Kansas City—via the Port of New York—would be an intermodal transaction. The costs could be divided into the port-to-port division—London to New York—and the inland division—New York to Kansas City.

Under current law, individual carriers negotiate with truckers and railroads for the inland divisions of intermodal transportation. Obviously, this leaves a lot of bargaining room for the surface carriers. S. 47 permits the conference to set the intermodal rate. This raises serious competitive concerns for the trucking and railroad industries.

Even though the bill prohibits conferences from doing the negotiating, surface carriers fear that the individual carriers will function like agents of the conferences, with the conference's bargaining strength behind them. At the least, the surface carriers believe they will be disadvantaged if ocean carriers engage in discussing about their surface rates.

Also of concern is the risk of extending price fixing into these other types of transporation. During an era of deregulation and renewed competition in the trucking and railroad industries, it hardly seems appropriate to introduce private price fixing by the back door. Nevertheless, we recognize that shippers want to be quoted an intermodal rate, particularly as the use of containerized loads increases.

In an attempt to balance these concerns, we suggest an amendment to clarify that carriers may not discuss with their conference members the prices they are able to negotiate for the inland divisions of their routes. Thus, while the carrier may inform the conference of its proposed charge for the entire intermodal transport, which information the conference could use in setting the conference intermodal rate, it would still be up to each individual carrier to separately and confidentially negotiate its rates with the railroad and trucking companies.

STATEMENT ON UNPRINTED AMENDMENT NO. 4

Mr. President, I have a statement on unprinted amendment No. 4, tariff filing and enforcement.

Under current law, carriers are permitted to participate in conferences to set the terms and prices for carrying sea cargo. The FMC, however, must review these agreements to determine if they are "contrary to the public interest." Only after the FMC has determined that the anticompetitive restraint is required by a serious transportation need, is necessary to secure important public benefits, or is in furtherance of a valid regulatory purpose of the Shipping Act, will antitrust immunity be granted for the activity. The agreement is then filed with the FMC which has the responsibility for enforcing it.

S. 47 does away with the FMC's public interest review of the agreements. Instead, the bill grants blanket antitrust immunity (with two very limited exceptions) to any agreement which the carriers choose to reach. At the same time, S. 47 provides that the agreements will continue to be filed with and enforced by the FMC.

Both the administration and the Federal Trade Commission have concluded that this is going too far. We must agree. The Department of Transportation, submitted testimony to our committee on behalf of the administration on this issue. These are the administration's words:

The administration is, however, strongly opposed to the provision of S. 47 that would continue to require the filing of tariffs and

their enforcement by the Federal government. The government has no business enforcing the prices fixed by a private producer group. Doing so is not merely unnecessary—it introduces substantial inefficiencies in conference ratesetting and perpetuates problems of excess capacity.

It should also be noted that the UNCTAD Code, which has been signed by most maritime nations, requires publication and adherence to tariffs, so it is not necessary to file them with the FMC to make them public. S. 47, as amended by this committee, would clearly continue to prohibit unfair or unjustly discriminatory rates or other contract terms. Thus, there are plenty of protections for the small shipper, without having the U.S. Government in the business of policing private cartel agreements.

Mr. President, that completes my statement on the various amendments that were included in the package brought to the floor by the Judiciary Committee.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield.

Mr. STEVENS. I ask the Chair, is the excluded amendment, to which I want to offer my amendment in the second degree, UP amendment No. 4? Is that the way it shows up in the RECORD?

The PRESIDING OFFICER. It is the first part of the original UP amendment No. 4 and could be assigned the number 4.

Mr. THURMOND. It is UP amendment No. 4.

Mr. STEVENS, I ask unanimous consent that the understanding of the chairman of the committee be what is shown in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. THURMOND. I yield.

S. 47: THE SHIPPING ACT OF 1983

Mr. HATCH. Mr. President, as we begin debate on S. 47, I would like to express my opposition to the bill in its present form. The heart of my concern over this bill is the way in which it addresses competition. Since my first hours on this floor, 6 years ago, I have expressed my profound respect for the free enterprise system. As a basic economic policy, we reject the notion of giving control of commerce to either Government or to private cartels. I view our antitrust laws as a practical expression of our concern for economic democracy, and I have actively sought to insure the efficient operation of these laws.

I view the ability of the marketplace to determine prices as being infinitely wiser than any government authority. In addition to rejecting a nonmarket economy philosophy, our antitrust laws are designed to prevent individuals or firms from so controlling a part of commerce that they are able to substitute that control for the independent allocation of resources achieved by a competitive marketplace.

The bill before us strikes at these protections of our economic democracy. It permits an industry to cartelize, while granting the industry sweeping antitrust immunities.

Mr. President, for a wise purpose have our laws created a presumption against the policy of permitting cartels. Cartels, by their very nature, promote price-fixing conspiracy. Fixed prices discourage competition. And without competition, consumers suffer. I know of no historical rebuttal of these facts.

Based on the testimony of witnesses appearing before the Senate Commerce Committee and the Senate Judiciary Committee, and based on studies issued by the General Accounting Office and the House Republican Research Committee, I am not persuaded that circumstances in the shipping industry are so unique that carriers should be exempt from the greatest of our consumer protection laws, our antitrust laws. My concern, Mr. President, is over the increased prices of imported goods which will be paid by the consumers of Utah, and of every other State; increased costs which history, not theory, tells us will result from the operations of monopolistic power. My concern is over the increased costs of carriage which will be charged to the small shippers of Utah, and of every other State.

In the most recent testimony before the Senate Commerce Committee, Allen Ferguson, Chairman of the National Institute of Economics and Law testified that S. 47 "can be expected to impose costs of some billions of dollars per year on American consumers, farmers, workers and exporters."

Mr. Ferguson calculates that if conferences are able to raise tariff rates by 20 percent, the shipping costs of exports and imports, shipped on U.S. carriers would rise by $3 billion per year. Among shippers, the greatest disadvantage would fall on small- and medium-size shippers, those which predominate in Utah, and in every other State.

Subsequent testimony presented to the Senate Judiciary Committee by Thomas J. Campbell, Director of the Federal Trade Commission Bureau of Competition, is very precise on this point. He states,

I believe that consumer welfare is best served by a policy of promoting competition in ocean liner shipping.

He continues:

Further reduction or elimination of effective competition in liner shipping would be extremely unfortunate. The result would be to deny to U.S. exporters and importers, and ultimately U.S. consumers as well, the economic benefits of a competitive marketplace.

This language is clear and unmistakable.

The FTC Commissioners, comprised of three Republicans and two Democrats, authorized their Bureau of Competition, the antitrust enforcement arm of the FTC, to clearly state that S. 47, as reported by the Senate Commerce Committee, is inconsistent with the free enterprise system. They state that, in part, "S. 47 fails to provide necessary and feasible protections against cartel power."

I am concerned that we are allowing an institutionalized legislative precedent extending back over nearly 70 years to unreasonably dictate the final nature of this bill. The FTC testimony cites a survey conducted by the Canadian Government in 1982 which questioned Canadian users of ocean shipping services. More than 85 percent of the respondents were dissatisfied with exemptions granted to the cartels, and over half considered the marketplace to be the best regulator of the system. This FTC testimony should be closely read by my colleagues. For it not only states that S. 47 is seriously flawed, but it concludes that "unless these faults are corrected, the proposed Shipping Act of 1983 will inflict unnecessary injury on the American economy and the American consumer."

In addition to the testimony provided by witnesses, I would like to focus attention on a report by the House Republican Research Committee's Task Force on Congressional and Regulatory Reform, published July 14, 1982, entitled "The U.S. Maritime Industry: More Competition Is Needed".

This report concurs with President Reagan's acknowledgement that a strong U.S. merchant marine is vital as an "economic instrument for the support of U.S. interest abroad". The research committee's report emphatically supports the theory that the key to the development of a viable merchant marine and a way to offer the public quality liner service at the lowest possible price is through more—not less—competition.

Although our present open conference arrangements, regulated by the Federal Maritime Commission (FMC) have been inefficient and costly, the report states that increased cartelization can only have more serious economic consequences, and that exporters, importers, and consumers are likely to bear the brunt of less competitive policies through higher transportation and product costs. The report also postulates that less competitive policies may lead to carrier complacency and service quality to decline.

The report points out that advocates for cartelization have argued that

closed conferences have eliminated excess cargo space on their ships and result in effectively scheduled sailings. According to a 1981 University of Liverpool study, efficiency during the last 15 years has resulted primarily from the "introduction of new transport technologies and the associated development of intermodal transport systems."

Advocates of the closed conference system further argue that open conferences would not succeed because:

A high proportion of fixed costs in the industry would lead to destructive price wars, price collapse, bankruptcies, and eventual monopolization.

Shipping capacity could not adjust to cyclical shifts in demand.

Fleets operating as instruments of political and military power undercut conference rates so severely that these fleets would monopolize the industry. In addition, countries finding their lines squeezed out of particular trades would be compelled to protect their lines through subsidization and preferential cargo transport policies; thus, creating further inefficiencies.

Many of these same arguments were raised in other transportation industries, but successful deregulation suggests that fears of high fixed costs and an inability to adjust to demand changes are unfounded.

The report states: "Recent experience in airline, trucking and railroad industries indicate that domestic transportation can operate most efficiently in a free market. Many of these principles of competition can be applied to international ocean liner service. Theoretically, unfettered competition would balance liner supply and demand, apply downward pressure on rates, push out excess capacity, reduce costs, and produce optimal fare/service combinations." For example, the report cites "the oil tanker industry, where fixed costs are high but tankers are not arranged into conferences." The real cost of tanker service has declined steadily since World War II, while tanker fleet sizes have multiplied nearly twenty times," the report states.

In conclusion, the House Republican Research Committee said:

It is desirable for the United States to improve its merchant marine capabilities. Yet, the current proposal with its call for a closed conference system, free of antitrust prosecution is not the best way to achieve it. The more complete monopolization of liner trades makes some subsidization of U.S.-flag operators a tax placed on the backs of importers, exporters and consumers. U.S. ocean commerce can now best be served by free market forces as a result of technological advances, evidence of increased competition worldwide, and the successful deregulation in other transportation industries.

Finally, I would like to draw the attention of my colleagues to a recent report to the Committee on Merchant Marine and Fisheries of the House of Representatives by the Comptroller General of the United States (July 1982), which concludes that the circumstances and condition of the present U.S. merchant marine does not justify legislation designed to protect the industry.

The report analyzes one of the reasons why this bill is pending before Congress: "Concern about the condition of the U.S.-flag liner fleet." The picture painted by those supporting increased antitrust immunity suggests that recent developments are leading to a deterioration of our cargo liners. The GAO report concludes:

The evidence shows, however, that these developments are, in large part, attributable to the confirmation of a stagnent volume of U.S. liner cargoes, and the rapid adoption of container handling technology by U.S.-flag liner companies.

The report concludes that there are two alternatives for Congress to consider:

The first is to initiate more price competition by reducing or eliminating the antitrust immunity currently granted to shipping conferences. The second is to expand the antitrust immunity * * *. The first alternative would introduce more price competition and competition would consequently be of more value to shippers.

Thus, the GAO offers the conclusion that a reduction of antitrust immunity for carriers, the reverse of this bill, would provide greater competition, and that this competition would benefit shippers.

In addition to concluding that the U.S. merchant marine is not in the state of decay which many S. 47 advocates are proclaiming, the report states that "it appears that the U.S.-flag liner fleet is not in a state of general distress significant enough to justify a major revision of the Shipping Act." I view these as significant conclusions which persuasively argue against the merits of this bill.

Mr. President, I appreciate the opportunity which I have had to address my concerns over this bill. In earlier days, the Supreme Court rightly noted that our antitrust laws are the Magna Carta of American free enterprise. To suspend these laws, is an act, a statement of supreme import. It is only with the threat of grave consequences that such an act should be undertaken. I do not believe that the advocates of this bill have created a presumption favoring the suspension of our antitrust laws; certainly not to the degree delineated by S. 47.

For this reason, I must oppose the bill in its present form, and for this reason I supported and continue to support the Judiciary Committee amendments which will shortly be offered by the chairman of the Judiciary Committee, Senator THURMOND.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HATCH, I yield.

Mr. STEVENS. Mr. President, before the distinguished Senator leaves, and I do know he does have an appointment, will the Senator yield for a question?

Mr. THURMOND. I am pleased to yield for a question.

Mr. STEVENS. Mr. President, it is my understanding now that UP amendment 4 is the amendment to which I will offer my amendment in the second degree, and we will vote on all the other amendments the Senator has offered prior to that time. Is that the Senator's understanding?

Mr. THURMOND. Mr. President, that is correct.

Mr. STEVENS. Is that correct? I will ask the Chair.

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Very well.

I will say to the Senator that following the statement by the Senator from Washington (Mr. GORTON) we will recess at 12:30 p.m. Is the 1:45 p.m. time agreeable to the Senator for coming back in?

Mr. THURMOND. Yes.

Mr. STEVENS. I yield to the Senator from Utah.

Mr. HATCH. I would like to make a statement in support of the amendments of the distinguished Senator from South Carolina.

Mr. STEVENS. Would the Senator like to do it now?

Mr. HATCH. I would like to make that statement now.

Mr. STEVENS. Does the Senator from Washington have any objection?

Mr. GORTON. No.

Mr. THURMOND. Mr. President, let me explain to the Senator from Utah that I have made a statement on all the amendments. Senator STEVENS indicated he is about to offer an amendment to my UP amendment No. 4. Does the Senator want to speak on that or does he want to speak on the whole package?

Mr. HATCH. I want to speak on the whole package and then I will have some comments on UP amendment No. 4.

Mr. THURMOND. The Senator wants to speak on the whole package?

Mr. HATCH. That is correct.

Mr. THURMOND. I have no objection.

The PRESIDING OFFICER (Mr. MATTINGLY). The Senator from Utah.

Mr. HATCH. I thank the Chair.

Mr. METZENBAUM. Mr. President, will the Senator from Utah yield to me for a moment?

Mr. HATCH. I yield.

Mr. METZENBAUM. I rise to offer amendments to the bill and amendments to the committee substitute prior to the p.m. deadline.

The PRESIDING OFFICER. The amendments will be received.

Mr. METZENBAUM. I yield back the floor to my friend from Utah.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. STEVENS. Before the distinguished Senator from South Carolina, the chairman of the Judiciary Committee, leaves, it is my understanding that there were two amendments in the Judiciary Committee's original package which were proposed by the Senator from Louisiana (Mr. LONG) that have not been included; is that correct?

Mr. THURMOND. That is correct.

Mr. STEVENS. I have been requested to offer those as a separate amendment now, which would be another amendment, so that Senator LONG will be able to have them considered. Is there objection to that as far as the Senator from South Carolina is concerned?

Mr. THURMOND. We have no objection.

Mr. METZENBAUM. Mr. President, reserving the right to object—and I do not intend to object—it is my understanding that the Senator from Louisiana has one amendment having to do with recycling, the recycling industry. Would the Senator from Alaska be good enough to explain what the other amendment is?

Mr. STEVENS. It deals with permitting U.S.-flag carriers exporting from foreign states which would otherwise be unavailable to the carrier by reason of cargo reservation law trade practices of such state, and it was in the original Judiciary Committee.

Mr. METZENBAUM. This was one of the Judiciary Committee amendments?

Mr. STEVENS. It did not come out with the Judiciary Committee. It was in the Judiciary Committee package to be offered by the chairman we are talking about.

Mr. THURMOND. Mr. President, we did not include Senator LONG's amendments in our package.

Mr. STEVENS. I am misinformed. It was Senator LONG's understanding they were there, and I wish to offer them now in behalf of Senator LONG so that they will be considered in conjunction with the rest of those items.

Mr. METZENBAUM. I have no objection to the recycling amendment. I would like to have an opportunity to study the other amendment. I have no objection to it, but I am taken somewhat by surprise.

Mr. THURMOND. Senator LONG is not here, and just out of courtesy to him I think it is proper for the assistant majority leader to offer them.

Mr. STEVENS. I have not made the request that they be considered part of the package. I was misinformed. I do offer it and send it to the desk in behalf of the Senator from Louisiana, I offer this amendment for him that he will wish to address in connection with the matters before the Senate now, and I ask that it be printed, be given a number, and that the same courtesy be given to Senator LONG as given to the other amendments, and that they not be considered out of order even though they touch the bill in more than one place.

Mr. METZENBAUM. They would not be considered as part of the Judiciary Committee amendments.

Mr. STEVENS. Not at all.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENTS ON UNPRINTED AMENDMENT NOS. 5 THROUGH 18

Mr. HATCH. Mr. President, I would like to offer my full support to all of the amendments which have been offered by Senator THURMOND on behalf of the Judiciary Committee. As Senator METZENBAUM has previously noted, nearly 70 days of hearings have been held on this, or similar, proposed legislation over the past 6 years. Unfortunately, the Senate Judiciary Committee has only enjoyed 6 days of jurisdiction and has held one hearing—all within the past 2 weeks.

I would like to commend the chairman of the Judiciary Committee, Senator THURMOND, for obtaining temporary jurisdiction over this bill. He deserves particular credit for assuring the integrity of his committee's jurisdiction, and for convening witneses on very short notice. I would also like to note that the testimony of the witnesses he convened has been significant from an antitrust analysis point of view.

Others on the Judiciary Committee, in addtion to myself, have expressed a deep concern over the sweeping extension of antitrust immunity permitted by this bill. Without the chairman's efforts, these concerns would not have been addressed, and no committee action would have been possible.

Finally, I would like to commend the efforts by Chairman THURMOND in drafting a series of amendments designed to address some antitrust deficiencies and anticompetitive flaws of this bill. These amendments were reviewed by the full Judiciary Committee in executive session last Tuesday, February 22, and were unanimously adopted. While the committee members expressed reservations about reporting the bill, despite the THURMOND amendments, the record will reflect unanimity with respect to these amendments.

It is no secret that I have some real concerns about this bill with or without the Thurmond amendments, and I believe we have to be very, very careful before we make a choice to grant wide, sweeping antitrust immunities in any sector of our commerce.

I reserve any further remarks I have to make until we debate the major amendment which is in controversy. I thank the Chair and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, at some time before we vote, even on the series of amendments which are agreed to between the sponsors of the bill and the Commerce Committee on the one side and the Judiciary Committee on the other side, it is appropriate to have an explanation of the understanding of each set of interested parties on the meaning of those amendments.

The distinguished Senator from South Carolina, the chairman of the Judiciary Committee, has outlined a number of the amendments. As prime sponsor of the bill, I should like to do so as well, although I will simply take them one at a time and a number of those explanations or explanatory comments will not take place until after the recess at approximately 12:30 p.m. this afternoon.

In the order in which they have been presented, the first of the amendments, and one of the most significant, relates to shippers councils. The Commerce Committee, in reporting the bill, authorized the shippers councils for two separate purposes. One was simply to consult and to confer with on common carriers or with the conferences regarding general rate levels charges, rules, practices, and the like; and was open to all kinds of shippers, both large and small.

A second power of shippers councils in the Commerce Committee bill was actually to combine cargo and to negotiate rates for that combined cargo in order to give small shippers a greater voice in the way in which they were treated by carriers in international commerce.

There was a certain degree of objection to this set of propositions on the part of the Judiciary Committee, largely, I believe, because they were concerned about significant additional exemptions from the antitrust laws of the United States and were concerned that any such councils would be dominated by large shippers rather than by small shippers and that if push came to shove it would be the small shippers who would suffer.

After extended negotiations between the distinguished Senator from South Carolina, the chairman of the Judiciary Committee, and ourselves, the chairman suggested a change which I think is highly constructive and which is included in the package which is before the Senate right now. Instead of authorizing shippers councils, which is something new to the United

States, though not to Europe, the Judiciary Committee proposes to go to a more familiar concept and to allow joint ventures to be established by small shippers, for two separate purposes.

Before I go into those purposes, I should point out that this excluded the large shippers, the major chemical manufacturing companies and the like, from any ability to engage in joint action among competitors. The theory of course is that these large shippers have enough market share and enough economic power to negotiate the best possible deal with ocean common carriers without having to join with their competitors in order to do so.

Small shippers are rather specifically defined in the proposal which the Judiciary Committee now makes to be shippers who, during the course of the year, average no more than 35 40-foot containers per month being shipped during the course of the normal business of each of those organizations. Those small shippers are allowed to form joint ventures for two purposes. The first is to consult and confer either with an individual ocean common carrier or with the conference regarding general rate levels, charges, classifications, rules, practices or services; that is to say, the entire mix of services which ocean common carriers offer to their customers. And then more specifically those small shippers are allowed to combine cargo with one or more of their own membership for the purpose of obtaining time volume rates and service contacts with ocean common carriers.

This is, of course, an important improvement over present circumstances. It clearly will enhance the ability of the small shippers who join in these joint ventures to get the best possible rates for the shipment of their goods and to see to it that they are in no way discriminated against by either large shippers or by the common carriers who are members of conferences or, for that matter, who are independents and are not members of conferences at all.

I should emphasize at this point, of course, that there is no requirement on any small shipper for joining into such a joint venture, but the people representing small shippers who appeared before the Commerce Committee indicated a very, very significant desire to engage some kind of organization of this sort so that they could gain the advantages of any efficiencies in operation and lower costs of operation on the part of common carriers which would result from the passage of S. 47.

As a consequence, speaking for myself, but I think reflecting the views of the majority of the members of the Commerce Committee, I would point out that this is probably an improvement over the bill as it was reported by the Commerce Committee and we are delighted to accept the shift from shippers councils to joint ventures limited to small shippers, which is contained in the amendments on which we will vote in a relatively short period of time.

Mr. METZENBAUM. Mr. President, on behalf of Senator HATCH, who I know had intended to qualify his amendment—it has been pretty relaxed about permitting amendment to be considered—he has an amendment that he intended to ask that it be considered germane for purposes of this measure and I, therefore, on his behalf, ask unanimous consent that it be considered germane.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECESS UNTIL 1:45 P.M.

Mr. BAKER. Mr. President, for the reasons which have been stated on the floor, I believe, it appears that the schedule of the Senate will be expedited if there could be a brief recess at this time. I ask unanimous consent that the Senate recess at this moment until the hour of 1:45 p.m. today.

There being no objection, the Senate, at 12:32 p.m., recessed until 1:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COHEN).

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

Mr. President, on Thursday last, the distinguished Senator from Ohio, Senator METZENBAUM, indicated on the floor that he anticipated that there would be votes on amendments on today, Monday; that they should be expected early, as I recall, and that there would be an objection to stacking the votes, all of which I understand and which were entirely proper to protect the position the Senator from Ohio was asserting.

It now appears, however, that we will deal with 14 of the amendments today, en bloc, perhaps, and a rollcall vote has been ordered on those amendments, one rollcall vote.

But I am now told that we have not ascertained any opposition to those votes. If that is the case on the other side, there is simply no reason to have a rollcall vote. I will not do it now so Senators will have a chance to register their objection, if they wish to, but later today, and before the vote occurs, I plan to ask unanimous consent to vitiate the yeas and nays on the vote.

Mr. METZENBAUM. Mr. President, if the floor leader will allow me to express my thoughts on this subject, I have no objection to vitiating the votes on the agreed-upon amendments, and I ascertain it would be a good procedure that we get on about our business in connection with this measure. I am prepared to move forward and do so.

The Senator from Alaska has an amendment that may entail some debate, but I would be prepared, at least for myself, to vote on that at 3:30 or 4 p.m. this afternoon. I then have an amendment that is pending. I would be prepared to vote on that immediately after the vote on the Stevens amendment. I am concerned. We have a cloture vote tomorrow. We have a limited time for debate tomorrow. I have a number of amendments that I am prepared to call up, am ready to call up. I am concerned that we are running out of time without anybody being particularly involved. But I think that cloture quite often is invoked by reason of the fact that there is some extended debate in order to bring it to a conclusion. It is not normally invoked to preclude a Member from calling up legitimate amendments that are germane. I do have a number of those.

I am concerned that tomorrow morning when we come in at 11:30 a.m. and recess from 12 to 2 p.m., from 2 to 4 p.m. having controlled time. I am simply attempting to point out to the leadership that I do not think it is his intention to deny any Member from asking for a vote.

I know the distinguished Senator from Utah has an amendment that he expects to call up.

All of this makes me believe that we ought to get on about our business and take the amendments that are noncontroversial, debate the Stevens amendment, agree to vote on it at 4 p.m., if that suits the leader's purposes, and debate the next amendment and vote upon that immediately thereafter. Senator HATCH has an amendment. Perhaps we can stack that up and vote on it. I know I have discussed stacking amendments, but it is obvious that we have not moved forward today. I am willing to expedite this decision with respect to amendments, having an opportunity to call up subsequent amendments.

Mr. BAKER. Mr. President, we came in today at 10 a.m., so that we would have time for Members to offer their amendments. It is now almost 2 p.m. Maybe it is just that it is Monday, but, really, I cannot ascertain that an awful lot has gone on between 10 this morning and 2 this afternoon. I do not know how much longer we will be in this afternoon. Perhaps I should have tried harder to get a time agreement on other amendments, or a time-certain vote. That would have expedited things. I doubt that I would have gotten an agreement on Thursday.

I am anxious to finish this bill. There are other things that must be done. It is the intention of the leadership yet this week to call up the Montreal protocols, if it is possible to do so,

and to try to deal with that sticky issue. There are other things backed up that argue forcibly that we finish this bill as fast as possible. But at least we have a cloture vote on for tomorrow at 4 p.m.

I am perfectly willing to change the order for the convening time tomorrow, which is now 11:30 a.m., I believe, to make it earlier if that will help. As far as I am concerned, I am prepared to stay in today as long as it appears useful to do so. I am even bold enough to suggest that maybe we could arrange the rest of the schedule on this bill, including a time certain for the vote on the remaining amendments and passage. I sense a certain stiffening in the jaw of the Senator from Ohio at this point, which indicates to me that may be unlikely. I heard him mumble that that was a perceptive understanding.

Mr. METZENBAUM. The Senator from Ohio is prepared to move forward. If the Senator from Alaska is prepared with his amendment, I am prepared to agree to a time certain on that amendment, subject, of course, to the agreement of the chairman of the Judiciary Committee. I have no objection to agreeing to vote on that at a time certain, nor do I have any objection to agreeing to a time certain on my amendment that is pending.

I guess, of the Senator from Utah—though I have no way of knowing—that he would be willing to agree to a time certain on his amendment. I do not think there is any effort on the part of those of us who are opposing this bill at this point to forestall some of these matters being brought to a conclusion.

Mr. BAKER. Mr. President, there is one aspect of the leadership of the Senate that I have learned from bitter experience. That is when to withdraw from the field of battle. I have a feeling now, and it is coming through to me strong, that it is time for me to withdraw from this conversation and return to the debate on the issue between the managers of the bill.

The Senate has many traditions. One of the new and growing traditions is the ability of the Senator from Ohio and the Senator from Alaska to resolve their differences. They do it sometimes with some gusto, but I have observed that sometimes, the Senator from Ohio and the Senator from Alaska have learned to resolve their issues. That may strain the generic meaning of the word, "issue," but it serves to dispatch the matter.

Mr. President, I am going to withdraw from the floor after repeating what I said before, that I am going to ask the Senate to stay in today as long as we can productively utilize the time. I am disappointed we have not done so by now. I asked the Senate to come in at 10 a.m. today, which is very unusual for Monday, owing to the various problems of Senators returning from the break.

I am prepared to change the order for the Senate to convene tomorrow at 11:30 a.m., if that seems useful to the purpose, which is to give Senators time to offer amendments which might not be disposed of today. I am prepared to shop for unanimous-consent agreements on amendments on this bill.

Having said all that, Mr. President, I am going to yield the floor in the hope that the Senator from Alaska (Mr. STEVENS) and the Senator from Ohio (Mr. METZENBAUM) may engage once more in the highly enthusiastic debate for which they are both noted.

Mr. METZENBAUM. Mr. President, what is the pending order of business?

The PRESIDING OFFICER. The question is on unprinted amendment Nos. 5 through 18 en bloc.

Mr. METZENBAUM. Would the Senator from South Carolina, the distinguished chairman of the Judiciary Committee, state whether he is prepared for a vote to be taken in connection with all his amendments, with the exception of the one that is in controversy with the Senator from Alaska?

Mr. THURMOND. In reply to the distinguished Senator from Ohio, I say that when we offered this package of 15 amendments, they agreed to accept 14 of them. If they want a rollcall, it is all right with me. I do not think it is necessary, however. The other one can be debated. I believe they said something about going over until tomorrow on that one.

What is the wish of the majority leader?

Mr. BAKER. Mr. President, before I answer the question of the distinguished President pro tempore, could I inquire of my friend, the minority leader, if he knows of any objection on his side or if he has an objection to vitiating the yeas and nays on this package?

Mr. BYRD. I have no objection, Mr. President. We have contacted our people through the cloakroom. We have no objection to vitiating the rollcall.

Mr. BAKER. Mr. President, I am ready to indicate we have no objections to vitiating the rollcall, so if no Senator now on the floor will object, I ask unanimous consent that the order for the yeas and nays on the amendments be vitiated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, once again, I wonder if that answers now the question put to the Senator from South Carolina?

Mr. THURMOND. The question was whether I wanted to vitiate the yeas and nays, to which I answered we have no objection.

Mr. BAKER. I wonder if the managers are ready to go forward now with the adoption of the amendments?

Mr. THURMOND. We are ready to go forward with those 14 that have been agreed upon.

Mr. GORTON. Mr. President, because there are 14 of these amendments and because they are somewhat technical in nature and should be explained on the RECORD, I shall take a few more minutes to discuss 13 of them. One of them, perhaps the most significant, I discussed before the luncheon break, with the indulgence of the Senator from Ohio. Those remarks are on their way to the floor now. I should be able to start my remarks on that subject within the next 2 or 3 minutes.

Mr. METZENBAUM. Would the Senator from Washington indicate the kinds of things that can be adopted in the Judiciary Committee absent the ones in controversy?

Mr. GORTON. I cannot imagine the remarks I would have would last beyond 2:30 p.m.

Mr. METZENBAUM. I hope we can adopt these. I hope we can then proceed to the Stevens amendments, with the exception of the one amendment still in controversy, and that we shall be in a position to vote that up or down as rapidly as possible. I am prepared to move forward.

Mr. GORTON. I would prefer that the vote on the Stevens amendment, which I assume will be a rollcall vote, be deferred until tomorrow because of the large number of absentees here. I think it is better to be debated and the Senator from Alaska and I are prepared to do so. I think it would be better if, upon conclusion of the debate on that in the next couple of hours, we nevertheless would debate an additional amendment before going on to vote.

Mr. METZENBAUM. I hope we can get on and move as promptly as possible, because I have a number of other amendments to call up before the cloture vote. As the Senator well knows, I cannot do that very well as long as this matter is pending.

Mr. GORTON. I believe I am not subverting any understandings if I agree to allow the Senator from Ohio to do just that, exactly as we debated one of these amendments on Friday last, with the understanding that it would not be voted upon until all of the Judiciary Committee amendments have been disposed of. I am sure we can go on the same basis this afternoon.

Mr. METZENBAUM. Let us see how far we can go, Mr. President. The more rapidly the Senator can go, the more prepared I am to cooperate. I hope he will not be delaying so we will not have to invoke cloture.

Mr. GORTON. Mr. President, my statement on these amendments is on its way here. For a very brief period, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

Mr. GORTON. Mr. President, before the break for lunch I had discussed one of the amendments presented by the Judiciary Committee, that relating to the substitution of joint ventures among small shippers for shippers councils.

I will now proceed to discuss the other amendments which have been agreed to between the Judiciary Committee and the Commerce Committee and outline their impact on the bill and the business which is the subject of this bill.

The next amendment deals with antitrust immunity for marine terminal operators, as that immunity was included in S. 47 as reported by the Commerce Committee.

The Judiciary Committee, in contrast, proposed that pooling agreements between marine terminal operators be removed from the scope of antitrust immunity offered by S. 47.

This amendment on the part of the Judiciary Committee is acceptable to me and to the distinguished Senator from Alaska and the members of the Commerce Committee because we understand that section 4(b)(1) will operate to permit marine terminal operators to enter into arrangements with vessel operators which vary rates with the volume of cargo offered.

The next Judiciary Committee amendment deals with intermodal rate setting authority.

The Senate will remember that on Friday we discussed a proposed amendment by the Senator from Ohio (Mr. METZENBAUM) which would strike any authorization for conferences to set intermodal rates, that is to say rates which would also include a segment of land transportation within the United States.

The Judiciary Committee, however, does have an amendment on that subject which is somewhat more restrictive than the form of the bill as it was reported by the Commerce Committee.

The Judiciary Committee amendment on intermodal rate setting authority would clarify the proposition that carriers may not discuss with their conference members the prices they are able to negotiate for the inland portions of their routes.

The Commerce Committee has consistently been of the view that conferences should be authorized to set and publish intermodal through rates. We have, at the same time, stated that conferences should not be allowed to use their market power to negotiate divisions of through rates with individual inland carriers. Only individual ocean carriers should be allowed to negotiate the inland portion of intermodal rates with individual inland carriers, and that is the purport of this amendment and of the bill as it will be amended by the Judiciary Committee's proposal.

Once such an agreement has been made it may be adopted by the entire conference.

We understand the Judiciary Committee amendment to be a clarification of these principles but not one which restricts or limits a conference's authority to set and publish through intermodal rates when the procedure which I have outlined has been followed.

The next amendment the Judiciary Committee has proposed and to which we have acceded deals with a percentage limitation on loyalty contracts.

A loyalty contract is an arrangement by which a shipper receives a prescribed, but lower, freight rate in exchange for a contractual commitment on the part of the shipper to ship with a particular carrier or conference. Those prices may be lower by amounts up to 15 percent.

Section 7 of S. 47 continues to provide for such loyalty contracts modeled on existing law. There are a number of changes in S. 47 but none would alter the cargo requirements of such agreements. Indeed, the effectiveness of the loyalty contract system as a tying device has been severely questioned in the past.

Loyalty contracts promote stability in the ocean transportation of our international trade and therefore ultimately result in lower costs for the American consumer. This delicate balance would have been drastically altered by the original Judiciary Committee amendment which would have further weakened the effectiveness of such loyalty contracts. The current proposed amendment would authorize a contract shipper under a loyalty contract nevertheless, to utilize competing services for not more than 5 percent of the shippers tonnage which would otherwise be subject to the loyalty obligation and, therefore, frees up the situation for somewhat more competition.

The next Judiciary Committee amendment deals with disputes relating to loyalty contracts.

The Judiciary Committee's amendment strikes the language setting out breach of contract rules in connection with loyalty contract disputes.

We understand, and I speak for myself and for the Commerce Committee, that that amendment does not in any way preclude such provisions from a loyalty contract itself. Obviously, a shipper and carrier should be free to negotiate whatever terms they desire.

The amendment would have normal contract law govern any such dispute in the absence of provisions covering the special breach of contract rules which are contained in the loyalty contract itself.

The next Judiciary Committee amendment has to do with the method by which orders of the Federal Maritime Commission are enforced in the courts of the United States. Essentially the amendment causes that enforcement to take place by litigation brought on behalf of the Federal Maritime Commission by the Department of Justice as opposed to the provision in S. 47 and pursuant to which the Federal Maritime Commission could represent itself through its own counsel.

The Judiciary Committee amendments to S. 47's provisions in this regard are certainly acceptable to us.

In point of fact, speaking for myself at this stage, as a former State attorney general, I generally favor consolidating the litigation responsibilities of the Federal Government in the Department of Justice and not in the individual agencies.

The committee does not interpret the amendment to effect any change or diminution in the existing authority of the Federal Maritime Commission to assess penalties, to compromise claims, or to represent its interests in appellate review proceedings arising under the Hobbs Act.

The next amendment by the Judiciary Committee would prohibit net profit and loss pools.

The Commerce Committee associates itself with the remarks of the distinguished Senator from South Carolina on the Judiciary Committee amendment which would prohibit net profit and loss pools.

The Commerce Committee recognizes the potential loss of the incentives of a carrier who is a party to such a profit and loss pool.

As a matter of interest, this provision was a topic of discussion during the 97th Congress and was an agreed part of legislation which passed the House of Representatives late during the 97th Congress but which was not disputed or debated on the floor of the Senate.

The next amendment has to do with the ability of the Federal Maritime Commission to require clarifying information. The proposal of the Judiciary Committee would state that the Federal Maritime Commission's ability to require information which has been submitted to it to be clarified is one which is consistent with the intent of S. 47.

It should be clear that the ability of the Federal Maritime Commission to subpena information in the 45-day period following the filing of an agreement will not cause undue delays of the processing of such agreements, and it must be at the request of a private person and not a Federal agency.

The final Judiciary Committee amendment with which we are dealing at this time amends the standard required for gaining immunity under the antitrust laws. The amendment of the Judiciary Committee would strike the language "in the reasonable belief" and insert in place thereof the language "with a reasonable basis to conclude."

Some background in respect to the past erosion of antitrust immunity first established by the Shipping Act of 1916 is probably useful and appropriate at this point in this debate.

For the first 50 years, after enactment of the Shipping Act of 1916, the courts held that the antitrust laws did not apply to liner conferences and agreements, and that the Shipping Act provided the exclusive remedies for unapproved activities which were within the scope of section 15 of the act.[1]

In 1966, the Supreme Court overturned 50 years of precedent in the Carnation case.[2] The Court held that Congress had not intended to grant the shipping industry total antitrust immunity and therefore that the implementation of ratemaking agreements which were later found not to have been approved by the Commission was subject to the antitrust laws. For the first time liner carriers found that the Shipping Act did not provide the exclusive remedy for alleged wrongs. Carriers were exposed to treble damages and penalties if they acted collectively in a way later found to have been outside the scope of their approved conference agreement.

In the Sabre case,[3] the antitrust exemption was further eroded. In that case, the Court held that even though the conference lines were operating pursuant to approved agreements, the particular rates which they agreed upon were so low as to be "detrimental to the commerce of the United States." The antitrust immunity conferred by approval of the conference agreement was retroactively found not to apply. Thus, where particular rates were later found to be unlawful under another provision of the Shipping Act, the act of agreeing upon those rates was subject to the full force of the antitrust laws.

I should emphasize that in this case the gravamen of the case was that rates were too low, not too high.

In the same year, it became increasingly more difficult for shipping conferences to obtain approval of their agreements. In the Svenska case,[4] the Supreme Court upheld a Commission decision that agreements which interfere with the policies of the antitrust laws will be approved only if the proponents can factually demonstrate that the agreement is required by a serious transportation need, necessary to secure important public benefits, or in furtherance of a valid regulatory purpose of the Shipping Act.

Thus, Svenska and subsequent cases have completely done away with the presumption of approvability which Congress intended to attach to agreements relating to international ocean shipping. Commercial standards for approval have been replaced with antitrust and regulatory standards.

As a result, the section 15 antitrust exemption of the Shipping Act has been seriously eroded, and shipping conferences act at their peril in conducting the very activities for which they were organized.

Conferences are encouraged to act collectively if they can surmount the hurdles which stand between their desire to act and Commission approval. When they do act after such Commission approval, they are in constant danger of retroactive application of antitrust penalties. Carriers and conferences are now unable reliably to predict that actions might later be found to have violated the antitrust laws.

The intent of these provisions is to confer antitrust immunity on agreements and conduct properly submitted to the regulatory process of the act. It confers no immunity on secret or covert conduct, on agreements that are not filed and in effect, and on conduct that is not undertaken with a reasonable basis to conclude that it is pursuant to an agreement. It is intended that this test allow latitude for good faith errors of judgment, particularly in situations in which the dividing line between prohibited and authorized conduct under the Shipping Act cannot be drawn with precision. At the same time, this test, though subjective, is limited by the objective test that the actor's belief be with a reasonable basis to conclude that the conduct is pursuant to a filed agreement. It is the intent however to resolve conflicts between the Shipping Act and the antitrust laws in the maritime sector in favor of Shipping Act jurisdiction.

Once the requirements of sections 5 and 6 have been met, activities pursuant to such agreements or undertaken or with a reasonable basis to conclude that such activities are pursuant to such agreements, are subject solely to the Shipping Act. Only the standards, remedies, and penalties of this legislation will apply. Carriers operating in the U.S. foreign commerce will no longer face a dual risk of being regulated under both the Shipping Act and the antitrust laws for their conference activities. This is intended to be a broad exemption from the antitrust laws for the activities outlined therein.

The amendment on the part of the Judiciary Committee is appropriate and should be adopted.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NOS. 5 THROUGH 18 AGREED TO, EN BLOC

Mr. THURMOND. Mr. President, what is pending before the Senate?

The PRESIDING OFFICER. The question is on agreeing to unprinted amendments numbered 5 through 18, en bloc.

Mr. THURMOND. Is that 14 amendments?

The PRESIDING OFFICER. The Senator is correct.

Mr. THURMOND. Mr. President, I move the passage of the amendment.

The PRESIDING OFFICER. The question is on agreeing to unprinted amendments numbered 5 through 18, en bloc.

The amendments (UP Nos. 5 through 18) were agreed to, en bloc.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 4

(Subsequently numbered amendment No. 467.)

The PRESIDING OFFICER. The question is on unprinted amendment No. 4.

Mr. GORTON. Mr. President, the Senator from Alaska (Mr. STEVENS) will have an amendment to this amendment and will call that up as soon as he arrives on the floor. While we await his arrival, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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[1] *See United States Navigation Co.* v. *Cunard Steamship Co.*, 284 U.S. 474 (1932) and *Far East Conference* v. *United States* (342 U.S. 570 (1952)).

[2] *Carnation Co.* v. *Pacific Westbound Conference*, (383 U.S. 213 (1966)).

[3] *Sabre Shipping Corp.* v. *American President Lines, Ltd.*, 285 F. Supp. 949 (S.D.N.Y. 1968), *aff'd sub nom. Japan Line, Ltd.* v. *Sabre Shipping Corp.*, 407 F. 2d 173 (2d Cir.) cert. denied. 395 U.S. 922 (1959).

[4] (*Federal Maritime Commission* v. *Aktiebolaget Svenska Amerika Linen*, 390 U.S. 238 (1968)).

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I am glad the Senator from Washington came to the floor. I would like to make an inquiry of him and tell him that I am about to offer a unanimous-consent request and I wish to explain it.

As the Senator well knows, I have a number of amendments that I am prepared to call up, one of which is actually pending, and I am prepared to call up a number of others.

I know that we have agreed that the amendment of the Senator from Alaska will be called up next and that we vote on it. That is agreeable with me. It is also my understanding that Members on the other side of the aisle have indicated that they prefer not to vote this afternoon on the amendment of the Senator from Alaska. That is agreeable with me, provided that the Senator from Ohio is given an opportunity to call up his amendment and get them to a vote before cloture.

We are under a limited time tomorrow. It is for that reason that I hope the Senator from Washington will understand the unanimous-consent request I am about to make and will be sufficiently accommodating so that I may go forward with my amendments without in any way diminishing the rights of those who are on the opposite side of the aisle or on the opposite side of the issue from me.

Mr. GORTON. Will the Senator yield?

Mr. METZENBAUM. I yield.

Mr. GORTON. How many such amendments are there?

Mr. METZENBAUM. Six, in addition to the one——

Mr. GORTON. We are speaking, then, of seven amendments on which there would be rollcall votes in addition to the amendment by the Senator from Alaska?

Mr. METZENBAUM. Yes. My unanimous-consent request would be that if we can get them to a rollcall vote, and I am prepared to move very rapidly to a rollcall vote on them after the amendment of the Senator from Alaska is disposed of and after the first amendment of the Senator from Ohio is disposed of, if we can get them to a vote, fine, and if not, I am asking unanimous consent that they be voted on immediately prior to the cloture vote.

Mr. GORTON. The Senator from Washington really is not able to answer that question of the Senator from Ohio since that is a question more properly directed to the majority leader. I will ask that he be called to the floor to deal with that.

In the interest of clarification, while we are waiting for the majority leader, however, I might ask the Senator from Ohio whether or not, recognizing that the Senator from Alaska does not wish to have his amendment voted on this afternoon, we might nevertheless go through debate on each of the additional six amendments of the Senator from Ohio during the course of the day today even though we were going to vote on all or most of them tomorrow before cloture?

Mr. METZENBAUM. We certainly can debate most of them and I think debate all of them. It is my understanding that there are some Members on both sides of the aisle who would like to be out of here by 4:30 or 5 p.m. I am agreeable to that as well. I do not believe that the amendments that I have are complicated. I think I might speak for just a few minutes to explain them and the Senator from Washington might want to speak for several minutes, indicating his opposition.

Mr. GORTON. I hope we could spend this afternoon in debate and not simply quorum calls. We will see whether or not we can make such an arrangement which would allow enough debate on each of these issues and also for a greater presence of Senators in attendance.

Mr. METZENBAUM. I did not want to press the issue this morning. I will wait for the arrival of the majority leader.

Mr. GORTON. If the Senator will await the arrival of the majority leader, I would appreciate it.

Mr. METZENBAUM. I certainly will.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

Mr. STEVENS. Mr. President, it is my understanding that the amendment of the distinguished Senator from South Carolina is now pending, that amendment being committee unprinted amendment No. 4. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

UP AMENDMENT NO. 19

(Subsequently numbered amendment No. 468.)

Mr. STEVENS. Mr. President, I send to the desk an amendment to that amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes an unprinted amendment numbered 19.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment is as follows:

Strike on page 1, line 1 through line 9.

Strike on page 1, line 12 through line 14 on page 4.

Strike all on page 1, line 11, and insert in lieu thereof the following: "common carrier by water in foreign commerce or conference of such carriers shall charge or demand or collect or receive a greater or less or different compensation for the transportation of property or for any service in connection therewith than the rates and charges which are specified in its tariffs on file with the Commission and duly published and in effect at the time; nor shall any such carrier rebate, refund, or remit in any manner or by any device any portion of the rates or charges so specified, nor extend or deny to any person any privilege or facility, except in accordance with such tariffs: *Provided, however,* That the Federal Maritime Commission may in its discretion and for good cause shown permit a common carrier by water in foreign commerce or conference of such carriers to refund a portion of freight charges collected from a shipper or waive the collection of a portion of the charges from a shipper where it appears that there is an error in a tariff of a clerical or administrative nature or an error due to inadvertence in failing to file a new tariff and that such refund or waiver will not result in discrimination among shippers: *Provided, further,* That the common carrier by water in foreign commerce or conference of such carriers has, prior to applying for authority to make refund, filed a new tariff with the Federal Maritime Commission which sets forth the rate on which such refund or waiver would be based: *Provided further,* That the carrier or conference agrees that if permission is granted by the Federal Maritime Commission, an appropriate notice will be published in the tariff, or such other steps taken as the Federal Maritime Commission may require, which give notice of the rate on which such refund or waiver would be based, and additional refunds or waivers as appropriate shall be made with respect to other shipments in the manner prescribed by the Commission in its order approving the application: *And provided further,* That application for refund or waiver must be filed with the Commission within one hundred and eighty days from the date of shipment.".

Mr. STEVENS. Mr. President, this amendment provides a compromise of the final remaining issue between the legislation reported by the Commerce and Judiciary Committees. It concerns the filing and enforcement of tariffs. Adoption of this compromise I think would permit us to proceed with this long overdue legislation.

The Judiciary Committee amendment would revise some of the provisions of the Commerce Committee bill to in effect repeal the requirement that carriers publicly file and adhere to tariffs. Probably no amendment has been more contentious or divisive. The intent of the amendment, like all others proposed by the Judiciary Com-

mittee and accepted by the floor managers of S. 47, is to promote competition. There is widespread concern that instead the amendment would result in discrimination against small ports and small businesses, preclude enforcement against foreign shipholders, and disadvantage U.S. exporters.

Although there has been some support for the Judiciary Committee's position, the amendment has been strongly opposed by the U.S. ports, the carriers, U.S. labor, and others involved in this issue.

Given this impasse, it seems to me the sensible approach is to compromise and simply retain existing law without change while proceeding with the rest of the changes in the Shipping Act that are widely supported by all of the affected parties. While existing law with regard to this subject may not be perfect, it nonetheless does provide a strong basis for compromise and agreement among the affected parties and no one can assert injury by preservation of the status quo on this subject.

Mr. President, the amendment in the second degree that I have offered will preserve the existing provisions of the Shipping Act that have been in effect since 1963. I believe that this compromise can effectively settle this issue now between the Commerce Committee and the Judiciary Committee and it should enable us to join together and support this much needed legislation.

What this amendment does is to delete the Commerce Committee provisions with respect to tariff filing and enforcement and reinstate paragraph 3 of section 18 of the existing law which the Commerce Committee had stricken and inserted other language in lieu of that existing provision. All other changes in this amendment are strictly of a conforming nature, and as I said the intent of it is to preserve existing law and to preserve the interpretation of existing law as it has been provided in the past under the Shipping Act.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, the Judiciary Committee offered 15 amendments to this bill which we feel are in furtherance of the public interest. Fourteen of these amendments have been accepted and adopted today.

I rise in opposition at this time to the amendment offered by the distinguished Senator from Alaska to UP amendment No. 4 which is one of the amendments in the Judiciary Committee's package and shall make a very brief reply.

Although some have characterized it as a compromise on the issues of tariff filing and enforcement, unfortunately it is not. The issue raised by this amendment is clear: Should there continue to be tariff filing and enforcement of tariffs by the Federal Maritime Commission? The Stevens amendment says yes; the Committee on the Judiciary says no.

Before adopting the committee amendment, which the Senator from Alaska now seeks to amend, the Judiciary Committee studied this matter thoroughly. Both the administration and a unanimous Federal Trade Commission support our committee amendment and not the Stevens amendment thereto.

While I understand the desire of the Senator from Alaska to preserve the status quo regarding tariff filing and enforcement, I cannot support his amendment. It directly conflicts with the Judiciary Committee's resolution of this difficult policy question and would serve to undermine the strength and effect of our effort to address the antitrust implications of S. 47. It is my belief that the Judiciary Committee amendment is in the public interest, without being amended by the Stevens amendment.

Mr. President, I must urge the defeat of the amendment by the distinguished Senator from Alaska.

The able Senator from Utah (Mr. HATCH) will speak briefly in behalf of the Judiciary Committee on this subject.

I now yield to the distinguished Senator from Utah.

Mr. HATCH. Mr. President, I have been concerned about the committee's jurisdiction of this bill. However, at this particular point in the proceedings, it is not my important consideration. I really have to offer my support to what has been referred to as Senator THURMOND's "tariff filing and enforcement" amendment.

Under current law, carriers are permitted to participate in conferences which set the terms and prices for the carriage of sea cargo. The Federal Maritime Commission (FMC), however, must review these agreements to determine if they are "contrary to the public interest." Only after the FMC has determined that the anticompetitive restraint is required by a serious transportation need, is necessary to secure important public benefits, or is in furtherance of a valid regulatory purpose of the Shipping Act, will antitrust immunity be granted for the activity. The agreement is then filed with the FMC which has the responsibility for enforcing it.

While these prices filed by the conferences are called tariffs, it should be noted that the FMC has no role in setting prices. The carriers alone determine the rates which their conference will file. And if there is some wrong committed by a carrier offering a discount from the tariff filed by his conference, it cannot be considered a wrong committed against the Government, or against shippers, or against consumers. At most, it is a wrong committed against the members of the conference who agreed to fix prices at a different level.

What we have here is price fixing par excellence. What we have here are cartel members being able to tell everybody else to get lost, and that concerns me a great deal.

S. 47 eliminates the FMC's "public interest" review of proposed agreements. And instead, the bill grants blanket antitrust immunity, with two very limited exceptions, to any agreement which carriers choose to reach. At the same time, S. 47 provides that the agreements will continue to be filed with and enforced by the FMC.

According to the House report filed on last year's version of this bill, the Department of Transportation has stated that the United States is "the only country on Earth that polices the price-fixing agreements of ocean carriers." And "if the rest of the world can price fix, without government help, why can't we?"

Mr. President, I object to the anticompetitive provisions of this bill, on which I elaborated in my opening remarks, but my objection is greatly multiplied against the provision of this bill which requires the U.S. Government to enforce price-fixing agreements.

I understand that U.S.-flag carriers oppose this amendment. Let me ask what industry would not want cartel authority, and then have the backing of their government in enforcing that cartel's agreements. These conferences have there own enforcement mechanisms and if the cartel members cannot hold together, a problem currently besetting the OPEC cartel, then let the members compete, and let consumers benefit.

Additional views in the House report state that U.S.-flag carriers demand Government enforcement of their cartels, because without such Government backing, their foreign competitors would cheat on the conference price. The report continues:

> Yet, these carriers tell us that the purpose of the conference as an institution is to allow for greater efficiencies so that goods can be transported at competitive rates. We are not asked to endorse the conference system so that monopoly overcharges may be exacted from the American people. We support the conference system for their benefit. So if the U.S. flag carriers are correct, foreign competition should not be a problem so long as we treat ocean carriers within our jurisdiction in the same manner that foreign governments treat ocean carriers within their jurisdictions. If the U.S. flag carriers are incorrect and the purpose of this legislation is to support monopoly tariffs, then "cheating" by those who want to cheat will continue, coaxed by market forces, yet either undetected in the maze of our over regulation or unreachable beyond our jurisdiction. Not only is it true that the FMC should not enforce tarifffs, it is true that the FMC cannot enforce tariffs.

The Judiciary Committee "tariff filing" amendment supports these views. This amendment would not remove the FMC authority to safeguard against predatory pricing, unjust discrimination, or other potential abuses of monopoly power. But, the amendment, approved unanimously be the Judiciary Committee, would remove the Federal Maritime Commission from the job of enforcing price-fixing agreements among ocean carriers. Without this Judiciary Committee amendment, ocean carriers not only would have complete immunity from antitrust laws, but, also, they would have the Federal Government seeing to it that no carriers offered discounts from the fixed price.

The Reagan administration and the unanimous Federal Trade Commission strongly support the Judiciary Committee amendment, as our chairman of the Judiciary Committee has stated on the floor. Testimony submitted by the Department of Transportation, on behalf of the administration, states:

> The Administration is . . . strongly opposed to the provision of S. 47 that would continue to require the filing of tariffs and their enforcement by the Federal government. The government has no business enforcing the prices fixed by a private producer group.

I could add to that that the Government has no business enforcing private agreements made by a cartel for the purpose of fixing prices, to the detriment of consumers in the United States.

Thomas J. Campbell, speaking on behalf of the Federal Trade Commission—consisting of three Republicans and two Democrats—also testified on this point. Mr. Campbell stated that:

> If it is necessary to grant antitrust immunity to these shipping cartels, then it would seem highly desirable that the FMC's authority over tariff filing and tariff enforcement be repealed.

This amendment is also supported by exporters and importers, farmers, consumer groups, and the American Association of Retired Persons.

Finally, I should like to once more commend the chairman of the Judiciary Committee for his sponsoring this amendment in the full committee, and for advocating this amendment on behalf of the Judiciary Committee before the Senate today. I urge my colleagues to support this vital amendment, and to oppose any effort to undermine its intent.

Furthermore, I understand that if the Stevens amendment should happen to be adopted rather than the amendment of the chairman of the Judiciary Committee and the full Judiciary Committee in support thereof, we would just go back to the same system, whereby the Federal Government would be sanctioning and enforcing private cartel agreements that are made to the detriment of individual consumers throughout the United States—not only consumers but also those who do shipping on a positive basis. I think this is wrong. I believe this undermines the very basis of the antitrust laws. It really takes away the protections that consumers should have.

I urge all Senators to vote for the amendment of the distinguished Senator from South Carolina.

Mr. GORTON. Mr. President, the retention of tariff requirement is not only widely supported by the vast majority of all interests, carriers, labor unions, ports, and most shippers, but it is a procompetitive rather than anticompetitive feature of the present regulatory system and of S. 47.

I should emphasize most strongly that should S. 47 not pass, tariff filing and enforcement will continue along with the many other features of the present law which not only hobble competition but which consistently add to the costs of ocean transportation on the part of both American importers and exporters.

It is the purpose of the distinguished Senator from Alaska (Mr. STEVENS) and his amendment to retain existing requirements not to move to a new and untried system in the field of regulation of ocean commerce.

The 68 days of hearings on shipping reform legislation which have been held by the Commerce Committee in recent years show broad and deep support for tariff requirements. Speculative arguments have been advanced that tariff requirements are anticompetitive, but they are pure speculation and they have brought forth no evidence to support those contentions. To the contrary, tariff requirements interact with other provisions in S. 47 in a manner which both promotes competition and provides certainty in the uncertain world of international trade.

The following points make clear that tariff requirements should be retained.

First. Tariff requirements promote competition by providing the shipping public with information on carrier rates and the services included in such rates. This information facilitates comparison shopping by shippers and the development of new price offerings by any carriers which discover that they are not competitive with the tariffs of other carriers. Information is the key to competition.

Mr. President, I wish to reemphasize that point. Competition is not possible in the absence of information as to what prices are. Tariff filing and enforcement simply see to it that every potential shipper can find out what the price of the carriage of goods are and can enforce that price against predatory activity in favor of its competitors. If a shipper does not know which carrier offers the lowest rate, that low priced carrier has no more than a random chance of getting that shipper's business. The tariff system, thus, promotes competition by facilitating the activity of information.

Second. Tariffs also facilitate Federal Maritime Commission enforcement of critical procompetitive provisions of the S. 47, such as the prohibitions against predatory pricing, unreasonable boycotts, and against conferences engaging in practices other than those authorized. Open and widely publicizing the tariff terms under which ocean transportation services are offered is the best protection against anticompetitive or predatory conduct.

Third. Tariffs facilitate enforcement of the antidiscrimination provisions of the legislation. From tariffs, both shippers and the Federal Maritime Commission are more readily able to determine the existence of discriminatory practices and file complaints and take other enforcement actions.

Fourth. Abolition of tariff requirements has almost no support from persons engaged in the real world business of ocean shipping.

And I wish to emphasize that this does not only apply to carriers but to most shippers as well, as well as to the other professions which are intimately involved in ocean shipping.

Fifth. Tariffs involve more than just rates, but also set forth what is included in these rates. Loading and unloading practices, demurrage, and other key components of a complete rate/service offering are reflected in tariffs. Thus, without tariffs, the Federal Maritime Commission would be restricted, compared to the present, in its ability to exercise its authority with respect to conference efforts to collectively set conditions of service. The Federal Maritime Commission would be hindered in measuring the effect of concerted activities with respect to rates and/or services in the competitive environment.

Sixth. The availability of tariff information is critical to ports. Decisions to invest millions of dollars in port facilities depend on information as to the demand for those facilities. The competitive status of carrier rates for service to a particular port and to competing ports is probably the critical indicator of demand for a port's services and the need to modernize a port's services.

Seventh. It should be noted at this point that this Judiciary Committee amendment does not affect the controlled carrier provisions of this act. Those provisions apply to carriers which are owned by various foreign flags including Eastern bloc nations which will be required to follow tariffs in any event. Precisely the rationale for requiring them to continue to file their tariffs apply to competition on the part of privately owned carriers,

both those under the American flag and those under foreign flags.

Eighth Tariffs are the key to enforcement of the provisions of the bill against secret rebating.

Ninth. Under S. 47, there is complete opportunity for ocean carriers and conferences, other than controlled carriers, to reduce tariff rates without Federal Maritime Commission approval. Yet those who would abolish tariff requirements appear to be saying little more than that ending tariff requirements would promote rate competition. Thus, those opponents of tariff requirements do not appear to recognize that, under this legislation, tariff rate reductions can be implemented on a moment's notice, only increases in rates are delayed in implementation. Thus, the secret rebating which would certainly result from the abolition of tariff requirements—rebating which appears to be all but advocated by the opponents of tariff requirements—is not needed to promote price competition. Secret rebating is simply an abuse that handicaps the ability of American carriers to compete fairly, under a bill which already allows price flexibility.

In addition, of course, secret rebating will almost exclusively be directed at large shippers and not against small shippers whose interests are so strongly advanced by this legislation. Further, the bill adds numerous devices such as service contracts and loyalty contract reforms to further enhance price competition.

Tenth. Tariff requirements are the handle by which the Federal Maritime Commission regulates the right of carriers to serve the U.S. trades. For severe violations of the law, the Federal Maritime Commission may suspend a carrier's tariffs. Since tariffs must be on file as a prerequisite to a service being offered, suspending a carrier's tariff is a straightforward and workable way of insuring compliance with the law, as the suspension of the tariff bars the offering of the service. The opponents of tariff filing have developed no substitute for this remedy, which is an important part of the bill's overall regulatory scheme. Those who would abolish tariff filing would allow illegal rebaters and predatory carriers to abuse the privilege of serving American ports with impunity.

An excellent analogy and precedent in this respect is the Airline Deregulation Act of 1978. In that act, Congress deregulated the air transportation industry. The objectives were to introduce competitive forces into the air transportation industry as much as possible. That act provided that in domestic air transport, carriers would no longer be required to file tariffs. Despite the extensive changes Congress made in the economic regulation of domestic air transportation, after lengthy debate and study, Congress continued the tariff filing and enforcement requirement in international air transportation when it passed the International Air Competition Act of 1980. International carriers by air are today required to file tariffs with the Civil Aeronautics Board, and those tariffs are subject to suspension by the Board.

S. 47 will follow the international aviation precedent if the Stevens amendment is adopted. Senator STEVENS' amendment is a compromise, and simply retains existing law without change. While existing law with regard to this subject may not be perfect, it nonetheless provides a basis for compromise. The existing tariff system works. American carriers, labor, and ports are unequivocally opposed to eliminating tariff filing and enforcement.

I wish simply once again to emphasize the fact that in the deregulation of air transportation Congress quite consciously sought not to end tariff filing and enforcement in international air transportation. It did so because customs in other countries are radically different from our own, and because many air transport companies serving international routes are owned by the nations in which they are located.

Precisely the same condition exists in the transportation by sea. It is an entirely different kind of business than is domestic trade by air, by rail, or by truck, and precisely the justifications which remain for requiring tariff filing and enforcement and nondiscrimination on the part of international air carriers apply with equal or greater measure in the transportation of goods by water.

Mr. METZENBAUM. Mr. President, will the Senator from Washington yield for a question?

Mr. GORTON. The Senator will.

Mr. METZENBAUM. The Senator from Washington has stated at an earlier point, and states once again, that labor supports this amendment—I am speaking about the Stevens amendment, that labor supports the Stevens amendment.

My understanding is that the AFL-CIO has a neutral position on the overall subject. My further understanding is that Mr. Frank Drozak, the head of the Maritime Trades Department of the AFL-CIO said in connection with this bill generally:

> While the regulatory bill may help the liner operators, it will also assist the foreign operators as well.

He was speaking about the bill last year.

> This is basically a housekeeping chore which will not develop the American maritime industry, will not create one new job, and will not reduce the unemployment problem of this country. Passage of this bill will increase the unemployment of American seamen, shipyard workers, and American supply businesses and will siphon off American taxes abroad.

In view of that statement and in view of the fact that Mr. Dennison, legislative counsel of the AFL-CIO, has advised me directly that the AFL-CIO has no position on the bill, would my good friend from Washington indicate on what basis he represents to the Senate that labor sides with supporting the Stevens amendment?

Mr. GORTON. I thank the Senator from Ohio for his question.

I would, in response, read into the RECORD at this point a copy of a letter which I hold in my hand, the heading of which is "AFL-CIO Maritime Committee, The Voice of Maritime Labor, 100 Indiana Avenue NW., Washington, D.C. 20001," and which is dated February 23, 1983, less than 1 week ago, which is addressed Senator PACKWOOD and reads as follows:

FEBRUARY 23, 1983.

Senator BOB PACKWOOD,
Russell Senate Office Building
Washington, D.C.

DEAR SENATOR PACKWOOD: We understand that during consideration of S. 47, the Ocean Shipping Act of 1983, the Judiciary Committee will be offering an amendment to eliminate the liner operators' current requirement of filing their tariffs with the Federal Maritime Commission and the F.M.C.'s authority to require compliance with such tariffs.

The AFL-CIO Maritime Committee has actively supported this legislation for several years but we are absolutely opposed to this Judiciary Committee amendment that would eliminate these requirements.

We respectfully urge your support for the defeat of this amendment.

Sincerely,

TALMAGE E. SIMPKINS,
Executive Director.

Mr. METZENBAUM. Is it not the fact that the AFL-CIO Maritime Committee is not actually affiliated with the AFL-CIO, and that on—I have in my hand a letter dated December 14, 1981, in which the Maritime Trades Department of the American Federation of Labor and Congress of Industrial Organizations wrote to Members of the House saying as follows:

> For your information, we would like to advise you that the only official representatives of Maritime Trades Department, AFL-CIO, who will be working on legislative matters on Capitol Hill are • • •

and then they list seven different names, one of which is not Mr. Talmage Simpkins, executive director, and it does not show anywhere in his letter any talk about the AFL-CIO Maritime Committee which, it is my understanding, is sort of an ad hoc committee for management and labor and not the official voice of the AFL-CIO?

Mr. GORTON. I simply answer the Senator from Ohio by stating that the quotation he has made is now, I believe—was it in 1982 or 1981?

Mr. METZENBAUM. The official statement as to who speaks for the

maritime trades is dated December 14, 1981. The statement of Mr. Drozak was made, I believe, in a speech, if my recollection serves me correctly—it was made on October 14, 1982, in connection with this matter.

So we have the AFL-CIO Maritime Committee representing their opposition to the Judiciary Committee amendment but that, if you will notice, even their stationery does not indicate that it is officially affiliated with the AFL-CIO or that it has authority to speak for it; whereas the Maritime Trades Department stationery indicates who has authority to speak for the AFL-CIO, and it does not list that group nor does it list Mr. Simpkins.

I am representing—and I would like the attention of my friend from Washington for 1 minute—to the distinguished Senator from Washington that Ray Dennison, the official spokesperson for the AFL-CIO has told me that labor, the AFL-CIO, does not have a position with respect to this legislation; and I am further representing that as of last Friday Mr. Dennison indicated to my staff that the only people who had authority to speak for the AFL-CIO were the seven people listed here:

Frank Drozak, President.
Jean F. Ingrao, Executive Secretary-Treasurer.
Marianne Rogers, Political Director.
Elizabeth Coker, Legislative Representative.
Frank Pecquex, Legislative Representative.
Mark Reihl, Legislative Representative.
Fred Somers, Legislative Representative.

And, therefore, I do not believe the AFL-CIO—in fact I do not have to say I do not believe, I feel certain in stating correctly that representing the position of the AFL-CIO is that of a nonposition.

Mr. GORTON. With respect to the distinguished Senator from Ohio, in the formal part of my remarks before he interrupted me with this question, I referred to organized labor. I did not refer specifically to the AFL-CIO, although the letter I have just read to the Senator does come from the AFL-CIO Maritime Committee.

I also point out to the Senator that both the statement of December 1981 and oral statements of last fall on the part of Mr. Drozak obviously do not apply to the Judiciary Committee amendment with which we are dealing at the present time because abolition of tariff filing was not included in any of the bills which were considered by the 97th Congress.

It was not until a meeting of the Judiciary Committee 6 days ago on last Tuesday that this became an issue. Obviously, in a period of 6 days the formal endorsing council of the entire AFL-CIO would not have an opportunity to take a position on a particular amendment. A group which is very, very intimately involved in the maritime trade on behalf of maritime labor has done so. I have read it into the RECORD, and I suppose that the summary is the letter which I have read on the correspondence which the Senator from Ohio has read into the RECORD must stand for whatever weight either of them may carry in the debate.

Mr. METZENBAUM. I agree.

Mr. GORTON. Mr President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

Mr. LONG. Mr. President, I send an unprinted amendment to the desk on my own behalf and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair will advise the Senator there are two amendments currently pending.

Mr. LONG. Mr. President, I ask unanimous consent that they be temporarily set aside and that I may call up my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UP AMENDMENT NO. 20

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Louisiana (Mr. LONG) proposes an unprinted amendment numbered 20.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 95, line 7, strike out "or".

On page 95, line 11, strike out the period and insert in lieu thereof "; or".

On page 95, between lines 11 and 12, insert the following:

"(D) permits United States flag carriers to carry cargo of the importing or exporting foreign state which would otherwise be unavailable to such carrier, or available only on unequal terms by reason of the cargo reservation laws or trading practices (governmental or otherwise) of such state, provided that such agreement is not unjustly discriminatory among United States flag carriers."

On page 76, line 23, following "state,", insert the following: "and recyclable or recycled metals and metal bearing materials, waste paper or paper waste,".

Mr. LONG. Mr. President, it would be simpler to explain this amendment because the meaning is not clear from the mere reading of it.

I would like to explain the second part first because it is easiest to explain. The second part of the amendment, Mr. President, seeks to treat recyclable materials on the same favorable basis as is the case with regard to the virgin materials with which they compete and is the case with regard to bulk cargo. In other words, as S. 47 now stands, the tariff filing requirement would not apply to certain virgin materials nor would it apply to bulk products. It would apply, without this amendment, however, to wastepaper, let us say. Wastepaper competes with pulpwood, it competes with wood chips, and it is only fair that it be treated on the same basis, that we not discriminate against recyclable materials in favor of their competing virgin material counterparts.

In fairness to the recyclable industry, it should be treated on the same competitive basis as is the other.

The first part of the amendment, Mr. President, deals with the matter of equal access and pooling agreements. This part would require approval of equal access and pooling agreements entered into by U.S.-flag vessels out of necessity by reason of the cargo reservation laws or trading practices of other foreign countries. There was a provision in the House-passed compromise bill of last year that is essential to our carriers in the United States-South American trade. This amendment would add such a provision to S. 47.

The problem is the cargo reservation laws and trading practices of most Latin American countries restrict access to national flag and associated carriers. To establish associated carrier status, some U.S.-flag carriers have, of necessity, become a party to several equal access or pooling agreements in these trades. The effect of S. 47 without the language included in my amendment is to penalize U.S.-flag carriers by excluding them from trades where these restrictive laws of other countries exist.

Adoption of this amendment would merely require approval of equal access pooling agreements entered into by U.S.-flag carriers out of necessity by reason of the cargo reservation laws or trade practices of foreign countries.

Mr. President, this amendment is necessary in order to avoid doing unnecessary damage to American carriers who, through no fault of their own, are required to comply with the laws of foreign countries.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, as chief sponsor and manager of the bill, I simply wish to say that the dedication of the Senator from Louisiana to reforms of the Ocean Shipping Act of 1916 has existed far longer than I have been a Member of the Senate and has been highly principled and ef-

fective during that period of time. I wish to associate myself with his remarks and agree to the amendment.

Mr. LONG. I thank the Senator very much. I hope the amendment will be agreed to.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (UP No. 20) was agreed to.

Mr. LONG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. Mr. President, what is before the Senate?

The PRESIDING OFFICER. The amendment of the Senator from Alaska in the second degree is pending to the amendment of the Senator from South Carolina in the first degree.

Mr. GORTON. I thank the Chair.

UP AMENDMENT NO. 19

I will now summarize and conclude my reasons for supporting the amendment of the distinguished Senator from Alaska.

The Judiciary Committee amendment would repeal existing law requiring international ocean carriers to publicly file and adhere to tariffs. In contrast, the Commerce Committee would require that this basic element of common-carrier service be preserved, just as it has been in international aviation.

The amendment of the Senator from Alaska would resolve these differing positions by simply restating current law word-for-word. When the General Accounting Office study required under S. 47 is completed, Congress can then determine the proper ways to proceed on this highly controversial issue.

Tariff filing and enforcement is important:

First, the Antitrust Subcommittee of the Judiciary Committee of the House recommended tariff filing and enforcement as far back as 1962, and it has been the law since. The "Stevens' compromise" would simply continue that law.

Second, the amendment assures that similarly situated exporters and importers receive equal treatment in ocean shipping. It is the basis of the principle that ocean cargo carriers are common carriers. As such, they are prohibited from unjustly discriminating against other carriers, ports, or shippers. Without tariffs, these prohibitions are largely unenforceable, since secrecy will be encouraged.

Third, one of the major purposes of S. 47 is to assure that American companies engaging in international commerce are subjected to the same ground rules as their foreign competition. Unless there are tariffs to suspend, the enforcement mechanisms requiring foreign carriers to obey U.S. law become meaningless.

I wish to substantially emphasize that latter point. One of the great paradoxes and problems of the present law is the fact that the antitrust laws, to the extent that they apply in this area, are imposed and enforced almost solely against American-flag carriers. In curing that, we do not wish to go into a worse discrimination under which American carriers can effectively be regulated by the Federal Maritime Commission, but their foreign competition cannot be.

Eliminating tariff enforcement unfairly penalizes U.S.-flag carriers. Foreign shipping companies would be able to practice under-the-table pricing prohibited to American carriers under the Foreign Corrupt Practices Act, and engage in price discriminations unfair to American importers and exporters. The best way to prevent this is to require both United States and foreign carriers to adhere to their published rates.

Fourth, it has been argued that private enforcement actions are all that is necessary. However, this simply will not work. First, there is the extreme expense of bringing court action and conducting proceedings in foreign countries, as well as in U.S. courts. The biggest companies can afford it, but small shippers cannot. Second, foreign countries have often come to the aid of their carriers, and have prevented the application of U.S. laws in their countries. This is why some foreign carriers would not mind if the Judiciary repeal of tariff enforcement is successful. It is only the American interests that oppose the Judiciary amendment.

Mr. President, that concludes my remarks on the amendment of the distinguished Senator from Alaska. Unless there are other Members who wish to speak to the Stevens amendment, I believe that we have the majority leader coming to the floor to propound a unanimous-consent request which has met with the approval of all parties.

I note the Senator from Ohio standing. Does he wish to speak on the Stevens amendment?

Mr. METZENBAUM. Yes; I do, Mr. President.

Mr. GORTON. I yield the floor.

Mr. HATCH. Mr. President, will my friend from Ohio yield to me?

Mr. METZENBAUM. Yes.

Mr. HATCH. I should like to speak after the Senator from Ohio speaks.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I think we ought to understand what this amendment is all about. First, the suggestion has been made that all we are doing is putting back the current law. We cannot put back the current law in view of the fact that this bill is being amended in a host of different areas.

Back in 1962, there was a whole Federal Maritime Commission regulatory scheme. Since then, we have deregulated most transportation industries because of a renewed faith in the free enterprise system's ability to set prices. What this amendment will do is make it possible to deregulate ocean shipping, permit the cartels to engage in price fixing and in territory agreements, and permit pooling of revenues, but it will leave the worst aspect intact. It will make it possible for the Federal Maritime Commission to enforce the price-fixing aspect of the cartel.

We have to understand what that is all about, Mr. President. What we are really saying is that the cartel may operate that we are going to legalize by other sections of this measure. We are going to violate the antitrust laws—that is bad enough; then we are going to say that the Federal Maritime Commission is going to enforce the cartel agreement.

You have to understand why the cartel wants the enforcement. They want it because they are concerned that some members who agreed to the cartel will in fact violate the cartel. Ask the OPEC nations what that is all about. They found they did not have a means to provide enforcement, and the shipping industry does not have a means to provide enforcement. So if you accept the Stevens amendment, which the Judiciary Committee unanimously opposes, what you are in effect doing is saying that the Federal Government will be the policeman to enforce the cartel arrangement.

As Tom Campbell of the Bureau of Competition, speaking on behalf of all five members of the Federal Trade Commission, stated:

> There are two aspects, the posting of tariffs and the enforcement of tariffs. The Congress should know that the United States would in adopting this legislation join only 1 other county, Canada in having an arm of the government enforce cartel tariff agreements. None of the European trading partners have them. So, to whatever extent the argument is that it is necessary to help us come to the same footing as our European trading partners, I do not see why an arm of the Federal Government should be involved in enforcing prices fixed by this cartel. Let the cartel enforce its own prices if we must have a cartel.

The chairman then said to Mr. Campbell:

> Mr. Campbell, would you recommend that tariff filings and enforcement provisions be amended out of this bill?
>
> Mr. CAMPBELL. I would.

The Thurmond amendment would take it out. The Stevens amendment would put it back in.

Mr. President, I think it is important that we give some heed in this instance, and I would not always agree to that but in this instance I do, to the position of the Reagan administration, because the Reagan testimony submitted by the Department of Transportation on behalf of the administration stated as follows:

The administration is strongly opposed to the provision of S. 47 that would continue to require the filing of tariffs and their enforcement by the Federal Government. The Government has no business enforcing the prices fixed by a private producer group.

Mr. President, I do not always agree with the Reagan administration, but when they are right, they are right. In this instance, they are right. Therefore, in my opinion, the Stevens amendment should be rejected.

Eliminating this function does not expose the carriers to antitrust liability. It merely means if they want to price fix, they have to do their own supervision. If they want to have a cartel, which I oppose, then I, sure as the devil, do not believe that the U.S. Government ought to be providing enforcement of that cartel's provisions.

I yield the floor to the Senator from Utah.

Mr. HATCH. I thank the Senator.

The analogy has been made to the Airline Deregulation Act of 1978. It is argued that, although domestic airline transportation has been deregulated, tariff filing and enforcement was retained for international air transportation. However, there are significant differences between the manner in which tariffs are computed and filed in the international airline context and the tariff filing and enforcement proposed in this legislation for ocean common carriers. These differences make the analogy completely invalid, in my opinion.

First of all, before airlines are even permitted to meet to discuss tariffs, they must ask permission of the Civil Aeronautics Board. The ocean carriers, by contrast, are allowed to meet in their conferences any time they please to discuss and fix prices. Once the airlines have settled on an agreed tariff, they are required to submit it to the CAB. At that point, the tariffs are subject to challenge on the basis of reasonableness, and the CAB will review them if any such challenge is made. Even after the CAB has approved the reasonableness of the tariff, the President of the United States may exercise a veto power to disapprove the fare. In fact, the President exercised this power just last week in refusing to permit a proposed Canadian fare schedule to go into effect.

By contrast, S. 47 provides for no review of the tariffs set by the private conference cartels. There is no procedure for challenging these tariffs and certainly no evaluation of their reasonableness by either the CAB or the President.

Thus, the analogy to international airline tariffs is fatally flawed. It is one thing to permit the Government to enforce a tariff that it has had the opportunity to review for reasonableness, and to veto if it is unreasonable. It is quite another matter to have the U.S. Government enforce a price agreement reached by private parties in an unregulated cartel. This is going too far, and this is the practice that the Judiciary Committee amendment would stop.

Mr. President, I do believe that Senator THURMOND is more correct on this amendment and that we should support him.

In addition, I would like to put into the RECORD at this point a letter from Allen R. Ferguson, representing the National Institute of Economics and Law, and a statement in opposition to the proposed Ocean Shipping Act of 1983, S. 47, where the undersigned economists strongly oppose the Ocean Shipping Act of 1983.

I might just mention that the economists who signed this statement are:

Prof. Walter W. Heller, regents professor of economics, University of Minnesota, former Chairman, President's Council of Economic Advisers.

Sydney L. Jones, resident scholar, American Enterprise Institute, former Assistant Secretary of Treasury, 1974–77 and former Assistant Secretary of Commerce, 1973–74.

Dr. Thomas Gale Moore, senior fellow, Hoover Institution.

Prof. Lester Thurow, Massachusetts Institute of Technology.

Prof. James Tobin, Yale University, Nobel laureate, former member, President's Council of Economic Advisers.

Allen R. Ferguson, chairman, National Institute of Economics and Law.

I ask unanimous consent that this letter and this statement be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL INSTITUTE OF ECONOMICS AND LAW,
Washington, D.C., February 25, 1983.

Hon. ORRIN HATCH,
Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR HATCH: I understand that you are deeply concerned about some aspects of the currently pending "Ocean Transportation Shipping Act of 1983." Consequently, I am sending you the enclosed statement in opposition to the bill, signed by six prominent economists extending over a very broad range of policital identities.

You may recall that I met you in an entirely different context, when I was serving as co-chairman of the Social and Economic Committee of the Food Safety Council two years ago.

Sincerely,

ALLEN R. FERGUSON.

STATEMENT IN OPPOSING TO THE PROPOSED "OCEAN SHIPPING ACT OF 1983," S. 47

We the undersigned economics strongly oppose the Ocean Shipping Act of 1983. This is one of many special-interest bills intended to reduce the effectiveness of the antitrust laws. It would provide the ocean liner cartels (called "conferences") virtually total exemption from the antitrust laws and would annul much of the present limited governmental regulation. Yet it would require the United States Government, through the Federal Maritime Commission, to enforce price regulation established by private parties—giving their price agreements the force of law.

The bill would permit the cartel carriers to increase profits in ocean transportation and to protect those profits from competition. Higher liner rates can be expected to follow, and would, in some markets, be much higher.

The bill would impose on American consumers, workers, importers, farmers and other exporters, a burden of subsidizing foreign liner companies. In recent years, approximately three-quarters of the liner traffic has been carried in foreign-flag ships; consequently, the vast majority of the increase in profits would go to foreign companies, with a small fraction to American operators.

The bill provides a bail-out for an inefficient American industry—a bail-out that is provided through a kind of off-budget financing by permitting more monopolistic pricing as, in effect, concealed subsidies. The legislation would, thus, create legal, unregulated monopolies in an essential service that handles import and export shipments amounting to $148 billion in 1981. Although the bill is alluded to as a regulatory reform bill, it, in fact, undermines the premise of deregulation, namely that, freed of regulation, industries will be competitive—not cartelized.

The bill would serve special interests, predominantly foreign ocean liner operators, and would reduce jobs, make American products less competitive abroad, raise consumer prices at home, and require the government to enforce cartel agreements. It should be defeated.

RECESS FOR 1 MINUTE TO GREET GOV. MARIO CUOMO OF NEW YORK

Mr. BAKER. Mr. President, I observe that the distinguished Governor of the State of New York is in the Chamber. We welcome the Governor of New York. I ask unanimous consent that the Senate now stand in recess for 1 minute so that Members may greet him.

There being no objection, at 4:21 p.m., the Senate recessed until 4:22 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CHAFEE).

SHIPPING ACT OF 1983

The Senate continued with the consideration of the bill, S. 47.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I have just a brief summary before we finish

dealing with the amendment of the Senator from Alaska.

It is a paradox that the position for which both the Senator from Utah and the Senator from Ohio argue is one which would penalize the American merchant marine very, very significantly by causing easy enforcement against it of the requirements of ocean conferences here in the United States, but would make it almost impossible to enforce the same agreements against its foreign competition.

It is also a paradox that they argue for a system which would very significantly penalize the small- and medium-size shippers of the United States who, in the absence of filed tariffs, will have no convenient or practicable way of knowing whether or not they are getting the best possible deal. Nothing in the amendment by the Senator from Alaska prevents competition. As a matter of fact, it enhances competition because the most important factor in competition is knowledge about the competing parties. Tariffs provide that knowledge. There is so much independent action at work and so many services offered by nonconference carriers that the provisions of the Stevens amendment requiring the filing of tariffs mean that that competition is real for the small- and medium-sized shippers. This competition is real; it is not based simply on a theory on behalf of the sponsors of the Judiciary Committee amendment, a theory which would harm small shippers as well as the American merchant marines.

With that, Mr. President, I believe that debate on the so-called Stevens amendment is at an end.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, there are a number of other amendments to be dealt with; and as Members will recall, there is an order for a cloture vote at 4 p.m. tomorrow, with the time between 2 and 4 p.m. to be equally divided and under the control of the majority leader and the minority leader or their designees. What that means is that we may be hard-pressed to finish before 4 p.m. all the items I am about to describe and enumerate, unless we come in much earlier than had been contemplated originally.

I am about to propound a unanimous-consent request, and I earnestly invite the attention of Senators who are involved, because I have to do it on a piecemeal basis. But I believe we can arrange the schedule of the Senate for the remainder of this day and tomorrow in a way that will accommodate the needs of all Senators.

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I might say that Senators should be reminded that we originally had an order for 11:30 a.m. tomorrow, and this is advancing the time for the convening of the Senate until 9 a.m.

ORDER FOR THE RECOGNITION OF SENATOR CHAFEE ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order the Senator from Rhode Island (Mr. CHAFEE) be recognized for not to exceed 15 minutes on special order.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

Mr. BAKER. The occupant of the Chair is most gracious in that respect.

ORDER FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that following the execution of the special order there be a period for the transaction of routine morning business not to extend past 9:45 a.m. with statements limited therein to not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, at the conclusion of the period for the transaction of routine morning business and not later than 9:45 a.m. the Senate will resume consideration of the pending business, which is S. 47.

UNANIMOUS-CONSENT REQUEST—S. 47

Mr. BAKER. Mr. President, I ask unanimous consent that after the Senate resumes consideration of S. 47 tomorrow there be 10 minutes of additional debate on the Stevens amendment to be equally divided between Senator STEVENS and the distinguished Senator from——

Mr. METZENBAUM. Senator THURMOND.

Mr. BAKER. Yes; between the distinguished President pro tempore, Senator THURMOND, and the minority leader or his designee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. BYRD. Mr. President, reserving the right to object, I cannot agree to any further items on this until I check with my colleagues which I will do as rapidly as possible.

Mr. BAKER. Very well.

Mr. President, let me describe then what else I wish to do and perhaps the minority leader can consider the whole thing in sequence.

I withdraw the request in respect to the 10 minutes on the Stevens amendment in view of the reservation of the minority leader.

Mr. President, I would propose that when the Senate resumes consideration of S. 47 on tomorrow there be 10 minutes of additional debate on this Stevens second-degree amendment dealing with tariffs to be equally divided between the distinguished Senator from South Carolina (Mr. THURMOND) and the minority leader or his designee.

I further propose—and may I say this is not a request; I am describing it for the RECORD and for the minority leader and other Senators—that after the disposition of the Stevens amendment by vote on or in relation to that amendment the Senate then proceed immediately to vote on the underlying Thurmond amendment on or in relation to the underlying Thurmond amendment without further debate, amendment, or point of order.

Mr. President, after the disposition of the Thurmond amendment, I would then ask that the Senate turn to the consideration of the Hatch amendment on which there would be a time agreement of 30 minutes equally divided to be controlled by the distinguished Senator from Utah and the distinguished minority leader or his designee, on or in relation to the Hatch amendment.

After that, Mr. President, I would propose the Senate turn to the consideration of the Boschwitz amendment dealing with cargo preference on which there would be 40 minutes equally divided, and that after the disposition of the Boschwitz amendment the Senate turn to the consideration of seven Metzenbaum amendments dealing with: First, Justice/FTC revenue pool injunctions; second, loyalty contract limits; third, strike section 18 (FMC exemption powers); fourth, strike section 8(a)(2) (immunity for agreements "reasonably" with section 4 or section 18); fifth, add "among themselves" to section 4(a)(6); sixth, strike section 8; and seventh, intermodal.

I propose that on each of those amendments there be a 20-minute time limitation to be equally divided and controlled by the distinguished Senator from Ohio (Mr. METZENBAUM) and the manager of the bill or his designee.

Mr. President, after the disposition of the Metzenbaum amendment there would be two Stevens amendments on which there would be 30 minutes

equally divided, one dealing with the tariff issue in the first degree and the other dealing with the tariff issue in the nature of a substitute.

Mr. President, I would further propose that on any other amendments that may be offered there be a 20-minute limitation equally divided and to be controlled by the sponsor of the amendment or the manager of the bill except in those cases where the manager of the bill and the sponsor of the amendment are on the same side in which case the control would be in favor of the minority leader or his designee.

Mr. President, I would further propose that in view of the number of amendments that we have listed and the possibility of others that we reclaim from the previous order the hours between 12 and 2 when the Senate otherwise would be in recess but with the proviso that no rollcall votes would occur during that time.

Mr. President, that describes the nature of the rather extensive unanimous-consent requests that I would wish to propound, and I understand fully the requirement of the minority leader that he would wish to put that through his clearance process.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. BYRD. This request would mean first of all that a rollcall vote could occur as early as 10 a.m. tomorrow morning.

Mr. BAKER. Yes; it would mean that.

Mr. BYRD. Second, perhaps I did not hear the majority leader, but I did not hear the majority leader make reference to the Hatch amendment.

Mr. BAKER. I believe I did. I think there was to be 30 minutes equally divided.

If I did not, Mr. President, I would include that. It is listed as on my list here as the third action proposed to be taken, that is, the Stevens second-degree amendment, then action on the underlying Thurmond amendment in the first degree, and then the Hatch amendment.

Mr. BYRD. I misunderstood the majority leader to say that was the Boschwitz amendment.

Mr. BAKER. The Boschwitz amendment is to be fourth.

Mr. BYRD. I thought I heard the majority leader say Boschwitz instead of Hatch.

Mr. BAKER. I thank the minority leader.

Mr. BYRD. Anyhow, the general time limit on other amendments would include that they be germane I suppose.

Mr. BAKER. Yes, Mr. President.

Mr. METZENBAUM. Mr. President, if I may interject for a moment, since these are to be prior to cloture, they need not be germane.

Mr. BYRD. This is one on which I would not want to agree that there be 10 minutes on any amendment.

Mr. BAKER. I think the minority leader's point is well taken.

Mr. BYRD. They have to be germane. I do not think a Senator would want to agree to limit that.

Mr. METZENBAUM. May I interject?

Mr. BYRD. I am sorry I interrupted the Senator.

Mr. METZENBAUM. There is some question as to whether some or all of these amendments are or are not germane.

In order to forestall that, we want to be certain they would be taken up prior to the cloture vote.

The amendments the Senator from Ohio was offering are amendments that are very relevant and pertinent to this pending bill. They are not something totally extraneous. The amendment that the Senator from Minnesota is offering is somewhat extraneous, but I will let him address himself to that subject.

The amendment of the Senator from Utah is relevant and pertinent to this bill.

But the germaneness question and also the question of affecting the bill in two places becomes an issue, and I would hope that the minority leader would not insist upon the germaneness question because I think it would only complicate the problem rather than help to resolve it.

Mr. BAKER. Mr. President, will the Senator yield to me? I believe I have the floor.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. BAKER. May I say to the distinguished Senator from Ohio his amendments would qualify in any event.

I think the observation of the minority leader is very well taken. If we are to put a time limitation of 10 minutes, we certainly ought to know what we are dealing with.

Mr. METZENBAUM. I was not addressing myself to the catchall which, I understand, the majority leader is. In the catchall, where those are not designated, those would certainly have to be germane.

Mr. BAKER. I thank the Senator, and I thank the minority leader especially for calling that to my attention and, as I said, it is very well taken.

I would propose, in making the agreement, to provide that the other amendments in which a time limitation of 20 minutes is provided must be germane.

Mr. BYRD. Yes, indeed; because any major bill could be hooked on with a 20-minute time limitation, and we are not specifying that it be germane.

Mr. BAKER. Yes; that is the request.

Mr. BYRD. The only other problem I have is the listing of the 2 hours. The majority leader has said there will be no rollcall votes. If there can be no quorum-call votes I am concerned about attendance on my side of the aisle.

Mr. BAKER. As the minority leader has stated, if we start doing anything to quorum calls by unanimous consent—and I notice the Parliamentarian tenses up, gets nervous, because quorum calls are, of course, a constitutional right of every Senator—so I will strike that section.

Let me simply say that tomorrow or this evening, if possible, when we seek this unanimous-consent agreement finally that that portion will not be in there. But tomorrow if we get in a bind I may very well wish to speak with my colleague, the minority leader, about gaining some of that time in order to do justice to all Senators who have amendments.

Mr. President, I am prepared to ask the Senate to stay in as long as it is useful, and especially until the minority leader can give us an answer on the request.

Mr. BYRD. I have one more question of the majority leader, if I may. Will it be possible or can we have assurance that all of these amendments would be disposed of before the vote on the cloture motion?

The BAKER. That is one of the reasons I wanted to reclaim the 4 p.m.

I have some Senators who have already indicated to me that they did not wish to change the 4 p.m. time. It poses a problem though, as the minority leader earlier implied, and I would suggest for his consideration one course of action in between, and that is that any votes that are stacked tomorrow—and I am not sure they will be—but if any are stacked, that they would be acted on before the cloture vote would occur. Otherwise we are going to have a moving target on a 4 p.m. cloture vote, and I think some Senators on my side—at least one Senator I am aware of—would object to changing the 4 p.m. time.

Looking at the amendments we know of now, and measuring from 9 a.m. in the morning, it looks to me as if we can finish easily. But if there is a rain shower of unknown amendments tomorrow we may be in a different situation.

I might also say I would provide in the request that any amendments to those unknown amendments in the second degree or points of order, if the same are submitted to the Senate, would have a time limitation of 5 minutes equally divided.

Let me change that to no second-degree amendments to the unknown amendments.

Mr. BYRD. Very well, Mr. President. We will see as quickly as we can what the reaction is.

Mr. BAKER. I thank the Senator. I wonder if there is any Senator willing to go forward at this time to conserve time and offer an amendment for debate at least?

Mr. GORTON. Will the majority leader yield?

Mr. BAKER. Yes.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. The Senator from Utah (Mr. HATCH) left his statements on his amendment with me to present. The Senator from Alaska, however, hopes to persuade the Senator from Utah not to bring his amendment up until after cloture is granted, with the agreement to have it considered germane, and I am attempting to contact the Senator.

Mr. BAKER. Mr. President, I am sure that cannot be done except by unanimous consent, and I am not at all sure that any request to qualify any further amendments after cloture would be granted.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRASSLEY). Without objection, it is so ordered.

Mr. GORDON. Mr. President, earlier this afternoon the question was raised by the Senator from Ohio about the degree of organized labor opposition to the Thurmond amendment and support for the Stevens amendment. The Senator from Ohio quite properly at that point stated that the SIU and Mr. Drozak had not taken any position on the Stevens amendment.

Since the discussion of that point, I have been informed that Mr. Drozak and SIU, which represents the other group of maritime labor from those represented in the letter which I earlier read into the RECORD, do indeed strongly support the Stevens amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The amendment offered by the Senator from Alaska (Mr. STEVENS) to the amendment offered by the Senator from South Carolina (Mr. THURMOND).

Mr. BAKER. Yes.

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, first I ask unanimous consent that the Stevens second-degree amendment to the Thurmond amendment be temporarily laid aside at the conclusion of this request and that the Senate proceed to the consideration of the Hatch amendment on which there will be a 10-minute time limitation to be equally divided and on which no second-degree amendment would be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask that if a rollcall vote is ordered on or in relation to the Hatch amendment, it be sequenced to occur after the disposition of the Thurmond first-degree amendment which will be included in the request I am about to make.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, I ask unanimous consent that when the Senate resumes consideration of S. 47 on tomorrow there be a 10-minute time limitation of the Stevens second-degree amendment to the Thurmond amendment to be equally divided with the time under the control of the distinguished Senator from Alaska and the distinguished Senator from South Carolina.

Mr. President, I further ask unanimous consent that after the disposition of the Stevens second-degree amendment, the Senate then proceed to vote on the underlying Thurmond first-degree amendment on which no debate would be in order and no further amendments would be in order.

I ask unanimous consent, Mr. President, that after the disposition of the Thurmond first-degree amendment, the Senate then proceed according to the order previously entered to dispose of the Hatch amendment on which debate has already been concluded; that after the disposition of the Hatch amendment, the Senate then proceed to the consideration of the Boschwitz cargo preference amendment, on which there will be a time limitation of 40 minutes equally divided under the control of the distinguished Senator from Minnesota and the minority leader or his designee; that after the disposition of the Boschwitz amendment, the Senate turn to the consideration of seven Metzenbaum Justice-FTC amendments on which there will be a time limitation of 20 minutes each equally divided, with control of the time allocated to the sponsor of the amendment (Mr. METZENBAUM) on the one hand and the manager of the bill on the other. The seven amendments are: First, the Justice-FTC revenue pool; second, loyalty contract limits; third, to strike section 18 FMC exemption powers; fourth, to strike section 8(a)(2), immunity for agreements reasonably within section 4 or section 18; fifth, add "among themselves" to section 4(a)(6); sixth, to strike section 8, and seventh, intermodal.

Mr. President, the order in which the Metzenbaum amendments were listed would not necessarily be the order in which they are presented, and I ask unanimous consent that the distinguished sponsor of the amendment may choose among that list the sequence in which he wishes to present them.

I further ask unanimous consent, Mr. President, that all amendments prior to cloture must be germane and limited to 20 minutes equally divided to be controlled by the sponsor of the amendment and the manager of the bill and provided that no second-degree amendment prior to cloture shall be in order.

Mr. BOSCHWITZ. All other amendments would have to be germane. Is that correct?

Mr. BAKER. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the minority leader for his cooperation in working this out.

I also thank all Senators who have participated in the formulation of this agreement. I believe it will materially assist in the final disposition of this matter.

Mr. President, there is another matter: The order provides that the Hatch amendment will be presented at this time. It is not anticipated that it will take more than 5 minutes. It is anticipated that a rollcall vote will be asked for, and then, under the order, will be sequenced in to occur tomorrow after the disposition of the Thurmond first-degree amendment.

I remind Senators that we convene tomorrow at 9 a.m. Under this formulation, it is entirely possible that votes will occur early, perhaps before 10 a.m. in the morning. Senators should take account of that very real possibility.

Mr. BYRD. Mr. President, I ask the majority leader if he does not mean to limit an amendment to 20 minutes after cloture has been invoked.

Mr. BAKER. No; the request, I hope, was recorded by the Official Reporter of Debates that all other amendments prior to cloture must be limited to 20 minutes.

Mr. BYRD. Must be germane and limited to 20 minutes?

Mr. BAKER. Must be germane and limited to 20 minutes.

Mr. BYRD. And no second-degree amendments are in order.

Mr. BAKER. That is correct.

Mr. BYRD. After cloture, amendments will not be limited to 20 minutes, because they will not be germane after cloture, and I take it that the majority leader would allow second-

degree amendments to come in under cloture if they are timely filed.

Mr. BAKER. Mr. President, the way the request was put, it could perhaps be read either way, so let me clarify it this way:

All this agreement pertains to proceedings precloture. The postcloture provisions will be dealt with according to the provisions of rule XXII.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. Mr. President, I ask unanimous consent that the request be modified to reflect that language.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the minority leader.

Now, Mr. President, I am prepared to yield the floor so that the distinguished Senator from Washington may call up the Hatch amendment, which I understand he has been requested to do.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I thank the majority leader.

The text of the agreement follows:

S. 47 (PRECLOTURE AGREEMENT)

Ordered, That when the Senate completes morning business on March 1, 1983, it resume S. 47, with 10 minutes equally divided in the usual form on the Stevens second-degree amendment, to followed by a vote thereon, to be followed by an immediate vote on the Thurmond first-degree amendment and a vote on the Hatch independent action amendment. Following this vote the Senate will proceed to the Boschwitz cargo preference amendment for 40 minutes equally divided in the usual form, to be followed by seven Metzenbaum amendments for 20 minutes each dealing with the following topics: Justice/FTC revenue pool; loyalty contract limits; strike section 18 (FMC exemption powers); strike section 8(a)(2) (immunity for agreements reasonably within section 4 or section 18); add "among themselves" to section 4(a)(6); strike section 8; and intermodal.

All other amendments offered prior to cloture must be germane and will be limited to 20 minutes equally divided in the usual form, with no second-degree amendments in order.

UP AMENDMENT NO. 21

(Subsequently numbered amendment No. 469.)

(Purpose: To promote the right of independent action)

Mr. GORTON. Mr. President, I have the rather interesting duty at this point of presenting Mr. HATCH's remarks on behalf of his amendment and then debating against him.

On behalf of the distinguished Senator from Utah (Mr. HATCH), the proponent of this amendment, I call up the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington (Mr. GORTON), for Mr. HATCH, proposes an unprinted amendment numbered 21.

Mr. GORTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 65, line 17, through page 66, line 21, strike all of subsection (d), and insert on page 65, line 17: "(7) permit any member to take independent action on any rate, charge, classification, rule, or practice."

On page 66, line 22, strike "(e)", and insert in lieu thereof "(d)".

On page 67, line 4, strike "(f)", and insert in lieu thereof "(e)".

On page 67, line 20, strike "(g)", and insert in lieu thereof "(f)".

(By request of Mr. GORTON, the following statement was ordered to be printed in the RECORD:)

● Mr. HATCH. Mr. President, in remarks offered at the beginning of debate on this bill, I expressed my respect for our free enterprise system, and for the role of our antitrust laws in insuring competition. As a basic economic policy, the Congress of the United States has time, and time again, rejected the notion of giving control of commerce to either Government or to private cartels. We have viewed our antitrust laws as a practical expression of our concern for economic democracy, and have actively sought to insure the efficient operation of these laws. In part, our antitrust laws are designed to prevent individuals or firms from so controlling a part of commerce that they are able to substitute that control for the independent allocation of resources achieved by a competitive marketplace.

It is not without reason that our laws have created a presumption against the policy of permitting cartels. Cartels, by their very nature, promote price-fixing conspiracy. Fixed prices discourage competition. And without competition, consumers suffer.

Mr. President, this bill is designed to reduce competition among carriers. It is designed to permit conduct which, in other industries, would subject perpetrators to civil and criminal penalties. And proponents of the bill cite the current state of deterioration within the industry as a justification for protection. The GAO has concluded that "the U.S.-flag liner fleet is not in a state of general distress significant enough to justify a major revision of the Shipping Act." Other proponents argue that conforming to worldwide shipping practices dictates the need to rewrite our laws.

Beyond the idealogical convictions of the opponents and proponents to this bill, however, is the consensus that the monopolistic power granted to conferences must be balanced by some countervailing means. The bill proposed shipper's councils as one means for giving shippers a combined influence in consulting with conferences.

In principle, the Judiciary Committee members unanimously agreed that expanding the potential abuses of cartelization to another industry only multiplies the flaws of this bill. The Judiciary Committee amendment, eliminating the exemption for shipper's councils has earlier been adopted. Thus, even in the eyes of many proponents of this bill, the balance of monopolistic power, tilts in favor of the carrier cartels. To legislate monopolistic power should not be lightly undertaken. But to invite abuse of that power, by not providing for countervailing power, is unconscionable.

Mr. President, we have before us an amendment, under my sponsorship, which permits competitive market forces to counterbalance the potential monopolistic abuses of the carrier conference system. I urge my colleagues to adopt this amendment.

Under section 5(d), S. 47 currently allows carriers to take independent action, that is, to deviate from the conference tariff, only when a conference loyalty contract is in effect. This severely restricts the right of independent action, and would allow a conference to avoid independent action altogether simply by eliminating loyalty contracts. There is no valid justification for tying the right of independent action to the existence of loyalty contracts. My amendment would simply allow carriers to take independent action regardless of the existence of loyalty contracts. This amendment would permit the benefits of conference membership while its provisions for competition would insure the adoption of the lowest practicable tariff rates. This approach has the support of shippers, consumers and has been endorsed by at least one carrier.

The idea is not novel. Four years ago, I served as a member of the National Commission for the Review of Antitrust Laws and Procedures, along with other Senate colleagues. That Commission recommended the right of independent action which I am proposing today. The Commission recognized that:

. . . While this Commission is not now in a position to recommend that the ocean shipping immunity be abolished, it does appear that the immunity could be narrowed in some important respects to increase competition and enhance efficiency, in the absence of overriding defense or diplomatic considerations.

Specifically, each ocean shipping conference member should have a right of independent action. At present, conference agreements may preclude individual conference members from offering tariff rates and conditions which differ from those adopted by the conference. If a right of independent action were guaranteed in the Shipping Act, as it is in the Interstate Commerce Act, conference members could opt out of particular conference rates without losing their conference membership.

Subsequently, this same call for an expanded right of independent action was issued by the U.S. Department of Justice. The 97th Congress hearings record on this matter cites a Department of Justice study which concluded that a statutorily mandated right to independent action was necessary to offset the potential abuses presented by a conference system.

In its recent testimony before the Senate Judiciary Committee, the FTC concluded that a right to independent action was a procompetitive measure which S. 47 rightly used to offset the potential abuses of the dual rates permitted by loyalty contracts. One recent witness before pointed out the deficiencies of the proposed independent action provisions in S. 47. He views the appearances of the proposed language as "deceptive." He points out, that:

An individual member of a conference does not have any general right of independent action, such as that provided in the Staggers Act to railroads in rate bureaus. Conferences are required to permit independent action only if they already have loyalty contracts in effect and if the proponent of the independent rate goes through a number of steps, subjecting its proposal to scrutiny and comment by all other members of the cartel. After such review, it can put an unpopular rate into effect, if it still wants to do so. However, conferences frequently operate on a principle of unanimity; therefor, the gains from any prospective unpopular independent action must be weighed against the costs of alienating other members of the conference, any one of which could veto some other future proposal. This suggests that truly independent action is most unlikely.

I fully agree with this statement, and urge any other Senator who supports competitive forces moving our economy, to support this amendment.●

Mr. GORTON. Mr. President, on my own behalf and on behalf of the Commerce Committee, I oppose this amendment, which would mandate that all members of conferences in international trade be permitted a right of independent action. The most fundamental reason for which I oppose this proposal is that the debate already has been carried on.

Were this bill to include a closed conference system—that is to say, a system in which conferences of carriers in a given trade could exclude any other new carriers from joining—a right of independent action would make a great deal of sense; in fact, it might well be vital.

On the other hand, we have included only open conferences in this bill. An open conference is one which any carrier wishing to join at any point can join.

We also have allowed a right of independent action in those conferences which utilize loyalty agreements, agreements under which a given shipper agrees to send all his goods under the flag of a single carrier or a single conference. This has been slightly amended by a Judiciary Committee amendment, already accepted, allowing 5 percent of any shipper's goods to be sent by other carriers or by other conferences.

The Commerce Committee in considering S. 47 agreed that requiring open conferences to permit all members to deviate from established rates by independent action would seriously weaken the ability of these conferences to maintain rate stability in the trades in which they operate. Rate stability is, of course, a major reason for permitting these cartels which would otherwise be prohibited by our antitrust laws.

While a requirement for independent action may possibly provide some short-term benefit to shippers if it resulted in lower freight rates, the Commerce Committee believes that in the long run it is more likely to be detrimental to shippers by undermining rate stability and causing reduced service if carriers are driven out of the trade for economic reasons. Major shippers could fully utilize their bargaining power by playing off one carrier against another. That, in turn, would lead to erosion of the conference system and the concurrent tariff structure which preserves the stability of the liner trades, and would leave only a few strong carriers surviving.

Finally, it should be noted that one of the specific policy objectives and standards of approval specified in the bill is "comity with nations engaged in trade with the United States."

In commenting on legislation in 1980, which was similar to S. 47, and opposing the requirement of independent action, the representative of the vessel operators of our major trading partners stated:

This requirement (independent action) runs counter to the declaration of policy of the bill. If anything, it would seriously inhibit development and maintenance of an efficient, innovative, and economically sound ocean transportation system. Independent rate action between member carriers of a conference is totally destructive of the fundamental principles of liner conferences and the concept of mutual consultation between the conferences and shipping councils. Independent rate action does not only put a conference at risk but also potentially prejudices the interests of smaller shippers, as it is evident that the so-called independent rate action device will favor shippers who control large blocs of cargo; triggering the mechanism would be tantamount to legalizing unofficial rebating.

While there may be a need for independent action in certain trades where independents have made significant penetration and therefore caused disruption, the imposition of such a requirement upon all trades to satisfy unique problems creates too great a risk to the stability and durability of the conference system.

By retaining open conferences, permitting greater flexibility in carrier-shipper arrangements, permitting shippers' councils with the right to negotiate on general rate levels, and providing presumptive approval for conference agreements which provide for independent action, the Commerce Committee believes the legislation achieves its objectives more effectively than the alternative proposed by Senator HATCH.

I emphasize again that the benefits from this amendment would be highly disproportionate. They would go to large shippers who are already well able to use their bargaining position to get the lowest possibile rates, and they would freeze out small shippers even in connection with the joint ventures which they are permitted under this bill.

It is for precisely that reason that when representatives of all shippers' organizations, large and small, met with carriers to deal with and to negotiate this provision, they came up with the provisions in S. 47 which allow a certain degree of independent action but not complete independent action among conference members.

Finally, I emphasize that in almost every trade there are nonconference carriers and various independent operators who are not bound by any conference agreement whatsoever. This is already a highly competitive business.

The effect of the Hatch amendment would be, after a short period of time, to make it a less competitive rather than a more competitive business, and for that reason the amendment should be defeated.

Mr. BAKER. Mr. President, it is my understanding that the distinguished Senator from Utah does wish a rollcall vote on this amendment.

Mr. GORTON. It is my understanding as well.

Mr. BAKER. I thank the Senator.

Mr. President, in view of that I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, under the order previously entered, since the yeas and nays have been entered, the vote on this measure will occur in sequence after the disposition of the Thurmond first degree amendment on tomorrow. Is that not correct?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BAKER. Mr. President, I yield back the remainder of the time if any is remaining on the amendment on this side.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have here a series of requests that have been cleared by the distinguished minority leader, and I am going to put them in just a moment and then ask the Senate to go out until tomorrow.

ORDER FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business to extend not past the hour of 6 p.m. in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

WEST VIRGINIA SENATE REQUESTS MUTUAL AND VERIFIABLE NUCLEAR WEAPONS MORATORIUM PROPOSAL TO U.S.S.R.

Mr. BYRD. Mr. President, I submit for the RECORD the following resolution adopted by the Senate of West Virginia.

SENATE CONCURRENT RESOLUTION No. 8

Whereas, the greatest challenge facing the earth is to prevent the occurrence of nuclear war by accident or design; and

Whereas, the nuclear arms race is dangerously increasing the risk of a holocaust which would be humanity's final war; and

Whereas, the United States of America and the Union of Soviet Socialist Republics already have a combined total arsenal in excess of fifty thousand nuclear weapons; and

Whereas, an all-out nuclear exchange between said two nations would result in the deaths of millions of Americans and Soviet citizens and would result, throughout the entire world, in death, injury and disease on a scale that has no precedent in the history of human experience; and

Whereas, there is widespread agreement that the United States of America and the Union of Soviet Socialist Republics currently have equal nuclear fighting capabilities with neither nation having a distinct advantage over the other; and

Whereas, an immediate halt in the testing, production and deployment of new nuclear weapons would help secure world peace and avoid the possibility of a nuclear conflagration and would save our nation, over the next ten years, billions of dollars in military expenditures, which savings could be used to help balance the federal budget, reduce taxes, create employment and improve human services; therefore, be it

Resolved by the Legislature of West Virginia, That the Congress of the United States adopt a resolution requesting that the President of the United States propose to the government of the Union of Soviet Socialist Republics a mutual and verifiable nuclear weapons moratorium by which the said two nations would agree to halt immediately the testing, production and deployment of all nuclear warheads, missiles and delivery systems; and, be it

Resolved further, That the West Virginia delegation to the Congress of the United States introduce such a resolution or join with other members of Congress in its introduction; and, be it

Resolved further, That copies of this resolution be sent to the Clerk and Speaker of the United States House of Representatives, the Secretary and Majority Leader of the United States Senate, and to each member of the West Virginia Congressional delegation.

CARIBBEAN BASIN INITIATIVE

Mr. PERCY. Mr. President, yesterday the President resubmitted the Caribbean Basin Initiative to the Congress. The new bill reflects changes introduced by the House of Representatives after its detailed consideration of the trade and tax portions of the CBI last year. The House voted 260 to 142 last December 17 in favor of this legislation.

I hope this Chamber will be able to give the same positive consideration to the CBI as soon as possible this year. I know we will have the full cooperation of Senator DOLE's Finance Committee in this effort.

Our neighbors in the Caribbean Basin are waiting for us to give them this very strong sign of our interest and concern for their future development and prosperity. As President Luis Alberto Monge of Costa Rica said to the Foreign Relations Committee when he visited us last summer:

We have been waiting for 34 years for this kind of trade opportunity with the United States. It is vital to us for our future economic prosperity.

My good friend and neighbor, Robert Anderson, is our Ambassador to the Dominican Republic. In a recent speech before the American Chamber of Commerce in Santo Domingo, Ambassador Anderson described both the tremendous economic and political changes that have been taking place in the Dominican Republic since 1965 and the number of ways the Dominican Republic can take advantage of the enhanced trade opportunities represented by the CBI. A related article appeared in the Wall Street Journal describing the very difficult situation in which the Dominican Republic finds itself today and the crying need for the many changes that it has undertaken.

The Dominican Republic has a dynamic President in Dr. Salvador Jorge Blanco and a capable government ready to make the changes necessary to take full advantage of the Caribbean Basin program. Our support for the CBI will be a sign to them that we in the United States are behind their efforts to create democracy and prosperity in their country, our neighbor.

Mr. President, I ask unanimous consent that these two items be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE DOMINICAN REPUBLIC: A CORNERSTONE FOR CARIBBEAN STABILITY

Ladies and Gentlemen: I am honored to be with you today, and am most grateful to your President and his Board of Directors for inviting me to meet with you. Initially, I thought it unwise, if not hazardous, to meet with such a prestigious group only five months after my arrival in the Dominican Republic. I decided, however, to follow your tradition of having the American Ambassador set the stage for the Thanksgiving holiday, counting on an ample feast tomorrow to enable you to recover.

Today I would like to share with you my appreciation of the mutuality of interests in Dominican/American relations and the outlook for the future in this important part of the world. I would never presume to be able to cover all the problems or identify the answers to them. I hope, however, to discuss some areas of interest to us all during our few moments together. And if this stimulates Americans and Dominicans alike to consider a positive and realistic approach to the stable future in the Caribbean which both our nations seek, I will have accomplished a limited, yet important objective.

Let me state at the outset that when President Reagan telephoned me to ask if I would serve as his representative in the Dominican Republic it was one of the most unforgettable moments in my 37 years of diplomatic service.

Unforgettable not just to be asked to serve my country once again as an Ambassador, but primarily because I would have a chance to become associated with a country so important to mine in so many ways. As I began to prepare myself for this assignment last Spring, it became abundantly clear that this was to be one of the greatest and most pleasurable challenges of my career. Senator Charles Percy, the Chairman of the Foreign Relations Committee of our Senate, succinctly stated the nature of this challenge in my confirmation hearings last May before his Committee. He said, "In short, you will have an opportunity to affirm and reaffirm our country's commitment to the political and economic development and well-being of the Dominican Republic and the countries of the Caribbean." What more welcome objective could one have than to have the honor of cooperating with one of our closest friends to achieve a common goal—stability and peace in the Caribbean. I pledge to you now that our Embassy will continue working diligently towards this imperative for both our countries.

I would now like to comment on the fundamentals of our relationship. One may ask if or why the Dominican Republic is of great importance to the United States. The answer is clear. The very location of your country on one of the most important strategic and commercial arteries for the United States speaks for itself. Nearly half of our trade, two thirds of our imported energy and more than half of the strategic minerals necessary for our industrial production pass through the Caribbean. Further, and this is not generally recognized, 70 percent of the reinforcement and resupply of Europe by the United States in the event of a NATO conflict will have to be transported from our ports in the Gulf of Mexico through the Caribbean and on to Europe.

As President Reagan noted in addressing this subject at the Organization of American States in February of this year: "Make no mistake. The well-being and security of

our neighbors in this region are in our own vital interest."

Aside from your geographic location, your country is, in my view, important to the United States for reasons which have to do with ideas and ideals, not numbers. They deal basically with what your nation stands for: democracy and freedom. No matter what those opposed to these tenets may proclaim, democracy can and will flourish. Indeed, it is flourishing in many places around the world: not just in Northern Europe and North America, but in Asia and in Africa, and here in the Caribbean as well.

Your nation and your leaders should rightly be proud of what has been accomplished in building democratic institutions in your country. Your constitution provides a valuable framework for elections, for the adoption of laws, for the administration of government, for a system of justice, and for the protection of human rights. That structure has been tested this year, and has been proven strong. We in the United States rejoice in this further success in consolidating a vibrant democratic system emerging from the will of the people and responsive to it. It is precisely because of this favorable evolution that the Dominican Republic is a cornerstone for stability in the Caribbean.

As the largest democracy in this critical area, your country stands as a model towards which the aspirations of all who love freedom can turn. I am thinking in particular of the many new or emerging nations in the Caribbean who are or will be deciding on their own systems of government. From my own travels during the past three years visiting many of these island states I can tell you that each passing year they look more and more towards your country in weighing what political and economic system best suits their needs. I think we would all agree, however, that the Dominican Republic's contribution to regional stability will be in direct proportion to the role it chooses to play in the area. For this reason, my Government welcomes the intention of the new Administration of President Salvador Jorge Blanco to reactivate or establish diplomatic relations with its democratic neighbors in the Caribbean. I see this as another sign of your Government's recognition that stability in this area is in its national interest, and of a readiness to assume greater responsibilities to contribute to it in a meaningful way. For this we are grateful.

The pursuance of a successful foreign policy rests first and foremost on political and economic stability at home. As we all know, the state of an economy is more often than not crucial to preserving political stability. That this is recognized by the new Administration is clear. Your President has already taken a series of difficult and courageous steps to surmount the pressing financial problems facing your nation. These, coupled with the reports of positive discussions with the International Monetary Fund and the Work Bank, make it difficult for me to share the views of the school of doom and gloom about this country's economic future. Rather, I am confident that with perseverance in the effort to obtain the badly needed infusion of additional foreign exchange, the short term difficulties will be overcome. I am not alone here. In his remarks in Santo Domingo on October 28, 1982, Henry Wallich, a distinguished Governor of our Federal Reserve Board, noted: "Temporary difficulties are likely to remain just that—temporary. They will scarcely be visible on the upward-sweeping graph of long-term trends."

One may rightly ask why I am optimistic about the long-term economic future of the Dominican Republic. A nation dependent on imported energy at prices set abroad. A nation dependent for its foreign exchange in large measure on the export of five or six primary products whose prices are also set in the world market place. My optimism stems from the fact that I have served in or worked with nations where there was little hope, no matter what effort and imagination their leaders could apply. Resources above the subsistence level were just not there. By comparison, I am now in a garden of Eden. The Dominican Republic has ample resources, human and material, for future development. Let us examine briefly this potential.

First, because of its political stability in recent years, because of its nearness to the United States market, and because of its long friendship with our country, the Dominican Republic is becoming more and more attractive to American investors. Your nation is truly a rare asset in this world. Where else, for example, would an American visitor ask me where he could invest in the Dominican Republic simply because, as he put it, "I love this country"? He really had no clear idea of where to invest. He just wanted to help a very special country which he felt deserved his support. Needless to say, our American Chamber will do its best to assist this friend of the Dominican Republic.

Secondly, the areas for potential growth in this country are clear and, as your Government has indicated, seem best fostered by private enterprise drawing on domestic and foreign investments. Agrobusiness and tourism are of particular interest and should prosper. Why, for example, could not the Dominican Republic export far more specialty fruits and vegetables to our market than now? Your okra and snow peas are the best. And then there is top quality pineapple which is being exported in limited quantities, but could supply an almost limitless market covering the Eastern part of the United States. From what I have been told there is room for expanding the export of processed and semi-processed tropical and other foods. With these opportunities go challenges, such as the development of clear Dominican product-recognition on the part of the American consumer, reliability as high quality, dependable supplier to meet the needs of an exigent market, and the ability to compete in the all-important area of transportation. These then would appear to be illustrative of areas worthy of exploration. And not to be omitted as part of the industrial potential is the twin plant concept. From conversations I have had with American firms, I can attest that there is an active interest here.

A third factor which would could benefit your country's agricultural and industrial development is the existence of a market which has not yet been exploited to its full extent. I refer to the English, French and Dutch-speaking islands of the Caribbean, which are so dependent on food imports. The aggregate population is over 11 million people. One may conservatively add another 11 million representing the annual influx of tourists. These 22 million potential customers then could be an interesting market for reasonably priced household items, shoes and clothing, and for non-traditional agricultural exports from the Dominican Republic. There may be good and sufficient reasons, but I am not clear, for example, why so many fruits and vegetables come from Central America via the United States for eventual consumption in the Eastern Caribbean. This may also merit examination, perhaps leading to positive and profitable action. Then again, I was perplexed to learn that no Dominican fruits and vegetables go to the Turks and Caicos, only 125 miles away. This currently represents $15 million annually in cash for some enterprising supplier.

With this brief overview of your country's potential, it is clear that there are no quick and easy answers. But it is equally clear that with realistic priorities, hard work, determination and persistence success may be achieved. Towards this end you may be assured that the United States will always be ready to play its part.

For the past twenty years, as you know, we have provided bilateral economic assistance in addition to our contributions to such multilateral aid efforts as the World Bank and Inter-American Development Bank. From 1975 through 1978 our direct bilateral assistance averaged $16.9 million per annum. During the following four years the average was $57.7 million. We fully expect our help to continue at about this level for the foreseeable future, even though the level of our assistance worldwide may drop slightly.

While our government-to-government aid programs can be helpful, particularly technical assistance, they should be considered a supplement to meeting the overall needs of a developing country. Experience in other areas has taught me one basic fact. It is the participation of private enterprise and the infusion of its capital that are the major determinants for economic development. It is in this spirit that our assistance can be most accurately viewed.

This spirit has been most recently expressed by the Caribbean Basin Initiative of President Reagan. The economic assistance part of this Initiative has been enacted into law. The two other parts are even more important than the first. These cover areas of great potential importance to your Government in its efforts to increase employment and export-oriented industries. The first represents a move never before taken by our country—to grant one-way free trade into our market for twelve years. Under this proposal, all imports from the nations included in the Initiative—other than textiles which are governed by international agreements—would enter duty free. For the Dominican Republic, 87 percent of its products now enter duty free. One might therefore ask what then is the real benefit to your country with only the remaining 13 percent of your exports being reduced to duty free status. In point of fact it will be of great potential benefit. Take sugar, for example, for which the Dominican Republic is now our number one foreign supplier. The reduction of the duty from 2.8 cents a pound to zero under the CBI will mean an increase of revenues of over $27 million. With regard to other products, there were 178 dutiable items imported into the United States from the Dominican Republic in 1980, for a total value of $74 million. A quick review of the Dominican share of the U.S. import market for these items indicates a handsome potential to capture a larger percentage of our market when certain items become duty free for your country, but not for those outside the CBI region.

The third part of our President's Initiative, designed to encourage American private investment in the Caribbean, would grant a 10 percent tax credit on any such in-

vestment. Despite the number of items already on the Congressional agenda, I am hopeful that these remaining sections of the CBI will be passed in the special session of our Congress which begins in less than a week. The visit, four days ago, of members of the Ways and Means Committee of our House of Representatives makes me even more hopeful. President Reagan has made it clear that he considers this a top priority for consideration by our legislators, and plans to do everything possible to encourage its passage.

One brief comment related to the tax incentive for American investors may be helpful. When considering this section of the CBI, our Congress will wish to know the views of our foreign friends towards American investments, and specifically what measures they wish to take in this regard. With regard to the Dominican Republic, it comes as no news to you, I am sure, that American businessmen have long questioned the merits of Law 861 as a stimulant to foreign investments. They now look forward to a change which might more realistically reflect the stated desire of the new Administration to attract increased foreign investment. As a final point on this important subject, I would only say that our Embassy will take every step possible to encourage investments by our countrymen, and that I will personally participate in this endeavor. Our effectiveness in these efforts, however, will only be determined when the investment policy of your Government is articulated.

After listening to these few thoughts, I hope you may now understand my enthusiasm for this assignment, my optimism about the future of the Dominican Republic, and the importance of your nation's role in the Caribbean for our mutual security. Remarkable strides have been made in the past twenty years. From a nation then, with one agronomist, two industrial engineers, and three economists, one has only to observe your country today. From a nation then, with virtually no middle class, observe it today. From a nation then, with most of its industrial production concentrated in the hands of one man, observe it today. From a nation then, with freedom of expression and freedom of assembly excluded, observe it today. From a nation then, with democratic institutions little more than symbols, observe it today. From a nation then, unconcerned with human rights, observe it today. And finally, from a nation then, oblivious to the needs and aspirations of the individual, observe it today: a vibrant democracy, a cornerstone for Caribbean stability.

Thank you very much.

[From the Wall Street Journal, Jan. 7, 1983]

CARIBBEAN CRISIS: DOMINICAN REPUBLIC, MIRED IN DEEP SLUMP, TURNS TO U.S. FOR HELP

(By Erik Calonius)

SANTO DOMINGO, DOMINICAN REPUBLIC.—When 23,000 U.S. troops landed in this Caribbean capital in 1965, forcing an end to a four-day civil war between battling populists and military factions, a curious graffito began to appear on the city's walls. "Yanqui go home," was the first phrase, as expected. But the second part was, "and take me with you."

The message says much of the continuing love-hate entanglement Dominicans have with the U.S. On one hand, the country of 5.7 million people has embraced American culture. "Lassie," "Los Duques of Hazzard," and "Plaza Sesamo" are seen daily on TV, from the spanish-tiled suburban homes to the galvanized-steel and wood shacks that huddle shoulder to shoulder in the barrios.

Baseball is the national pastime (along with the national lottery), and close attention is paid to the 19 Dominican players in the U.S. major leagues. Dominicans travel to the U.S. when they can; many are educated in the U.S. Surprisingly, 10% of the Dominican Republic's citizens live in the U.S., mostly in New York, often mailing their money home.

HISTORY OF INTERVENTION

The bitter feelings, on the other hand, are born of the long history of U.S. intervention in Dominican affairs: the U.S. military occupation of the country from 1916 to 1924, subsequent U.S. corporate ownership of 80% of the agricultural lands, then the 30-year iron rule of dictator Rafael L. Trujillo, whose repressive government was backed for many years by the U.S. government.

Most Dominicans remember the bloody occupation of 1965, and the tale of a U.S. marine is still retold. "People knew him by name," says a young Dominican, pointing to the darkened outline of a grain silo overlooking Santo-Domingo. "And he stayed up there night and day with a high-powered rifle and would kill anything that stepped into the street—a person, a dog, whatever. Later, people said that he had been sent to Vietnam and was killed there."

Now it isn't civil war that is rending this land of mountains and sugar-cane fields, but the worst economic chaos in 15 years. Sugar, which dominates the Dominican economy and provides as much as 50% of the country's foreign exchange, has tumbled in price recently to about six cents a pound on the world market, or about 11 cents less than Dominicans can produce it for. Cane fields are being pulled out of production, mills are being closed, and jobless workers are walking into an economy already strapped with 30% unemployment and substantial underemployment.

EARLIER PROSPERITY

Gone are the halcyon days of the early 1970s, when the Dominican economy galloped at an 11% growth rate and 60-cent-a-pound sugar provided cash for Mideast oil and U.S. food and consumer goods. Growth now has slowed to 2%, but years of import consumption have drained the economy of its cash.

"I'm taking over the presidency at a sorry time," 57-year-old Salvador Jorge Blanco said in August as he took office. Noting that the government was already $485 million in default on its $1.2 billion external debt, the former law professor said, "We have a national economy with debts of hundreds of millions of dollars, no cash on hand, and no lenders in sight."

The Dominican Republic can't do much to influence the world price of sugar. The country's one million tons hardly make a dent in a world market that produces 90 million tons and exports about 20 million. Nor has the Dominican Republic, or any other nation, successfully persuaded the European common market to end its subsidy of European beet-sugar producers, whose five million tons on the world market have caused prices to plummet. "We should declare war on France," says one Dominican sugar producer. "They might as well be dropping bombs on us as dumping sugar."

Short of that, the Dominican Republic is turning for aid to the U.S., stressing the common interest and history of the two nations and hoping to receive preferential treatment for its sugar. The Caribbean Basin Initiative would be a good place to start, Dominican leaders say.

The Caribbean Basin Initiative—as proposed last winter by President Reagan in a good-will gesture to 28 Caribbean and Central American nations—would offer the nations 12 years of tariff-free trade with the U.S. as well as a 10% tax-credit incentive for American investors in the Caribbean Basin region. Although the legislation died in Congress during the recent lame-duck session, the president has vowed to push it back into Congress in the new year.

If passed by Congress, the measure would remove the 2.8-cent-a-pound tariff currently levied on Dominican sugar, giving the country an immediate $27 million bonus. The measure would also drop tariff from about 178 other items exported from the Dominican Republic, for another $75 million (87% of Dominican exports already enter the U.S. without tariffs). And the 10% tax investment credit would spur activity in the nation's three "industrial free zones," which employ about 9,000 workers in manufacturing operations.

Beyond the proposed measures, Dominican leaders also want to increase their quota of sugar exports to the U.S. (where government subsidies keep sugar at about 20 cents a pound) to 800,000 tons from 500,000 tons. "The United States has a responsibility to us," says Francisco Pena Gomez, the secretary-general of the governing Dominican Revolutionary Party and mayor of Santo Domingo. "If the United States cannot give preference to the trade and sugar of the Dominican Republic, then it is directly causing the ruin of democracy in the Caribbean."

Statements like that tend to hit buzzers and bells in Washington, Mr. Pena Gomez knows, particularly at a time of tumult in Central America and perceived Soviet arms build-ups in Cuba. "One may ask if or why the Dominican Republic is of great importance to the United States," American Ambassador Robert Anderson said in a recent speech here entitled "The Dominican Republic: Cornerstone for Caribbean Stability."

"The answer is clear," he said. "The very location of the country on one of the most important strategic and commercial arteries for the United States speaks for itself."

In fact, half of U.S. trade, two-thirds of imported oil and 70% of reinforcement shipments to Europe in the event of a NATO conflict must steam through the Caribbean and past the Dominican Republic. For the same strategic reasons, the U.S. has demanded Dominican Republic allegiance in the past. It occupied the small country during World War I (because of "the threat of European intervention"), supported the Trujillo dictatorship (because Mr. Trujillo was anti-Communist), and landed 23,000 troops in 1965 (on the evidence of a "list of 50 Communists" who were allegedly manipulating the civil war).

U.S. interest in the Dominican Republic is also piqued by the fragile Democratic government that has emerged there in the last five years. The election last May of President Jorge Blanco was the fifth election since the 1965 U.S. occupation. But this election and the election of President Antonio Guzman in 1978 were the first truly free transfers of power in this land that had been governed for the past 500 years by a succession of foreign powers, dictators and military juntas.

In the past five years, personal liberties have flowered. Political exiles have returned

home. Political parties (including the Communist Party) are free to organize. The military forces have been more removed from the political process. A two-party system now fights it out in Congress and in the press (whereas traditionally, the party in control simply extinguished the other party). And a middle class of entrepreneurs has gained political power.

Furthermore, in a nation where a vocal crowd will often gather around a traffic accident and where baseball umpires are given police escort past hostile fans, Dominicans have embraced a free press. The country now has seven morning daily newspapers, a noon paper, three evening papers, six TV stations and more than 50 radio stations. "There are two things every Dominican feels he could do well," one Dominican says "be president or be a newspaper reporter."

CUTTING SALARIES

But just as the country has reached this new level of personal freedom, the economic fabric is unraveling. In recent months the new president has slashed the salaries of the country's 186,000 government workers (including 40 percent pay cut he took himself) and extended the government workday by one hour. He has imposed a 10 percent tax on luxury items and pushed into Congress measures to freeze business dividends, install wage and price freezes in the private sector, and establish the first property taxes since 1965.

Mr. Jorge Blanco recently declared a ban on 150 imports, ranging from cars, tractors and trucks to pasta, peanut butter and rice. Upbraiding his countrymen for importing foodstuffs that could be grown at home, he scolded, "Let me warn you: If we don't produce enough rice ourselves from today on, we'll have to eat more of the other foods produced here, because I plan to take the necessary steps, starting today, to outlaw the importation of rice."

They were strong steps from a political leader who won the election by less than a majority and whose countrymen are more accustomed to coup than compromise. Although the country now is calm by Dominican standards, government sugar workers recently battled police over wage demands, and at the city's university a student was killed by police during demonstrations that called for a doubling of the university's budget. Whether the young democracy can withstand such pressures is unanswered. "We can live with this austerity for a time, but we have to tell people that there's light at the end of the tunnel, and hope that tunnel isn't very long," says Bernardo Vega, the governor of the country's central bank.

But even if the economy recovers, observers see the need for long-term changes. The dependence on sugar is questioned, particularly since the volatile commodity gives no stability or sturdy promise of national income from year to year. Furthermore, the U.S. is using more corn sweeteners, and the State Department says the U.S. may get by without any sugar imports in as few as five or six years.

HOW SWEET IT WAS

Sugar had been like oil to the Dominican Republic, allowing the country to import its needs without learning to develop them locally. "Over the last few years we've been able to create the illusion of being a developed country—we have the latest computers, automobles and appliances," says Felipe Vicini. "But we aren't developed at all."

Stripped of its imported goods, the Dominican Republic is essentially what it was 100 years ago—a plantation society with thousands of acres of sugar cane, some bananas and cocoa, and several gold and silver mines. Today, in this plantation society, about 6% of the population owns 40% of the wealth. Most of the people are peasants, living in rural areas where unemployment is 50%, illiteracy is 80% and many of the adults and children are malnourished. The impoverished population spills over into urban barrios, and in the city streets children beg for money, contorting their arms and legs to appear as cripples.

In the sugar fields, wages average $3.50 a day, at least during the six-month cutting season when work is available. Much of the cutting is done by Haitians, trucked into the country under contracts arranged by the Dominican and Haitian governments. Many of the Haitians never return to their impoverished homeland, however, and Dominican officials concede that some half million of them roam the Dominican countryside, often working in conditions approaching slavery.

DIVERSIFICATION FAILS

Diversification of the Dominican sugar crops into grains and vegetables has thus far failed. The soil is too poor, and water too scarce in the sugar-growing regions to support anything other than sugar cane and pasture land. And turning sugar fields into pasture land would leave most of the 90,000 sugar workers in the country jobless. Improvements have been made in the living conditions of sugar workers lately. But low sugar prices have doomed plans to modernize the industry. At Gulf & Western Industires Inc. plantations in the eastern part of the Dominican Republic, an austerity budget has been put in effect. "We've increased our oxen-driven cart operation by 25%," says Calos Moales Troncose, the president of the Dominican unit. "We are being driven back in history" because of high oil prices.

Development of free industrial zones, focused to bring U.S. manufacturing from Asian underdeveloped countries to the Caribbean, is a popular idea here. But it has its critics, "That will only encourage us to convert our economy into one where we're selling cheap labor and no other resource," argues Felipe Vicini. "Let's not use misnomers. When people talk about putting in an electronics industry in the Dominican Republic, they're talking about a packaging industry. You bring in the subassemblies, you have Dominicans put it into a chassis and into a carton and ship it out."

"And do you know what the industry will do when it finds a cheaper source of labor somewhere else?" he asks. "Just what they did in coming here: They take a wrench and undo four bolts, remove their equipment, crate it up and ship if off."

WORKING ON JOBS

But the present government can't be choosy about where it finds jobs. Santo Domingo's Mayor Pena Gomez, who 17 years ago burst into Radio Santo Domingo and called the people into the streets in insurrection against the military government, made his first declarations in office ordering trash removed from the streets and potholes filled. Meanwhile, the stairways and corridors to his office are crammed with people wanting jobs in the state's sugar industry and its collection of 30 nationalized industries (both inherited from the Trujillo regime and both bankrupt). As secretary-general of the Dominican Revolutionary Party, however, Mr. Pena Gomez has loftier goals: a $90 million program to provide 5,000 new homes, several hydroelectric dams to provide irrigated land for a new class of small farmers. Democratic socialism is the form of government he espouses, "like Sweden, Norway or France," he says.

But skeptics don't feel the country has the educational or industrial base for such a government. "This country would run better under a benevolent dictator," says Alexander Rood, a Dominican importer who feels the country will inevitably turn to one in the next 10 to 15 years. "Latin people need direction," he says, adding, "Many people still look back to the time of Trujillo as a period of great growth."

THE HONORABLE MARGARET CHASE SMITH

Mr. MITCHELL. Mr. President, I am deeply gratified to be able to inform my colleagues that one of our Chamber's most distinguished former Members has returned to the Capitol for the first time in the decade since her retirement.

I speak of former Senator Margaret Chase Smith who represented the State of Maine with integrity and distinction for 32 years, 8 in the House of Representatives and 24 in the Senate of the United States.

Senator Smith has been honored in her home State by the dedication of a library for her papers in Skowhegan, Maine. But it has been 10 years since her former colleagues and those of us, like myself, who have admired Mrs. Smith for many years, have had a chance to meet her again, here in the Capitol. The Senate is honored by her return, and I am personally deeply honored to have had the chance to arrange for her return.

I want to take the opportunity to describe what I believe was Senator Smith's most enduring contribution to the public life of this Nation. That contribution consists not of one vote or one speech but of a lifetime of service which exemplified the best kind of representation an elected official can give.

It is the kind of representation that does not shrink from confronting challenges, and that is not wearied by the daily obligations of office.

Senator Smith's career demonstrated both her ability to speak with rare courage, disdaining the risk to her political future, and also to fulfill, with perseverence, one of the most fundamental and least appreciated of Senate duties—the duty to vote. In her Senate career, Senator Smith never missed a single rollcall vote on the Senate floor, a record rarely matched. It was not until I came to the Senate myself that I understood the difficulty of achieving and maintaining that kind of record. But there is no question that the daily responsibilities, unheralded and unsung, are as much a part of representative responsibility as the great debates of our time.

It is also in the larger sense of representation that Senator Smith's career commands our admiration.

The nature of an elected official's responsibility in a democratic republic such as ours is a matter of disagreement. Does representation imply carrying out the wishes of the electorate? Or does it imply the independent exercise of one's own judgment. Everyone elected to public office has wrestled with that question, for it goes to the heart of our system of government.

It is all too easy, with the abundance of polls now available, to accept the approach that votes cast, speeches made or not made, issues addressed or avoided should reflect the views of the majority. Some would say that is the most representative form of government. A political career resting on the views of majority public opinion, aside from probably being a successful one, can be defended as a legitimate and conscientious discharge of duty.

Yet it is a paradox that those who model their actions exclusively on the popular will ultimately tend to subvert that very will. Highly popular votes can have unintended outcomes. Highly attractive programs can have unbearable costs. And highly evocative speeches can stampede the Nation in a dangerous direction.

It takes courage and a farsighted view of our Nation and its future to stand aside, to consider the implications of popular clamor, and to act against it when it is misguided.

Senator Margaret Chase Smith exemplified that kind of courage and that kind of representation for the people of her State and the entire Nation when she led the effort that ultimately returned civil political discourse to the Senate.

I am referring to the famous Declaration of Conscience which Senator Smith made on June 1, 1950, at the height of the witchhunting and namecalling that then prevailed in our Nation's political life.

That action was not one that had the support of majority public opinion. It took immense courage to speak up against a member of her own political party, at risk of being personally smeared as so many other victims of McCarthyism were smeared. That, in my judgment, was an example of the kind of representation that we should all strive to provide for those who elected us to serve.

It is a kind of representation which does not avoid difficult and controversial issues, does not back away from confronting them and dares to break with popular belief when a higher principle is at stake.

Senator Smith's career was marked by that kind of integrity, intellectual rigor, and courage.

In her service in the Senate Armed Services Committee, Senator Smith consistently spoke for and voted for a stronger America without being blind to its changing security needs. Senator Smith's was the deciding vote in the historic 1969 ABM debate, which maintained the ABM system in production. But she did not hesitate, 3 years later, to cast her vote just as clearly for the SALT I Treaty, which limited ABM defenses for the purpose of curtailing the arms race. Senator Smith was guided, not by a rigid, unyielding adherence to hardware, but rather by an unyielding adherence to the national interest.

That is the difference between the kind of representation that blindly follows every up and down of the public opinion polls and the kind of representation that looks behind the immediate popular clamor to the roots of the issue at stake. It is the kind of representation that takes political risks for the sake of enduring principles that rise above temporary political expedience. And that is the kind of representation which our people enjoyed for 32 years while Margaret Chase Smith served in the Congress.

It is all too easy in the rush of everyday business to be guided by the immediate political practicalities and the imperatives of election campaigns. But representation which sets the good of the Republic and the endurance of our political system above those immediate demands is rare and difficult. It takes courage and single-minded dedication to the greater principles that underlie service in the Senate. It cannot be better expressed than in Senator Smith's own words of 33 years ago, when she said, "I think it is high time that we remember we have sworn to uphold and defend the Constitution." Senator Smith never forgot.

I am honored to be able to announce Senator Smith's visit to the Capitol after 10 years, and to be able to express my admiration for what she has always stood for in my mind: The best kind of public service.

ELEVENTH ANNIVERSARY OF THE SIGNING OF THE SHANGHAI COMMUNIQUE

Mr. DURENBERGER. Mr. President, today we observe the 11th anniversary of the signing of the Shanghai Communique which recognized the People's Republic of China as the one and only Government of China. This is a particularly memorable occasion for me because 4 years ago today I addressed this issue in my first speech in the Senate.

This communique and the Taiwan Relations Act created a deliberately ambiguous situation. These acts recognized the legitimacy of the PRC while insuring a close and continuing friendship with Taiwan. This policy has become particularly vexsome because both share a common vision of China, both claim the same territory for China, and both adamantly refuse to consider any form of partition. This ambiguity became particularly clear when our Government entered into negotiations to sell fighter aircraft to Taiwan.

While the political and military aspects of this situation have been highlighted in the press, there is a very worrisome issue that has not received the worldwide attention that it deserves. The human rights situation in Taiwan remains as serious as it was 4 years ago, when I was prompted to speak out in the Senate. The concerns I had then are the same today. While we have guaranteed our political relations with Taiwan, we have done nothing to insure that the Government of Taiwan observes the basic human rights of its people. Today, under martial law, the people of Taiwan are denied the same rights guaranteed to the citizens of our other allies. I can see no excuse for denying the Taiwanese the freedoms and fundamental rights that are already denied to people on the mainland. Martial law must come to an end in Taiwan so that the people's right to self-determination and representative government can begin.

But martial law is not the only issue. We often overlook the fact that the native Taiwanese are distinct from the mainland Chinese. As such, they are in the unenviable position of seeing their homeland treated by both the Communist and the KMT governments as simply a province of China, rather than a distinct entity. Their position is not dissimilar from that of people in the Baltic States, who have been incorporated into the Soviet Union despite a history and ethnicity which are not Russian.

The Shanghai Communique is a unique solution to a vexsome problem involving three governments. But it accepts without question the position long held by both the Communist and the KMT governments concerning Taiwan. As such, it is incomplete, for it does not take into account the views of the native Taiwanese themselves. This oversight is regrettable, to say the least.

Clearly, we cannot repudiate the Shanghai Communique. But I believe that we ought to bear in mind the position and the concerns of the native Taiwanese when we deal with the People's Republic and with authorities on Taiwan. To accept without question the view that native Taiwanese are Chinese subjects—regardless of who

governs China—is to overlook the concerns of many millions of people. And surely, the native Taiwanese would be no better off under a Communist government than under martial law. I hope, therefore, that we will bear in mind their views as we further deal with the People's Republic and with the authorities on Taiwan.

FREEDOM FROM HUNGER: THE AMERICAN CHALLENGE

Mr. CHAFEE. Mr. President, the distinguished junior Senator from Missouri, our colleague, Senator DANFORTH, gave a very thoughtful speech recently on the subject of hunger. It is a matter that has been of great concern to him and on which he has made thoughtful contributions in the past.

Mr. President, I ask unanimous consent that Senator DANFORTH's speech be printed in the RECORD in its entirety.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

FREEDOM FROM HUNGER: THE AMERICAN CHALLENGE

(By Senator John C. Danforth)

Let us begin tonight, here at Lincoln University, an American commitment to free the world from the scourge of hunger. Let us commit ourselves to have that goal in sight by the end of this century.

I cannot think of a better place than the campus of Lincoln University to make such a commitment, and I cannot think of a better time than now. For Lincoln is the first of the 1890 land grant universities, and our land grant institutions have led the way, here in the United States, in making agricultural productivity a 20th Century miracle.

Aided by the land grant programs, American genius and know-how have made farming America's biggest business and the United States the leading food producer in the world. Farm productivity has increased tenfold in the past 50 years, and today the average American farmer can feed and clothe 75 Americans and some portion of the world besides. As a Food "superpower," we now harvest more than half of all exported grain and hold the largest grain reserves in the world. In fact, we now provide 50 percent of all the food in international trade. At the same time, we maintain enormous stocks of surplus commodities and find ourselves with millions of tons of foodstuffs that go unconsumed each year.

This great abundance of food is often taken for granted. It is difficult for most Americans to picture how much of the world's population still lives in abject poverty and hunger. But while high quality food is available in great quantities in the United States, hunger is a constant threat for many millions around the world.

Today, millions of human beings still suffer from hunger—in conditions of poverty that would fill us all with horror. Many of these people suffer from starvation caused by famine, natural disasters, and political crises. Many more suffer chronic malnutrition—the silent, day-to-day scourge of the world's poorest people, who wake up each morning without enough to eat.

Unlike a sudden natural disaster or a war, hunger is a continuing tragedy which seldom makes the headlines. Yet its enormity cannot be denied. Unbelievable as it may seem to us, who take for granted our food abundance here in the United States, at least one-eighth of the world's total population suffers from severe hunger and malnutrition most of the time. And the problem is getting worse.

Eight hundred million of the earth's poorest people never have enough to eat. Hunger reduces the human potential of these people: It diminishes their physical and mental capabilities. It makes them less energetic and less productive. It diminishes their ability to learn. It ultimately increases their susceptibility to disease and shortens their lifespan.

More than half of those suffering from hunger and malnutrition are children, under the age of five. Each year, between 13 and 15 million children, most between infancy and the age of three, die unnecessarily from the combined effects of malnutrition and the diseases to which it makes them susceptible.

The horrible magnitude of this problem can be expressed in many ways.

Forty thousand people awaken each day to die of hunger. Every year more than 20 million lives are lost.

In the next 60 seconds, 234 babies will be born: 136 in Asia, 41 in Africa, and 23 in Latin America. Twenty-three of these infants will die before their first birthday. Thirty-four more will die before the age of 15—most of these before the age of 5. Between 50 and 75 percent of these deaths can be attributed to a combination of malnutrition and infectious diseases.

In other words, one in every four children in the developing world dies before the age of 15—primarily from nutrition-related causes. Moreover, many of those who survive beyond the age of 15 will be stunted in growth and will suffer brain damage that will incapacitate them for life.

Most of these inadequately nourished people live in developing countries on the Indian subcontinent, in Southeast Asia, and in Sub-Saharan Africa. Many also live in parts of Latin America and the Middle East. But in 1983, Africa is clearly the most pressing concern. Africa is the heart of the tragedy. Africa is the only region in the world where per capita food production has declined over the past two decades. In Africa today, between 60 million and 70 million human beings face severe malnutrition, even starvation.

In Sub-Saharan Africa, food production has been decreasing at the same time the population has been growing. Prolonged droughts have ravaged the continent. The mass migration of refugees in the Horn of Africa and, most recently from Nigeria, has made the disaster even worse. As a result, starvation is a fact of life in African villages and refugee camps. The crisis is now intolerable, and daily it is getting even worse.

The tragedy in Africa is shocking. But just as shocking and disturbing is the fact that hunger and malnutrition have not disappeared even in the United States. Here, in Missouri and across the nation, hunger and malnutrition are becoming realities for Americans struggling with the problems of a sluggish economy, high unemployment, rising food costs, and the increased cost of utilities.

It is in the relief centers, food banks and emergency distribution facilities across the country that the problem of hunger becomes most visible. The number of people appearing at these facilities to request assistance has increased substantially. Church groups and other volunteer organizations have responded superbly to the increased demand, but they cannot meet the need for assistance by themselves. People are falling between the cracks of our social programs, and already we are hearing reports of rising infant mortality rates due to malnutrition and the increased incidence of such problems as infant water intoxication due to formula dilution.

It is hard to comprehend that, with our great agricultural abundance, so many people are going hungry. Yet some Americans are again suffering from the kind of hunger and malnutrition that once plagued our country before federal nutrition programs became a nationwide reality.

Against this miserable background, let me stress the positive. I am absolutely convinced that hunger can be conquered, not only here at home, but throughout the world. Along with a growing number of Americans, I am firmly persuaded that the resources, the techniques, and the human ability to eradicate world hunger already exist.

This is not to say that the eradication of hunger is a simple matter, for the more we study the question, the more complex it becomes. The distribution of food from our abundant resources is part, but only part of the answer, and we must continue our commitment to make that distribution. The food stamp program at home and the food for peace program abroad are essential in an effort to deliver our abundance to those who are unable to acquire or produce it themselves.

But distribution of surpluses, however essential in meeting emergencies, is not the long-term answer to the hunger problem. If relied upon to the exclusion of indigenous production, it can thwart developing countries in their own efforts to gain the self-sufficiency they need and want. It can upset local markets and blunt the economic reform and agricultural research efforts necessary for long-term strength in poorer countries. For this reason, emergency relief must be combined with a sustained effort to improve educational institutions, agricultural research, production incentive systems and transportation in Africa and elsewhere.

The obstacles are great, but I am confident that the world today possesses the resources, the technology, and the ability to overcome them. By working in cooperation with other developed nations we can do the job. By providing technical and financial assistance, promoting corporate investment, and encouraging the elimination of trade barriers, we can lead one-quarter of the human race out of conditions of absolute poverty and toward the agricultural self-sufficiency and balanced economic development that are necessary to the final eradication of world hunger.

There is no question in my mind that we can succeed in this effort. I am confident that we inhabit a world in which hunger is no longer an inevitable fact of life. We can succeed, provided only that we want to succeed and provided that we in America are willing to make the eradication of hunger a

primary national objective. And this is exactly what I propose we begin here and now. I propose that we declare the right to food a fundamental human right and freedom from hunger a fundamental American goal.

America is the leading food producer in the world. No other country is in our position to make this kind of commitment. No other country could undertake leadership to end world hunger. We can. Therefore, we must. But as yet we have not done so.

The United States is the world's largest donor of total food and technical assistance to developing countries, but our relative share of total assistance has been declining. In recent years, we have spent 20 times more on defense than development assistance, and we have ranked behind 12 other countries when such assistance is measured as a percentage of gross national product. If we are to take the lead in eliminating hunger, we must do much more.

If the elimination of hunger is to be a primary national objective, it cannot be secondary to some other objective. It has been argued that food should be used as a tool of foreign policy and that the shipping or withholding of food can be used to bring pressure on other countries such as the Soviet Union. But where it has been tried, the embargoing of food for foreign policy purposes has not worked well. The interruption of grain shipments to the Soviet Union did not lead to modifications of Soviet policy. It did cause significant hardship to our own farmers.

Here at home, it could be argued that to guarantee an adequate diet to all Americans lessens the incentive to work and encourages laziness. But I do not believe that hungry people make good workers or that the provision of a minimum diet reduces one's willingness to work.

What is more, the use of food as a means to some other end—to alter behavior at home or abroad, is more characteristic of a totalitarian value system than of the United States. If we value the dignity of human beings, then we should feed them because they are hungry, not because they do as we please. To make the elimination of hunger a national priority is to make a clear statement about our national values.

There is no doubt that a major effort to end hunger would serve the self-interest of the United States. If this were not so, our attention span on the issue would be brief indeed. Philosophical reflections on values are worthwhile, but when joined with national self-interest they gain the form and shape necessary for effective public policy.

To take the lead in eliminating hunger would reduce our own surpluses; it would open up markets abroad; it would help our agricultural sector; it would improve our balance of trade; and it would increase our influence in the third world. It would, in short, be of practical benefit to our country. But, again, beyond all the tangible advantage, it would further our system of values and appeal to the idealism of the American people. It would enhance our national identity.

The relationship between food policy and a country's value system were brought home to me in 1979 when I journeyed to Cambodia and the border of Thailand. There I saw refugees from political brutality in the most abject condition of human misery I had ever experienced. Thousands were lying on the ground, too weak to walk, dying of starvation before my eyes. I saw babies dying in their mother's arms. Hunger, once seen, is never forgotten.

Two Communist regimes, fighting over the same territory, caused this misery—two Communist regimes that were willing to use food as a weapon of war—two Communist regimes that seemed wholly insensitive to the human tragedy they were causing. And it was western countries, especially America, citizens of the western world, especially Americans, who were there on that border to see what relief they could provide. They had come from half way around the world. They had come to people of a different race and language—of an abhorrent political philosophy. They had come to help—to help because fellow human beings, however different, were in desperate need.

And when I returned from that journey, the response here in Missouri was enough to bring tears to the eyes. School children held car washes and bake sales. Fourth and fifth grade children from a school for the deaf contributed their nickels and dimes. Church groups gave their support.

Why did so many Missourians respond in this way? Why should they have cared about the Cambodians? What did Cambodia have to do with them? Were not these Cambodians of a difference race, a different tongue, a different ideology? What was so special about them that deserved our time, our funds, our attention?

And the answer, of course, is that they were not special at all. They were human beings and we valued them for that reason alone. They were suffering. They needed help. And we helped them. That was all that mattered.

It mattered then and it matters now. It must always matter—to us, to Americans. We believe in the value of human beings. We must always believe in that if we are to be true to ourselves. And we must demonstrate our belief by action.

There is nothing else on earth that shows forth a nation's values as much as food. How a nation deals with food—whether it hoards it, or withholds it or shares it—is a window into a nation's character.

Americans believe in their country—they should. Let us commit ourselves to giving substance to that belief. Let us commit ourselves to freeing the world from hunger.

HOUSE CONCURRENT RESOLUTION 65—WELCOMING QUEEN ELIZABETH AND PRINCE PHILIP

Mr. BAKER. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of House Concurrent Resolution 65, a concurrent resolution welcoming Queen Elizabeth and Prince Philip on the occasion of their official visit to the United States, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 65) welcoming Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, on their official visit to the United States.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. PERCY. Mr. President, House Concurrent Resolution 65, which is before the U.S. Senate today, welcomes Her Majesty Queen Elizabeth II, and His Royal Highness, Prince Philip, Duke of Edinburgh, to the United States for their current visit, and pays special recognition to the historic ties of friendship between the peoples of the United States and the United Kingdom.

It is fitting that we in the Senate join in this American welcome to the Queen and her husband during their 10-day tour of our west coast. The political, economic, and cultural links between the American and British peoples are uniquely deep and enduring. So much of our own national heritage is bound up with Great Britain. And our close ties continue in the present lives of our two nations.

The PRESIDING OFFICER. The question is on agreeing to the preamble to the concurrent resolution.

The preamble was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 65), with its preamble, was agreed to, as follows:

H. CON. RES. 65

Whereas Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, will pay an official visit to the United States from February 26 to March 7, 1983;

Whereas the Royal Couple will travel on board the HMY Britannia, visiting several cities on the west coast of the United States, including San Diego, Los Angeles, Palm Springs, Santa Barbara, San Francisco, Sacramento, and Seattle;

Whereas they will visit important United States naval facilities, institutions of higher learning, business and cultural organizations, and hospitals, and will spend a weekend at Yosemite National Park; and

Whereas they will be received by President and Mrs. Reagan at the President's ranch and, in return, will host a dinner for the President and First Lady aboard the HMY Britannia: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That in special recognition to the historical ties of friendship between the peoples of the United States and the United Kingdom, the highly valued political and economic relationship which exists between our two countries, and the cultural bonds which have long enriched our two societies, the Congress hereby extends a warm welcome to Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, on the occasion of their official visit to the United States.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BAKER. Mr. President, unless there is some Senator seeking recogni-

tion, and I see no Senator seeking recognition, I move in accordance with the order previously entered that the Senate now stand in recess until the hour of 9 a.m. on tomorrow.

The motion was agreed to, and at 5:53 p.m., the Senate recessed until Tuesday, March 1, 1983, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate February 28, 1983:

DEPARTMENT OF STATE

John Davis Lodge, of Connecticut, to be Ambassador Extrordinary and Plenipotentiary of the United States of America to Switzerland.

DEPARTMENT OF EDUCATION

Peter H. Raven, of Missouri, to be a Member of the National Museum Services Board for a term expiring December 6, 1987 (reappointment).

EXTENSIONS OF REMARKS

CHRIST CHURCH, UNITED METHODIST OF TROY, N.Y., CELEBRATES 175TH ANNIVERSARY AND TROY CONFERENCE CELEBRATES 150TH ANNIVERSARY

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. STRATTON. Mr. Speaker, it is my distinguished honor to advise my colleagues of two important events that will be taking place later this year for the Christ Church, United Methodist in Troy, N.Y.

The 150th anniversary of the Troy Annual Conference of the United Methodist Church will take place in Troy on June 2-5. In addition, Christ Church, United Methodist, located in the city of Troy, will celebrate its 175th anniversary during the week of October 18-24.

Both of these milestones will be major observances in Troy's activities in the months ahead.

At this point in the RECORD I include a brief history of Christ Church, United Methodist and extend my best wishes to the conference and the congregation on these important occasions.

CHRIST CHURCH, UNITED METHODIST, TROY, N.Y.

HISTORY

When the village of Troy assumed its name and was incorporated in 1789 there were no churches. Early religious services were held either in a school house located on an open plot of ground between the present lines of Congress, Ferry, Second and Third Streets, or in the ball-chamber of Ashley's Inn on the east side of River Street between Congress and Ferry Streets. Here sermons were read by local citizens. After the Presbyterian meeting-house was built in 1792 on the south-east corner of First and Congress Streets the citizens of Troy usually attended services there until the denominational societies of their own faith organized. By 1793 the Methodists began to meet in their homes. As the group grew in numbers the meetings were held in the Rensselaer County Courthouse.

Although a "Class" had been established by the Rev. Elijah Chichester in 1805 it was not until November 29, 1808 that the Society was incorporated according to law and assumed the name "Methodist Episcopal Church of the village of Troy". Because of the inconvenience of holding meetings at the homes of members or in the Courthouse the trustees purchased for $500, plus annual interest payments of $35 until the payment was completed, lots 734 and 744 (the site of our present Parish House) from Jacob D. Van der Heyden. The conveyance was made on Christmas Day, December 25, 1808.

FIRST MEETING HOUSE—ERECTED 1811

This first meeting-house of the new congregation was not completed until 1811 because of the limited means of the members. The first church was a plain, two-story weather-boarded structure with its south gable facing State Street. The first pews were temporary ones made of rough planks. "When the church was fitted with more suitable furniture the seats were then but plain, unpainted pine benches backed with a narrow board. The pulpit was a plainly-constructed desk, standing on a small platform on which were several chairs. When used at night . . . the meeting-house was lighted with tallow candles in tin sconces hung along the walls of the building. Years afterwards, when doorless pews were put in the church, the benches were placed in the gallery, which had no sittings until then. The sittings on the east side of the church were occupied by the women and girls of the congregation, and those on the west side by the men and boys."

THE BRICK CHURCH—DEDICATED DECEMBER 1, 1827

The religious excitement of Troy plus the effect of several "revivals" greatly increased the membership of the Methodist congregation. The first meeting-house was "crowded above measure". "In the spring of 1827 the erection of a brick building was begun on part of the site of the old meeting-house. The new structure fronting with a gable immediately on State Street, a little east of the alley, was fifty-five feet wide and sixty-six feet long. On December 1, that year, the building was dedicated." At that time the congregation totaled 437 members. The old meeting-house was sold at public auction on February 28, 1827 for $500. The building was moved to the corner of State Street and Fifth Avenue where it was used as a courthouse while a new courthouse was being built. Later it was used as a grocery store until the erection of the present church which was begun in 1867.

In the spring of 1867, the property east of the brick church, extending to Fifth Avenue was purchased. "The corner-stone of the present church was laid on Thursday afternoon, June 25, 1868. . . . The new church, built of blue limestone, was dedicated by Bishop Matthew Simpson, on Thursday morning, March 30, 1871. The attractive edifice has a frontage of seventy-five feet on State Street and a depth of one hundred feet on Fifth Avenue. The auditorium, fifty-nine by seventy feet has 650 sittings and the gallery 250. The tower, nineteen feet square, rises to a height of eighty-five feet; and when completed, with the steeple, the height from the sidewalk to the finial on the spire, will be one hundred and seventy-five feet. The estimated cost of the church, when completed, will be $125,000." The spire was erected later in memory of Mr. and Mrs. William Cluett by their sons, J.W.A. and G.B. Cluett.

"The laying of the corner-stone (of the present Parish House) took place on Tuesday afternoon, May 30, 1882." The dedication of this building, which replaced the brick church was held on Tuesday afternoon, March 29, 1883.

The Methodist Episcopal Church in Troy, later known as the State Street Methodist Episcopal Chruch, mothered eight Methodist congregations throughout the city of Troy. The following is a brief history of those congregations and will suffice to show how some of them returned to make possible the congregation now called Christ Church, United Methodist.

In 1826 a small meeting house on Pawling Avenue, near the head of Winter Street was built by the trustees of the State Street Society for those who wished to hold meetings when the inclement weather or other reasons prevented them from attending State Street Church. This building was replaced in 1857 by a brick structure on the same site (now part of the East Side Hardware Corp.). The present Pawling Avenue United Methodist Church was built on the corner of Pawling Avenue and Woodlawn Court in 1903.

Due to the growth of our city northward, a Committee from State Street Church was appointed on May 23, 1831 to provide a place for preaching in the north part of Troy. The site on the northeast corner of Jacob and North Second Streets was chosen. A brick church, known as North Second Street Methodist Episcopal Church, was built and dedicated August 30, 1835. A new church was built on the same site and was dedicated on December 29, 1854. The name "Fifth Avenue Methodist Episcopal Church" was adopted February 9, 1888 shortly after the name of North Second Street was changed to Fifth Avenue by the city. In 1925 this church merged with State Street under the name of "Fifth Avenue-State Street Methodist Episcopal Church." Until recently the church building was used by the congregation of St. Peter's Armenian Apostolic Church. Currently it is being used by the congregation of the Bethlehem Temple Church.

The African Zion Methodist Episcopal Church was established in 1832 by members from a "Class" connected with the State Street Church. The first church was located on Fifth Avenue north of Liberty Street. The location of the church has changed several times throughout the years. Presently the congregation worships at 189 Fifth Avenue, North Troy, and is known as the Fifth Avenue A.M.E. Zion Church.

"A number of persons, designating themselves members of the Fourth Methodist Episcopal Church in Troy" met on September 24, 1838 and formally organized a society known as Levings Chapel. It was named for the Rev. Noah Levings, D.D., who as a blacksmith boy was converted in the old Methodist Episcopal Church of Troy in 1813, and afterwards was twice its pastor. The society erected a church on Mill Street and eventually changed the name to Levings Church. This church merged with the Green Island Church in 1968 and worships there. Because of structural weaknesses the Levings Church was razed a few years ago.

Desiring to strengthen the cause of Methodism in South Troy, a classleader of the State Street Church opened his home for preaching, prayer-meetings, and a Sunday School in 1844. Shortly thereafter a lot was

secured and a church erected on the northeast corner of Third and Monroe Streets. The building was dedicated on December 25, 1847. The church was discontinued about 1919. The structure has been considerably remodeled and is now used by the congregation of St. Nicholas Ukrainian Orthodox Church.

Trinity Methodist Episcopal Church was formed from a "Class" of Methodists from State Street and North Second Street (Fifth Avenue) Churches who began meeting on Congress Street in 1846 under the leadership of the pastor of the Third Street Church. The first building was a reconstructed wooden blacksmith's shop on the south side of Congress Street at its intersection with Ferry Street. It came to be known as "The Hemlock Church". In 1848, a site on Thirteenth Street, facing Prospect Park was purchased on which a church was built and dedicated on July 12, 1849. The name of the church was changed from "Congress Street" to "Trinity" in 1880. In 1965 the congregation known as Trinity merged with that of Fifth Avenue-State Street and it was at that time that the name Christ Church, Methodist was adopted. The "United" came following the merger of the two denominations, The Methodist Church and the Evangelical United Brethren Church, in 1968. The former Trinity building is now used by the congregation of St. Paul's Missionary Baptist Church.

The Vail Avenue Church was established on March 15, 1852 by a few members of the State Street Church and other residents of the community as the Methodist Episcopal Church in North Troy. In 1867, the church took the name of the Vail Avenue Methodist Episcopal Church and on April 2, 1888 because the street's name was changed to Sixth Avenue the name of the church was changed to "Grace". The cornerstone for a new church was laid August 16, 1888. In 1969 the congregation merged with St. Mark's Church to become The United Methodist Church of Lansingburgh. The congregation of the Apostolic Pentecostal Church now worships in the former Grace Church building.

The First German Methodist Episcopal Church of Troy, was organized on July 25, 1857. On March 25, 1863 a brick church at the corner of State and Union Streets was dedicated. In 1925 this church, too, merged with State Street Church. The Italian congregation of St. Titus Church purchased the building and used it as their place of worship for several years before disbanding. In the late 1960's the building was demolished by the Urban Renewal Agency.

Such has been the growth and spread of Methodism, along with the consolidation of some of her churches, in the city of Troy. The present gothic structure at Fifth Avenue and State Street has gone unchanged for a century. Over the years, renovations have been made within the Parish House especially, and in the undercroft of the church to provide classrooms, offices, and general meeting areas. Shortly after May 1, 1974 the one hundred year old pipe organ will be replaced by a three-manual Allen Digital Computer Organ. Accompanied by this new instrument, Methodists will continue to worship and sing, we trust, for a long, long time just as they have been doing across these many decades since the site was first acquired 165 years ago. This church has had a long and rich history. We ask God to bless her present ministry and to enlist from one generation to the next enthusiastic members to ensure her future.

The quotations and much of the historical data is from "The History of Methodism in Troy, New York" by Joseph Hillman published in 1888.

REFLECTIONS ON THE CHURCH

Not too many churches have had the distinction of ministering continuously from one location for more than sixteen decades. I am the 65th pastor to minister from our present site. The rather large number of former pastors who are still living would indicate to me that many of them came to this church as relatively young men.

While served by so many ministers across the years, this church has also challenged many to enter the pastoral ministry. I know of seven who have entered the ministry from our churches. Four of these men, three of whom are now retired, have given 144 years of accumulative service to churches in the Troy Conference.

Troy Annual Conference was established in 1832 and its first session the following year was held in the "brick church". Since then twelve sessions of our Annual Conference have been held in Troy . . . the last one being in 1953, the year I was ordained an Elder.

Many people have found the church at Fifth and State a friendly place. The merger in 1965 was a happy one and has made for a stronger witness. The keen interest and enthusiasm of so many college students have been both a challenge and an inspiration to me. I have never ceased to marvel at the loyalty of many of our members, some of whom travel considerable distance and pass other churches on the way.

With Troy's rebuilding of the central city, its new bridges and arterials, and our proximity to college campuses, our church is still strategically located for a ministry that should take us into our third century of service and beyond. The community of Christians, a church, will exist as long as her ministry serves the Lord, meets the needs of people, and there are members who take their vows seriously. This church has always been so endowed and I trust she always will be. This pastor shall ever be grateful for having had the privilege of serving for a time this great church.—WILLIAM A. GROSHANS ●

HANDICAPPED DRIVERS COURTESY BILL

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. DOWNEY of New York. Mr. Speaker, I would like to bring to the attention of my colleagues the handicapped drivers courtesy bill I am introducing. As we all are aware, the handicapped and disabled citizens in our Nation face a host of obstacles every day. Fortunately, because of mechanical and medical technological advances, the legislative efforts of this and other bodies, and the sheer courage and determination of our handicapped citizens, many are able to live relatively normal lives, free of the barriers and impediments that once burdened them.

My bill would remove yet another barrier for these citizens. It is not a physical barrier; it is a legal one. In many States, an out-of-State handicapped driver cannot park in in-State handicapped drivers' spaces. Imagine this absurd situation: an out-of-State handicapped driver receives a ticket on his or her special vehicle because he or she parked in a handicapped drivers' space—but was not certified by that State as being handicapped. The ticket costs the driver $50, to say nothing of the time and aggravation caused.

My legislation is not complex: it merely would put into law a simple congenial reciprocal arrangement by the States. That is, out-of-State handicapped drivers are extended the same rights and privileges as handicapped drivers in that State without further certification that they are handicapped. Thus, the handicapped driver is welcomed and respected in every State. What is more, this little courtesy, this small bit of interstate cooperation, costs the State nothing and reaps it great reward: the appreciation of the out-of-State driver who is visiting your home State.

Here, printed below, is the text of the handicapped drivers courtesy bill. I urge, on behalf of the handicapped drivers and travelers of our country, that we pass this legislation.

H.R. 1702

A bill to amend title 23, United States Code, to require the Secretary of Transportation to reduce the apportionments of certain Federal-aid highway funds to any State in which highway motor vehicles displaying a handicapped parking sticker issued by any other State are not allowed to park in the parking spaces in which highway motor vehicles displaying a handicapped parking sticker issued by such State are allowed to park.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 158. Handicapped parking privileges

"(a) In any State which allows any highway motor vehicle displaying a handicapped parking sticker issued by such State to park in parking spaces designated for use only by such vehicles, any highway motor vehicle displaying a handicapped parking sticker issued by any other State shall be allowed to park in such parking spaces under the same terms and conditions as apply to highway motor vehicles displaying handicapped parking stickers issued by such State, except that such State shall not require (1) any highway motor vehicle displaying a handicapped parking sticker issued by any other State to display a handicapped parking sticker issued by such State, or (2) the driver of, or a passenger in, such vehicle to be (A) examined for the purpose of determining if such person is handicapped or not, or (B) otherwise certified as handicapped by such State.

"(b) If, in any Federal fiscal year beginning after September 30, 1984, any State violates subsection (a) of this section, the Secretary of Transportation shall reduce the apportionment of Federal-aid highway

funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6), of this title in an aggregate amount of not less than one-half of 1 per centum and not more than 2 per centum of the amount to be apportioned to such State for the second fiscal year beginning after the last day of the fiscal year in which such violation occurred.

"(c) As used in this section, the term 'handicapped parking sticker' means any license plate, parking permit, or any other sticker or symbol issued by any State which indicates that the driver of, or a passenger in, any highway motor vehicle is handicapped.".

(b) The analysis for chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"158. Handicappted parking privileges.".●

AMERICAN LEGION POST 38 ESTABLISHES VETERAN'S SCHOLARSHIP PROGRAM

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mrs. HOLT. Mr. Speaker, recently, American Legion Post 38, in Dundalk, Md., was the subject of a laudatory news article which appeared in the Sun newspaper.

Officers of American Legion Post 38 met with representatives of Dundalk Community College and developed a scholarship program to retrain some of the area's veterans. The program was launched with a 3-hour seminar of stress and unemployment during which 20 to 21 veterans applied and were accepted for scholarships. The program was financed by the legion post and enables the veterans to take six credits, amounting to two courses, during the spring semester.

The actions on the part of legion officers and the community college are worthy of the honor of national recognition and appreciation. It is a privilege to represent a State in which such selfless and concerned individuals reside.

This is the kind of community spirit that made this country the great Nation that it is.●

SUCCESS: LIVINGSTON FARMERS ASSOCIATION

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. COELHO. Mr. Speaker, there is an amazing success story in Merced County, Calif. that I would like to bring to the attention of my colleagues. As told in the following Fresno Bee article, the Livingston Farmers Association has demonstrated that success comes to those who dedicate themselves to that end.

The Livingston Farmers Association is a cooperative of individuals, primarily of Japanese ancestry, who have, through hard work, overcome the economic challenges and cultural discrimination of early California to establish a highly respected farming operation. The association members exemplify the historical benefits which come to the individuals through banding together to operate cooperatively in the agricultural economy. Their reputation as excellent farmers with high quality produce and considerable economic strength should be an inspiration to all Americans, regardless of ancestry, who strive for success.

Mr. Speaker, at this point, I offer the aforementioned article.

JAPANESE-AMERICAN'S AG COOPERATIVE PROVES IMMIGRANTS' SUCCESSES

(By T. J. Burnham)

LIVINGSTON, MERCED CO.—Give to a struggling Japanese commune a home in windseared, near-desert ground; then, when their hope is as fresh as the new green vineyards, wrench them away under eyes of scorn in the piercing winds of war.

But this scenario of the Yamato (Japan) Colony, from its pale onset at Livingston in 1906 through the displacement of World War II Japanese citizens, does not fade in defeat. Instead, the Livingston Farmers Association is today a vision manifest in a thriving 9,000-acre cooperative of 74 small-scale farmers, mostly Japanese. Big on sweet potatoes and almonds, they sell $8 million in crops a year.

Respected as a farm community with some of the finest commodities in the state, the cooperative's evolution has been poignant.

One who remembers is Norman Kishi, a 78-year-old Nisei: a U.S. citizen whose parents immigrated from Japan. As a grassroots member of the colony, Kishi married Tokuto Domoto in 1934 in the first Nisei marriage held in the community.

His father, Tajiro, was one of the less than a dozen original Japanese who wandered to the "wild desert" in search of a homeland. "If they had it to do over, they probably would not have picked the Livingston soil," smiles Kishi. "There is nicer farmland."

It was a place for Japanese who could not be choosy. As socially isolated "aliens" restricted from owning land, they sought a home.

Even in their new home, anti-Japanese sentiments surfaced in the local newspaper, the Livingston Chronicle, by 1919, followed by boycotts and resolutions to exclude "picture brides"—potential wives from Japan who were selected by the colonists from photographs.

The hostility culminated with the erection of billboards on the highway into Livingston reading "No More Japanese Wanted Here," Norman remembers seeing as a 15-year-old.

His father came to California from Japan's Wakayama Prefecture, as did many of the colonists. He and other transient Issei—first-generation U.S. Japanese—sorted fruit in the Vacaville-Winters sheds.

It was when he moved to San Francisco to open a bathhouse that Tajiro Kishi came into contact with Japanese newspaper publisher Kyutaro Abiko. Yamato was Abiko's brainchild: a place for wandering Japanese to settle and begin new lives farming the sandy earth.

In an irregular checkerboard of 40-acre parcels, the dusty colony unrolled over the barren wild ground where Tajiro Kishi brought his wife and two sons, including 2-year-old Norman.

"Father planted table grapes, as did most of the colony," said Norman. "It was a desert when we came. My father was one of the few Japanese in California to own land, and it was purchased sight unseen." Fortunately for many at the colony, they purchased their land before the 1913 Alien Land Law blocked sales of land to Japanese.

What Tajiro and his wife saw when they arrived was little more than depressing desert. A San Francisco Chronicle story described an earlier unsuccessful colony on the site as having been "blown away." Blistering sandstorms and myriad jackrabbits owned the desolation, wrote Kesa Noda in his documentary book of "Yamato Colony 1906-1960."

"At first, they sold their produce independently at San Francisco," said Norman. "But the benefits of getting together to ship to the markets became evident. For one thing, we had a language barrier. We needed an English-speaking merchant."

So the first sangyo kumiai (marketing cooperative) was sparked in 1913, kindling the spirit of working together that was to evolve into today's united association.

The effort put order in the irregular flow of produce from the colony, ending the market flooding that was causing a strain on some growers. According to Noda, the first co-op manager put it to the community this way: "If you hold hashi (chopsticks) individually, you can certainly break them all, but if you put them together, why, you can't break a bunch of hashi!"

The co-op brought new vitality to Yamato. "It was like a desert that bloomed," recalls Livingston Farmers Association president Ken Hamaguchi. "The farmers began to produce and market peaches, and the economic strength of the Livingston cooperative members began to grow."

The Livingston Cooperative Society divided into the Livingston Fruit Growers Association—with Tajiro Kishi as the first president—by 1927, which merged into the Livingston Farmers Association in 1957. Between these quiet events, the interval was shattered by the bursts of Japanese bombs on Pearl Harbor.

World War II ripped the roots of Yamato from the Livingston earth, transplanting the Kishis and others to Colorado, while their neighbors like the Hamaguchis were banished into another desert in Arizona.

In a rushed bid for survival of the co-op colony, Livingston growers established a non-Japanese trusteeship that saved the community, and even reaped savings that awaited the farmers when they returned in 1945.

Deprived of the war's farm-boom profits, the Japanese returned to their fields with a rage for success through diversity. By last year, the co-op reported no less than 15 different crops in their association's program, led by a $2.7 million almond harvest and $2.2 million sweet potato bonanza.

Marketing heavily through the state's largest cooperative processor-handlers, the association's land is planted to grapes, raisins, peaches, nectarines, plums, walnuts, kiwi, persimmons and apricots.

A network of the latest facilities for storage, packing, loading, hulling and hauling serves the community, which shaves input

costs through cooperative service and purchasing strength.

While the community depends on others to market much of its produce, pride is strong in independent enterprise. "We market almonds through the California Almond Growers Exchange," said president Hamaguchi, "but we've developed the hull market ourselves. Our fruit labels are respected for our quality, and we sell our sweet potatoes and yams because our people grow them as well as anyone can."

And the association keeps a close watch on the activity of its co-ops, "We look at each market individually," explains LFA's general manager Rick Kindle. "If direct sales become justified, we may decide to change the way we do some business."

Fresh-product labels like Pride of Livingston and Yamato Colony already have given the co-op a preferred market identity, said Kindle. "More direct marketing may become desirable—particularly in Japan."

Trouble in the economy rippled into the farmers' association in 1982, Kindle acknowledges. But an eager new brood of Sansei, third-generation Japanese-American farmers, is lining up with efficiency ideals.

Removed from the barren bitterness that greeted their predecessors, newcomers like Hamaguchi's nephew, Don Hamaguchi, are stepping into leadership. He is the first Sansei director of the farmers association.

"His ideas are different," smiles the elder Hamaguchi, "but so were ours when we came to turn the desert into a farm."●

COMMUNISTS AND SOCIALISTS PROTEST AGAINST SECRETARY OF INTERIOR JAMES WATT'S POLICIES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. YOUNG of Alaska. Mr. Speaker, much has been said about Secretary of Interior James Watt and his policies of returning a balance to public land management. For a variety of motives, individuals and groups have consistently leveled charges against those policies that Westerners from working communities support. Recently, while in Columbus, Ohio, to honor Abraham Lincoln and William McKinley, Watt was again treated to a very sophisticated, organized protest, complete with one individual dressed as a chipmunk. Along with the normal list of groups associated with the chlorophyll blood set, he was treated in this instance to a wide range of mainstream Americans concerned with public land issues. Included within this group was a woman's group from the local university, the National Lawyers Guild, and People for Animal Rights. New additions to this growing cadre of loyal Americans fed up with Mr. Watt's policies for the public lands were no other than the Democratic Socialists of America, and the Communist Workers Party, long rumored to be in the forefront of the environmental extremism movement in America. I offer for the Member's information a text from the Columbus Citizen-Journal about the protest:

[From the Columbus Citizen-Journal, Feb. 18, 1983]

JAMES WATT SPEAKS AT PARTY BANQUET

(By Davyd Yost)

Nearly 500 demonstrators marched last night outside the Hyatt-Regency Columbus to protest the policies of U.S. Secretary of the Interior James G. Watt, who spoke inside at a Republican Party banquet.

Chanting slogans like, "Save energy, kill a Watt" and "Self determination for the American Indian nation," the protesters filled the sidewalk on Nationwide Boulevard and spilled around the corner at High Street.

Watt slipped in through a back door, unobserved by the protesters.

The hour-long rally was sponsored by the Ohio chapter of the Sierra Club in cooperation with 10 other organizations.

"We have the least federal lands of any state in the union," said Donn Young, a member of the Sierra Club's state executive committee. "We'd like to preserve what we have left."

In addition to Watt's proposals to open up protected federal lands to mining and drilling, Young said his group is upset with discussion about selling portions of the Wayne National Forest in Southern Ohio and with lax enforcement of strip mining laws.

He noted his group usually fights its political fights in legislatures and in the courts, not with placards and chants.

"But we felt with Mr. Watt, our presence was really needed. We had to be here," he said.

Several demonstrators were in costume as animals, underscoring their view that Watt is unsympathetic to wildlife.

Wayne Cope, who lives near Ohio State University, was dressed as a chipmunk and carried a sign reading "Who Needs Trees?"

"I've been an environmentalist for a long time," he said. "And the Indian affairs stuff really rubs, too."

He said he had handed out 800 pamphlets early yesterday detailing Watt's decisions. Only six people supported the secretary, he said.

Some Republicans participated in the protest.

Dick Cooper, who said he had supported Barry Goldwater for president in 1964 and has voted for "all Republican presidents except one" sported a red-and-white Republican nametag, a three-piece wool suit and a sign that read "Dim Jim Watt."

Cooper said he had been at a Republican fundraiser with Watt at the Palace Theatre shortly before the protest began.

"People gave President Reagan a big vote in 1980," he said. "They voted for a better economy. But they didn't expect what has happened to the environment."

The other organizations that planned the demonstration were: the Central Ohio Safe Energy Committee, Federation for Progress, Progressive Student Alliance, Democratic Socialists of America, People for Animal Rights, Communist Worker's Party, Stonewall Union, National Lawyers Guild, OSU Environmental Law Association and OSU Women's Law Caucus.●

SMALL BUSINESS TAX RELIEF ACT OF 1983

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. SCHULZE. Mr. Speaker, in the last Congress my Small Business Tax Relief Act attracted substantial bipartisan support. Unfortunately the conditions which motivated my introduction of this bill still exist. Therefore, on February 23, 1983, I introduced the Small Business Tax Relief Act of 1983.

Briefly, the seven provisions of my bill would:

First, permit a small businessman to sell his business, reinvest the profit within 24 months in another small business without paying tax, as in the case of an individual's residence;

Second, increase the amounts of property eligible for expensing in the year of purchase;

Third, permit rapid amortization of certain federally required expenditures;

Fourth, liberalize the provisions with respect to small domestic international sales corporations;

Fifth, provide for the optional cash or accrual method of accounting for sole proprietors;

Sixth, require the IRS to refund employers their proportionate share of excess social security payments made on behalf of employees who were employed by two or more employers during the year, and finally my bill would;

Seventh, grant a tax credit of $5 for each document or form which a small business is required to file under Federal law.

The Small Business Tax Relief Act of 1983 is a balanced and multifaceted bill which will assist our small entrepreneurs in a meaningful way. I urge all of my colleagues whose constituencies include small businesses to join me in facilitating the formation and growth of small business by cosponsoring the Small Business Tax Relief Act of 1983.

To give a more detailed explanation of my bill I am providing a description of each provision.

First, gain from a sale sole proprietorship. This "rollover" provision would allow a small businessman who sells his entire business interest and reinvests the entire proceeds in another qualifying small business venture within 24 months to recognize no gain at that time. If the sale occurs after age 55 years, the taxpayer has the option of electing capital gains treatment on the accumulated gain or ordinary income treatment in conjunction with a special 10-year averaging mechanism.

Second, increase the dollar limit on property eligible for expensing under the accelerated cost recovery system. This section of the bill would simply increase the amount which, at the option of the taxpayer, may be claimed as a deduction in the year in which property is placed in service. Current law limits qualifying property to a value of $5,000 in 1982 or 1983, $7,500 in 1984 or 1985, and $10,000 in 1986. The act would increase the amounts eligible as follows: Increase of $10,000 in 1983, $15,000 in 1984 or 1985, and $20,000 in 1986 or thereafter. This provision is designed to benefit the small businessman by allowing him to recoup a greater part of his investment via reduced tax liability. Also, there would be great savings from reduced recordkeeping and accounting.

Third, rapid amortization of certain federally required expenditures. This section provides for the rapid amortization over a 36-month period of federally required expenditures for plant and equipment. The aim of this provision is to give rapid writeoff to businesses forced to comply with Federal laws or regulations such as OSHA, HHS rules for the handicapped, regulations governing pollution control, and so forth. To qualify for rapid amortization, such changes would have to be certified by the particular Federal agency as being in compliance with the law and of a type which does not significantly increase output or capacity. This provision would apply only to existing facilities.

Fourth, removal of certain limitations of deferral in cases of small DISC's. The domestic international sales corporation is an important device for increasing export sales and in so doing, reducing our balance-of-payments deficit and inflation. This provision of my bill changes current law to allow a small DISC having an adjusted taxable income of $1 million or less to be exempt from the base period limitations imposed on large DISC's. As a result of this change, small manufacturers will be encouraged to develop export sales as a result of the tax deferral offered via the small DISC provision.

Fifth, optional cash method of accounting for taxpayers operating as a sole proprietor. This section allows the sole proprietor to choose the method of accounting, either cash or accrual, which will be more beneficial. Small businesses with inventory which are frequently not equipped to utilize the LIFO accounting provisions currently suffer a hidden tax which is brought about by the inflationary increase in the value of that inventory. Under this section of my bill, any appreciation of inventory would not have to be shown until such time as there is a cash sale providing the proceeds with which to pay the tax.

Sixth, refund or credit of employer share of certain excess social security taxes are a source of agitation to most employers, because of the amount of related paperwork. Yet, many employers unknowingly pay a greater amount in social security than is necessary. This occurs when an employee is employed by two or more employers during the year. In this situation there is, generally, an excess employer contribution which is never refunded to the employers. Presently, an employee can claim a credit for excess social security tax withheld. However, there is no similar provision for employers. This provision of my bill would require the IRS to credit or refund to each employer his proportionate share of the overpayment. Qualifying employers would be identified when an employee claimed the credit. Within 90 days, the IRS must credit or refund the appropriate amount to each employer. One of the benefits of this plan is that employers automatically receive the payment without having to complete any complex forms or paperwork.

Seventh, expense of filing Federal forms. This final section of the bill would grant a tax credit of $5 for each form or document which a small business is required to file pursuant to Federal law. The crushing burden of Federal paperwork is well known to every small businessman. The theory behind this provision would help to defray the expense of complying with the requirements it imposes on business.

Tax policy plays an integral part in the success or failure of a new business enterprise. It is significant to note that the Small Business Administration indicates that out of every 10 new businesses, only 5 will be operating within 2 years. In order to insure the viability of our economy, it is essential that Congress take the actions needed to bolster the existing small business community and encourage the creation of new businesses.

I urge my colleagues to join with me in aiding American small business.●

ESTONIAN INDEPENDENCE

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. GREEN. Mr. Speaker, on February 24, 1918, the nation of Estonia declared its independence. Today, I would like to commemorate the 65th anniversary of the Declaration of Estonian Independence, and in doing so, reiterate the right of Estonia and all other captive nations to their languages, their cultures, and above all, to self-determination.

Estonia continues to face grave threats from the Soviet Union. Overindustrialization has produced labor shortages which have triggered floods of immigrants. By 1979, only 64.7 percent of the country's population was Estonian. In Tallinn, the Estonian capital, only 51.5 percent of the population is Estonian. When its new harbor is completed, this percentage could fall even further.

Equally frightening are Soviet attacks on the very language and culture which give Estonia its identity. Recently, a Helsinki newspaper printed photocopies of a Soviet order that the Russian language be given perferential status in all government and educational activities in Estonia. Such suppression of a people's language is intolerable, and we in the free West must continue to speak out strongly against Soviet dominance of Estonia.

I ask my colleagues to join me in continued opposition to Soviet oppression of Estonia. We must each reconfirm our nonrecognition of Soviet incorporative actions, and renew our dedication to the dignity, the independence, and the freedom of the nation of Estonia.●

BARD YOUNG: AN OUTSTANDING UNION LEADER

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. FORD of Michigan. Mr. Speaker, during my career in public service spanning more than two decades, I have never known a more dedicated and forward-thinking union leader than Barden Young, director for region 1E of the United Auto Workers. As he completes his career of 41 years of service with the UAW, it is indeed an honor to have my colleagues' attention to pay tribute to a man who has my utmost respect and admiration.

Long before they were a daily phenomena, Bard Young had the foresight to recognize that plant closings and the havoc they would wreak on communities throughout the country were a problem to be addressed by the Congress. He devoted a considerable amount of his personal time and effort in helping then-Senator Walter Mondale and me draft plant closings legislation. His research and diligence remain the core of legislation I introduced in subsequent sessions of Congress.

His astute observations also warned us of the international energy crisis we would face, and the increasing power of big oil and gas corporations. I only wish that more of us had heeded his predictions when there was more potential for controlling what have become runaway prices.

From the very beginning of his union stewardship organizing Wolverine Tube, which would become a unit of Walter Reuther's home local, Bard displayed the courage in leadership which would propel him into an influential role as an international UAW representative in June 1944. He established a firm base in region 1E during his tenure as the administrative assistant to then Codirector Ed Cote. Then in 1962, Bard was elected regional director for 1E and has been re-elected at each subsequent convention. His name is familiar throughout my district and the State of Michigan in labor, political, educational, and governmental circles, from Detroit to Flat Rock, Romulus, Northville, Wayne, Ypsilanti, and Saline.

On a daily basis, Bard oversees some 300 individual contracts, administered through 29 local unions, and provides services to 50,000 UAW members. At the same time, he has devoted considerable time to the Democratic Party, and has served as a delegate to the last four National Democratic Conventions. He is also currently the elected chairman of both the Monroe and Washtenaw area UAW-Community Action Program Councils and vice chairman of the Wayne County UAW-CAP Council.

Bard has been a vital force in many, many peoples' lives—a strong advocate for health and safety in the workplace, a fighter for fair wages, and equitable treatment for all. While he is leaving the UAW in an official capacity, I know I speak on behalf of my constituents, his brothers and sisters in the union movement, and the State of Michigan when I urge him to continue his active role in the UAW and the Democratic Party.●

JAMES J. WARREN COMMEMORATES 25 YEARS AS MEMBER OF THE BOARD OF TRUSTEES OF THE STATE UNIVERSITY OF NEW YORK

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. STRATTON. Mr. Speaker, it is my distinct honor to be able to advise my colleagues that James J. Warren of Albany, N.Y. retired at the end of last year after giving 25 years' service as a member of the board of trustees of the State University of New York.

Mr. Warren was appointed to his position by former Gov. Averell Harriman and served with distinction in dealing with many complex problems that confronted the State University of New York system during the early developmental stages as well as in recent years when the system has become one of the preeminent State university systems in the United States.

He rose to the position of vice president of the board of trustees. Even in the face of this very demanding job, he always found time to take an active part in numerous community interests in the Albany area, while at the same time operating a plumbing business.

James Warren is one of those truly unique individuals who has gone above and beyond the call in serving his community and State for many years. It is my honor to insert in the RECORD at this point two editorials from Albany newspapers commending James Warren, as well as a newsstory detailing the retirement dinner given him in December.

[From the Albany Knickerbocker News, Dec. 14, 1982]

"MR. STATE UNIVERSITY"

Like many Albanians, James Warren has seen the State University of New York grow in achievement and stature in the last 25 years. Unlike his fellow citizens, though, Mr. Warren has been more than a casual observer—he had much to do with that growth because he has served on the system's Board of Trustees for a quarter century.

Tonight, some 500 friends and associates will honor Mr. Warren at a dinner at the Empire State Plaza. Then, at the end of the month, Mr. Warren will officially retire from the board.

Though he is well known in this city both as a businessman and tireless civic worker, Mr. Warren's role as vice chairman of the SUNY trustees has been anything but ceremonial. He has guided the system in such divergent areas as administration, Regents liaison, help for the educationally and culturally disadvantaged, even site selection. He played a role in the selection of the old D&H and Albany Journal buildings as SUNY headquarters, thereby saving two priceless assets of Albany history.

Mr. Warren's efforts for SUNY have earned him a reputation as "Mr. State University," and Richard Gillman, SUNY assistant vice chancellor, believes that "says it all" about this extraordinary man.

But not quite. Some words of tribute and thanks are in order for so long a period of dedication. Tonight is a fitting time for those words.

[From the Albany Times-Union, Dec. 11, 1982]

25 YEARS

James J. Warren, the only Albanian now serving on the State University of New York's Board of Trustees, will retire at the end of this month after 25 years' service to the university.

Appointed by Gov. Harriman in 1957, Mr. Warren's years of service coincided with the university's greatest period of growth. For those years of dedication, he will be honored at a dinner Tuesday, Dec. 14, at the Empire State Plaza Convention Hall.

The honor is well-deserved. We congratulate Mr. Warren and wish him the best of luck.

[From the Albany Times-Union, Dec. 15, 1982]

SUNY MUSTERS 500 TO SALUTE WARREN

James J. Warren claims he just happened to "fit the bill" in 1957 when former Gov. W. Averell Harriman was seeking someone to appoint to the Board of Trustees of the State University. "He wanted a Democrat from upstate who was a Catholic," Warren chuckled Tuesday.

Warren, a plumber who never went to college, will retire as vice president of the board of trustees on Dec. 31, after 25 years. He was honored Tuesday evening for his accomplishments in education at a dinner with 500 students, faculty and staff in the main convention center at the Empire State Plaza.

When Warren joined the board, "It was even difficult to get a chancellor," he said. "Now people are looking for the job."

When he was appointed, the system had only 37,000 students. Today there are 380,000, making it the largest state university system in the country.

Graduated from the Vincentian Institute in 1930, Warren went directly to work in the plumbing and heating business established by his father in 1906.

He became active in the Vincentian athletic program through membership in the school's Men's Association. Soon he was involved in, and eventually president of, such organizations as the Albany Community Chest, the Council of Community Services, the New York State Welfare Conference and the State Association of Community Councils and Community Chests.●

AN EDUCATIONAL MILESTONE: UND'S 100TH BIRTHDAY

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. DORGAN. Mr. Speaker, yesterday the State of North Dakota began celebrating a milestone in its history—the 100th birthday of the University of North Dakota in Grand Forks.

I am honored to be a graduate of UND and am proud of its contributions to the State and Nation.

The University of North Dakota was founded 6 years before North Dakota won statehood. Legislation establishing the university was signed into law by Territorial Gov. Nehemiah Ordway on February 27, 1883. In October, the cornerstone for UND's first building was laid. The next year, the first students showed up on campus—11 the first day and 79 during the first year.

With only three high schools in the northern half of the Dakota Territory, UND's four faculty met after the first day of class and decided that not one of the new students was qualified to attend college.

It took 5 years to turn out the first graduating class. The faculty decided to bring its students up to university level first.

In its first century, the university matriculated more than 132,000 students. Today, its enrollment tops 11,000 students, representing every North Dakota county, every State in the Nation and 44 foreign countries.

The University of North Dakota has evolved into the State's largest and most diversified institution of higher education, offering more than 130 instructional programs at the undergraduate and graduate levels through 11 schools and colleges.

I join other State officials in offering my congratulations to a great institution, the University of North Dakota. Happy 100th birthday, UND.●

A FAREWELL TO BEN GILMAN

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. FISH. Mr. Speaker, in February, the town of Newburgh's Republican Committee held its annual Lincoln Day dinner. The committee honored our good friend and colleague, Congressman BEN GILMAN, as its man of the year. Congressman GILMAN was redistricted out of the Newburgh area, and now I have the honor of representing this historic area of New York. I realize what big shoes I have to fill in following BEN.

I would like to share with my colleagues the tribute appearing in the dinner journal.

Benjamin A. Gilman has been the epitome of a public servant to the people of Orange County and the Mid-Hudson Valley. His energy and determination are legendary; his devotion and dedication are unmatched.

Ben Gilman was initially elected to the House of Representatives of the United States in 1972, and has been reelected to each succeeding Congress. Despite redistricting which caused us in Eastern Orange County to lose his representation, Mr. Gilman was reelected in 1982 over another incumbent who had never lost a Congressional election.

The scope of Mr. Gilman's victory was a tribute to the reputation he has justly earned over the years as a true representative of the people and champion of the underdog.

Those who are concerned about the plight of our POWs and MIAs—those who are concerned about the future of mass transportation in our region—those who are concerned about our senior citizens—those who are concerned about world hunger—those who are concerned about the loss of human justice and dignity throughout the world—those who are concerned about bringing economic development to our region—all of these groups and many others know that they have a special friend in Ben Gilman.

In their four page profile of Ben Gilman on June 19, 1978, People magazine said: "Ben Gilman sees his political life as one long effort to help individuals in distress."

Born in Poughkeepsie, raised in Middletown, and educated by the Middletown public school system, Ben Gilman skillfully represents Orange County because he is truly one of us.

He served in the 19th Bomb Group of the 20th Air Force during World War II, when he earned the Distinguished Flying Cross and Air Medal for flying 35 missions over Japan. A graduate of both the Wharton School of Finance of the University of Pennsylvania, and New York Law School, Ben Gilman was well trained for his career of public service—of helping others.

Ben served as an Assistant Attorney General of New York State prior to his election to the State Assembly in 1966. His distinguished six year tenure in the State Legislature made him the natural choice for Congress in 1972, when he defeated a three-term incumbent of the other party.

Ben's services in Orange County would fill many pages in this booklet; he is past county commander of the VFW, a member of the JWV, the American Legion, the Elks, the Grange, the Local, State, and National Bar Associations, the Hudson-Delaware Boy Scout Council, the ZBT Fraternity, and on and on.

Now that Ben Gilman is beginning his sixth term in Congress, it promises to be his most effective ever. He is now Ranking Minority Member on the House Select Committee on Narcotics Abuse, and is Ranking Minority Member on two Subcommittees of his two primary Committee assignments—the House Foreign Affairs Committee and the House Post Office and Civil Service Committee. As the years have gone by, Mr. Gilman's stature as a national leader has grown, so that now he is respected, admired and loved by his colleagues in Washington as he has been by us in New York.

Unfortunately, we in Eastern Orange County and Southern Ulster County can no longer claim him as our own.

And so tonight we join in bidding Ben Gilman a fond farewell, with the hope that someday, the boundary lines will be redistricted again, so that we will regain his sterling leadership.●

ALLEGRO KIDS—SETTING AN EXAMPLE FOR AMERICA

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. PATTERSON. Mr. Speaker, although America is struggling through these difficult times of high unemployment and limited financial resources, the spirit of sharing with the less fortunate is vibrantly alive in the hearts of many citizens.

In my home district a group of more than 200 young musicians of various ages are sponsoring a "concerthon" in order to raise money for the Muscular Dystrophy Association (MDA). It is refreshing to know that these young people are willing to donate their talents to assist those who are in need.

The Allegro Kids, as they are affectionately known, are students of the Allegro Music Studio in Buena Park, Calif. Their concerthon will feature accordion music ranging from classical to popular rock and roll.

In 1981, the Allegro Kids successfully raised $10,000 for MDA, and this year they hope to surpass that figure through the proceeds collected from the sale of tickets, record albums, other items, and a door-to-door canvassing effort.

Mr. Ed Kearney, coordinator of this humanitarian fundraising event is also the founder and director of the Buena Park Allegro Music Studio. Ed's commitment to music and children is reflected in his studio motto which reads: "All Tomorrows Belong to the Children and the Children Belong to Us All."

It is with great pleasure that I invite my colleagues to join me in recognizing Ed Kearney and the Allegro Kids for their unselfish efforts and outstanding community service. Their work is an inspiration to us all and we hope that the 1983 concerthon is a resounding success.●

AGRICULTURAL COMMISSIONER REX LYNDALL RETIRES

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. COELHO. Mr. Speaker, the history of California's ascendancy to the top spot among the agricultural States of this Nation is replete with stories of individual commitment and dedication of heroic proportions. I would like to bring to the attention of my colleagues a particular gentleman who has dedicated his professional career to public service in California's agricultural heartland. Mr. Rex Lyndall, who retired at the end of 1982, has served for over a quarter of a century as the agricultural commissioner in Merced County, Calif.

His integrity, commitment, and knowledge have made him a tough standard against which other agricultural commissioners will be judged. As the following article from the Merced Sun-Star demonstrates, Rex Lyndall, dean of California agricultural commissioners, deserves our hearty congratulations on the occasion of his retirement. His departure from the day-to-day agricultural operations of Merced County has created a void not easily filled.

Mr. Speaker, at this point I offer the aforementioned article.

OUTGOING AG OFFICIAL LOOKS BACK ON CAREER

(By John Spitler)

Adjusting himself in his new office's comfortable highbacked chair, Rex Lyndall chuckles as he recalls the beginning, how it was when he first broke in as an agricultural commissioner.

That was up north in foggy Del Norte County in 1951.

Lyndall, who retires at the next week, remembers with a smile—and possibly a touch of sentiment—the quaint 10-by-20-foot wooden-framed house that was his office. And how a prisoner from the local jail would come by early each morning and build a fire in the building's little cast iron pot-bellied stove.

How there were no telephones, or biologists, inspectors, clerks, or assistants to direct or fret about.

Just Rex Lyndall.

"I was the only one working for me," says the 23-year Merced County veteran. Indeed. He did all the inspecting, measuring, checking and issuing of permits. "I even did my own typing," Lyndall recalls, grinning.

Today, by contrast, there is no one man department.

Forty-eight full and parttime employees conduct the day-to-day business of the Merced County Agricultural Commissioner's office. Their job descriptions cover the gambit, from clerks and biologists to animal control officers and vertebrate control field men.

And they operate out of spacious 25,000 square foot quarters repleat with a large adjoining classroom. Behind the office is a product testing laboratory, workshop, bait mixing facility, metrology and nematode laboratories and equipment and storage areas. All are part of the new County Agriculture Center in northwestern Merced.

Lyndall says that although his surroundings have changed dramatically in 31 years as an agricultural commissioner and sealer of weights and measures, the basic purpose remains intact.

Except nowadays there is considerably more emphasis on pesticide use enforcement and environmental concerns. "There is emphasis now toward consumer protection," the commissioner says.

"There is a lot of emphasis on contents of packages as well as quality of certain products, including gas."

But agriculture, for its part, has changed a good deal since his coming here, he says. Farming operations have become more centralized, more mechanized, less labor intensive.

"When I first came here," he says, "there was a lot of fruit packing on the farms. It was hard to control quality. At the present time most packing is done at central packing sheds.

"In 1960 there was still a lot of cotton being picked by hand. Tomatoes were all picked by hand. Now, both cannery tomatoes and cotton are all machine picked," Lyndall says.

One of the most interesting evolvements Lyndall has seen in the 20 years he's been here has been the dramatic increase in the use of pesticides by farmers. He says, for example, farmers used to use "weeder" grease in cotton to control the small weeds. Today, for the most part, this chore has been taken over by chemicals.

"There has been the development of exotic products including kiwis and pistachio nuts," the commissioner says. "There was a period of time," he recalls, "for planting citrus here, but because of severe frosts . . . only one small citrus orchard is left in the county."

Lyndall also notes the amazing increase in almond and cotton plantings since his early days in the county. Almonds represented just a few thousand acres in the late '50s. There are nearly 60,000 acres today.

Cotton has done about the same. Peaches, on the other hand, slipped in status from many thousands of acres to just over 4,000 acres countywide today. Row crop vegetable often took their place.

And as the county's farming face changed, so too did its urban centers. Thousands of new residents moved here with Air Force assignments, to retire or to seek their fortunes free from the rigors of the big city.

Admist all this change, the agricultural commissioner's office found itself being unavoidably drawn into an ever larger role as the watchdog between the producing and consuming publics.

Local officials who watched this taking place have appreciated Rex Lyndall's quiet efficiency.

Former Merced County Supervisor Johnnie Ramondini had this to say: "He was dedicated to his department, a real asset to the community . . . and he always worked very closely with the public."

Ramondini says that, unlike many counties, Merced County has had few problems with pesticide poisonings or misuse. "Rex always made sure spraying was done at the proper time. He or his men would go out and check conditions and wouldn't issue a permit if the weather wasn't right. He wouldn't gamble it.

"He ran a very conservative department," Ramondini continues, "but not too conservative." He always kept very efficient people who were up to date and who were knowledgeable in agricultural pesticides.

Lyndall was born in Antioch, but raised and schooled in Hayward. Work experience before beginning as an agricultural commissioner included work with the U.S. Maritime Service, employment with the Alameda County Mosquito Abatement District and as vector control officer for two hospitals in San Leandro.

Lyndall is a member of the Lake Port Masonic Lodge, the Scottish Rite Temple in San Jose and the Rotary and Elks clubs here.

Friends and associates are invited to attend a 2 p.m. Jan. 23 buffet reception and dinner for Lyndall in the Merced Elk's Lodge, 1910 M St. Friend. Those seeking information should call 726-7431.●

PAC MAN GOES TO ASIA

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. HERTEL of Michigan. Mr. Speaker, I bring to the attention of my colleagues an article which appeared in the February 23 edition of the Washington Post. The article reports that Atari, Inc., plans to lay off 1,700 of its workers in California as a result of moving its production to Hong Kong.

I find this announcement to be perplexing in light of all those reports we have been reading about which project a grand scale expansion of high-tech industries to take up the slack—in jobs and production—of our seriously depressed manufacturing sector. The advocates of this scenario espouse the theory that a dying steel industry should be laid to rest in lieu of the onslaught of Pac Man technology.

I represent a district in Michigan which depends upon the vitality of a sound and productive auto and steel industry. These are industries savaged by a major economic downturn and other circumstances which have produced massive unemployment and major distress to those communities dependent upon the economic activities of the manufacturing sector. As these industries have declined, the Atari's of the world have promised high-tech jobs for the massive void in manufacturing.

If we continue to depend on the evolution of the service sector and high-technology industries to employ our jobless workers, we will be sorely disappointed. What is needed is an economic policy which will help us rebuild our basic manufacturing industries, to strengthen our industrial capacity, and to put America's people back to work. We must not be mesmorized into a false sense of security that there is a job waiting around the corner of every computer or that a high-tech society is a panacea.●

INDEXING IS CENTRAL TAX ISSUE OF OUR TIME

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. KEMP. Mr. Speaker, the central tax issue of our time is indexing the personal tax code to protect American workers from automatic, inflation-caused tax increases.

Those who want to keep indexing stand for the idea that individual workers and savers have a right to their earnings, and that any taxation must be by representation. The average American family would be hurt by the repeal of indexing, since 78 percent of the tax increased would fall on those with incomes of less than $50,000 a year, and 86 percent of all small businesses pay individual, not corporate, income tax rates.

I once heard a Democratic Senator say that in all his years in the Senate, he had never once voted for a tax increase—and that was why he opposed indexing, so he would never have to. Those who want to repeal indexing prefer the "midnight tax" to an accountable up-or-down vote. They must logically also stand for more inflation—because you cannot raise revenue unless the Government inflates the currency and devalues the dollar.

I want to recommend to my colleagues the following editorials that appeared in the Finger Lakes Times and the Buffalo Evening News. After reading them, I think you will agree that the only honest way to freeze taxes is to keep indexing.

[From the Finger Lakes Times, Feb. 16, 1983]

THE PLAN TO KILL TAX INDEXING

(By Ernest Conine)

If Paul Revere is still around, it is time to saddle his horse and prop him up for another ride—this time to warn the American people that congressional Democrats are cranking up a campaign to repeal one of the

new genuine tax reforms to be enacted in our lifetimes.

In 1981, Congress passed a law that, in addition to tax breaks for business, provided for a three-stage 25 percent reduction in personal income taxes and a system of so-called tax indexing, to begin in 1985.

If Americans have to give up indexing or the third-stage 10 percent tax cut due next summer, they would be well advised to tell their congressman that they prefer to skip the tax reduction and keep indexing.

Tax indexing is an abstract-sounding phrase used to describe a process under which taxes are automatically adjusted to take account of inflation. That sounds fair enough, and it is.

However, virtually every key Democrat in Congress, including House Speaker Thomas P. O'Neill, Jr. and senior Democrats on the tax-writing committees in both houses, want indexing repealed. And, while President Reagan flatly threatens to veto any such measure, the determination to defend indexing is far from solid among key Republicans on Capitol Hill and even within the administration itself.

Why the compulsion to get rid of indexing now, two years before it would take effect? The answer is obvious to anyone who understands both indexing and the thought processes of politicians.

As things stand without indexing, the progressive tax system works to push people into higher tax brackets when their incomes rise, whether the higher income results in more purchasing power or merely keeps them even with inflation.

The result is that, in times of inflation, tax revenues rise 1.6 times as fast as aggregate personal income. In other words, if prices rise 13 percent and a typical family's income also rises 13 percent, that family's taxes will rise not 13 percent but almost 20 percent.

It follows that the percentage of the gross national product going to the government moves up, too—all without members of Congress having to suffer the political pain of voting for higher taxes.

This inflation dividend is a godsend to members of Congress, and Democrats, especially, are loath to give it up. But, while the revenue-generating propensities of an unindexed tax system make life easier for politicians, the burden of unlegislated tax increases on the average citizen are just as real as when Congress raises taxes openly instead of on the sly.

Growing public comprehension of that fact led to the enactment of the indexing provision of the 1981 tax law. Beginning in 1985, the personal income tax tables will be adjusted in accordance with the rate of inflation the previous year.

If by chance the inflation rate was zero, there would be no adjustment; indexing would not come into play that year. But if the inflation rate was 10 percent, for example, the entry level into each of the tax brackets would be raised 10 percent.

Contrary to what its critics would like you to believe, indexing does not produce tax cuts. Revenues would continue to rise in lock step with inflation and economic growth. But taxes would no longer rise at a disproportionate rate, thrusting taxpayers into higher tax brackets even when their incomes, adjusted for inflation, had not increased at all.

Members of the anti-indexing camp argue that, with the federal budget awash in red ink, the country simply cannot afford indexing. What they really mean, but prefer not to say, is that taxes must be increased, but they want to be spared the necessity of openly voting for the higher taxes.

From the standpoint of holding the federal budget deficit to tolerable proportions, it became obvious months ago that tax cuts provided by the 1981 law were too large.

Rising concern over the huge deficits that were in prospect led to the enactment last year of some partly offsetting tax increases. Even so, the red ink for fiscal 1984 alone is estimated at almost $200 billion, which is well above President Jimmy Carter's four-year total. Unless something is done, the national debt could increase by an explosive trillion dollars by 1988.

Deficits of that magnitude would guarantee a return to high interest rates and, in the opinion of most economists, keep both the American and the world economies in the doldrums for years to come.

Let us face it: Something has to be done about the frightening budget deficits in prospect for the next few years, and that something almost certainly includes tax increases.

Indexing's repeal would, according to the Congressional Budget Office, bring a total of about $90 billion in extra revenues through fiscal 1988. The estimate apparently presumes an inflation rate of a bit under 5 percent.

But Congress does not have to repeal indexing to increase revenues. It need only raise taxes in full view of God and everybody.

Leaving indexing intact even as taxes are being raised seems illogical at first thought, but it is not. Indexing is a sort of truth-in-taxation law; it forces government to be honest with the people by taking the appropriate political responsibility when tax increases are deemed necessary.

Let us also stipulate that, as the California experience is demonstrating, indexing can have an unfortunate effect on revenues when the country is simultaneously experiencing inflation and severe economic recession. Under these circumstances, the cost of providing a given level of government services continues to rise but revenues fail to keep pace.

A case can be made for amending the tax-indexing provisions to allow the president to suspend indexing for a given year by executive order when his economic advisers officially predict that economic growth in that year will be less than, say, 1 percent.

Alternatively, the law could be amended so that indexing would apply only to the extent that inflation exceeded 3 percent or some other threshold level.

But Democratic leaders in Congress are not interested in fine-tuning the tax-indexing provision; they want to kill it.

If the American people are on their toes, it would not be allowed to happen.

[From the Buffalo Evening News, Feb. 14, 1983]

DON'T REPEAL PROTECTION AGAINST "BRACKET CREEP"

The federal tax law passed by Congress and signed by President Reagan in 1981 contained an incisive reform that will protect taxpayers, beginning in 1985, from the pernicious effects of so-called "bracket creep." Unfortunately, however, some influential Democratic leaders in Congress, including Rep. Daniel Rostenkowski, chairman of the principal tax-writing committee in the House, now want to repeal this enlightened reform before it even takes effect.

Bracket creep occurs, of course, when pay raises designed to compensate for inflation provide more dollars to workers, thus pushing them into higher personal income-tax brackets.

The workers then pay Washington more in taxes even though the extra dollars they received in their paychecks did not, because of inflation, actually increase their "real" income. Because of inflation, the added income buys no more. Yet those extra dollars still require steeper tax payments.

The 1981 reform sought by the President and approved by Congress corrects this injustice by indexing the income-tax system to rises in the cost of living.

Those who want to repeal the indexing feature often point to the large federal budget deficits looming in the years ahead. But indexing would not prevent Congress from increasing income tax rates in the future if it decides the government needs to raise additional revenues.

What indexing would do is deny Washington the automatic revenue bonus it now gets from inflation. That is money the government receives without having to vote to raise taxes. Bracket creep conveniently assists legislators who want to spend more public money each year but do not want to vote higher taxes to finance the higher spending.

For the public, however, that offers another reason to keep indexing in the law, not to remove it. Fortunately, many in Washington, including President Reagan and such House leaders as Rep. Barber Conable of Alexander, support indexing. Calling indexing "the most significant part" of the 1981 tax reform, Rep. Conable has pledged to "do everything I can to preserve it."

So should all members of the House and Senate who are concerned about the integrity of the tax system and its impact on taxpayers. Government should not benefit from the same inflation that robs the public—and indexing helps assure that it won't so benefit. If government really needs more money, then elected officials should raise taxes openly and be held accountable for that decision—and indexing promotes such democratic accountability.

Indexing represents a common-man reform. It fairly shields workers and families from tax injustices due to inflation. Without question it should be preserved in the tax law.●

LEARNING ABOUT THE RUSSIANS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to bring the following article from the Cincinnati Post to the attention of my colleages.

GETTING TO KNOW YOU . . .

(By Richard Reeves)

LENINGRAD, U.S.S.R.—The squeeze bottles on the bench of the United States team in the World Junior Hockey Championships early this month were filled not with water but with Russian Pepsi-Cola. It was just another Soviet-American misunderstanding: American stomachs can't tolerate the brownish local water, but when American

coaches wanted the stuff boiled, the Soviets thought they were being deliberately insulted.

So, armed to the teeth, with hockey sticks and hydrogen bombs, the two proud military superpowers continue stumbling into the future—a future each has the capacity to destroy. "Never in human history," said Rep. Paul Simon, D-Ill., who happened to be here during the championships, "has it been so important that two peoples understand each other. And what's happening? "Not much," he said, answering his own question. "And we seem to be the people doing the least about it."

Simon is one of the few members of Congress who seems genuinely concerned about the lapse of U.S.-Soviet cultural exchange agreements and the astonishing decline of Soviet studies in American universities and research institutions. (The concerned members of Congress include Sen. Richard Lugar, R-Ind., Sen. Joseph Biden, D-Del., and Rep. Lee Hamilton, D-Ind.)

Fewer and fewer Americans are learning less and less about the people, the culture, the politics and the principal language of the other superpower. There are extraordinary statistics to show this: There are only 100 or so teachers of Soviet economics working in American universities; there are fewer than 300 advanced (third year or better) Russian-language teachers in the entire United States; the number of Ph.D. theses on Soviet policy is fewer than 10 a year.

On the Soviet side, English is the official second language of a country that has 130 of its own languages spread across 11 time zones. Soviet high school students are required to read American writers from James Fenimore Cooper and Mark Twain to Sinclair Lewis and Tom Wolfe. Speakers at Communist Party functions and editorials in Pravda, the party's newspaper often assume that audiences and readers are regular listeners to the Voice of America and the British Broadcasting Corp.—which they are.

But Americans, official and unofficial, seem determined to become even more ignorant about our great rival for world power. More than 50 American colleges have dropped Russian-language courses during the past three years, while the president of the United States has been speaking and acting as if he is content to have his nation see the Soviet Union as nothing more than a marauding dragon that must be slain.

Actually, the Soviet Union, up close, looks more like a dinosaur than a dragon. The Marxist-Lennist experiment is failing—and that is no secret to the people living in or even running the Soviet empire.

But the fact that it is not heaven does not mean that the Union of Soviet Socialist Republics will collapse of its own ponderous weight. It just doesn't work very well. And the people who run it, starting with Yuri Andropov or whoever will be in charge for the near future, are going to have to try to do something, probably something drastic, about that.

The need to concentrate on structural reform at home—Soviet productivity is not going to be increased any more by putting heroic workers' pictures on factory walls—is one reason that there is no doubt in my mind that Soviet leadership really wants arms control agreements much more than, say, President Reagan does. Another reason is that, despite a 20-year military buildup, the Soviets will inevitably fall behind the United States in the future as weaponry becomes technologically more and more complex. The overall technological gap between the two societies today is wider than it was during the reign of Peter the Great at the beginning of the 18th century—and it will widen every day, in peace and war.

That is not necessarily a comforting thought—for the Soviets, for Americans, for the world.

Do we want to ignore and caricature the Soviets and push them to the wall economically and militarily? Or are our interests best served if the Soviets have the time and the room to get their nation working reasonably well—buying a lot of American products and processes along the way—while both superpowers continue to attempt to find some balance of military terror and security?

I, for one, would rather sell to them than beat them. But it will never be easy establishing a working arrangement. That can only begin with greater knowledge, contacts and exchanges—beginning with efforts like the Lugar-Biden "Soviet studies bill" establishing just a $50 million federal endowment to finance research and analysis.

The interest on the endowment will buy a little knowledge. Understanding, though, can't be bought—only work will over the long term. I said to Dr. Sergey Plekhanov of the Soviets' U.S.A. Institute: "If I were the president of the United States, and I gave you my word that we would never use nuclear weapons first, would you believe me?"

"Such things," he answered, "are never taken on trust."

"No," I said, "Not by us either."●

ENERGY TAX CREDITS HELP LOCAL COMMUNITIES

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. BEREUTER. Mr. Speaker, in recent months, the energy tax credit incentives for development and utilization of alternative energy forms have been under attack. Labeled as wasteful or ineffective, the credits have been a prime target for individuals seeking to close loopholes and raise revenues.

Recently, the announcement of a new waste-to-energy powerplant in Lincoln, Nebr., proved the value of these tax credits. Thanks to these credits and accelerated depreciation provisions of the 1981 Economic Recovery Tax Act, more than 200 temporary construction jobs will be created in the community by this plant. Roughly 20 permanent jobs will be created and the environmental condition of the city will be improved as well.

I encourage my colleagues to read the following article from the Lincoln Star which describes this noteworthy project. Certainly, your communities could reap similar benefits if these credits are continued.

[From the Lincoln Star, Feb. 4, 1983]

PROPOSED POWERPLANT WOULD BURN CITY GARBAGE

(By Gerry Switzer)

Wheels have been set in motion to gain city approval for plans to construct a $20 million waste-to-energy plant at 32nd and Huntington streets.

The proposed plant would generate steam power for the University of Nebraska, double the proposed life of the city's landfill, and create temporary jobs for 200 local construction workers, as well as 18 to 22 permanent jobs.

Energy Complexes Inc., based in Sioux Falls, S.D., next week will submit a request for a special use permit to construct a garbage-burning facility on the property, which otherwise is adequately zoned, an ECI official said Thursday.

In outlining the proposal to members of the Waste Energy Task Force, ECI president Robert Hoff said if approval is obtained, construction would get underway by early summer. Completion of the plant is slated for the fall of 1984.

He said the contractor would be a New Jersey firm which would subcontract locally and use practically all local workers on the project.

Hoff said ECI has acquired an option for purchase of the site from George Abel.

Mayor Helen Boosalis said she has no problem with the location and the proposed plant would tap a source of energy that otherwise would be wasted.

"I think its fine," she said, noting the proposed plant is somewhat smaller than had been discussed earlier, "but it's still a great help to our landfill."

Hoff said over the last three days he and other representatives of his firm have held 14 meetings with city officials, Chamber of Commerce members, bankers, neighborhood groups and garbage collectors.

He said ECI wants all parties to have as much information about the plan as possible before the matter goes to the Planning Commission and City Council.

Hoff said the site would allow the waste-to-energy plant to supply steam to both UNL campuses.

Although no agreement has been drawn, contract negotiations are underway with UNL for selling steam from the plant, he said.

UNL would be the plant's sole customer, Hoff said. If an agreement is not reached with UNL, the plant probably would not be built.

"Without a steam customer, you have nothing," Hoff said.

He said he anticipates no problems in obtaining the right-of-way for pipelines. Negotiations already are underway with Abel for acquisition of an easement on the former railroad track right-of-way from the plant site to 17th Street where the land becomes university-owned property.

ECI already has obtained a pollution permit and ECI officials claim no odor is emitted from the completely enclosed tipping floor and pit area.

"The only difference between this and any other power plant is that you just so happen to use garbage" to generate the power, Hoff said.

The air leaving the plant through the stack will meet or exceed state and federal standards for air quality, ECI officials said.

The concrete structure has been "totally over-designed" in anticipation of more stringent Environmental Protection Agency laws which might be implemented in the future, Hoff said.

Although federal cutbacks have eliminated grants and loans that might have been available to the city through the U.S. Department of Energy, new tax incentives are playing a major role in this proposal.

Hoff said the investment and energy tax credits and the 1982 Economic Recovery Act provision for accelerated depreciation "make the economics of the project work."

"Frankly, if it were not for those," he said, "it could not be done."

A year ago ECI entered into negotiations with the city for a similar plant at 78th and Fletcher on land adjacent to the Archer-Daniels-Midland facility.

After negotiating for nine months with ADM for a contract to supply steam for the soybean processing plant, no agreement was worked out, Hoff said.

Projected to significantly extend the life of the city's landfill, the proposed incineration plant would reduce buried volume by approximately 90 percent, Hoff explained.

Plant operation would not require residents to separate their garbage, as earlier plans before the city had suggested.

According to the ECI proposal, the plant would be designed to process and burn a maximum of 240 tons per day and would have the capability of processing refuse around the clock.

Hoff said steam output would average 500 million pounds annually.

Between 25 and 50 trucks would enter the gates daily, be weighed on a truck scale, and then proceed to the tipping area. They would be backed into one of the eight stalls where the driver would dump his load into the refuse receiving pit.

A clamshell crane would mix and pick up the waste and load it into a hopper which would hydraulically ram-feed it into the rotary combustor where the garbage would be incinerated, Hoff explained.

Heat from the incineration would be collected to create steam in a boiler.

The sterile ash, reduced to 5 to 10 percent of the volume of the refuse which is fed into the combustor, would then be taken to the landfill, Hoff explained.●

CONGRESS MUST ACT TO PROVIDE RELIEF TO NATURAL GAS CONSUMERS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. MAZZOLI. Mr. Speaker, the recession has really hurt my hometown of Louisville and Jefferson County, Ky. Unemployment is over the 10 percent mark and high interest rates continue to squeeze small businesses out of existence. Consumers—especially the elderly on fixed incomes—are hard-pressed to afford the necessities of life: food, shelter, and heat.

In the midst of these tough times, in Louisville and Jefferson County, where over 80 percent of the households use natural gas for heating, gas prices rose a whopping 35.2 percent in 1982. Something has to be done.

To understand this whole matter, we have to go back to 1978 when Congress passed the Natural Gas Policy Act (NGPA). This was one part of a larger plan designed to deal with the shortage of oil and gas in America brought on by the Arab oil embargo of the early 1970's.

The NGPA lifted the controls on prices the producers could charge for certain kinds of "new" gas—mostly that from deeper deposits and hard-to-reach areas. This was done in order to increase the economic incentive and, thus, encourage producers to drill for natural gas.

But the NGPA did not remove price controls of "old" gas—gas already discovered and already flowing through pipelines. This protected consumers from paying high prices for gas already on hand and available.

The Natural Gas Policy Act of 1978 was adopted against a background of severe supply shortages of gas. In the late 1970's there were business and factory shutdowns and school closings because of gas curtailments. We do not have such situations today. So, to that extent, the NGPA has been successful.

But since the gas supplies are now so extensive that we have a glut on the market, I am disappointed and chagrined—as we all are—that the price of natural gas has not gone down. Instead it has gone up sharply.

One of the culprits here appears to be take-or-pay contracts. These contracts provide that gas pipelines must pay producers for the gas they have contracted to purchase whether or not the pipelines have customers for the gas. Take-or-pay contracts have, in many instances, forced pipelines to sell high-priced "new" gas to consumers—raising our gas bills—while leaving cheaper "old" gas in the ground.

To address this problem, I have cosponsored H.R. 4 to allow pipeline companies to ignore take-or-pay clauses up to 50 percent of a contract when there is a surplus of gas.

Another bill I have cosponsored, H.R. 873, requires pipelines to deliver the least-cost mix of old and new gas to the local utilities. It also gives pipelines the authority to refuse to take high-priced gas offered by a producer if lower-priced gas is available.

Other legislation I have cosponsored would give the Federal Energy Regulatory Commission (FERC), which oversees natural gas matters, the authority to deny rate increases requested by public utilities where FERC finds the utility to have made imprudent gas purchase agreements. In other words, my bill makes sure the consumer does not have to pay through the nose because the gas pipeline failed to bargain hard with gas producers to get the lowest price for the gas.

The President, too, has been examining this difficult situation. But he seems to favor a solution which I feel will be worse than the problem. He wants to immediately decontrol all natural gas prices. I have added my name to House Resolution 38, which expresses the sense of the House that no such decontrol should be permitted.

One thing is clear. It is time to take action to provide necessary relief to all gas consumers in Louisville and Jefferson County and the entire Nation.●

GIVE PEACE A CHANCE

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. OTTINGER. Mr. Speaker, I am including in today's RECORD an important article by David Carsen entitled "Give Peace a Chance" which recently appeared in the Gannett Westchester Newspaper chain.

David Carsen was an engineer on the Manhattan Project in Oak Ridge, Tenn., from 1943 to 1945, and currently devotes himself to writing about efforts to stop the insane arms race. His is an important voice in the national grassroots disarmament movement which opposes the Reagan administration's drive to expand our arsenals and escalate the arms race.

Mr. Carsen's article makes several important points, two of which I would like to highlight for my colleagues:

First, he was one of a select group of scientists to attend a 1945 meeting at which the concept of total destruction was presented. Physicist Leo Szilard showed that only about 550 first-generation nuclear fission bombs—approximately 15 kiloton—each were necessary to "return the United States and the U.S.S.R. to the stone age." Today there are over 40,000 atomic bombs in the world stockpile, and their yield far exceeds the model used by Dr. Szilard.

Second, in the face of this "monumental lunacy," as Mr. Carsen puts it, we need a new measure of thinking by people of scientific and political stature who are unequivocally dedicated to stopping the arms race. The present arms control negotiators for both superpowers have simply been engaging in "nuclear tango" as our arsenals continue to grow. Indeed I am appalled at President Reagan's nomination of Kenneth Adelman to lead the Arms Control and Disarmament Agency. Mr. Adelman is thoroughly unqualified to direct the Federal agency with primary responsibility for arms control. He is shockingly ignorant of the mechanics of arms control, and has been publicly scornful of disarmament negotiations. That is why I recently circulated a statement expressing concern for Mr. Adelman's nomination. Sixty Members of the House cosigned this statement, which was presented to the Senate Foreign Relations Committee, and will be presented to the full Senate upon its confirmation vote. I am also including in today's RECORD a copy of the letter.

As Mr. Carsen notes in his articles:

The path to peace may take many twists and turns, but all the signposts will read the same; Verifiable nuclear freeze, SALT II with annual reductions; 50 percent reduction in all nuclear arms; and finally, a verifiable arms control relationship. These signposts do not read MX missile; Pershing 2 missile; SS-20 missiles with multiple warheads, ad infinitum, ad nauseam.

I commend this important article to the attention of my colleagues, and congratulate Mr. Carsen for his contribution to the vital debate on arms control.

GIVE PEACE A CHANGE

(By David Carsen)

For two years the world was precariously balanced between two men: A sick old Russian who used tyranny over mind and body as a device for ruling, and a slick old American with a winning smile that continues to belie a meanness of understanding. The recent replacement of the sick one by a master spy will probably drive us closer to war in the pursuit of peace.

Vegetius' maxim "He who would desire peace should prepare for war" has been a failure for 3,000 years. In today's nuclear world it has lost all meaning. Pouring endless billions into nuclear arms creates an unlimited spiral of military growth, but little or no additional defense. Wisdom would dictate following a new maxim: "He who would desire peace should prepare for peace." Wisdom would also dictate that we find this path to peace, because the punishment for refusing to see the common destiny of humanity will be the destruction of each of us in his own separate nation.

To understand the monumental lunacy of the atomic weapons policy being pursued by the ideologues in Washington and Moscow, some history is in order. What makes it even more poignant to me is that it is also personal history.

Several months after the bombing of Hiroshima in August 1945, a meeting was held in New York City to discuss the implications of the new cosmic force that made obsolete toys of all our previous instruments of death. The audience, small and somewhat select, was composed almost entirely of the scientists, engineers and military personnel who helped fashion the first atomic bomb. At this meeting the concept of total destruction was first presented in chilling detail.

The speaker was the physicist Leo Szilard, one of a group of scientists who fled the fascist regimes in Europe, carrying his gift of genius to this country. Using 240 Hiroshima-type bombs of 15-kiloton strength in his model, he showed how the United States could be turned into a radioactive wasteland with most people dead or dying, industrial and population centers charred embers and survivors eugenically harmed. He then did the same thing for the Soviet Union, but he had to use an additional 50 bombs. Give or take a bomb or two, or 50, all that was needed to return the U.S. and the USSR to the stone age was something less than 550 first-generation nuclear fission bombs.

Today, there are more than 40,000 atomic bombs at the ready, almost equally divided between the two groups of antagonists. But even this does not begin to describe the senselessness that has overtaken our peoples and our leaders. Szilard dealt only with "small" 15-kiloton bombs (the equivalent of 15,000 tons of dynamite). Our present stockpiles include large numbers of fusion H-bombs with massive megatonnage (million tons of dynamite). Using a one-megaton figure as the average bomb strength and recognizing that this has 80 times the explosive power of the Hiroshima bomb, one can only question President Reagan's logic when he says he plans to "preserve the values we cherish" by nuclear dismemberment.

There is, however, a real problem when one attempts to deal with the Soviet Union. It is difficult for us, in our democratic society, to trust a government that denies its citizens the most basic human rights, such as freedom of opinion, freedom to exchange information, freedom of movement—or in fact, any freedom that impinges on its hermetically sealed society. Yet, we must assume that even this xenophobic government is not eager to destroy the fruits of all its efforts and bring its people to the brink of extinction.

Here, the critical period in U.S. history is becoming increasingly turbulent. A polarization is setting in. Two groups are actively seeking converts, and each is fearful of the other. One makes the claim that it is arming only for defense. The other says that the nature of nuclear arms is such that the U.S. cannot arm itself without becoming a threat to the USSR and that the USSR cannot arm itself without becoming a threat to the U.S. While the public seems to favor the second group, the president belongs, heart and soul, to the first. Unfortunately, he feels so keenly about his convictions that he has made specious accusations founded more in delusion than in fact.

It would be difficult to assemble a complete roster of the millions of "well-meaning people in the freeze movement that were being manipulated," but the Roman Catholic bishops unquestionably head the list. When did they become agents for the KGB? Is it possible that 200 U.S. congressmen were all being irresponsible or manipulated when they voted for a joint resolution calling for a mutual and verifiable nuclear weapons freeze? If we add the majority of voters in eight states who approved a nuclear freeze concept (more than 25 percent of the national electorate), the nation would seem to be in serious trouble if all the people were dupes, sleepwalking into the future.

Is it conceivable that the nation could survive such incompetence as was displayed by the majority of the chiefs of staff when they registered sincere doubts about the MX missile dense pack mode? How can we interpret Pope John Paul's statement that the "development of arms of war is the scoundrel of our times"? Is he also sleepwalking? Has Robert Runcie, archbishop of Canterbury, joined the godless when he voiced his concern about the feasibility of our policy of nuclear deterrence? Have most of our Nobel laureates lost their patriotism when they consistently warn against the proliferation of nuclear weapons? Are they also being dupes when they urge that we must take risks for peace instead of risks for war?

No, I am afraid that we live in a cosmic world and our president seems unable to understand or cope with it.

Einstein warned us, "We shall require a substantially new manner of thinking if mankind is to survive." The U.S. and the U.S.S.R. need men of scientific and political stature whose hearts and minds are dedicated to establishing a world free of nuclear terror. The present arms control negotiators, on both sides, are singularly free of these qualifications. The best that can be hoped for from them, if there is hope at all, is just another nuclear tango—considerable whirling and twirling and nothing else.

Instead, let us lead the way by selecting people who are capable of a new measure of thinking. In doing so, we would send a message to the U.S.S.R. and to the world that we really mean peace when we say peace. Such a list would include:

George Kennan, former ambassador to U.S.S.R.;

John Kenneth Galbraith of Harvard;

Hans Bethe, physicist, Nobel laureate;

Adm. Noel Gaylor (ret.), former director of National Security Agency;

George Wald, biochemist, Nobel laureate;

Thomas J. Watson, former ambassador to U.S.S.R. and retired chairman of the board of IBM.

Certainly, such a list would be eminently satisfactory to the people of our country, to our NATO allies (whose populations are increasingly fearful of the consequences of our present policies) and possibly—just possibly—to the U.S.S.R. If such a list were presented to the Russians, wouldn't they, at the very least, be placed on notice that their protestations for peace would have a hollow ring if they didn't try to match the peace-directed image of our negotiators?

It would be presumptuous of me to suggest a comparable list of Russians, but if Andrei Sakharov were to be placed at the head of their arms-control negotiators, the Soviet Union would send a message of peace that would be heard round the world. This one man, physicist, Nobel laureate, humanist, dissenter and hero for all peoples would change the Soviet image overnight. If, in addition, Dr. Eugene Chazov, the Russian cochairman of the International Physicians for the Prevention of Nuclear War, was included, the sincerity of their desire for peace would become totally believable.

The path to peace may take many twists and turns, but all the signposts will read the same: Verifiable nuclear freeze; SALT II with annual reductions; 50 percent reduction in all nuclear arms; and finally, a verifiable arms control relationship. These signposts do not read MX missile; Pershing 2 missile; SS-20 missiles with multiple warheads, ad infinitum, ad nauseam.

If these suggestions are not acceptable to the Russian masterspy and to the slick American and their cadres of bureaucrats and apparatchiks, I offer the following for consideration:

There are innumerable building plots still available in Terra Del Fuego, south of 52 degrees latitude. My studies show that the ozone layer in this southernmost tip of South America will not be materially destroyed by the nitric acid that will be released by the nuclear explosions when the unthinkable occurs. For those who have the will and the wealth to carry it through, this could be a way out.

For those, however, who cannot and will not accept such a solution, a much more difficult step will have to be taken. A new manner of thinking will have to prevail. Concern with life after death must be replaced by concern with life before death. You will have to recognize that there are hawks and doves, and that they think differently. You will have to vote as you have never voted before, with care and thought. Remember that you will be voting for yourself and for untold millions who can't. This thoughtfulness may be the only way that you can save you and yours.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 14, 1983.

We are deeply concerned with President Reagan's nomination of Kenneth Adelman to head the Arms Control and Disarmament Agency (ACDA). While we clearly recognize that it is the responsibility of the Senate to act on this nomination, we would like to express our serious concerns as members of the House of Representatives.

ACDA is charged with formulating, coordinating, and implementing our nation's arms control policies; researching, preparing and managing U.S. participation in negotiations; and publicly disseminating information on arms control. Since 1961 ACDA has provided six administrations with a balanced view to the Pentagon's assessment of the feasibility of disarmament.

In order to best carry out ACDA's mandate, its director must possess exceptional stature, knowledge, and assertiveness. The individual must be able to master the intricacies of arms control and have the will to provide the administration with a view that might contradict that of the Pentagon. Furthermore, an individual who is a recognized advocate of responsible arms control is vital to meeting the legitimate concerns of millions of Americans and European allies who have joined the grassroots mutual disarmament movement.

We oppose Mr. Adelman's confirmation because he has not demonstrated any of these qualities. On the contrary, he has displayed a shocking ignorance of arms control issues and a disdain for the efforts of the past five presidents:

He has been scornful of the SALT process and of arms control in general. In an article in *The American Spectator*, December 1979, he stated that "We should expect nothing much from the SALT process. . . . It has not saved money for either side, and is unlikely ever to do so; it has not reduced the destructive power of either side, and is unlikely ever to do so; and it has not enhanced strategic stability (quite the contrary), and is unlikely ever to do so". He goes on to say: "That treaties cannot compel nations to reduce arms and embrace peace startles only the naive, historical know-nothings".

Other pronouncements from Mr. Adelman indicate that he fails to recognize the seriousness of the arms control movement in the U.S. and would be unreceptive to grassroots support for arms control. In a summer 1979 *Policy Review* article, he says "The scare technique, repeated long and hard enough, works. It easily penetrates public consciousness and the media. The newspapers, in fact, lap it up, much as they do any mass murder, rape, or assassination".

Mr. Adelman does not seem to accept a fundamental premise upon which our strategic doctrine and arms control policies have rested for 30 years—that a nuclear war is unwinnable and cannot be survived. He has advocated increasing our efforts in the areas of ballistic missile defense (which would require abrogation of the ABM ban) and civil defense. In his article "Beyond MADness" in the summer 1981 issue of POLICY REVIEW, Mr. Adelman stated: "Largely because of the mutual assured destruction (MAD) doctrine, the strategic case for ballistic missile defense has not been considered on its merits for more than a decade. With the fall of MAD will come the correction of this oversight. Proponents of missile and civil defense advocate that the U.S. match the Soviet efforts to acquire the capacity to fight a prolonged nuclear conflict".

Mr. Adelman's views on "limited nuclear war" are particularly disturbing. Also in "Beyond MADness", he says "The U.S. should be prepared (and be seen to be prepared) to put our strategic forces into limited play in limited crisis that may arise in the wider world, such as the Berlin Crisis of 1961 and the Middle East war of 1973. U.S. forces should not be fashioned solely for the most remote crisis of all; that of an all-out U.S./U.S.S.R. nuclear conflict".

In his recent confirmation hearings before the Foreign Relations Committee, Mr. Adelman displayed a shocking incompetency on arms control questions. When asked by Senator Pell if he thought a nuclear war could remain limited, Mr. Adelman replied, "It is an area that I have not gone into . . . I don't have a strong opinion". When asked by Senator Helms if he would support a verifiable agreement with the Soviet Union to eliminate all nuclear weapons, Adelman said: "I have never thought about that in my life". Senator Cranston asked whether the Soviets are violating the terms of SALT II. He responded: "That is not an area I have looked into. It is not an area I am knowledgeable about at all". Senator Cranston pressed him on the question of possible Soviet cheating on SALT II and Mr. Adelman said in effect that one has to know exactly what the treaty requires to answer that question. Asked whether he knows all that, he responded "no".

Mr. Adelman's past performance suggests to us that he is simply unprepared and unqualified to lead the federal agency with primary responsibility for arms control policy.

We are deeply disappointed with the President's nomination, and believe that it reflects the Administration's casual attitude towards arms control as nothing more than a public relations nuisance which requires custodial care by a disarmament neophyte.

We understand that the Administration intends to spend millions of dollars on a public relations campaign to placate the rising tide of European opposition to its policies. We suggest that the Administration would do far better to renew a commitment to arms control, and to prove that commitment by appointing a recognized advocate of mutual disarmament whose expertise in this field is unquestionable. As the New York Times noted in a recent editorial:

"If even at this late hour the Administration is really content with the nominee's modest credentials, then it still does not care enough about arms control or still has not learned enough about how to attain it".

We hope that the Senate will consider these views in its deliberations.

Richard Ottinger, Berkley Bedell, Les AuCoin, Howard L. Berman, David E. Bonior, Robert Borski, George E. Brown, Jr., Mike Barnes, John Conyers, Barney Frank, Tony Coelho, Vic Fazio, Julian C. Dixon, Edward F. Feighan, Ronald V. Dellums, Walter E. Fauntroy, Mervyn Dymally, William H. Gray III, Don Edwards, Tom Harkin, Bob Edgar, Dennis M. Hertel, Thomas M. Foglietta, Robert Kastenmeier, Marcy Kaptur, George Miller, John J. LaFalce, Robert Matsui, Richard H. Lehman, Robert J. Mrazek, Mel Levine, James L. Oberstar, Mickey Leland, Major R. Owens, Ed Markey, Pete Stark, Bruce A. Morrison, Pat Schroeder, Norman Mineta, John Seiberling, James Scheuer, Ron Wyden, Gerry Sikorski, Howard Wolpe, Peter W. Rodino, Timothy E. Wirth, Charles E. Schumer, Doug Walgren, Edolphus Towns, Barbara Boxer, Robert Torricelli, Bruce F. Vento, Parren J. Mitchell, Ted Weiss, Robert Garcia, Bill Ratchford, George W. Crockett, Gus Savage, Matthew G. Martinez, James Weaver.●

UNITED NATIONS PRAISED BY UNA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. GREEN. Mr. Speaker, I would like to take this opportunity to share with my colleagues a statement by Mrs. Ruth Bishop, president of the United Nations Association of New York, which appeared in the winter edition of the UNA of New York's News. The statement is an insight full assessment of the importance and value of the United Nations, and it deserves a large audience:

RUTH BISHOP REPORTS

As the new year begins, I, as President of the UNA of New York, NY, would like to share with you my thoughts about the United Nations and our Chapter's relation to it.

I am persuaded that people initially become members of our Chapter because they wish to become identified with the United Nations as well as to show their support of the United Nations. . . .

If my premise that our members want to be identified with the United Nations is right, then it follows that when they are confused or angry at certain actions or reported actions, taken or not taken by the United Nations, they show their displeasure with the United Nations by resigning from UNA-USA. Our Chapter regrets the loss of members who resign—or those who purposely allow their membership to lapse. But, and this is gratifying to us who work daily at strengthening our Chapter, a personal letter—a lengthy letter that expresses our Chapter's regret at the resignation or lapse of membership—frequently results in a renewal of membership. We also stress our belief that the now more frequent public criticism of the United Nations, even when it is voiced by the Secretary General, is preferable to the emotional disappointment of those whose unrealistic expectations of total success in securing worldwide peace often prevent them from realizing that a step-by-step approach to fulfilling the aims of the Charter is essential to establishing lasting peace.

In my opinion, the Security Council, so often criticized, has proved to be a solid structure that has been and is working remarkably well. As long as one superpower can veto the wishes of another superpower, the world has an essential, usable brake on worldwide disaster. Let us recall that it was the United States that insisted upon the veto as the price of our belonging to the United Nations. Without it, the Senate would not have consented to the United States' joining the United Nations. For many years, while the Allies, the permanent members, dominated the Security Council, the United States did not use the veto.

It is only since decolonization occurred, and more than one hundred new nations have been created, that the use of the veto by the United States has become more frequent. The veto, as it was intended to do by the founders of the United Nations, still serves to insure to a large extent that the Big Powers are able to act as a balance to the expressions and votes on resolutions in the General Assembly.

Let us judge the thirty-seven years of development of the United Nations as outlined in the Charter against the millions of years of recorded history; and let us rejoice in its existence, imperfect today but always having the potential—indeed only it has the potential, to create that core of justice, freedom and peace universally desired.

. . . The United Nations is as strong as its member nations permit it to be. Let us inform our President and the State Department of how we feel about the value of the United Nations to the United States, today and in the future.

I would also like to point out that Mrs. Bishop is not alone in her views. Mr. Orville Freeman, Chairman of the Board of Governors of the UNA of the U.S.A., wrote to Mrs. Bishop complimenting her on her statement. I would like to share this letter as well.

February 10, 1983.

DEAR RUTH: I write to compliment you on the winter issue of the UNA of New York News. I thought it was extremely well done.

Further, I was most impressed by your column outlining the strategy followed by the New York Chapter. It makes eminent good sense. Also, your positiveness where the UN is concerned and the importance of the UNA in keeping it moving was extremely well stated.

See you soon.

Sincerely yours,

ORVILLE L. FREEMAN.●

A U.S. SIGNATURE ON THE LAW OF THE SEA TREATY IS WHAT THE SOVIET UNION WANTS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 28, 1983

● Mr. YOUNG of Alaska. Mr. Speaker, on February 21, 1983, TASS, the Soviet news agency, reviewed an article written for the New York Times by Presidential Counselor Edwin Meese. The article, which concerned the U.S. decision not to sign the Law of the Sea Treaty, was considered by TASS to be an example of "U.S. hegemonist ambitions."

TASS points out that deep-sea mineral resources include such strategic minerals as cobalt and magnesium,[1] which are used in steel production and for the manufacture of jet engines. TASS calls a recent agreement between the United States and its allies a "downright imperialist" document. According to the Soviet Union, "U.S. sabotage of the Law of the Sea Convention shows that the Reagan administration puts its imperial, materialistic ambitions above the interests of an overwhelming majority of the countries of the world community."

Before U.S. supporters of the Law of the Sea Treaty begin applauding the Soviet statements, let me bring a few facts to light. When the final draft of the treaty text was put to a vote last year, the United States voted against it. The U.S.S.R. and a number of Soviet-bloc countries abstained. The United States has refused to sign the treaty; the Soviet Union has signed, but has not ratified, the treaty. This Congress has passed a domestic seabed mining law, the Deep Seabed Hard Minerals Act. The Soviet Union has similar laws on its books, passed before the Law of the Sea Treaty was signed. The Soviet Union does not want the treaty any more than the United States does.

What the Soviets do want is full U.S. participation in the treaty regime. Major U.S. mining companies have stated that they would be unlikely to mine if the United States were to participate in the treaty. TASS is correct: Cobalt and manganese are important to the U.S. defense and industrial base. If we do not get these materials from the seabed, where will they come from? Not from mineral deposits in the United States, which are rapidly being locked up in wilderness status. What about foreign sources? In 1980, the United States imported 93 percent of its cobalt from such stable countries as Zaire, Zambia, and Finland. We imported 97 percent of our manganese from Gabon, Brazil, and the Republic of South Africa, among others: 73 percent of our nickel supply—a material that was not mentioned in the article but which is present on the deep seabed—came from Canada, Norway, New Caledonia, and the Dominican Republic. Let us not forget that, a few years ago, Canada called for a nickel OPEC to control world supply and price of nickel.

If by chance U.S. companies do decide to mine under the treaty, we have another problem. Those companies would have to share their sensitive defense-related technology with the multinational enterprise created under the treaty. I am sure the Soviets would welcome the opportunity to keep track of U.S. technology. The Soviets could also save some money: Part of the revenue derived from seabed mining would go to such organizations as the Palestine Liberation Organization and other national liberation groups.

Mr. Speaker, I suggest that we ignore the false tears being shed by the Soviet Union on behalf of a new world order and recognize the Law of the Sea Treaty for what it is: an attempt by a number of nations to rob from the rich and keep for themselves. The United States made the right decision when it refused to sign the treaty. Now let us move forward with the establishment of customary international law that benefits U.S. interests. Let us put the Law of the Sea Treaty behind us and take positive steps—such as establishing an exclusive economic zone and continuing negotiations on reciprocating states agreements—that will show the world community that the United States intends to act fairly but firmly in the area of oceans policy.

MEESE'S ARTICLE ON LOS CONVENTION REVIEWED

["Why Is Washington Against the 'Charter of the Seas'?"—TASS headline]

[Text] Moscow February 21 TASS—TASS political news analyst Robert Serebrennikov writes:

In an article in the New York Times, presidential adviser Edwin Meese reveals the true aims behind the Washington administration's open sabotage of the Law of the Sea [LOS] Convention. This important international code, the first to establish universal rules for the exploration and exploitation of the world ocean and its resources, has already been signed by 119 states.

"The sea-bed resources—an important alternative for the future"—Meese stated. But what sort of a future is visualised by the influential adviser to the Washington administration, who is referred to as Reagan's "right hand"? With a brazenness that is the hallmark of the present U.S. Administration, he makes no secret of Washington's ambitions and militarist designs.

The convention's chief problem is the ban of deep-sea extraction of mineral resources, Meese says. Of all the mineral resources of the sea bed, the U.S., in his own admission, is interested above all in the important quantities of such strategic minerals as magnesium and cobalt needed for the production of steel, jet engines and other important components of U.S. defence and industrial base.

The programme to divide the world ocean according to U.S. wishes is candidly explained by Meese through statements that at present the U.S. has to rely on imports to make up for its shortage of strategic materials. However, Meese complains, many foreign suppliers are unreliable and in some case the resources have been depleted.

In working out the plan for an uncontrolled exploitation and plunder of the seabed resources, the U.S. military-industrial complex and the Pentagon do not like to see the establishment of control over the extraction of valuable minerals in international waters, or the development of practical measures to organise effective international cooperation in using the sea-bed resources in the interests of all countries and peoples, as provided for by the Law of the Sea Convention.

These U.S. circles are especially displeased with the convention provisions which declare the mineral resources on the floor of the world ocean's international areas to be the "common heritage of mankind", and set norms for their exploitation.

In its bid to achieve military superiority, the Washington administration is making increasing use of material and strategic resources within the framework of carrying out an unprecedented nuclear-missile arms build-up. It strives to extend its great-power

[1] This appears to be a mistranslation; the mineral is manganese, not magnesium.

"U.S. vital interests" concepts on to the seas, the sea-bed and the subsoil thereof.

That is why Washington is trying to torpedo the Law of the Sea Convention—that universal "charter of the seas" which is an obstacle in the way of the U.S. hegemonist ambitions.

That is why the Reagan administration is stepping up its furious assault on the convention. It has refused to contribute its share to the budget of the preparatory commission which is working out the modalities for the practical implementation of the Law of the Sea Convention. In September 1982, the U.S. concluded, with three West European countries, a downright imperialist separate agreement on the exploration exploitation of mineral resources in the world ocean. That collusion actually aims at disrupting the convention, and amounts to an arbitrary claim to the most promising parts of the ocean floor, and to dividing the world ocean in the interests of imperialism. The U.S. sabotage of the Law of the Sea Convention shows that the Reagan administration puts its imperial, militarist ambitions above the interests of an overwhelming majority of the countries of the world community.

SEABED? NO, BED OF NAILS

(By Edwin Meese 3d)

WASHINGTON.—The Law of the Sea Treaty failed to achieve international consensus at Jamaica's Montego Bay. The United States and 46 other nations, together accounting for more than half the global gross domestic product, withheld their signatures. Twenty-two abstained, and 24 did not attend. Thus, the way is cleared to develop more promising arrangements.

This is as it should be. For had the treaty been universally accepted, it would have undermined the future national and economic security of the United States and many of its allies.

The treaty's main problems lay in its restrictions on deep seabed mining. The seabed contains vast quantities of such strategic minerals as manganese and cobalt, which are necessary to manufacture steel, jet engines and other vital products essential to our defense and industrial base. The United States and other countries must now rely heavily on imports to meet their strategic-mineral needs. Yet many foreign suppliers are not reliable, and in other cases higher-grade ores are being depleted. The seabed's resources therefore represent an important future alternative.

At present, all nations have the right to mine the seabed under the doctrine of "freedom of the seas." According to international law, the resources of the ocean floor belong to no one. They are the legitimate property of whoever undertakes the expense and risks of bringing them to the surface. The Law of the Sea Treaty stands this principle on its head. It asserts that the seabed's minerals are "the common heritage of mankind," meaning that they belong collectively to all nations. While the concept sounds noble, in practice it implies that no nation has the right to mine without permission from the "body of the whole"—effectively repealing "freedom of the seas" as it applies to ocean mining.

The treaty would do this by creating an "International Seabed Authority" modeled loosely on that United Nations, to govern seabed mineral production. The authority's assembly, like its United Nations counterpart, would be dominated by the developing countries. These nations in the past have not only been hostile to the United States and free-world interests but in the United Nations have supported the Soviet position as much as 80 percent of the time. The structure of the authority's executive council would help them succeed. Unlike the Security Council, the executive council would have no permanent members and no great-power veto—two provisions that have protected our interests in the United Nations. Thus, had America agreed to the treaty, we would have entrusted our own and our allies' access to the seabed's minerals to the goodwill of nations that have, for the most part, opposed our objectives.

The authority's control over seabed mining would have been virtually complete. The authority would have its own mining company (the "Enterprise"), which would enjoy preferential treatment and generous subsidies, financed primarily by its would-be competitors. Private or national companies wishing to mine would first have to apply for a license, which the authority would not be obliged to approve. If it were granted a license, a firm would be required to survey two mining sites, one of which the Enterprise would appropriate for its own use. The authority could compel competing firms to hand over their mining technology to the Enterprise or the developing countries, quite possibly choking off creation of needed technology in the first place. It could also limit the quantity of minerals that could be extracted.

Even the most enthusiastic companies might well balk at accepting these terms on top of mining's inherent risk and expense. American mining firms, in particular, have already stated that they would not mine under the treaty's provisions. For this reason, the treaty poses a threat to both the industrialized countries as well as the developing nations, who will need strategic minerals as their own economies mature. For no one will benefit from the seabed's riches if the minerals remain on the ocean floor.

Nor can these problems be solved, as some have argued, by the Law of the Sea's "preparatory commission," which only sets the detailed rules for implementing the treaty and cannot change its substance. What is needed instead is an arrangement that will reaffirm customary international law.

One of the Reagan Administration's first efforts has been to review how those areas of consensus and traditional law in the treaty, such as overflight and navigation rights, can be reinforced. Second, we need to develop alternative ways, outside the limiting framework of the treaty, to preserve all nations' access to the seabed's mineral resources. The United States will continue to work with other countries toward the creation of such arrangements.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, March 1, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 2

8:30 a.m.

Appropriations

*Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1984 for the Occupational Safety and Health Administration, Mine Safety and Health Administration, departmental management, and the President's Committee on Employment of the Handicapped, all of the Department of Labor.

SD-116

9:00 a.m.

Appropriations

*Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Department of the Interior and related agencies.

SD-138

*Judiciary

To hold hearings on low-level radioactive waste disposal compacts.

SD-226

9:30 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1984 for the Board for International Broadcasting, Federal Communications Commission, Federal Trade Commission, and the Japan-United States Friendship Commission.

S-146, Capitol

Banking, Housing, and Urban Affairs

International Finance and Monetary Policy Subcommittee

To hold hearings on S. 397, proposed Export Administration Act Amendments, S. 407, proposed Export Administration Enforcement Act, and S. 434, proposed Office of Strategic Trade Act.

SD-538

10:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to mark up S. 14, S. 18, S. 77, S. 100, title V of S. 124, S. 251, S. 398, S. 490, and S. 575, measures to develop and expand markets for U.S. agricultural commodities.

SR-332

Armed Services

To resume hearings to review those items in the President's budget for fiscal year 1984 which fall within its legislative jurisdiction and consider recommendations which it will make thereon to the Budget Committee, fo-

cusing on Navy/Marine Corps programs.
SD-628

Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on S. 212, authorizing funds for fiscal years 1984 through 1986 for the U.S. Travel and Tourism Administration, Department of Commerce.
SR-253

Finance
Business meeting, to consider the nominations of Margaret M. Heckler, of Massachusetts, to be Secretary of Health and Human Services, and John A. Svahn, of Maryland, to be Under Secretary of Health and Human Services, S. 446 and S. 527, bills to revise certain IRS provisions with respect to the tax treatment of agricultural commodities received under a payment-in-kind program, S. 144, to establish the concept of reciprocity of market access as an objective for U.S. trade policy where American products are competitive, and to consider those items in the President's budget for fiscal year 1984 which fall within its legislative jurisdiction, and recommendations which it will make thereon to the Budget Committee.
SD-215

Foreign Relations
To hold hearings on proposed authorizations for the U.S. Information Agency.
SD-419

Governmental Affairs
Civil Service, Post Office, and General Services Subcommittee
To hold hearings on S. 450, proposed Mail Order Consumer Protection Amendments.
SD-342

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on the implementation of vocational education programs administered by the Department of Education.
SD-430

Joint Economic
To hold hearings to examine the impact of the President's new federalism program on State and local government.
2247 Rayburn Building

10:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

11:00 a.m.
Judiciary
To resume oversight hearings on organized crime in the United States.
SD-226

11:30 a.m.
Foreign Relations
To hold hearings on proposed authorizations for the Board for International Broadcasting.
SD-419

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Peace Corps, and the Inter-American Foundation.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior and related agencies.
SD-138

Foreign Relations
Near Eastern and South Asian Affairs Subcommittee
To hold hearings on the Middle East.
SD-419

3:00 p.m.
Labor and Human Resources
To hold hearings on the nomination of Margaret M. Heckler, of Massachusetts, to be Secretary of Health and Human Services.
SD-430

MARCH 3

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the earthquake hazard reduction program.
SR-253

*Judiciary
Security and Terrorism Subcommittee
To resume hearings, in closed session, on proposed budget requests for fiscal year 1984 for the Drug Enforcement Administration.
SD-226

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Animal and Plant Health Inspection Service, Food Safety and Inspection Service, and the Federal Grain Inspection Service, Department of Agriculture.
SD-124

Governmental Affairs
Intergovernmental Relations Subcommittee
To hold oversight hearings to discuss Executive Order 12372 which rescinds OMB Circular A-95 as of April 30, 1983, relating to the intergovernmental consultation process, and the proposed rules that implement the order.
SD-342

Rules and Administration
To hold hearings on S. Con. Res. 7, to authorize and provide for a bust of Carl Hayden to be placed in the Capitol.
SR-301

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings to review budget estimates for fiscal year 1984 for research, development, and acquisition programs of the Department of Defense.
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Agency for International Development.
S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Coast Guard, Department of Transportation.
SD-138

Budget
To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1984 congressional budget.
SD-608

Finance
To resume hearings to review structural unemployment initiatives developed by the administration, and to discuss the current state of the national unemployment situation.
SD-215

Foreign Relations
Closed briefing on worldwide intelligence matters.
S-116, Capitol

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue oversight hearings on the implementation of vocational education programs administered by the Department of Education.
SD-430

Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the National Science Foundation.
SR-253

11:00 a.m.
Judiciary
To continue oversight hearings on organized crime in the United States.
SD-226

1:00 p.m.
*Judiciary
Immigration and Refugee Policy Subcommittee
Business meeting, to consider pending calendar business.
SD-234

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Agency for International Development.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for solar and renewable energy programs of the Department of Energy.
SD-192

Select on Intelligence
Budget Authorization Subcommittee
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the Intelligence community.
S-407, Capitol

3:30 p.m.
Select on Ethics
To hold a general business meeting.
Room to be announced

MARCH 4

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Economic Regulatory Administration, Energy Information Administration, and the Office of Hearings and Appeals, all of the Department of Energy.
SD-192

9:30 a.m.
Appropriations
Business meeting, to consider proposed legislation appropriating funds for job assistance programs, committee report to the Budget Committee, and budget deferrals of the Economic Development Administration of the Department of Commerce, and the Department of Agriculture.
SD-192
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, focusing on nuclear energy programs (other than breeder reactor programs).
SD-366
Joint Economic
To hold hearings on the employment-unemployment situation for the month of February.
SD-628

10:00 a.m.
Finance
To hold hearings on the administration's new federalism proposal.
SD-215
Judiciary
To hold hearings on S. 216, proposed Federal Anti-Tampering Act.
SD-226

MARCH 7

8:30 a.m.
Appropriations
Labor, Health and Human Services; Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Education.
SD-138

9:30 a.m.
Judiciary
Constitution Subcommittee
To resume hearings on the legal ramifications of constitutional amendment proposals, including S. J. Res. 3, with the specific goal of reversing the Supreme Court's decision in Roe against Wade, relating to the right to abortion.
SD-226

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for the U.S. Representative to the United Nations, and voluntary contributions to international organizations and programs of the United Nations.
SD-192
Energy and Natural Resources
To hold oversight hearings on the implementation of the Energy Emergency Preparedness Act (P.L. 97-229).
SD-366
Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on S. 529, to revise and reform the Nation's immigration laws.
SD-418

MARCH 8

8:30 a.m.
*Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To hold hearings to review the President's budget request for fiscal year 1984 for the Department of Energy's conservation and supply programs.
SD-366

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold closed hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SR-253
Energy and Natural Resources
*Energy Conservation and Supply Subcommittee
To hold hearings on S. 589, authorizing funds for fiscal year 1984 for capital improvement projects on Guam.
SD-366

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Export-Import Bank of the United States.
S-126, Capitol
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Railway Association, and Conrail.
SD-138
Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on the proposed Education for Economic Security Act, and to review math and science education programs in elementary and secondary schools.
SD-430
Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol
Joint Economic
To resume hearings to examine the impact of the President's new federalism program on State and local government.
2212 Rayburn Building

11:30 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1984 from the Veterans of Foreign Wars.
SR-325

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Holocaust Memorial Council, and the National Endowment for the Arts.
SD-192
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy research and environment programs of the Department of Energy.
SD-192
Select on Intelligence
Budget Authorization Subcommittee
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

MARCH 9

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for elementary and secondary education, education block grant, and impact aid.
SD-124

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for the Federal Communications Commission.
SR-232A

9:30 a.m.
Agriculture, Nutrition, and Forestry
Soil and Water Conservation Subcommittee
To hold hearings on proposed legislation providing for soil and water conservation programs.
SR-328A
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SR-253
Energy and Natural Resources
To hold hearings on proposed legislation relating to natural gas policy.
SD-366
*Governmental Affairs
Permanent Subcommittee on Investigations
To hold closed hearings to investigate alleged involvement of organized crime and mismanagement of funds in

the hotel and restaurant workers union (HEREIU).
SD-342

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings to review the current status of the multilateral development banks of the Department of the Treasury.
SD-192

Appropriations
Transporation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Architectural and Transportation Barriers Compliance Board, and the Office of the Inspector General and the Office of the Secretary, Department of Transportation.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue hearings on the proposed Education for Economic Security Act, and to review math and science education programs in elementary and secondary schools.
SD-430

Veterans' Affairs
To hold hearings on proposed legislation providing for veterans' health care services.
SR-418

1:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Science Foundation.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Park Service of the Department of the Interior.
SD-192

MARCH 10

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for vocational and adult education, education for the handicapped, and rehabilitation services and handicapped research.
SD-192

9:00 a.m.
Commerce, Science, and Transportation
To resume hearings on proposed legislation authorizing funds for fiscal year 1984 for the National Oceanic and Atmospheric Administration, Department of Commerce, focusing on fisheries programs.
SR-253

9:30 a.m.
*Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings to receive testimony from the Secretary of Commerce on the overall budget for the Department of Commerce, and on proposed budget estimates for fiscal year 1984 for general administration, Economic Development Administration, International Trade Administration, U.S. Travel and Tourism Administration, Patent and Trademark Office, National Telecommunications and Information Administration, National Bureau of Standards, Minority Business Development Administration, Economic and Statistical Analysis, and the Bureau of the Census.
S-146, Capitol

Energy and Natural Resources
To continue hearings on proposed legislation relating to natural gas policy.
SD-366

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Veterans Administration.
SD-124

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on automobile safety, focusing on occupant protection.
SD-562

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

*Judiciary
Separation of Powers Subcommittee
To hold closed hearings on the Taiwan Communique.
SD-226

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings on problems occurring from the manufacture and distribution of imitation controlled substances, known as look-alike drugs.
SD-628

Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Geological Survey of the Department of the Interior.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Energy Regulatory Commission of the Department of Energy, and the Nuclear Regulatory Commission.
SD-192

Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal years 1984 and 1985 for the Nuclear Regulatory Commission.
SD-406

MARCH 11

9:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To continue hearings on automobile safety, focusing on the role of government and industry in bringing improved car safety technology to the marketplace.
SR-253

9:30 a.m.
Energy and Natural Resources
To continue hearings on proposed legislation relating to natural gas policy.
SD-366

10:00 a.m.
Finance
To hold hearings to examine certain tax preferences for banks, credit unions, savings and loan associations, and other financial services.
SD-215

Select on Intelligence
Budget Authorization Subcommittee
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
SD-407, Capitol

MARCH 12

9:30 a.m.
Energy and Natural Resources
To continue hearings on proposed legislation relating to natural gas policy.
SD-366

MARCH 14

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for student financial assistance, student loan insurance, higher and continuing education, higher education facilities loan and insurance, and educational research and training activities overseas.
SD-192

9:00 a.m.
Commerce, Science, and Transportation
To resume hearings on proposed legislation authorizing funds for fiscal year

1984 for the National Oceanic Atmospheric Administration, Department of Commerce, focusing on weather and satellite programs.
SD-253

10:00 a.m.
Energy and Natural Resources
To hold hearings on S. 267, to facilitate the development of interstate coal pipeline distribution systems by granting the Federal power of eminent domain to those interstate pipelines which are determined to be in the national interest.
SD-366

1:30 p.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for AMTRAK.
SR-253

Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To hold hearings on S. 41 to extend the revenue sharing program for local governments through fiscal year 1986, and S. 525, to require that installment payments of revenue sharing allocations be paid at the beginning of each quarter.
SD-215

MARCH 15

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institute of Education, education statistics, bilingual education, and libraries, all of the Department of Education.
S-126, Capitol

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SR-253

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, focusing on conservation and renewable energy programs.
SD-366

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 336, to revise prohibitions against persons guilty of criminal offenses holding specified offices or positions, and clarifying the jurisdiction of the Department of Labor relating to the detection of and investigation of criminal violations relating to ERISA.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Interstate Commerce Commission.
SD-138

Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

10:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Commodity Credit Corporation, Foreign Agricultural Service (including P.L. 480), Office of International Cooperation and Development, Department of Agriculture.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior, and the Department of Energy.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for departmental administration of the Department of Energy.
SD-192

MARCH 16

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for college housing loans, special institutions, Howard University, departmental management (salaries and expenses), Office for Civil Rights, and Office of the Inspector General, all of the Department of Education.
SD-192

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Terrence M. Scanlon, of the District of Columbia, to be a Commissioner of the Consumer Product Safety Commission.
SR-253

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of the U.S. Trade Representative, Securities and Exchange Commission, and the U.S. Arms Control and Disarmament Agency.
S-146, Capitol

Commerce, Science, and Transportation
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Civil Aeronautics Board.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 564, to establish the U.S. Academy of Peace.
SD-430

Veterans' Affairs
To hold hearings on proposed legislation providing educational assistance for certain members of the Armed Forces.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Capital Planning Commission, and the Navajo and Hopi Indian Relocation Commission.
SD-192

MARCH 17

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Railroad Retirement Board, ACTION (domestic programs), Corporation for Public Broadcasting, National Commission on Libraries and Information Science, and the Soldiers' and Airmen's Home.
SD-192

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to receive legislative recommendations for fiscal year 1984 from AMVETS and the Blinded Veterans Association.
334 Cannon Building

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and the National Agriculture Library, Department of Agriculture.
SD-124

Commerce, Science, and Transportation
To continue hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Railroad Administration of the Department of Transportation, and the National Railroad Passenger Corporation (Amtrak).
SD-138

Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Surface Mining of the Department of the Interior, and the Advisory Council on Historic Preservation.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for atomic energy defense activities of the Department of Energy.
SD-192

MARCH 18

8:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Oceanic and Atmospheric Administration of the Department of Commerce, Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

9:30 a.m.
Commerce, Science, and Transportation
To continue hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Judiciary
Agency Administration Subcommittee
To hold oversight hearings on the indemnification of and contributions to Government contractors.
SD-226

MARCH 21

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Rehabilitation Act of 1973.
SD-430

Labor and Human Resources
Labor Subcommittee
To hold hearings on the current health and future prospects of defined benefit pension plans under the Employee Retirement Income Security Act.
SD-562

10:00 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearing on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, focusing on fossil energy programs.
SD-366

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Appalachian Regional Commission, and the Tennessee Valley Authority.
SD-192

MARCH 22

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Mediation and Conciliation Service, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mine Safety and Health Review Commission, and the President's Commission on Ethical Problems in Medicine.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Economic Research Service, Statistical Research Service, and the World Agricultural Outlook Board, Department of Agricluture.
SD-124

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Highway Administration, Department of Transportation.
SD-138

Labor and Human Resources
Aging, Family and Human Services Subcommittee
To hold hearings on the broken family, focusing on its effects on children.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Land Management of the Department of the Interior.
SD-138

MARCH 23

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings to receive testimony from the U.S. Attorney General on the overall budget for the Department of Justice, and on proposed budget estimates for fiscal year 1984 for general legal activities, Antitrust Division, general administration, Executive Office for U.S. Attorneys, U.S. Marshals Service, and the Office of Justice Assistance, Research and Statistics.
S-146, Capitol

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Education of the Handicapped Act.
SD-430

Small Business
To hold hearings to review umbrella contracting and its impact on small businesses.
SR-428A

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Panama Canal Commission, and the St. Lawrence Seaway Development Corporation of the Department of Transportation.
SD-138

Select on Intelligence
Budget Authorization Subcommittee
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Pennsylvania Avenue Development Corporation, and the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

2:30 p.m.
Veterans' Affairs
To hold hearings on proposed legislation providing for judicial review of certain decisions made by the Veterans' Administration.

MARCH 24

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Governmental and Public Affairs, Office of the General Counsel, Office of the Inspector General, Office of the Secretary, and departmental administration, Department of Agriculture.
SD-138

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Legal Services Corporation, U.S. Information Agency, and the Equal Employment Opportunity Commission.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

*Labor and Human Resources
Aging, Family and Human Services Subcommittee
To continue hearings on the broken family, focusing on its effect on adults.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy conservation programs of the Department of Energy.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 4

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Health and Human Services.
SD-192

APRIL 5

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health, both of the Department of Health and Human Services.
SD-124

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Food and Nutrition Service, and the Human Nutrition Information Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Minerals Management Service, and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 6

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-138

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to radiation, and other related matters.
SR-418

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 7

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Farmers Home Administration, Federal Crop Insurance Corporation, Office of Rural Development Policy, and the Rural Electrification Administration, Department of Agriculture.
SD-138

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Bureau of Investigation, Drug Enforcement Administration, drug task forces, Immigration and Naturalization Service, and the federal prison system.
SD-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Environmental Protection Agency.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Forest Service of the Department of Agriculture.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 8

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Social Security Administration, and refugee programs, both of the Department of Health and Human Services.
SD-192

APRIL 11

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Health Care Financing Administration, Department of Health and Human Services.
SD-192

APRIL 12

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Human Development Services, Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Food and Drug Administration, Department of Health and Human Services, the Farm Credit Administration, and the Commodity Futures Trading Commission.
SD-138

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Aviation Administration, Department of Transportation.
SD-192

Labor and Human Resources
Aging, Family and Human Services Subcommittee
To hold oversight hearings on the implementation of the Domestic Volunteer Services Program.
SD-430

Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
SD-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

APRIL 13

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management (salaries and expenses).
SD-192

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Judiciary, Commission on Security and Cooperation in Europe, and the Commission on Civil Rights.
S-146, Capitol

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on the implementation of vocational education programs.
SD-430

Veterans' Affairs
Business meeting, to consider proposed legislation providing for certain veterans' health care services, proposed legislation providing educational assistance for certain members of the Armed Forces, and proposed legislation providing for judicial review of certain decisions made by the Veterans' Administration.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

APRIL 14

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Centers for Disease Control, Department of Health and Human Services.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Science Foundation.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Urban Mass Transportation Administration, Department of Transportation.
SD-192

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue oversight hearings on the implementation of vocational education programs.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Endowment for the Humanities, and the Office of Federal Inspector, Alaska Natural Gas Transportation System.
SD-192

APRIL 15

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Alcohol, Drug Abuse, and Mental Health Administration, scientific activities overseas, and retirement pay for commissioned officers, all of the Department of Health and Human Services.
SD-192

APRIL 19

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Indian Health Service of the Department of Health and Human Services, and the Office of Indian Education.
SD-192

10:00 a.m.
*Labor and Human Resources
Aging, Family and Human Services Subcommittee
To hold hearings on proposed legislation authorizing funds for adoption services.
SD-430

APRIL 20

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Judiciary, U.S. International Trade Commission, and the Federal Maritime Administration.
S-146, Capitol

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold oversight hearings on the implementation of bilingual education programs by the Department of Education.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for fossil energy research and development programs of the Department of Energy.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Commerce, Justice, State, the Judiciary, and related agencies.
S-146, Capitol

APRIL 21

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of State, and certain international organizations.
S-146, Capitol

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue oversight hearings on the implementation of bilingual education programs by the Department of Education.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Fish and Wildlife Service of the Department of the Interior.
SD-192

APRIL 25

2:00 p.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192

APRIL 26

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-124

*Labor and Human Resources
Aging, Family and Human Services Subcommittee
To hold hearings on proposed legislation authorizing funds for child abuse prevention and treatment programs.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior.
SD-138

APRIL 27

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-138

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the land and water conservation fund.
SD-192

APRIL 28

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Emergency Management Agency, and the Neighborhood Reinvestment Corporation.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Strategic Petroleum Reserve, and the Naval Petroleum Reserves, Department of Energy.
SD-138

APRIL 29

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

MAY 2

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

MAY 3

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

2:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

MAY 5

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Revenue Sharing (New York City loan program), Federal Home Loan Bank Board, and the National Credit Union Administration.
SD-124

MAY 12

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Housing and Urban Development.
SD-124

MAY 18

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-418

2:00 p.m.
Veterans' Affairs
To continue oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-418

MAY 23

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

MAY 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

JUNE 8

10:00 a.m.
Veterans' Affairs
To hold hearings on proposed legislation providing for certain veterans' compensation.
SR-418

JUNE 15

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review certain health care and other services provided Vietnam veterans.
SR-418

JUNE 22

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on certain health care services for veterans.
SR-418

JUNE 29

10:00 a.m.
Veterans' Affairs
Business meeting, to consider proposed legislation providing for certain veterans' compensation.
SR-418

CANCELLATIONS

MARCH 2

2:00 p.m.
Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 3

9:30 a.m.
Special on Aging
To hold hearings on the future of Medicare.
SD-628

JULY 20

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on the role of management in implementing automated data processing systems at multiple VA hospital sites.
SR-418

HOUSE OF REPRESENTATIVES—*Tuesday, March 1, 1983*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We express our appreciation to You, O God, for all the gifts of life. In spite of the turmoil that people face and the uncertainty of tomorrow, we yet are aware that today is a day of grace, in which we have opportunity to live and love and serve. Make us conscious of the blessings of this day and the ways we have to live our lives in thanksgiving for all the good promises that are ours. For this day and all Your mercies, O God, we offer this our prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 65. Concurrent resolution welcoming Her Majesty Queen Elizabeth II and His Royal Highness The Prince Philip, Duke of Edinburgh, on their official visit to the United States.

The message also announced that the Vice President, pursuant to the provisions of Public Law 86-380, appointed Mr. ROTH and Mr. DURENBERGER as members, on the part of the Senate, of the Advisory Commission on Intergovernmental Relations.

The message also announced that the President pro tempore, pursuant to the provisions of Public Law 94-118, appointed Mr. ROTH as a member, on the part of the Senate, of the Japan-United States Friendship Commission.

The message also announced that the Vice President, pursuant to the provisions of Public Law 83-420, appointed Mr. D'AMATO as a member, on the part of the Senate, of the board of directors of Gallaudet College.

The message also announced that the Vice President, pursuant to the provisions of Public Law 81-754, appointed Mr. HATFIELD as a member, on the part of the Senate, of the National Historical Publications and Records Commission.

The message also announced that the President pro tempore, pursuant to the provisions of Public Law 96-388, as amended by Public Law 97-84, appointed Mr. BOSCHWITZ, Mr. DANFORTH, and Mr. DOLE as members, on the part of the Senate, of the U.S. Holocaust Memorial Council.

ETERNAL HOSTILITY TO TYRANNY

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, we learned last week that the Justice Department, the constitutional guardian of our liberties, has recently established itself as a ratings and censorship bureau over the films which Americans are expected to see.

I would remind the Department of Justice of an American birthright—the subject of Thomas Jefferson's remarks when he said, "I have sworn eternal hostility to every form of tyranny over the mind of man."

The Bill of Rights guarantees the freedom of mind and the American birthright, but we have learned that we must constantly defend them, and apparently not all of the would-be tyrants are foreign in origin.

Perhaps the Appropriations Committee would be well advised to review the budget of the Department of Justice to determine how much of it is being spent for the suppression of free inquiry.

Every age has its cranks and bullies who would presume to tell the rest of us what we can think about, and with this new act of attempted coercion fresh upon our minds, should take note that it is particularly dangerous for the executive branch to try this kind of tyranny. They are wrong over there if they think the taxpayers are willing to pay for it.

THE NEED FOR A POLITICAL INITIATIVE ON EL SALVADOR

(Mr. McHUGH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McHUGH. Mr. Speaker, having just returned from a trip to El Salvador, I would like to comment briefly on press reports that the President is considering a substantial increase in military assistance to that government, including an increase in U.S. personnel.

For the past 2 years, Mr. Speaker, the United States has been pursuing a military solution in El Salvador. Yet, despite the fact that we have provided almost $144 million in military aid since fiscal year 1981, the military situation is obviously deteriorating rather than improving.

This underscores my view, and the view of an increasing number of Americans, that there cannot be a purely military solution to the problems in El Salvador. While U.S. military aid can probably prevent a victory by the opposition, at least in the short term, it cannot defeat the opposition, and thus the war will only continue and intensify. This will inevitably lead to increasing polarization in this country and in Central America itself.

It is time, Mr. Speaker, for the administration to reassess U.S. policy and, in consultation with Congress, to explore the possibility of achieving a political solution in El Salvador that addresses the underlying causes of the conflict in that nation. This does not mean turning over power to the opposition through negotiations but rather a demonstrated willingness to discuss without preconditions the basis for a political settlement within the context of free elections.

If the administration is willing to do this, I believe that many of us in Congress would be willing to work with the administration in an effort to stabilize the immediate situation as a basis for moving toward a political solution. However, if the administration continues to ignore congressional concerns and continues down the present path of ever-increasing military involvement, I believe there will be increasing divisiveness in this country and further deterioration in El Salvador.

In short, it is my hope that the Reagan administration will not move forward with proposals to deepen our military involvement in El Salvador until it has explored the possibilities for achieving a bipartisan consensus on U.S. policy. Many of us believe that it is worth the time and effort to see whether such a consensus can be achieved.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Hasty action by the administration can only undermine such efforts. Specific action should follow rather than precede efforts to achieve a bipartisan consensus between the administration and Congress on U.S. policy in El Salvador.

SUPPORT URGED FOR NATIONAL DEVELOPMENT INVESTMENT ACT

(Mr. CLARKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLARKE. Mr. Speaker, today the Economic Development Subcommittee of the Public Works and Transportation Committee is considering H.R. 10, the National Development Investment Act.

One section of this bill provides for the continuation of the Appalachian Regional Commission, a program which has been of invaluable help to the whole Appalachian area but which would be ended under the administration's proposed budget.

This Commission has brought highways and economic development, hospital construction, vocational education facilities, day care centers, water systems, sewer systems, libraries, and many other projects which are yielding permanent benefits to the people of the Appalachian area. Most of these projects could not have been funded by local governments without ARC help.

The Appalachian Commission has reduced unemployment and raised the whole level of education and training in the region.

Several hundred counties in Appalachia have not participated fully in the work of the Commission and still need help even as the overall ARC program is being phased down from its original level. For this reason, Mr. Speaker, I urge strong support of H.R. 10.

ELECTION OF MEMBERS TO STANDING COMMITTEES

Mr. MICHEL. Mr. Speaker, I offer a privileged resolution (H. Res. 108) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 108

Resolved, That the following named Members be, and they are hereby, elected to the following standing committees of the House of Representatives;

Committee on the Budget: Phil Gramm, Texas, to rank following Representative Bethune, Arkansas;

Committee on Government Operations: Larry Craig, Idaho;

Committee on Public Works and Transportation: Lynn Martin, Illinois, to rank following Representative Daub, Nebraska;

Committee on Veterans' Affairs: Phil Gramm, Texas, to rank after Representative Denny Smith, Oregon.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NO REASON FOR EXORBITANT NATURAL GAS PRICES

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, when we have a glut of natural gas, there is no reason our consumers are facing exorbitant natural gas prices. In the lame-duck session, late last year, we should have addressed this issue and faced this issue squarely, as many of us pleaded; but there were forces here in Congress who saw it differently.

Now is preeminently the time for us to act, and we must have answers to some nagging questions.

First, why are we purchasing natural gas from Algeria or even Canada at three times the market price?

Second, why, under the lower cost contracts signed in the last 6 months, lowering the producers' costs, have consumers' costs continued to go up and up?

These questions must be answered, and Congress must act now in the best interests of all the people.

FORMER DEFENSE OFFICIALS MISSED THE BOAT ON DEFENSE

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUDD. Mr. Speaker, one of the prominent headlines in this morning's news read, "Defense Cuts of $135 Billion Urged." I was gratified to see that an accompanying headline underscored the fact that these are former administration officials who are leading this charge against defense spending.

These are the same former high officials who presided over our Nation's crumbling defense posture during the last two decades. These same former national defense policymakers are partly responsible for the now critical rebuilding of our aged weapons systems, the need to modernize our Navy and Air Force with adequate ships and planes, and our need to boost military pay to attract quality soldiers.

These same former officials neglected to foresee two decades of an unsurpassed offensive military machine being assembled in the Soviet Union, as well as an overwhelming arsenal of missiles being targeted toward Western Europe.

These former officials missed the boat then; they are discredited. They certainly are not privy to the knowledge our leaders have today. Why should we listen to them now?

EL SALVADOR: TIME TO NEGOTIATE, NOT ESCALATE

(Mr. LEACH of Iowa asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEACH of Iowa. Mr. Speaker, at the very moment when parties throughout Central America are signaling increased willingness to consider a negotiated rather than a military settlement to conflicts in the region, when the armed opposition in El Salvador has announced a unilateral cease-fire, and on the eve of the historic visit to the region by His Holiness Pope John Paul II—a human symbol of peace and reconciliation—the approach of the Reagan administration appears to be a one-note litany of more money, more guns, more bullets and now the possibility of more advisers, whose noncombatant role is, ominously, said to be under review.

The administration continues to blunder ahead under the mistaken conception that one-dimensional military options will solve deep-seated political and social problems. At a time when we desperately need a flexible two-track policy of firmness in support of democratic ideals coupled with a willingness to seek negotiated settlements to avoid further bloodshed, the administration seems committed to a program that might be labeled all stick and no carrot.

Once again we see applied that misguided principle which helped shape our effort in Southeast Asia two decades ago—if the policy does not work, double the money and men and try again. This domino theory of decisionmaking may cause us to stumble unwittingly into a wider war in Central America that neither we nor our southern neighbors desire.

Mr. Speaker, now is the time to negotiate, not escalate. We simply must cease treating our neighbors to the south as pawns in an East-West conflict. Protecting the pride of politicians in America must never be considered more important than saving the lives of innocent Third World people.

Instead of further sabre-rattling, the administration should signal American willingness to explore more peaceful approaches to the problems in El Salvador and in Central America as a whole. A first step on the path to peace, I am convinced, would be the appointment of a prestigious special envoy who would be empowered to work with all interested parties in the region to find solutions to the kinds of social and political problems that bombs and guns will only exacerbate.

Mr. Speaker, as one Member of Congress, I object strenuously to the administration's tapping of an additional $60 million from the Government's unforeseen emergency fund to buy more guns for El Salvador's military.

The unforeseen emergency in America today is the joblessness of our people, not the failure of an interventionist foreign policy.

A REALISTIC COHERENT DEFENSE STRATEGY NEEDED

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, the projected Federal deficits are both disturbing and unacceptable. There can no longer be any question but that we must change the structure of Federal spending. A necessary part of this effort must be to change the anticipated spending levels for defense acquisitions. We must have a realistic and coherent defense strategy or face the consequences—confiscatory taxes, unacceptably high deficits or both.

Outside of the Congress the momentum for this change continues to build. The cover of time magazine, the discussions of the Business Roundtable, the report of the National Governor's Conference all agree. We cannot allow defense spending to increase by 10 percent. The economy cannot accommodate such a jump, and the American people will not tolerate such reckless growth. If we do not begin now to examine our major defense investments, events will overtake us and the damage to our economic well-being—as well as our defense capabilities—will be irrevocable.

The facts are clear. We must reduce our procurement account. It is procurement which the administration would triple between 1980 and 1984. It is procurement which would double again between 1984 and 1988. We would rather work with the administration—but we can, if we must, work without them.

I call upon my Republican colleagues to join with me in seeking Secretary Weinberger's leadership and cooperation.

The decisions we make today on major investment programs will determine, for this decade and beyond, not only our defense capability but the success or failure of our entire economic program.

□ 1215

EROSION CONTINUES TO THREATEN VIRGINIA'S TANGIER ISLAND

(Mr. BATEMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATEMAN. Mr. Speaker, I am today introducing legislation to authorize the Army Corps of Engineers to construct an erosion control structure on Tangier Island, Va. This project was previously approved by the House as section 103 of the Water Resources Development Act of 1979, legislation which never received final congressional action.

Unfortunately, erosion on this Chesapeake Bay island has not slowed, and prompt action is imperative, if the unique community on the island is to be saved. The inhabitants are direct descendants of early English settlers. Like their 17th century forebears, the 20th century islanders speak with an Elizabethan accent, and make their living off the resources of the bay. Forcing the members of this traditional community off the island would cause grave social and economic hardships for them, and would significantly diminish the diversity of America's cultural heritage.

The erosion of the island also threatens two federally funded construction projects, a water treatment plant and an airport. The water treatment plant, currently under construction, has been funded with $3.5 million from the Environmental Protection Agency, and the Department of Housing and Urban Development. The airport has received $650,000 in Federal funds during several phases of construction over the last 15 years. To allow this substantial Federal investment to be endangered would, of course, be most unfortunate.

I urgently solicit the support and assistance of all Members of Congress in gaining approval of this important project.

MORATORIUM ON SEAL HUNT IN CANADA

(Mr. JEFFORDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JEFFORDS. Mr. Speaker, under the terms of House Concurrent Resolution 236 and Senate Resolution 266, both passed in the 97th Congress, today is the National Day of the Seal.

How fitting and gratifying it is, then, to get the news that yesterday the Council of Ministers of the European Community voted a 2-year ban on the import of products from young harp seals. This action is the result of years of work by many citizens around the world who have expressed outrage at the brutal clubbing of baby harp seals on the ice floes off Newfoundland every year around this time. Many of these concerned citizens are serving in the U.S. Congress. Over the last year, a majority of the Members of this House have joined me in sending telexes to the Europeans urging them to enact this ban.

This 2-year moratorium comes on the heels of a temporary, voluntary ban which expired today. Taken together, these two actions, along with a similar U.S. policy contained in our Marine Mammal Protection Act, have all but stopped the clubbing of these baby seals. For the first time in anyone's memory, the Canadian Government has called off the hunt this year. Given that there will be almost no market for the white pelts in the next 2 years, it appears likely that the hunt can be stopped indefinitely.

To all of you who have joined me in trying to raise this issue in Europe and around the world, I want to take this opportunity to thank you. As one who has witnessed the seal hunt first hand, I can tell you that today marks one small step toward a more humane world.

CONCERN FOR SAFETY OF U.S. TROOPS IN LEBANON

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SKELTON. Mr. Speaker, this is the third time I have addressed this body regarding the U.S. Marines in Lebanon, and each time my concern for their safety has grown.

Last week, the administration speculated that it would increase the size and duration of the U.S. presence in Lebanon. I have written the President, telling him that I believe this action would be ill advised under current circumstances and urging him to bring our troops home. I wish to submit the text of that letter for the RECORD.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 1, 1983.

Hon. RONALD REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am distressed to learn of your administration's speculation of increasing the size of the U.S. Marine contingent in Lebanon. Once again, I must appeal to you to bring our troops home.

At the time of their deployment in September of 1982, you advised Congress that the Marines would be in Lebanon for a limited period of time and that there was no intention of our troops becoming involved in hostilities. It has become apparent that neither of these criterion exists at this time. Inasmuch as the 1973 War Powers Act limits to 60-90 days your authority to commit troops to hostile or potentially hostile areas without Congressional approval or a declaration of war, and considering that your compliance with the War Powers Act has already been called into question, I think you would be poorly advised to increase the U.S. presence in Lebanon under current circumstances.

In the interest of protecting the lives of American Servicemen, I urge you to bring our boys home.

With best regards,
Very truly yours,

IKE SKELTON,
Member of Congress.

KEY POINTS IN CONSIDERATION OF UPCOMING JOBS BILL

(Mr. EDGAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, as we move ahead with consideration of an emergency stimulus package to deal with the current unacceptable rate of unemployment, I think it is important to consider some key points:

First, any jobs package should be targeted both toward needed projects and activities and toward those areas of the Nation which are experiencing the most dire unemployment problems.

Second, we ought to spend money in those labor intensive fields which provide the greatest stimulus effect on the overall economy. We should not be appropriating money that will sit on the shelf waiting to be expended.

The sketchy reports that we have received thus far on the activities of the Appropriations Committee leads me to have some worries about these key points. The jobs bill that the committee is going to present to us this week contains very little assurance that money will go where it is needed most. Do we really need over half a billion dollars for emergency water resource development, while employment training and assistance is funded only at $200 million and health care programs at only $80 under the current formulation of the jobs bill?

Last Thursday I introduced a bill which would target Federal assistance for repairing water supply infrastructure to those distressed regions of the country which have traditionally been ineligible for Federal water development funds.

Today I am introducing a jobs bill that would target stimulus to a series of labor-intensive, environmentally beneficial programs ranging from public transportation to enhancement of fish and wildlife management facilities. I am introducing the bill in an effort to promote a discussion of alternatives to the more traditional types of public works projects often criticized for their environmental impact. My bill would create new programs in areas ignored or underfunded in past efforts to develop energy and water resources. Conservation of resources and rehabilitation of existing facilities would be emphasized.

It is my hope that future efforts to stimulate the economy and create jobs will take into account the need to protect the environment and will recognize the jobs-creating potential of resource conservation.

The legislation is also different from previous efforts at public works jobs creation in that safeguards are established through citizen review boards to insure that program money is wisely spent on needed projects for the benefit of the environment.

The bill is a progressive attempt to wed environmental concerns with efforts to deal firmly with unemployment and steer our national economy toward recovery and growth.

HOUR OF MEETING ON TOMORROW

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House convenes tomorrow, Wednesday, March 2, 1983, it convene at 12 o'clock noon.

The SPEAKER pro tempore (Mr. ALEXANDER). Is there objection to the request of the gentleman from Texas?

There was no objection.

FORFEITURE A TOOL IN FIGHTING DRUG TRAFFICKERS

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, at the National Governor's Conference this weekend, the Attorney General and the FBI Director said that we need new tools to combat drug trafficking, such as better means of seizing the profits of drug traffickers, and using those forfeited profits to finance other antidrug efforts.

What they did not say to Governors was that the President had such a bill on his desk last year, and that it was vetoed at their urging. They objected to a provision which they called radical that would coordinate drug enforcement efforts among the various departments and agencies of Government.

Actually, that approach was not radical at all. We have in fact had, since 1979, a drug-coordinating office, although its role has been relegated to essentially education and demand reduction, rather than coordinating overall policy and enforcement.

As chairman of the Crime Subcommittee, I have assured both the White House and the Justice Department that I will continue to work with them in a joint effort to fight crime and combat drug abuse and trafficking. That effort is not well served, however, when the Justice Department unveils so-called bold new initiatives that it in fact torpedoed just a few months ago.

JOBS TELETHON PROGRAM PROVES EFFECTIVE

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute.)

Mr. KOSTMAYER. Mr. Speaker, today the House will consider the American Conservation Corps bill, putting thousands of young men and women in this country back to work. But, Mr. Speaker, that is only part of the answer to national unemployment. I think the other half of the solution can be found, not here in Washington but back home in our congressional districts.

This past Saturday and Sunday in Bucks County and eastern Montgomery County, Pa., we organized a jobs telethon, urging people without work to call us. We received almost 4,000 telephone calls from the unemployed this past weekend and today, Tuesday, we are asking employers who have jobs available to call us. In the first hour this morning we received over 200 job offers for people who were looking for work.

This, I think, can help form part of the solution, with the private sector and the public sector working together, working here in Washington and at home as well.

Mr. Speaker, I urge other Members of the House to consider the jobs telethon idea. It will not solve the unemployment problem in America overnight, but at least in southeastern Pennsylvania we have helped put several hundred people back to work.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1310, EMERGENCY MATHEMATICS AND SCIENCE EDUCATION ACT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 98-10) on the resoluton (H. Res. 109) providing for the consideration of the bill (H.R. 1310) to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide for cost sharing by the private sector in training of such personnel; and for other purposes, which was referred to the House Calendar and ordered to be printed.

AMERICAN CONSERVATION CORPS ACT OF 1983

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 999) to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes, as amended.

The Clerk read as follows:

H.R. 999

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "American Conservation Corps Act of 1983".

CONGRESSIONAL FINDINGS AND PURPOSE

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) public lands, resources, and facilities, including parks, rangelands, wildlife refuges, forests, water resources, fishery facilities, historic and cultural sites, and urban and community resources, have become subject to increasing public use and resource production demands;

(2) the condition of many of these lands, resources, and facilities has deteriorated as a result of these increasing uses and demands and as a result of the inability of Government agencies to adequately staff and fund the maintenance necessary to arrest the deterioration;

(3) public land management agencies have a responsibility to assure that public lands and resources are managed—

(A) to assure continued productivity,

(B) to protect public health and safety, and

(C) to assure their wise and economic conservation, maintenance, and use;

(4) a program designed to systematically guide and enhance the conservation, rehabilitation, and improvement of our public lands, resources, and facilities is urgently needed; and

(5) youth conservation programs have proven highly successful and cost effective in providing training and jobs for unemployed youth and in assisting land management agencies at all levels of government to reduce the backlog of neglected public land conservation, rehabilitation and improvement projects and to carry out other public land resource management work.

(b) PURPOSE.—It is the purpose of this Act to—

(1) reduce the backlog of conservation, rehabilitation, and improvement work on the public lands, prevent the further deterioration of public lands and resources and facilities, conserve energy and restore and maintain community lands, resources, and facilities;

(2) establish an American Conservation Corps to carry out a program to improve, restore, maintain, and conserve public lands and resources in the most cost-effective manner;

(3) use such program to assist State and local governments in carrying out needed public land and resource conservation, rehabilitation, and improvement projects;

(4) provide for implementation of the program in such manner as will foster conservation and the wise use of natural and cultural resources through the establishment of working relationships among the Federal, State, and local governments, Indian tribes, and other public and private organizations; and

(5) use this program to increase (by training and other means) employment opportunities for young men and women especially those who are economically, socially, physically, or educationally disadvantaged and who may not otherwise be productively employed.

DEFINITIONS

SEC. 3. For purposes of this Act:

(1) The term "Secretary" means the Secretary of the Interior, except where otherwise expressly provided.

(2) The terms "public lands" and "publicly owned lands" mean any lands and waters (or interest therein) owned or administered by the United States or by any agency or instrumentality of a State or local government.

(3) The term "program" means the public lands conservation, rehabilitation, and improvement program established under this Act.

(4) The term "program agency" means any Federal agency or instrumentality with responsibility for the management of any public or Indian lands, any State agency designated by the Governor to manage the program in that State, and the governing body of any Indian tribe.

(5) The term "Indian tribe" means any Indian tribe, band, nation, or other group which is recognized as an Indian tribe by the Secretary. Such term also includes any Native village corporation, regional corporation, and Native group established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1701 et seq.).

(6) The term "Indian" means a person who is a member of an Indian tribe.

(7) The term "Indian lands" means any real property owned by an Indian tribe, any real property held in trust by the United States for individual Indians or Indian tribes, and any real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States.

(8) The term "employment security service" means the agency in each of the several States with responsibility for the administration of unemployment and employment programs, and the oversight of local labor conditions.

(9) The term "chief administrator" means the head of any program agency as that term is defined in paragraph (4).

(10) The term "enrollee" means any individual enrolled in the American Conservation Corps in accordance with section 5.

(11) The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territories of the Pacific Islands.

PUBLIC LANDS CONSERVATION, REHABILITATION, AND IMPROVEMENT PROGRAM

SEC. 4. (a) ESTABLISHMENT AND ADMINISTRATION OF PROGRAM.—Not later than ninety days after the enactment of this Act, the Secretary, in cooperation with the Secretary of Agriculture and after consultation with the Secretary of Labor, shall establish and administer a public lands conservation, rehabilitation, and improvement program to carry out the purposes of this Act. Under such program, the Secretary shall provide assistance to program agencies for the establishment and operation of residential and nonresidential American Conservation Corps centers and for the implementation by the American Conservation Corps of projects designed to carry out such purposes.

(b) PROJECTS INCLUDED.—The program established under this section may include, but shall not be limited to, projects such as—

(1) forestry, nursery, and silvicultural operations;

(2) wildlife habitat conservation, rehabilitation, and improvement;

(3) rangeland conservation, rehabilitation, and improvement;

(4) recreational area development, maintenance, and improvement;

(5) urban revitalization;

(6) historical and cultural site preservation and maintenance;

(7) fish culture and habitat maintenance and improvement and other fishery assistance;

(8) road and trail maintenance and improvement;

(9) erosion, flood, drought, and storm damage assistance and control;

(10) stream, lake, and waterfront harbor and port improvement, and pollution control;

(11) insect, disease, rodent, and fire prevention, and control;

(12) improvement of abandoned railroad bed and right-of-way;

(13) energy conservation projects and renewable resource enhancement;

(14) recovery of biomass from public lands, particularly forestlands; and

(15) reclamation and improvement of strip-mined lands.

(c) PREFERENCE FOR CERTAIN PROJECTS.—The program shall provide a preference for those projects which—

(1) will provide long-term benefits to the public;

(2) will provide meaningful work experience to the enrollee involved;

(3) will be labor intensive; and

(4) can be planned and initiated promptly.

(d) LIMITATION TO PUBLIC LANDS.—Projects to be carried out under the program shall be limited to projects on public lands or Indian lands except where a project involving other lands will provide a documented public benefit and reimbursement will be provided to the program agency for that portion of the total costs of the program which does not provide a public benefit. Notwithstanding any other provision of law, any reimbursement referred to in the preceding sentence shall be retained by the program agency and shall be used by the agency for purposes of carrying out other projects under the program.

(e) CONSISTENCY.—The Secretary and the chief administrators of other program agencies shall assure that projects selected and carried out under this Act for conservation, rehabilitation, or improvement of any public lands are consistent with the provisions of law and policies relating to the management and administration of such lands, with all other applicable provisions of law, and with all management, operational, and other plans and documents which govern the administration of the area.

(f) CONSERVATION CENTERS.—(1) Each program agency may apply to the Secretary for approval of conservation centers to carry out projects under this Act.

(2) Applications for approval of conservation centers shall be submitted to the Secretary in such manner as the Secretary may prescribe. Each application shall contain, in such detail as the Secretary deems necessary—

(A) a comprehensive description of the objectives and performance goals for the conservation center and a description of the types of projects to be carried out, including a description of the types and duration of training (including work experience) to be provided;

(B) a description of the facilities and equipment to be available for use in the center;

(C) an estimate of the number of enrollees and crew leaders necessary for the proposed projects, the length of time for which the services of such personnel will be required, and the services which will be required for their support;

(D) a plan for managing the conservation center, supplying the necessary equipment

and material, and administering the payroll; and

(E) such other information as the Secretary shall prescribe.

(3) In approving conservation centers, the Secretary shall give due consideration to the cost and means of transportation available between the center and the homes of the enrollees who may be assigned to those centers. The location and type of conservation centers shall be selected in such manner as will increase the enrollment of economically, socially, physically, and educationally disadvantaged youths, and of youths from areas of high unemployment.

(g) LOCAL GOVERNMENT PARTICIPATION.—Any State carrying out a program under this Act shall provide a mechanism under which local governments in the State may be approved by the State to participate in the program and to carry out projects in accordance with the requirements of this Act.

(h) AGREEMENTS.—Program agencies may enter into contracts and other appropriate arrangements with local government agencies and nonprofit organizations for the management of conservation centers under the program.

(i) JOINT PROJECTS.—The Secretary is authorized to develop jointly with the Secretary of Labor regulations designed to allow, where appropriate, joint projects in which activities supported by funds authorized under this Act are coordinated with activities supported by funds authorized under employment and training statutes administered by the Department of Labor (including the Job Training Partnership Act). Such regulations shall provide standards for approval of joint projects which meet both the purposes of this Act and the purposes of such employment and training statutes under which funds are available to support the activities proposed for approval. Such regulations shall also establish a single mechanism for approval of joint projects developed at the State or local level.

ENROLLMENT, FUNDING, AND MANAGEMENT

SEC. 5. (a) ENROLLMENT IN PROGRAM.—(1) Enrollment in the American Conservation Corps shall be limited to individuals who, at the time of enrollment, are—

(A) unemployed;

(B) not less than sixteen or more than twenty-five years of age (except that programs limited to the months of June, July, and August may include individuals not less than fifteen years and not more than twenty-one years of age at the time of their enrollment); and

(C) citizens or lawful permanent residents of the United States or lawfully admitted alien parolees or refugees.

(2) Except in the case of a program limited to the months of June, July, and August, individuals who at the time of applying for enrollment have attained age sixteen but not attained age nineteen, and who are no longer enrolled in any secondary school shall not be enrolled unless they give adequate written assurances, under criteria to be established by the Secretary, that they did not leave school for the express purpose of enrolling.

(3) The selection of enrollees to serve in the American Conservation Corps in any conservation center shall be the responsibility of the chief administrator of the program agency. Enrollees shall be selected from those qualified persons who have—

(A) applied to, or been recruited by, the program agency, a State employment security service, an administrative entity under the Job Training Partnership Act, community or community-based nonprofit organization, the sponsor of an Indian program, or the sponsor of a migrant or seasonal farmworker program; and

(B) been screened for eligibility and referred to the program agency by the State employment security service.

(4) In the recruitment and selection of enrollees, special consideration shall be given to both—

(A) economically, socially, physically, and educationally disadvantaged youths, and

(B) youths residing in areas, both rural and urban, which have substantial unemployment.

(5)(A) Except for a program limited to the months of June, July, and August, any qualified individual selected for enrollment may be enrolled for a period not to exceed twenty-four months. When the term of enrollment does not consist of one continuous twenty-four-month term, the total of shorter terms may not exceed twenty-four months.

(B) No individual may remain enrolled in the American Conservation Corps after that individual has attained the age of twenty-six.

(b) SERVICES, FACILITIES, SUPPLIES, ET CETERA.—The program agency shall provide such quarters, board, medical care, transportation, and other services, facilities, supplies, and equipment as the Secretary deems necessary for conservation centers. Whenever possible, the Secretary shall make arrangements with the Secretary of Defense to have such logistical support provided by a military installation near the proposed center, including the provision of temporary tent centers where needed. The Secretary shall establish basic standards of health, nutrition, sanitation, and safety for all conservation centers, and shall assure that such standards are enforced.

(c) CONSERVATION CENTER MANAGEMENT AND PROJECT SUPERVISION.—(1) Every conservation center shall have sufficient supervisory staff appointed by the chief administrator which may include enrollees who have displayed exceptional leadership qualities.

(2) No project shall be undertaken without the on-site presence of knowledgeable and competent supervision, and all projects undertaken shall be documented in advance in an approved written project plan prepared in accordance with the provisions of section 4(e) of this Act.

(d) FUNDING.—(1) The Secretary may award grants to, or enter into agreements with, program agencies for the funding and operation of conservation centers approved by the Secretary under this Act.

(2) The Secretary shall not make any grant to, or enter into any agreement with any program agency for the funding of any conservation center under this Act unless such agency certifies that projects carried out by the conservation center will not—

(A) result in the displacement of individuals currently employed (either directly or under contract with any private contractor) by the program agency concerned (including partial displacement through reduction of nonovertime hours, wages, or employment benefits);

(B) result in the employment of any individual when any other person is in a layoff status from the same or substantially equivalent job within the jurisdiction of the program agency concerned; or

(C) impair existing contracts for services.

(3) Of the sums appropriated pursuant to paragraphs (6) (A) and (B) to carry out this Act for any fiscal year—

(A) not less than 35 per centum shall be made available by the Secretary for expenditure by State program agencies;

(B) not less than 25 per centum shall be made available by the Secretary for expenditure pursuant to agreements with the Secretary of Agriculture;

(C) not less than 25 per centum shall be made available by the Secretary for expenditure by program agencies within the Department of the Interior;

(D) not less than 5 per centum shall be made available by the Secretary for expenditure by the governing bodies of participating Indian tribes; and

(E) the remaining amount shall be made available by the Secretary for expenditure by other Federal program agencies and for demonstration projects or projects of special merit carried out by any program agency or by any nonprofit organization or local government which is undertaking or proposing to undertake projects consistent with the purposes of this Act;

10 per centum of the amount disbursed to State agencies under subparagraph (A) (or to local governments within the State where paragraph (4) applies) and 10 per centum of the amount disbursed to State agencies under paragraph (6)(C) shall be divided equally among the States and 90 per centum of such amount shall be distributed among such States proportionately according to the total youth population of such States between the ages of fifteen and twenty-five (as determined on the basis of the most recent census). Any State receiving funds under subparagraph (A) or under paragraph (6)(C) for the operation of any conservation center shall be required to provide not less than 15 per centum of the cost of operation of such center. Any State receiving funds under subparagraph (A) or under paragraph (6)(C) for any fiscal year shall provide not less than 10 per centum of such funds to local governments approved by the State under section 4(g) to carry out projects under this Act unless no such local government in that State is approved before the end of such fiscal year. In any case where no such local government is approved before the end of such fiscal year, such 10 per centum may be expended by the State in accordance with this Act.

(4) If, at the commencement of any fiscal year, any State does not have a program agency designated by the Governor to manage the program in that State, then during such fiscal year each local government within such State may establish a program agency to carry out the program within the political subdivision which is under the jurisdiction of such local government. In any such case, the State share (or a reasonable portion thereof, including amounts authorized to be appropriated pursuant to paragraph (6)(C)) for such State may be made available by the Secretary for expenditure by such local government program agencies to carry out the program within such political subdivisions. Such local government program agencies shall be in all respects subject to the same requirements as State program agencies. Where more than one local government within a State has established a program agency under this subsection, the Secretary shall allocate funds between such agencies in such manner as he deems equitable.

(5) Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretary finds necessary.

(6)(A) There is authorized to be appropriated to the Secretary for purposes of carrying out this Act $50,000,000 for the fiscal year 1983, and the amount determined under subparagraph (B) for each of the fiscal years 1984 through 1989 from so much of the following amounts as would otherwise be credited to miscellaneous receipts in the Treasury—

(i) all franchise fees estimated to be collected for the fiscal year concerned by the Secretary and Secretary of Agriculture; and

(ii) all receipts estimated to be due and payable to the United States for the fiscal year concerned from (I) permit fees (including fees for special use permits) imposed by the Secretary or the Secretary of Agriculture, (II) sales of timber by the Secretary or the Secretary of Agriculture, and (III) leasing activities of the Secretary and the Secretary of Agriculture other than leasing activities under the Mineral Leasing Act of 1920 (30 U.S.C. 181 et seq.) or under the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.).

Such sums shall remain available until expended. Appropriations under this section shall be made without fiscal year limitation.

(B) The amount authorized to be appropriated under subparagraph (A) for each of the fiscal years 1984 through 1989 shall be $250,000,000.

(C) In addition to other amounts authorized to be appropriated for purposes of paragraph (3)(A), from so much of the amounts referred to in subparagraph (A) (i) and (ii) as would otherwise be credited to miscellaneous receipts in the Treasury, there is authorized to be appropriated to the Secretary for expenditure by State program agencies—

(i) $10,000,000 for the fiscal year 1983; and

(ii) $50,000,000 for each of the fiscal years 1984 through 1989.

(7) Contract authority under this Act shall be subject to the availability of appropriations.

(8) Funds provided under this Act shall only be used for activities which are in addition to those which would otherwise be carried out in the area in the absence of such funds.

(9) Not more than 10 percent of the funds made available to any program agency for projects during each fiscal year may be used for the purchase of major capital equipment.

FEDERAL EMPLOYEE STATUS

SEC. 6. (a) IN GENERAL.—Except as otherwise specifically provided in the following paragraphs, enrollees and crew leaders shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment:

(1) For purposes of the Internal Revenue Code of 1954 and title II of the Social Security Act, enrollees and crew leaders shall be deemed employees of the United States and any service performed by any person as an enrollee shall be deemed to be performed in the employ of the United States.

(2) For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, enrollees and crew leaders shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply, except—

(A) the term "performance of duty" shall not include any act of an enrollee member or crew leader while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction and supervision of the Secretary or the conservation center supervisory staff (including an activity while on pass or during travel to or from such post of duty); and

(B) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee's or crew leader's employment is terminated.

(3) For purposes of chapter 171 of title 28, United States Code, relating to tort claims procedure, enrollees and crew leaders shall be deemed employees of the United States within the meaning of the term "employee of the Government" as defined in section 2671 of title 28, United States Code.

(4) For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, enrollees and crew leaders shall be deemed employees of the United States within the meaning of the term "employee" as defined in that section.

(b) AMENDMENT OF TITLE 5.—Section 8332(b) of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (11);

(2) by striking out the period at the end of paragraph (12) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (12) the following new paragraph:

"(13) service as an enrollee or crew leader only if the enrollee or crew leader in the American Conservation Corps later becomes subject to this subchapter.".

USE OF VOLUNTEERS

SEC. 7. (a) Where any program agency has authority to use volunteer services in carrying out functions of the agency, such agency may use volunteer services for purposes of assisting projects related to conservation centers established under this Act and may expend funds made available for those purposes to the agency, including funds made available under this Act, to provide for services or costs incidental to the utilization of such volunteers, including transportation, supplies, lodging, subsistence, recruiting, training, and supervision.

(b)(1) The Secretary may recruit, without regard to the civil service classification laws, rules or regulations, the services of individuals contributed without compensation as volunteers for aiding or in facilitating the activities administered by the Secretary through the Bureau of Land Management.

(2) In accepting such services, the Secretary—

(A) shall not permit the use of volunteers in hazardous duty or law enforcement work, or in policymaking processes or to displace any employee, enrollee, crew leader, or other participant under this Act; and

(B) may provide for services or costs incidental to the utilization of volunteers, including transportation, supplies, lodging, subsistence, recruiting, training, and supervision.

(3) Volunteers under this subsection shall not be deemed employees of the United States except for the purposes of the tort claims provisions of title 28, United States Code, and subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries.

SPECIAL RESPONSIBILITIES OF THE SECRETARY

SEC. 8. (a) PAY.—The Secretary shall establish standards for—

(1) rates of pay for enrollees which shall be not less than the wage required by section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1));

(2) rates of pay for crew leaders which shall be at a wage comparable to the compensation in effect for grades GS-3 to GS-7; and

(3) reasonable hours and conditions of employment.

(b) COORDINATION.—The Secretary and the chief administrators of other program agencies carrying out programs under this Act shall coordinate the programs with related Federal, State, local, and private activities.

(c) MILITARY EXEMPTION STUDY.—The Secretary, in consultation with the Secretary of Defense and others as may be appropriate, shall conduct a study to determine the feasibility and desirability of various forms of public service (such as accorded by this Act and other public service programs) being substitutable for service under the Military Selective Service Act (50 U.S.C. App. 456). A report containing the results of the study shall be submitted to Congress not later than one year after the enactment of this Act.

EDUCATION, GUIDANCE, AND PLACEMENT

SEC. 9. (a) ACADEMIC CREDIT.—Whenever possible, the Secretary shall make arrangements for the award of academic credit by educational institutions and agencies to enrollees for competencies developed from work experience under this Act.

(b) STUDY.—(1) Program agencies shall use not more than 10 percent of the funds available to them to provide training and educational materials and services for enrollees and may enter into arrangements with academic institutions or education providers, to include local education agencies, community colleges, four-year colleges, area vocational-technical schools and community based organizations, for academic study by enrollees during nonworking hours to upgrade literacy skills, obtain a high school diploma or its equivalency, or college degrees, or enhance employable skills. Enrollees who have not obtained a high school diploma or its equivalency shall have priority to receive services under this subsection. Whenever possible, an enrollee seeking study or training not provided at his or her conservation center shall be offered assignment to a conservation center providing such study or training.

(2) Standards and procedures with respect to the awarding of academic credit and certifying educational attainment in programs conducted under subsection (b)(1) of this section shall be consistent with the requirement of applicable State and local law and regulation.

(c) CERTIFICATION.—The program agencies shall provide certification of the training skills acquired by enrollees who have participated in the program.

(d) GUIDANCE AND PLACEMENT.—The program agency shall provide such job guidance and placement information and assistance for enrollees as may be necessary. Such assistance shall be provided in coordination with appropriate State, local, and private agencies and organizations.

EVALUATION AND PILOT PROJECTS

SEC. 10. (a) RESEARCH AND EVALUATION.—The Secretary shall provide for research and evaluation to—

(1) determine costs and benefits, tangible and otherwise, of work performed under this Act and of training and employable skills and other benefits gained by enrollees, and

(2) identify options for improving program productivity and youth benefits, including improved alternatives for: organization, subjects, sponsorship, and funding of work projects; recruitment and personnel policies; siting and functions of conservation centers; work and training regimes for youth of various origins and needs; and cooperative arrangements with programs, persons and institutions not covered under this Act.

(b) DEMONSTRATIONS.—The Secretary may authorize pilot or experimental projects to demonstrate or test new or alternative arrangements or subjects of work and training for programs under this Act, which may include alternatives identified under subsection (a)(2).

(c) CCC SITES.—The Secretary, in consultation with the Secretary of Agriculture, shall study sites at which Civilian Conservation Corps activities were undertaken for purposes of determining a suitable location and means to commemorate the Civilian Conservation Corps. Not later than one year after the date of the enactment of this Act, the Secretary shall submit a report to the Congress containing the results of the study carried out under this section. The report shall include cost estimates and recommendations for any legislative action.

ANNUAL REPORT

SEC. 11. The Secretary shall prepare and submit to the President and to the Congress at least once each year a report detailing the activities carried out under this Act. Such report shall be submitted not later than December 31 of each year following the date of enactment of this Act. The report shall describe (1) conservation work procedures, accomplishments and benefits; (2) the extent to which youth who are economically, socially, physically or educationally disadvantaged have been enrolled in and benefited by the program; (3) other youth benefits; and (4) problems and opportunities encountered in carrying out the Act which require attention. The Secretary shall include in such report such recommendations as he considers appropriate.

LABOR MARKET INFORMATION

SEC. 12. The Secretary of Labor shall make available to the Secretary and to any program agency under this Act such labor market information as is appropriate for use in carrying out the purposes of this Act.

EMPLOYEE APPEAL RIGHTS

SEC. 13. (a) In the case of—

(1) the displacement of a Federal employee or the failure to reemploy a Federal employee in a layoff status, contrary to a certification under section 5(d)(2) (A) or (B) of this Act, or

(2) the displacement of a Federal employee by reason of the use of one or more volunteers under section 7(b)(2)(A) of this Act,

such employee is entitled to appeal such action to the Merit Systems Protection Board under section 7701 of title 5, United States Code.

(b) In the case of—

(1) the displacement of any other individual employed (either directly or under contract with any private contractor) by a program agency or grantee, or the failure to reemploy an employee in layoff status, contrary to a certification under section 205(d)(2) (A) or (B) of this Act, or

(2) the displacement of such individual by reason of the use of one or more volunteers under section 7(b)(2)(A) of this Act,

the requirements contained in section 144 of the Job Training Partnership Act (Public Law 97-300) shall apply, and such individual shall be deemed an interested person for purposes of the application of such requirements.

(c) For purposes of this section, the term "displacement" includes, but is not limited to, any partial displacement through reduction of nonovertime hours, wages, or employment benefits.

The SPEAKER pro tempore (Mr. SKELTON). Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. SEIBERLING) will be recognized for 20 minutes, and the gentleman from Alaska (Mr. YOUNG) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring to the floor H.R. 999, the American Conservation Corps Act of 1983. This act would establish a program similar in concept to the Civilian Conservation Corps of the 1930's.

Like the old CCC, the American Conservation Corps would have two basic goals—to help provide jobs for our Nation's young people and to help conserve our public lands and community resources.

H.R. 999 has 187 cosponsors in the House, representing 46 States and territories. The bill is essentially identical to H.R. 4861 which passed the House during the 97th Congress by a wide margin (291-102).

This legislation was the outgrowth of oversight hearings held in 1981 on two programs slated for termination by the administration—the Youth Conservation Corps, a summer program, and the Young Adult Conservation Corps, a year-round program. We found that the previous programs were cost effective in accomplishing needed conservation work and in providing jobs for unemployed youth. The YCC returned an average of $1.04 in work for each dollar expended; the YACC returned $1.20. In many cases, the value of the work was four or five times the amount expended.

Equally important, agencies who used the programs found them extremely helpful in supplementing their conservation and maintenance programs. Young people who participated testified to the value of the programs for them; they learned new skills and work habits, and gained a better understanding of themselves and the outside world. Indeed, in the YACC program, over 70 percent of the youth went on to "positive placements"—that is, back to school, or to better jobs or the military.

H.R. 999 would essentially establish a consolidated program that is more directed to serving disadvantaged youth. It is aimed at enhancing, but not duplicating, other training and job programs.

The American Conservation Corps would be administered by the Secretary of the Interior in cooperation with the Secretaries of Agriculture and Labor. The program would be funded from certain Federal revenues from various permitting and leasing activities.

The basic appropriations ceiling would be limited to $50 million in fiscal 1983 and $250 million annually thereafter through fiscal 1989. Of these amounts, 35 percent would be distributed to States, 25 percent each to the Departments of Interior and Agriculture, 5 percent to participating Indian tribes, and 10 percent to other Federal agencies—such as the Tennessee Valley Authority—and for special projects. An additional $10 million in fiscal 1983 and $50 million annually in fiscal years 1984-89 would be authorized for State programs. States would be required to provide 15 percent matching funds and a mechanism—including at least 10 percent of the State's funding share—for local government participation.

Conservation projects would include conservation of forests, fish, wildlife, rangelands and soils; revitalization of urban areas and preservation of historic sites; maintenance of recreational areas; energy conservation and production of renewable resources.

The program would have both a year-round and summer component. Enrollees must be unemployed and between the ages of 16 and 25 for the year-round program, and between 15 and 21 for the summer program. Special consideration in recruiting and selecting enrollees would be given to disadvantaged youth who live in areas of substantial unemployment.

Opportunities for training and academic study would be provided and certification granted for skills acquired. Volunteers could be used to supplement the program. However, no project could displace existing employees; an appeals mechanism is provided in the event that any employee is displaced.

These are some of the highlights of the legislation. In addition to the tremendous support of my colleagues on the Interior Committee and our many cosponsors, I would like to thank our colleagues from the Education and Labor Committee—in particular, CARL PERKINS, GUS HAWKINS, JOHN ERLENBORN and JIM JEFFORDS—for the work they have done in helping to improve the bill.

I would also like to thank staff members who have worked so hard on it, including Loretta Neumann, Dora

Miller, and Clay Peters from the Interior Committee; and Clark Rechtin and Beth Buehlmann from the Education and Labor Committee.

I also want to recognize the many organizations who have strongly supported the bill, and would like to insert a list of them following my remarks.

I would especially like to thank Mr. Sydney Howe, of the Human Environment Center, Mr. Rex Ressler of the American Forestry Association, Ms. Susan Harjo of the Native American Rights Fund, Mr. John Gunther of the U.S. Conference of Mayors, Mr. William Haskins of the National Urban League and Mr. John Graves of the National Association of CCC Alumni.

Last, I would like to note that a companion bill, S. 27, has been introduced in the Senate by Senators MOYNIHAN and MATHIAS. I am optimistic that we will soon see the enactment of this important legislation.

There could be no better time than now. Youth unemployment remains at all-time highs and the backlog of conservation work is growing daily. In April of this year we will celebrate the 50th anniversary of the Civilian Conservation Corps. Let us celebrate this great landmark of the past by giving our Nation a program with fresh hope for the future.

SUPPORTING ORGANIZATIONS

AFL-CIO, American Forestry Association, Center for Community Change, Children's Foundation, Environmental Action, Environmental Defense Fund, Environmental Policy Center, Environmentalists for Full Employment, Friends of the Earth, Full Employment Action Council, Human Environment Center, Izaak Walton League of America, Mexican American Legal Defense and Education Fund, NAACP, National Association of CCC Alumni, National Association of Conservation Districts, National Association of State Conservation Corps Program Agents, National Association of State Park Directors, National Audubon Society, National Board-YWCA, National Conference of State Historic Preservation Officers, National Congress of American Indians, National Council of La Raza, National Council of Negro Women, National Parks and Conservation Association, National Recreation and Park Association, National Trust for Historic Preservation, National Urban Coalition, National Urban League, National Wildlife Federation, National Youth Work Alliance, Native American Rights Fund, Natural Resources Defense Council, Northeast Utilities, Preservation Action, Roosevelt Centennial Youth Project, Sierra Club, The Hartford Steam Boiler Inspection and Insurance Company, The Wilderness Society, Trust for Public Land, U.S. Conference of Mayors, U.S. Student Association, Urban Environment Conference, United Rubber, Cork, Linoleum and Plastic Workers of America—AFL-CIO (Local Union No. 7, Akron, Ohio), Campfire Incorporated.

□ 1230

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill now under consideration, H.R. 999, legislation designed to establish the American Conservation Corps.

As my colleagues know, a bill nearly identical to this one passed the House last year, but failed to receive action by the Senate. If this legislation was meritorious and needed last year, it is all the more needed this year. Our Nation's unemployment situation is one of real desperation. I do not feel that any one single piece of legislation can be adequate and sensitive enough to solve the overall unemployment problem. It will likely take a number of individual efforts, and this bill is one of those.

This bill is modeled after the successes of a number of similar popular predecessor programs, ranging from the famous Civilian Conservation Corps (CCC) of depression days, up through the Youth Conservation Corps (YCC) and Young Adult Conservation Corps (YACC) of more current times. This bill is designed to take the best features and experiences of all of these and incorporate them into a new program to continue on where the latter two programs have left off, as they have been basically terminated through recent budget reductions.

Mr. Speaker, our public lands and resources have for decades suffered from insufficient maintenance attention due to limited funding and staffing. In addition, our national economy is currently in such condition that great numbers of people are out of work—now at a level unequaled since the end of the Great Depression. Reports from the Bureau of Labor Statistics indicate that in January 1983, total unemployment reached 10.4 percent; youth unemployment reached 22.7 percent, and minority youth unemployment 42.8 percent. Mr. Speaker, this is obviously an extremely serious matter.

This bill would combine the problem of inadequate public resources maintenance with that of major unemployment to the mutual satisfaction of each other: The maintenance needs would be addressed by the unemployed, and both needs would mutually benefit.

Moreover, past history indicates that this can be accomplished in a very cost-effective manner. The enactment and implementation of this bill will not solve the unemployment problems of all of our young people, nor will it solve all of our public resource maintenance needs, but it will help. It is at least a constructive step forward in a current environment where not much else that is tangible and proven to be workable by a good track record is around to grab hold of.

I am also inspired, Mr. Speaker, by the less tangible emotional, educational, and psychological effects that such employment can bring to our young people. This is an age where young people are being majorly shaped and influenced in attitudes and thought. The record is strong and clear, from participants in the CCC program of the 1930's to the YCC and YACC programs of today, that the life goals, career pursuits, and shorter range ambitions and attitudes of many young people are greatly influenced by the healthful, resource-related working relationships engendered by this type of program.

In both the long and the short run, a program such as this is good for America. It is an investment in both her resources and her people. What could constitute a more worthwhile objective, particularly at a time like this?

Mr. Speaker, there are several observations I would like to share with my colleagues pertaining to specific features of the bill.

I cannot overstress the importance of section 4(e) which requires that all projects selected be consistent with provisions of all laws, policies, and management, and operational plans which preexist in governing the particular resource area affected by the projects. The language of this subsection was further strengthened by the Interior Committee this year to make the point strong and clear that all projects must be supportive of the area's needs and administrative agency's mission.

The committee also strengthened the language of subsection 5(c) of the bill to complement the concerns of subsection 4(e). Language added here, as a new paragraph (2) says:

> No project shall be undertaken without the on-site presence of knowledgeable and competent supervision, and all projects undertaken shall be documented in advance in an approved written project plan prepared in accordance with the provisions of section 4(e) of this Act.

Mr. Speaker, a continuing and often credible allegation made of past youth employment programs is that they have not always performed priority conservation work projects and they too often have lacked adequate onsite supervision. A consequence can be the production of nonessential or low priority work, and in the extreme, actual damage to the resources, rather than benefit. The administration has made a major point of this concern in presenting its opposition to this legislation. I agree that to the extent that past programs have been afflicted with this type of problem, it is totally unacceptable and it absolutely must be totally rectified. These recent amendments which I have just referred to and which I instigated, are designed to address and rectify this matter.

Section 5(a)(4) provides that "special consideration" is to be given the recruitment and selection of enrollees who are disadvantaged and residing in areas of substantial unemployment.

Similarly, section 4(f)(3) provides that similar "due consideration" be given the location of conservation centers based on proximity to disadvantaged youth and those living in areas of high unemployment. While this is certainly an important and most meritorious feature of this bill, I want to also point out, as it was a subject of some discussion and quite unanimous agreement in the Interior Committee last year, that this consideration is not to be to the exclusion of youth or locations not so heavily afflicted with disadvantaged or heavy unemployment attributes. The program should have a healthy mix of youth from many backgrounds, and certainly with special consideration of and appropriate emphasis on the elements of disadvantage and high employment locales.

Mr. Speaker, while the bill—section 4(d)—allocates the funding to major recipients generally by percentages, I believe it is most important that as those major recipients suballocate the funds to subrecipients through time, that there be some degree of stability involved and advance planning of expenditure, to the maximum extent possible. I do recognize the need for flexibility and adaptability to changing situations, of course, but I do believe there needs to be some long range projection of priorities so all potential beneficiaries will have a fair idea of what changes to expect through time. For example, the Department of the Interior will have, under the bill's provisions, 25 percent of the funds for allocation to various agencies within that department.

I believe there should be developed ahead of time, at least 3-year advance projections and prioritizations of which agencies will receive how much for which projects or geographic project areas. This will provide better stability for the program, particularly for staffing and program supervision purposes. Last minute major changes and funding diversions are disruptive to program efficiency, staffing, and good morale of personnel.

Mr. Speaker, this is a bill which is urgently needed. It will do a lot of good for both our youth and our Nation's physical resources. We need it now.

The bill has the bipartisan support of the two committees which have worked on it—the Committee on Interior and Insular Affairs and the Committee on Education and Labor. I urge my colleagues to vote for the adoption of this important legislation.

Mr. Speaker, I yield 3 minutes to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Speaker, I am pleased to be able to support the American Conservation Corps Act again this year. I hope that during our consideration of this bill here today, we will give some thought about how we can best put the unemployed back to work. Although there seems to be a bipartisan consensus on the need for a jobs bill, I believe we must look harder at the proposals before us to determine whether they effectively provide jobs for those who need them most.

Fortunately, the ACC proposal before us today addresses the unemployment problem in a constructive, cost-effective way. First, it concentrates on hiring the unemployed, giving special emphasis to disadvantaged youth and those who live in areas of high unemployment.

Second, the programs created by this bill are labor-intensive. According to CRS estimates, they would create 20,000 year-round jobs and 50,000 summer jobs.

In terms of targeting Federal efforts toward getting the unemployed back to work, I believe this bill takes an infinitely better approach than what we are considering in the supplemental appropriations bill that is scheduled for action this week. Now, public works has its place in Federal policy and some of the work outlined in the $4.6 billion measure needs to be done. In my opinion much of it does not need to be done. However, the point is that we must not kid ourselves into thinking that a public works bill is the best way to create jobs with Federal policy.

If our last public works program, the Local Public Works (LPW) of the late 1970's, is any indication, we may put more unemployed people back to work with the $250 million spent on the American Conservation Corps than we will be by spending $4.6 billion on public works. According to CRS, under the LPW only 13 percent of those given jobs were actually unemployed just prior to being hired. In addition, the ratio of labor to nonlabor costs was 1 to 3 and the cost per slot of direct employment was $64,500.

In fact, while total employment under the public works program we will consider will run into the tens of thousands, if the recent past is any guide only about 9,000 of these workers will actually be taken off the unemployment rolls by the program.

I cite these figures only to point out that a jobs program has to encompass more than just public works. Conservation work, such as that provided for under this bill, offers a way to perform the backlog of needed conservation work in this country at a reasonable cost and in a way that will help put some people to work who do not currently have jobs.

Mr. SEIBERLING. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. PERKINS), and I will ask the gentleman to yield briefly to me.

Mr. PERKINS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I want to thank the gentleman from Kentucky (Mr. PERKINS) for the tremendous help that he has given in getting this bill expeditiously through his committee and for the great support that he has given to it, both in this Congress and the last. I certainly do appreciate it.

Mr. PERKINS. Mr. Speaker, let me first thank my colleague, the gentleman from Ohio, for his remarks. I think the gentleman from Ohio is more responsible for keeping the idea of youth conservation jobs programs alive than any other Member of the House.

Mr. Speaker, I rise in support of the motion to suspend the rules of the House and pass the bill H.R. 999, the American Conservation Corps Act of 1983.

When 22 years ago last month, during the first session of the 87th Congress, I introduced the first legislation to establish a Youth Conservation Corps (YCC). Actually, I authored three bills during that Congress to create the YCC, one of which was reported by the Education and Labor Committee, only to die in the Rules Committee before we could get it to the floor of the House for a vote.

The very first bill I introduced in the next Congress represented another attempt to establish the YCC. Unfortunately, despite hard work on the part of myself and other supporters, we were again unable to win passage before the 88th Congress came to a close.

During every Congress which followed, I continued to cosponsor attempts to create the YCC. I believed then, as I do now, that there was need for a program modeled after President Roosevelt's Civilian Conservation Corps, which would provide American youth with work and training opportunities and, at the same time, protect and improve public lands and resources.

Gradually, those who believed as I did in the need for a Youth Conservation Corps—like Senator SCOOP JACKSON and former Congressman Lloyd Meeds—began to win friends and influence people for our way of thinking.

Finally, in 1970, 9 years after my first attempt, we were able to pass legislation which created the first Youth Conservation Corps. Although that measure only established the program on a demonstration basis, we had our foot in the door. In 1972, during the 92d Congress, I was among the original cosponsors of successful legislation to expand and reauthorize the YCC for 2 years. Then, in 1974, I cosponsored a bill to greatly expand the scope of YCC activities and to make the authority for the program permanent, and that bill became law.

Unfortunately, the old YCC program fell prey in 1981 to the meat ax style of budget cutting advanced so formidably by the current administration. In addition, we lost the Young Adult Conservation Corps (CETA, title VIII) at that time as well. Those were sad days for me, indeed. However, today I see new hope on the horizon.

So, in keeping with the history of my commitment to youth conservation employment efforts, I am pleased to have assisted in the development of the legislation on behalf of which I now speak.

The bill before us today is fundamentally the same as H.R. 4861, which was passed by the House under suspension of the rules twice during the 97th Congress, but which never received consideration by the Senate. As was the case with H.R. 4861 last year, H.R. 999 has been reported favorably by both the Education and Labor and Interior and Insular Affairs Committees, by a 26 to 2 vote and a voice vote, respectively. The bill currently has 187 cosponsors, coming from both sides of the aisle.

H.R. 999 addresses simultaneously two distressing problems now confronting this Nation: Youth unemployment of epidemic proportions and the accelerating deterioration of public lands and facilities.

Bureau of Labor Statistics data released in January indicate that the rate of overall youth unemployment in December 1982 reached a distressing 23 percent, while the minority youth unemployment rate was an abhorrent 49.5 percent. Furthermore, the unemployment figures I have just quoted do not even include those youths who have given up looking for jobs, whose numbers are now legion.

The increased usage, decreased maintenance and resulting decline of our public lands and facilities—parks, forests, wildlife refuges, and so forth—is widespread and well known to all of us.

The bill now before the House has been formulated to combat both of these critical national illnesses. It is a legacy of the sound and historically proven legislative judgment which half a century ago provided this Nation with the Civilian Conservation Corps. Additionally, the bill has at its foundation the successful elements of two more recent youth conservation employment programs: The Youth Conservation Corps and the Young Adult Conservation Corps. Before their demise in fiscal year 1981, these two programs produced benefits in the form of needed conservation work which exceeded total program costs, while employing hundreds of thousands of otherwise jobless youth.

However, I must bring to the attention of my colleagues several important improvements which make H.R. 999 very different from these past youth conservation efforts.

Unlike either the YCC or the YACC, the American Conservation Corps gives special consideration in recruiting and selecting enrollees to disadvantaged youth and youth from areas of high unemployment, so that job opportunities are better targeted to those most in need.

Also unlike its predecessors, H.R. 999 establishes a funding mechanism which insures that at least a portion of the revenues derived from public lands are reinvested in those lands to guarantee their continued preservation and productivity. This is achieved by requiring that funds appropriated to support the American Conservation Corps come from unallocated receipts generated by such activities as timber cutting, mineral leasing and franchising on public lands.

This bill also embodies a newly enhanced role for both State and local governments through its requirement that at least 35 percent of the funds be allocated to the States and that 10 percent of such funds be made available to local governments for the operation of ACC projects.

A number of amendments added to the bill last year by the Education and Labor Committee provide for better coordination of American Conservation Corps projects with related employment and training programs administered by the Department of Labor, in order to minimize duplication and expand scarce resources. Perhaps the hallmark of this improved coordination is the authority provided to the Secretaries of the Interior and Labor to establish standards and mechanisms for approval of joint, separately funded projects combining ACC activities with those funded under such statutes as the newly enacted Job Training Partnership Act.

The major amendment added to the bill by our committee this year is designed to improve the career potential of ACC enrollees after their participation by requiring that program agencies spend not more than 10 percent of their funds to provide education services to enrollees during nonworking hours, with priority for those without high school diplomas.

Finally, H.R. 999 includes strong provisions to prohibit the displacement of Federal, State, and local government and private sector employees as the result of implementation of the act, so that we do not inadvertently create unemployment in our effort to cure it.

This bill represents a unique opportunity for the Members of the House of Representatives. Far too rarely do we get the opportunity in a single vote to address at once two problems as urgent as youth unemployment and the deterioration of public lands. This legislation represents the wisest kind of investment this country can possibly make: An investment in the present and future welfare of its people and its natural bounty. These make up the true wealth of this Nation. Remember one simple, historical fact—all that America is now, or ever has been, has sprung from her most precious and only original resources: Her people and her land. The question now before us is, Will we make a vitally needed, sound and long overdue investment in both?

I urge my colleagues to join me in seizing this golden opportunity by voting to suspend the rules and pass the bill H.R. 999.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 3½ minutes to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, on numerous occasions in the past year and a half, I have risen to express my strong support for the creation of an American Conservation Corps. Today I rise again to urge my colleagues to support this worthy legislation.

Much talk is heard in Washington these days of make-work jobs bills, budget-busters with little purpose but to prime the pumps of Members' reelection campaigns. The American Conservation Corps, I can assure you, is not a slickly packaged version of the typical pork barrel boondoggle which saps the Federal Treasury and fosters public cynicism about their Government.

The American Conservation Corps builds upon a proven concept, first tested in the Depression by the Civilian Conservation Corps. It merges the present day Young Adult Conservation Corps and the Youth Conservation Corps, but eliminates the past flaws in administrative structure which kept both programs from reaching their full potential. I know that this Member, and I am sure many others, heard many positive comments about the benefits of the YACC and the YCC from program participants, program managers, and community leaders. The American Conservation Corps, with its solid administrative structure, can multiply those benefits throughout the United States.

I also know that, in the course of visiting national parks during the last year, and talking to superintendents and to other personnel from the National Park Service, we saw a good many trails were not open, grass was not mowed, a variety of other tasks once accomplished by the YACC or YCC were not accomplished. In other cases, professionals were moved from their professional responsibilities to pick up the slack.

Several States have already recognized the value of this type of youth conservation corps program. Eighteen hundred young people are at work in California now with 300 recently de-

tailed to perform emergency flood rehabilitation work. They have also labored in the hot Sun to clean miles of creek bed in San Luis Obispo County damaged by an oil spill.

Last summer 250 young Iowans from ages 14 to 19 toiled for minimum wage at 15 sites across the State. Eight Connecticut State installations will benefit from the labors of 60 young corpsmembers under that State's recently enacted youth conservation program. Similar projects are in operation or under debate in more than a dozen other States.

No one expects that these young workers will accomplish miracles, that they will build great wonders of the world or perform highly skilled tasks. However, the young workers of the American Conservation Corps will do the backbreaking, unglamorous tasks which are nonetheless essential to the preservation of our natural resources while learning important worker skills, facts, and attitudes. They accomplish the work in a cost-effective manner. Most importantly, they will gain personally from the knowledge that they are engaged in a beneficial work experience.

All 50 States will benefit from this program. Perhaps 100,000 disadvantaged youths will ultimately be employed. Needed conservation work will be completed at a minimal cost. The American Conservation Corps will be a wise investment of public funds. I strongly urge you to vote for H.R. 999.

Mr. SEIBERLING. Mr. Speaker, I wish to recognize at this time the tremendous support and leadership given to this legislation by Chairman UDALL of the Committee on Interior and Insular Affairs, and I yield 1 minute to the gentleman from Arizona.

Mr. UDALL. Mr. Speaker, I am proud to rise in support today of H.R. 999, the American Conservation Corps Act. The bill reported by my committee is very similar to legislation presented to the House in June 1982 and passed at that time by a nearly 3 to 1 margin. As was the case last year, the bill thus enjoys, I believe, broad bipartisan support.

And well it should. This measure goes after two problems that need to be addressed—the conservation of our natural, cultural, and recreational resources and the intolerable levels of unemployment in this country, especially among younger Americans. Even better, our history and experience with programs like the American Conservation Corps—and we go back a long way in this century with a tradition of putting young people to work on our lands and recreation areas—give us strong evidence that these programs are cost-effective. The Youth Conservation Corps is estimated to have returned on a national average $1.04 of benefits for every dollar invested and the Young Adult Conservation Corps did even better—$1.20 for every dollar invested.

And the benefits derived are ones that are important to Americans and which, I believe, have been hurting disproportionately in recent years. The conservation and improvement of our forests, fish and wildlife, western rangelands, and recreation sites, even historic sites and other urban areas. This work needs to be done, and if it is not done now, it will only cost us more to do in the future.

In addition, we have built on the extensive experience with similar programs in the past to design one that is right for the times. Of the $300 million that would be authorized annually from fiscal year 1983 through fiscal year 1984, 35 percent of the funds would be distributed and controlled by the States because they have the organizational structure and the knowledge needed to target these funds the best. The rest would be divided up between the Departments of the Interior and Agriculture, to participating Indian tribes, and to other agencies to insure broad use of program funds.

The source of these funds would be revenues from the leasing of various minerals on Federal lands—the reinvestment of funds from a dwindling resource into the production and conservation of a last resource. This is a principle that has worked extremely well in the past—and I offer the land and water conservation fund as a prime example.

The program is targeted to young people between the ages of 16 and 25 for the year-round employment and 15 and 21 for summer employment. I know from experience that there are countless thousands of these young people who want to do the kind of work the American Conservation Corps would give them the chance to do.

Mr. Speaker, this is an excellent bill and attacks significant problems in the best traditions of our country.

Recently, I received a letter from a constituent of mine in Tucson who told me:

> I'm writing to you to ask that you and your fellows reinstate the Young Adult Conservation Corps. The corps will get some of the people who are out of work a job. I know that this will be hard to do with the cuts in the budget. It's time to stop horsing around and get people back to work.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. GUNDERSON).

Mr. GUNDERSON. Mr. Speaker, I suspect that very few of the Members of this body would want to stand up here today and say that we do not need to do something about youth unemployment in this country. I certainly think we need to do something. And I think when we look at bills in this area, we all recognize that we need to do a lot more than what the administration has proposed thus far in terms of only altering the subminimum wage to deal with youth unemployment in this country.

When you look at any kind of an employment or jobs bill, I think there are four criteria that become all important:

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First, obviously is that you have to provide employment and the bill before us does that.

Second, you have to provide some tool for education and the bill, with the amendment provided from the Education and Labor Committee, does just that.

But, third and fourth, you also have to provide some specific job training and job placement for any job program to be successful on its merits at its end as well as at its beginning. I am afraid that the bill before us today does not do that.

I think we would be remiss as a legislative and deliberative body if we just stood up here and passed this kind of legislation without recognizing that we have some problems that need to be solved before this bill goes to the President if we hope that it is going to be signed into law.

Certain benefits were provided by the predecessor programs to the bill we are looking at today—the Civilian Conservation Corps, the Youth Conservation Corps, and the Young Adult Conservation Corps. However the problem with the bill before us today is it is nothing more than simply a consolidation of two of the programs I have just mentioned, the Youth Conservation Corps and the Young Adult Conservation Corps.

Let us just for a second take a look at the history of those programs. It was not only President Reagan but also President Carter who said that these programs ought to be eliminated since they were not cost effective and not serving the purposes for which they were intended. The Young Adult Conservation Corps located 50 percent of its 1,700 projects in 10 States west of the Mississippi that have but 19 percent of the population of our country. Only 33 percent of the Young Adult Conservation Corps participants were actually economically disadvantaged young people. It cost about $12,100 to serve one enrollee for 1 year in the Young Adult Conservation Corps.

And when you look at the cumulative value of the Youth Conservation Corps from 1971 through 1980, it was $319 million, and that is $15 million less than the total program appropriations during those same years. In other words, we did not even get a dollar for a dollar return on these programs.

As we look at H.R. 999, the bill before us today, we find that there are many corrections and modifications that need to be made. There are many opportunities for us to make this youth employment bill a responsible piece of legislation and not just simply an emotional response of throwing money at a problem. For example, requirements for private sector participation and involvement, similar to the job training partnership, should be included. Although the type of work to be performed—conservation—somewhat precludes a large private sector role, business participation in the planning and assessment processes could prove valuable through cost planning and selection of sites and projects. State Job Training Coordinating Council reviews of conservation center site proposals and projects and Private Industry Council reviews of local plans are worthwhile examples of such private sector participation.

The provisions requiring labor information sharing and guidance and job placement are encouraging—but further and expanded efforts are required. As I mentioned earlier, the adoption in committee of an amendment setting aside 10 percent of the funds available for education purposes, much like the past CCC once did, is also commendable. But further education-related activities are warranted to make American Conservation Corps enrollees marketable upon ending their participation.

In addition, past programs have found themselves severely limited by Department of Labor regulations prohibiting travel beyond 250 miles from home. The planned participation of urban youth at rural camps was thus limited. Although attention must be paid to the potential for worker displacement, the promulgation of similar regulations would only work to restrict the national impact of the program.

Several other questions remain unresolved in my mind. For instance, should we consider a change in emphasis in these youth conservation programs from projects based upon onsite living accommodations to projects based upon a day camp precedent. The various costs associated with lodging and food would be considerably reduced by such a change in emphasis.

In addition, one must wonder why we are providing an authorization through 1989 for a program designed to provide youth employment in a period of economic emergency. Clearly, no one in this body believes that our current economic difficulties will run until the beginning of the next decade.

Finally, we should also remember that only last year we passed the historic Job Training Partnership Act which contained important provisions for youth training. Up to 40 percent of the funds allocated for the service delivery areas shall be used for youth training under this bill. The bill also provides for summer youth institutes. Should we not channel our funds to these programs which will provide our youth the skills necessary for long-term employment.

We all must remember that this program, and other similar programs are not ends in themselves, but are simply a step toward a better future for these young Americans. Again, it is not my intent to question the objectives of these programs. That is not to say that improvements are not required, though, which will better facilitate the attainment of our goals. The unemployed youth of our Nation deserve such an effort.

As such, I would urge the administration and the other body to take a hard look at this program and to either improve it with some of the suggestions I have made or to present alternatives which will serve our youth more quickly and adequately.

Mr. SEIBERLING. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota (Mr. VENTO) and I want to thank him for his tremendous support of this legislation.

Mr. VENTO. Mr. Speaker, I rise in support of H.R. 999, and wish to commend the Interior Committee on which I serve, and the Education and Labor Committee for moving expeditiously to report H.R. 999 for the full House's consideration. The legislation before us, draws our attention to and properly focuses on the important issues of youth unemployment and the protection of our natural resource base. With youth unemployment at record levels, this bill will provide a cost-effective program by which we can offer our unemployed young people meaningful conservation jobs that foster in them a value and understanding of our natural resources and in doing so, show them that they are a worthwhile part of what makes this country as great as it is.

In my own State of Minnesota, we have had a successful Federal-State conservation program for a number of years. Before Reagan administration budget cuts took hold, between 500 and 600 young Minnesotans were involved in a coordinated effort to rehabilitate and upgrade Minnesota State parks, historic sites, game refuges, and wildlife areas. With the demise of the YCC and YACC programs, the resource managers within the State of Minnesota have been hard pressed to respond to conservation and rehabilitation needs.

The need for resource conservation work is well documented. H.R. 999 is a means by which we can meet this need in a cost-effective way while achieving important social goals. In the present time of fiscal restraint, this legislation will deliver services of a greater value than the cost of the program. With funds to carry out the program coming from the sale and use of our natural resources, we are recognizing the need to retrench funds back into the resource base.

H.R. 999 is designed to promote the development of our greatest natural resource—our young people. The unemployment rate that exists among our youth, especially minority and economically disadvantaged youth, is a national shame. At a time when we should be promoting the development of our young people to become productive members of our society, the stark figures of youth unemployment attest to our inability to make use of the minds, energy, and ambition our young people possess.

Shortly, this House will begin the consideration of emergency jobs legislation. H.R. 999 gives us the opportunity to work hand-in-hand with that effort to alleviate the tragic statistics of youth unemployment. In a modest way, the American Conservation Corps program is a step that says we are going to do something with regard to addressing the serious youth unemployment tragedy.

Sympathy for the problem is not enough. There needs to be some action. The American Conservation Corps program fits that need. If we are serious about the problems we face in maintaining our natural resources and providing for the growth and development of our young people, then we will enact H.R. 999, I urge its passage.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Speaker, I rise in support of H.R. 999, the American Conservation Corps Act. The purpose of this legislation is twofold: To provide jobs and training for young people who need them and to accomplish needed conservation work in a cost-effective way.

We are all very much aware of the terrible unemployment problem our country is facing, and there is a great demand to do something about it. The question is, "What?" The bill before us provides one good answer. It will provide a lot of jobs for the money and it will help one of our hardest hit groups—our unemployed youth.

Unlike some of the big pork-barrel projects lurking in the other so-called jobs bills, the projects this bill will fund will tend to be labor-intensive, inexpensive, and cost-effective. At the same time, they will provide useful work experience for the young people to be served and will help them secure follow-on employment.

If we are going to pass jobs bills in this Congress, the present legislation

is a good place to start, and I urge all my colleagues to support it.

Mr. SEIBERLING. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. HARRISON).

Mr. HARRISON. Mr. Speaker, I just wanted to add to the remarks that have already been made in support of this bill that it is indeed a bill that is truly labor intensive.

I am delighted to say that the language in the bill that is before us now provides that only 10 percent of the funds which it authorizes can be used for the purchase of capital equipment. The rest of its money will be used to put people to work and to put them to work very soon.

The bipartisan support that this legislation has received is, I believe, indicative of the reawakening of our social responsibilities. We cannot stand idle while our unemployed young people stagnate and our land deteriorates around us. This bill is a big step in the right direction.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. HARRISON. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I just want to thank and commend the gentleman for the great support he gave us in the Education and Labor Committee in helping get this legislation through.

Mr. HARRISON. I thank the gentleman.

Mr. SEIBERLING. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. ALBOSTA).

Mr. ALBOSTA. Mr. Speaker, unemployment continues to be our Nation's most serious problem. The American Conservation Corps Act of 1983 will help to reduce our high unemployment rate. Parts of my district in Michigan have an unemployment rate of 25.7 percent. Furthermore, Michigan's teenagers face an unemployment rate of 29 percent. These figures are shameful when we think of what they mean in terms of human suffering and abandoned hopes.

During the 1930's when our Nation was facing similar problems of unemployment, the Civilian Conservation Corps came to the rescue of many by providing jobs to improve our public lands. The Civilian Conservation Corps was successful in reducing unemployment during that tragic time, and I believe that the American Conservation Corps will be equally successful during our present crisis.

The ACC will provide our youth with meaningful employment while working on our country's needs for conservation and revitalization. This is not a "make-work" bill: It will provide the funds to employ over 100,000 young people in a variety of jobs including the cleaning of public lands, developing recreational areas and preserving our historic sites. All of these activities will benefit our country and enhance and preserve the quality of our life.

We need to provide our youth with constructive work instead of abandoning them to empty days which can lead to further problems such as crime. In this way, our youth will not only be learning the value of working but will be making a contribution to our country's resources. We need to remember that our youth are our Nation's future and that we must provide them with hope in that future.

I urge my colleagues to approve the American Conservation Corps Act of 1983 and I hope the Senate will speed this legislation to enactment.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 4 minutes to the gentleman from Utah (Mr. MARRIOTT).

Mr. MARRIOTT. Mr. Speaker, I would like to have a colloquy with my friend from Ohio (Mr. SEIBERLING).

First of all, I do rise in support of this legislation. I think the cost-benefit ratio is good enough and I think it will in fact, in the long run, not cost us any money.

On the rationing of the money, though, I am a little bit concerned about the formula. As I understand it, of the $252 million that this bill has in it, each State will roughly collect $500,000 and then the other 90 percent of the money will be allocated based on population of young people between whatever the ages are, 18 and 25.

I am wondering whether or not that represents a thoughtful allocation of those resources.

Most of the public lands are going to be in the West. It looks to me like many of these jobs, if in fact the intent of the bill is to do something on the public lands, are going to be spent in the East or in areas that may not be cost effective in terms of doing something about the parks.

I am wondering if the chairman of the subcommittee could just address for a minute that issue in terms of the rationing of these dollars.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. MARRIOTT. I yield to the gentleman.

Mr. SEIBERLING. I think the gentleman is focusing only the State's side of this thing and he needs to look at both sides. Most of the Federal lands are in the West.

Between the Department of the Interior and the Department of Agriculture they will get 50 percent of all of the money authorized by this legislation. That 50 percent obviously is going to be spent where most of the lands under their control are located.

So, in addition to that, the State of Utah as well as the other States get the State allocation, as the gentleman has outlined, so that they will get a double-barreled shot, if you will, one through the Federal allocation and one through the State allocation.

Mr. MARRIOTT. I want to make sure I understand that because that is not the way I read the bill.

I read the bill that even though some of these different agencies will administer the funds, that all 90 percent of the funds will be allocated strictly on population and only 10 percent goes to each State equally and the other 90 percent is strictly a population figure based on the latest census.

Is that not the case?

Mr. SEIBERLING. No, that is not the case. That is only true of the State apportionment of the State allocation. The Federal agencies will allocate the funds in accordance with their needs and priorities in dealing with Federal lands. So it is not a case where there is just one formula. You have in effect two different channels through which this money goes, one through the Federal agencies and one through the States.

I would like to just mention one other thing. It is important to have a balance between the States between land and people. This legislation stresses that special consideration be given to hiring disadvantaged youth and youth from areas of high unemployment. Some of those areas are rural but many of them, of course, are urban, and we do not want this to just be a rural youth program. That is why it is desirable to have this balance.

Mr. MARRIOTT. I understand and accept that explanation. I do agree with the bill. I think it is a good bill, but I want to make sure the money is used properly and goes to the place that it will do the most good.

I thank the gentleman for his input.

Mr. SEIBERLING. I thank the gentleman for his support.

The SPEAKER pro tempore. The gentleman from Alaska (Mr. YOUNG) has 4½ minutes remaining and the gentleman from Ohio (Mr. SEIBERLING) has 8 minutes remaining.

Mr. SEIBERLING. Mr. Speaker, I yield 1 minute to the gentleman from Oregon (Mr. WEAVER). I also thank him and commend him for the great support he has given to this legislation.

Mr. WEAVER. Mr. Speaker, in the 1930's a young man named Sid Liken came from the State of Connecticut to the State of Oregon in the Civilian Conservation Corps. This young man stayed in Oregon, went into the lumber business, and became one of Oregon's outstanding businessmen and citizens.

There are many, many others like him who came from the cities of the East to Oregon and have settled there. They write me letters constantly. You can go through Oregon and see the

quality of the work the CCC did. It is outstanding.

This program today can be the same and render the same value to people like Sid Liken. I cannot express enough of my true appreciation to my colleague, chairman of the Subcommittee on Public Lands, JOHN SEIBERLING. This is an outstanding man and an outstanding leader in the Congress, and I congratulate him on his work in bringing this bill before us.

Mr. YOUNG of Alaska. Mr. Speaker, I yield the time that I have remaining, 4½ minutes, to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. Mr. Speaker, I hate to interrupt this love in for this legislation, but I cannot stand mute and allow the record to appear that there is unanimous support for this program because there are too many important questions about this type of legislation, about this specific bill, that have not been answered yet.

So I would like to just enumerate some of the basic questions that I do not think have been addressed here.

First, is the work to be performed of high priority or, in other words, is there a real need for it? Or is this strictly just makeshift-type work.

As a result of that, will the skills that would be acquired or learned, if any, be skills that could be used in other jobs?

Does this duplicate other programs now serving disadvantaged youth? I think the answer to that question clearly is yes because of some of the bills we have already passed last year.

Another question is: Is the amount of money justified for this new program? We are talking about $300 million annually for a new program.

It is easy for us all to stand up here and say, "Oh, yes, we support this new jobs program for young people" because it makes good politics to support it. But I would urge my colleagues to look beyond the title, look beyond what we have heard here today, and ask yourselves can you really justify this program, a new program that still needs, in my opinion, a lot of work on it, a program that was considered in a previous Congress but did not pass.

I just think there are too many questions here. This bill is brought up under suspension of the rules. I think we ought to consider it more. I think amendments ought to be in order and they are not under this process.

So I would urge my colleagues to vote "no."

□ 1300

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. LOTT. Mr. Speaker, I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr Speaker, I thank the gentleman for yielding.

We have here a perfect symbol of the old politics of the 1930's, the game playing, the program, so that some Member of Congress can go home and say, "I got some jobs for people out of work."

These are not permanent jobs. They may not be useful jobs. They are probably the most expensive jobs that we will ever have.

I thank the gentleman for bringing our attention to this factor.

The responsibility of the Congress is to get the deficits down so we can create some real jobs in this economy.

I wish to associate myself with the remarks of the gentleman from Mississippi.

Mr. Speaker, again the forces of profligacy would have us believe the Federal Government is an effective, efficient spender of our peoples' moneys. They tell us that this particular bill will only cost $300 million per year.

There has been no showing that useful work will be well done. There has been no showing of need. There has been no showing that it will create permanent jobs.

In short, it is the old politics of the 1930's. These are very expensive jobs. Our responsibility is to lower the defict by defeating bills like this. That would create real jobs.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I would be glad to yield to the distinguished chairman of the committee.

Mr. SEIBERLING. Well, first of all, the gentleman asked whether these are real jobs.

I assure the gentleman that on the basis of the hearings we have had on the YCC and the YAC, both of which are now defunct——

Mr. LOTT. Did we not just have one of those programs phased out?

Mr. SEIBERLING. No. We passed the Jobs Training Partnership Act, which is a training act, no jobs.

This is a jobs bill with a training feature in it. This is real work that needs to be done.

I have park superintendents from the national park systems. I have national forest supervisors. I have local people in States and local governments, all coming to me and saying, "We need this work to be done. We need reforestation. We need trails made. We need bridges and we have no one to do it."

These people can do this sort of thing. We have had young people from YCC and YACC testify and they brought tears to our eyes as to the kind of tremendous thing it did for them in learning what it means to have a work experience, to work with other people and to have some concept of how to do things that people want and need done.

The placement record of the YCC and YACC is 70 percent. That is a very high placement record of putting young people back into either the education system who were dropouts or into jobs or the military.

So I suggest that this is real. This is not just make work.

Second, in terms of expense, our testimony showed that we got more than a dollar in output in terms of real value back for every dollar spent in both those programs.

This is an improvement, based on the hearings and the criticism of the old program; so I assure you that this has been carefully thought through. It is a real meaningful program.

Mr. Speaker, I yield 2 minutes to the gentleman from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Speaker, I thank the gentleman for yielding me this time, and I would like to commend the gentleman from Ohio and the gentleman from Alaska for handling this bill here on the floor.

I am pleased to rise in strong support of H.R. 999, the American Conservation Corps Act of 1983. This important legislation will address the critical problems of unemployment among disadvantaged youth.

This proposal was needed last year and it is needed now. Unemployment exceeds 10 percent and for black and other minorities youth it averages a staggering 25 percent. We must act now. This legislation will address two important problems: youth unemployment and the need to restore and conserve our Nation's public lands.

This is not a make work bill; it addresses an area on which work is needed and it is cost effective in the way government funding is used.

In Puerto Rico, the conservation corps has been duplicated at the State level, teaching many of our underprivileged youngsters to take pride in their land and to value their abilities to make contributions to the labor force. Passage of this bill will foster other such programs, and will reinforce existing State efforts in this area. The $50 million appropriation level in this bill would allow an extension of services to the community well beyond its monetary value.

This proposal has already been the subject of extensive hearings and discussion during the 97th Congress by the Interior and Insular Affairs Committee and the Education and Labor Committee. I serve on both committees and can vouch for the serious consideration undergone by the proposal.

I urge my colleagues to vote in favor of this legislation and I hope that action by the other body will be swift so that we may provide relief to the thousands of economically and educa-

tionally disadvantaged youth throughout the Nation.

Mr. SEIBERLING. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I rise in strong support of H.R. 999, the American Conservation Act of 1983.

I commend my colleague, the gentleman from Ohio (Mr. SEIBERLING), for his leadership in guiding this bill through the committee process and to the floor today. This is a good bill—the result of hard work and close examination by the committee and to my good friend DON YOUNG of Alaska whose hard work and perserverance helped fashion this important legislation.

Every Member of the Houses knows the economic problems we face as a nation. Unemployment—by far the most pressing and most devastating element of a recession—is still a major concern. With over 11 million Americans out of work, the jobless rate remains unacceptably high. Among the youth of our Nation, the unemployment rate is 22.7 percent nationally. To address this problem, the ACC proposal is targeted at this group with the highest rate of unemployment. When the program is in full swing, the American Conservation Corps could begin in time to help the growing number of jobless. Some estimate that youth could be put to work in 30 to 60 days from the time of enactment.

Besides increasing employment in a group that is experiencing the highest annual rate of unemployment, the work of the Corps is worthwhile and needed. This is not a make-work program: it is hard work. ACC projects would include conservation of forests and rangelands; revitalization of urban areas; preservation of historical and cultural sites; development and maintenance of recreational areas, roads, trails, and so forth. The ACC will serve a productive and useful purpose. The program will actually save public funds by performing needed labor-intensive services at the lowest possible cost.

The end results of such a program are certainly important, but as Members of Congress we must consider the cost effectiveness of each and every proposal brought before us.

This bill is no different. Programs like the ACC have a clear and demonstrated record of success. Evidence based on the performance of recent Youth Corps work is impressive. In the case of the YACC, for each $1 spent on this program, $1.20 was returned in the value of the work, averaged nationwide.

Mr. Speaker, I urge my colleagues—on both sides of the aisle—to support this bill. The ACC program is labor-intensive, cost-effective, targeted to a specific group where the problem is the worst. The program design and purpose is simple—to provide jobs for youth in a troubled economy while at the same time addressing legitimate conservation needs.

Mr. SEIBERLING. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. CONTE) for his invaluable support.

I yield 1 minute to the gentleman from New Mexico (Mr. RICHARDSON).

Mr. RICHARDSON. Mr. Speaker, I rise in strong support of H.R. 999, the American Conservation Corps Act of 1983. This act is designed to help alleviate two of the Nation's most crucial problems: Youth unemployment, particularly among minorities and the disadvantaged, and the conservation of our Nation's natural resources.

As we are well aware, Mr. Speaker, the Nation continues to suffer from extremely high unemployment; 25 percent among youth and 52.3 percent among minority youth.

At a time when the administration is further cutting jobs training programs and conservation projects, the country desperately needs the American Conservation Corps to train and employ the Nation's youth in the worthy and much needed tasks of preserving our forests, wildlife, rangelands, and recreational areas.

Five percent of the American Conservation Corps funding is earmarked for Indian tribes. Mr. Speaker, native Americans in my district in New Mexico and in the entire Nation are suffering from the highest unemployment rate of any segment of the American society. Indian unemployment ranges from 45 to 55 percent. In 1981, Indian unemployment stood at 43 percent. Today, unemployment on the Navajo Reservation alone stands at roughly 75 percent.

At a time when jobs are extremely difficult to find, it is disheartening to see further massive cuts directed at minority youth. Enactment of the American Conservation Corps Act would provide much needed jobs in my district to those unemployed Indian and Hispanic youth who have been ravaged by joblessness and the desertion of the Federal Government.

The minority population in my district, Mr. Speaker, comprised of Hispanic and Indians, numbers over 60 percent of the population.

We must send out a signal to all unemployed Americans who have been left behind by this cruel recession that we in Congress care.

I urge Members of this body to vote for this bill.

Mr. SIEBERLING. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Speaker, as a cosponsor of the legislation, I want to commend the chairman and the committee for expediting this legislation to the floor.

This is really an investment in this country. Let me tell you that in California we have a living example of the CCC that has been in operation for the last few years. It is the most effective government operation to help people. It is assisting communities in disasters. It is assisting communities when it comes to water reclamation. It is assisting communities when it comes to conservation.

It is supported by Republicans and Democrats, by liberals and conservatives in the California Legislature, because they see a meaningful effort trying to assist people and it has worked very effectively.

Second, and perhaps just as importantly, it is a resurrection, hopefully, of the sense of national service in this country among our young people.

This is not just a jobs bill. It ought not to be viewed as just a jobs bill. It is a service bill and it is intended, hopefully, to resurrect some sense of service among our young people that they have to return something back to this country; so because of that, I commend the gentleman for his presentation.

Mr. SEIBERLING. Mr. Speaker, I commend the gentleman for his outstanding statement.

I yield 1 minute to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I have been a supporter of the Youth Conservation Corps, a program which provides jobs for young men and women while accomplishing essential activities such as reforestation, flood control, improvements in our national parks, and soil conservation. After visiting Youth Conservation Corps camps in my district and viewing the work they are doing, I am even more convinced that the program deserves our support. Not only do these young people gain valuable work experience, but the Federal Government gets a bargain. This work has to be done, and it would be accomplished at greater cost if it were not for the YCC. As the distinguished sponsor of the bill, Mr. SEIBERLING, has pointed out, the Youth Conservation Corps workers return $1.04 for every $1 of funds expended. I would like to add my endorsement to the concept of combining the functions of the Youth Conservation Corps and the Young Adult Conservation Corps to provide jobs for 16- to 25-year-old youths, at a time when this group is experiencing extraordinary high unemployment. The American Conversation Corps will be a worthy successor to the YCC and the YACC. With unemployment now even higher than when the House of Representatives passed the American Conservation Corps Act of 1982, I hope that our action on this legislation will be expeditious, and that it will be followed by prompt passage in the

Senate. The American Conservation Corps is an ideal combination of employment training, care of our natural resources and effective use of Federal funds.

Mr. SEIBERLING. Mr. Speaker, 2 weeks ago my youngest son was held up at pistol point at the door of my house on Capitol Hill by two teenage youth.

I can only say that I do not have any feeling of antipathy toward those youth. They were not caught. I do not know who they were, but that is the situation that is resulting from the fact that we have 50 percent black youth unemployment and 20-plus youth unemployment in our communities and our cities.

It is time we gave those young people an alternative; namely, meaningful jobs at some pay that enables them to hold their heads up and not hold a gun at the heads of our young people.

So I urge everyone to put some investment in the youth of our country through this legislation.

● Mr. BOLAND. Mr. Speaker, I am pleased to be a cosponsor of H.R. 999, and I want to urge my colleagues to adopt this important legislation. The gentleman from Ohio (Mr. SEIBERLING) is to be complimented for bringing this bill to the floor as quickly as he has done.

As the Members of this House know, H.R. 999 would establish the American Conservation Corps (ACC) to provide jobs and training for unemployed young people. Corps members would do needed conservation work on public lands. The ACC would be patterned on one of the most successful programs ever established by Congress, the Civilian Conservation Corps (CCC) of the 1930's.

I do not know if we can recreate the CCC, but I do know that we have a serious problem with youth unemployment in this country, particularly among members of minority groups, and that something needs to be done to begin to address that problem. The energy and enthusiasm of these young people need to be directed toward productive activities. They need training and a job that will teach them the skills necessary to move on to other forms of employment and thereby support themselves and their families. I believe that the ACC can provide this type of work experience and, at the same time, accomplish a number of necessary conservation-related projects on public lands.

The ACC will be an investment in the future of this country; an investment in both its land and its people. It is not going to cure all of the economic problems that result in youth unemployment, but I believe it can have an important impact on the lives of thousands of young people. It is a program that deserves support, and I hope that it will be overwhelmingly approved by the House of Representatives.●

● Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 999, a bill on which I am an original cosponsor. With youth unemployment in our country at a critical level of 24.5 percent and 52.5 percent among minority youth, I feel it is imperative that Congress act to assist these young people attempting to break into the working world. While creating an estimated 100,000 positions for our Nation's youth, the American Conservation Corps program will also help to rehabilitate and conserve our public lands and community resources.

Based on the successful YCC and YACC programs in the past, the ACC program will, I am confident, provide numerous benefits for our country. Serving on the House Interior Committee for many years, I have become fully aware of the erosion and deterioration of our precious natural resources. This bill would allow us to fulfill our responsibilities as stewards of our land in a cost-effective manner. More importantly, as stewards of our children, it will enable us to provide these young people with job opportunities and a possible lifetime career in the conservation area.

I realize the fiscal constraints under which our Government is operating today; however, I feel this program, which would speak to the dual problems of rising unemployment among our youth, especially the disadvantaged youth, as well as the loss of funds for maintenance of our public properties, is well worth the required modest expenditure.

H.R. 999 has been endorsed by both the House Interior Committee and the Education and Labor Committee. I would hope that my colleagues will overwhelmingly support this important bipartisan effort to provide training and jobs for our young people, and at the same time, allow them the opportunity to preserve our Nation's valuable resources for their futures.●

● Mr. BOSCO. Mr. Speaker, I have asked to speak on the bill before us today to establish an American Conservation Corps because of my first-hand knowledge of the experience of the California Conservation Corps—a State-initiated program that is one of the successes on which this national legislation is based.

In considering this legislation (H.R. 999), it is important for us to recognize that initiatives already have been taken in at least 14 States to establish and operate State youth conservation corps activities that would benefit from H.R. 999, and that proposals along the same lines are now being considered in at least 13 other States.

It also is important that we recognize the degree to which H.R. 999 would authorize a Federal-State cost-sharing partnership with those States that operate State corps, as well as encourage the other States to take similar initiatives.

Indeed, this legislation is designed to provide more cost-sharing support to the States than funding for corps activities to be operated by Federal natural resource agencies.

At a fiscal year 1984-89 level of $300 million in annual appropriations, H.R. 999 provides that the States would receive $137.5 million (or about 46 percent); and the Interior Department agencies—including National Park Service, Bureau of Land Management, and Fish and Wildlife Service—$62.5 million (or about 21 percent), and the Department of Agriculture—primarily Forest Service—$62.5 million (or 21 percent) also. Thus, the States' allocation of $137.5 million (46 percent) is more than the Federal agencies' combined allocation of $125 million (42 percent).

The bill also provides that $25 million (about 8 percent) be for projects of special merit—for which State, local government, and private organizations would compete—and for other Federal agencies. The remaining $12.5 million is earmarked for Indian tribes (about 4 percent).

Mr. Speaker, as a former chairman of the budget subcommittee of the California Legislature that ordered an evaluation of the cost-effectiveness of the California Conservation Corps program, I can testify to the value my State has received from that CCC since its beginnings in 1976. We have found that for each $1 of State funds spent on the CCC, $1.65 in benefits is returned.

I can also speak to the physical benefits of the California Corps to the people of my State through performance of its tasks. These include serving as an emergency quick-response force when fires, floods or other natural disasters occur, and assisting local, State, and Federal agencies in conserving and improving natural and community resources.

In my own district, on the north coast of California, corps members have planned 3 million trees of value to my area's forest-based timber industry, and collected tons of seed cones to replenish the State's forestry seed bank.

Corps members have opened more than 100 miles of debris-jammed streams along the north coast that are spawning areas for salmon and steelhead. In addition, they have rescued trapped fish, restored storm-damaged rearing ponds, tagged thousands of salmon, and renovated fish hatcheries. This is especially good news for all of those in my district who depend heavily on our sport and commercial fishing industry.

There is, however, another kind of benefit from the corps' work that

cannot be measured as traditional economic benefits or evaluated in terms of cost effectiveness. I am thinking of the young minds and bodies that have been strengthened by their service in the CCC and the young citizens—and the CCC has had 17,000 enrollees since 1976—who have developed a sense of their usefulness in society. It is impossible to attach dollar amounts to the character building provided by the CCC experience in California.

Mr. Speaker, some details of the initiatives being taken by other States have been brought together by the Human Environment Center, of 810 18th Street NW., Washington, D.C. 20006. The center's February 1983 newsletter includes the following about activities in States where State corps members already are at work, and in States where corps proposals are now being considered. I ask unanimous consent to insert excerpts from this newsletter at this point.

CORPS MEMBERS AT WORK

Connecticut: The 1982 Connecticut legislation created a corps with one-sentence Yankee brevity: "The commissioner of environmental protection shall establish and operate a Connecticut Conservation Corps program, for the employment of young adults at facilities maintained and operated by the division of conservation and preservation of the department of environmental protection."

Under a $525,000 first-year appropriation, some 60 corpsmembers serve in year-round day-work "terms" at eight State installations. Forestry, park, and fish and wildlife projects are emphasized. Enrollees, age 18 to 25, are approximately 30 percent female and primarily from economically disadvantaged families, although such targeting is not mandated. They work a 40-hour week at the Connecticut minimum wage of $3.37/hr.

Gov. William O'Neill said, "The Federal cutbacks have left a void. . . . The basic design of the program is to provide initial or interim employment for young people, hopefully leading to permanent and unsubsidized jobs." (Contact: Richard Couch, 203/566-5026.)

Iowa: The new Iowa Youth Corps, enrolling those age 14 to 19 at minimum wage, combines a summer program open to all youth and an in-school component for the economically, socially or physically disadvantaged. The 1982 summer program applied $220,000 in State funds to engage 250 enrollees in 15 non-residential conservation projects. The in-school operation, with less conservation emphasis thus far, employs and trains youth for 18 hours weekly. School districts, local governments or other non-state sources provide 30% of each project's costs. The present State outlay of $808,000 may rise to $900,000 next year. (Contact: Phillip Smith or Jo An Callison, 515/281-3711.)

Elsewhere: Ohio has 102 Civilian Corpsmembers in two residential camps, and Minnesota sustains a smaller year-round program. Several states ran modest summer corps programs in 1982, using combinations of state and private financing and/or funds remaining from terminated Federal programs. These included: Alaska, Illinois, Kansas, Maine, Minnesota, Pennsylvania, Washington and Wisconsin. Renewal of such programs in 1983 depends on state legislatures and Congressional action on the proposed ACC year-round and summer program.

STATE CORPS PROPOSALS

Wisconsin: The State's Conservation Work Projects Board held a lively Nov. 12 conference on "A CCC for Wisconsin?" Some 100 participants from public and private agencies across the State discussed needs of State youth, urban and rural work to be done, and options for youth training, protection of other workers, and funding of a year-round corps—and they answered "yes" to the conference-title question. Conference leaders were to report their findings to incoming Gov. Anthony Earl and senior legislators in late January. Human Environment Center Executive Director Syd Howe addressed the November gathering, describing American Conservation Corps developments toward a Federal-state-local partnership program and corps activities in other states. (Contact: Ellen O'Brien Saunders, 608/226-0567.)

Elsewhere: The Human Environment Center is aware of initiatives for year round corps programs under consideration in Arkansas, Florida, Illinois, Maryland (authorized in 1982 but not funded), New York, South Carolina, Texas, Virginia, Washington and Wyoming. Backers of these initiatives are closely watching prospects for American Conservation Corps primary funding, with a state match.

Since the center's newsletter was issued, it has learned that State youth corps proposals also are being considered in Alabama and Oregon.

In Oregon, the 1983 legislature is considering legislation to establish an Oregon Civilian Conservation Corps at a level of 400 to 500 enrolees between the ages of 17 and 23. The Oregon CCC bill appears to be carefully constructed, drawing from the experience of both past and existing corps programs. According to its legislative sponsors, it is based on the California CCC experience, and also includes features from both the national CCC of the thirties and the Ohio Department of Natural Resource's current CCC operation.

The Oregon corps' activities, its sponsors say, will be tailored to fit problems peculiar to Oregon, with three primary objectives: "strengthening the work ethic of Oregon's young adults; providing them employment, skills-training and education, and maintaining, protecting and conserving the valuable resources of the State."

It will be designed to do public service and emergency work in both urban and rural areas, such as: Disaster and emergency relief, forest firefighting, flood control, fish and wildlife habitat improvement, forest improvement and revegetation, park and recreation facility improvement, construction work for municipalities and schools, solar energy projects, and historical site rehabilitation. Working out of six work centers, the proposed Oregon CCC will contract its services to other governmental units on a nonreimbursement basis. Each sponsor need only supply the necessary tools and equipment.

(Contacts, at the Oregon State Capitol, are Representative Rick Bauman and Steven Frantz, 503/378-8782.)●

● Mr. ROYBAL. Mr. Speaker, as many of my colleagues are aware, I am one of only a few current Members of this body to have served in the Civilian Conservation Corps.

It is my understanding that the House will be considering a bill to authorize a new version of the CCC, the American Conservation Corps, within the next few days and, as one with first hand experience, I would like to share the reasons behind my sponsorship and avid support for this measure.

Back in the 1930's, the most crucial problem facing this Nation was unemployment. Unfortunately, the situation is much the same today. During the Depression, there simply were no jobs for young people—especially those living in urban areas. As we are all too well aware, urban youth unemployment now exceeds 50 percent on some of our cities.

When the opportunity to join the CCC became available, I jumped at it because—much like the millions of out of work young men and women today—I desperately wanted a job.

What I ultimately received from the CCC, however, was much more than a job. I gained experience, I earned enough money to enable me to go to college and I maintained a sense of pride and dignity that comes with working and making a contribution. I can say with all honesty that I credit the CCC with helping me become a Member of this body.

The CCC was a good program then, and the ACC can be a good program now, and I strongly urge my colleagues to vote for its establishment. I personally feel that it is vital that we provide the jobless youth of the great recession of the 1980's the same opportunities that were provided my generation during the Great Depression.●

● Mrs. BOXER. Mr. Speaker, I trust that H.R. 999 the American Conservation Corps Act will become law. I am familiar with a recent prototype of the ACC in my home State of California known as the California Conservation Corps.

The California program is one of the most successful programs operated by the State government in recent years. It provides job training and is a constructive character building program for hundreds of young people who might otherwise be unemployed and idle. I am sure that many young lives have been touched in a way that will have a positive, lasting impact as a result of participation in this program.

Furthermore, its exceptionally cost-efficient benefits to our natural environment have been needed and appre-

ciated. Members of the CCC provide aid to victims of natural disasters such as floods, and work to prevent disasters through fire prevention and flood control projects. They are useful in doing work needed to maintain and improve State parks, among other needed activities.

The potential on a national level is obviously much greater. Like the CCC, the ACC should never be advertised as an easy job. It is not. It is an opportunity to do some honest, hard work which benefits the participant and our country. In this time of unemployment, I can not think of a more appropriate and needed Government undertaking.●

● Mr. BOUCHER. Mr. Speaker, as a cosponsor of H.R. 999 which establishes the American Conservation Corps and as a member of the House Education and Labor Committee which reported this measure, I rise to urge my colleagues to support this important bill.

The Conservation Corps bill establishes a carefully constructed program designed to address two serious problems confronting our Nation: The deterioration of public lands, national parks and natural resources; and record high levels of youth unemployment.

Because of tight budgets and increasing costs, parks and natural resources have suffered from deferred maintenance and delayed conservation work. Erosion control, forestry management, road and trail maintenance, and other conservation projects have accumulated because of inadequate resources. The cost of catching up will grow higher the longer we delay the necessary work that must be done.

Meanwhile, the unemployment rate among people between the ages of 16 and 25 years of age has been in the 20 percent range for more than 1 year now. Employment and training opportunities for young people in rural and urban areas alike are severely limited. The ramifications of youth unemployment go far beyond the immediate lack of employment; the lost work experience and self-discipline that comes from employment will handicap these young people for years to come when job opportunities are more plentiful.

The American Conservation Corps program under consideration today is the latest incarnation of a series of successful and productive programs that began with the Civilian Conservation Corps during the Depression. These programs have worked and they have worked well. H.R. 999 has been drafted with the full benefit of our experience with the CCC, the Youth Conservation Corps, and the Young Adult Conservation Corps. The Education and Labor Committee, working in concert with the House Interior Committee, has reported a targeted, precise bill. The committees understand the issues, the importance of good administration, and the vital need for action.

To anyone who might skeptically label this bill "make work" or "leaf raking," I say, come to southwest Virginia where the unemployment rate in many counties exceeds 25 percent and where the youth unemployment rate may be double that. Come to southwest Virginia where we have some of the most beautiful national parks and forests in the Nation with countless maintenance and conservation projects waiting to be done. And come to southwest Virginia to explain to the young men and women who cannot find work that they do not need training and they do not need employment.

H.R. 999 is a good bill. It is carefully crafted to put young people to work and provide them with useful experience. I strongly urge my colleagues to support enactment of the American Conservation Corps.●

● Mr. ROE. Mr. Speaker, I rise today to strongly urge my colleagues to approve the American Conservation Corps Act of 1983; a measure I consider to be one of the most important we will consider in this Chamber during the 98th Congress.

Passage of this unique bill, which I am proud to have sponsored, will send an important message to the young people of our Nation that they have not been forgotten in our battle against record-setting unemployment rates.

Nationwide, the unemployment rate for young people is nearly 25 percent, while joblessness for minority youths has skyrocketed to a staggering 53 percent.

This highly important measure we are considering today will provide these young Americans with desperately needed work, while at the same time restoring neglected communities and natural resources. The cost of this endeavor will be minimal, while the benefits are many fold.

The youth conservation work program to be created under the bill is modeled after the Civilian Conservation Corps or CCC of the 1930's. In addition to creating an estimated 100,000 jobs for our unemployed youth, with a special emphasis on finding work for disadvantaged youth, the American Conservation Corps projects will greatly improve the quality of life in both urban and rural areas.

Make no mistake, this is not a make-work jobs program. Among the projects to be created under the American Conservation Corps are the revitalization of urban areas and historical sites, maintenance of recreational areas and forests and soil conservation projects.

Importantly, the program would not cost the American taxpayer any additional money, as it would be funded by Federal revenues generated by offshore oil, gas leasing and other permit fees.

Our young people are our greatest natural resource. The American Conservation Corps Act is a cost-effective and efficient way to accomplish needed conservation work throughout the country while providing jobs and training to our disadvantaged youth.

The 98th Congress has dedicated itself to solving our Nation's continuing unemployment dilemma. Passage of this legislation would go a long way toward accomplishing that objective.●

● Mr. BIAGGI. Mr. Speaker, I am proud to rise as a cosponsor of H.R 999, a bill to establish an American Conservation Corps. I consider it most appropriate that one of the first bills which the 98th Congress is considering addresses our Nation's most serious domestic problem—unemployment.

The most chronic element of the unemployment problem that we face is that of youth unemployment. H.R. 999 goes to the very heart of this problem by providing $60 million in fiscal year 1983 and $300 million per year for the fiscal years 1984 through 1989 for programs and projects to put young people back to work.

This legislation provides a variety of employment options for young people ranging from full-time, year-round employment to more temporary summer employment. Eligible individuals in the full-time employment program would be those persons aged 16 to 25 while the summer employment program would concentrate on those young people between the ages of 15 and 21. Special consideration in both programs would be on hiring the economically, socially, physically, or emotionally disadvantaged youth or to youth from areas of high unemployment.

The most salient feature of this legislation is the fact that it provides meaningful employment opportunities for young people. It is modeled after one of the most successful of programs from the New Deal era and is in response to economic problems as severe as we had in that era.

The bill would include among its eligible projects those related to conservation of forests, revitalization of urban areas, and development and maintenance of recreational areas and roads.

Unemployment is a gaping national wound which must be healed. I have some reservations about proceeding along the lines that we are—passing one bill at a time. I believe all viable job-creating bills should be considered as one coordinated employment strategy. However in the absence of no action, one must work for passage of bills such as H.R. 999 which proposes in good faith to try and remedy the disgrace of youth unemployment.

The problems of youth unemployment, especially among minority youth, took on its severity well before the national rate reached the disastrous 10-percent rate last October. Unemployment among black youths in some of our major cities has hovered around 40 percent in recent years—and the specter of seeing able-bodied young people idle and in the streets is something we should commit ourselves to changing. H.R. 999 takes on such a commitment.

Our Nation, I believe, has learned its lessons about the shortcomings of public service employment. We have heard too much in the way of abuses—had charges of make work thrown at programs such as CETA. What makes H.R. 999 so markedly different is that it has an accountability feature—the average American whose tax dollars are financing these jobs will be able to see tangible benefits in their community. All levels of government would be involved in the funding of these jobs so all would have a stake in their being productive.

I believe that we are taking the right step here today but we must go well beyond this bill and attack the unemployment problem the only way we can—by providing jobs. It is shameful that 11 million men and women today are unemployed. It is incumbent upon us to muster all our energies and pass legislation which will relieve the problem. We need to put people back to work for their own dignity and for the betterment of our economy. Increased employment could help resolve another pressing domestic crisis—the social security system. One of the main reasons why the system is at the verge of collapse is the declining number of contributors to beneficiaries. It has slipped from 5:1 to closer to 3:1. Unemployment aggravates this situation as most of those unemployed could be contributors to social security.

I hope my colleagues will vote in favor of this bill and the Senate and President will act with equal dispatch. There is no need to study unemployment. It has reached all of our districts—is affecting our friends, our relatives. Our national resolve must be raised, and passage of H.R. 999 is a good way to start.●

● Mr. WEISS. Mr. Speaker, the most pressing economic problem faced by our Nation today is unemployment. One of the most distressing aspects of that problem is the horrendous level of unemployment among our Nation's youth. Today, unemployment among teenagers is over 20 percent, and it reaches still more intolerable levels in minority communities. Minority youth unemployment in New York City is 50 percent, and the national average is above 45 percent. These unemployed young people represent a tremendous potential contribution to the economic livelihood of our Nation, yet their time and talents are going to waste.

In response to this pressing problem, the Congress is acting in a wise and timely fashion in establishing the American Conservation Corps (ACC). The ACC will provide jobs for as many as 100,000 young men and women between the ages of 16 and 25. Laudably, the ACC will be especially targeted toward economically, socially, physically, or educationally disadvantaged youth and youth from areas of high unemployment.

The ACC is rooted in a long tradition of pragmatic employment programs begun with the Civilian Conservation Corps of the 1930's. More recently, the Youth Conservation Corps was established to provide youths aged 15 to 18 with public conservation jobs in the summer, followed by the Young Adult Conservation Corps which provided year-round conservation work for young people aged 16 to 23. Shortsighted cutbacks by the Reagan administration in the name of fiscal austerity have all but dismantled these programs. Thus the ACC represents an attempt by the Congress to revitalize an effective youth employment strategy at a time of intense need.

The jobs created by the ACC are not "makework" jobs as the administration claims. Young workers will be engaged in projects involving energy conservation, road and trail development and maintenance, revitilization of urban areas, and preservation of historic and cultural sites and other activities which are vitally needed. As one of the many initiatives which we must undertake to curb unemployment, the establishment of the American Conservation Corps is a significant and exemplary step toward putting America back to work.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. SEIBERLING) that the House suspend the rules and pass the bill, H.R. 999, as amended.

The question was taken.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 301, nays 87, not voting 44, as follows:

[Roll No. 10]

YEAS—301

Addabbo	Annunzio	Bateman
Akaka	Anthony	Bates
Albosta	Applegate	Bedell
Alexander	Aspin	Beilenson
Anderson	AuCoin	Bennett
Andrews (NC)	Barnard	Bereuter
Andrews (TX)	Barnes	Bethune
Bevill	Harkin	Perkins
Biaggi	Harrison	Petri
Boehlert	Hatcher	Pickle
Boggs	Hawkins	Price
Boland	Hefner	Pritchard
Boner	Heftel	Pursell
Bonior	Hertel	Rahall
Bonker	Hightower	Rangel
Borski	Hillis	Ratchford
Bosco	Hopkins	Ray
Boucher	Horton	Regula
Bouquard	Howard	Reid
Boxer	Hoyer	Richardson
Breaux	Huckaby	Ridge
Britt	Hughes	Rinaldo
Brooks	Hutto	Roberts
Broomfield	Hyde	Rodino
Brown (CA)	Jacobs	Roe
Bryant	Jeffords	Rogers
Burton (CA)	Jenkins	Rose
Byron	Johnson	Rostenkowski
Carper	Jones (OK)	Roth
Carr	Kaptur	Rowland
Chandler	Kastenmeier	Roybal
Chappell	Kazen	Russo
Clarke	Kennelly	Sabo
Clinger	Kildee	Savage
Coelho	Kindness	Sawyer
Coleman (MO)	Kogovsek	Scheuer
Coleman (TX)	Kolter	Schroeder
Collins	Kostmayer	Schulze
Conte	LaFalce	Schumer
Cooper	Lagomarsino	Seiberling
Coughlin	Lantos	Shannon
Courter	Lehman (CA)	Sharp
Coyne	Leland	Simon
D'Amours	Lent	Sisisky
Daniel	Levin	Skelton
Daschle	Levine	Slattery
Davis	Lewis (FL)	Smith (FL)
de la Garza	Lipinski	Smith (IA)
Dellums	Long (LA)	Smith (NJ)
Dickinson	Long (MD)	Snowe
Dicks	Lowery (CA)	Spence
Dixon	Lowry (WA)	Spratt
Dorgan	Lujan	St Germain
Dowdy	Luken	Staggers
Downey	Lundine	Stangeland
Duncan	Markey	Stark
Durbin	Marriott	Stokes
Dwyer	Martin (NY)	Stratton
Dymally	Martinez	Studds
Dyson	Matsui	Swift
Early	Mavroules	Synar
Eckart	Mazzoli	Tallon
Edgar	McCloskey	Tauzin
Edwards (AL)	McCurdy	Thomas (GA)
Edwards (CA)	McDade	Torres
Emerson	McEwen	Torricelli
English	McGrath	Towns
Erdreich	McHugh	Traxler
Evans (IL)	McKernan	Udall
Fascell	McKinney	Valentine
Fazio	McNulty	Vandergriff
Ferraro	Mica	Vento
Fiedler	Mikulski	Volkmer
Fish	Miller (CA)	Watkins
Flippo	Mineta	Waxman
Florio	Minish	Weaver
Foglietta	Mitchell	Weber
Foley	Moakley	Weiss
Ford (MI)	Mollohan	Wheat
Ford (TN)	Morrison (CT)	Whitehurst
Frank	Mrazek	Whitley
Frost	Murphy	Whittaker
Fuqua	Natcher	Whitten
Garcia	Nelson	Williams (MT)
Gaydos	Nichols	Wilson
Gejdenson	Nowak	Wirth
Gilman	O'Brien	Wise
Gingrich	Oakar	Wolf
Glickman	Oberstar	Wolpe
Goodling	Olin	Wortley
Gore	Ortiz	Wright
Gradison	Ottinger	Wyden
Gray	Oxley	Wylie
Green	Packard	Yates
Hall (IN)	Panetta	Yatron
Hall (OH)	Pashayan	Young (AK)
Hall, Ralph	Patman	Young (FL)
Hall, Sam	Patterson	Young (MO)
Hamilton	Pease	Zablocki
Hammerschmidt	Penny	
Hance	Pepper	

NAYS—87

Archer	Hartnett	Parris
Badham	Hiler	Paul
Bartlett	Holt	Porter
Bilirakis	Hunter	Quillen
Bliley	Ireland	Ritter
Brown (CO)	Kasich	Robinson
Broyhill	Kemp	Roemer
Burton (IN)	Kramer	Roukema
Carney	Latta	Rudd
Chappie	Leath	Sensenbrenner
Cheney	Livingston	Shaw
Coats	Loeffler	Shumway
Conable	Lott	Shuster
Craig	Lungren	Siljander
Crane, Daniel	Mack	Skeen
Crane, Philip	Marlenee	Smith (NE)
Dannemeyer	Martin (IL)	Smith, Robert
Daub	Martin (NC)	Snyder
DeWine	McCain	Solomon
Dreier	McCandless	Stenholm
Edwards (OK)	McCollum	Stump
Fields	Michel	Sundquist
Franklin	Miller (OH)	Taylor
Frenzel	Molinari	Thomas (CA)
Gekas	Montgomery	Vander Jagt
Gramm	Moore	Vucanovich
Gregg	Moorhead	Walker
Gunderson	Myers	Winn
Hansen (ID)	Nielson	Zschau

NOT VOTING—44

Berman	Gibbons	Morrison (WA)
Campbell	Gonzalez	Murtha
Clay	Guarini	Neal
Conyers	Hansen (UT)	Obey
Corcoran	Hubbard	Owens
Crockett	Jones (NC)	Schneider
Derrick	Jones (TN)	Shelby
Dingell	Leach	Sikorski
Donnelly	Lehman (FL)	Smith, Denny
Erlenborn	Levitas	Solarz
Evans (IA)	Lewis (CA)	Tauke
Feighan	MacKay	Walgren
Forsythe	Madigan	Washington
Fowler	McDonald	Williams (OH)
Gephardt	Moody	

□ 1300

The Clerk announced the following pairs:

On this vote:

Mr. Jones of Tennessee and Mr. Guarini for, with Mr. McDonald against.

Mr. WINN and Mr. BURTON of Indiana changed their votes from "yea" to "nay."

Mr. SHARP changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. SIKORSKI. Mr. Speaker, I was unavoidably absent, missing the vote by 10 seconds, on rollcall No. 10, the passage under suspension of the rules of the bill, H.R. 999, American Conservation Corps authorization. I am a cosponsor of the legislation and support its passage.

□ 1330

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

REPORT ON RAILROAD RETIREMENT SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce:

(For message, see proceedings of the Senate of today, Tuesday, March 1, 1983.)

REPORT ON H.R. 1718, ESSENTIAL AND PRODUCTIVE JOBS AND UNEMPLOYMENT COMPENSATION APPROPRIATION BILL, 1983

Mr. WHITTEN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 98-11) on the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. All points of order on the bill have previously been reserved.

PROVIDING PERMANENT STAFF FOR PERMANENT SELECT COMMITTEE ON INTELLIGENCE

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 58 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 58

Resolved, That (a) clause 6(a)(2) and clause 6(b)(2) of rule XI of the Rules of the House of Representatives are amended by striking "(except the Committee on Standards of Official Conduct)" and inserting in lieu thereof "(except the Committee on Standards of Official Conduct and the Permanent Select Committee on Intelligence)".

(b) Clause 4 of rule XLVIII of the Rules of the House of Representatives is amended by striking "(6)(c)" and inserting in lieu thereof "(6) (a), (b), (c)".

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), and, pending that, I yield myself such time as I may consume.

Mr. Speaker, the resolution (H. Res. 58) amends the rules of the House to provide permanent professional and clerical staff for the Permanent Select Committee on Intelligence, on a nonpartisan basis. Although the resolution easily is subject to misinterpretation, it is an important institutional reform which deserves the complete support of the House.

In 1946, Congress undertook a massive reform of the House committee structure which included the consolidation of its 48 standing committees into 19. The Legislative Reorganization Act of 1946 also made an important policy decision to provide for statutory staff. The basic concept is that, if a standing committee is to exist at all, it is entitled to at least the minimum level of support it needs to function at all.

This position was reaffirmed by the House as recently as 1974 by the adoption of the Committee Reform Amendments of 1974 (H. Res. 988, 93d Congress); as the committee responsible for the measure observed:

> Committees have enabled the House of Representatives to meet the legislative demands of a modern society while remaining independent of the executive branch. To a significant degree, professional and clerical staff resources have helped them to do so.[1]

Through funding resolutions, pursuant to clause 5 of rule XI, the House retains the right to supervise committee investigations. If the House doubts the adequacy of a committee's work, ample recourse exists to change its composition or leadership, to alter its responsibilities, or to abolish it altogether. But the basic intent of clause 6 of rule XI, for the 37 years it has been carried in the rules of the House, has been to insure that this cannot be done through the backdoor device of failing to provide the minimum staffing of 30 positions.

Few committees could compete with the Permanent Select Committee on Intelligence for a legitimate claim on this continuous guarantee of adequate staff resources to maintain truly independent review of the programs it oversees. The entire legislative history surrounding the establishment of the committee (H. Res. 658, 95th Congress), and its companion committee in the other House, confirms the recognition by Congress of the need to strengthen both the caliber and independence of congressional oversight of intelligence activities in a manner consistent with national security requirements.

Mr. Speaker, the resolution (H. Res. 58) simply confirms the obvious fact

[1] Report (H. Rept. 93-916) of the Select Committee on Committees to accompany House Resolution 988, 93d Congress.

that the Permanent Select Committee on Intelligence is a standing committee, in all but name, and, as such, is entitled to the protections of clause 6 of rule XI.

The reasons for the fiction of listing the committee as a select committee continue to exist. They are all valid and accepted by the membership of the House. Specifically, I refer to the following:

First, for substantial reason, clause 2 of rule XLVIII limits service on the committee to 6 years. This rotation is considered essential to avoiding problems that have existed in the past, by keeping the committee at a reasonable distance from the community it oversees.

Second, to better coordinate the work of the committee with the appropriate legislative committees, it was considered necessary to enable Members to take seats without regard to numerical restrictions imposed by rules of both majority and minority caucuses. This feature has enabled the committee to recruit, from both sides of the aisle, Members of high caliber and dedication who might not otherwise have been able to accept a seat on a committee subject to term limitations.

Third, the designation as a select committee served to better identify the unique structure of the committee's jurisdiction which, with respect to intelligence activities, cuts across the agency and program responsibilities of various standing committees.

And, finally, select committees are appointed by the Speaker, although, of course, he acts on the recommendation of the minority leadership in regards to their appointments. This was considered important in regards to a committee which handles such sensitive subjects.

For these reasons, it was necessary to call the committee a select committee. But there is a clear understanding that select committees are temporary creations designed to carry out certain investigations outside the normal legislative structure. The Permanent Select Committee on Intelligence, on the other hand, clearly is permanent and it has a legislative and oversight jurisdiction which is clear and important.

The resolution (H. Res. 58) slightly departs from the normal application of the rule by requiring a nonpartisan staff. The agreement between the chairman, the gentleman from Massachusetts (Mr. BOLAND), and the ranking minority member, the gentleman from Virginia (Mr. ROBINSON), contributes significantly to the purposes of the resolution and is characteristic of the manner in which the very able gentleman and their colleagues have managed the committee since it was established in 1977. As explained by the gentleman from Virginia:

Most of the committee's operations are nonpartisan. They are so because of the way the staff approaches those subjects, and because of the attitude of Members. Both are attributes particularly needed on a committee with our sensitive responsibilities.

Where this committee has disagreed on issues, I am able to say that it has been on matters of public legislation. Those disagreements helped the House work its will on important elements of public policy affecting intelligence. The staff support provided to the minority in those cases was attuned to its members' desires, and I do not complain about the proportion of staff available for this purpose.[2]

I hasten to point out that this provision was the subject of some dispute during consideration in the Committee on Rules. It is, to the best of my knowledge, the only aspect of this measure which has raised any controversy at all.

The Committee on Rules concurs in the judgment of the chairman and ranking minority member of the select committee and considers it important that the rule, in providing statutory staff to the select committee, should specifically provide for nonpartisan staff. For this reason, the committee rejected an amendment to the resolution, offered by the gentleman from Mississippi (Mr. LOTT), to strike that provision.

In doing so, Mr. Speaker, the committee was not insensitive to the legitimate concerns raised by the amendment. The committee recognizes that the provision is subject to some potential for abuse but defers to the judgment of the gentleman charged by the House with the management of the select committee, the gentleman from Massachusetts and the gentleman from Virginia, that the principle of nonpartisan staffing is important enough to warrant such language in the rule.

I personally do not regard the danger as significant and it is certainly not without remedy. I would note that significant problems developed with a predecessor select committee in 1975 and the Committee on Rules intervened promptly and forcefully to bring forward a resolution (H. Res. 591, 94th Congress) which extinguished that select committee. Since the establishment of the select committee in 1977, the Committee on Rules has exercised its oversight jurisdiction carefully and the rules relating to the committee have been amended five times.

It should be noted that the select committee has operated under funding resolutions which provide no procedural protection to the minority for 5½ years and no complaint was voiced by the committee's minority with respect to committee operations.

[2] Testimony of the Honorable J. Kenneth Robinson, before the Committee on Rules, Feb. 23, 1983.

Mr. Speaker, I would wish to make clear that the intent of limiting the applicability of clause 6(a)(2) and clause 6(b)(2) of rule XI relates only to nonpartisan staffing. Any use of the rule to deprive the minority of its right to adequate and appropriate staff support would be a violation of the spirit and intent of the resolution and, in such a case, it would be the responsibility of the Committee on Rules to report to the House on an appropriate remedy.

The resolution (H. Res. 58) is a nonpartisan and appropriate agreement. I urge the adoption of the resolution and hope that the Members of the House will appreciate the importance of the vote on the resolution in demonstrating the commitment of the House to effective, nonpolitical oversight of national security matters.

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, this is a good change in the rules, in my opinion. This committee should be nonpartisan. I do not know of another committee in the House that has worked so hard to keep itself nonpartisan as this committee. It does a great job under the chairman, the gentleman from Massachusetts (Mr. BOLAND), and the gentleman from Virginia (Mr. ROBINSON), the ranking minority member. Both have testified before the Rules Committee that this would not disrupt the rights of the minority because, during the 5½ years that the committee has been in operation, they have worked hand-in-hand together.

I served on the Ethics Committee for a number of years, and the staff there is nonpartisan. I speak to you today as a minority Member of this House.

□ 1345

I want the minority to be protected always. But I think if we become partisan in the Select Committee on Intelligence that we are going to destroy its effectiveness, and the committee does a great job.

Mr. Speaker, I urge the change in the rule and a favorable vote on the resolution.

Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi (Mr. LOTT).

Mr. LOTT. I thank the gentleman for yielding.

Mr. Speaker, first I want to commend the distinguished chairman, the gentleman from Massachusetts (Mr. BOLAND) and the distinguished ranking member, the gentleman from Virginia (Mr. ROBINSON) for the job that they have done with this Select Committee on Intelligence. They have been active, they have been effective, and they have been nonpartisan. I think it

is to their credit and, therefore, a favorable reflection on this body that we have a Select Committee on Intelligence that has been acting in the way that it has.

Therefore, I think Members on both sides of the aisle are inclined to honor the request that is contained in this resolution, House Resolution 58, from the Select Committee on Intelligence. I think, as a matter of fact, it is a permanent committee and that there is justification for that and therefore I think there is a need for the permanent staff.

I have no complaints with that, even though it is still designated as a select committee. But I must confess that I do have misgivings about the change that is provided here that would not allow the minority even to have the option of appointing its own staff.

I am not arguing at all that we should have a partisan staff. As a matter of fact, I think the contrary is true.

There is no doubt in my mind that the distinguished chairman of the committee and the ranking member have made sure there was no partisanship and there was adequate staffing for any Member on either side of the aisle that needed staff assistance.

But it is a precedent we are setting here, in my opinion, and I would like to put my colleagues on this side of the aisle and the entire House on notice that this is a precedent.

While there are committees here in the House, notably, I think the Armed Services Committee, and to a degree, the Appropriations Committee, that do not have designated minority staff as such, they still have that right under the law that we passed in 1970 to claim minority staff if they need it.

The only committee in the House that does not have that authority is, as I understand it, our Ethics Committee where the makeup of the committee is truly nonpartisan or bipartisan with a 6-6 makeup. The Select Committee on Intelligence has a 9-to-5 makeup. And while I have no doubts about what would happen with the present chairman if the ranking member needed minority staff, we are, in fact, giving up that opportunity from the minority standpoint, and it is at least conceivable that someday if this precedent is carried forth that there would be a partisan staff since the staff would be totally controlled by a 9-to-5 vote of the majority members of the committee.

I just want to point out my concerns that in our zeal to make sure that this Select Committee on Intelligence is nonpartisan, we, in the minority, are giving up our right under the law to have the opportunity to claim this one-third staffing.

After discussions with the gentleman from Virginia and others on this side of the aisle, I will not ask for defeat of the previous question and I will not ask for a division of the question. But it is a concession in the interests of making this truly a nonpartisan committee on the part of the minority and I would like for the RECORD to show now that we are making that concession.

I would urge the members of this committee both now and in the future to make every effort to make sure that the activities of the committee and the staffing are truly nonpartisan.

I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as always, my friend from Mississippi (Mr. LOTT) is effective and alert in guarding the rights of the minority and the committee is not insensitive to the legitimate concerns raised by the gentleman.

The committee recognizes that the provision is subject to some potential for abuse but defers to the judgment of the gentlemen charged by the House with the management of the select committee, the gentleman from Massachusetts and the gentleman from Virginia, that the principle of nonpartisan staffing is important enough to warrent such language in the rule.

Mr. Speaker, I would like to take a moment to establish two principles in the legislative history which I hope will offer some assurance to the distinguished gentleman from Mississippi.

First, I wish to associate myself with the gentleman's comments. I agree that the provisions about which he is concerned could not properly be applied to any other committee of which I am aware and the Committee on Rules does not intend that paragraph (a) of the resolution (H. Res. 58) may be relied upon as any kind of precedent.

Second, as manager for the Committee on Rules, I would wish to clearly specify that the intent of limiting the applicability of clause 6(a)(2) and clause 6(b)(2) of rule XI relates only to nonpartisan staffing.

Any use of the rule to deprive the minority of its right to adequate and appropriate staff support would be a violation of both the spirit and intent of the resolution and, in such a case, it would be the responsibility of the Committee on Rules to report to the House on an appropriate remedy.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I am glad to yield to my dear friend, chairman of the Select Committee on Intelligence, the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. I appreciate my colleague yielding. I can understand the concern of the distinguished minority whip, the gentleman from Mississippi (Mr. LOTT). I think he expressed it very well and very emphatically.

Let me for the minority make some legislative history on this particular rule. Let me say my interpretation of the rule is that the staff must be nonpartisan. But understanding this, the minority must be given the staff support that it requires and I have no objection to that.

Since the legislative history indicates this, I am sure that anyone who succeeds to the chairmanship of this committee or someone who serves in the majority on this committee would agree with that position. That has been our position over the past 5 years that we have been in existence, and that would be the position I would hope of all of those who will join this committee in the years ahead.

As the gentleman from Mississippi has indicated, there would be some concern because this is a committee where there is a revolving membership in that Members cannot serve for a longer period of time than 6 years after the completion of this particular Congress, the 98th Congress.

So the gentleman from Mississippi does state some concern.

Let me say that we have discussed this fully within the committee itself, the majority and minority, and we have never had any problems with it. The question is whether or not we would have any problems with it in the future.

So from the point of view of establishing the legislative history as outlined by my distinguished colleague from Massachusetts, my own particular position as chairman of the Select Committee on Intelligence, I would agree with that interpretation and would hope that would be the way in which any chairman or any members of the majority would act in the years that face us in the future.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Speaker, I appreciate very much what the gentleman from Mississippi (Mr. LOTT) had to say, the flattering things he said about our Committee on Intelligence. Were I in the same position as he in terms of being the minority whip I would think it my duty to call to the attention of the minority the fact that this situation exists and that we are giving up something.

That having been said, and having served on the Permanent Select Committee on Intelligence since its inception, I want to tell you in my view there is no other committee of the House that is in a similar situation. There is no other committee of this House where it is so important to maintain a high credibility and yet a low profile.

That being said, I think that any time that you move in the direction of a partisan staff you immediately gen-

erate to a degree partisanship because that is almost inevitable.

In the time that I have been on the committee since it was founded there have been rare instances where a Member has complained that he is not getting the kind of staff support that he thinks he is entitled as a member of the committee, but that has happened just as often on the side of the majority as it has on the side of the minority.

So, again, the committee has been impartial with regard to the way that it treats those matters.

I fully support this resolution as it is presently drafted. I think the House would make a grave error if it moved in the direction of a partisan staff and I hope that we will see this resolution approved as it has been presented.

I nevertheless appreciate the reassurances the gentleman from Massachusetts (Mr. MOAKLEY) has given us with regard to the way that the Rules Committee feels about how it looks at this matter because I think that is a guarantee that we are going to see it work the way it should.

I yield back the balance of my time.

Mr. QUILLEN. Mr. Speaker, I urge the adoption of the resolution. I have no further requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NO JUSTIFICATION FOR NATURAL GAS DEREGULATION

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Mr. Speaker, the President has announced his plan for the deregulation of natural gas. In the name of marketplace forces, the President is prepared to place all natural gas consumers, homeowners and businesses alike at the mercy of any industry lacking the necessary ingredient—competition.

The net effect of this proposal is that the President fulfills a campaign promise made to the major oil companies to deregulate. These companies hold upward of 80 percent of the old gas. This is gas that was explored for, drilled and sold at a controlled price which was sufficient to profit these companies at that time. There is no economic justification to allow these prices to increase today, especially when we consider that gas prices are already too high and current supplies are abundant. By allowing old gas to increase in price, we remove the last, albeit, threadbare cushion for the consumer.

All of our constituents who burn natural gas to heat their homes know that there is no price comparison, no transfer from one fuel source or company to another, no ability to respond to escalating prices in a normal fashion. There is no benefit to the consumer under the President's plan. Estimates of costs to consumers under this plan have been placed as high as $60 billion. While I think that figure will be amended as we get a better handle on the effects of the President's plan, it is clear that we have provided no relief for our citizens.

Changes are necessary in the NGPA, but not the type that would tilt the marketplace further from the consumer and business user.

While there appears to be no economic justification for increasing prices perhaps we should attempt to understand the President's basic reasons for sending this proposal forward. It appears that he believes the current oil price decrease is due in part to his actions upon taking office to deregulate oil prices. Whether or not the facts support that claim is debatable, but the assumption that what worked for oil will work for natural gas is plain wrong. With considerably shorter contract periods and a diverse means of transporting the fuel, one can make the case that there is greater potential for allowing a consumer to shop for price in oil. However, natural gas is a monopoly industry from the time a contract is signed between a supplier and a pipeline company. From that time forward, costs are passed on with no regard for what the market will accept until the consumer who is consuming less gas today pays 30 percent more than last year. This monopoly arrangement is not altered at all by the President's proposal, rather it is aided by removing Federal controls.

There can be no restraint or downward pressure on natural gas prices in an industry that allows noncompetitive practices such as take-or-pay contracts. The administration's proposal is to limit take-or-pay contracts to volumes of 70 percent at the discretion of the pipeline and supplier. The discretion to renegotiate currently exists and there has been little success. The administration also provides for a floating gas cap to cover price increases as a substitute to current fraud and abuse language that exists in NGPA. While we can cheer the administration's attempts at some form of consumer protection, we should be aware that all of these items cease to exist by January 1, 1986. Since no one believes that we will pass this bill tomorrow, the degree of consumer protection decreases as time marches on.

□ 1400

FIRE AT CENTRALIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. HARRISON) is recognized for 30 minutes.

Mr. HARRISON. Mr. Speaker, there is a town in my district called Centralia. It might easily be found in your district or in the district of any Member of this House. It is a small town; not quite 1,200 people live there. In many ways, they are ordinary people: The kind of decent, hardworking, problem-solving, giving-not-taking people, who are the backbone of this country; but there are some things that make Centralia special. Most of its people have resided there all their lives; many of them have lived in the same house for more than 25 years. It is a town where children who were born at the same time went to the same schools, played at the same games, worshipped in the same churches, worked in the same mines and factories, and have come to their middle and older years with a special sense of belonging to each other and to Centralia.

Ninety-four percent of the people own their own homes. They are not palatial; the architecture is not extraordinary; but when you go inside these houses, you find that they are remarkably clean, neat, well-decorated, renewed, modernized, up to date. The pride of the people of Centralia is now and long has been their homes. The fear of the people of Centralia is that their homes and their lives are in jeopardy.

Because there is one other thing that makes Centralia special—for 21 years a fire has raged beneath its surface. In May 1962, while John F. Kennedy was in the second year of his Presidency, before the Vietnamese war was a major conflict, while our space program was still in its infancy, before words like "medicare" and "medicaid" had passed into the common vocabulary, before OPEC, stagflation or Watergate, before so many of the problems that this Nation has solved or is contending with, a fire broke out in a garbage disposal site on the outskirts of town. At first, borough officials tried using water and clay to extinguish the smoldering garbage; but the effort did not succeed and within 2 months the above ground fire had ignited a below ground seam of anthracite.

Once begun, an anthracite fire will burn indefinitely as long as there is a supply of oxygen to keep it going and more anthracite to burn. For 21 years that fire has burned; and it has spread across the periphery of the town, under its streets, under its yards, under the homes of Centralia.

The fire has, at times, raised the ground temperature so high that news reporters have been able to fry bacon and eggs on the rocks by the side of the road. It has spewed forth carbon dioxide at hazardous levels. Even worse is the carbon monoxide, an odorless, poisonous gas, which seeps out of the ground and into the cellars. The combination of gases where the fire is worst creates a stench that pervades the air, and the smoke billowing out of the Earth sometimes collides with the fog above and makes the town of Centralia look like a scene from the inferno.

For 21 years, the fire has spread. Of course, I read about it in the newspapers. I saw the reports on television and I remember Ted Kopel's account about a year ago on "Nightline"; but the reality of Centralia did not come home to me until several weeks ago, just a few days after I was sworn in to this body. I went there because unexplained cracks were appearing in the highway which runs from Centralia to Ashland and which is the only main road connecting it with the rest of northeastern Pennsylvania. The cracks were spreading and multiplying and then, without warning, the median strip buckled and borehole readings indicated that the fire had spread under the highway and had destabilized it.

That morning, Mr. Speaker, I walked down Route 61, just outside Centralia, with a dedicated and energetic young State representative by the name of Bob Belfanti. As we walked into the fog, trying almost blindly to find the spot in the road where the cracks were worst, Bob turned to me and said as the stench hit our nostrils, "How would you like to live with that in the basement of your home every day of the year?" Until that moment, I had never truly understood what confronts the daily lives of the 1,200 people who live in that small town.

For 21 years, this fire has burned and it is not that nothing has been done about it. It is that what has been done was always too little and usually too late.

It is important, I think, to take a few minutes and review briefly the story of those years and the vast amounts of public money that have been futilely spent in a series of half-hearted and inadequate efforts by all levels of government.

When the fire first spread to the coalbed, the State in August 1962 let an excavation contract. The State spent more than $27,000 on that project, but it was not enough. The excavation did not remove all the burning coal, and so the fire spread. The State had simply done too little, too late.

The following year it tried again. Holes were bored into the underground and huge amounts of inert, nonflammable mine refuse was flushed into the fire in the hope of cutting off its access to oxygen; but again, the funds ran out before the fire was contained. The project was stopped and the fire spread.

Then the State made a third attempt. The plan this time was to dig a trench around the fire, depriving it of access to the coal outside the trench and allowing the coal inside the circle to burn itself out; but even before the project was completed, it failed, because the fire had already spread to the other side of the trench.

At this point, the State of Pennsylvania had spent more than $100,000 to no effect whatever. It was then an already beleaguered town first looked to the Federal Government. In 1965, Congress passed the Appalachian Regional Development Act, which gave the Secretary of the Interior both the authority and the responsibility to rehabilitate land that had been damaged by previous mining practices, and in particular to execute projects for extinguishing underground mine fires. A Federal-State partnership to deal with Centralia thus was born. Between then and 1973, the Commonwealth of Pennsylvania and the Department of the Interior dug bore holes to locate the fire, flushed it with water, backfilled it with inert material and trenched around it, all to no avail.

By 1973, both governments had spent more than $1,850,000 in dribs and drabs, in starts and stops, in largely uncoordinated and always inadequate efforts to contain and extinguish a fire which had begun on a single garbage heap.

During that time, in May of 1969, three families were forced to abandon their homes because the heat and the fumes were so intense as to threaten human life; and since then, 20 more families have been uprooted, forced to sacrifice their homes to save their lives.

In 1977, Congress passed the Surface Mining Control and Reclamation Act. Certainly, no one had a greater claim to its assistance than the people of Centralia; and under it, another project was begun in 1978. Almost a half a million dollars was spent, again flushing, boring, excavating and trenching, but it was not possible to encircle the fire unless some homes were acquired by condemnation.

□ 1410

There was not enough money for that and so the project was cut short, and with that, Mr. Speaker, serious efforts at fighting the fire ended. A few more residents have been moved out of the most dangerous homes. In others, gas detectors have been installed. They sound a siren when carbon monoxide has seeped in at life-threatening levels, and in some of those homes the siren goes off several times on an average day or night. And then day or night, winter or summer, the residents must run to open all their windows to let in the air and vent the poisonous gas.

The road outside Centralia is closed now and the State has spent a quarter of a million dollars to shore it up. The State will, of course, look to the Federal Government for reimbursement and sooner or later it will probably get it, and so we will go on, as long as this fire rages, meeting one crisis after another, responding to one immediate emergency by spending just enough money to get beyond it and not enough to get at the cause of it.

That is a foolish way to spend the public money, but even more importantly, it does not deal with the despair I have seen in the eyes of the people of Centralia who say to me that four Members of Congress have represented them over the last 21 years and yet nothing has been accomplished; that both political parties have sat in Harrisburg and governed in Washington, and yet nothing has been accomplished; that a whole generation has been born and raised and come to adulthood in Centralia and yet nothing has been accomplished; that for all the projects and all the money spent, the fire still rages and no one knows what will happen next.

Two years ago the Office of Surface Mining was authorized to spend $850,000 to dig 109 bore holes in an attempt to locate how far the fire had spread and, as exactly as possible, where it is now. The initial report of that study will come to the Congress in March of this year and a final report is due in May. The final report, and I would hope preliminary as well, is to contain options, to spell out ways to finally deal with this fire and what it would cost to do it, and that brings me, Mr. Speaker, to the point of these remarks and why I am here today to lay the problems of Centralia before the Members of this House.

Most immediately, it is because I have studied carefully the President's proposed budget for fiscal year 1984 and I have found more with dismay than surprise that it contains not one red cent to fight the Centralia mine fire. In purely financial terms, Mr. Speaker, we must ask what sense it makes for the Federal Government to have spent $850,000 to locate a mine fire and then to spend no money at all to put it out once it has been found.

It is no answer to say that we should wait until the economy is better and the deficit is smaller, for in the meantime the fire will simply move again and then all the money spent on the bore hole project will have been wasted.

But that is not all. I say to this House that unless something is done,

we will one day measure the cost of this mine fire in the terms of the loss of human life. That threat became clear 2 years ago when a 12-year-old boy playing in his grandmother's back yard felt the ground under him collapse and, without warning, he was plunged into a 12-foot chasm filled with carbon monoxide. Through his own quick wits and the heroism of others, Todd Dombroski was rescued that day, but neither we nor the people who live there have any guarantee that the ground below Centralia will not open up again, today or tomorrow, and that another young man or young woman, or old man or old woman, will not be swallowed, and this time forever, into the chasm and into the fumes and the fire.

So you may ask after all of this, why do the people not simply move? Why do they not abandon the town? Why do they not go somewhere else? But how do you move, Mr. Speaker, when the homes in which you have lived all your lives, when the homes into which you have poured your wealth and your time, your talent and your hopes and your dreams have absolutely no market value, for who would buy a home in Centralia today?

I am keenly aware of the importance a new Member should place on his first speech in the well of this House. He should not, for light or parochial reasons, impose on the time of his colleagues or burden the proceedings of this body. And so despite the depth of the human tragedy that confronts 1,200 men, women, and children who are my constituents, it was with great hesitation that I decided to speak today on the plight of Centralia, but I finally decided to do so because the more I thought about it, the clearer it became that the crisis which confronts Centralia goes far beyond the fate of the 1,200 people who live there; rather, Centralia is the tragic example that poses the question that confronts all of us, and most particularly those of us who are new to this body:

Why are we here? What is the function and purpose of Government? Is it the fundamental duty of Government to help people? Is it the obligation of Government to respond to natural disasters and to alleviate human suffering?

If it is, then the people who live in Centralia have a claim not only upon our conscience but upon our oath of office. Or are we to say that it is all a matter of degree; that we will respond only to those disasters which affect tens or hundreds of thousands which attract the daily attention of the media, which provide opportunities rich with promise for the next election?

Are we then to say to the people of Centralia that we cannot help you with your problem; that we cannot put out the fire that burns beneath your feet because it costs too much and you are too few; that you do not have enough influence and we do not have enough compassion? Or is it simply none of the Government's business? Is the present Secretary of the Interior right when he says that the Centralia mine fire just is not the problem because eventually it will burn out?

Of course we believe that people must first help themselves and we all believe that local governments first, and then counties and then the States, have an obligation to respond to local problems with local resources and local ingenuity, but I believe, and I think most of my colleagues here believe, that when disaster is so great that it goes beyond the ability of localities or counties or States to respond, then the obligation passes to the Federal Government, to the Government of the United States, for was this not one of the purposes for which the Founding Fathers gave birth to this Nation when they wrote its Constitution 200 years ago? This union of sovereign States was not formed only to provide for the common defense, but to promote the general welfare.

□ 1420

And so the daily tragedy which confronts the few people of Centralia poses the larger question which confronts all of us here in this House and across this Nation. What is the duty of Government? What is our responsibility to respond to disaster and to alleviate suffering?

An ordinary man who lived an extraordinary life, Harry Truman, said that he had come to the Presidency with the conviction that there was more good than evil in man, and that it was the duty of Government to help the good prevail.

Mr. Speaker, when the report from the Office of Surface Mining is before us and we know what can be done, I will ask this House in its committees and on this floor to do what must be done to end the suffering of the 1,200 valiant people of Centralia. I hope to have the support of all the Members of this House and of the Congress, for it is only by putting this fire out that we can now at long last fulfill the duty of Government by helping the good to prevail in Centralia.

CREDIT CONTROLS—A CHANCE TO DO SOMETHING MORE THAN TALK ABOUT HIGH INTEREST RATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 10 minutes.

● Mr. ST GERMAIN. Mr. Speaker, high interest rates—despite some welcome downward trends in selected areas—continue to hold back economic recovery.

Belatedly, the Reagan administration is recognizing that something must be done about interest rates if we are to have any hope of putting people back to work in this Nation. Inflation is down, but interest rates remain at double digit levels even for big business borrowers. For small businessmen and consumers, interest rates have not budged or, at best, have moved only a fraction off historically high levels.

Last week, President Reagan suggested that commercial banks were keeping interest rates at artificially high levels.

"It is up to the banks," he said, "And there is no reason—I do not think—why the banks could not bring those interest rates down another notch or two."

Only a few days before, Secretary of the Treasury Donald Regan, bluntly stated: "Banks are doing their utmost to keep interest rates up."

And President Reagan's chief economic adviser, Martin Feldstein, chimed in with a prediction that long-term rates will not move much over "the next few months."

Mr. Speaker, we are happy to have the Reagan administration, at long last, recognize the destruction that high interest rates have brought to the economy over the past several years. The landscape is littered with the remains of businesses, farms, and jobs destroyed by runaway interest rates.

Mr. Speaker, clearly the economy needs a real reduction in interest rates—a reduction across the board that will give American families a chance to buy a home, that will allow small businessmen to reopen their doors, and that will give job-producing industries new life.

And we need more than just a short-term reduction. We need some assurances that we will never again allow people and businesses to be destroyed by the unconscionably high interest rates and the scorched-earth monetary policies of 1981 and 1982. The American people need long-range protection. They need assurance that someone will step in before the economy is crushed.

Mr. Speaker, I am happy that the President and his economic advisers are speaking out about the problem, even at this late date. But, we need more than hand wringing statements in times of ecomomic crisis. Economic jawboning means a lot more—carries a lot more weight—when there is a club in the corner in the event the lenders do not get the word.

I am today introducing the Credit Control Act of 1983 which would give

the President standby authority to control high interest rates and to make certain that credit, needed for productive purposes, is not siphoned away for high-flying speculative endeavors.

With this act in place, the President's efforts to jawbone will have true impact. The lending community will know, and the Federal Reserve will know, that the President does, indeed, have the statutory power to put words into action.

The credit control legislation I am introducing today is identical with that reported from the Banking, Finance and Urban Affairs Committee last year. This bill did not reach the floor in the closing days, but I am confident the Members of this Congress, who have seen the utter destruction caused by high interest rates in their districts, will give strong support to doing something more than talking about high interest rates.

Mr. Speaker, the legislation would reinstate the Credit Control Act of 1969 with several strengthening amendments. The 1969 act unfortunately was allowed to fall under a "sunset" provision which became effective last June 30.

The bill would give the President the power to institute credit controls "to reduce high levels of unemployment in any sector of the economy or to prevent or control inflation or recession."

The act, once triggered by the President, would be administered by the Federal Reserve Board. All aspects of credit could be controlled, including interest rates, maturities, downpayments and other terms. The President could authorize use of the powers across the full spectrum of credit or could pinpoint the controls to specific areas.

Mr. Speaker, I hope we will have early action of this legislation. Its passage will be a clear signal to the banks and other lenders and to the Federal Reserve that the Congress intends to see lower interest rates and lasting protections for the American public in the area of monetary policy.●

CURRENT LEVEL OF SPENDING AND REVENUES FOR COMMITTEE ON THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. JONES) is recognized for 5 minutes.

● Mr. JONES of Oklahoma. Mr. Speaker, pursuant to the procedures of the Committee on the Budget and section 311(b) of the Congressional Budget Act of 1974, I am submitting to the RECORD a letter to the Speaker advising him of the current level of spending and revenues for fiscal year 1983:

COMMITTEE ON THE BUDGET,
Washington, D.C., February 25, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending. I am herewith transmitting the status report under S. Con. Res. 92, the First Budget Resolution for Fiscal Year 1983. This report reflects the resolution of June 24, 1982, and the current CBO estimates of budget authority, outlays, and revenues based on all completed action on spending and revenue measures as of the close of legislative business February 25, 1983.

With best wishes,
Sincerely,

JAMES R. JONES,
Chairman.

REPORT TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1983 CONGRESSIONAL BUDGET ADOPTED IN S. CON. RES. 92—REFLECTING COMPLETED ACTION AS OF FEBRUARY 25, 1983

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	822,390	769,818	665,900
Current level	830,244	800,077	606,311
Amount over resolution	7,854	30,259	
Amount under resolution			59,589

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate for fiscal year 1983, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in S. Con. Res. 92 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate for fiscal year 1983, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in S. Con. Res. 92 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1983, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in S. Con. Res. 92.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., February 24, 1983.

Hon. JAMES R. JONES,
Chairman, Committee on the Budget, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request, this is to advise you of our estimate of the current level of 1983 budget authority, outlays, and revenues consistent with CBO's current economic and estimating assumptions.

[In millions of dollars]

	Budget authority	Outlays	Revenues
Current level estimate	830,244	800,077	606,311
Budget resolution (S. Con. Res. 92)	822,390	769,818	665,900
Amount over (+)/under (−) resolution	+7,854	+30,259	−59,589

Sincerely,

JAMES BLUM
(For Alice M. Rivlin, *Director*).●

LAWRENCE J. BARGETTO—AN OUTSTANDING CITIZEN AND BUSINESSMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, it is with sadness that I report to my colleagues on the death of a fine citizen of my district, Lawrence J. Bargetto.

Lawrence Bargetto was president of Bargetto's Winery in Soquel, Calif. His winery is noted for its outstanding product, and his life was a testament to the excellence that comes of dedication and care.

In addition, though, Mr. Bargetto was one of the most dependable and concerned citizens of Soquel and Santa Cruz County. He served on the board of directors of the Soquel Creek County Water District for 21 years and was well known for his commitment to community needs. Indeed, the Bargetto winery was always available to charitable groups for wine-tastings and similar fundraising events.

I know my colleagues join me in expressing sympathy to Mr. Bargetto's wife, Beverly, and to the rest of his family. He will be greatly missed by his family, his friends, and his community.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MORRISON of Washington (at the request of Mr. MICHEL) for today and the balance of the week on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DEWINE) to revise and extend their remarks and include extraneous material:)

Mr. BETHUNE, for 60 minutes, on March 2, 1983.

(The following Members (at the request of Mr. LEVINE of California) to revise and extend their remarks and include extraneous material:)

Mr. MOAKLEY, for 10 minutes, today.
Mr. ST GERMAIN, for 10 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. JONES of Oklahoma, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DEWINE) and to include extraneous matter:)

Mr. PORTER.
Mr. GUNDERSON.
Mr. JEFFORDS.
Mr. CORCORAN.
Mr. HAMMERSCHMIDT.
Mr. DANIEL B. CRANE.
Mr. SENSENBRENNER.
Mr. MICHEL.
Mr. KEMP.
Mr. COATS.
Mrs. ROUKEMA.
Mr. EVANS of Iowa.
Mr. STUMP in two instances.
Mr. DAUB.
Mr. MILLER of Ohio in three instances.
Mr. WOLF.
Mr. LENT.
Mr. BLILEY.
Mr. THOMAS of California.
Mr. MCDADE.

(The following Members (at the request of Mr. LEVINE of California) and to include extraneous matter:)

Mr. ROE in three instances.
Mr. MAVROULES.
Mr. DE LA GARZA in two instances.
Mrs. BOXER.
Mr. CLAY.
Mr. CHAPPELL.
Mr. STARK.
Mrs. BOUQUARD in five instances.
Mr. HAMILTON in 10 instances.
Mr. HANCE.
Mr. SMITH of Florida.
Mr. ALBOSTA.
Mr. UDALL.
Mr. ALEXANDER.
Mr. RODINO.
Mr. OTTINGER.
Mr. SIMON.
Mr. DYSON.
Mr. MOODY.
Mr. BEDELL.

ADJOURNMENT

Mr. HARRISON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 21 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, March 2, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

432. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

433. A letter from the General Counsel of the Department of Defense, transmitting copy of proposed legislation to amend chapter 5 of title 37, United States Code, to extend the expiration date of the special pay provisions for reenlistment and enlistment bonuses; to the Committee on Armed Services.

434. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to amend and extend certain Federal laws relating to housing, community and neighborhood development, and related programs, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

435. A letter from the President, Amtrak, transmitting an annual review of its basic rail passenger route system, pursuant to Public Law 91-518, section 404(c)(4)(C); to the Committee on Energy and Commerce.

436. A communication from the President of the United States, transmitting a report on international agreements transmitted to Congress after the expiration of the 60-day period specified by law, pursuant to 1 U.S.C. 112b(b); to the Committee on Foreign Affairs.

437. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

438. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting a report on the Commission's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

439. A letter from the Acting Deputy Director for Current Information, Department of Agriculture, transmitting a report on the Department's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

440. A letter from the Acting Inspector General, Department of Labor, transmitting a report of the Department's Inspector General, pursuant to section 5(b) of Public Law 95-452; to the Committee on Government Operations.

441. A letter from the Federal Inspector, Alaska natural gas transportation system, transmitting a report on the office's activities under the Freedom of Information Act during the calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

442. A letter from the staff secretary, National Security Council, transmitting a report on the Council's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

443. A letter from the Secretary of Interior, transmitting a report on the rental charges for noncompetitive oil leases, pursuant to section 1401(d)(2) of Public Law 97-35; to the Committee on Interior and Insular Affairs.

444. A letter from the Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation to amend the Volunteers in the Parks Act of 1969, and for other purposes; to the Committee on Interior and Insular Affairs.

445. A letter from the Marshal of the Supreme Court of the United States, transmitting his annual report of the administrative costs of protection of officials of the Supreme Court for the period December 29, 1982, to February 3, 1983, pursuant to 40 U.S.C. 13n(c) (96 Stat. 1958); to the Committee on the Judiciary.

446. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to extend the authorization for appropriations under the Atlantic Tunas Convention Act; to the Committee on Merchant Marine and Fisheries.

447. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation authorizing appropriations to the Secretary of the Interior for services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Public Works and Transportation.

448. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Army's Chief of Engineers on Little Lagoon at Gulf Shores, Ala., pursuant to a resolution adopted by the House Committee on Public Works and Transportation; to the Committee on Public Works and Transportation.

449. A letter from the Secretary of Energy, transmitting the sixth annual report on activities under the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976, pursuant to section 14 of the act; to the Committee on Science and Technology.

450. A letter from the Administrator, National Aeronautics and Space Administration, transmitting copy of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes; to the Committee on Science and Technology.

451. A letter from the Comptroller General of the United States, transmitting a report on submarine construction at Electric Boat Division (MASAD-83-10, Feb. 28, 1983); jointly, to the Committees on Government Operations and Armed Services.

452. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the National Ocean Pollution Planning Act of 1978, as amended, to authorize appropriations to carry out the provisions of such act for fiscal years 1983, 1984, and 1985; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

453. A letter from the Secretary of the Commerce, transmitting a draft of proposed legislation to amend section 204 of the Marine Protection, Research and Sanctuaries Act of 1972, as amended, to authorize appropriations to carry out the provisions of title II of such act for fiscal years 1983, 1984, and 1985; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

454. A letter from the Deputy Secretary of the Treasury, transmitting a draft of pro-

posed legislation to remove the limitation on the amounts in the Department of the Treasury working capital fund; jointly, to the Committees on Ways and Means and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. H.R. 999. A bill to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes; with an amendment (Rept. No. 98-7, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. FROST: Committee on Rules. House Resolution 109. Resolution providing for the consideration of H.R. 1310, a bill to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide for cost sharing by the private sector in training such personnel; and for other purposes (Rept. No. 98-10). Referred to the House Calendar.

Mr. WHITTEN: Committee on Appropriations. H.R. 1718. A bill making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes (Rept. No. 98-11). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of California:

H.R. 1717. A bill to amend the National Trails System Act by designating additional national scenic and historic trails, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WHITTEN:

H.R. 1718. A bill making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes.

By Mr. ANDREWS of North Carolina (for himself and Mr. PERKINS):

H.R. 1719. A bill to amend the Domestic Volunteer Service Act of 1973 to authorize appropriations for the fiscal years 1984, 1985, and 1986, and for other purposes; to the Committee on Education and Labor.

By Mr. KILDEE (for himself, Mr. BIAGGI, and Mr. WILLIAMS of Montana):

H.R. 1720. A bill to establish a program to provide funds for employment of unemployed individuals to repair and renovate educational facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. BARNARD:

H.R. 1721. A bill to amend title 10, United States Code, to provide that periods of employment of retired members of the Armed Forces employed as administrators and instructors in Junior Reserve Officers' Training Corps programs shall be treated as active duty for purposes of recomputation of retired pay and to provide that certain amounts paid such members shall be treated as active duty allowances; to the Committee on Armed Services.

By Mr. BATEMAN:

H.R. 1722. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to carry out certain erosion control projects in the Chesapeake Bay, Va.; to the Committee on Public Works and Transportation.

By Mr. BREAUX (for himself and Mr. FORSYTHE):

H.R. 1723. A bill to authorize appropriations through fiscal year 1986 for the Great Dismal Swamp, Minnesota Valley, Sailors' Snug Harbor, and San Francisco Bay National Wildlife Refuges; to the Committee on Merchant Marine and Fisheries.

By Mr. BREAUX (for himself, Mr. FORSYTHE, Mr. SUNIA, Mr. ROTH, Mr. MILLER of California, and Mr. WHITLEY):

H.R. 1724. A bill to provide additional revenues for projects relating to sport fish restoration and management, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.

By Mr. CHENEY:

H.R. 1725. A bill to repeal the withholding of tax from interest and dividends; to the Committee on Ways and Means.

By Mr. CONTE:

H.R. 1726. A bill making an urgent supplemental appropriation for the Department of Labor; to the Committee on Appropriations.

By Mr. EDGAR:

H.R. 1727. A bill to provide for the establishment of a public works program for special environmental benefits and energy conservation and for other purposes; jointly, to the Committees on Agriculture, Interior and Insular Affairs, Merchant Marine and Fisheries, Energy and Commerce, Banking, Finance and Urban Affairs, and Public Works and Transportation.

By Mr. EVANS of Iowa:

H.R. 1728. A bill to establish a program of grants administered by the Environmental Protection Agency for the purpose of aiding State and local programs of pollution and abatement control; to the Committee on Education and Labor.

By Mr. GOODLING:

H.R. 1729. A bill to amend the Internal Revenue Code of 1954 to impose a temporary tax of $2 a barrel on imported petroleum products and to use the proceeds of such tax for purposes of reducing the public debt of the United States; to the Committee on Ways and Means.

By Mr. GRADISON (for himself, Mr. LUKEN, Mr. COUGHLIN, Mr. HYDE, Mr. LIVINGSTON, and Mr. SOLOMON):

H.R. 1730. A bill to amend the Internal Revenue Code of 1954 to provide a Federal income tax credit for tuition; to the Committee on Ways and Means.

By Mr. HERTEL of Michigan:

H.R. 1731. A bill to create the Reindustrialization Finance Corporation and to authorize such Corporation to issue obligations and provide loans and loan guarantees to qualifying business enterprises; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1732. A bill to provide mandatory social security coverage for Members of Congress; to the Committee on Ways and Means.

By Mr. JEFFORDS:

H.R. 1733. A bill to amend title II of the Social Security Act to provide for timely notification of the Secretary of Health and Human Services by funeral homes or other appropriate persons of deceased individuals' deaths; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 1734. A bill to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Education and Labor.

By Mr. MITCHELL:

H.R. 1735. A bill to provide for the establishment of revitalization areas in distressed areas, to amend the Internal Revenue Code of 1954 to provide tax incentives for development in revitalization areas, and for other purposes; to the Committee on Ways and Means.

By Mr. NOWAK:

H.R. 1736. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to permit States to pay extended benefits on the basis of area triggers, and for other purposes; to the Committee on Ways and Means.

By Mr. O'BRIEN:

H.R. 1737. A bill to amend the Export Administration Act of 1979 to provide for congressional disapproval of export controls under that act for national security, foreign policy, or short supply reasons; to the Committee on Foreign Affairs.

By Mr. PEPPER:

H.R. 1738. A bill to establish a Homeowners Loan Corporation to provide assistance to homeowners whose mortgages are subject to foreclosure; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PERKINS:

H.R. 1739. A bill to amend the Black Lung Benefits Act of 1969 to prohibit the reduction of disability benefits under the Social Security Act; to the Committee on Education and Labor.

By Mr. REGULA:

H.R. 1740. A bill to authorize the President to impose a tariff surcharge on the products of certain countries in order to offset the expense of providing U.S. defense assistance to such countries; to the Committee on Ways and Means.

By Mr. ROYBAL (for himself and Ms. MIKULSKI):

H.R. 1741. A bill to provide assistance and coordination in the provision of child-care services for children living in homes with working parents and for other purposes; to the Committee on Education and Labor.

By Mr. ST GERMAIN:

H.R. 1742. A bill to reduce interest rates, control inflation, insure the availability of credit for productive purposes, and promote economic recovery by extending the Credit Control Act; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SIMON (for himself, Mrs. BOXER, Mr. LANTOS, and Mr. BURTON of California):

H.R. 1743. A bill to amend the National Labor Relations Act to authorize the Secretary of Labor to prohibit the awarding of

Federal contracts to persons who have violated certain judicial orders or orders issued by the National Labor Relations Board; to the Committee on Education and Labor.

By Mr. STARK:

H.R. 1744. A bill to amend the Tariff Act of 1930 to prevent the exportation or importation of certain vehicles; jointly, to the Committees on Ways and Means and Foreign Affairs.

By Mr. STUMP:

H.R. 1745. A bill to repeal the Metric Conversion Act of 1975 (89 Stat. 1007); to the Committee on Science and Technology.

By Mr. UDALL:

H.R. 1746. A bill to authorize appropriations for the Navajo and Hopi Indian Relocation Commission; to the Committee on Interior and Insular Affairs.

By Mr. WEAVER (for himself and Mr. AuCoin):

H.R. 1747. A bill to authorize the establishment of a scenic area to assure the protection, development, conservation, and enhancement of the scenic, natural, cultural, and other resource values of the Columbia River Gorge in the States of Oregon and Washington, to establish national policies to assist in the furtherance of this objective, and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. WILSON:

H.R. 1748. A bill to name the building to be constructed in Lufkin, Tex., and leased to the United States as the "Col. Homer Garrison, Jr., Federal Building"; to the Committee on Public Works and Transportation.

By Mr. BEDELL (for himself, Mr. Bereuter, Mr. Harkin, Mr. Smith of Iowa, Mr. Leach of Iowa, Mr. Tauke, Mr. Evans of Iowa, Mr. Coleman of Missouri, Mr. Boner of Tennessee, Mr. Edgar, Mr. Skelton, Mr. Vento, Mr. Forsythe, Mr. Daub, and Mr. Hughes):

H.R. 1749. A bill to require the Secretary of Agriculture, in consultation with the Secretary of the Interior, to study the effects of interbasin water transfers on agriculture and to prohibit any State from selling or otherwise transferring interstate waters located in such State for use outside such State unless all States in the drainage basin of such waters consent to such sale or transfer; jointly, to the Committees on Agriculture, Interior and Insular Affairs, and Public Works and Transportation.

By Mr. FLORIO:

H.J. Res. 162. Joint resolution to encourage the removal of foreign troops from Cyprus and the mediation of international disputes concerning the Aegean Sea; to the Committee on Foreign Affairs.

By Mr. ST GERMAIN (for himself, Mr. Gonzalez, and Mr. Wylie):

H.J. Res. 163. Joint resolution to designate the week beginning April 17, 1983, as "National Building Safety Week"; to the Committee on Post Office and Civil Service.

By Mr. STUMP (for himself, Mr. Rudd, Mr. Udall, Mr. McNulty, and Mr. McCain):

H. Con. Res. 71. Concurrent resolution to authorize and provide for a bust of Carl Hayden to be placed in the Capitol; to the Committee on House Administration.

By Mr. HANCE:

H. Res. 110. Resolution expressing the sense of the House of Representatives with respect to the maintenance of social security benefit levels; to the Committee on Ways and Means.

By Mr. HAWKINS:

H. Res. 111. Resolution providing for expenses of activities of House information systems in the 1st session of the 98th Congress; to the Committee on House Administration.

By Mr. LEACH of Iowa (for himself and Mr. Solarz):

H. Res. 112. Resolution expressing the sense of the House of Representatives concerning the future of the people of Taiwan; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

17. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Virginia, relative to reactivating the U.S.S. *Missouri;* to the Committee on Armed Services.

18. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to Americans missing in Southeast Asia; to the Committee on Foreign Affairs.

19. Also, memorial of the Legislature of the Territory of Guam, relative to the observance of Chamorro Week; to the Committee on Interior and Insular Affairs.

20. Also, memorial of the Legislature of the Territory of Guam, relative to the adoption of its own income tax incentives for investors and businessmen; to the Committee on Interior and Insular Affairs.

21. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to the Surface Transportation Assistance Act of 1982; to the Committee on Public Works and Transportation.

22. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to supplementary security income benefits; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. AKAKA introduced a bill (H.R. 1750) for the relief of Apolonio P. Tumamao and others; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 85: Mr. Gekas and Mr. Crockett.

H.R. 287: Mr. Stangeland, Mr. Bliley, Mr. Marriott, Mr. McDonald, Mr. Hansen of Idaho, Mr. Wolf, Mr. Ireland, Mr. Martin of North Carolina, Mr. Roberts, Mr. Archer, Mr. Oxley, Mr. Broyhill, Mr. Hammerschmidt, Mr. Spence, Mr. Rudd, Mr. Badham, Mr. Stump, Mr. Hansen of Utah, and Mr. Bilirakis.

H.R. 471: Ms. Fiedler.

H.R. 500: Mr. Daniel, Mr. Mack, and Mr. Ray.

H.R. 679: Mr. Volkmer, Mr. Applegate, Mr. Hopkins, Mr. Skelton, Mr. Hyde, Mr. Skeen, and Mr. Walgren.

H.R. 704: Mr. Tauzin.

H.R. 776: Mr. Savage, Mr. Ratchford, Mr. Horton, Mr. Mitchell, Mr. Owens, Mr. Gilman, Mr. Fauntroy, Mr. Bevill, Mr. Mrazek, Mr. Stokes, Mr. Albosta, Mr. Gejdenson, Mr. Crockett, Mrs. Hall of Indiana, Mr. Davis, and Mr. Ottinger.

H.R. 777: Mr. Coyne, Mr. Sikorski, Mr. Wise, Mr. Harrison, Mr. Reid, Mr. Annunzio, Mr. Martinez, Mr. Burton of California, Mr. Stokes, Mr. Lantos, Mr. Sunia, and Mr. Owens.

H.R. 778: Mr. Sikorski, Mr. Addabbo, Mrs. Hall of Indiana, Mr. Corrado, Mr. Leland, Ms. Mikulski, Mr. Ford of Tennessee, Mr. Vandergriff, Mr. Gray, and Mr. Huckaby.

H.R. 885: Mr. Mrazek.

H.R. 912: Mr. Daniel, Mr. Jones of North Carolina, Mr. Leath of Texas, and Mr. Matsui.

H.R. 950: Mr. Nielson of Utah, Mr. English, Mr. Patman, Mr. Slattery, Mr. Gunderson, Mr. Albosta, Mr. Clinger, Mr. Stenholm, Mr. Davis, Mr. Thomas of California, Mr. Luken, Mr. Sawyer, Mr. Philip M. Crane, Mr. Mack, Mr. Edgar, Mr. Shaw, Mr. Fish, and Mr. McCandless.

H.R. 951: Mr. Garcia, Mr. Minish, Mr. McCandless, Mr. Hyde, Mr. Pritchard, Mr. Gilman, Mr. Stenholm, Ms. Oakar, Mr. Crockett, Mr. Gray, Mr. Goodling, Mr. Young of Missouri, Mr. Coughlin, Mr. Jeffords, Mr. Barnard, Mr. Luken, Mr. Fazio, Mr. Daniel B. Crane, and Mr. Robinson.

H.R. 965: Mr. Crockett, Mr. Duncan, Mr. Stokes, Mr. Solomon, Mr. Eckart, Mr. Garcia, Mr. Sunia, Mr. McCollum, Mr. Lagomarsino, Mr. Vandergriff, Mr. Gray, and Mr. Rudd.

H.R. 990: Mr. Hamilton.

H.R. 999: Mr. Harrison, Mr. Coyne, Mr. Hutto, Mr. Coelho, Mr. Wylie, Mr. Howard, Mr. Boner of Tennessee, Mr. Forsythe, Mr. Horton, Mr. Brown of California, Mr. Wortley, Mr. Harkin, Mr. Guarini, Mr. Chandler, Mr. Towns, Mrs. Schneider, Mr. Luken, Mr. Rose, and Mr. Torricelli.

H.R. 1046: Mrs. Hall of Indiana, Mr. Rogers, Mr. Bennett, Mr. Vander Jagt, Mr. Pritchard, Mr. Stokes, Mr. Ratchford, Mr. Murphy, and Mr. Corcoran.

H.R. 1050: Mr. Russo, Mr. Savage, Mr. Stark, Mr. Kostmayer, Mrs. Boxer, Mr. Burton of California, and Mr. Conable.

H.R. 1054: Mr. Dymally, Mr. Thomas of California, Mr. Dannemeyer, Mr. Chappie, Mr. Badham, Mr. Edwards of California, Mr. Fazio, Mr. Pritchard, Mr. Zschau, Mr. Lewis of California, Mr. McCandless, Mr. Lehman of California, Mr. Anderson, and Mr. Morrison of Washington.

H.R. 1055: Mr. Bates, Mr. Bennett, Mr. Bilirakis, Mr. Brown of California, Mr. Corrada, Mr. DeWine, Mr. Feighan, Mr. Fuqua, Mr. Hansen of Idaho, Mr. Ireland, Mr. Lehman of Florida, Mr. Lewis of Florida, Mr. MacKay, Mr. Mitchell, Mr. Mrazek, Mr. Nelson of Florida, Mr. Reid, Mr. Stokes, Mr. Sunia, Mr. Torricelli, Mr. Whitehurst, and Mr. Shelby.

H.R. 1155: Mr. Dymally, Mr. Oberstar, Mr. Frank, Mr. Fauntroy, Mr. Stokes, Mr. Leland, Mr. Ford of Tennessee, Mr. Ottinger, Mr. Frost, Mr. McCloskey, Mr. Dwyer of New Jersey, Mr. Savage, Mr. Edwards of California, Mr. Owens, Mr. Crockett, Mr. Mitchell, Mr. Roybal, and Mr. Rangel.

H.R. 1158: Mr. Mineta.

H.R. 1207: Mr. Sawyer, Mrs. Vucanovich, Mr. Gingrich, Mr. Hiler, Mr. Eckart, Mr. Davis, Mr. Chappie, Mr. McCain, Mrs. Smith of Nebraska, Mr. Skeen, Mr. Whittaker, and Mr. Forsythe.

H.R. 1249: Mr. Jeffords, Mr. Dicks, Mr. Morrison of Washington, Mr. Foglietta, and Mr. Feighan.

H.R. 1264: Mr. McNulty, Mr. Edgar, Mr. Bereuter, Mr. de Lugo, Mr. Mrazek, Mr. Berman, and Mr. Ford of Michigan.

H.R. 1269: Mr. FORSYTHE, Mr. MORRISON of Washington, Mr. SUNIA, Mr. OWENS, Mr. DAVIS, Mr. CLINGER, Mr. MCKERNAN, Mr. RATCHFORD, Mr. GEJDENSON, and Mr. BEREUTER.

H.R. 1272: Mr. FAZIO, Mr. GINGRICH, Mr. NICHOLS, Mr. OXLEY, Mr. SHUMWAY, and Mr. WASHINGTON.

H.R. 1286: Mr. CARR, Mr. KASTENMEIER, Mr. OTTINGER, Mr. FORD of Michigan, Mr. FAUNTROY, Mr. YATES, Mr. CONYERS, Mr. MINETA, Mr. VENTO, Mr. FRANK, Mrs. SCHROEDER, Mr. DELLUMS, Mr. SEIBERLING, Mr. SABO, Mr. MITCHELL, Mr. CROCKETT, Mr. LOWRY of Washington, Mr. MORRISON of Connecticut, Mr. WEISS, Mr. GARCIA, Mr. BURTON of California, Mr. RODINO, Mr. SCHUMER, Mr. LUNDINE, Mr. STUDDS, Mr. FEIGHAN, Mr. CLAY, and Mr. VANDERGRIFF.

H.R. 1296: Mr. BARNARD, Mr. HUNTER, Mr. ROBERT F. SMITH, and Mr. SPRATT.

H.R. 1329: Mr. WILSON.

H.R. 1355: Mr. MADIGAN.

H.R. 1419: Mr. MATSUI, Mr. DYSON, Mr. FORSYTHE, Mr. MCGRATH, Mr. TAUZIN, Mr. BEILENSON, Mr. MADIGAN, Mr. BEVILL, Mr. SAM B. HALL, JR., Mr. DWYER of New Jersey, Mr. HAMILTON, Mr. WILSON, Mr. PATMAN, Mr. JONES of North Carolina Mr. SMITH of Florida, Mr. LENT, Mr. DANIEL, Mr. ROE, Mr. VANDERGRIFF, Mr. WHITLEY, Mr. FORD of Michigan, and Mr. HUGHES.

H.R. 1436: Mr. DORGAN, Mr. DAUB, and Mr. GLICKMAN.

H.R. 1441: Mr. BONIOR of Michigan, Mr. BROYHILL, Mr. FORD of Michigan, Mr. FROST, Mr. HERTEL of Michigan, Mr. HUGHES, Ms. KAPTUR, Mr. SAWYER, Mr. TRAXLER, and Mr. O'BRIEN.

H.R. 1475: Mrs. HOLT.

H.R. 1617: Mr. BARNARD, Mr. BREAUX, Mr. CLINGER, Mr. DE LA GARZA, Mr. LONG of Louisiana, Mr. OXLEY, Mrs. ROUKEMA, and Mr. GLICKMAN.

H.R. 1659: Mr. CORCORAN, Mr. FRENZEL, and Mr. SHELBY.

H.R. 1682: Mr. AUCOIN, Mr. ROBERT F. SMITH, and Mr. CHANDLER.

H.R. 1691: Mr. BROWN of California.

H.R. 1694: Mr. GILMAN, Mr. SUNIA, and Mr. BOLAND.

H.J. Res. 22: Mr. PICKLE and Mr. HARRISON.

H.J. Res. 29: Mr. LUJAN.

H.J. Res. 62: Ms. KAPTUR, Mr. FISH, Mr. BURTON of California, Mr. CLAY, Mr. DE LUGO, Mr. VANDER JAGT, Mr. COELHO, Mr. HATCHER, Mr. PICKLE, Mr. MOODY, Mr. FORD of Tennessee, Mr. FOWLER, Mr. FRANK, Mr. JONES of Tennessee, Mr. ANNUNZIO, Mr. PORTER, Mr. ANTHONY, Mr. SKEEN, Mr. JACOBS, Mr. MINETA, Mr. SISISKY, Mr. BARNARD, Mr. WON PAT, Mr. PERKINS, Mr. PRITCHARD, Mr. RUSSO, Mr. DEWINE, Mr. RICHARDSON, Mr. ROBERTS, Mr. PRICE, Mr. HAMMERSCHMIDT, Mr. WEAVER, Mr. PURSELL, Mr. PETRI, Mrs. SCHNEIDER, Mr. BADHAM, Mr. LATTA, Mr. LOEFFLER, Mr. COATS, Mr. CROCKETT, Mr. STUMP, Mr. LEWIS of California, Mr. CONABLE, Mr. WASHINGTON, Mr. BARNES, Mr. CARR, Mr. BONIOR of Michigan, Mr. BROWN of California, Mr. CORCORAN, Mr. MARTINEZ, Mr. PATMAN, Mr. RITTER, Mr. ROWLAND, Mr. SMITH of Florida, Mr. SWIFT, Mr. HERTEL of Michigan, Mr. MCCAIN, Mr. STENHOLM, Mr. HORTON, Mr. CLINGER, Mr. FOGLIETTA, Mr. MOLINARI, Mr. HILER, Mr. HEFTEL of Hawaii, Mr. SKELTON, Mr. BILIRAKIS, Mr. DURBIN, Ms. FIEDLER, Mr. EDWARDS of Alabama, Mr. SHUMWAY, Mr. LIVINGSTON, Mr. SHAW, Mr. WILLIAMS of Ohio, Mr. PACKARD, Mr. BONER of Tennessee, Mr. SHANNON, Mr. OBERSTAR, Mr. STARK, Ms. OAKAR, Mr. CONTE, Mr. DASCHLE, Mr. YATRON, Mr. BERMAN, Mr. BREAUX, Mr. SABO, Mr. MCHUGH, Mr. FUQUA, Mr. FEIGHAN, Mr. BOEHLERT, Mr. ROBINSON, Mr. BOUCHER, Mr. GEPHARDT, Mr. LUKEN, Mr. FIELDS, Mr. DICKINSON, Mr. BROOKS, Mr. MARTIN of New York, Mr. LOWRY of Washington, Mr. CAMPBELL, Mr. ANDERSON, Mr. DYSON, Mr. MAVROULES, Mrs. HALL of Indiana, Mr. LEACH of Iowa, Mr. CARPER, Mr. CHAPPELL, Mr. CARNEY, Mr. RATCHFORD, Mr. DORGAN, Mr. SAM B. HALL, JR., Mr. MORRISON of Connecticut, Mrs. BYRON, Mr. BATES, Mr. NEAL, Mr. MARTIN of North Carolina, and Mr. DAVIS.

H.J. Res. 77: Mr. D'AMOURS, Mr. FASCELL, Mr. SUNIA, Mr. LAFALCE, Mr. WILSON, Mr. FRANK, and Mr. RUSSO.

H.J. Res. 93: Mr. SUNIA, Mr. SUNDQUIST, Mr. FAZIO, Mr. VENTO, Mr. VANDERGRIFF, Mr. SCHEUER, Mr. MCNULTY, Mr. MARTINEZ, Mr. HARRISON, Mr. HORTON, Mr. LEVINE of California, Mr. BERMAN, and Mrs. HALL of Indiana.

H.J. Res. 97: Mr. OXLEY, Mr. SHUMWAY, Mr. DYSON, Mr. SAWYER, and Mr. CORCORAN.

H.J. Res. 103: Mr. FROST, Mr. PATTERSON, Mr. SHELBY, Mr. SPENCE, and Mr. WILSON.

H.J. Res. 120: Mr. FOGLIETTA.

H.J. Res. 145: Mr. DWYER of New Jersey, Mr. VANDERGRIFF, Mr. BEVILL, Mr. ROE, Mr. DAUB, Mr. SMITH of Florida, Mr. STOKES, Mr. BROYHILL, Mr. HUGHES, and Mr. FAUNTROY.

H. Con. Res. 60: Mr. LEVIN of Michigan, Mr. AKAKA, Mr. FAZIO, Mrs. BOXER, Mr. LEHMAN of Florida, Mr. VANDERGRIFF, Mr. EDGAR, Mr. HOYER, and Mr. WYLIE.

H. Res. 41: Mr. DE LUGO.

H. Res. 52: Mr. DELLUMS, Mr. ALBOSTA, Mr. LAFALCE, Mr. DWYER of New Jersey, Mr. HOYER, Ms. OAKAR, Mr. SCHEUER, Mr. MRAZEK, Mr. JONES of Tennessee, and Mr. BONKER.

PETITIONS, ETC.

Under clause 1 of rule XXII,

36. The SPEAKER presented a petition of the City Council, Philadelphia, Pa., relative to the community development block grant and urban development action grant programs; which was referred to the Committee on Banking, Finance and Urban Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1310

By Mrs. ROUKEMA:

(To the Science and Technology Committee Amendment.)

—At each of the following locations, strike out "mathematics, science, and critical foreign languages" and insert in lieu thereof "mathematics and science": page 40, lines 8 and 9, 10, and 11, and 21 and 22; page 40, line 25 to page 41, line 1; page 49, lines 23 and 24; page 51, lines 21 and 22; page 52, lines 15 and 16, and 21 and 22; and page 53, lines 14 through 16.

Page 44, lines 13 and 14, strike out "mathematics, science, or a critical foreign language" and insert in lieu thereof "mathematics or science".

Page 45, lines 2 and 3, strike out "mathematics, science, or a critical foreign language" and insert in lieu thereof "mathematics or science".

Page 51, lines 9 and 10, strike out "MATHEMATICS, SCIENCE, AND CRITICAL FOREIGN LANGUAGE" and insert in lieu thereof "MATHEMATICS AND SCIENCE".

Page 51, lines 16 and 17, strike out "mathematics, science, and critical foreign language" and insert in lieu thereof "mathematics and science".

SENATE—*Tuesday, March 1, 1983*

(Legislative day of Wednesday, February 23, 1983)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable PAUL LAXALT, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God of truth, righteousness and justice, as the Senate struggles for compromise, let not truth and righteousness and justice be sacrificed. In the words of one of the leaders of this body when he became President, "It is often easier to do right than it is to know what to do." Help the Senators to know what is right and give them the courage to do it. May they be infused with wisdom from above which transcends the best of human wisdom. Implant in their hearts the will for unity and peace and fearlessness, at whatever personal risk, to pursue that course. We pray this in the name of Him who was Incarnate Truth. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., March 1, 1983.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PAUL LAXALT, a Senator from the State of Nevada, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. LAXALT thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

DAFFODILS

Mr. BAKER. Mr. President, nature, in its own special way, forever demonstrates the striking difference between the real and the unreal. Its breadth, endless, and oftentimes, seemingly aimless, extends to all in a manner so unassuming as to fall victim to periodic inattentiveness.

But every once in awhile, a setting so striking and so inhumanly perfect, forces us to pause, then reflect, and then admit that nothing we could create could be so perfect. This morning, on the first day of March, and on a day soaked in tones of black and white and gray, a vertical vision no longer than several inches high, attracted my undivided attention. Off the parkway on which I travel to the Capitol, rested the first daffodil I have seen this year. It was mesmerizing, and my mind quickly jumped from Alice in Wonderland to Disney images of daffodils as trumpets. I remembered how Lady Bird Johnson had presented thousands of daffodils to our Nation's Capital, and how they have always been thought of as such a harbinger of spring.

The daffodil, whose flower genus is from the Narcissus family, could not be more perfectly well-rooted. It is so beautiful it should be able to reflect upon itself. If not for a busy morning schedule, I probably would have stopped to do a little reflecting myself with my camera.

In photography, many have said that the central questions historically have focused on how much of the camera's miraculous descriptive power is the photographer capable of handling? How much complexity can the photographer make simple, or conversely, how much diversity must the photographer sacrifice for the sake of order?

Whatever. The picture now rests inside my mind. A blot of yellow distinguished from everything around it, alone. It is amazing to witness such a sight at this time of the year, and it is equally amazing to realize what a bright flower can do for one's day.

Mr. President, in special tribute to this siting, I ask unanimous consent that "I Wandered Lonely as a Cloud," a poem by William Wordsworth be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

"I WANDERED LONELY AS A CLOUD"

I wandered lonely as a cloud
That floats on high o'er vales and hills,
When all at once I saw a crowd,
A host, of golden daffodils;
Beside the lake, beneath the trees,
Fluttering and dancing in the breeze.
Continuous as the stars that shine
And twinkle in the milky way,
They stretched in never-ending line
Along the margin of a bay:
Ten thousand saw I at a glance,
Tossing their heads in sprightly dance.
The waves beside them danced; but they
Out-did the sparkling waves in glee:
A poet could not but be gay,
In such a jocund company:
I gazed—and gazed—but little thought
What wealth the show to me had brought:
For oft, when on my couch I lie
In vacant or in pensive mood,
They flash upon that inward eye
Which is the bliss of solitude;
And then my heart with pleasure fills,
And dances with the daffodils.

—WILLIAM WORDSWORTH [1770-1850]

RECESS UNTIL 9:20 A.M.

Mr. BAKER. Mr. President, for a variety of reasons, including difficulties with traffic this morning, a number of Senators directly involved with the early opening proceedings of the Senate have not been able to reach the floor.

I ask unanimous consent that the Senate now stand in recess until the hour of 9:20 a.m.

There being no objection, the Senate, at 9:02 a.m., recessed until 9:20 a.m., whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. GORTON).

RECOGNITION OF SENATOR CHAFEE

The PRESIDING OFFICER. Under the previous order, the Senator from Rhode Island (Mr. CHAFEE) is recognized for not to exceed 15 minutes.

FILIBUSTER ABUSES

Mr. CHAFEE. Mr. President, today at 4 p.m., the Senate shall vote on a cloture motion to halt a filibuster on S. 47, a shipping bill that was reported from the Commerce Committee by a vote of 16 to 0—that committee being composed of Republicans and Democrats, liberals, and conservatives, westerners, easterners, southerners, and northerners.

Although the importance of a bill is in the eye of the beholder, no objective evaluator would classify S. 47 as being of great stature. Whether it passes or does not pass is not going to affect our Republic in a major way.

Nonetheless, this bill is being filibustered by a few Senators, or less, and indeed the motion to proceed to consideration of the bill was filibustered.

In order to proceed with the business of the Senate, the leadership has correctly concluded that it will be necessary to invoke cloture.

From 1927 to 1962, cloture was not once invoked in the Senate. Yet, during those years, legislation of major significance that altered the course of America was enacted. The entire New Deal, World War II, and the Fair Deal all took place during those years without once it being required to stop debate in order to get on with the work of the Senate.

Now, however, some Senators are prepared to use the filibuster against any bill, important or unimportant, that does not suit their fancy.

In fact, filibusters are often announced before the legislation has even been submitted to the Congress, as occurred this weekend when the President announced plans for the deregulation of natural gas and a Senator immediately announced he would filibuster the same.

The defense of those who so fervently and frequently use the filibuster is that to do so is not against the rules of the Senate, and indeed they are correct. Excessive use of the filibuster is not abusing the rules, but it is abusing the Senate as an institution.

This body is required to accomplish its business in as thoughtful and deliberate a manner as possible. No legislation should be passed with undue haste. The filibuster, or extended debate, has a very valuable role in the Senate. It can call the Nation's attention to legislation that significantly departs from the Nation's past course of history or that possibly tramples on the rights of one group or another. To abuse this safety valve is to endanger its continued existence, and that is what has been taking place all too frequently in the last several years.

Mr. President, the time has come to call a halt to this abuse of this institution, for the sake of commonsense and for the good of the Nation. We simply cannot afford the luxury of wasted time on routine bills; there is too much pressing business, too many unsolved problems before us, to allow the practice of a filibuster on every other bill or amendment to continue unchecked.

The right to extended debate is, among the world's major legislative bodies, virtually unknown; within national parliamentary assemblies, so far as I know, it is unique to the U.S. Senate. I happen to believe that the filibuster, with the protection it affords to minorities, is one of the strengths of the Senate.

Another of our strengths is that we have historically operated in this Chamber by consensus—by a shared understanding among the membership of this body about the norms of behavior that are permitted. Some of this behavior is codified. Rule XIX, for example, prevents a Senator from referring offensively to any State of the Union, or from directly or indirectly imputing to another Senator conduct or motives unbecoming a Member of the Senate. But more often, the consensus is determined cooperatively by tradition or custom. One of these customs, adhered to for most of our history, has been that the filibuster is resorted to only upon rare occasion and for major cause.

Individual Senators who continuously and frivolously use parliamentary delaying tactics not for the benefit of a sizable or sectional minority on issues of national importance, stand to win but a pyrrhic victory. By abusing the rights afforded the minority today, they invite the majority of the Senate to enact new rules to institutionalize ways to further reduce the rights of future minorities. That, in my judgment, would be tragic, Mr. President.

So I hope, Mr. President, that in the future the filibuster would be used but sparingly and only involving those issues that indeed are of considerable significance.

But who is to judge what issue is of considerable significance? Obviously, as I say, that lies in the eyes of the beholder. But I think it can be recognized by objective evaluators what is of major significance, what is of national importance, what represents a departure from the past, and on those bills, certainly, careful, thorough consideration is required, extended debate, if necessary, and, indeed, a filibuster.

But the abuse of the filibuster invites retaliatory tactics that I think would be unfortunate.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

KLAUS BARBIE—A GRAVE REMINDER OF GENOCIDE

Mr. PROXMIRE. Mr. President, on February 5, 1983, Klaus Barbie, a fugitive Nazi war criminal, was returned to France. This past week, formal charges were brought against him. Barbie is known as the "Butcher of Lyons," a title he acquired when he was head of the Gestapo there from 1942 to 1944.

Klaus Barbie is held responsible for the death of more than 4,000 Jews and resistance fighters and the deportation of about 7,500 others. Many of the Jewish deportees died at Auschwitz and other concentration camps.

Barbie has already twice been condemned to death in abstentia, first in 1952 and again in 1954, but the time for implementing the sentences expired in the early 1970's.

This time he will be present at his trial, in which he is formally charged with crimes against humanity, murders, tortures, false arrests, illegal detention, and arbitrary seizures. In short, Klaus Barbie is charged with taking an active part in genocide.

He is now being held at Montluc prison in Lyons, which served as Gestapo headquarters during the war and through which many of his victims passed. Klaus Barbie is well remembered by those who survived in the city he is charged with terrorizing 40 years ago. He is remembered with fear and anger. The president of the region's Jewish Federation has said:

> Every Jewish family in Lyons has a loved one, a father or a grandfather who was a victim of Barbie. No one among them has forgotten.

Yet the people of France, as well as West Germany, Israel, and other nations, have stressed that Barbie's coming trial—

> should not be seen as vengeance, but as a lesson for younger generations that did not live through the war and as a warning that such tragedies should not be allowed to happen again.

Mr. President, I strongly believe that the United States has an important role to play in teaching that lesson and delivering that warning.

The upcoming trial of Klaus Barbie serves as yet another reminder that the United States must ratify the Genocide Convention. The United States must once and for all condemn this most cruel, most heinous crime—the calculated destruction of an entire national, ethnic, racial, or religious group.

Without ratification of the Genocide Convention, such crimes in the future may go unpunished.

Through ratification, the United States sends a clear message to the world that this Nation understands the lesson that Barbie's trial will tell of the past and will heed its warning for the future.

VERIFICATION OF A NUCLEAR FREEZE: IS IT POSSIBLE?

Mr. PROXMIRE. Mr. President, verification is a key issue in the nuclear freeze debate. Many would hesitate to enter into an arms freeze agreement with the Soviets because they fear we

do not have adequate means of verifying Soviet adherence to the treaty. The Federation of American Scientists has responded to this problem by preparing a model freeze, under which we would attain satisfactory verification of the treaty provisions.

The FAS model freeze has seven major conditions. First, there would be a freeze on the deployment of ICBM's, SLBM's, and IRBM's. Secretary of Defense Harold Brown testified before a Senate committee in 1979 on our capability to monitor these weapons. He said:

> We have high confidence in our ability to monitor the number of fixed ICBM launchers, SLBM launchers, and heavy bombers.

He also declared that freezing the number of IRBM's is more difficult, but still a manageable task. To facilitate enforcement of this provision, the FAS recommends that a ban be placed on modernization of these weapons.

Second, the FAS model freeze would place a numerical limit on dual-capable launch platforms and delivery vehicles. This would serve the purpose of preventing the superpowers from trying to outdo the other in the number of theater and tactical weapons, which would seriously destabilize the already fragile nuclear balance. This could be verified by a freeze on warhead production. Because it is easier to verify a freeze placed on ALCM's and GLCM's than one on SLCM's—sea-launched cruise missiles—the FAS suggests that deployment of SLCM's "could be restricted to those ships and submarines which were commonly identified as having a nuclear role at the time the freeze is negotiated."

Third, the FAS advocates a ban on the testing of new missiles and modifications of existing missiles. Because extensive testing is required for modernization, we could be sure that we would detect Soviet missile testing with our vast array of surveillance systems, which include imaging satellites, intelligence, radar, ground-based listening posts, and high-flying aircraft.

Fourth, the FAS concurs with many policymakers in endorsing a comprehensive test ban. How could this be verified? The Soviet Union, the United Kingdon, and the United States have already agreed that a CTB is feasible, and have gone so far as to approve placing seismic monitors on each other's territory. If this plan was carried out, this data would supplement other information already available in the worldwide surveillance system, and would make a comprehensive test ban verifiable.

Fifth, the FAS model would require a freeze on the production of ballistic missiles. This would be accomplished by shutting down existing facilities for intercontinental, submarine-launched, and intermediate range ballistic missiles, and monitoring ambiguous activity at other facilities. According to the FAS, this provision could be verified with moderate to high confidence.

Sixth, the FAS recommends a ban on nuclear warhead and weapons-grade materials production. This would be verified in much the same way as the ban on ballistic missiles.

The seventh and final provision of the FAS model freeze would buttress all the above guidelines. This is an international installation and inspection of safeguards at all nuclear facilities in both countries as well as the conversion or disposal of existing stockpiles. Onsite inspections, while not essential for adequate verification, would certainly give each side confidence that the other fully intends to honor the treaty.

Mr. President, there is no such thing as looking back and saying "we should have done this to correct the situation" after a nuclear holocaust. This age of nuclear arms requires political foresight, which sometimes seems to be sorely lacking in our country. Let us wake up now and face the fact that nuclear arms threaten our existence daily. And let us do something from preventing the possibility of nuclear holocaust from becoming a reality.

The FAS has drawn up a model freeze on nuclear weapons, which could be verified with a high degree of confidence. Let us examine this model, and see how it might be modified or improved. Let us also recognize that it is in everyone's interest—ours, the Soviet Union's, mankind's—to take steps toward negotiating a nuclear freeze. Survival is at stake.

A SCANDAL IS COMING IN HOW WE FINANCE OUR ELECTION CAMPAIGNS

Mr. DIXON. Mr. President, there is a matter of great and growing national concern to which I would like to call the attention of my colleagues. The problem is our congressional election campaigns and how we finance them.

Members of the press and citizens in our respective States are telling us they do not like what they see in the massive expenditures being spent in our elections. Money is becoming all too prominent an item in our campaigns.

Mark Shields, in a perceptive column February 25 in the Washington Post, points out in clear fashion that our campaign finance laws are structured in a fashion inviting an election scandal.

I do not know, Mr. President, when or where the scandal will surface, but as Mark Shields warns in his commentary, the scandal is sure to come.

Because of my concern over this perceived eventuality, I introducted a bill last session calling for the public financing of Senate elections. Senator DODD and I are cosponsoring a similar bill this session.

We feel the time to act is now, before a scandal occurs. The present climate will allow us to act responsibly and rationally, rather than to enact bad legislation in haste in the wake of a scandal.

Our bill, S. 85, utilizes public matching funds to set campaign expenditure limits in each State, to put a cap on the amount of a candidate's personal fortune spent in an election contest, and to provide a neutral source of funds through small individual contributions of $100 or less.

Moreover, S. 85 is a doable proposal. It is simple, yet effective in solving the problem at hand. It does not unduly curtail the activities of any of the participants currently involved in the election process.

I urge my distinguished colleagues to take some of their valuable time to review this problem. I earnestly request that each of you review S. 85 as a possible solution. Senator DODD and I would welcome you as a cosponsor.

At this point, Mr. President, I ask unanimous consent that the timely commentary by Mark Shields be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 25, 1983]

THE COMING CAMPAIGN SCANDAL

(By Mark Shields)

An unconditional prediction: a new federal campaign finance law—one that imposes severe limits on all political action committees and provides for some form of public financing of congressional elections—will be enacted within the next 24 months. While a majority in Congress and the president now almost surely oppose any such law, their resistance will be overwhelmed by future public events. A major political money scandal will be uncovered that will guarantee passage of the laws.

All congresses respond to crisis. The criminal excesses of Watergate, particularly in the illegal raising and spending of campaign funds, probably made full disclosure and public funding of presidential campaigns inevitable. We and Congress will learn, sooner rather than later, of another (probably more than one) major political money scandal. Once again, promising careers will be ruined, prison sentences will be handed out and Congress will pass and the president will sign a tough new campaign finance law.

Able and committed politicians in both parties see the problem clearly. Bob Teeter, the Republican pollster whose 1976 strategy brought President Ford from a deficit of 16 million votes to within an eyelash of victory in 11 weeks, is worried by the rivers of campaign money now drowning American politics: "It's just like 1972," he says. "There's too much money around not to have a scandal." Missouri Democratic Sen. Tom Eagleton, who has been winning statewide races since 1960, argues that contemporary political fund-raising is "a national scandal" that "is taking place every day." New York Rep. Barber Conable, the ranking Republican on the House Ways and Means Committee, sees

the ever-growing public perception of scandal in present fund-raising practices as producing more pressure for public financing of elections. Conable, who refuses campaign contributions of more than $50, compares the existing system of candidates' dunning all who represent interests before the House for contributions to his days in private law practice, when judges running for reelection raised their campaign budgets by "putting the arm on all of us lawyers who appeared before their court."

Public financing will not be entirely unwelcome. Most candidates would, if given the alternative, choose root canal work over asking anyone for money. Most of the current resistance to public financing comes from the Republicans, many of whom, after telling us there is no connection between contributions and a congressman's vote, then remind us that "there is no free lunch," that every program has a price tag. Apparently altruism only applies to contributions by political action committees. But it will probably make little difference what anyone argues, because a major scandal will end the debate and move the previous question.

DEFENSE SPENDING DISPARITIES

Mr. DIXON. Mr. President, I take this opportunity to direct the Senate's attention to an editorial that appeared in the Peoria Journal-Star on January 26, 1983. It discusses a problem, very succinctly I believe, which I have sought to address since I came to this body; namely, the geographical disparities in the allocation of national defense spending.

As many of you know, I find this kind of regional bias in the Federal budget, especially in defense spending, particularly serious and I think this article is a good indication that my sentiments are shared by many of my constituents.

I ask the editorial be placed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Peoria Journal-Star, Jan. 26, 1983]

ILLINOIS SHORT-CHANGED

An Army hospital will be located in Peoria, it has now been confirmed. That's the first good news we've heard in a while. Called a Mobile Army Surgical Hospital, it will provide 226 part-time jobs and a payroll amounting to $900,000 a year. It's a start, even though a small one, on defense work for this area. Peoria and Illinois are not getting a fair share of defense dollars. We should also be getting defense manufacturing contracts.

In fact, it has been getting worse and worse. And that's too bad, for this state was once known as the arsenal of America. We have the workers who can do the job and the factory capability to handle large orders. Yet the heavy defense work goes to other politically-favored states.

The latest report on this deficit comes from Sen. Alan J. Dixon, D-Ill., who points to a new report on military spending. It reveals that Illinois is a lap or two behind in the race for federal money to manufacture arms and other defense material.

"Things have gone from bad to worse," Dixon said. He correctly points out that, we in Illinois are paying heavily for the huge defense projects now in the works, but we're getting none of the action. That's not right, when our state has such high unemployment and such vast capabilities for defense production.

The Northeast-Midwest Coalition on where the money for the defense buildup is going spells it out. It concludes that the Illinois share of defense spending increases in the two years ending Oct. 1 will be $99 per capita, less than half the national average of $212. A top industrial state getting half what the average state gets in defense work!

Our state received $2.1 billion in total defense money in 1981. It is estimated that in 1983 we will receive $3.2 billion in defense contracts, a slight improvement but not nearly what a state this high in unemployed workers, and this industrialized, should have.

And can you imagine this? Illinois received $430.5 million less in military prime contracts in 1981 than we were awarded in 1951, a 27.2 percent decrease over 30 years. Even with inflated dollars, we are receiving much less of the work that we did more that a quarter century ago.

And, as Dixon says, it goes from bad to worse. The military construction budget in Illinois this year is predicted to drop $13 billion from the 1981 level, an amount equal to half its share of the 1981 total.

Getting the Army hospital is a step in the right direction, but it is peanuts. We need, and deserve, a lot more.

SOUTH DAKOTA POETRY

Mr. PRESSLER. Mr. President, I would like to take this opportunity to share with my colleagues two poems which were composed by South Dakotans. These poems serve as illustrations of the great talent which exists in my home State.

Citizens of South Dakota are making excellent strides in the arts, and the National Endowment for the Arts has played a part in that progress. Recent communications from my constituents have indicated how important funds from both the National Endowment for the Arts and the National Endowment for the Humanities are to my State. Cuts which are made in these endowments disproportionately hurt our rural citizens.

Congress must work to assure adequate funding for these programs so that our young people have the best possible opportunities to experience the arts and humanities. As a member of the Concerned Senators for the Arts, I take great pride in sharing with you the following poems and ask that they be printed in the RECORD. The first selection, "Harvest," is from the book, "The Middle of the World" by Kathleen Norris of Lemmon, S. Dak. The second, "For a Diamond to Score as Lyrics," was included in "Dark Moon" which was written by Jack Kreitzer of Deadwood, S. Dak.

There being no objection, the poems were ordered to be printed in the RECORD, as follows:

HARVEST

We'll never belong.
The Pheasant steps out of a medieval tapestry
Into South Dakota,
This gravel road
Is a thread the Fates cast down.
In 1897, my great-grandmother was buried
For $12.50.

I have the receipt,
And some dress pieces, the strands of her hair
My grandfather kept hidden
For over eighty years.
He died then,
And I cut the sleeves of his long johns
To make a cover for my rolling pin.

His old truck
Wheezes once, and sputters forward.
The combine
Spits out dust.
What will anyone
Make of us? Two,
Childless,
Figures in a field?

—*Kathleen Norris.*

FOR A DIAMOND TO SCORE AS LYRICS

It gets harder to tell
what it takes to make a lantern:
the halfmoon rises trailing
its unclear black well
forget its craters, but not the smooth seas
no way to detect a pattern
it wouldn't matter, there's no failing,
there's even illumination
when you make your distant skies,
it gets harder to love
the heart forced to freeze,
and it's just as well, whatever it believes
the dark moon is empty saturation
goes swallowed unlost into the white frost
of the spreading bright dry oceans undoved,
the airless peaks, calm hollows, crater eyes,
the sun is not trembling,
the moon blinks but sees.

Handed cups of pink feverdew
they gave their eyeballs to the fire,
talked by someone into humility at last
bound by a rivermother to death's waterfall.

They left never knowing what flew
or what what floundered in the whale's throat
nor what filled her swallowing pregulp
nor whose blue dyed her side
nor the sea in any degree
only that they had unfurled sailedwings
round shivering moonlets once
and now in the feather-stretch for final flight
released their showers of godling-sparks.

They were like being caught
at the moment of the peek,
and not wishing you could have your eye back.

—*Jack Kreitzer.*

VOTE SEQUENCE TODAY

Mr. BAKER. Mr. President, once again, for a variety of reasons including the fact that for some, for some reason this morning, traffic is very, very slow and people are having trouble getting in, it looks as if we might be better served to wait a little while before we proceed with the first order of business which I believe is the Stevens amendment. I know the Senator from Ohio is prepared to proceed.

Indeed, he is anxious to proceed, and he has made this known to me this morning. Once again, I extend to him my appreciation for his cooperation in this respect, but I would like to accommodate absent Senators, absent by no fault of their own.

I ask unanimous consent, Mr. President, that there now be a period for the transaction of routine morning business to extend not past 10 a.m. in which Senators may speak for not more than 3 minutes each. I further ask unanimous consent that the time for the other sequenced votes as they may be prescribed by time be changed and advanced by 15 minutes with the exception of the 4 p.m. vote on cloture.

The PRESIDING OFFICER. Is there objections?

Mr. METZENBAUM. Reserving the right to object, and I do not intend to object, is it the clear understanding that in the event we do not have an adequate amount of time for votes in connection with those amendments that have heretofore been scheduled prior to 4 p.m., there will be votes in connection with each of those amendments if requested by a Member of the Senate?

Mr. BAKER. Mr. President, the Senator's question is well taken, and I am prepared as soon as I can speak with the minority leader to now put a further unanimous-consent request that any votes that are stacked and have not yet been executed at 4 p.m. will be executed and the time for the cloture vote will be advanced from 4 p.m. a sufficient amount of time to accomplish that.

Mr. METZENBAUM addressed the Chair.

Mr. BAKER. I do not now put that request.

Mr. METZENBAUM. I understand.

Mr. BAKER. Because I have not cleared it, but I am prepared to put that request.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. I rise only to make it clear that the Senator from Ohio has not actually been delaying debate or moving forward with this bill. I have not been able to move forward with my own amendment pending the disposition of the Stevens amendment. Indeed, I tried all yesterday to bring the Stevens amendment to a vote. I understand that the author of the amendment and those on the other side of the aisle, perhaps some on this side, were not prepared to vote, but I have actually been attempting to move this matter forward. And to those who are suggesting that there be some delay by reason of the numerous amendments that have been offered, let me point out that the shoe is on the other foot in this particular instance, that the delay has not been caused by this Senator in spite of my anxiety and anxiousness to move forward. I have no objection to the unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair.

Mr. President, there is morning business to be transacted, I am aware, and I do not see the Senator on the floor who spoke to me, but I am sure he is within earshot and will soon be here. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR MIDDAY RECESS VITIATED

Mr. BAKER. Mr. President, there are two requests I should like to put at this time which I believe will insure an orderly procedure during the day as we move on to the consideration of the shipping bill.

First, I ask unanimous consent that the previous order providing for a recess from 12 noon to 2 p.m. be vitiated.

I further ask unanimous consent that, notwithstanding that the Senate will be in session during those 2 hours, no rollcall vote occur during that period and that any votes which are ordered during that period will occur in their proper sequence within the framework of the order already entered.

Mr. BYRD. Mr. President, reserving the right to object, I think that is a reasonable request under the circumstances. Several amendments had been specified on yesterday to be called up, and I am reluctant to cancel the 2-hour recess, and I know the majority leader is reluctant to do so. But in order to give those Senators who have amendments an opportunity to call them up and have a vote on the amendments, the majority leader's request is fair and reasonable. So I have no objection.

Mr. METZENBAUM. Mr. President, reserving the right to object—and I do not intend to object—it is my understanding that yesterday we had agreed to the same thing, that the order for the 2-hour recess would be vitiated and that amendments could be called up during that period, but there would be no votes during that period.

Mr. BAKER. We were sort of on again and off again with that, and we ended up off rather than on.

Mr. METZENBAUM. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATION OF VOTE SEQUENCE

Mr. BAKER. Mr. President, I have a second request.

Under the frame of the order, it is possible, it is conceivable, although highly unlikely, in my opinion, that there might be rollcall votes ordered which have not yet been executed when we arrive at the hour of 4 p.m., the time for the cloture vote.

First, I wish to put a parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Mr. President, if the hour of 4 p.m. arrives and there are unexecuted but ordered rollcall votes, would those votes be forfeited and we would proceed then to the rollcall on cloture?

The PRESIDING OFFICER. They would not be forfeited but the first vote would be on cloture at 4 p.m.

Mr. BAKER. Yes, and the others then would occur after cloture was invoked if cloture were invoked; am I not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. I thank the Chair.

Mr. METZENBAUM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. METZENBAUM. Mr. President, then the question of germaneness would become relevant. Am I not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. BAKER. I yield.

Mr. BYRD. Mr. President, as to those amendments that were specified in the agreement, notwithstanding their germaneness or nongermaneness, I ask the Chair, would they still occur after cloture in the event they are not germane?

The PRESIDING OFFICER. If they are not germane the amendments would fall.

Mr. BAKER. Notwithstanding there was a unanimous-consent agreement limiting time specifying the sequence in which they would be voted on and designating those amendments by substance; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. That would be an unintended fact.

Mr. BYRD. Yes.

Mr. BAKER. Mr. President, let me propound this unanimous-consent request.

I ask unanimous consent that any rollcall votes that are ordered but not yet executed when the hour of 4 p.m. arrives be postponed until after the cloture vote is taken; and I further ask unanimous consent that, if cloture is

invoked notwithstanding the provisions of rule XXII, those amendments on which rollcall votes were ordered but not yet executed would still qualify under the rule.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. BYRD. Mr. President, reserving the right to object, am I to understand that the majority leader is confining his request to those amendments that have been specified?

Mr. BAKER. Mr. President, I wish to do that, and I should have done that.

As to those that are specified, and these would not include the 20 minutes for unspecified amendments, this would be only those which are identified and specified.

Mr. METZENBAUM. Mr. President, reserving the right to object, and I do not intend to object, I have one point. It is my understanding that the majority leader had considered scheduling a vote seriatim on all of those amendments that have been scheduled prior to the cloture vote. Now, there are pluses and minuses doing it both ways, but I am wondering whether the majority leader really wishes to have the votes after cloture or whether the majority leader would be willing to have these votes before cloture and then avoid any question whatsoever after cloture.

Mr. BAKER. Mr. President, the Senator is correct. I had originally proposed that unexecuted votes occur in sequence, and we would postpone by an appropriate amount the time for the 4 p.m. vote on cloture. I thought I had received word that that was not acceptable to the Senator from Ohio.

Mr. METZENBAUM. No. That is perfectly acceptable.

Mr. BAKER. That is the better way?

Mr. METZENBAUM. I think it is a better procedure, to be frank with the majority leader.

Mr. BAKER. I prefer that, Mr. President. That was my opening bid.

Let me withdraw the unanimous-consent request then and put this request.

Mr. President, I ask unanimous consent that when the hour of 4 p.m. arrives if there are rollcall votes which have been ordered but not executed the time for the cloture vote be extended by an appropriate amount to accommodate those unexecuted rollcall votes but that no point of order shall be debatable and the votes will occur without any further intervening debate, motion, or point of order.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. BYRD. Mr. President, I reserve the right to object.

I am distracted from what the majority leader is really asking by conversations that are going on.

The PRESIDING OFFICER (Mr. PRESSLER). The Senate will be in order.

Persons carrying on conversations will move into the cloakrooms. The Senator speaking cannot hear.

That applies to all staff in the rear. Conversations will go into the cloakrooms.

Mr. BYRD. Mr. President, I wonder if the majority leader will put in a quorum call so we can talk about it?

Mr. BAKER. Yes.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I would like to put a parliamentary inquiry with respect to the application of the order already entered. A Senator has asked me whether or not for whatever reason he or she did not gain recognition in time to call up their specified amendment under the order prior to the hour of 4 p.m., they could still be recognized at that time to call up the amendment even though no debate would be available if the time for the vote on cloture was extended for a sufficient time to accommodate the votes on those unexecuted orders?

Let me put it a different way because I see a look of query in the eyes of the Parliamentarian.

Mr. President, the situation is this: For whatever reason, if a Senator does not get to call up his amendment as specified, and we do enter into an agreement to slip the 4 p.m. vote on cloture until we have executed all the votes that are ordered, can that Senator still be recognized to offer his amendment notwithstanding that no debate would be in order?

The PRESIDING OFFICER. No. All that would be in order would be votes that have already been ordered.

Mr. BAKER. But the order provides for the sequence in which Senators will be recognized, and provides for time limitations and provides that no second degree amendments would be in order, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. So as a practical matter if he is on the list he is going to obtain recognition, is that correct?

The PRESIDING OFFICER. That may not be correct. If time runs out he would not be recognized.

Mr. METZENBAUM. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Ohio will state his parliamentary inquiry.

Mr. METZENBAUM. Would it not be possible to provide in the unanimous-consent request that under any and all circumstances any specified amendment can be called up prior to the cloture vote and in connection with the order?

The PRESIDING OFFICER. Yes.

Mr. BAKER. Mr. President, in view of the answer given by the Chair to the Senator from Ohio and his indication to me that that is satisfactory for his purpose, that is certainly agreeable to me. Let me put another unanimous-consent request then, and I withdraw the previous one.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that when the hour of 4 p.m. arrives if votes have been ordered on any of the specified amendments but not yet executed or if any of the specified amendments have not been called up for action by the Senate, that in the latter case the Senator sponsoring the specific may be recognized for the purpose of offering that amendment, and disposing of it without debate, and in the former case, that is to say if a rollcall vote has been ordered on a specified amendment but not yet executed, that that rollcall vote will occur in sequence, and that the time for the cloture vote will be advanced a sufficient time to accommodate those requirements.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. I do not think the Senator quite finished. I think, if the majority leader will yield, and if I may suggest, I think the Senator took care of a problem with regard to the specific amendments with respect to which rollcall votes have been ordered. I think the Senator addressed himself to the question that any Member could call up a specified amendment if it had not yet been called up. But I do not think the Senator provided specifically that the Member could secure a vote in connection with that amendment prior to the cloture vote.

Mr. BAKER. I believe I did. Would the Chair please advise me on that?

The PRESIDING OFFICER. That was provided for.

Mr. METZENBAUM. It is provided for?

The PRESIDING OFFICER. It is provided for.

Mr. METZENBAUM. So that, as I understand it, any amendment that is specified, if the Member who has sponsored it and wishes to call it up and secure a vote, his rights will be protected, and there will be a vote in connection with that amendment prior to cloture, assuming he gets the necessary seconds?

The PRESIDING OFFICER. Will the Senator repeat that?

That is correct.

Mr. METZENBAUM. I thank the Chair.

Mr. BYRD. Mr. President, has the majority leader finished?

Mr. BAKER. I have finished.

Mr. BYRD. I see a problem with that request, my problem being that if a Senator has an amendment which was specified on yesterday, and that amendment is not called up, as I understand the majority leader's request it could still be called up after cloture regardless of whether or not it is germane, but there would be no debate on it.

Mr. BAKER. If I may say, that was not what I meant to say, and I do not believe that is what I did say. I thought all that the request provides is that on specified amendments they could be called up if they had not yet been called up by the sponsor and disposed of and rollcall votes could be executed, if previously ordered and not executed, when the hour of 4 p.m. arrives. But at that time the cloture vote will be extended from 4 p.m. a sufficient time to accommodate the two elements that I just described, and after the cloture vote there is no provision for what happens.

On the cloture vote, if cloture is invoked, for example, the provisions of rule XXII will apply, including limitations on debate, as they are described in that rule, and the germaneness as required by that rule. That is what I meant to say, Mr. President, and I hope that is what I said.

Mr. BYRD. I would like to ask the majority leader this question: Suppose for some unforeseen reason Senators do not have an opportunity to call up their specified amendments prior to cloture?

Mr. BAKER. Prior to 4 p.m.?

Mr. BYRD. Prior to 4 p.m.

Mr. BAKER. They would be recognized for that purpose before the cloture vote could occur under this formulation.

Mr. BYRD. Without debate?

Mr. BAKER. Yes, but without debate.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair. I thank the minority leader and I thank the Senator from Ohio.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, morning business is closed.

SHIPPING ACT OF 1983

The Senate resumed consideration of the bill (S. 47).

AMENDMENT NO. 468 TO AMENDMENT NO. 467

Mr. METZENBAUM. Mr. President, what is the pending business?

The PRESIDING OFFICER. The clerk will report the amendment of the Senate from Alaska.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) proposes amendment No. 468 to S. 47.

Mr. METZENBAUM. Mr. President, has a rollcall vote been ordered in connection with that amendment?

The PRESIDING OFFICER. It has not.

Mr. METZENBAUM. Mr. President, as I see the condition of the floor, I gather that if I called it up at this moment and insisted upon going to a vote my one vote against it might be sufficient. However, I have no intention of doing that. I do believe we should proceed with that vote, and I am prepared to do so.

Prior to doing so, I want to make it clear in view of the fact that there was some representation yesterday as to the position of the Seafarers Union and Mr. Drozak, the head of the Maritime Trades Department, AFL-CIO, I am now representing to the Senate that Mr. Drozak does not have any position with respect to the Stevens amendment.

I see the Senator from Washington on the floor at the moment. It is ready to be voted upon, is that my understanding?

The PRESIDING OFFICER. There will be 10 minutes of debate on the amendment.

Mr. STEVENS. Mr. President, have the yeas and nays been ordered on this amendment in the second degree?

The PRESIDING OFFICER. They have not.

Mr. STEVENS. Mr. President, I will say to the Senator from Ohio that I intend to modify that amendment in just a minute as soon as I can get the draft here.

The PRESIDING OFFICER. It would take unanimous consent.

Mr. STEVENS. I will do that as soon as the draft is here. The matter, I understand, has been discussed with the staff, but I will attempt that in a few minutes.

Mr. METZENBAUM. Mr. President, I wish to advise my friend from Washington that I am not aware of any modification that has been agreed upon or discussed and I am not at all certain that I am prepared to grant or give the unanimous consent. I would at least like to be apprised of what the circumstances are.

Mr. GORTON. Mr. President, it was the Senator from Alaska who made that announcement. I understand that I am a part of this and obviously we will bring this to the Senator in just a very few moments.

Mr. METZENBAUM. All right.

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, we are about to vote on the Stevens amendment to the Judiciary Committee amendment. A number of the principals involved in this question, the distinguished Senator from South Carolina, the distinguished Senator from Utah, Senator STEVENS, and myself, have now reached an agreement on a proposal which will modify the Hatch amendment, which will substantially increase competition in ocean transportation of goods.

We, therefore, ask the Members, because we cannot get unanimous consent simply to substitute that amendment for the Stevens amendment, to accept the Stevens amendment at this point, to reject the Hatch amendment when it is voted on, with the commitment from the Senator from Alaska, Senator HATCH, Senator THURMOND, and myself that we will thereafter present an amendment including all of the elements of the compromise which will be a substitute and which will very substantially move in the direction of competition sought both by the Senator from South Carolina and the Senator from Utah.

The PRESIDING OFFICER. All time of the proponents has expired.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, just responding briefly to the Senator from Washington, let me point out that we are voting now on the Stevens amendment. If there is some other amendment that is to be offered at a later point, so be it, but the Stevens amendment vitiates the impact of this legislation and it vitiates and totally destroys the position of the Judiciary Committee.

Under those circumstances, I hope that the Stevens amendment will be rejected. If there are further negotiations with respect to modification, we certainly have all day to work that out. But I believe at this point the Stevens amendment should be rejected, and I certainly hope it will be.

The pending order is to vote, is it not, the regular order?

The PRESIDING OFFICER. There is still 2½ minutes remaining for the opponents.

Mr. METZENBAUM. And how much time for the proponents?

The PRESIDING OFFICER. The time of the proponents has expired.

Mr. METZENBAUM. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment.

Mr. GORTON. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska (Mr. STEVENS). The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Mississippi (Mr. COCHRAN), the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Florida (Mrs. HAWKINS), and the Senator from Indiana (Mr. QUAYLE) are necessarily absent.

I also announce that the Senator from Alaska (Mr. MURKOWSKI) is absent due to the death of a relative.

On this vote, the Senator from Alaska (Mr. MURKOWSKI) is paired with the Senator from Florida (Mrs. HAWKINS).

If present and voting, the Senator from Alaska would vote yea and the Senator from Florida would vote nay.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON) and the Senator from Ohio (Mr. GLENN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 61, nays 31, as follows:

[Rollcall Vote No. 3 Leg.]

YEAS—61

Abdnor	Heflin	Packwood
Andrews	Heinz	Pressler
Baker	Hollings	Pryor
Bentsen	Huddleston	Randolph
Bumpers	Humphrey	Riegle
Burdick	Inouye	Rudman
Byrd	Jackson	Sarbanes
Chafee	Jepsen	Sasser
Chiles	Johnston	Stennis
Cohen	Kassebaum	Stevens
D'Amato	Kasten	Symms
Danforth	Lautenberg	Tower
DeConcini	Long	Trible
Domenici	Mathias	Tsongas
Eagleton	Matsunaga	Wallop
Exon	Mattingly	Warner
Ford	McClure	Weicker
Garn	Melcher	Wilson
Gorton	Mitchell	Zorinsky
Hart	Moynihan	
Hatfield	Nunn	

NAYS—31

Armstrong	East	Nickles
Baucus	Grassley	Pell
Biden	Hatch	Percy
Bingaman	Hecht	Proxmire
Boren	Helms	Roth
Boschwitz	Kennedy	Simpson
Bradley	Laxalt	Specter
Denton	Leahy	Stafford
Dixon	Levin	Thurmond
Dodd	Lugar	
Durenberger	Metzenbaum	

NOT VOTING—8

Cochran	Glenn	Murkowski
Cranston	Goldwater	Quayle
Dole	Hawkins	

So the amendment (No. 468) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 467

The PRESIDING OFFICER. The question is on agreeing to the first-degree amendment.

The first-degree amendment (amendment No. 467) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the first-degree amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 469

(Purpose: To promote the right of independent action)

Mr. STEVENS. Mr. President, will the Chair state now what the pending business is, under the previous time agreement?

The PRESIDING OFFICER. The clerk will report the next amendment.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes an amendment numbered 469.

The amendment is as follows:

On page 65, line 17, through page 66, line 21, strike all of subsection (d), and insert on page 65, line 17: "(7) permit any member to take independent action on any rate, charge, classification, rule, or practice."

On page 66, line 22, strike "(e)" and insert in lieu thereof "(d)".

On page 67, line 4, strike "(f)" and insert in lieu thereof "(e)".

On page 67, line 20, strike "(g)" and insert in lieu thereof "(f)".

The PRESIDING OFFICER. There is no time for debate on this amendment.

The question is on agreeing to the amendment. On this question the yeas and nays have been ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, could I inquire now if we are about ready to vote?

Mr. GORTON. We are close to having a substitute.

Mr. BAKER. We have been close for a long time.

Mr. GORTON. They are looking at it.

Mr. BAKER. Mr. President, what is the business before the Senate.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah. The yeas and nays have been ordered.

Mr. BAKER. Mr. President, I suppose hope springs eternal. I am told there is an incipient compromise in the offing.

I have to say, Mr. President, that I call the attention of Senators to the fact that pursuant to the order entered this morning the time for the cloture vote is being extended by the time that we do not get this done. Pretty soon we are going to have to move on. If we are close to an agreement, then I wish to know that, but if we are not, we should go on.

Mr. HATCH. We should know within the next 2 minutes, I would say.

Mr. BAKER. The next 2 minutes.

Mr. President, I suggest the absence of a quorum for 2 minutes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 469, AS MODIFIED

Mr. HATCH. Mr. President, I ask unanimous consent that I may be permitted to modify the pending Hatch amendment, and I send a modification to the desk.

The PRESIDING OFFICER. The clerk will report the modification.

The legislative clerk read as follows:

The Senator from Utah (Mr. HATCH) proposes a modified version of amendment No. 469.

Mr. HATCH. Mr. President, I ask unanimous consent that further reading of the amendment, as modified, be dispensed with.

The PRESIDING OFFICER. Is there objection to the modification? The Chair hears none, and it is so ordered.

Amendment No. 469, as modified, follows:

On page 65, line 17, through page 66, line 21, strike all of subsection (d), and insert on page 65, line 17:

(d) CONFERENCES UTILIZING LOYALTY CONTRACTS OR SERVING UNITED STATES-ORGANIZATION OF ECONOMIC COOPERATION AND DEVELOPMENT TRADES.—Each conference agreement must provide that, if the conference has in effect a loyalty contract with one or more shippers or if the conference serves a trade between the United States and countries that are members of the Organization of Economic Cooperation and Development, any member of the conference may take in-

dependent action on any rate or service item required to be filed in a tariff under section 9.

Mr. HATCH. Mr. President, I ask unanimous consent that I may explain this modification to my colleagues on the floor.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Mr. President, reserving the right to object—and I do not intend to object—I ask unanimous consent that I may have an equal amount of time.

Mr. BAKER. Mr. President, reserving the right to object, I obviously have no objection to this being explained, but I do not want an open-ended request. May I modify this to this extent: I ask unanimous consent that there be 2 minutes on each side to explain the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, this amendment will permit any conference member to take independent action on any rate, charge, classification, rule or practice if the conference participates in trade between the United States and countries which are members of the Organization of Economic Cooperation and Development.

It will also apply to all conferences with loyalty contracts as well. Might I ask the distinguished Senator from Washington if that is correct?

Mr. GORTON. The Senator is correct, as did S. 47 as reported to the floor.

Mr. HATCH. So basically the only conferences that will be excluded from the right of independent action with no notice will be north-south trade agreements where countries are not members of the OECD or when they do not have loyalty contracts; am I correct?

Mr. GORTON. That is certainly the primary exception but, of course, we are setting it the other way. OECD and the loyalty contract conferences will be subject to this right of independent action. So far as I know, the major, if not the only, conferences are north-south conferences which will be outside.

Mr. HATCH. It is my understanding that the right of independent action will not be interfered with as to any conference with loyalty contracts, except loyalty contracts are often not utilized in the north-south trade.

Mr. GORTON. When loyalty contracts are required in north-south trade they would be subject to this right of independent action. There are certain other countries such as India which are not OECD countries which would fall within the——

Mr. HATCH. The independent action features of this amendment.

Mr. GORTON. It would not apply to countries like that. That may very well be defined as north-south trade. In other words, most of our trade is with OECD countries. They will have the right of independent action. Other elements of our trade are loyalty contract rates and they will permit independent action.

Mr. HATCH. I yield to the distinguished Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio has 2 minutes.

Mr. METZENBAUM. I want my colleagues in the Senate to understand what this amendment is about. This amendment is a good amendment. It is a step, although a very small step, in the right direction. But with this amendment, with the Stevens amendment, that has already been adopted this bill will still provide a tremendous open area for carriers to join together to set prices in the shipping industry, to increase prices to the American public of $3 billion a year, and it will also provide with the Stevens amendment that the Federal Government will be enforcing the cartel agreement in seeing to it that nobody cuts the rates below that agreement.

This amendment provides some protection with respect to the North Atlantic trade. It does nothing with respect to trade between North and South, between this country and the southern part of the hemisphere, does nothing about Pacific trade, although there is not much of that. So I think the amendment should be adopted. But I do not want the Members of the Senate to be prevailed upon or persuaded as to the fact that this somehow solves the problems of this bill. It does not.

Mr. STEVENS. Mr. President, will the Senator yield for just one second?

Mr. METZENBAUM. Surely.

Mr. STEVENS. The Senator has referred to my amendment. It restores the law which has been on the books for over 20 years; he is aware of that?

Mr. METZENBAUM. I am aware of what the Senator from Alaska says, that he restores the law which has been on the books for 20 years. But the other parts of the bill make that far less effective and have far less impact than it would have without the bill being passed. So on its face it would sound good but realistically speaking it is not that good for the American people, and it sure as the devil is not good for the American farmers. This is an antifarmer bill, and do not anybody ever kid themselves about that, because it will increase the price of products they ship overseas.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to the amendment of the Senator from Utah, as modified. The yeas and nays have been ordered.

Mr. BAKER. I ask unanimous consent to proceed for 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Is there requirement for a rollcall now on this amendment?

Mr. STEVENS. No.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the yeas and nays be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment, as modified, of the Senator from Utah.

The amendment (No. 469), as modified, was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, what is the next question before the Senate?

The PRESIDING OFFICER. The amendment of the Senator from Minnesota.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, do I understand that the Senator from Ohio is willing now to go ahead with one of his amendments?

Mr. METZENBAUM. I am.

Mr. BAKER. I thank the Senator.

Mr. President, I ask unanimous consent that the sequence and order of the amendments be modified so that the Senator from Ohio may go forward with one or more of his amendments at this time, and that on the request of the distinguished Senator from Minnesota (Mr. BOSCHWITZ), he may be restored to his status at the end of any Metzenbaum amendment to offer his amendment contemplated by the original agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5

(Purpose: To eliminate antitrust immunity for intermodal rates)

On page 62, lines 5 and 6 strike: "through rates and through transportation" and insert in lieu thereof "of ocean transportation".

Mr. METZENBAUM. Mr. President, how much time is allotted to this amendment?

The PRESIDING OFFICER. Twenty minutes for each amendment.

Mr. METZENBAUM. Ten minutes to a side?

The PRESIDING OFFICER. That is correct.

Mr. METZENBAUM. Mr. President, this amendment would delete from the

bill the provision for making it possible for the antitrust laws to become inapplicable to transportation on land.

There is no question about what the basic thrust of this bill is. It is to provide an antitrust exemption to the shipping industry. There may be different points of view on that subject. I for one believe the shipping industry should not have an antitrust exemption. I believe they ought to participate in the free enterprise system and compete as other businesses are expected to compete.

I have previously mentioned that the shipping industry is not hurting. There is no reason for exemption to occur.

But even if you come to the conclusion that there should be an exemption for the shipping industry, there is not anybody on God's green Earth who can tell you why there ought to be an exemption in this bill making it possible for the shipping industry to enter into an agreement with respect to rates on land. In other words, the shipping company carries its products whether from England to New York or from Cuba to the United States or from the Virgin Islands to the United States and then has the right under this legislation to enter into an agreement as to what the rates will be in connection with overland transportation, whether that overland transportation is by truck, by train, by bus, or whatever the manner.

Nobody can believe that we ought to totally exempt the entire transportation industry from the antitrust laws, and yet that is what this bill is making it possible for the shipping industry to do.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. METZENBAUM. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. Six minutes remain.

Mr. METZENBAUM. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Washington.

If neither side yields time, time runs equally against both sides.

Time is being charged against both sides.

Mr. METZENBAUM. Does the Senator from Washington not intend to debate this? If not, I will be happy to yield back the remainder of my time.

Mr. GORTON. The Senator from Washington does intend to debate it. I will begin in just a moment.

The PRESIDING OFFICER. Time is being charged equally against both sides.

Mr. GORTON. Mr. President, the Metzenbaum amendment would put the U.S. regulatory scheme for ocean shipping in tune with the technology of the Phoenician traders of old. By contrast, other developed nations of the world have insured that carriers serving their trades can rapidly adjust to the critically important technological innovations of intermodalism. The United States needs the updated regulatory scheme of S. 47 to encourage intermodalism and to help U.S. exporters keep up with the harsh competitive realities of international trade, where Japanese, Western European, and other non-U.S. manufacturers have the benefit of transportation services which would be denied by the Metzenbaum amendment. Further, the intermodal provisions of S. 47 would in no way change truck and rail deregulation statutes.

The following points make clear that the amendment should be rejected.

First. Shippers, carriers, ports, the administration, and the Federal Maritime Commission all support the authority in S. 47 for conferences to offer intermodal rates to shippers.

Second. The conference intermodal authority provisions of S. 47 would not change any laws regarding the truck or railroad industries. The Commerce Committee authored the truck and rail deregulation laws and it is unthinkable that the Commerce Committee would incorporate in S. 47 any provision that would reverse the truck and rail reforms that the Commerce Committee fought so hard to achieve.

Third. Through intermodal transportation rates offered by ocean carriers are almost always lower than the sum of separate ocean and inland rates.

Fourth. Intermodal services are particularly beneficial to small shippers which are less able than large shippers to negotiate beneficial inland rates with inland carriers, and are beneficial to all shippers and consumers.

Fifth. The provisions for conference intermodal ratemaking in S. 47 would clarify present law and make intermodal services more widely available in the United States. The Commerce Committee's exhaustive study of the shipping industry through 68 days of hearings since 1977 have made clear that in those trades, both United States and foreign, where conferences are able to offer intermodal rates, intermodal services are more widely available, both from conference and independent carriers. Thus, clarification of conference intermodal ratemaking authority in S. 47 will make intermodal service more widely available in the United States, to the benefit of shippers and consumers.

Sixth. The wider availability of intermodal services sought by S. 47 will help U.S. manufacturers reduce transportation costs and compete more effectively in third world markets. Japanese, Western European, and other manufacturers competing with U.S. exporters to sell products to Third World customers have access to and successfully use conference intermodal services which are often denied U.S. exporters due to the muddled and unclear procedures and standards of the 1916 Shipping Act.

Seventh. Intermodal authority for conferences has occasionally been granted by the FMC under the law as it exists today. However, there is some uncertainty that, under present law, the FMC has authority to approve intermodal agreements. The Congress should clarify this issue. Since intermodal authority is in effect in some U.S. trades, the Commerce Committee believes that S. 47 is a clarification, not a grant of new authority. Thus, it is the Metzenbaum amendment, not S. 47, that would completely change existing law on intermodal authority.

Eighth. Under a system where intermodal rates are widely available, shippers will always have the option to separately purchase inland and ocean transportation. Shippers will also have the option to purchase intermodal services from either independent carriers or conference carriers, as is the case today in U.S. trades where conferences have U.S. inland intermodal authority. In addition, as the United States is blessed with multiple coasts, conferences based on different coasts will be competing for the intermodal traffic of inland manufacturers. Thus, the wider availability of intermodal service that the evidence shows would result from the provisions of S. 47 will have the effect of providing new transportation options to shippers.

Ninth. Without intermodal authority for conferences, the benefits of the conference system of ocean common carriage may be lost entirely. More and more cargo is being carried via containers suitable for immediate transfer to truck or rail carriers, and that cargo is referred to as intermodal, even though nearly all of the miles traveled in the course of the movement are over the ocean. To say, for example, that an intergrated intermodal movement from Atlanta to Sydney, Australia, is not primarily an ocean movement, and should not be part of the regulatory scheme governing ocean transportation, is patently absurd. To exclude such movements from the Shipping Act is simply to say that there is no such thing as an ocean transportation scheme, since very few cargo movements do not have an ultimate destination which is inland from the port. This straightforward fact, that intermodal transportation offered by ocean carriers is essentially ocean transportation, and integral to any statutory scheme that purports to address ocean shipping, was acknowledged in the only published Federal appellate court decision addressing the intermodal transportation issue—that

opinion, which affirmed the FMC's authority to approve intermodal authority, was subsequently withdrawn because the facts of that particular case had become moot. Thus, any realistic ocean shipping legislation should logically include intermodal cargo in its scope, so long as that legislation is carefully crafted, as is S. 47, to avoid changes in the truck and rail regulatory schemes.

In summary, Mr. President, the amendment of the Senator from Ohio would put at a disadvantage both American exporters and importers, most particularly small shippers, would raise rates, and would make our entire international trade system far less efficient and more costly than it is today, much more than it would be if S. 47 passes, which would be another step forward.

Mr. METZENBAUM. Mr. President, I do not have much more to say on this matter, except I think that my colleagues ought to be aware of an exchange between the distinguished chairman of the Committee on the Judiciary (Mr. THURMOND) and Mr. Campbell, speaking for the Bureau of Competition of the Federal Trade Commission.

The CHAIRMAN. Mr. Campbell, section 4(a)(3) of this bill permits conferences to set rates for through transportation. Does this mean that they may not only fix their own rates but that of rail and truck carriers as well?

Mr. CAMPBELL. It does, Mr. Chairman. This allows the monopoly power permitted for the ocean carrier to be extended backward to any sort of communication, transportation that connects with the ocean carrier. It strikes me that it does extend the monopoly power.

The CHAIRMAN. Do you think this practice might tend to extend price fixing activities to the trucking industry with respect to other areas in which truckers operate?

Mr. CAMPBELL. I believe that is a serious risk.

I think that speaks for itself. It is one thing to give the shippers an antitrust exemption, with which I totally disagree. It certainly does not make sense to extend that exemption as far as the land transportation is concerned as well.

Mr. President, it should be pointed out that there is nothing in the law, nor would I propose anything for the law, that would prohibit an individual carrier from entering into an agreement to provide overland transportation. The issue is not as to whether or not the individual carrier may be permitted to make such an arrangement. That is unquestionably legal. The question is can the cartel enter into this kind of an agreement with respect to limitation of rates, or regions, or areas in connection with the overland travel? It is certainly a monopolistic practice that is not permitted under the law today.

Certainly, even if you like this bill, no member of this committee who believes in the free enterprise system—and I think that is the issue. If you believe in the free-enterprise system, you have to support this amendment. If you do not, that is your problem.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Whenever the opponents of my amendment are prepared to yield back their time, I am prepared to do so and go to a vote.

Mr. GORTON. I believe the Senator from Hawaii wishes to make remarks on this amendment. I yield such time as he desires.

Mr. INOUYE. Mr. President, I urge the Senate to reject this amendment. Despite the claim of my distinguished colleague from Ohio, S. 47 does not extend the limited antitrust exemption given ocean carriers to the trucking industry and the railroad industry. Indeed, those transportation industries are as fully subject to our antitrust laws under S. 47, as they are today. In fact, S. 47 expressly so provides (sec. 8(B)(1)).

So I think we must look elsewhere to see what this amendment really does. Very simply, it would at least cripple and perhaps kill the ocean conference system. The conference system is really what the opponents of S. 47 find objectionable. The Department of Justice and those who see our antitrust laws as ends in themselves have made no secret of their efforts over the years to destroy the conference system. They have recommended outright repeal of the Shipping Act; they have persistently sought to render the protections in that act meaningless by challenging conference agreements before the FMC and courts, and by virtually immobilizing carrier efforts to utilize legally authorized techniques to make liner service efficient and dependable at fair prices.

This amendment is not a frontal assault on the conference system. It does not say "Abolish conferences." Rather, it would weaken them to such a degree that they would not be able to achieve the purpose for which they are intended; inevitably they would either disappear or become meaningless shells. In either event, cutthroat competition, rate wars, and instability in our liner trades would result—the very evils which nearly 70 years of national shipping policy have sought to prevent by authorizing the conference system.

How would that amendment do it? Very simply, the amendment would remove one type of rate—the through intermodal rate—from conference ratemaking jurisdiction.

The through intermodal rate is increasingly in demand by shippers and smaller ports, as an alternative to port-to-port movements, because of the following substantial advantages:

It reduces transit time, thus speeding delivery and saving interest costs on inventory in transit.

It is convenient. It clearly establishes responsibility of a single carrier for loss or damage at whatever point it occurs, as well as facilitating tracing of shipment.

It is simple. There is a single bill of lading and a single payment for the entire movement. This eliminates the need for shippers to become involved in costly and distant transactions that historically attended to the interfacing of traffic between water carriers and inland carriers. The inland cargo interest does not have to arrange for custom house brokers, interface draymen, third parties to execute an onward bill of lading, and so forth.

It is particularly advantageous to small shippers, who can have "less than container load" consignments consolidated with others for intermodal movement and take advantage of the more favorable rate for full containerload shipments.

Importers can save on inventory costs and cash outlays for customs duties and letters of credit by taking advantage of consolidation, rather than having to buy and store full containerload lots.

It is of substantial potential benefit to smaller ports that have the prospect of becoming regional distribution centers for intermodal movements as they become even more popular.

The proponents of this amendment claim that any need to offer an intermodal rate because the shippers want it can be met by allowing individual carriers—but not conferences—to offer that rate.

What they are really saying to shippers is: You may have the benefits of the conference system, or you may have the benefits of intermodal rates, but you cannot have both.

Mr. President, inasmuch as S. 47 does not create any new antitrust exemption for the trucking industry or the railroad industry, why should the shippers not have the benefit of the service and price advantages of the conference system and intermodal rates as well?

The shippers will not be injured; conference intermodal rates are to their advantage.

What will be injured by the Senator's amendment is the conference system.

The purpose of the conference system is to stabilize rates for ocean transportation, by tempering the "dog-eat-dog" prospect of rate wars in the U.S. trades. That was the case in 1916 and continues to be the case today. To deny conferences the authority to provide intermodal service, while allowing independent carriers to do so, could severely damage or even destroy the conference system because member

carriers may well be compelled either to resign from the conference in order to offer independent intermodal service or to quote their own separate intermodal rates to compete effectively with other nonconference carriers, leading almost certainly to the kinds of rate wars that the conference system was designed to avoid. The U.S. merchant marine can only be the loser under such circumstances because foreign-flag independent competitors in general would enjoy a significant cost advantage and, consequently, greater flexibility in pricing of their services.

This is not merely idle speculation: It is substantiated by actual experience. In the recently dismissed litigation over conference intermodal authority under the Shipping Act, 1916 initiated by the Department of Justice (*United States* v. *FMC*, docket No. 79-1299, D.C. Cir.), the attached footnote from the intervenor conferences' brief (pp. 36-7) on rehearing en banc is instructive. I ask unanimous consent that it may be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1).

Mr. INOUYE. Mr. President, the message is clear: A vote to deny conference intermodal authority is a vote to cripple or kill the conference system, which the Congress for almost 70 years has consistently held to be the keystone of rate stability in U.S. ocean trades and survival of even the most efficient carriers in the U.S. liner fleet, faced as they are with lower cost and heavily subsidized foreign-flag competitors.

EXHIBIT 1

The panel pointed out that, absent a conference's ability to adopt and publish intermodal joint rates, any conference member can selectively "opt out" of the very conference rate to which it is required by statute and by the conference agreement to adhere. (Slip op. at 47.) A conference member could do so by filing an individual joint rate tariff covering any commodity or origin point it chose if it wished to undercut the conference. Although the Department, citing no authority, claims the panel was wrong, the panel's point follows as a matter of law from the FMC's decision in *Disposition of Container Marine Lines Through Intermodal Container Freight Tariffs*, 11 F.M.C. 476 (1968). There the FMC, in an attempt to compel conferences to get on with the business of publishing joint rates, held that any conference lacking intermodal rate jurisdiction approved by the FMC had no legal right to preclude individual member carriers from filing non-conference joint rates.

In the westbound trans-Pacific trade prior to the Commission's grant of intermodal authority to PWC, the "opting out" of the conference rates by conference members described by the panel is precisely what happened on a major scale devastating to both the Pacific Westbound and Far East Conference rate structures. Both containerized carrier members of PWC and FEC and nonconference operators simply filed their own joint rate tariffs with rates well below the combination of all-water and rail export rates. Other members were compelled to follow until every major container operator was both a PWC or FEC member and side-by-side had its own non-conference rates. (*See 16th Annual Report of the Federal Maritime Commission*, fiscal year ended Sept. 30, 1977, at 2-3; *Lykes Bros. Steamship Co. v. Far East Conference*, 19 F.M.C. 589, 593 (1977); *Council of North Atlantic Shipping Association v. American Mail Lines, Ltd, supra*, 17 S.R.R. 1977, *adopted* 18 S.R.R. 774 (1978).)

The Far East Conference—the all-water conference from the East and Gulf ports to Far East ports—was nearly destroyed. Its membership drastically fell and remains small to this day. (*East Asian Trade Study, supra*, at 138.) Some Far East Conference members, including two American flag carriers, ceased their direct East and Gulf Coast all-water services to the Far East in favor of minibridge overland services from Pacific coast ports. (*See Agreement No. 10135* (Order of Conditional Approval, dated March 23, 1979); *Agreement No. 57-96, Pacific Westbound Conference Extension of Authority for Intermodal Services*, 19 F.M.C. 291 (1976); *East Asian Trade Study, supra*, at 135; *North Pacific Trade Study, supra*, at 17-18.)

Mr. GORTON. Mr. President, I yield back the remainder of my time.

Mr. METZENBAUM. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Mississippi (Mr. COCHRAN), the Senator from Kansas (Mr. DOLE), and the Senator from Florida (Mrs. HAWKINS), are necessarily absent.

I also announce that the Senator from Alaska (Mr. MURKOWSKI), is absent due to the death of a relative.

I further announce that, if present and voting, the Senator from Alaska (Mr. MURKOWSKI), would vote "nay".

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON) and the Senator from Ohio (Mr. GLENN), are necessarily absent.

The PRESIDING OFFICER (Mr. WILSON). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 25, nays 69, as follows:

[Rollcall Vote No. 4 Leg.]

YEAS—25

Armstrong	Durenberger	Matsunaga
Baucus	East	Metzenbaum
Bentsen	Hart	Proxmire
Biden	Hatch	Roth
Bingaman	Humphrey	Specter
Boren	Kennedy	Tsongas
Boschwitz	Lautenberg	Zorinsky
Bumpers	Leahy	
DeConcini	Levin	

NAYS—69

Abdnor	Chiles	Domenici
Andrews	Cohen	Eagleton
Baker	D'Amato	Exon
Bradley	Danforth	Ford
Burdick	Denton	Garn
Byrd, Robert C.	Dixon	Goldwater
Chafee	Dodd	Gorton
Grassley	Lugar	Riegle
Hatfield	Mathias	Rudman
Hecht	Mattingly	Sarbanes
Heflin	McClure	Sasser
Heinz	Melcher	Simpson
Helms	Mitchell	Stafford
Hollings	Moynihan	Stennis
Huddleston	Nickles	Stevens
Inouye	Nunn	Symms
Jackson	Packwood	Thurmond
Jepsen	Pell	Tower
Johnston	Percy	Trible
Kassebaum	Pressler	Wallop
Kasten	Pryor	Warner
Laxalt	Quayle	Weicker
Long	Randolph	Wilson

NOT VOTING—6

Cochran	Dole	Hawkins
Cranston	Glenn	Murkowski

So the amendment (No. 5) was rejected.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, will the Chair advise what the regular order is at the moment?

The PRESIDING OFFICER. The Senator from Ohio has six remaining amendments which he may offer one at a time.

Mr. METZENBAUM. Is it not the fact that the Senator from Minnesota has an amendment?

The PRESIDING OFFICER. And the Senator from Minnesota has one.

Does the Senator from Minnesota wish to proceed at this time?

Mr. BOSCHWITZ. If the Senator from Ohio would proceed a little bit longer or proceed to his next amendment I would appreciate it.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I am about to propound a unanimous-consent request in several parts. I will put the entire request before the Chair will rule, no doubt. I hope the Chair will withhold ruling until I have finished all of the several parts of the request.

I have discussed this with the distinguished managers of the bill, the distinguished assistant majority leader, the Senator from Ohio, the Senator from Minnesota, and a number of other Senators, and I have communicated the content of this to the minority leader. The acting minority leader, the Senator from Hawaii, is on the floor. As far as I can tell, it is agreeable all around. I will now put the re-

quest and I hope there will be no objection.

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, first, I ask unanimous consent that the previous unanimous-consent agreement with respect to this bill be vitiated.

Second, Mr. President, I ask unanimous consent that if this agreement is entered into, the Senate stand in recess from the moment the agreement is granted by the Senate until the hour of 2 p.m. today.

Next, Mr. President, I ask unanimous consent that at 2 p.m. today the Senate resume consideration of this measure at which time a Metzenbaum amendment dealing with antitrust will be the pending amendment.

Mr. President, I ask unanimous consent that there be a time limitation on that amendment of 40 minutes to be equally divided.

Mr. President, I ask unanimous consent that after the disposition of the Metzenbaum amendment and a vote on or in relation thereto, the Senate proceed to the consideration of the Boschwitz amendment dealing with cargo preference, on which there will be a time limitation of 40 minutes to be equally divided.

Mr. President, I ask unanimous consent that no other amendments be in order.

I ask unanimous consent that after the disposition of the Boschwitz amendment, there be 40 minutes of debate on the bill itself, to be equally divided.

I ask unanimous consent, Mr. President, that at the end of that 40 minutes or yielding back of the time remaining, that there be a vote on final passage, with the provisions of paragraph 4 of rule XII being waived.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the majority leader?

Mr. METZENBAUM. Mr. President, reserving the right to object, and I do not intend to object, I join with the majority leader in the request that he has made. I join with him. I have proposed this procedure myself. It is my feeling that the matter of debate on this measure was important. We have now been at it for about a week. I think all parties concerned have been alerted to the pluses and negatives of this measure. I frankly see no useful purpose in merely dragging the Senate through a long period of debate if the ultimate objective or the ultimate purpose is not going to be changed.

Under those circumstances, I would be prepared to debate the antitrust amendment, which I consider to be the guts of the bill, immediately following the recess, and then at the appropriate time debate the final act with respect to the measure. I see no reason to have debate on postcloture amendments in connection with this measure and, therefore, no need for a cloture petition. I have no objection.

Mr. BAKER. Mr. President, I add to my request, although it may be implicit in the request I have already made, that the petition for cloture and the vote that would occur thereon also be vitiated.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

Mr. BAKER. Mr. President, let me take just a moment to say for the record and while the Senator from Ohio, the Senator from Alaska, the Senator from Washington, and the Senator from Hawaii are on the floor, how grateful I am for handling this in a responsible and efficient way. I think I have some understanding of how deep convictions run on this subject. I am certainly not an expert on the subject myself, but I know it is a matter of extraordinary importance to many Senators and to their constituent interests in their States and, indeed, to the entire country. It is not a small and it is not a trivial matter. It is a highly controversial issue. It is in the very best traditions of the Senate, after a full ventilation of the issues involved, that Senators participating principally in this debate would agree to a method for the orderly disposition of this issue.

So I express my personal appreciation to the Senator from Ohio, the Senator from Alaska, the Senator from Washington, the Senator from Hawaii, the Senator from Minnesota, and indeed to other Senators who have shown this sense of responsibility and willingness to deal with this important issue in this manner.

RECESS UNTIL 2 P.M.

Mr. BAKER. Mr. President, the agreement has been entered into and I believe it provides that upon the entry of the agreement that the Senate would stand in recess until 2 p.m.

The PRESIDING OFFICER (Mr. QUAYLE). The Senator is correct. The Senate will stand in recess until 2 p.m.

Thereupon, at 12:35 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HELMS).

Mr. BAKER. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The pending business, the Chair informs the majority leader, is S. 47.

Mr. BAKER. And the pending question?

The PRESIDING OFFICER. The Senator from Ohio is to be recognized to offer an amendment.

Mr. BAKER. I thank the Chair.

Mr. President, I am sure the Senator from Ohio is someplace close by.

As I recall, the unanimous-consent agreement entered into provided that beginning now, there will be 40 minutes of debate, to be divided, on the Metzenbaum amendment. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BAKER. The Senator is here, and I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

UP AMENDMENT NO. 22

(Purpose: To eliminate the antitrust exemption)

Mr. METZENBAUM. Mr. President, I call up my amendment, which is called the section 8 amendment. I think the amendment is at the desk, is it not?

The PRESIDING OFFICER. Will the Senator send the amendment to the desk?

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. METZENBAUM) proposes an unprinted amendment numbered 22:

At the appropriate place in the Committee substitute, strike Section 8 in its entirety.

Mr. METZENBAUM. Mr. President, this amendment really goes to the thrust of the entire bill. This amendment should properly be called not a section 8 amendment; it should be called a free-enterprise amendment, because anybody who believes in the free-enterprise system has to be for this amendment.

This amendment is not complicated. This amendment would eliminate the antitrust exemption that is provided in this legislation. This amendment would no longer make it possible, as the bill makes possible, for a cartel, a group of shipowners, 82 percent 85 percent of whom are foreigners, to join in an agreement to set prices and to agree upon routes.

For the life of me, I cannot understand how we happen to be in this posture. I am told that the Reagan administration wants this bill. I am told that the Republicans want this bill. I have seen today, and in the last few days, some Members who pride themselves on being conservative, some Members who pride themselves on being part of the right wing of the Republican Party, some Members who pride themselves on standing and fighting for the free-enterprise system, supporting amendments that are diametrically opposite to that system. Anybody in his or her right mind knows that the free-enterprise system is based upon free competitive forces.

I hear comments made back and forth about how this administration and these Republicans want to deregulate. What kind of deregulation is it if you deregulate and at the same time permit the people who are in the industry to sit down together—in public,

if you please, or in private—to agree that they will set rates?

How can anybody come into the Senate and say that this is the philosophy of the Republican Party? How can they say that they are people who believe in the system working right and support this bill? Antitrust is not a Democratic or a Republican position; it is a position that has been supported by both sides of the aisle.

This amendment would deny the sweeping, blanket antitrust exemption that is in this bill which would expand the existing unnecessary immunity significantly.

The argument is made: "You can already do it." That is unadulterated baloney. You cannot already do it. You have to go to the Federal Maritime Commission. You have to prove that the agreement to set rates is in the public interest; and the courts already have said that to be in the public interest, it means you have to take into consideration the anticompetitive effect.

Under this legislation, you allow the fixing of through rates; you allow the elimination of service competition.

I do not understand how anybody in the Senate who represents one of the smaller communities that have a seaport can be for this bill and be against this amendment. If you want your community served, you had better not support the GORTON measure and you have to support the METZENBAUM amendment to it. There is no reason for an exemption.

More competition, not more immunity, has been urged. Urged by whom? All those wild-eyed liberals who write editorials for the Wall Street Journal, all those wild-eyed leftwingers who write editorials for the New York Times and the Washington Post, all those opponents of the free-enterprise system known as the House Republican Research Committee, and the unanimous position by the Federal Trade Commission. Every one of them—the Wall Street Journal, the New York Times, the Washington Post, the House Republican Research Committee, the unanimous Federal Trade Commission—believes competitive forces should be permitted to work. But this bill would say: "No, we won't let them work. No, we will not let them work. We will fix prices."

I thought cartels were recognized as the bane of the free-enterprise system years ago. In all other transportation industries, we have chosen between Government regulation and the free-enterprise system, and we have come down on the side of favoring the free-enterprise system. But for some reason unbeknownst to me, we are willing, in S. 47, to combine the worst of both worlds for the ocean shipping industry.

S. 47 takes the Government out of the role of determining the public interest, yet keeps the Government—and I think this is important—as the enforcer of private price-fixing agreements. S. 47 allows the ocean carriers to prevent all forms of competition, with absolute immunity from our antitrust laws.

Mr. President, I do not doubt that there will be votes against this amendment, and I do not doubt that it very well may be defeated. But I say to those who vote against this amendment:

Invite me to your State and let me debate you on this bill and this amendment. Let me go before the voters of your State to talk about the fact that you are providing for the legalization of a cartel and that you are providing that the free-enterprise system will not be permitted to work. I will come to your State, and I will debate you in any forum.

Let me go into the farmer States where prices of delivered products will be forced to rise by reason of this bill.

Let me go into industrial States and prices will be increased by reason of the passage of this bill.

Approving the antitrust exemption for the shipping industry is an absurdity. It is a reflection of the fact that there has been a powerful lobby working, but it has not been working in the interest of the people of this country.

If you stand foursquare on your feet for free competition and free enterprise, then you support my amendment, and if you think there should be a controlled economy without the free competitive forces working, then vote against my amendment.

That is what the amendment is all about. It is simple. Give me your most conservative Member and I say to that most conservative Member I will come to your State and debate you on this bill and on this amendment, and I will guarantee you when we get done that the vote of those who will be listening to that debate will be 90 to 10 with me and not with those who are advocating passage of this bill.

You may have the votes but right is not on your side.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. Mr. President, perhaps in beginning the debate against the amendment proposed by my friend from Ohio I would do better not to quote myself but to quote a scholar whose article on this subject has recently come to my attention.

John Hazard is a professor in the department of transportation at Michigan State University. He has published an article in the winter issue of the Transportation Journal on U.S. maritime policy entitled "A Competitive U.S. Maritime Policy," the goal sought by the Senator from Ohio in all sincerity, and by myself, and by the Commerce Committee in proposing this bill.

While much of Mr. Hazard's article deals with the anticompetitive nature of other laws relating to matters maritime not relevant to this bill, I do intend to read into the RECORD his statements relating to maritime transportation in international commerce and his comments on the predecessor to this bill, S. 1593, in the 97th Congress which is, if anything, a little more liberal in its reduction of the scope of antitrust laws than is S. 47 as it appears before the Senate at this moment.

Mr. Hazard says:

A competitive, trade-expanding maritime policy would seem to require greater reliance on competitive market forces, or "deregulation" in the popular vernacular. Theoretically, resorting to unregulated competitive conditions would enable the most efficient operators to emerge and take over more of the trade by offering lower rates and improved service. The result would be an expansion of trade, improved allocation of international resources, and maximum net gains from trade and commerce.

That theoretical logic has become the article of faith of both political parties as they have moved toward deregulation of railroads, trucks, and air transport in domestic markets. The world markets in which the merchant marine operates, however, do not strictly observe competitive rules. On the contrary, attempts at the extra-territorial extension of U.S. antitrust laws into international markets have produced strained relations abroad and serious embarrassment at home. Conferences of lines (shipping cartels) set rates and control services on trade routes outside the national jurisdiction. They are generally exempt from U.S. antitrust laws as long as they do not subscribe to certain outlawed practices like deferred rebates and fighting ships. Also, an increasing number of ship lines within and outside the conferences are owned by the state and subscribe to cargo sharing rather than to competitive rules. Any attempt to reform or deregulate U.S. economic regulation must come to grips with these unique conditions.

Three separate regulatory reform initiatives have emerged in Washington. Each appears to be conscious of the need to make some compromises between the ideology of deregulation and pragmatic, real-shipping-world conditions. The major differences have to do with how far to go in freeing shipping of regulation and what combination of measures will achieve the desired degree of freedom. The differences, as illustrated in Table III, appear minor but are controversial.

And those have to do with S. 1593, a bill which I introduced in the 97th Congress, the House bill which was originally passed by the House of Representatives, and the administration position during the 97th Congress.

The Gorton Bill before the Senate appears to come closest to the ideal balance between competitive theory and real world conditions. It recognizes that the countervailing power of shipper oligopolies (councils) and regulation must be relied upon to keep conference-prescribed ocean rates reasonable and services viable in the absence of competitive conditions. Unlike other bills, which allow conferences to be closed to outsiders, the Gorton Bill holds the confer-

ences open for additional membership. The rationale for closed conferences generally holds that open conferences attract surplus ship tonnage into the U.S. trades that cannot gain entrance to the closed conferences that dominate other trades. This dubious argument however should not deter the United States from holding conferences open. The new goal is, after all, more competition and expanded trade rather than protection of the U.S. merchant marine. The Gorton Bill requires the conferences to file rates with the Federal Maritime Commission (FMC) so that any rate discrimination and prohibited practices can be overseen. The administration's move to abolish tariff filing would accomplish more "deregulation" but would leave the commission blind to conference practices contrary to U.S. trade interests. All three bills require the FMC to exercise a lighter hand in regulation than it has heretofore.

Another difference in the Gorton Bill is that is allows Shippers' Councils to be formed for collective shipper negotiation with the carrier conferences over rate and service matters. This countervailing force works so well in some of the Western European countries that the governments have been able to dispense with most regulation and "simply weigh in" on the side of whoever is consistently getting the worst of the bargain.[41] The House and the administration have evidently foregone the shippers' council approach because of the formidable political difficulties of providing them with antitrust exemption. There is no good reason why the exemption should not be granted for specific shipper council negotiating practices so long as they do not have an adverse impact on domestic markets. The lack of shipper constituency support may undermine this provision in much the same way that it deferred efforts to deregulate domestically. Finally, the Gorton Bill preserves the right of independent action for individual lines that are members of a conference. This means that should carrier requests for rate changes be voted down by other members of the conference, the carrier(s) can still pursue independent courses of action without penalty or expulsion. This, together with keeping the conferences open and subjecting them to modest regulation and two-way bargaining with shippers' councils, enables competition to work as effectively as possible in an arena dominated by conferences and cartels.

Beyond the items discussed the legislative approach is fairly similar. The Gorton Bill provides a new competitive policy declaration and is more explicit about contract and volume rate discounts. It has the most support from maritime experts abroad and in the United States.

Mr. President, I ask unanimous consent to have printed in the RECORD table III, "Maritime Regulatory Reform Measures, Spring, 1982," as appears in the Transportation Journal.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE III.—MARITIME REGULATORY REFORM MEASURES, SPRING, 1982

	Gorton Senate bill (S. 1593)	House bill (H.R. 4374)	Administration
Ocean conferences	Open	Closed	Closed.
Assessment agreements	Allowed	Allowed	Not applicable.
Tariff filing	Required	Required	Not required.
Shippers' councils	Allowed	Not allowed	Not allowed.
Contract (loyalty) rates	Allowed	Allowed	Allowed.
Amount of discount	15 percent	No ceiling	No ceiling.
Volume time rates	Specified	Silent	Silent.
Independent action	Required	Not required	Required.
State-controlled carriers	Regulate	Regulate	Regulate.
Antitrust exemption	Pooling rationalization	Pooling rationalization	Unstated.
Prohibited practices	Fighting ships deferred rebates discrimination	Fighting ships deferred rebates discrimination	Unstated.
Intermodal rates	Authorized	Authorized	Authorized.
Canadian diversion	Omitted	Omitted [1]	Unstated.
Declaration of policy	New	Old	Unstated.

[1] A separate bill H.R. 3637 approved by the House Energy and Commerce Committee required the filing of rates on U.S. shipments moving through Canada.

Sources: Senate bill 1593; House Resolution 4374; The Journal of Commerce, Apr. 1, 1982, PIA&SA and Apr. 5, 1982, p. 3 B.

Mr. GORTON. Now, I wish to point out that the only difference between S. 47, as it is before us now, and S. 1593, which is the subject of this article, is that S. 47 before us now is more competitive in what it allows joint ventures of small shippers to do and in connection with independent action as a result of the adoption of the modified Hatch amendment this morning.

Very bluntly, the amendment before us now is designed to kill the bill, as I suspect the Senator from Ohio would readily admit. It is designed to retain the status quo in ocean merchant shipping, a status quo which is not particularly competitive, not as competitive as it will be if S. 47 is passed. This status quo tells American-flag shipping lines that they are never going to know whether or not they are subject to a lawsuit even after they have had their conference agreements approved by the Federal Maritime Commission. This status quo is a lawyer's paradise but a shipper's, exporter or importer, and ocean carrier's jungle.

We propose to simplify the law; we propose to return to the policy which has been that of the United States since the Shipping Act of 1916 was originally passed. We propose in the real world to create the maximum degree of competition which is possible, given the different views of our trading partners.

I should emphasize that S. 47 as it exists at the present time with an antitrust exemption will lower, not raise, rates in international shipping.

I merely point out that nowhere except in the United States is there an attempt to enforce the domestic antitrust laws in international shipping.

I have asked repeatedly, without a response from the opponents to this antitrust exemption, to point out a situation in comparable trades between countries not involving the United States where the absence of antitrust laws has created shipping tariffs which are higher than those in the U.S. foreign trade with the present mishmash of antitrust laws.

There has been no answer to that question. In fact, antitrust laws in this area do not protect the shipper, they do not protect the exporter, they do not protect the importer. They create great litigation and added expense, and they are detrimental to the commerce of the United States.

It is for that reason that this bill is supported by the administration; it is for that reason that this bill is supported by the carriers almost without exception; it is for that reason that this bill is supported by the ports and ports authorities, small as well as large. It is for that reason that this bill is supported by the great majority of the shippers and the shippers organizations in the United States. They live in a real world. They want a better deal than they have at the present time.

In addition, I would like to point out that the antitrust laws, which are so eloquently defended by the Senator from Ohio, have had such a paradoxical effect that the Svenska case, one of the chief pieces of litigation undermining the antitrust immunity of conferences under the 1916 laws, was brought to negate shipping rates which were too low, not too high.

That was the kind of conference agreement which the court found to be a violation of the antitrust laws in the Svenska case, I point out to the Senator from Ohio. It was a challenge that rates for shippers were too low, and it is certainly not a protection of the consumer interests in the United States to have antitrust laws enforced in that irrational and frivolous fashion.

In my view, antitrust laws of the United States are very, very important in many respects to create a significant degree of competition. They are

not ends in themselves. To the extent that exemptions in a unique situation can improve the plight not only of the American merchant marine but of both importers and exporters, we should welcome such an opportunity, and we can only welcome that opportunity by defeating this amendment.

Mr. METZENBAUM. Mr. President, will the Senator from Washington yield for a question?

The PRESIDING OFFICER (Mr. HEINZ). Who yields time?

Mr. GORTON. May I ask how much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Washington has 7½ minutes remaining.

Mr. GORTON. If I may, Mr. President, I wish to yield first to the Senator from Hawaii who wishes to use some of our time.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. INOUYE. Mr. President, I urge the Senate to reject this amendment because it would undo 67 years of national shipping policy by removing limited antitrust immunity for concerted economic activity in ocean liner shipping.

The authors of the 1916 act were fully aware of the national economic policy embodied in the antitrust laws which were already on the books when the 1916 act was passed. Yet they felt a limited exemption from them was necessary if we were to have stability and efficiency in our liner trades, and liner service was to be available to all shippers on a fair and equitable basis.

Ocean liner shipping is different than other modes of transportation such as trucking, the railroads, and the airlines. And this difference requires that a certain degree of otherwise impermissible concerted economic activity be allowed in international shipping to insure the kind of competition in price and services that is achieved through full application of the antitrust laws to other modes of transportation.

Mr. President, I think we should keep in mind what is at stake. As the largest trading nation in the world, it is absolutely essential that we have the ability to insure that our foreign commerce remains strong and stable under all kinds of world conditions—peace, foreign crisis, and national emergencies. This ability requires a strong U.S. merchant marine. Otherwise the day could come when our foreign commerce will be at the mercy of those who may not agree with our international policies, and our cargo will be left on the docks.

The U.S. merchant marine is our fourth arm of defense. We know how vital it was in World War II, Korea, and Vietnam. The Soviets also know how important a strong merchant fleet is. Every commercial vessel they build is designed to serve their transportation needs in time of war as well.

I therefore urge that the Senate reject this amendment because it can only serve to undermine the stability of our foreign commerce and the strength of our fourth arm of defense.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Ten minutes and thirty-two seconds.

Mr. METZENBAUM. Mr. President, I yield myself 3½ minutes.

Mr. President, the history of the existing antitrust exemption has shown that the ocean carrier industry has actually used its immunity to drive out independents and to raise prices. This history should counsel us today against allowing carriers not only to continue this pattern of misconduct, but to legalize it, to give them authority to go further than what they are presently doing.

Today you have to go to the Federal Maritime Commission and you have to prove that there is a public interest to be served when you come in with a fixed tariff rate of a cartel, and you must prove that it will not hurt the competitive factors and that it does not violate the antitrust aspects of the matter.

But under this measure, without my amendment, the door will be wide open. Let me suggest and point out to you the absurdity of what the opponents of this amendment are saying. As I understood the Senator from Washington he was saying that antitrust laws hurt the economy of the United States.

He has been one of those around here who has said he believes in antitrust law enforcement; that he believes in the antitrust laws. Yet one of his statements, if I understood it correctly, was that antitrust laws hurt the economy of the United States. It is hard for me to believe that he said that, and yet I heard it whith my own ears.

Mr. GORTON. I do not believe the Senator from Ohio believes he heard that because the Senator from Washington did not say that. The Senator from Washington said that the use of antitrust laws in the Svenska case hurt consumers because the finding was that the tariff was too low instead of too high.

Mr. METZENBAUM. The Senator said before he got to the Svenska case that it was detrimental to U.S. commerce, it hurt consumers to apply that to this industry, and I can only say to the Senator that if it is detrimental to the U.S. shipping industry then I do not know why automobile manufacturers cannot get together and agree upon prices and why lumber companies cannot get together and agree on prices, and why steel companies cannot get together and agree on prices. To me it is a non sequitur. It does not follow that the shipping industry is making money and yet comes in here and wants the authority to violate the antitrust laws of this country. What we are doing is making legal their otherwise illegal acts.

The Senator from Washington also suggests that the need for his bill in view of the Svenska case is to help shippers reduce prices. Now, come on, let us not kid the American people. The reason why the carriers want this bill is so they can raise prices, so that competition will not work in the industry.

We have been informed that this bill will cost the American consumers $3 billion a year, and I want to repeat for every Senator in this body who comes from a farm State, who comes from an industrial State, do not forget it, the price that that wheat will cost will be higher because you passed this bill; the price for those exported autos will be higher because you passed this bill; the price for that exported corn will be higher because you passed this bill.

This bill will permit the carriers to fix prices, and I am not willing to suggest any implication that somehow they want to fix prices at a lower rate. Come on now, whom are you kidding? Do you want to charge people more? If you do not believe in the free enterprise system, if you are not for competition vote against this amendment. But if you believe in free enterprise and competition and lower prices for the public based upon competitive factors then you ought to be voting for this amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Washington has 6 minutes 26 seconds.

Mr. GORTON. First, I have to apologize to the Senator from Ohio and make one correction. I mistakenly referred to the Svenska case in connection with my previous remarks. The actual name of the litigation was Sabre Shipping Corp. against American President Lines. For the edification of the Senator from Ohio, I should point out that in Sabre, the Federal Maritime Commission hearing examiner had found that the rates of the conferences involved had a predatory effect on Sabre Line and not the conference carrier trade and the conference rates were, "therefore, so unreasonably low as to be detrimental to the commerce of the United States" within the meaning of the present Shipping Act.

That was the violation of the antitrust laws, having rates which were unreasonably low. That finding was

not in the interest of the consumers of the services. It was not in the interest of the consumers of the United States in general. It simply points out the fact that the present irrational system of partial Shipping Act jurisdiction and partial antitrust jurisdiction can be used as easily to raise rates and tariffs as it can to lower rates and tariffs.

It is interesting that the Senator from Ohio announces the names and nature of all of the shippers who are detrimentally affected by this bill, according to his statements. Paradoxically the farmers, through the American Farm Bureau, are in favor of the bill. Large shippers, such as those dealing with automobiles, are in favor of the bill.

The Senator from Ohio is attempting to present to the Members of the Senate of the United States the proposition that he knows the interests of people who have supported this bill better than those organizations know their own interests. I submit that that simply is not the case. The balanced analysis which I read from the transportation article just a few moments ago about the nature of this bill is objectively accurate. It is certainly true that if we went from the situation as it exists now to a system of pure competition, if somehow or other the United States of America could accomplish that, there would be a greater drop in rates than there will be under S. 47.

That is not what is before this Senate at the present time. What is before the Senate at the present time is the difference between present law and S. 47. According to the vast majority of people who have carefully studied this, according to the vast majority of the interest groups on all sides which have been involved in the development of this bill, it will increase competition from the present situation. It will, therefore, offer more and better services at better prices than does the present situation.

The idea that we could simply repeal the entire 1916 Shipping Act, that that would create more competition that way, is simply irrelevant. That is not what the Senator from Ohio proposes to do. That is not something which would pass because, among other things, it would simply destroy the American merchant marine. There would be no such merchant marine.

The careful crafting of legislation to help a legitimate domestic industry while at the same time helping the commerce of the United States does not lend itself to broad, general, or wild statements. After 6 years of careful study on the part of members of the Commerce Committee, who are as fierce a set of defenders of antitrust laws under normal circumstances as is the Senator from Ohio, we have come to the conclusion that we can improve the situation for everyone in the United States by the passage of this bill and by an antitrust exemption in the area in which antitrust laws cannot be effectively enforced against anyone except a handful of American carriers. I again simply want to point out that foreign trades, which have never had any antitrust laws, applicable to them, actually have more competition than does the United States with the present irrational system.

Mr. METZENBAUM. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. Five minutes, nineteen seconds.

Mr. METZENBAUM. And the Senator from Washington?

The PRESIDING OFFICER. One minute and fifty-five seconds.

Mr. METZENBAUM. Mr. President, I point out that the National Farmers Union, the American Association of Retired Persons, the National Farmers Organization, the Consumer Federation of America, the Consumers Union, and the Congress Watch all oppose this bill. Those are the groups that speak for consumers in this country.

When the Senator from Washington says that some who are shippers are for the bill, I must point out that those are the big boys. Those are the biggest corporations who will have their own shippers councils, and a matter we have not discussed much at this moment had to do with the fact——

Mr. GORTON. Will the Senator yield?

Mr. METZENBAUM. Not on my time.

Mr. GORTON. I take my own time.

Does the Senator not realize that the shippers councils are no longer in this bill but it includes only joint ventures which are limited to small shippers?

Mr. METZENBAUM. The Senator from Washington is correct about that. But the fact is that it will be possible for the big shippers to provide protection for themselves under this legislation. It will not be possible for the small business person, the small farmer, to do so.

What will happen as a result of this bill, if it passes, and I assume that it will pass, is that you are going to hurt the small business person who is an exporter. We have already provided an exemption for the recycling industry, but there are a lot of industries that do not have somebody coming around and advocating an amendment for them. There is no protection for them.

I cannot really believe that the Senator from Washington is representing to the Senate that this exemption from the antitrust laws will increase competition. Quite the opposite, it will increase anticompetitive forces. It will permit the cartels to work together to set prices.

Last but not least, let me point out for my colleagues in the Senate that the shipping industry does not need this bill. If they needed it, I would be in the forefront of those fighting to pass it.

The GAO has already concluded a study saying that the shipping industry is not in need and the shipping industry is not economically distressed. Although they did not address themselves to this bill, they certainly addressed themselves to the economic conditions of the shipping industry.

It is simple; it is elementary. If you are for free competition, if you are for free enterprise, then you are for my amendment. But if you are for the cartels, if you are for fixed prices, which will have a direct impact on the American consumer, the American farmer, and every American that exports his or her products, then you cannot be for this amendment.

It was the Democrats many years ago that came along with the National Industrial Recovery Act, making it possible to fix prices. It took the Republicans a good many years to come back with their own way of fixing prices. Not much difference. The Democrats did it because there was a depression on. It so happened that the courts ruled it was illegal. But the Republicans are doing it for an industry that is not hurting. There are some arguing that it is going to lower prices. In no way will it lower prices. This measure is antifree enterprise; it is antifree competition.

Go ahead and vote my amendment down, if you want to, but I say to you again I am prepared to come to any State in the Union to debate the merits of this measure, and I predict that I will walk out of that meeting with you and 90 percent of the people in your own State will say that I was on the right side of this issue and that you were on the wrong side. I would like to go to the most conservative States in the Union for the purpose of making that debate and I will pay my own expenses.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. Mr. President, I yield myself such time as I may need.

I welcome to the Republican Party the distinguished minority manager of this bill, the Senator from Hawaii, and all of his many allies on that side of the aisle. As a matter of fact, if we have that kind of a majority, we will have very little trouble during the rest of this Congress.

I simply wish to point out that the Senator from Ohio says that the only shippers who are for this bill are the large shippers. He is simply incorrect. The large shippers are granted no special exemption by this bill.

As a matter of fact, it is a couple of them who have serious reservations about it, because it so substantially increases the bargaining ability of small

shippers. Small shippers representing fruit and vegetable exporters and many kinds of importers are prominent among the supporters of this bill because they know it will, in fact, give them a better deal than they have at the present time. It is in order to create greater competition that this bill is here.

If the Senator from Ohio succeeds in killing this bill, it will result in the same kind of noncompetitive conditions we have been going through in the last few years. We offer more, not less, in the way of competition.

The PRESIDING OFFICER. Who yields time?

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, if the Senator from Washington is prepared to yield back his time, I am prepared to do so and ask for the yeas and nays on the amendment.

Mr. GORTON. The Senator from Washington is prepared to yield back his time.

Mr. METZENBAUM. I am prepared to yield back my time.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Ohio. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Mississippi (Mr. COCHRAN) and the Senator from Kansas (Mr. DOLE) are necessarily absent.

I also announce that the Senator from Alaska (Mr. MURKOWSKI) is absent due to the death of a relative.

I further announce that, if present and voting, the Senator from Alaska (Mr. MURKOWSKI) would vote "nay."

Mr. CRANSTON. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

The PRESIDING OFFICER (Mr. ABDNOR). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 24, nays 71, as follows:

[Rollcall Vote No. 5 Leg.]

YEAS—24

Baucus	Hatch	Metzenbaum
Biden	Hawkins	Nickles
Bingaman	Helms	Percy
Boren	Humphrey	Proxmire
Bumpers	Kennedy	Roth
Dixon	Leahy	Specter
Dodd	Levin	Thurmond
East	Mathias	Tsongas

NAYS—71

Abdnor	Bradley	Cranston
Andrews	Burdick	D'Amato
Armstrong	Byrd, Robert C.	Danforth
Baker	Chafee	DeConcini
Bentsen	Chiles	Denton
Boschwitz	Cohen	Domenici
Durenberger	Johnston	Quayle
Eagleton	Kassebaum	Randolph
Exon	Kasten	Riegle
Ford	Lautenberg	Rudman
Garn	Laxalt	Sarbanes
Goldwater	Long	Sasser
Gorton	Lugar	Simpson
Grassley	Matsunaga	Stafford
Hart	Mattingly	Stevens
Hatfield	McClure	Symms
Hecht	Melcher	Tower
Heflin	Mitchell	Trible
Heinz	Moynihan	Wallop
Hollings	Nunn	Warner
Huddleston	Packwood	Weicker
Inouye	Pell	Wilson
Jackson	Pressler	Zorinsky
Jepsen	Pryor	

NOT VOTING—5

Cochran	Glenn	Stennis
Dole	Murkowski	

So the amendment (UP No. 22) was rejected.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UP AMENDMENT NO. 23

(Purpose: To exempt certain market development or export activities of the Commodity Credit Corporation from the cargo preference laws)

Mr. BOSCHWITZ. Mr. President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. BOSCHWITZ) proposes an unprinted amendment No. 23.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 109, between lines 10 and 11, insert the following new section:

"SEC. 22. CARGO PREFERENCE.

"Section 901(b) of the Merchant Marine Act of 1936, as amended (46 U.S.C. 1251(b)) shall not apply to the market development of export activities of the Commodity Credit Corporation under which commercial credit guarantees are blended with direct interest free credits from the Commodity Credit Corporation."

On page 109, line 11, strike out "22" and insert in lieu thereof "23".

Mr. BOSCHWITZ. Mr. President, I introduce this amendment on behalf of myself, Senators LEAHY, JEPSEN, PRYOR, GRASSLEY, BOREN, DANFORTH, ABDNOR, LUGAR, KASSEBAUM, DURENBERGER, ROTH, QUAYLE, EAST, PRESSLER, NICKLES, and HELMS.

I yield to the distinguished chairman of the Agriculture Committee at this moment.

Mr. HELMS. Mr. President, I thank the able Senator.

Mr. President, the Senator from Minnesota is exactly right in what he is seeking to accomplish with this amendment. Whether he intends to pursue it or not I do not know. But I do want the record to show that in the judgment of the Senator from North Carolina Senator BOSCHWITZ is making no effort to alter the fundamental application of the cargo preference provisions of law to the export of agricultural commodities under Public Law 480, the food-for-peace program.

Instead, he seeks to assure that the application of these provisions do not interfere with the ability of the United States to deal effectively with the predatory trade practices of those nations who are using export subsidies to beggar the American farmer.

Most Senators are aware of the massive export subsidies employed by the European Economic Community and other nations. The Committee on Agriculture, Nutrition, and Forestry conducted 2 days of hearings on this subject last month; and, we shall conduct a markup session tomorrow on more than a dozen bills which seek to restore equity to the trade in agricultural commodities and products.

The application of the cargo preference provisions to the various efforts being made by the administration to expand U.S. agricultural exports in the face of the EEC subsidies would be to undermine their effectiveness, and in many ways negate them completely. And, it would undermine our efforts in the Congress.

That would be very unfortunate, indeed.

I appreciate the Senator's yielding to me.

Mr. BOREN. Mr. President, will the Senator yield?

Mr. BOSCHWITZ. I yield to the Senator from Oklahoma.

Mr. BOREN. Mr. President, I am pleased to join the distinguished Senator from Minnesota in offering this amendment. At a time when we are losing our export markets due to the unfair subsidies of other countries, we simply cannot afford to adopt any policy that would decrease the volume of our exports. Further, any policy that artificially restrains our grain exports will be counterproductive to the economic recovery of agriculture, as well as counterproductive to the economic recovery of this Nation as a whole.

During fiscal year 1982, U.S. farm product exports dropped for the first time in 13 years. Export volume declined by 2 percent from the previous year and the value of these exports fell 11 percent. It now appears that exports will also decline this year. In wheat exports alone, the 1982-83 estimate is only 1.5 billion bushels, nearly 15 percent below the 1981-82 record.

The U.S. flour sale to Egypt was largely an attempt to try to regain some of our lost flour markets. But, the requirement that 50 percent of this sale be transported by U.S.-flag

vessels will raise the cost of this sale by about $30 million. That $30 million could have meant that $30 million more in commodities would have been exported. Cargo preference for wheat normally adds an additional expense of $1.28 per bushel of wheat. This $1.28 per bushel could be used to buy more wheat.

In fiscal year 1982, almost $110 million was spent for cargo preference differentials out of Public Law 480 funds. We could have exported an additional $110 million in commodities with this money.

If our Nation is going to subsidize the maritime industry, it should not be funded out of the funds budgeted for agriculture. In my opinion, if Congress feels so strongly about protecting the maritime industry, then let the Transportation Department pay for it—let us put cargo preference under the Transportation budget, not the Agriculture budget. If we are not going to do this, the least we can do is exclude the blended credit program, export PIK program, and the wheat flour sale to Egypt from the cargo preference requirement.

I urge my colleagues to join us in supporting the amendment offered by Senator BOSCHWITZ.

I thank the Senator from Minnesota for yielding to me.

Mr. BOSCHWITZ. Mr. President, the Senator from Oklahoma has touched exactly on the problems that I am trying to correct by virtue of the amendment that I am offering and the amendment I am offering deals with cargo preference and deals with the applicability of cargo preference to the new means of export that we are entertaining and using particularly in agricultural products.

Mr. President, in 1981 agricultural exports totaled $44 billion and in 1982 they totaled $39 billion, and it is estimated that in this year the agricultural exports will once again decrease to the range of $36 billion or $37 billion, which is not exactly clear. But agricultural exports are not doing well at a time when the farm economy is really in difficult shape.

Of course, the lack of agricultural exports is not an insubstantial part of the farmers' problem.

Mr. President, the cargo preference rules mean, of course, that 50 percent of a shipment which is Government-generated cargo, as they are called, 50 percent of those cargoes have to be shipped on American bottoms and that has been a very deep penalty indeed.

Take, for example, the wheat flour shipment that is now being shipped to Egypt, and my amendment would not include removing cargo preference rules from that shipment, but in March of last year a similar shipment was made to Egypt from Beaumont, Tex., and the difference between the freight rate that was charged on cargo preference was $65.50. In other words, the going market rate was $42.50 per long ton, and the cargo preference rate that applied was $108 a long ton or, as I said, a $65.50 difference. That is 154-percent difference. That is a difference of $1.28 a bushel and, Mr. President, we all understand what the difference of 5 or 10 cents a bushel means with respect to exports. It means that we simply would not make the export if our price was that much higher than our competitors'.

Therefore, the cargo preference rules are a set of rules that are indeed almost prohibitive to the export of American agricultural products.

Of course, we have had the issue here on the floor before in conjunction with Public Law 480. Cargo preference in the case of Public Law 480 costs about $100 million a year. As my distinguished colleague from Missouri pointed out in a debate that took place a year and a half ago, $100 million would feed 8 million people during the course of the year, would be many millions of tons of grain and indeed would make a difference in the lives of millions of people around the Earth.

One hundred million dollars is a penalty that the Public Law 480 program pays. It is $100 million that is part of the agricultural budget and yet really benefits the merchant marine and this has no impact other than the negative impact on agriculture.

Mr. President, the argument is made, of course, that cargo preference preserves our fleet. The argument is appallingly made that the cargo preference preserves our fleet in times of emergencies. During the time of Vietnam we could not find ships to go there.

I point out, as I pointed out in our earlier debate, that most of the ships that we are preserving are ships built in the 1940's. There are very few ships of modern vintage.

However, in the course of talking about this amendment to the Department of Transportation and others, I understand that steps are being taken to update the American merchant marine so that we are not preserving a bunch of old tubs but indeed are preserving something that would be useful in the event of an emergency.

Indeed, one such ship, the *Marine Electric*, recently was a boat that was torn apart by the seas and that sank off Bermuda at the loss of 30 or 40 lives.

That is the second time that a ship of that vintage carrying a cargo preference cargo as that ship was at the time has sunk.

The other one is the *Poet* that just disappeared without any trace whatsoever.

The *Marine Electric* was a ship that was built in 1944. It was one of them that we were preserving.

In any case, Mr. President, I have become convinced over the course of the presentation of this amendment—without much effort we got 15 or 18 cosponsors—I believe that my amendment would have had a very good chance of passing. But it is also clear that the Department of Transportation is interested in discussing the matter further and that it is also clear that we have a chance of perhaps a better forum than this and perhaps a better bill than this to discuss and develop the idea of cargo preference once again.

● Mr. ABDNOR. Mr. President, too often in debating the merits or shortcomings of legislation, law, or policy, we talk in terms of potential, expected or theoretical impacts. Not so concerning the application of cargo preference to the export shipment of agricultural products arranged through Government assistance and promotion.

The recent sale of 1 million metric tons of flour to Eygpt is a timely and excellent example. The application of cargo preference to just this one shipment will cost the U.S. taxpayer $30 million in shipping subsidies. These subsidies will very likely force the Department of Agriculture to scale back its export promotion efforts at a time of widespread distress in U.S. farming; $30 million used as direct credit in the blended-credit program would generate $150 million of export sales. According to Department of Agriculture estimates these sales of $150 million would create over 5,000 desperately needed jobs.

Mr. President I fully appreciate the need for a strong U.S. merchant marine. But if this country seriously intends to remain competitive in the world agricultural market. The Boschwitz amendment must succeed.●

● Mrs. KASSEBAUM. Mr. President, I am concerned that our urgently needed commercial export sales initiatives will be wrecked by any new shipping restrictions which might be placed on the agricultural commodities being offered under the U.S. Department of Agriculture's blended credit program which may be authorized by Congress in the coming months. I support the efforts of my colleague from Minnesota today to exclude these programs from any restrictions such as cargo preference.

The United States is in serious trouble with agricultural exports—and the problem comes largely from unfair export subsidies offered by the European Economic Community and other grain exporting nations. Export initiatives such as the blended credit program are a necessary tool to show these other nations that the United States is serious about retaining our large export volume and our place in world trade. If we have any chance of doing this, it is now. We have signed

blended credit agreements with several countries which need and want our wheat, corn, soybeans, and other commodities. The key reason they are buying from us is price. These commercial sales initiatives must remain competitive.

By offering a package of blended credits to importing nations, we effectively lower the cost of U.S. commodities an average of $4 per ton, and make them more attractive in world markets. If the administration requires that a share of the goods must be shipped on expensive U.S.-flag vessels, it automatically increases the cost of our agricultural commodities an additional $25 per ton. We have then effectively priced ourselves out of the very markets we are trying to win back. There is no reason to offer an ineffective program or commit ourselves to combating unfair export subsidies of our competition if we tie ourselves up with counterproductive restrictions.

The President has made a policy decision to extend the same kind of shipping restrictions, or cargo preference for U.S.-flag vessels to our wheat flour sales agreement with Egypt. It is too late to take issue with that decision but I think we must make it very clear to the Members of this body, as well as the administration, that similar shipping restrictions would totally undermine the blended credit program.

Cargo preference restrictions are a longstanding part of the Public Law 480 shipments. We are not here today to discuss the merits of that situation, or how it might be changed. But I want to make the point that there are major differences between concessional sales under Public Law 480 and export initiatives such as blended credit.

There is no legal precedent for placing cargo preference restrictions on blended credit. Our blended credit dollars will go further and allow more U.S. grain to be exported if cargo restrictions are not put into effect. If we decide additional measures are needed to aid the U.S. maritime industry, it should not be done at the expense of agricultural export programs and the rest of the economy.

If 50 percent of the agricultural commodities offered through blended credit and export-PIK agreements must be shipped on U.S.-flag vessels, it effectively increases the cost of our grain and reduces the volume which could be exported under these agreements. Each billion dollars of grain exports creates 30,000 jobs in this Nation and helps the economic recovery. Not only would these shipping restrictions be counterproductive to reducing our burdensome agricultural surpluses, but they will have a negative impact on the rest of our economy.

I am deeply concerned that an extension of cargo preference requirements to areas beyond concessional food shipments would be bad not only for farmers and domestic grain handlers, but for the entire shipping industry because of the potential loss of sales. No American will benefit from a policy that sets us back in world trade and aids our competition.●

Mr. PRESSLER. Mr. President, I rise in support of this amendment, of which I am a cosponsor, and urge my colleagues to join me in support of this effort to exempt blended credit and export PIK agricultural sales from the cargo preference treatment. Passage of this amendment is essential to American farmers and to increasing agricultural exports.

Farm income has declined for the last 3 years and 1982 was the first time in over a decade that U.S. farm exports declined. With almost one-third of all farm crops produced in the United States exported, and farm exports totaling approximately 40 billion, the success of our agricultural exports has a direct impact on domestic farm prices and the U.S. economy. As a result of the crisis in the farm economy, reductions in agricultural exports and export subsidy activities of foreign nations, the administration has announced the blended credit program and Congress is considering an export PIK to help American farmers compete on the world market. However, if the cargo preference treatment is required on these programs, the increased shipping cost will defeat the purpose of the export promotion programs. With the cargo preference in effect, the export PIK payment or the percentage of the blended credit program will have to be increased to make many of the agricultural export sales that are being considered.

An example of the impact of the cargo preference treatment on the blended credit program is the wheat flour sale to Egypt. It is estimated that, due to the increased shipping cost, the Commodity Credit Corporation would have to make an additional 9 million bushels available to Egypt to meet the terms of the sale. A 25-percent increase in the amount of wheat sold at the same cost translates into a substantial price reduction and additional cost to the American taxpayer.

The American farmer is the most efficient in the world and can compete with anyone on a fair market, but with foreign nations using export subsidies to unfairly compete, and the U.S. requiring 50 percent of the products to be transported on much more costly U.S. ships, it is very hard for the American farmer to remain competitive.

If the farm export programs are to be successful and increase agricultural exports, these programs must be exempt from cargo preference requirements.

Mr. President, I urge my colleagues to join me in support of this amendment.

Mr. BOSCHWITZ. Mr. President, I yield 3 minutes to my colleague from Iowa.

Mr. JEPSEN. Mr. President, today we are debating an issue of great importance to the future of our agricultural economy, and I congratulate and commend Senator BOSCHWITZ for his leadership in spearheading the activity in this area. For the health of our Nation's farm economy and the long-term survivability of our agricultural sector, we need to insure an export policy that does not unnecessarily complicate the movement of our agricultural goods overseas.

On February 22, the administration decided that the recent 1 million metric ton sale of wheat flour to Egypt would travel under cargo preference treatment. Under cargo preference treatment, at least 50 percent of an export commodity must be shipped on U.S.-flag vessels. USDA would be required to pay the difference between the relatively low rates charged by ships of foreign nations and the much higher rates charged by U.S. firms. In this particular instance and as it regards agricultural products, I do not agree with that decision.

This amendment to exempt export PIK sales must be strongly supported, and it is my hope that things will be worked out some other time if not today.

Cargo preference should not dictate U.S. trade policy. It is time to stop the threat of cargo preference for export PIK and blended credit—two programs needed to combat the predatory export subsidy practices of our competitors. And it is grossly unfair to ask American farmers and USDA to pay the costs of subsidizing the U.S. merchant fleet at a time when agriculture is in the midst of troubled economic times.

I would hope, Mr. President, and will the Senator from Minnesota yield for a question——

Mr. BOSCHWITZ. Yes; I yield for a question.

Mr. JEPSEN. Has the Senator received any assurances, indications that we can address this problem effectively and immediately in some other way?

Mr. BOSCHWITZ. The Senator is a member with me of the Committee on Agriculture. As he knows, we are going to address some of those problems rather quickly soon, and we can perhaps take this matter up more efficiently at that time.

Mr. JEPSEN. If that is the direction we should take, I will follow the Senator's leadership. He has given good leadership to date, and I expect also to continue to receive that. I thank the Senator.

Mr. BOSCHWITZ. I thank the Senator from Iowa.

Mr. President, I ask unanimous consent that Senator HAWKINS from Florida be added as a cosponsor as well.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOSCHWITZ. Mr. President, I reserve the remainder of my time.

Mr. GORTON. Mr. President, I want to offer my gratitude to my close friend, the Senator from Minnesota, who first presented me with an amendment last evening somewhat similar to the one which he has just proposed.

As he knows, the amendment is technically nongermane to this bill as this bill does not deal with the promotional aspects of merchant marine policy, but merely with its regulatory aspects.

The Senator from Minnesota also knows that I have some very real sympathies with him in some of the goals which he is attempting to reach through the presentation of this amendment. During the course of the 97th Congress he and I were on opposite sides of a number of attempts to either repeal the preference elements of Public Law 480 or to at least put a limit on those elements.

He knows that while I feel it appropriate to preserve present cargo preference laws, I have not been active in any attempts to expand or to increase them.

The Senator from Minnesota also knows that I do not wish in any way to subvert or to harm the prospects of the United States in selling agricultural commodities overseas. That kind of sale is going to be every bit as beneficial to my own constituents in the State of Washington as it will be to those of the Senator from Minnesota.

We attempted to come up with something, working frantically while debate was going on on other amendments, which could do this. I am sympathetic, but in the absence of hearings on the subject dealing specifically with new programs, such as PIK, we were unable to reach that kind of accommodation at this point.

I would simply want to thank the Senator from Minnesota for bringing this matter to our attention, for not pressing it to a vote on a bill which is already controversial, and to assure him, as he already knows, that I do have a great deal of sympathy with some elements of what he is trying to do in order to strike an appropriate balance preserving the merchant marine but granting the maximum possible ability to all of our farmers and agriculturalists to sell as much of their commodities overseas as possible.

I can assure him I will try to help him reach that goal in the future.

Mr. BOSCHWITZ. I thank the distinguished Senator from Washington. He states very well the goal we are trying to achieve, which is the broad exportability with respect to agricultural products—indeed with respect to all products—so although the cargo preference provisions apply principally to agricultural products, we are not trying to constrict the application of the cargo preference rules. It is just their expansion that we are concerned with.

Mr. President, unless there are further comments I withdraw my amendment at this time and then yield back the remainder of my time.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. GORTON. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. Under the previous order, there will now be 40 minutes of debate evenly divided on the question of passage of the bill.

Mr. GORTON. The Senators do not need to yield back any time remaining when an amendment is withdrawn, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. GORTON. Mr. President, we have now reached debate on the final passage of S. 47, the Ocean Shipping Act of 1983. I do not believe I will require a great deal of time on this subject as essentially the entire debate, both on the motion to take up the bill and on the various amendments, has dealt with the bill itself.

Suffice it to say that the purpose of the bill is outlined in the committee report in the following words, which are as applicable to the bill as it appears before us now as they were to that subject when it was reported from the Commerce Committee.

> The Shipping Act of 1983 revises the Shipping Act, 1916, to provide an updated, simplified, more efficient, responsive, and effective regulatory scheme for international liner shipping. The paramount objective of this regulatory scheme is to develop and maintain an efficient and flexible ocean transportation system through commercial means, with minimum Government involvement, in order to better serve the needs of U.S. foreign commerce.
>
> The Committee believes the time is ripe to revise the principal maritime regulatory statute, the Shipping Act, 1916, in order to:
>
> (1) end the uncertainty and delay that surrounds U.S. Government regulation of ocean liner shipping, by providing a predictable legal regime and streamlined regulatory process administered and enforced by a single independent Federal agency (the Federal Maritime Commission (FMC)).
>
> (2) harmonize U.S. shipping practices with those of our major trading partners, especially by reaffirming antitrust immunity for certain carrier and conference activities.
>
> (3) equalize Federal regulatory and judicial treatment of U.S.- and foreign-flag carriers.
>
> (4) provide both large and small shippers with a responsive and flexible, as well as predictable, ocean transportation common carrier services.
>
> (5) allow carriers and shippers to take advantage of the technological advances in ocean liner shipping and intermodal transportation which have developed since 1916.
>
> (6) maintain a system of free trade and access by U.S. carriers to foreign trades.
>
> It has always been the intention of the Committee to balance the needs of carriers and shippers. While the U.S. liner fleet is an essential component of our economic and national defense structure, shippers are the backbone of our economy. Practically speaking a shipper is the consumer of ocean shipping services. They are exporters and importers who range from an association of small orchardists who seek to export a relatively few containers of fruit each year, to automobile and chemical manufacturers, upon whom hundreds of thousands depend for employment. Also closely tied to the shipper concerns are the nation's ports, whose interests are best served by a large and steady flow of commerce.
>
> Thus the Committee has consistently sought to reconcile the naturally conflicting interests of shippers and carriers, and is particularly proud of achieving the appropriate balance the fact that shippers—the consumers of ocean services, employers, manufacturers, agricultural and timber producers—believe this bill will benefit themselves, suggests significant benefits to the nation's economy as a whole.

I simply wish to reemphasize points I made in the debate relative to the last of the amendments of the Senator from Ohio. This bill does not bring perfect competition into the maritime international trades of the United States of America. It is not possible to do so because other nations, which are our trading partners, would seriously resist any such regime.

It does, however, move significantly toward more open competition than has existed in the past and toward a more predictable legal system which allows the carriers and shippers to concentrate on one set of laws applicable to all. It will, I am convinced, result in more efficient ocean transportation and in lower prices than would otherwise be the case for ocean shippers and international commerce.

It is a proposal which was drafted in consultation with all of the interest groups affected by international trade by ocean. It has, I must say, been improved by the amendments of the distinguished Senator from South Carolina on behalf of the Judiciary Committee, and the hard-working and distinguished Senator from Utah (Mr. HATCH).

The net result of those amendments is to add another degree of competition into a bill which was already more competitive than is the current regime.

Therefore, it deserves the support of the vast majority of the Members of this body just as it has the support of the vast majority not only of the suppliers of these services but of the consumers of these services as well.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I want to congratulate the Senator from Washington (Mr. GORTON) and the Senator from Hawaii (Mr. INOUYE) for their work on this bill. It is a bill that streamlines Federal regulation of the U.S. maritime industry. It is nothing new that the United States has exempted ocean common carriers from antitrust liability for many price-negotiating functions of this industry since 1916.

Very little mention has been made here on the floor of a compromise provision that I have offered and the Senate has adopted which will allow customers who ship less than 30 containers a month to consolidate their cargo in order to negotiate better terms with the major shippers. That means that small businesses will have the ability to have some economic clout in this business.

It is going to protect, I think, some of the growing industries on our domestic scene, particularly the fishing industry, which should benefit from that provision.

In any event, the passage of this bill will provide for a more efficient operation of our U.S. shipping industry.

I believe the comments the Senator from Washington made about the additions suggested by the Judiciary Committee are correct. The Judiciary Committee and Senator HATCH have offered amendments which have now been worked out here on the floor to the benefit, I think, of all concerned. The bill is now in condition to go to the House and have a meaningful conference with the House, once the House has passed the bill. The other body did pass the bill twice last year so I would anticipate that we will see this bill back very quickly and, hopefully, we will act early this year on sending the bill to the President.

I hope everyone keeps in mind that it should be a bill that the President can and will sign in order to modernize these provisions of existing law which pertain to U.S. Government regulation of our domestic shipping industry and the portion of the trade involved in international commerce.

Again, Mr. President, I thank the Senator from Washington and the Senator from Hawaii for their assistance.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. I yield to Senator INOUYE such time as he may wish.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, this is the culmination of 7 years of work by the Senate Committee on Commerce. It has involved many, many days of hearings, thousands of words of testimony, and several committee reports.

At this time, I would like to commend the senior Senator from Alaska and the junior Senator from Washington for their superb management of this measure. This day we will take a small but important step in the revitalization of our maritime industry. I pray that my colleagues will support this with an overwhelming vote because I feel that this measure is deserving of such support.

Mr. President, as all of us are aware, whatever work is done on the floor of the Senate represents many, many hours of work done by the staff. So at this time I would like to pay my respects and extend the gratitude of the committee to Bill Phillips, Peter Friedman, Cassie Phillips, Ward White, Ralph Everett, Liz Tankersley, John Hardy and Curley Dossman. To them goes our gratitude.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH addressed the Chair.

Mr. METZENBAUM. How much time remains to the opponents?

The PRESIDING OFFICER. The opponents have 18 minutes.

Mr. METZENBAUM. The opponents have not yet been heard from.

Mr. GORTON. Only the proponents have spoken thus far.

Mr. METZENBAUM. Mr. President, I am not sure if I am in control of the time, but if I am, I yield 10 minutes to my friend from Utah.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I would like to express my opposition to final passage of the bill. The heart of my concern over this bill is the way in which it impedes free enterprise. As a basic economic policy, the Congress of the United States has time and time again rejected the notion of giving control of commerce to private cartels. We have viewed our antitrust laws as a practical expression of our concern for economic democracy, and have actively sought to insure the efficient operation of these laws.

In part, our antitrust laws are designed to prevent individuals or firms from so controlling a part of commerce that they are able to substitute that control for the independent allocation of resources achieved by a competitive marketplace.

The bill before us strikes at these protections of our economic democracy. It permits an industry to cartelize, while granting the industry sweeping antitrust immunities. It is not without reason that our laws have created a presumption against the policy of permitting cartels. Cartels, by their very nature, promote price fixing conspiracy. Fixed prices discourage—and, I might add, disparage—competition, and, without competition, inevitably consumers suffer.

Mr. President, this bill is designed to reduce competition among carriers. It is designed to permit conduct which, in other industries, would subject perpetrators to civil and criminal penalties.

Based on the testimony of witnesses appearing before the Senate Commerce Committee and the Senate Judiciary Committee, and based on studies issued by the General Accounting Office and the House Republican Research Committee, I am not persuaded that circumstances in the shipping industry are so unique that carriers should be exempt from the greatest of our consumer protection laws, our antitrust laws.

Mr. President, just yesterday, I believe, I referred to the testimony of Mr. Allen Ferguson, chairman of the National Institute of Economics of law, who testified that S. 47 can be expected to impose a cost of some billions of dollars per year on American consumers, farmers, workers, and exporters.

Some of that has been remedied by some of the amendments on this day, and I want to congratulate the managers of the bill for their willingness to compromise and to work on some of these matters of concern. But I still feel that the bill fails in its basic protections that I think are necessary for those who constitute consumers, and others, in our society today.

My concern, Mr. President, is over the increased prices of imported goods which will be paid by consumers all over this country, and in my State of Utah as well. My deep concern is over the increased costs farmers of Utah and of every other State will pay to ship their produce. Mr. President, these are increased costs which history, not theory, tells us will result from the operations of monopolistic power. My concern is over the increased costs of carriage which will be charged to the small shippers of Utah and of every other State.

I do not know how anybody can argue that once you allow cartelization of an industry this important that you will not entrench other problems within the industry, including featherbedding, including high costs, including the hiding of certain costs that literally should not be passed on to consumers.

I believe that this bill as written, even as amended, with the protections we have tried to build into it, still falls far short of what we should be doing for the consumers of America, for the shippers and even for the shipping lines of America.

Mr. President, I appreciate the opportunity which I have had to address my concerns over this bill. In earlier days, the Supreme Court rightly noted that our antitrust laws are the Magna Carta of the American free enterprise system. I do not always agree with the antitrust laws; I think people in this body know that. I have had difficulties with the Illinois Brick case, I have had

difficulties with a wide variety of other applications, proposals, or even so-called reforms of the antitrust laws. As a member of the Antitrust Laws and Procedures Commission, I argued, I think strongly, for some changes in the antitrust laws. In this particular case, I think these antitrust laws really are the Magna Carta of the American free enterprise system. To suspend these laws, especially in this way, is a matter of grave import.

Mr. President, I might add it is only with the threat of grave consequences that such an act should be undertaken. I do not believe the advocates of this bill have created a presumption favoring the suspension of our antitrust laws, certainly not to the degree embodied in S. 47.

Mr. President, this bill subsidizes an overly subsidized industry. It is anticompetitive, it is antifree enterprise, it is anticonsumer. For these reasons, I have to oppose S. 47 in its present form.

The PRESIDING OFFICER. Who yields time?

The Senator from Ohio.

Mr. METZENBAUM. Mr President, how much time is left?

The PRESIDING OFFICER. Fourteen minutes and fifty seconds.

Mr. METZENBAUM. Mr. President, I have heretofore addressed myself to the antitrust aspects of this bill, but I should like to talk for a moment about the pooling aspects and the loyalty contracts. Prior to doing so, let me commend the distinguished Senator from Utah for his very perceptive observations about the negatives of this bill and its impact upon our system of government.

The pooling provided for in this bill is simple. I want my colleagues to hear what I am saying. Under this bill, the shipowners may pool their revenues. They may take all their revenues and put them together. Then they may divide them. That means, in essence, the following.

That means that if there is one independent shipowner that wants to provide service from some point in Africa or some point in England to the United States and comes in with a rate that is 20-percent lower than the cartel rate, under pooling, those in the pool could make it possible for one of their members to lowball that competitor. That means that he may go out and say, "Instead of 20 percent, we will reduce the rate 25 percent, or 30 percent," and drive that competitor out of business.

The argument is made that this bill prohibits predatory pricing. True, if you can prove it and if you have the financial ability to stay in the ball game long enough for a series of hearings to go on and for you then to prevail maybe 5 years down the road.

How anybody in the U.S. Senate can agree that it is right for a group of shipowners to pool their revenues to permit them to lowball and drive out free competition, an independent, and then say they are for the free enterprise system is beyond my comprehension. Even the Federal Maritime Commission says that pooling is "the ultimate anticompetitive combination." Even the Federal Maritime Commission says that.

Then there is another part of this bill that should be given heed by my colleagues in the Senate. That permits loyalty contracts. A loyalty contract is simple. The shipper says, "I do solemnly swear," or however they say it, "that I agree that you will have all my business and nobody else will get my business. I will do business with you, the cartel."

"Oh, but," they say, "there is some possibility for free competition in this bill, do not say there is not." It permits all of 5 percent for noncartel competitors.

What kind of craziness is this? Do we not believe in free competition? Where have you been? What are you doing with yourself? How can you possibly be for this bill to permit competition to be eliminated and still say you believe in the free enterprise system? How can you go out and make speeches to your constituents and tell them how great the American business scene is because it permits free competitive forces to work and you want to get Government off the backs of business, and then provide that business itself may be on the backs of other business persons?

I am proud of the fact that there are some Members on that side of the aisle whom we would normally consider to be conservatives, who have indeed seen what this bill is all about. I am proud of the fact that, on the last vote having to do with the antitrust exemption, such distinguished Members as Senator EAST, Senator HATCH, Senator HAWKINS, Senator HELMS, Senator HUMPHREY, Senator NICKLES, Senator ROTH, Senator THURMOND, and others recognize the implications of an exemption from the Antitrust Act.

What about the rest of you? Do you not understand what this bill is doing? Do you not believe that people ought to have the right to operate a ship without being driven out of business by a cartel? Either you are for free enterprise or you are for this bill.

I have seen votes in the past which indicate to me that most people just do not understand.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. Eight minutes and fifteen seconds.

Mr. METZENBAUM. I thank the Chair.

I understand certain measures when they come to the floor of the Senate, like gas deregulation, certain measures which perhaps have to do with strong views with respect to spending measures, abortion measures, various and sundry other kinds of measures, jobs bills—I understand how people can take different points of view. But for the life of me, I cannot understand how my colleagues are today voting to protect cartels and against free enterprise. I can only believe that they do not understand what is in this bill or that they have suddenly changed their minds about our system of government. If you want a system that has locked-in prices, fixed prices, and where no competition can work, you can find a lot of those systems around this world. Some of them are the Socialist republics, the Communist republics, the dictatorships. They all have a kind of locked-in arrangement. But we pride ourselves on the fact that we are free and the competitive forces are permitted to work in a free manner.

No; the absurdity of this bill that is before us this afternoon goes even further. We are authorizing in this bill special antitrust exemption for cartels 82 to 85 percent of whose members are not Americans, are foreign-owned ships. They carry 72 percent of all of the cargo in the U.S. trades.

Do you not read the legislation? Do you not understand what you are doing? If you provide an exemption for the shipping industry, how can you justify the further implementation of our antitrust laws with respect to any other segment of our economy?

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, I find that a very rude statement regarding the foreign shipping interests. I find it interesting that as we try to find a way to bring back to the domestic industry a portion of this very trade the Senator from Ohio mentions, and put American shipping and American seamen back to work, we have a situation in which the foreign competitors of the U.S. merchant marine have no regulation. They do not have antitrust concepts. They do not have people coming in and saying you must live up to the competitive concepts of free enterprise.

We have to find a way to compete with those people, and we have done it since 1916. We are really not starting something new. A person listening to the Senator from Ohio today would think, "My God, do you realize that the U.S. Senate is about to pass a bill that is contrary to private enterprise?"

He completely overlooks the fact that we have been trying to get this bill passed now for 6 years. It passed the House twice in the last session of Congress, once on the Consent Calen-

dar and once on the basis of at least a 10-to-1 margin.

How some people at the very last minute can discover the antitrust law and say, "What is going on here; we are about to exempt a substantial portion of American business from the antitrust law," is beyond me. We have in fact exempted this industry from the antitrust laws in the past, and we are refining that area of exemption now. It is high time we did because the statistics that the Senator from Ohio mentioned demonstrate that more and more of the foreign operators are coming into our market, more and more we are losing our capability to have a domestic shipping industry that can be involved in both domestic and international trade.

Now, Mr. President, the real problem with this bill so far as I am concerned is that we really have not gone far enough. The problem is that we want to create a new climate as we did in the civil aviation area. I wonder how many Members of the Senate remember that when we deregulated civil aviation in this country we kept the regulation of carriers involved in foreign trade. That same concept is involved here. We are trying to find a way to lessen the impact of the regulation of our Government on an industry that must compete with foreign shipping which, by the way, is often owned by foreign governments that impose absolutely no regulation.

It seems to me the real problem the Senator from Ohio has is that he does not really understand what keeps the country going. It is domestic private enterprise that keeps this country going.

When witnesses came before the Commerce Committee to testify, do you know who they were? They were representing the interest of foreign carriers that opposed this bill. And to hear these comments on the floor of the Senate, you would think that somehow or other the people who are opposing this bill are representing U.S. consumers, U.S. shippers. They are not.

I come from a State that has no shipping interest involved. We are served by the carriers involved. We know what happens when a monopoly exists and the foreign carriers drive out of maritime commerce the domestic ship lines that have served us so well. Every time one of them folds up, our rates go up. We want a healthy domestic maritime industry that is capable both in the domestic and in the international scene of maintaining continuity of shipping at the fairest price possible in view of the arbitrary practices of their foreign competitors.

Mr. President, let me close by just saying this: The changes that we have in this bill will not result in higher prices to consumers in this country or hurt U.S. exports. Ocean shipping is still the cheapest method of transporting goods and it will continue to be so. This bill does not change the ratemaking authority of shipping conferences but merely seeks to make the process more efficient and predictable. Congress gave shipping conferences the right to set rates collectively over 65 years ago. If this bill does not pass, that authority is still on the books. The Senator from Ohio has not suggested repealing it. What we are really doing is to make this regulatory system more efficient. During the years 1952 to 1962, when the regulatory system was structured much the same way that it will be if this bill passes, ocean shipping prices were very stable and rose less than the prices of commodities being transported. After the House maritime regulatary reform bill passed during the last Congress, the executive vice president of the National Industrial Traffic League said:

> We are vey pleased with this legislation. It is balanced and it protects the United States producers of goods who are the direct consumers of maritime services. It should help revitalize the maritime industry and help producers protect and develop markets.

It is extremely unfortunate that we hear comments made on the floor that indicate there is going to be an increase to the consumer if this bill passes. Nothing could be further from the truth, Mr. President. As a matter of fact, all the direct consumers of shipping services—the shippers that appeared before Congress, either on the House side or this side, supported this bill. It was the foreign providers of the services that opposed this bill. I think that point ought to be made loud and clear. We are making for greater efficiency in the use of the vessels and their capacity utilization, and we are making for greater price competition. That will lower the costs. And by virtue of the one item I mentioned that will allow small shippers to consolidate, that, too, is going to lower the costs for people who live out at the ends of the shipping system. Go to Fairbanks, Alaska, and ask them whether they want this bill to pass. They understand shipping rates and they understand them full well. They pay for every inch of that transportation, and they ship very little out.

We know what having a regulatory system means to shipping costs. We are trying to reduce the impact of that regulatory regime on the industry so that it can reduce prices and increase efficiency and services to the American public with domestic maritime interests being in the forefront of that objective.

I thank the Chair.

Mr. KASTEN. Mr. President, I rise in support of S. 47, a bill that will accomplish the much-needed reform of the Shipping Act of 1916. Our regulatory laws governing ocean liner shipping are outmoded and burdensome to an industry which is vital to the economic health and to the defense of the United States.

Reform of the regulations governing the U.S. liner industry has been the subject of intensive study and hearings over the past few years. There is a general recognition that reform is necessary. There has been participation and support from a broad spectrum of interested groups including representatives from U.S. and foreign flag lines, large and small shippers, and, most notably, from Federal Maritime Commission Chairman Alan Green.

Currently, the U.S.-flagged vessels operated at a disadvantage because our Government seeks to impose rules that cannot be imposed on foreign-flagged vessels. Partly because of this disadvantage, the business controlled by U.S. companies has decreased dramatically. In the Great Lakes, for example, the maritime business is in dire straits. Alone, this bill will not correct all the Great Lake shipping problems, but regulatory reform can be a start. Such general cargo ports as Milwaukee, Chicago, and Cleveland can especially benefit through enlightened reform to permit shippers to become more efficient and efficiency will help shippers contain rates for the exports and imports of this important industrial region, as it will for the entire Nation.

This legislation which we consider today clarifies the scope of the antitrust immunity granted to ocean common carriers, including that granted to conference intermodal agreements. At the same time, it preserves the common carrier obligations and protections afforded the users of our ocean transportation services by continuing provisions prohibiting unjustly discriminatory behavior and the abuse of the market power due to concerted carrier activity. Moreover, the bill will go a long way toward eliminating much of the dilatory procedures and vague standards governing common carrier agreements.

I would like to comment briefly on the antitrust immunity available under S. 47. Ocean conferences have had antitrust immunity, under certain standards, since 1916, when Congress decided as a matter of policy that adoption of the conference system for the U.S. trades had certain advantages, most of which are present today. The advantages include greater regularity and frequency of service, stability and uniformity of rates, economy in the cost of service, better distribution of sailings, equal treatment of shippers through the elimination of secret arrangement and underhanded methods of discrimination.

The policy behind the 1916 Shipping Act is still valid today. S. 47 preserves the basic antitrust immunity for carri-

ers and conferences, but clarifies its scope, ending the confusion and uncertainty resulting from the dual application of both antitrust and Shipping Act standards to ocean carrier agreements. Moreover, the bill eliminates the time-consuming and costly preimplementation review of commercial agreements by the FMC. In suggesting this major change, FMC Chairman Green sought the end to an era of Government "crystal ball gazing." Instead the FMC will concentrate its efforts and resources on the postapproval surveillance of actual conference and carrier conduct and strict enforcement of the law.

S. 47 also affords protection against ocean carrier abuse of the grant of immunity by providing a specific list of prohibited acts. This list clearly defines the standard of lawful conduct to which carriers and other persons must conform. The Federal Maritime Commission will continue to strenuously examine and oversee the conduct of conferences to insure that they conform with the law.

Finally, the users of ocean transportation services may expect to benefit from passage of S. 47. This legislation is particularly important to the many exporters and importers of the Midwest. Not only is the authority of conferences to continue to offer intermodal transportation services clarified, but the bill also provides greater flexibility for shipper-carrier commercial relations, and specifically authorizes service contracts, independent action and time/volume rates. Authorization for the establishment of shippers' councils is also included.

In summary, S. 47 is the product of intensive and prolonged study and effort to reform our shipping laws and represents a well-balanced approach to regulation of ocean shipping industry. For the reasons I have cited above, I support the passage of S. 47 and urge my colleagues to do so as well.

● Mr. LEVIN. Mr. President, I will vote against full passage of S. 47. The question of whether or not to exempt ocean carriers from the antitrust laws is a complex one upon which there has been considerable debate. But one thing is clear. Even if an exemption is wise—a conclusion about which I have some doubt—putting the Federal Government in the position of enforcing price-fixing agreements goes beyond what is required to strengthen the position of the carriers.

The amendment offered earlier today by Senator THURMOND, if adopted by the Senate, would have at least removed the Federal Maritime Commission from enforcing the agreements ultimately reached by the carriers. While I support the goal of strengthening the U.S. maritime industry, I am concerned that the approach taken in S. 47 establishes overly broad precedent of exempting carriers from the antitrust laws while at the same time requiring the Government to enforce the prices ultimately fixed by the carriers.●

Mr. SPECTER. Mr. President, although I recognize the important role the shipping industry plays in shoring-up American economic interests at home and abroad, and believe that every reasonable effort must be made to insure its continued vitality, I do not believe that this type of generalized exemption from the antitrust laws is the most economical, most efficient, least intrusive means of furthering the legitimate objectives of the industry. I fear that requiring the Federal Maritime Commission to penalize carriers who offer discounts to shippers will only worsen the threat to U.S. exporters, importers, and consumers which this legislation poses.

The drafters of the bill apparently believe that it is not enough to encourage classic price fixing and the formation of cartels, nor enough to expressly eliminate enforcement standards which insured that anticompetitive carrier agreements would not blatently offend the "public interest." Instead, the bill would enlist the U.S. Government as a policeman, to insure that no cartel member undermines the price fix. If price fixing and other restrictive agreements are necessary to the survival of the industry, as the bill's sponsors maintain, then surely the cartel's members can persuade one another to adhere to the fixed price without the assistance of the FMC. If the ocean carriers must go down to the sea in cartels, then let them do so without the complicity of the same government whose functions include enforcement of the antitrust laws. S. 47 will cost American consumers millions of dollars and primarily benefit the foreign carriers who make up 80-85 percent of the cartel membership. It is time that the carriers accept responsibility for enforcing the agreements which seek these dubious ends.

In closing, let me say that the antitrust laws are this country's primary means of preserving the economic and consumer benefits of competition, and the Committee on the Judiciary is charged with the oversight of those laws. This bill, with its sweeping antitrust exemption, warranted more than a 6-day referral to the Judiciary Committee, a referral obtained only through the considerable efforts of the committee chairman, Senator THURMOND. The time available for the consideration of this legislation in the Judiciary Committee was all too brief. Had the committee been afforded greater opportunity for debate on the bill and its amendments, I believe we could all be more confident that it would protect the interests of those who will be affected by its broad sweep.

THE STEVENS/THURMOND/HATCH COMPROMISE AMENDMENT TO S. 47

Mr. DOLE. Mr. President, I commend Senators STEVENS, THURMOND, and HATCH on the compromise amendment package which was put before the Senate and voted this morning. I regret that I was unable to be present for the vote due to a conflicting schedule which required me to be in New York this morning. I wish the record to reflect, however, my support for the compromise that was put together by my colleagues after marathon discussions last night.

The compromise preserves important immunities against antitrust liability for shippers who are forced to enter into shipping agreements in order to protect themselves from subsidized foreign carriers who would otherwise benefit from their protected domestic position and engage in unfair competition against American carriers who, without the conference agreements authorized by this bill, are unable to compete on an equal footing. At the same time, it preserves a right of independent action for those carriers who, with respect to specific route operations, are in a position to compete successfully with the foreign carriers without participation in shipping conferences as authorized by the act. In this way, maximum flexibility is retained in the industry and legitimate competitive influences will continue to be felt.

With this compromise, I am comfortable with the bill and will support it. The compromise contains a reasonable protection against the possibility that the limited antitrust immunities granted for shippers will be abused to the detriment of the open, competitive domestic shipping industry in the United States.

Mr. GORTON. How much time is remaining?

The PRESIDING OFFICER. Three minutes remaining.

Mr. GORTON. Mr. President, for just a moment I wish to address myself to——

Mr. HATCH. Will the Senator yield for just a parliamentary inquiry?

Mr. GORTON. Yes.

Mr. HATCH. Mr. President, how much time does the opposition have?

The PRESIDING OFFICER. Five minutes and 46 seconds.

Mr. GORTON. For just a moment, as manager of the bill, I want to respond to the very thoughtful comments in opposition to the bill presented a few moments ago by the Senator from Utah. If the Senator from Washington believed that this bill would result in increases in costs to American importers and exporters, I know the Senator from Utah agrees that this Senator would oppose the bill. I spent 2 years as chairman of the Subcom-

mittee on Merchant Marine learning about a field in which I had no previous experience. I can assure the Senator that I support this bill, because I think that it increases competition over the level of competition at the present time; that it will benefit shippers, who themselves have testified that it will benefit them, as well as the American flag merchant marine, so eloquently testified to by the Senator from Alaska.

This is not a total deregulatory bill. It is certainly possible to devise a bill which might drive prices down further, but we would do that only at the cost of driving the flag of the United States off of the oceans in international trade. And so we have gone in this bill as far as we possibly could to increase competition and preserve the American merchant marine at the same time.

In reference to the study referred to by the Senator by Professor Ferguson, we in dealing with that study in the Commerce Committee literally found no factual basis for the conclusions of that particular author.

We believe, to the contrary, that we will have freer international trade, that we will have more pricing competition, that we will have both a stronger American merchant marine and a stronger international trade posture in the United States. No one ever can be certain of his conclusions. I know the Senator from Utah is not. But that is the goal for which we are driving in this piece of legislation.

I may also say that the amendments proposed by the Judiciary Committee and by the Senator from Utah clearly increase the competitive balance existing in this bill, and they are changes which I support and intend to support as the rest of Congress deals with this proposition.

I know that the Senator has operated in this debate in entire good faith. I assure him that we seek exactly the same ends.

Mr. President, in agreement with the article by Professor Hazard, which I read earlier, I believe we have the best compromise in the real world to improve the ocean shipping of the United States.

The PRESIDING OFFICER (Mr. SPECTER). All time of the proponents of the bill has expired.

The opponents have 5 minutes and 46 seconds remaining.

Mr. METZENBAUM. Mr. President, I yield 3 minutes to the distinguished Senator from Utah.

Mr. HATCH. Mr. President, I appreciate these remarks by the distinguished Senator from Alaska and the distinguished Senator from Washington. I know they are sincere, that they believe in what they are doing, that they believe that this bill will increase competition. If that were so, we could apply the aspects of this bill to many aspects of business life in this society and find that it would not increase competition. I have no doubt about their sincerity. I admire both of them, and I think that they have done an excellent job in managing this bill.

I believe that the distinguished Senator from Ohio happens to be right in this matter. The bill before us strikes at the protections of our economic democracy because it permits an industry to cartelize while granting the industry sweeping antitrust immunities.

I said yesterday that fixed prices discourage competition, and without competition consumers always suffer. I know of no historical refutation or rebuttal of those statements. I suspect that in this case we are going to find that those statements are true as well.

I might also add that S. 47 fails to provide—except insofar as we have tried to amend it, in my opinion—the necessary and feasible protections against cartel power. I know efforts have been made to try to resolve this problem, but I do not believe that this problem is resolved, in spite of the sincerity and obvious good intentions of those managing this bill—friends of mine, people I admire, who I think are generally right in the areas of antitrust law.

With regard to Professor Ferguson, yesterday I put into the RECORD a number of other distinguished economists who agree with him—Prof. Walter Heller, Sidney Jones, Thomas Gale, Lester Thoreau, James Tobin. They all fell that this bill will amount to a very detrimental application to consumers. I am not persuaded that circumstances in the shipping industry are unique, so that carriers should be exempt from the greatest of our consumer protection laws, the antitrust laws.

I am very concerned that if this bill passes—and I assume it will pass—and if the managers of this bill are wrong, I thing we will be a long time in paying the price for their doing wrong.

Also, in the final analysis, this bill will hurt not only the consumers but also the maritime fleet. Time will tell. I hope the floor manager of the bill is right. I admire him for doing what he believes is right in this bill.

Mr. METZENBAUM. Mr. President, in concluding this debate, there are two issues to consider: whether it is good for the American economy and jobs and whether it will lower costs.

It is hard for me to understand how the shipping industry is fighting for this bill and is somehow fighting to lower their costs. It does not ring true to me.

It is similar to the argument I heard with respect to the Natural Gas Act. I heard it in the argument for decontrol of jet fuel, and airline prices went up unbelievably high within days. I heard it in the antitrust exemption for the soft drink bottlers, and soft drink prices have continued to go up since then.

As to the question of whether it is good for the economy, let me quote the statement by Mr. Frank Drozak, of the maritime trades department of the AFL-CIO, addressing the 1982 convention of the American Merchant Marine, Long Beach, Calif., aboard the Queen Mary. He said:

> While the regulatory bill may help the liner operators, it will also assist the foreign operators as well. This Gorton-Biaggi legislation is basically a housekeeping chore which will not develop the American maritime industry, will not create one new job, and will not stem the unemployment problem of this country. Passage of this bill will increase the unemployment of American seamen, shipyard workers, and American supply businesses, and will siphon more American taxes abroad.

I think that states it in a nutshell. This bill will not help; it will hurt. That is coming from the leading spokesperson for the seamen and the shipping trade workers in this country. It certainly is not going to cut prices. It is a reflection upon the free enterprise system. It is a throwback.

I hope that the Members of the Senate will see fit to reject this measure, even at this late hour.

Mr. President, have the yeas and nays been requested on the bill?

The PRESIDING OFFICER. The yeas and nays have not been requested.

Mr. METZENBAUM. I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. METZENBAUM. Mr. President, it is my understanding that the time of the proponents has expired. I gather that I still have a little time remaining.

The PRESIDING OFFICER. All time has expired.

Mr. METZENBAUM. Then, I will not even yield it back. [Laughter.]

The PRESIDING OFFICER. Without objection, the committee substitute, as amended, is agreed to.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Mississippi (Mr. COCHRAN), is necessarily absent.

I also announce that the Senator from Alaska (Mr. MURKOWSKI), is absent due to the death of a relative.

I further announce that, if present and voting, the Senator from Alaska (Mr. MURKOWSKI); would vote "yea".

Mr. CRANSTON. I announce that the Senator from Ohio (Mr. GLENN), is necessarily absent.

The PRESIDING OFFICER. Is there any other Senator in the Chamber who wishes to vote?

The result was announced—yeas 64, nays 33, as follows:

[Rollcall Vote No. 6 Leg.]

YEAS—64

Andrews	Hart	Nunn
Armstrong	Hatfield	Packwood
Baker	Heflin	Pell
Bentsen	Heinz	Pryor
Bradley	Hollings	Quayle
Burdick	Huddleston	Randolph
Byrd,	Inouye	Riegle
Chafee	Jackson	Rudman
Chiles	Jepsen	Sarbanes
Cohen	Johnston	Sasser
Cranston	Kassebaum	Stafford
D'Amato	Kasten	Stevens
Danforth	Lautenberg	Symms
DeConcini	Long	Tower
Dole	Lugar	Trible
Domenici	Mathias	Wallop
Durenberger	Matsunaga	Warner
Eagleton	Mattingly	Weicker
Exon	McClure	Wilson
Ford	Melcher	Zorinsky
Goldwater	Mitchell	
Gorton	Moynihan	

NAYS—33

Abdnor	Garn	Metzenbaum
Baucus	Grassley	Nickles
Biden	Hatch	Percy
Bingaman	Hawkins	Pressler
Boren	Hecht	Proxmire
Boschwitz	Helms	Roth
Bumpers	Humphrey	Simpson
Denton	Kennedy	Specter
Dixon	Laxalt	Stennis
Dodd	Leahy	Thurmond
East	Levin	Tsongas

NOT VOTING—3

Cochran	Glenn	Murkowski

So the bill (S. 47), as amended, was passed, as follows:

S. 47

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Shipping Act of 1983".

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SEC. 2. DECLARATION OF POLICY.

The objectives of United States regulation of international liner shipping are—

(1) to develop and maintain an efficient ocean transportation system through commercial means, with minimum government involvement, in order to serve the needs of United States foreign commerce;

(2) to foster reliable and responsible service by marine terminal operators, ocean common carriers, and conferences;

(3) to encourage ocean transportation rates and practices for United States exporters and importers that are internationally competitive, and which are not unjustly discriminatory;

(4) to harmonize United States shipping practices with those of its major trading partners;

(5) to permit cooperation among carriers and rationalization of services; and

(6) to facilitate efficient and timely regulation by a single Federal agency of the various aspects of international liner shipping, responsive to the growth of ocean commerce and international developments affecting that commerce.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) "agreement" means an understanding, arrangement, or association, written or oral, and any modification or cancellation thereof; but the term does not include a maritime labor agreement;

(2) "antitrust laws" means the Act of July 2, 1890 (ch. 647, 26 Stat. 209), as amended; the Act of October 15, 1914 (ch. 323, 38 Stat. 730), as amended; the Federal Trade Commission Act (38 Stat. 717), as amended; sections 73 and 74 of the Act of August 27, 1894 (28 Stat. 570), as amended; the Act of June 19, 1936 (ch. 592, 49 Stat. 1526), as amended; the Antitrust Civil Process Act (76 Stat. 548), as amended; and amendments and Acts supplementary thereto;

(3) "assessment agreement" means an agreement, whether part of a collective-bargaining agreement or negotiated separately, only to the extent that it provides for the funding of collectively bargained fringe benefit obligations on other than a uniform man-hour basis, regardless of the cargo handled or type of vessel or equipment utilized;

(4) "bulk cargo" means cargo that is loaded and carried in bulk without mark or count;

(5) "Commission" means the Federal Maritime Commission;

(6) "common carrier" means a person holding itself out to the general public to provide transportation of passengers or property between the United States and a foreign country for compensation that—

(A) assumes responsibility for the transportation from the port or point of receipt to the port or point of destination; and

(B) utilizes, for all or part of that transportation, a vessel operating on the high seas or the Great Lakes between ports in the United States and ports in foreign countries.

(7) "conference" means an association of ocean common carriers permitted, pursuant to an approved or effective agreement, to engage in concerted activity and to utilize a common tariff; but the term does not include a joint service, consortium, pooling, sailing or transshipment arrangement;

(8) "controlled carrier" means an ocean common carrier that is, or whose operating assets are, directly or indirectly, owned or controlled by the government under whose registry the vessels of the carrier operate; ownership or control by a government shall be deemed to exist with respect to any carrier if—

(A) a majority portion of the interest in the carrier is owned or controlled in any manner by that government, by any agency thereof, or by any public or private person controlled by that government; or

(B) that government has the right to appoint or disapprove the appointment of a majority of the directors, the chief operating officer, or the chief executive officer of the carrier;

(9) "deferred rebate" means a return by a common carrier of any portion of the freight money to a shipper as a consideration for that shipper giving all, or any portion, of its shipments to that or any other common carrier, or for any other purpose, the payment of which is deferred beyond the completion of the service for which it is paid, and is made only if, during both the period for which computed and the period of deferment, the shipper has complied with the terms of the rebate agreement or arrangement;

(10) "fighting ship" means a vessel used in a particular trade by an ocean common carrier or group of such carriers for the purpose of excluding, preventing, or reducing competition by driving another ocean common carrier out of that trade;

(11) "forest products in an unfinished or semifinished state" means forest products that require special handling moving in lot sizes that range from being too large for containers up to and including shipload lot sizes, including, but not limited to lumber in bundles, rough timber, ties, poles, piling, laminated beams, bundled siding, bundled plywood, bundled core stock or veneers, bundled particle or fiber boards, bundled hardwood, wood pulp in rolls, wood pulp in unitized bales, paper board in rolls, and paper in rolls;

(12) "inland division" means the amount paid by an ocean common carrier to any inland carrier for the inland portion of through transportation offered to the public by the ocean common carrier;

(13) "inland portion" means the charge to the public by an ocean common carrier with respect to the nonocean portion of through transportation;

(14) "loyalty contract" means a contract with an ocean common carrier or conference, other than a service contract or a contract based on time-volume rates, by which a contract shipper obtains lower rates by committing all or a fixed portion of its cargo to that carrier or conference;

(15) "marine terminal operator" means a person engaged in the United States in the business of furnishing wharfage, dock, warehouse, or other terminal facilities in connection with a common carrier;

(16) "maritime labor agreement" means a collective-bargaining agreement between an employer or group of employers, subject to this Act and a labor organization representing employees in the maritime or stevedoring industry, or an agreement preparatory to such a collective-bargaining agreement among members of a multiemployer bargaining group, or an agreement specifically implementing provisions of such a collective-bargaining agreement or providing for the formation, financing, or administration of a multiemployer bargaining group; but the term does not include an assessment agreement;

(17) "net profit and loss pool" means a pooling or apportionment of net profit or losses, or any similar arrangement that results in the participants sharing all or virtu-

ally all of their costs of operation, but the term does not include a pooling or apportionment of revenues in which each participant continues to bear his own costs even if such a pooling provides for certain adjustments to revenue or expense or results in the sharing of certain costs;

(18) "non-vessel-operating common carrier" means a common carrier that does not operate the vessels by which the ocean transportation service is provided, and is a shipper in its relationship with an ocean common carrier;

(19) "ocean common carrier" means, for purposes of this Act only, a vessel operating common carrier; but the term does not include one engaged in ocean transportation by ferry boat, or ocean tramp or bulk cargo vessels;

(20) "ocean freight forwarder" means a person in the United States who—

(A) dispatches shipments via common carriers and books or otherwise arranges space for such cargo on behalf of shippers, and

(B) processes the documentation or performs related activities incident to such shipments;

(21) "person" includes individuals, corporations, partnerships, and associations existing under or authorized by the laws of the United States or of a foreign country;

(22) "service contract" means a contract between a shipper and an ocean common carrier or conference in which the shipper makes a commitment to provide a certain minimum quantity of cargo over a fixed time period, and the ocean common carrier or conference commits to a certain rate or rate schedule as well as a defined service level—such as, assured space, transit time, port rotation, or similar service features; the contract may also specify provisions in the event of nonperformance on the part of either party;

(23) "shipment" means all of the cargo carried under the terms of a single bill of lading;

(24) "shipper" means an owner or person for whose account the ocean transportation of cargo is provided or the person to whom delivery is to be made;

(25) "shipper's council" means an association of shippers or their agents, other than ocean freight forwarders and non-vessel-operating common carriers;

(26) "tariff" means any schedule of rates, charges, classifications, rules, and practices, including any supplement, amendment or reissue pertaining to services or accommodations subject to this Act;

(27) "through rate" means the single amount charged by a common carrier in connection with through transportation;

(28) "through transportation" means continuous transportation between origin and destination for which a single amount is assessed and which is offered or performed by one or more carriers, at least one of which is a common carrier, between a United States point or port and a foreign point or port; and

(29) "United States" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas, and all other United States territories and possessions.

SEC. 4. AGREEMENTS WITHIN SCOPE OF ACT.

(a) OCEAN COMMON CARRIERS.—This Act applies to agreements by or among ocean common carriers to—

(1) discuss, fix, and regulate rates, accommodations, and other conditions of service including through rates and through transportation,

(2) pool or apportion earnings, losses or traffic;

(3) allot ports or restrict or otherwise regulate the number and character of sailings between ports;

(4) limit or regulate the volume or character of cargo or passenger traffic to be carried;

(5) engage in exclusive, preferential, or cooperative working arrangements among themselves or with one or more marine terminal operators or non-vessel-operating common carriers

(6) control, regulate, or prevent competition in international ocean transportation and,

(7) consult and confer with shippers and shippers' councils regarding general rate levels, charges, classifications, rules, practices, or services.

(b) MARINE TERMINAL OPERATORS.—This Act applies to agreements among marine terminal operators, and to agreements among one or more marine terminal operators and one or more ocean common carriers to—

(1) discuss, fix, and regulate rates and other conditions of services; and

(2) engage in exclusive, preferential, or cooperative working arrangements.

(c) ACQUISITIONS.—This Act does not apply to an acquisition by any person, directly or indirectly, of any voting security or assets of any other person.

SEC. 5. AGREEMENTS.

(a) FILING REQUIREMENTS.—A true copy of every agreement entered into with respect to an activity described in section 4 shall be filed with the Commission, except agreements related to transportation to be performed within or between foreign countries. In the case of an oral agreement, complete memorandum specifying in detail the substance of the agreement shall be filed. The Commission may by regulation prescribe the general form and manner in which agreements shall be filed.

(b) NOTICE AND REJECTION.—Within 10 working days after an agreement is filed, the Commission shall transmit a notice of its filing to the Federal Register for publication. The Commission shall within 30 days after filing reject any agreement that on its face fails to comply with this section. In rejecting an agreement, the Commission shall state, in writing, the deficiency or deficiencies that caused the Commission to reject the agreement.

(c) CONFERENCE AGREEMENTS.—Each conference agreement must—

(1) state its purpose and the manner in which it will be implemented;

(2) provide reasonable and equal terms and conditions for admission and readmission to conference membership of any ocean common carrier willing to serve the particular trade or route;

(3) permit any member to withdraw from conference membership upon reasonable notice without penalty;

(4) require an independent neutral body to police fully the obligations of the conference and its members;

(5) provide for a consultation process designed to promote—

(A) commercial resolution of disputes; and

(B) cooperation in preventing and eliminating malpractices; and

(6) establish procedures for promptly and fairly considering shippers' requests and complaints.

(d) CONFERENCES UTILIZING LOYALTY CONTRACTS OR SERVING UNITED STATES ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT TRADES.—Each conference agreement must provide that, if the conference has in effect a loyalty contract with 1 or more shippers or if the conference serves a trade between the United States and countries that are members of the Organization for Economic Cooperation and Development any members of the conference may take independent action on any rate or service item required to be filed in a tarriff under section 9.

(e) INTERCONFERENCE AGREEMENTS.—Each agreement between carriers not members of the same conference must provide the right of independent action for each carrier. Each agreement between conferences must provide the right of independent action for each conference.

(f) ASSESSMENT AGREEMENTS.—

(1) Assessment agreements shall be filed with the Commission and shall be deemed approved upon filing. The Commission shall thereafter, upon complaint filed within 2 years of the date of filing of the agreement, disapprove, cancel, or modify any such agreement, or charge or assessment pursuant thereto, that it finds, after notice and hearing, to be unjustly discriminatory or unfair as between carriers, shippers, or ports. The Commission shall issue its final decision in each proceeding within 1 year of the date of filing of the complaint. If an assessment or charge is found to be unjustly discriminatory or unfair as between carriers, shippers, or ports, the Commission shall remedy the unjust discrimination or unfairness for the period of time between the filing of the complaint and the final decision by means of assessment adjustments. These adjustments shall be implemented by prospective credits or debits to future assessments or charges, except in the case of a complainant who has ceased activities subject to the assessment or charge, in which case reparation may be awarded. To the extent that any provision of this paragraph conflicts with the language of any other section of this Act, the Shipping Act, 1916, or the Intercoastal Shipping Act, 1933, the provisions of this paragraph shall control.

(2) This Act, the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, do not apply to maritime labor agreements. This section does not exempt from the provisions of this Act, the Shipping Act, 1916, or the Intercoastal Shipping Act, 1933, any rates, charges, regulations, or practices of a common carrier or marine terminal operator that are required to be set forth in a tariff, whether or not such rates, charges, regulations, or practices arise out of, or are otherwise related to, a maritime labor agreement.

SEC. 6. ACTION ON AGREEMENTS.

(a) EFFECTIVE DATE.—Except with respect to assessment agreements, each agreement filed under section 5(a) shall become effective 45 days after filing, unless rejected under section 5(b) or suspended pursuant to subsection (b) but in no case may an agreement become effective in less than 30 days from its publication in the Federal Register.

(b) SUSPENSION.—At any time prior to the expiration of the 45 day period referred to in subsection (a), the Commission, upon complaint of a person, may suspend the effective date of an agreement pending the outcome of any proceeding pursuant to subsection (c), if the Commission, after preliminary hearing, finds that—

(1) the complainant has shown a reasonable probability that the agreement will operate in violation of section 5 or 12; and

(2) the complainant will be substantially injured in the interim if the agreement is allowed to go into effect before a final decision on the merits.

No suspension period may exceed 180 days.

(c) CANCELLATION OR MODIFICATION.—The Commission may, at any time, upon complaint or upon its own motion, institute and conduct an investigation and hearing to determine if any agreement filed under section 5(a) operates in violation of section 5 or 12, and if so, shall by order, cancel or modify that agreement. Each agreement that is in effect at the time it is the subject of an investigation and hearing shall remain in effect during the investigation and hearing.

(d) HEARING.—Hearings pursuant to this section shall be limited to the submission of affidavits of fact and memorandums of law unless, in the opinion of the Commission, there is a genuine issue of fact that requires an oral evidentiary hearing. Oral argument may be ordered at the discretion of the Commission.

(e) BURDEN OF PROOF.—The burden of proof in any proceeding under this section, or under section 5(f)(1) or under any other section of this Act where an agreement is concerned, is at all times on any party, including the Commission, opposing the agreement.

(f) INFORMATION.—At any time before the expiration of the 45-day period referred to in subsection (a), the Commission, upon its own motion or motion of the complainant, may issue a subpena or discovery order for any additional information that it deems necessary to determine whether the agreement is in violation of this Act.

(g) COMPLIANCE WITH SUBPENA OR DISCOVERY.—In any proceeding under this section, the Commission may disapprove or cancel an agreement for failure of a proponent of the agreement to comply with a subpena or discovery order lawfully issued by the Commission.

(h) FINAL DECISION TIME.—The Commission shall issue a final decision in each hearing under this section within 180 days of ordering the hearing. If, within this time period, the Commission determines that it is unable to issue a final order because of undue delays, the Commission may make a decision in the proceeding adverse to the delaying party on the basis of the delay, or in the case of undue delay caused by a proponent of an agreement, alternatively, toll the 180-day period for the period of delay.

(i) DURATION OF EFFECTIVENESS.—Each agreement, once in effect, shall remain in effect until withdrawn or until canceled or modified by the Commission. The Commission may not limit the effectiveness of an agreement.

SEC. 7. LOYALTY CONTRACTS.

(a) CONTRACT REQUIREMENTS.—Any ocean common carrier or conference engaged in foreign commerce may utilize loyalty contracts, including contracts for through transportation, if—

(1) the contract is available to all shippers on equal terms and conditions and, where the contract covers service under through rates via a United States port or ports, it also offers the shipper an option of port-to-port contract service, and provides that use of either service shall satisfy the shipper's loyalty obligation;

(2) the contract shipper is permitted prompt release from the contract with respect to any shipment or shipments for which the contracting carrier or conference cannot provide space as requested on reasonable notice by the shipper;

(3) the contract provides that whenever a rate for the carriage of goods under the contract becomes effective, insofar as it is under the control of the carrier or conference, the rate—

(A) may not be increased on less than 90 days' notice, except upon agreement of the applicable shippers; and

(B) may be increased on not less than 30 days' notice if the increase is to a level no higher than that from which the particular rate was reduced within 180 days immediately preceding the filing of the increase;

(4) the contract covers only those goods of the contract shipper as to the shipment of which it has the legal right at the time of shipment to select the carrier. It shall be deemed a breach of the contract if, before the time of shipment and with the sole intent to avoid its obligation under the contract, the contract shipper divests itself, or with the same intent permits itself to be divested, of the legal right to select the carrier and the shipment is carried by a carrier that is not a party to the contract. No contract shall require the shipper to refuse to purchase, sell, or transfer any goods on terms that vest the right to select the carrier in any other person;

(5) the contract shipper is not denied the right to utilize competing services that involve loading to or from a vessel at a port or points located beyond a carrier's or conference's geographic scope as defined in the contract;

(6) the damages recoverable for breach by either party are limited to actual damages to be determined after breach in accordance with the principles of contract law. The contract may specify, however, that in the case of a breach by a contract shipper the damages may be an amount not exceeding the freight charges computed at the contract rate on the particular shipment, less the cost of handling;

(7) the shipper, carrier, or conference is permitted on 90 days' notice to terminate the contract rate system in whole or with respect to any commodity without penalty;

(8) the contract provides for a spread or series of spreads between non-contract rates and rates charged contract shippers that shall not exceed an aggregate of 15 per centum;

(9) the contract excludes bulk cargo (except liquid bulk cargoes, other than chemicals, in less than full shipload lots) and forest products in an unfinished or semifinished state; and

(10) the contract shipper is permitted to utilize competing services for 5 per centum or less of the shipper's tonnage that would otherwise be subject to the loyalty obligation.

(b) TREATMENT OF CONTRACT NOT IN CONFORMITY.—Utilization of a loyalty contract that does not conform with each of the requirements of this section is a violation exclusively of this Act.

SEC. 8. EXEMPTION FROM ANTITRUST LAWS.

(a) The antitrust laws do not apply to—

(1) any agreement that has been filed under section 5 and has become effective under section 6, or is exempt under section 18 from any requirement of this Act;

(2) any activity or agreement within the scope of this Act, whether permitted under or prohibited by this Act, undertaken or entered into with a reasonable basis to conclude that (A) it is pursuant to an agreement on file with the Commission and in effect when the activity took place, or (B) it is exempt under section 18 from any filing requirement of this Act;

(3) any loyalty contract or any activity pursuant to a loyalty contract;

(4) any agreement or activity that relates solely, to ocean or through transportation services within or between foreign countries, whether or not via the United States;

(5) any agreement or activity concerning the foreign inland segment of through transportation that is part of transportation provided in a United States import or export trade;

(6) any agreement or activity with a shipper's council organized under the laws of a foreign country and operating exclusively outside the United States, even when that agreement or activity affects cargo transported in a United States import or export trade;

(7) any agreement or activity to provide or furnish wharfage, dock, warehouse, or other terminal facilities exclusively outside the United States;

(8) subject to section 21(e)(2), any agreement, modification, or cancellation approved by the Commission before the effective date of this Act under section 15 of the Shipping Act, 1916, or permitted under section 14(b) thereof, and any properly filed and published tariff rate, charge, classification, rule, or practice implementing that agreement, modification, or cancellation.

(9) joint ventures established by small shippers to—

(A) consult and confer with any ocean common carrier or conferece regarding general rate levels, charges, classification, rules, practices, or services; and

(B) combine cargo with 1 or more small shippers for the purpose of obtaining time-volume rates and services contracts with ocean common carriers. For the purpose of this subsection, a small shipper shall be considered to be any shipper who is in the normal course of its business (including any business conducted by a parent corporation or subsidiary that, in whole or in part, either controls or is controlled by such shipper) ships in international ocean transportation an annual average of no more than 35, 40-foot containers a month.

(b) This Act does not extend antitrust immunity—

(1) to any agreement with or among air carriers, rail carriers, motor carriers, or common carriers by water not subject to this Act with respect to transportation within the United States; or

(2) to any discussion or agreement among common carriers that are subject to this Act discussing the inland divisions (as opposed to the inland portions) of through rates within the United States.

(c)(1) Any determination by any agency or court that results in the denial or removal of the immunity to the antitrust laws set forth in subsection (a) shall not remove or alter the antitrust immunity for the period before the determination.

(2) No person may recover damages under section 4 of the Clayton Act, or obtain injunctive relief under section 16 of the Clayton Act, for conduct that is prohibited by this Act.

SEC. 9. TARIFFS.

(a) IN GENERAL.—

(1) Except with regard to bulk cargo and forest products in an unfinished or semifinished state, and recyclable or recycled metals and metal bearing materials, waste

paper or paper waste, each common carrier and conference shall file with the Commission, and keep open to public inspection, tariffs showing all its rates, charges, classifications, rules, and practices between all points or ports or its own route and on any through transportation route that has been established. However, common carriers shall not be required to state separately or otherwise reveal in tariff filings the inland divisions of a through rate. Tariffs shall—

(A) plainly indicate the places between which cargo will be carried;

(B) list each classification of cargo in use;

(C) set forth the level of freight forwarder compensation, if any, by a carrier or conference;

(D) state separately each terminal or other charge, privilege, or facility under the control of the carrier or conference and any rules or regulations that in any way change, affect, or determine any part or the aggregate of the rates or charges; and

(E) and include sample copies of any loyalty contract, bill of lading, contract of affreightment, or other document evidencing the transportation agreement.

(2) Copies of tariffs shall be made available to any person and a reasonable charge may be assessed for them.

(b) TIME-VOLUME RATES.—Rates quoted in tariffs may vary with the volume of cargo offered over a specified period of time.

(c) SERVICE CONTRACTS.—An ocean common carrier or conference may enter into a service contract with a shipper or shipper joint venture to provide specified services under specified rates and conditions, subject to the requirements of this Act. Each contract entered into under this subsection shall be filed confidentially with the Commission, and at the same time, a concise statement of its essential terms shall be filed with the Commission and made available to the general public in tariff format, and such essential terms shall be available to all shippers similarly situated. The essential terms shall include—

(1) the origin and destination port ranges in the case of port-to-port movements, and the origin and destination geographic areas in the case of through intermodal movements;

(2) the commodity or commodities involved;

(3) the minimum volume;

(4) the line-haul rate;

(5) the duration;

(6) service commitments; and

(7) the liquidated damages for nonperformance, if any.

The exclusive remedy for a breach of a contract entered into under this subsection is an action in an appropriate court, unless the parties otherwise agree. This subsection does not affect service contracts relating to bulk cargo or forest products in an unfinished or semifinished state.

(d) RATES.—No new or initial rate or change in existing rate that results in an increased cost to the shipper may become effective earlier than 30 days after filing with the Commission. The Commission, for good cause, may allow such a new or initial rate or change to become effective in less than thirty days. Any change in an existing rate that results in a decreased cost to the shipper may become effective upon publication and filing with the Commission.

(e) REFUNDS.—The Commission may, upon application of a carrier or shipper, permit a common carrier or conference to refund a portion of freight charges collected from a shipper or to waive the collection of a portion of the charges from a shipper if—

(1) there is an error in a tariff of a clerical or administrative nature or an error due to inadvertence in failing to file a new tariff and the refund will not result in discrimination among shippers, ports, or carriers;

(2) the common carrier or conference has, prior to filing an application for authority to make a refund, filed a new tariff with the Commission that sets forth the rate on which the refund or waiver would be based;

(3) the common carrier or conference agrees that if permission is granted by the Commission, an appropriate notice will be published in the tariff, or such other steps taken as the Commission may require, which gives notice of the rate on which the refund or waiver would be based, and additional refunds or waivers as appropriate shall be made with respect to other shipments in the manner prescribed by the Commission in its order approving the application; and

(4) the application for refund or waiver is filed with the Commission within 180 days from the date of shipment.

(f) FORM.—The Commission may by regulation prescribe the form and manner in which the tariffs required by this section shall be published and filed. The Commission may reject any tariff that is not in conformity with this section and its regulations. Upon rejection by the Commission, the tariff is void and its use is unlawful.

SEC. 10. CONTROLLED CARRIERS.

(a) CONTROLLED CARRIER RATES.—No controlled carrier subject to this section shall maintain rates or charges in its tariffs filed with the Commission that are below a level that is just and reasonable, nor shall any such carrier establish or maintain unjust or unreasonable classifications, rules, or regulations in such tariffs. An unjust or unreasonable classification, rule, or regulation means one which results or is likely to result in the carriage or handling of cargo at rates or charges which are below a level which is just and reasonable. The Commission may, at any time after notice and hearing, disapprove any rates, charges, classifications, rules, or regulations which the controlled carrier has failed to demonstrate to be just and reasonable. In any proceeding under this subsection, the burden of proof shall be on the controlled carrier to demonstrate that its rates, charges, classifications, rules, or regulations are just and reasonable. Rates, charges, classifications, rules, or regulations filed by a controlled carrier that have been rejected, suspended, or disapproved by the Commission are void, and their use is unlawful.

(b) RATE STANDARDS.—For the purpose of this section, in determining whether rates, charges, classifications, rules, or regulations by a controlled carrier are just and reasonable, the Commission may take into account appropriate factors including, but not limited to, whether—

(1) the rates or charges which have been filed or which would result from the pertinent classifications, rules, or regulations are below a level which is fully compensatory to the controlled carrier based upon that carrier's actual costs or upon its constructive costs, which are hereby defined as the costs of another carrier, other than a controlled carrier, operating similar vessels and equipment in the same or a similar trade;

(2) the rates, charges, classifications, rules, or regulations are the same as or similar to those filed or assessed by other carriers in the same trade;

(3) the rates, charges, classifications, rules, or regulations are required to assure movement of particular cargo in the trade; or

(4) the rates, charges, classifications, rules, or regulations are required to maintain acceptable continuity, level, or quality of common carrier service to or from affected ports.

(c) EFFECTIVE DATE OF RATES.—Notwithstanding the provisions of section 9(d), the rates, charges, classifications, rules, or regulations of controlled carriers shall not, without special permission of the Commission, become effective sooner than the 30th day after the date of filing with the Commission. Each controlled carrier shall, upon the request of the Commission, file, within 20 days of request (with respect to its existing or proposed rates, charges, classifications, rules, or regulations), a statement of justification that sufficiently details the controlled carrier's need and purpose for such rates, charges, classifications, rules, or regulations upon which the Commission may reasonably base its determination of the lawfulness thereof.

(d) DISAPPROVAL OF RATES.—Whenever the Commission is of the opinion that the rates, charges, classifications, rules, or regulations filed by a controlled carrier may be unjust and unreasonable, the Commission may issue an order to the controlled carrier to show cause why such rates, charges, classifications, rules, or regulations should not be disapproved. Pending a determination as to their lawfulness in such a proceeding, the Commission may suspend such rates, charges, classifications, rules, or regulations at any time before their effective date. In the case of rates, charges, classifications, rules, or regulations that have already become effective, the Commission may, upon the issuance of an order to show cause, suspend such rates, charges, classifications, rules, or regulations on not less than 60 days' notice to the controlled carrier. No period of suspension under this subsection may be greater than 180 days. Whenever the Commission has suspended any rates, charges, classifications, rules, or regulations under this subsection, the affected carrier may file new rates, charges, classifications, rules, or regulations to take effect immediately during the suspension period in lieu of the suspended rates, charges, classifications, rules, or regulations—except that the Commission may reject such new rates, charges, classifications, rules, or regulations if it is of the opinion that they are unjust and unreasonable.

(e) PRESIDENTIAL REVIEW.—Concurrently with the publication thereof, the Commission shall transmit to the President any order of suspension or final order of disapproval of rates, charges, classifications, rules, or regulations of a controlled carrier subject to this section. Within 10 days after the receipt or the effective date of such Commission order, the President may request the Commission in writing to stay the effect of the Commission's order if he finds that such stay is required for reasons of national defense or foreign policy which reasons shall be specified in the report. Notwithstanding any other provisions of law, the Commission shall immediately grant such request by the issuance of an order in which the President's request shall be described. During any such stay, the President shall, whenever practicable, attempt to resolve the matter in controversy by negotia-

tion with representatives of the applicable foreign governments.

(f) EXCEPTIONS.—The provisions of this section shall not apply to—

(1) any controlled carrier of a state whose vessels are entitled by a treaty of the United States to receive national or most-favored-nation treatment;

(2) any controlled carrier of a state which, on the effective date of this section, has subscribed to the statement of shipping policy contained in note 1 to annex A of the Code of Liberalization of Current Invisible Operations, adopted by the Council of the Organization for Economic Cooperation and Development;

(3) rates, charges, classifications, rules, or regulations of any controlled carrier in any particular trade which are covered by an agreement effective under section 6, other than an agreement in which all of the members are controlled carriers not otherwise excluded from the provisions of this subsection;

(4) rates, charges, classifications, rules, or regulations governing the transportation of cargo by a controlled carrier between the country by whose government it is owned or controlled, as defined herein and the United States; or

(5) a trade served exclusively by controlled carriers.

Common carrier by water in foreign commerce or conference of such carriers shall charge or demand or collect or receive a greater or less or different compensation for the transportation of property or for any service in connection therewith than the rates and charges which are specified in its tariffs on file with the Commission and duly published and in effect at the time; nor shall any such carrier rebate, refund, or remit in any manner or by any device any portion of the rates or charges so specified, nor extend or deny to any person any privilege or facility, except in accordance with such tariffs: *Provided, however,* That the Commission may in its discretion and for good cause shown permit a common carrier by water in foreign commerce or conference of such carriers to refund a portion of freight charges collected from a shipper or waive the collection of a portion of the charges from a shipper where it appears that there is an error in a tariff of a clerical or administrative nature or an error due to inadvertence in failing to file a new tariff and that such refund or waiver will not result in discrimination among shippers: *Provided further,* That the common carrier by water in foreign commerce or conference of such carriers has, prior to applying for authority to make refund, filed a new tariff with the Commission which sets forth the rate on which such refund or waiver would be based: *Provided further,* That the carrier or conference agrees that if permission is granted by the Commission, an appropriate notice will be published in the tariff, or such other steps taken as the Commission may require, which give notice of the rate on which such refund or waiver would be based, and additional refunds or waivers as appropriate shall be made with respect to other shipments in the manner prescribed by the Commission in its order approving the application: *And provided further,* That application for refund or waiver must be filed with the Commission within 180 days from the date of shipment.

SEC. 11. OCEAN FREIGHT FORWARDERS.

(a) LICENSE.—No person may act as an ocean freight forwarder unless that person holds a license issued by the Commission. The Commission shall issue a forwarder's license to any person who—

(1) the Commission determines to be qualified by experience and character to render forwarding services; and

(2) furnishes a bond in a form and amount determined by the Commission to insure financial responsibility that is issued by a surety company found acceptable by the United States Department of the Treasury.

(b) SUSPENSION OR REVOCATION.—The Commission shall, after notice and hearing, suspend or revoke any license if it finds that the ocean freight forwarder is not qualified to render forwarding services or that it willfully failed to comply with any provision of this Act or with any lawful order, rule, or regulation of the Commission. The Commission may also revoke a forwarder's license for failure to maintain a bond in accordance with subsection (a)(2).

(c) EXCEPTION.—A person whose primary business is the sale of merchandise may forward shipments of that merchandise for its own account without a license.

(d) COMPENSATION OF FORWARDERS BY CARRIERS.—

(1) A common carrier may compensate an ocean freight forwarder in connection with any cargo shipment dispatched on behalf of others only when the ocean freight forwarder has certified in writing that it holds a valid license and has performed the following services:

(A) engaged, booked, secured, reserved, or contracted directly with the carrier or its agent for space aboard a vessel or confirmed the availability of that space; and

(B) prepared and processed the ocean bill of lading, dock receipt, or other similar document with respect to the cargo.

(2) No common carrier may pay compensation for services described in paragraph (1) more than once on the same cargo shipment.

(3) No compensation may be paid to an ocean freight forwarder except in accordance with a tariff filed under section 9(a).

(4) No ocean freight forwarder may receive compensation from a common carrier with respect to any shipment in which the forwarder has a direct or indirect beneficial interest nor shall a common carrier knowingly pay compensation on any such shipment.

SEC. 12. PROHIBITED ACTS.

(a) IN GENERAL.—No person may—

(1) operate under an agreement described in section 4 that has not become effective under section 6, or that has been suspended, disapproved, or canceled;

(2) operate under an agreement described in section 4 except in accordance with its terms and any modifications to the agreement made by the Commission; or

(3) knowingly and willfully, directly or indirectly, by means of false billing, false classification, false weighing, false measurement, false report of weight or measures, or by any other unjust or unfair device or means obtain or attempt to obtain ocean transportation for property at less than the rates or charges that would otherwise be applicable;

(b) COMMON CARRIERS.—No common carrier, including a joint venture, either alone or in conjunction with any other person, directly or indirectly, may—

(1) charge, demand, collect, or receive greater, less, or different compensation for the transportation of property or for any service in connection therewith than the rates and charges that are specified in its tariffs;

(2) rebate, refund, or remit in any manner, or by any device, any portion of its rates except in accordance with its tariffs;

(3) extend or deny to any person any privilege, concession, equipment, or facility except in accordance with its tariffs;

(4) allow any person to obtain transportation for property at less than the rates or charges established by the carrier in its tariff by means of false billing, false classification, false weighing, false measurement, or by any other unjust or unfair device or means;

(5) retaliate against any shipper by refusing, or threatening to refuse, cargo space accommodations when available, or resort to other unfair or unjustly discriminatory methods because the shipper has patronized another carrier, or has filed a complaint, or for any other reason;

(6) make any unfair or unjustly discriminatory contract with any shipper or engage in any unfair or unjustly discriminatory practice against any shipper or port, in the matter of—

(A) rates or charges;

(B) cargo classifications;

(C) cargo space accommodations or other facilities, due regard being had for the proper loading of the vessel and the available tonnage;

(D) the loading and landing of freight in proper condition; or

(E) the adjustment and settlement of claims;

(7) employ any fighting ship; or

(8) offer or pay any deferred rebates.

(c) CONCERTED ACTION.—No conference or group of two or more common carriers, other than a joint venture operating by itself, may collectively—

(1) boycott or take any other concerted action resulting in an unreasonable refusal to deal;

(2) utilize a device or means that unreasonably sets conditions or otherwise unreasonably restricts the ability of a shipper to select an ocean common carrier in a competing trade, or an ocean tramp, or a bulk carrier;

(3) unreasonably restrict the employment of intermodalism or other technological innovations by member common carriers;

(4) engage in any predatory practice designed to eliminate the participation, or deny the entry, in a particular trade of an ocean common carrier not a member of the conference, a group of common carriers, an ocean tramp, or a bulk carrier;

(5) negotiate with any nonocean carrier or group of nonocean carriers (for example, truck, rail, or air operators) on any matter relating to rates or services provided to ocean common carriers within the United States by such nonocean carriers: *Provided,* That this prohibition shall not prohibit the setting and publishing of a joint through rate by a conference, joint venture, or an association of ocean common carriers authorized to file tariffs;

(6) deny in the export foreign commerce of the United States compensation to an ocean freight forwarder or limit the amount thereof to less than 1¼ per centum of the freight charges;

(7) allocate shippers among specific carriers that are parties to an agreement or prohibit any carrier that is a party to the agreement from soliciting cargo from any particular shipper, except as otherwise required by the law of the United States or the importing or exporting country, or as agreed to by a shipper in a service contract; or

(8) form or participate in a net profit or loss pool with other common carriers operating in the same trade.

(d) COMMON CARRIERS, OCEAN FREIGHT FORWARDERS, AND MARINE TERMINAL OPERATORS.—No common carrier, ocean freight forwarder, or marine terminal operator may—

(1) fail to establish, observe, and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property;

(2) make or give any undue or unreasonable preference or advantage to any particular person, locality, or description of traffic in any respect whatsoever, or subject any particular person, locality, or description of traffic to an unreasonable refusal to deal or any undue or unreasonable prejudice or disadvantage in any respect whatsoever;

(3) knowingly disclose, offer, solicit, or receive any information concerning the nature, kind, quantity, destination, consignee, or routing of any property tendered or delivered to a common carrier, ocean freight forwarder, or marine terminal operator consent of the shipper or consignee if that information—

(A) may be used to the detriment or prejudice of the shipper or consignee:

(B) may improperly disclose its business transactions to a competitor; or

(C) may be used to the detriment or prejudice of any common carrier.

Nothing in this paragraph shall be construed to prevent providing such information in response to any legal process, to the United States, or to any independent neutral body operating within the scope of its authority to fulfill the policing obligations of the parties to an agreement effective under this Act. Nor shall it be prohibited for any ocean common carrier that is a party to a conference agreement approved under this Act, or any receiver, trustee, lessee, agent, or employee of such carrier or person, or any other person authorized by such carrier to receive information, to give information to the conference or any person, firm, corporation, or agency designated by the conference, or to prevent the conference or its designee from soliciting or receiving information for the purpose of determining whether a shipper or consignee has breached an agreement with the conference or its member lines or for the purpose of determining whether a member of the conference has breached the conference agreement, or for the purpose of compiling statistics of cargo movement, but the use of such information for any other purpose prohibited by this Act or any other Act shall be prohibited; and

(4) boycott or take any other concerted action resulting in an unreasonable refusal to deal.

(e) SHIPS DOCUMENTED UNDER UNITED STATES FLAG.—If, after notice and hearing, the Commission finds that the actions of carriers or foreign governments have unduly impaired access of any ship documented under United States flag to ocean trades between foreign ports, the Commission shall suspend the tariffs of such carriers or the national lines of such foreign governments, or both, in trades to and from United States ports, pursuant to the provisions of section 15(b)(1).

SEC. 13. COMPLAINTS, INVESTIGATIONS, REPORTS, AND REPARATIONS.

(a) FILING OF COMPLAINTS.—Any person may file with the Commission a sworn complaint alleging a violation of this Act and may seek reparation for any injury caused to the complainant by that violation.

(b) SATISFACTION OR INVESTIGATION OF COMPLAINTS.—The Commission shall furnish a copy of a complaint filed pursuant to subsection (a) to the person named therein who shall, within a reasonable time specified by the Commission, satisfy the complaint or answer it in writing. If the complaint is not satisfied, the Commission shall investigate it in an appropriate manner and make an appropriate order.

(c) COMMISSION INVESTIGATIONS.—The Commission upon its own motion may, in like manner and with the same powers, investigate any conduct that it believes may be in violation of this Act.

(d) SPECIAL INVESTIGATIONS OF CONDUCT PURSUANT TO POOLING AGREEMENTS.—(1) The Commission, upon complaint of a person, may initiate an investigation of conduct pursuant to an agreement to pool or apportion traffic or revenues, or establish a joint venture, with other common carriers operating in the same trade if it believes that conduct pursuant to the agreement substantially reduces competition in the trade.

(2) The Commission shall cancel or modify, any agreement subject to investigation pursuant to paragraph (1) if it determines that conduct pursuant to the agreement substantially reduces competition in the trade as a whole unless the agreement—

(A) results in gains in efficiency or services that outweigh any substantial reduction in competition; or

(B) is authorized by an express provision of a government-to-government agreement or undertaken pursuant to a government-to-government agreement in effect at the date of enactment of this Act, or an extension thereof;

(C) is in furtherance of foreign policy interests of the United States that outweigh the interests of the United States in preventing the substantial reduction in competition; or

(D) permits United States flag carriers to carry cargo of the importing or exporting foreign state which would otherwise be unavailable to such carrier, or available only on unequal terms by reason of the cargo reservation laws or trading practices (governmental or otherwise) of such state, provided that such agreement is not unjustly discriminatory among United States flag carriers.

(3) The sole remedy under this Act for conduct found to violate paragraph (2) is cancellation or modification of the agreement.

(e) REPORTS.—The Commission shall make a written report of every investigation made under this Act in which a hearing was held stating its conclusions, decisions, findings of fact, and order. A copy of this report shall be furnished to all parties. The Commission shall publish each report for public information and the published report shall be competent evidence in all courts of the United States.

(f) REPARATIONS.—For any complaint filed within 3 years after the cause of action accrued, the Commission shall, upon petition of the complainant and after notice and hearing, direct payment of reparations to the complainant for actual injury (which, for purposes of this subsection, also includes the loss of interest from the date of injury) caused by a violation of this Act. Upon a showing that the injury was caused by activity that is prohibited by section 12(b) (5) or (7) or section 12(c) (1) or (4), or that violates section 12(a) (1) or (2), the Commission may direct the payment of additional amounts; but the total recovery of a complainant may not exceed twice the amount of the actual injury. In the case of injury caused by an activity that is prohibited by section 12(b)(6) (A) or (B), the amount of the injury shall be the difference, plus interest from the date of the injury, between the rate paid by the injured shipper and the most favorable rate paid by another shipper.

(g) INJUNCTION.—In connection with any investigation conducted under this section, the Commission, at its sole discretion, may request the Attorney General to bring suit in a district court of the United States to enjoin conduct in violation of this Act after notice to the defendant, and upon a determination that—

(1) the Attorney General demonstrates substantial likelihood to prevail on the merits,

(2) irreparable injury would otherwise occur,

(3) issuance of the relief requested will not unduly harm the defendant or other persons, and

(4) the public interest would be served,

the court may grant a temporary restraining order or preliminary injunction for a period not to exceed 10 days after the Commission has issued an order disposing of the issues under investigation. Any such suit shall be brought in the district in which the defendant person, partnership, or corporation resides or transacts business.

SEC. 14. SUBPENAS AND DISCOVERY.

(a) IN GENERAL.—In investigations and adjudicatory proceedings under this Act—

(1) depositions, written interrogatories, and discovery procedures may be utilized by any party under rules and regulations issued by the Commission which rules and regulations, to the extent practicable, shall be in conformity with the rules applicable in civil proceedings in the district courts of the United States; and

(2) the Commission may by subpena compel the attendance of witnesses and the production of books, papers, documents, and other evidence.

(b) WITNESS FEES.—Witnesses shall, unless otherwise prohibited by law, be entitled to the same fees and mileage as in the courts of the United States.

SEC. 15. PENALTIES.

(a) ASSESSMENT OF PENALTY.—Whoever violates any provision of this Act, any regulation issued thereunder, or any Commission order is liable to the United States for a civil penalty. The amount of the civil penalty, unless otherwise provided in this Act, may not exceed $5,000 for each violation unless the violation was willfully and knowingly committed, in which case the amount of the civil penalty may not exceed $25,000 for each violation. Each day of a continuing violation shall constitute a separate offense.

(b) TARIFF SUSPENSION.—

(1) For any violation of section 12(b) (1), (2), (3), (4), or (8), or section 12(e), the Commission may suspend any or all tariffs of any common carrier, or that common carrier's right to use any or all tariffs of conferences of which it is a member, for a period not to exceed 12 months.

(2) For failure to supply information ordered to be produced or compelled by subpena under section 14, the Commission may suspend any or all tariffs of any common carrier, or that common carrier's right to use any or all tariffs of conferences of which it is a member.

(3) Any common carrier who accepts or handles cargo for carriage under a tariff that has been suspended or after its right to utilize that tariff has been suspended shall be subject to a civil penalty of not more than $50,000 for each shipment.

(4) If, in defense of its failure to comply with a subpena or discovery order, a common carrier alleges that documents or information located in a foreign country cannot be produced because of the laws of that country, the Commission shall immediately notify the Secretary of State of the failure to comply and of the allegation relating to foreign laws. Upon receiving the notification, the Secretary of State shall promptly consult with the government of the nation within which the documents or information are alleged to be located for the purpose of assisting the Commission in obtaining the documents or information sought.

(5) Before any tariff suspension ordered under this subsection becomes effective, it shall be immediately submitted to the President who may, within 10 days after receiving it, disapprove the order if he finds that disapproval is required for reasons of the national defense or the foreign policy of the United States.

(c) ASSESSMENT PROCEDURE.—The Commission may, after notice and an opportunity for hearing, assess each civil penalty provided for in this Act. In determining the amount of the penalty, the Commission shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the violator, the degree of culpability, history of prior offenses, ability to pay, and such other matters as justice may require. Until a matter is referred to the Attorney General, the Commission may compromise, modify, or remit, with or without conditions, any civil penalty.

(d) REVIEW OF CIVIL PENALTY.—Any person against whom a civil penalty is assessed under this section may obtain review under chapter 158 of title 28, United States Code.

(e) FAILURE TO PAY ASSESSMENT.—If any person fails to pay a civil penalty that has been assessed after it has become final or after the appropriate court has entered final judgment in favor of the Commission, the Attorney General may seek to recover the amount assessed in any appropriate district court of the United States. In such an action, the court shall enforce the Commission's order unless it finds that the order was not regularly made or duly issued.

(f) LIMITATIONS.—

(1) No fine or other punishment may be imposed for criminal conspiracy to violate any provision of this Act, or to defraud the Commission by concealment of any such violation.

(2) Any enforcement action under this Act and any formal proceeding to assess any penalty under this section shall be commenced within 5 years from the date the violation occurred.

SEC. 16. COMMISSION ORDERS.

(a) IN GENERAL.—Orders of the Commission relating to any violation of this Act or any regulation issued thereunder shall be made, upon sworn complaint or on its own motion only after an opportunity for hearing. Each order of the Commission shall continue in force for the period of time specified in the order or until suspended, modified, or set aside by the Commission or a court of competent jurisdiction.

(b) REVERSAL OR SUSPENSION OF ORDERS.—The Commission may reverse, suspend, or modify any order made by it, and upon application of any party to a proceeding may grant a rehearing of the same or any matter determined therein. No rehearing shall, except by special order of the Commission, operate as a stay of such order.

(c) ENFORCEMENT OF NONREPARATION ORDERS.—In case of violation of any order of the Commission, or for failure to comply with a Commission subpena, the Commission, or any party injured by such violation, or the Attorney General may seek enforcement by any United States district court having jurisdiction over the parties. If, after hearing, the court determines that the order was properly made and duly issued, it shall enforce the order by an appropriate injunction or other process, mandatory or otherwise.

(d) ENFORCEMENT OF REPARATION ORDER.—(1) In case of violation of any order of the Commission for the payment of reparation, the person to whom the award was made may seek enforcement of the order in any United States district court having jurisdiction of the parties.

(2) In any United States district court the findings and order of the Commission shall be prima facie evidence of the facts therein stated, and the petitioner shall not be liable for costs, nor for the costs of any subsequent stage of the proceedings, unless they accrue upon his appeal. A petitioner in a United States district court who prevails shall be allowed a reasonable attorney's fee to be assessed and collected as part of the costs of the suit.

(3) All parties in whose favor the Commission has made an award of reparation by a single order may be joined as plaintiffs, and all other parties in the order may be joined as defendants, in a single suit in any district in which any one plaintiff could maintain a suit against any one defendant. Service of process against any defendant not found in that district may be made in any district in which is located any office of, or point of call on a regular route operated by, that defendant. Judgment may be entered in favor of any plaintiff against the defendant liable to that plaintiff.

(e) STATUTE OF LIMITATIONS.—Any action seeking enforcement of a Commission order shall be filed within 2 years after the date of the violation of the order, or 1 year after the date the violation is known or reasonably should have been known.

(f) ENFORCEMENT OF NONREPARATION ORDERS.—In case of violation of any order of the Commission, or for failure to comply with a Commission subpena, the Attorney General or any party injured by such violation may seek enforcement by any United States district court having jurisdiction over the parties. If, after a hearing, the court determines that the order was properly made and duly issued, it shall enforce the order by an appropriate injunction or other process, mandatory or otherwise.

(g) IMPACT REPORTS.—The Commission shall be exempt from the requirements for the preparation of impact reports pursuant to section 6362(b) of title 42, United States Code.

SEC. 17. REPORTS AND CERTIFICATES.

(a) REPORTS.—The Commission may require any common carrier, marine terminal operator, or ocean freight forwarder, or any officer, receiver, trustee, lessee, agent, or employee thereof, to file with it any periodical or special report or any account, record, rate, or charge, or memorandum of any facts and transactions appertaining to the business of that common carrier, marine terminal operator, or ocean freight forwarder. The report, account, record, rate, charge, or memorandum shall be made under oath whenever the Commission so requires and shall be furnished in the form and within the time prescribed by the Commission. Conference minutes and self-policing reports required to be filed with the Commission shall not be released to third parties or published by the Commission.

(b) CERTIFICATION.—The Commission shall require the chief executive officer of every ocean common carrier and, to the extent it deems feasible, may require any shipper, consignor, consignee, non-vessel-operating common carrier, marine terminal operator, ocean freight forwarder, or broker to file a periodic written certification made under oath with the Commission attesting to—

(1) a policy prohibiting the payment, solicitation, or receipt of any rebate that is unlawful under this Act;

(2) the fact that this policy has been promulgated recently to each owner, officer, employee, and agent thereof;

(3) the details of the efforts made within the company or otherwise to prevent or correct illegal rebating; and

(4) full cooperation with the Commission in its investigation of illegal rebating or refunds in United States foreign trades and in its efforts to end those illegal practices.

Failure to file a certification shall result in a civil penalty of not more than $5,000 for each day the violation continues.

SEC. 18. EXEMPTIONS.

The Commission, upon application or on its own motion, may by order or rule exempt for the future any specified activity or class of agreements subject to this Act from any requirement of this Act, if it finds that the exemption will not substantially impair effective regulation by the Commission and is not likely to result in any significant lessening of competition in any trade serving the United States in which ocean common carriers operate. The Commission may attach conditions to any exemption and may, by order, revoke any exemption. No order or rule of exemption or revocation of exemption may be issued unless opportunity for hearing has been afforded interested persons (who, for purposes of this section, include the departments and agencies of the United States).

SEC. 19. REGULATIONS.

The Commission may promulgate rules and regulations as necessary to carry out the provisions of this Act.

SEC. 20. REPORT TO CONGRESS.

No later than 2 years after the effective day of this Act, the Comptroller General shall submit to the Congress a comprehensive study of, and make recommendations concerning, the regulation of international ocean shipping by common carriers. Such comprehensive study shall specifically address—

(1) various options of deregulation of the international ocean shipping industry, with reference to their ability to promote an efficient, stable, and competitive United States common carrier fleet;

(2) the opportunities for harmonizing United States policy toward international ocean shipping with the policies of our major trading partners;

(3) the system for determining tariffs based on the classification of goods and its role in a deregulated international ocean shipping industry; including the most effec-

tive method for eliminating unnecessary cargo classifications as a basis for establishing tariffs and the feasibility of establishing a single tariff by each conference or common carrier for all cargoes shipped in units of comparable size, weight, and handling characteristics;

(4) the role of the antitrust laws in the international shipping industry and their impact upon our relations with foreign nations;

(5) the impact of the "rules of competition" being considered by our trading partners and their relationship to the trend in the developing world toward structured cartelization;

(6) the impact deregulation may have on the growth of State-owned or State-controlled merchant fleets;

(7) the size of the United States liner fleet, by number and cargo capacity, which each option may produce; and

(8) the future structure and role of the Federal Maritime Commission in a deregulated international ocean shipping industry.

SEC. 21. REPEALS AND CONFORMING AMENDMENTS.

(a) REPEALS.—The laws specified in the following table are repealed:

Shipping Act, 1916:	
Sec. 13	36 Stat. 117
Sec. 14a	46 U.S.C. 813
Sec. 14b	46 U.S.C. 813a
Sec. 18(b)	46 U.S.C. 817(b)
Sec. 18(c)	46 U.S.C. 817(c)
Sec. 26	46 U.S.C. 825
Sec. 44	46 U.S.C. 841b
Merchant Marine Act, 1920:	
Sec. 20	41 Stat. 996
Merchant Marine Act, 1936:	
Sec. 212(e)	46 U.S.C. 1122(e)
Sec. 214	46 U.S.C. 1124
Omnibus Budget Reconciliation Act of 1981:	
Sec. 1608	95 Stat. 752

(b) CONFORMING AMENDMENTS.—The Shipping Act, 1916 (39 Stat. 728), as amended (46 U.S.C. 801 et seq.), is amended as follows:

(1) in section 1 by striking the definition "controlled carrier";

(2) in sections 14, 15, 16, 20, 21(a), 22, and 45 by striking "common carrier by water" wherever it appears in those sections and substituting "common carrier by water in interstate commerce";

(3) in section 14, first paragraph, by striking "or a port of a foreign country";

(4) in section 14, last paragraph, by striking all after the words "for each offense" and substituting a period;

(5) in section 15, fourth paragraph, by striking "(including changes in special rates and charges covered by section 14b of this Act which do not involve a change in the spread between such rates and charges and the rates and charges applicable to noncontract shippers)" and also "with the publication and filing requirements of section 18(b) hereof and";

(6) in section 15, sixth paragraph, by striking ", or permitted under section 14b," and in the seventh paragraph, by striking "or of section 14b";

(7) in section 16, in the paragraph designated "First", by striking all after "disadvantage in any respect" and substituting "whatsoever.";

(8) in section 17 by striking the first paragraph, and in the second paragraph, by striking "such carrier and every";

(9) in section 21(b) by striking "The Commission shall require the chief executive officer of every vessel operating common carrier by water in foreign commerce and to the extent it deems feasible, may require any shipper, consignor, consignee, forwarder, broker, other carrier or other person subject to this Act," and substituting "The Commission may, to the extent it deems feasible, require any shipper, consignor, consignee, forwarder, broker, or other person subject to this Act,";

(10) in section 22 by striking subsection (c);

(11) in section 25, at the end of the first sentence, by adding "under this Act";

(12) in sections 29, 30, and 31, after the words "any order of the board", by adding "under this Act,";

(13) in section 32(a), by striking "and section 44"; and

(14) in section 32(c), after the words "or functions,", by adding "under this Act,".

(c) TECHNICAL AMENDMENTS.—Section 212 of the Merchant Marine Act, 1936 (46 U.S.C. 1122) is amended by—

(1) striking after subsection (d) the following undesignated paragraph:

"The Federal Maritime Commission is authorized and directed—";

and

(2) striking after subsection (e) the following undesignated paragraph:

"The Secretary of Transportation is authorized and directed—".

(d) EFFECTS ON CERTAIN AGREEMENTS AND CONTRACTS.—All agreements, contracts, modifications, and exemptions previously approved or licenses previously issued by the Commission shall continue in force and effect as if approved or issued under the provisions of this Act; and all new agreements, contracts, and modifications to existing, pending, or new contracts or agreements shall be considered under the provisions of this Act.

(e) SAVINGS PROVISIONS.—

(1) Notwithstanding section 9(c), each service contract entered into by a shipper and an ocean common carrier or conference before the date of enactment of this Act, may remain in full force and effect and need not comply with the requirements of that subsection until 15 months after the date of enactment of this Act.

(2) This Act and the amendments made by it shall not affect any suit filed before the date of enactment of this Act.

SEC. 22. EFFECTIVE DATE.

This Act shall become effective 180 days after the date of its enactment, except that section 19 shall become effective upon enactment.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, there will be no more record votes today.

Mr. President, I wish to take this opportunity to congratulate all of those involved for the expeditious management and handling of this matter in bringing it to a conclusion today. I especially wish to express my appreciation to the distinguished Senator from Washington (Mr. GORTON). This is the first major piece of legislation—not the first piece of legislation—the first major piece of legislation he has handled. He did it with great style and grace and I congratulate him for his participation in this matter.

The Senator from Ohio has once again exhibited his understanding and his responsibility not only to his constituents but to the Senate. He has handled himself in an effective and definitive way. If it had been one bit more effective, we might have been tied up in filibuster for days.

Mr. METZENBAUM. May I say a word about the management of this bill?

Mr. BAKER. Yes; the Senator from Oregon requested equal time.

Mr. METZENBAUM. The Senator from Oregon handled this bill with ability and he has kept his cool. It has been a pleasure to work with him in connection with this matter. I will not change my views with respect to it, but I do commend him in every way on the manner in which he conducted himself as manager of the bill.

SENATE AGENDA

Mr. BYRD. I hope the distinguished majority leader will inform the Senate as to what the business will be for the remainder of the week.

Mr. BAKER. Yes; I intend to do that.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BAKER. Mr. President, in response to the inquiry of the distinguished minority leader, this is one of those happy circumstances when I can report that we are ahead of schedule. Indeed, on my private notepad on which I keep track of matters at hand, I had suspected that we would still be on the shipping bill, today, tomorrow, and goodness knows how much longer.

Mr. President, I had hoped that tomorrow we might take up the committee budget resolutions duly reported from the Rules Committee. I will not presume to ask the minority leader to approve that at this time since it will require a waiver of the 3-day rule and agreement to take it up notwithstanding the provisions of the 1-day rule. But usually these are noncontroversial and are thrashed out in the committees. I hope that we may be able to waive those rules and proceed to the consideration of those matters tomorrow. It may be that tomorrow and Thursday would let us complete that, or maybe we can do it all tomorrow. But in any event, my first answer to the minority leader is that if we can clear it, I would hope to dispose of the committee resolutions from the Rules Committee on tomorrow.

On Thursday, Mr. President, I would hope that we would be able to vote on the Convention on International Expositions on which I have a unanimous-consent agreement I would like to propound later.

If we get an agreement, Mr. President, on the Montreal protocols,

which appears to be possible, although perhaps not yet cleared, I would propose that the Senate go out then, after we complete our business on Thursday, until Monday next.

I might say, parenthetically, that the agreement we are trying to clear on the Montreal protocols would provide for the Senate to go into executive session on Monday next and take up those matters, have a time for debate equally divided, perhaps 6 hours and maybe as short as 4 hours, and to have the vote on the resolution of ratification on Tuesday. That is, to complete the debate on Monday and then to have 1 hour of debate provided for on Tuesday, with the vote to occur at 11 a.m. on Tuesday.

Mr. President, in addition to that, next week we have other matters that may reach us that can be dealt with. For instance, there is an urgent supplemental appropriations bill that carries with it the jobs bill. If that does reach this body and if the Appropriations Committee is ready to proceed. I would hope we would take that up next week as well.

Mr. President, in addition, in answer to the specific question put by the minority leader, let me report to him what I said in my caucus today.

There are three major items that I feel we must deal with before we go out for the Easter recess on March 25. We have to deal with the social security bill as and when it reaches this body. I am advised by the chairman of the Finance Committee, Senator DOLE, that he hopes to have that on the calendar here on the 15th or 16th of March. I am committed and I remain committed to take that up as soon as we can. But if there is a requirement to observe the provisions of the 3-day rule, that would mean the 18th or 19th of March before we can reach it. That is the first item, though not necessarily will these be in sequence.

The second item is one I have already spoken of, the jobs bill, which will be imbedded in a supplemental appropriations bill when it reaches us from the House of Representatives. I have spoken to the chairman of the Appropriations Committee, Senator HATFIELD, and he has indicated that he could make good speed on that when the House has finally acted. That is the second item we must deal with before the recess.

The third item, Mr. President, is the budget resolution. I have asked the chairman of the Budget Committee to try to expedite the first concurrent budget resolution. I believe he has communicated that desire to his counterpart, Senator CHILES, of Florida, and I am told that they are making good progress on the reporting of a resolution in March. If we receive that in March, I am committed to try to take it up as soon as possible, not only for the purpose of expediting the business of the Senate, but also because it should expedite the business of the Appropriations Committee in trying to deal with the several bills that they must deal with this year, since we have all 13 of them that we will deal with in view of the continuing resolution that extends for the remainder of this year.

There are other matters, Mr. President, that I would like to deal with before we go out for the Easter recess, but I do not have my list in front of me right now.

Some that come to mind are perhaps two agriculture bills, the PIC bill, and the commodities bills; two other urgent supplementals in addition to the one with the jobs bill; two nominations that have or may have reached the Senate that we might be able to do late in March. The Adelman nomination I do not expect to be able to do before the middle of March at the earliest and maybe not until after the recess. Then the Heckler nomination, if we receive it, will be eligible sometime in March. Neither of those would interfere with the Easter recess, but they are matters that I would like to deal with as and when we can.

Mr. President, that is a general overview. The summation of it, in response to the minority leader's question, is that this week I would like to complete the committee resolutions reported by the Rules Committee, on tomorrow and Thursday, if necessary, and a treaty on international exposition on Thursday, which will require a rollcall vote, I am sure.

I am not sure whether we will have rollcall votes tomorrow or not. It depends on how the committee resolutions make their way through this Chamber, if we reach them.

Then we shall try to get a unanimous-consent agreement on the Montreal Protocols for Monday, a vote on Tuesday, in which event, we shall not be in on Friday.

So, Mr. President, it looks as if we will not have a late day today. I would not expect it to be a late day tomorrow or Thursday or Friday; come in on Monday, do the Montreal Protocols debate, come in on Tuesday and see how soon we can get up the urgent supplemental dealing with jobs.

That, Mr. President, is perhaps a longer report than the minority leader wished, but that is at least all I know on that subject.

Mr. BYRD. Mr. President, I am very agreeable to waiving the requirement for the 3-day rule on the budget resolution, but I think we ought to have an agreement that there will be no nongermane amendments offered to any of the resolutions.

Mr. BAKER. I agree. I shall ask my cloakroom to try to clear that unanimous-consent agreement to lay down the budget resolution tomorrow immediately after the close of morning business, with the provision that no nongermane amendment be in order to any of the several sections of that resolution.

Mr. BYRD. I thank the leader.

EXPRESSIONS OF THANKS AND APPRECIATION

Mr. GORTON. Will the majority leader yield?

Mr. BAKER. Yes, I yield.

Mr. GORTON. I wish to thank the majority leader for his kind words. I also thank my friend, the Senator from Ohio, for his kind words.

Mr. President, I can say that the Senator from Ohio and I have been on opposite sides of a number of debates in my short period of time here. That has been one of the real pleasures which I have had as a Member of the Senate, to be able to discuss an issue of significance and importance in a way which deals with the issue with an individual who has very, very strong feelings, who articulates those feelings very well, who has good factual background for everything he says. It was a debate, I hope, in the best traditions of the Senate. I look forward to more of them with the Senator from Ohio in the future.

Mr. METZENBAUM. I thank the Senator.

Mr. GORTON. I should also like to say to the majority leader that in any bill of such a technical nature as this, we are very, very much dependent on our staffs. The Commerce Committee staff, including Mr. Kovach and Mr. White, has done a very, very fine job, as has Mr. Hardy of the minority staff.

I should say at this point that getting to know the Senator from Hawaii (Mr. INOUYE) in the first 2 years of discussion of this bill has been a very significant privilege to me as well.

Mr. Phillips from the majority whip's staff has played a very important role.

I want especially to thank Peter Friedmann of the Commerce Committee, Cassie Phillips of my own personal staff, and my former staff member, Terry Spilsbury, for the untold hours they put in on seeing to it that I covered this well and, with the legislative aides of all of the other Senators, understood the nature of the bill. It is due to them largely that we have been successful and we have done as well as we have.

Mr. BYRD. Mr. President, I congratulate the Senator from Washington on having done a very fine job, demonstrating ingenuity and skill and great knowledge of the subject matter. This may not have been his first bill to manage on the floor—I do not recall. In any event, it was a stellar performance. I think we can all take pride in the way he handled the bill.

In addition, I want to say, to his doing a good job, I like him very much. I do not pass that encomium on very often. I say that about the majority leader and one or two others. I mean that. That is not to say I dislike anyone around here, but I like this new Senator from Washington.

Mr. BAKER. Mr. President, I can verify that the minority leader does not do that very often. I commend the junior Senator from Washington and say that that is a very, very high compliment. I have heard very few of them from the minority leader. The only reservation I have is that it sounded terribly, like recruiting.

Mr. GORTON. The Senator from Washington is very cognizant of the compliments he has received and is going to quit while he is ahead.

Mr. BYRD. Mr. President, I also want to compliment Senator METZENBAUM. The Senate would not be what it is without HOWARD METZENBAUM. I do not always agree with him, but I think the Senate should have a METZENBAUM always, on one side of the aisle or the other. He makes the Senate sit up and take notice, and we are forced to give more attention to legislation. By virtue of people like HOWARD METZENBAUM, the Senate gives more attention to controversial legislation. He has the courage to stand alone if need be. I think the Senate is in his debt also.

Mr. BAKER. Mr. President, I agree with the minority leader. I have often disagreed with the Senator from Ohio, but I constantly admire his courage and dedication to those things in which he believes and his effectiveness in espousing them here on the floor. I agree we always need a METZENBAUM but, at the risk of being ungraciously facetious, may I add to that, but only one at a time.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business to extend not past the hour of 5 p.m., in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

MUTUAL GUARANTEED BUILDDOWN OF NUCLEAR FORCES

Mr. PERCY. Mr. President, last month Senators COHEN and NUNN introduced Senate Resolution 57, which calls on the United States and Soviet Union to agree that while START is negotiated, each side will dismantle two nuclear warheads for every new one they deploy. The Cohen-Nunn proposal for a mutual guaranteed builddown of nuclear forces is one of the most innovative and promising arms control proposals to be presented to the Senate in many years. I will invite the two architects of this resolution to testify before the Foreign Relations Committee when we hold hearings later this spring on the United States-Soviet nuclear relationship.

Although Senate Resolution 57 has largely escaped media attention, it has already garnered an impressive degree of support. As Senator COHEN has noted, the President has expressed "his very sincere and serious interest in pursuing this particular concept." Under Secretary of Defense DeLauer has written a very supportive letter advising Senator COHEN that, "the thesis that newer systems should be able to replace older ones on more than a one to one basis is just what I am trying to bring about." And on February 9, Gen. David Jones, former Chairman of the Joint Chiefs of Staff, praised the resolution in congressional testimony, saying it has "the elements of something much more in long term cuts than the current proposals." Senate Resolution 57 now has 15 cosponsors, including Senators from both sides of the aisle.

There are a number of reasons why the Cohen-Nunn proposal is attracting such wide, bipartisan support. First, as is the case with the nuclear freeze proposal, it benefits from an underlying concept that can be readily grasped and embraced by the general public. But unlike the freeze, which regrettably would sanction each side's keeping every nuclear weapon they already have, the Cohen-Nunn requirement for "giving up two to get one" would immediately start the United States and Soviet Union down the road toward real weapons reductions.

Second, the resolution would permit the United States to proceed with essential strategic and theater nuclear force modernization. These programs are needed to correct military vulnerabilities and provide bargaining leverage in on-going arms control negotiations. If Congress agrees, new nuclear weapons could be deployed, but only if twice as many existing systems are retired. Under the Cohen-Nunn concept, therefore, vital modernization programs would lead to a more survivable and hence stable nuclear balance with the Soviet Union at far lower levels of weaponry. This should alleviate the fear of many freeze advocates that the Reagan administration's proposed strategic modernization program will prompt an unregulated and destabilizing arms buildup.

Third, most of the procedures, definitions, and counting rules already laboriously negotiated with the Soviets in SALT could be readily applied in implementing the mutual guaranteed builddown proposal. The SALT I interim agreement, which each side still observes, provides a comprehensive blueprint for establishing a new "old-for-new" trade-off regime. For example, the United States continues to retire one older Polaris SLBM launcher for each new Trident SLBM launcher it deploys, and the Soviet Union continues to dismantle Yankee-class SLBM launchers to make room for newer Delta and Typhoon SLBM launchers.

Under the Cohen-Nunn approach, the only difference would be one of degree. In place of the current 1-for-1 exchange, Senate Resolution 57 would require a 2-for-1 trade off. The present SALT I rules for phasing deployments with dismantlements could be maintained, though, and the SALT Standing Consultative Commission (SCC) could be empowered to oversee the implementation of the new agreement.

The Cohen-Nunn proposal could also draw on agreements reached in SALT II and thereby simplify and streamline the difficulties inherent in attaining a new agreement with the Soviet Union. For example, SALT II provides established rules for counting and limiting the number of warheads on ballistic missiles currently deployed or under development. The treaty also contains a number of other prohibitions and limitations, such as a ban on encrypting treaty-related telemetry, which would strengthen enforcement of a mutual guaranteed builddown accord. In this respect, the Cohen-Nunn proposal is fully consistent with President Reagan's pledge that the United States will continue to avoid actions that would undercut the SALT I and II agreements as long as the Soviets demonstrate the same restraint.

Lastly, the Cohen-Nunn concept would, if implemented, fully complement START. By establishing a new interim framework for reciprocal and verifiable reductions, Senate Resolution 57 would promote a climate of restraint and trust that would enhance the prospects for success in START. Furthermore, the concept is entirely compatible with the proposal which our START negotiators have tendered in Geneva.

To illustrate this point, I urge my colleagues to look at three related questions. First, what would the U.S. strategic ballistic missile force most likely look like in 1989 if the Soviets were to accept our START proposal? Second, how many ICBM and SLBM warheads would have to be dismantled under the Cohen-Nunn 2-for-1 rule if the United States deployed new strategic systems to meet this projected inventory? Third, what number and types of existing ICBM and SLBM warheads would the United States have to destroy by 1989—independent of Cohen-Nunn—to meet our START proposal, assuming it were accepted?

Mr. President, I ask unanimous consent to have printed in the RECORD three tables which address these questions.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—HYPOTHETICAL U.S. MISSILE FORCE IN 1989 UNDER U.S. START PROPOSAL

Missiles	Number	Warheads	Number
ICBM'S:			
MX	100	10 per ICBM [1]	1,000
MMIII	422	3 per ICBM	1,266
Subtotal	522		2,266
SLBM'S:			
C–4 on 11 Ohio SSBN's [2]	264	8 per SLBM	2,112
C–4 on 4 Lafayette SSBN's [3]	64	8 per SLBM	512
Subtotal	328		2,624
Total ICBM's + SLBM's [4]	850	Total RV's	4,890

[1] All warhead fractionalization figures reflect SALT II counting rules.
[2] 11 Ohio-class SSBN's correlates to the Trident shipbuilding program through the fiscal year 1984 request.
[3] Assumes Trident C–4 backfit will be completed on all 12 programed ships by end of 1983.
[4] The United States has proposed a ceiling of 850 ICBM's and SLBM's in START and limit of 5,000 ICBM and SLBM warheads, no more than half of which (2,500) can be deployed on ICBM's.

TABLE 2.—ASSOCIATED DISMANTLEMENTS REQUIRED UNDER COHEN/NUNN

	Number
100 MX × 10 RV/ICBM × 2	2,000
216 C–4 × 8 RV/SLBM × 2	[1] 3,456
Total RV's	5,456

[1] 2 Ohio-class SSBN's, with 48 C–4 and 384 SALT-accountable RV's are already deployed. Dismantlements only associated with 9 new Ohio SSBN's.

TABLE 3.—ASSOCIATED DISMANTLEMENTS REQUIRED UNDER U.S. START PROPOSAL [1]

	Number
52 Titan II's x 1 RV/ICBM	52
450 MM II's x 1 RV/ICBM	450
128 MM III's x 3 RV/ICBM	384
112 A–3 x 1 RV/SLBM	[2] 112
304 C–3 x 14 RV/SLBM	4,256
128 C–4 x 8 RV/SLBM	[3] 1,024
Total	6,278

[1] List includes some systems (Titan II ICBM's which the U.S. plans to retire unilaterally and some systems (Polaris SLBM launchers) which the United States will have to dismantle if it continues to respect SALT I.
[2] 7 Polaris-class SSBN's remain in the force. Their SLBM launchers are empty but since they have not been dismantled they still must count under SALT rules.
[3] This figure reflects SALT-accountable RV's on the 8 Lafayette-class Trident-backfit submarines that could not be retained under the force mix portrayed in table 1.

Table 3 shows that the United States would have to dismantle 6,278 missile warheads to deploy the optimal START-compatible ICBM and SLBM force detailed in table 1. Table 2 shows that under Cohen/Nunn tradeoff rules, the United States would give up 5,456 warheads as it made the transition to this same optimal force mix. In other words, the Cohen/Nunn proposal is not only fully consistent with the U.S. START proposal, but it would also carry us 90 percent of the way toward the sharply reduced missile and warhead ceilings we seek in this negotiation. There is one important difference, though. Whereas under START, reductions will not begin until a final accord is reached, the Cohen/Nunn proposal would get us moving in that direction right away. Should our negotiators subsequently come home with a START accord, it could supersede, and perhaps accelerate, reductions which would otherwise occur under the Cohen/Nunn interim framework.

Mr. PERCY. When Senators COHEN and NUNN introduced their resolution last month, they noted that many details remained to be worked out and invited comment from other Senators. In this spirit, and with respect for their leadership in originating this concept, I would like to suggest several refinements and elaborations which I hope the Senators might consider as debate proceeds on their resolution.

First, I would note that Senator COHEN indicated considerable flexibility in stating that "the precise elements of the formula could be crafted to focus narrowly on one type of weapons mix or broadened to encompass a range of nuclear armaments." I would recommend that the Senators consider establishing three categories, or "baskets," with different counting rules for each but within which there would be complete freedom to mix. These baskets are designed to reflect the different nature of the types of weapons systems involved—intercontinental missiles, bombers, and theater nuclear weapons.

Basket One would include ICBM's and SLBM's, as defined in SALT II. Each deployed type would be assumed to carry warhead numbers conforming to SALT II specifications, and the "2-for-1" tradeoff rule would apply to warheads, not the launchers or missiles themselves. For example, deployment of 1 MX, with its 10 SALT-accountable RV's, or one new type Soviet ICBM with an equivalent number of warheads, would require dismantlement of 20 RV's now deployed on SALT-accountable ICBM or SLBM types.

Basket Two should apply to heavy bombers, as defined in SALT II. In this case, the unit of account should be the bomber itself, as was the case in SALT II and corresponds to our approach in START, and not force loadings such as bombs, SRAMS, or ALCM's. However, the SALT II counting rules based on ALCM range and the ALCM fractionalization limits could be kept in place. Within this basket, each side would have to dismantle two existing bombers for each new bomber it deploys. For example, the Soviets would have to retire two Bear or Bison bombers to deploy one of its new Blackjack bombers.

Basket Three would cover other nuclear weapons, for example, short- and intermediate-range nuclear systems, including SLCM's, GLCM's, Backfire bombers, nuclear artillery shells, and other battlefield nuclear devices. Since verification of this category of weapons would be more difficult than would be the case with the other two baskets, it might be wise to implement the Mutual Guaranteed Builddown proposal in stages, rather than wait for a comprehensive agreement. Such an approach would correspond to our strategy in the START and INF negotiations, where some of the more intractable negotiating problems have prudently been reserved for a second or third phase of negotiations.

My second recommendation relates to the relationship between the Cohen/Nunn proposal and START. I would suggest that upon passage of Senate Resolution 57, the President should direct Ambassador Rowny to give priority to reaching agreement with the Soviet Union on an interim dismantlement agreement that would incorporate the basic "2-for-1" tradeoff criteria established in the Cohen-Nunn proposal, plus whatever refinements may be developed as Senate debate on the resolution proceeds. This approach would obviously require a temporary break in the negotiations on our START proposal. But this hiatus would be well worth the price if, as I believe, the two sides could reach quick agreement on an interim agreement that would take us in the direction that we both seek. By focusing first on Baskets One and Two and folding in as much as possible from the SALT accords, I am confident that the delay in negotiating START need not be lengthening.

Once the mutual guaranteed builddown agreeement is in place, it should serve as the sole, definitive basis for determining United States and Soviet arms control obligations while START is negotiated. This new interim agreement should supersede the informal SALT restraint policy which has more or less regulated United States and Soviet strategic developments the past several years. To insure that Soviet incentives for serious bargaining in START are preserved, I would also recommend that U.S. compliance with the interim builddown accord be made contingent on good faith negotiations on their part. This could be accomplished by providing the President with the traditonal authority to withdraw from the agreement should he determine that the national security interests of the United States so require.

Last, I would recommend that the mutual guaranteed builddown proposal be put to the Soviets as a draft text which, once agreement is reached, can be ratified by both states according to their constitutional procedures. Given the comprehensive and technical nature of the proposal, each side's rights and responsibilities should not be open to possible misinterpretation. This subject is too grave to be handled by statements and declarations. Similarly, the interests of the Constitution and U.S. law, especially section 33 of

the Arms Control and Disarmament Act, would be better served if Congress formally approves an arms control agreeement of this scope and significance.

Mr. President, in closing, I would like to again pay tribute to Senators COHEN and NUNN for their leadership in bringing this imaginative proposal before the Senate. From my visits to Illinois, I know that citizens of all walks of life and all political persuasions are mobilizing as never before on the nuclear weapons issue. Speaking with virtually one voice, millions of Americans are demanding that we, in Government, act now to reverse the steady accumulation of new and deadly stockpiles of nuclear weapons on both sides. I believe that Senate approval of Senate Resolution 57 would go a long way in reassuring our constituents that we are indeed responding to their heartfelt concerns.

MONTREAL AVIATION PROTOCOLS

Mr. PERCY. Mr. President, the Senate will soon be asked to consider Montreal Protocols Nos. 3 and 4 and to give its advice and consent to their ratification by the United States. The protocols provide essential reforms of existing international aviation agreements and are in the best interest of Americans flying beyond our shores. Rejection of the protocols serves the interests of only a fraction of the most wealthy American travelers and of a small group of aviation litigation specialists.

The Montreal Protocols, with the Senate conditions recommended by the Foreign Relations Committee, represent a comprehensive package of coverage for all Americans traveling on international flights. This package would have the following results:

Raise the present limit on most recoveries from $75,000 to at least $320,000—and even higher if the Civil Aeronautics Board is able to construct a reasonable supplemental compensation plan with higher levels;

Provide unlimited hospital and medical benefits in the event of injury—without regard to the $320,000 level;

Guarantee recovery for damages without the need to prove fault, specifically including acts of terrorism, war, sabotage, hijacking, and natural disasters;

Assure access to U.S. courts by American citizens;

Assure cash recoveries, in most cases, within 6 months of an accident rather than years later;

Reduce legal expenses to normal hourly rates rather than 20 to 40 percent of the victims' recoveries;

Mandate annual review of the system by the Civil Aeronautics Board and withdrawal by the United States if the system proves inadequate;

Assure automatic increases in liability levels every 5 years and continued efforts by the U.S. Government to negotiate ever higher levels of airline liability;

Preserve international consensus on a uniform system of compensation which would protect Americans worldwide and not leave some citizens to the mercy of foreign courts and very low limits on recoveries.

Most Members of the Senate are unfamiliar with the details of the arguments for and against U.S. ratification of the Montreal Protocols, as well as the complicated history of the negotiations which led up to their conclusion. I would not expect most of my colleagues to become experts on all these issues before we vote. But those who feel persuaded by the arguments of opponents to the protocols would do well, I think, to try to reconcile those arguments with the following three points:

First, most Americans who have been the victims of international aviations accidents during the past two decades have been compensated with $75,000 or less.

Second, during the same time period only once has a U.S. court determined that an airline was guilty of "willful misconduct," which is the only existing test for exceeding the pesent $75,000 limit. There have been settlements at a higher figure, but the determination itself is virtually never made.

Third, if the proposed Montreal Protocol package is rejected by the Senate, we will eventually have to replace it with a similar type of system.

Let me now elaborate on each of these points.

1. COMPENSATION

Despite what opponents of the protocols suggest, during the past two decades the actual recoveries of international accident victims are most often limited to $75,000 or less. During the past 6 years, in fact, recoveries in international aviation accidents have averaged only $65,200. In comparison, the combined system represented by the Montreal Protocols and supplemental compensation plan would provide a potential $320,000 in recovery. At that level, more than 85 percent of the settlements resulting from recent domestic and international accidents would be covered. Furthermore, the payouts would occur much more quickly and with much lower legal fees.

Whatever may be said about the theory of compensation through litigation, the great majority of Americans are not doing particularly well by it. We may read from time to time of multimillion-dollar lawsuits filed as a result of aviation accidents, but very few of those actually result in comparable recoveries, and even some of those large recoveries are in cases of injury rather than death. For such cases, there would be no limit at all on the hospital and medical costs recoverable under the proposed system.

Consider how the present system has worked in the most recent accident for which data is available, the 1979 DC-10 crash in Chicago. In the first 6 months after that crash, less than 5 percent of the 258 cases were settled. Less than 20 percent were settled within 1 year; 3 years after the accident, 40 percent of the cases remain unsettled. Of the cases that have been settled, let us consider how some of the victims' families have fared. Of the higher settlements reached so far, one widow received over $1 million, of which her attorneys received nearly $400,000. One reporter has estimated that this amounted to somewhere between $10,000 and $15,000 per hour. Another widow received $278,000 for herself and $33,000 for each of her three children, but paid to her lawyers $172,000. In a third case, a widow received $129,000 and $12,500 for each of her three children, while the attorney pocketed $83,333. In a fourth case, a widow and two children received $350,000, compared with her lawyers fee of $94,434. Reacting to such facts, a presiding senior Federal judge temporarily halted all damage payments to review their fairness, and described the existing practices as "gouging," "shafting," and "seriously out of line."

But such contingent fee results are not uncommon. Settlements arrived at under these typical arrangements must be discounted by anywhere from 20 to 40 percent to arrive at the actual recoveries of the victims' families. And such costs do not even factor in the costs to the taxpayer of long, drawn-out proceedings which tie up judges, juries, and defendents' counsel for lengthy periods of time.

Therefore, the real question is not whether the system of compensation provided in the Montreal Protocols is ideal, but whether it is better than the existing alternative. At this point, I ask unanimous consent to include in the RECORD a summary of the best available statistics on accident recoveries over the past 5 or 6 years, as provided to the committee by the Department of State.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COMPARISON OF RECOVERY LEVELS FROM AIRLINE ACCIDENTS

	Number of claims	Total settlement amount	Average settlement
International:			
Injury	58	$12,102,000	$208,700
Death	388	16,971,000	43,700
Total	446	29,073,000	65,200
Domestic:			
Injury	144	5,610,000	39,000

COMPARISON OF RECOVERY LEVELS FROM AIRLINE ACCIDENTS—Continued

	Number of claims	Total settlement amount	Average settlement
Death	347	83,081,000	239,500
Total	491	88,691,000	180,600
Combined international and domestic:			
Injury	202	17,712,000	87,700
Death	735	100,052,000	136,100
Total	937	117,764,000	125,700

Note.—For combined international and domestic recoveries, the percentage falling under $325,000 = 88.3 percent.

Source: The above data is the result of a case-by-case analysis of seven major accidents which involved both international (Warsaw) and domestic cases: Pan Am at Tenerife, March 1977; Southern near Atlanta, April 1977; PSA at San Diego, September 1978; United at Portland, December 1978; Continental at Los Angeles, April 1979; American's DC-10 at Chicago, April 1979; Western at Mexico City, October 1979.

The statistics on each case were provided by the airlines and insurance companies, on a confidential basis, to the Air Transport Association. While this information cannot be made public, officials from the Department of State and the Department of Transportation have carefully scrutinized the individual figures and information upon which the tables were based. Those officials, having thoroughly reviewed this data, believe that this analysis is accurate.

2. SAFETY

Mr. PERCY. Mr. President, I shall now turn to safety.

There is no real basis to the suggestion that the Montreal Protocols, by removing the provision for findings of "willful misconduct," will lower the safety standards of airlines and result in sloppier practices and more frequent accidents. As noted above, we have found only one case in the past 15 years in which a court has actually made a determination of willful misconduct. That accident occured in the South Pacific in 1974. It may be of interest to note that of the 91 people killed in that accident nearly 9 years ago, almost a third of them remain uncompensated today. Of those who have settled, the average settlement is $89,000.

Why is the prospect of recoveries drastically lower than those provided for in the proposed system supposed to be a greater incentive to safety? If money were in fact the only incentive to safety, the cost of replacing the aircraft itself would be a greater incentive since its value is generally greater than the amounts paid in compensation to the victims themselves.

But the lawsuits of victims and their families are simply not the greatest incentive to safety. The National Transportation Safety Board and the Federal Aviation Administration are charged by statute to constantly examine airline operations and to prosecute violations and, in the case of the FAA, to withhold or withdraw certificates for safety violations. The NTSB reconstructs every U.S. airline accident with enormous care and often participates with foreign counterparts in the investigation of foreign airline accidents. Such scrutiny has no relationship to allegations of willful misconduct; it occurs for both domestic and international operations on an ongoing basis, before and after an accident.

Furthermore, it is obvious that airlines lose business after a serious accident even if it cannot be shown that they were wilfully at fault. The competitive pressures to maintain safety are powerful incentives themselves. Removal of the provision for exceptions to liability limits in the case of wilful misconduct would hardly affect the situation.

3. WORLDWIDE COVERAGE

Opponents of the protocols would have us believe that we can simply strip away the Warsaw system on our own and operate without an international agreement of any kind. In effect, they suggest that U.S. denunciation of the Warsaw Convention would lead to a system of unlimited liability, with every American or his surviving family being able to bring a case in a U.S. court even if the accident itself occurred in some other part of the world. Furthermore, they assert that operation without an agreement would pose no serious problems for Americans and no problems for the U.S. Government, the American carriers, or American manufacturers.

I would suggest to my colleagues that, once again, this theory would not survive long in the real world. Americans could not be assured of getting into a U.S. court. They are not always successful under the present system and they would be even less secure in the event that the United States withdrew from the present treaty system entirely. For without a system which provides a uniform set of standards on questions of jurisdiction—which courts decide—choice of law—which standards control—and damages—what recoveries people are entitled to—American citizens would force a maze of legal problems, often in foreign, unfamiliar settings, and often in countries whose limits on liability are much lower than even the $75,000 figure presently applicable on flights to and from the United States. In other words, without a system providing worldwide protection to American travelers, some Americans would be left out in the cold.

As a result, the advantages of maintaining a uniform system would very soon lead the United States back into a system very much like the modified system we are proposing in the protocols, except that the credibility and influence of the United States would be seriously undercut by our failure to approve these protocols, since they were largely the result of a U.S. initiative in the first place.

We will be prepared to go further into the details of the protocols and the reasons for them when the floor debate begins. I would simply conclude, Mr. President, by including a letter which encapsulates the comments made by a number of prominent Americans who support U.S. ratification of the protocols.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SUPPORTERS OF RATIFICATION
AIR TRANSPORT ASSOCIATION
OF AMERICA,
Washington, D.C., February 14, 1983.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PERCY: Distinguished leaders state why the Montreal Protocols are worthy of your support:

"The Montreal Protocols are the result of decades of effort by the United States to improve the existing Warsaw treaty system . . . and that agreement represents a major diplomatic success. Failure to ratify the Montreal Protocols would seriously undermine our credibility in the international aviation community."—George Shultz, Secretary of State, August 1982.

"(The Protocols) provide the best possible world-wide protection for travelers and shippers. The past four administrations have been convinced that these instruments are highly desirable amendments to a treaty which clearly serves the best interests of U.S. citizens using international air transportation."—Gerald Ford, former President, June 1982.

"The bipartisan support for the Montreal Protocols, as demonstrated by three different administrations, is easy to understand. The Protocols update a badly outmoded system of airline liability . . . The United States has been a leading force in negotiating the Montreal Protocols . . . I strongly recommend Senate ratification."—Edmund Muskie, former Secretary of State, June 1982.

"The chief beneficiary of the Protocols will be the American consumer. With the Protocols in place, the likelihood is that the air crash passenger or his estate will recover more swiftly and more completely than under the present system—and vastly more so than under the conditions that might obtain if the United States were to disapprove the Protocols and international cooperation in this realm were to begin to unravel."—Warren Christopher, former Deputy Secretary of State, July 1982.

"The United States has long been a leader in the development of uniform rules to govern international air transportation. It is essential that American travelers and shippers be protected by worldwide standardized rules. Failure of the United States to ratify treaties it has long sought can diminish its future effectiveness in promoting uniform rules for international aviation."—Drew Lewis, Secretary of Transportation, March 1982.

"The United States has long been the prominent leader among nations engaged in international civil aviation. It is vital that we reaffirm our leadership in this area, as that role today faces serious challenges from abroad."—James Baker, Chief of Staff, The White House, June 1982.

"The Montreal Protocol No. 3 should be ratified for several compelling reasons . . . a plaintiff will not need to prove fault . . . this will not require the lengthy litigation often needed to prove fault. Under the Supplemental Compensation Plan, which has been approved by the CAB . . . passengers will also have the benefit of a settlement inducement clause . . . to settle all compensation disputes within 6 months. Finally, injured passengers will be able to secure payment for unlimited medical cost . . . without

waiting for the conclusion of what could be a lengthy trial."—Morris Harrell, President, American Bar Association, September 1982.

"One of the many advantages of the Montreal Protocols is that they establish an uncomplicated and cost efficient means of settling claims . . . In most cases, recovery will occur in less than six months of the loss and generally will not require expensive legal fees that often reduce accident awards by a third or more. Recovery limits under the Montreal Protocols are four times the present limits and, because of lower legal costs and speedier settlement, the amount recovered will be worth even more to claimants."—William Coleman, former Secretary of Transportation, July 1982.

"The Department of Justice supports the ratification of these Protocols. Indeed, the failure to ratify these Protocols would be counterproductive in that it would leave in place an outmoded compensation plan without the foreseeable prospect of increased limits."—Robert McConnell, Assistant Attorney General, Department of Justice, September 1982.

"* * * the Protocols have received wide support from the great majority of foreign governments . . . Several nations have already ratified or taken steps to ratify the Protocols. Most others are eager to do so, but are waiting for the lead from the USA . . . The ICC is extremely concerned that non-ratification by the U.S. may let the Warsaw system collapse. This would create an absolute confusion regarding liability in international air transport and be to the detriment of the traveling public . . . the ICC is convinced that the Montreal Protocols . . . is the best that can realistically be achieved at the present time."—Carl-Henrik Winqwist, Secretary General, International Chamber of Commerce, May 1982.

"Over the years, (the Warsaw) system of liability did not prove conducive to a quick settlement of claims and frequently led to costly litigation which is not in the best interests of the victims or of the air carriers. The (Montreal Protocol) system . . . would facilitate the settlement of claims without such costly litigation and many of the present problems would disappear."—Study by the International Civil Aviation Organization (A Specialized Agency of the United Nations).

The nation's airlines join these eminent world leaders in urging advice and consent.

Sincerely yours,

WILLIAM J. BURHOP,
Senior Vice President, Government Affairs.

VIETNAM VETERANS: CONDUCT OF AGENT ORANGE STUDY SHIFTED TO CDC

Mr. CRANSTON. Mr. President, the VA has recently taken an important and positive step toward producing credible scientific information with respect to the long-term health effects of exposure to agent orange.

On January 14, the VA's Chief Medical Director, Dr. Donald Custis, informed me as the ranking minority member of the Veterans' Affairs Committee that the VA had formally transferred to the Centers for Disease Control—CDC—in Atlanta the epidemiological study of Vietnam veterans mandated by Congress in 1979.

Since early 1978 when questions about the possible long-term health effects in humans of exposure to agent orange first came to national attention, Vietnam veterans, their loved ones, and others have been anxious to find answers to those questions.

In December 1979, Congress passed a provision of which I was the Senate author—enacted in Public Law 96-151—mandating an epidemiological study of Vietnam veterans aimed at determining what the health effects of their exposure to agent orange are. The completion of this study is vitally important to the Federal Government's ability to find the answers to many of the questions that must be resolved about the health of the Vietnam veteran population.

Mr. President, it is ironic that finally, after over 3 years have elapsed since the study was mandated, it is being shifted to CDC, an agency within the Department of Health and Human Services. The original version of my legislation mandating this study, as passed by the Senate in June 1979, would have directed the then Secretary of Health, Education, and Welfare to carry out a study of Vietnam veterans and others exposed to dioxin. This approach was adopted in the Senate because of the belief that the credibility of the study—in both the scientific and the veteran communities—would be enhanced. However, at the insistence of those then in leadership positions in the House Veterans' Affairs Committee, the Senate reluctantly agreed to altering the provision to mandate that the VA do the study. I insisted, however, on adding as a safeguard a requirement that the study's protocol be approved by the Office of Technology Assessment.

Although, following the enactment of Public Law 96-151, I initially supported the VA's efforts to conduct the study, I soon became concerned that, despite OTA's role and oversight efforts by the Congress, a study conducted by the VA would lack the necessary credibility. Thus, beginning in June 1980, I have consistently urged that the VA contract out the study to an independent entity—as has now occurred with respect to the CDC—an agency for which I have great respect.

Mr. President, I note that the interagency agreement transferring the study to the CDC states that the study will be completed by 1987. Vietnam veterans and their families and others concerned about their health and well-being are eager for the study to be completed as quickly as possible in a scientifically valid fashion. I urge that all officials in the CDC, HHS, VA, and other executive branch agencies with responsibility for the conduct and support of this study do all that they can to insure this result.

Mr. President, two additional points related to the interagency agreement deserve highlighting.

First, the interagency agreement states that the CDC will submit the study protocol to the OTA for review and comments. I am pleased that the agreement formally recognizes the ongoing duty, prescribed by Public Law 96-151, which OTA has with respect to the study.

Second, because of my conviction that the health effects of the entire Vietnam experience must be studied, a position that has been supported by the major veterans' organizations, I authored a provision—enacted in Public Law 97-72—to provide the VA with authority to expand the epidemiological study for this purpose. Prolonged debate has ensued over how and whether to expand the study. I was reassured to learn that the CDC is planning, according to Dr. Custis' January 13 letter to Dr. Brandt, to conduct two concurrent studies, one focused on the effects of exposure to agent orange and the other, a broader examination of the impact of the Vietnam experience. This is the course I suggested in my October 7, 1982, letter to then-Administrator Nimmo, which was printed in the RECORD of October 20, 1982, (S 13429-32).

Mr. President, I ask that the interagency agreement between the Veterans' Administration and the CDC of the Public Health Service as well as the letter transmitting this agreement to me and a January 13, 1983, letter—elaborating on the agreement—from Dr. Custis to Dr. Edward Brandt, the HHS Assistant Secretary for Health, be printed in the RECORD at this point. In addition, Mr. President, I ask unanimous consent that a February 4, 1983, letter to me from John Gibbons, the Director of the Office of Technology Assessment, outlining his understanding of OTA's role and the timetable of events with respect to the epidemiological study also be printed in the RECORD at this point.

The material follows:

VETERANS' ADMINISTRATION,
DEPARTMENT OF MEDICINE AND SURGERY,
Washington, D.C., January 14, 1983.

Hon. ALAN CRANSTON,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: For the past few weeks the Veterans Administration and the Centers for Disease Control, Department of Health and Human Services, have been negotiating for the transfer of the Epidemiological Study mandated by Public Law 96-151, as amended in Public Law 97-72.

Those negotiations have been successfully completed. A copy of the agreement is enclosed.

Sincerely,

DONALD L. CUSTIS, M.D.,
Chief Medical Director.

Enclosure.

INTERAGENCY AGREEMENT BETWEEN VETERANS' ADMINISTRATION AND CENTERS FOR DISEASE CONTROL

I. BACKGROUND

Public Law 96-151, Section 307, mandates that the Veterans Administration (VA) design a protocol and conduct an epidemiological study to determine if veterans of the Vietnam conflict suffer long-term adverse health effects from exposure to dioxins produced in the manufacture of phenoxy herbicides including Agent Orange. Public Law 97-72 permitted the expansion of the protocol design and study to include an evaluation of any long-term adverse health effects in humans which may result from other factors involved in service in Vietnam including exposure to other herbicides, chemicals, medications, or environmental hazards or conditions.

Members of Congress recently urged that the VA "contract with the Centers for Disease Control (CDC), Atlanta, Georgia, to conduct all phases of the Agent Orange Study." As a result of subsequent meetings and correspondence between VA and CDC, an agreement in principle has been reached for the transfer of the study from VA to CDC. The details relating to the respective responsibilities of the two agencies are outlined below.

II. PURPOSE

This Interagency Agreement is for the purpose of transferring from the VA to the CDC the resources and authority for the design, implementation, analysis, and scientific interpretation of a valid epidemiological study in accordance with Section 307 of Public Law 96-151, as amended.

III. VA RESPONSIBILITIES

A. For the purpose of assisting CDC in developing its recommended study design, the VA has provided CDC with a preliminary study design developed by the School of Public Health, University of California at Los Angeles, along with extensive reviews from the Science Panel, Agent Orange Working Group; the Office of Technology Assessment; the VA Advisory Committee on the Health Related Effects of Herbicides; and the National Academy of Sciences, National Research Council. Also provided were: certain suggested modifications of the study design (insofar as these have been developed), a statistical consultant's report on the study design, and a draft statement of work for inclusion in a Request for Proposal for the conduct of a pilot phase of the study. Upon request from CDC, the VA will provide other documents in its possession as are necessary for the further design and conduct of the study.

B. The VA will submit to the Office of Management and Budget (OMB) and the appropriate committees of Congress specific requests for fiscal and personnel resources to support the conduct of the study. In so doing, the VA will depend on information and justification provided by CDC as outlined in Sections IV.H. and VI.C. of this agreement.

C. The VA will forward the final report of the findings of the study to the Congress as it is received in finished form from CDC.

D. The VA will submit to OMB the CDC's information collection budget proposal for approval under the Paperwork Reduction Act. Accordingly, any information collection hours associated with the study will be assigned to the VA's information collection budget for use by CDC in the conduct of the epidemiological study.

E. The VA will provide a point of contact to act as liaison with the CDC project officer as noted in Section IV.I. of this agreement. The VA's point of contact is:

Title: Director, Agent Orange Projects Office (10A7).

Address: Room 848, VA Central Office, 810 Vermont Avenue, Washington, D.C. 20420.

Telephone: FTS 389-5411; Commercial (202) 389-5411.

IV. CDC RESPONSIBILITIES

A. The CDC will complete the epidemiological study as expeditiously as possible, but not later than September 30, 1987.

B. All decisions related to the design, conduct, analysis, and scientific interpretation of the results of the study, as well as analysis of the data obtained during the course of the study, shall be the sole responsibility of the CDC. The CDC will submit the study protocol to the office of Technology Assessment for its review and comments. Reports of results of study will be authored by the CDC.

C. To the extent permitted by law, the CDC agrees to maintain the confidentiality of any documents provided by the VA as outlined in Section III.A. of this agreement and designated by the VA as confidential. Also to the extent permitted by law, the CDC agrees that all documents provided by the VA to the CDC pursuant to this agreement, whether designated by the VA as confidential or not, shall be used solely for the purpose of the study and for no other purpose unless mutually agreed upon by VA and CDC.

D. The CDC will prepare the necessary information collection budget proposal for OMB approval under the Paperwork Reduction Act. This proposal will be submitted by the CDC to the VA for formal submission by the VA to OMB.

E. The CDC will furnish reports of information necessary for the VA to comply with the Report to Congress required by Public Law 96-151, Section 307(b)(2), as amended by Public Law 97-72, Section 401(b)(1).

F. Findings resulting from the epidemiological study and an evaluation of those findings will be incorporated into a final report from CDC to VA as expeditiously as possible.

G. The CDC agrees to provide quarterly progress reports to the VA.

H. The CDC will, at the VA's request, assist the VA in providing testimony at any and all congressional hearings, including appropriation hearings, regarding the epidemiological study until such time as the study is complete.

I. The CDC project officer is:

Name: Dr. J. David Erickson.

Title: Epidemiologist, Center for Environmental Health.

Address: Centers for Disease Control, Atlanta, Georgia 30333.

Telephone: FTS 236-4035; Commercial (404) 452-4035.

V. AUTHORITY

A. The CDC has legislative authority under Section 301(a) of the Public Health Service Act to conduct research into the health effects of a broad range of environmental hazards and to cooperate with other appropriate authorities in the conduct of such research.

B. As previously indicated, the VA has authority under Section 307 of Public Law 96-151 to design and conduct an epidemiological study relating to exposure to Agent Orange and to expand the scope of the study as provided in Public Law 97-72.

C. The VA has authority to enter into this agreement under the Economy Act, as amended (31 U.S.C. Section 1535) and 38 U.S.C. Section 213.

VI. RESOURCES

A. The VA will initiate appropriate action to obtain OMB approval of the CDC request for 28 full-time equivalent employment (FTEE) for fiscal year 1983.

B. Upon request from the CDC for advance payment, the VA will pay CDC up to $3,000,000 for goods and services required under this agreement during fiscal year 1983. Subsequent fiscal year funding requests may also be paid in advance as agreed to by the VA from time to time. Any amount paid in advance is subject to adjustment for actual costs incurred, as required in 31 U.S.C., Section 1535 (1982).

C. The CDC will identify and fully justify all fiscal and FTEE requirements for use by the VA in submitting specific funding requests to OMB and Congress for the conduct of the study in fiscal year 1984 and beyond. These requirements will be submitted in a timely and appropriate manner so as to be included and specifically identified in the VA's budget and planning efforts. Only those resources specifically approved by OMB and appropriated by Congress for the conduct of the study will be made available to CDC by the VA for this purpose.

D. CDC agrees to utilize the resources provided by the VA solely for purposes that CDC deems to be related to the epidemiological study. CDC will provide VA with a quarterly statement of the costs incurred in the performance of this agreement. The cost statement shall be made in conformance with standard government budget and accounting requirements.

VII. AMENDMENTS

This agreement or any of its specific provisions may be revised by signature approval of both the parties signatory hereto, or their respective successors.

VIII. EFFECTIVE DATE

This agreement is effective as of October 16, 1982, and shall continue in effect unless modified in writing by mutual agreement.

IX. TERMINATION

A. The period of this agreement is through September 30, 1984, to be renewed annually thereafter for the duration of the study.

B. In the event that the necessary fiscal and personnel resources are not provided to the CDC as specified in Section VI.A., B., and C. of this agreement, the CDC will be under no obligation to undertake or complete this epidemiological study.

C. In the event that OMB fails to approve the necessary information collection budget hours in accordance with the Paperwork Reduction Act of 1980, the CDC will be under no obligation to undertake this epidemiological study.

VETERANS' ADMINISTRATION,
DONALD L. CUSTIS, M.D.
Chief Medical Director.

U.S. PUBLIC HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES,
EDWARD N. BRANDT, Jr., M.D.
Assistant Secretary for Health.

VETERANS' ADMINISTRATION,
DEPARTMENT OF
MEDICINE AND SURGERY,
Washington, D.C., January 13, 1983.

EDWARD N. BRANDT, JR., M.D.,
Assistant Secretary for Health, Department of Health and Human Services, Washington, D.C.

DEAR DR. BRANDT: Enclosed is the proposed Interagency Agreement to effect the transfer of the epidemiological study from the VA to the CDC. The present language of the agreement is the culmination of a number of previous efforts and informal contacts between staff members of our respective offices. In the interest of expediting the completion of protocol development and implementation of the study, I am hopeful that you will find the language of the agreement satisfactory and suitable for signing within the next few days.

The VA is prepared at this time to make an advanced payment to CDC of the $3,000,000 identified in the VA's fiscal year 1983 budget for initiation of the study. In addition, we will work with you in obtaining OMB clearance for providing to CDC the requisite 28 FTEE for this fiscal year.

In your letter of December 23, 1982, you propose that resource requirements beyond the $3,000,000 and 28 FTEE be included as a multi-year appropriation in fiscal year 1984. We will be pleased to join you in exploring the feasibility of this suggestion with OMB and the appropriate Congressional committees. On the matter of the periodic mortality follow-up effort, I believe this should be included in the CDC study, and as such be made a part of the budget proposal in support of the full study.

I have reviewed with interest the outline for the conduct of the study as proposed by CDC. The concept of two concurrent studies, one to examine the effects of exposure to Agent Orange and the other the impact of the Vietnam experience has considerable merit and provides the advantages of two complimentary efforts. I do have great concern, however, over the suggestion that the VA conduct the physical examinations and laboratory studies for the 4,000 veterans, in each of the five cohorts, who will not be examined by CDC as part of the study. If two-thirds of the individuals answering the questionnaire are to be examined in VA medical centers, I believe that it would be very difficult to convince the majority of Vietnam veterans that the VA is not actually involved in the conduct of the study. I therefore have taken the position that if it is the recommendation of CDC that all study subjects receive a physical examination and laboratory work-up, CDC should include this as part of the budget proposal and justification for OMB and Congressional action.

I hope that we have reached sufficient consensus on these issues so that we can now finalize the interagency agreement.

Sincerely,

DONALD L. CUSTIS, M.D.,
Chief Medical Director.

OFFICE OF TECHNOLOGY ASSESSMENT,
Washington, D.C., January 28, 1983.

Hon. ALAN CRANSTON,
Ranking Minority Member, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

DEAR ALAN: During the last four months, the Veterans Administration (VA) has been cooperating with the Department of Health and Human Services (DHHS) in response to Congressional criticism of its handling of the Agent Orange epidemiologic study. On January 14, 1983, the VA and DHHS completed an interagency agreement that designates the Centers for Disease Control (CDC) as the agency responsible for planning and executing the study.

Office of Technology Assessment (OTA) staff have discussed the study with officials at CDC, and I wish to inform you of our understanding of likely future events. CDC will send copies of an outline, describing their plans for the epidemiology study, to OTA and other review groups. The outline, expected to be between 10 and 20 pages long, will be sent to all members of the OTA Agent Orange Advisory Panel. Panel members' review comments will be obtained by phone, and OTA staff will provide those comments to your committee, to other Congressional committees, and to CDC. Our review will be completed as quickly as possible, certainly within 30 days of receipt of the agreement. Hopefully, other review groups will adhere to a similar schedule.

CDC expects to produce a detailed protocol for its study about 90 days after it receives comments on the outline. OTA will, as mandated by P.L. 96-151, review that protocol within 30 days of receiving it. That review will entail a third meeting of the Advisory Panel. At this time, we estimate the earliest possible date for that meeting to be sometime in June. The exact time, of course, depends on when OTA receives the protocol.

It can escape no one's attention that more than three years have elapsed since the passage of P.L. 96-151. However, I can end this letter on a positive note. I have been impressed by the business-like attitude of CDC, and I think that we can now look forward to rapid progress in the study.

Sincerely,

JOHN H. GIBBONS.

STEPHENS, INC., CELEBRATES 50TH ANNIVERSARY

Mr. PRYOR. Mr. President, I am proud and pleased to commemorate today the 50th anniversary of the founding of one of America's most prominent and respected financial institutions. Stephens, Inc., located in downtown Little Rock, Ark., is privately owned. It is the eighth largest capitalized investment banking firm in the country.

The Stephens story is one in which hard work and ingenuity, a willingness to take risks, a desire to serve people, and an unmatched reputation for honesty have resulted in a financial institution which is well known and highly regarded throughout the world.

Stephens, Inc., was established in the depths of the Great Depression. It was in March 1933, when W. R. (Witt) Stephens took the initiative. Witt Stephens was the second of three sons and one of six children, all of whom were born and raised on a small farm in Prattsville, Ark. In the beginning, Stephens, Inc. was a municipal bond house, but a unique one that quickly gained a reputation for integrity, a willingness to expand into new areas, and good old-fashioned know-how.

Witt Stephens' younger brother, Jackson T. Stephens, joined the firm in 1946 after graduating from the U.S. Naval Academy. In those early days, he traveled the State buying and selling bonds and carrying the Stephens reputation and ability to thousands of Arkansans.

In 1957, Jack Stephens became president of the firm. And today he travels not only the State but also the country and the world—in search of opportunities for the benefit of Stephens, Inc. and its clients.

The financial leadership and expertise of Stephens have enabled it to become a symbol of extraordinary success. With an investment philosophy of partnership with investors and a readiness to take risks, Stephens has quickly grown to be a major national underwriter and dealer in all types of securities. It serves as financial adviser to individual investors as well as State, county, municipal and other public agencies throughout the country. Stephens has become a catalyst for economic development not only in Arkansas but throughout the world.

A few years ago, the Stephens' story spread to the highly productive countries of Asia. In addition, its strength in financial services has extended into manufacturing and services in other domestic industries. These include oil and gas production, data processing, industrial supply, real estate, office equipment leasing, agriculture, and international finance and trade.

I am pleased to recognize this remarkable family and this extraordinary business. And I hope the standards of excellence established by Witt and Jack Stephens will continue to benefit us all for another 50 years and more.

PROPOSAL TO INCREASE MILITARY AID TO EL SALVADOR

Mr. CRANSTON. Mr. President, for the last 40 months, the civil war in El Salvador has been stalemated. The United States has poured over $500 million in economic and military aid into El Salvador since 1979. Congress has enacted certification provisions to hold the Salvadoran Government accountable for its human rights record and to encourage political and economic reforms as a condition of continuing U.S. military aid to that government. With each certification, the Reagan administration has done its best to whitewash the relentless violations of basic human rights in El Salvador. We are not even at the halfway mark in the 1983 fiscal year. But the Reagan administration is already asking for an additional $60 million in military aid to El Salvador and is suggesting that additional military advisers may be sent to El Salvador. And the White House has made clear that if Congress will not approve this additional aid, the administration will at-

tempt to use the State Department's contingency fund.

I strongly oppose an additional $60 million in military aid to the Government of El Salvador. I do not believe it can be justified—especially in this time of high deficits and budget cuts.

The Reagan administration's assertion that Congress limited 1983 aid to El Salvador because we did not pass a foreign aid bill is inaccurate. A unanimous Senate Foreign Relations Committee deliberately limited aid to El Salvador because of the committee's deep concern that the U.S. role in the Salvadoran civil war should be limited and should emphasize economic over military assistance.

I also strongly oppose proposals to increase the number of U.S. military personnel sent to El Salvador. Increased involvement of American soldiers in El Salvador can only increase the danger that American soldiers will become directly involved in combat in El Salvador's civil war.

In its unquestioning search for military solutions to the Salvadoran conflict, this administration threatens the fundamental interest of our Government in achieving, in concert with our democratic allies in the region, a truce and a negotiated settlement of Salvadoran strife. We must press forward with efforts which address the root causes of the conflict in Central America: poverty, injustice, and underdevelopment. It is essential that our Government pursue these efforts lest we lose sight of one of the key lessons of Vietnam: That the support of the American people is vital for the success of our foreign policy.

In addition, I hope that the administration will stop disparaging the tireless and brave clergy in El Salvador. The administration only worsens the situation in that factionalized country when it attacks the leaders of the Salvadoran clergy. The administration also worsens the situation when it unconditionally condemns any attempt at negotiations. There will be no purely military resolution of the Salvadoran conflict.

The administration should not exacerbate the polarization in El Salvador. It should instead be seeking to establish a dialog among the factions and to pursue cease-fire negotiations. Only then will democracy have a chance to survive in El Salvador.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

REPORT ON THE RAILROAD RETIREMENT SYSTEM MESSAGE FROM THE PRESIDENT—PM 21

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

I hereby transmit to the Congress a report on the railroad retirement system pursuant to the provisions of Section 1126(a) of the Omnibus Budget Reconciliation Act of 1981 of August 13, 1981 (45 U.S.C. 231n note).

RONALD REAGAN.

THE WHITE HOUSE, *March 1, 1983.*

MESSAGES FROM THE HOUSE

At 11:19 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1572. An act to repeal section 311 of the Federal Public Transportation Act of 1982.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-364. A communication from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize the Board for International Broadcasting to provide federal funding for radio broadcasting to Cuba; to the Committee on Foreign Relations.

EXTENSION OF TIME TO FILE REPORT

Mr. BAKER. Mr. President, I have a request that bears the initials of the distinguished minority leader and I believe he has cleared this for action by unanimous consent.

Mr. President, on behalf of Mr. JEPSEN, I ask unanimous consent that the Joint Economic Committee be granted an extension of time from March 1, 1983, to March 3, 1983 to file a report of its findings and recommendations with respect to the Economic Report of the President, as required by section 11(b)(3) of the Employment Act of 1946 (15 U.S.C. 1024).

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S.J. Res. 18. Joint resolution designating September 22, 1983, as "American Business Women's Day".

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 76. An original resolution authorizing expenditures by committees of the Senate (Rept. No. 98-14).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary: Gregory Wright Carman, of New York, to be a judge of the U.S. Court of International Trade;

Shirley Wohl Kram, of New York, to be a U.S. district judge for the southern district of New York; and

James W. Diehm, of the Virgin Islands, to be a U.S. attorney for the district of the Virgin Islands for the term of 4 years.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs.

Edwin J. Gray, of California, to be a Member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1983; and

Edwin J. Gray, of California, to be a Member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1987.

(The above nomination was reported from the Committee on Banking, Housing, and Urban Affairs, with the recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. McCLURE:

S. 622. A bill to authorize the Secretary of the Interior to undertake feasibility investigations; to the Committee on Energy and Natural Resources.

By Mr. BAUCUS:

S. 623. A bill to provide for annual budget review of the Bonneville Power Administration by the Pacific Northwest Electric Power and Conservation Planning Council; to the Committee on Energy and Natural Resources.

By Mr. PRESSLER:

S. 624. A bill to establish an Office of Housing for the Elderly within the Department of Housing and Urban Development; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PELL:

S. 625. A bill to authorize the Secretary of Education to provide financial assistance to States for use in expanding educational programs in juvenile and adult correctional institutions to assist in the rehabilitation of criminal offenders, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GOLDWATER (for himself and Mr. DECONCINI):

S. 626. A bill to designate the Aravaipa Canyon Wilderness in the State of Arizona; to the Committee on Energy and Natural Resources.

By Mr. PACKWOOD (for himself and Mr. HATFIELD):

S. 627. A bill to authorize the establishment of a national scenic area to assure the protection, development, conservation, and enhancement of the scenic, natural, cultural, and other resource values of the Columbia River Gorge in the States of Oregon and Washington, to establish national policies to assist in the furtherance of its objective, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WEICKER:

S. 628. A bill to amend section 18(a) of the Small Business Act; to the Committee on Small Business.

By Mr. CRANSTON (for himself and Mr. RANDOLPH):

S. 629. A bill to amend title 38, United States Code, to increase the per diem rate payable by the Veterans' Administration to States providing domiciliary, nursing home, and hospital care to veterans in State homes; to the Committee on Veterans' Affairs.

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 630. A bill to authorize the Secretary of the Army to construct improvements on Redbank and Fancher Creeks, Calif.; to the Committee on Environment and Public Works.

By Mr. TSONGAS (for himself, Mr. STENNIS, Mr. HART, Mr. PELL, and Mr. RANDOLPH):

S. 631. A bill to establish a national technology education grants program to provide matching Federal assistance to joint initiatives by private industry, educational institutions, and State government to strengthen science, engineering, and technical education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BENTSEN:

S. 632. A bill entitled the "Frontier Technologies Assessment Act"; to the Committee on Commerce, Science, and Transportation.

By Mr. GRASSLEY (for himself, Mr. DOLE, and Mr. DENTON):

S. 633. A bill entitled the "Government Accountability Act of 1983"; to the Committee on the Judiciary.

By Mr. HART:

S. 634. A bill to provide for the establishment of revitalization areas in distressed areas, to amend the Internal Revenue Code of 1954 to provide tax incentives for development in revitalization areas, and for other purposes; to the Committee on Finance.

By Mr. STAFFORD:

S. 635. A bill to authorize the U.S. Army Corps of Engineers to provide assistance to local communities, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HART (for himself, Mr. CRANSTON, Mr. SIMPSON, Mr. DECONCINI, Mr. RANDOLPH, Mr. MATSUNAGA, Mr. MITCHELL, Mr. COHEN, Mr. RIEGLE, Mr. HOLLINGS, Mr. SASSER, Mr. EXON, Mr. SARBANES, Mr. SPECTER, Mr. KENNEDY, Mr. LEAHY, Mr. LEVIN, Mr. DENTON, Mr. KASTEN, Mr. MURKOWSKI, Mr. BIDEN, Mr. CHILES, Mr. ANDREWS, Mr. BURDICK, Mr. PERCY, Mr. JOHNSTON and Mr. STAFFORD):

S. 636. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. PERCY (by request):

S. 637. A bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize security and development assistance programs for fiscal years 1984 and 1985, and for other purposes; to the Committee on Foreign Relations.

S. 638. A bill to authorize supplemental international security assistance for urgent purposes for the fiscal year 1983, and for other purposes; to the Committee on Foreign Relations.

S. 639. A bill to authorize supplemental assistance to aid Lebanon in rebuilding its economy and Armed Forces, and for other purposes; to the Committee on Foreign Relations.

By Mr. DOLE (by request):

S. 640. A bill to amend the Internal Revenue Code of 1954 to provide to the inclusion of certain employer contributions to health plans in an employee's gross income; to the Committee on Finance.

S. 641. A bill to provide for voluntary private alternative coverage for medicare beneficiaries, and for other purposes; to the Committee on Finance.

S. 642. A bill to restructure the medicare hospital insurance program; to the Committee on Finance.

S. 643. A bill to make improvements in the medicare and medicaid programs, and for other purposes; to the Committee on Finance.

By Mr. GARN (for himself, Mr. TOWER and Mr. PROXMIRE) (by request):

S. 644. A bill to amend and extend certain Federal laws relating to housing, community and neighborhood development, and related programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DOLE (for himself, Mr. HEFLIN and Mr. THURMOND):

S. 645. A bill to establish an Intercircuit Tribunal and for other purposes; to the Committee on the Judiciary.

By Mr. DOLE:

S. 646. A bill to amend title 18, United States Code, for the purpose of providing authority to the Attorney General to prosecute acts obstructing the flow of commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. DOMENICI (for himself, Mr. PERCY and Mr. RIEGLE):

S.J. Res. 43. A joint resolution to declare Baltic Freedom Day; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MATHIAS from the Committee on Rules and Administration:

S. Res. 76. An original resolution authorizing expenditures by the committees of the Senate; placed on the calendar.

By Mr. GOLDWATER:

S. Con. Res. 12. A concurrent resolution to declare the sense of the Congress regarding treaty termination; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McCLURE:

S. 622. A bill to authorize the Secretary of the Interior to undertake feasibility investigations; to the Committee on Energy and Natural Resources.

FEASIBILITY INVESTIGATIONS

Mr. McCLURE. Mr. President, this bill would authorize the Secretary of the Interior to undertake feasibility investigations of 13 potential water and related land resources developments in the Western States. As my colleagues will recall, similar legislation passed the House and Senate during the last Congress, only to die in the Senate during the lameduck session.

The bill is identical to the measure that passed the Senate on October 1, 1982, with two exceptions. First, for the Prairie Bend unit study in Nebraska, the authorization requires the study to include details on the effects the project might have on wildlife, and in particular on the habitat of the sandhill and whooping cranes. Second, two study authorizations in the State of South Dakota have been deleted since they were enacted in other legislation.

Mr. President, the timely authorization and completion of feasibility studies are essential if we are going to be able to address the water problems of the future. It is my hope that this measure will receive the attention of the Committee on Energy and Natural Resources and of the Senate as soon as possible.

I ask unanimous consent that the text of the measure be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 622

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized to engage in feasibility studies of the following proposals:

(1) Colville Indian Reservation, Chief Joseph Dam project, located in northeastern Washington;

(2) Gibson Dam powerplant, located on the Sun River in Lewis and Clark Counties, Montana;

(3) Imperial Irrigation District canal lining, located in Imperial Irrigation District, Imperial County in southern California;

(4) New Melones conveyance system study, Central Valley Project, Stanislaus River division. located in Tuolumne, Calaveras, Stanislaus, San Joaquin, and Merced Counties, California;

(5) Pilot Butte powerplant, Riverton unit, located in Fremont County, Wyoming;

(6) Prairie Bend unit, located in the Platte River Basin, located in Buffalo and Hall Counties, Nebraska. Such feasibility study shall include a detailed report on any effects the proposed project may have on wildlife habitat, including habitat of the sandhill crane and the endangered whooping crane;

(7) Siletz River Basin project, located in Lincoln and Polk Counties, Oregon;

(8) Spring Canyon pumped-storage project, located in Mohave County, Arizona;

(9) Tongue River Dam, located in Big Horn and Rosebud Counties, Montana;

(10) Water conservation and efficient use program, All-American canal relocation project, located in Imperial County, California;

(11) Upper Klamath offstream storage study, Klamath project, located in Klamath County, Oregon;

(12) Blue Holes Reservoir, located in Fremont County and the Wind River Indian Reservation, Wyoming;

(13) Muddy Creek Basin hydrologic, surge relief, and erosion control study, near Great Falls, Montana.

By Mr. BAUCUS:

S. 623. A bill to provide for annual budget review of the Bonneville Power Administration by the Pacific Northwest Electric Power and Conservation Planning Council; to the Committee on Energy and Natural Resources.

BONNEVILLE POWER ADMINISTRATION REGIONAL ACCOUNTABILITY ACT OF 1983

● Mr. BAUCUS. Mr. President, I am pleased to reintroduce today the Bonneville Power Administration Regional Accountability Act.

The purpose of this legislation is to make the Bonneville Power Administration (BPA) more responsive to the citizens and States that it serves, and to enhance the effectiveness of congressional oversight of Bonneville's budgetary decisions.

As the Federal power marketing agency for the Pacific Northwest, Bonneville's activities have a tremendous influence on the direction and pace of economic development and on the quality of life in the region. In spite of this, Congress has granted Bonneville considerable freedom from the strictures of the authorization and budget processes.

I believe it is because of the great degree of independence allowed to Bonneville in making its budgetary decisions that Bonneville remains unresponsive to the needs, concerns, and priorities of the States that it serves. Moreover, we in Congress have not had the benefit of sufficient independent information to allow us to effectively oversee Bonneville's allocation of the funds it collects from the ratepayers of the region.

I understand that Bonneville has recently become more aware of the concerns of the citizens of the region, and is now making an effort to improve relations with the State of Montana, in particular. It should be recognized, however, that this effort has only been made in response to the overwhelming public outcry over recent BPA activities.

My bill attempts to institutionalize that responsiveness by giving the States an effective avenue for influencing Bonneville's allocation of the moneys it collects from their citizens.

This legislation would require BPA to submit its budget to the Northwest Power Planning Council for review prior to its submission to the Congress. The Council, which was created by Congress through the 1980 Northwest Regional Power Planning and Conservation Act, is composed of members appointed by the Governors of Montana, Idaho, Washington, and Oregon.

After receiving BPA's draft budget, the Council would conduct regional hearings. This would give the citizens of the Pacific Northwest a genuine opportunity to review BPA's proposed expenditures and make constructive suggestions on them.

Following this public review, the Council could develop and submit to Congress an alternative budget, or alternative figures for individual portions of the budget, as the Council finds appropriate for achieving the objectives of the regional act. The Council's proposals would be submitted to Congress with BPA's final budget and BPA's response on points of disagreement.

Thus, Congress would have the benefit of valuable additional perspectives and information on BPA's budget, and BPA would have much greater incentive than it now does to accommodate the views and interests of the States and citizens of the region before making irreversible decisions affecting their future.

Through the regional act, Congress gave the Council the responsibility of assessing the region's energy needs for the next 20 years and devising a plan to meet those needs. The Council has recently released its draft plan. It developed this with the benefit of a great deal of public participation and, as directed by Congress, it has come up with a flexible plan that emphasizes conservation and renewable resources in meeting the region's energy needs.

The Council should be highly commended for the tremendous job it has done in developing this draft plan. This accomplishment may be lost if BPA's faithful implementation of the plan is not insured by granting the Council continuing influence over and review of BPA's budgetary decisions.

In the past, Bonneville has been permitted an unwarranted degree of freedom in its decisionmaking. It has become responsive to outside influences only after its actions have created public uproar. By that time it has been simply too late to effect more than minor adjustments in the course of action laid out by BPA. The people of Montana and the other States of the region deserve better.

I believe that my bill will permit the citizens and States of the Pacific Northwest to have a real opportunity to influence Bonneville decisionmaking early in the process and thereby avert many of the problems we in the region have experienced with Bonneville in the past.

Mr. President, the Montana House of Representatives concurs in this assessment. They recently passed a resolution introduced by Representative Mary Ellen Connelly, urging Congress to adopt the legislation I am introducing today.

Mr. President, I ask unanimous consent at this point that the resolution be made a part of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

STATE OF MONTANA RESOLUTION

Whereas, the Bonneville Power Administration is a federal power marketing agency with substantial influence in the Pacific Northwest and particularly in the State of Montana; and

Whereas, Congress has heretofore granted the Bonneville Power Administration considerable freedom from the strictness of the authorization and budget processes; and

Whereas, there is a lack of sufficient independent information available about the Bonneville Power Administration's allocation of the funds it collects from the ratepayers of Montana, Idaho, Oregon and Washington; and

Whereas, the Bonneville Power Administration must be more responsible to the citizens and state and local governments in the Pacific Northwest region.

Now, therefore, be it resolved by the Senate and the House of Representatives of the State of Montana, That the Congress of the United States is most earnestly requested to enact the bill introduced by Montana Senator Max Baucus creating the Bonneville Power Administration Regional Accountability Act of 1982, amending 16 U.S.C. Sec. 32, et seq., which provides for annual budget review by the Pacific Northwest Electric Power and Conservation Planning Council, and

Be it further resolved, That the Secretary of State send copies of this resolution to the President of the United States, Governor Ted Schwinden, and to each member of the Congress of the United States.

Mr. BAUCUS. Mr. President, I also request that the text of S. 623 which I am introducing today be printed in the RECORD:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 623

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may by cited as the "Bonneville Power Administration Regional Accountability Act of 1983".

SEC. 2. The Act entitled "An Act to authorize the completion, maintenance, and

operation of the Bonneville project for navigation, and for other purposes", approved August 20, 1937 (16 U.S.C. 832 et seq.), is amended by redesignating section 13 as section 14 and inserting immediately after section 12 the following new section:

"SEC. 13. Beginning with the calendar year 1983 and each calendar year thereafter, the Administrator shall submit, no later than July 15 a copy of its annual draft budget for the fiscal year commencing October 1 of the following calendar year for all operations, acquisitions, and activities of the Bonneville Power Administration to the Pacific Northwest Electric Power and Conservation Planning Council for review. Thereafter, the Administrator shall expeditiously inform the Council of budget modifications proposed by the Administrator, the Secretary of Energy, or the Director of the Office of Management and Budget. In the event that the Council submits an alternative budget, or alternative figures for individual portions of such budget, to Congress pursuant to section 4(j) of the Pacific Northwest Electric Power Planning and Conservation Act, the Administrator, if he determines such alternative budget to be unacceptable, in whole or in part, shall submit no later than thirty days after receipt of the Council's proposed modifications, a report to the Council and the Congress, in detail, stating the reasons why such alternative budget proposal of the Council, or part thereof, is unacceptable to the Administrator. The Administrator shall provide to the Council such cooperation and assistance as may be necessary to facilitate Council review of the draft budget and modifications. In preparing budget figures, the Administrator shall conform the budget to the policies, purposes, and requirements of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839 et seq.) and the regional electric power and conservation plan and the fish and wildlife program adopted pursuant thereto.".

SEC. 3. The Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839 et seq.) is amended by redesignating section 4(j) as section 4(k) and inserting immediately before it the following new subsection:

"(j) Pursuant to the annual budget proposal submitted by the Administrator under section 13 of the Act entitled 'An Act to authorize the completion, maintenance, and operation of the Bonneville project for navigation, and for other purposes', approved August 20, 1937 (16 U.S.C. 832 et seq.), the Council shall—

"(1) review and analyze the initial budget proposal and all subsequent budget modifications proposed by the Administrator, the Secretary of Energy, or the Director of the Office of Management and Budget;

"(2) have the authority to hold hearings on the proposed budget and its modifications;

"(3) submit to Congress an analysis of the budget proposal and modifications submitted by the Administrator to the Council; and

"(4) submit to Congress an alternative budget, or alternative figures for individual portions of such budget, if considered necessary or appropriate by the Council in order to facilitate attainment of the purposes of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839 et seq.).".●

By Mr. PRESSLER:

S. 624. A bill to establish an Office of Housing for the Elderly within the Department of Housing and Urban Development; to the Committee on Banking, Housing, and Urban Affairs.

OFFICE OF HOUSING FOR THE ELDERLY

Mr. PRESSLER. Mr. President, today, I am introducing legislation which will create an Office for the Elderly within the Department of Housing and Urban Development. I believe this change will provide an important and needed focus on HUD's programs for the elderly.

Older Americans constitute about 39 percent of all HUD-assisted households, yet since 1977 HUD has operated without an effective office to coordinate its various programs for the elderly.

The section 8 program and the public housing program alone have constructed 23 million housing units—50 percent of which are occupied by older Americans. In addition, 95,000 units have been produced under the section 202 program to be occupied by senior citizens and 2,200 elderly are aided through the congregate housing services program. Under an amendment that I sponsored to last year's HUD appropriation bill, additional funds are now available to expand congregate services in rural areas.

Obviously, HUD has a major role in meeting elderly housing needs. This assistance should not be limited to elderly people participating only in the previously mentioned programs, but should also provide housing information and aid to all of the approximately 16 million households headed by senior Americans. As the post-World War II baby boom generation ages, the need for these kinds of services will increase significantly.

HUD offices with direct responsibility for dealing with the concerns of other segments of the population with smaller constituencies are already established. In my opinion, the special health and other needs of elderly Americans require similar organizational recognition.

President Reagan's Commission on Housing last year recommended that the special housing requirements of the elderly should be addressed by special programs. Unfortunately, in this time of budget restraint the administration has also proposed to slash many housing programs. In my opinion, there is no better time to provide our senior citizens with a consolidated office within HUD to insure that money available for aiding the elderly is spent in the best manner possible. In addition, provisions of my bill which would revive the HUD Advisory Committee on Housing for the Elderly and the requirement of an annual report to Congress on the state of elderly housing will insure that the Federal bureaucracy is responsive to the problems of our older Americans.

I hope my colleagues will join me in supporting this legislation.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 624

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Department of Housing and Urban Development Act is amended by adding the following new subsection at the end thereof:

"(e)(1) There shall be in the Department an Office of Housing for the Elderly. This Office shall be within the Office of the Secretary and shall have the following responsibilities:

"(A) to coordinate all housing programs for the elderly within the Department, including the coordination of activities at the regional level which concern such housing programs;

"(B) to work to coordinate such housing programs with related programs which are administered by State, local, or other Federal agencies;

"(C) to make recommendations to the Secretary regarding legislation relating to Federal assistance to housing for the elderly;

"(D) to receive, evaluate, and make recommendations to the Secretary with respect to information submitted by organizations representing the elderly who are served by programs carried out by the Department;

"(E) to make recommendations to the Secretary concerning research, demonstrations, and evaluations which are being or should be carried out by the Department with respect to housing for the elderly;

"(F) to organize task forces (which shall consist of individuals who have expertise in the area of housing for the elderly and who work in that area within the Department or outside of it) which are deemed necessary to carry out the responsibilities of the Office;

"(G) to represent the Secretary with respect to elderly housing matters before other governmental agencies and departments, industry groups and associations, the Congress, and the public;

"(H) to convene and work with the Advisory Committee on Housing for the Elderly described in paragraph (4);

"(I) to prepare and distribute such materials which are necessary to carry out the responsibilities of the Office;

"(J) to assist the Secretary in making an annual report to the Congress relating to housing for the elderly, as described in paragraph (3); and

"(K) to carry out other responsibilities relating to housing for the elderly as may be specified by the Secretary.

"(2) The Office of Housing for the Elderly shall be headed by the Special Assistant for Housing for the Elderly who shall be responsible directly to the Secretary. Such Office shall have staff members recommended by the Special Assistant and approved by the Secretary, including staff members at the field offices of the Department in order to assure the coordination of housing programs for the elderly at the field level. The Special Assistant for Housing for the Elderly shall be designated by the Secretary not later than 60 days after the date of enactment of this subsection.".

"(3) The Secretary shall, not later than December 1 of each year, submit to the

Congress an annual report on housing for the elderly which shall include—

"(A) a description of the actions (and associated costs) of the Department during the previous fiscal year with respect to housing for the elderly and a description of the actions (and associated costs) undertaken and to be undertaken with respect to such housing during the current fiscal year; and

"(B) recommendations for any legislative, administrative, and other actions relative to such housing, as deemed appropriate by the Secretary,

"(4) The Secretary shall establish, in accordance with section 7(1) of this Act, an Advisory Committee on Housing for the Elderly. Such Advisory Comittee shall have representatives from organizations serving the housing needs of the elderly and shall discuss and analyze recommendations which can be used in developing departmental policy relating to housing for the elderly.".

By Mr. PELL:

S. 625. A bill to authorize the Secretary of Education to provide financial assistance to States for use in expanding educational programs in juvenile and adult correctional institutions to assist in the rehabilitation of criminal offenders, and for other purposes; to the Committee on Labor and Human Resources.

FEDERAL CORRECTIONAL EDUCATION ASSISTANCE ACT

● Mr. PELL. Mr. President, I am submitting legislation entitled the "Federal Correctional Education Assistance Act." It would authorize the Secretary of Education to make grants to State education agencies for educational programs in correctional institutions.

The need for this legislation is considerable. The prison population of our Nation, today, is at an all-time high of 500,000 people. Over the past 4 years the incarceration rate for adult offenders has increased by more than 50 percent. In addition, another 1,800,000 juveniles and adults are on probation and parole.

The United States currently spends about $6 billion a year to house inmates in State correctional facilities, local jails, and Federal institutions and centers. This amounts to almost $13,000 a year for each inmate. That is a staggering amount, which exceeds the cost of education for a year at either Harvard or Yale. In fact, on the average this Nation spends 2½ times as much money on keeping a person in prison than on sending a young man or woman to college.

As awful as these figures are, one might derive some consolation from them if these inmates were being prepared for a productive, responsible life upon release from prison. Sadly, that simply is not the case.

Of the $6 billion spent to maintain our prison system, more than 80 percent is spent on control and security. Less than 20 percent is spent on rehabilitation and training, and the amount spent on educational programs and services is even smaller. Recent data from the National Institute of Education revealed that only 2 percent of the total cost of incarceration goes to vocational education and related programs. On the average, a State spends only 1.5 percent of its total correctional budget on inmate education and training programs. Further, corrections education programs are generally plagued by inadequate funds, space, equipment, and trained staff.

To make matters even worse, the lack of adequate education programs is further complicated by the nature of the prison population. As noted by the National Advisory Council on Vocational Education in its excellent report, Vocational Education in Correctional Institutions:

> The typical inmate is a 25 year old male, with an uncertain educational background, limited marketable skills, and few positive work experiences. He completed no more than 10 high school grades and functions 2 to 3 grade levels below that. He is likely to be poor, having earned less than $10,000 in the year prior to his arrest.
>
> Although the U.S. prison population is 96 percent male, the plight of the incarcerated woman cannot be overlooked. She is typically under 30, a single mother with two or more children, poor and on welfare. She is likely to have problems with physical and/or mental health, drugs and/or alcohol.

This situation does not improve when a person is released from prison. The unemployment rate among ex-offenders is three times the rate for the general public. Those that do find jobs often work in low-income, semiskilled positions. If they do not commit another crime, many ex-felons end their lives in suicide or dereliction among the skid row population. As Chief Justice Warren Burger put it so eloquently:

> Ninety-five percent of the adults who are presently confined in our nation's prisons will eventually return to freedom. Without any positive change, including learning marketable skills, a depressing number—probably more than half of these inmates—will return to a life of crime after their release.

The situation is, in fact, even more distressing than that described by the Chief Justice. Sixty to seventy-five percent of the 150,000 offenders released from institutions each year will return to crime, and 30 to 50 percent will be recommitted to prison within 1 year. Among juveniles, the rate of recidivism reaches as high as 80 percent.

In response to this deplorable set of circumstances, the Chief Justice proposed in his 1981 report to the American Bar Association the introduction of mandatory educational and vocational programs for all inmates. He urged that every inmate who could not read, write, spell, and do simple arithmetic would be given that training. In addition, the Chief Justice recommended a large expansion of vocational training in the skilled and semiskilled crafts. His recommendations were not only echoed but amplified and expanded upon by the report of the National Advisory Council on Vocational Education to which I have previously referred. That report should be required reading for every public official in this country.

The Chief Justice's recommendations, combined with those of the National Advisory Council on Vocational Education, clearly point to the need for a greater Federal commitment in the corrections education area. To my mind, their observations and findings provide the strongest support possible for the legislative initiative embodied in this bill. In addition, they are buttressed by the results of studies in California, Maryland, New Mexico, Texas, and Washington which correlate a reduction in the recidivism rate to the education and training received by the inmate while in prison.

Mr. President, the Federal correctional education assistance would authorize $25 million a year in grants to State education agencies. The size of a grant would be determined by the ratio of a State's inmate population to the total inmate population in all States, but no State would receive less than $100,000. The States would be permitted great latitude in fashioning programs to meet their own specific needs and conditions. Funds could be used for a variety of educational programs, including:

One, academic programs for basic education, special education, secondary school credit, postsecondary education, fine arts, recreation, and health.

Two, vocational training programs.

Three, library development and library services.

Four, teacher training in correctional education, particularly in social education, reading instruction, and abnormal psychology.

Five, educational release programs for offenders with special attention on vocational work release training programs.

Six, guidance programs, including testing, counseling, psychological evaluation, and placement services.

Seven, supportive services, with special emphasis upon job placement and coordination of educational services with other agencies furnishing services to criminal offenders after their release.

Eight, cooperative programs with private business and industry to provide both job training and employment opportunities for offenders.

Mr. President, this marks the third time since 1979 that I have introduced legislation of this nature. I am very encouraged that this year the serious situation which this bill addresses will be the subject of a hearing to be conducted in conjunction with the reauthorization hearings on the Vocational Education Act. This is a significant development, and I want to take this op-

portunity to commend the Senator from Vermont (Mr. STAFFORD), who is the chairman of the Senate Subcommittee on Education, Arts, and Humanities, for his foresight, concern, and leadership in giving this critical problem the serious consideration it so desperately needs.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 625

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Correctional Education Assistance Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds that—

(1) existing educational programs in juvenile and adult correctional institutions are inadequate to meet the needs of accused individuals or convicted offenders;

(2) State and local educational agencies and other public and private nonprofit agencies do not have the financial resources needed to respond to the increasing need of the correctional system for appropriate institutional and noninstitutional educational services for accused individuals and convicted criminal offenders;

(3) education is important to, and makes a significant contribution to, the adjustment of individuals in society; and

(4) there is a growing need for immediate action by the Federal Government to assist State and local educational programs for criminal offenders in correctionl institutions.

(b) It is, therefore, the purpose of this Act to provide financial assistance to the States to carry out educational programs for criminal offenders in correctional institutions.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "criminal offender" means any individual who is charged with or convicted of any criminal offense, including a youth offender or a juvenile offender;

(2) "correctional institution" means any—

(A) prison,

(B) jail,

(C) reformatory,

(D) work farm,

(E) detention center, or

(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement of rehabilitation of criminal offenders;

(3) "Secretary" means the Secretary of Education;

(4) "State" means any State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico; and

(5) "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

AUTHORIZATION

SEC. 4. (a)(1) There is authorized to be appropriated $25,000,000 for the fiscal year 1984, and for each succeeding fiscal year ending prior to October 1, 1985, to enable the Secretary to make grants to States in accordance with the provisions of this Act.

(2) Funds appropriated for any fiscal year may remain available until expended.

(b) The Secretary is authorized to make grants to State educational agencies and to make grants for programs of national significance in accordance with the provisions of this Act.

ALLOCATION

SEC. 5. (a)(1) In each fiscal year in which the funds appropriated pursuant to section 4(a) exceed $15,000,000 the Secretary shall reserve 3 per centum of the funds appropriated for carrying out section 8.

(2) From the sums appropriated pursuant to section 4(a) in each fiscal year in which paragraph (1) does not apply and from the remainder of the sums appropriated pursuant to section 4(a) for each fiscal year in which paragraph (1) does apply, the Secretary shall allocate to each State $100,000 plus an amount which bears the same ratio to such sums or to such remainder, as the case may be, as population of the State in correctional institutions for the year preceding the year for which the determination is made bears to the population of all States in correctional institutions for such year.

(b) The amount by which any allotment of a State for a fiscal year under subsection (a) exceeds the amount which the Secretary determines will be required for such fiscal year for applications approved under section 7 within such State shall be available for reallotment to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year. The total of such reduction shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a fiscal year shall be deemed part of its allotment under subsection (a) for such year.

(c) No sums appropriated pursuant to section 4(a) shall be used for purposes inconsistent with the Juvenile Justice and Delinquency Prevention Act of 1974.

USES OF FUNDS

SEC. 6. Grants made under this Act to States may be used, in accordance with applications approved under section 7, for the cost of educational programs for criminal offenders in correctional institutions, including—

(1) academic programs for—

(A) basic education with special emphasis on reading, writing, vocabulary, and arithmetic;

(B) special education program as defined by State law;

(C) bilingual or bicultural programs for members of minority groups;

(D) secondary school credit programs;

(E) postsecondary programs;

(F) fine arts programs;

(G) recreation and health programs; and

(H) curriculum development for the programs described in this paragraph;

(2) standard and innovative vocational training programs;

(3) library development and library service programs;

(4) training for teacher personnel specializing in correctional education, particularly training in social education, reading instruction, and abnormal psychology;

(5) educational release programs for criminal offenders, with special attention given to vocational work release training programs;

(6) guidance programs, including testing, preparation, and maintenance of case records for criminal offenders, counseling, psychological evaluation, and placement services;

(7) supportive services for criminal offenders, with special emphasis upon job placement services and coordination of educational services with other agencies furnishing services to criminal offenders after their release; and

(8) cooperative programs with business concerns designed to provide job training for criminal offenders.

APPLICATION

SEC. 7. (a) A State desiring to receive a grant under this Act shall submit an application to the Secretary containing or accompanied by such information as the Secretary deems reasonably necessary, with such annual revisions as are necessary. Each such application shall—

(1) provide that the programs and projects for which assistance under this Act is sought will be administered by, or under the supervision of, the State educational agency;

(2) set forth a program for carrying out the purposes set forth in section 6 and provide for such methods of administration as are necessary for the proper and efficient operation of the program;

(3) provide assurances that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any employee in such program because of race, color, creed, national origin, sex, political affiliation or beliefs;

(4) provide assurances that funds received under this Act will be used only to supplement, and to the extent practical increase, the level of funds that would, in absence of such Federal funds, be made available from regular non-Federal sources for the purposes described in section 6, and in no case may such funds be used to supplant funds from non-Federal sources; and

(5) provide for a three-year report to the Office of Education containing a description of the activities assisted under this Act together with a description of evaluation programs designed to test the effectiveness of education programs assisted under this Act.

(b) Each application made under this Act may be approved by the Secretary if the Secretary determines that the application meets the requirements set forth in this Act.

PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 8. (a) From funds reserved pursuant to section 5(a)(1), the Secretary is authorized to make grants to State and local educational agencies, institutions of higher education, State correctional agencies, and other public and private nonprofit organizations and institutions to meet the costs of programs of national significance which the Secretary determines give promise of improving the education of criminal offenders.

(b) No grant may be made under this section unless an application is made to the Secretary at such time, in such manner, and containing such information as the Secretary deems reasonably necessary.

PAYMENTS AND WITHHOLDING

SEC. 9. (a) The Secretary shall pay to each State which has an application approved under this Act an amount equal to the cost of an application approved under section 7(b) or section 8(b).

(b) Whenever the Secretary, after giving reasonable notice and opportunity for hearing to a State under this Act, finds—

(1) that the program or project for which assistance under this Act was made has been so changed that it no longer complies with the provisions of this Act; or

(2) that in the operation of the program or project there is failure to comply substantially with any such provisions:

the Secretary shall notify such State or grantee, as the case may be, of the findings, and no further payments may be made to such State or grantee, as the case may be, by the Secretary until the Secretary is satisfied that such noncompliance has been, or will promptly be, corrected. The Secretary may authorize the continuance of payments with respect to any projects pursuant to this Act which are being carried out by a State and which are not involved in the noncompliance.●

By Mr. GOLDWATER (for himself and Mr. DECONCINI):

S. 626. A bill to designate the Aravaipa Canyon Wilderness in the State of Arizona; to the Committee on Energy and Natural Resources.

ARAVAIPA CANYON WILDERNESS ACT

● Mr. GOLDWATER. Mr. President, in southern Arizona, just north of the city of Tucson, we have an area which the Papago Indians call A'Aly Waipia, which means "little wells." The place I am referring to is Aravaipa Canyon and the bill which I am introducing today would include Aravaipa Canyon and an additional 2,626 acres of adjoining public lands into the National Wilderness Preservation System. This proposal does have the administration's full support.

The recommended 6,670 acres would become the first public land under Bureau of Land Management jurisdiction to come under the protection of the wilderness system. In 1969 and 1971, the 4,044 acres, 7½-mile long canyon was set aside as the Aravaipa Canyon Primitive Area, creating BLM's first primitive area. Situated at the east and west entrances to the canyon is about 6,000 acres of land owned in fee by the Defenders of Wildlife Trust for the George Whittell Wildlife Preserve at Aravaipa Canyon (Aravaipa Trust). The trust manages an additional 20,000 or more acres, under State and Federal grazing leases, at the entrances to the canyon and on the plateau south of the canyon. Title to the canyon itself is in the Bureau of Land Management.

This bill is the result of many years of cooperative effort between the Bureau of Land Management, the Defenders of Wildlife, and the Aravaipa Trust, and it is a great tribute to conservationism and private sector initiative, as envisioned by President Reagan. Established in August 1974 by the Defenders of Wildlife, the Aravaipa Trust took title to these lands from the Defenders, primarily to preserve the many species of wildlife in and around Aravaipa Canyon. To accomplish this, it is necessary to protect the unique complex of desert and riparian habitats of the main canyon, its side canyons, and the canyon rims and plateaus from uses that might diminish their capacity to sustain wildlife. Since early 1972, when Defenders of Wildlife first bought lands at Aravaipa, Defenders and the Trust have devoted a great deal of time and energy, and over $3,000,000 to purchasing, maintaining, and managing these lands.

Aravaipa Canyon, located in the east end of an arid portion of the Sonoran Desert, has been referred to as the miniature Grand Canyon of Arizona. Its beautiful multicolored cliffs rise as high as 1,000 feet above the canyon bottom. Within the canyon, one can see a cross-section of Earth's history representing nearly 2.6 billion years. And, in fact, the canyon area has been inhabited for perhaps the past 9,500 years. Primary prehistoric remains include Hohokam and Salado sites.

In the bottom of the Aravaipa Canyon, one finds the Aravaipa Creek, a perennial stream which travels for about 15 miles. It not only supports a lush green riparian vegetation, it also provides water for wildlife and for 12 fish species, 2 of which are threatened and endangered. In the canyon, one can find more than 158 species of bird and also bighorn sheep, mule deer, fox, mountain lion, coyotes, bobcats, javelina, and other small animals.

This scenic canyon is not only a haven for naturalists, but it offers many recreational opportunities such as backpacking, hiking, horseback riding, hunting outside canyon bottoms, mountain and rock climbing, bird watching, photography, and sightseeing. Currently, the Bureau of Land Management limits the number of visitors to 50 per day in order to protect the area and entry to the canyon is by permit only. No motor vehicles or dogs are allowed.

Finally, Mr. President, I would like to point out that in no way would the wilderness designation of the Aravaipa Canyon area result in any adverse impacts on the Nation's security, mineral needs, or economic well-being. I am very cognizant of the sensitivity of the issue of mineral content in potential wilderness land. This is a very simple bill which attempts to preserve and protect a magnificent desert sanctuary.

Mr. President, I ask unanimous consent that the text of my bill be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Arvaipa Canyon Wilderness Act."

SEC. 2. The Congress finds that—

(a) the Aravaipa Canyon, situated in the Galiuro Mountains in the Sonoran desert region of Southern Arizona, is a primitive place of great natural beauty that, due to the rare presence of a perennial stream, supports an extraordinary abundance and diversity of native plant, fish, and wildlife, making it a resource of national significance; and

(b) the Aravaipa Canyon should, together with certain adjoining public lands, be incorporated within the National Wilderness Preservation System in order to provide for the preservation and protection of this relatively undisturbed but fragile complex of desert, riparian and aquatic ecosystems, and the native plant, fish, and wildlife communities dependent on it, as well as to protect and preserve the area's great scenic, geologic and historical values, to a greater degree than would be possible in the absence of wilderness designation.

SEC. 3. In furtherance of the purposes of the Wilderness Act of 1964 (78 Stat. 890, 16 U.S.C. 1131 et seq.) and consistent with the policies and provisions of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743; 43 U.S.C. 1701 et seq.), certain public lands in Graham and Pinal Counties, Arizona, which comprise approximately six thousand six hundred and seventy acres, as generally depicted on a map entitled "Aravaipa Canyon Wilderness—Proposed" and dated May 1980, are hereby designated as the Aravaipa Canyon Wilderness and, therefore, as a component of the National Wilderness Preservation System.

SEC. 4. Subject to valid existing rights, the Aravaipa Canyon Wilderness shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness. For purposes of this Act, any references in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act and any reference to the Secretary of Agriculture with regard to administration of such areas shall be deemed to be a reference to the Secretary of the Interior, and any reference to wilderness areas designated by the Wilderness Act or designated national forest wilderness areas shall be deemed to be a reference to the Aravaipa Canyon Wilderness. For purposes of this Act, the reference to national forest rules and regulations in the second sentence of section 4(d)(3) of the Wilderness Act shall be deemed to be a reference to rules and regulations applicable to public lands, as defined in section 103(e) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701, 1702).

SEC. 5. As soon as practicable after this Act takes effect, the Secretary of the Interior shall file a map and a legal description of the Aravaipa Canyon Wilderness with the Committee on Energy and Natural Resources of the United States Senate and with the Committee on Interior and Insular Affairs of the United States House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided,* That correction of clerical and typographical errors in the legal description and map may be made. The map and legal description shall be on file and available for public inspection in the offices of the Bureau of Land Management, Department of the Interior.

SEC. 6. Except as further provided in this section, the Aravaipa Primitive Area designations of January 16, 1969, and April 28,

1971, are hereby revoked. Prior to promulgation of rules and regulations to provide for its administration as a component of the National Wilderness Preservation System, subject to existing withdrawals, the Aravaipa Canyon Wilderness shall be administered under rules and regulations of the Secretary of the Interior applicable to designated primitive areas to the extent consistent with the provisions of this Act.●

By Mr. PACKWOOD (for himself and Mr. HATFIELD):

S. 627. A bill to authorize the establishment of a National Scenic Area to assure the protection, development, conservation, and enhancement of the scenic, natural, cultural, and other resource values of the Columbia River Gorge in the States of Oregon and Washington, to establish national policies to assist in the furtherance of this objective, and for other purposes; to the Committee on Energy and Natural Resources.

COLUMBIA RIVER GORGE ACT OF 1983

Mr. PACKWOOD. Mr. President, I am reintroducing today, along with Senator HATFIELD, the Columbia River Gorge National Scenic Area Act of 1983. With renewed commitment and an increasing sense of urgency, I am hopeful that during the 98th Congress we can move forward on the proposal for orderly management of this magnificent area. Passage of the legislation we are introducing today will establish a Federal, State, and local partnership to insure that the uniqueness of the extraordinary landscape and natural resources is not sacrificed to the pressures of rapidly expanding urban boundaries. This proposal also will provide for economic development which is consistent with the scenic and natural values of the Columbia River Gorge.

Since the first introduction of this proposal on March 31, 1982, the I-205 bridge, connecting Washington and Oregon at Government Island, has been completed. It is anticipated that the effects of this increased accessibility to farmland on the Washington side will result in rapid residential development. The tragic loss of these farmlands would be irreversible. Much of the historic and scenic character of that section of the gorge will be lost to us forever.

Efforts to protect the Columbia River Gorge are not new to the people of the Northwest. They are now entering the final stage of a 46-year-long endeavor to address the special needs of managing this area shared by the States of Oregon and Washington. Since the first introduction of this proposal, the Vancouver, Wash., City Council approved a motion to support congressional legislation declaring the Columbia River Gorge as a national scenic area. The Portland City Council had previously endorsed the concept in December 1981 and recently the Multnomah County Commissioners have voted to support a Federal scenic area.

The States of Oregon and Washington share the Columbia Gorge. It forms part of the border between them and the six gorge counties: Wasco, Hood River, and Multnomah Counties on the Oregon side; Klickitat, Skamania, and Clark Counties on the Washington side.

For about 85 miles, from Gibbons Creek and Maryhill on the Washington side, to the Sandy River on the Oregon side, the Columbia River has carved a natural wonder as magnificent as any found on Earth. Compressed into these few miles of outstanding geologic features is a transition from rain forest to sagebrush—all without a change in elevation.

Moving east from the Portland-Vancouver metropolitan area—in little more than 1 hour by car—the traveler follows the Columbia through massive cliffs with lush vegetation and thundering waterfalls. The motorist passes landmarks like Beacon Rock, the second largest monolith in the world—only the Rock of Gibraltar is larger. The terrain evens out a bit with rolling hills and vast meadows where wildflowers bloom. By the time the traveler arrives at The Dalles, the landscape has become arid and dotted with sagebrush.

In making this short trip, the traveler has passed from an area in which the average rainfall varies from about 64 inches per year to about 16 inches per year.

The wide variety of climatic conditions in the gorge give it an unusually diverse plant and animal population. Botanically, the dense, mixed conifer forests of the western gorge give way to the semiarid grasses and sagebrush of the eastern gorge.

The gorge is home for many rare plant species. The National Park Service reports that there are four species of plants found only in the gorge, and many others are rare enough to be considered endangered.

The wildlife in the gorge is equally varied with more than 25 species of mammals, including the black bear, mountain lion, and elk. There are literally dozens of species of birds, including several recognized by the Oregon Department of Fish and Wildlife as threatened or endangered, such as the northern bald eagle and Arctic peregrine falcon.

The human species, too, is an important feature of the Columbia Gorge, and has been for at least 11,000 years.

The gorge contains extensive archeological sites, such as Memaloose Island with its sacred Indian burial ground, and the Wishram archeological site, which is noted for its petroglyphs.

The campsites of the Lewis and Clark Expedition still can be viewed in the Columbia Gorge. As all of us know, that expedition helped spark the migration which settled the West.

The Columbia Gorge figures prominently in the history of the settlement of the Pacific Northwest, as the gateway of the westward movement. Sections of the Old Oregon Trail still can be seen, along with parts of the 1856 Oregon Portage Road. The development of the railroad is documented in several places in the gorge, such as the north shore portage railroad at Bonneville Dam. The first locomotive built in the Northwest, the Oregon Pony, was used on the water level Oregon Portage road in 1862, and is today displayed in the city of Cascade Locks.

The substantial steamboat traffic which once plied the Columbia River through the gorge is recalled by the huge pilings—part of the steamboat landings—which are still visible at several places along the river. Conscious of this heritage, the Port of Cascade Locks soon will have a 350-passenger sternwheel steamboat operating on the river.

The gorge also features the "scenic highway" built in 1916. In many places, it is carved into the cliffsides. When he saw this highway, President Theodore Roosevelt said:

> You have in the Columbia River Highway the most remarkable road engineering in the United States, which, for scenic grandeur, is not equalled anywhere.

It is a difficult job, Mr. President, to describe the importance of the Columbia Gorge in words. I am not the first Senator from Oregon to try. The first was Senator E. D. Baker more than 120 years ago.

In January 1861, in his first speech in the Senate, Senator Baker said:

> The adventurous traveler, who wanders on the slope of the Pacific and on the verge of civilization, stands awestruck and astonished in the great chasm formed by the torrent of the Columbia, as, rushing between Mount Hood and Mount St. Helens, it breaks through the ridges of the Cascade Mountains to find the sea . . .

Other prominent voices in the history of the Pacific Northwest also have tried to describe the gorge. As they moved through the gorge from east to west, Lewis and Clark noted in their journal of 1806 that:

> Several small streams fall from a much greater height, and in their descent become a perfect mist which collecting on the rocks below again become visible and descend a second time in the same manner before they reach the base of the rocks. The hills have now become mountains. . . .

Another early traveler in the gorge, John Boardman, wrote this in his journal of 1843:

> Oh! the pleasure of lying by on this river for wind, to feast our eyes on the high peaks and cliffs that adorn the banks of this river on either side. Sublime landscapes, views that a Raphael or Correggio would have given thousands and endured any fatigue to have seen. . . .

Maybe the most inspired description of the gorge was written in 1865 by Frances Fuller Victor in "The River of the West":

The rise of the foothills commences, then the very mountains themselves, until when you have arrived at the Cascades, you are in their very heart—you actually stand in a gap where mighty mountains have been parted. Before arriving at this point, you have been almost sated with magnificence, but when you leave the steamer and find yourself standing pigmylike in the midst of the giant cliffs and peaks, nothing is left you but silent awe and delight. The height and grandeur of the mountains above the Cascades is so great and overpowering that it cannot be described—it can only be felt. The Hudson, which so long has been the pride of America, is but the younger brother of the majestic Columbia.

Today, the Columbia Gorge does not look exactly as it did when these earlier descriptions were written. The human impact has been heavy. Hydroelectric dams have been built in the river. Major highways and railroads run along its banks. And more than a handful of towns, industrial plants and ports are located along both the Oregon and Washington sides.

In short, although the gorge continues to be a marvelous natural wonder, it has its own local economy and population to support.

Before deciding to introduce this legislation, I asked myself how long we could expect the character of the gorge to remain unchanged. It sits, quite literally, at the edge of a major metropolitan area of 1.15 million people. As the Portland-Vancouver areas grow, so does the pressure to create suburbs in the gorge. With the completion of the I-205 bridge, there will be increased pressure for suburbanization of these lands.

The danger of uncontrolled development on the gorge has been recognized for many years. It was acknowledged 46 years ago in a study done by the Columbia Gorge Committee of the Pacific Northwest Regional Planning Commission. That 1937 study speaks of:

A crisis in the destiny of the area, in which the perishable natural values of a phenomenal region would, under ordinary circumstances, have no protection comparable in authority or scope to the various forces which endanger them.

A study by the National Park Service has confirmed and emphasized anew those earlier findings. The 1980 study concludes that the Columbia Gorge is "a nationally significant resource that warrants protection."

Since the 1937 gorge study was conducted, there has been talk of developing coordinated management in the gorge to deal with growth pressures. Many have pinned their hopes on a compact between Oregon and Washington. Today, although the pressures noted so many years ago are much greater, we are no closer to a bi-State solution.

Through the years, I have hoped that local governments on both sides of the gorge would be able to do the necessary job on their own and I strongly believe that most are willing to do so. By themselves and without support, however, they do not have the framework needed for developing an overall management plan for the gorge.

The principal problem is that management in the gorge is diffuse. It is scattered among dozens of jurisdictions, each with its own priorities and programs. These include the counties, port commissions, State highway departments, State parks departments, the Army Corps of Engineers, the Bonneville Power Authority, the U.S. Fish and Wildlife Service, and many others. We still lack a mechanism for coordinating these jurisdictions and their various interests so that the uniqueness of the gorge can be protected. Rather than treat the gorge as the single resource it so obviously is, we continue to view it as being as fragmented as the governmental jurisdictions among which it is located.

The closest that the States of Oregon and Washington have come to coordinated action to protect the gorge are the Columbia Gorge Commissions, which each State has maintained since the 1950's. Through the years, these commissions have been sensitive and effective in the management of the gorge. They have often been effective despite the fact that under the law they have only advisory powers. But truly effective management of the Columbia Gorge should not be dependent upon cajoling, hope, and argument. This is the brushfire approach to management.

What is needed is a regional solution to management of the gorge. The States of Washington and Oregon, the local governments, and all the other interest in the gorge must be brought together in the common interest of orderly management. I am convinced that they will develop a coordinated management plan for the gorge if given adequate support and the framework needed to put it together.

The legislation we introduce today will provide just such support and framework. It recognizes the importance of the existing economy of the gorge, but it also seeks to protect the historic, cultural, and scenic values that make the gorge unique.

Protecting the gorge as a natural resource need not conflict with the broadening of the area's economic base. We acknowledge that the gorge is a major transportation corridor. It is an important commercial and industrial area. I do not believe that growth will be less vigorous if it is carefully coordinated and controlled.

I do not propose, nor would I ever support, an effort to eradicate man's presence in the gorge. What is needed is an approach that protects both the natural values and the right of property owners to remain on their land, of mills to cut lumber, and dams to generate electricity.

I want to conclude, Mr. President, with some comments from an editorial from The Dalles Chronicle, which is located in the city of The Dalles at the eastern end of the gorge:

This argument does not have to be one of city versus country, Washington versus Oregon, development versus environment . . . If these elements become the tenor of the discussion, everyone is going to lose; the people who live deep in the gorge who want to manage their own affairs, those of us who live on the edge of the gorge and love the experience of visiting it, and the rest of America.

Mr. President, I request unanimous consent that a summary of the bill, and the text of the bill be printed in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 627

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. This Act may be cited as the "Columbia River Gorge Act of 1983".

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FINDINGS AND PURPOSES

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) the Columbia River Gorge, located in the State of Oregon and the State of Washington, is a spectacular canyon of compelling and majestic beauty formed by the Columbia River cutting through the Cascade Range and dramatically illustrates natural geologic forces;

(2) the Columbia River Gorge is the historic gateway between the Pacific Ocean and the interior of the North American continent traveled by Native Americans, explorers, traders, and pioneers, and evidencing human habitation for over 11,000 years, and it remains an area of commercial and economic importance to the region, particularly with respect to navigation, transportation, energy production, fisheries, agriculture, and recreation;

(3) the Columbia River Gorge contains magnificent scenic, natural, and recreational values of national significance, including the cascading all-season waterfalls and an extensive system of hiking trails;

(4) scenic viewpoints, highways, and trails are critical recreation facilities heavily used by residents of the Portland-Vancouver metropolitan area and by visitors from around the Pacific Northwest, the Nation, and the world;

(5) the botanical diversity of the Columbia River Gorge ranging from the sagebrush and grasslands of the east to the lush rain forests of the west, including many threatened and endangered species, is unique, due in part to the diverse climate of the area;

(6) human impact on the landscape of the Columbia River Gorge including Federal hydroelectric power development, interstate highway construction, port and navigation facilities, farms, orchards, forest production, cities, and towns, is intense, but, historically, much of the diverse scenic quality of the Gorge has been preserved;

(7) the character of much of the landscape of the Columbia River Gorge has been maintained and enhanced by existing rural communities which should be protected and maintained;

(8) the existing scenic, historic, recreational, archeological, and scientific qualities of the Columbia River Gorge are threatened by rapid population growth in the nearby Portland, Oregon-Vancouver, Washington metropolitan area, by uncontrolled development, and by the existence of more than fifty local, State, and Federal jurisdictions and agencies with authority within the Columbia River Gorge;

(9) the existing local, State, and Federal planning and regulatory authorities lack sufficient resources to provide for growth management, develop recreational facilities to serve tourists and residents of the metropolitan areas in close proximity to the Columbia River Gorge, and protect the unique scenic resources of the Columbia River Gorge; and

(10) in order to resolve differences, existing and potential, between the various affected jurisdictions in the State of Oregon and the State of Washington over protection and enhancement of the existing character of the Columbia River Gorge, and in order to protect the scenic and other values of Federal lands and facilities located within the Columbia River Gorge, the Federal Government must form a partnership with State and local governments in the Columbia River Gorge, and focus final decision making authority in a single arbiter, thereby protecting the gorge's nationally significant scenic, natural, and cultural (including historical, archeological, scientific, recreational, and social) resources.

(b) PURPOSES.—The purposes of this Act are—

(1) to protect, conserve, and enhance the scenic, natural, cultural, and other resource values of existing Federal property located in the Columbia River Gorge, including lands administered by the United States Forest Service, United States Bureau of Land Management, the Army Corps of Engineers, and lands included in the Interstate Highway System;

(2) to protect and enhance all scenic, cultural, and natural resources of the Columbia River Gorge, including sensitive habitats for threatened and endangered species, while providing public use and enjoyment consistent with protecting and preserving these resources;

(3) to protect and preserve the historical and archeological resources of the Columbia River Gorge and, where appropriate, to make these resources more available to the public for educational and scientific purposes;

(4) to protect and perpetuate the economy of the Columbia River Gorge, including but not limited to agriculture, fishing, existing hydroelectric facilities transportation facilities and timber utilization, and the character of human habitation, in harmony with the existing visual landscape, and by promoting economic development within the gorge which is consistent with the existing scenic and natural character of the Columbia River Gorge and which promotes public awareness of the historical, cultural, scenic and natural values of the area and which supports and enhances the economic livelihood of the gorge by encouraging growth to occur in the existing incorporated communities, by recognizing compatible historic economic pursuits, such as farming, grazing, forestry, and orcharding, outside the communities as appropriate to preserve the existing character of the gorge, and by enhancing the potential of the gorge for increased tourism;

(5) to provide for and manage public use and enjoyment of the Columbia River Gorge in a manner consistent with natural resource protection and maintenance of the existing rural landscape, including the establishment, acquisition, maintenance, and operation of public recreation and natural areas and facilities to meet the needs of a growing regional population;

(6) to utilize the land use planning and other powers of local and State governments and existing Federal agencies to further the purposes of this Act and provide Federal assistance in the development and implementation of a single management plan for the Columbia River Gorge; and

(7) to facilitate and effect a partnership among the Federal Government, the State of Oregon, the State of Washington, and local government entities located within the Columbia River Gorge in order to develop and enforce a single management plan for the area which will supplement local and State plans and which will protect and enhance the area's existing character while protecting critical lands and allowing development only when consistent with preservation of existing scenic, natural, and cultural values.

ESTABLISHMENT OF AREA

SEC. 3. (a) ESTABLISHMENT.—In order to carry out the purposes of this Act, the Columbia River Gorge National Scenic Area (hereafter referred to in this Act as the "area") is established as a unit of the national forest system.

(b) MAP AND DESCRIPTION.—(1) The area shall consist of the area within the boundaries generally depicted on the map entitled "Boundary Map, Columbia River Gorge Scenic Area," numbered ———— and dated ————, which shall be on file and available for public inspection in the offices of the Forest Service, Department of Agriculture, and in the offices of the regional commission established pursuant to section 4. As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture (hereinafter referred to in this Act as the "Secretary") shall publish in the Federal Register a map and legal description of the area. Such description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in such map and legal description may be made. The boundary shall be subject to adjustment as provided in section 5(b)(7) hereof.

(2) The areas on such map depicted as "critical" herein referred to as "critical lands" shall be treated as the portions of the area which are of critical importance to the protection and preservation of the values of the area for purposes of applying the provisions of this Act.

(3) The incorporated towns and cities of The Dalles, Hood River, White Salmon, Bingen, Cascade Locks, Stevenson, Washougal, Mosier, and North Bonneville, as their boundaries (including any specific urban growth boundary which has been expressly approved by the applicable State) existed on July 1, 1981, shall not be included within the boundaries of the area. If, after July 1, 1981, the boundaries of any of said cities or towns are changed by such city or town, then the area within such new boundary shall not thereafter be within the boundary of the area, if the boundary change has been approved in the manner to be provided in the management plan as required in section 5(b)(7).

(c) BOUNDARIES OF MOUNT HOOD NATIONAL FOREST.—The boundaries of the Mount Hood National Forest are extended to include all of the lands in the State of Oregon lying within the area as described in accordance with section 3(b) which are not within the national forest boundaries on the date of enactment of this Act.

(d) BOUNDARIES OF GIFFORD PINCHOT NATIONAL FOREST.—The boundaries of the Gifford Pinchot National Forest are extended to include all of the lands in the State of Washington lying within the area as described in accordance with section 3(b) which are not within the national forest boundaries on the date of enactment of this Act.

(e) FOREST SYSTEM REVENUES.—For purposes of any provision of law under which funds are provided to a State or local government on the basis of revenues derived from any unit of the national forest system and notwithstanding subsection (a), the national forest system lands in the State of Oregon which are within the area shall be treated as components of the Mount Hood National Forest and the national forest system lands in the State of Washington which are within the area shall be treated as components of the Gifford Pinchot National Forest.

ADMINISTRATION

SEC. 4. (a) BY THE SECRETARY OF AGRICULTURE.—(1) The area shall be administered by the Secretary of Agriculture, acting through the United States Forest Service, in accordance with this Act and in accordance with the provisions of law generally applicable to units of the national forest system. In the case of any conflict between the provisions of this Act and such generally applicable provisions of law, the provisions of this Act shall govern.

(2) The Secretary, acting through the United States Forest Service, shall establish procedures to give all interested Federal agencies, State and local governments, and the public adequate notice and an opportunity to comment upon and participate in the preparation and implementation of plans and programs for the management of the area.

(b) BY THE REGIONAL COMMISSION.—(1) There is hereby established in the Department of Agriculture the Columbia River Gorge National Scenic Area Regional Commission (hereinafter in this Act referred to as the "Regional Commission"). The members of the Regional Commission shall be appointed within ninety days of the enactment of this Act.

(A) One member who resides in each of the following counties: Multnomah County, Oregon; Hood River County, Oregon; Wasco County, Oregon; Clark County, Washington; Skamania County, Washington; and Klickitat County, Washington, to be appointed by the governing body of each of the respective counties.

(B) Two members who reside in the State of Oregon to be appointed by the Governor of the State of Oregon.

(C) Two members who reside in the State of Washington to be appointed by the Governor of the State of Washington.

(D) Three members who have a demonstrated interest in the values to be protected by this Act to be appointed by the Secretary of the Department of Agriculture.

(E) The chief of the Forest Service, Department of Agriculture or his designee, shall serve as an ex officio nonvoting member.

If any county governing body referred to in subparagraph (A) or either Governor referred to in subparagraph (B) or (C) fails to appoint a member of the Commission under subparagraph (A), (B), or (C) within 90 days after the date of the enactment of this Act or within 90 days after the expiration of a member's term from that county or State, the Secretary of Agriculture may appoint a resident of that county or State to serve as the member from such county or State.

(2) The Regional Commission shall be responsible for the following:

(A) advising and assisting the Chief of the Forest Service in the preparation and development of the management plan and, subject to section 5(e), approving the management plan and any changes in it before adoption by the Secretary;

(B) facilitating communication and coordination among the Federal, State, and local governmental agencies with jurisdiction within the Area and facilitating communication with residents and landowners within the Area and advising the Secretary on the appropriate Federal role in the management and administration of the Area;

(C) reviewing and monitoring the implementation of the management plan by Federal, State, and local governmental agencies having jurisdiction within the Area to assist the Secretary in ensuring consistency and compliance with the plan and in order to recommend to the Secretary potential revisions and methods of enforcing the plan;

(D) reviewing all land acquisition proposals submitted by the Secretary in cases involving the potential use of eminent domain as provided in section 12, and submitting timely recommendations or comments to the Secretary with respect to such acquisition before eminent domain is exercised;

(E) reviewing all Federal development projects and plans within the Area for consistency with the management plan and submitting recommendations on all such projects to the head of the responsible Federal agency;

(F) preparing an annual report for submission to the Secretary of the Department of Agriculture, the United States Congress, and the Governors of the States of Oregon and Washington advising them of the status of the management plan and its implementation; and

(G) making such other recommendations to the Secretary and Federal, State, and local units of government as the Regional Commission may deem necessary to carry out the purposes of this Act.

(3) Members of the Regional Commission shall be appointed for terms of three years, except that the initial terms for the members shall be as follows:

(A) The member who resides in Multnomah County, Oregon, shall serve for a term of one year, the member who resides in Hood River County, Oregon, shall serve for a term of two years, and the member who resides in Wasco County, Oregon, shall serve for a term of three years. The member who resides in Clark County, Washington, shall serve for a term of one year, the member who resides in Skamania County, Washington, shall serve for a term of two years, and the member who resides in Klickitat County, Washington, shall serve for a term of three years.

(B) One of the members nominated by the Governor of Oregon shall serve for two years and the other such member for three years. One of the members nominated by the Governor of Washington shall serve for two years and the other such member for three years.

(C) One of the members nominated by the Secretary shall serve for one year, one of such members shall serve for two years, and the third such member shall serve for three years.

A member may be reappointed only once unless such member was originally appointed to fill a vacancy pursuant to subsection (b)(4) of this section, in which case a member may be reappointed twice.

(4) Any vacancy in the Regional Commission shall be filled in the same manner in which the original appointment was made. Any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed. Any member may serve after the expiration of his term for a period not longer than thirty days.

(5) The presiding officer of the Regional Commission shall be elected annually by the members of the Regional Commission and shall serve for a term of one year. No member may serve as presiding officer for consecutive terms, and no member may serve as presiding officer if his predecessor as presiding officer was appointed to the Regional Commission by the same official or governing body.

(6) The Commission shall meet at least once each quarter and, to the maximum extent practicable, all meetings of the Regional Commission shall take place within the counties having any jurisdiction in the area.

(7) Unless otherwise provided, the Regional Commission shall act or advise by affirmative vote of a majority of its members, but a lesser number may hold hearings.

(8) The Regional Commission may for the purpose of carrying out its functions hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Regional Commission may deem advisable. The Regional Commission may administer oaths or affirmations to witnesses appearing before it.

(9)(A) Members of the Regional Commission who are full time officers or employees of the United States, the State of Oregon, the State of Washington, or any county referred to in subsection (b)(1)(A) shall receive no additional pay on account of their service on the Regional Commission.

(B) Except as provided in subparagraph (A), members of the Regional Commission shall serve without pay. While away from their homes or regular places of business in the performance of service for the Regional Commission, members of the Regional Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Federal Government service under section 5703 of title 5 of the United States Code.

(10) The Secretary shall provide the Regional Commission with such staff and technical assistance as the Secretary, after consultation with the Regional Commission, considers appropriate to enable the Regional Commission to carry out its duties.

(11) Upon request of the Secretary, any Federal agency may provide information, personnel, property, and services on a reimbursable basis, to the Regional Commission to assist it in carrying out its duties under this Act.

(12) In carrying out the purposes of this Act, the Secretary and the Regional Commission shall involve the public and local, State, and Federal Government agencies to the fullest extent possible in making decisions by consulting with interested and concerned citizens and conducting public hearings at places within counties having jurisdiction in the Area in order to provide such citizens with an opportunity to testify regarding the development, implementation, and enforcement of the Management Plan.

(13) Actions taken and orders issued by the Regional Commission shall be subject to the provisions of subchapter II of chapter 5 and chapter 7 of title 5, United States Code (5 U.S.C. 551 et seq.; 5 U.S.C. 701 et seq.).

MANAGEMENT PLAN FOR AREA

SEC. 5. (a) PREPARATION.—The Chief of the Forest Service shall prepare a management plan for the area with the consultation and advice of the Regional Commission in order to accomplish the purposes of this Act. The management plan shall be prepared by an interdisciplinary planning team selected by the Chief of the Forest Service. In the preparation of the management plan the Regional Commission and the Forest Service shall hold public meetings to inform residents within the area, State and local governments, Federal agencies, and other interested parties of the provisions of this Act, the objectives of the management plan, the actions to be undertaken in the preparation of the management plan, the time when such actions are proposed to be taken, and to provide interested persons and agencies with an opportunity to express their views with respect to matters covered by the management plan. The management plan shall be submitted to the Regional Commission by the Chief of the U.S. Forest Service within two years from the effective date of this Act.

(b) CONTENT.—The management plan shall—

(1) be based upon an inventory of the area's resources including archeological, social, economic, forest, historical, natural, geological, recreational, and scenic values;

(2) protect, maintain, and enhance the scenic, natural, and cultural values of the area. The management plan shall also include provisions for resource protection, interpretation, and visitor use, including development of public use areas and facilities;

(3) designate appropriate uses of all lands within the area in order to achieve the purposes of this Act;

(4) establish procedures for the review of changes in State-approved urban growth boundaries within the area for incorporated communities, and boundaries of cities and towns within the area, for the purpose of determining whether areas within such

changed boundaries may be approved for exclusion from the boundaries of the area;

(5) review lands designated as critical on the map filed pursuant to section 3(b)(2) and all other lands within the area in order to identify, for purposes of the management plan, lands which are critical to the protection, development, and interpretation of the resource values of the area including: (A) those lands whose existence in a natural state is essential to protect the scenic and natural value of the area; (B) those lands whose essential character should remain unchanged in order to retain the harmonious blend of manmade and natural landscape features; (C) those lands whose present, or presently planned, use is adverse to values which this Act seeks to protect and enhance; and (D) those lands necessary to provide recreational and interpretive facilities and access to public lands for visitors to the area;

(6) recommend transfers of jurisdiction for existing publicly owned land if advisable to achieve the purposes of this Act and determine appropriate management agencies for such lands;

(7) provide a mechanism for examining and making minor changes in the exterior boundaries of the area and for revising and amending the management plan as necessary to achieve the purposes of this Act: *Provided, however,* That any changes in the exterior boundaries of the area shall not result in an aggregate increase in the acreage of the area, as initially established, within any county that has jurisdiction in the area;

(8) encourage private individuals and local governments to use or plan the use of land within the area in ways which will be consistent with and facilitate the achievement of the purposes of this Act;

(9) allow all existing land uses of specific tracts of land in the area as of July 1, 1981, which are found to be consistent with the purposes of this Act;

(10) develop procedures to coordinate existing land use plans of local, State, and Federal entities with the management plan to promote the goals and policies of the management plan; and

(11) establish a program for State and local government implementation and enforcement of the management plan to insure the continued, uniform, and consistent protection of the area in accordance with the purposes of this Act.

(c) FEDERAL, STATE, AND LOCAL ADVICE.—The Chief of the Forest Service shall periodically advise the Regional Commission of progress on the Plan and shall seek the advice of the Regional Commission. The Chief of the Forest Service shall consult with the interdisciplinary planning team, the Regional Commission, and residents of the area and other interested citizens in the preparation of the management plan. The Secretary may utilize personnel from State and local governments in the area with expertise in planning and preparing the management plan by employing them pursuant to the Intergovernmental Personnel Act.

(d) STATE AND LOCAL PLANNING.—(1) During the preparation of the management plan, and thereafter, the Secretary shall consult with State and local government authorities within the area and may provide financial and technical assistance to such authorities to carry out any land use management activity within the area or any other activity within the area which the Secretary, in consultation with the Regional Commission, determines will further the purposes of this Act.

(2)(A) In the development of the management plan, the Secretary shall examine all State and local policies, management plans, standards, and requirements applicable to the area and shall, with the consultation and advice of the Regional Commission, to the extent the Secretary deems practicable and consistent with the purposes of this Act, incorporate such policies, management plans, standards, and requirements into the management plan.

(B) In consultation with the appropriate State and local authorities, the Secretary shall seek to identify conflicts or inconsistencies between the policies, management plans, standards, and requirements referred to in subparagraph (A) and the proposed management plan in order to encourage consistent planning efforts. Following adoption of the management plan the Secretary, with the consultation and advice of the Regional Commission, shall continue to identify any such conflicts or inconsistencies which arise due to amendments or proposed amendments to the management plan or due to changes or proposed changes in such State or local policies, plans, standards, and requirements in order to avoid inconsistent planning efforts.

(e) APPROVAL.—(1) Upon completion of the management plan by the interdisciplinary team, it shall be submitted to the Regional Commission for approval. The Regional Commission or its designated representatives shall hold public hearings before it votes on the question of approving the management plan, at least one of which shall be held in each county within which any portion of the area is located.

(2) The Regional Commission shall consider and vote on the question of approving the management plan within one hundred and eighty days of its submission. If a majority of the Regional Commission's members vote to approve the management plan, the management plan shall be adopted by the Secretary. If a majority of the Regional Commission's members vote to disapprove of the management plan, the management plan shall be submitted to the Secretary. The Regional Commission shall specify all of its objections to the management plan prepared by the interdisciplinary team.

(3) The Secretary shall consider the objections of the Regional Commission to the management plan. The Secretary may modify the management plan to respond to the objections of the Regional Commission, provided such modifications are consistent with the purposes of this Act.

(4) The Secretary shall submit the management plan to the Regional Commission, with whatever modifications he may have made, within ninety days of the Regional Commission's vote to disapprove of the management plan.

(5) If the Regional Commission does not approve all or any part of the management plan within ninety days of its resubmission, the Secretary may, without approval by the Regional Commission, adopt the management plan as resubmitted or after eliminating any of the parts of the management plan disapproved by the Regional Commission.

(6) The management plan, and any modification thereof, shall be published in a newspaper of general circulation in the area promptly following its adoption.

(f) REQUESTS FOR AMENDMENT OR VARIANCE.—Petitions for amendments to or variances from the management plan may be submitted to the Secretary by local government authorities or by any other person. In considering such petitions, the Secretary, after notice and at least one public hearing by the Secretary and the Regional Commission, shall, on the basis of the testimony and any written recommendations presented at such hearing and the Regional Commission's recommendation, determine whether or not to modify the management plan. The notice required by this section shall be given at least twenty days prior to the public hearing by publication at least once in a newspaper of general circulation in the area. If a petition is filed, the Secretary shall, if requested by the petitioner, complete his action on such petition within sixty days after the receipt by the Secretary of a complete petition (determined according to standards prescribed by the Secretary).

INTERIM PROTECTION AND MANAGEMENT

SEC. 6. (a) MORATORIUM ON NEW USES IN CRITICAL LANDS.—Pending the adoption of interim guidelines pursuant to subsection (b), no person may construct or modify any new building or facility or reconstruct or substantially modify any existing building or facility in any portion of the area designated as critical on the map filed pursuant to section 3(b)(2). However, reconstruction of transportation facilities shall be exempted from this section under specific emergency conditions including, but not limited to slides, washouts, and accidents.

(b) FOREST SERVICE GUIDELINES.—Not later than six months after the date of the enactment of this Act, the Secretary, with the advice of the Regional Commission and the Chief of the Forest Service, shall adopt and publish interim standards and guidelines governing all land use activities within the area to protect the resources of the area; until the management plan is adopted.

(c) PURPOSE OF INTERIM GUIDELINES.—The purpose of such interim standards and guidelines shall be to protect the area from—

(1) actions which significantly detract from the current visual quality and diversity of the area;

(2) actions which significantly alter the balance of natural and manmade landscape features visible from Washington Highway 14, Interstate Highway 84, Oregon Highway 30, or existing viewpoints managed for public enjoyment;

(3) actions within any portion of the area designated as critical on the map filed pursuant to section 4(c); and

(4) any other actions which damage the resource values this Act is designed to protect.

(d) SPECIFICITY AND REVISION OF GUIDELINES.—Such interim standards and guidelines shall be as detailed and specific as is required to accomplish their objectives and purposes and may be revised or amended to accomplish such objectives and purposes.

FEDERAL ACTIVITIES WITHIN THE AREA

SEC. 7. (a) JURISDICTION.—Lands and waters located within the area which are under the administrative jurisdiction of any department or agency of the United States shall remain under such administrative jurisdiction unless jurisdiction is transferred pursuant to section 5(b)(6).

(b) PROJECTS.—(1) No department, agency, or instrumentality of the United States may undertake or assist any project or grant any license, permit, or other form of approval for any project within the area unless the Secretary, in consultation with the Regional Commission, determines that the project is consistent with the purposes of this Act and

with the management plan or the interim guidelines, or that such project is essential for the protection of public health or safety or necessary for national security or defense.

(2) As used in paragraph (1), the term "assist" includes—

(A) the sale of any flood insurance under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.);

(B) any assistance provided by a department, agency, or instrumentality of the United States to a State or local government where such State or local government uses such assistance for purposes of a project described in paragraph (1); and

(C) any grant, loan, loan guarantee, or any other form of direct or indirect technical or financial assistance.

(c) EXEMPTIONS.—(1) Except as may otherwise be provided in the interim guidelines or the management plan, subsection (b) shall not apply to—

(A) any building or facility to be used for any military purpose;

(B) any temporary structure to be used only for emergency humanitarian assistance;

(C) any construction, reconstruction, or modification of which commenced before the date of the enactment of this Act; or

(D) any repair or reconstruction of a building or facility the original construction of which commenced before such date of enactment.

(2) Construction, reconstruction, or modification shall be treated as commencing only when there is either—

(A) a continuous program of physical onsite construction, reconstruction, or modification, or

(B) the owner of the building or facility has entered into binding agreements or contractual obligations for such construction, reconstruction, or modification which cannot be canceled or modified without substantial loss to the owner.

(d) PROCESS.—Not less than sixty days prior to undertaking or assisting a project or granting any license, permit, or other form of approval for any project within the area, the department, agency, or instrumentality of the United States proposing to take such action shall notify the Secretary and the Commission of its proposal. The Secretary, in consultation with the Commission, shall, after notice and opportunity for public comment, make a determination respecting the consistency of any activity described in subsection (b) with the purposes of this Act and with the management plan or interim guidelines and standards. When the Secretary determines that any activity is consistent or inconsistent with the purposes of this section or with the plan, it shall notify the agency proposing to undertake, assist, license, or approve the activity.

INTERGOVERNMENTAL COOPERATION

SEC. 8. (a) RETENTION OF STATE AND LOCAL JURISDICTION.—Nothing in this Act shall diminish, enlarge, or modify any right of the State of Oregon or the State of Washington, or any political subdivision thereof, to exercise civil and criminal jurisdiction within the area or of rights to tax persons, corporations, franchises, or property, including mineral or other interests, in or on lands or waters within the area.

(b) HUNTING AND FISHING.—The Secretary shall permit hunting and fishing on lands and waters under his jurisdiction within the boundaries of the area in accordance with applicable laws of the United States and the State of Oregon and the State of Washington. Except in emergencies, any regulations of the Secretary pursuant to this section shall be put into effect only after consultation with the appropriate State fish and wildlife department.

(c) RETENTION OF FEDERAL JURISDICTION.—Nothing in this section shall be construed to limit or prohibit any Federal action ordered by a court of competent jurisdiction or directed by a Federal agency for the protection of public health or safety, or for national defense.

(d) STATE AND LOCAL CONCURRENT POWER TO LEGISLATE.—Nothing in this Act shall be construed to prevent the adoption or implementation by any State or local government of any rule, regulction, or provision of law which is consistent with, or more stringent than, any provision of this Act or of the management plan adopted pursuant to this Act.

ENFORCEMENT

SEC. 9. (a) ENFORCEMENT OF INTERIM STANDARDS.—Prior to the adoption of the management plan, the Secretary shall monitor all land use activities within the area to ensure that said activities do not violate the interim standards and guidelines. The Secretary shall participate in State and local land use proceedings as necessary to advise said government entities whether or not proposed activities are consistent with the interim standards and guidelines. If the Secretary determines that a proposed activity is inconsistent with the interim standards and guidelines, he shall seek relief pursuant to section 10.

(b) ENFORCEMENT OF MANAGEMENT PLAN BY LOCAL GOVERNMENT.—(1) Following the adoption of the management plan, each local government entity within the area which has land use planning authority under State law and which wishes to assume responsibility for enforcement of the management plan within its boundaries shall submit to the Secretary and the Regional Commission a land use plan which demonstrates that such local government entity intends to and is capable of carrying out the provisions of this Act.

(2) Any local government seeking to assume responsibility under this section shall adopt a zoning ordinance which—

(A) protects and preserves critical lands and the resource values of the area consistent with the management plan; and

(B) provides sanctions for violation of the terms of such ordinance including civil and criminal actions, withholding of permits, and issuance of cease-and-desist orders.

(3) No local land use plan shall be approved unless the plan demonstrates that the local government has a planning staff with sufficient administrative and technical personnel and sufficient funding to enable the local government to regulate land use activities in accordance with the purposes of this Act and the management plan.

(4) The Secretary, with the advice of the Regional Commission, shall review and approve or disapprove a local use plan within six full calendar months after the plan is submitted to him. The Secretary is authorized to make annual grants to any local government entity for the purpose of assisting such entity in developing, administering, and enforcing land use plans under this Act.

(c) ENFORCEMENT OF MANAGEMENT PLAN BY SECRETARY.—The management plan shall be enforced by the Secretary utilizing the remedies provided in section 10 if—

(1) the local land use plan is disapproved;

(2) no local plan is submitted to the Secretary; or

(3) an approved local plan fails to be enforced in accordance with this Act.

REMEDIES

SEC. 10. (a) PROHIBITION ON INCONSISTENT USES.—The use or development of any lands within the Area contrary to this Act is unlawful and prohibited.

(b) VIOLATION OF ACT.—Any person who knowingly and willfully violates any regulation or order which is lawfully issued pursuant to this Act shall be fined no more than $10,000 or imprisoned no more than twelve months, or both. Any person charged with a violation of such regulation may be tried and sentenced by any United States magistrate designated for that purpose by the court by which he was appointed, in the same manner and subject to the same conditions and limitations as provided for in section 3401 of title 18 of the United States Code.

(c) CIVIL ACTION TO ENFORCE ACT.—At the request of the Secretary, the Attorney General may institute a civil action in any United States district court for an injunction or other appropriate order to prevent any person from utilizing lands within the Area in violation of the Management Plan, regulations, guidelines, or standards issued by the Secretary under this Act.

(d) NOTIFICATION TO VIOLATOR AND HEARING.—If the Secretary determines under section 9 that any person is in violation of the Management Plan, regulations, guidelines, or standards issued under this Act, he shall promptly notify the person of the violation. Such person may then request a hearing on the record before the Secretary to determine whether a violation has occurred. Following such hearing the Secretary shall set forth his findings and conclusions and any proposed, intermediate, or final order.

JUDICIAL REVIEW

SEC. 11. (a) PETITION OF APPEAL.—Any person adversely affected by any final action or order of the Secretary under this Act may appeal such action or order by filing in any of the courts specified in subsection (b), within sixty days after the date of service of such order or within sixty days after such action is taken, a written petition requesting that the order of the Secretary be modified, terminated, or set aside.

(b) APPELLATE JURISDICTION.—The United States District Court for the District of Columbia, or any United States district court located in the State of Oregon or the State of Washington which has jurisdiction of actions occurring in or affecting the Area shall be appropriate courts for appeal pursuant to subsection (a).

ACQUISITION

SEC. 12. (a) ACQUISITION AUTHORIZATION.—(1) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, exchange, bequest, or otherwise any lands, or lesser interests therein, including scenic and conservation easements ("scenic easements"), which he determines are needed to achieve the purposes of this Act.

(2) The Secretary may acquire without the consent of the owner only lands, or interests therein, classified as critical lands under the Management Plan or designated as such on the map filed pursuant to section 3(b)(2). No such lands or interests which, on July 1, 1981, were primarily used for single family residential purposes, farming, or grazing may be acquired without the consent of the owner as long as the existing

character of that use is not substantially changed.

(3) The Secretary, in consultation with the Regional Commission, shall publish, within one hundred and eighty days of the enactment of this Act, guidelines which shall be used by him to determine what constitutes a substantial change in the land use or maintenance for nonfederally owned lands within the Area.

(4) Where the Secretary is authorized above in this section to acquire land or interests therein, without the consent of the owner, he shall—

(A) do so only in cases where, in his judgment, all reasonable efforts to acquire such lands, or interests therein, by negotiation have failed;

(B) acquire only such land, or interests therein, as, in his judgment, is reasonably necessary to accomplish the purposes of this Act; and

(C) no more than 10 per centum of the total acreage of the Area shall be acquired by condemnation.

(5) The Secretary shall notify the Regional Commission of his intent to acquire land or interests therein, without the consent of the owner, and within three months of such notification, the Regional Commission shall submit its recommendations and comments on the intended acquisition to the Secretary for consideration.

(b) CONSIDERATION OF AREA LANDOWNER OFFERS.—The Secretary shall give prompt and careful consideration to any offer made by a person owning land within the Area to sell such land to the United States. The Secretary shall specifically consider any hardship to such person which might result from an undue delay in acquiring his property.

(c) LAND EXCHANGE.—(1) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property, or interests therein, located within the Area.

(2) Notwithstanding any other provision of law, the Secretary may convey in exchange for land in the State of Oregon any federally owned property within the State of Oregon, and he may convey in exchange for land in the State of Washington any federally owned property within the State of Washington, which he classifies as suitable for exchange and which is under his administrative jurisdiction. The values of the properties exchanged pursuant to this paragraph shall be approximately equal or, if they are not approximately equal, they shall be equalized by the payment of cash to the grantor or to the Secretary as the circumstances require. In the exercise of his exchange authority, the Secretary may utilize authorities and procedures available to him in connection with exchanges of national forest lands.

(d) ACQUISITION OF STATE LAND.—Any land or interest in land owned by the State of Oregon or the State of Washington or any of their political subdivisions may be acquired only by donation or exchange.

(e) TRANSFER OF FEDERAL PROPERTY TO SECRETARY.—Notwithstanding any other provision of law, any Federal property located within the Area may, with the concurrence of the agency having jurisdiction over such property, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the purposes of this Act. Lands acquired by the Secretary or transferred to his administrative jurisdiction within the area shall become parts of the Area.

(f) DISPOSITION OF ACQUIRED PROPERTY.—Any property acquired under this section shall, in the discretion of the Secretary be—

(1) transferred to the administrative jurisdiction of the National Forest Service for inclusion in the national forest system and administration in accordance with section 4(a); or

(2) sold for fair market value subject to such reservations, terms, and conditions as will assure the use of such property in a manner consistent with the plan. The proceeds of any sale shall be credited to the appropriation account from which funds were made available for the purchase thereof.

INDIAN TREATIES

SEC. 13. Nothing in this Act shall be construed to alter, amend, repeal, interpret, modify, or conflict with any treaty or other right of an Indian tribe.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. (a) AUTHORIZATION.—There is authorized to be appropriated such sums as may be necessary to carry out this Act.

(b) LAND AND WATER FUND.—Sums appropriated from the Land and Water Conservation Fund shall be available for the acquisition of lands, waters, and interests therein within the area.

ACQUISITION FUND

SEC. 15. (a) ESTABLISHMENT.—There is established an acquisition fund for the acquisition of lands and interests therein within the area. This fund shall be available without fiscal year limitation for expenses necessary for acquiring land and interests therein under section 12 hereof.

(b) INITIAL CAPITAL.—The initial capital of the fund shall consist of appropriations made for that purpose. The Secretary is authorized to make such subsequent transfers to the fund as he deems appropriate in connection with the functions to be carried on through the fund.

(c) APPROPRIATION.—There is hereby authorized to be appropriated a sum not to exceed as initial capital of the acquisition fund.

(d) DONATIONS.—The Secretary may accept contributions or donations of money, services, and property, real, personal, or mixed, for the management, protection, development, acquisition, and conveying of the lands within the Area. Moneys received hereunder shall be credited to the acquisition fund and are hereby authorized to be appropriated and made available until expended, as the Secretary may direct.

MITIGATION OF LOCAL REVENUE LOSSES

SEC. 16. (a) PAYMENTS TO LOCAL GOVERNMENTS.—Whenever the Secretary determines that the acquisition by the Secretary of any interest in real property within the Area has the potential effect of significantly increasing property taxes on properties remaining in private ownership, the Secretary may make payments to any local governmental entity affected by such acquisitions to mitigate the loss of property tax revenue resulting from the Federal acquisition to the extent that such payments would be used to amortize bonded indebtedness previously incurred by the political subdivision involved or to pay for the cost of providing essential public services.

(b) CONDITIONS.—If the Secretary determines that payments should be made to political subdivisions under subsection (a), the amount and duration of such payments shall be determined by the Secretary and paid to counties within the jurisdiction of which the lands within the Area are located. The counties shall distribute the payments on a proportional basis to those units of local government and affected school districts which have incurred losses of real property taxes due to the acquisition of land or interests therein for addition to either such system. In those cases in which another unit of local government other than the county acts as the collecting and distributing agency for real property taxes, the payments shall be made to such unit of local government, which shall distribute such payments as provided in this subsection. The Secretary may prescribe regulations under which payments may be made to units of local government in any case in which the preceding provisions will not carry out the purposes of this subsection.

COMPLIANCE WITH BUDGET ACT

SEC. 17. No authority under this Act to enter into contracts or to make payments shall be effective except to the extent and in such amounts as provided in advance in appropriation Acts. Any provision of this Act which, directly or indirectly, authorizes the enactment of new budget authority shall be effective only for fiscal years beginning after September 30, 1983.

LEGISLATION TO PROTECT THE COLUMBIA RIVER GORGE, THE COLUMBIA RIVER GORGE ACT OF 1983—SUMMARY OF MAJOR PROVISIONS

1. FINDINGS AND PURPOSES OF THE BILL

Findings: The Columbia River Gorge contains magnificent scenic, natural, and recreational values of national significance. It is a unique historical, geographical, biological and cultural area. There is evidence that is has been inhabited by man for over 11,000 years. It contains many threatened and endangered species of plants and animals. Human activity in the Gorge has been intense, but the uniqueness of the Gorge has been largely preserved. However, the Gorge is threatened by rapid population growth and a lack of coordinated management among the more than 50 local, state, and federal jurisdictions and agencies located there. The resources and overall authority for protecting the Gorge are lacking.

Purposes: To establish an effective partnership between federal, state, and local government for developing a single management plan for the Gorge. To protect the scenic, cultural, natural, historical, archeological, and economic resources of the Gorge. To supplement local and state plans in order to protect the Gorge's existing character while protecting critical lands and allowing development only when consistent with preservation of existing scenic, natural, and cultural values.

2. SCENIC AREA

The bill establishes the "Columbia River Gorge National Scenic Area" for the purpose of protecting all the resources of the gorge; scenic, natural, cultural and also economic. The area would extend along the gorge from the Sandy River on the west to the Maryhill Museum on the east. It would include approximately 310,000 acres, or about 480 square miles. Towns in the area will be excluded from it, and provisions made for their future growth.

3. ADMINISTRATION OF THE SCENIC AREA

The area will be administered by the Secretary of Agriculture, through the U.S. Forest Service, with the advice and assistance of the Columbia River Gorge National Scenic Area Regional Commission. The Forest Service and the Regional Commis-

sion will involve the public and local, state, and federal government agencies to the fullest extent possible in making decisions. They will consult with interested and concerned citizens and conduct public hearings within gorge counties.

4. REGIONAL COMMISSION

A 14-member Regional Commission will advise and assist the Secretary of Agriculture and the Forest Service on management decisions scenic area. Membership of the Commission breaks down as follows: one member from each of the six counties along the gorge; two each from Oregon and Washington, appointed by the governors; three appointed by the Secretary of Agriculture. The Chief of the Forest Service or his designee will be a non-voting, ex-officio member.

The Regional Commission will be provided the staff it needs.

The specific responsibilities of the Regional Commission will include:

a. Assisting the Forest Service Chief in the development of the management plan for the scenic area.

b. Facilitating communication and coordination among residents, landowners, and federal, state and local government agencies.

c. Reviewing and monitoring the implementation of the scenic area management plan.

d. Reviewing all land acquisition proposals involving the potential use of eminent domain.

5. MANAGEMENT PLAN

An interdisciplinary planning team selected by the Chief of the Forest Service will develop a management plan for the scenic area. The plan will designate appropriate uses of lands within the area in order to achieve the purposes of the Columbia Gorge Act. It will be based on an inventory of the area's resources, including archeological, social, economic, forest, historical, natural, geological, recreational and scenic values. Whenever possible, state and local land use policies will be incorporated into the management plan, provided they are consistent with the purposes of the Act.

When completed by the Forest Service, the management plan will be submitted to the Regional Commission which will have six months to review it and hold public hearings on it. At the end of the six-month period, the Regional Commission will vote on the plan.

If the Regional Commission approves the plan, it will go into effect.

If the Regional Commission votes against the plan, it will be sent to the Secretary of Agriculture. He will have 90 days to consider the objections of the Regional Commission to the plan. He may modify the plan to meet the objections, but is not required to do so. At the end of the 90-day period, the Secretary will resubmit the plan to the Regional Commission.

The Regional Commission will again consider the plan for 90 days. At the end of this 90-day period, the Secretary of Agriculture can adopt the management plan even without the approval of the Regional Commission.

6. ACQUISITION

The Secretary is authorized to acquire land through donation, purchase, exchange, bequest or less than fee techniques including conservation or scenic easements. He must seek the advice of the Regional Commission on all acquisitions.

As a last resort, the Secretary may condemn land, subject to the following limitations:

a. *Exemption for non-critical Gorge lands.* Only land classified as critical, i.e., essential for maintaining the uniqueness of the Gorge, could be condemned. Critical lands will be identified in a map supplied by the U.S. Forest Service as soon as practicable after enactment of this Act.

b. *Exemption for single-family residences, farming, or grazing.* Critical lands which were used for single-family residence, farming, or grazing before July 1, 1981 cannot be condemned, provided the use of the land is not changed.

c. *Overall cap on condemnation.* No more than 10 percent of the total acreage within the area can be acquired by condemnation.

d. *Condemnation is a last resort.* Condemnation can proceed only when the Secretary of Agriculture determines that all reasonable efforts to acquire the land by negotiation have failed. Other land-protecting options, such as scenic easements or land exchanges, must be tried first and could prove to be very successful.

7. INTERIM MANAGEMENT

Within six months after the enactment of the Act, the Secretary of Agriculture will identify interim critical areas and adopt interim standards and guidelines governing all land use activities with the area with the advice of the Regional Commission. These will be in effect until the management plan for the area is adopted.

Mr. HATFIELD. Mr. President, today I am honored to join with Senator PACKWOOD in cosponsoring legislation aimed at protecting the Columbia River Gorge. This beautiful area contains spectacular vistas, waterfalls, and unique combinations of climate. One can only imagine the awe of Meriwether Lewis and William Clark when they first viewed the Columbia River Gorge during their westward expedition in 1805. The Columbia River Gorge is truly one of America's most splendid natural resources.

During the 97th Congress, I cosponsored with Senator PACKWOOD legislation similar to the bill I am cosponsoring today and, at the same time, introduced a bill that, while similar to the other proposal, strived to provide more local involvement in the protection of the management area established under the bill.

While most Oregonians who reside inside, as well as outside, the Columbia River Gorge agree that the area is both unique and beautiful, there is a wide divergence of opinion as to how best to manage and protect the area for the benefit of future generations. After introduction of the legislation during the 97th Congress, I received many letters from residents in the Columbia Gorge who were very concerned with the heavy involvement of the Federal Government in local land use planning decisions. That concern and divergence of opinion continues, and a great deal of discussion and cooperation with State and local governments, as well as gorge residents on both sides of the Columbia River, will have to take place before this legislation moves forward.

Mr. President, I am anxious to begin those discussions and hope to have field hearings on this legislation before the Energy and Natural Resources Committee very soon. I appreciate and welcome input from everyone who shares an interest and concern over this very important issue and look forward to being closely involved in the development of legislation that serves the interests of both Oregon and Washington residents who reside inside and outside the Columbia River Gorge.

By Mr. WEICKER:

S. 628. A bill to amend section 18(a) of the Small Business Act; to the Committee on Small Business.

FARM DISASTER LENDING

● Mr. WEICKER. Mr. President, today I am introducing legislation which would make permanent the legislative reforms adopted by Congress with the passage of Public Law 96-302. The primary purpose of these reforms— which are due to expire on October 1 1983, was to remove the Small Business Administration (SBA) from substantial involvement in agricultural disaster lending, while at the same time insuring that no agricultural enterprises currently eligible for disaster assistance, would be denied such assistance.

Recognizing that the Farmer's Home Administration (FmHA) has the resources and expertise to handle agricultural disaster lending, Public Law 96-302 mandates that farmers first seek disaster assistance from FmHA, so long as interest rates at FmHA and SBA remain "substantially similar." However, farmers turned down for a FmHA loan, may apply for and be eligible to receive an SBA loan if they meet the tests of the SBA-administered program. The net result of Public Law 96-302 was that the floodgates which opened up SBA to making farm disaster loans were closed; and FmHA once again assumed primary responsibility for assisting farm disaster victims.

To insure that the carefully crafted compromise adopted in Public Law 96-302 was not altered, Congress, in the Omnibus Reconciliation Act of 1981, Public Law 97-35, maintained SBA's disaster interest rates at rates "substantially similar" to the disaster interest rates at FmHA. The Senate Small Business and Agricultural Committees coordinated their conference negotiations closely to insure that no other proposal would be adopted. Congress acted quickly to ratify this action. Had substantially similar interest rates between the two agencies not been maintained, SBA would again have been thrown back into farm dis-

aster lending where it clearly does not belong.

I think it important, Mr. President, to recount for the 98th Congress some of the problems that occurred when SBA was thrust headlong into farm disaster lending and why Congress subsequently decided to take the agency out of this program with the passage of Public Law 96-302.

In July 1977, production crop losses were declared eligible for SBA disaster loans, even though FmHA had been operating an agricultural disaster loan program for years. In fiscal year 1978, the year after the decision was made, SBA disaster loan volume increased from $200 million in 1977 to $2.5 billion. These loans were essentially for production crop losses. FmHA loans also rose from $1.2 billion in fiscal year 1977 to $3.4 billion in 1978.

In an effort to understand the reasons for this enormous and disturbing expenditure increase, and to provide guidance to Congress in designing a disaster policy that would be both responsive to the needs of disaster victims and yet fiscally prudent, GAO was requested to conduct an audit of the fiscal year 1978 operations of the SBA and FmHA programs to determine the causes of the increase; the nature of the beneficiaries; the extent to which loan recipients could have secured credit from nongovernmental sources; and what the loans were used for.

Mr. President, even a brief look at some of the findings of the GAO report would convince any reasonable person that FmHA, and not SBA, should be the provider of agricultural disaster loans.

SBA's inexperience in agricultural matters was obvious; it simply did not have the trained personnel or expertise to handle a farm disaster lending program. In contrast, FmHA has over 3,000 field offices located throughout the United States whose sole purpose is to assist agricultural enterprises.

As noted in the GAO report, there is a fundamental difference between agricultural production crop losses, due, for example, to drought, and physical property losses, such as a factory building being destroyed in a hurricane or flood. In agriculture, crop yields vary from year to year due to normal variations in the weather or for other ordinary reasons. FmHA takes such normal variation into account through its requirement that a minimum loss be incurred before a farmer is eligible for a disaster loan. In contrast, SBA had no such requirement and treated physical property losses and crop production losses almost identically.

In addition, FmHA looks at total farm income in computing loan amounts, because while a farm may have lower-than-normal production in one crop, often, that is offset by higher-than-average income in another crop. SBA did not consider this factor when computing losses—probably because it did not have the expertise to do so.

GAO found that the average size of SBA loans was almost 20 percent greater, and the average length about 13 percent longer, than FmHA loans. GAO concluded that these differences were due in part to less stringent SBA requirements. The effect was to substantially increase the cost of agricultural disaster lending above what it would have been if FmHA alone had administered the program.

The GAO auditors also found that the existence of duplicative programs had created opportunities for abuse or fraud. First, loan applicants were able to apply to both agencies and shop for the largest loan. Second, and far worse, the duplicative programs opened the door to fraud. GAO auditors found numerous cases in which applicants estimated higher losses and more acres planted when they applied for SBA loans than when they applied for FmHA loans. In addition, GAO uncovered examples of borrowers who obtained loans from both SBA and FmHA for the same disaster loss.

Last Congress, I called for and chaired hearings before the Small Business Committee in order to get a better insight into the problems that occurred during SBA's administration of the farm disaster lending program. This was done to fully understand not only the extent and gravity of these problems, but also to determine what collection efforts should be instituted to recoup for the Government money which has been paid out improperly.

The committee's extensive investigation, which was supported by audits and findings of the SBA Inspector General and the committee's hearings, showed that virtually millions of dollars had been improperly paid out by SBA while administering this program. Some farmers used money earmarked for crop replacement or debt repayment for such items as a refurbished home, investments in high-interest certificates of deposit, and other expenses unrelated to farm disaster losses. The IG's audits also showed that some borrowers received illegal duplicate loans and Federal grants for identical losses.

I hasten to point out, Mr. President, that the committee's findings were in no way a criticism of the American farm community. These problems occurred in part because of SBA's inability and lack of expertise to administer this specialized program and also because there were those who flagrantly took advantage of a poorly administered Government program. Rather, the hearings reaffirmed the wisdom of removing SBA from farm disaster lending with the adoption of Public Law 96-302 and demonstrated that this program should never have been at SBA in the first place; that a loosely run program which was intended to assist those who suffered very serious and real losses due to extreme weather conditions was abused; that Federal dollars were mishandled; and that the Government during a time of severe budget restraints, had the opportunity to collect back from these borrowers millions of dollars in misused funds.

I am happy to report that as a result of the Small Business Committee's hearings, the administration did institute a major collection effort. Over $1.3 million has already been collected and agreements have been reached with borrowers to pay back another $4.5 million over the next 3 years.

Mr. President, it was as a result of the disturbing findings I have just cited that Senator NUNN and I and others on the Small Business Committee fought hard for the reforms adopted in Public Law 96-302, which, for all practical purposes, took SBA out of farm disaster lending. However, these reforms, unless Congress acts to insure otherwise, will expire on October 1, 1983.

Mr. President, the adoption of this legislation will also have significant budgetary implications for SBA. CBO estimates that failure to act on this bill will result in a $480 million increase in SBA's disaster program level in fiscal year 1984. During times of severe budget restraints, the Government can ill afford such unwarranted increases.

I believe that the expense of this program and the history of problems and abuse that occurred before SBA was taken out of farm disaster lending assistance shows clearly that SBA should not be thrust back into a program where it did not belong in the first place. The Department of Agriculture has the necessary programs, budget, and expertise to assist the farm community in farm disaster lending; SBA does not. The legislation we are introducing today will simply insure that the past reforms instituted by Congress will be maintained.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 628

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 18(a) of the Small Business Act is amended by striking "prior to October 1, 1983,".●

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 630. A bill to authorize the Secretary of the Army to construct improvements on Redbank and Fancher

Creeks, Calif.; to the Committee on Environment and Public Works.

REDBANK-FANCHER CREEK PROJECT

Mr. CRANSTON. Mr. President, on behalf of Senator WILSON and myself I introduce for appropriate reference a bill to authorize the Secretary of the Army to construct improvements on Redbank and Fancher Creeks in California. This bill is identical to legislation being introduced in the House today by Congressmen PASHAYAN, COELHO, and LEHMAN.

The Redbank and Fancher Creeks, their tributaries and related streams are located on the western slope of the Sierra Nevada Mountains. Because the streams are uncontrolled, flooding has occurred numerous times over the past 30 years. The most serious flood damage occurred in 1969 and resulted in Fresno County being declared a national disaster area. Lesser damages occurred in 1952, 1955, 1965, 1972, and 1978.

In 1956 Congress authorized a project investigation for the Redbank and Fancher Creeks stream system, and in 1977 the district engineer of the corps recommended Federal participation in a project to protect the Fresno-Clovis area. In July 1980 the Board of Engineers for Rivers and Harbors approved the project, having a 1.6 to 1 benefit/cost ratio.

The proposed project is a straightforward flood control project with several small detention reservoirs. The principal features include a 13,000-acre-foot reservoir on Fancher Creek, a 1,500-acre-foot reservoir on Redbank Creek, and an enlarged Big Creek Reservoir.

In addition to flood protection, the Redbank-Fancher Creeks project will produce significant water conservation and ground water management benefits. For all these reasons, the project is supported by Fresno County, the cities of Fresno and Clovis, the Fresno Irrigation District, the Fresno Metropolitan Flood Control District, the Kings River Conservation District, the California Water Commission, and the California Department of Water Resources. I am unaware of any controversy surrounding the project or any environmental objections to it.

Mr. President, I first sponsored legislation to authorize the Redbank-Fancher Creeks project in 1979 in the 96th Congress. At that time, the estimated Federal project cost was $42 million. Today as a result of inflation the estimated project cost has risen to $57,200,000. The project is still needed. I hope that the 98th Congress thus will move forward with early project authorization to avoid further delays and increased costs to the American taxpayers.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army, acting through the Chief of Engineers, substantially in accordance with the plans and subject to the conditions recommended by the Chief of Engineers, is authorized to construct the project for flood control on Redbank and Fancher Creeks, California: Report of the Board of Engineers for Rivers and Harbors dated July 30, 1980, at an estimated cost of $57,200,000.

By Mr. TSONGAS (for himself, Mr. STENNIS, Mr. HART, Mr. PELL, and Mr. RANDOLPH):

S. 631. A bill to establish a national technology education grants program to provide matching Federal assistance to joint initiatives by private industry, educational institutions, and State government to strengthen science, engineering, and technical education, and for other purposes; to the Committee on Labor and Human Resources.

HIGH TECHNOLOGY MORRILL ACT

● Mr. TSONGAS. Mr. President, our Nation is entering a new era of economic growth driven by rapidly changing technology and sharp international competition. The competitiveness of both our high technology and mature industries depends on U.S. scientific and technological leadership—that is, on increasing rates of technological innovation and productivity. In turn, these goals depend, to an unprecedented degree, on the availability of scientists, engineers, technicians, and managers with the right technological skills. Without these human resources, we cannot remain competitive.

Today I am introducing the High Technology Morrill Act to provide the human resources so we can compete. I am pleased to have, joining me in this initiative, Senators STENNIS, HART, PELL, and RANDOLPH. Modeled after the Morrill Act of 1862, this legislation would mobilize educational resources to maintain our economic strength in the technological era.

Assessment after assessment shows that we are failing to develop the human resources needed for economic growth. Our technological education is inadequate to meet the challenge of our international competitors. We are failing to provide basic science and math skills to our elementary and secondary school students. We are producing too few engineers, in some fields, and too few of our engineering graduates lack first-rate training. We are failing to keep our work force current with technological advances, thus wasting the talents of our most experienced engineers, technicians, and managers.

Our colleges and universities are hobbled by severe faculty shortages and obsolete equipment and curricula. There is a serious shortage of graduate students, threatening the future supply of Ph. D.'s and faculty.

The results are abundantly clear. Math and science achievement scores of precollege students are declining. Enrollments in math and science courses are down, as are curriculum requirements. And, most seriously, we are facing a critical shortage of qualified math and science schoolteachers. As a consequence, fewer students adequately prepared in math and science are available to enter technological fields.

International comparisons cast us in an unfavorable light. Many other industrial countries are beating us in both the quantity and quality of their technical work force. Many of them have dramatically upgraded their technological capacity, including their ability to respond to technological change. If we continue to slight technology education, we cannot remain competitive.

There is precedent to suggest that our educational system, if properly assisted, can rise to a challenge of this magnitude. The Morrill Act of 1862 established the land grant college system that helped revolutionize U.S. agriculture. The GI bill after World War II made undergraduate and graduate training widely available. The National Defense Education Act of 1958—the response to Sputnik—mobilized education to protect national security. The Education Amendments of 1965 responded to demands for greater social justice by expanding educational opportunities.

The educational challenge facing us today requires a new mobilization of educational resources. We must increase the quality of technological education at all levels. This includes raising basic math and science skills of high school students, upgrading science and engineering programs in our colleges and universities, and offering training opportunities for unemployed workers or working professionals with outmoded skills.

Educational institutions cannot handle this job alone. Only through a partnership among industry, schools, and government can we adequately mobilize our educational system for economic growth. Industry must play a major role in providing direction, expertise, and investment. Some companies have recognized this responsibility. They see their investments in education not just as charitable contributions, but as an important element of their competitive strategy. More and more companies are instituting university programs to strengthen technological education.

Similarly, State governments are also recognizing the importance of technology and education in meeting their economic development objectives. Many States have begun programs to invest in technology education in order to attract new firms.

While these efforts are helpful, they are unequal to the task. Industry's contribution for education, while growing, still represents a very small fraction of the need. For each university helped many more receive nothing. While some States have bolstered technological education significantly, many ideas remain on the shelf for lack of funds.

Federal involvement is clearly required. But the Federal Government should build on the initiatives of industry and the States, not compete with them. This is the basic idea behind the High Technology Morrill Act, which I am introducing today.

The bill establishes a competitive grants program to provide matching Federal assistance for joint initiatives of private industry, educational institutions, and State governments to strengthen science, engineering, and technical education. In order for a project to be eligible for the 50-percent matching Federal grant, private industry must contribute 20 percent, and States 30 percent, of the total cost. The bill would allot $500 million a year over 5 years for this purpose.

This bill would not simply throw dollars into education. It is not a quick fix. It would authorize a long-term investment in education and encourage the development of a partnership among industry, education, and Government.

Why do I propose a partnership of this kind? Requiring industry participation would insure that activities supported by this bill reflect the priorities of the private sector as it seeks to maintain American technological leadership. The bill's requirement of State participation—the approval of a governor and a financial contribution of 30 percent—assures that projects are responsive to the State's economic development strategies, employment policies, and educational priorities.

The bill is comprehensive in scope. It would apply to projects for all levels of our educational system, including elementary and secondary schools, community and junior colleges, 4-year colleges and universities, graduate schools, and programs for continuing education and job retraining.

The bill is designed to encourage diversity, experimentation, and innovation in approaches to technology education. It could support a broad range of efforts at the local and regional level. It could, for example, fund research/training centers, modernize lab equipment, initiate new technicians' training programs in community colleges, develop continuing education programs for technical professionals, and establish computer literacy programs in schools. The bill also could reinforce efforts to raise educational productivity by development of new educational methods and equipment, teach the management of technological innovation and improve the access of women, minorities, and the handicapped to technological fields.

Like the first Morrill Act, the High Technology Morrill Act seeks to parlay our Nation's natural resources into educational benefits. The Morrill Act of 1862 devoted 17 million acres of Federal land for founding agricultural colleges across the country. Proceeds from the sale of the land were invested, and interest earned accumulated in a perpetual fund for the support of the land-grant colleges. Similarly, the High Technology Morrill Act would turn over a small percentage—3 percent—of the revenues the Federal Government receives from sale of energy and mineral resources on Federal lands into a technology education trust fund. This fund—totaling $500 million per year for 5 years—would be the source for technology education grants. This is a great deal of money at a time of very large Federal deficits. But we are addressing an issue of very high priority for this Nation. The educational foundation needed to keep this Nation technologically competitive is vital to our military and economic security. These investments our Nation can ill afford to defer.

The High Technology Morrill Act is one of several bills introduced in the 98th Congress to improve technological education. I support some of these measures, as well. The High Technology Morrill Act differs from the other bills in its emphasis on the partnership among industry, academia, and Government and its reliance on the private sector to identify priorities for technological education initiatives. Thus, it embodies an approach that is not reflected in other bills. It also complements other legislation that is focused on elementary and secondary education, and would be a valuable component of a comprehensive package including the best of all bills that have been introduced.

Such an omnibus bill could fuse the interests of Government, industry, and education into a national policy to insure a supply of scientific, engineering, and technical personnel adequate to insure U.S. scientific and technological leadership, to maintain U.S. international competitiveness and domestic employment, and to safeguard national security.

Mr. President, I would like to acknowledge some of the individuals who have been especially helpful in preparing this legislation. For the concept behind the bill, I am particularly indebted to the authors of the book, "Global Stakes: The Future of High Technology in America" the president of Analog Devices, and Dan Dimancescu and James Botkin, two high technology consultants from Cambridge, Mass. I would also like to express my appreciation for their help in preparing the legislation and also to acknowledge the contributions of Howard Foley, president of the Massachusetts High Technology Council; William Thurston, president of GenRad Corp. and chairman of the Massachusetts High Technology Council; John Hoy, president and Melvin Bernstein, vice president of the New England Board of Higher Education; David Knapp, president of the University of Massachusetts; Kenneth Ryder, president of Northeastern University; B. J. Rudman, assistant secretary for administration and finance of the State of Massachusetts and Oliver Ward, president of Germanium Power Devices.

Mr. President, I ask unanimous consent that a factsheet on the bill and the full text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HIGH TECHNOLOGY MORRILL ACT: FACTSHEET

PURPOSE

To establish a national grants program providing matching Federal assistance for joint initiatives by private industry, educational institutions and state government to strengthen science, engineering, and technical education.

RATIONALE

An adequate supply of scientific, engineering, and technical personnel is essential to ensure U.S. scientific and technological leadership, to bolster U.S. international competitiveness and domestic employment, and to safeguard national security. Our educational system must respond to the economic challenge by improving the quality of math and science instruction at the pre-college level, strengthening and modernizing programs in science, engineering and technology in our colleges and universities, and developing the capability to provide lifelong education and training to our existing technical work force.

PARTNERSHIP

This Act would authorize a program of competitive grants for technology education projects and programs jointly sponsored by industry, educational institutions, and state governments. In order to be eligible for the 50 percent matching Federal grant, private industry would contribute 20 percent, and states 30 percent, of the total project costs. This formula ensures that Federal funds to strengthen technological education would comport with the economic development policies of the state, educational needs of our schools and colleges, and priorities of the private sector. As a result, Federal funds would be channeled into educational areas that industry identifies as important for maintaining U.S. technological leadership.

ELIGIBLE ACTIVITIES

Grants made under this Act may be used to:

Modernize university lab equipment;

Establish university research/education centers;

Expand technician training programs at community colleges;

Develop lifelong cooperative education programs to maintain technical skills of the current work force;

Initiate programs to retrain workers for jobs requiring more technical skills;

Enhance math, science and engineering teaching as a career;

Establish computer literacy programs in elementary and secondary schools;

Improve educational productivity through the development of new educational methods and equipment;

Develop programs to teach the management of technological innovation;

Improve the access of women, minorities and handicapped to the fields of technology;

Encourage cooperative programs between humanities and sciences; and

Support any other programs that strengthen technological education.

CRITERIA

In making grants under this Act, the following criteria shall be used;

The activity is not likely to proceed without the grant;

The activity embodies innovative approaches not adequately provided by existing public and private programs;

The activity responds to clearly established technical education needs of industry;

The activities will result in sustained efforts or lasting improvements in education programs and facilities.

The Act also encourages applications involving joint programs between institutions of higher education and elementary and secondary schools, participation of small business, and regional efforts.

FUNDING

The Act would make available approximately $500 million of Federal matching grants per year for five years. Three percent of the federal revenues from the sale of energy and mineral resources on Federal lands are placed in a Technology Education Trust Fund, which are then made available for grants by annual appropriation.

ADMINISTRATION

The technology education grants established by this Act are to be administered by the Director of the National Science Foundation. He is authorized to establish an advisory committee representing industry, education, states, professional societies and labor, and to consult with the Secretary of Defense and other agencies to ensure coordination of Federal efforts.

PRECEDENT

The Morrill Act of 1862 devoted 17 million acres of Federal land for founding agricultural colleges across the country. Proceeds from the sale of the land were invested, and interest earned accumulated in a perpetual fund for the support of the land-grant colleges. This act sparked a technological revolution that led to U.S. industrialization and made U.S. agriculture number one in the world.

S. 631

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "High Technology Morrill Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) the relationship between a healthy and vibrant national educational system and a healthy economy is inseparable in an era of technology dependent economic growth;

(2) competitor nations have given priority to the relationship between education and economic growth, especially as it pertains to new high technology industries such as electronics, computers, communications, aerospace, biotechnology, new materials, energy, and other technology-intensive fields;

(3) the future international industrial competitive position of the United States depends on maintaining United States scientific and technological leadership, increasing the rate of innovation, and increasing the productivity of our basic industries, all of which require a well-educated, motivated, and technologically proficient work force;

(4) while the rapid growth of high technology industries and the large increases in defense spending are exerting increasing pressure on the availability and quality of scientific, engineering, and technical personnel, our educational infrastructure is experiencing serious limitations in providing sufficient personnel with high quality training in critical areas, in keeping the proficiency of the current science and engineering work force up to date, and in maintaining high levels of technological literacy nationwide;

(5) although cooperation between industry and the academic community is now increasing, much more effort is necessary and can be achieved with a national policy that provides leadership and support for technology education;

(6) a national partnership among government, industry, and educational institutions, can most effectively carry out a nationwide program to improve the quality of math and science teaching at the elementary and secondary school level, upgrade the quality and capacity of community colleges, universities, and graduate schools to provide scientific, engineering, and technical education in areas of critical skill shortages, and expand the opportunities for lifelong education in all technological fields; and

(7) the Act of July 2, 1862, (commonly known as the First Morrill Act), which set aside publicly owned natural resources to fund investment in education for agriculture and the mechanic arts by establishing the Land Grant College System, provides a useful model for fusing the interests of government, industry, and education into a national policy for economic growth.

STATEMENT OF PURPOSE

SEC. 3. It is the purpose of this Act to establish a national technology education program designed to—

(1) assure an adequate supply of scientific, engineering, and technical personnel to ensure United States scientific and technological leadership, international competitiveness, and national security;

(2) strengthen programs in science, technology, and engineering of both public and private institutions of higher education.

(3) improve the quality of math and science training in elementary and secondary schools;

(4) improve the science and engineering knowledge and technical skills of the current work force, aid workers in keeping up with scientific and technological progress, and accelerate the absorption of workers into areas of critical skill shortages; and

(5) strengthen the partnership between industry, the academic community, and government to ensure that our educational system provides professional and technical skills relevant to national economic and security needs and that industrial resources are used to enhance the quality of education.

DEFINITIONS

SEC. 4. As used in this Act—

(1) The term "Director" means the Director of the National Science Foundation.

(2) The term "educational institution" means any local educational agency, any State educational agency applying on behalf of schools directly operated by the State educational agency, and any institution of higher education (including community colleges).

(3) The term "elementary school" has the same meaning given that term by section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(4) The term "local educational agency" means any such agency as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965.

(5) The term "secondary school" has the same meaning given that term by section 198(a)(7) of the Elementary and Secondary Education Act of 1965.

(6) The term "State educational agency" means any such agency as defined in section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

(7) The term "institution of higher education" means any such institution as defined in section 1201(a) of the Higher Education Act of 1965.

(8) The term "State" means each of the several States and the District of Columbia.

(9) The term "Trust Fund" means the Technology Education Trust Fund" established under section 5.

ESTABLISHMENT OF THE TECHNOLOGY EDUCATION TRUST FUND

SEC. 5. (a)(1) There is established in the Treasury of the United States a Trust Fund to be known as the "Technology Education Trust Fund" consisting of such amounts as are transferred to the Trust Fund under subsection (b). Subject to subsection (d) the Trust Fund shall remain available without fiscal year limitation and the amounts may be used only for payments in accordance with this Act.

(2) The Secretary of the Treasury shall be the trustee of the Trust Fund and shall report to the Congress not later than March 1 of each year on the operation status of the Trust Fund during the preceding fiscal year.

(b) The Secretary of the Treasury shall transfer from the general fund of the Treasury to the Trust Fund—

(1) for fiscal year 1984, 3 per centum,

(2) for fiscal year 1985, 3 per centum,

(3) for fiscal year 1986, 3 per centum,

(4) for fiscal year 1987, 3 per centum, and

(5) for fiscal year 1988, 3 per centum,

of the rents, royalties, and other sums paid to the United States under—

(A) the Outer Continental Shelf Lands Act;

(B) the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas and sodium in the public domain", approved February 25, 1920 (commonly known as the Mineral Leasing Act of 1920); and

(C) any other Federal statute authorizing payments for mineral resources development designated by the Secretary of the Treasury for the purpose of this Act;

except that transfers under this subsection shall not exceed $500,000,000 in any one fiscal year. The amounts required to be

transferred under this subsection shall be transferred at least quarterly on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in any amount subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

(c)(1) Amounts in the Trust Fund shall be available for making payments in accordance with this Act as provided in advance by appropriation Acts.

(2) Notwithstanding any other provision of law, unless enacted in specific limitation with the provisions of this subsection, any funds appropriated from the Trust Fund to carry out this Act shall remain available without fiscal year limitation.

(d)(1) No transfers required by subsection (b) of this section may be made by the Secretary of the Treasury to the Trust Fund after September 30, 1988.

(2) The Secretary of the Treasury shall pay into the general fund of the Treasury any amounts remaining in the Trust Fund after September 30, 1990, which were not expended and remain in the Trust Fund.

TECHNOLOGY EDUCATION GRANTS

SEC. 6. (a)(1) The Director is authorized, in accordance with the provisions of this Act, to make grants to educational institutions, private for-profit business concerns, and State agencies making application jointly to pay the Federal share of the cost of technology education programs.

(2) An application may be submitted to the Director jointly by private nonprofit organizations and a State agency or agencies if the nonprofit private organization represents an educational institution and a for-profit business concern, or a group of such institutions and concerns.

(b) No grant may be made under this section unless—

(1) the application is consistent with the economic development and educational policies of the State, as determined by the Chief executive of the State, and is consistent with the priorities of the private sector and needs of educational institutions within the State.

(2) the Director determines that there is a probability that the activities described in the application could not be carried out unless assistance sought under the application is furnished.

APPLICATION

SEC. 7. (a) Each educational institution, private for-profit business concern, and State agency applying jointly or nonprofit private organization and State agency, complying with the provisions of section 6, desiring to participate in the program authorized by this Act shall prepare and submit an application at such time, in such manner, and containing or accompanied by such information as the Director deems reasonably necessary. Each application shall—

(1) provide a description of the activities for which assistance is sought, including an estimate of the costs of the activities and the location in which the activities will be carried out;

(2) provide assurances (A) that the applicant will pay from non-Federal sources the remaining cost of carrying out the application; and (B) that 30 per centum of the total costs of the application will be paid from State and local public sources and 20 per centum of such costs will be paid by the for-profit business concern joining in the application;

(3) provide justification for any operational cost associated with carrying out the activities so described which have been supported under this Act for a period of more than one year.

(4) provide an analysis of the benefits which such activities may be expected to produce, particularly economic, employment, and educational benefits; and

(5) provide such fiscal control and fund accounting procedures as may be necessary—

(A) to insure a proper accounting of Federal funds paid to the applicant under this Act; and

(B) to insure the verification of the costs of the technology education program furnished by the applicant.

(b) Applications made under this section may not be approved by the Director unless he determines that—

(1) the application meets the requirements set forth in subsection (a) of this Act and is consistent with the other provisions of this Act;

(2) the activities for which assistance is sought under the application show promise of applying innovative approaches in the field of technology education which are not addressed by existing public or private educational programs;

(3) the activities described in the application will strengthen educational programs and courses of training necessary for occupations for which there is a clearly established need for personnel in the area which is to be served by the applicant; and

(4) the activities described in the application are likely to result in sustained efforts or lasting improvements in the courses of training offered by the educational institution participating in carrying out the application.

(c) In reviewing and approving applications made under this section the Director shall encourage—

(1) joint programs between institutions of higher education and elementary and secondary schools;

(2) the participation of small business concerns; and

(3) the provision of activities designed to address technology education and economic development on a substate and interstate regional basis.

USES OF FUNDS

SEC. 8. Grants made under this Act may be used—

(1) to develop, modernize, and expand laboratory equipment and related facilities in educational institutions;

(2) to improve the quality of science and mathematics education and to increase computer literacy in elementary and secondary schools through teacher training, improving equipment, and curricula development;

(3) to establish or maintain existing research/education centers designed to train or retrain new scientific, engineering, and technical employees while carrying out applied research or stimulating innovation, technology transfer, and the application of new technologies;

(4) to enhance mathematics, science, and engineering teaching as a career through faculty development activities which may include support for graduate students who enter the teaching profession, faculty exchange programs with industry, teaching retraining programs, or other programs to encourage retention of faculty;

(5) to improve the use of the available scientific, engineering, and technical work force through lifelong learning and cooperative education activities;

(6) to improve educational productivity through the development of new educational methods and equipment such as computer based educational aids, and telecommunication instructional technologies;

(7) to stimulate innovation through research and training in the management of technological innovation;

(8) to improve the access of women, minorities and handicapped to technical, engineering, and scientific fields; and

(9) to stimulate cooperative programs between the humanities and the sciences.

PAYMENTS; DISTRIBUTION OF FUNDS

SEC. 9. (a)(1) From the amounts appropriated for each fiscal year pursuant to section 5, the Director shall pay, in accordance with the provisions of this Act, to each applicant which has an application approved under section 7, an amount equal to the Federal share of the cost of activities described in the application.

(2) (A) The Federal share of the cost of carrying out the application under this Act shall not exceed 50 per centum for any fiscal year.

(B) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Director may attribute fair market value to services, equipment and facilities contributed from non-Federal sources.

(b)(1) Payments under this Act shall be made as soon as practicable after approval of the application.

(2) Payments under this Act may be made in installments, in advance or by way of reimbursement with necessary adjustments in account on overpayments and underpayments.

(c) In carrying out this Act, the Director may enter into contracts with any applicants having an application approved under section 7 containing provisions for multiyear obligations.

WITHHOLDING

SEC. 10. Whenever the Director, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under section 7, the Director shall notify the applicant that further payments will not be made under this Act until he is satisfied that there is no longer any failure to comply. Until he is so satisfied, no further payments shall be made under this Act.

ADMINISTRATION

SEC. 11. (a) In order to carry out this Act, the Director is authorized to—

(1) establish, rescind and amend such rules and regulations as may be necessary;

(2) appoint and fix the compensation of such personnel as may be necessary;

(3) procure temporary and intermittent services to the same extent as authorized by section 31 of title 5, United States Code;

(4) establish such advisory committees including representatives of industry, the academic community, State governments, professional societies, and labor organizations; and

(5) accept and use with their consent with or without reimbursement, such services, equipment, and facilities of other Federal agencies as are necessary to carry out such functions efficiently.

(b) Each member of a committee appointed pursuant to paragraph (4) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount not to exceed the daily

rate prescribed for GS-18 under section 5332 of title 5, United States Code, as determined by the Director, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence and necessary expenses incurred in the performance of their duties.

(c) Each Federal agency is authorized and directed to furnish such services, equipment, and facilities directly to the Director, upon a written request made by the Director.

(d)(1) In carrying out the provisions of this Act, the Director shall consult with the Secretary of Defense to coordinate technical training programs supported by the Department of Defense and activities assisted under this Act.

(2) Whenever the Secretary of Defense determines that funds available for technical training programs to the Department of Defense are available for and would contribute to carrying out the purposes of this act, the Secretary of Defense is authorized to transfer such funds for use by the Director in carrying out the provisions of this Act.

(e) In carrying out the provisions of this Act, the Director shall consult with the Secretary of Commerce, the Secretary of Labor, the Secretary of Education, and the heads of such other Federal agencies as the Director deems appropriate.

(f) The Director shall prepare and submit to Congress an annual report on the activities assisted by this Act during the preceding fiscal year.

AUDIT

SEC. 12. The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant receiving assistance under this Act that are pertinent to the sums received and disbursed under this Act.

Mr. President, I ask unanimous consent that the following articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

IN SEARCH OF NATIONAL POLICY

GLOBAL STATES: THE FUTURE OF HIGH TECHNOLOGY IN AMERICA

(By James Botkin, Dan Dimoncescu, and Ray Stata)

There is no easy formula for pulling all the pieces of a national policy together. No magic wand. Establishing a new economic strategy seems doubly difficult in the present domestic budget-cutting, defense-minded atmosphere of Washington. But an opportunity is taking shape. Industry is moving toward a closer relationship with the educational institutions upon whose resources it relies. In turn, academia is proving more responsive to the evolving needs of an industry in rapid transition. Two legs of a stool are thus being put into place. But to provide firmer footing, a long-term sense of direction and a dependable funding mechanism must be added.

The missing third leg is federal support. The high tech industry can initiate new partnerships with education, but only a concerted national effort can sustain them. Precedents in American history can help define a role for federal policymakers. One of them occurred more than a century ago when Abraham Lincoln signed into law the historic Morrill Act, the land-grant college legislation in 1862, which set the stage for a revolution in American agriculture, engineering, and U.S. education. More importantly, it set the nation on a new economic course and established a precedent for the present. What the United States needs now is to marshal the political will to again set a coherent national policy for the coming decades.

A HIGH TECHNOLOGY MORRILL ACT

More than a century ago a man named Justin Morrill, then a congressman from Vermont, sponsored a federal act founding colleges to "teach such branches of learning as are related to agriculture and the mechanic arts." This led to the establishment of the agricultural extension programs and to the birth of modern farming in the United States. If American agriculture plays such an important role in the world economy today—it leads the world in agricultural exports while Japan, for example, imports 50 percent of its food needs and Western Europe imports 25 percent—it is not just because its land is rich and fertile or its farmers hardworking. It is in part because the Morrill Act fused the interests of government, education, and the farming community into a national policy. This educational act endured and remains as a compelling model for the future of American high technology.

As part of the Morrill Act, the federal government donated 17,430,000 acres of land to help subsidize the founding of a system of colleges. These were to make judicious use of the revenues of this land to support their educational programs. A second Morrill Act in 1890 added the germinal concept of federal incentive grants to states. In his highly respected history, "Education in a Free Society," S. Alexander Rippa notes that "the Morrill Act not only laid the foundation for a new type of curriculum at government expense but also provided powerful incentives for greatly expanded state programs of higher education."

To this day, the agricultural land-grant college system remains a cornerstone to the continued efficiency and proficiency of the agricultural economy of the United States. I came into being at a time when industrial methods were just beginning to revolutionize production on the farm. As late as 1860, agriculture remained primitive at best. This would soon change. Between 1855 and 1895 the hourly labor required to produce one bushel of corn declined from four hours and thirty-four minutes to forty-one minutes, while the time required to produce a bushel of wheat declined between 1830 and 1894 from three hours and ten minutes to only ten minutes. The new land-grant colleges would sustain this momentous productivity in American agriculture.

Perhaps the most impressive legacy born of the Morrill Act was the understanding that education—open to all and focused on learning applied to real economic needs—could not be divorced from economic growth and national strategy. Education became a matter of national priority, one to which the federal government would devote its resources. It was a revolutionary milestone in turning the United States away from a legacy of British and German educational philosophies founded upon mastery of the classics. The French chronicler of American thought, Alexis de Tocqueville, foresaw this difference between U.S. and European education. He said: "It is evident that, in democratic communities the interest of individuals, as well as the security of the commonwealth, demands that the education of the greater number should be scientific, commercial, and industrial, rather than literary."

A FOUR-SIDED CHALLENGE

Creating a national economic policy presents at least four challenges. There is a need for sustained financial support, lifelong education, high school incentives, and a global view of technology.

The federal government needs to provide dependable, sustained financial support to the American system of education. The high social value of investment in education is apparent to all. Yet the fraction of this value that individuals are able to capture as their own return is too small to enable the entire support for education to come from individual decisions alone. Some significant share of the funding must come from the aggregate national income or wealth.

A "High Technology Morrill Act" would fuse a new partnership among federal, state, and local interests. The keystone of such a legislative act would be to respond to matching grant initiatives from state governments and from high technology industries. This would not only add to the leverage of federal educational appropriations, but more importantly, it would ensure that federal allocations respond to the lead of industries and states in selecting those technological fields where the educational investment could be maximized. Thus, for the electronics industry in Michigan, the bias might be toward robotics engineers; in California it might support semiconductor electronics research; and in Massachusetts it might focus on computer software engineering or semiconductor manufacturing processes.

Encouraging a larger flow of money from industry to universities would help to assure closer connections and cooperation at a time when the distinctions between theory and practice need to grow smaller. It would encourage universities to teach things of practical value to students. Over the very long term, the participation of industry would allow a dynamic process to occur: the sources of funding would shift if the high tech industry's ability to sustain the matching process matures and is superseded by a new generation of leading edge industries.

If, for illustrative purposes, the estimated annual matching-fund limits were arbitrarily set at $1 billion to maintain technological state-of-the-art education facilities in the nation's 300 or so engineering departments, the matching challenge might be based on a 5-3-2 formula: 5 federal dollars, for 3 state dollars, for 2 industry dollars. On an aggregate basis:

Federal commitment year 1	$500,000,000
State commitment year 1	300,000,000
Industry commitment year 1	200,000,000
Total	1,000,000,000

Unlike the 1862 Morrill Act, which sought to establish new educational institutions throughout the nation, the High Technology Morrill Act would be focused on strengthening and sustaining existing institutions. In addition, the new high technology act would be designed to function from the bottom up. An initiative by a corporate donor would then be matched by state and federal funds in a 5-3-2 formula; the donor might be matched only on the amount that exceeds amounts donated in prior years. This would intentionally bias the process toward high growth, sunrise industries that

can afford incremental donations by virtue of their increased revenues and profits. In this manner, the new industries such as electronics, biogenetics, and other high tech ventures would automatically induce leverage by their own donations.

One cannot overlook another precedent of the Morrill Act. Through amendments to the original act, the vision of education as a lifelong endeavor came into being. The experimental agricultural research stations that were established at selected land-grant institutions undertook not only to push research to new frontiers but to educate the farmer in an ongoing, lifelong manner. It is ironic that more than 100 years later, the concept of continuing adult education or lifelong cooperative learning is considered new ground for educational institutions. The precedent is there and has to this day maintained a massive effort to teach the adult farmer new techniques and new crop potential. Through an extension of the Morrill Act, this experience can be adapted to the needs of American high technology society.

National policy must reverse the dismal conditions now visible in many, some say most, of the nation's 17,000 elementary and high school education systems. This must be done with vision and determination. National policy must take a long-term view of the responsibility to educate its young for a more complex future.

Serious shortcomings of high school education in math and the sciences should receive special consideration in the formulation of a new High Technology Morrill Act. For every funded program on the campus of a university, college, or community college, a fraction of the allocated funds might be assigned to one or more high schools, or to an elementary school program. Equipment grants for high schools, exchange programs between college and high school students, and special training services for high school and elementary school teachers are but a few of the links that might be incorporated into a new Morrill Act. Again, whether or not this is the appropriate mechanism, the point is that national policy should couple the needs of elementary and secondary education with those of higher and continuing education.

Finally, the question of international perspective deserves special consideration. Global markets are bringing new relationships into focus as high technology industries mature. The rapid pace of technological change is causing an ever wider breach between the interests of the United States and those of many of its trading partners, especially in the Third World. We may chose to ignore that our world is increasingly interdependent; or we may seek to find ways to understand and promote international cooperation.

High technology and its educational requirements represent both opportunities and problems for many Third World countries. Proper use of information technologies in ways that respect local culture has a potentially positive role to play in furthering economic and social development, especially in the newly industrializing countries like Brazil or Singapore. On the other hand, the requirements both for financial capital and scientific and managerially trained talent is presently beyond the reach of the poorest of the developing countries like Bangladesh.

It is in the long-run interest of the United States to nurture healthy partnerships with developing countries as well as with other advanced economies. Part of a new Morrill Act could be aimed at bridging the gaps between developed and less-developed countries and to use the information technologies to narrow rather than widen the economic disparities. For example, sponsoring a forum for international leadership and educational exchanges could encourage a two-way transfer of technology and ideas. This would be one way to help maintain fruitful long-term economic and political relations as we enter an era of global markets and a world economy.

THE MISSING PIECE: NATIONAL STRATEGY

A national strategy must begin with an unabashed and strong commitment by the President of the United States. Not only must he articulate a vision of the future but he must craft long-term goals that account for both the knowledge-intensive nature of the economy and the international pressures bearing on it. Such a policy must communicate to the American people the fundamental role education plays in strengthening our economy and culture.

The President must also strengthen his science and technology advisory structure. One way to start this might be to set up a Presidential Commission on Technology and Productivity. This group might consider proposing to establish a standing committee or advisory group in the White House to deal with these issues. By chairing the activities of a science and technology advisory group, the President would not only transfer his authority to it but would also participate actively in setting its agenda. This would announce emphatically to the nation that the President is placing the highest domestic priority on science and technology.

In addition, such an advisory group should, in the words of a National Governors Association, "* * * serve as the deliberative body responsible for defining federal goals and objectives relating to science and technology policy, [to ensure] that those processes, public and private, essential to realizing the benefits of science are [achieved]. The group would define goals and objectives germane to U.S. society, but the analogy is with the deliberate decision by Japan to take "extraordinary measures for the promotion of the electronics industry."

Such a commitment would require that the President make a clear statement of economic goals and their relationship to science and technology. Thus one might expect the President to speak bullishly of the future of robotics technology in America, or of a new era of semiconductor technology, or of an American determination to lead the world in biogenetics, all within the context of maintaining a dominant role for the United States in a global economy.

Another fundamental aspect to national policy rests with Congress. A legislative initiative redefining the Morrill Act of 1862 into a High Technology Morrill Act would restore vitality to the nation's engineering and science departments and laboratories without sacrificing the original intention of the act to educate a well-rounded student with a strong foundation in the humanities. Such a measure would put education back into the central arena of public policy to which it was raised for a few short years following the Sputnik scare during the late 1950s and should bring into being a long-term funding mechanism.

The will is there. In industry. In academia. In an increasing number of state governments. The missing piece in a game of global stakes is a coherent, visionary, and articulate national policy for a knowledge-intensive era. What is needed is a clear commitment to develop the human resources upon which economic growth and development are dependent. A responsive national leadership must look to initiatives emerging from a decentralized, market dependent, free economy. And when federal funding is committed, it must complement the initiatives of industry, academia, and state government. A true national strategy is one in which all the key players work in concert.

These thoughts are only a beginning. Our goal was not to suggest a comprehensive solution to the complex challenge we face in high technology, but rather to contribute to a deeper understanding of the issues involved and to encourage a more active dialogue on this important subject.

The forces for change must be initiated by those who are most knowledgeable and directly concerned. This starts with the high technology industry itself as well as with those universities that have a vested interest in education in science and technology.

But any action must also include state governments which must be concerned about future employment of their citizens and about competing for their share of the knowledge based industries. The present reality is that, in the aggregate, state governments have the greatest control over and potential impact on higher education. They can significantly influence investments in university research. But with very few exceptions, they have so far failed to exercise this power in a way that directly influences targeted economic development objectives. So not only does our federal government need to sharpen its strategic economic development goals, but state governments need to greatly increase their strategic planning skills and to learn how to work more harmoniously with industry and universities in establishing long term development goals.

It is encouraging to see the bottoms-up approach for change that is welling up from the constituencies most directly affected and concerned. But it is difficult to envision how these efforts can be successful without a coherent national policy and leadership to bind these uncoordinated efforts together and to provide a proper allocation of federal funds to strengthen our system of education.

THE LEGISLATION (1862)

The Land-Grant Act of July 2, 1862 (First Morrill Act) signed into law by President Abraham Lincoln stated that the act would provide for:

The endowment, support, and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such a manner as the legislature of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.

Proceeds from the sale of lands "shall be invested in . . . safe stocks, yielding not less than five per centum upon the par value of said stocks; and the moneys so invested shall constitute a perpetual fund . . . the interest on which shall be inviolably appropriated" for the purposes mentioned above.

(Sec. 4 [as amended April 13, 1926] 44 Stat. L. 247)

SOME UNEXPECTED ASPECTS OF THE LAND-GRANT ACT

One of the earliest recipients of support under the act was the Massachusetts Institute of Technology. In 1863, "the legislature of Massachusetts passed three acts—one accepting the land-grant, one incorporating the agriculture college [the University of Massachusetts at Amherst], and one dividing the land-grant proceeds between the agricultural college and the Institute of Technology in a two-to-one proportion."

Chartered as an educational institution in 1861, MIT waited out the Civil War years before formally opening for classes in 1865. Since then, it has continued to be a recipient of land-grant funds. The 1981 federal land-grant payment to MIT totaled $23,000.

When the land-grant act was passed in 1862 there were five engineering schools in the United States. Twenty years later there were eighty five, half of them engineering departments at land-grant institutions.

"Among the thousands of land-grant -research discoveries have been . . . fundamental work in *transistors* and on the first *television tube* at Purdue University; the invention of the *cyclotron* at the University of California." Edward D. Eddy, Jr.

The largest university system in the United States, the University of California, is a land-grant institution.

One hundred years after the act was passed, one out of four higher education students was enrolled in a land-grant college or university.

Part of the land-grant act called for training in "military tactics." This requirement gave birth to the Reserve Officers Training Corps—better known as ROTC.

[From the Boston Globe, Feb. 1, 1983]

(By Ray Stata)

EDUCATION IS THE KEY TO TECHNOLOGY

(Ray Stata, president of Analog Devices of Norwood, addressed the following remarks to President Reagan during the President's meeting with high tech executives last week.)

Mr. President, in the last 20 years high technology has created 75 percent of the net employment growth in American manufacturing industry. In the next 20 years, high technology is expected to become second only to energy in its size and impact on our economy.

But the realization of this potential and our ability to compete against other nations like Japan is threatened by a lack of people with the right education and training.

The knowledge intensity of high technology is unprecedented. One-third of our workforce needs college degrees, more than half in science and technology. Another third needs associate degrees in electronics, computer programming and the biological sciences.

The simple fact is that our educational system today does not have the capacity to educate and train enough people with the right qualifications to sustain our industry's growth—not only in our universities but also in our high schools and elementary schools where math and science and computer literacy are critically deficient.

While enrollments in engineering schools have ballooned in recent years, there are still not enough graduates to meet the future needs of America for technical people. And the problem now is that many universities are capping further enrollment growth and are turning away interested and qualified students from a technical education—because they don't have the resources to expand their faculties and their laboratories.

This national tragedy not only impairs high tech growth, but also impacts our mature industries and our service industries which are looking to high technology products—like robots, word processors and CAD/CAM equipment—to make their workers more productive and more competitive in world markets. Likewise, our defense buildup could be retarded by lack of qualified people to design, build and operate a new generation of intelligent weapon systems.

In reality, we're fighting a cold war on two fronts—militarily with Russia and economically with Japan—but with the same troops—namely, our technical workforce. Neither battle can we afford to lose.

Despite the recession, our industry is responding to the plight of our universities with more generous support of higher education. These are not charitable contributions, but rather critical investments in resource development.

But given the way our system of higher education is funded, industries' very best effort alone will not be adequate to do the job. For example, in 1980-81 America invested $65 billion in higher education of which 50 percent came from government resources. Even more important to our industry is the funding of university R&D where two-thirds comes from the federal government.

To meet the pressing needs of our technical universities and to provide an opportunity for citizens who want a technical education, we need a partnership between industry, academia and government to refocus the aims of education on economic development, job creation and national defense and to build centers of technical excellence throughout the country.

We don't need another tops-down federal give-away program geared around bureaucratic judgment as to where investments should be made. Instead we need a bottoms-up, grass roots, regionally-oriented program to focus on regional opportunities and problems as identified by those closest to the issues.

Specifically, we are proposing a matching grant program for technical education and research where industry goes first in putting its money on the line. Next, state governments should verify the benefits of industries' investment by its own matching grants. After, industry, academia and state government have agreed we need Uncle Sam to do his part in the participating as well.

But by whatever mechanism, we must better link the aims of education with the goals of economic development and national security, and we must restore excellence to our system of education.

Despite our budget problems in both industry and government, we cannot ignore the investments required to keep our workforce ahead in the international technology race.

If we do a good job here, we are a long ways toward having a viable industrial policy for an era where human capital is more important to success than financial capital and national resources if we do a bad job—nothing else will matter. . . .

[From the Christian Science Monitor, Feb. 11, 1983]

HIGH TECH: THE GOVERNMENT DOES HAVE A ROLE

(By Melvin H. Bernstein)

All Americans know the nation is struggling to recover from severe recession. What is not understood is that the greater danger to the national interest lies in the steady erosion of American economic superiority. Fortunately, there is a growing view in Congress that the health of the American economy is tied directly to a strong national commitment to science, technology, and education.

In recent years, the United States has shifted rapidly from a manufacturing to an information economy. Today, 7 of every 10 Americans are employed in the information and services sector while only one of five works in manufacturing. One of every two working Americans is employed to collect, organize, or disseminate information.

The U.S. economy can no longer be viewed merely as a system. It is a subsystem of the world market. Today 70 percent of U.S. products compete with foreign products. Our nation's share of world trade in manufactured products shrank from 25 percent in 1960 to 18 percent in 1980. Of even greater concern is the fact that the U.S. share of the world market for high technology products has decreased from 30 percent to 20 percent over the past two decades.

Illustrative of the fundamental shifts taking place:

Electronics, now the 10th largest industry in the world, is projected to be the fourth largest by 1990, and second only to energy by the year 2000.

Typical of the electronics industry, Hewlett-Packard reports about three-quarters of its business in 1981 resulted from new products introduced since 1977.

Within five years, General Motors expects 90 percent of its production machinery to be controlled by computers.

The U.S. has dropped from second to seventh among the leading industrial nations in the "skill" level of its workers.

In reaction to these trends, a rash of bills has been introducted in Congress designed to strengthen the nation's ability to produce the engineers and scientists required for the new information technology economy. These bills seek to address the growing shortage of technically skilled workers trained in mathematics, science, and technology-related subjects. One of the most comprehensive bills is that of Sen. Paul Tsongas of Massachusetts, to be introduced this month, labeled the "High Technology Morrill Act."

The Tsongas bill is the most creative of the legislation introduced, calling for public-private joint funding of technology education proposals initiated by a corporation and university, approved by state government, and granted by federal government. The purpose is to promote economic development in the states emphasizing innovative, productive projects which can serve as models to emulate. Taken together, the pending bills represent a worthy effort to remedy the slackening of interest and deterioration in scientific education in American schools over the last decade.

That the federal government is asked to be an instrument for influencing economic growth should come as no surprise to President Reagan. The nation faced a similar dilemma in its infant years. How to foster economic development? Alexander Hamilton in his brilliant "Report on Manufactures" in 1791 resolved the issue in favor of an industrial state in which the federal government would use its power to promote and improve the efforts of industry by fostering discoveries and inventions and rewarding superiority.

Undergirding today's bills is the fact that US research and development, the source of technological innovation, hit its high in 1964 at 2.97 percent of gross national product, and has been dropping since then. On the other hand, R&D relative to GNP has been rising consistently over the past two decades for two of America's chief competitors, Japan and West Germany. Moreover, while the US still has the highest proportion of scientist and engineers in its labor force, that percentage has been decreasing during the last decade while Japan's has doubled during the same period.

The federal government has used the resource of higher education to shape national policy on three pivotal occasions. In 1862, during the height of the Civil War, congressman Justin Morrill of Vermont authored the bill signed by President Abraham Lincoln that became known simply as the Morrill Act. This act created the state system of public land grant universities and colleges to provide educational training in the science of agriculture and the industrial arts. In 1944, the GI Bill was passed, subsidizing the college education of returning servicemen to prepare a trained cadre of manpower to meet the requirements of a peacetime society. In 1958, the Sputnik-induced external threat of the Soviet Union provoked national fear of losing US technological superiority in outer space, resulting in the $1 billion emergency National Defense Education Act.

Secretary of Commerce Malcolm Baldrige testified before Congress in 1981 that the United States is "facing competitive challenges of a magnitude that only a few years ago would have been unimaginable." To meet the new challenges, the huge resources of higher education can be mobilized once again to generate the technically trained manpower and research required to preserve our technological edge. Higher education has not been a priority on the national legislative agenda since 1965. If the US is to adapt effectively to the new information-based economy and world marketplace, it is essential that legislation be enacted using the higher education resource to support the nation's technological and economic development.

(Melvin H. Bernstein is vice-president for research and development of the New England Board of Higher Education and co-author of "Financing Higher Education: The Public Investment.")

PRESIDING ADDRESS FOR THE SESSION ON A "MORRILL" ACT FOR HIGH TECHNOLOGY

(Delivered at the 96th Annual Meeting of the National Association of State Universities and Land-Grant Colleges, David C. Knapp, President, University of Massachusetts, November 8, 1982)

We have come together this morning for a rare event in meetings of this association—a joint session of our divisions, commissions, councils and committees. We are here to address the relationship of our institutions to the new age of advanced technology.

This is, I think, a strategic moment in the history of American Higher Education * * * not simply because we here have abandoned our traditional preoccupation with territoriality, although that is part of it, but because if we take advantage of the moment, we in St. Louis today may well have been present at the creation of the new land-grant university. Perhaps in this session and those that follow, we can begin to shape a strategic response to our common spirit, our common circumstances, and what I hope will be our common future.

Let me devote my time this morning to spelling out the terms and implications of a single proposition—a proposition that is quite probably self-evident, but one which lies at the heart of twin futures—ours as universities and ours as a nation.

The proposition is this:

Never before has the United States shown a stronger objective need for precisely the things that higher education, and especially our land grant schools, can and should provide * * *

Yet, never before has higher education been made to feel as powerless as many of us now feel to respond to such a powerful objective need.

I assume that all of us here understand the nature of this objective need, but let me state it briefly—

The United States is passing through a period of historic change in its economic, social, and political order. As best we can tell, we are moving into a new order—here, in Western Europe, Japan—which is based on knowledge. As best we can tell, moreover, instead it is knowledge which is likely to shape and define the nature of the age—just as land defined the nature of the agricultural age, just as capital defined the nature of the industrial age.

Obviously, as we move into a knowledge-based order, such a change poses new challenges and creates new opportunities for institutions which have traditionally taken knowledge as their base.

More to the point, this change offers particular challenges to, and opportunities for, institutions whose essence it is to explore knowledge in its full range of uses—for institutions whose essence it is to create new knowledge through research, protect and refine knowledge through the canons of academic freedom, apply knowledge in myriad ways through myriad mechanisms, and disseminate the fullness of our knowledge through teaching, be it in the classroom or workplace or community.

Needless to say, I have just summed up the essence of our original purpose as land grant universities.

If we did not already exist, our nation would be quick and eager to invent us. Indeed, there are those who believe that we should be re-invented—re-invented because many believe that the form and substance we have taken on in recent decades is unresponsive to contemporary society.

In part, we as land grant universities have suffered a loss of external influence and internal morale because of national policy. Just when knowledge has emerged as a basic strategic resource, we as a nation seem to have lost the will, or the way, to invest in knowledge. Indeed our nation's government seems positively determined to cut the level of our postwar investment in knowledge.

Yet not all is gloom and doom, for signs of a change and signs of hope are clearly in the air, especially for those engaged by the spirit and fact of the land grant tradition. The question which we who are here today face is whether we and our institutions recognize the signs and are ready to respond to them. Let me be specific.

To a significant degree, the challenges of the knowledge-based economy are shaping the new agenda in the Congress.

To a significant degree, moreover, these same challenges are shaping the growth strategies of more and more of the states. At the moment, the Joint Economic Committee of the Congress is engaged in a major study of how the states are working and planning for growth. The role of land grant schools is likely to figure decisively in its findings.

The Morrill Act has recently been cited as the inspiration for a new proposal to form a three-sided alliance of industry and national government and state governments in order to invest new dollars in the sciences and technology. This proposal, set forth in the book "Global Stakes" as a new high technology Morrill Act, has led to a legislative proposal by Senator PAUL TSONGAS of Massachusetts. At our last count, in fact, 38 such bills had been filed for consideration.

Clearly, something is stirring here, and while this vital new debate is still fresh and fluid and open to refinements, all of us here should think of ways to join in supporting and sharpening the Global Stakes proposal. Its prime strength, I would argue, is the three-sided alliance it envisions: of interaction among the national and state governments; public and independent universities; and the advanced technology industries, large and small. Such interaction, such a partnership in learning and its application was a worthy objective in another age of an agricultural, yet industrializing society. The collaborative mechanism, I would contend, remains valid for the emerging knowledge society, but with new forms and substance.

The immediate target for the Global Stakes proposal is the enhancement of growth in the high technology sector through increased manpower in the sciences and engineering, using both traditional and non-traditional forms of education. Important as manpower needs are, to strengthen a shrinking international economy, our major economic challenge as a nation is to devise ways to move ideas from the research laboratory into marketable applications at a much faster rate than we do so today. The essence of the land grant idea, as it moved from the Morrill Act to Hatch and Smith Lever, lay in the ability of our universities to combine pure research with applications and technology transfer as well as teaching and training. A similar progression, if it were used to bring the sciences and technology into a closer and more productive relationship, would add greatly to the force and value of the Global Stakes proposal.

Let me be clear that I view this proposal as part of a continuum. A case can be made that production agriculture was in the vanguard of the emerging knowledge economy, moving as it has from a labor intensive to a knowledge/machine intensive character. In like fashion, the current proposal while flagging high technology as we now define it, must lay the groundwork for the application of advanced technology to multiple facets of the economy, including basic manufacturing industries.

We clearly need a new national policy on education, research, and development which is broadly conceived for the everchanging age of advanced technology. We need to support such moves. Yet, I would agree with John Hoy of the New England Board of Higher Education, that waiting for a national strategy alone would be "foolhardy in the current political climate." It would also be inconsistent with our very nature.

Our land grant colleges and universities rise or fall with the fortunes and prospects of our home states. We are state institutions before anything else. What is happening nationally is important, for both its symbolism and its concrete support, but our basic character ties us to the economy, the society, and the political culture of our respective

homes. If the nation is going to turn anew to its land grant schools, and if we are going to turn anew to the problems and opportunities of the nation, then these new alliances will largely occur state-by-state.

Consequently, as we look to signs of hope and also consider specific strategies for the future, we must turn to the states for a clearcut sense of that future, of what can be made to happen there, through a collaborative vision and collaborative leadership.

Accordingly, I would like to tell you what has been happening in my own state, Massachusetts.

Our work and our vantage point have been defined in large measure by conditions familiar to all of us in this room: a recent history of severe fiscal strain.

What's happening in the nation's heartland now occurred in our state in the 1974 and 1975 recession. Unemployment then reached 12 percent. The state faced a $600 million deficit. State spending had to be cut back severely. Our university, for example, was cut in one year by 6 percent. Later, our voters passed proposition 2½ which cut state tax revenues by roughly $600 million a year. We have felt its pressures in the last two years and will feel them this year. Yet, through forceful advocacy and strategic alliances, we have been fortunate enough to secure double-digit increases in our university budgets for each of the last two years.

We have reached such a point because we, and others, have faced up to, and unravelled, the grim logic of a depressed state economy, and its long-term causes of decline. We have concluded that in current circumstances knowledge is our basic resource, and that the state's growth strategy must be based on the creation and application of knowledge.

Such analysis is fine, but a depressed economy is a depressed economy. In the space of a few months or even a full year, it simply cannot yield the tax revenue needed to make the investment in education needed for long-term recovery. Ironically, the very forces which offer new hope, and cast universities in a new light, also deny the funds needed to get into a strategic harness.

In Massachusetts, we have emerged from this dilemma in a positive position because our economic growth is largely provided by the high technology industry. In our state and in the nation, microelectronics now serves as the advance guard of the knowledge economy, and its leadership, like that of high technology generally, is sophisticated about that economy's needs and the breadth of education it requires. It is aggressive and highly articulate in its work in policy forums, including the legislature.

Because of its nature, the high technology industry has turned to us for help in a very specific sense—to gain a larger supply of engineers, computer scientists, and technicians. At the same time, Massachusetts industry has recognized that as a university we need help if we are to help them. It has become our natural ally, and with its support, public higher education in Massachusetts has been able to make a successful case for earmarking a significant portion of state revenues, even in a tight period, for investment in colleges and universities. Indeed, there are those who now assert that higher education spending should be thought of as just that—as an investment rather than as an annual expenditure drain on the state treasury.

Not only Massachusetts, but our region, New England, has begun to shape at least the rough outlines for an explicit strategy to foster the rise of the knowledge-based economy. This strategy is rooted in the existing character of New England. As James Howell of the First National Bank of Boston puts it, "New England is the most knowledge-intensive region in the world."

Just a few years ago this quality was regarded as a major weakness. Yet as this region has come to understand the basic shift which is occurring toward a new knowledge-based order, its political and industrial leadership have come to understand that the region's colleges and universities are crucial to the design of growth strategies. We as land grant institutions in the region are clear that we must be engaged in these strategies—at worst, as an intelligent consumer and, at best, as a major sponsor.

The University of Massachusetts is a *New England* land grant institution, and this gives us a slightly different view of our heritage. We see our role just as other land grant schools do. We are aware of our origins as a centerpiece in a 19th century national strategy of public investment in an agricultural order. As the nation shifted from farm to factory, we helped to equip individuals and institutions to make this shift as intelligently, and as effectively, and as humanely as possible. Today, as we move through a similar shift, we believe these emerging conditions must call us back to our historic role in helping to set the shape and terms of change, not simply in terms of the current needs of high technology, but as part of a larger conception of the relation of knowledge to society.

To the New Englander's eye, the purpose of the Morrill Act was to invent an institution that could address the perils and challenges not of agriculture per se (as important as this was) but of the *transition* from agriculture to industry.

I have stressed repeatedly that we are moving through another such transition today. Let me quickly call off some specifics of how we as a university have participated in—indeed have given direction to—that transition.

We have shifted resources into engineering, the computer sciences, and selected scientific fields. We have done so to respond to surging enrollments and documented needs in the job market, and we have achieved a new balance without damage to other sectors of the university.

We have persuaded private donors to give both dollars and equipment to a public institution, a break with long tradition in the nation's citadel of independent higher education. We have been helped by the Massachusetts High Technology Council, which has urged its members and has shown them how to contribute 2 percent of their research and development budgets to research and teaching enterprises in academic settings.

We have helped to design, sponsor, and support a plan for a Massachusetts Microelectronics Research Center. This $40 million center is a collaborative endeavor among industry, government and universities which will engage in research, advanced training, and the fabrication of microelectronic components.

We have also designed and supported a plan to create collaborative educational telecommunications networks in the state. We believe this network to be essential if we are to be less site-bound and age-bound in meeting the training and retraining needs of a knowledge-based work force.

We have entered into a service alliance with the public schools. If education is to speak with a coherent voice in fashioning the new economy, then the least we can expect is for the public institutions at all levels to begin to shape a common and cooperative agenda.

In summary, never before has Massachusetts shown a stronger objective need for the things that our colleges and universities can provide * * * and never before has Massachusetts seemed as willing to equip higher education through collaborative efforts to address such a powerful objective need.

As my university has gone through this period of resolution, I believe it has changed. I would argue that the strongest single change has been a vital progression in our sense of what we are as a university and what we do. At the moment, it is triggered by a rapid shift in our current high technology. But, in the future, we must be prepared for and give leadership to new stages of growth. I believe that we in Massachusetts are now willing to see ourselves in a different sense—as a full partner in negotiating the historic transition into a new order based on the creation, protection, application, and dissemination of knowledge. We understand that, as a land grant university, we must help Americans work in a rapidly changing knowledge-intensive society which may require them to change careers three or four times in a lifetime. We recognize, too, that we cannot continue playing catch up. Simply put, the microelectronics industry in our state outran its supply lines. It suddenly found itself with markets to serve and opportunities to meet, but with too few well-schooled minds and hands to seize these advantages. High tech, as we know it now, may well run its course in a decade or two. The most thoughtful leaders of industry know this only too well, and they are already thinking about the applications of knowledge which will mark the next stage of the age of advanced technology. So, too, must we, if we as land grant universities are to play the vigorous and strategic role in American society which our founders envisioned for us.

[From the Boston Globe, Feb. 28, 1983]

FOR NEW ENGLAND, IT'S NOON—NOT DAWN—IN THE HIGH-TECH INDUSTRY

(By John C. Hoy)

Whether Ronald Reagan will learn to bind education and training to high-tech economic development remains an open question at the midterm of his presidency, but his visit to New England's high-tech center belatedly acknowledged that the linkage must be made.

Clearly in his State of the Union address last month the President was seeking to capture a leadership role in the face of 40 bills now before Congress—sponsored by both parties—each seeking to address the technology education crisis in the absence of administration vision.

For New England, the President's words were welcome. Oliver O. Ward, chairman of Germanium Power Devices and founding member of the Massachusetts High Technology Council, said: "Now the Congress has the green light. New England senators and representatives should be directing the traffic."

Ward was referring to a landmark bill which has been developed there in New England and which would encourage local partnerships nationwide between state government and industry to provide matching grants for higher education.

The proposed legislation is grounded in New England's long tradition of innovation and is based upon an earlier Yankee legislative initiative binding education to economic development—the Morrill Act of 1862. Proposed by Sen. Justin S. Morrill of Vermont, that law refused the interests of government, education and the farming economy into a national policy, and led to the growth of modern agriculture and early industrial education in the United States.

This landmark act endured and remains a compelling benchmark for federal, state and private-sector collaboration as envisioned in a new "High Technology Morrill Act," to be introduced by Sen. Paul E. Tsongas (D-Mass.) tomorrow. It was developed in conjunction with regional business and education leaders.

The proposed legislation would create an institutionalized coalition among business and industry, academia both public and private, organized labor and the economic strategies of state government in behalf of research and development, education and training, regional public service and technology transfer.

The bill also would go far to fill the void created by the absence of Administration policy, which has faltered to the point of negligence by embracing a simplistic economic strategy that failed until midterm to acknowledge the potential of high-technology and the need for hard-fisted investment in human capital, vocational training, research and information transfer.

The bill calls for a total financial outlay of $1 billion annually for a pilot five-year program, although that amount is tentative and could be changed during the political process. Nevertheless, the billion dollar figure is extremely low compared to the trillion-and-a-half dollar commitment the federal government has pledged to defense over the next five years. In addition, the bill notes that a strong high-technology economy would bolster national security.

Federal funds under the measure would come from a "Technology Education Trust Fund," created by royalties from the mining of public lands. The money would be distributed through a new arm of the National Science Foundation specializing in applied science and technology.

Since the original Morrill Act was signed into law by President Lincoln 120 years ago, New England's higher education establishment has developed into the region's highest quality asset and largest "export industry." It has attracted people from outside the region and generated new industries. By bringing together high-tech entrepreneurs in each state with a highly educated labor force and created the region's knowledge-based economy. (MIT started out as a land-grant college. It was the "mechanical" school, while a new Massachusetts Agricultural College, now UMass. was established to complement it.)

Because New England is ahead of the rest of the nation in rebuilding its economy through basic and applied research, it has much to say to the rest of the nation.

While New England has begun to overcome its historic reluctance to forge the kind of economic confederation required to compete successfully in a world technology market, the country as a whole has yet to envision the necessity for such an exceptional level of government, industry and education collaboration.

The New England political leadership in Washington understands the technology issue and is eminently capable of shaping national economic policy by holding up the region as an example of and precedent for recovery. Speaker of the House Tip O'Neil understands the priority.

In fact, New England has already taken the lead in urging fundamental change in national policy through Vermont Sen. Robert T. Stafford (R), who has in his own right extended the historic legacy of his 19th-century predecessor, which the new Morrill Act seeks to recapture. Stafford as chairman of Senate education committee will oversee all Senate high-tech and education-related bills.

At the mid-point of his Administration the President has left an open door for Congress to act boldly. Congress will inevitably take its lead from the economic recovery that dawned in New England as the region entered the high-technology era.

(John C. Hoy is president of the New England Board of Higher Education.)

[From the National Journal, Jan. 15, 1983]

Human Resource Needs for High Technology Industry

(By F. Karl Willenbrock, Cecil H. Green, Professor of Engineering, Southern Methodist University)

INTRODUCTION

The rate of technological advance is strongly people-dependent. Technology undergoes rapid changes when well-educated engineers and scientists, together with well-trained paraprofessionals, are participants in a well-organized effort.

However, the human resources needed to increase or even maintain technological preeminence may no longer be available to the United States if a number of the present trends continue. The weaknesses in the U.S. educational system, the failure of U.S. companies to use their technological workforce effectively, and the lack of public understanding of the technological basis of the U.S. economy can make the United States decreasingly competitive in the global high technology race.

In order to evaluate some of the policy alternatives available, it is worthwhile to review the development of technological capability in the United States after World War II, to analyze the character of the present U.S. technological workforce, to examine the status of the U.S. education system, and to compare the U.S. workforce and educational system with those of other countries with strong high technology capabilities. A consideration of the conditions required for strengthening U.S. technological capability will then lead to a number of possible public and private sector actions.

U.S. TECHNOLOGY ADVANCES AFTER WORLD WAR II

Rapidly advancing technologies have a number of characteristics which strongly affect the technological workforce. Such high technologies are science-based. A prime example is integrated electronic circuitry. The understanding of the physics of solids which was gained in the decades of the 1920s and 1930s laid the basis for the invention of the transistor in 1949. As the physical processes of electrical conduction in semiconductors were unraveled, the era of electronic semiconductors started. And it is electronic semiconductor technology which has made possible the rapid advances in computers, satellites, robotics, and a host of other systems with which information can be processed more rapidly and inexpensively than ever before.

The rapid technological progress made in the United States since World War II depended on a number of factors in addition to the advance in scientific knowledge. Two post-war public policies had a dramatic effect on the nation's ability to exploit new technological possibilities. The first was the GI Bill of Rights which made university education, both undergraduate and graduate programs, available to returning veterans regardless of their economic status. The second was the decision of the military services led by the newly created Office of Naval Research to maintain the fruitful wartime collaboration between the federal government and the nation's leading universities by funding university research on a continuing basis. This policy was subsequently extended beyond the fields of direct concern to the military services by the creation of the National Science Foundation and the National Institutes of Health.

The U.S. universities, as a result of these policies, became active contributors to technological change. They helped create the knowledge base on which new technologies could be built and were the primary source of the human talent needed to do the building. The private industrial community, in turn, used the new knowledge and the new knowledge practitioners to develop and market the new technology-based products and services which have revolutionized the post-war decades.

The skills of the workforce needed by the high technology companies are different from those of traditional manufacturers. The knowledge needed to develop and produce new products and services is decreasingly dependent on empirically derived knowledge and is increasingly dependent on information derived from research. Thus the value of employees with experience-based skills has decreased with respect to those with up-to-date technical knowledge.

From the standpoint of members of the technological workforce, there is a changed set of requirements for a successful industrial career. No longer can an employee complete a traditional university educational program and expect the knowledge gained to be adequate for an entire career. Such employees are faced with two trends. One is that the period of employment is becoming longer as the age of retirement goes from the 60s to 70. The second is that the rate of increase of new knowledge is so rapid that technically oriented employees need to increase their knowledge base systematically to survive the technological changes which occur in a 35 to 45 year career span. Just as the knowledge base of the pre-World War II electronic engineer versed in the design of vacuum tube circuits was made obsolete by the advent of semiconductor electronics, so today's chemical process engineers who do not understand biological phenomena may well be faced with the possibility of technological obsolescence.

In addition to rapidly changing requirements for professional level employees, there are concomitant changes at the paraprofessional level. New kinds of technicians are needed whose skill requirements can be completely different from those of their predecessors.

PRESENT U.S. TECHNOLOGICAL WORKFORCE

The core of the present professional technological workforce in the United States is the pool of approximately 1.5 million engineers and related scientists. Roughly 75 percent of this group is employed in iudustry, about 5 percent in universities, and the re-

mainder in governmental agencies, in not-for-profit institutes, and in self-employment.

There have been a number of attempts to model the supply and demand for such professionals, but none has proved to be quantitatively successful. The major variables on the supply side are known and can be quantified within broad limits; however, there is considerable controversy with respect to demand. Surveys of employers typically lead to predictions of shortages. Surveys of employed engineers indicate a widespread belief that there is an oversupply of engineers since many engineers feel that they are underpaid and underutilized. Thus, it is not unusual for industrial trade associations to support public policies to expand the supply of engineers while professional societies seek to restrain the supply.

The professional workforce has an annual turnover of roughly 100,000 persons a year. On the supply side, about three quarters of the new entrants are newly graduated degree recipients and the remaining quarter are made up of transfers from other fields and immigrants from other countries. On the demand side, roughly one fourth are new positions due to growth, one fourth are replacements for death and retirements, and the remaining one half are transfers of employed engineers into nonengineering activities. The reasons for this large-scale transfer out are not entirely clear.

At the paraprofessional level, there has been a large increase in the number of degrees awarded for the at least two but less than four years of post-secondary school programs. In the engineering-related technologies, there are about 75,000 degrees awarded annually and the total workforce is estimated to be in the order of one million. Since this work force is even less well defined than the professional workforce, these numbers are very approximate.

However, consideration of the adequacy of the human resources available to high technology industry must confront the issue of how effectively companies use the technological capabilities of their present employees. There are no direct measures of this effectiveness, but there are several indirect indications that companies do not obtain substained productivity from their technological workforce. One is the annual out-migration of 50,000 professionals from the technological work force. Clearly some of those who leave are the top achievers who go on to become major program managers, vice-presidents, and CEOs. However, there are others who transfer out laterally whether or not their major talents lie in technical work.

A major cause of dissatisfaction among those professionals who retain technical rather than managerial jobs is their current and prospective salary. In many professions, experience on the job increases the value of the employee to the employer. However, in high-technology companies the situation can be reversed. Freshly educated new graduates may be more up-to-date and more likely to be innovative than more experienced engineers. Thus, engineers may be viewed by the company as depreciating rather than appreciating assets. The salary history data collected by the U.S. Bureau of Labor Statistics and the Engineering Manpower Commission of the American Association of Engineering Societies lend credibility to this explanation. Many engineers reach a salary plateau after a 10 to 15 year period and then suffer severe salary compression.

STATUS OF U.S. TECHNOLOGY-RELATED EDUCATION SYSTEM

There are at present deep concerns in the educational and industrial community about the adequacy and the quality of technology-related education. These concerns include the precollege, college, and graduate school levels.

Precollege Education: Precollege instruction in science and mathematics in the United States is woefully inadequate. The Commission on Precollege Education in Mathematics, Science, and Technology appointed by the National Science Board of the National Science Foundation in July 1982 is currently examining this area. Its first formal report (October 1982) entitled "Today's Problems, Tomorrow's Crisis" summarizes the present situation as: 1) the achievements of secondary school students in mathematics and science has definitely declined over the past several decades, and 2) remedial mathematics programs have increased so sharply at the post secondary school level that 25 percent of the mathematics courses taught at four-year public colleges and 42 percent of the community college mathematics courses are remedial in nature.

A root cause of the decline in achievement is related to the availability of qualified mathematics and science teachers at the secondary school level. Practically all the states report shortages in mathematics and science secondary school teachers and the number of students preparing to teach in these areas has decreased three- to four-fold in the last decade. Typical starting salaries for such teachers are $13,000 per year, so students with mathematical and scientific skills are much more likely to take engineering programs where the typical starting salary is twice as high.

The U.S. situation contrasts strongly with the situation in Japan where specialized study in mathematics, biology, and physics starts in the 6th grade, and Japanese secondary school teachers in mathematics and science are paid salaries comparable to university professors.

Four Year Colleges: At the college level, there are significant differences between the strong student demand at the undergraduate level in engineering and computer science on one hand and the decrease of students' interest in mathematics and most of the sciences (except biology) on the other.

In engineering and computer sciences, the present situation can be summarized as follows:

The undergraduate demand for programs in engineering and computers has been growing for almost 10 years and remains strong. The quality of students is relatively high. There is a sharp increase in the number of women majoring in engineering and related sciences.

Engineering colleges are unable to hire and retain an adequate number of faculty members in engineering and computer science to meet the undergraduate demand. For all faculty ranks there are vacancies of about 10 per cent. For the assistant professor rank, the vacany rate in some fields, such as computers and electronics, are above 25 percent—indicating that universities are finding it increasingly difficult to attract new Ph. D. recipients.

The equipment and facilities in engineering schools have suffered from underinvestment for many years. Laboratory facilities in practically all U.S. schools are inadequate to provide quality engineering education.

The engineering college accreditation system which is based on periodic examination of engineering curricula provides direct evidence that the quality of undergraduate engineering education offered by the nation's 290 engineering schools is deteriorating. The weaknesses most frequently identified by the on-site inspection teams are: 1) too few faculty members for the number of students enrolled, 2) inadequate laboratory equipment and facilities, and 3) inadequate opportunity for faculty members to develop professionally.

Graduate Schools: There has been a decrease in both the numbers and the quality of U.S. full-time graduate students in the 1970s and 1980s. However, there has been a steady increase in the number of full-time foreign nationals. About one-third of the masters and one-half of the doctoral degrees are now awarded to foreign nationals. While some of these foreign nationals remain in the United States and ultimately become American citizens, most return to their native countries.

The faculty recruitment and retention problem is of utmost concern at the graduate level. The lack of up-to-date facilities and equipment in most engineering schools has been a significant factor in discouraging many of the most capable students from seeking careers as faculty members. Most universities do not have the financial resources to match the present industrial salary scales. In some universities, engineering and science faculty salaries are based on university-wide scales which are tied to academic rank and are independent of field. A result is that only noncompetitive salary offers can be made to engineering faculty candidates.

INTERNATIONAL COMPARISONS

Foreign high technology companies are increasingly becoming technological pacesetters. Their technological work forces can differ substantially from those available in the United States.

Despite Japan's smaller population base, more engineers are graduated annually than in the United States, and many Japanese high technology industries have more baccalaureate-level engineers available than in the United States. At the paraprofessional level, Japanese employees will typically have much better scientific and mathematical backgrounds than their U.S. counterparts. They are better prepared to undertake intensive company training programs and thus are able to contribute more to technologically sophisticated production processes. However, at the graduate level, the United States does produce substantially more advanced degree holders in both engineering and the sciences. U.S. research programs are significantly stronger.

In the western European countries, the work forces have different characteristics. The German apprenticeship programs and the French Grande Eccles provide comprehensive professional programs in engineering and their engineering graduates have a strong industrial orientation. Also technologically important areas such as manufacturing processes are frequently emphasized whereas some of these areas have been widely neglected in U.S. universities. At the paraprofessional level, the German apprenticeship programs provide very sound technical training. At the graduate level, many European countries have maintained strong programs in the sciences and engineering for many years. Their research capability is quite comparable to the United States.

In the USSR there is a major emphasis on technical education at both the precollege and university levels. The annual production of engineers and scientists far exceeds that of the United States. However, the differences in the educational systems are so large that quality comparisons are difficult to make.

REQUIREMENTS AND POSSIBLE ACTIONS TO IMPROVE U.S. TECHNOLOGICAL COMPETITIVENESS

Although there is little consensus on whether there is a shortage of engineers in the United States today, there is wide agreement on the need to improve the quality and productivity of the technological work force. If global technological preeminence is taken to be a U.S. national goal, the following conditions should prevail:

(1) The United States must advance the technological state-of-the-art.

(2) The professional work force must not become outdated in rapidly developing technological fields.

(3) Careers in engineering and the related sciences must attract and retain the nation's most intellectually able youth.

(4) The paraprofessional work force must be trained to respond rapidly to the new tasks that the production of high technology products and services require.

(5) The general public must understand the importance of investing adequately in science and technology to maintain an ongoing momentum.

These conditions are only partially met at present. Action is necessary by both the public and private sectors to make the United States more internationally competitive.

First, U.S. scientists and engineers are presently contributing actively to the advance of the state-of-the-art in many technologies. To continue to do so will require increased support for university-based research as well as continued industrial company investment in research. Unless a reasonable number of research-oriented universities are able to maintain strong faculties and state-of-the-art research facilities, the quality and quantity of future contributors and future faculty members will decrease. The present tendency of federal research funding agencies to avoid research in areas of potential technological importance should be modified so that knowledge gaps are not allowed to impede technological progress.

Second, the problem of maintaining the major part of the professional technological work force at the state-of-the-art in rapidly changing technological areas is essentially unsolved. While the current continuing education programs of a number of universities and professional societies are commendable, they do not provide an adequate solution to the technological obsolescence which overtakes many practicing engineers and scientists. A major effort on the part of the industrial and academic communities will be needed to provide the practicing engineer the opportunity to continue to broaden and deepen his knowledge base throughout his career. The recent proposal of a faculty committee at the Massachusetts Institute of Technology's Department of Electrical Engineering and Computer Science to provide educational programs for industrially employed engineers which are matched to their mid-career needs with respect to content, delivery mechanisms, and teaching methods is an important step in this direction. The increasing availability of videotaped graduate courses in engineering and related sciences is also significant. Whether such private sector steps are adequate to solve this problem is not clear. The National Science Foundation, in combination with the universities, could play an active role in facilitating its solution.

Third, United States youth make career choices on an individual basis. Their perceptions of the desirability of undertaking a particular professional career depends in part on their picture of the type of activity involved, of the financial return, of the match of their talents and preferences, and of the social status of that profession. In Germany, France, and Japan, engineering is one of the most preferred professions and so it attracts many of their most intellectually capable youth. In the United Kingdom, the engineering profession has a much less desirable status and, although a Royal Commission studied the question for two years, little progress has been made in changing its attractiveness to their most intellectually capable youth. In the United States the situation is in between. Many of the nation's most prestigious private universities do not offer strong engineering programs. The current strong demand for engineering graduates has resulted in a large increase in students desiring an engineering education and there has been an accompanying increase in the quality of the students seeking admission. It is uncertain whether the quality increase will be retained if the industrial demand decreases.

Fourth, paraprofessionals are a crucial part of the industrial work force. If the individuals available have a good background in mathematics and science, they will be better able to meet the demands involved in dealing with today's technology. In addition to academic background, there is, of course, the attitude of the company and the individual employee towards investing time and effort in gaining the skills needed to perform complex operations. A strong improvement in U.S. precollege mathematics and science education will be needed if the United States is to have a comparable capability.

Fifth, a number of countries are giving the development of an increased technological capability a higher priority than the United States. In addition to the investment that a number of the industrially advanced countries are making in developing their human technological capabilities, many of the less developed countries have also made a strong commitment to the building of an indigenous technological capability. Particularly noteworthy is the People's Republic of China which has focused on science and technology as one of its four priority areas for modernization. Their commitment includes the establishment of a number of key national universities with technological orientation and equipping them with modern facilities and equipment. (The World Bank has recently loaned China $200 million to strengthen their higher educational system.) With a student population approximately equal to the entire population of the United States, the potential human resources available in China are staggering.

In most highly industrialized countries, there are much stronger educational requirements in science and mathematics at the precollege level than in the United States. The United States is continuing to develop a more technologically illiterate population than many other countries. There are dangers inherent in this situation One is the present underinvestment in technology-related education. At the precollege level, it is essential to increase the salary scales of science and mathematics teachers so that the requirements in these areas for high school graduation can be strengthened. At the university level, more funding is needed in public university systems to adequately support engineering education which is more expensive than most other types of education. Otherwise, engineering schools will continue to have faculty vacancies, out-of-date equipment, and an inadequate number of U.S. graduate students.

RECENT GOVERNMENTAL ACTIVITIES

The Reagan Administration has not strengthened the federal role in education even though the Congress has indicated a desire to strengthen engineering and science education. Several bills introduced in the 97th Congress such as the National Engineering and Science Manpower Act of 1982 (HR 5254) involve engineering and scientific manpower but no bills gathered sufficient support to be close to passage.

It is significant that a number of state and local governments have taken actions which show an awareness of the importance of high technology industry. An outstanding example is North Carolina, where Governor James B. Hunt has been an enthusiastic promoter of high technology. The North Carolina School of Science and Mathematics, a residential high school somewhat similar in academic program to the Bronx High School of Science, has recently been started. New microelectronics and biotechnology centers have been organized in the Research Triangle where the combined resources of several universities have served to attract a number of high technology industries. Other states such as California, Arizona, and Florida are also investing in high technology by supporting university efforts to build advanced and expensive technological facilities. These state efforts bear an interesting analogy to some of the less developed countries where similar efforts are being made to use advanced technologies as a springboard to economic development.

In other cases, cities and universities have sought to develop industrial parks to attract high technology industries to their environments. A number of cities have created magnet high schools to foster the scientific and mathematical capabilities of their youth. The accomplishments of the alumni of specialized schools such as the Bronx High School of Science and Stuyvesant High School in New York City have been so spectacular that there is not doubt that the investment of public funds in such endeavors has been most effective in the identification and development of youth with exceptional technical abilities.

CONCLUSION

In addition to such governmental activities, a number of high technology companies acting both in an individual capacity and through trade associations are seeking to strengthen the education system by gifts of equipment, financial support and scholarship funds. Whether such efforts will give the U.S. industrial sector the human resources necessary to compete effectively in high technology in the long term is uncertain. Such attempts are not commensurate with either the magnitude of the effort needed to improve technology-related educational programs in the United States, or of the commitment of present and potential foreign competitors. Various proposals such as a High Technology Morrill Act and a federal National Technology Foundation have sought to address the human resources problem on a national basis.

However, there is little evidence of a nationwide recognition of the urgent nature of the problems to be solved such as characterized the national response to the USSR's launching of Sputnik in 1957. Until there is such a recognition, it is improbable that truly effective action will be taken.●

Mr. PELL. Mr. President, I am very pleased to join my distinguished colleagues, Senators TSONGAS, STENNIS, RANDOLPH, and Hart, in the introduction of the High Technology Morrill Act.

There is a growing consensus among educators, legislators, and the private sector that the crisis we are facing in high technology—a crisis of unpreparedness—requires a wholly new emphasis on math and science instruction in our schools. The frightening projection that by the end of this decade our country will face a skilled labor shortage of some 2½ million workers is a call to arms. It is a battle cry for us to direct all of our resources—the resources of the private sector as well as those of government—to the crisis at hand, so that we may be prepared to meet the demands that the emerging high technology industries will place on our work force, and so that we may maintain our strong position in the world economy.

Japan is well-equipped to accommodate a shift from a world economy based on manufacturing to an economy based on high technology. Quite simply, it does not face the kind of shortages in skilled personnel that we do. Japan's highly skilled work force is attributable largely to the pivotal role that education plays in the Japanese lifestyle, and the emphasis that the Japanese Government places on rigorous education in math and science.

While the Federal Government must take the led in improving math and science proficiency through our schools, it is equally critical that the business sector assumes an active role in solving this crisis. The High Technology Morrill Act encourages private industry to play such a role. It establishes a technology education trust fund, which will award grants to cooperative programs in math and science education. Industry would be required to assume 20 percent of the cost, and State government 30 percent, thus guaranteeing that the private sector plays a major role in developing a skilled work force. More importantly, it encourages industry to bring its wealth of knowledge and expertise to bear in upgrading instruction in math and science, and to work in conjunction with our educational institutions in doing so. Federal funds for the High Technology Morrill Act will be provided through a reserve of 3 percent from the revenue the National Government receives from sale of energy and mineral resources on Federal lands.

This legislation compliments the Education for Economic Security Act that I recently introduced, which calls upon government to meet the demands of a high technology economy by improving math and science instruction in our Nation's schools.

But government at whatever level cannot do it alone. The high technology problems we face are sufficiently critical to merit a new partnership among education, business and industry, and government. The High Technology Morrill Act will promote such a partnership, and will direct our energies most efficiently and effectively by insuring that we are all working in concert. The demands of a sound economy require nothing less than a total commitment of all our resources.

By Mr. BENTSEN:

S. 632. A bill entitled the "Frontier Technologies Assessment Act"; to the Committee on Commerce, Science, and Transportation.

FRONTIER TECHNOLOGIES ASSESSMENT ACT

Mr. BENTSEN. Mr. President, I am introducing legislation today designed to enable our Nation to take the first step toward a unified and effective national technology development policy. In years past, the scatter-gun approach of our Nation toward technology R&D has enabled U.S. products to lead the world in technological sophistication by the sheer volume of our national R&D spending. Other nations like West Germany spent larger shares of their GNP on R&D. And other nations like Japan produced more patents than we did. Yet, the depth of our public and private treasuries offset these factors and made U.S. products the standard for world-class technology.

That technological superiority yielded bountiful economic benefits. Especially in the generation of jobs, it enabled us to nearly accommodate the really explosive 50-percent leap in our work force during the last two decades as the "baby boom" entered job markets with a vengence. It enabled our firms to create or capture new markets overseas and domestically in spectacular fashion, and created jobs for 9 out of every 10 men and women who entered our labor force. Nonagricultural exports jumped over twelvefold to $183 billion in 1980 from a scant $14.9 billion in 1960. Literally thousands of high technology products were on the shelves at Pennys or in hospital operating rooms in 1980 that were not even a gleam in someone's eyes two decades earlier. Our technology prowess enabled us to avoid the difficulties of some European nations coping with slow job creation. Despite very sluggish work force growth, a number of our trading partners in Europe spent a good portion of the 1970's trimming foreign worker rolls and expanding direct and indirect public-sector jobs as U.S. exports limited the growth of new industries there.

U.S. TECHNOLOGY AND EMPLOYMENT

I wish we could look as smugly into the future, however, as we can into the past. The reality is that our Nation faces a fundamental challenge to her traditional ability to generate new jobs by exploiting the fruits of high technology R&D. Let me stress that the challenge is not merely to insure that job growth occurs involving the fabrication of high-technology hardware. The challenge is much broader and deeper because the servicing high-technology hardware generates far more jobs than their direct fabrication. And many of these jobs, like software development for computers for example, are not site specific. They can just as easily be done in Bonn, Tokyo, or Taiwan as in Dallas or Houston.

I have been discussing the broad issues of labor-market development, job skills, and technology for 17 months now in an extensive eight-part series of speeches reaching back to September 29, 1981. The latter two speeches dwelt in part on the prospects for Japanese technology efforts to yield superior products to our own. That risk is a real one. The grim outlook it holds for efforts to reduce unemployment and accommodate continuing labor force growth can scarcely be underestimated. Indeed, our natural growth in population will add some 14 million men and women to our work force by 1990. Add to that nearly 14 million others now unemployed or too discouraged to seek work and the magnitude of our job creation problems can be fully appreciated. To reduce unemployment to the 5 percent or 6-percent range by 1990, over 21 million jobs must be created over the next 7 years. That requires maintaining a consistent real GNP growth rate over the balance of this decade that would approach historical highs. And an integral component of that process involves maintaining our historic ability to create new jobs in high-technology growth sectors.

I am concerned that our historic ability to set world standards for technical sophistication has been eroded. And with that erosion, our ability to meet this decade's job needs is being silently but deeply undermined, as well. The inability of our economic recovery to yield much added employment in many of the traditional industries like steel and autos adds a note of urgency if not crisis to this erosion.

THE TECHNOLOGY CHALLENGE

The United States is not in danger of being outspent for R&D. The danger rests in the seemingly more efficient use with which several of our trading competitors appear to be using their R&D dollars. I use the term "several" for good reason. We are rapidly becoming adrift in a world of nations, each aggressively pursuing indi-

vidual industrial policies, combining both trade and R&D components. Selective trade restrictions and subsidies go hand in hand with explicit national programs to create jobs by carving out new markets abroad. We tend to associate the Japanese Government with such industrial policies. And I will confess that they have played some role in the remarkable economic performance our major Pacific ally has made since World War II. But success breeds imitators. And major Japanese trading firms are confronting notable selective challenges to their dominance in some markets from very competitive, quality Taiwanese and Korean producers. MITI officials in Japan have doubtlessly glanced more than once over their shoulders at the new Hsinchu industrial complex, wondering if it can actually become the clone of California's silicon valley envisaged for it by Taiwan. They can take only grim satisfaction from Taiwan's adoption of their own model of boosting engineering education and directing resources toward high technology at the expense of more traditional industries like textiles and shoes.

The most elaborate and effective challenge to U.S. technology sophistication comes from Japan. This fact is the consequence of consistent Japanese efforts to gain product comparability or better in world markets in order to maintain positive balances of payment and near full employment. Through the 1960's, these efforts featured technology transfers to Japan through licensing arrangements with technology leaders abroad, while limiting foreign direct investment in Japan. The intent was to build up the Japanese technology base by purchasing it abroad or through joint ventures. MITI severely limited direct investment in Japan, successfully forcing firms seeking market access to share proprietary technology with Japanese firms. The result was a rapid buildup of that nation's technology, with virtually all profits retained at home. From 1950 to 1978, for example, Japan imported 32,000 industrial properties through licensing arrangements at a cost of $9 billion, a fraction of the U.S. annual R&D expenditure.

Japan rapidly increased R&D outlays, as well. From 1966 to 1975, it grew 20.1 percent per year, almost four times greater than the 5.6 percent U.S. rate. By 1975, as a result, Japan enjoyed the same proportion of R&D personnel to total employment as did the United States.

The year 1968 was a watershed year when Japan moved decisively from clever imitator to innovator. Japanese patent awards that year exceeded U.S. patents, and the trend has continued. In 1977, for example, Japanese patent awards ran ahead of those in the United States by 50 percent, and were threefold larger than awards in West Germany. Japan's steady devotion to R&D has steadily increased the world-class nature of its work, as well. By 1977, Japanese patent awards in the United States were up 600 percent from a decade earlier. Japan's balance of trade in technology reflected its growing R&D capability. Technology imports to Japan during the 1970's grew only 11 percent over the 1960's, while technology exports soared 140 percent. By 1980, the 650 companies on the first Tokyo stock exchange earned $425 million from technology sales abroad, while paying out only $350 million for such imports.

U.S. TECHNOLOGY HURDLES

These positive forces in Japan were magnified by quite different trends in the United States. During the last decade, American schools and colleges produced too few electrical engineers and other technical personnel. Salaries leaped as a result, and we now confront a genuine crisis with the inadequate number of trained electrical engineers and other technical specialists our society is now producing. While having only one-half our population, Japanese universities graduate one-quarter more electrical engineers than do our colleges and universities because of faculty and equipment shortages here. Undergraduates clamor for nonexistant spots in engineering schools. Yet, the pipeline of new Ph. D.'s capable of meeting this demand for faculty has steadily shrunk, as well, as graduate students and professors are hired into the private sector by salaries 30 percent or more above academic levels.

The short-term orientation of a number of U.S. managers is another sharp distinction between Japanese and U.S. technology development styles. Japanese firms tend to promote from within, exhibit intense employee loyalty to the firm, and feature quite lengthy management time horizons. Many U.S. managers, on the other hand, focus on quarterly performances and seemingly exhibit a bias against long-term investments, especially in risky basic R&D efforts.

A third sharp distinction is the relative instability of R&D capital costs here. At least one analyst has suggested that the gyrating cost of capital in the United States, especially over the last decade, has roughly doubled R&D capital costs here relative to Japan. But the Federal Reserve's gyrating interest rate policies is far from the only obstacle strewn in the path of high-technology R&D by the Government. Our antitrust laws have been interpreted to prohibit joint R&D efforts between market competitors even in areas of basic R&D. The ensuing duplication or—more often than not, absence of—such R&D is scarcely in our national interest. The recent Justice Department decision to permit a number of electronics firms, lead by Control Data, to discuss collaborative R&D is a promising turn of events. But this new trend is tentative at best and our Nation's R&D effort remains subject to the charge of potential duplication and inefficiency compared to Japanese efforts in the private sector.

Only with passage of the 1981 Economic Recovery and Tax Act can Federal tax policy be said to have acknowledged the wisdom of greater R&D. Provisions reducing the capital gains tax, incentives for stock options, the R&D tax credit, and charitable donation treatment of R&D equipment were long overdue and needed steps to redirect private-sector resources toward R&D.

Perhaps the most debilitating impact on high technology of the Federal sector has been our inconsistent macroeconomic performance. This Nation's economy has been on a roller coaster since the fall of 1973. It has featured sweeping movements upward and downward in demand of and market prospects for high-technology goods and services. Inflation, productivity, real growth rates, interest rates—all have swung with breathtaking abruptness between extremes, interspersed with only brief snatches of relative stability. The impact on high-technology R&D and production capabilities has been devastating. In conjunction with soaring capital costs following the two oil shock episodes, that industry has not been able to sustain either the growth in capacity or R&D needed to match Japan's performance. Insufficient domestic capacity contributed notably to Japan's ability to capture some 40 percent of the surging U.S. market for 16k random access memory (RAM) chips. The stability and low-cost investment environment there is directly responsible for Japan capturing a remarkable 70 percent of the U.S. market for the new 64k RAM chips. And, if that event does not set alarms off, the looming potential dominance of Japanese firms in the prospective 256k RAM chip market should surely do so.

JAPANESE TECHNOLOGY POLICY

This Japanese muscle in the high-technology area reflects the fruit of their past decision to maintain heady domestic growth rates by carving out new export markets in growth industries. This industrial policy has not been hidden. Indeed, Japanese officials are quite candid. To quote Mr. Norishige Hasegawa, chairman of the giant Sumitomo Chemical Co. and member of the Prime Minister's Economic Council in 1982:

More specifically, the desirable industrial policy is to expand the research-oriented, new materials, and biotechnology industries, sophisticated assembly industries, such as electronics, knowledge-intensive industries like data processing, and service industries. At the same time, it expects that labor-intensive industries and resource- and energy-

consuming industries will reduce their relative importance in the national economy.

Japan is simply allocating its national resources as comparative advantage in natural and human resources dictate. The challenge is that this process threatens our own society's prospective ability to provide satisfying and well-paying jobs in the future. The competition for new markets for these new high technology products will perhaps benefit all mankind, at least materially if not spiritually. Yet, it is a competition which U.S. firms enter with a major handicap: Federal Government policy is more of a hinderance than help, while Japanese Government policy is a clear and present asset to Japanese high-technology firms.

The playing fields should be equalized. And I do not want to see it done with protectionism. Our Nation should not follow the French example in dealing with Japanese high-technology virtuosity. All Japanese videotape recorders—VTR—can be imported only through the tiny French town of Poitiers, not far from Tours. Poitiers is a pretty provincial town most famous as the site of a devastating French defeat in 1356 during the early stages of the hundred years war. Until last September, it had not been considered one of France's leading international seaports, probably because it is landlocked, located 150 miles from the ocean. The several customs officials there are able to handle only 8 percent of the previous volume of 100,000 VTR's which previously entered France monthly through Le Havre, near Paris.

A far more preferable approach, I believe, is for our Government to enhance the ability of our high-technology industries to innovate and compete anywhere with Japanese firms. One aspect of that decision is to thoroughly examine the approach being utilized by the Japanese to bolster high technology. It is a notable and diverse one.

First, the Japanese justice officials permit widespread and extensive collaboration on R&D projects by erstwhile competitors.

Second, the Japanese Electronic Computer Corp., majority-owned by the Government, finances the leasing of about one-half of all Japanese-built computers. Producers are able to receive cash for their output immediately and avoid the expensive chores of maintaining large inventories and credit operations.

Third, Japanese Government agencies and its wholly owned communications monopoly, Nippon Telegraph & Telephone (NTT), purchase billions of dollars in high technology and electronics hardware annually, all exclusively from Japanese firms.

Fourth, NTT conducts a $350 million electronic basic R&D program jointly with leading Japanese electronics firms.

Fifth, the government-owned Japanese Robot Leasing Corp. provides low-cost loans for the purchase of Japanese robotics hardware. This demand-side incentive system has been instrumental in stabilizing and stimulating Japanese robotics R&D and has seen over 14,000 programable robots introduced there, three times the number being used in the United States. Some 60 unmanned or semi-automatic plants have been established in Japan, as well.

NEW TECHNOLOGY R&D PROGRAM

Hand in glove with these programs is an elaborate and sophisticated Japanese national R&D program, featuring $1 billion in Government subsidies and tight Government, academic, and private-sector cooperation. To quote Mr. Hasegawa, again, this time on this Japanese R&D program:

> In parallel with the technological development of individual business enterprises, we are preparing a joint research system in Japan between government, industry, and academia to meet the challenge of developing technology of the next generation in such high technology fields as life science, energy, and data processing. There is no limit to the growth of science and technology, and each nation has its technological strength in certain fields.

This new technologies Japanese R&D program holds out a far greater challenge to future U.S. technology employment than the current erosion in some electronics markets. And it is worth reviewing in detail.

According to State Department's cables, the joint public-private Japanese billion dollar assault on high technology frontier areas began in 1976 under the direction of MITI.

It focused initially on computer software language development, and research on fourth-generation computers which featured the well-known very large-scale integration (VLSI) electronic circuitry technology Japanese research effort.

SOFTWARE

The software project involved MITI and 17 Japanese companies. It was intended to develop sophisticated computer program modules capable of generating and editing computer programs directly from general human instructions with far less human input, expertise, and expense than is necessary in programing today. The program received over $30 million in Government subsidies through 1981 and had led to the establishment of two Government subsidized software development research institutes with a combined budget through 1986 of another $26 million.

VLSI

The fourth-generation VLSI computer project was, and is, an ambitious effort to top the memory capacity and computing speed of the IBM 370 series computer. It is a 9-year program which began in 1976, involving MITI and eight leading Japanese computer firms, including Toshiba, Mitsubishi, Hitachi, NEC, and Fujitsu. About 1,000 patents have been earned thus far by the Government-private research association established under this program to overtake IBM, and some $234 million in Government funds have been committed to the VLSI effort. The private participants are scheduled to contribute an additional $300 million. As of last spring, no foreign company had gained access to any of this patent data. This VLSI project includes the development of new hardware, terminals, and periphery equipment along with Japanese language and voice input and optics technology, Japanese language printers, and large capacity magnetic disks.

OPTICAL ELECTRONICS

In 1979, the Japanese new frontier high-technology program was expanded to include R&D efforts involving optical measurement and control systems. This 8-year $81 million project involves the development of fiberoptics hardware for data transmission without electric impulses and the development of optical integrated circuit elements for robotics and other large-scale industrial applications. It features a combine of MITI and 14 Japanese firms, including all the larger electronic firms, such as Mitsubishi, Toshiba, and NEC, organized in the familiar research association format. It even includes a jointly funded and run optoelectronics joint research laboratory, located adjacent to the Fujitsu Corp. research facility in Kawasaki. The project is 100 percent Government funded and has successfully cultivated high quality single crystal gallium arsenide substrate for integrated circuits.

FIFTH-GENERATION COMPUTERS

Also in 1979, the Japanese new frontier program was expanded to include a 12-year project for the development of a fifth-generation computer. Features of this joint MITI-private R&D effort include development of hardware and software for an automatic translation system for the major foreign languages and Japanese, a new core computer language, reference libraries for specialized fields such as medical diagnoses, and automation of computer programing to eliminate the need for computer literacy by system users. More than nine firms are combined with MITI in this project in the usual research association format with a budget for its first 5 years through 1984 of $45 million.

This keystone of this fifth-generation computer effort is the creation of electronic artificial intelligence within computers with the ability to understand natural spoken language. It is hoped that such capabilities will in-

clude the ability to analyze such instructions and form appropriate responses. It is hoped, as well, that such human mimicry will include inferential reasoning—a computer providing related and relevant information not specifically requested by the human user.

SUPER COMPUTER

Two other areas of related research were added in 1981 dealing with the development of much higher speed computer hardware and semiconductors. Present computers run at a speed of about 10 million floating point operations per second. The joint MITI-private Japanese high-speed computer project initiated in 1981 is aimed at upping that speed to 1 billion floating point operations per second—a speed 10 times faster than the 1985 goal of similar projects being carried out at NASA's Ames Research Center. This Japanese project involves exploration of a variety of techniques for boosting computer processing speed with over $100 million in Government research funds for this purpose going to the six largest Japanese computer firms. They are working independently with frequent meetings to coordinate activities and compare results under the usual research association format.

NEXT GENERATION INDUSTRIES

The other Japanese new frontier R&D program initiated in 1981 is the most elaborate of them all. It is explicitly called the new generation industries basic R&D program and is a $472 million, 10-year effort by the Japanese Government to fund a broad range of promising new R&D areas. This program is a high-risk, high-gain effort to select and forcefeed a number of very immature technologies in the hope that one or two will blossom into major new fields of endeavor and commercial products for the 1990's. The program is comparable really in the U.S. experience only to the high-risk but ultimately successful effort to harness nuclear energy in the early 1940's.

This Japanese program differs from the earlier noted frontier R&D efforts by focusing on the nurturing of entire new industries rather than extending existing electronics technology to new applications. The new industries program is intended to develop entire new technologies which will form the foundation for flourishing industries in the 1990's and beyond. Twelve explicit new technology fields have been selected for massive Government R&D funding under this program which will be conducted by 48 Japanese firms organized into 5 research associations. All research costs will be 100 percent covered by Government funds, and 10 Government R&D labs will work with the private industry participants. Patents will be held by MITI and will be available for licensing. The 12 super projects are divided into 3 major areas:

NEW MATERIALS

First, high polymers technology involving high efficiency separation membranes.

Second, high polymers technology involving conductive high polymers.

Third, high polymers technology involving crystalline high polymers.

Fourth, fine ceramics technology.

Fifth, next generation metals technology involving high-performance crystal-controlled alloys.

Sixth, next generation metals technology involving composite materials.

BIOTECHNOLOGY

Seventh, biotechnology involving mass cell cultivation.

Eighth, biotechnology involving bioreactors.

Ninth, biotechnology involving recombinant DNA utilization.

ELECTRONIC DEVICES

Tenth, electronic circuit technology involving superlattice devices.

Eleventh, electronic circuit technology involving three-dimensional circuit cells.

Twelfth, electronic circuit technology involving elements with increased environmental resistance able to function, for example, inside auto engines and atomic reactors.

The Japanese hold out far from modest objectives for these projects, which could take as long as 20 years to reach fruition. For example, the MITI advisers to this new project hope that the electronic and biotech research will yield computers with increasingly humanlike capacities, building on the presumed success in developing a fifth-generation computer with limited artificial intelligence. Mr. President, it sounds like 21st century stuff, yet the Japanese are willing to spend money until the 21st century in order to see if this and other exotic technologies can be developed.

EXPLANATION OF LEGISLATION

I am pleased with the depth and extent of the Japanese national commitment to foster new technologies and to challenge all comers in the future. I am not convinced, however, that the best response by this Nation is to launch a parallel high-tech R&D program here. It may or may not be the wisest course. The past record of our Government in dealing with the private sector is not sufficiently encouraging to warrant an unequivocal answer now. Yet, the really explosive employment implications of the Japanese high technology programs cannot be ignored. For that reason, my legislation being introduced today commits this Nation to a first step, to explore in more detail precisely what policies are being pursued in Japan and other major industrial nations to force-feed high technology R&D. It calls for establishment of a Presidential-level task force on frontier technologies. The TFFT is a study group. It is obligated to gather information on these foreign policies, and evaluate their implications for our economy, employment, and, indeed, our society in the years and decades ahead.

The TFFT is obligated, as well, to work closely with the electronics, biotech, aircraft, and other high technology industries in crafting a comprehensive and thorough report and set of recommendations to Congress. These recommendations, due within a year, are to explore options which Congress could consider for accelerating and improving the efficiency of our Nation's high technology R&D effort. It must catalog such R&D efforts, as well, especially those within the Federal Government. There is literally no place, for example, where a comprehensive summary of all Federal R&D projects in even broad detail is maintained currently.

It is my hope, Mr. President, that Congress will act promptly in passing this measure. It is a first step, a modest first effort to bring order and efficiency to our Nation's high technology R&D efforts, and to assess how Government policies can aid in accelerating such efforts and insure a rosy outlook for high technology employment in the future.

I ask unanimous consent for my bill, the Frontier Technologies Assessment Act, to appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Frontier Technologies Assessment Act."

SECTION 1. SHORT TITLE.

This Act may be cited as the "Frontier Technologies Assessment Act."

SEC. 2. ESTABLISHMENT OF A TASK FORCE ON FRONTIER TECHNOLOGIES.

The President shall appoint a Task Force on Frontier Technologies within 60 days of enactment of this Act.

(A) MEMBERSHIP.

(1) The Vice President of the United States shall serve as Chairman of the Task Force;

(2) The President shall appoint twenty-four (24) members in addition to the Vice President, including representatives from the private sector, academia, and government, four (4) Senators to be appointed by the Majority Leader of the United States Senate and four (4) Congressmen to be appointed by the Speaker of the United States House of Representatives.

(B) TERM.—All members of the Task Force shall serve until the Task Force reports to Congress pursuant to Section 3.

SEC. 3. DUTIES OF TASK FORCE.

The task force shall prepare a report to Congress within one (1) year of the date of enactment of this Act.

(A) THE REPORT SHALL:

(1) Summarize all government programs in technologically mature economies de-

signed to encourage, subsidize, accelerate, or otherwise enhance the pace with which technology research and development occurs;

(2) Evaluate the components and success of such government programs, including any role played by tariffs and other barriers to the free exchange across national boundries of goods and services;

(3) Evaluate in conjunction with representatives of the private sector whether such foreign government programs could and should be adopted for use by the Federal Government;

(4) Provide a detailed review, including stage of development and potential market prospects, for the specific technologies which are the focus of these foreign government programs; and

(5) Evaluate and discuss specific frontier technologies which could form the basis for substantial commercial product lines in the 1990's and beyond, and propose options for exploring the eventual commercial viability of such frontier technologies, involving the Federal Government, the private sector, or academic entities.

(B) CATALOG OF FEDERAL R&D PROGRAMS.—The report shall contain a compilation and summary of all Federal research or development projects, and private projects where feasible, which focus on technologies which are the subject of foreign government programs summarized in paragraph (A)1, or evaluated in paragraph (A)5.

SEC. 4. AUTHORIZATION.

There is hereby authorized to be appropriated such funds as are necessary to carry out the duties of the Task Force established by this Act.

By Mr. GRASSLEY (for himself, Mr. DOLE, and Mr. DENTON):

S. 633. A bill entitled the "Government Accountability Act of 1983"; to the Committee on the Judiciary.

GOVERNMENT ACCOUNTABILITY ACT OF 1983

● Mr. GRASSLEY. Mr. President, I am once again introducing legislation together with Senator DOLE and Senator DENTON, to deal equitably with the serious problem of the increasing number of lawsuits filed against Federal employees in their individual or personal capacities.

In the last Congress I introduced nearly identical legislation to the bill that I am offering today. That bill, S. 1775, was referred to the Judiciary Committee which in turn routed the bill to the subcommittee which I chaired, the Subcommittee on Agency Administration. The Judiciary Subcommittee which I presently chair, the Subcommittee on Administrative Procedure and Practice, has assumed the jurisdiction of my former subcommittee in addition to assuming the jurisdiction of the former Regulatory Reform Subcommittee.

We held three hearings on S. 1775 in the 97th Congress in my subcommittee and reported the bill to the full Judiciary Committee shortly before the lameduck session of Congress. While time was not on our side in the 97th Congress, I intend in this Congress to quickly process this bill and send it to the full committee and Senate floor for consideration.

I had the honor of writing a chapter on the Federal Tort Claims Act for the Free Congress Research and Education Foundation's book, which will be available soon, entitled "Criminal Justice Reform." I believe that this chapter is a helpful analysis of the events that have led to the urgent need for the protections mandated by this legislation and ask that it be printed in the RECORD.

There being no objection, the chapter was ordered to be printed in the RECORD, as follows:

CRIMINAL JUSTICE REFORM

A thirty year veteran forest ranger in the Idaho Panhandle National Forest directs Forest Service employees to remove garbage, rusted bus hulls, and scrap metal from a mining site where it has festered for five years. Prior to implementing the cleanup plans, notice of the removal is provided to the former lessee mining company which delivers no response. The ranger is unaware of a pre-existing agreement that transfers the scrap metal to the plaintiff. Two years after the cleanup, there is a knock on the door and the ranger is greeted with a summons and complaint requesting $48,000 in compensatory damages and $100,000 in punitive damages for violation of the plaintiff's constitutional rights. Three years later, a jury finds against the ranger and awards $1,000 in compensatory damages plus $216.50 in court costs. The appeals process begins.[1]

Federal employees are being increasingly sued for decisions made during the course of a workday. From forest ranger to director of the National Cancer Institute, from meat inspector to cabinet officer, our entire federal workforce is potentially subject to personal liability suits for decisions that are made in carrying out federal missions. Since the Supreme Court's 1971 decision in the case of *Bivens* v. *Six Unknown Named Agents of the Federal Bureau of Narcotics*,[2] federal employees have been subject to personal liability, which translates to money damages, for what the Court termed "constitutional torts". The *Bivens* case arose from a compelling factual setting. Narcotics agents ransacked a citizen's apartment, arrested and manacled him in front of his wife and family, and ushered him to a federal courthouse where he was interrogated, booked, and subjected to a visual strip search. This internment was effectuated without probable cause for a search warrant.

Most constitutional torts arise in a much more mundane setting. While immediately following the *Bivens* decision these actions arose in the context of law enforcement, they increasingly have arisen in the realm of regulatory or personnel actions taken by federal employees.[3]

The Department of Justice estimates that there are at present over two thousand lawsuits pending against federal employees in their individual capacities for alleged violations of constitutional rights. That number is conservative as it relates to actual numbers of federal employees involved in pending litigation because multiple defendants are sued in nearly seventy-five percent of all cases[4] and some cases involve as many as thirty to forty-five defendants.[5] The Department further estimates that since 1971 there have been approximately ten thousand lawsuits lodged against federal employees. Of that total, only fifteen have resulted in judgments for plaintiffs.

As Chairman of the Senate Subcommittee on Agency Administration, I have conducted three hearings on legislation which I introduced in response to what I view as a terribly unfair and unproductive situation. While a federal employee embroiled in litigation undergoes untold anguish, it is the taxpayer who is the ultimate loser in this process; and a triple loser to boot. Taxpayer monies are spent defending employees for what often amount to harassment suits. Taxpayer monies are spent paying employees who are too intimidated by threats of litigation or ensuing litigation to effectively and innovatively carry out their designated functions. Taxpayer monies are spent in paying private attorneys fees resultant from the Department of Justice's policy of hiring outside private counsel where its own representation of a federal employee might produce a conflict of interest.

My legislation is fashioned to make the best use of taxpayer funds while at the same time insuring adequate compensation to a plaintiff whose constitutional rights have been violated. So often is the case, that even if a plaintiff wins a suit, the defendant is judgment proof. The government will be substituted as the exclusive defendant in all constitutional actions and generally the exclusive defendant in all tort suits in which the Attorney General certified that the employee was acting within the scope of his employment. Hence the Department of Justice will no longer have to excuse itself from suits and hire private counsel to avoid conflicts of interest. In addition the employee will no longer be deterred from carrying out his federal duties.

Testimony, both from federal employees who have been sued and from Assistant U.S. Attorneys who have defended federal employees, indicates that the numbers of sued employees are but a statistical guage of the anguish, fear, and betrayal that a federal employee experiences when he has been personally sued for actions taken to enforce the laws of the United States. Stress and anxiety are not easily allayed by even the most competent of U.S. Attorneys. As one employee in the throes of litigation put it:

"To say that this left a residual fear in my mind is to put it lightly. I was concerned. I was worried . . . I have mild angina and, by gosh, I found I wasn't having mild angina. I was having chest pains frequently at night. I would wake up with chest pains. I went to see my doctor and he said, 'Oh yes.' He said, 'that's the standard thing. You get a high anxiety level and you get chest pains from angina. I guess I'd better give you sleeping pills.' So for the first time in my life I was taking sleeping pills."[6]

An action that threatens an employee's personal and professional assets potentially affects the quality of his life, not to mention his mental health.

Under Department of Justice procedures, a federal employee is provided with representation in state criminal proceedings and in civil and congressional proceedings in which he is sued or subpoenaed in his individual capacity. Representation is not provided in connection with federal criminal proceedings. Upon receipt of an agency's notification of request for counsel, either the Civil Division, the Civil Rights Division, the Criminal Division, the Lands and Natural Resources Division or the Tax Division de-

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[1] Footnotes at end of chapter.

termines whether the employee was acting within the scope of his employment and whether providing representation is in the interest of the United States. The employee is informed from the outset of the action that in no event will the government pay any judgment rendered against the employee.[7] Likewise, a settlement prior to the adjudication of a claim is paid by the employee.

Where conflicts of interest are not apparent and private representation is unnecessary, representation is afforded to employee defendants by Assistant United States Attorneys. These attorneys are in the best position to observe the practical effects of the current system of liability. They have a firsthand view of the employee's reaction to his dilemma and are aware of what kind of time and hence what kind of money is spent in defending these suits. Testimony from two former and two present U.S. Attorneys point out that representation of a government employee is fraught with conflict of interest potential from the outset.[8] Afterall, a U.S. Attorney's first loyalty is to the United States; his obligation to the employee's interest must come second. As one United States Attorney put it:

"In many instances the Government may prefer to take the risk of losing a substantial judgment rather than disclosing confidential information that could justify the agents' action. An agent who pictures his life savings being wiped out, if a substantial judgment is awarded him, will be seriously disheartened, if he learns that the Government is refusing to release information which would provide him with a complete defense." [9]

Morale problems are likely to result from a situation in which an employee follows the directive of his employer, in this case the United States, and yet cannot be indemnified by that employer if his conduct is found to exceed constitutional bounds.

The Federal Tort Claims Act was enacted in 1946, largely due to Congressional discomfort with the doctrine of sovereign immunity. That doctrine is predicated on the common law theory that the king can do no wrong and therefore cannot be sued in his own courts.[10] The United States waived its immunity with respect to general liability for negligent tortious conduct on the part of governmental agents. Prior to the enactment of the Act, individuals seeking redress from the federal government for the commission of torts by its employees were forced to address their complaints to Congress, which had the power to enact a private relief bill for the individual. Congress enacted the Federal Tort Claims Act as a means of relieving itself from the burden of considering the merits of a plethora of individual tort claims.

With the advent of the Federal Tort Claims Act, the United States was liable for torts "in the same manner and to the same extent as a private individual under like circumstances."[11] Nevertheless, this general waiver excludes claims "based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a federal agency or an employee of the Government, whether or not the discretion involved be abused."[12] While Congress has enacted several specific provisions that substitute the government for individual liability for a number of employee groups, the basic language of the Act gives the plaintiff an election to sue either the defendant employee or the government.

Since 1946, there has been no comprehensive review of the Federal Tort Claims Act. There has, however, been a series of Supreme Court decisions that have sanctioned suits filed at every level of government for alleged constitutional infringements. This line of cases, beginning with the Court's seminal decision in *Bivens v. Six Unknown Named Agents of the Federal Bureau of Narcotics*,[13] underlies the creation of a personal remedy against an individual—commonly known as a *Bivens* action.

In *Bivens*, the Court recognized individual employee liability for violation of a citizen's fourth amendment rights. Against the backdrop of the Attica prison unheaval in New York, the May Day arrests in Washington, and the Collinsville raids in Illinois, Congress legislated a partial response to the *Bivens* decision. Congress amended the Federal Tort Claims Act to allow a suit to be brought against the U.S. for acts of assault, battery, false arrest, malicious prosecution and other similar wrongs committed by federal investigative agents.

While this amendment did much to alleviate the impact of the *Bivens* decision on "investigative or law enforcement officers of the United States government," which was defined to mean "any officer of the United States who is empowered by law to execute searches, to seize evidence or to make arrests for violations of federal law," [14] it did nothing to lessen the impact of subsequent decisions on federal employees. For example, in the 1978 term the Court allowed a fifth amendment suit against a member of Congress [15] and in the 1979 term the Court extended the ambit of *Bivens* to an eighth amendment suit against prison officials.[16] So, while initially constitutional tort actions were lodged against law enforcement agents under the fourth amendment, the Court has expanded its recognition of constitutional torts beyond those for violation of the fourth amendment to violations of the fifth and eighth amendments. Lower courts have applied the *Bivens*-based cause of action to suits involving violations of the first, fifth, sixth, eighth, ninth, thirteenth, and fourteenth amendments.[17] This expansion has changed the character of suits that have been brought from those affecting law enforcement activities to those primarily directed at regulatory and personnel decisions.

A recurring theme throughout all the relevant Supreme Court decisions is that the Court is acting only in lieu of Congressional action. That action appears to be the best short term solution to a longstanding problem of employee liability.

Congress' failure to enact legislation to remedy the deficiencies of the *Bivens* decision has not been for want of trying. Indeed, as early as 1973, legislation was proposed that would make the United States exclusively liable for the constitutional and common law torts of its employees, but it was the enactment of the 1974 amendments to the Act that ultimately emerged as law.

In the 95th Congress, different versions of a bill were approved by Subcommittees of both chambers but were never reported out of the respective full Judiciary committees for floor action. In the 96th Congress, the legislation failed to progress out of either Judiciary Subcommittee.

The current legislative effort portends to be the most successful; a controversial aspect of former bills has been eliminated. In past bills, no consensus could be reached as to what form of administrative discipline should be applied to tortious employees.

Currently, there is a recognition that to attempt to legislate one mandatory disciplinary standard for every agency to follow is impracticable. Instead under the provisions of both the Senate and House bills, if a constitutional tort suit results in a judgment against the United States, or an award, compromise, or settlement paid by the United States, the Attorney General must forward the matter to the head of the department or agency which employed the individual for appropriate administrative or disciplinary action. Shedding the disciplinary proceeding from the bill in favor of utilizing an agency's own internal disciplinary mechanism has been a boost for both the bills' chances of passage; but a number of polemical issues still remain.

Traditionally the major proponent of this legislation has been the law enforcement community. Opposition to the concept has been principally voiced by the American Civil Liberties Union. While these two groups are closer to a compromise than ever before, there is still controversy over a provision allowing the United States to assert any defense available to the employee, which includes a qualified immunity known as the "good faith defense." The Department of Justice labels the defense as a crucial provision of the bill:

"It really goes to the merits of the plaintiff's claim by testing the action of an employee against the standard of reasonableness and good faith. We also think that taxpayers' funds, funds out of the U.S. Treasury, should not be paid out for actions taken in good faith. And when you bear in mind that any payment of a claim carries with it the threat, in effect, of a disciplinary action against the employee later, it would be self-defeating if you were going to make payments where the employee has acted in good faith because it seems clear that there should be no disciplinary proceedings under such circumstances.

"And certainly no employee wants to be found "guilty," if you will, of unconstitutional acts and suffer the resulting stigma. So that, even where the United States and not the employee would be the defendant, our view is that employees would be discouraged from acting in uncertain areas where they might subject the Government to financial liability. We should not deter employees from acting in good conscience and in good faith and from being courageous, particularly in the law enforcement and other essential areas of Government activities." [18]

It is a defense worth preserving particularly in light of a recent Supreme Court decision. Past decisions of the Supreme Court have established the good faith defense as containing a subjective requirement of a good faith belief in the validity of one's actions as well as an objective requirement of reasonableness. "The official himself must be acting sincerely and with a belief that he is doing right," [19] and that belief must be reasonable. Whether reasonable good faith exists is a factual question that places the burden of proof on the government employee.

The Supreme Court's most recent formulation of the good faith defense in *Harlow et. al.* v. *Fitzgerald*,[20] alters the traditional two tiered test in favor of soley an objective qualified defense. The Court considered the scope of immunity available to senior aides and advisers of the President in civil tort actions based upon their official acts in *Harlow*. After considering past immunity decisions and noting the *Bivens* adage that "an action for damages may offer the only realistic avenue for vindication of constitu-

tional guarantees" [21] the Court went on to state:

"It is this recognition that has required the denial of absolute immunity to most public officers. At the same time, however, it cannot be disputed seriously that claims frequently run against the innocent as well as the guilty—at a cost not only to the defendant officials, but to the society as a whole. These social costs include the expenses of litigation, the diversion of official energy from pressing public issues, and the deterrence of able citizens from acceptance of public office. finally, there is the danger that fear of being sued will 'dampen the ardor of all but the most resolute, or the most irresponsible (public officials), in the unflinching discharge of their duties.' "[22]

The Court concluded that the subjective test of the good faith defense "has proved incompatible with our admonition in *Butz* that insubstantial claims should not proceed to trial." [23] The Court found the intensive discovery that accompanies an inquiry into the subjective intent of a defendant to be burdensome to effective government.

The elimination of the subjective element of the good faith defense is a great boon to the insulation of the employee from time consuming discovery. Testimony from the American Civil Liberties Union concluded that individuals would spend as much time in court attempting to validate their good faith belief if the government was substituted as they would spend if they were being personally sued.[24] This decision mandates that the limits of the qualified immunity be defined in objective rather than subjective terms, thus bolstering the aim of allowing the public official to conscientiously perform his mission unburdened by litigation.

If the good faith defense is waived, we are faced with a strict liability situation in every case where even a technical infringement occurs. Every criminal defendant, even if convicted, who wins a motion to suppress evidence may receive automatic liquidated damages of at least $1,000 as provided by the legislation. Without access to the knowledge that the employee was acting with a good faith belief in the propriety of his action, it would be more difficult both for the Department of Justice and the Agency to discern real offenders because of the vast number of cases requiring automatic payment. Retention of the defense is a disincentive to the blank check theory of award and ensures that the plaintiff will receive a day in court to relate his version of the employee's conduct. Furthermore, the employee will, in turn, have an opportunity to defend his conduct in public. Finally, it must be noted that under the common law, the principal or employer sought to be held liable has always been able to raise the defenses of his agent.[25] The United States should be entitled to the same defenses as any employer.

Aside from opposition to incorporation of the good faith defense, a traditional objection to exclusive governmental liability is that it somehow disregards the elements of personal fault. It is felt that "the current law creates a significant incentive for compliance with constitutional rights because individual federal employees have a substantial fear of having to pay judgments and attorneys fees in lawsuits against them". [26] Yet as Chief Justice Burger noted in his *Bivens* dissent with reference to the exclusionary rule's effect on law enforcement officers, there is no empirical evidence to support the claim that the rule actually deters illegal conduct of government employees.[27] The forest ranger mentioned at the outset of this discussion testified at a Senate hearing that the lawsuit had an effect on his ability to make independent decisions:

"The unsettled suit has been an omnious cloud over my personal and financial situation for over 8 years. Even worse than the possible financial damage, is the uneasy feeling I get each time that I make a decision.

"I have forced myself to cope with this situation so that I can carry on my duties and responsibilities as a Federal manager, but it has not been easy. Litigation of the type I have experienced cannot help but affect decisions by me and other Forest Service employees close to the case.

"In the case that I have just described, the plaintiff is still operating on the Red Ives Ranger District. Each year I am faced with several decisions regarding his business operations on the Forest.

"One of the greatest anxieties in my case was the uncertainty at various points of wondering if the Government would continue to pay for the counsel who represented me or whether I might be forced to retain a private attorney." [28]

Some employees are blissfully unaware of their liability for decisions made in the scope of their employment. Those who are aware of potential liability are more than likely not so much deterred from taking illegal action as they are deterred from the legitimate objectives of a career.

Spokesmen for federal employee unions are quick to note that the effect of an adverse judgment on an employee's reputation is very much of a strong deterrent to misconduct.[29] A full range of disciplinary actions are available to underscore an employee's guilt. An employee may be discharged, demoted in grade, debarred from all Federal employment for a period not to exceed five years, suspended, reprimanded, or assessed a civil penalty.[30]

In summary, a grant of personal immunity for federal employees is needed to remedy a system that, perhaps because of an increasingly litigious bent, hinders rather than encourages production from its federal workforce. It is in society's interest, our interest, to see that the day's labor for the honest and conscientious federal employee is unthreatened by vexatious lawsuits. Such lawsuits, in the final analysis affect the quality of our government and the quality of our lives.

REFERENCES

[1] Hearings on Amendments to the Federal Tort Claims Act before the Subcommittee on Agency Administration, 97th Cong., 1st Sess. (1981) (hereinafter Senate Hearings, part I) p. 48-51.

[2] 403 U.S. 388 (1971).

[3] Hearing on Amendments to the Federal Tort Claims Act before the Subcommittee on Agency Administration, 97th Cong., 2nd Sess. (1982) (hereinafter Senate Hearing, part II) p. 174.

[4] Senate Hearing, part II, p. 161.

[5] Senate Hearings, part I, p. 12.

[6] Id. at p. 110.

[7] DOJ Statements of Policy; Representation of Federal Officials and Employees, 47 Fed. Reg. 38, 8172 (1982) (to be codified in 28 C.F.R. § 50.15).

[8] Senate Hearings, part I, p. 56.

[9] Id.

[10] W. Holdsworth, History of English Law, 458-459 (5th ed. 1942).

[11] 28 U.S.C. § 2674 (1971).

[12] 28 U.S.C. § 2680 (a) (1970).

[13] 403 U.S. 388 (1971).

[14] 28 U.S.C. § 2680(h) (1976), as amended by Act of Mar. 16, 1974, Pub. L. No. 93-253, § 2, 88 Stat. 50 (1974).

[15] *Davis* v. Passman, 442 U.S. 228 (1979).

[16] *Carlson* v. *Green*, 446 U.S. 14 (1980).

[17] See, Lehmann, "Bivens and its Progeny: The Scope of a Constitutional Cause of Action for Torts Committed by Government Officials", 4 Hastings Const. L. Q. 531 (1977).

[18] Senate Hearings, part I, p. 9.

[19] *Wood* v. *Strickland*, 420 U.S. 308, 321 (1975).

[20] *Harlow et al.* v. *Fitzgerald*, 50 U.S.L.W. 4815 (June 24, 1982).

[21] Id. at 4819.

[22] Id. citing *Gregoire* v. *Biddle*, 177 F. 2d 579, 581 (CA2 1949), cert. denied, 339 U.S. 949 (1950).

[23] Id. at 4820.

[24] Senate Hearings, part I, p. 103.

[25] Contact with John Lodge Euler, Assistant Director of Torts Branch, Department of Justice, (August 12, 1982).

[26] Senate Hearings, part I, p. 103.

[27] 403 U.S. 388, 415 (1971).

[28] Senate Hearings, part I, p. 49.

[29] Id. at p. 123.

[30] 5 U.S.C. § 1207(b).

Mr. GRASSLEY. Mr. President, I cannot emphasize strongly enough how important this legislation is to an effective governing process. I urge all of my colleagues to support this bill and I ask that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 633

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That subsection (b) of section 1346 of title 28, United States Code, is amended—

(1) by inserting "(1)" after "jurisdiction of"; and

(2) by striking out the period at the end thereof and inserting in lieu thereof ", or (2) civil actions on claims against the United States, for money damages, sounding in tort arising under the Constitution of the United States for injury or loss of property, or personal injury or death, caused by an act or omission of any employee of the Government while acting within the scope of his office or employment, such liability to be determined in accordance with applicable Federal law.".

SEC. 2. Section 2672 of title 28, United States Code, is amended in the first paragraph—

(1) by inserting "(1)" after "United States" the first place it appears;

(2) by striking out the colon after "occurred" and inserting in lieu thereof ", or (2) for claims for money damages sounding in tort arising under the Constitution of the United States for injury or loss of property, or personal injury or death, caused by an act or omission of any employee of the Government while acting within the scope of his office or employement, such liability to be determined in accordance with applicable Federal law:"; and

(3) by inserting "or any award, compromise, or settlement based on a claim arising under the Constitution of the United States" after "25,000".

SEC. 3. Section 2674 of title 28, United States Code, is amended—

(1) by striking out the comma after "claims" in the first paragraph and inserting in lieu thereof "other than those arising under the Constitution of the United States,";

(2) by inserting "(a)(1)" at the beginning of the first paragraph;

(3) by inserting "(2)" at the beginning of the second paragraph; and

(4) by adding at the end thereof the following new subsection:

"(b)(1) The United States shall be liable, respecting the provisions of this title relat-

ing to tort claims arising under the Constitution of the United States, to the extent recognized or provided by applicable Federal law, and shall be entitled to all defenses heretofore available to an employee of the United States and to which the United States would otherwise be entitled. The United States shall not be liable for interest prior to judgement or for punitive damages.

"(2) Damages in any such case shall be the greater of (A) actual damages or (B) liquidated damages of $1,000 or, in the case of a continuing tort, $100 a day for each day of violation up to a maximum of $15,000.".

SEC. 4. Subsection (a) of section 2675 of title 28, United States Code, is amended by striking out the comma after "employment" and inserting in lieu thereof "or upon a claim against the United States for money damages for a tort arising under the Constitution of the United States caused by an act or omission of any employee of the Government while acting within the scope of his office or employment,".

SEC. 5. (a) Subsection (b) of section 2679 of title 28, United States Code, is amended to read as follows:

"(b) The remedy against the United States provided by sections 1346(b) and 2672 of this title for claims for injury or loss of property or personal injury or death resulting from the negligent or wrongful act or omission of any employee of the Government while acting within the scope of his office or employment and for claims arising under the Constitution of the United States for an act or omission of any employee of the Government while acting within the scope of his office or employment, is exclusive of any other civil action or proceeding arising out of or relating to the same subject matter against the employee whose act or omission gave rise to the claim, or against the estate of such employee, and shall also be deemed an equally effective substitute for any recovery against the employee in his individual capacity directly under the Constitution.".

(b) Subsection (d) of such section is amended to read as follows:

"(d)(1) Upon certification by the Attorney General that the defendant employee was acting within the scope of his office or employment at the time of the incident out of which the action arose, any such civil action or proceeding commenced in a United States district court shall be deemed an action against the United States under the provisions of this title and all reference thereto, and the United States shall be substituted as the party defendant. After substitution, the United States shall have available all defenses heretofore available to the employee and all defenses to which it would have been entitled if the action had originally been commenced against the United States under this chapter and section 1346(b) of this title.

"(2) Upon certification by the Attorney General that the defendant employee was acting within the scope of his office or employment at the time of the incident out of which the action arose, any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending. Such action shall be deemed an action brought against the United States under the provisions of this title and all references thereto, and the United States shall be substituted as the party defendant. After substitution, the United States shall have available all defenses heretofore available to the employee and all defenses to which it would have been entitled if the action had originally been commenced against the United States under this chapter and section 1346(b) of this title. The certification of the Attorney General shall conclusively establish scope of office or employment for purposes of removal.

"(3) The certification by the Attorney General under subsection (d) (1) or (2) that the defendant employee was acting within the scope of his office or employment shall be binding and conclusive, except that in the event that the Attorney General has not certified scope of office or employment, the employee may at any time before trial petition the court to find and certify that the employee was acting within the scope of his office or employment. A copy of the petition shall be served upon the United States in accordance with the provisions of rule 4(d)(4), Federal Rules of Civil Procedure. In the event the petition is filed in a civil action or proceeding pending in a State court, the action or proceeding shall be removed without bond by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending. Should the district court determine that the employee was not acting within the scope of his office or employment, the action or proceeding shall be remanded to the State court.

"(4) Where a civil action or proceeding under this chapter is precluded because of the availability of a remedy, compensation, or other benefits from the United States as provided by any other law, the action or proceeding shall be dismissed but in that event, the running of any limitation of time for commencing or filing an application or claim in a proceeding for any other such remedy, compensation, or benefits shall be suspended during the pendency of the civil action or administrative proceeding under this chapter.

"(5) Whenever an action brought against a defendant employee in which the United States is substituted as the party defendant under this subsection is dismissed for failure first to present a claim to the appropriate Federal agency pursuant to section 2675(a) of this title, the claim shall be deemed to be timely presented under section 2401(b) of this title, if (A) the claim would have been timely if filed on the date the action against the defendant employee was commenced, and (B) the claim is presented to the appropriate Federal agency within sixty days after dimissal of the action.".

(c) Such section is further amended by adding at the end thereof the following new subsection:

"(f) If a civil action or proceeding under section 1346(b) or 2672 of this title arising under the Constitution of the United States results in a judgment against the United States or an award, compromise, or settlement paid by the United States, the Attorney General shall forward the matter to the head of the department or agency which employed the employee at the time of the act or omission for such further administrative investigation or disciplinary action as may be appropriate.".

SEC. 6. (a) Section 2680 of title 28, United States Code, is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"**§ 2680. Exceptions; claims not arising under the Constitution of the United States**";

(2) by inserting ", relating to tort claims other than those arising under the Constitution of the United States," in the first paragraph immediately after "title"; and

(3) by amending subsection (h) to read as follows:

"(h) Any claim arising out of libel, slander, misrepresentation, deceit, or interference with contract rights.".

(b) The item relating to section 2680 in the table of sections at the beginning of chapter 171 of title 28, United States Code, is amended to read as follows:

"2680. Exceptions; claims not arising under the Constitution of the United States."

SEC. 7. (a) Chapter 171 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"**§ 2681. Exceptions; claims arising under the Constitution of the United States**

"The provisions of this chapter and of section 1346(b) of this title which relate to tort claims arising under the Constitution of the United States shall not apply to actions arising from the activities of the Tennessee Valley Authority, the Panama Canal Company, a Federal land bank, a Federal intermediate credit bank, or a bank for cooperatives.".

(b) The table of sections at the beginning of chapter 171 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"2681. Exceptions; claims arising under the Constitution of the United States."

SEC. 8. (a)(1) Subsections (a) through (d) of section 4116 of title 38, United States Code, are repealed.

(2) Subsection (e) of such section is amended—

(A) by striking out "(e)";

(B) by striking out "person to whom the immunity provisions of this section apply (as described in subsection (a) of this section)," and inserting in lieu thereof "employee of the Veterans' Administration"; and

(C) by striking out "Department of Medicine and Surgery" and inserting in lieu thereof "Veterans Administration".

(b)(1) Subsections (a) through (e) of section 224 of the Public Health Service Act (42 U.S.C. 233) are repealed.

(2) Subsection (f) of such section is amended by striking out "(f)".

(c)(1) Subsections (a) through (e) of section 1089 of title 10, United States Code, are repealed.

(2) Subsection (f) of such section is amended by striking out "person described in subsection (a)" and inserting in lieu thereof "employee of the Armed Forces, the Department of Defense, the United States Soldiers' and Airmen's Home, or the Central Intelligence Agency".

(3) Subsection (g) of such section is amended—

(A) by striking out "and" at the end of clause (2);

(B) by redesignating clause (3) as clause (4); and

(C) by inserting after clause (2) the following new clause:

"(3) the Governor of the United States Soldiers' and Airmen's Home, in the case of an employee of the United States Soldiers' and Airmen's Home; and".

(4) Subsections (f) and (g) of such section are redesignated as subsections (a) and (b), respectively.

(d)(1) Subsections (a) through (e) of section 307 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2458a) are repealed.

(2) Subsection (f) of such section is amended—

(A) by striking out "(f)"; and

(B) by striking out "person described in subsection (a)" and inserting in lieu thereof "employee of the National Aeronautics and Space Administration".

(e)(1) Subsections (a) through (e) of section 1091 of the Foreign Service Act of 1946 (22 U.S.C. 817) are repealed.

(2) Subsection (f) of such section is amended by striking out "person to whom the immunity provisions of subsection (a) of this section apply," and inserting in lieu thereof "employee of the Department of State (including the Agency for International Development)".

(3) Subsections (f) and (g) of such section are redesignated as subsections (a) and (b), respectively.

SEC. 9. Section 2520 of title 18, United States Code, is amended by adding at the end thereof the following new sentence: "This section shall not apply to any civil cause of action against an officer or employee of the United States while acting within the scope of his office or employment.".

SEC. 10. Section 1810 of title 50, United States Code, is amended by adding at the end thereof the following new sentence:

"This section shall not apply to any civil cause of action against an officer or employee of the United States while acting within the scope of his office or employment."

SEC. 11. (a) Except as provided in subsection (b), the amendments made by this Act shall apply to all claims, civil actions and proceedings pending on, or filed on or after, the date of enactment of this Act.

(b)(1) With respect to any civil action or proceeding pending on the date of enactment against a Federal employee in his individual capacity, the plaintiff may, upon timely demand, (A) retain his right to a trial by jury if the demand for trial by jury is made prior to or on the date of enactment, or (B) elect a trial by jury if the time for election of a trial by jury pursuant to applicable law has not expired as of the date of enactment, except that in any case in which a trial by jury is elected under this paragraph, the provisions of section 2674(b) of this title, as added by section 3 of this Act, which relate to liquidated damages, shall not apply.

(2) With respect to any civil action or proceeding pending against a Federal employee in his individual capacity on appeal, or pending against a Federal employee in his individual capacity in a State court in which the time for removal pursuant to section 2679(d) of this title has expired, the amendments made by this Act shall not apply, except that the United States shall be substituted for the defendant employee upon certification by the Attorney General that the defendant employee was acting within the scope of his office or employment at the time of the incident out of which the action or proceeding arose.

(3) The provisions of section 2675(a) of this title shall not apply to a civil action or proceeding against a Federal employee in his individual capacity pending on the date of enactment of this Act, if the provisions of section 2675(a) were inapplicable to the action or proceeding when filed.●

By Mr. HART:

S. 634. A bill to provide for the establishment of revitalization areas in distressed areas, to amend the Internal Revenue Code of 1954 to provide tax incentives for development in revitalization areas, and for other purposes; to the Committee on Finance.

COMMUNITY ASSISTANCE AND REVITALIZATION ACT OF 1983

Mr. HART. Mr. President, today, I am introducing the Community Assistance Revitalization Act of 1983 (CARA). This legislation would amend the Internal Revenue Code of 1954 to encourage the development of businesses in our Nation's distressed communities.

At the outset, it must be clear that CARA is no substitute for a comprehensive urban policy, and I oppose any attempts by the administration to make enterprise zone legislation such a substitute. CARA should be viewed as just one part of a concerted community revitalization effort and is designed to complement the Federal participation in the economic revitalization of our cities.

A COMMUNITY-BASED ENTERPRISE ZONE

In his state of the Union address last year, President Reagan again expressed the administration's intent to propose enterprise zone legislation this year. Enterprise zone legislation could not be for a better purpose—encouraging businesses to locate or expand in distressed communities, and thus provide jobs for disadvantaged residents and a stronger, local economic base—and I look forward to vigorous debate on this legislation. I strongly believe, however, there is a much better approach to enterprise zone legislation than the administration has taken.

Congressman PARREN MITCHELL and I have been working on an innovative alternative to the administration's proposal, and the bill I am introducing today represents our combined efforts. Congressman MITCHELL and I believe the priorities of the administration's approach need to be substantially altered if enterprise zone legislation is to meet its original, stated purpose of community revitalization.

The administration's approach relies on tax incentives to businesses to induce them to invest in depressed areas. Our proposal begins with the concept of tax incentives but goes beyond the administration to insure that the community and the business benefit directly and immediately from the CARA program.

We believe that any enterprise zone legislation that emerges from Congress should be designed so that the primary beneficiaries are the community residents themselves—people, the real victims of distressed communities. Our bill would substitute for the administration's trickle-down approach a percolate-up approach. Only if enterprise zone legislation stresses the human side of the equation—giving community residents not dead-end, cheap labor jobs, but instead a real share of the benefits—can the effectiveness and success of our community revitalization efforts be assured.

THE NEED FOR AN URBAN POLICY

Our cities are a national treasure. They deserve a steadfast Federal commitment. Cutbacks in Federal aid by this administration have had and continue to have a devasting effect on cities and communities throughout the country. I will continue to oppose these cuts and work hard to promote a strong and effective Federal approach to urban assistance, housing and income security. There are several specific steps the Congress should take this year. First, we should preserve the urban development action grants (UDAG) and community development block grants (CDBG) programs which have planted seeds for community revitalization. Second, the Congress should reauthorize the general revenue sharing program. Third, we need a long-term commitment to rebuilding the Nation's industrial infrastructure. Fourth, there is a real need for effective retraining of displaced workers and the long-term unemployed. Finally, we have to recognize that no city is an island safe from the vicissitudes of the national economy. The President has got to abandon his past programs and adopt an overall economic policy that will put us on the path to short-term revitalization and long-term growth.

THE COMMUNITY ASSISTANCE REVITALIZATION ACT OF 1983

CARA contains a number of components. On the business side, to achieve job creation CARA targets tax incentives to minority and small businesses—the greatest source of jobs. To increase the availability of the front-end capital necessary as startup costs for small businesses, CARA offers expensing, which is an immediate deduction of up to $10,000 for investors in community revitalization. CARA also promotes establishment of entrepreneurship development centers (EDC's) to provide the technical, managerial, and financial services to small businesses in need of them.

As stated before, in order to best serve the long-term interests of distressed communities, Congressman MITCHELL and I believe community residents must have a major economic share in community businesses. CARA embodies this belief. To increase productivity and competition, and to help businesses pool resources, survive and remain independent, ownership of businesses must be available to zone residents. Our bill provides numerous incentives for establishing employee stock ownership programs (ESOP's). Community residents are also provid-

ed the opportunity to influence real estate development in their community through the General Stock Ownership Corporation (GSOC) already authorized at the State level. Promoting resident equity in this way assures the community's active guidance of their redevelopment and the community's share of its resulting economic benefits.

CARA should not be seen as cure for all the ills that plague distressed communities. It can be an integral part of a comprehensive revitalization program which our distressed communities sorely need. As an innovative alternative to the administration's enterprise zone legislation CARA seeks to draw on the mutual interests of community residents, local businesses, and government. It employs traditional conservative economic strategies to achieve the traditional liberal goals of greater economic democracy and equal opportunity.

The search for new solutions for our distressed communities must go on. CARA is part of this search; it should be seen as another example of the Federal Government's commitment to investing in our common future.

I ask unanimous consent that the following items—summary, text, and section-by-section analysis—appear in the RECORD at the conclusion of my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 634

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Community Assistance and Revitalization Act of 1983".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.

TITLE I—DESIGNATION OF REVITALIZATION AREAS

Sec. 101. Revitalization area defined; general rules.
Sec. 102. Preliminary approval of designation.
Sec. 103. Final approval of designation.
Sec. 104. Definitions and special rules.
Sec. 105. Coordination with other Federal programs.
Sec. 106. Job training preferences.

TITLE II—TAX INCENTIVES

Subtitle A—Definition of Revitalization Area Business

Sec. 201. Definition of revitalization area business.

Subtitle B—Incentives for Employee Ownership

Sec. 211. Employee ownership credit.
Sec. 212. Nonrecognition of gain on certain sales of stock of revitalization area business to employee plans.

Subtitle C—Incentives for Investments in Revitalization Areas

Sec. 221. Rollover of gain on the sale of property where reinvestment in certain revitalization area business property.
Sec. 222. Investment credit for certain low-income rental housing.
Sec. 223. Investment credit for establishment of entrepreneurial development center.

Subtitle D—Incentives for Revitalization Area Businesses

Sec. 231. Credit for employment of qualified employees.
Sec. 232. Deduction for certain income attributable to businesses operating in revitalization areas.
Sec. 233. Expense deduction for revitalization area business stock and debentures.
Sec. 234. Direct loans under section 7(a) of the Small Business Act to revitalization area businesses.

Subtitle E—Expansion of Targeted Jobs Credit

Sec. 241. Amendments to targeted jobs credit.

Subtitle F—Effective Date

Sec. 251. Effective date.

TITLE III—GENERAL STOCK OWNERSHIP PROVISIONS

Sec. 301. Establishment of revitalization area GSOC.
Sec. 302. Definition of revitalization area GSOC
Sec. 303. Contributions to GSOC treated as charitable contributions.
Sec. 304. Nonrecognition of the gain from sale or exchange of property to a revitalization area GSOC.

TITLE IV—ENERGY PROVISIONS

Sec. 401. Increase in the limit on contributions attributable to principal payments.
Sec. 402. Deductibility of certain dividend distributions from employee stock ownership plans and qualification for partial exclusion from income.
Sec. 403. Certain contributions to ESOP treated as charitable contributions.
Sec. 404. Effective date.

TITLE V—EMPLOYEE STOCK OWNERSHIP PROVISIONS

Sec. 501. Residential energy credit.
Sec. 502. Increase in energy investment tax credit for revitalization area businesses.

(c) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

(d) FINDINGS.—The Congress finds and declares that—

(1) an important way to create jobs in distressed areas is by stimulating business activity there and creating a favorable lending and investment climate; and

(2) economic development in a distressed area is most effective, beneficial, and fair when it is community based, undertaken with the participation of residents and with the aim of increasing their economic share and stake in the community.

(e) PURPOSES.—The purposes of this Act are—

(1) to provide incentives for investors, lenders, and business owners to make more capital available to business enterprise, especially small firms and businesses with broad capital ownership, which locate in distressed areas;

(2) to provide infrastructural support and decrease various burdens, including tax liabilities, for small businesses, especially those with broad capital ownership which locate in distressed areas; and

(3) to provide mechanisms for increasing the economic stake of revitalization area residents in their own community and its development, and for passing along business tax advantages to employees and residents through incentives for job-training, employee ownership, and resident-owned development corporations.

TITLE I—DESIGNATION OF REVITALIZATION AREAS

SEC. 101. REVITALIZATION AREA DEFINED; GENERAL RULES.

(a) REVITALIZATION AREA DEFINED.—For purposes of this Act, the term "revitalization area" means any area in the United States or its possessions if—

(1) such area is nominated as such by the State government (for the State in which such area is located) for purposes of this section, and

(2) the Secretary, after consultation with the Secretaries of Commerce, Labor, and the Treasury and the Administrator of the Small Business Administration, gives final approval of such nomination and designates such area as a revitalization area.

(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

(1) IN GENERAL.—Any designation of an area as a revitalization area shall remain in effect during the 20-year period beginning on the date of the designation unless the Secretary revokes such designation under paragraph (2).

(2) REVOCATION OF DESIGNATION.—The Secretary, after consultation with the officials described in subsection (a), may revoke any designation of an area only if the Secretary—

(A) determines that the participating local government is not substantially complying with the revitalization area development plan submitted with respect to such area under section 102(c), and

(B) provides, before revocation, reasonable notice and an opportunity for a hearing to such government.

(c) PERIOD DURING WHICH DESIGNATIONS MAY BE MADE.—

(1) IN GENERAL.—The Secretary may designate areas as revitalization areas during the period beginning on January 1, 1984, and ending on December 31, 1993.

(2) LIMITATION ON NUMBER OF AREAS DESIGNATED BEFORE 1989.—For calendar years 1984 through 1988, the Secretary shall designate the following number of revitalization areas:

(A) 1984: 30.
(B) 1985: 30.
(C) 1986: 35.
(D) 1987: 45.
(E) 1988: 65.

(d) NOMINATION BY LOCAL GOVERNMENT.—The nomination of an area as a revitalization area by a local government shall satisfy the requirement of subsection (a)(1) if the State government has failed to nominate such area under this section within 60 days after the date on which the local government requested the State to so nominate such area.

(e) REPORT.—Not later than the close of the 4th calendar year after the year during which an area is designated a revitalization area, and at the close of each 4th calendar year thereafter, the Secretary shall prepare

and submit to the Congress a report on the effects of such designation in attracting business, providing jobs, and improving the welfare of residents.

SEC. 102. PRELIMINARY APPROVAL OF DESIGNATION.

(a) IN GENERAL.—The Secretary may give preliminary approval of an area as a revitalization area only if—

(1) the requirements of paragraphs (1), (2), and (3) of subsection (b) are met with respect to such area,

(2) the participating local government—

(A) prepares a revitalization area development plan,

(B) has established a revitalization area management authority, and

(C) has consulted residents, businesses, and quasi-public and private organizations (such as community development corporations and resident-owned development corporations) located in such area with respect to such designation, plan, and management authority, and

(3) the government nominating such area under section 101 submits to the Secretary such plan and such other information as the Secretary may by regulations prescribe.

(b) AREA REQUIREMENTS.—

(1) IN GENERAL.—An area meets the requirements of this paragraph only if—

(A) the area is within the jurisdiction of the participating local government,

(B) the boundary of the area is continuous and includes, if feasible, proximately located vacant or underutilized lands or buildings which are conveniently accessible to residents of the area,

(C) the area—

(i) has a population which, as determined under the most recent census, is at least—

(I) 4,000 if any portion of such area is located within a standard metropolitan statistical area (within the meaning of section 103A(1)(4)(B) of the Internal Revenue Code of 1954) with a population of 50,000 or greater, or

(II) 2,500 in any other case, or

(ii) is an Indian reservation (as determined by the Secretary of the Interior), and

(D) the area comprises at least 1 square mile.

(2) PERVASIVE POVERTY, ETC.—An area meets the requirements of this paragraph if the Secretary determines the area is one of pervasive poverty, unemployment, and general distress.

(3) UNEMPLOYMENT, POVERTY, ETC. REQUIREMENTS.—An area meets the requirements of this paragraph if—

(A) the average rate of unemployment in such area for the most recent 18-month period for which data are available was at least 1 1/2 times the average national rate of unemployment for such 18-month period;

(B) such area was a low-income poverty area (as determined by the Bureau of the Census during its most recent census);

(C) at least 60 percent of the residents living in the area have incomes below 80 percent of the median income of the residents of the participating local government (determined in the same manner as under section 119(b) of the Housing and Community Development Act of 1974); or

(D) with respect to such area—

(i) the population in the aggregate of all census tracts in the area decreased by 10 percent or more between 1970 and 1980, and

(ii) the participating local government establishes to the satisfaction of the Secretary that—

(I) chronic abandonment or demolition of commercial or residential structures exists in the area, or

(II) substantial tax arrearages of commercial or residential structures exist in the area.

(4) DETERMINATIONS MADE BY SECRETARY.—Determinations under this title shall be made by the Secretary on the basis of—

(A) data produced by any Federal agency, and

(B) data submitted by or on behalf of the government designating the area (or persons designated by the government) if the Secretary determines that such data is reasonably accurate.

(c) REVITALIZATION AREA DEVELOPMENT PLAN.—

(1) IN GENERAL.—For purposes of this Act, the term "revitalization area development plan" means a plan developed by the participating local government which—

(A) provides an assessment of the economic and social conditions of such area;

(B) specifies development objectives for such area and assigns a priority to each development objective;

(C) provides for the establishment of a revitalization area management authority which—

(i) will implement and coordinate this Act with other local programs, and

(ii) will provide for the meaningful representation of community residents, minority groups, and other community entities in the decisions of such authority;

(D) specifies the powers to be vested in such authority, particularly with respect to any revitalization area GSOC established under section 301 of this Act;

(E) provides advisory guidelines for—

(i) making investment and development decisions with respect to such area, and

(ii) monitoring and evaluating the effectiveness of such plan and of such investment and development decisions; and

(F) meets any other requirements provided in this subsection.

(2) NEIGHBORHOOD EQUITY.—

(A) IN GENERAL.—A revitalization area development plan shall—

(i) evaluate equity possessed, or available to be possessed, by residents of the revitalization area, and

(ii) specify the equity such residents will receive from development of such area.

(B) EQUITY.—Such equity may include (but shall not be limited to)—

(i) shares of stock of a revitalization area GSOC or an interest in a business, partnership, employee stock ownership plan, cooperative, or joint venture established under the revitalization area development plan;

(ii) home ownership for residents of such area through homesteading, cooperatives, creative financing mechanisms, or any similar means; and

(iii) public ownership of property in such area.

(3) EMPLOYMENT OPPORTUNITIES; JOB TRAINING.—A revitalization area development plan shall—

(A) evaluate employment opportunities in the area designated under section 101,

(B) evaluate employment status, job skills, and job, entrepreneurial, and managerial training needs of residents in such area,

(C) evaluate the employment needs, and job and managerial training needs, of businesses in such area,

(D) evaluate the existing job, entrepreneurial, and managerial training resources available to residents and businesses located in such area, particularly from educational institutions and community organizations,

(E) specify any commitments to be made by State and local governments, educational institutions, community organizations, and any other persons and organizations to assist in meeting the employment, and job, entrepreneurial and managerial training needs of residents and businesses located and expected to locate in such area.

(4) INVESTMENT IN SMALL, MINORITY, AND OWNERSHIP-EXPANDING BUSINESSES.—A revitalization area plan shall—

(A) evaluate resource requirements, employment requirements, and management assistance and other needs of small, minority, and ownership-expanding businesses located in the area,

(B) evaluate the financial, managerial, and technical resources available to such businesses,

(C) identify potential business opportunities and additional sources of financial and other resources for such businesses, and

(D) specify any commitments to be made by State and local governments and by any other persons and organizations to assist in meeting the needs of such businesses located and expected to locate in such area.

(5) ENERGY EFFICIENCY.—The revitalization area development plan shall—

(A) evaluate the status of efforts to improve energy efficiency (including efforts made with respect to rental residential units) in the area designated under section 101; and

(B) specify any commitments to be made (including amending zoning requirements) by State and local governments and by any other persons and organizations to encourage—

(i) energy efficiency within such area, and

(ii) investment by residents and businesses located or expected to locate in such area in energy property (within the meaning of section 48(l) of the Internal Revenue Code of 1954), renewable energy source property, insulation, and other energy conserving components (within the meaning of section 44C of such Code).

(6) OTHER COMMITMENTS.—A revitalization area development plan shall specify any commitments to be made—

(A) of additional financial, management, labor, community, and other resources to the development of the designated area,

(B) to limit residential displacement which might result from the development of such area and, in consultation with representatives of affected communities, to mitigate any problems of displacement which are unavoidable,

(C) from the participating local government that—

(i) for each qualified calendar year, at least 10 percent of the proceeds from the issuance by such government during such calendar year of obligations which—

(I) are industrial development bonds (within the meaning of section 103(b)(2) of the Internal Revenue Code of 1954), and

(II) are described in section 103(b)(6)(A) of such Code,

shall be used directly or indirectly by revitalization area businesses,

(ii) in determining the revitalization area businesses which receive proceeds from the obligations described in clause (i), such government shall give preference to revitalization area businesses which are small, minority, or ownership-expanding businesses in the year in which such determination is made, and

(iii) if a revitalization area GSOC is established with respect to such area under sec-

tion 301(a) of this Act, any donation of property (other than public utility property within the meaning of section 167(l)(3) of the Internal Revenue Code of 1954) located within such area by such government will be made to—

(I) such revitalization area GSOC, or

(II) any educational organization described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from taxation under subtitle A of such Code;

(D) to encourage and assist minority entrepreneurship and youth entrepreneurship within such area;

(E) to maintain and increase the availability of low-income and moderate-income housing within such area,

(F) to simplify or streamline government regulation of employers and employees within such area where such regulation is not directly related to health and safety;

(G) for investments in such area (other than investments required to be specified under paragraphs (2), (3), (4), and (5)) to improve public services;

(H) from the participating local government to reduce fees, taxes, or other expenses for businesses located in such area and to provide improved police, fire, or public safety measures;

(I) from the State and participating local government to use its powers of eminent domain for any area GSOC established under section 301 of this Act, except if the use of such powers would deprive area residents of adequate housing; and

(J) from the State and participating local government to use, to the maximum extent practicable, revitalization area businesses to provide public services within such area.

SEC. 103. FINAL APPROVAL OF DESIGNATION.

(a) IN GENERAL.—The Secretary may give final approval to the designation of an area under section 101 only if—

(1) the Secretary has given preliminary approval of such designation under section 102, and

(2) the Secretary finds that the participating local government has taken adequate measures to assure fulfillment of the commitments made in the revitalization area development plan.

(b) PRIORITY OF DESIGNATION.—In deciding which designations of areas should be given final approval as revitalization areas, the Secretary shall give preference to areas—

(1) with the highest levels of general distress, and

(2) with respect to which the participating local government demonstrates the most comprehensive and determined commitment to pursue the revitalization area development plan submitted with respect to such area as part of a more comprehensive plan for community revitalization of which the provisions of this Act form a component.

The strength of such commitment and plan will be judged, in part, by the breadth of its support among community groups, residents, investors, private organizations, and area businesses.

(c) ADDITIONAL CONSIDERATIONS.—The Secretary shall consider—

(1) the economic ability of the area or of the participating local government to make the commitments referred to in the revitalization area development plan in the selection process, and

(2) the extent to which the application for a designation corresponds to any State plan for revitalization of distressed areas.

SEC. 104. DEFINITIONS AND SPECIAL RULES.

(a) DEFINITIONS.—For purposes of this title—

(1) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development or his delegate.

(2) PARTICIPATING LOCAL GOVERNMENT.—The term "participating local government" means, with respect to any area nominated as a revitalization area, the local government having jurisdiction over such area.

(3) OWNERSHIP-EXPANDING BUSINESSES.—

(A) IN GENERAL.—The term "ownership-expanding business" means a business which meets the requirements of subparagraph (B) or which the Secretary determines (under regulations prescribed by the Secretary) to be structured or operated in such a manner that there is a reasonable likelihood that such business will meet such requirements within 5 years.

(B) REQUIREMENTS.—A business meets the requirements of this subparagraph if such business is a revitalization area business—

(i) which—

(I) is organized and operated as a producer cooperative, or

(II) establishes an employee stock ownership plan (within the meaning of section 4975(e)(7) of the Internal Revenue Code of 1954) or a tax credit employee stock ownership plan (within the meaning of section 409A of such Code),

(ii) whose nonmanagerial employees (within the meaning of section 1041(c)(2) of such Code) own at least 35 percent of—

(I) in the case of a business which is a corporation, the total combined voting power of all classes of stock of such corporation entitled to vote, or the total value of all shares of all classes of stock of such corporation, or

(II) in the case of a business which is not a corporation, the value of such business,

(iii) which distributes at least 10 percent of the profits earned by such business in each taxable year to the employees of such business in the form of bonuses which are equal in amount and payable to each employee of such business as a regular supplement to salary which is made at least quarterly, and

(iv) which, upon the request of the elected representatives of the employees of such business, pays all the expenses incurred with respect to an audit of the records of such business conducted by an auditor who is selected by such representatives for the purpose of determining the amount of profits earned by such business.

(4) PRODUCER COOPERATIVE.—The term "producer cooperative" means an organization—

(A) chartered and operated on a cooperative basis for the purpose of furnishing goods or services which are primarily consumed by persons other than the members of such organization, and

(B) of which all the employees of such organization are members.

(5) QUALIFIED CALENDAR YEAR.—The term "qualified calendar year" means any calendar year—

(A) which begins after the calendar year in which the area is designated a revitalization area under this section, and

(B) during any part of which the area remains a revitalization area.

(6) REVITALIZATION AREA BUSINESS.—The term "revitalization area business" has the meaning given such term in section 7701(a)(40) of the Internal Revenue Code of 1954.

(7) REVITALIZATION AREA GSOC.—The term "revitalization area GSOC" has the meaning given such term in section 1391(e) of the Internal Revenue Code of 1954.

(8) STATE.—The term 'State' includes the possessions of the United States.

(b) SPECIAL RULES.—

(1) GOVERNMENTS.—If more than one government seeks the designation of an area as a revitalization area, any reference to, or requirement of, this section shall apply to all such governments.

(2) SCHEDULE FOR APPLICATION APPROVAL, ETC.—Not later than 180 days after the date of the enactment of this Act the Secretary shall prescribe regulations providing—

(A) deadlines for filing applications for—

(i) preliminary approval of a designation, and

(ii) final approval of a designation, and

(B) the form and manner in which such applications are required to be submitted.

SEC. 105. COORDINATION WITH OTHER FEDERAL PROGRAMS.

The Secretary of Housing and Urban Development shall—

(1) promote the coordination of all Federal housing, community and economic development, banking, financial assistance, and employment training programs which are carried on within a revitalization area,

(2) expedite, to the greatest extent possible, the consideration of applications for programs described in paragraph (1) through the consolidation of forms or otherwise, and

(3) provide, whenever possible, for the consolidation of periodic reports required under programs described in paragraph (1) into one summary report submitted at such intervals as may be designated by the Secretary.

SEC. 106. JOB TRAINING PREFERENCES.

(a) Notwithstanding any other provision of law, the head of each Federal department, agency, or program which distributes Federal funds or awards Federal contracts to any programs, organizations, or local governments for the purpose of furthering job training shall give the following preferences in distributing such funds and in awarding such contracts:

(1) A preference shall be given to any program, organization, or local government located in, or primarily serving, a revitalization area over all other programs, organizations, or local governments.

(2) A preference shall be given to those programs or organizations which are part of a job-training plan of the revitalization area submitted pursuant to section 102(c)(3) over all other programs or organizations located in, or primarily serving, such revitalization area.

(3) A preference shall be given to community-based organizations or entrepreneurship development centers (within the meaning of section 48(r)(2) of the Internal Revenue Code of 1954) located in, or primarily serving, a revitalization area over all other organizations so located or so serving (but only if such preference does not undermine any portion of the job-training plan of such revitalization area submitted pursuant to section 102(c)(3)).

(b) The head of each Federal department, agency, or program which distributes Federal funds or awards Federal contracts for the purpose of furthering job training shall take such actions as are necessary to assure that any program, organization, or local government which is a recipient of such Federal funds or contracts will give special consideration to the preferences described in subsection (a) in making any further distribution of such funds or in awarding any subcontract under such contract.

(c) For purposes of this section, the term "community-based organization" means an organization exempt from taxation under subchapter F of chapter 1 of the Internal Revenue Code of 1954 which has demonstrated effectiveness in the delivery of employment and training services, such as the Opportunities Industrialization Centers, the National Urban League, National Alliance of Businesses, SER-Jobs for Progress, or any similar employer-related organizations.

TITLE II—TAX INCENTIVES

Subtitle A—Definition of Revitalization Area Business

SEC. 201. DEFINITION OF REVITALIZATION AREA BUSINESS.

Subsection (a) of section 7701 (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(40) REVITALIZATION AREA BUSINESS.—

"(A) IN GENERAL.—The term 'revitalization area business' means any person—

"(i) which is actively engaged in the conduct of a trade or business during the taxable year,

"(ii) with respect to which at least 50 percent of such person's gross receipts for such taxable year are attributable to the active conduct of a trade or business which produces goods, or provides services, within a revitalization area, and

"(iii) with respect to which at least 30 percent of any employees hired by such person after the later of the date on which—

"(I) such person begins the active conduct of a trade or business within a revitalization area, or

"(II) any area in which such person is actively engaged in the conduct of a trade or business is designated as a revitalization area,

are qualified employees.

"(B) REVITALIZATION AREA.—For purposes of this paragraph, the term 'revitalization area' means any area with respect to which a designation as a revitalization area is in effect under section 101 of the Community Assistance and Revitalization Act of 1983.

"(C) EXISTING BUSINESS.—Any person which—

"(i) was actively engaged in the conduct of a trade or business in an area immediately before such area is designated as a revitalization area, and

"(ii) otherwise meets the requirements of this paragraph,

shall not be treated as a revitalization area business unless the average number of employees (determined on a full-time basis) during the taxable year is at least 10 percent greater than the average number of such employees during the taxable year preceding the designation of such area as a revitalization area.

"(D) RELOCATION.—If the commencement or increase of trade or business activity by a person in a revitalization area is related to a cessation or curtailment of business activity by such person (within the period beginning 1 year before the date on which such commencement or increase occurs and ending 2 years after such date) in a distressed area, such person shall not be treated as a revitalization area business unless—

"(i) such person maintains its new level of such activity in the revitalization area during the 3-year period after such commencement or increase, and

"(ii) such person is owned and controlled by substantially the same persons (determined without regard to any change in ownership or control resulting from any employee ownership plan) during such 3-year period.

"(E) DISTRESSED AREA.—For purposes of this paragraph, the term 'distressed area' means an area which, as determined by the Secretary in consultation with the Secretary of Housing and Urban Affairs is an area of pervasive poverty, unemployment, and general distress.".

Subtitle B—Incentives for Employee Ownership

SEC. 211. EMPLOYEE OWNERSHIP CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting after section 44G the following new section:

"SEC. 44I. EMPLOYEE OWNERSHIP OF REVITALIZATION AREA BUSINESS.

"(a) IN GENERAL.—

"(1) CREDIT ALLOWED.—In the case of a qualified corporation which elects the application of this section for the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the amount determined under paragraph (2) for the taxable year.

"(2) AMOUNT OF CREDIT.—

"(A) IN GENERAL.—The amount of the credit allowed under paragraph (1) for the taxable year shall be an amount equal to the product of—

"(i) the taxable income of the qualified corporation for such taxable year, multiplied by,

"(ii) the applicable percentage for such taxable year.

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)(ii), the applicable percentage is the percentage equal to the product of—

"(i) 2 percent, multiplied by,

"(ii) the number of multiples of 10 percent in the employee ownership percentage for such taxable year.

"(C) EMPLOYEE OWNERSHIP PERCENTAGE.—For purposes of subparagraph (B)(ii), the employee ownership percentage for the taxable year is the percentage determined by dividing—

"(i) the total number of shares of voting stock of the qualified corporation owned by, or on behalf of, qualified employees of the qualified corporation on the last day of such taxable year, by

"(ii) the total number of outstanding shares of voting stock of such qualified corporation on the last day of such taxable year.

"(b) LIMITATIONS.—

"(1) IN GENERAL.—The amount of the credit allowed under subsection (a) for any taxable year shall not exceed $50,000.

"(2) CONTROLLED GROUPS.—In the case of a controlled group of corporations, the $50,000 amount specified in paragraph (1) shall be reduced for each component member of such group by apportioning $50,000 among the component members of such group in such manner as the Secretary shall by regulations prescribe. For purposes of the preceding sentence, the term 'controlled group of corporations' has the meaning given such term by section 1563(a) (determined without regard to subsections (a)(4) and (e)(3)(C) of such section).

"(3) APPLICATION WITH OTHER CREDITS.—The credit allowed under subsection (a) shall not exceed the tax imposed by this chapter for the taxable year, reduced by the sum of the credits allowable under a section of this subpart having a lower number or letter designation than this section, other than credits allowable by sections 31, 39, and 43. For purposes of the preceding sentence, the term 'tax imposed by this chapter' shall not include any tax treated as not imposed by this chapter under the last sentence of section 53(a).

"(c) ELECTION.—No election may be made by a corporation under subsection (a) if such corporation elects the application of section 44G (relating to employee stock ownership credit) for the taxable year.

"(d) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED CORPORATION.—The term 'qualified corporation' means a corporation—

"(A) which is a revitalization area business (within the meaning of section 7701(a)(40)), and

"(B) stock of which is owned by or on behalf of at least 70 percent of the employees of such corporation.

"(2) QUALIFIED EMPLOYEE.—The term 'qualified employee' has the same meaning given such term in section 44J(d)(2).".

(b) CONFORMING AMENDMENTS.—

(1) Section 6096(b) (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44G" and inserting in lieu thereof "44G, and 44H".

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 44G the following new item:

"Sec. 44I. Employee ownership of revitalization area business."

SEC. 212. NONRECOGNITION OF GAIN ON CERTAIN SALES OF STOCK OF REVITALIZATION AREA BUSINESS TO EMPLOYEE PLANS.

(a) IN GENERAL.—Part III of subchapter O of chapter 1 (relating to common nontaxable exchanges) is amended by adding at the end thereof the following new section:

"SEC. 1041. SALE OF STOCK OF CERTAIN REVITALIZATION AREA BUSINESSES TO EMPLOYEES PLANS.

"(a) IN GENERAL.—No gain shall be recognized from the sale or exchange of any share of stock in a revitalization area business by the taxpayer during the taxable year to, or with—

"(1) an employee stock ownership plan (within the meaning of section 4975(e)(7)), or a tax credit employee stock ownership plan, which invests primarily in stock issued by such revitalization area business, but only if the requirements of subsection (b) are met for such taxable year, or

"(2) such revitalization area business, but only if such revitalization area business is a producer cooperative.

"(b) REQUIREMENTS.—The requirements of this subsection are met for the taxable year with respect to a taxpayer selling or exchanging shares of stock of a revitalization area business during such taxable year if—

"(1) at least 51 percent of the total number of shares of stock of such revitalization area business sold or exchanged by the taxpayer to, or with, a plan described in subsection (a)(1) during such taxable year were allocated to the accounts of nonmanagerial employees;

"(2) such plan allocates at least 51 percent of the total number of shares of stock of such revitalization area business held by such plan among at least 51 percent of the nonmanagerial employees;

"(3) in the case of a sale or exchange of shares of stock to a tax credit employee stock ownership plan, all such shares which are allocated to the accounts of employees vest in such employees within 5 years after the date of such sale; and

"(4) the taxpayer maintains such records and provides such information to the Secretary as the Secretary may require under regulations in order to determine compliance with the requirements of this section.

"(c) DEFINITIONS.—For purposes of this section—

"(1) REVITALIZATION AREA BUSINESS.—The term 'revitalization area business' has the meaning given such term in section 7701(a)(40).

"(2) NONMANAGERIAL EMPLOYEES.—The term 'nonmanagerial employee' means any employee who is not—

"(A) an officer of the corporation, or

"(B) an employee described in section 415(c)(6)(B)(iii).

"(3) PRODUCER COOPERATIVE.—The term 'producer cooperative' means an organization—

"(A) chartered and operated on a cooperative basis for the purpose of furnishing goods or services which are primarily consumed by persons other than the members of such organization, and

"(B) of which all the employees of such organization are members.".

(b) CONFORMING AMENDMENT.—The table of sections for part III of subchapter O of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1041. Sale of stock of certain revitalization area businesses to employee plans.".

Subtitle C—Incentives for Investments in Revitalization Areas

SEC. 221. ROLLOVER OF GAIN ON THE SALE OF PROPERTY WHERE REINVESTMENT IN CERTAIN REVITALIZATION AREA BUSINESS PROPERTY.

(a) IN GENERAL.—Part III of subchapter O of chapter 1 (relating to common nontaxable exchanges) is amended by adding at the end thereof the following new section:

"SEC. 1042. ROLLOVER OF GAIN ON THE SALE OF PROPERTY WHERE REINVESTMENT IN CERTAIN REVITALIZATION AREA BUSINESS PROPERTY.

"(a) IN GENERAL.—Gain shall be recognized on the sale or exchange of property of the taxpayer only to the extent that the amount of gain realized from such sale or exchange exceeds the cost of qualified property acquired by the taxpayer within the qualified period.

"(b) QUALIFIED PROPERTY.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified property' means—

"(A) any tangible personal property or real property which is acquired by the taxpayer after the designation of an area as a revitalization area and which is used predominantly by the taxpayer in such revitalization area in the active conduct of a trade or business,

"(B) any real property located in a revitalization area which was acquired by the taxpayer after the designation of an area as a revitalization area and which was used predominantly by the taxpayer in the active conduct of a trade or business, and

"(C) any share of stock of a corporation or interest in a partnership or other entity if, for the most recent taxable year of such entity ending before the date of acquisition of such interest, such entity is a small revitalization area business.

"(2) SMALL REVITALIZATION AREA BUSINESS.—The term 'small revitalization area business' means a revitalization area business (as defined in section 7701(a)(40)) the average annual gross receipts of which for the 3-taxable year period ending with the taxable year do not exceed $4,000,000. For purposes of the preceding sentence, the rules of section 474(c)(1) shall apply.

"(3) QUALIFIED EMPLOYEES.—

"(A) IN GENERAL.—The term 'qualified employee' means an individual—

"(i) who is described in subparagraph (B), and

"(ii) who performs at least 50 percent of his services during any period for which any computation is being made under this section within a revitalization area.

The Secretary, in consultation with the Secretary of Labor, shall prescribe such regulations as are necessary to further identify individuals described in this paragraph.

"(B) SPECIAL REQUIREMENTS.—An individual described in this subparagraph is an individual who, immediately prior to becoming employed by the revitalization area business—

"(i) had been unemployed for at least 10 weeks and was economically disadvantaged,

"(ii) had a family income which did not exceed the lower living standard income level (exclusive of unemployment compensation and all Federal, State, and local income-tested or needs-tested public payments),

"(iii) was (or whose family was) receiving aid to families with dependent children provided under a State plan approved under part A of title IV of the Social Security Act,

"(iv) was (or whose family was) receiving supplemental security income benefits under title XVI of the Social Security Act, or

"(v) was—

"(I) in the case of individuals other than handicapped individuals (within the meaning of section 72(m)), between 14 years of age and 22 years of age, and

"(II) economically disadvantaged (or was a member of a family which was economically disadvantaged) and required additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular school work, qualify for suitable training programs, or satisfy Armed Forces requirements.

"(C) ECONOMICALLY DISADVANTAGED.—The term 'economically disadvantaged' means a person who—

"(i) receives (or is a member of a family which receives) cash welfare payments under a Federal, State, or local welfare program,

"(ii) is a member of a family which had a family income during the 6-month period prior to employment with the revitalization area business which would have qualified such family for such cash welfare payments,

"(iii) has (or is a member of a family which has) received a total family income for the 6-month period prior to employment with the revitalization area business (exclusive of unemployment compensation and welfare payments) which, in relation to family size, was not in excess of the higher of—

"(I) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or

"(II) 60 percent of the lower living standard income level,

"(iv) is a foster child on behalf of whom State or local government payments are made, or

"(v) in cases permitted by regulations of the Secretary, is a handicapped individual living at home or is an individual who is institutionalized or receiving services in, or is a client of, a sheltered workshop, prison, hospital, or similar institution, or in community care.

"(D) FAMILY.—The term 'family' means—

"(i) an individual, and

"(ii) all dependents (within the meaning of section 152) claimed by such individual on such individual's income tax return for the taxable year prior to the taxable year in which such individual became employed by the revitalization area business.

If an individual is claimed as a dependent on the income tax return of another individual, such individual shall be treated as a member of such other individual's family.

"(E) LOWER LIVING STANDARD INCOME LEVEL.—The term 'lower living standard income level' means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary of Labor based upon the most recent lower living family budget issued by the Secretary of Labor.

"(F) UNEMPLOYED PERSON.—The term 'unemployed person' means—

"(1) persons who are without jobs and who want and are available for work; or

"(ii) persons who are—

"(I) institutionalized in, or who have been released from, a prison, hospital, or similar institution, or are clients of a sheltered workshop; or

"(II) adults who receive, or whose families receive, supplemental security income or money payments pursuant to a State plan approved under title I, IV, X, or XVI of the Social Security Act; or

"(iii) persons working in jobs providing insufficient income to support their families without welfare assistance.

The determination of whether persons are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining persons as unemployed, but such criteria shall not be applied differently on account of a person's previous employment.

"(4) SPECIAL RULES FOR LOW INCOME RENTAL PROPERTY.—

"(A) IN GENERAL.—In the case of property described in subparagraph (B)—

"(i) such property shall be treated as qualified property, and

"(ii) ownership of such property shall be treated as the active conduct of a trade or business within a revitalization area.

"(B) PROPERTY TO WHICH PARAGRAPH APPLIES.—Property is described in this subparagraph if such property—

"(i) is section 1250 property described in clauses (i), (ii), (iii), or (iv) of section 1250(a)(1)(B), or similar property designated by the Secretary of Housing and Urban Development,

"(ii) is located in a revitalization area, and

"(iii) was—

"(I) constructed after the area's designation as a revitalization area, or

"(II) rehabilitated after such designation and the cost of such rehabilitation was at least $10,000 per unit with respect to each project (or $3,000 per unit if such project was financed from a State or local agency and such agency certifies that no person is in default with respect to such financing at the time of the rehabilitation).

"(5) PROPERTY REMAINS QUALIFIED AFTER REVITALIZATION AREA DESIGNATION CEASES TO APPLY.—

"(A) IN GENERAL.—The treatment of property as qualified property under paragraph (1) shall not terminate when the designa-

tion of the revitalization area in which the property is located or used ceases to apply.

"(B) EXCEPTIONS.—Subparagraph (A) shall not apply after the first sale or exchange of property occurring after the designation ceases to apply to the revitalization area.

"(6) REVITALIZATION AREA.—The term 'revitalization area' means an area with respect to which a designation as a revitalization area is in effect under section 101 of the Community Assistance and Revitalization Act of 1983.

"(c) QUALIFIED PERIOD.—For purposes of this section, the term 'qualified period' means the period which begins 3 months prior to the date on which the sale or exchange of property occurs and which ends 21 months after the date of such sale or exchange.

"(d) BASIS OF ACQUIRED QAULIFIED PROPERTY.—If the acquisition of qualified property by a taxpayer results in nonrecognition of any gain on the sales or exchange of other property of such taxpayer under subsection (a), the basis of such taxpayer in the acquired qualified property shall be the cost of such qualified property decreased by the amount of gain which was not so recognized. If such acquired qualified property consists of more than one item of property, the basis determined under the preceding sentence shall be allocated among such items in proportion to their respective costs.

"(e) STATUTE OF LIMITATIONS.—If the taxpayer during a taxable year sells or exchanges property at a gain, then—

"(1) the statutory period for the assessment of any deficiency attributable to any part of such gain shall not expire before the expiration of 3 years from the date the Secretary is notified by the taxpayer (in such manner as the Secretary may by regulations prescribe) of—

"(A) the taxpayer's cost of acquiring the qualified property which the taxpayer claims results in nonrecognition of any part of such gain,

"(B) The taxpayer's intention not to acquire any qualified property within the qualified period, or

"(C) a failure to make such purchase within the qualified period; and

"(2) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment."

"(b) CONFORMING AMENDMENTS.—

(1) Subsection (C) of section 381 (relating to carryovers in certain corporate acquisitions) is amended by inserting after paragraph (19) the following new paragraph:

"(20) REVITALIZATION AREA BUSINESS PROPERTY.—The acquiring corporation shall be treated as the distributor or transferor corporation after the date of distribution or transfer for purposes of applying section 1042."

(2) Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (24), by striking out the period at the end of paragraph (25) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(26) to the extend provided in section 1042(d) in the case of the property the acquisition of which resulted in nonrecognition of gain on other property under section 1042(a)."

(3) Section 1223 (relating to holding period of property) is amended by redesignating paragraph (12) as paragraph (13) and inserting after paragraph (11) the following new paragraph:

"(12) In determining the period for which the taxpayer has held property, the acquisition of which resulted under section 1042 in nonrecognition of any part of the gain on the sale or exchange of any other property, there shall be included the period during which such other property was held by such taxpayer prior to such sale or exchange."

(4) Paragraph (4) of section 1245(b) (relating to gain from disposition of certain depreciable assets) is amended by striking out "or 1033" and inserting in lieu thereof ", 1033, or 1042".

(5) Paragraph (4) of section 1250(d) (relating to gain from disposition of certain depreciable realty) is amended—

(A) by striking out "or 1033" in subparagraphs (A) and (E) and inserting in lieu thereof ", 1033, or 1042", and

(B) by inserting "or 1042(a)" after "section 1033(a)(2)" in subparagraph (C)(ii).

(6) Paragraph (2) of section 6212(c) (relating to notice of deficiency) is amended by inserting after subparagraph (C) the following new subparagraph:

"(D) Deficiency attributable to gain on sale of property, see section 1042(e)."

(7) Section 6504 is amended by adding at the end thereof the following new paragraph:

"(13) Gain on the sale or exchange of property, see section 1042(e)."

(C) CLERICAL AMENDMENT.—The table of sections for part III of subchapter c of chapter 1 is amended by inserting after the item relating to section 1041 the following new item:

"Sec. 1042. Rollover of gain on the sale of property where reinvestment in certain revitalization area business property."

SEC. 222. INVESTMENT CREDIT FOR CERTAIN LOW INCOME RENTAL HOUSING.

(a) DEFINITION OF SECTION 38 PROPERTY.—Paragraph (1) of section 48(a) (defining section 38 property) is amended by striking out the period at the end of subparagraph (G) and inserting in lieu thereof ", or" and by adding immediately after subparagraph (G) the following new subparagraph:

"(H) property described in section 1042(b)(4)(B)."

(b) LODGING EXCEPTION.—Paragraph (3) of section 48(a) (relating to property used for lodging) is amended—

(1) by striking out "and" at the end of subparagraph (C),

(2) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof ", and", and

(3) by adding at the end thereof the following new subparagraph:

"(E) property described in section 1042(b)(4)(B)."

(C) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 1983, under rules similar to the rules contained in section 48(m) of the Internal Revenue Code of 1954.

SEC. 223. INVESTMENT CREDIT FOR ESTABLISHMENT OF ENTREPRENEURIAL DEVELOPMENT CENTER.

(a) AMOUNT OF CREDIT.—Paragraph (2) of section 46(a) (relating to the amount of the investment credit) is amended—

(1) by striking out "and" at the end of clause (iii) of subparagraph (A),

(2) by striking out the period at the end of clause (iv) of subparagraph (a) and inserting in lieu thereof ", and",

(3) by adding at the end of subparagraph (A) the following new clause:

"(v) in the case of an entrepreneurial development center, the entrepreneurial development percentage.", and

(4) by adding at the end thereof the following new subparagraph:

"(G) ENTREPRENEURIAL DEVELOPMENT PERCENTAGE.—For purposes of this paragraph, the entrepreneurial development percentage is 10 percent."

(b) LIMITATIONS.—

(1) IN GENERAL.—Subsection (a) of section 46 is amended by adding at the end the following new paragraph:

"(8) LIMITATION ON CREDIT FOR ENTREPRENEURIAL DEVELOPMENT CENTERS.—The aggregate amount allowable to any taxpayer of so much of the credit allowable under section 38 which is attributable to the application of the entrepreneurial development percentage shall not exceed $750,000."

(2) ALLOCATION OF LIMITATION AMOUNT.—Paragraphs (5) and (6) of section 46(a) are amended to read as follows:

"(5) MARRIED INDIVIDUALS.—In the case of a husband or wife who files a separate return—

"(A) paragraph (3) shall be applied by substituting '$12,500' for '$25,000' each place it appears, and

"(B) paragraph (3) shall be applied by substituting '$375,000' for '$750,000'.

This paragraph shall not apply if the spouse of the taxpayer has no qualified investment for, and no unused credit carryback or carryover to, the taxable year of such spouse which ends with or within the taxpayer's taxable year.

"(6) CONTROLLED GROUPS.—In the case of a controlled group (within the meaning of section 1563(a))—

"(A) the $25,000 amount specified under paragraph (3), and

"(B) the $750,000 amount specified under paragraph (8),

shall each be reduced for each component member of such group by apportioning each such amount (separately) among the component members of such group in such manner as the Secretary shall by regulations prescribe."

(c) DEFINITION OF ENTREPRENEURIAL DEVELOPMENT CENTER.—Section 48 (relating to definitions and special rules) is amended—

(1) by redesignating subsection (r) as subsection (s), and

(2) by inserting after subsection (q) the following new subsection:

"(r) Entrepreneurial Development Center.—

"(1) IN GENERAL.—For purposes of this section, the term 'entrepreneurial development center' means a facility which—

"(A) is located within an area with respect to which a designation as a revitalization area is in effect under section 101 of the Community Assistance and Revitalization Act of 1983;

"(B) is placed in service within 24 months after the date on which such revitalization area was so established;

"(C) is privately owned and operated for profit;

"(D) provides advice to revitalization area businesses (within the meaning of section 7701(a)(40)) regarding management techniques, financing, taxation, marketing, job training, and other matters of concern to such businesses;

"(E) maintains a professional staff which can meet the requirements of subparagraph (D);

"(F) employs at least one employee or consultant who possesses demonstrated expertise in handling the legal, managerial, and

financial needs of businesses having diffuse ownership such as cooperatives, employee owned companies, corporations which employee stock ownership plans (within the meaning of section 4975(e)(7)) or tax credit employee stock ownership plans, and resident owned companies;

"(G) provides physical resources which meet the needs of businesses in the revitalization area and which may include, but are not limited to, machinery, computer services, laboratories, and office space;

"(H) consults with the local government which sought designation of such revitalization area as to the needs of the businesses located in such revitalization area; and

"(I) charges a fee described in paragraph (2) to businesses using the services provided by such center.

"(2) FEES.—An entrepreneurial development center may determine the amount of any fee charged for the services such center provides, but such fee—

"(A) shall not exceed the fees charged for similar services offered in the metropolitan area in which such center is located, and

"(B) shall bear a reasonable relationship to the operating costs incurred by such center in providing such services."

(d) SPECIAL RULE PREVENTING RECAPTURE MERELY BECAUSE OF TERMINATION OF REVITALIZATION AREA STATES.—Section 47 is amended by adding at the end thereof the following new subsection:

"(e) NO RECAPTURE WHERE TERMINATION OF REVITALIZATION AREA DESIGNATION.—Except to the extent otherwise provided by regulations, credit shall not be recaptured under this section merely because an area ceases to be designated as a revitalization area."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 1983, under rules similar to the rules contained in section 48(m) of the Internal Revenue Code of 1954.

Subtitle D—Incentives for Revitalization Area Businesses

SEC. 231. CREDIT FOR EMPLOYMENT OF QUALIFIED EMPLOYEES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by inserting after section 44I the following new section:

"SEC. 44J. CREDIT FOR EMPLOYMENT OF CERTAIN REVITALIZATION AREA EMPLOYEES.

"(a) IN GENERAL.—In the case of a revitalization area business which elects the application of this section, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the aggregate qualified compensation paid to all revitalization area employees of such business during the taxable year.

"(b) QUALIFIED COMPENSATION.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified compensation' means, with respect to any revitalization area employee, an amount equal to the applicable percentage of the aggregate compensation paid by the revitalization area business to such employee during the taxable year of such business.

"(2) APPLICABLE PERCENTAGE.—The applicable percentage shall be determined with respect to any revitalization area employee for the taxable year of the revitalization area business in accordance with the following table:

"If at the end of such taxable year such employee has been employed by the business for:	The applicable percentage is:
Less than 1 year	40
At least 1 year but less than 2 years	30
At least 2 year but less than 3 years	20
At least 3 year but less than 4 years	10
4 years or more	0.

"(c) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the tax imposed by this chapter for the taxable year, reduced by the sum of the credits allowable under a section of this subpart having a lower number or letter designation than this section, other than credits allowable by sections 31, 39, and 43.

"(d) OTHER DEFINITIONS.—For purposes of this section—

"(1) REVITALIZATION AREA EMPLOYEE.—The term 'revitalization area employee' means a qualified employee (within the meaning of section 1042(b)(3)) who is hired by the revitalization area business after the later of—

"(A) the date on which such revitalization area business begins the active conduct of a trade or business within a revitalization area, or

"(B) the date on which any area in which such revitalization area business is actively engaged in the conduct of a trade or business is designated a revitalization area (under section 101 of the Community Assistance and Revitalization Act of 1983).

Such term shall not include any employee with respect to whose wages credit has been allowed under section 44B to the employer for the taxable year or any prior taxable year.

"(2) REVITALIZATION AREA BUSINESS.—The term 'revitalization area business' has the meaning given such term in section 7701(a)(40).

"(3) REVITALIZATION AREA.—The term 'revitalization area' means an area with respect to which a designation as a revitalization area is in effect under section 101 of the Community Assistance and Revitalization Act of 1983.

"(e) ELECTION.—No election may be made under subsection (a) for the taxable year if the taxpayer is allowed a deduction under section 196 for such taxable year."

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 44I the following new item:

"Sec. 44J. Credit for employment of certain revitalization area employees."

(2) Section 6096(b) (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44I" and inserting in lieu thereof "44I, and 44J".

SEC. 232. DEDUCTION FOR CERTAIN INCOME ATTRIBUTABLE TO BUSINESSES OPERATING IN REVITALIZATION AREAS.

(a) IN GENERAL.—Part VI of subchapter B of Chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 196. DEDUCTION FOR CERTAIN INCOME ATTRIBUTABLE TO REVITALIZATION AREAS.

"(a) GENERAL RULE.—There shall be allowed as a deduction for the taxable year an amount equal to the applicable percentage of the sum of—

"(1) any amount received by such taxpayer during such taxable year from the active conduct of a trade or business which is a revitalization area business, plus

"(2) any amount received by such taxpayer during such taxable year as interest on any mortgage, loan, or other financing (other than refinancing) provided by such taxpayer to such revitalization area business for direct use by such business in the production of goods, or the provision of services, within a revitalization area.

"(b) APPLICABLE PERCENTAGE.—For purposes of this section—

"(1) IN GENERAL.—The applicable percentage shall be determined with respect to the revitalization area business from which the taxpayer received amounts described in subsection (a) in accordance with the following table:

"If such business's qualified employee percentage for the calendar year ending with or within the taxpayer's taxable year is:	The applicable percentage is:
Less than 30	0
At least 30 but less than 40	20
At least 40 but less than 50	30
At least 50 but less than 60	40
60 or more	50.

"(2) QUALIFIED EMPLOYEE PERCENTAGE.—The term 'qualified employee percentage' means, with respect to a revitalization area business, the percentage of all employees of such business for the calendar year who are qualified employees (within the meaning of section 44J(d)(2)).

"(c) DEFINITIONS AND SPECIAL RULE.—For purposes of this section—

"(1) EMPLOYEES.—An individual shall be treated as an employee of a revitalization area business for a calendar year only if such individual has been employed by such business at all times during the 90-day period ending at the close of such calendar year.

"(2) REVITALIZATION AREA.—The term 'revitalization area' means an area with respect to which a designation as a revitalization area is in effect under section 101 of the Community Assistance and Revitalization Act of 1983.

"(3) REVITALIZATION AREA BUSINESS.—The term 'revitalization area business' has the meaning given such term by section 7701(a)(40).

"(d) APPLICATION OF SECTION.—The provisions of this section shall only apply to—

"(1) amounts described in subsection (a)(1) which are received after the date on which the area is designated a revitalization area under section 101 of the Community Assistance and Revitalization Act of 1983 and before such designation terminates, and

"(2) amounts described in subsection (a)(2) which are received during the period described in paragraph (1) and which are attributable to financing provided during such period.

"(e) CROSS REFERENCE.—

"For coordination with credit for certain amounts to which this section applies, see section 44I(e).".

(b) CONFORMING AMENDMENT.—The table of sections for part VI of subchapter B of Chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 196. Deduction for certain income attributable to revitalization areas.".

SEC. 233. EXPENSE DEDUCTION FOR REVITALIZATION AREA BUSINESS STOCK AND DEBENTURES.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gain and loss) is amended

by adding at the end thereof the following new section:

"SEC. 1257. EXPENSE DEDUCTION FOR REVITALIZATION AREA BUSINESS STOCK AND DEBENTURES.

"(a) IN GENERAL.—For purposes of this subtitle, amounts actually paid during the taxable year by a natural person or partnership of such persons, in respect to the purchase of small revitalization area business stock or debentures shall be deductible for the purpose of determining taxable income for that year.

"(b) MAXIMUM AMOUNT FOR ANY TAXABLE YEAR.—The maximum amount allowable as a deduction under subsection (a) to the taxpayer for the taxable year shall not exceed $10,000 ($20,000 in the case of a joint return under section 6013).

"(c) RULES FOR PURCHASES.—For purposes of this section, purchases under subsection (a) shall be deemed to have been made on the last day of a taxable year if the payment is on account of such taxable year and is made not later than the time prescribed by law for the filing of the return for such taxable year (including extensions thereof).

"(d) SMALL REVITALIZATION AREA BUSINESS STOCK AND DEPENTURES.—For purposes of this section—

"(1) REVITALIZATION AREA BUSINESS STOCK.—The term 'revitalization area business stock' means common stock issued by a qualified revitalization area business issuer.

"(2) REVITALIZATION AREA BUSINESS DEBENTURE.—The term 'revitalization area business debenture' means a written debt instrument issued by a qualified revitalization area business issuer which—

"(A) is a general obligation of such issuer,

"(B) bears interest at a rate not less than the rate prescribed by the Secretary under section 483(c)(1)(B),

"(C) has a fixed maturity.

"(3) QUALIFIED REVITALIZATION AREA BUSINESS ISSUER.—

"(A) IN GENERAL.—The term 'qualified revitalization area business issuer' means a revitalization area business (as defined in section 7701(a)(40))—

"(i) the average annual gross receipts of which for the 3-taxable year period ending with the taxable year do not exceed $4,000,000,

"(ii) which has no securities outstanding which are subject to regulation by the Securities and Exchange Commission at the time of issuance of the enterprise stock or debentures,

"(iii) which during the period of its 5 most recent taxable years ending before the date on which enterprise stock or debentures were issued, derived more than 50 percent of its aggregate gross receipts from sources other than royalties, rents, dividends, interest annuities and sales and exchanges of stocks or securities.

For purposes of clause (i), the rules of section 474(c)(1) shall apply.

"(B) CONTROLLED GROUPS.—For purposes of determining under subparagraph (A) the outstanding stock or debentures of—

"(i) a member of the same controlled group of corporations (within the meaning of section 1563(a) except that 'more than 50 percent' shall be substituted for 'at least 80 percent' and place it appears in section 1563(a)(1)), and

"(ii) a member of a group of trades or business which are under common control, as determined under regulations prescribed by the Secretary which are based on principles similar to the principles which apply under clause (i),

the outstanding enterprise stock or debentures of all members of such group shall be taken into account.

"(C) SECURITY SUBJECT TO REGULATION BY THE SECURITIES AND EXCHANGE COMMISSION.—For purposes of subparagraph (A)(ii), a security subject to regulation by the Securities and Exchange Commission is a security—

"(i) registered on a national securities exchange under section 12(b) of the Securities Exchange Act of 1934,

"(ii) registered or required to be registered under section 12(g) of such Act (or which would be required to be so registered except for the exemptions in subparagraphs (B) through (H) of such section); or

"(iii) issued by a company subject to the reporting requirements of section 15(g) of such Act.

"(e) SPECIAL PROVISIONS.—

"(1) LIMITATIONS ON AMOUNT OF DEDUCTION.—If—

"(A) revitalization area business stock or debentures were issued in exchange for property,

"(B) the basis of such stock or debenture in the hands of the taxpayer is determined by reference to the basis in his hands of such property, and

"(C) the adjusted basis (for determining the deduction) of such property immediately before the exchange exceeded its fair market value at such time,

then in computing the amount of the deduction to which the taxpayer is entitled for the purposes of this section, the basis of such stock or debenture shall be reduced by an amount equal to the excess described in subparagraph (C).

"(2) MINIMUM HOLDING PERIOD.—For purposes of this section, proceeds from the sale of revitalization area business stock or debentures shall be treated as ordinary income to the extent of the deduction allowed under this section if such sale occurs before the close of the 3-year period beginning on the date of purchase.

"(3) DEDUCTION FOR ORIGINAL PURCHASER.—Taxpayers acquiring revitalization area business stock or debentures other than from a qualified revitalization area business issuer or its selling agent shall not be entitled to a deduction under this section.

"(4) BASIS REDUCTION.—The basis of any stock or debenture with respect to the purchase of which a deduction was allowed under this section shall be reduced by the amount of the deduction so allowed."

"(b) CLERICAL AMENDMENT.—The table of sections for such part IV is amended by adding at the end thereof the following new item:

"Sec. 1257. Expense deduction for revitalization area business stock and debentures."

SEC. 234. DIRECT LOANS UNDER SECTION 7(a) OF THE SMALL BUSINESS ACT TO REVITALIZATION AREA BUSINESSES.

Section 7(a) of the Small Business Act (15 U.S.C. Sec 636) is amended by adding the following new paragraph:

"(16) Notwithstanding any other provision of law, at least $50 million of the funds authorized by this Act to be appropriated for new direct loan obligations pursuant to this subsection shall be obligated with small business concerns located in revitalization areas as defined by Sec. 101 of the Community Assistance Revitalization Act of 1983."

Subtitle E—Expansion of Targeted Jobs Credit

SEC. 241. AMENDMENTS TO TARGETED JOBS CREDIT.

(a) INCREASE IN AMOUNT OF WAGES TAKEN INTO ACCOUNT.—Paragraph (4) of section 51(b) of the Internal Revenue Code of 1954 (relating to only first $6,000 of wages per year taken into account) is amended by striking out "$6,000" each place it appears and inserting in lieu thereof "$10,000".

(b) REPEAL OF TERMINATION.—Paragraph (3) of section 51(c) of such Code (relating to termination) is hereby repealed.

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to wages paid after the date of the enactment of this Act in taxable years ending after such date.

(2) SUBSECTION (b).—The repeal made by subsection (b) shall take effect on the date of the enactment of this Act.

Subtitle F—Effective Date

SEC. 251. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this title shall apply with respect to taxable years ending after December 31, 1983.

TITLE III—GENERAL STOCK OWNERSHIP PROVISIONS

SEC. 301. ESTABLISHMENT OF REVITALIZATION AREA GSOC.

(a) REVITALIZATION AREA GSOC PLANNING BOARD.—

(1) ESTABLISHMENT OF BOARD.—

(A) IN GENERAL.—Within 180 days after a revitalization area is designated under section 101 of this Act, the local government having jurisdiction over such revitalization area shall hold an election to select at least 5 individuals from among eligible candidates to serve as the revitalization area GSOC planning board.

(B) NUMBER OF MEMBERS; CLASSES.—The local government which sought designation or the revitalization area shall determine the number of seats which will comprise the revitalization area GSOC planning board. The number of seats on the board determined under the preceding sentence shall not be less than 5. Such local government shall divide the number of seats on such board into classes and assign a length of term to each seat. The classes established under the preceding sentence shall provide a mechanism which insures that, if such board becomes a revitalization area GSOC board of directors under subsection (c)(1), at least one-third of all seats on the board of directors of such revitalization area GSOC shall be open for election every 2 years.

(C) BALLOTS.—The names of all individuals who—

(i) are eligible candidates (determined without regard to subparagraph (D)(iii)), and

(ii) secure a number of signatures specified by the local government having jurisdiction over the revitalization area,

shall appear on the ballot. Such ballot shall indicate the length of the term of office assigned to the seat for which each eligible candidate is seeking election.

(D) ELIGIBLE CANDIDATES.—For purposes of this section, the term "eligible candidate" means an individual who—

(i) is a resident of the revitalization area,

(ii) is at least 18 years of age, and

(iii) in the case of an individual who is serving a term of office as an elected official in local, State, or Federal government, wins more votes in the election provided under

subparagraph (A) than any other individual who is so serving such a term of office.

(2) PURPOSE.—Within 1 year after the date on which the revitalization area is designated under section 101, the revitalization area GSOC planning board shall, by a majority vote of the members of the board, determine whether establishment of a revitalization area GSOC would be in the best interests of the revitalization area. If such board determines that establishment of a revitalization area GSOC would not be in the best interests of such revitalization area, the board shall cease to exist 15 days after the date on which such determination is made. If such board determines that a revitalization area GSOC would be in the best interests of such revitalization area, the board shall formulate a plan for the creation of a revitalization area GSOC which will meet the needs of such revitalization area and shall submit such plan to the Governor of the State in which such revitalization area is located.

(b) CHARTERING OF REVITALIZATION AREA GSOC.—The legislature or the Governor of the State in which a revitalization area is located may charter a revitalization area GSOC but only if—

(1) a revitalization area GSOC planning board established under subsection (a)(1) has submitted a plan for the creation of a revitalization area GSOC for the revitalization area under subsection (a)(2);

(2) such charter is issued within 90 days after such plan is submitted to the Governor under subsection (a)(2); and

(3) such legislature or Governor finds that—

(A) the requirements of this section have been met, and

(B) the proposed revitalization area GSOC meets the requirements of section 1391(e) of the Internal Revenue Code of 1954.

(c) BOARD OF DIRECTORS.—

(1) INITIAL BOARD.—The revitalization area GSOC planning board shall serve as the initial board of directors of the revitalization area GSOC chartered under subsection (b).

(2) TERMS OF OFFICE.—

(A) INITIAL BOARD.—The term of office for each member of the initial board of directors of the revitalization area GSOC is the term of office assigned under subsection (a)(1)(B) to the seat on the revitalization area GSOC planning board for which such member was elected.

(B) SUCCEEDING BOARDS.—Except as provided in subparagraph (A), the term of office for members of the board of directors shall be a period determined by the local government having jurisdiction over the revitalization area which—

(i) is equal in length for each member of the board of directors, and

(ii) provides for the expiration of the terms of office for at least one-third of the members of such board every two years.

(3) ELECTIONS; VACANCIES.—Upon expiration of the term of office of a member of the board of directors or the occurrence of a vacancy on such board, an election conducted under procedures similar to the procedures provided under subsection (a) shall be held in order to fill such vacancy, or choose a successor, from among eligible candidates.

(4) DUTIES.—Except as provided in this Act or in subchapter U of chapter 1 of the Internal Revenue Code of 1954, the board of directors shall have the sole right to manage the property and affairs of the revitalization area GSOC.

(d) BUSINESS PLAN.—Within 90 days after the revitalization area GSOC is chartered under subsection (b), the board of directors of the revitalization area GSOC shall propose a business plan for the revitalization area GSOC which specifies—

(1) the objectives of the revitalization area GSOC,

(2) the type of investments which may be made by the revitalization area GSOC; and

(3) the manner in which the revitalization area GSOC proposes to develop the revitalization area.

Such plan shall be submitted to the shareholders of the revitalization area GSOC and, if approved by a majority of the shareholders, shall become a part of the bylaws of the revitalization area GSOC which may be amended only with the approval of a majority of the shareholders. The revitalization area GSOC shall not make any investment, or take any action in developing such revitalization area until such a plan is approved by a majority of the shareholders.

SEC. 302. DEFINITION OF REVITALIZATION AREA GSOC.

(a) IN GENERAL.—Section 1391 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) REVITALIZATION AREA GSOC.—For purposes of this subchapter—

"(1) IN GENERAL.—The term 'revitalization area GSOC' means a GSOC which—

"(A) is chartered by the State legislature or the Governor of the State under the provisions of section 301 of the Community Assistance and Revitalization Act of 1983 to serve the needs of a certain revitalization area located within such State;

"(B) is authorized by its charter to acquire and develop real estate within such revitalization area; and

"(C) has a charter providing—

"(i) that shares of stock of such GSOC shall only be issued directly to eligible revitalization area residents on an equal basis;

"(ii) that each share of stock of such GSOC shall have full voting rights;

"(iii) that, except as provided in paragraph (6), no share of stock shall be transferable other than by will or by the laws of descent and distribution;

"(iv) that at least 40 percent of all employees employed by such GSOC at any time will be qualified employees (within the meaning of section 1042(b)(3));

"(v) that such GSOC shall qualify as a revitalization area GSOC under this subchapter; and

"(vi) that the board of directors of such GSOC shall authorize the issuance of such number of shares of stock of such GSOC as is necessary to assure that each eligible revitalization area resident and each individual who becomes an eligible revitalization area resident shall be issued stock on an equal basis.

"(2) ELIGIBLE REVITALIZATION AREA RESIDENT.—The term 'eligible revitalization area resident' means any individual who—

"(A) is at least 18 years of age, and

"(B) has been a resident of the revitalization area with respect to which the revitalization area GSOC was established at all times during the 1-year period ending on the date on which the share of stock of such GSOC is issued to such individual.

"(3) EQUAL BASIS.—For purposes of this subsection, shares of stock are issued or allocated on an equal basis if—

"(A) the number of shares of stock issued to each nonexempt resident is equal to the number of shares of stock issued to each other nonexempt resident, and

"(B) the number of shares of stock issued to an exempt resident—

"(i) is at least equal to the number of shares of stock issued to each nonexempt resident, and

"(ii) does not exceed the sum of—

"(I) the number of shares of stock issued to each nonexempt resident, plus

"(II) 25 percent of the number described in subclause (I).

"(4) NONEXEMPT RESIDENT.—The term 'nonexempt resident' means an eligible revitalization area resident other than an exempt resident.

"(5) EXEMPT RESIDENT.—The term 'exempt resident' means an eligible revitalization area resident who, under rules prescribed by the board of directors of the revitalization area GSOC, is eligible to receive a number of shares of such stock which a nonexempt resident is eligible to receive. Such term may include, but is not limited to—

"(A) employees of such revitalization area GSOC,

"(B) individuals who have performed voluntary services for such revitalization area GSOC, and

"(C) individuals who are disabled.

"(6) TRANSFERABILITY.—Any shareholder of stock of a revitalization area GSOC may sell his nonforfeitable rights in any such share to such revitalization area GSOC at any time after the expiration of the 5-year period which begins when such share of stock is issued by the revitalization area GSOC. If a revitalization area GSOC purchases any share of its stocks so offered for sale, such purchase shall be at the fair market value of such share."

(b) DEFINITION OF GSOC.—

(1) IN GENERAL.—Subsection (a) of section 1391 (relating to general stock ownership corporations) is amended to read as follows:

"(a) GENERAL STOCK OWNERSHIP CORPORATION.—For purposes of this subchapter, the term 'general stock ownership corporation' (hereinafter in this subchapter referred to as a 'GSOC') means a domestic corporation which—

"(1) is not a member of an affiliated group (as defined in section 1504);

"(2) is chartered and organized after December 31, 1978, and before January 1, 1995;

"(3) is chartered—

"(A) by an act of a State legislature,

"(B) as a result of a statewide referendum, or

"(C) in the case of a revitalization area GSOC, by the Governor of a State under section 301(b) of the Community Assistance and Revitalization Act of 1983;

"(4) has a charter providing—

"(A) for the issuance of only 1 class of stock,

"(B) for the issuance of shares only to eligible individuals (as defined in subsection (c));

"(C) for the issuance of at least one share of stock—

"(i) in the case of a corporation other than a revitalization area GSOC, to each eligible individual, or

"(ii) in the case of revitalization area GSOC to each eligible revitalization area resident.

unless such individual or resident elects within 1 year after the date of issuance of such share not to receive such share;

"(D) that no share of stock be transferable—

"(i) by a shareholder other than by will or the laws of descent and distribution until after the expiration of 5 years from the date

such stock is issued by the GSOC unless the shareholder ceases to be a resident of—

"(I) the chartering State, or

"(II) in the case of a share of stock in a revitalization area GSOC, the revitalization area;

"(ii) to any person other than—

"(I) a resident individual of the chartering State,

"(II) the estate of a deceased shareholder, or

"(III) in the case of a share of stock in a revitalization area GSOC, such revitalization area GSOC; or

"(iii) in the case of a share of stock in a corporation other than a revitalization area GSOC, to any individual who, after the transfer, would own more than 10 shares of the GSOC; and

"(E) that such corporation shall qualify as a GSOC under the Internal Revenue Code; and

"(5) is empowered to invest in properties.

For purposes of this subsection, section 1504(a) shall be applied by substituting '20 percent' for '80 percent' wherever it appears."

(2) ACQUISITION OF REAL ESTATE CORPORATION BY GSOC.—Section 1391 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) ACQUISITION OF REAL ESTATE CORPORATION.—

"(1) IN GENERAL.—For purposes of subsection (a)(1), a corporation shall not be considered a member of an affiliated group solely because such corporation owns stock in a real estate corporation unless such corporation owns at least 80 percent of the voting power of all classes of stock of such real estate corporation and at least 80 percent of each class of the nonvoting stock of such real estate corporation.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) The term 'real estate corporation' means a corporation which derives at least 95 percent of its gross income, for any taxable year in which a GSOC owns more than 20 percent of the voting power of all classes of stock of such corporation, from—

"(i) rents or real property,

"(ii) gain from the sale or other disposition of real property (including interests in mortgages or real property), and

"(iii) amounts described in section 856(c)(2)(G).

"(B) STOCK.—The term 'stock' has the meaning given such term in section 1504(a)."

(c) MINIMUM DISTRIBUTIONS.—Subsection (a) of section 1396 (relating to minimum distributions) is amended to read as follows:

"(a) IN GENERAL.—An electing GSOC shall distribute—

"(1) in the case of a GSOC other than a revitalization area GSOC; at least 90 percent of its taxable income for any taxable year, or

"(2) in the case of a revitalization area GSOC, at least 10 percent of its taxable income for any taxable year.

by Janauary 31 following the close of such taxable year. Any distribution made on or before January 31 shall be treated as made as of the close of the preceding taxable year."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1983.

SEC. 303. CONTRIBUTIONS TO GSOC TREATED AS CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Subsection (c) of section 170 (defining charitable contribution) is amended by inserting after paragraph (5) the following new paragraph:

"(6) A general stock ownership corporation (within the meaning of section 1391)."

(b) PERCENTAGE LIMITATIONS.—Subparagraph (A) of section 170(b)(1) (relating to percentage limitations for individuals) is amended—

(1) by striking out "or" at the end of clause (vii),

(2) by inserting "or" at the end of clause (viii), and

(3) by inserting after clause (viii) the following new clause:

"(ix) a general stock ownership corporation (within the meaning of section 1391),".

(c) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 2055 (relating to transfers for public, religious, and charitable uses) is amended—

(A) by striking out "or" at the end of paragraph (3),

(B) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and

(C) by inserting after paragraph (4) the following new paragraph:

"(5) to or for the use of a general stock ownership corporation (within the meaning of section 1391)."

(2) Subsection (a) of section 2522 (relating to charitable and similar gifts) is amended—

(A) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or", and

(B) by adding at the end thereof the following new paragraph:

"(5) a general stock ownership corporation (within the meaning of section 1391)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1983.

SEC. 304. NONRECOGNITION OF HALF THE GAIN FROM SALE OR EXCHANGE OF PROPERTY TO A REVITALIZATION AREA GSOC.

(a) IN GENERAL.—Part III of subchapter 0 of chapter 1 (relating to common taxable exchanges) is amended by adding at the end thereof the following new section:

"SEC. 1043. SALE OR EXCHANGE OF PROPERTY TO A ZONE GSOC.

"Only 50 percent of the gain realized from the sale or exchange of any property to, or with, a revitalization area GSOC (within the meaning of section 1391(e)) shall be recognized."

(b) CONFORMING AMENDMENT.—The table of sections for part III of subchapter 0 of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1043. Sale or exchange of property to a revitalization area GSOC."

TITLE IV—EMPLOYEE STOCK OWNERSHIP PROVISIONS

SEC. 401. INCREASE IN THE LIMIT ON CONTRIBUTIONS ATTRIBUTABLE TO PRINCIPAL PAYMENTS.

(a) IN GENERAL.—Subparagraph (A) of section 404(a)(10) (relating to principal payments) is amended by striking out "25 percent" and inserting in lieu thereof "50 percent".

(b) CONFORMING AMENDMENT.—Paragraph (6) of section 415(c) (relating to special limitations for employee stock ownership plan) is amended by adding at the end thereof the following new subparagraph:

"(D) In the case of employer contributions described in section 404(a)(10)(A), paragraph (1) shall be applied by substituting '50 percent' for '25 percent' in subparagraph (B)."

SEC. 402. DEDUCTIBILITY OF CERTAIN DIVIDEND DISTRIBUTIONS FROM EMPLOYEE STOCK OWNERSHIP PLANS AND QUALIFICATION FOR PARTIAL EXCLUSION FROM INCOME.

Section 404 (relating to deductions for employer contributions to an employees' trust) is amended by adding at the end thereof the following new subsection:

"(k) DIVIDENDS PAID DEDUCTIONS.—There shall be allowed as a deduction to an employer (without regard to the limitations imposed by this section) the amount of any dividend paid in cash by such employer during the taxable year with respect to any shares of stock of the employer if such share of stock—

"(1) is held on the record date for such dividend by a tax credit employee stock ownership plan or an employee stock ownership plan (as defined in section 4975(e)(7)), and in accordance with the plan provisions, the dividend received by the plan with respect to such share of stock—

"(A) is distributed in cash, not later than 60 days after the close of the plan year in which such dividend is received, to participants in the plan, or

"(B) is applied by the plan to the repayment of a loan (described in section 4975(d)(3)) incurred for the purpose of acquiring stock of the employer, or

"(2) is held on the record date for such dividend by a former employee (or beneficiary) who received such stock in a distribution from a tax credit employee stock ownership plan or an employee stock ownership plan (as defined in section 4975(e)(7))."

SEC. 403. CERTAIN CONTRIBUTIONS TO ESOP TREATED AS CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Subsection (c) of section 170 (defining charitable contributions), as amended by section 303 of this Act, is amended by inserting after paragraph (6) the following new paragraph:

"(7) A tax credit employee stock ownership plan or an employee stock ownership plan (as defined in section 4975(e)(7)) but only if—

"(A) such contribution or gift consists exclusively of employer securities (within the meaning of section 409A(1));

"(B) such contribution or gift is allocated, pursuant to the terms of such plan, to the employees participating under the plan in a manner consistent with section 401(a)(4);

"(C) no part of such contribution or gift is allocated under the plan for the benefit of the taxpayer or decedent, or any person related to the taxpayer or decedent under the provisions of section 267(b), or any other person who owns more than 25 percent in value of any class of outstanding employer securities (as defined in section 409A(1)) or qualifying employer securities (as defined in section 4975(e)(8)) under the provisions of section 318(a);

"(D) such contribution or gift is made only pursuant to the provisions of such tax credit employee stock ownership plan or such employee stock ownership plan;

"(E) such plan treats such employer securities as being attributable to employer contributions; and

"(F) no deduction under section 404 and no credit under section 44G is allowed with respect to such contribution or gift."

(b) PERCENTAGE LIMITATIONS.—Subparagraph (A) of section 170(b)(1) (relating to percentage limitations for individuals), as

amended by section 303 of this Act, is amended—

(1) by striking out "or" at the end of clause (viii),

(2) by inserting "or" at the end of clause (ix), and

(3) by inserting after clause (ix) the following new clause:

"(x) a tax credit employee stock ownership plan or an employee stock ownership plan (as defined in section 4975(e)(7)),".

(c) CONFORMING AMENDEMNTS.—

(1) Subsection (a) of section 2055 (relating to transfers for public, religious, and charitable uses), as amended by section 303 of this Act, is amended—

(A) by striking out "or" at the end of paragraph (4),

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or", and

(C) by inserting after paragraph (5) the following new paragraph:

"(6) to a tax credit employee stock ownership plan or an employee stock ownership plan (as defined in section 4975(e)(7)) but only if the requirements of section 170(c)(7) are met."

(2) Subsection (a) of section 2522 (relating to charitable and similar gifts), as amended by section 303 of this Act, is amended—

(A) by striking out "or" at the end of paragraph (4),

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or "; and

(C) by adding at the end thereof the following new paragraph:

"(6) a tax credit employee stock ownership plan or an employee stock ownership plan (as defined in section 4975(e)(7)) but only if the requirements of section 170(c)(7) are met."

(3) Section 415 (relating to limitations on benefits and contributions under qualified plans) is amended by adding at the end thereof the following new subsection:

"(1) CHARITABLE CONTRIBUTIONS.—The limitations provided under this section shall not apply with respect to any contribution or gift described in section 170(c)(7) if the requirements of section 170(c)(7) are met."

SEC. 404. EFFECTIVE DATE.

The amendments made by this title shall apply to taxable years ending after December 31, 1983.

TITLE V—ENERGY PROVISIONS

SEC. 501. RESIDENTIAL ENERGY CREDIT.

(a) INCREASE IN AMOUNT OF CREDIT FOR ENERGY CONVERSATION EXPENDITURES.—Paragraph (1) of section 44C(b) (relating to qualified energy conservation expenditures) is amended by striking out "15 percent" and inserting in lieu thereof "40 percent".

(b) EXTENSION OF CREDIT FOR DWELLINGS IN REVITALIZATION AREAS.—Section 44C of such Code (relating to residential energy credit) is amended—

(1) by striking out subsection (f),

(2) by inserting "located within a revitalization area" after "any dwelling unit" in paragraphs (1) and (2) of subsection (b),

(3) by striking out "the United States" in paragraphs (1)(A) and (2)(A)(i) of subsection (c) and inserting in lieu thereof "a revitalization area",

(4) by striking out "1987" in the text and caption of subparagraph (B) of subsection (b)(6) and inserting in lieu thereof "2004", and

(5) by adding at the end of subsection (c) the following new paragraph:

"(11) REVITALIZATION AREA.—The term 'revitalization area' means an area with respect to which a designation as a revitalization area is in effect under section 101 of the Community Assistance and Revitalization Act of 1983 at any time during the taxable year."

(c) EFFECTIVE DATES.—

(1) INCREASE IN AMOUNT OF CREDIT.—The amendment made by subsection (a) shall apply to taxable years ending after December 31, 1983.

(2) EXTENSION OF CREDIT.—The amendments made by subsection (b) shall apply with respect to expenditures made after December 31, 1985, in taxable years ending after such date.

SEC. 502. INCREASE IN ENERGY INVESTMENT TAX CREDIT FOR REVITALIZATION AREA BUSINESSES.

(a) IN GENERAL.—Subparagraph (C) of section 46(a)(2) (relating to the energy percentage) is amended—

(1) by striking out "The energy" in clause (i) and inserting in lieu thereof "Except as provided in clause (v), the energy",

(2) by inserting "or (v)" after "and (iv))" in clause (ii), and

(3) by adding at the end thereof the following new clause:

"(v) REVITALIZATION AREA BUSINESS ENERGY PROPERTY.—In the case of a taxpayer which is a revitalization area business for the taxable year (as defined in section 7701(a)(40)), the energy percentage to be applied with respect to any energy property is 30 percent for the period beginning January 1, 1984, and ending December 31, 2002."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 1983, under rules similar to the rules contained in section 48(m) of the Internal Revenue Code of 1954.

COMMUNITY ASSISTANCE AND REVITALIZATION ACT

SUMMARY

In our nation's distressed communities, decay in physical structures is matched only by the despair in residents' lives. The Community Assistance and Revitalization Act (CARA) will seek to halt and reverse these trends by using carefully-targeted Federal tax incentives in selected "revitalization areas" to promote:

Expansion of existing businesses and formation of new businesses, particularly small and minority businesses;

Greater private investment in community revitalization and business growth;

More jobs for poor and hard-to-employ persons;

A greater equity stake and more influence over the course of development for community residents; and

Increased employee ownership of area businesses.

The sponsors of CARA recognize that Federal tax incentives, no matter how carefully targeted, cannot alone solve the many problems of distressed communities. Rather tax incentives are one means to an end: a better quality of life for residents of disadvantaged areas. CARA, therefore, is a supplement, not a replacement, for current and future efforts to provide job training, increase low- and moderate-income housing, reduce crime, rebuild decaying infrastructures, and ensure quality education.

Equally important, the sponsors view CARA's revitalization areas as experiments whose success depends primarily on whether poor and disadvantaged persons obtain useful job skills, secure lasting jobs, and influence the course of their communities' development. In this, CARA differs significantly from so-called "enterprise zone" proposals which emphasize benefits to business. CARA makes area residents and employees of area businesses its primary beneficiaries, rather than trusting in "trickle down" benefits. For example, CARA offers tax incentives to businesses that:

Share ownership with their employees through mechanisms such as Employee Stock Ownership Plans; and

Maintain a workforce made up of at least 30 percent disadvantaged persons.

CARA also encourages residents to take a greater role in revitalizing their neighborhoods. It:

Enables area residents to form General Stock Ownership Corporations (currently recognized in tax law) to invest in and influence community development, capture the benefits of real estate appreciation for residents, and minimize residential displacement; and

Targets its economic benefits to communities willing to use them as part of a comprehensive revitalization effort.

Finally, CARA directs resources to provide lasting benefits to communities. It:

Promotes the establishment of Entrepreneurial Development Centers (EDCs) to provide managerial assistance and technical resources, such as laboratories and computers, to small businesses in the area;

Directs Federal job-training funds to community-based programs of proven effectiveness; and

Offers tax benefits to investors in area property and businesses, including an immediate deduction of up to $10,000 for an investment in an area business and non-recognition of capital gains when the proceeds are immediately reinvested in the revitalization area.

ELIGIBILITY CRITERIA

A community wishing to qualify as a revitalization area must be at least one mile square and either meet minimum population requirements (4,000 in urban areas and 2,500 elsewhere) or fall within an Indian reservation. It must also suffer pervasive poverty, high unemployment, and general distress, evidenced by:

An average rate of unemployment at least 50 percent higher than the national average during the preceding 18 months;

Designation as a low-income poverty area by the Bureau of the Census;

At least 60 percent of community residents having incomes less than 80 percent of the median income in the surrounding area; or

Population loss of at least 10 percent between 1970 and 1980, coupled with chronic abandonment of buildings and substantial property tax arrearages.

The creation of a revitalization area begins at the local level. An interested local government first consults with community residents, businesses, and organizations. It then prepares a revitalization area development plan and establishes a revitalization area management authority to implement the plan and coordinate CARA with other programs. At this point, the state government applies on the local government's behalf for the Secretary of Housing and Urban Development's formal approval of the revitalization area designation. The local government may apply to the Secretary directly if, 60 days after a request, the State fails to apply.

The revitalization area development plan is the critical part of the application. It must specify the commitments the state

government, local government, and other groups will make to:

Increase equity for residents as a result of community development;

Provide job, managerial, and entrepreneurial training to residents, and encourage minority and youth entrepreneurship;

Make financial, managerial, and technical assistance available to small, minority, and employee-owned businesses;

Increase energy efficiency and use of renewable energy sources;

Limit residential displacement, mitigate its effects and maintain and increase low- and moderate-income housing;

Use industrial development bonds (IDBs) to aid small, minority, and employee-owned businesses;

Streamline government regulations not affecting health and safety; and

Provide public services, including police and fire protection using as much as possible, on area businesses.

Explanation: These commitments will demonstrate a community's serious interest in the success of its revitalization program. Because the applications address a wide range of community issues, the Secretary of HUD will be able to evaluate carefully community qualifications and the merits of the plans. At the same time, communities will not find these requirements unduly burdensome nor be disqualified if unable to make commitments, in their applications, in every area listed under subsection 102(c).

APPROVAL OF REVITALIZATION AREA DESIGNATION

The Secretary of HUD will establish a two-step process for approving designations of revitalization areas. First, he will give preliminary approval to a group of applications, based primarily on the quality and comprehensiveness of the revitalization area development plans.

Second, from this group, the Secretary will give final approval to those applicants that have the highest levels of general distress and have demonstrated the most comprehensive and determined commitments to pursue their plans. The Secretary must recognize, however, that many deserving communities may not necessarily have the financial resources to enter into a wide range of commitments. He must make special allowances for those applicants.

The Secretary may approve designations of an unlimited number of revitalization area from 1984 through 1993. He must approve 30 designations in 1984, 30 in 1985, 35 in 1986, 45 in 1987, and 65 in 1988. Each designation approval will last 20 years.

Explanation: These limitations will keep the revitalization area program experimental and manageable without unduly restricting the Secretary's discretion to expand the program if it proves successful. They will also increase competition among communities so that those with more comprehensive revitalization plans and stronger commitments to giving residents a stake in community development will be favored.

The two-step application process will reduce the burden on, and costs, communities seeking approval of revitalization area designations. A community will know—if it receives preliminary approval—whether it has a reasonable chance for final approval before it has spent resources to enter into the wide range of commitments on which the Secretary will judge its application.

THE GENERAL STOCK OWNERSHIP CORPORATION (GSOC)

GSOSs are resident-owned corporations that receive preferential tax treatment under current law. CARA will amend the Internal Revenue Code to permit the creation of GSOCs for revitalization areas. An area GSOC will have the following features:

The area GSOC board of directors will prepare a business plan for GSOC investment in area real estate development and commercial enterprise.

Adults over 18 who have lived in the areas for at least one year will be eligible for equal, free shares in GSOC ownership. These shares will carry full voting privileges, will be non-transferable, and will entitle the owner to become a candidate for membership on the GSOC board.

The GSOC board of directors will be elected democratically by area resident shareholders. At least one-third of all seats on the board will be open for election every two years.

The GSOC will pay no Federal corporate income tax so long as it distributes at least 10 percent of its profits in dividends to resident shareholders during the corporation's taxable year.

A person who sells or exchanges property with an area GSOC will have to recognize only 50 percent of the gain.

Contributions to an area GSOC will qualify as charitable contributions deductible from income taxes.

Explanation: These provisions will allow residents of a distressed area to form their own real estate development company. Through this company, they can influence the residential and commercial revitalization of their community. In particular, the area GSOC could be used to (1) limit the adverse consequences of residential displacement, (2) take advantage of real estate appreciation accompanying development, and (3) influence the types of businesses that will locate in the community. The earnings from these activities, combined with joint ventures with other businesses, should provide profits for the area GSOC and ultimately dividends for resident shareholders.

EMPLOYEE OWNERSHIP

CARA encourages employers to share ownership of their businesses with employees. It:

Eliminates the capital gains tax on the sale of stock or other equity in a business in which 51 percent of the non-managerial employees share ownership. To qualify, a business must establish an employee stock ownership plan (or a tax credit employee stock ownership plan) in which non-managerial employees own at least 35 percent of the stock or value of the business. Each year business must distribute at least 10 percent of its profits to its employees.

Provides a two percent tax credit (up to $50,000 a year) for each 10 percent of stock or equity owned by at least 70 percent of the qualified employees in a qualified business.

Permits an employer to deduct 50 percent of his contribution to an employee-owned trust if it was used to repay the principal of a loan incurred to purchase the employer's stock.

Treats contributions, bequests, or similar transfers of an employer's stock to an employee stock ownership plan as charitable contributions, deductible from income.

Permits an employer to deduct cash payments of dividends to employees through an employee stock ownership plan (or a tax credit employee stock ownership plan).

Explanation: When employees share ownership in their companies, they have a stake in their jobs. As a result, they experience greater satisfaction in their work and are frequently more productive. Encouraging employee-owned businesses is a way to keep jobs and economic benefits flowing to revitalization area.

EMPLOYMENT OPPORTUNITIES

Several CARA provisions support job training effort and promote increased employment opportunities.

First, CARA would target Federal assistance to proven, community-based job training programs. Second, it continues the Targeted Jobs Tax Credit and third, it would provide area employers with a substantial tax credit for employing disadvantaged or hard-to-employ individuals (40 percent of wages paid to such individuals in the first year; 30 percent in the second; 20 percent in the third; and 10 percent in the fourth). Alternatively, an employer may deduct up to 50 percent of his profits from his income depending on the percentage of disadvantaged or hard-to-employ individuals in his workforce.

Explanation: CARA recognizes that, over time, providing meaningful employment for disadvantaged individuals becomes less a problem of new hires and more a problem of retention in the workforce. Consequently, CARA gives growing businesses a tax credit for hiring disadvantaged individuals, and established businesses a credit for continuing to employ the disadvantaged.

DEVELOPMENT OF REVITALIZATION AREA BUSINESSES

As one of its primary objectives, CARA seeks to encourage the location and growth of businesses in revitalization areas. It is particularly concerned with development of small businesses, which create most of the new jobs in the United States. Unfortunately small businesses fail at a great rate because they lack capital and management and technical experience. CARA offers several Federal tax incentives to address both the special problems of small businesses and the general problems of revitalization area businesses.

The Entrepreneurial Development Center (EDC). A person may take a 10 percent tax credit (up to $750,000) for an investment in an entrepreneurial development center that provides area businesses with marketing, financing, job training and other managerial assistance as well as technical resources such as computer and laboratory services. EDCs are for-profit enterprises, which must do at least 50 percent of their business in the revitalization area and assess fees reasonably related to their operating costs.

Explanation: EDC services are essential to small, indigenous, and employee- or resident-owned businesses. Not only will EDCs increase productivity in revitalization areas, they also will reduce the failure rate of small businesses. It would be counterproductive to help small businesses create new jobs for the unemployed if those businesses subsequently fail and the jobs disappear.

Business Capital. Adequate capital at reasonable rates is essential for the establishment and growth of businesses in revitalization areas. CARA will help revitalization area businesses attract private financing by:

Deferring recognition of capital gains from the sale of stocks, debentures, or property to the extent the proceeds are reinvested in area businesses or properties within 24 months.

Permitting purchasers of stocks or debentures of area businesses to take an immediate deduction for the amount of their investment up to $10,000.

CARA further provides for some governmental assistance:

Directing at least $50 million in direct loans under section 7(a) of the Small Business Act to be used by revitalization area businesses.

Energy Tax Credits. CARA allows area businesses to take a 30 percent investment tax credit for installing energy conservation and renewal energy equipment.

HOUSING

Community revitalization often leads to increased housing costs, forcing area residents to leave the community. To protect residents from displacement and rising housing costs, CARA:

Encourages the local government to make commitments to minimize displacement and mitigate its consequences.

Provides a 10 percent investment tax credit for persons investing in Federally-supported low income housing.

Provides a 40 percent tax credit for installing energy conservation and renewable energy equipment in area residences, thus reducing energy costs.

BUSINESS RELOCATION

A revitalization area business which has relocated from another distressed area must maintain its level of business activity and employment for at least three years. If not, the IRS may recapture any tax benefits the business has enjoyed as a result of its relocation.

Explanation: It would be a tragedy if programs designed to help distressed areas actually increased economic distress elsewhere. It makes little sense for the Federal government to forego tax revenue simply to alter the location of current jobs. It makes even less sense to force the poor and unemployed to move to obtain benefits of a community revitalization program intended to improve their quality of life. This provision ensures that businesses expand into revitalization areas, creating more total jobs for poor and hard-to-employ persons.

COMMUNITY ASSISTANCE AND REVITALIZATION ACT OF 1983—SECTION-BY-SECTION ANALYSIS

TITLE I—DESIGNATION OF REVITALIZATION AREAS

This title establishes the process by which a state or local government may nominate an area as a "revitalization area" and seek approval by the Federal government. Approval entitles the revitalization area to several targeted Federal tax incentives provided for in this bill to promote revitalization of distressed areas and enhance the quality of life of their residents.

Section 101. Subsection (a) defines a "revitalization area" as any area so nominated by a state government and designated by the Secretary of Housing and Urban Development (HUD), after consultation with the secretaries of Commerce, Labor, and the Treasury and the Administrator of the Small Business Administration.

Subsection (b) provides that the designation of an area as a "revitalization area" shall remain in effect for 20 years unless revoked. The Secretary of HUD may revoke the designation if he determines that the local government is not substantially complying with the revitalization area development plan submitted as part of the application for designation.

Before revocation, the Secretary must provide the local government with reasonable notice and an opportunity for a hearing.

Under subsection (c), the Secretary may designate revitalization areas from January 1, 1984, until December 31, 1993. He must designate 30 revitalization areas in 1984, 30 in 1985, 35 in 1986, 45 in 1987, and 65 in 1988.

Subsection (d) permits the local government to nominate an area for designation as a revitalization area if, within 60 days after it requests the State, the State fails to nominate the area.

Subsection (e) requires the Secretary to report to Congress every four years after an area's designation on the effects of the designation in attracting business, providing jobs, and improving the welfare of its residents.

Section 102. Subsection (a) authorizes the Secretary to give preliminary approval of an area as a revitalization area if it meets the requirements of subsection (b) and if the local government has (1) prepared a revitalization area development plan; (2) established a revitalization area management authority; and (3) consulted with area residents, businesses, and quasi-public and private organizations on the possible designation, the plan, and the mangement authority.

In addition the state (or in its failure the local government) must submit the revitalization area development plan to the Secretary along with other information the Secretary may require.

Subsection (b) sets forth several sets of requirements for an area to quality as a revitalization area.

The area must meet all the elements in the first set of requirements. Consequently, it must:

(1) fall within the jurisdiction of the designating government;

(2) have a continuous boundary which includes, if feasible, proximately located vacant or underutilized lands or buildings conveniently accessible to residents;

(3) have a population of at least 4000, if any portion of the area falls within a standard metropolitan statistical area with a population of 50,000 or greater, or 2500 in any other case, or fall within an Indian reservation; and

(4) comprise at least one square mile.

As a second requirement, the area must also suffer from pervasive poverty, unemployment, and general distress, as determined by the Secretary.

Finally, the area must meet one element of the third set of requirements. It must either have an average rate of unemployment of 1½ times the average national rate of unemployment for the most recent 18 month period; qualify as a low-income poverty area; have at least 60 percent of its residents with incomes below 80 percent of the median income of the residents of the designating state or local government; or both experience a decrease of 10 percent in aggregate population of all census tracts in the area between 1970 and 1980 and suffer chronic abandonment or demolition of, or substantial tax arrearages for, its commercial or residential structures.

The Secretary must base his determinations under this title on data from the Federal government and data submitted by the deignating government, if he determines the data is reasonably accurate.

Subsection (c) sets out the requirements for the revitalization area development plan developed by the local government.

In general, the plan must provide an assessment of the economic and social conditions of the revitalization area, specify the development objectives for the area and assign priorities; provide for the creation of a revitalization area management authority to implement the plan and coordinate the activities under this Act with other local programs; specify the powers of this authority, particularly with respect to any General Stock Ownership Corporation (GSOC) established for the area; and establish guidelines for making investment and development decisions for the area and for monitoring and evaluating the effectiveness of the plan.

In addition, the plan must address several specific areas of concern. First, it must evaluate the equity possessed by, or available to, area residents and specify the equity they will receive as a result of the area's development.

This equity may include shares of stock in an area GSOC or an interest in a business, partnership, employee stock ownership plan, cooperative or joint venture; home ownership through homesteading, cooperatives, creative financing mechanisms or similar means; or public ownership of area property.

Second, it must evaluate employment opportunities in the area, the employment status, job skills, and training needs of residents, the employment and job and managerial training needs of area businesses, and the existing jobs, entrepreneurial and managerial training resources available to area residents and business.

In addition, it must specify the commitments state and local governments and others will make to assist in meeting the employment, and job, entrepreneurial and managerial training needs of area residents and businesses.

Third, the plan must evaluate the resource and employment requirements, and the management assistance and other needs, of small, minority, and ownership-expanding businesses in the area; evaluate the financial, managerial and technical resources available to these types of businesses; identify for them potential business opportunities and additional sources of financial and other resources; and specify any commitments state and local governments and others will make to meet the needs of these types of businesses.

Fourth, it must evaluate the status of efforts to improve energy efficiency in the area and specify any commitments state and local governments and others will make to encourage energy efficiency and investment by area residents and businesses in energy property, renewable energy source property, insulation, and other energy conserving components, as defined in the Internal Revenue Code.

Fifth, the plan must specify any commitments of other resources to the development of the area and to limit resulting residential displacement and mitigate its effects. Moreover, it must specify any commitment from the local government that at least 10 percent of the proceeds from its industrial development bonds will be used directly or indirectly by area businesses. In determining which area businesses will receive the proceeds, the government must give preference to small, minority-owned, and ownership-expanding businesses.

The plan must also specify any government commitment to donate property within the area to an area GSOC or a tax-exempt educational organization.

Finally, the plan must specify any commitment to encourage and assist minority and youth enterpreneurship; maintain and increase the availability of low- and moderate-income housing; simplify or streamline

government regulation, not directly related to health and safety of area employers and employees; improve public services; provide police, fire or other public safety measures; reduce fees, taxes, or other expenses for area businesses; encourage use of eminent domain powers for any area GSOC, except if it would deprive area residents of adequate housing; and encourage the use of private businesses within the area to provide public services.

Section 103. Subsection (a) authorizes the Secretary to give final approval to the designation of a revitalization area if he (1) has given preliminary approval and (2) finds the local government has taken adequate measures to assure fulfillment of the commitments made in the revitalization area development plan.

Subsection (b) directs the Secretary to give preference to areas with the highest levels of general distress and where the local government demonstrates the most comprehensive and determined commitment to pursue the revitalization area development plan. In addition, the Secretary must consider the local government's economic ability to make the commitments in the development plan and the extent to which the application for designation corresponds to any State plan for revitalizing distressed areas.

Section 104. Subsection (a) defines "ownership-expanding business" as a revitalization area business organized and operated as a producer cooperative or which establishes an employee stock ownership plan or tax credit employee stock ownership plan. In addition, nonmanagerial employees must own at least 35 percent of (1) the total voting power of all voting stock, or the total value of all stock, if a corporation or (2) the value of the business, if not a corporation.

Moreover, the business must distribute at least 10 percent of its profits each year to its employees equally and, if requested, pay the cost of an audit of its records.

Subsection (b) directs the Secretary, 180 days after enactment, to prescribe regulations providing (1) deadlines to apply for preliminary and final approval of a designation and (2) the form and manner for submitting the applications.

Subsection (g) provides definitions for this section.

Section 105. This section directs the Secretary of HUD to promote the coordination of all Federal housing, community and economic development, banking, financial assistance, and employment programs within the revitalization area; expedite, to the greatest extent possible, the consideration of applications for these programs; and provide, whenever possible, for the consolidation of periodic reports required under these programs into one summary report submitted at intervals.

Section 106. Subsection (a) requires the head of each Federal department, agency or program that distributes Federal funds or awards Federal contracts for job training to give preference to (1) any program, organization or local government located in, or primarily serving, a revitalization area over all other programs, organizations or local governments; (2) those programs or organizations specified as part of the job-training commitments under the area development plan over all other programs or organizations serving the area; (3) community-based organizations or entrepreneurship development centers located in, or primarily serving, the area over all other organizations serving the area.

Subsection (b) directs the same Federal officials to take such actions as necessary to assure that a recipient of Federal job-training funds or contracts will give special consideration to the preferences in subsection (a) in distributing these funds or awarding any subcontracts under these contracts.

Subsection (c) defines a "community-based organization."

TITLE II—TAX INCENTIVES

Section 201. This section defines "revitalization area business" as any business that (1) receives 50 percent of its gross receipts each year from the conduct of a trade or business that produces goods or provides services within a revitalization area and (2) at least 30 percent of the employees hired after designation of the area (or after commencing business in the area) are qualified employees.

A business active in an area before designation as a revitalization area does not qualify as a revitalization area business for any taxable year unless, on the average, the number of its employees for such taxable year is at least 10 percent greater than the number of its employees during the taxable year preceding designation of the area.

If a business relocates from another distressed area into a revitalization area, it must maintain its new level of activity in the revitalization area, and remain owned or controlled by the same persons, for at least three years to obtain the tax benefits it would otherwise receive under CARA.

Section 211. This section adds a new section 44H to the Internal Revenue Code to allow an electing, qualified corporation to take a credit against taxes based on the percentage of its stock held by or for qualified employees. For every ten percent of outstanding shares of stock owned by, or on behalf of, its qualified employees, a qualified corporation may take a tax credit equalling 2 percent of its taxable income.

The tax credit may not exceed $50,000 for any taxable year.

In the case of a controlled group of corporations, the $50,000 ceiling shall be reduced for each member of the group by apportioning it among the component members as the Secretary of the Treasury shall by regulation prescribe.

The tax credit under this subsection may not exceed the tax imposed by this chapter of the Internal Revenue Code for the taxable year, reduced by the sum of the credits allowable under a section of this subpart with a lower number or letter designation than this section, other than those allowed by sections 31, 39, and 43.

This section prohibits a corporation from electing to take this tax credit if it elects to take the tax credit under section 44G.

A qualified corporation is defined as a revitalization area business in which at least 70 percent of its employees own shares of its stock.

Section 212. This section adds a new section 1041 to the Internal Revenue Code. Subsection (a) of the new section 1041 provides that a taxpayer shall not recognize gain from the sale or exchange of any share of stock in an area business with (1) an employee stock ownership plan or a tax credit employee stock ownership plan investing primarily in stock issued by the area business, if it meets the requirements of subsection (b); or (2) the area business if it is a producer cooperative.

Subsection (b) of new section 1041 requires that, during the taxable year:

(1) at least 51 percent of the total number of shares of stock of the area business sold or exchanged by the taxpayer to, or with, the plan under subsection (a) must be allocated to the accounts of nonmanagerial employees;

(2) the plan must allocate at least 51 percent of the total number of shares of stock of the business held by the plan among at least 51 percent of the nonmanagerial employees;

(3) in the case of a tax credit employee stock ownership plan, all shares sold or exchanged which are allocated to the accounts of employees must vest within 5 years after the date of the sale; and

(4) the taxpayer maintains such records and provides such information as the Secretary of the Treasury may require by regulation.

Subsection (c) of the new section 1041 provides definitions for the section.

Section 221. This section adds a new section 1042 to the Internal Revenue Code to allow a taxpayer to defer the recognition of any capital gain reinvested in qualified properties.

Subsection (b) defines:

(1) "qualified property" as any tangible personal or real property acquired for business use by the taxpayer in an existing revitalization area or any stock or interest acquired in a small revitalization area business.

(2) "a small revitalization area business" as any revitalization business with average annual gross receipts less than $4 million.

Under paragraph (3) of section 1042(b), a person is a "qualified employee" if he or she performs at least 50 percent of his or her services in a revitalization area and either has been unemployed for 10 weeks, has a poverty level income, receives public assistance, or is eligible for the Targeted Jobs Tax Credit.

Paragraph (4) of section 1042(b) includes low income rental housing as "qualified property" if it is located in the area and it was built, or each of its units has received at least $10,000 in rehabilitation, after the area's designation as a revitalization area.

Paragraph (5) of section 1042(b) extends the deferral of capital gains for all revitalization area transactions to the first exchange occurring after the revitalization area designation ends.

Subsection (c) requires the taxpayer to reinvest his or her capital gain in a revitalization area business or property within a 24 month period of the date of the sale in which he earns his capital gain. This period will include the 3 months prior to, and the 21 months immediately following, the sale.

Subsection (d) requires a taxpayer using section 1042 to defer recognition of capital gain to decrease, by the amount of the deferral, the basis in any qualified property he or she purchases.

Section 222. This section adds a new subparagraph (H) to subsection 48(a) of the Internal Revenue Code to allow a taxpayer to take as a tax credit the investment for property described under paragraph 1042(b)(4) of the Code if he or she spends $10,000 or more to rehabilitate a unit of low income housing 30 or more years old and located in a revitalization area.

The taxpayer can take a 25 percent tax credit for the rehabilitation of certain 30 year old structures and a 30 percent tax credit for the rehabilitation of certain 40 year old structures.

Section 223. This section amends section 46 of the Internal Revenue Code to allow investors in an Entrepreneurial Development Centers to take an additional 10 percent in-

vestment tax credit (up to a total of $750,000 per taxpayer). This credit will be available for the investors for no more than 7 years after the Center is placed in service.

Subsection (c) adds a new subsection (9) to section 48 of the Internal Revenue Code to define an Entrepreneurial Development Center as a for-profit facility, established in a revitalization area within 18 months after designation that provides financial and managerial assistance and physical resources (i.e., machinery, computer services, etc.) to revitalization area businesses.

It also requires that fees charged for the Center's services bear a reasonable relationship to its operating costs.

Section 231. This section adds a new section 44J to the Internal Revenue Code to allow a taxpayer to take a tax credit based on a percentage (the applicable percentage) of the compensation paid to all new qualified employees. The credit depends upon the length of employment of each qualified employee.

The applicable percentages are as follows:

If a qualified employee worked in the area business for:	*Percent*
Less than 1 year	40
At least 1 year but less than 2 years	30
At least 2 years but less than 3 years	20
At least 3 years but less than 4 years	10
4 years or more	0

A taxpayer who elects this credit cannot also take the deduction under section 232 of the Community Assistance Revitalization Act (new section 196 of the Internal Revenue Code).

Section 232. This section adds a new section 196 to the Internal Revenue Code. Subsections (a) and (b) allows a taxpayer to deduct a percentage of income (applicable percentage) from any revitalized business or from any loan or financing made to such a business based on the percentage of new qualified employees hired by that business during the calendar year ending with or within the taxable year of the taxpayer.

The applicable percentages are as follows:

If the business' percentage of new qualified employees for the calendar year is:	*Percent*
Less than 30	0
At least 30 but less than 40	20
At least 40 but less than 50	30
At least 50 but less than 60	40
60 or more	50

Subsection (c) defines a "new employee" as one hired by a revitalization area business during the calendar year and employed throughout the 90 days prior to the close of the calendar year.

A taxpayer that elects this deduction cannot also take the tax credit under section 231 of the Community Assistance Revitalization Act (new section 44J of the Internal Revenue Code).

Section 233. This section adds a new section 1257 to the Internal Revenue Code to allow a taxpayer to take an immediate deduction not equal to the lesser of $10,000 (or $20,000 for a joint return), or the cost of a stock or debenture purchased from a qualified small business.

Subsection (e) requires the taxpayer to reduce the basis of the stock or debenture by the amount of the deduction and establishes a minimum holding period of three years.

Section 241. This section amends subsection 51(b) of the Internal Revenue Code to increase from $3,000 to $5,000 the maximum tax credit an employer can take for wages paid to each first-year employee.

Subsection (b) eliminates the termination date for section 51 of the Code, making it a permanent provision.

TITLE III—GENERAL STOCK OWNERSHIP PROVISIONS

Section 301. This section sets out the procedures for establishing, in a revitalization area, a General Stock Ownership Corporation (GSOC), an entity already recognized in section 1391 of the Internal Revenue Code.

Subsection (a) provides that within 180 days after the Secretary of HUD gives final approval to an area designation, the local government having jurisdiction over the area shall hold an election to select at least five individuals from among eligible candidates to serve as the area (GSOC) planning board.

The local government must divide the number of seats on the board into classes and assign a length of term to each seat. The class division shall insure that, if the board becomes the board of directors for an area GSOC, at least one-third of all seats on the board shall be open for election every two years.

The ballot for this election must include the names of all eligible candidates who secure a specified number of signatures. It must also indicate the length of the term of office assigned to the seat for which each eligible candidates is seeking election.

To qualify as an eligible candidate, an individual must be a resident of the revitalization area and must be at least 18 years old.

Within one year after the designation of a revitalization area is approved, the board, by a majority vote, must determine whether establishment of an area GSOC would be in the best interests of the area.

If it decides negatively, the board shall cease to exist within 15 days after that determination. If it decides affirmatively, the board must formulate a plan for creating an area GSOC that will meet the needs of the area and submit the plan to the Governor.

Subsection (b) authorizes the legislature or Governor of a State to charter an area GSOC but only if the area GSOC planning board has submitted a plan for creating an area GSOC; the charter issues within 90 days after the plan is submitted to the Governor; and the legislature or Governor finds that the requirements of this section have been met and the proposed area GSOC meets the requirements of the Internal Revenue Code.

Subsection (c) provides that the area GSOC planning board shall serve as the initial board of directors of the area GSOC. Each member shall have the term of office assigned to the seat on the area GSOC planning board for which the member was elected.

The local government shall determine a term of office for subsequent board members which is equal in length for each member and provides for the expiration every two years of the terms of at least one-third of the members.

If the term of a board member expires, or a vacancy occurs, the local government must hold an election similar to that held under subsection (a) to choose a successor or fill the vacancy.

The board of directors has the sole right to manage the property and affairs of the area GSOC.

Subsection (d) directs the board, within 90 days after the state charters the area GSOC, to propose a business plan for the area which specifies the objectives of the area GSOC, the type of investments the area GSOC may make, and the manner in which the area GSOC proposes to develop the area.

If approved by a majority of the shareholders, the plan must become a part of the bylaws of the area GSOC, amendable only with the approval of a majority of the shareholders. The area GSOC may not make any investment, or take any action, until the shareholders approve the business plan.

Section 302. This section establishes the area GSOC as a recognized taxable entity by amending existing section 1391 of the Internal Revenue Code, which already recognizes the GSOC as a taxable domestic corporation if, among other things, its shares of stock are held by all residents of a state.

Subsection (a) adds a new subsection (e) to section 1391 to define an area GSOC as a GSOC chartered by the State under the provisions of section 301 of the CARA, authorized by its charter to acquire and develop real estate in the area, and having a charter that provides:

(1) the shares of its stock shall be issued directly to eligible area residents on an equal basis;

(2) each share shall have full voting rights;

(3) except as provided in this subsection, no share shall be transferable other than by will or by the laws of descent and distribution;

(4) at least 40 percent of all employees of the area GSOC at any time must be qualified employees, as defined in section 1042 (b) of the Internal Revenue Code;

(5) the GSOC must qualify as an area GSOC under this subchapter; and

(6) the board of directors of the GSOC must authorize the issuance of as many shares of GSOC stock as necessary to assure that each present and future eligible area resident receives stock on an equal basis.

This subsection also defines an eligible area resident as any person who is at least 18 years old and has been an area resident at all times for one year prior to issuance of the share of stock of the area GSOC.

In addition, this subsection requires that all area residents receive at least an equal number of shares of the area GSOC stock.

An exception is allowed for certain "exempt residents" who may receive, under rules prescribed by the board of directors, up to 25 percent more shares of stock. These individuals may include employees of the area GSOC, persons who have performed voluntary services for the area GSOC, and disabled individuals.

Finally, any shareholder may sell his nonforfeitable rights in any share of area GSOC stock to the area GSOC but not sooner than five years after the stock is issued. The area GSOC must purchase the stock at its fair market value.

Subsection (b) amends the general definition of GSOCs to reflect the provision of area GSOCs under the CARA. In addition, it extends the date by which a state may charter a GSOC from January 1, 1984, to January 1, 1985.

Further, it prohibits the transfer of shares of stock in the area GSOC, other than by will or the laws of descent or distribution, until five years after the stock is issued unless the shareholder ceases to be a resident of the area.

A shareholder may not transfer his stock to any person other than the area GSOC.

This subsection also adds a new subsection (f) to section 1391 providing that a GSOC shall not be considered a member of an affiliated group solely because it owns stock in a real estate corporation if it owns less than 80 percent of the voting power of all class of stock, and less than 80 percent of each class of nonvoting stock, of that corporation.

A real estate corporation is defined as a corporation deriving at least 95 percent of its gross income, for any taxable year in which a GSOC owns more than 20 percent of the voting power of all classes of stock in the corporation, from (1) rents or property, (2) gain from the sale or other disposition of real property, and (3) amounts described in section 856(c)(2)(G) of the Internal Revenue Code.

The area of GSOC must distribute at least 10 percent of its taxable income for any taxable year.

The amendments in this section take effect for taxable years ending after December 31, 1983.

Section 303. This section amends subsection 170(c) to provide that contributions to an area GSOC qualify as charitable constributions.

Section 304. This section adds a new section 1043 to the Internal Revenue Code to provide that a taxpayer must recognize only 50 percent of the gain realized from the sale or exchange of any property to, or with, an area GSOC.

TITLE IV—EMPLOYEE STOCK OWNERSHIP PROVISIONS

Section 401. This section amends section 404(a)(10) of the Code to increase from 25 to 50 percent the amount that may be deducted from income tax for contributions paid into an employee stock ownership plan which are applied to the repayment of the principal of a loan used to acquire the employer's stock.

Section 402. This section adds a new subsection (j) to section 404 of the Code to allow an employer to deduct the amount of any cash dividend he pays on any share of his stock under either of two conditions. First, the stock must be held on the record date by a tax credit employee stock ownership plan or an employee stock ownership plan and, under the terms of the plan:

(i) the plan participants receive the dividend in cash within 60 days after the year in which the plan receives the dividend, or

(ii) the plan applies the dividend to repay a loan used to acquire the employer's stock.

Second, the stock is held by a former employee who received it in a distribution from a tax credit employee stock ownership plan or an employee stock ownership plan.

Section 403. This section further amends subsection 170(c) of the Code by adding a new paragraph (7) to permit a taxpayer to deduct a contribution to a tax credit employee stock ownership plan or an employee stock ownership plan as a charitable contribution. The section attaches six conditions for the deduction to qualify:

First, it must consist exclusively of employer securities.

Second, it must be allocated, under the terms of the plan, to participating employees consistent with the nondiscrimination requirements of section 401(a)(4) of the Code.

Third, no part of the contribution may be allocated under the plan for the benefit of (1) the taxpayer or decedent, or any related person, under subsection 267(b), or (2) any other person owning more than 25 percent in value of any class of outstanding employer securities or qualifying employer securities, under subsection 318(a).

Fourth, the contribution must be made only under the provisions of the plan.

Fifth, the plan must attribute the employer securities to employer contributions.

And sixth, the taxpayer cannot otherwise take a deduction under section 404 or a tax credit under section 44G for the contribution.

Section 404. This section provides that the amendments to the Code in Title V of the CARA shall take effect for the taxable years ending after December 31, 1983.

TITLE V—ENERGY PROVISIONS

Section 501. This section amends section 44C of the Internal Revenue Code to increase the qualified energy conservation expenditure, for purposes of calculating the residential energy credit, from 15 percent to 40 percent of the energy conservation expenditures on a dwelling unit made by the taxpayer during taxable years ending after 1983.

It also extends the residential energy credit for dwelling units in revitalization areas indefinitely beyond its current expiration date of December 31, 1985.

Finally, it permits the carryover of unused credits until the taxable year beginning after December 31, 2004.

Section 502. This section amends section 46(a) of the Internal Revenue Code to provide that, between January 1, 1984, and December 31, 2002, a revitalization area business may apply an energy percentage of 30 percent for its energy property.

By Mr. STAFFORD:

S. 635. A bill to authorize the U.S. Army Corps of Engineers to provide assistance to local communities, and for other purposes; to the Committee on Environment and Public Works.

WATER RESOURCES

● Mr. STAFFORD. Mr. President, I am pleased to introduce legislation intended to resolve several small, but important, water resources issues.

This bill would accomplish four goals:

Section 2 establishes an ongoing program for the control of river ice. In many of our Northern States, the buildup of river ice during the winter can produce severe flooding problems. Under current law, the U.S. Army Corps of Engineers may respond if the danger of flooding is imminent, but it has no authority to work, on a sustained basis, to prevent the problem. This section would authorize the corps to attack, on a systematic basis, the problems of river ice accumulation.

From conversations that I have had with public officials in Vermont and in other cold-weather States, I can assure my colleagues that this proposal carriers broad significance and wide support.

Specifically, section 2 of the bill authorizes a $5 million-a-year program of research and technical assistance, as well as the purchase of equipment to be loaned to local communities, over the next 3 years.

Section 3 permits the Corps of Engineers to assist local communities in the rebuilding of power dams at former industrial sites. This initiative, like the preceding one, has passed the Senate during previous Congresses, but never has become law. That occurred because of the unrelated problems we have faced in the past in winning acceptance for an omnibus water resources act. I hope such problems can be relieved this year.

This section authorized the corps to assist small communities in developing former industrial and similar sites for new power production. I am convinced that such an approach will prove a wise use of existing resources.

Section 4 would establish an ongoing Federal program to assist communities in the control of streambank erosion. This section permits technical assistance to individuals and communities to retard such erosion. The section also authorizes a system of loans for erosion control to individuals and public bodies.

Section 5 clarifies the role of the Corps of Engineers concerning major repairs that may be necessary to Waterbury Dam in Vermont. This section assures that any such major repairs at the dam will be undertaken by the Army Corps of Engineers.

Some disagreement has occurred between the State and the corps over whether the costs for these repairs—concrete work on the spillway and the possible construction of a shield to prevent leaks through the dam—is a Federal or non-Federal responsibility. It is my judgment, supported by that of the State of Vermont, that such work represents major rehabilitation, possibly stemming from design faults in the dam. Because of that fact, these repairs are rightly a Federal expense.

This work, I must note, carries an estimated maximum cost of $3,000,000, probably far less. In addition, operating and maintenance responsibility and authority for Waterbury Dam will continue, under this bill, to rest with non-Federal interests.

Mr. President, I ask unanimous consent that a copy of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Communities Water Resources Assistance Act of 1983."

RIVER ICE CONTROL

SEC. 2. (a) The Secretary of the Army acting through the Chief of Engineers (hereinafter referred to as the "Secretary"), shall undertake a program of research for the control of river ice, and to assist communities in breaking up such ice, which otherwise is likely to cause or aggravate flood damage or severe streambank erosion.

(b) The Secretary is further authorized to provide technical assistance to local units of

government to implement local plans to control or break up river ice. As part of such authority, the Secretary shall acquire necessary ice-control or ice-breaking equipment that shall be loaned to local units of government.

(c) For the purposes of this section, the sum of $5,000,000 is authorized to be appropriated to the Secretary in each of the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986, such sums to remain available until expended.

(d) No later than March 1, 1986, the Secretary shall report to the Congress on activities under this section.

IMPROVEMENTS AT FORMER INDUSTRIAL SITES

SEC. 3. (a) The Secretary shall, upon the request of local public officials, survey the potential and methods for rehabilitating former industrial sites, millraces, and similar types of facilities already constructed for use as hydroelectric facilities. The Secretary shall, upon request, provide technical assistance to local public agencies, including electric cooperatives, in designing projects to rehabilitate sites that have been surveyed, or are qualified for survey, under this section.

(b) There is authorized to be appropriated to the Secretary, to implement this section, the sum of $5,000,000 for each of the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986, such sums to remain available until expended.

STREAMBANK EROSION CONTROL

SEC. 4. (a)(1) The Congress finds that streambank erosion destroys property, both public and private, creates and aggravates flooding, increases sedimentation in the Nation's rivers, adds to the needs for disaster assistance in many areas, and creates significant financial and environmental losses to the Nation.

(2) The Congress, therefore, declares that it is in the national interest to assist communities and individuals in lessening and, when possible, preventing the erosion of streambanks and riverbanks, particularly when such erosion threatens, or can be expected to threaten, public and private facilites and structures.

(b)(1) The Secretary shall provide technical assistance in methods to retard streambank and riverbank erosion to any person or agency requesting such assistance, if the applicant is experiencing, or can be expected to experience, erosion threatening dwellings or loss of property. The Secretary may also provide assistance to an applicant who would be likely to be affected by flooding downstream from property threatened by erosion: Provided, That the owner of such property agrees to allow the applicant to perform such erosion retarding work.

(2) For the purposes of this subsection, the sum of $2,000,000 is authorized to be appropriated to the Secretary in each of the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986, such sums to remain available until expended.

(c)(1) The Secretary is authorized to provide loans, to be repaid within 10 years, of up to $10,000 to any public or private group or agency or individual for the purpose of stabilizing streambanks or riverbanks when erosion of such streambanks or riverbanks threatens, or can be expected to threaten, any facility or structure, or produce or seriously aggravate the danger of flooding. Plans for any work to be undertaken with a loan under this subsection shall be submitted to the Secretary. Approval by the Secretary of such plans shall be a commitment of the Secretary to such loan. Notwithstanding the first sentence of this subsection, any loan to a public agency may be for a period of 20 years and for a sum up to $25,000. Loans granted under this section shall be free of interest. Repayment shall be required in equal installments.

(2) For the purposes of this subsection, the sum of $50,000,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1984, and thereafter, and shall remain available until expended.

WATERBURY DAM, VERMONT

SEC. 5. The Waterbury, Vermont, project in the Winooski River Basin, authorized for modification in section 10 of the 1944 Flood Control Act, approved as Public Law 78-534 on December 22, 1944, is hereby further modified to provide that any major rehabilitation of such project shall be undertaken by the Secretary. Nothing in this section shall be construed as altering the conditions established in the Federal Power Commission License Numbered 2090, issued on September 16, 1954.●

By Mr. HART (for himself, Mr. CRANSTON, Mr. SIMPSON, Mr. DECONCINI, Mr. RANDOLPH, Mr. MATSUNAGA, Mr. MITCHELL, Mr. COHEN, Mr. RIEGLE, Mr. HOLLINGS, Mr. SASSER, Mr. EXON, Mr. SARBANES, Mr. SPECTER, Mr. KENNEDY, Mr. LEAHY, Mr. LEVIN, Mr. DENTON, Mr. KASTEN, Mr. MURKOWSKI, Mr. BIDEN, Mr. CHILES, Mr. ANDREWS, Mr. BURDICK, Mr. PERCY, Mr. JOHNSTON, and Mr. STAFFORD):

S. 636. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review, of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes; to the Committee on Veterans' Affairs.

JUDICIAL REVIEW BILL

● Mr. HART. Mr. President, today Senator CRANSTON and Senator SIMPSON, the chairman of the Senate Veterans Affairs Committee join me in introducing S. 636, the Veterans' Administration Administrative Procedure and Judicial Review Act of 1983. The purpose of S. 636 is to provide veterans and other claimants before the Veterans' Administration (VA) the right to judicial review of final decisions of the Administrator of Veterans' Affairs denying claims for benefits, to codify certain VA benefit claim procedures, to require that the VA comply with public notice and comment provisions of the Administrative Procedure Act in its rulemaking, and to permit veterans to pay reasonable attorneys fees.

Mr. President, the Veterans' Administration—the second largest client agency in the Federal Government—is one of the few agencies whose benefit decisions are not subject to the scrutiny of the Federal courts. Too often in the past, this exclusion, together with an outdated $10 limitation on attorneys fees, has resulted in an abridgement of fundamental constitutional rights of the veteran in hearings before the VA.

Mr. President, a veteran seeking VA benefits must file a claim with the VA regional office's rating board to determine eligibility for disability, pension, or other benefits. If the local rating board renders an unfavorable decision, the veteran can appeal to the Board of Veterans Appeals (BVA) in Washington, D.C, which is also part of the VA. Under existing law, the decision of the BVA on, "any question of law or fact under any law administered by the Veterans' Administration providing benefits for veterans and their dependents or survivors, shall be final and conclusive, and no other official or any court of the United States shall have power or jurisdiction to review any such decision" (38 U.S.C. 211(a)). Unlike claimants before other Federal agencies, a veteran who feels that the BVA has misinterpreted the law or decided a case without taking all relevant facts into account has no recourse outside the Veterans' Administration.

For more than two decades, the Social Security Administration—which also adjudicates disability claims—has been subject to judicial review of its final benefit decisions (42 U.S.C. 405(g)).

Mr. President, to insulate any agency from the scrutiny of the courts runs counter to some of our most cherished constitutional principles. In human terms, this denial of the due process rights of veterans has too often resulted in hardship and disillusionment for those who have defended our country and are most deserving of the guarantees of our constitutional form of government.

Mr. President, I first introduced legislation to open the Veterans' Administration to outside court review in May 1976. Since that time my colleagues in the Senate have joined me in successfully passing, on two occasions in the 96th and 97th Congresses, legislation similar to that which we are introducing today. Both Senator CRANSTON and Senator SIMPSON have supported this legislation through their leadership as chairmen of the Senate Veterans' Affairs Committee. I am grateful for their help and guidance in helping to bring this legislation to the floor for its successful con-

sideration in the last Congress as S. 349.

Mr. President, the central issue in the debate on this bill is whether we are going to afford the American veteran the same constitutional rights we grant other citizens in this country. Judicial review is important in granting the veteran adequate protection of his or her rights as a citizen, and it will provide improved oversight of VA procedures and activities by an independent outside body. American veterans have been denied for too long their fundamental right to simple justice in the adjudication of Veterans' Administration claims. Under current VA procedures, veterans have no right to appeal outside the agency, are effectively denied access to an attorney, and cannot question in Federal court the validity of the VA rules and regulations promulgated by the agency. S. 636, will correct these deficiencies and finally restore the full constitutional rights of the American veteran.●

Mr. CRANSTON. Mr. President, I am pleased to join with my good friends, the Senator from Colorado (Mr. HART) and the chairman of the Veterans' Affairs Committee (Mr. SIMPSON), in introducing S. 636, the proposed Veterans' Administration Adjudication Procedure and Judicial Review Act. I am delighted to note that we are joined by 24 original cosponsors, including the Senator from Arizona (Mr. DECONCINI), a member of the Veterans' Affairs Committee who was an original cosponsor of the predecessor to this measure in the last Congress, and seven other members of the Veterans' Affairs Committee. Four of the cosponsors, Senators SIMPSON, DECONCINI, SPECTER, and DENTON, are members of both the Judiciary and Veterans' Affairs Committees and three others are members of the Judiciary Committee—the ranking minority member of that committee, (Mr. BIDEN), and Senators KENNEDY and LEAHY. The broad, bipartisan support demonstrated by this array of cosponsors is a strong indication of the merits of this legislation.

Mr. President, legislation to provide for judicial review of decisions of the Veterans' Administration on claims for benefits has been through an extended period of development in the Senate—beginning in the 94th Congress when the Senator from Colorado (Mr. HART) first introduced such legislation. During this period, the Committee on Veterans' Affairs has held eight hearings on judicial review legislation, and the Judiciary Committee has held one such hearing. Judicial review legislation has been before both the Veterans' Affairs Committee and the Judiciary Committee, with the Veterans' Affairs Committee twice voting to report such legislation, and the Judiciary Committee twice, after referral of the reported bill for a period of time, taking no action to amend the reported measures before being discharged from further consideration. The measures reported by the Veterans' Affairs Committees—S. 330 in the 96th Congress and S. 349 in the last Congress—were passed by the Senate without dissent. Unfortunately, the House Veterans' Affairs Committee, to which the measures were referred in the other body, took no action during either Congress. Nevertheless, I continue to hope that, should the Senate again pass judicial review legislation, the Committee on Veterans' Affairs in the other body might take some action on the issue which could then serve as a basis for the development of a consensual approach on this important issue.

Mr. President, the measure we are introducing today is identical to S. 349 as reported by the Veterans' Affairs Committee on June 3, 1982, and passed by the Senate on September 14, 1982, in all respects except one—the absence of title V from S. 349 which dealt with the status of members of the Board of Veterans' Appeals under the Civil Service Reform Act, an issue that has been resolved administratively. The basic purpose of this measure is to insure that veterans and other claimants before the VA receive all benefits to which they are entitled under law by providing them with the opportunity for judicial review of final decisions of the Administrator of Veterans' Affairs denying claims for benefits, by codifying certain internal procedures of the VA relating to the adjudication of benefit claims, by requiring that VA rulemaking processes comply with provisions of the Administrative Procedure Act relating to notice and comment, and by allowing claimant to pay attorneys reasonable fees for representation before the VA after a decision by the Board of Veterans' Appeals and for representation in judicial proceedings. My September 14, 1982, floor statement upon Senate passage of S. 349 discusses the bill's provisions in detail—S11421 of the daily edition.

Mr. President, there are a number of strong reasons supporting the enactment of judicial review legislation, and I would like to highlight some of them briefly at this time.

One of the important reasons judicial review is needed is to help insure fairness to individual claimants before the VA. In saying this, I do not mean to indicate a belief that the Board of Veterans' Appeals—the final adjudicative body within the VA—in any way intends to deny such fairness or that, despite the Board's best efforts, there is a routine denial of fairness. To the contrary, I believe that the members of the Board are fairminded, conscientious individuals who make a concerted effort to carry out their responsibilities in an evenhanded fashion and that, by and large, most claimants before the VA are treated fairly. However, I do know that the present system, which results in final, unappealable decisions by the Board, together with the statutory limit of $10 on the amount a claimant before the VA can pay an attorney for representation, leaves many disappointed claimants believing that they have been denied a full and fair opportunity to pursue their claims and that, as veterans, they are denied important rights that citizens have in dealing with virtually all other Federal agencies.

In addition to this perception of a denial of justice, Mr. President, is the very real chance that actual injustices do occur under the current system, a problem that opportunity for judicial review would substantially ameliorate. Although I know that the VA claims adjudication system is set up to be supportive of the veteran—as it should be—the VA is a very large and complex Federal agency, and unfair results are bound to occur. I have long been concerned that the tremendous volume of claims handled by the Board of Veterans' Appeals provides a significant opportunity for some injustices to occur. On the basis of current trends, the number of claims handled by the Board will continue to increase, thereby increasing the possibility of unintended unfair results.

Mr. President, another principal reason for judicial review legislation is the need to establish a basis for the review of questionable agency actions restricting, withholding, or withdrawing VA benefits—actions that can be expected to increase in frequency as there is greater pressure within the executive branch to realize cost savings in current programs. There have been numerous examples of such actions in the recent past—such as efforts by the VA to collect for the cost of health care provided to veterans who happen to be VA employees; attempts by the agency, at the direction of the Office of Management and Budget, to restrict beneficiary travel reimbursement for eligible veterans; allegations that some VA stations are applying very stringent standards in cases in which Vietnam veterans are seeking to be granted service connection for post-traumatic stress disorder; and the VA's drawing overly restrictive regulations to implement the targeted GI bill delimiting-date extension enacted in Public Law 97-72 as well as the radiation-exposure health-care eligibility enacted in that same Public Law.

In each of these cases and in other similar cases, the lack of access to court review has serious implications. Although the Committees on Veterans' Affairs in both Houses do their utmost to oversee the activities of the VA, the limited resources of the com-

mittee do not allow for thorough review of and congressional action to resolve satisfactorily all of the issues arising in such a large and complex agency. In addition, I do not believe that aggrieved veterans should have to be dependent for relief on congressional committee processes which, for all their virtues, cannot be fairly said to be designed to achieve or to be capable of achieving systematically the even-handed dispensation of justice. Also, although the results of committee oversight are often salutary in terms of bringing about—either through legislation or administrative action under pressure, as was the case in the latter two examples I just cited—reversals of agency action, there is usually a long delay in having the correction made; whereas injunctive relief for irreparable injury can be a very speedy remedy.

If the veterans affected by various VA actions had access to court to challenge those actions, the individuals most directly affected by these actions would be guaranteed the opportunity to be heard by an entity outside of the VA and obtain urgent and timely relief in certain cases. In a similar way, the VA's handling of claims based on exposure to agent orange or to radiation from the detonation of a nuclear weapon would benefit from outside review by allowing those who believe they have been harmed to have their claims tested in an independent forum.

Mr. President, in making this point, I do not want to be understood as suggesting that the VA is wrong on all or any of these issues. Rather, I am suggesting that outside review by the independent branch of Government established in our constitutional framework with the special responsibility of determining whether governmental action is legal and whether it is fundamentally fair would benefit all parties involved. The VA would have its processes subjected to appropriate scrutiny and, to the extent the agency's actions were upheld, would be vindicated. Likewise, to the extent the agency's actions were held unlawful or fundamentally unfair, steps could be taken to improve the process so as to insure that the agency is fulfilling its mission to serve veterans in the best possible fashion. I am concerned that agency action that does not have the benefit of outside scrutiny may fail to address fully the legitimate needs of those the agency exists to serve, and I believe that providing for judicial review would basically correct this shortcoming.

Mr. President, another important reason in support of judicial review is related to the status of the Board of Veterans' Appeals. Fundamental principles of due process, as guaranteed by the Constitution, require an independent review of administrative action affecting individuals' liberty or property interests. Although there are earlier court decisions suggesting that veterans' benefits are gratuities and not worthy of general due process protections, such a viewpoint is no longer valid, either philosophically—veterans benefits are earned by service in the military—or legally in light of a number of decisions rendered by the Supreme Court in the last decade holding that various statutory governmental benefits are legal entitlements and, thus, protected property interests of the beneficiary.

Mr. President, I do not believe that review by the Board provides the required independent action required by due process. Although the Board is not directly under the control of the Administrator of Veterans' Affairs, it is far too bound up with the agency, in many informal ways, to be truly independent and, more importantly, its independence is restricted by law. Under section 4004(c) of title 38, the Board is "bound in its decisions by the regulations of the Veterans' Administration, instructions of the Administrator, and the precedent opinions of the chief law officer." Although I have high regard for the integrity of both the Administrator and the General Counsel, this does not alter the fact that allowing them—and future incumbents in those offices—to restrict the decisionmaking authority of the Board significantly restricts that body's independence.

A final purpose of judicial review legislation is to help clarify the state of the law on the scope of the current law provision that bars judicial review, section 211(a) of title 38. At present, there are some important differences between the various U.S. Courts of Appeals regarding the sweep of this prohibition, and I am concerned that the VA contributes to this confusion by raising the 211(a) bar in cases in which it is not appropriate. Thus, the circuit where a veteran seeks to bring an action may well determine the outcome of the case a result that should be avoided

Some courts have held, correctly I believe, that the 211(a) bar applies only to claims for benefits by individual veterans, while other courts have let the bar preclude suits involving other than individual benefit decisions. The most appropriate way to clarify the situation, in my view, is to enact legislation such as we are introducing today that provides specified, limited access to court for veterans and others with claims before the VA.

Mr. President, when S. 349 was before the Senate in the last Congress, the Congressional Budget Office estimated that its first-year cost would be $4.2 million and the cost of the first 5 years would be $51.9 million. Although that estimate has not yet been updated, I see no reason for any change except to the extent necessary to reflect the effects of inflation. This would be, I believe, a very modest cost to pay to insure that veterans, their survivors, and other claimants before the VA are given a full and fair opportunity to have their claims for statutory benefits reviewed and evaluated.

Mr. President, I look forward to working with Chairman SIMPSON, Senator HART, the other cosponsors of this measure, and all my colleagues on this important legislation in the months ahead.

● Mr. SARBANES. Mr. President, I am pleased today to join with my colleagues in the Senate in introducing this important legislation to insure that our Nation's veterans are able to receive the full benefits to which they are entitled. Under present law, all decisions by the Veterans' Administration on benefit claims are final and not subject to court review. Present law also provides that an attorney representing a claimant for VA benefits may not be paid more than $10 for that representation, a provision that greatly limits representation. This bill would insure that veterans and other claimants before the VA have comparable rights in exercising claims as do claimants for other Federal benefits. It provides for the judicial review of claims for benefits that are denied by the Veterans' Administration and allows claimants to pay reasonable attorneys' fees for representation before the VA. These and other provisions contained in the bill will correct the present deficiencies in the VA's procedures while preserving those other aspects of the VA claims process that have served veterans well.

Legislation on this important matter has been introduced in the Senate since the 94th Congress; and an identical bill, S. 349, was approved by voice vote in the Senate during the 97th Congress after extensive consideration by the Committee on Veterans' Affairs, public hearings and comment by the administration, and discussion on the Senate floor. This legislation will restore to our veterans their full rights in seeking their justly earned compensation and facilitate the carrying out of our Nation's responsibility to those who have served with honor in our armed services. It is my hope that this legislation will receive prompt consideration by both the Committee on Veterans Affairs and the full Senate, and that it may swiftly be enacted into law during the 98th Congress.●

Mr. SIMPSON. Mr. President, I am pleased to join with my distinguished colleagues, the Senator from Colorado (Mr. HART) and the ranking minority member of the Senate Veterans' Affairs Committee (Mr. CRANSTON) as an original cosponsor of the Veterans' Administration Adjudication Procedure and Judicial Review Act. The bill we

are introducing today is substantially identical to S. 349, which was unanimously reported out of the Senate Veterans' Affairs Committee on April 28, 1982, and passed the Senate by a voice vote on September 14, 1982.

This legislation is designed to improve the adjudicate rights of individuals pursuing claims for Veterans' Administration benefits in order to make them more nearly comparable to the rights of claimants for other Federal benefits. We owe it to the veterans of this country, to their survivors and their dependents, to attempt to insure that the process of pursuing a claim for benefits based on service in the defense of this country is not more perilous or difficult than the process of claiming other entitlement benefits for which honorable service in the Armed Forces is not a prerequisite.

The improvements made by this bill would take the following forms: Most importantly, the bill would lift the present near-total prevention of judical review of VA claims, in order to permit—for the first time—persons whose claims for benefits are denied at the agency level to appeal that denial in the Federal courts. It would codify certain adjudication procedures which are presently in use in the VA and which are generally favorable to claimants. It would authorize the VA to test two alternative methods of improving the appeals process within the VA. It would subject the VA to the formal rulemaking requirements of the Administrative Procedure Act. And it would lift the present $10 limitation on the amount of fees that may be paid by a claimant for an attorney representation in connection with a claim for VA benefits, in order to permit the payment of reasonable fees, not only at the Federal court level, but also in the final stage of the agency adjudication.

Mr. President, the need for this legislation is clear. Under present law as set forth in section 211(a) of title 38 of the United States Code, all VA benefits decisions are final and not subject to judicial review. Although, as discussed more fully in the Veterans' Affairs Committee report, Federal courts have held that section 211(a) does not preclude judicial review of constitutional questions, certain procedural matters, and challenges to the Administrator's authority to issue particular regulations, the vast majority of VA benefits determinations remain unappealable to any court. Present law also provides, as set forth in section 3404(c)(2), that no attorney representing a claimant for VA benefits may be paid more than $10 for that representation—a provision which effectively precludes all but "pro bono" representation. Both of these limitations are at odds with the adjudicative rights afforded, primarily by virtue of the Administrative Procedure Act, to claimants for other Federal benefits.

In most other respects, however, the VA claims adjudication process has grown to serve VA claimants quite well. It contains a number of unique and valuable features which are worth preserving: Most notably, the use of informal rules for the admission of evidence, the practice of giving the claimant the benefit of the doubt on disputed factual matters, reliance on free representation before the VA by skilled representatives of the national veterans' organizations, and the impressive and well-established expertise of the Board of Veterans' Appeals in deciding the specific military and medical-related factual issues that arise in the context of claims for VA benefits.

Our task, then, in formulating this legislation was to preserve these positive aspects of the present system, and to enhance them through the addition of other important adjudicative rights and safeguards. Our purpose was to insure that veterans and other claimants before the VA receive all benefits to which they are entitled. We trust that the expansion of these important and almost universal rights of judicial review and meaningful attorney representation will appreciably further that goal.

Mr. President, the VA claims adjudication system is a living anachronism. Both the preclusion of judicial review and the limitation on attorney's fees are at least half a century out of touch and are based on obsolete assumptions and considerations. The preclusion of judicial review, first enacted in 1933, reflected the view that veterans' benefits are "mere gratuities" and that veterans have no right to such benefits so compelling as to warrant the protection of judicial review. Clearly, this position is no longer tenable, since the 1970 Supreme Court case of Goldberg against Kelly.

The reasoning behind the $10 attorneys' fee limitation is similarly obsolete. The $10 level was set in 1924, and was grounded in a desire to protect unfortunate pensioners from unethical lawyers fabricating claims and harassing veterans. It is clear that such a view of today's organized bar, particularly in light of the widespread network of State and local bar associations that now generally monitor attorney behavior, is not defensible.

Mr. President, this system, based upon such outmoded assumptions, is no longer appropriate for the veterans of this country. We must bring it up to date. I urge all of my colleagues to join me, the Senator from Colorado, the Senator from California, and the bill's 24 cosponsors, in supporting this important legislation.

By Mr. PERCY (by request):

S. 637. A bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize security and development assistance programs for fiscal years 1984 and 1985, and for other purposes; to the Committee on Foreign Relations.

S. 638. A bill to authorize supplemental international security assistance for urgent purposes for the fiscal year 1983, and for other purposes; to the Committee on Foreign Relations.

S. 639. A bill to authorize supplemental assistance to aid Lebanon in rebuilding its economy and armed forces, and for other purposes; to the Committee on Foreign Relations.

FOREIGN ASSISTANCE AUTHORIZATIONS

● Mr. PERCY. Mr. President, by request, I introduce for appropriate reference three bills concerning foreign assistance authorizations.

These bills have been requested by the Department of State and I am introducing them in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose these bills, as well as any suggested amendments to them, when the matters are considered by the Committee on Foreign Relations.

I ask unanimous consent that the bills be printed in the RECORD at this point, together with section-by-section analyses of the bills and the letter from the Secretary of State to the President of the Senate dated February 19, 1983.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, D.C., February 19, 1983.

Hon. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: I herewith transmit, on behalf of the President, three bills: a bill to authorize supplemental assistance to aid Lebanon in rebuilding its economy and armed forces, and for other purposes; a bill to authorize supplemental international security assistance for urgent purposes for the fiscal year 1983, and for other purposes; and a bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize security and development assistance programs for the fiscal years 1984 and 1985, and for other purposes.

These bills will authorize programs that are essential elements in the Administration's overall foreign and defense policy. Through security assistance, the United States helps allies and friendly governments defend themselves against external threats and deal with the economic, social, and political weaknesses that lead to instability. The economic and development assistance programs express the traditional humanitarian concerns of the American people by playing an essential role in combatting hunger, disease, and poverty, while at the same time assisting developing countries to achieve equitable economic growth. These programs seek to reach these objectives by, among other things, emphasizing the development of essential institutions and productive, self-sustaining private sectors in these countries.

The Administration's security and development assistance programs supplement and complement other programs and enhance the effectiveness of our defense establishment and our diplomacy. In a time of budget scarcity, these programs have been rigorously scrutinized and carefully planned to make the most efficient use of resources.

Additional assistance to Lebanon is important to our efforts to help the Government restore economic and political stability and effective control of its territory.

The Lebanon Emergency Assistance Act of 1983 would authorize appropriations for additional economic and military assistance to Lebanon in fiscal year 1983. The United States has made a major commitment to assist Lebanon to rebuild its shattered economy and its armed forces. This bill would authorize an additional $150,000,000 in appropriations for economic support funds to aid in the revival of the Lebanese economy, critical to the stability of that nation and the Middle East. The delicate negotiations for withdrawal of foreign forces from Lebanese territory depend on Lebanon's ability to preserve the integrity of its borders and maintain internal order. To achieve these ends, we have begun to assist the Lebanese Armed Forces to rebuild and modernize. The $1,000,000 authorized in this bill for international military education and training, and $100,000,000 in additional authority to guarantee loans for defense articles and defense services will supplement Lebanese funds and prior-year guarantees, and will be used to reequip and train the final two of seven brigades that comprise the Lebanese Army at this time. This will permit the LAF to extend the central government's authority in areas now occupied by foreign forces and to maintain Lebanon's independence and public order. This assistance is not only vital to Lebanon, but is an essential component of our effort to bring security and peace to the nations of the Middle East.

The proposed Special Security Cooperation Act of 1983 would authorize additional security assistance appropriations for fiscal year 1983. An effective foreign assistance program requires adequate funding levels, the flexibility to allocate funds to meet priority needs, and the ability to respond to unforeseen contingencies. When we forecast future needs far in advance, as we must, we cannot assume that circumstances will be exactly as projected. Reduced funding levels, coupled with extensive and detailed legislative earmarking for country programs, prevents the Administration from executing the security assistance program in a manner consistent with our most important interests.

The fiscal year 1983 appropriations made by the continuing resolution, Public Law 97-377, were seriously inadequate for important security assistance programs. With these funding levels, the United States will be unable to respond to the economic and military difficulties of important friends and allies, to the detriment of important U.S. interests. The effects of the funding shortfall will be to decrease political and economic stability in the countries affected, reduce their ability to defend themselves and cooperate with us in achieving common objectives. We will find it more difficult and costly to fulfill our security objectives. The bill increases by $142,000,000 the authorization for appropriations for the military assistance program to allow for a supplemental appropriation of $167,000,000 and increases by $82,000,000 the authorization for appropriations for economic support funds to allow for a supplemental appropriation of $144,500,000. The bill would also authorize $425,000,000 in off-budget loan guaranties under the foreign military sales program. The total is small when compared to our total national security expenditures, but the value of these funds, in terms of the political, economic and military return to the United States, is very large. In addition we are seeking $4,500,000 for our 1983 voluntary contribution to the International Atomic Energy Agency.

The proposed International Security and Development Cooperation Act of 1983 includes proposed amendments to the Foreign Assistance Act of 1961 (FAA), the Arms Export Control Act (AECA), and the Internal Revenue Code of 1954 (IRC). This bill would authorize additional appropriations for development and security assistance for fiscal years 1984 and 1985 and make certain changes in the authorities governing those programs.

The bill is composed of seven titles. Title I consists of authorizations for military sales and related programs under the FAA and the AECA. Title II authorizess a new antiterroism law enforcement assistance program. Title III provides authorization for the economic support fund. Title IV contains authorizations for the development assistance programs. Title V contains miscellaneous amendments to the FAA, including authorizations for the international narcotics program and operating expenses for the Agency for International Development. Title VI contains amendments to the IRC and the International Security and Development Cooperation Act of 1980. Title VII authorizes appropriations for fiscal year 1985, in accordance with the requirements of the Congressional Budget Act of 1974, and includes the effective dates for the various provisions of this bill.

The bill contains authorizations for fiscal year 1984 security assistance programs and other amendments, including:

$1,000,000,000 for the foreign military sales credit program;

Establishment of a limit of $4,436,000,000 for fiscal year 1984 on the total amount of loans for which guarantees may be issued;

Forgiveness of loan repayment for Israel and Egypt, and grant of more favorable terms to Korea for repayment of loans;

Creation of a new section in the FAA to authorize exchanges of professional military education on a one-for-one (barter) basis with foreign countries;

$46,200,000 under the FAA for international peacekeeping operations and permission to draw down commodities and services of up to $25,000,000 in value, if required in an emergency;

Removal of the People's Republic of China from the category of countries to which assistance is prohibited;

Conversion of legislative earmarks from fixed to proportionate requirements during periods when funds are appropriated by a continuing resolution;

Amendment of paragraph 21(e)(1)(A) of the AECA to define administrative charges in terms of additional costs which would not otherwise be incurred by the United States;

Amendment of the provisions of the AECA to reduce the number of pricing systems, from three to one, for sales of military training.

With respect to the authorizations requested in this Bill for security assistance programs for Greece and Turkey, I hereby certify, in accordance with section 620C(d) of the FAA, that the furnishing of such assistance to Greece and Turkey will be consistent with the principles set forth in section 620C(b) of the FAA. The explanation of the reasons for this certification in each case is contained in the congressional presentation materials for the fiscal year 1984 security assistance programs.

The bill includes authority for fiscal year 1984 to establish an anti-terrorism assistance program. The need for this new program becomes progressively more urgent. International terrorism is a frightful weapon that strikes at the foundations of societies and governments. The $5,000,000 authorized for this purpose will provide extremely useful assistance to friends and allies.

The development assistance portion of the bill contains various provisions that increase the effectiveness of the AID program and emphasize the President's commitment to foster the growth of productive, self-sustaining private sectors in developing countries' economies. It also authorizes funding for fiscal year 1984 for development assistance functional accounts, the Sahel account, American Schools and Hospitals Abroad, International Organizations and Programs, International Disaster Assistance, the Trade and Development Program, Operating Expenses, and the African Development Foundation. It increases the total amount of housing guarantees authorized to be outstanding and extends for one year both that program and the guaranty program authorized by section 222A of the FAA, the Agricultural and Productive Credit and Self-Help Community Development Programs.

For financing certain types of private enterprise projects, the bill proposes the establishment of a revolving fund derived from amounts appropriated under Part I authorities, fee income, and repayments of loans from the fund. Establishment of the fund would permit the leveraging of small amounts of appropriated funds for projects designed to engage the private sector in the development process. The authority to reuse loan proceeds and fee income emphasizes that the operations and management of the fund are intended to be conducted on a business-like basis.

The bill also proposes that AID may prescribe interest rates for the housing investment guaranty program; makes minor technical changes in section 611 of the FAA on plans and cost estimates; provides more flexibility in the administrative use of funds; eliminates certain requirements for reports; and repeals several obsolete provisions. It also amends the IRC to exempt AID from withholding requirements on all scholarships to participant trainees. Current provisions exempt only per diem payments from withholding requirements. Withholding income taxes for each participant trainee would result in high administrative costs for these programs.

The programs authorized by these three bills have been carefully designed to meet priority national interests of the United States within the reduced resources available in this time of budget scarcity. The programs are not intended as substitutes for a strong United States defense establishment or for maximum effort by recipient nations to make the best, most productive use of their own resources. The foreign assistance programs contained in these bills are cost-effective, efficient means to complement our military posture and promote the economic, political, and social stability of friends and allies. I urge prompt enactment of the bills.

The Office of Management and Budget advises that enactment of this legislation would be in accord with the program of the President.

Sincerely yours,

GEORGE P. SHULTZ.

S. 637

SHORT TITLE

SECTION 1. This Act may be cited as the "International Security and Development Cooperation Act of 1983".

TITLE I—MILITARY SALES AND RELATED PROGRAMS

FOREIGN MILITARY SALES AUTHORIZATION AND AGGREGATE CEILINGS

SEC. 101. (a) Section 31(a) of the Arms Export Control Act is amended by striking out "$800,000,000 for the fiscal year 1982 and $800,000,000 for the fiscal year 1983" and inserting in lieu thereof "$1,000,000,000 for the fiscal year 1984".

(b) Section 31(b)(1) of such Act is amended by striking out "$800,000,000 for the fiscal year 1982 and $800,000,000 for the fiscal year 1983" and inserting in lieu thereof "$1,000,000,000 for the fiscal year 1984".

(c) Section 31(b)(2) of such Act is amended by striking out "$3,269,525,000 for the fiscal year 1982 and $3,269,525,000 for the fiscal year 1983" and inserting in lieu thereof $4,436,000,000 for the fiscal year 1984".

(d) Section 31(b)(3) of such Act is amended—

(1) by striking out "not less than $1,400,000,000 for the fiscal year 1982 and not less than $1,400,000,000 for the fiscal year 1983" and inserting in lieu thereof "not less than $1,700,000,000 for the fiscal year 1984"; and

(2) by striking out "each".

(e) Section 31(b)(5) of such Act is amended—

(1) by striking out "for the fiscal year 1982 and for the fiscal year 1983" and inserting in lieu thereof "for the fiscal year 1984"; and

(2) by inserting "Korea," immediately after "Greece,".

(f) Paragraphs (6) and (7) of section 31(b) of such Act are repealed, and section 31(b) is amended by the addition of a new paragraph (6) as follows:

"(6) Of the total amounts of credits (or participations in credits) extended under section 23 of this Act for the fiscal year 1984, Egypt shall be released from its contractual liability to repay the United States Government with respect to such credits and participations in credits in an amount up to $450,000,000.".

(g) Section 31(c) of such Act is amended—

(1) by striking out "for the fiscal year 1982 and for the fiscal year 1983" and inserting in lieu thereof "for the fiscal year 1984"; and

(2) by striking out "each" in the last sentence.

ADMINISTRATIVE SURCHARGE

SEC. 102. Paragraph (1)(A) of section 21(e) of the Arms Export Control Act is amended by inserting immediately after "costs" the phrase "(which would not otherwise be incurred by the United States Government)".

CHARGES FOR ADMINISTRATIVE SERVICES

SEC. 103. Section 43(b) of the Arms Export Control Act is amended by inserting "and extraordinary" immediately after "recovery of administrative".

CHARGES FOR TRAINING

SEC. 104. (a) Section 21(a)(3) of the Arms Export Control Act is amended by striking out "sold to a purchaser who is concurrently receiving assistance under chapter 5 of part II of the Foreign Assistance Act of 1961,".

(b) Section 21(g) is repealed.

INCREASE IN CRIMINAL PENALTIES FOR CERTAIN VIOLATIONS OF THE ARMS EXPORT CONTROL ACT

SEC. 105. (a) Section 38(c) of the Arms Export Control Act is amended by striking out "not more than $100,000 or imprisoned not more than two years, or both" and inserting in lieu thereof "for each violation not more than $1,000,000 or imprisoned not more than ten years, or both".

(b) Section 38(e) of such Act is amended by adding at the end thereof the following: "Notwithstanding Section 11(c) of the Export Administration Act of 1979, as amended, the civil penalty for each violation involving controls imposed on the export of defense articles and defense services under this section may not exceed $500,000.".

(c) The amendments made by this section apply with respect to violations occurring after the effective date of this section.

CATALOG DATA AND SERVICES

SEC. 106. Section 21(h) of the Arms Export Control Act is amended—

(a) by inserting "(1)" immediately after "(h)";

(b) by striking out "(1) in connection with" and inserting in lieu thereof "(A) in connection with";

(c) by striking out "(2) in connection with" and inserting in lieu thereof "(B) in connection with"; and

(d) by adding at the end thereof the following:

"(2) In carrying ot the objectives of this section, the President is authorized to provide (without charge) cataloging data and cataloging services to the North Atlantic Treaty Organization or to any member government thereof, if such Organization or member government provides such data and services in accordance with an agreement on a reciprocal basis, without charge, to the United States Government.".

REPORTING REQUIREMENT

SEC. 107. Section 25 of the Arms Export Control Act is amended by striking out subsection (a)(4) and inserting in lieu thereof the following:

"(4) an estimate no later than April 1 of each year of the sale and delivery of weapons and weapons-related defense equipment by all major arms suppliers to all major recipient countries in the developing world during the preceding calendar year;".

MILITARY ASSISTANCE

SEC. 108. Section 504(a)(1) of the Foreign Assistance Act of 1961 is amended by striking out "not to exceed $238,500,000 for the fiscal year 1982 and not to exceed $238,500,000 for the fiscal year 1983" and inserting in lieu thereof "not to exceed $697,000,000 for the fiscal year 1984".

WAIVER OF NET PROCEEDS FOR SALE OF MAP ITEMS

SEC. 109. Section 505(f) of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following:

"The President may waive the requirement that such net proceeds be paid to the United States Government if he determines that to do so is in the national interest of the United States.".

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 110. Section 514(b)(2) of the Foreign Assistance Act of 1961 is amended by striking out "$130,000,000 for the fiscal year 1982 and $125,000,000 for the fiscal year 1983" and inserting in lieu thereof "$125,000,000 for the fiscal year 1984".

SECURITY ASSISTANCE ORGANIZATIONS

SEC. 111. Section 515(c)(1) of the Foreign Assistance Act of 1961 is amended by striking out "fiscal year 1982 and the fiscal year 1983" and inserting in lieu thereof "fiscal year 1984, Pakistan, Tunisia, Yemen, Liberia, Sudan, Zaire, El Salvador, Honduras, Venezuela".

INTERNATIONAL MILITARY EDUCATION AND TRAINING

SEC. 112. Section 542 of the Foreign Assistance Act of 1961 is amended by striking out "$42,000,000 for the fiscal year 1982 and $42,000,000 for the fiscal year 1983" and inserting in lieu thereof "$56,532,000 for the fiscal year 1984".

EXCHANGE TRAINING

SEC. 113. Chapter 5 of Part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 544. EXCHANGE TRAINING.—In carrying out this chapter, the President is authorized to provide for attendance of foreign military personnel at professional military education institutions in the United States (other than Service academies) without charge, and without charge to funds available to carry out this chapter (notwithstanding section 632(d) of this Act), if such attendance is pursuant to an agreement providing for the exchange of students on a one-for-one, reciprocal basis each fiscal year between those United States professional military education institutions and comparable institutions of eligible foreign countries and international organizations.".

AUTHORIZATION FOR PEACEKEEPING OPERATIONS

SEC. 114. Section 552(a) of the Foreign Assistance Act of 1961 is amended by striking out "$19,000,000 for the fiscal year 1982 and $19,000,000 for the fiscal year 1983" and inserting in lieu thereof "$46,200,000 for the fiscal year 1984".

PEACEKEEPING OPERATIONS EMERGENCIES

SEC. 115. (a) Section 552 of the Foreign Assistance Act of 1961 is amended—

(1) by inserting in subsection (c) the number "(1)" immediately after "the President may";

(2) by inserting in subsection (c) immediately before the period at the end of the subsection "; and (2) in the event the President also determines that such unforeseen emergency requires the immediate provision of assistance under this chapter, direct the drawdown of commodities and services from the inventory and resources of any agency of the United States Government of an aggregate value not to exceed $25,000,000 in any fiscal year"; and

(3) by inserting at the end thereof the following subsection:

"(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for commodities and services provided under subsection (c)(2) of this section.".

(b) Section 652 of such Act is amended by inserting ", 522(c)(2)," immediately after "under section 506(a)".

TITLE II—ANTI-TERRORISM ASSISTANCE PROGRAM

SEC. 201. (a) Part II of the Foreign Assistance Act of 1961 is amended by adding the following new chapter at the end thereof:

"CHAPTER 8—ANTI-TERRORISM ASSISTANCE

"SEC. 571. GENERAL AUTHORITY—(a) Subject to the provisions of subsection (e), the President is authorized to furnish, on such terms and conditions as the President may determine, assistance to foreign countries in order to enhance the ability of their law enforcement personnel to deter terrorists and terrorist groups from engaging in international terrorist acts such as bombing, kidnaping, assassination, hostage taking, and hijacking. Such assistance may include training services and the provision of equipment and other commodities related to bomb detection and disposal, management of hostage situations, physical security, and other matters relating to the detection, deterrence, and prevention of acts of terrorism, the resolution of terrorist incidents, and the apprehension of those involved in such acts.

"(b) Notwithstanding section 660 of this Act, services and commodities may be granted for the purposes of this chapter to eligible foreign countries, subject to reimbursement of the value thereof (as defined in section 644(m)) pursuant to section 632 of this Act from funds available to carry out this chapter.

"(c) Whenever the President determines it to be consistent with and in furtherance of the purposes of this chapter, and on such terms and conditions consistent with this Act as he may determine, any agency of the United States Government is authorized to furnish services and commodities, without charge to funds available to carry out this chapter, to an eligible foreign country, subject to payment in advance of the value thereof (as defined in section 644(m)) in United States dollars by the foreign country. Credits and the proceeds of guaranteed loans made available to such countries pursuant to the Arms Export Control Act shall not be used for such payments. Collections under this chapter shall be credited to the currently applicable appropriation, account, or fund of the agency providing such services and commodities and shall be available for the purposes for which such appropriation, account, or fund is authorized to be used.

"(d) The Assistant Secretary of State for Human Rights and Humanitarian Affairs shall be consulted in the development and implementation of the anti-terrorism assistance program under this chapter, including determinations of the foreign countries that will be furnished assistance under this chapter and determinations of the nature of assistance to be furnished to each such country.

"(e)(1) Training services provided pursuant to subsection (a) shall not be conducted outside the United States.

"(2) Personnel of the United States Government authorized to advise eligible foreign countries on anti-terrorism matters shall carry out their responsibilities, to the maximum extent possible, within the United States. Such personnel may provide advice outside the United States on anti-terrorism matters to eligible foreign countries for periods not to exceed thirty consecutive calendar days.

"(3) Employees of the Department of State shall not engage in the training of law enforcement personnel or provision of services as described in subsection (a), except that employees of the Office of Security of the Department of State may provide training and services to law enforcement personnel for the physical protection of internationally protected persons and related facilities.

"(4) Equipment and commodities included on the United States munitions list established pursuant to the Arms Export Control Act shall not be made available under subsection (a).

"(5) Assistance under subsection (a) shall not include provision of services, equipment, personnel, or facilities involved in the collection of intelligence as defined in Executive Order 12333 of December 4, 1981, other than limited training in the organization of intelligence for anti-terrorism purposes.

"(6) the authority of subsection (a) of this section shall expire three years after the date of enactment of this section, except that funds obligated prior to that date may be expended after that date in accordance with this chapter.

"(7) Not less than thirty days before the President exercises his authority under subsection (a) initially to provide assistance to foreign countries to enhance their anti-terrorism law enforcement capabilities, the President shall transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign relations of the Senate a written notification which specifies—

"(1) the country to which such assistance is to be provided;

"(2) the type and value of the assistance to be provided;

"(3) the terms and duration of assistance; and

"(4) an explanation of how the proposed assistance will further the objectives of this section to assist eligible foreign countries in deterring terrorism.

The chairman of either the Committee on Foreign Affairs of the House of Representatives or the Committee on Foreign Relations of the Senate may request, as deemed necessary, a current report on the State of observance of and respect for internationally recognized human rights in the country to which assistance is to be provided. In the event that a report is requested, no assistance under subsection (a) shall be provided to the country specified prior to transmittal of the report to the requesting committee.

"(8) Not later than one year after the date of enactment of this section and each year thereafter as part of the annual congressional presentation material, the President shall transmit to the Congress a report identifying the countries receiving assistance under subsection (a), including the type, place, and duration of training being provided, number of personnel being trained, and type of equipment being transferred. The report shall also describe the ways in which the provision of such assistance has furthered the objectives of enhancing the ability of foreign law enforcement authorities to deter acts of terrorism.

"SEC. 572. APPROPRIATIONS.—(a) There is authorized to be appropriated to the President to carry out this chapter $5,000,000 for the fiscal year 1984.

"(b) For the fiscal year 1983, the President may transfer, to carry out this chapter, up to $2,500,000 of the amounts made available for any provision authorized by P.L. 97-113."

"SEC. 573. PURPOSES.—(a) Activities conducted under this chapter shall be designed—

"(1) to enhance the anti-terrorism skills of friendly countries by providing training and equipment to deter and counter terrorism;

"(2) to strengthen the bilateral ties of the United States with friendly governments by offering concrete assistance in this area of great mutual concern; and

"(3) to increase respect for human rights by sharing with foreign civil authorities modern, humane, and effective anti-terrorism techniques.

"(b) This chapter does not apply to information exchange activities conducted by agencies of the United States Government under other authority for such purposes.

"SEC. 574. ADMINISTRATIVE AUTHORITIES.—(a) Except where expressly provided to the contrary, any reference in any law to part I of this Act shall be deemed to include reference to this chapter and any reference in any law to part II of this Act shall be deemed to exclude reference to this chapter.".

(b) Section 502B(d)(2)(A) of the Foreign Assistance Act of 1961 is amended by inserting the phrase "or chapter 8 (anti-terrorism assistance)" immediately after the phrase "chapter 6 (peacekeeping operations)".

(c) Section 644(m)(5) of the Foreign Assistance Act of 1961 is amended by inserting the phrase "or services provided under chapter 8 of part II of this Act" immediately after the phrase "military education and training".

TITLE III—ECONOMIC SUPPORT FUND

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. (a) Section 531(b)(1) of the Foreign Assistance Act of 1961 is amended by striking out "$2,623,500,000 for the fiscal year 1982 and $2,723,500,000 for the fiscal year 1983" and inserting in lieu thereof "$2,949,000,000 for the fiscal year 1984".

(b) Section 535 of such Act is amended—

(1) by striking out "1982" and inserting in lieu thereof "1984"; and

(2) by striking out "and up to $75,000,000 for the fiscal year 1983".

TITLE IV—DEVELOPMENT ASSISTANCE

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

SEC. 401. Section 103(a)(2) of the Foreign Assistance Act of 1961 is amended by striking out "$700,000,000 for the fiscal year 1982 and $700,000,000 for the fiscal year 1983" and inserting in lieu thereof "$725,213,000 for the fiscal year 1984".

POPULATION AND HEALTH

SEC. 402. Section 104(g) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

"(1) $212,231,000 for the fiscal year 1984 to carry out subsection (b) of this section; and

"(2) $100,656,000 for the fiscal year 1984 to carry out subsection (c) of this section."; and

(2) by striking out the second sentence.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

SEC. 403. Section 105(a) of the Foreign Assistance Act of 1961 is amended—

(1) in the second sentence, by striking out "$103,600,000 for the fiscal year 1982 and $103,600,000 for the fiscal year 1983" and inserting in lieu thereof "$121,477,000 for the fiscal year 1984"; and

(2) by striking out the third sentence.

ENERGY, PRIVATE VOLUNTARY ORGANIZATIONS, AND SELECTED DEVELOPMENT ACTIVITIES

SEC. 404. Section 106(e)(1) of the Foreign Assistance Act of 1961 is amended by strik-

ing out "$147,200,000 for the fiscal year 1982 and $147,200,000 for the fiscal year 1983" and inserting in lieu thereof "$182,423,000 for the fiscal year 1984".

PRIVATE SECTOR REVOLVING FUND

SEC. 405. (a) Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by adding the following new section 108:

"SEC. 108. PRIVATE SECTOR REVOLVING FUND.—(a) The Congress finds that the development of private enterprise is a vital factor in the stable growth of developing countries and in the development and stability of a free, open, and equitable international economic system. It is therefore in the best interests of the United States to assist the development of the private sector in developing countries and to engage the United States private sector in that process. In order to promote such private sector development, the President is authorized to establish a revolving fund account in the United States Treasury. All funds deposited in such account shall, notwithstanding section 1210 of the General Appropriations Act, 1951 (61 Stat. 765) or any other appropriations act, be free from fiscal year limitations.

"(b) Of the funds made available under this chapter in fiscal year 1984, up to $20,000,000 may be deposited in this account. Such funds used in accordance with the policies and authorities of this section shall be in addition to other funds available for private sector activities under other authorities in this Act. Any reflows and income arising from activities carried out pursuant to this section, including loan repayments and fee income (as provided in subsection (e) of this section), shall be deposited into the revolving fund and remain available to carry out the purposes of this section. All funds in such account may be invested in obligations of the United States.

"(c) The agency primarily responsible for administering this part is authorized to use the funds maintained in this revolving fund account to furnish assistance in furtherance of the policy of subsection (a) notwithstanding any other provision of law and on such terms and conditions as it may determine.

"(d) At the end of any fiscal year, the agency primarily responsible for administering this part may determine that amounts in the revolving fund are sufficient to permit the remittance to the United States Treasury of an amount equal to a portion or the total amount of appropriated funds deposited in the revolving fund. Any such remittance shall be deemed to be a decrease in the appropriated funds in the revolving fund. After remittance has been made of an amount equal to the total amount of appropriated funds, the revolving fund shall consist and be deemed to consist entirely of nonappropriated funds.

"(e) A fee may be charged, where appropriate, in carrying out activities with funds from the revolving fund authorized in this section. The amount of any such fee shall be determined by the agency primarily responsible for administering this part.

"(f) In the event the revolving fund is terminated, all unobligated money in the fund at the time of such termination shall be transferred to and become part of the miscellaneous receipts account of the Treasury.".

SAHEL DEVELOPMENT PROGRAM

SEC. 406. The third sentence of section 121(c) of the Foreign Assistance Act of 1961 is amended by striking out "$86,558,000 for the fiscal year 1982 and $86,558,000 for the fiscal year 1983" and inserting in lieu thereof "$103,000,000 for the fiscal year 1984".

HOUSING GUARANTY PROGRAM

SEC. 407. (a) Section 221 of the Foreign Assistance Act of 1961 is amended—

(1) in the first sentence, by striking out "requirements are" and inserting in lieu thereof ", including essential urban development services, is"; and

(2) in the rest of the section, by striking out "housing" wherever it occurs and inserting in lieu thereof "shelter".

(b) Section 222(a) of such Act is amended—

(1) in the first sentence by striking out "as defined in section 238(c)" and inserting in lieu thereof "as defined by regulation adopted by the agency primarily responsible for administering this part";

(2) in the second sentence, by striking out "$1,718,000,000" and inserting in lieu thereof "$1,868,000,000";

(3) by adding the following new sentence immediately after the second sentence: "Commitments to guarantee loans are authorized for any fiscal year only to such extent or in such amounts as are provided in appropriation acts."; and

(4) in the third sentence, by striking out "1984" and inserting in lieu thereof "1985".

(c) Section 223(f) of such Act is amended to read as follows:

"(f) In the case of any loan investment guaranteed under section 222, the agency primarily responsible for administering this part shall prescribe the maximum rate or rates of interest shall be reasonable in comparison to the rates on comparable securities in the United States capital market.".

AGRICULTURAL AND PRODUCTIVE CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT PROGRAMS

SEC. 408. (a) Section 222A(c) of the Foreign Assistance Act of 1961 is amended by adding the following new sentence at the end thereof: "Commitments to guarantee loans are authorized for any fiscal year only to such extent or in such amounts as are provided in appropriation acts.".

(b) Section 222A(h) of such Act is amended by striking out "1983" and inserting "1984" in lieu thereof.

TITLE V—MISCELLANEOUS PROVISIONS

AMERICAN SCHOOLS AND HOSPITALS ABROAD

SEC. 501. Section 214(c) of the Foreign Assistance Act of 1961 is amended by striking out "$20,000,000 for the fiscal year 1982 and $20,000,000 for the fiscal year 1983" and inserting in lieu thereof "$7,500,000 for the fiscal year 1984".

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 502. Section 302(a)(1) is amended—

(1) in the first sentence, by striking out "$218,600,000 for the fiscal year 1982 and $218,600,000 for the fiscal year 1983" and inserting in lieu thereof "$189,950,000 for the fiscal year 1984"; and

(2) by striking out the second sentence.

INTERNATIONAL NARCOTICS CONTROL

SEC. 503. Section 482(a) of the Foreign Assistance Act of 1961 is amended by striking out "$37,700,000 for the fiscal year 1982 and $37,700,000 for the fiscal year 1983" and inserting in lieu thereof "$53,030,000 for the fiscal year 1984".

INTERNATIONAL DISASTER ASSISTANCE

SEC. 504. (a) Section 492(a) of the Foreign Assistance Act of 1961 is amended by striking out "$27,000,000 for the fiscal year 1982 and $27,000,000 for the fiscal year 1983" and inserting in lieu thereof "$25,000,000 for the fiscal year 1984".

COMPLETION OF PLANS AND COST ESTIMATES

SEC. 505. (a) Section 611(a) of the Foreign Assistance Act of 1961 is amended by striking out "$100,000" and inserting in lieu thereof "$500,000".

(b) Section 611(b) of such Act is amended by striking out the phrase "made insofar as practicable in accordance with the procedures set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973, with respect to such computations" and inserting in lieu thereof "made insofar as practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. section 1962, *et seq.*) or acts amendatory or supplementary thereto".

PROHIBITIONS AGAINST ASSISTANCE TO THE PEOPLE'S REPUBLIC OF CHINA

SEC. 506. Section 620(f) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out the period at the end of the first sentence of the subsection and adding at the end of that sentence "listed in this subsection.";

(2) by striking out in the third sentence of that subsection the phrase ", but is not limited to,"; and

(3) by striking from the list of countries set forth in that subsection the words "People's Republic of China." and "Tibet.".

PERIODIC REPORTS

SEC. 507. (a) Section 620(s) of the Foreign Assistance Act of 1961 is amended by repealing subsection (2).

(b) Section 634(a) of such Act is amended by repealing subsections (2)(B), (6), and (7).

(c) Section 306(b) is repealed.

NOTIFICATION OF PROGRAM CHANGES

SEC. 508. (a) Section 634A of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "(a)" immediately before "None";

(2) by inserting "or the Arms Export Control Act" immediately after "disaster relief and rehabilitation)" and immediately after "this Act" the second place it appears;

(3) by inserting "by more than ten percent" immediately after the phrase "or in excess of the amount justified"; and

(4) by adding at the end of the section the following new subsection:

"(b) The notification requirement of this section does not apply to the reprogramming of less than $50,000 for use under chapter 8 of part I or chapter 5 of part II for a country for which a program under that chapter for that fiscal year was justified to the Congress.".

(b) Section 653 of the Foreign Assistance Act of 1961 is amended—

(1) by inserting in subsection (a) "or the Arms Export Control Act" immediately after "sections 451 or 637)";

(2) by striking out subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

(c) Section 36(a)(5) of the Arms Export Control Act is amended by striking out ", credits to be extended under Section 23, and guaranty agreements to be made under section 24".

(d) Section 36(a)(6) of the Arms Export Control Act is amended by striking out "and credits expected to be extended".

PROVISIONS ON USES OF FUNDS

SEC. 509. (a) Section 636(a)(14) of the Foreign Assistance Act of 1961 is amended by

striking out "the Foreign Service Act of 1946, as amended" and inserting in lieu thereof "the Foreign Service Act of 1980".

(b) Section 636(c) of such Act is amended by striking out "not to exceed $3,000,000 of the".

(c) Section 636(d) of such Act is amended by striking out "$2,500,000" and inserting in lieu thereof "$5,000,000".

(d) Section 636 of such Act is amended further by adding the following new subsection (j) at the end thereof:

"(j)(1) Notwithstanding any other provision of law, no earmark shall be required to be applied to any funds appropriated, or authority made available, to carry out the purposes of this Act or the Arms Export Control Act by any law making continuing appropriations, in excess of the amount which is the lesser of:

"(A) the amount of the earmark, or

"(B) the amount representing that proportion of the total funds appropriated to, or authority made available for, an appropriation account, which the amount of the earmark represented of the total amount authorized, appropriated, or made available for the same appropriation account in the law which established such earmark.

"(2) For the purposes of this subsection, an earmark is a statutory requirement that a minimum or definite amount of the total funds appropriated to, or authority made available for, an appropriation account be obligated, or used, only for a specific country or purpose.".

TRADE AND DEVELOPMENT PROGRAM

SEC. 510. Section 661(b) of the Foreign Assistance Act of 1961 is amended by striking out "$6,907,000 for the fiscal year 1982 and $6,907,000 for the fiscal year 1983" and inserting in lieu thereof "$22,000,000 for the fiscal year 1984".

OPERATING EXPENSES

SEC. 511. Section 667(a) of the Foreign Assistance Act of 1961 is amended by striking out "$335,600,000 for the fiscal year 1982 and $335,600,000 for the fiscal year 1983" and inserting in lieu thereof "$378,512,000 for the fiscal year 1984".

REPEAL OF PROVISIONS

SEC. 512. The following provisions of the Foreign Assistance Act of 1961 are hereby repealed: sections 106(b)(1)(B), 110(b), 113(c), 222A(f), 302 (b)(1) and (b)(2), 302(i), 495, 495D, 495E, 495G, 496, 497, 532, 533, 534, 536, 537, 538, 539, and 540.

TITLE VI—AMENDMENTS TO OTHER ACTS

PARTICIPANT TRAINEE GRANTS

SEC. 601. Section 1441(c)(6) of the Internal Revenue Code of 1954 is amended by inserting "scholarship or fellowship grants, including" immediately after "amounts of".

AFRICAN DEVELOPMENT FOUNDATION

SEC. 602. Section 510 of the International Security and Development Cooperation Act of 1980 is hereby repealed and the following new section inserted in lieu thereof:

"SEC. 510. There are authorized to be appropriated to the President to carry out this title, in addition to funds otherwise available for such purposes, $3,000,000 for the fiscal year 1984, which are authorized to remain available until expended.".

TITLE VII—AUTHORIZATIONS FOR THE FISCAL YEAR 1985 AND EFFECTIVE DATE

AUTHORIZATIONS FOR THE FISCAL YEAR 1985

SEC. 701. There are authorized to be appropriated for the fiscal year 1985 such sums as may be necessary to carry out programs and activities for which appropriations for the fiscal year 1984 are authorized by this Act.

EFFECTIVE DATE

SEC. 702. (a) Title II of this Act shall take effect upon enactment.

(b) Sections 104 and 105 of this Act shall take effect upon enactment or October 1, 1983, whichever date is later.

(c) All other sections of this Act shall take effect on October 1, 1983.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1983

I. INTRODUCTION

The proposed International Security and Development Cooperation Act of 1983 ("the Bill") amends the Foreign Assistance Act of 1961 ("FAA") and the Arms Export Control Act ("AECA") in order to authorize appropriations to carry out international security and development assistance programs for the fiscal year 1984, and to make certain changes in the substantive authorities governing those programs. The Bill also contains authorizations for the fiscal year 1985 in accordance with the requirements of the Congressional Budget Act of 1974.

The Bill is composed of seven titles. Title I consists of authorizations for military sales and related programs under the AECA and the FAA. Title II authorizes a new anti-terrorism law enforcement assistance program. Title III provides authorization for the economic support fund. Title IV contains authorizations for the FAA development assistance provisions. Title V contains miscellaneous amendments to the FAA and AECA, including authorizations for the international narcotics program and operating expenses for the Agency for International Development. Title VI contains amendments to the Internal Revenue Code of 1954 and the International Security and Development Cooperation Act of 1980. Title VII provides for authorizations for fiscal year 1985 in accordance with the requirements of the Congressional Budget Act of 1974 and for the effective dates for the various provisions of the Bill.

II. PROVISIONS OF THE BILL

Section 1. Short title

This section provides that the Bill may be cited as the "International Security and Development Cooperation Act of 1983".

TITLE I—MILITARY SALES AND RELATED PROGRAMS

Section 101. Foreign military sales credits authorization and aggregate ceilings

This section amends section 31(a) of the AECA to authorize $1,000,000,000 in appropriations for fiscal year 1984 to carry out the foreign military sales (FMS) credit program. Section 31(b)(1) of the AECA is amended to establish at $1,000,000,000 for fiscal year 1984 the limit on the aggregate amount of FMS credits which may be extended under section 23 of the AECA. Section 31(b)(2) of the AECA is amended to establish at $4,436,000,000 for fiscal year 1984 the limit on the total principal amount of loans for which guaranties may be issued under section 24(a) of the AECA. Section 31(b)(3) of the AECA is amended to provide that during fiscal year 1984 no less than $1,700,000,000 in FMS credits and guaranteed loans shall be available for Israel. Section 31(b)(5) is amended to add Korea to the list of countries which would be authorized for fiscal year 1984 to repay loans guaranteed under sections 24(a) of the AECA in not mroe than twenty years, following a grace period of ten years on repayment of principal. Paragraphs (6) and (7) of section 31(b) are repealed and replaced with a provision allowing the President to release Egypt from its contractual liability to repay loans extended under section 23 in an amount up to $450,000,000. Finally, section 31(c) of the AECA is amended to authorize for fiscal year 1984 continuation of favorable repayment terms for Israel in connection with credits extended under section 23 and loans guaranteed under section 24.

Section 102. Administrative surcharge

Paragraph 1(A) of section 21(e) of the AECA is amended to further explain that the "costs" which must be recovered by the United States Government are those costs which would not otherwise be incurred by the United States. This change is comparable to the revision of training prices effected by section 115 of P.L. 96-533. Enactment of this amendment is not expected to result in a reduction of the current administrative surcharge percentage, but will avoid the necessity of an immediate increase in the percentage levied on all foreign military sales.

Section 103. Charges for administrative service

Section 43(b) of the AECA is amended to provide that the United States is to recover "extraordinary" as well as administrative expenses for services calculated under section 21(e)(1)(A) of the AECA. The amendment will permit the use of administrative funds to augment military assistance (MAP) funds available for security assistance representational activities.

Section 104. Charges for training sold under the AECA

This provision will eliminate the current multi-tier price structure on sales of training. Thereafter there would be only two comparable pricing systems, one for IMET and one for FMS. For example, under the current system the cost of FMS training for foreign students in the same course at the Army Command and General Staff College could range from $4,598 to $31,499. The new proposal would authorize all purchasers to be charged the "additional cost" that would be incurred to provide this training; in the above example, the $4,598 rate. Enactment of the provision would reduce discrimination among countries and U.S. administrative costs.

Section 105. Increase in criminal penalties for certain violations of AECA

Recent changes in the Export Administration Act imposed potentially greater penalties for persons violating commercial export laws and regulations than for those violating section 38 of the AECA. This provision would increase the maximum criminal penalty for certain violations of the AECA from $100,000 or two years imprisonment or both, to $1 million or 10 years imprisonment or both. The ceiling for civil penalties for violations would be raised from $100,000 to $500,000. This amendment would apply to violations which occur after the effective date of this section.

Section 106. Catalog data and services

The AECA permits in-kind reciprocal exchange of some services with NATO countries, but sill requires that the U.S. charge for catalog data. In fiscal year 1982 such charges amounted to $850,000. Other countries are beginning to charge DOD in return, with DOD paying over $100,000 in fiscal year 1982. In future years, as efforts

intensify to increase NATO standardization, there will be increasing requests for catalog-ing and codification serices, which DOD performs pursuant to chapter 145 of title 10 United States Code. This amendment would avoid a series of sales cases for relatively minor transactions with those NATO countries that provide similar services free of charge to the United States.

Section 107. Reporting requirement

This section would revise the reporting requirement of section 25(a)(4) to apply only to sales and deliveries to recipient countries in the developing world. The section as amended would exclude from the required report estimates of sales and deliveries among NATO countries, Japan, Australia and New Zealand and among Warsaw Pact countries. This change would conform the statutory language to the intentions of the Congress. The amendment would also establish an April 1 deadline for this information rather than the current February 1 deadline for this report. This change would allow inclusion of full calendar year data on sales and deliveries in the information presented to Congress.

Section 108. Military assistance program

The President's budget for fiscal year 1984 requests an appropriation of $747,000,000 to carry out the military assistance program. This section amends section 504 to authorize $697,000,000 for fiscal year 1984 in appropriations to carry out this program. Section 506(c) already provides authorization to appropriate that part of the budget request ($50,000,000) which is proposed to be used for reimbursement to the Department of Defense for defense articles, defense services and military education and training previously drawn down pursuant to section 506(a).

Section 109. Waiver of net proceeds for sales of map items

This section amends section 505(f) of the FAA to allow the President to waive the requirement that a country pay to the U.S. the net proceeds from the sale of defense articles previously furnished to it on a grant basis under the military assistance program. Most of this equipment was programmed under MAP prior to 1975. Countries which possess aging, obsolete MAP defense articles currently have an incentive to retain this equipment, rather than to sell it and use the proceeds for newer equipment, even though retaining it requires increasing maintenance costs. This provision would allow the President to remove this disincentive to a country's modernizing its defense inventory when it is in the U.S. national interest to do so. All legal and policy controls applicable to third country transfers would continue to apply to any sales of this equipment.

Section 110. Stockpiling of defense articles for foreign countries

This section amends section 514(b)(2) of the FAA to establish a ceiling of $125,000,000 on the aggregate value of additions made in fiscal year 1984 to overseas stockpiles of defense articles (other than in NATO countries) which are designated as war reserve stocks for allied or other foreign forces. The United States retains title to any stocks so designated. Transfer of these stocks to a foreign country may take place only under the authority of the FAA or of the AECA, and within the limitations and funds available under those Acts.

Section 111. Security assistance organizations

Section 515 provides specific annual authorization to station permanently more than six military personnel in certain countries to manage security assistance programs. This section would add for fiscal year 1984 nine new countries to the twelve countries which are currently authorized in the statute to have more than six uniformed personnel assigned to them for managing security assistance programs.

Section 112. Grant training

Section 542 of the FAA is amended to authorize $56,532,000 for fiscal year 1984 in appropriations for the International Military Education and Training (IMET) program.

Section 113. Exchange training

The bill would provide for the establishment of a new section 544 in the FAA concerning exchange (barter) training. The President will be authorized to provide to foreign military personnel professional military education training only at U.S. war colleges and U.S. command and staff colleges in the United States. The training of each foreign student under this authority will be conditioned on the requirement that, commencing in the same U.S. fiscal year, a U.S. military student be trained in a foreign college which the U.S. military department involved determines to be comparable to its military colleges. Such exchanges would be negotiated with foreign countries and international organizations after enactment.

Section 114. Peacekeeping operations authorization

Section 552(a) of the FAA is amended to authorize $46,200,000 for fiscal year 1984 in appropriations to carry out peacekeeping operations and other programs. These programs would include the United States budgetary contribution to the Multinational Force and Observers (MFO) for the Sinai.

Section 115. Peacekeeping operations emergencies

Section 552(c) of the FAA is amended to provide that the President may draw down commodities and services of an aggregate value not to exceed $25,000,000 for each fiscal year from any United States Government agency for peacekeeping purposes, if he determines that an unforeseen emergency requires immediate assistance under the peacekeeping provisions of the FAA. A new subsection (d) authorizes appropriations to reimburse the applicable account for commodities and services provided pursuant to this section. Section 652 of the FAA is amended to require that the President notify the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate in writing should he intend to exercise this authority, stating the justification for, and the extent of, the exercise of such authority.

TITLE II—ANTITERRORISM ASSISTANCE

Section 201. Antiterrorism assistance

This section would add a new Chapter 8 to Part II of the FAA to authorize an anti-terrorism assistance program. Under section 571(a), the President is authorized to furnish, on such terms and conditions as he may determine, anti-terrorism assistance to foreign countries in order to enhance their ability to deter and prevent terrorism. Section 571(b) provides that, notwithstanding the prohibition in section 660 of the FAA on funding certain police and law enforcement assistance in foreign countries, services and commodities may be granted to eligibile countries subject to reimbursement and allocation limitations contained in section 644(m) and 632 of the FAA. Section 571(c) provides that, as an alternative to grants under subsection (b), the President may make available services and commodities to a foregin country to carry out the purposes of this chapter subject to payment in advance by the recipient country. Section 571(d) provides that the Assistant Secretary of State for Human Rights and Humanitarian Affairs shall be consulted in the development and implementation of the anti-terrorism program.

Section 571(e) provides that all training is to be conducted in the United States, but that U.S. employees involved in the program may provide advice outside the United States to program participants for short periods not to exceed 30 consecutive calendar days. Section 571(e)(3) prohibits Department of State employees, except certain Office of Security personnel, from providing training and services to program participants. Section 571(e)(4) prohibits the transfer of equipment and commodities included on the munitions list under subsection (a). Section 571 (e) (5) prohibits the provision of services, equipment, personnel, or facilities involved in intelligence collection as defined in Executive Order 1233 of December 4, 1981, but permits limited training in the organization of intelligence for anti-terrorism purposes. Section 571(e) (6) provides for a three-year sunset on the program. Section 571(e)(7) requires a thirty-day advance notification of those countries that will initially be participating in the program to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate prior to the obligation of funds made available under this authority. Section 571(e)(8) provides that an annual report shall be provided to Congress.

Section 572 would authorize to be appropriated to the President to carry out this new chapter $5,000,000 for the fiscal year 1984. This section would also permit the President to use up to $2,500,000 of funds available for other provisions authorized by P.L. 97-113 to carry out this chapter during fiscal year 1983. Section 573 defines the purposes for which the anti-terrorism activities are to be designed—namely, to enhance the anti-terrorism skills of friendly countries by offering assistance in the anti-terrorism field. It also indicates that this chapter is not intended to limit or prohibit information exchange activities by U.S. government agencies under other authority. Section 574 provides that this anti-terrorism program will be conducted under non-military authorities of the FAA, as is the case of the Economic Support Fund and Peacekeeping Operations, for example. Finally sections 502B(d)(2)(A) and 644(m)(5) of the FAA are amended to ensure that relevant definitions of "security assistance" and "value" in the FAA are altered appropriately.

TITLE III—ECONOMIC SUPPORT FUND

Section 301. Authorization of appropriations

Section 531(b) of the FAA is amended to authorize an appropriation for the Economic Support Fund of $2,949,000,000 for fiscal year 1984. The emergency assistance authority of section 535 is continued for fiscal year 1984.

TITLE IV—DEVELOPMENT ASSISTANCE

Section 401. Agriculture, rural development, and nutrition

Section 401 amends section 103(a)(2) of the Act, which authorizes funds for agriculture, rural development, and nutrition, to authorize $725,213,000 for the fiscal year 1984.

Section 402. Population and health

Section 402 amends section 104(g) of the Act, which authorizes funds for population and health. Section 104(g) is amended to authorize $212,231,000 for the population program for the fiscal year 1984 and to authorize $100,656,000 for the health program for the fiscal year 1984.

Section 403. Education and human resources development

Section 403 amends section 105(a) of the Act, which authorizes funds for education and human resources development. Section 105(a) is amended to authorize $121,477,000 for these programs for the fiscal year 1984 and to delete the second sentence, which earmarked funds for fiscal years 1982 and 1983 and is obsolete.

Section 404. Energy, private voluntary organizations, and selected development activities

Section 404 amends section 106(e)(1) of the Act, which authorizes funds for energy, private voluntary organizations, and selected development activities, and for science and technology activities, the authorize $182,423,000 for the fiscal year 1984.

Section 405. Private sector revolving fund

Section 405(a) adds a new section 108 to part I, chapter 1 of the Act establishing a revolving fund for private sector activities. Section 108(a) states the importance of encouraging the growth of private enterprise in developing countries and authorizes the establishment of a revolving fund account to be used for such purposes, which shall be free from fiscal year limitations. Section 108(b) provides that up to $20,000,000 in fiscal year 1984 of funds appropriated to other accounts in chapter 1 of part I may be deposited in this account. This fund may be used only for private sector activities; however, other funds provided under section 106 or other sections of the Act will remain available for private sector activities as well. Income and reflows arising from the fund, including the repayment of loans made from the fund and fees charged for transactions, will be deposited in the fund for further use.

The purpose of the revolving fund is to create a source of funds which can be made available for a variety of innovative private sector activities. The authority to re-use loan repayments and return of capital would permit the roll-over of investments and thus afford a substantial leveraging effect. Statements regarding the financial condition of the fund will take into consideration the cost of funds to the United States Government.

Section 108(c) provides that the use of funds in the revolving fund account shall not be subject to the restrictions of other provisions of law, including the restrictions on use which may otherwise attach by virtue of the account to which the funds deposited in the revolving fund were originally appropriated.

Section 108(d) provides that when there are sufficient funds available in the revolving fund, repayments may be made to the United States Treasury until the total amount of appropriated funds has been repaid, at which time the fund shall be deemed to consist entirely of nonappropriated funds. Section 108(e) provides that AID may charge a fee when carrying out activities with funds from the revolving fund. Section 108(f) provides that in the event the revolving fund is terminated, unobligated balances in the fund will be deposited in the miscellaneous receipts account of the Treasury.

Section 406. Sahel development program

Section 406 amends section 212(c) of the Act, which authorizes the Sahel Development Program. Section 121(c) is amended to authorize $103,000,000 for that program for the fiscal year 1984.

Section 407. Housing guaranty program

Section 407(a) amends section 221 of the Act to reflect the fact that housing guaranties are available for urban development activities in addition to the construction of housing in the narrow sense of the term. The amendments do not expand existing authority. Their purpose is to bring section 221 into harmony with the authority provided under section 222. Section 221 was not amended at the time section 222 was amended in 1978 to broaden its terms.

Section 407(b) amends section 222(a) of the Act, which authorizes the housing guaranty program, by providing that eligible investors under the program shall be defined by regulation promulgated by the Agency for International Development rather than by the current definition under section 238(c) of the Act, which is part of the OPIC legislation and more appropriate to its program. AID would expect to define eligible investors for the housing guaranty program so as to maximize the role of U.S. capital market lenders while improving the negotiability of underlying notes.

Section 407(b) further amends section 222(a) to increase the total amount of housing guaranties authorized to be outstanding from $1,718,000,000 to $1,868,000,000 and to provide that guarantee commitments are authorized for any fiscal year only to the extent provided in appropriation acts.

Section 407(b) also amends section 222(a) to extend the authority for the housing guaranty program from September 30, 1984 to September 30, 1985. Because the loans for which guaranties are to be issued sometimes close after the end of the fiscal year, therefore delaying the issuance of the guaranties, the housing guaranty program needs authority that extends beyond the fiscal year in which the guaranty was authorized. This amendment provides the authority to issue guaranties after the close of fiscal year 1984 and conforms with past legislative practice in extending the program.

Section 407(c) amends section 223(f) of the Act, which prescribes the maximum rate of interest allowable for housing guaranties. The current provision ties the maximum rate to the rate of interest applicable to housing mortgages insured by the Department of Housing and Urban Development. It was originally enacted at a time when the same lenders were active in both the domestic HUD program and in AID's housing guaranty program. Section 223(f) is amended to permit the Agency for International Development, in consultation with the Department of Treasury, to prescribe a maximum rate of interest that is reasonable in comparison to rates on comparable securities in the U.S. capital market to reflect the broader range of investors now active in the program.

Section 408. Agricultural and productive credit and self-help community development programs

Section 408(a) amends section 222A(c) of the Act to provide that commitments to guarantee loans under section 222A are authorized only to the extent provided in appropriation acts.

Section 408(b) amends section 222A(h) to extend the authority for the program from September 30, 1983 to September 30, 1984.

TITLE V—MISCELLANEOUS PROVISIONS

Section 501. American schools and hospitals abroad

This section amends section 214(c) of the Act, which authorizes funds for American Schools and Hospitals Abroad. It authorizes $7,500,000 for that purpose for the fiscal year 1984.

Section 502. International organizations and programs

Section 502 amends section 302(a)(1) of the Act, which authorizes funds for International Organizations and Programs. Section 302(a)(1) is amended to authorize $189,950,000 for these programs for the fiscal year 1984. Section 302(a)(1) is also amended to strike the second sentence, which earmarked funds for fiscal years 1982 and 1983 and is obsolete.

Section 503. International narcotics control

This section amends section 482(a) of the FAA to authorize appropriations for International Narcotics Control of $53,030,000 for fiscal year 1984.

Section 504. International disaster assistance

Section 504 amends section 492(a) of the Act to authorize $25,000,000 in appropriations for International Disaster Assistance for the fiscal year 1984.

Section 505. Completion of plans and cost estimates

Section 505(a) amends section 611(a) of the Act, which requires that adequate plans and cost estimates be completed prior to the obligation of funds in excess of $100,000. That provision is amended to apply to a minimum amount of $500,000 rather than $100,000, to take account of the inflation that has occurred since the provision was enacted in 1958.

Section 505(b) amends section 611(b) of the Act, which requires that cost/benefit analyses be conducted for water projects in accordance with the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973. Section 611(b) is amended to reference the principles, standards and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.) and will make applicable the recently approved Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies.

Section 506. Prohibition against assistance to the People's Republic of China

Section 620(f) of the FAA is amended to remove the People's Republic of China and Tibet (which is administered as part of China) from the category of countries to which assistance is prohibited. As a result of this amendment, the People's Republic of China would not be considered a "communist-bloc" country for the purpose of section 620(h).

Section 507. Periodic reports

Section 507(a) amends section 620(s) of the Act by repealing subsection (2). Section

620(s)(2) requires the President to report to Congress on his actions in taking into account the impact of military expenditures on the budget of recipients of foreign assistance. Most of the information contained in this report is reported separately by the Department of State pursuant to section 25 of the Arms Export Control Act. The purpose of this amendment is to reduce administrative costs by eliminating this duplication of reports.

Section 507(b) amends section 634(a) by repealing subsections (2)(B) (6), and (7). The purpose of this amendment is also to reduce administrative costs by eliminating duplicative reporting requirements. Section 634(a)(2)(B) requires a report of the dollar value by category and country of all foreign assistance. The information contained in this report is already reported to Congress in the "all-spigots" tables for each country included in the Congressional Presentation. Section 634(a)(6) requires a report of the dollar volume of foreign assistance for all OECD and OPEC countries. Section 634(a)(7) requires a report of the percentage of both the GNP and the budget of each type of assistance for every OECD and OPEC country, and the per capita contributions of these countries. The data required by these reports is difficult to derive, since other donors do not disaggregate and report official development assistance in categories comparable to those used in categorizing U.S. assistance. The data that does exist is already available to the Congress in the annual report of the DAC Chairman, as well as in other OECD and World Bank publications.

Section 507(c) repeals section 306(b) of the Act. Section 2 of P.L. 81-806 currently requires annual reporting of all contributions, including voluntary payments, to international organizations. That annual report includes information required by section 306(b), making the latter reporting requirement redundant and unnecessary.

Section 508. Notification of program changes

This section makes funds appropriated to carry out the provisions of the Arms Export Control Act subject to the reprogramming requirements of section 634A and the reporting requirements of section 653(a) of the FAA. This section also deletes certain reporting requirements for FMS financing which would be redundant in light of this amendment to sections 634A and 653(a). In addition, this section deletes the requirement that a section 653(b) report be filed in certain cases before assistance is provided. These changes streamline and make standard various overlapping report and reprogramming requirements, but do not materially change the type of information provided to the Congress.

This section also amends section 634A of the Act by eliminating the requirement under that provision to notify Congress 15 days in advance of obligating funds in cases where the obligation will exceed the prior amount justified for the year by 10 percent or less. This change will permit needed flexibility to reallocate funds at the end of the fiscal year while not allowing significant changes without prior congressional notification.

Section 634A of the FAA is further amended to establish a threshold of $50,000 on reprogramming notices to the Congress for International Narcotics Control and IMET programs. Had such a threshold been in effect during fiscal year 1981, sixteen of thirty IMET reprogramming notices would not have been required under section 634A. Eliminating small programming changes for reprogramming requirements would permit prompt execution of small but politically sensitive training programs and would provide a fast reaction capability against illicit narcotics efforts. Reprogramming notices to the Congress would still be required for countries for which a program had not previously been justified to the Congress for that fiscal year, even if the amount to be provided to such country would fall below the $50,000 threshold.

Section 509. Provisions on uses of funds

Section 509(a) amends section 636(a)(14) of the Act to make a technical change. The "Foreign Service Act of 1980" is substituted for the "Foreign Service Act of 1946", which it replaced.

Section 509(b) amends section 646(c) of the Act by eliminating the $3,000,000 ceiling on the use of funds to construct or acquire essential living quarters, office space, schools, and hospitals for use of U.S. Government personnel posted outside the United States conducting activities authorized by the Act. As a result of greatly increased leasing costs overseas, it is now often more economical over the long run for the U.S. Government to purchase or construct living quarters than to lease them. Additionally, for security reasons and otherwise, in several countries no suitable quarters are available for leasing. The $3,000,000 limitation on use of funds for purchase or construction of overseas facilities no longer allows the U.S. Government sufficient flexibility to provide these facilities in an economical manner.

Section 509(c) amends section 636(d) of the Act by raising the ceiling on use of funds for supporting schools for dependents outside the United States from $2.5 million to $5.0 million. The $2.5 million limitation has been in effect since 1969. Inflation has greatly reduced the purchasing power of that amount since that time, while the number of schools being supported has increased from 43 to 57. The funds are no longer sufficient to provide adequate support to overseas schools. As a result, the quality of these schools is deteriorating.

Section 509(d) amends section 636 of the FAA by adding a new subsection (j) to allow statutory earmarks to be converted from fixed to proportionate requirements during periods when funds are appropriated by a continuing resolution. During periods when funding is made available by a continuing resolution, foreign assistance programs may operate at funding levels significantly below authorized levels. In these circumstances serious problems may be encountered in assisting countries which do not have funds earmarked for their benefit. This section would allow the Executive Branch to allocate to earmarked countries an amount in the same proportion to available continuing resolution funds as the original earmark was to the total level authorized or appropriated in the Act which established the earmark.

Section 510. Trade and development program

This section amends section 661(b) of the Act, which authorizes funds for the Trade and Development Program. Section 661(b) is amended to provide authority for this program for the fiscal year 1984 in the amount of $22,000,000.

Section 511. Operating expenses

This section amends section 667(a) of the Act, which authorizes funds for operating expenses of the Agency for International Development. Section 667(a) of the Act is amended to provide authority for the fiscal year 1984 in the amount of $378,512,000.

Section 512. Repeal of provisions

This section repeals provisions of the Act which are obsolete. It also repeals section 110(b), which prohibits disbursement of grant assistance for a project over a period exceeding thirty-six months. At the time this prohibition was enacted, it provided a useful control for the Congress over large capital assistance projects. The Agency no longer participates much in that type of project, and the Congress now has a better review mechanism through the congressional notification process. Section 110(b), therefore, is no longer necessary.

TITLE VI—AMENDMENTS TO OTHER ACTS

Section 601. Participant trainee grants

This section amends section 1441(c)(6) of the Internal Revenue Code to exempt from withholding amounts received as scholarships by non-resident aliens engaged in training programs in the United States under the Act. Section 1441(c)(6) currently exempts only per diem. Withholding for each participant trainee would result in high administrative costs to the implementing contractors and PVOs that would ultimately be passed on to AID. It would also reduce the amount of funds actually available for the training programs themselves. This provision is intended to correct these problems.

Section 602. African Development Foundation

This section amends Title V of the International Security and Development Cooperation Act of 1980 to authorize the appropriation of $3,000,000 for the African Development Foundation for the fiscal year 1984.

TITLE VII—AUTHORIZATIONS FOR FISCAL YEAR 1985 AND EFFECTIVE DATE

Section 701. Authorizations for the fiscal year 1985

This section, in accordance with the requirements of section 607 of the Congressional Budget Act of 1974, authorizes appropriations for fiscal year 1985 for all programs and activities for which appropriations for the fiscal year 1984 are authorized by this Act.

Section 702. Effective date

This section provides that the effective date for title II shall be upon enactment. Sections 104 and 105 would be effective upon the later of enactment or October 1, 1983, to avoid the possibility that the change in penalties under the AECA would be retroactive and to allow adequate time to implement the change in pricing for training. All other sections would be effective on October 1, 1983.

S. 638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Special Security Cooperation Act of 1983".

MILITARY SALES AND RELATED PROGRAMS

SEC. 101. (a) In addition to amounts otherwise made available for the fiscal year 1983 for loan guaranties under section 24(a) of the Arms Export Control Act, $425,000,000 of loan principal are authorized to be so guaranteed during such fiscal year.

(b) In addition to amounts otherwise made available for the fiscal year 1983 to

carry out the provisions of section 503 of the Foreign Assistance Act of 1961, there is authorized to be appropriated $142,000,000 to carry out such provisions for such fiscal year.

ECONOMIC SUPPORT FUND

SEC. 102. In addition to amounts otherwise authorized to be appropriated for the fiscal year 1983 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there is authorized to be appropriated $82,000,000 to carry out such provisions for such fiscal year.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 103. In addition to amounts otherwise made available for the fiscal year 1983 to carry out the provisions of chapter 3 of part I of the Foreign Assistance Act of 1961, there is authorized to be appropriated for the fiscal year 1983 $4,500,000 to carry out such provisions, for payment to the International Atomic Energy Agency.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED SPECIAL SECURITY COOPERATION ACT OF 1983

I. INTRODUCTION

The proposed Special Security Cooperation Act of 1983 contains freestanding provisions in order to authorize supplemental international security assistance to meet urgent needs for fiscal year 1983.

II. PROVISIONS OF THE BILL

Section 101. Military sales and related programs

This section authorizes an increase of $425,000,000 in the limit established in P.L. 97-377 on the total principal amount of loans for which guaranties may be issued during fiscal year 1983 under section 24(a) of the AECA.

In addition, this section authorizes an increase in appropriations of $142,000,000 above the amount made available in P.L. 97-377 for fiscal year 1983 to carry out the military assistance program. Although the President's budget for fiscal year 1984 requested a supplemental appropriation of $167,000,000 to carry out the military assistance program for fiscal year 1983, section 506(c) already provides authorization to appropriate that part of the budget request ($25,000,000) which is proposed to be used for reimbursement to the Department of Defense for defense articles, defense services and military education and training previously drawn down pursuant to section 506(a).

Section 102. Economic support fund

The President's budget for fiscal year 1984 requested a supplemental appropriation of $144,500,000 for the Economic Support Fund for fiscal year 1983. This section increases by $82,000,000 the authorization of appropriations for fiscal year 1983 for this Fund, made by P.L. 97-113. The amounts appropriated in P.L. 97-377 for this Fund for fiscal year 1983 were $62,500,000 less than the amount authorized by P.L. 97-113.

Section 103. International organizations and programs

This section authorizes an increase in appropriations of $4,500,000 above the amount made available in P.L. 97-377 for fiscal year 1983 to carry out Chapter 3 of part I of the Foreign Assistance Act of 1961, as amended. These funds will be used for payments to the International Atomic Energy Agency.

S. 639

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 1. This Act may be cited as the "Lebanon Emergency Assistance Act of 1983".

ECONOMIC SUPPORT FUND

SEC. 2. (a) It is hereby determined that the national interests of the United States would be served by the authorization and appropriation of additional funds for economic assistance for Lebanon in order to promote the economic and political stability of that country and to support the international effort to strengthen a sovereign and independent Lebanon.

(b) Accordingly, in addition to amounts otherwise authorized to be appropriated for fiscal year 1983 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there is authorized to be appropriated $150,000,000 to carry out such provisions.

(c) The amounts appropriated pursuant to this section are authorized to remain available until expended.

MILITARY SALES AND RELATED PROGRAMS

SEC. 3. (a) In order to support the rebuilding of the armed forces of Lebanon, the Congress finds that the national security interests of the United States would be served by the authorization and appropriation of additional funds to provide training for the Lebanese armed forces and to finance procurements by Lebanon of defense articles and defense services for its security requirements.

(b) In addition to amounts otherwise made available for the fiscal year 1983 to carry out the provisions of chapter 5 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated for the fiscal year 1983 $1,000,000 to carry out such provisions.

(c) In addition to amounts otherwise made available for the fiscal year 1983 for loan guarantees under section 24(a) of the Arms Export Control Act, $100,000,000 of loan principal are authorized to be so guaranteed during such fiscal year.

SECTION-BY-SECTION ANALYSIS OF THE PROPOSED LEBANON EMERGENCY ASSISTANCE ACT OF 1983

I. INTRODUCTION

The proposed Lebanon Emergency Assistance Act of 1983 ("the Bill") contains freestanding provisions in order to authorize supplemental international security assistance for the fiscal year 1983 for Lebanon. The amounts which would be authorized in the Bill represent the total amounts which are proposed to be allocated to Lebanon in fiscal year 1983 from amounts made available pursuant to this Bill and Public Law 97-377 for the Economic Support Fund, the International Military Education and Training program, and the Foreign Military Sales Credit program.

II. PROVISIONS OF THE BILL

Section 1. Short title

This section provides that the Bill may be cited as the "Lebanon Emergency Assistance Act of 1983".

Section 2. Economic support fund

This section consists of three subsections, as follows:

(a) This subsection states the determination of Congress that the national interests of the United States would be served by the authorization and appropriation of additional funds for economic assistance to promote the economic and political stability of Lebanon and to support the international effort to strengthen its sovereignty and independence.

(b) This subsection authorizes the appropriation of $150,000,000 for economic support pursuant to chapter 4 of Part II of the Foreign Assistance Act, in addition to amounts otherwise authorized for that chapter by Public Law 97-133.

(c) This subsection provides that the amounts appropriated pursuant to this section are authorized to remain available until expended.

Section 3. Military sales and related programs

This section consists of three subsections as follows:

(a) This subsection is a finding by the United States Congress, in support of the rebuilding of the armed forces of Lebanon, that the authorization and appropriation of supplemental funds for military sales and related programs would serve the national security interests of the United States. These additional funds would be used to provide training for the Lebanese armed forces and to finance procurements by Lebanon of defense articles and defense services for its security requirements.

(b) This subsection authorizes the appropriation of an additional $1,000,000 for the fiscal year 1983 for the International Military Education and Training (IMET) program. This authorization is in addition to the amounts made available for the IMET program by Public Law 97-377.

(c) This subsection authorizes an increase of $100,000,000 is the limit established in Public Law 97-377 on the total principal amount of loans for which guaranties may be issued during fiscal year 1983 under section 24(a) of the Arms Export Control Act.●

By Mr. DOLE (by request):

S. 640. A bill to amend the Internal Revenue Code of 1954 to provide for the inclusion of certain employer contributions to health plans in an employee's gross income; to the Committee on Finance.

S. 641. A bill to provide for voluntary private alternative coverage for medicare beneficiaries, and for other purposes; to the Committee on Finance.

S. 642. A bill to restructure the medicare hospital insurance program; to the Committee on Finance.

S. 643. A bill to make improvements in the medicare and medicaid programs, and for other purposes; to the Committee on Finance.

HEALTH INCENTIVES REFORM LEGISLATION

● Mr. DOLE. Mr. President, I am introducing today, at the request of the administration, the major components of the health incentives reform program. There are five components of the package, one of which—the proposed Medicare Prospective Payment Rates Act—was introduced on February 23, 1983.

The following four bills are those that are being introduced today: First, limitation on exclusion for employer health plan payments; second, the Medicare Voucher Act of 1983; third,

the Medicare Catastrophic Hospital Cost Protection Act; and, fourth, the Health Care Financing Amendments of 1983.

NEED FOR ACTION

As many of my colleagues are aware, health care costs continue to escalate at an alarming rate, far exceeding the increase in prices overall.

This year the Federal Government will spend approximately $57 billion on the medicare program. At the same time, we expect to spend $19 billion on services for the poor under the medicaid program.

Rising health care costs are a problem that affects all of us. As the President pointed out in the letter of transmittal accompanying the health incentives reform program, increasing costs affect the elderly who are covered by medicare and face the threat of increasing out of pocket costs. The poor continue to see medicaid coverage reduced as States and the Federal Government are forced by rising costs to make cutbacks. Workers with employment-based health insurance have received lower cash wages because of the unchecked cost increases for health benefits.

The President's package of health care program reform measures is designed to address each of these areas. The Senator from Kansas is particularly pleased to note the inclusion of the provision limiting the exclusion for employer health plan payments.

Under the proposal contained in the administration's fiscal year 1984 budget, employer contributions to accident or health plans for an employee would be included in the employee's income to the extent they exceed, first, $175 per month—$2,100 per year—if the plan covers the employee and his family, or second, $70 per month—$840 per year—if the plan covers only the employee. The provision would apply for taxable years beginning after December 31, 1983. The $175 and $70 amounts would be indexed to adjust for inflation.

Amounts included in the employee's income under the proposals would also be subject to social security taxes.

There would be a transition rule to exempt premiums paid under collective-bargaining agreements signed before January 31, 1983.

The total exclusion from employees' income for employer paid medical coverage is the second largest, statutory fringe benefit in the Tax Code. The largest is the exclusion from income of pension contributions and earnings.

The revenue loss estimate for this total exclusion from income is estimated to be $18.6 billion in fiscal year 1983 and $21.3 billion in fiscal year 1984.

The administration's proposal would reduce this revenue loss by $2.3 billion in fiscal year 1984 and $4.4 billion in fiscal year 1985. Therefore, even after a cap on the exclusion, the tax benefit for receiving part of your compensation in the form of health care would be very substantial.

Many experts believe that our present tax treatment of employer provided health benefits has been a contributing factor in the trend toward excessive coverage and escalating medical costs.

We will have to examine whether a dollar cap on the exclusion from an employee's income will change consumer behavior in a desirable way. For example, will a cap encourage copayments and more efficient health care, or will some workers, such as low-income individuals receive insufficient coverage?

Even if we decide to limit employer paid tax free medical insurance, there are still a number of questions to be resolved with respect to a so-called tax cap. These include the level at which the cap is set. For instance, should there be a national cap or one which varies in different areas of the country, thereby recognizing differing costs of care; how often should the limit be updated; and how do we prevent adverse selection—the case where all the healthy choose low option insurance and the sick, high option. Another obvious question is how to deal with self-insured plans which are increasing in number.

It is not likely that we on the Federal level would attempt to establish a minimum benefits package in conjunction with a tax cap. That is clearly the jurisdiction of the State insurance commissioners and in the hands of labor and business.

CONCLUSION

Medicare is a program which has grown at an alarming rate since its creation 17 years ago. The trust fund is rapidly approaching a period of time in which it will no longer have sufficient funds to finance program expenditures. Something must be done to prevent this potential insolvency. The President's proposals are an attempt to address this problem and others. The Senator from Kansas urges his colleagues to give these bills their serious consideration.

Mr. President, I request that a summary of each bill be included in the record following my comments.

There being no objection, the summaries were ordered to be printed in the RECORD, as follows:

S. 640—LIMITATION ON EXCLUSION FOR EMPLOYER HEALTH PLAN PAYMENTS

GENERAL EXPLANATION

Current law

All employer contributions to health insurance plans for employees are excluded from the employees' income and wages for purposes of income and employment taxes. This tax treatment generally applies to all insurance coverage, regardless of cost, and to all medical benefits, no matter how extensive. The same rule generally applies to amounts paid by an employer to or on behalf of an employee under a self-insured medical plan.

Reasons for change

Excluding employer contributions to health plans from gross income creates an inequity between individuals covered by employer health plans and those who are not so covered. The latter group must pay for their health care with after tax dollars, while the health care of the former group is provided with before tax dollars. For example, an employee with $23,000 of total compensation consisting of $20,000 of cash wages and $3,000 of health insurance coverage will pay $804 less in Federal income and Social Security taxes than one with $23,000 of cash wages.

The preferential treatment of employer paid health benefits encourages employees to receive large amounts of their compensation in that form. This has led to a significant decline in the amount of compensation subject to tax and indirectly has led to higher tax rates on cash wages.

From a health policy viewpoint, many employees have such generous insurance plans that they bear very little, if any, of the cost of doctors' visits or hospital services. They therefore tend to overuse doctor and hospital services and medical tests. The very rapid increase in health care costs in recent years can be attributed at least in part to this tax-induced incentive to demand additional health care with little or no regard to its actual costs.

Proposal

Employer contributions to a health plan would be includible in gross income to the extent that they exceed $70 per month ($840 per year) for an individual employee, or $175 per month ($2,100 per year) for family coverage.

The proposal will generally be effective January 1, 1984. However, in order to allow renegotiation of existing contracts, the proposal will not be effective with respect to employer contributions to employer health plans, the amounts of which are fixed by a legally binding contract entered into on or before January 31, 1983, until the earlier of January 31, 1986, or the first date after January 31, 1983 on which such amounts cease to be fixed by the contract.

Effects of proposal

The amount of employer contributions is determined, in the case of an insured plan, on the basis of the premiums charged for such insurance. The insurance premiums paid by the employer on behalf of employees will be divided by the number of covered employees. If the employer maintains different plans covering different groups of employees, each plan will be treated separately in determining employer costs per employee.

In the case of noninsured plans, the amount of the employer contributions will be based on the costs of providing coverage under the plan. Costs of providing coverage may be determined based on reasonable estimates of such costs.

To the extent that employer contributions exceed the $70 individual/$175 family monthly ceilings, the excess would be includible in the income of the covered employee. Even if employer health plan payments exceed the $70 individual/$175 family monthly amounts, only the excess will be in-

cluded in the employee's gross income. For example, if the employer paid $185 per month for family health coverage for an employee, $10 per month would be included in the employee's gross income. Thus, $10 would be subject to income tax and FICA and FUTA taxes (if applicable). Most current employees will pay no additional tax because those employees have insurance coverage costing less than the applicable ceiling amount.

Revenue estimate

Fiscal years:	*Billions*
1984	$2.1
1985	4.2
1986	6.0
1987	8.0
1988	10.7

LIMITATION ON EXCLUSION FOR EMPLOYER HEALTH PLAN PAYMENTS

TECHNICAL EXPLANATION

Summary of the proposal

Employer contributions to a health plan would be includible in gross income to the extent that they exceed $70 per month ($840 per year) for an individual employee, or $175 per month ($2100 per year) for family coverage.

Detailed description

Under the proposal, the amount of any excess employer contributions to a health plan with respect to coverage of an employee during the payroll period will be included in the employee's gross income. Employer contributions for a payroll period are excess employer contributions to the extent they exceed the monthly dollar limit for such employee, prorated to reflect the length of the payroll period. For 1984, the monthly dollar limit is $70 for an employee with individual coverage under the plan and $175 for an employee with family coverage under the plan. For years after 1984, the monthly dollar limit will be adjusted to reflect changes in the Consumer Price Index. An employee will be treated as having individual coverage unless the employee has a spouse or a dependent who is covered under the plan.

The employer contribution to a health plan with respect to an employee will be the cost of coverage of the employee under the plan reduced by the amount of the employee's contributions for such coverage. The annual cost of coverage with respect to an employee will be the aggregate annual cost of providing coverage for all employees with the same type of coverage (individual or family) under the plan as that of the employee, divided by the number of such employees. The cost of coverage with respect to an employee for a payroll period will be the annual cost of coverage prorated to reflect the length of the payroll period. Any cost of providing coverage under a plan which is allocable to workmen's compensation or to a purpose other than providing medical care is not taken into account in determining the cost of coverage under the plan.

The annual cost of providing coverage under an insured plan (or any insured part of a plan) will be determined based on the net premium charged by the insurer for such coverage. The annual cost of providing coverage under a noninsured plan (or any noninsured part of a plan) will be based on the costs incurred with respect to the plan, including administrative costs. In lieu of using actual administrative costs, an employer may treat 7 percent of the plan's incurred liability for benefit payments as the administrative costs with respect to the plan. A plan will be a noninsured plan to the extent the risk under the plan is not shifted from the employer to an unrelated third party.

The cost of coverage under the plan must be determined in advance of the payroll period and must be redetermined not less often than once every 12 months. The cost of coverage must be redetermined whenever there are significant changes in the coverage provided under the plan or in the composition of the group of covered employees. The cost of coverage is determined separately for each separate plan of the employer. Coverage of a group of employees is a separate plan if such coverage differs from the coverage of another group of employees. Where the actual cost of coverage cannot be determined in advance, reasonable estimates of the expected cost of coverage are to be used. Where the cost of coverage fluctuates each year depending on the experience of the employer under the plan, an average annual cost of coverage will be used.

If an estimate is determined not to be a reasonable estimate, the employer will be liable for the income taxes (at the maximum rate applicable to individuals) and the employment taxes (both the employer's and the employee's share) that would have been imposed on the additional amount that would have been included in the income of employees as excess employer contributions if the actual cost of coverage had been used to determine the amount of excess employer contributions.

In the case of multiemployer plans to which an employer makes contributions, the multiemployer plan is to be treated as the employer for purposes of determining the cost of coverage and the liability for errors in estimates of the cost of coverage. Each employee's excess employer contributions will be determined based on this cost of coverage. However, for purposes of the employer's obligations to withhold from wages and to pay employment taxes, the amount of excess employer contributions will be considered to be a portion of each contribution made by the employer to the plan. The portion of each contribution to be treated as an excess employer contribution will be based on the ratio of the plan's excess employer contributions per employee per month to the total monthly employer contribution per employee.

Effective date

In general, the proposal would apply to employer contributions made with respect to payroll periods beginning after December 31, 1983. However, the proposal will not apply to employer contributions to employer health plans, the amounts of which are fixed by a legally binding contract entered into on or before January 31, 1983, until the earlier of January 31, 1986, or the first date after January 31, 1983 on which such amounts cease to be fixed by the contract.

S. 641—SUMMARY OF PROPOSED MEDICARE VOUCHER ACT OF 1983

Section 1 would assign the draft bill the short title "Medicare Voucher Act of 1983".

Section 2 would permit the Secretary to contract with health benefits organizations (HBOs) (a broad range of health insurers and health services providers, including health maintenance organizations (HMOs) and competitive medical plans (CMPs)) to provide private alternative coverage for Medicare beneficiaries (other than individuals suffering from end-stage renal disease, or who are working and are 65 years of age or older but under 70) who chose to participate in such a private plan. Section 2 would also enact additional amendments to current provisions of law concerned with Medicare contracts with such organizations to—

Establish a single, coordinated open enrollment period during August and September of each year (but only for that number of new enrollees, in order of applications filed, previously specified by an HBO), and to enable the Secretary, to the extent feasible, to provide for individuals who move from the area served by one HBO to an area served by another (similar to the system used by the health benefits program for Federal employees);

Preclude new enrollments for individuals receiving only Supplementary Medical Insurance (SMI) benefits;

Preclude new cost-based contracts;

Permit HBOs to offer separate benefit packages for employer-based groups;

Permit HBOs to offer one or more benefit packages as long as each package covered at least those services for which Medicare pays and covered inpatient hospital services for every day of hospitalization, which benefit levels, coinsurance, and deductibles to be set by the HBO;

Eliminate current requirements as to premium levels and benefits, and require only that the average cost-sharing for the portion of benefits for which Medicare pays not exceed the average cost-sharing (including amounts above the Medicare reasonable charge) under Medicare;

Permit HBOs to provide annual rebates of up to $500 (instead of charging premiums), not consider those rebates as income for purposes of Medicaid, Aid to Families with Dependent Children, Supplemental Security Income, Food Stamps, Low-Income Home Energy Assistance, or low-income housing programs, and treat those rebates as Social Security benefits for purposes of the Federal income tax laws; and

Preempt provisions of State or local law requiring benefits more extensive that those under section 2.

Section 3 would enact conforming amendments that would—

Repeal the requirement for the Secretary to conduct a study of additional benefits that are required under existing law (but not under the provisions of section 2); and

Require payments to HBOs under section 2 to take into account services furnished by physician assistants or nurse practitioners if Medicare would pay for those services when furnished by a physicians.

Section 4 would make the provisions of section 2 applicable to services furnished after 1984. Section 4 would also—

Retain the transitional provisions enacted in 1982 when Congress amended the provisions of law providing for payments to HMOs;

Permit any enrollee of an HMO or CMP at the end of 1984 not already covered by those earlier transition provisions to continue his enrollment under the provisions of law then current if either the HMO or CMP had a cost-based contract with the Secretary or if the enrollee was enrolled for Medicare SMI (but not Hospital Insurance (HI) benefits), unless the Secretary found that the new provisions should apply to all members of an HMO or CMP because of administrative costs or other administrative burdens; and

Apply the provisions of section 2 to enrollees who also receive benefits under Medicaid only after the Secretary finds that it is administratively feasible.

S. 642—SUMMARY OF PROPOSED MEDICARE CATASTROPHIC HOSPITAL COST PROTECTION ACT

Section 1 would assign the draft bill the short title "Medicare Catastrophic Hospital Cost Protection Act".

Section 2 would restructure benefits under the Medicare Hospital Insurance program. Under current law, Medicare covers only the first 90 days of a hospitalization during any spell of illness, plus a lifetime reserve of 60 additional days. An inpatient hospital deductible is imposed for each spell of illness. No coinsurance is currently imposed for the first 60 days of a spell of illness; coinsurance equal to one-fourth of the inpatient hospital deductible is imposed for each additional day of hospitalization through the 90th day; and coinsurance equal to one-half of the inpatient hospital deductible is imposed for any remaining days covered by Medicare.

Section 2 would remove the limit on the number of days of hospitalization covered by Medicare during a spell of illness. In addition, no more than two inpatient hospital deductibles could be imposed during any calendar year, even if there were three or more spells of illness in the year. Coinsurance equal to 8 percent of the inpatient hospital deductible would be imposed for the second through fifteenth day of each spell of illness (and for the first day if no inpatient hospital deductible were imposed for that spell of illness), and coinsurance equal to 5 percent of the inpatient hospital deductible would be imposed for each subsequent day; in any calendar year, however, the total number of days for which coinsurance was imposed, plus the number of times the inpatient hospital deductible was imposed, could not exceed 60.

Finally, section 2 would decrease from 12.5 to 5 percent of the inpatient hospital deductible the coinsurance imposed on the 21st through 100th day of care in a skilled nursing facility during any spell of illness.

S. 643—SUMMARY OF PROPOSED HEALTH CARE FINANCING AMENDMENTS OF 1983

Short title and reference in act.—Section 1 would assign the draft bill the short title "Health Care Financing Amendments of 1983".

TITLE I—MEDICARE

Subtitle A—Changes in Eligibility, Benefits, and Cost Sharing

Use of medicare physicians' services economic index to increase annually the supplementary medical insurance deductible.—Section 101 would increase the Supplementary Medical Insurance (SMI) deductible (currently set at $75) each year, beginning with 1984, by the percentage increase in the economic index used to determine the allowable increase in prevailing charges for physicians' services. This section would allow the SMI deductible to keep pace with changes in physician fees in the future.

First full month of medicare eligibility.—Section 102 would provide for eligibility for Medicare benefits to begin in the first full month in which all the eligibility requirements have been met.

Changes in supplementary medical insurance premium.—Section 103 would postpone from July 1983 until January 1984 (along with the Administration's proposed postponement of cost-of-living adjustments in Social Security benefits) the increase in the SMI premium. In January of 1984 the premium would rise to 25 percent of the estimated per capita costs of the SMI program for the aged for 1984. For each succeeding year the percentage of the estimated program costs covered by the premium would increase by increments of 2.5 percent until 35 percent of the estimated costs were covered by the premium for 1988. No beneficiary, however, for whom SMI premiums were deducted from his Social Security check reduced below its amount before the most recent Social Security cost of living adjustment because of the SMI premium increase. These changes would provide a more reasonable balance between Federal and beneficiary shares of total program costs, which were originally intended to be evenly shared.

Cost sharing for durable medical equipment furnished as a home health benefit.—Section 104 would provide for a Medicare beneficiary to share the costs of durable medical equipment furnished as a home health benefit. Under current law, Medicare pays 80 percent of the reasonable charges for durable medical equipment furnished as a separate benefit, but pays 100 percent of the reasonable cost if the equipment is furnished as a home health benefit. Section 104 would reduce the Medicare payment for durable medical equipment furnished as a home health benefit to the lesser of the reasonable cost and the customary charges (less 20 percent of the reasonable charges, which a home health agency would be permitted to collect from the beneficiary), but in no event more than 80 percent of the reasonable cost. This amount is the same amount that a provider of services is paid for medical and other health services under Medicare. The Secretary could also, as is the case with other provisions requiring payment of the lesser of costs or charges, take only costs (and not charges) into account if he found that this would not result in any increase in Medicare payments. Section 104 would also permit the Secretary to require the purchase, rather than the rental, of durable medical equipment under appropriate circumstances, whether or not furnished as home health benefits, and would provide for the uniform use of the term "durable medical equipment" instead of the use of three different terms currently employed in various Medicare provisions.

Elimination of deductible for diagnostic tests performed in a laboratory which has entered into a negotiated rate agreement with the Secretary.—Section 105 would eliminate the application of the SMI annual deductible to diagnostic tests performed in a laboratory which has entered into a negotiated rate agreement with the Secretary. The section would provide an incentive for laboratories to enter into such agreements and thereby reduce costs associated with individual billing of Medicare beneficiaries.

Thirty day coverage period for services furnished by a home health agency whose agreement has been terminated.—Section 106 would change from the end of the calendar year to thirty days after termination of an agreement the date for ending Medicare coverage for services furnished to a beneficiary under a previously established plan by a home health agency whose Medicare agreement has been terminated. This section would bring provisions for home health agencies into conformity with provisions for hospitals and skilled nursing facilities.

Subtitle B—Changes in Reimbursement

Smaller increase for hospital target amounts.—Section 111 would take into account, in determining the target amounts for fiscal year 1984 for operating costs of inpatient hospital services, only the increase in the hospital market basket index, rather than that increase plus one percent.

Fiscal year 1984 freeze on payments for physicians' services.—Section 112 would freeze the prevailing and customary charge levels for physicians' services for the 12 month period beginning with July 1983 at the levels applicable to the preceding 12 month period. the Secretary could not compensate for the one year freeze on prevailing charge levels through larger increases after the freeze ended.

Exclusive agreements and negotiated rates for certain medical and other health services.—Section 113 would permit the Secretary to enter into exclusive agreements and negotiate rates for laboratory services, durable medical equipment, and certain other items and services furnished under the SMI program, but only if the Secretary determined that such an agreement would not deny access for beneficiaries to the items and services covered by such an agreement. The amounts payable under such an agreement could not exceed in the aggregate the amounts otherwise payable under the SMI program. the Secretary could waive the usual deductible and coinsurance (if the resulting payments would not exceed in the aggregate the amounts otherwise payable under the SMI program). The supplier of the items and services could not charge a beneficiary amounts other than the deductible and coinsurance (if any). This section would permit the Secretary to obtain significant savings through bulk purchases for items and services currently chosen in most cases by physicians and other health providers rather than by beneficiaries.

Subtitle C—Administrative Changes

Increased secretarial flexibility in entering into agreements for medicare claims processing.—Section 121 would increase the Secretary's discretion in entering into agreements for Medicare claims processing by (1) eliminating the right of providers of services to nominate intermediaries, (2) permitting the Secretary to enter into various kinds of agreements with intermediaries and carriers, not solely those based on cost, and (3) broadening the Secretary's authority to experiment with different kinds of contracts by including contracts other than fixed price or performance incentive contracts and by permitting waiver of competitive bidding requirements. The section would also require new intermediaries, as well as carriers, to be health insurance organizations, and would clarify the Secretary's authority under existing law to deal directly with any provider of services or to assign any provider of services to an intermediary.

Furnishing of items and services to hospital inpatients only by or under arrangements with hospitals.—Section 122 would require all items and services covered by Medicare that are furnished to hospital inpatients to be furnished by (or through) the hospital, except for physicians' services. Certain items and services (such as laboratory services) may currently be furnished to hospital inpatients by (or through) a hospital (in which case payment is made on a cost basis), or may be furnished directly by an outside supplier (in which case payment is made on a charge basis and the Medicare beneficiary is subject to deductible and coinsurance requirements). Section 132 would correct this anomaly and help reduce beneficiary out-of-pocket expenses.

Assignment of inpatient hospital benefit period, deductible, and coinsurance in the order of filing of payment requests.—Section 123 would change the order in which hospitals are responsible for collecting from a Medicare beneficiary the inpatient hospital deductible, coinsurance, and charges for services furnished after the Medicare coverage period has expired for a particular spell of illness, in cases in which the beneficiary is an inpatient of two or more hospitals during the same spell of illness. The responsibility for collecting these amounts is currently assigned in the chronological order in which services are furnished. Section 133 would instead assign the responsibility in the order in which the hospitals submitted requests for Medicare payments, so that a hospital that provided services after another hospital, but submitted its request first, would be responsible for collecting the inpatient hosptial deductible and would be credited with the first 60 days of Medicare coverage (for which no coinsurance is required). This change would simplify the administration of the Medicare program by eliminating the need to make later adjustments in amounts payable to specific hospitals.

Repeal of special tuberculosis treatment requirements.—Section 124 would repeal provisions of law setting special requirements for coverage of tuberculosis treatment designed to insure that Medicare does not pay for custodial care. Due to advances in the active treatment of this disease, special safeguards against paying for custodial care for tuberculosis patients are no longer needed.

Elimination of utilization review requirements.—Section 125 woud eliminate requirements that hospitals and skilled nursing facilities have a system in place to review the need for services furnished Medicare recipients.

Elimination of requirement for a railroad retirement board carrier contract.—Section 126 would eliminate the requirement for a separate Railroad Retirement Board carrier contract. Under the section, SMI claims of railroad retirees would be processed by the same organizations that process other SMI claims. The section would reduce administrative costs and improve service to beneficiaries.

Medicare recovery against certain third parties.—Section 127 would clarify and enhance the ability of the Medicare program to obtain reimbursement for Medicare payments made if the Medicare beneficiary is covered by workmen's compensation, automobile or liability insurance, no-fault insurance, or an employment based group health plan (if the beneficiary is between 65 and 70 years of age or suffers from end-stage renal disease). Section 137 would make explicit the right of the United States to recover directly from the third party payer if the beneficiary did not do so himself, and to pay the beneficiary pending recovery from workmen's compensation, automobile or liability insurance, or no-fault insurance if the third party payer was not expected to pay promptly. In addition, the section would permit the United States to recover directly from the third party payer whether or not the beneficiary or anyone else brought suit (but only to the extent that the third party payer has not already made payment), would permit the United States to intervene or join in any action brought by the beneficiary or anyone else to obtain payment from the third party payer, and would subrogate the United States to any right of the individual or anyone else to payment from the third party payer. These provisions would improve the ability of the Medicare program to obtain reimbursement to which it is entitled under current law.

Providers of services liable for services not reasonable and necessary and for custodial care services.—Section 128 would eliminate the right of providers of services to receive Medicare payments for services that would not have been covered by Medicare because they were not reasonable and necessary or because they were custodial care services, except for the fact that the provider of services did not know, and could not reasonably have been expected to know, that the services were not covered. The section would also prevent a provider of services from billing a Medicare beneficiary for such services if the beneficiary were not at fault.

Indirect payment of supplementary medical insurance benefits.—Section 129 would permit payments under the SMI program to be made to a health insurer that pays full reimbursement to physicians or other persons furnishing services. Current law does not, in general, permit payments to be made to anyone other than a beneficiary or an entity providing services, so as to avoid the growth of organizations that process Medicare billings for excessive fees on behalf of physicians or others who furnish services. Payments to legitimate health insurers who pay the full bill and simply collect the reimbursable portion from Medicare can be made efficiently and do not give rise to the kinds of practices intended to be prohibited.

Elimination of Health Insurance Benefits Advisory Council.—Section 130 would repeal the authority for the Health Insurance Benefits Advisory Council. This council has been moribund for years. The Secretary is able to obtain needed advice from outside experts as necessary.

Hospital accreditation surveys of the American Osteopathic Association not to be disclosed.—Section 131 would protect from disclosure hospital accreditation surveys provided to the Secretary by the American Osteopathic Association. This provision would afford such information the same protection afforded information provided by the Joint Commission on Accreditation of Hospitals (JCAH).

Elimination of required capital expenditures plan for providers of services.—Section 132 would eliminate the requirement that hospitals, skilled nursing facilities, comprehensive outpatient rehabilitation facilities, and home health agencies include as part of a required overall plan and budget a capital expenditures plan. This requirement has unnecessarily increased the administrative burden and the costs of providers of services.

Elimination of requirement for accreditation of psychiatric hospitals by Joint Commission on Accreditation of Hospitals.—Section 133 would eliminate the requirement that psychiatric hospitals be accredited by JCAH to participate in Medicare, and that a "distinct part" of such a hospital meet equivalent requirements to participate in Medicare. Other kinds of hospitals may, but are not required to, obtain JCAH accreditation in order to obtain Medicare certification.

Elimination of requirement that final cost reports of health maintenance organizations and competitive medical plans be independently certified.—Section 134 would eliminate the requirement that final cost reports of health maintenance organizations (HMOs) and competitive medical plans (CMPs) be independently certified. This requirement is an unnecessary administrative burden that is not imposed on other entities participating in Medicare.

Access to records of subcontractors.—Section 135 would amend the provision, added by Public Law 96-499, that Medicare may not reimburse for any services furnished under an agreement between a Medicare provider and a subcontractor, the value of which is $10,000 or more over a twelve-month period, unless that agreement is pursuant to a contract containing a clause making specified provisions for access to the subcontractor's records by the Secretary and the Comptroller General. In order to alleviate the substantial paperwork burden this requirement creates for small subcontractors, who frequently provide services pursuant to informal agreements, this amendment would increase to $50,000 the minimum value subject to this requirement.

Repeal of requirement for end-stage renal disease networks.—Section 136 would repeal the requirement for ESRD networks (coordinating bodies representing ESRD facilities in a geographic area) and would make the national ESRD medical information system discretionary with the Secretary. These networks have not proved to be effective.

Flexible sanctions for non-compliance with requirements for end-stage renal disease facilities.—Section 137 would permit the Secretary to apply intermediate sanctions to ESRD facilities which are out of compliance with certain program requirements, when non-compliance does not jeopardize patient health or safety or justify decertification of the facility. Permissible sanctions would include denial of reimbursement for new admissions to the facility, and graduated reduction in reimbursement.

Denial of payment for items and services ordered by a physician barred from participation.—Section 138 would prohibit payment for items or services (other than emergency services) furnished at the direction or on the prescription of a physician barred from participation in Medicare based on the Secretary's determination that the physician had abused the programs, or barred from participation in Medicare or Medicaid based on a conviction for a Medicare- or Medicaid-related crime.

Authority to deny participation to a sanctioned provider.—Section 139 would authorize the Secretary to refuse to enter into a provider agreement with an entity if any person who has a direct or indirect ownership or control interest of 5 percent or more in the entity, or who is an officer, director, agent, or managing employee, has been sanctioned, either by denial of payment or by civil monetary penalty, for fraud or abuse related to his participation in Medicare or Medicaid.

Termination of agreements with institutions and entities where owners or certain other individuals have been convicted of certain offenses.—Section 140 would authorize the Secretary to terminate (as well as to refuse to enter into or to renew, as provided under current law) an agreement with a provider where an individual with ownership or control of the provider has been convicted of an offense related to his participation in Medicare or Medicaid.

Use of accrediting organizations for certain entities furnishing services.—The Secretary has the authority under current law to rely on accrediting organizations in determining whether hospitals, skilled nursing facilities, home health agencies, ambulatory

surgical centers, and hospice programs meet Medicare requirements. Section 141 would extend the Secretary's authority by permitting him to rely on such organizations in determining whether rural health clinics, laboratories, clinics, rehabilitation agencies, and public health agencies meet Medicare requirements (and would enact a clarifying amendment concerning his authority with respect to ambulatory surgical centers).

Elimination of unneeded reporting requirements.—Section 142 would eliminate the requirements that the Secretary of Health and Human Services—

Report annually on the program for peer review of the utilization and quality of health care services;

Include in the continuing study of Medicare a validation of the accreditation process of JCAH;

Periodically submit legislative recommendations to further the use of home dialysis and transplantation by individuals suffering from ESRD; and

Report annually on the Medicare ESRD program (including fifteen specifically listed items).

These requirements are costly and administratively burdensome. The Secretary has the authority to report on various matters as needed.

TITLE II—MEDICAID

Subtitle A—Changes in Payments to States

100 percent Federal payment for processing of combined medicaid and medicare claims.—Section 201 would provide an incentive to States to use Medicare contractors to process Medicaid claims of individuals also entitled to Medicare benefits, by increasing to 100 percent the Federal share of the administrative costs of processing these claims for services reimbursable under both Medicare and Medicaid, and by simplifying the mechanism for reimbursing Medicare contractors for the Medicaid share of payments to providers.

Extension of reduction in Federal share of State medical assistance expenditures.—Section 202 would make permanent the Medicaid provisions that limit total Federal matching payments to States. Federal payments to States would be reduced by 3 percent for fiscal year 1985 and succeeding fiscal years.

This section would also make amendments designed to simplify administration of this provision. The adjustment to the Federal matching rate for purposes of the determination would be made for expenditures in the base year, rather than expenditures in the current year. Also, claims for payment filed or processed more than two years after the expenditure would be disregarded for purposes of calculating the target amount.

Denial of Federal financial participation in payments for items and services ordered by a physician barred from participation.—Section 203 would bar Federal financial participation in payments for items or services (other than emergency services) furnished at the direction or on the prescription of a physician barred from participation in Medicare based on the Secretary's determination that the physician had abused the program or barred from participation in Medicare or Medicaid based on a conviction for a Medicare- or Medicaid-related crime.

Sanction for provider's failure to furnish information.—Section 204 would permit the Secretary to deny payment to States of the Federal matching share of expenditures for medical services furnished by providers who failed to supply information requested by the Secretary concerning any claims by the provider for payment under the State plan.

Subtitle B—Changes in Eligibility, Benefits, and Cost Sharing

Amendments concerning third-party payments for medical expenses.—Section 211 would require, rather than permit, States to require assignments of rights to third party payments for medical costs as a condition of eligibility for benefits under the State plan.

This section would also amend the provision concerning recovery of third party payments for medical expenses. Present law permits the State agency and the Federal government to retain from such recoveries only the amount equal to medical assistance payments on behalf of the individual concerned. Under the proposed amendment, the State agency would be entitled to recover its administrative costs related to the recovery from any amount remaining after reimbursing the recipient's out-of-pocket costs. Repayments to an individual for his out-of-pocket expenses would not be considered as income or resources for purposes of determining eligibility for medical assistance, for cash assistance under the Aid to Families with Dependent Children (AFDC) program or to the aged, blind, and disabled, or for food stamps under the Food Stamp Act of 1977.

Mandatory and optional copayments.—Section 212 would require (subject to any mandatory or optional exclusions of individuals or services from copayments under the State plan, as described below) copayment by the categorically needy of $1 per day for inpatient hospital services and $1 per visit for outpatient hospital services, rural health clinic services, physician services, and clinic services; it would require copayments by the medically needy of $2 per day and $1.50 per visit for those same services. These mandatory copayment amounts could be adjusted periodically by the Secretary.

States would be prohibited from charging any copayments on services furnished to long term care inpatients, or services furnished by HMOs to categorically needy enrolled members, and permitted to exempt services to medically needy members.

States would be permitted to exempt services to pregnant women, and emergency services, from all copayment requirements; the exemption could also apply to the new mandatory copayments on inpatient and outpatient services, but there would be no Federal matching of an amount equal to the copayment the State could have charged.

States would be permitted to exempt children from all copayment requirements other than the new mandatory copayments on inpatient and outpatient services.

States could charge, for non-emergency outpatient services furnished in a hospital emergency room, up to twice the nominal amount which may be charged for other services reimbursed at the same rate as hospital emergency room services.

This section would also repeal limitations on copayments under research and demonstration waivers.

Subtitle C—Administrative Changes

Repeal of exclusion of for-profit organizations from research and demonstration grants.—Section 221 would amend authorities for grants for research and demonstration projects for purposes related to the Social Security Act to permit grants to be made to for-profit organizations.

Amendments to requirements for medical review and independent professional review.—Section 222 would make technical revisions to the State plan requirements for medical review (MR) and independent professional review (IPR) of nursing homes, which would clarify that there is no longer any substantive statutory distinction between MR of skilled nursing facilities (SNFs) and IPR of intermediate care facilities (ICFs).

Repeal of special tuberculosis treatment requirements.—Section 223 would repeal provisions of law setting special requirements for coverage of tuberculosis treatment designed to insure that Medicaid does not pay for custodial care. Due to advances in the active treatment of this disease, special safeguards against paying for custodial care for tuberculosis patients are no longer needed.

Elimination of utilization review and utilization control requirements.—Section 224 would eliminate requirements that the State plan provide that hospitals and skilled nursing facilities must have in effect plans to review utilization of services to ensure that institutional stays do not exceed medical necessity. This section would also eliminate the requirement that the State have in operation a program with respect to hospitals, mental hospitals, skilled nursing facilities, and intermediate care facilities of control over utilization of these services, and the penalties mandated for failure to comply with any portion of this requirement.

Requirement that States obtain taxpayer identification numbers as a condition of receiving medical assistance.—Section 225 would require States to obtain taxpayer identification numbers from Medicaid applicants and recipients, in order to deter fraud, reduce errors in eligibility determination, and facilitate efficient administration.

Verification that medical services have been furnished as claimed.—Section 226 would repeal the present requirement that Medicaid management information systems provide for written notice to be given to individuals (or to a sample of individuals) of the medical services furnished under the State plan to those individuals, and would instead require the State plan to provide an adequate method for verifying whether services for which payment is claimed under the State plan were actually furnished to covered individuals.

Authority to waive requirements with respect to the territories.—Section 227 would allow the Secretary to waive or modify any Medicaid requirement for any participating territory, except requirements concerning Federal matching rates, ceilings on total Federal payments, and services for which medical assistance may be provided. This amendment would give to all territories the same flexibility given to American Samoa when it was made eligible to participate in the Medicaid program in the Tax Equity and Fiscal Responsibility Act of 1982, Public Law 97-248.

Termination of agreements with institutions and entities where owners or certain other individuals have been convicted of certain offenses.—Section 228 would authorize the State agency to terminate (as well as to refuse to enter into or to renew, as provided under current law) an agreement with a provider where an individual with ownership or control of the provider has been convicted of an offense related to his participation in Medicare or Medicaid.

Elimination of requirement for accreditation of psychiatric hospitals by Joint Commission on Accreditation of Hospitals.—Section 229 would eliminate the requirement

that psychiatric hospitals be accredited by JCAH to participate in Medicaid, and would substitute a requirement that these facilities meet appropriate standards established under Medicare.

Modification of type of hearing required before Secretary may cancel approval of a skilled nursing facility or intermediate care facility.—Section 23 would repeal the requirement that a skilled nursing facility or intermediate care facility which is dissatisfied with a determination by the Secretary that it no longer meets the conditions of participation in Medicaid be afforded an opportunity for a hearing to the same extent provided in section 205(b) of the Social Security Act. This requirement would be replaced by a provision entitling the provider to an opportunity for an informal hearing before an official designated by the Secretary at which the entity would be entitled to be represented by counsel.

Flexibility in setting payment rates for hospitals furnishing long-term care services.—Section 231 would eliminate the complicated special requirements for setting of payment rates for hospitals furnishing skilled nursing or intermediate care facility services under Medicaid, and would instead provide that these rates must meet the same general criteria as rates for other long term care services and hospital services.

Amendments to authority for home and community-based care waivers.—Section 232 would amend the authority to grant to States waivers permitting home and community-based long term care services to be provided under the State plan, in order to improve the Secretary's ability to control costs under these waivers. States would be required to report quarterly to the Secretary (as well as annually, as under present law) on the cost-effectiveness of their waiver programs. The Secretary would have the option to grant initial waivers, and renewals of waivers, for periods of one, two, or three years, rather than being required to grant waivers and renewals for three-year periods.

Authority of the Secretary to issue and enforce subpoenas.—Section 233 would authorize the Secretary to issue and enforce subpoenas with respect to hearings, investigations, or other proceedings or matters under the Medicaid program, to the same extent that he has that authority under the Medicare program under present law.

Interest payments on disputed claims.—Section 234 would redefine the disputed claims on which States are required to pay interest on the Federal matching payments if they are ultimately disallowed. The proposed amendment would make this requirement apply to amounts claimed by the State on or after October 1, 1980, rather than to expenditures for services furnished on or after that date. This amendment is needed because Federal matching payments are based on the date the State expenditure was made, irrespective of the date the service was rendered.

TITLE III—OTHER HEALTH CARE FINANCING PROVISIONS

Repeal of authority for payments to promote closing and conversion of underutilized hospital facilities.—Section 301 would repeal the authority of the Secretary to make payments under Medicare to promote closing and conversion of underutilized hospital facilities (and to reimburse States under Medicaid for such payments).

Presidential appointment of, and executive level IV pay rate for, the Administrator of the Health Care Financing Administration.—Section 302 would provide that appointment to the position of Administrator of the Health Care Financing Administration be by the President by and with the advice and consent of the Senate, and would place that position in Level IV of the Executive Schedule. The position of Administrator of the Health Care Financing Administration is currently in the Senior Executive Service and appointment is by the Secretary.

Increased State flexibility under the health facility capital expenditures review program.—Section 303 would increase the States' flexibility under the health facility capital expenditures review program by (1) explicitly permitting each State to determine the scope of its review program, (2) giving each State broader discretion as to the choice of the designated planning agency and the composition of its governing body or advisory board, (3) eliminating the requirement for a State appeals procedure, (4) permitting the State's designated planning agency to determine how far in advance notice of proposed capital expenditures must be given, and (5) eliminating the authority of the Secretary to overrule on substantive grounds a decision at the State level. The section would also eliminate the national advisory council for the program.

Repeal of requirement for Federal funding of State programs that review health facility capital expenditures.—Section 304 would repeal a requirement that the Secretary pay for State programs that review health facility capital expenditures.

Amendment to requirements concerning reporting of financial interest.—Section 305 would amend the definition of ownership or control interest in a provider, fiscal intermediary, or other entity participating in the Medicare or Medicaid program to provide that such an interest includes an interest in a mortgage or other obligation secured by the entity which is equal to 5 percent of the assets of the entity. This amendment would eliminate reporting requirements with respect to interests in obligations which amount to $25,000 or more, but which equal less than 5 percent of the assets of the entity.

Exclusion of certain entities owned or controlled by individuals convicted of medicare- or medicaid-related crimes.—Section 306 would eliminate a gap in the Secretary's authority under present law to control fraud and abuse in the Medicare and Medicaid programs, by giving the Secretary authority to exclude from participation in those programs any entity in which a significant ownership or control interest is held by a person convicted of a program-related criminal offense.

Elimination of the peer review program.—Section 307 would eliminate the program for peer review of the utilization and quality of health care services.●

By Mr. GARN (for himself, Mr. TOWER and Mr. PROXMIRE) (by request):

S. 644. A bill to amend and extend certain Federal laws relating to housing, community, and neighborhood development, and related programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1983

● Mr. GARN. Mr. President, I am today introducing the Housing and Community Development Act of 1983, and I ask unanimous consent that the bill, and a section-by-section analysis be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing and Community Development Act of 1983".

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TITLE I—COMMUNITY AND NEIGHBORHOOD DEVELOPMENT

AUTHORIZATIONS—TITLE I OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

SEC. 101. (a) The second sentence of section 103 of the Housing and Community Development Act of 1974 is amended to read as follows: "There are authorized to be appropriated for these purposes not to exceed $3,846,000,000 for the fiscal year 1984 and not to exceed $4,090,000,000 for each of the fiscal years 1985 and 1986.".

(b) The first sentence of section 107(a) of such Act is amended to read as follows: "Of the total amount approved in appropriation Acts under section 103 for each of the fiscal years 1984, 1985 and 1986, not more than $100,500,000 for each such year may be set aside in a special discretionary fund for grants under subsection (b), of which $75,000,000 for each such year shall be available for grants to Indian tribes under subsection (b)(3).".

(c) The second sentence of section 119(a) of such Act is amended to read as follows: "Of the total amount approved in appropriation Acts under section 103 for each of the fiscal years 1984, 1985 and 1986, not more than $196,000,000 shall be available for the fiscal year 1984 and not more than $440,000,000 shall be available for each of the fiscal years 1985 and 1986 for grants under this section.".

RENTAL REHABILITATION

SEC. 102. (a) Title I of the Housing and Community Development Act of 1974 is amended by adding the following new section at the end thereof:

"RENTAL REHABILITATION

"SEC. 122. (a) The Secretary is authorized to—

"(1) make rental rehabilitation grants to States and units of general local government to help support the rehabilitation of privately owned real property to be used for residential rental purposes; and

"(2) make available contract authority, as provided by section 8(b)(3)(B) of the United States Housing Act of 1937 ('housing payment certificates'), to minimize the displacement of very low-income tenants residing in structures rehabilitated with assistance under this section, to assist very low-income tenants residing in these structures who are displaced by such rehabilitation activities, and to assist other very low-income tenants in obtaining decent, safe, and sanitary housing. Of the total amount approved in appropriation Acts under section 103 for each of the fiscal years 1984, 1985, and 1986, not more than $150,000,000 shall be available for each such year for rental rehabilitation grants under this section. Notwithstanding the third sentence of section 103, amounts appropriated for grants under this section shall remain available through the end of the fiscal year after the fiscal year in which they were originally made available.

"(b)(1) Of the amount available in any fiscal year for grants under subsection (a)(1), the Secretary shall allocate amounts for cities which have a population of fifty thousand or more, urban counties, and States, taking into account such factors as low-income renter population, rental housing market conditions, overcrowding of rental housing, the condition of the rental housing stock, and such other objectively measurable conditions as the Secretary deems appropriate to further the purposes of this section.

"(2) Before an allocation determined under paragraph (1) for any fiscal year is made available for use, the Secretary may adjust the allocation as follows:

"(A) The Secretary is authorized to establish minimum allocation amounts for cities and urban counties, representing program levels below which, in the Secretary's determination, conduct of a rental rehabilitation program would not be feasible. The amount of any allocation which is below this minimum shall be added to the allocation for the State in which the city or county is located.

"(B) Beginning with fiscal years after fiscal year 1984, the Secretary is authorized to adjust the allocation for a city, urban county, or State administering a rental rehabilitation program as provided in subsection (e)(1), by up to 15 per centum above or below the amount of such allocation, based on an annual review of each such entity's performance in carrying out activities under this section. The Secretary shall establish performance criteria for purposes of this subparagraph, which shall include performance in achieving the result that at least 80 per centum of the initial rents, on a free-market basis, for units rehabilitated with assistance under this section are within the applicable payment standard for the area, as determined under section 8(d)(1) of the United States Housing Act of 1937. Subparagraph (A) shall not apply to an allocation which falls below the minimum amount described therein by reason of an adjustment under this subparagraph.

"(3)(A) The Secretary shall allocate the contract authority made available for housing payment certificates referred to in subsection (a)(2) in connection with rental rehabilitation programs under this section for use in each city referred to in paragraph (1) of this subsection, urban county, and State in the same proportion as each such entity's allocation of rental rehabilitation grants under paragraphs (1) and (2) of this subsection bears to the total amount of such grants available for allocation to all such entities for that fiscal year.

"(B) The annual contributions contract covering the contract authority referred to in the preceding subparagraph shall contain such terms and conditions as the Secretary deems appropriate to carry out the purposes of this section, including provisions to assure that the appropriate public housing agency makes such authority available to eligible tenants residing in structures to be rehabilitated with assistance under this section.

"(4) The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

"(A) where the grantee is a unit of general local government or a State carrying out its own rental rehabilitation program as provided in subsection (e)(1)(A), whether (i) the grantee has carried out its activities in a timely manner and in accordance with the requirements of this section and of section 107(d), and has a continuing capacity to carry out those activities in a timely manner, and (ii) the housing payment certificates made available under this section have been administered in accordance with the requirements of the Secretary pursuant to United States Housing Act of 1937 and of this section; and

"(B) where the grantee is a State distributing resources made available under this section to units of general local government as provided in subsection (e)(1)(B), whether the State (i) has distributed such resources in a timely manner and in accordance with the requirements of this section and of section 107(d) and (ii) has made such reviews and audits of the units of general local government as may be necessary or appropriate to determine whether they have satisfied the performance criteria described in subparagraph (A)(i) of this paragraph.

The Secretary may adjust, reduce, or withdraw resources made available to States and units of general local government receiving assistance under this section, or take other action as appropriate in accordance with the findings of these reviews and audits, except that resources already expended on eligible activities shall not be recaptured or deducted from future resources made available to the grantee. Any amounts which become available as a result of actions under this paragraph or section 111 shall be reallocated in the year in which they become available to such grantee or grantees as the Secretary may determine.

"(5) The Secretary is authorized to establish maximum levels of rental rehabilitation

grant amounts which a grantee may receive under this subsection in any fiscal year. These maxima may be expressed as percentage increments above the allocations determined under paragraphs (1) and (2) of this subsection.

"(6) Any rental rehabilitation grant amounts which are not obligated at the end of any fiscal year shall be added to the amount available for allocation for such grants for the succeeding fiscal year.

"(c) Any city or urban county receiving an allocation under subsection (b) and any State administering a rental rehabilitation program as provided in subsection (e)(1) shall prepare an annual statement containing a description of its rental rehabilitation program. Except in the case of a State distributing resources as provided in subsection (e)(1)(B), the statement shall consist of the activities each entity proposes to undertake for the fiscal year, including its projected progress in carrying out those activities. The statement of a State distributing resources as provided in subsection (e)(1)(B) shall consist of its proposed method of distributing the resources. No later than December 31 of the year in which the program is to be undertaken, the statement shall be made available to the public, and a copy shall be furnished to the Secretary.

"(d) Rental rehabilitation programs assisted under this section shall meet the following requirements:

"(1) rental rehabilitation grants shall only be used to rehabilitate properties which are (A) located in low- and moderate-income areas, as defined and designated by the grantee, and (B) to be used for residential rental purposes;

"(2) dwelling units in structures rehabilitated with assistance under this section shall meet the housing quality standards established by the Secretary for units assisted under section 8 of the United States Housing Act of 1937;

"(3) rental rehabilitation assistance provided under this section for any property shall not exceed 50 per centum of the total rehabilitation costs associated with the rehabilitation of that property, as determined by the Secretary;

"(4) States and units of general local government receiving assistance under this section shall not impose rental requirements on structures rehabilitated with assistance under this section (including requirements relating to the rents which may be charged after rehabilitation) which differ from those applicable to structures undergoing comparable rehabilitation without assistance under this section;

"(5) an owner of a structure rehabilitated with assistance under this section shall not refuse to rent a dwelling unit in the structure to a family solely because the family is receiving rental assistance under section 8 of the United States Housing Act of 1937;

"(6) rehabilitation financing for a structure assisted under this section shall, to the maximum extent practicable, require that the borrower or one or more related individuals shall be personally liable for repayment of all such financing in the event of default; and

"(7) States and units of general local government receiving rental rehabilitation assistance under this section shall not deduct therefrom any amounts to cover administrative expenses incurred by them in carrying out their responsibilities under this section.

"(e)(1) Except as provided in paragraph (2), the State shall administer resources made available under subsection (b) for any fiscal year. These resources shall only be used to carry out activities under this section in areas of the State outside a city or urban county which received an allocation for that fiscal year under subsection (b). The State may use all or part of these resources (A) to carry out its own rental rehabilitation program or (B) to distribute them to units of general local government.

"(2) States may elect not to administer resources made available for fiscal year 1984. This election shall be made in such manner and before such time as the Secretary may prescribe. The Secretary shall administer the resources available to any State exercising such an election in accordance with regulations and procedures prescribed by the Secretary, which regulations shall, to the maximum extent practicable, be comparable to those for cities and urban counties receiving resources under subsection (b).

"(f) The Secretary may by regulation establish such standards governing relocation payments and other related assistance as the Secretary determines to be appropriate.

"(g) The Secretary shall establish procedures which support national historic preservation objectives and which assure that, if any rehabilitation proposed to be assisted under this section would affect property that is included or is eligible for inclusion on the National Register of Historic Places, such activity shall not be undertaken unless (A) it will reasonably meet the standards for rehabilitation issued by the Secretary of the Interior and the appropriate State Historic Preservation Officer is afforded the opportunity to comment on the specific rehabilitation plan, or (B) the Advisory Council on Historic Preservation is afforded an opportunity to comment on cases for which the recipient of assistance, in consultation with the State Historic Preservation Officer, determines that the proposed rehabilitation activity cannot reasonably meet such standards or would adversely affect historic property as defined therein.

"(h) For purposes of this section, the term 'grantee' means (1) any city or urban county receiving resources under subsection (b); (2) any State administering a rental rehabilitation program as provided in subsection (e)(1); and (3) any unit of general local government which receives assistance from the Secretary as provided in subsection (e)(2).".

(b) The first sentence of each of sections 106 (a) and (d)(1) of such Act is amended by striking out "and section 119" and inserting in lieu thereof ", section 119, and section 122".

(c) Section 107(d) of such Act is amended by—

(1) striking out "unless the applicant" in paragraph (1) and inserting in lieu thereof the following: "and no assistance may be made available under section 122 unless the grantee"; and

(2) inserting "grantee or" before "applicant" in paragraph (3).

URBAN HOMESTEADING

SEC. 103. (a) The first sentence of section 810(h) of the Housing and Community Development Act of 1974 is amended by striking out "and not to exceed $13,467,000 for the fiscal year 1983" and inserting in lieu thereof the following: "not to exceed $13,467,000 for the fiscal year 1983, not to exceed $12,000,000 for the fiscal year 1984, and such sums as may be necessary for the fiscal year 1985".

(b) Section 810 of such Act is amended by—

(1) striking out "without payment" in the first sentence of subsection (a) and inserting immediately before "any real property" in such sentence the following: "for such consideration (if any) as may be mutually agreed upon,";

(2) striking out "without payment" in clause (D) in the second sentence of subsection (a) and inserting in lieu thereof the following: ", offset by any consideration to be received";

(3) striking out "without any substantial consideration" in subsection (b)(1) and inserting in lieu thereof the following: "for such consideration, if any, as may be agreed upon by the entity and the individual or family";

(4) striking out "and" the first time it appears in subsection (b)(2) and inserting in lieu thereof a comma;

(5) inserting immediately before the semicolon at the end of subsection (b)(2) the following: ", and ability to pay any consideration required in connection with conveyance of the property";

(6) striking out "and" at the end of subsection (b)(3)(C) and inserting "and" after the semicolon at the end of subsection (b)(3)(D);

(7) adding the following new subparagraph at the end of subsection (b)(3):

"(E) pay the agreed-upon consideration for the property;";

(8) striking out "without consideration" in subsection (b)(5); and

(9) adding the following new material at the end of subsection (b):

"Any unit of general local government, State, or agency designated by either, which receives consideration in connection with the conveyance of a property to an individual or family under this section in an amount exceeding any consideration paid to the Secretary in connection with the transfer of the property to any such entity, shall remit to the Secretary, in such manner and at such time or times as the Secretary may prescribe, 50 per centum of the amount of such excess, less such deductions and allowances as the Secretary may prescribe. Any amount retained by an entity pursuant to the preceding sentence shall be used by the entity in furtherance of its urban homesteading activities.".

(c) Section 810 of such Act is amended by—

(1) adding "or (i)" immediately after "subsection (b)" in subsection (c); and

(2) adding the following new subsection at the end thereof:

"(i) Notwithstanding any other provision of law, including any other provision of this section, the Secretary is authorized to undertake a program to demonstrate the feasibility and desirability of using a variety of homesteading and related techniques to facilitate the reuse for homeownership purposes of properties which are owned by the Secretary and contain five or more dwelling units. The Secretary shall convey properties which the Secretary determines are suitable for the demonstration to a unit of general local government or a State, or an agency or instrumentality of a unit of general local government or a State, for such consideration (if any) as may be agreed between the Secretary and the transferee, and upon such terms and conditions as the Secretary deems appropriate, including provisions to assure that the subsequent transfer of the property to private ownership will result in a reuse which is primarily residential, with dwelling units in the project owned by individuals under a cooperative or condominium form of ownership. In carrying out this

demonstration, the Secretary shall, to the maximum extent feasible, minimize the displacement of residents of properties to be used in the program. To reimburse the housing loan funds for properties transferred under this subsection, the Secretary is authorized, to the extent provided in appropriation Acts, to use amounts appropriated under subsection (h).".

STATE SMALL CITIES PROGRAM

SEC. 104. (a) Section 104(a)(1) of the Housing and Community Development Act of 1974 is amended by—

(1) striking out in the first sentence", under section 106(d) by any State, or under section 106(d)(2)(B) by any unit of general local government" and inserting in lieu thereof the following: "or under section 106(d) by any State"; and

(2) striking out in the second sentence "and in the case of units of general local government receiving grants pursuant to section 106(d)(2)(B)".

(b) Section 104(b) of such Act is amended by—

(1) redesignating clause (4) as clause (5);

(2) striking out "and" at the end of clause (3); and

(3) inserting immediately after clause (3) the following:

"(4) in the case of grants to States made under section 106(d), the grantee, with respect to units of general local government in nonentitlement areas—

"(i) engages or will engage in planning for community development activities;

"(ii) provides or will provide technical assistance to units of general local government in connection with community development programs; and

"(iii) has consulted with local elected officials from among units of general local government located in nonentitlement areas of that State in determining the method of distribution of funds; and".

(c) Clause (1) of the second sentence of section 104(d) of such Act is amended by striking out "section 106(d)(2)(B)" and inserting in lieu thereof the following: "grants made to units of general local government by the Secretary under section 106(d) (as such provision existed immediately before the effective date of the Housing and Community Development Act of 1983)".

(d) Sections 106(d) (2) and (3) of such Act are amended to read as follows:

"(2) Amounts allocated under paragraph (1) shall be available for distribution by the State to units of general local government which are located in nonentitlement areas of the State to carry out activities in accordance with the provisions of this title. The State shall pay from its own resources all administrative expenses incurred by the State in carrying out its responsibilities under this title, except that from the amounts received for distribution in nonentitlement areas, the State may deduct an amount not to exceed 50 percentum of the costs incurred by the State in carrying out such responsibilities. Amounts so deducted shall not exceed 2 percentum of the amount so received. The State shall distribute amounts allocated to it consistent with the statement submitted under section 104(a) and shall be responsible for the administration of funds so distributed.

"(3)(A) Any amounts allocated for use in a State under paragraph (1) which are not received by the State for any fiscal year because of failure to meet the requirements of section 104 (a) or (b), or which become available as a result of actions against the State under section 104(d) or 111, shall be added to amounts available for allocation to all States under paragraph (1) for the succeeding fiscal year.

"(B) Any amounts allocated for use in a State under paragraph (1) which become available as a result of actions under section 104(d) or 111 against units of general local government in nonentitlement areas of the State or as a result of the closeout of a grant made by the Secretary under this section in nonentitlement areas of the State (i) shall be added to amounts allocated to the State under paragraph (1) for the fiscal year in which the amounts become so available or (ii) if the State does not receive a grant in such year, shall be added to amounts available for allocation to all States under paragraph (1) for the succeeding fiscal year.

"(C) Any amounts appropriated for fiscal year 1983 or prior fiscal years which were available for distribution under this subsection by the Secretary immediately before the effective date of the Housing and Community Development Act of 1983 shall be distributed by the Secretary in accordance with the provisions of this subsection as they existed immediately before such effective date, except that amounts which are not obligated by January 1, 1984, shall be reallocated as provided by subparagraph (B).".

ELIGIBLE CDBG ACTIVITIES

SEC. 105. Section 105(a) of the Housing and Community Development Act of 1974 is amended by—

(1) amending paragraph (2) to read as follows:

"(2) the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation which promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements;";

(2) inserting after "public facilities" in paragraph (14) "(except for buildings for the general conduct of government)";

(3) striking out "and" at the end of paragraph (16);

(4) striking out the period at the end of paragraph (17) and inserting in lieu thereof "; and"; and

(5) adding the following new paragraph at the end thereof:

"(18) provision of assistance to facilitate the new construction of housing.".

MISCELLANEOUS AMENDMENTS

SEC. 106. (a) Section 102 of the Housing and Community Development Act of 1974 is amended by striking out "Department of Commerce" each place it appears in paragraphs (3), (4) and (9) of subsection (a) and in subsection (b) and inserting in lieu thereof "Office of Management and Budget".

(b)(1) Section 102(a) of such Act is amended by striking out paragraph (17) and inserting the following in lieu thereof:

"(17) The term 'Indian tribe' means any Indian tribe, band, nation or Alaskan Native Village recognized by the Secretary of the Interior as eligible for services because of its status as such an entity: *Provided,* That part or all of the land of such an entity is held in restricted or trust status by the United States.".

(2) Section 119(n) is amended to read as follows:

"(n) For the purposes of this section, the term 'city' includes Guam, the Virgin Islands, and Indian tribes.".

(c) Section 104(a)(1) of such Act is amended by adding to the end thereof the following:

"In all cases, beginning in fiscal year 1984, the statement required by this subsection shall include a description of the use of funds made available under section 106 in fiscal year 1982 and thereafter (or, beginning in fiscal year 1985, such use since preparation of the last statement prepared pursuant to this subsection) together with an assessment of the relationship of such use to the community development objectives identified in the statement prepared pursuant to this subsection for such previous fiscal years.".

(d) Section 106(b) of such Act is amended by adding the following new paragraph at the end thereof:

"(6) Where data are available, the amount determined under paragraph (1) of this subsection for a metropolitan city which has been formed by the consolidation of one or more metropolitan cities with an urban county shall be equal to the sum of the amounts which would have been determined under paragraph (1) for the metropolitan city or cities and the balance of the consolidated government, if the consolidation had not occurred. This paragraph applies only to consolidations which:

"(A) included all metropolitan cities which received grants under this section for the fiscal year preceding the consolidation and which were located within the urban county;

"(B) included the entire urban county which received a grant under this section for the fiscal year preceding the consolidation; and

"(C) took place on or after October 1, 1983.

The population growth rate of all metropolitan cities referred to in section 102(a)(12) of this Act shall be based on the population of (i) metropolitan cities other than consolidated governments the grant for which is determined under this paragraph and (ii) cities which were metropolitan cities before their incorporation into consolidated governments. For purposes of calculating the entitlement share for the balance of the consolidated government under this paragraph, the entire balance shall be considered to have been an urban county.".

(e) Section 106(c) of such Act is amended to read as follows:

"(e) Any amounts allocated to a metropolitan city or an urban county pursuant to the preceding provisions of this section which are not received by the city or county for a fiscal year because of failure to meet the requirements of section 104 (a), (b), or (c), or which become available as a result of actions under section 104(d) or 111, shall be added to amounts available for allocation under section 106(b) in the succeeding fiscal year.".

(f) Section 106(f) of such Act is amended to read as follows:

"(f) If the total amount available for distribution in any fiscal year to metropolitan cities and urban counties under this section is insufficient to provide the amounts to which metropolitan cities and urban counties would be entitled under subsection (b) and funds are not otherwise appropriated to meet the deficiency, the Secretary shall meet the deficiency through a pro rata reduction of all amounts determined under subsection (b). If the total amount available for distribution in any fiscal year to metropolitan cities and urban counties under this

section exceeds the amounts to which metropolitan cities and urban counties would be entitled under subsection (b), the Secretary shall distribute the excess through a pro rata increase of all amounts determined under subsection (b).".

(g) Section 107(b)(4) of such Act is amended to read as follows:

"(4) to States, units of general local government, Indian tribes, or areawide planning organizations for the purpose of providing technical assistance in planning, developing and administering assistance under this title; to groups designated by such governmental units to assist them in carrying out assistance under this title; to qualified groups for the purpose of assisting more than one such governmental unit to carry out assistance under this title; and to States and units of general local government for implementing special projects otherwise authorized under this title. The Secretary may also provide technical assistance, directly or through contracts, to such governmental units and groups.".

(h) Section 116(b) of such Act is amended by—

(1) striking out "(in that fiscal year)"; and

(2) striking out "in that year" and inserting in lieu thereof "for that year".

(i) Section 119(i) of such Act is amended by striking out "which are not central cities of a metropolitan statistical area".

REPEALERS

SEC. 107. (a)(1) Section 104(g) of the Housing and Community Development Act of 1974 is hereby repealed.

(2) Any revolving loan fund established pursuant to section 104(g) of such Act before the effective date of this subsection shall continue to be governed by the provisions of section 104(g) as they existed immediately before such effective date.

(b)(1) Section 108 of such Act is hereby repealed.

(2) Any guarantee under section 108 of such Act made pursuant to a commitment to guarantee made before the effective date of this subsection shall continue to be governed by the provisions of section 108 as they existed immediately before such effective date.

(c)(1) Section 312 of the Housing Act of 1964 is hereby repealed, except that the first and second sentences of subsection (d) of such section shall remain in effect until September 30, 1984, or until such earlier time as the assets and liabilities of the revolving fund under such section are transferred to the revolving fund for liquidating programs established pursuant to title II of the Independent Offices Appropriation Act, 1955. All moneys in the revolving fund for liquidating programs shall be available for necessary expenses of servicing and liquidating loans made pursuant to section 312, including reimbursement or payment for services and facilities of the Government National Mortgage Association and of any public or private entity for the servicing or liquidation of such loans.

(2) Any loan which, before the effective date of this subsection, was obligated under and governed by section 312 of the Housing Act of 1964 shall continue to be governed by the provisions of section 312 as they existed immediately before such effective date.

(d)(1) Section 414 of the Housing and Urban Development Act of 1969 is hereby repealed.

(2) Notwithstanding paragraph (1) of this subsection, the Secretary of Housing and Urban Development and the Secretary of Agriculture may dispose of Federal surplus real property pursuant to the terms of section 414 of such Act if, prior to the effective date of this Act, either Secretary had requested the Administrator of General Services to transfer such property for such disposition: *Provided*, That, if either Secretary has not so disposed of any such property within one hundred and twenty days of the effective date of this Act, such property shall be transferred back to the Administrator.

(3) Notwithstanding paragraph (1) of this subsection, subsection (b) of section 414 of such Act shall continue to apply, where applicable, to all property transferred by either Secretary pursuant to section 414 of such Act, including properties transferred pursuant to paragraph (2) of this subsection.

(e)(1) Section 106(g) of the Housing Act of 1949 is hereby repealed.

(2) Section 703(d) of the Housing and Urban Development Act of 1965 is hereby repealed.

(3) Sections 704 and 705 and the second sentence of section 706 of the Housing Act of 1961 are hereby repealed.

TITLE II—ASSISTED HOUSING

AUTHORIZATION AND USE OF ASSISTED HOUSING

SEC. 201. (a) Section 5(c) of the United States Housing Act of 1937 is amended by—

(1) striking out "and" in the first sentence of paragraph (1) and inserting after "1981" the following: ", and by $472,253,443 on October 1, 1983";

(2) striking out the last sentence of paragraph (1);

(3) amending paragraph (2) to read as follows:

"(2) Of the additional authority approved in appropriation Acts and made available on October 1, 1983, the Secretary shall enter into contracts aggregating at least $70,000,000 for assistance to projects under section 14."; and

(4) striking out paragraph (3) and redesignating paragraphs (4), (5) and (6) as paragraphs (3), (4) and (5), respectively

(b) Section 9(c) of such Act is amended by striking out "and" and by inserting after "1981" the following: ", not to exceed $1,350,000,000 on or after October 1, 1982, not to exceed $1,636,500,000 on or after October 1, 1983, and such sums as may be necessary on or after October 1, 1984".

(c) Section 213(d) of the Housing and Community Development Act of 1974 is hereby repealed.

INDIAN HOUSING PROGRAM

SEC. 202. (a)(1) The Secretary of Housing and Urban Development (hereinafter referred to as "the Secretary") is authorized to make grants to Indian tribes (A) to assist in the development of newly constructed housing for the benefit of members of the tribes and (B) to make rental units in such housing affordable by very-low income members of the tribes, as provided for existing housing units under section 8(d) of the United States Housing Act of 1937.

(2) Dwelling units assisted under paragraph (1) may be (A) owned by the tribe or an Indian housing authority and leased to families or (B) owned by the tribe or the authority and the family as co-mortgagors.

(3) To receive a grant, an Indian tribe shall submit an application in accordance with rules and regulations of the Secretary. The application shall describe the program proposed by the tribe for developing and operating newly constructed housing and related infrastructure, and for providing the rental assistance referred to in paragraph (1). The Secretary shall make grants based on criteria determined by the Secretary, such as the relative need of the members of the tribe, the capacity of the tribe to carry out the proposed program, the quality of the proposed program, and the past performance of the tribe in providing housing.

(4) The maximum amount of a grant under paragraph (1) with respect to development costs (other than for related water and sewer facilities) for any unit shall be the lesser of (A) 70 per centum of such development costs (as determined by the Secretary to be reasonable for the area) or (B) such development costs, minus $15,000. The grant may be used to fund 100 per centum of the costs of water and sewer facilities related to providing newly constructed units assisted under this subsection.

(5) As a condition of receiving a grant under this subsection, the Secretary may require an Indian tribe (A) to demonstrate that an operational mechanism exists for evicting families who fail to make timely rent payments and for substituting other eligible families, and (B) to pledge income from tribal resources or tribal assets or to pledge Federal grants to be used to reimburse the Secretary for any mortgage insurance claims paid in connection with units assisted under this subsection.

(6) As used in this subsection, the term "Indian tribe" means any Indian tribe, band, nation or Alaskan Native Village recognized by the Secretary of the Interior as eligible for services because of its status as such an entity: *Provided* That part or all of the land of such an entity is held in restricted or trust status by the United States.

(7) There are authorized to be appropriated for grants under paragraph (1) ($76,000,000 for the fiscal year 1984 and such sums as may be necessary for the fiscal year 1985, to remain available through the end of fiscal years 1985 and 1986, respectively.

(b) Section 203 of the National Housing Act is amended by adding the following new subsection at the end thereof:

"(q) The Secretary is authorized to insure under this section any mortgage which involves the development of dwelling units assisted under section 202(a) of the Housing and Community Development Act of 1983 and which meets the requirements of this section, except that—

"(1) the Secretary may insure and make commitments to insure under this subsection advances made during construction where the Secretary determines the proposed construction is otherwise acceptable and determines no feasible financing alternative is available; and

"(2) where an Indian tribe or Indian housing authority is the mortgagor or co-mortgagor, the percentage limitation on the amount of the principal obligation based on the appraised value of a one- to four-family residence contained in section 203(b)(2) shall apply in lieu of the limitation in section 203(b)(8).".

PAYMENTS FOR OPERATING AND REPLACEMENT COSTS OF PUBLIC HOUSING PROJECTS

SEC. 203. (a) Section 9(a)(1) of the United States Housing Act of 1937 is amended to read as follows:

"(a)(1) In addition to the contributions authorized to be made available for the purposes specified in section 5 to this Act, the Secretary may make annual contributions to public housing agencies for the operation of public housing projects for the purposes of assuring the lower income character of

such projects and achieving and maintaining adequate operating services and reserve funds, including a reasonable replacement allowance, as follows:

"(A) For public housing agencies whose fiscal years start on or after January 1, 1984, the contributions payable annually under this section shall be determined on the basis of a formula prescribed by the Secretary reasonably calculated to assure that the total income, as defined by the Secretary, available to the public housing agency will be comparable to the sum of the existing housing fair market rents or the payment standards for the public housing agency's units, with such adjustments as the Secretary, in the Secretary's discretion, may prescribe, taking into account the characteristics of the families served, costs associated with types of housing projects assisted under this section that are not found to a comparable relative degree in the private market, annual contributions pursuant to section 5 of this Act that may be greater than the debt service typically paid by owners of private rental housing charging rents comparable to such fair market rentals or payment standards, and such other factors as the Secretary may determine are appropriate. Fair market rents or payment standards shall be those for existing rental units of similar sizes and types in the market area, as determined under sections 8(c) and (d) of this Act.

"(B) For public housing agencies for which operation of the formula described in subparagraph (A) would result in an amount of annual contributions under this section greater than the sum of (i) funds determined under the method of calculating annual contributions under this section before enactment of the Housing and Community Development Act of 1983 and (ii) a reasonable replacement allowance determined by the Secretary, the Secretary may determine contributions on the basis of a formula that provides the same funds determined under the prior method of calculation plus the replacement allowance determined by the Secretary, with annual adjustments to the contributions, as appropriate, to reflect changes in the fair market rents or payment standards determined under sections 8(c) and (d) of this Act.

"(C) The formulae described in subparagraphs (A) and (B) shall be contained in a regulation promulgated by the Secretary. The regulation shall prescribe and appropriate method of transition from the method of calculating annual contributions under this section before enactment of the Housing and Community Development Act of 1983 which will assure, with reasonable approximation as determined by the Secretary, that the total funds available to a public housing agency for the operation of projects and the replacement allowance shall, in the first year the formula described in subparagraph (A) is used, not be less than 95 per centum of the sum of the funds determined under the prior method of calculation, plus the replacement allowance and rent payable by tenants; and that the funds available for each year thereafter may be reduced in a similarly gradual manner until the levels payable under subparagraph (A) are reached.

"(D) If the Secretary so determines, annual contributions under this section may be made under a different formula or method of calculation from the formulae described in subparagraphs (A) and (B) for housing assisted under section 23 of the U.S. Housing Act of 1937, as it existed before the Housing and Community Development Act of 1974, for homeownership opportunity programs assisted under this Act, for the Indian housing program assisted under this Act, and for housing assisted in the Virgin Islands, Puerto Rico, Guam, and Alaska.

"(E) In addition to other amounts authorized under this section, the Secretary is authorized to reimburse public housing agencies for costs of audits required by the Secretary.

"(F) The Secretary shall embody the provisions for annual contributions payable under this section in a contract providing for their payment subject to the availability of funds. All amounts authorized to be appropriated pursuant to subsection (c) may only be paid pursuant to contracts which provide that no disposition of the public housing project, with respect to which the contract is entered into, shall occur during and for ten years after the period when the contributions were made pursuant to such contract unless approved by the Secretary.".

(b) Section 9(d) of such Act is hereby repealed.

(c) Section 14 of such Act is amended by inserting at the end thereof the following new subsection:

"(k) The Secretary shall not enter into any contract to make assistance available under this section after September 30, 1987, using authority approved in appropriation Acts for fiscal years beginning on or after October 1, 1987.".

SECTION 8 HOUSING PAYMENT CERTIFICATE PROGRAM

SEC. 204. (a) Section 8(b) of the United States Housing Act of 1937 is amended by adding the following new paragraph at the end thereof:

"(3) Assistance contracts entered into under this section shall provide for either (A) assistance payments under subsection (c) of this section based upon the maximum monthly rent which the owner is entitled to receive for each dwelling unit with respect to which the payments are to be made, or (B) assistance payments under subsection (d) of this section based upon a payment standard which is used to determine the maximum monthly assistance which may be paid for any family.".

(b) Section 8(c) of such Act is amended by—

(1) striking out the designation "(c)(1)" and the first sentence of paragraph (1) and inserting in lieu thereof the following:

"(c) In the case of assistance contracts using a maximum monthly rent:

"(1) The contract shall establish the maximum monthly rent (including utilities and all maintenance and management charges) which the owner is entitled to receive for each dwelling unit with respect to which such assistance payments are to be made.";

(2) striking out the penultimate sentence in paragraph (1) and inserting in lieu thereof, the following: "Fair market rentals for an area shall be published in the Federal Register.";

(3) striking out the second sentence in paragraph (3);

(4) striking out "under this section" in paragraph (8) and inserting in lieu thereof "for newly constructed or substantially rehabilitated units"; and

(5) adding the following new paragraph at the end thereof:

"(9) Each contract for an existing structure entered into under this subsection shall be for a term of not less than one month nor more than one hundred and eighty months.

"(10) Each such contract entered into by a public housing agency with an owner of existing housing units shall provide (with respect to any unit) that—

"(A) the selection of tenants for such units shall be the function of the owner, subject to the provisions of the annual contributions contract between the Secretary and the agency, except that the tenant selection criteria shall give preference to families which, at the time they are seeking assistance, occupy substandard housing, are involuntarily displaced, or are paying more than 50 per centum of income for rent;

"(B) the lease between the tenant and the owner shall be for at least one year or the term of such contract, whichever is shorter, and shall contain other terms and conditions specified by the Secretary;

"(C) the owner shall not terminate the tenancy except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause;

"(D) maintenance and replacement (including redecoration) shall be in accordance with the standard practice for the building concerned as established by the owner and agreed to by the agency; and

"(E) the agency and the owner shall carry out such other appropriate terms and conditions as may be mutually agreed to by them.

"(11) Notwithstanding any other provision of law, with the approval of the Secretary the public housing agency administering an assistance contract with respect to existing housing units may exercise all management and maintenance responsibilities with respect to those units pursuant to a contract between such agency and the owner of such units.".

(c) Section 8(d) of such Act is amended to read as follows:

"(d) In the case of assistance contracts using a payment standard:

"(1) The Secretary shall establish payment standards periodically but not less than annually for dwelling units of various sizes and types in the market area. The payment standard shall be used to determine the maximum monthly assistance which may be paid for any family, as provided in paragraph (2) of this subsection. Payment standards shall be established at levels designed to assist families in securing decent, safe and sanitary housing while providing assistance to the greatest possible number of families. Payment standards for an area shall be published in the Federal Register.

"(2) The monthly assistance payment for any family shall be the amount by which the payment standard for the area exceeds 30 per centum of the family's monthly adjusted income, except that such monthly assistance payment shall not exceed the amount by which the rent for the dwelling unit (including the amount allowed for utilities in the case of a unit with separate utility metering) exceeds 10 per centum of the family's monthly income. In addition, if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the monthly assistance payment shall not exceed the amount by which the lower of such rent or the payment standard exceeds the portion of such payment which is so designated.

"(3) Assistance payments may be made only for (A) a family determined to be a very low-income family at the time it initially receives assistance under this subsection,

or (B) a family previously receiving assistance under this Act or (C) a lower income family previously participating in programs under section 101 of the Housing and Urban Development Act of 1965, the National Housing Act, section 202 of the Housing Act of 1959, section 312 of the Housing Act of 1964, or any other provision of law, where appropriate, as determined by the Secretary. In selecting families to be assisted, preference shall be given to those which, at the time they are seeking assistance, occupy substandard housing, are involuntarily displaced, or are paying more than 50 per centum of income for rent.

"(4) The Secretary is authorized, without regard to the preferences contained in the preceding paragraph, (A) to use all or any of the authority to enter into contracts provided under section 5(c) to make assistance payments under this subsection for (i) families previously assisted under this Act, (ii) families eligible for assistance under paragraph (3)(C) of this subsection, or (iii) families residing in structures to be rehabilitated with assistance under section 122 of the Housing and Community Development Act of 1974, and (B) to use all or any of the authority to enter into contracts provided under section 202(a) of the Housing and Community Development Act of 1983 to make assistance payments under this subsection for families residing in units assisted under section 202(a) of such Act.

"(5) If a family vacates a dwelling unit before the expiration of a lease term, no assistance payment may be made with respect to the unit after the month during which the unit was vacated.

"(6) Contracts to make assistance payments for a dwelling unit shall be for a term of not less than one month nor more than sixty months.

"(7) The Secretary shall require with respect to any unit that (A) the public housing agency inspect the unit before any assistance payment may be made to determine that it meets housing quality standards established by the Secretary, and (B) the public housing agency make annual or more frequent inspections during the contract term. No assistance payment may be made for a dwelling unit which fails to meet such quality standards, unless any such failure is promptly corrected and the correction verified by the public housing agency.

"(8) Where the amount of the maximum annual commitment pursuant to an annual contributions contract exceeds the annual amount required for assistance payments pursuant to such contract, the Secretary may reserve the amount of such excess for assistance payments in following years.

"(9) The Secretary may provide assistance under this subsection for dwelling units which are assisted under section 202(a) of the Housing and Community Development Act of 1983 and which meet the requirements of this subsection, except that—

"(A) with the approval of the Secretary, an Indian tribe or Indian housing authority may administer assistance contracts with respect to such assisted dwelling units it owns; and

"(B) contracts to make assistance payments for such assisted dwelling units shall be for a term of not less than one month or more than 180 months.".

(d) Section 8(j) of such Act is amended by—

(1) inserting "or subsection (d)" after "under this subsection" in the first sentence of paragraph (1); and

(2) redesignating paragraph (8) as paragraph (9) and inserting a new paragraph (8), to read as follows:

"(8) With respect to assistance contracts under subsection (d) on behalf of a family which utilizes a manufactured home as its principal place of residence, paragraphs (2) through (7) of this subsection shall not be applicable, and the Secretary shall have the discretion to modify the amount of the payment standard as appropriate for assistance under this subsection. With respect to a family renting real property on which is located a manufactured home which is owned by the family, the term 'rent' in subsection (d)(2) shall include the monthly payment made by such family to amortize the cost of purchasing the manufactured home, and the monthly assistance payment under subsection (d)(2) may in no case exceed the maximum monthly rent permitted with respect to the real property which is rented by such family for the purpose of locating its manufactured home.".

(e)(1) Section 6(c)(4)(A) of the United States Housing Act of 1937 is amended by—

(A) striking out "or" after "substandard housing" and inserting a comma in lieu thereof; and

(B) inserting ", or are paying more than 50 per centum of income for rent," after "displaced".

(2) Section 8(e)(2) of such Act is amended by—

(A) striking out "or" after "substandard housing" and inserting a comma in lieu thereof; and

(B) inserting ", or are paying more than 50 per centum of income for rent," after "displaced".

(3) Section 101(e)(1)(B) of the Housing and Urban Development Act of 1965 is amended by—

(A) striking out "or" after "substandard housing" and inserting a comma in lieu thereof; and

(B) inserting ", or was paying more than 50 per centum of income for rent," after "displaced".

AMENDMENTS AFFECTING TENANT RENTS OR CONTRIBUTIONS

SEC. 205. (a) Section 3(a) of the United States Housing Act of 1937 is amended by—

(1) adding the following immediately after the first sentence:

"Reviews of family income shall be made at least annually."; and

(2) inserting after "A family" in the final sentence the following:

"(other than a family assisted under section 8(d) or under a public housing homeownership opportunity program)".

(b) Section 3(b) of the United States Housing Act of 1937 is amended by striking out the period at the end of paragraph (2) and inserting in lieu thereof the following:

", except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.".

(c) Section 322(i)(1) of the Omnibus Budget Reconciliation Act of 1981 is amended to read as follows:

"(i)(1)(A) The provisions of this subparagraph (A) apply to determinations of the rent to be paid by a tenant whose occupancy in housing assisted under the United States Housing Act of 1937, section 236 of the National Housing Act or section 101 of the Housing and Urban Development Act of 1965 begins or after the effective date of regulations implementing subsections (a) through (h) of this section or, with respect to section 205(a) of the Housing and Community Development Act of 1983, begins on or before the effective date of regulations implementing that section. The Secretary shall provide that the rent required to be paid by a tenant shall not increase, as a result of any one or a combination of the provisions of subsections (a) through (h) of this section, the provisions of section 205(a) of the Housing and Community Development Act of 1983, and any other provision of Federal law redefining which governmental benefits are required to or may be considered as income, by more than 20 per centum during any 12 month period, unless the increase above 20 per centum is attributed solely to increases in income which are not caused by such provisions.

"(B) The 20 per centum limitation in subparagraph (A) shall also cover increases in rent or contribution, as defined by the Secretary, of a tenant assisted under section 8(d) of the United States Housing Act of 1937, as amended by the Housing and Community Development Act of 1983 (i) where such tenant previously received section 8 existing assistance with respect to occupancy of a unit selected by the family, and where the assistance under section 8(d) is for occupancy of the same unit; and (ii) with respect only to increases as a result of the provisions of subsections (a) through (h) of this section, where such tenant occupied housing assisted under the United States Housing Act of 1937, section 236 of the National Housing Act or section 101 of the Housing and Urban Development Act of 1965, beginning on or before the effective date of regulations implementing subsections (a) through (h) of this section.

"(C) Tenants of assisted housing not meeting the occupancy requirements of subparagraphs (A) or (B) shall be subject to immediate rent payment or contribution determinations, as defined by the Secretary, in accordance with applicable law. However, the Secretary shall provide that the rent or contribution payable by any such tenant who is occupying assisted housing on the effective date of any provision of Federal law redefining which governmental benefits are required to or may be considered as income shall not increase, as a result of any such provision of Federal law, by more than 20 per centum during any 12 month period, unless the increase above 20 per centum is attributable to causes unrelated to such redefinitions.

"(D) Notwithstanding the provisions of subsections (a) through (h) of this section, section 8(d) of the United States Housing Act of 1937, as amended by the Housing and Community Development Act of 1983, and section 205(a) of such Act, the Secretary may provide for delayed applicability, or for staged implementation, of the procedures for determining rents or contributions, as defined by the Secretary, required by such provisions if the Secretary determines that immediate application of such procedures would be impracticable, would violate the terms of existing leases, or would result in extraordinary hardship for any class of tenants.

"(E) The limitations on increases in rent or contribution contained in subparagraphs (A), (B) and (C) shall remain in effect and may not be changed or superseded except by another provision of law which amends this subsection.

"(F) If the tenant is receiving payments for welfare assistance from a public agency

and a part of such payments, adjusted in accordance with the tenant's actual housing costs, is specifically designated by such agency to meet the tenant's housing costs and if the tenant's rent or contribution, as defined by the Secretary, is based on the part of such payments which is so designated, the 20 per centum limitation on increases in the rent or contribution in subparagraphs (A) and (B) shall not apply with respect to the portion of such payments which is so designated to the extent the Secretary determines the tenant will not bear the burden of the increases.

"(G) Notwithstanding any other provision of this section or the provisions of section 205(a) of the Housing and Community Development Act of 1983, application of the procedures for determining rent or contribution, as defined by the Secretary, contained in the aforementioned provisions shall not result in a reduction in the amount of such rent or contribution below the amount paid by any tenant occupying housing assisted under the United States Housing Act of 1937, section 236 of the National Housing Act or section 101 of the Housing and Development Act of 1965 immediately preceding the effective date of regulations implementing this section or section 205(a) of the Housing and Community Development Act of 1983.".

(d) Section 322(i) of the Omnibus Budget Reconciliation Act of 1981 is further amended by striking out paragraph (2) and by redesignating paragraph (3) as paragraph (2).

REVISED DEFINITION OF DISABILITY

SEC. 206. (a) Clause (A) of the first sentence of section 3(b)(3) of the United States Housing Act of 1937 is amended by striking out "section 102 of the Developmental Disabilities Services and Facilities Construction Amendments of 1970" and inserting in lieu thereof "section 102 of the Developmental Disabilities Assistance and Bill of Rights Act".

(b) The third sentence of section 202(d)(4) of the Housing Act of 1959 is amended by striking out "section 102(a)(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970" and inserting in lieu thereof "section 102 of the Developmental Disabilities Assistance and Bill of Rights Act".

PUBLIC HOUSING AGENCY RECEIVERSHIP AMENDMENT TO THE UNITED STATES HOUSING ACT OF 1937

SEC. 207. Section 6 of the United States Housing Act of 1937 is amended by adding the following new subsection at the end thereof:

"(h) Notwithstanding any other provision of this Act or of any contract for annual contributions, upon the occurrence of events or conditions which, in the opinion of the Secretary, constitute a substantial default in respect to the covenants or conditions to which the public housing agency is subject, the Secretary may petition for the appointment of a receiver of the public housing agency to any district court of the United States or to any court of the State or District of Columbia in which the real property of the public housing agency is situated which is authorized under the laws of such jurisdiction to appoint a receiver for the purposes and having the powers prescribed herein. Upon a determination by the court that such a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the public housing agency in a manner consistent with this Act and in accordance with such further terms and conditions as the court shall provide. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary. The appointment of a receiver shall be terminated upon the petition of the Secretary or when the court determines that all defaults have been cured and that the projects of the public housing agency will thereafter be operated by the public housing agency in accordance with the covenants and conditions to which the public housing agency is subject.".

DEMOLITION AND DISPOSITION OF PUBLIC HOUSING

SEC. 208. The United States Housing Act of 1937 is amended by adding the following new section at the end thereof:

"DEMOLITION AND DISPOSITION OF PUBLIC HOUSING

"SEC. 17. (a) In addition to any other authority contained in this Act, the Secretary may approve, in accordance with the provisions of this section, an application by a public housing agency for permission, with or without financial assistance under this Act, to demolish or dispose of public housing projects or portions of public housing projects.

"(b) Approval of an application under this section may not be given and assistance may not be made available under this Act unless the Secretary has determined that—

"(1) in the case of an application proposing demolition of a public housing project or a portion of a public housing project, the project or portion of the project is obsolete as to physical condition, location or other factors, making it unusable for housing purposes, and no program of modifications is feasible to return the project or portion of the project to useful life; or

"(2) in the case of an application proposing demolition of a portion of a project, the demolition will help to assure the useful life of the remaining portion of the project; or

"(3) in the case of an application proposing dispostion of real property of a public housing agency by sale or other transfer—

"(A) the property's retention is not in the best interests of the tenants or the public housing agency, due to factors adversely affecting the health and safety of the tenants or the economic feasibility of the project, or such other factors which the Secretary determines are consistent with the best interests of the tenants and public housing agency and which are not inconsistent with other provisions of this Act; and

"(B) the net proceeds of the disposition will be used to retire outstanding indebtedness in accordance with the provisions of the annual contributions contract and, to the extent that proceeds remain, in accordance with a plan approved by the Secretary.

"(c) Approval of an application under this section may not be given and assistance may not be made available under this Act unless the application from the public housing agency—

"(1) has been developed in consultation with tenants, if any, who will be affected by the demolition or disposition and with appropriate local government officials; and

"(2) provides that tenants to be displaced as a result of the demolition or disposition will be given an opportunity by the public housing agency to relocate to other decent, safe, sanitary and affordable housing, including housing assisted under section 8 of this Act.

"(d) Notwithstanding any other provision of law, the Secretary is authorized to make available financial assistance for applications approved under this section using available annual contributions authorized under section 5(c), including annual contributions made available for use under section 6(f) or section 14(b) of this Act.

"(e) The provisions of this section shall not limit the authority of the Secretary, independent of this section, to approve a disposition of property determined by the Secretary to be excess to the needs of a project or a disposition incidental to, or which does not interfere with, continued operation of a project.".

REPEAL OF REQUIREMENT FOR SIGNIFICANT COMMUNITY REPRESENTATION ON GOVERNING BOARDS OF SECTION 202 PROJECTS

SEC. 209. Section 202(d)(2)(B) of the Housing Act of 1959 is amended by striking out "(i)" and all that follows through "(ii) which is".

OPERATING ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS

SEC. 210. (a) Section 201 of the Housing and Community Development Amendments of 1978 is amended by—

(1) striking out paragraph (1)(A) of subsection (c) and inserting in lieu thereof the following:

"(1)(A)(i) is covered by a mortgage insured or formerly insured under the National Housing Act and is assisted under section 236 of the National Housing Act or under section 101 of the Housing and Urban Development Act of 1965 or (ii) is assisted under the proviso of section 221(d)(5) of the National Housing Act; or"; and

(2) striking out ", together with the mortgagee in the case of a project not insured under the National Housing Act," in subsection (d)(3).

(b) Section 236(f)(3) of the National Housing Act is amended by striking out "September 30, 1982" and inserting in lieu thereof "September 30, 1985".

TENANT PARTICIPATION IN MULTIFAMILY HOUSING PROJECTS

SEC. 211. The second sentence of section 202(a) of the Housing and Community Development Amendments of 1978 is amended to read as follows:

"For the purpose of this section, the term 'mulitfamily housing project' means a project which—

"(1)(A) is covered by a mortgage insured or formerly insured under the National Housing Act and is assisted under section 236 of the National Housing Act or under section 101 of the Housing and Urban Development Act of 1965 or (B) is assisted under the proviso of section 221(d)(5) of the National Housing Act;

"(2) met the criteria specified in paragraph (1) before the acquisition of such project by the Secretary and has been sold by the Secretary, subject to a mortgage insured or held by the Secretary and subject to an agreement (in effect during the period of assistance under section 201 of this Act) which provides that the low- and moderate-income character of the project will be maintained; or

"(3) met the criteria specified in paragraph (1) and is owned by the Secretary.".

PREVENTING FRAUD AND ABUSE IN HUD-ASSISTED HOUSING

SEC. 212. (a) Section 303 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(f)(1) The State agency charged with the administration of the State law—

"(A) shall disclose, upon request and on a reimbursable basis, to officers and employees of the Department of Housing and Urban Development and to officers or employees of any public housing agency any of the following information contained in the records of such State agency—

"(i) wage information, not including return information as defined in 26 U.S.C. 6103(b)(2),

"(ii) whether an individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received (or to be received) by such individual,

"(iii) the current (or most recent) home address of such individual, and

"(iv) whether an individual has refused an offer of employment and, if so, a description of the employment so offered and the terms, conditions, and rate of pay therefor, and

"(B) shall establish such safeguards as are necessary (as determined by the Secretary of Labor in regulations) to insure that information disclosed under subparagraph (A) is used only for purposes of determining an individual's eligibility for benefits, or the amount of benefits, under the programs of the Department of Housing and Urban Development.

"(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State.".

(b) Notwithstanding any other provision of law, the entity responsible for determining eligibility or level of benefits under the United States Housing Act of 1937, section 101 of the Housing and Urban Development Act of 1965, or section 221(d)(3) pursuant to the provision in section 221(d)(5) of 236 of the National Housing Act, including public housing agencies and owners of projects assisted under such programs, shall deny applicants for or participants in such programs eligibility in, or benefits of, the particular program if it determines that an applicant or participant has knowingly (1) submitted incorrect or misleading statements, or concealed or withheld relevant facts in connection with such application or participation, or (2) committed any action which constitutes a violation of these Acts or regulations issued thereunder. Unintentional error or omission on the part of applicants or participants in such programs shall not be a basis for denying eligibility unless, on the basis of accurate and complete information, the applicants or participants would be currently ineligible.

(c) As used in this section—

(1) the term "applicant" shall have such meaning as the Secretary by regulation shall prescribe; and

(2) the term "public housing agency" means any agency described in section 3(b)(6) of the United States Housing Act of 1937.

(d) Section 214(b) of the Housing and Community Development Act of 1980 is amended by striking out all that follows "1937" through "National Housing Act," and inserting in lieu thereof the following: "; section 221(d)(3) pursuant to the proviso in section 221(d)(5), section 235, or section 236 of the National Housing Act;".

TITLE III—PROGRAM AMENDMENTS AND EXTENSIONS

EXTENSION OF FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS

SEC. 301. (a) Section 2(a) of the National Housing Act is amended by striking out "May 21, 1983" in the first sentence and inserting in lieu thereof "October 1, 1985".

(b) Section 217 of such Act is amended by—

(1) striking out "May 20, 1983" and inserting in lieu thereof "September 30, 1985";

(2) inserting "section 222, section 232," after "section 221,";

(3) inserting "section 242," after "section 236,"; and

(4) inserting "made on or" before "before".

(c) The fifth sentence of section 221(f) of such Act is amended by—

(1) striking out "May 20, 1983" and inserting in lieu thereof "September 30, 1985"; and

(2) inserting "made on or" before "before".

(d) Section 222 of such Act is amended by adding a new subsection at the end thereof as follows:

"(h) No mortgage may be insured under this section after May 20, 1983, except pursuant to a commitment to insure made before that date.".

(e) Section 232 of such Act is amended by adding a new subsection at the end thereof as follows:

"(j) No mortgage may be insured under this section after May 20, 1983, except pursuant to a commitment to insure made before that date.".

(f) Section 235(m) of such Act is amended by striking out "May 20, 1983, except pursuant to a commitment to insure before that date" and inserting in lieu thereof "September 30, 1983".

(g) Section 242 of such Act is amended by adding a new subsection at the end thereof as follows:

"(i) No mortgage may be insured under this section after May 20, 1983, except pursuant to a commitment to insure made before that date.".

(h) The first sentence of section 244(d) of such Act is amended by—

(1) striking out "May 20, 1983" and inserting in lieu thereof "September 30, 1985"; and

(2) inserting "on or" before "before".

(i) The second sentence of section 1002(a) of such Act is amended by—

(1) striking out "May 20, 1983" and inserting in lieu thereof "September 30, 1985"; and

(2) inserting "on or" before "before".

AUTHORIZATION FOR APPROPRIATIONS TO COVER LOSSES TO THE GENERAL INSURANCE FUND

SEC. 302. Section 519(f) of the National Housing Act is amended by—

(1) inserting "such sums as may be necessary" immediately after "appropriated"; and

(2) striking out all that follows "Fund" and inserting in lieu thereof a period.

RESEARCH AUTHORIZATIONS

SEC. 303. The second sentence of section 501 of the Housing and Urban Development Act of 1970 is amended by striking out "and" each time it appears, and inserting immediately after "1982" the following: ", not to exceed $18,000,000 for the fiscal year 1983, not to exceed $18,000,000 for the fiscal year 1984, and such sums as may be necessary for the fiscal year 1985".

CANCELLATION OF DEBT OWED THE TREASURY AND LIQUIDATION OF NEW COMMUNITIES PROGRAM

SEC. 304. (a) In order to provide for the management and orderly liquidation of the assets, and discharge the liabilities, acquired or incurred in connection with the New Communities Program authorized pursuant to title IV of the Housing and Urban Development Act of 1968 and title VII of the Housing and Urban Development Act of 1970 (referred to in this section as "title IV" and "title VII", respectively), the assets and liabilities of the revolving fund authorized under section 717 of title VII are authorized to be transferred to the revolving fund (liquidating programs) established pursuant to title II of the Independent Offices Appropriations Act, 1955. The liquidation of the New Communities Program shall be carried out pursuant to the provisions of law applicable to the revolving fund (liquidating programs) upon enactment of this section and the approval in an appropriation Act of such transfer.

(b) In carrying out the purposes of subsection (a), all monies in the revolving fund (liquidating programs) shall be available for necessary administrative and other expenses of servicing and liquidating obligations guaranteed pursuant to section 403 and section 713 of title IV and title VII, respectively, including costs of services (including legal services) performed on a contract or fee basis, and to discharge any other liability acquired or incurred in connection with the New Communities Program. Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real and other property by the United States, the Secretary of Housing and Urban Development shall also have power, for the protection of the interests of the revolving fund (liquidating programs), to pay out of any monies in such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by the Secretary either prior or subsequent to the enactment of this section as a result of recoveries under security, subrogation, or other rights in connection with the New Communities Program.

(c) After making the transfer authorized in subsection (a) the Secretary of Housing and Urban Development may issue obligations to the Secretary of the Treasury in an amount sufficient to enable the Secretary of Housing and Urban Development to satisfy any guarantee made pursuant to section 403 or 713 of title IV or title VII, respectively, and otherwise carry out the functions authorized by this section. The obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations so issued, and for that purpose the Secretary of Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under that Act are extended to include purchases of the obligations hereunder.

(d) Upon enactment of this section and the approval in an appropriation Act of the

transfer authorized in subsection (a), each obligation issued by the Secretary of Housing and Urban Development to the Secretary of the Treasury pursuant to section 407(a) or 717(b) of title IV or title VII, respectively, together with any promise to repay the principal and unpaid interest which has accrued on each obligation, and any other term or condition specified by each such obligation, is cancelled.

(e) Title IV, except for sections 408, 411, 413, 414, and 416, and Part B of title VII, except for sections 724, 725, 726, and section 727 (b) through (e), are hereby repealed. Section 717 of title VII shall remain in effect until the enactment of this section and the approval in an appropriation act of the transfer authorized in subsection (a). Any actions taken, prior to repeal, under the authority of any of the sections which are repealed by this section shall continue to be valid. Nothing in this subsection (e) shall impair the validity of any guarantees which have been made pursuant to title IV or title VII and any such guarantees shall continue to be governed by the provisions of title IV or title VII, as applicable, as they existed immediately before the effective date of this section.

CANCELLATION OF DEBT OF SPECIAL ASSISTANCE AND EMERGENCY MORTGAGE PURCHASE ASSISTANCE FUNDS OF THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

SEC. 305. (a) The Secretary of the Treasury shall, on the effective date of this section and on the first day of each fiscal year thereafter, cancel each obligation issued to such Secretary by the Government National Mortgage Association pursuant to the Association's authority under sections 305 and 313 of the Federal National Mortgage Association Charter Act, without regard to the specified maturation date, any option to redeem or promise to repay, or any other term or condition, and the Association shall thereafter be under no duty to such Secretary to remit any principal or interest payment on account of any such cancelled obligation.

(b) In order to provide for the management and orderly liquidation of assets, and discharge the liabilities acquired or incurred in connection with sections 305 and 313 of the Federal National Mortgage Association Charter Act, the Association shall transfer the assets and liabilities acquired or incurred in connection with such sections to a management and liquidation functions fund established pursuant to section 306 of that Act.

(c)(1) Sections 305 and 313 of the Federal National Mortgage Association Charter Act and section 3(b) of the Emergency Home Purchase Assistance Act of 1974 are hereby repealed.

(2) Any purchase or commitment to purchase any mortgage pursuant to section 305 or 313 of the Federal National Mortgage Association Charter Act made before the effective date of this section, and the servicing and disposition of any such mortgage, shall continue to be governed by the provisions of such sections as they existed immediately before such effective date.

ELIMINATION OF REQUIREMENT THAT FHA INTEREST RATES BE SET BY LAW

SEC. 306. (a) Sections 3 and 4 of Public Law 90-301 are hereby repealed.

(b) The National Housing Act is amended in the following respects:

(1) Section 2(b)(5) is amended to read as follows:

"(5) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it unless the obligation has such maturity, bears such insurance premium charges, and contains such other terms, conditions, and restrictions as the Secretary shall prescribe, in order to make credit available for the purpose of this title. Any such obligation with respect to which insurance is granted under this section shall bear interest at such rate as may be agreed upon by the borrower and the financial institution.".

(2) Section 203(b)(5) is amended to read as follows:

"(5) Bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee.".

(3) Section 203(k)(3)(B) is amended to read as follows:

"(B) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(4) The first sentence of the first undesignated paragraph of section 207(c)(3) is amended to read as follows: "The mortgage shall provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee.".

(5) The first sentence of section 213(d) is amended to read as follows: "Any mortgage insured under this section shall provide for complete amortization by periodic payments within such term as the Secretary may prescribe but not to exceed forty years from the beginning of amortization of the mortgage, and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee.".

(6) The second sentence of section 220(d)(4) is amended to read as follows: "The mortgage shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee and contain such terms and provisions with respect to the application of the mortgagor's periodic payment to amortization of the principal of the mortgage, insurance, repairs, alterations, payment of taxes, default reserves, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may in the Secretary's discretion prescribe.".

(7) Section 220(h)(2)(iii) is amended to read as follows:

"(iii) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(8) Section 221(d)(5) is amended by striking out "(exclusive" and all that follows through "mortgage market" and inserting in lieu thereof the following: "at such rate as may be agreed upon by the mortgagor and the mortgagee".

(9) Section 231(c)(6) is amended to read as follows:

"(6) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee; and".

(10) The first sentence of section 234(f) is amended to read as follows: "Any blanket mortgage insured under subsection (d) shall provide for complete amortization by periodic payments within such terms as the Secretary may prescribe but not to exceed forty years from the beginning of amortization of the mortgage, and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee.".

(11) Section 235(i)(3) is amended by—

(A) striking out "and" at the end of subparagraph (D);

(B) striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; and" and

(C) adding the following new subparagraph at the end thereof:

"(F) bear interest at a rate not to exceed such per centum per annum on the amount of the principal obligation outstanding at any time as the Secretary finds necessary to meet the mortgage market, taking into consideration the yields on mortgages in the primary and secondary markets.".

(12) Section 240(c)(4) is amended to read as follows:

"(4) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(13) Section 241(b)(3) is amended to read as follows:

"(3) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(14) Section 1002(d)(2) is amended to read as follows:

"(2) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee: *Provided*, That the Secretary may agree to a reasonable extension of the term of a mortgage, the maturity of which is limited by this paragraph to not more than ten years, if the Secretary determines that unusual or unforeseen circumstances make such extension necessary to avoid undue hardship to the mortgagor;".

REPEAL OF SECTION 367(b)(2)(A) OF THE MULTIFAMILY MORTGAGE FORECLOSURE ACT OF 1981

SEC. 307. Section 367(b) of the Multifamily Mortgage Foreclosure Act of 1981 is amended by—

(1) striking out "Except as provided in paragraph (2)(A), the" in paragraph (1) and inserting in lieu thereof "The"; and

(2) striking out "(A)" and all that follows through "(B)" in paragraph (2).

TREATMENT OF FHA SINGLE FAMILY PREMIUMS

SEC. 308. (a) Section 203 of the National Housing Act is amended by adding the following new subsection immediately after subsection (c):

"(d) Notwithstanding any provision of this title governing maximum mortgage amounts for insuring a mortgage secured by a one- to four-family dwelling, the maximum amount of the mortgage determined under any such provision may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured.".

(b)(1) The first sentence of section 203(b)(2) of such Act is amended by striking out the following: ": *Provided*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured".

(2) Section 213(b)(2) of such Act is amended by striking out the following: ": *Provided further*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured".

(3) Section 221(d)(2)(A) of such Act is amended by striking out the following: ": *Provided further*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured".

(4) Clause (A) of the third sentence of section 234(c) of such Act is amended by striking out the following: ": *Provided*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage

insurance premium paid at the time the mortgage is insured".

(5) Section 235(i) of such Act is amended by—

(A) striking out in paragraph (3)(B) the following: ": *Provided*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured";

(B) striking out in paragraph (3)(C) the following: ": *Provided*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured"; and

(C) striking out in paragraph (3)(D) the following: ": *Provided*, That the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured".

(c)(1) The amendments made by subsection (a) of this section and by sections 201(a)(2), (d)(2), (d)(3) and (f)(4) of the Omnibus Budget Reconciliation Act of 1982 may be implemented only if the Secretary determines that the program of advance payment of insurance premiums, with specific regard to the effect of the provisions authorized by the amendments made by such sections, is actuarially sound.

(2) Section 201(g) of the Omnibus Budget Reconciliation Act of 1982 is hereby repealed.

AUTHORITY TO USE THE MULTIFAMILY MORTGAGE FORECLOSURE ACT OF 1981 FOR MORTGAGES INSURED UNDER THE COINSURANCE PROGRAM

SEC. 309. (a) Section 362 of the Multifamily Mortgage Foreclosure Act of 1981 is amended by—

(1) amending subsection (a)(1) to read as follows:

"(1) disparate State laws governing the foreclosure of mortgages which cover multiunit residential and nonresidential properties and which are held by the Secretary of Housing and Urban Development pursuant to title II of the National Housing Act or section 312 of the Housing Act of 1964 or are insured under the Coinsurance Program contained in section 244 of the National Housing Act burden these programs, and cause detriment to the residents of the affected project and the community generally;";

(2) striking out "Federal" in subsection (a)(2);

(3) amending subsection (a)(3) to read as follows:

"(3) these conditions seriously impair the ability of the Secretary to protect the Federal financial interest in the affected properties, discourage mortgagee participation in the Coinsurance Program, and frustrate attainment of the objectives of the underlying Federal program authorities, as well as the national housing goal of a 'decent home and a suitable living environment for every American family';";

(4) striking out "by the Secretary" in subsection (a)(5);

(5) striking out "the Secretary with" in subsection (a)(6); and

(6) inserting in subsection (b) after "1964" the following: "or held by mortgagees participating in the Coinsurance Program".

(b) Section 363 of such Act is amended by—

(1) amending paragraph (2) to read as follows:

"(2) 'multifamily mortgage' means a mortgage covering any property, except a property on which there is located a one-to-four family residence, which is (A) held by the Secretary pursuant to title II of the National Housing Act or section 312 of the Housing Act of 1964 or (B) insured pursuant to section 244 of the National Housing Act;"; and

(2) redesignating paragraphs (4) through (10) as paragraphs (5) through (11), respectively, and inserting the following new paragraph after paragraph (3):

"(4) 'mortgagee' means the holder of a multifamily mortgage insured pursuant to section 244 of the National Housing Act;".

(c) Section 364 of such Act is amended to read as follows:

"SEC. 364. Multifamily mortgages held by the Secretary or by mortgagees encumbering real estate located in any State may be foreclosed by the Secretary or the mortgagee, as appropriate, in accordance with this part, or pursuant to other foreclosure procedures available, at the option of the holder of the mortgage.".

(d) The second sentence of section 365 of such Act is amended by striking out "Where" and all that follows through "a foreclosure commissioner" and inserting in lieu thereof the following:

"Where the Secretary or a mortgagee is the holder of a multifamily mortgage, the Secretary or, as appropriate and as provided in regulations of the Secretary, the mortgagee may designate a foreclosure commissioner".

(e) Section 366 of such Act is amended by inserting after "Secretary" each place it appears the following: "or the mortgagee, as appropriate,".

(f) Section 367(a) of such Act is amended by inserting after "Secretary" in each of paragraphs (1) and (8) the following: "or the mortgagee, as appropriate".

(g) Section 368 of such Act is amended by—

(1) inserting after "Secretary" the first time it appears in the first sentence of subsection (a) the following: "or the mortgagee"; and

(2) inserting after "Secretary" each other place it appears the following: "or the mortgagee, as appropriate,".

(h) Section 369A of such Act is amended by inserting after "Secretary" each place it appears in subsections (a) and (b) the following: "or the mortgagee, as appropriate,".

(i) Section 369B of such Act is amended by—

(1) inserting the following immediately before the period at the end of the first sentence of subsection (b): "or the mortgagee, as appropriate"; and

(2) inserting after "Secretary" each place it appears in the fourth and fifth sentences of subsection (b) and the first sentence of subsection (c) the following: "or the mortgagee, as appropriate,".

(j) Section 369E(b) of such Act is amended by inserting after "Secretary" the following: "or the mortgagee, as appropriate,".

(k) Section 369F(a)(1) of such Act is amended by inserting after "Secretary" the following: "or the mortgagee, as appropriate".

REPEAL OF REQUIREMENT TO PUBLISH PROTOTYPE HOUSING COSTS FOR ONE- TO FOUR-FAMILY DWELLING UNITS

SEC. 310. The Housing and Community Development Act of 1977 is amended by striking out section 904.

INCREASED LOAN LIMITS FOR MANUFACTURED HOMES AND LOTS UNDER TITLE I OF THE NATIONAL HOUSING ACT

SEC. 311. (a) Section 2(b)(1) of the National Housing Act is amended by—

(1) striking out "$22,500" and all that follows through "modules)" in subparagraph (C) and inserting in lieu thereof "$40,500";

(2) striking out "$35,000" and all that follows through "modules)" in subparagraph (D) and inserting in lieu thereof "$54,000"; and

(3) striking out "such an amount as may be necessary, but not exceeding $12,500," in subparagraph (E) and inserting in lieu thereof "$13,500".

(b) Section 2(b)(2) of such Act is amended by striking out the second sentence and inserting in lieu thereof the following:

"In other areas, the maximum dollar amounts specified in subsections (b)(1)(D) and (b)(1)(E) may be increased on an area-by-area basis to the extent the Secretary deems necessary, but not to exceed the percentage by which the maximum mortgage amount of a one-family residence in the area is increased by the Secretary under section 203(b)(2) of this Act.".

AUTHORITY FOR REFINANCING MANUFACTURED HOMES UNDER TITLE I OF THE NATIONAL HOUSING ACT

SEC. 312. Section 2(b)(6) of the National Housing Act is amended by adding at the end thereof the following new subparagraph:

"(C) The owner-occupant of a manufactured home or a home and lot which was purchased without assistance under this section but otherwise meeting the requirements of this section may refinance such home or home and lot under this section, provided that the home was constructed in accordance with standards established under section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974.".

CHANGE IN MAXIMUM LOAN-TO-VALUE RATIO FOR MODESTLY PRICED SINGLE FAMILY HOMES

SEC. 313. The first sentence of section 203(b)(2) of the National Housing Act is amended by—

(1) striking out in clause (i) and (ii) "$25,000" each place it appears and inserting in lieu thereof "$50,000"; and

(2) striking out in clause (ii) "95" and inserting in lieu therefore "90".

NONOCCUPANT SINGLE FAMILY MORTGAGORS

SEC. 314. Section 203(b)(8) of the National Housing Act is amended by striking out all that follows "an amount equal to" through "subsection:" and inserting in lieu thereof the following: "the lesser of (A) the otherwise applicable maximum dollar amount prescribed under paragraph (2) of this subsection, or (B) 85 per centum of the appraised value of the property, as of the date the mortgage is accepted for insurance:".

INCREASE IN MORTGAGE INSURANCE PREMIUMS

SEC. 315. Section 203(c) of the National Housing Act is amended by striking out the first sentence and inserting in lieu thereof the following: "The Secretary is authorized to fix premium charges for the insurance of mortgages under or pursuant to the separate sections and subsections of this title: *Provided*, That in the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 3 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments: *Provided further*, That any reduced premium charge so fixed and computed may, in the discretion of the Secretary, also be made applica-

ble in such manner as the Secretary shall prescribe to each insured mortgage outstanding under the section or subsections involved at the time the reduced premium charge is fixed.".

SHELL HOME CONSTRUCTION

SEC. 316. (a) Section 203(k)(1) of the National Housing Act is amended by—

(1) striking out "The Secretary may, in order to assist in" in the first sentence and inserting in lieu thereof the following: "In order to assist in (A)";

(2) striking out all that follows "purposes," in the first sentence and inserting in lieu thereof the following: "or (B) the purchase, construction and completion of one-family shell homes, the Secretary is authorized to insure and make commitments to insure rehabilitation loans and shell home mortgage loans made by financial institutions, including advances made during rehabilitation or shell home purchase, construction and completion."; and

(3) adding at the end thereof the following: "Shell home mortgage loans may be insured under this subsection only on a coinsurance basis pursuant to section 244 of this Act, and the number of such loans which may be so insured may not exceed 30,000.".

(b) Section 203(k)(2) of such Act is amended by—

(1) striking out "and" at the end of subparagraph (A)(iii);

(2) striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(3) adding the following new subparagraph at the end thereof:

"(C) the term 'shell home mortgage' means a mortgage loan made for the purpose of financing the costs (including the provision of any necessary materials, appliances and specialized labor) of the purchase and development of a site; the purchase and construction on the site of a one-family shell home, as defined by the Secretary; and the completion of the shell home, which shall be owner-occupied.".

(c) Section 203(k)(3) of such Act is amended by—

(1) striking out "a rehabilitation loan shall" and inserting in lieu thereof "a loan shall";

(2) inserting after "(A)" the following: "(i) in the case of a rehabilitation loan,"; and

(3) inserting the following immediately after subparagraph (A):

"(ii) in the case of a shell home mortgage loan, involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Secretary shall approve) not exceeding the amount specified in subsection (b)(2), except that the Secretary shall establish as the appraised value of the property an amount not to exceed the sum of the appraised value of the site, the estimated costs of site development, and the estimated costs of purchase, construction and completion of the one-family shell home;".

(d) Section 203(k)(4) of such Act is amended by striking out "rehabilitation loan" and inserting in lieu thereof "loan or mortgage".

(e) Section 203(k) of such Act is amended by adding at the end thereof the following:

"(6) For the purpose of making one-family shell homes insured under this subsection more affordable to borrowers, the Secretary shall, to the maximum extent feasible, encourage borrowers to contribute the value of their labor as equity in the property.".

PAYMENT OF CLAIMS WITHOUT HUD ACQUISITION OF TITLE

SEC. 317. (a) Section 204(a) of the National Housing Act is amended by—

(1) striking out "Upon such conveyance and assignment" in the second sentence and inserting in lieu thereof the following: "The Secretary is also authorized, in accordance with such regulations as the Secretary may prescribe, to make the benefit of the insurance as hereinafter provided available to the mortgagee, notwithstanding any provision of this section requiring conveyance of title to the property to the Secretary, (1) upon sale of the insured property at foreclosure, where such sale is for at least the fair market value of the property (with appropriate adjustments), as determined by the Secretary, and (2) upon the assignment to the Secretary of all claims referred to in clause (2) of the preceding sentence. The payment of benefits under the preceding sentence may be made for any mortgage insured pursuant to the commitment to insure issued on or after the effective date of the Housing and Community Development Act of 1983 and, with the approval of the mortgage, for any mortgage insured pursuant to a commitment issued before that date. Upon the conveyance and assignment referred to in the first sentence of this section or the sale and assignment referred to in the second sentence of this subsection,"; and

(2) striking out "and any amount" and all that follows through the colon immediately preceding the first proviso of the final sentence and inserting in lieu thereof the following: "any amount received as rent or other income from the property, less reasonable expenses incurred in handling the property, after either of such dates, and, in the case of insurance benefits paid in accordance with the second sentence of this section, any amount received upon the foreclosure sale of the property:".

(b) Section 204(j) of such Act is amended by inserting after "under section 203" the following: "(other than a mortgagee receiving insurance benefits under the second sentence of subsection (a))".

DISCRETIONARY AUTHORITY TO REGULATE RENTS OR CHARGES

SEC. 318. (a) Section 207(b)(2) of the National Housing act is amended by—

(1) striking out "any other mortgagor approved by the Secretary" and all that follows through "reasonable return on the investment." and inserting in lieu thereof the following: "any other mortgagor approved by the Secretary. The Secretary may, in the Secretary's discretion, require any such mortgagor to be regulated or restricted as to rents or sales, charges, capital structure, rate of return, and methods of operation so as to provide reasonable rentals to tenants and a reasonable return on the investment. Any such regulations or restrictions shall continue for such period or periods as the Secretary, in the Secretary's discretion, may require, including until the termination of all obligations of the Secretary under the insurance and during such further period of time as the Secretary shall be the owner, holder, or reinsurer of the mortgage.";

(2) striking out "render effective the regulations or restrictions" and inserting in lieu thereof "render effective any such regulations or restrictions"; and

(3) striking out "and directed" in the second sentence of the first undesignated paragraph.

(b) Section 234(d)(2) of such Act is amended by—

(1) striking out "shall be regulated or restricted by the Secretary" and inserting in lieu thereof "may, in the Secretary's discretion, be regulated or restricted"; and

(2) striking out "the regulation and restriction" and inserting in lieu thereof "any such regulation or restriction".

MORTGAGE INSURANCE FOR MANUFACTURED HOME PARKS FOR THE ELDERLY

SEC. 319. The first sentence of the second undesignated paragraph of section 207(b) of the National Housing Act is amended by striking out "no mortgage shall be insured hereunder" and inserting in lieu thereof the following: "the Secretary shall not insure any mortgage under this section (except a mortgage with respect to a manufactured home park designed exclusively for occupancy by elderly persons)".

REMOVAL OF REFINANCING LIMITATIONS ON CERTAIN MULTIFAMILY PROJECTS

SEC. 320. (a) Section 220(d)(3)(B)(ii) of the National Housing Act is amended by striking out "*Provided further,*", the first time it appears, and all that follows through "property or project:".

(b) Section 221(d)(3)(iii) of such Act is amended by—

(1) striking out "*Provided,* That" and all that follows through "property or project:"; and

(2) striking out "*further*" the first time it appears.

(c) Section 221(d)(4)(iv) of such Act is amended by—

(1) striking out "*Provided,* That" and all that follows through "property or project:"; and

(2) striking out "*further*" the first time it appears.

ASSIGNMENT OF SECTION 221(g)(4) MORTGAGES TO GNMA

SEC. 321. Section 221(g)(4) of the National Housing Act is amended by inserting "(A)" after the paragraph designation "(4)" and by adding the following new subparagraph at the end thereof:

"(B) In processing a claim for insurance benefits under this paragraph, the Secretary is authorized to direct the mortgagee to assign, transfer and deliver the original credit instrument and the mortgage securing it directly to the Government National Mortgage Association in lieu of assigning, transferring and delivering the credit instrument and the mortgage to the Secretary. Upon the assignment, transfer and delivery of the credit instrument and the mortgage to the Association, the mortgage insurance contract shall terminate and the mortgagee shall receive insurance benefits as provided in subparagraph (A). The Association is authorized to accept such loan documents in its own name and to hold, service and sell such loans as agent for the Secretary. The mortgagor's obligation to pay a service charge in lieu of a mortgage insurance premium shall continue as long as the mortgage is held by the Association or by the Secretary. The Secretary shall have the same authority with respect to mortgages assigned to the Secretary or the Association under this subparagraph as provided by section 223(c).".

REPEAL OF SECTION 221 BUY-BACK PROVISION

SEC. 322. The first sentence of section 221(g)(4)(A) of the National Housing Act, as redesignated by section 321 of this Act, is amended by inserting immediately after "this section" the following: "pursuant to a commitment to insure entered into before

the effective date of the Housing and Community Development Act of 1983".

ELIMINATE EXISTING RESTRAINTS ON FHA INSURANCE FOR CONDOMINIUM UNITS

SEC. 323. The first sentence of section 234(c) of the National Housing Act is amended by—

(1) striking out "(1)" after "if"; and

(2) striking out ", (2)" and all that follows up to the period at the end thereof.

GRADUATED PAYMENT MORTGAGES FOR MULTIFAMILY AND SINGLE FAMILY HOUSING

SEC. 324. Section 245 of the National Housing Act is amended by—

(1) striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) The Secretary may insure under any provision of this title mortgages and loans with provisions of varying rates of amortization corresponding to anticipated variations in family or, as appropriate, project income, to the extent the Secretary determines such mortgages or loans (1) have promise for expanding housing opportunities or meet special needs, (2) can be developed to include any safeguards for mortgagors, tenants or purchasers that may be necessary to offset special risks of such mortgages, and (3) have a potential for acceptance in the private market. A mortgage or loan may not be insured pursuant to this section after September 30, 1985, except pursuant to a commitment entered into on or before that date.

"(b) Notwithstanding any other provision of this title, the principal obligation of a mortgage or loan insured pursuant to this section involving property upon which there is located a dwelling designed principally for occupancy by one to four families—

"(1) shall not initially exceed the percentage of the initial appraised value of the property specified in section 203(b) of this title as of the date the mortgage or loan is accepted for insurance; and

"(2) thereafter (incuding all interest to be deferred and added to principal) (A) shall not at any time be scheduled to exceed 97 per centum, or, if the mortgagor is a veteran, such higher percentage as is provided under section 203(b)(2) for veterans, of the projected value of the property, and (B) shall not exceed 113 per centum of the initial appraised value of the property.

"(c) Notwithstanding any other provision of this title, the principal obligation of a mortgage or loan insured pursuant to this section involving property upon which there are located five or more dwelling units—

"(1) shall not initially exceed the percentage of value or replacement cost required by the provision under which the property is insured; and

"(2) thereafter (including all interest to be deferred and added to principal) shall not at any time be scheduled to exceed 100 per centum of the projected value of the property.

"(d) For purposes of this section, the Secretary shall calculate the projected value of the property by increasing the initial value of the property, as determined by the Secretary, at a rate not in excess of 2½ per centum per annum."; and

(2) redesignating subsection (c) as subsection (e).

ADJUSTABLE RATE MORTGAGES FOR SINGLE FAMILY HOUSING

SEC. 325. Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"ADJUSTABLE RATE SINGLE FAMILY MORTGAGES

"SEC. 247. (a) The Secretary may insure under any provision of this title a mortgage involving property upon which there is located a dwelling designed principally for occupancy by one to four families, where the mortgage provides for periodic adjustments by the mortgagee in the effective rate of interest charged. These interest rate adjustments may be accomplished through adjustments in the monthly payment amount, the outstanding principal balance, or the mortgage term, or a combination of these factors, except that in no case may any extension of a mortgage term result in a total term in excess of 40 years. Adjustments in the effective rate of interest shall correspond to a specified national interest rate index approved in regulations by the Secretary, information on which is readily accessible from published sources. Adjustments in the effective rate of interest shall (1) be made on an annual basis; (2) be limited, with respect to any single interest rate increase, to no more than 1 per centum on the outstanding loan balance; and (3) be limited to a maximum increase of 5 percentage points above the initial contract interest rate over the term of the mortgage. A mortgage may not be insured pursuant to this section after September 30, 1985, except pursuant to a commitment entered into on or before that date.

"(b) The Secretary shall issue regulations requiring that the mortgagee make available to the mortgagor, at the time of loan application, a written explanation of the features of the adjustable rate mortgage, including, but not limited to, a hypothetical payment schedule which displays the maximum potential increases in monthly payments to the mortgagor over the first five years of the mortgage term.

"(c) The number of mortgages and loans insured pursuant to this section in any fiscal year may not exceed 125,000 mortgages.".

SHARED APPRECIATION MORTGAGES FOR SINGLE FAMILY HOUSING

SEC. 326. Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"SHARED APPRECIATION MORTGAGES FOR SINGLE FAMILY HOUSING

"SEC. 248. (a) Notwithstanding any provision of this title which is inconsistent with this section, the Secretary may insure, under any provision of this title providing for insurance of mortgages on properties upon which there is located a dwelling designed principally for occupancy by one- to four-families or providing for insurance of mortgages on the stock allocated to dwelling units in residential cooperative housing corporations, a mortgage secured by a first lien on such property or such stock, which (1) provides for the mortgagee to share in a predetermined percentage of the net appreciated value of the property or stock; (2) provides for amortization over a period of not to exceed thirty years, but the actual term of the mortgage (excluding any refinancing) may be not less than ten nor more than thirty years, and contains such provisions relating to refinancing of the principal balance and any contingent deferred interest as the Secretary may prescribe; and (3) meets such other conditions, including limitations on the rate of interest which may be charged, as the Secretary may require by regulation. A mortgage may not be insured pursuant to this section after September 30, 1985, except pursuant to a commitment entered into on or before that date.

"(b) The mortgagee's share of a property's or stock's net appreciated value shall be payable upon sale or transfer (as defined by the Secretary) of the property or stock or payment in full of the mortgage, whichever occurs first. For purposes of this section, the term 'net appreciated value' means the amount by which the sales price of the property or stock (less the mortgagor's selling costs) exceeds the value of the property or stock at the time the commitment to insure is issued (with adjustments for capital improvements stipulated in the loan contract). If there has been no sale or transfer at the time the mortgagee's share of net appreciated value becomes payable, the sales price for purposes of this section shall be determined by means of an appraisal conducted in accordance with procedures approved by the Secretary and provided for in the mortgage.

"(c) In the event of a default, the mortgagee shall be entitled to receive the benefits of insurance in accordance with section 204(a) of this title, but such insurance benefits shall not include the mortgagee's share of net appreciated value. The term 'original principal obligation of the mortgagee' as used in section 204 shall not include the mortgagee's share of net appreciated value.

"(d) The Secretary shall prescribe adequate consumer protections and disclosure requirements with respect to mortgages insured under this section, and may prescribe such other terms and conditions as may be appropriate to carry out the provisions of this section.

"(e) Mortgages insured pursuant to this section which contain provisions for sharing appreciation or which otherwise require or permit increases in the outstanding loan balance which are authorized under this section or under applicable regulations shall not be subject to any State constitution, statute, court decree, common law, rule or public policy limiting or prohibiting increases in the outstanding loan balance after execution of the mortgage.

"(f) The number of mortgages insured pursuant to this section in any fiscal year may not exceed 50,000.".

SHARED APPRECIATION MORTGAGES FOR MULTIFAMILY HOUSING

SEC. 327. (a) Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"SHARED APPRECIATION MORTGAGES FOR MULTIFAMILY HOUSING

"SEC. 249. (a) Notwithstanding any provision of this title which is inconsistent with this section, the Secretary may insure, under any provision of this title providing for insurance of mortgages on properties including five or more family units, a mortgage secured by a first lien on the property which (1) provides for the mortgagee to share in a predetermined percentage of the property's net appreciated value and (2) meets such other conditions, including limitations on the rate of interest which may be charged, as the Secretary may require by regulation. A mortgage may not be insured pursuant to this section after September 30, 1985, except pursuant to a commitment entered into on or before that date.

"(b) The mortgagee's share of a property's net appreciated value shall be payable upon maturity or upon payment in full of the loan or sale or transfer (as defined by the Secretary) of the property, whichever occurs first. The term of the mortgage shall not be less than 15 years, and shall be repayable in equal monthly installments of principal and fixed interest during the mortgage term in an amount which would be sufficient to retire a debt with the same

principal and fixed interest rate over a period not exceeding thirty years. In the case of a mortgage which will not be completely amortized during the mortgage term, the principal obligation of the mortgage may not exceed 85 per centum of the estimated value of the property or project. For purposes of this section, the term 'net appreciated value' means the amount by which the sales price of the property (less the mortgagor's selling costs) exceeds the value (or replacement cost, as appropriate) of the property at the time the commitment to insure is issued (with adjustments for capital improvements stipulated in the loan contract). If there has been no sale or transfer at the time the mortgagee's share of net appreciated value becomes payable, the sales price for purposes of this section shall be determined by means of an appraisal conducted in accordance with procedures approved by the Secretary and provided for in the mortgage.

"(c) In the event of a default, the mortgagee shall be entitled to receive the benefits of insurance in accordance with section 207(g) of this title, but such insurance benefits shall not include the mortgagee's share of net appreciated value. The term 'original principal face amount of the mortgage' as used in section 207(g) shall not include the mortgagee's share of net appreciated value.

"(d) The Secretary shall establish by regulation the maximum percentage of net appreciated value which may be payable to a mortgagee as the mortgagee's share. The Secretary shall also establish disclosure requirements applicable to mortgagees making mortgage loans pursuant to this section, to assure that mortgagors are informed of the characteristics of such mortgages.

"(e) Mortgages insured pursuant to this section which contain provisions for sharing appreciation or which otherwise require or permit increases in the outstanding loan balance which are authorized under this section or under applicable regulations shall not be subject to any State constitution, statute, court decree, common law, rule or public policy limiting or prohibiting increases in the outstanding loan balance after execution of the mortgage.".

(b) The first sentence of the first undesignated paragraph of section 207(c)(3) of such Act is amended by inserting immediately after "periodic payments" the following: "(unless otherwise approved by the Secretary)".

(c) Section 220(d)(4) of such Act is amended by inserting after "periodic payments" the following: "(unless otherwise approved by the Secretary)".

(d) Section 221(d)(6) of such Act is amended by inserting after "periodic payments" the following: "(unless otherwise approved by the Secretary)".

(e) Section 231(c)(5) of such Act is amended by inserting after "periodic payments" the following: "(unless otherwise approved by the Secretary)".

DEMONSTRATION AUTHORITY TO INSURE HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

SEC. 228. Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"DEMONSTRATION AUTHORITY TO INSURE HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

"SEC. 250. (a) The purpose of this section is to authorize a demonstration mortgage insurance program designed to—

"(1) meet the special needs of elderly homeowners by reducing the effect of economic hardship caused by the rising costs of meeting health, housing and subsistence needs at a time of reduced income, through the insurance of home equity conversion mortgages to permit the conversion of a portion of accumulated home equity into liquid assets;

"(2) encourage and increase the involvement of mortgagees and secondary market participants (lenders and investors) in the making and servicing of home equity conversion mortgages for elderly homeowners; and

"(3) permit the evaluation of data to determine—

"(A) the extent of the need and demand among elderly homeowners for insured and uninsured home equity conversion mortgages;

"(B) the types of home equity conversion mortgages which best serve the needs and interests of elderly homeowners, the Federal government and lenders; and

"(C) the appropriate scope and nature of participation by the Secretary in connection with home equity conversion mortgages for elderly homeowners.

"(b) For purposes of this section—

"(1) The terms 'elderly homeowner' and 'homeowner' mean any homeowner (or homeowners) at least 65 years old or such higher age as the Secretary may prescribe.

"(2) The term 'home equity conversion mortgage' means a loan, secured by a first lien on the property, which provides for periodic and/or lump sum payments to the homeowners based upon accumulated equity and which may provide for a fixed or variable term or for future sharing, between the lender and the homeowner, of the equity or appreciation in the value of the property. Such mortgages shall provide that—

"(A) the loan becomes due on the earlier of a specified date after disbursement of the full principal amount or when a specified event occurs, such as sale of the property or death of the homeowner;

"(B) periodic payments, if provided for in the mortgage instrument, are made directly by the lender or are made through purchase of an annuity from an insurance company authorized to engage in such business and supervised by the State in which it is incorporated; and are made monthly or upon such terms as agreed to by the parties;

"(C) lump sum payments, if provided for in the mortgage instrument, are used by the homeowner to purchase a deferred annuity or to pay for major housing or other needs as determined by the homeowner;

"(D) prepayment in whole or in part may be made without penalty at any time during the term of the loan; and

"(E) the interest rate may be fixed or adjusted periodically as may be agreed upon by the mortgagor and the mortgagee.

"(c) The Secretary is authorized, upon application by the mortgagee, to insure as hereinafter provided any home equity conversion mortgage which is eligible for insurance as hereinafter provided, and, upon such terms and conditions as the Secretary may prescribe, to make commitments for the insurance of such mortgages prior to the date of their execution or disbursement thereon to the extent that the Secretary determines such mortgages—

"(1) have promise for improving the financial situation or otherwise meeting the special needs of elderly homeowners;

"(2) can be developed to include any safeguards for mortgagors that may be necessary to offset the special risks of such mortgages; and

"(3) have a potential for acceptance in the private market.

"(d) To be eligible for insurance under this section, a mortgage shall—

"(1) have been made to, and be held by, a mortgagee approved by the Secretary as responsible and able to service the mortgage properly;

"(2) have been executed by a mortgagor who qualifies as an elderly homeowner and meets requirements prescribed by the Secretary;

"(3) be secured by a property which is designed principally as a one-family residence and which is occupied by the mortgagor;

"(4) involve a principal obligation (including such initial service charges, appraisal, inspections, and other fees as the Secretary shall approve, and all interest to be deferred and added to the principal) which does not exceed the lesser of the maximum area dollar limitation for a one-family residence set forth in section 203(b)(2) of this Act and 90 per centum of the appraised value of the property as of the date the mortgage is accepted for insurance;

"(5) permit an interest rate to be fixed or adjusted periodically as may be agreed upon by the mortgagor and the mortgagee;

"(6) contain provisions for full satisfaction of the obligation satisfactory to the Secretary; and

"(7) contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserve, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may prescribe.

"(e) The mortgage shall be eligible to receive the benefits of insurance as provided in section 204(a) of this Act with respect to mortgages insured under this section (except that in the case of a mortgage providing for shared appreciation, the insurance benefits shall not include the mortgagee's share of net appreciated value and the term 'original principal obligation of the mortgage' as used in section 204 shall not include the mortgagee's share of net appreciated value), and the provisions of subsections (b), (c), (d), (e), (f), (g), (h), (j), and (k) of section 204 of this Act shall be applicable to such mortgages insured under this section, except that all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund and all references therein to section 203 shall be construed to this section.

"(f) The Secretary shall require that the mortgagee make available to the homeowners, at the time of loan application, a written explanation of the features of the home equity conversion mortgage. The explanation may include, but is not limited to, its effect on tax and estate planning and homeowner eligibility for governmental benefits and other assistance.

"(g) No mortgage may be insured under this section after September 30, 1986 except pursuant to a commitment to insure issued on or before that date. The total number of mortgages insured under this section may not exceed 1,000.

"(h) The Secretary is authorized to (1) enter into such contracts and agreements with Federal, State and local units of government, public and private entities and others as the Secretary determines to be necessary or desirable to carry out the purposes of this section, and (2) make such in-

vestigations and studies of data and publish and distribute such reports, as the Secretary determines to be appropriate.

"(i) Mortgages insured and authorized under this section and applicable regulations which contain or set forth provisions pertaining to (1) sharing appreciation, (2) increases in the outstanding balance after execution of the mortgage (including but not limited to adding deferred interest to principal), (3) disbursement of mortgage proceeds over an extended term, or (4) setting of a due date in relation to the earliest of a specified event shall not be subject to any State constitution, statute, court decree, common law, rule or public policy (1) limiting or prohibiting (A) sharing appreciation, (B) increases in the outstanding balance after execution of the mortgage, or (C) disbursement of mortgage proceeds over an extended time, or (2) requiring that the term of the mortgage be fixed.

"(j) Notwithstanding any other provisions of law, and in order to further the purposes of the demonstration program authorized by this section, the Secretary is authorized to take any action necessary to provide the mortgagor with funds to which he or she is entitled under the insured mortgage or ancillary contracts but has not received because of the default of the party responsible for payment, and to obtain repayment of such disbursements so provided from any source. Such actions may include, but are not limited to: (1) disbursing such funds to the mortgagor from the General Insurance Fund; (2) accepting an assignment of the insured mortgage notwithstanding that the mortgagor is not in default under its terms, and calculating the amount and making the payment of the insurance claim on such assigned mortgage; (3) requiring a junior mortgage from the mortgagor at any time in order to secure repayments of any funds advanced or to be advanced to the mortgagor; (4) requiring a subrogation to the Secretary of the rights of any parties to the transaction against any defaulting parties; (5) imposing premium charges; and (6) preempting any State or local law which may prohibit or limit any of the actions enumerated in items (1) through (5) of this subsection."

STRUCTURAL DEFECTS IN VA-APPROVED, FHA-INSURED NEW HOMES

SEC. 329. Section 518(a) of the National Housing Act is amended by striking out "approved for mortgage insurance prior to the beginning of construction which he finds" and inserting in lieu thereof the following:

"which, before the beginning of construction, was approved for mortgage insurance under this Act or for guaranty, insurance, or a direct loan under chapter 37 of title 38, United States Code, and which the Secretary finds".

TIME OF PAYMENT OF MORTGAGE INSURANCE PREMIUMS

SEC. 330. Section 530 of the National Housing Act is amended by—

(1) striking out "promptly upon their receipt from the borrower" and inserting in lieu thereof the following:

"(A) in the case of loans or mortgages respecting one- to four-family residences, promptly upon their receipt from the borrower and (B) in any other case, promptly when due to the Secretary";

(2) inserting "or due date, as appropriate," immediately after "such receipt"; and

(3) inserting "or after the due date, as appropriate," immediately before "and ending".

SINGLE FAMILY MORTGAGE INSURANCE ON INDIAN RESERVATIONS AND HAWAIIAN HOME LANDS

SEC. 331. Title V of the National Housing Act is amended by adding the following new section at the end thereof:

"SINGLE FAMILY MORTGAGE INSURANCE ON INDIAN RESERVATIONS AND HAWAIIAN HOME LANDS

"SEC. 533. (a) The Secretary, subject to such special conditions as the Secretary may prescribe, is authorized to insure under any provision of title II of this Act which authorizes such insurance, a mortgage covering a property upon which there is located a one- to four-family residence, without regard to limitations in this Act relating to marketability of title or any other statutory restriction which the Secretary determines is contrary to promoting the availability of such insurance on Indian reservations or Hawaiian home lands if—

"(1) the mortgage (A) is executed by an Indian tribe and the property is located on an Indian reservation; or (B) is executed by a member of an Indian tribe who will use the property as a principal residence and by an Indian tribe as comortgagors, and the property is located on an Indian reservation; or (C) is executed in connection with a property assisted under section 202(a) of the Housing and Community Development Act of 1983; or

"(2) The mortgage is executed by a native Hawaiian on property located within Hawaiian home lands where such property will be used as the mortgagor's principal residence and the Department of Hawaiian Home Lands of the State of Hawaii is a comortgagor or guarantees to reimburse the Secretary for any mortgage insurance claim paid in connection with a property on Hawaiian home lands or offers other security acceptable to the Secretary.

Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund created pursuant to section 519 of this Act. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 of this Act with respect to mortgages insured pursuant to this section, except that all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund and all references therein to section 203 shall be construed to refer to the section under which the mortgage is insured.

"(b) Notwithstanding any other provision of this Act, with respect to mortgages covering a property upon which there is located a one- to four-family residence—

"(1) the Secretary may insure and make commitments to insure under title II of this Act pursuant to this section advances made during construction where the Secretary determines the proposed construction is otherwise acceptable and determines no feasible financing alternative is available; and

"(2) the Secretary may require an Indian tribe, as a condition of insurance made under title II of this Act pursuant to this section, to pledge income from tribal resources or tribal assets or pledge Federal grants to be used to reimburse the Secretary for any mortgage insurance claims paid in connection with residences insured pursuant to this section; and

"(3) the applicable percentage limitation on the amount of the principal obligation of a mortgage based on the appraised value or replacement cost, as appropriate, of a one- to four-family owner-occupied residence contained in title II of this Act shall apply in the case of all mortgages insured pursuant to this section without regard to whether the residences are owner-occupied.

"(c) As used in this section—

"(1) The term 'Indian tribe' means any Indian tribe, band, nation or Alaskan Native Village recognized by the Secretary of the Interior as eligible for services because of its status as such an entity, or in the case of a mortgage insured under section 203(q), an Indian tribe as defined in section 202(a) of the Housing and Community Development Act of 1983; and

"(2) The term 'Indian reservation' means (A) that area of land, as defined by the Secretary of the Interior, over which an Indian tribe is recognized by the United States as having governmental jurisdiction, (B) land held in trust for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to a restriction by the United States against alienation, or (C) land acquired by Alaska natives under the Alaska Native Claims Settlement Act or any other land acquired by Alaska natives pursuant to statute by virtue of their unique status as Alaska natives;

"(3) The term 'native Hawaiian' means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands previous to 1778; and

"(4) The term 'Hawaiian home lands' means all lands given the status of Hawaiian home lands under the provisions of section 207 of the Hawaiian Homes Commission Act, 1920.".

REPEAL OF AUTHORITY TO MAKE GRANTS OR CONTRACTS FOR HOUSING COUNSELING ASSISTANCE

SEC. 332. (a) Section 106(a)(1) of the Housing and Urban Development Act of 1968 is amended by striking out ", or contract with public or private organizations to provide,".

(b) Section 106(a)(2) of such Act is amended to read as follows:

"(2) The Secretary is authorized to provide information, advice and technical assistance to private and public organizations with special competence and knowledge in counseling low- and moderate-income families to assist such organizations in providing the counseling and advice described in clause (iii) of paragraph (1) of this subsection.".

(c) Sections 101(e) and 106(a)(3) of such Act are hereby repealed.

(d) Section 230(d) of the National Housing Act is hereby repealed.

PROHIBITION ON USE OF FHA COINSURANCE IN CONNECTION WITH TAX-EXEMPT OBLIGATIONS

SEC. 333. Section 244 of the National Housing Act is amended by adding the following new subsection at the end thereof:

"(h) With respect to any obligation which is issued by or on behalf of any State, political subdivision, or governmental entity, the proceeds of which are used to finance mortgages insured pursuant to this section, the interest paid on any such obligation and received by the purchaser thereof (or the purchaser's successors in interest) shall be included in gross income for purposes of chapter 1 of the Internal Revenue Code of 1954, as amended. The preceding sentence shall apply only with respect to obligations the proceeds of which are used to finance mortgages insured pursuant to this section pursuant to commitments issued on or after the effective date of section 333 of the Housing and Community Development Act of 1983."

[Section-by-Section Explanation and Justification]

TITLE I—COMMUNITY AND NEIGHBORHOOD DEVELOPMENT

AUTHORIZATIONS—TITLE I OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

Section 101 of the bill would provide funding authorizations for fiscal years 1984, 1985 and 1986 for the three existing grant programs contained in title I of the Housing and Community Development Act of 1974—the Community Development Block Grant (CDBG) Program, the Secretary's Discretionary Fund and the Urban Development Action Grant (UDAG) Program—as well as for the Rental Rehabilitation Program proposed in section 102 of the bill.

Subsection (a) would amend section 103 of the Act to provide an overall title I authorization of $3.846 billion for fiscal year 1984 and $4.09 billion for each of fiscal years 1985 and 1986.

Subsection (b) would amend section 107 to make up to $100.5 million available for the Secretary's Discretionary Fund from amounts authorized under section 103 for each of fiscal years 1984-1986, of which $75,000,000 for each year would be available for grants to Indian tribes. The fiscal year 1983 funding level is $56.5 million. Of the 1983 amount, approximately $31 million is being made available for Indian tribes. This would be increased by $44 million for each of fiscal years 1984-1986 to provide a total of $75 million from the Secretary's Fund for the CDBG portion of the Department's Indian Housing Initiative proposed in this bill.

Subsection (c) would amend section 119 of the Act to make available from amounts authorized under section 103 up to $196 million for fiscal year 1984 and up to $440 million for each of fiscal years 1985 and 1986 for action grants. For the UDAG Program, the President has proposed deferring $244 million in unobligated fiscal year 1981 and 1982 funds to fiscal year 1984. When these funds are added to the $196 million requested for fiscal year 1984, the total is $440 million. Thus, the program level would be the same for fiscal year 1984 as the past and as planned for fiscal years 1985 and 1986.

The Rental Rehabilitation funding authorization of up to $150 million out of the amount authorized under section 103 for each of fiscal years 1984-1986 is contained in section 102 of the bill.

RENTAL REHABILITATION

Section 102 would amend title I of the Housing and Community Development Act of 1974 to create a new Rental Rehabilitation Program. This new initiative will help preserve the Nation's rental housing stock in low- and moderate-income neighborhoods and assist very low-income tenants. The need for rental rehabilitation is clear: of 27 million renter-occupied units in the Nation, 1.8 million are seriously deficient and another 2.6 million have significant inadequacies. Furthermore, continuing deterioration and abandonment of rental units is accelerating the decline of many urban neighborhoods.

In order to provide low-income housing assistance at a fraction of previous costs, the Department proposes to rely primarily on the Section 8 Housing Payment Certificate Program to bridge the "affordability gap" for very low-income renters in the private market. To ensure that the housing payment certificate approach works smoothly, a supporting program to rehabilitate rental units is necessary. The Rental Rehabilitation Program will answer the concern expressed by some that certificate assistance will be inadequate because affordable units will not be available to certificate holders. By providing States and local governments with the ability to produce modestly rehabilitated units where needed, the new initiative will minimize the occurrence of localized rental unit shortages which may otherwise occur within some markets and neighborhoods.

The proposed Rental Rehabilitation Program addresses the need to upgrade residential rental properties through allocations to larger cities, urban counties, and States of both cash grants (Rental Rehabilitation Grants) and contract authority for rental assistance payments for tenants (Section 8 Housing Payment Certificates). The new initiative would replace HUD's current Section 312 Rehabilitation Loan and Section 8 Moderate Rehabilitation Programs.

(1) Rental Rehabilitation Grants, allocated on a needs basis, would be used by local and State governments to help reduce owners' costs of rehabilitating residential rental properties in low- and moderate-income neighborhoods. This reduced-cost financing would make rehabilitation feasible in those areas where the after-rehabilitation, free-market rent for units will be affordable to persons receiving rental assistance through Section 8 Housing Payment Certificates.

(2) The Section 8 Housing Payment Certificate Program would offer very low-income tenants the opportunity to lease rehabilitated units and other standard housing stock at rental payments which they can afford. Contract authority for certificates for use in connection with Rental Rehabilitation Programs would be allocated for local and State governments in the same proportion as their rental rehabilitation grants.

Rental rehabilitation grants are to be used in low- and moderate-income neighborhoods, selected according to locally established criteria. Grants to local and State governments will have no restrictions regarding the number of units in buildings to be rehabilitated; unlike most previous HUD programs, no distinction is made between single family and multifamily properties. All rehabilitated structures and units must meet the housing quality standards to be prescribed by the Secretary for the Section 8 Housing Payment Certificate Program. Local and State governments are given broad discretion in providing rental rehabilitation funds to individual property owners. For example, the funds may be given as outright grants (reducing the rehabilitation funds which property owners need to obtain from private sources), deferred payment loans (to be repaid on sale of the building), or low-interest loans repayable to the public agency.

In order to encourage a high level of participation by private lenders in project financing and underwriting, assistance provided under the new program may not exceed 50 percent of the cost of rehabilitating each individual property. If additional public funds are needed to meet local and State program objectives, Community Development Block Grants or other public moneys may be used to further assist individual projects.

Key features of the new program are the separation of the rehabilitation and rental subsidies, and a reliance on private market forces to encourage owner participation and availability of rehabilitated units for very low-income families. Unlike HUD's current Section 8 Moderate Rehabilitation Program, the Rental Rehabilitation Program would not require property owners receiving assistance to agree to rent limitations and guaranteed low-income occupancy imposed by government in connection with the program. Instead, a program performance standard would encourage participating governments to select neighborhoods and properties in which eighty percent of initial after-rehabilitation market rents (i.e., rents without special program rent limits) will fall below the applicable payment standard for housing payment certificates, and thus be affordable to very low-income tenants holding certificates.

Consistent with the general rules of the Section 8 Housing Payment Certificate Program, tenants receiving certificates under the rental rehabilitation initiative may live in units of their choice. Thus, they may elect to remain in units rehabilitated under the program or to move to any dwelling of their choice. This means that long-term, low-income occupancy in rehabilitated structures is not guaranteed through the new program. However, the performance standard on after-rehabilitation rents mentioned above would push rental rehabilitation activity into areas where such rents are most likely to continue to be affordable by very low-income renters with housing certificates and low- and moderate-income families and individuals without certificates.

The program separation between rehabilitation and rental subsidies will have fundamental implications for financial underwriting and management of individual structures. Since certificate holders in rehabilitated properties may move out of their units at any time, subject to any lease requirements, owners cannot depend on a HUD-guaranteed rental income stream. Instead, property financial underwriting, including repayment of rehabilitation debt, has to make sense if buildings have no certificate holders renting units. Real market rents—rents which unsubsidized tenants are actually willing to pay for rehabilitated units in the areas where structures rehabilitated under the program are located—would serve as the basis for the underwriting of rehabilitation projects supported by this program.

It is anticipated that local and State governments, interested in stretching the impact of their rental rehabilitation funds, will generally limit the amount of assistance to each individual project to the minimum amount needed to make the project work.

Since this program does not provide for guaranteed tenants and/or subsidies attached to individual units, property owners must work to keep current tenants satisfied and, when vacancies occur, to attract new renters. Thus, owners will be under market place pressure to maintain building services and conditions once rehabilitation is completed.

In short, the proposed Rental Rehabilitation Program brings the free market place back into HUD's assisted housing programs. As a result of this fundamental shift in approach, the Federal government will be able to assist a significantly larger number of property owners and very low-income tenants than current programs could for the same amount of money.

Specific provisions of the proposal are as follows. Subsection (a) provides basic authorization to the Secretary to make rental rehabilitation grants to States and units of general local government. Grants would be made available to help support the rehabilitation of privately owned real property to

be used for residential rental purposes. Of the amount authorized to be appropriated under section 103 of title I of the 1974 Act for fiscal years 1984, 1985, and 1986, not more than $150,000,000 would be available in each such year for rental rehabilitation grants. Funds appropriated for rental rehabilitation grants would be available for obligation for a two year period.

Subsection (a) would also authorize HUD to make available contract authority under the proposed Section 8 Housing Payment Certificate Program for use in connection with rental rehabilitation programs. The special allocations of these certificates are expected to be used primarily to enable very low-income tenants of structures to be upgraded under the program to remain in their units after rehabilitation. These certificates may also be used to assist very low income tenants displaced as a result of rehabilitation activities in obtaining decent, safe, and sanitary housing elsewhere. In addition, these certificates could be given to very low-income families on the PHA's Section 8 waiting list, with referral to vacant units rehabilitated with program funds. However, the family's choice would not be limited to units rehabilitated under this program.

Subsection (b) establishes provisions for the allocation and reallocation of resources provided under the new section. Paragraph (1) makes cities with populations of 50,000 or more, urban counties (as defined under title I of the Housing and Community Development Act of 1974), and States eligible for rental rehabilitation grants. The Secretary would allocate amounts, taking into account such factors as low-income renter population, rental housing market conditions, overcrowding of rental housing, the condition of the rental housing stock, and other appropriate objectively measurable conditions. These factors are intended to assure that program funds are targeted to areas of greatest need. The actual allocation system will be developed on the basis of 1980 Census data, where appropriate.

Paragraph (2) gives the Secretary authority to make several key adjustments in the allocation amounts established under paragraph (1). First, the Secretary may establish minimum allocation amounts for grants to cities and urban counties representing program levels below which conduct of a local program would not be feasible. HUD is currently planning a minimum allocation amount of $100,000 which would generate a program volume of at least $200,000 (due to the 50% leveraging requirement). Funding "allocations" of less than the minimum amounts would be added to the allocation for the States where the relevant cities and counties are located, and these localities would be eligible for assistance from the States in undertaking rental rehabilitation activities.

Second, the Secretary is authorized to make annual performance adjustments, not to exceed 15 percent, in amounts added or deducted, to city, urban county, and State allocations, based on an annual review of each grantee's progress in meeting program performance requirements. If a city or urban county qualifies for a direct allocation of funds at or above the minimum program amount, it would receive a grant even if this performance adjustment reduces the grant below the minimum level. The Secretary would establish program performance criteria, including the primary criterion that at least 80 percent of the initial after-rehabilitation rents for assisted properties, on a free-market basis, are within the applicable payment standard for housing payment certificates. Other criteria would include emphasis on serving the housing needs of those households not well served by other housing programs. In meeting this criterion, a community would be expected to assess the extent to which its housing needs are addressed by other programs. For example, the needs of large families or handicapped households in a particular community may be poorly served because of the limitations of the available rental stock, both public and private.

Paragraph (3) provides for allocation of contract authority for housing payment certificates for grantees on a basis proportional to the allocation of rental rehabilitation grant funds. It also authorizes the Secretary to include a provision in the annual contributions contracts for these certificates to ensure that use of the rental rehabilitation grants and housing payment certificates is effectively coordinated.

Paragraph (4) authorizes the Secretary to make annual program reviews and audits of local and State efforts to ensure that grant recipients are carrying out their activities in a timely manner and consistent with program guidelines, and that they have a continuing capacity to carry out the program in a timely manner. This paragraph also authorizes the Secretary to adjust, reduce, or withdraw resources made available under the program, with the limitation that resources already expended on eligible activities may not be recaptured or deducted from future resources to be made available. Resources which become available as a result of these funding adjustments (and actions under section 111 of the 1974 Act) are to be reallocated to other States and localities during the year in which they become available. These review and grant adjustment features are comparable to those in the Community Development Block Grant Program.

Paragraph (5) authorizes the Secretary to establish the maximum levels of rental rehabilitation grants which individual governments may receive in a single year under the program. Although States and localities with effective programs may receive funds above their initial allocations, their receipt of funding reallocations will have an upper limit. This provision will minimize the incentive for local governments to overstaff or spend funds too quickly in a "grantsmanship" effort to get more funds.

Paragraph (6) provides that any rental rehabilitation grant amounts not obligated by States and localities to specific projects at the end of a fiscal year will be added to funds available for the general allocation in the next year under subsection (b).

The Rental Rehabilitation Program would not require participating governments to submit an application before receiving annual funds. Subsection (c) does, however, require program participants to prepare an annual statement containing a description of their rental rehabilitation programs by December 31 of each year in which activities are being carried out. Copies of the statement would be made available to the public and submitted to HUD.

Subsection (d) contains a series of key program requirements. Paragraph (1) provides that rental rehabilitation grants can only be used to rehabilitate structures which are located in low- and moderate-income areas defined and designated by the grant recipient and which are to be used for residential rental purposes. Paragraph (2) establishes the requirement that all assisted rehabilitation meet the housing quality standards established by the Secretary for the Housing Payment Certificate Program under section 8(d) of the United States Housing Act of 1937. Paragraph (3) establishes the requirement that program funds only cover 50 percent of project rehabilitation costs, as defined by the Secretary. Paragraph (4) prohibits participating governments from imposing special rental limitations on property owners assisted with rental rehabilitation funds. The rental of units in properties rehabilitated under the program would be subject to the same State and local requirements as any comparable rehabilitation undertaken without Federal assistance. This feature is crucial to the cost-efficient, market-based characteristic of the Rental Rehabilitation Program.

Paragraph (5) prohibits owners of structures assisted with program funds from refusing to rent to tenants solely because they are receiving Section 8 rental assistance. Paragraph (6) requires participating jurisdictions, in designing and operating their programs, to require individuals with an interest in the property to be rehabilitated to be personally liable for payment of debts incurred. This provision is designed to encourage an increased sense of owner responsibility for individual assisted projects during and after rehabilitation. It will also tend to encourage program participation by owners with a greater interest in long-term rental income rather than the syndication of tax benefits.

Paragraph (7) prohibits States and localities from using program funds for the costs of administering their rental rehabilitation efforts. Localities and States are expected to use Community Development Block Grant or other public funds to support the administrative costs of operating their rental rehabilitation programs.

Subsection (e) contains provisions relating to State rental rehabilitation programs. Paragraph (1) limits State use of rental rehabilitation resources to jurisdictions and unincorporated areas which do not receive direct allocations under subsection (b). States may either establish their own programs, working directly with property owners in the eligible areas, and/or distribute the resources to individual jurisdictions. In order to give States time to gear up for the program, States would be able to opt not to administer a rental rehabilitation program in fiscal year 1984. HUD will administer the State's allocations during 1984 in any State exercising this option. After fiscal year 1984, States will be expected to assume responsibility for administering their programs.

Subsection (f) gives the Secretary authority to establish by regulation standards for the new program governing relocation payments and other related assistance.

Subsection (g) provides that program participants will be responsible for supporting national historic preservation objectives in their rental rehabilitation efforts, working with State Historic Preservation Officers on any projects where national historic preservation standards cannot be met.

Section 102(b) contains a technical, conforming amendment. Section 102(c) would require program grantees to certify in advance of funding that their programs will be conducted and administered in conformity with applicable civil rights requirements.

URBAN HOMESTEADING

Section 103(a) would authorize $12 million for the Urban Homesteading Program for

fiscal year 1984, and such sums as may be necessary for the program for fiscal year 1985.

Of the $12 million requested, $9 million is expected to be used for the existing Urban Homesteading Program. This represents a program level sufficient to meet anticipated program demand for fiscal year 1984. The remaining $3 million would be used to carry out the Multifamily Homesteading Demonstration Program proposed in subsection (c). If demand under the Multifamily Urban Homesteading Demonstration Program fails to reach the anticipated $3 million level, remaining funds could be used for single family urban homesteading activities.

Subsection (b) contains a series of amendments to permit HUD and the governmental entities carrying out urban homesteading programs to charge consideration in connection with the transfer of homestead properties to the entities and to the ultimate owner-occupants. Existing law requires HUD to transfer properties to local entities without payment, and requires conveyance of the property to the homesteader to be "without substantial consideration."

These amendments recognize the fact that free transfer is not always necessary to successful homesteading. Thus, HUD would be given discretionary authority to set a transfer price for individual homesteading properties at a level conducive to attracting homesteaders, while at the same time stretching scarce Federal resources over more homesteading properties. States and localities would be free to charge whatever consideration they deem appropriate for these properties, subject to the requirement that half of their "gain" would have to be refunded to HUD.

Subsection (c) would authorize HUD to demonstrate the feasibility and desirability of using a variety of homesteading and related techniques to encourage the reuse of HUD-owned multifamily properties for primarily residential use, in which the dwelling units would be under a cooperative or condominium form of ownership. The Secretary would transfer suitable properties to the State or local government, which would be responsible for managing the disposition and rehabilitation of the property at the local level. The transfer would include such terms and conditions as would be agreed between the Secretary and the responsible agency, including the right of the Secretary to assure that such use in fact occurs. The program would concentrate on the transfer of properties with approximately 30 units.

The program would be designed to spur local interest in dealing with deteriorated multifamily housing stock in creative and innovative ways. Among other things, HUD would encourage new approaches to multifamily homesteading, such as "condosteading." "Condosteading" would permit homesteaders to build equity, and could be used to encourage people of middle income to invest and live in deteriorated buildings and neighborhoods. HUD would also encourage creative financing techniques for rehabilitation, which would result in the maximum leverage of public funds.

The Budget assumes participation by up to 15 localities and the transfer of at least 15 properties, with an average acquisition price of $200,000 (30 unit properties at $6,500 per unit average). Since the Department intends to vary the level of subsidy for property acquisition by requiring a down payment or equity commitment by the homestead entity, the total number of transfer could increase by as much as 50 percent.

Finally, the proposal would authorize the use of homesteading funds for technical assistance in connection with the demonstration program consistent with current authority under the single family Urban Homesteading Program.

STATE SMALL CITIES PROGRAM

Section 104 would make a number of changes in the CDBG Small Cities Program. Subsection (d) would amend section 106(d) of the Housing and Community Development Act of 1974 to mandate State administration of the Small Cities Program beginning in fiscal year 1984. Present law allows States to assume administration of the Program on an optional basis for each fiscal year.

Only two to five States are expected not to administer the Small Cities Program in fiscal year 1983. In fiscal year 1984, the number electing not to administer will probably be the same or smaller. This small number does not justify the considerable expense of maintaining a separate Federal structure of rules, requirements and oversight. Consistent with the Administration's Federalism policies, this proposal would give the sole authority for running the Program to the States. In order to provide an orderly transition to State administration, subsection (d) would permit HUD to continue administering amounts allocated for States from pre-fiscal year 1984 appropriations in States that elected HUD administration of their programs for fiscal year 1983. Amounts which were not obligated by January 1, 1984, however, would be added to the State's amount for fiscal year 1984, or where the State is not participating, to the amount for all States in the next year. These proposals are consistent with the approach proposed by the Department in the 1981 revision of the CDBG Program.

Subsection (d) would also make two changes in the system under which block grant funds are reallocated in the Small Cities Program. Under present law, there is no need for reallocation of State amounts where the State does not elect to participate or otherwise fails to meet the requirements for State administration, since HUD will administer the funds. Existing law does provide, however, that any amounts which become available as a result of HUD administrative sanctions against units of general local government within a State are added to the State's allocation for the fiscal year in which the sanctions are imposed. In the event of sanctions against a State, the funds are added to the State's allocation for the succeeding fiscal year.

The changes subsection (d) would make are: (1) any amounts which a State does not receive because it fails to meet the prerequisites for a grant (statement, citizen participation and certification requirements) and (2) any amounts which become available as a result of administrative actions against a State, would be reallocated in the following year on a national basis to all States according to the statutory formula. As in present law, amounts available for reallocation due to administrative actions against "units of general local government" would be added to the appropriate State's amount in the year the amounts become available. However, if the State is not participating, the amounts would be reallocated to all States in the next year.

The first change is a necessary consequence of making State assumption of Small Cities Program mandatory. Since under mandatory State administration, HUD would no longer be in a position to administer the funds for that State, authority is needed to let HUD reallocate such amounts to those States that are participating and can use them.

The second change relates to the current requirement that amounts available due to sanctions against a State be returned to the sanctioned State in the next year. This undercuts HUD's ability to carry out its statutory review and audit responsibilities, and can foster an attitude which encourages fraud, waste and abuse in a State's grant administration. In no case can HUD impose a reduction or termination of the grant to assure compliance with Federal law. HUD can only delay use of the grant until the next year. The proposed change would redress this situation by reallocating sanctioned amounts by formula among all the States in the succeeding year.

No change is proposed in the requirement that amounts available because of sanctions against units of general local government be added to the State amount, since amounts allocated to a State should generally remain there so long as the State is administering its program properly. However, where the State is not participating, HUD could not administer the program and the funds would be reallocated in the next fiscal year to all States.

Finally, subsection (d) would provide that amounts becoming available from grant "closeouts" under the HUD-administered Small Cities Program be added to the State's allocation. Amounts become available in a "closeout" when the project for which the grant was made has been completed and funds remain. No reference is currently made in the block grant statute as to how the reallocation of these funds is to be handled. The Transition Provisions (Section 307 of the Housing and Community Development Amendments of 1982) preserved the availability of all pre-FY 1982 (including closeout) funds until they lapse, and provided for their reallocation under the appropriate authorizing provision. These provisions did not reach FY 1982 and subsequent amounts, however, and the reallocation provisions applicable to them are silent on the question of closeout amounts. This proposal would provide that amounts which become available due to project closeouts be added to the State's allocation.

Subsections (a) and (c) contain technical changes to conform to mandated State administration of the Small Cities Program. Subsection (b) would continue the "buy-in" requirements for State participation in the Program (except for the requirement that States provide funds for community development activities equal to 10 percent of the grant), but would relocate them with the certification requirements of section 104(b) of the Act. Currently States are required to provide, out of their own resources, funds for community development activities in an amount equal to 10 percent of the State allocation. Experience has shown that States consistently meet and often exceed the 10 percent "match" or "buy-in" requirement. Due to the mandatory shift to State administration and consistent with the policy of removing unnecessary paperwork requirements, the 10 percent match requirement would be deleted. Subsection (b) would also eliminate the requirement that the Governor sign the necessary annual certifications. Consistent with current requirements for other title I certifications, this amendment would permit any authorized official of the State to sign the necessary documents.

ELIGIBLE CDBG ACTIVITIES

Section 105 would amend section 105(a) of the Housing and Community Development Act of 1974 to make two changes in the activities eligible for Community Development Block Grant funding. Paragraphs (1) and (2) would make clear that all public facilities, with the exception of buildings for the general conduct of government, are eligible for block grant funding. Title I currently has two provisions dealing with public facility eligibility. Section 105(a)(2) originally purported to be an exclusive listing and contains restrictions on items that are eligible. For example, fire protection facilities are only eligible if they are located in or serve designated community development areas. However, section 105(a)(14), as amended by section 309(f)(5) of the Omnibus Budget Reconciliation Act of 1981, made "public facilities" eligible without restriction.

This proposal would eliminate the restrictions in section 105(a)(2), thus clarifying public facility eligibility. It would also make clear that facilities for the general conduct of government are not CDBG eligible. This exclusion is consistent with general Federal policy excluding general governmental expenses from eligibility for Federal grant assistance, as stated in OMB Circular A-87.

Paragraphs (3)-(5) would make the new construction of housing eligible for funding under the CDBG Program.

At present, new construction is eligible for block grant funding only in limited situations. Grantees can perform certain support functions for developers of new housing, such as providing land at reduced cost. CDBG funds may also be used to construct last resort replacement housing pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, for those displaced as a result of the acquisition of real property for CDBG-assisted activities. In general, however, new construction may only be financed through subgrants to neighborhood-based nonprofit organizations, local development corporations, or small business investment companies, in connection with community economic development, energy conservation and neighborhood revitalization projects.

This amendment would give cities across the country an alternative funding option for the new construction of housing. CDBG grantees would be able to use program funds to provide various forms of assistance to facilitate the new construction of housing. For example, funds could be used to finance "buy-downs" of the mortgage interest rates, to make such innovative planning concepts as mixed-use developments financially feasible, and to make capital grants.

This amendment would result in CDBG recipients having a full range of options in using CDBG funds to meet the need for housing in their communities, whether it involves rehabilitation of the existing stock or new construction. The decision to finance or otherwise assist newly constructed housing would be left solely to the discretion of the CDBG recipient. However, as with other CDBG-eligible activities, CDBG grantees would be limited to assisting activities that will benefit low- and moderate-income persons, aid in the prevention or elimination of slums and blight, or meet other community development needs having a particular urgency.

MISCELLANEOUS AMENDMENTS

Section 106 would make several miscellaneous amendments to title I of the Housing and Community Development Act of 1974.

Change Reference to "Office of Management and Budget."

Subsection (a) would amend section 102 of the Act to substitute OMB for the Department of Commerce as the entity which designates Metropolitan Statistical Areas and makes other determinations for purposes of the Community Development Block Grant Program.

This is a technical correction. The responsibility for establishing MSA's and their central cities is now with OMB, as is the responsibility for establishing the criteria for the Secretary to use in determining the extent of poverty. This transfer of functions from the Department of Commerce to OMB was made pursuant to Executive Order 12318, issued on August 21, 1981.

Revised definition of Indian tribe eligibility

Subsection (b) would amend section 102(a)(17) of the Housing and Community Development Act of 1974 to revise the definition of Indian tribe for purposes of the Community Development Block Grant (CDBG) Indian program.

The proposal is needed to clarify that the Department will only make block grant funds available to Indian tribes, bands, nations or Alaska native villages recognized by the Secretary of the Interior as eligible for services because of their status as Indian tribes or Alaska native villages provided that all or part of the land of such tribe or village is held in restricted or trust status by the United States. The same definition is used in the Indian housing grant program contained in section 202 of the proposal.

At present, section 102(a)(17) defines "Indian tribe" in part as any "Indian tribe . . . which is considered an eligible recipient under the Indian Self-Determination and Education Assistance Act. . . ." The determination of eligibility by reference to the Indian Self-Determination and Education Assistance Act (IS-DEA) has created some confusion in the administration of the CDBG Indian program. Confusion has resulted because IS-DEA does not limit eligibility for Federal funding to those Indian organizations recognized by the Secretary of the Interior as having governmental powers, while the CDBG program is directed to entities with such government powers.

The definition of Indian tribes is consistent with the definition currently employed by the Department of Interior and reflects the Administration's efforts to establish a more uniform and equitable policy for Indians. It emphasizes the historical government-to-government relationship between the Federal government and Federally-recognized Indian tribes. Use of the Federal recognition criteria also assures that the process and standards established under laws passed by Congress are applied in a consistent manner to determine eligibility.

Subsection (b)(2) would repeal section 119(n)(2) of the Housing and Community Development Act of 1974 to make one consistent definition of Indian tribe apply to both the CDBG and Urban Development Action Grant (UDAG) Programs.

Statement regarding use of funds in prior year

Subsection (c) would amend section 104(a)(1) of the Act to require grantees in the Community Development Block Grant Program to include in their proposed and final statements information on the use of funds made available in previous years and the relationship of such uses of funds to the community development objectives identified by the grantee. The requirement is limited to funds made available subsequent to the program amendments enacted by the Omnibus Budget Reconciliation Act of 1981.

A cardinal principle of a block grant is the accountability of recipients to their citizens for their performance in meeting program objectives. Section 104(a)(2)(B) currently requires that grantees publish a proposed statement of community development objectives and projected use of funds in such manner as to afford affected citizens an opportunity to comment, among other things, on the grantee's community development performance. However, the statute currently does not prescribe that the content of the statement include a report on previous activities. The amendment is intended to fill this gap and conforms this aspect of the program to the requirements generally applicable to other block grant legislation pursuant to Title XVII of the Omnibus Budget Reconciliation Act of 1981.

Entitlement funding of metropolitan cities and urban counties which form consolidated governments

Subsection (d) would amend section 106(b) of the Act to provide that, in computing the entitlement amount for metropolitan cities and urban counties which have formed consolidated governments, the allocation shall be equal to the sum of the amounts the metropolitan cities and the balance of the consolidated government (treated as an "urban county" for this purpose) would have received if they had not consolidated. The computations would only be undertaken where data are available from the Census Bureau. Further, the amendment would only apply to consolidations which take place on or after October 1, 1983 and only to consolidations which incorporate all metropolitan cities which received an entitlement grant in the year before the consolidation and the entire urban county which received a grant in such year.

The current Community Development Block Grant (CDBG) fund allocation system can serve as a disincentive for local governments (cities and counties) to form consolidated governmental units. As an example, the population growth in the outlying part of the county would probably offset the growth lag in the core city, resulting in little or no growth lag for the consolidated government as a whole. Since population growth lag greatly affects the CDBG formula outcome, this would likely mean the loss of the benefit the metropolitan city would otherwise receive through its lag. Therefore, the grant that a consolidated government would receive would be less than the sum each individual entity now receives. This result discourages consolidations.

The Department believes that the CDBG program fund allocation system should not discourage local decisions to form consolidated governments. The proposed amendment would assure that consolidation would not reduce the total available for the consolidating governments, and, therefore, not be a disincentive.

Reallocation of entitlement funds

Subsection (e) would amend section 106(c) of the Act to provide that funds originally allocated for metropolitan cities and urban counties which are or become available for reallocation would be redistributed on a national basis in the following annual funding cycle to all entitlement cities and counties in accordance with the regular formula allocation process.

Current law requires block grant entitlement funds which become available for real-

location to be reallocated in the next year to other metropolitan cities and urban counties in the same metropolitan statistical area (MSA). To receive amounts, grantees have to certify that they would be adversely affected by the loss of the funds from the MSA. No grantee may receive more than 25 percent of its regular formula grant, and a grantee may not receive funds lost as a result of a sanction against it. Funds for which no grantee in the MSA qualifies are added to the funds available for distribution to entitlement grantees for the next year, and distributed in accordance with the national formula.

The current reallocation provisions raise a number of policy and programmatic concerns. Since the initial allocation to grantees is based on a formula which does not take the location of a grantee into account, it is anomalous for the reallocation formula to require use within the same MSA before reallocating the funds nationwide. Indeed, it makes more sense to reallocate to all other entitlement grantees without first reallocating to other grantees within the same MSA.

In addition, since virtually every grantee can "use" additional funds, the required certification of adverse effect in the MSA has become a pro forma paper exercise. Where more than one grantee in an MSA has lost funds through program enforcement, a percentage of funds lost by one grantee can end up being reallocated to another which has also been penalized, thus making up the funds that grantee lost. The money penalty for inadequate performance becomes difficult to discern in this circumstance. Similarly, even with the 25 percent cap, the amount of funds reallocated to a given grantee can be significant. This bonus amount, however, is not at all linked to the grantee's positive performance (or even to the statutory demographic criteria), but rather to the poor performance of its neighbor.

The present scheme also presents accounting and management problems for HUD. Because of the complexity of the calculations involved, substantial computer time and administrative effort are expanded in the calculation and distribution of these funds.

Amending section 106(c) to provide for national distribution for all reallocated funds, as is now authorized for the left-over funds, would substantially ameliorate these management problems and enhance the fairness of the distribution. This proposal is consistent with that originally proposed by the Department in the Housing and Community Development Amendments of 1981.

The proposal would also delete existing section 106(c)(2), which provides for allocation in accordance with the block grant statute, as it existed before the 1981 Amendments, of grant monies first made available in fiscal year 1981. This provison is now obsolete.

Authority for pro rata increase of entitlement amounts where necessary to assure distribution of all available funds

Subsection (f) would amend section 106(f) of the Act to allow for a pro rata increase of all metropolitan city and urban county entitlement amounts if the formula allocation system fails to distribute all amounts available. This technical proposal is similar to the present pro rata reduction feature, which is applied in the event funds are insufficient to meet formula allocations. Technical changes are also made to this latter provision to clarify its coverage.

The amount of an entitlement grant is determined by a dual formula which consists of population, extent of poverty and overcrowded housing on the one hand, and the extent of poverty, age of housing and growth lag on the other. For each element (except growth lag), the value for each entitlement grantee is divided by the value for all metropolitan statistical areas (MSA's). Since MSA's encompass areas in addition to metropolitan cities and urban counties, the value derived from the sum of the ratios for each formula, considered separately, is always less than 1. It is therefore possible that the sum of all entitlement shares can amount to less than the amount of funds available for allocation to entitlement cities and counties. This possibility can be expected to increase as a result of recent criteria revisions which will incorporate additional nonentitlement areas within MSA's.

This technical change in section 106(f) is proposed in anticipation of such an event, and provides a mechanism to assure allocation of all funds if the need should occur.

Clarification of authority to award cooperative agreements for technical assistance

Subsection (g) would amend section 107(b)(4) of the Act to clarify HUD's authority to award grants, cooperative agreements or contracts to a variety of qualified groups to provide technical assistant to CDBG and UDAG grantees.

A recent opinion of the General Accounting Office (GAO) has clouded HUD's legal authority to award cooperative agreements to many of these organizations. The GAO opinion results from the application of the Federal Grant and Cooperative Agreement Act of 1977 to HUD's technical assistance program. Specifically, GAO found that the statement in the last sentence in section 107(b)(4), that the HUD Secretary can provide technical assistance ". . . directly or through contracts . . ." with certain intermediary groups, takes arrangements between HUD and those groups outside the coverage of section 6 of the Federal Grant and Cooperative Agreement Act of 1977, which prescribes when the use of cooperative agreements is permissible. GAO concluded that the arrangements do not qualify as cooperative agreements because GAO viewed such arrangements only as a substitute for the provision of technical assistance "directly" by HUD staff and, therefore, are primarily for the direct benefit of the Federal Government and only incidentially for the benefit of the grantees.

The Department does not believe that the intent of section 107(b)(4) should be read so narrowly. In order to remove any question, this proposed amendment would clarify HUD's authority to provide technical assistance to such intermediaries in the most expeditious and cost-effective manner, and would facilitate HUD's authority to assist qualified groups to provide technical assistance on a broader basis without designation by the units of general local government being assisted by the group.

Block grant statement submission date

Subsection (h) contains a technical change to section 116(b) of the Act to make clear that the deadline established by the Secretary for submission of statements required by section 104(a) shall be for, but not necessarily in, the fiscal year for which funds are made available. As a general matter, the overwhelming majority of statements are submitted within the same fiscal year for which funds are appropriated. But in a few cases it may be desirable to provide flexibility in establishing the deadline for States and entitlement communities. Such flexibility could be most pertinent in instances where funds are appropriated very late in the fiscal year, newly eligible cities or urban counties are participating in the entitlement mode for the first time, or States are gearing up for initial administration of the Small Cities Program.

Change in designation of small cities of metropolitan areas under 50,000 for UDAG funding purposes

Subsection (i) would amend section 119(i) of the Act to require that central cities in metropolitan statistical areas (MSA's) with populations under 50,000 apply for Urban Development Action Grants from the 25 percent set-aside now reserved for small cities.

At present, small central cities located in MSA's must compete for UDAG funding with cities with populations in excess of 50,000. These smaller cities appear to have had difficulty competing for grants, since they have received only 4 percent of the UDAG funds since the inception of the program. While demand from cities in MSA's has exceeded available resources, applications from small cities historically have fallen short of fully using the 25 percent set-aside.

This proposal would ensure a more effective and efficient use of funds appropriated for the UDAG Program. It would significantly reduce the shortfall of applications for funding out of the small cities set-aside by shifting small central cities to the small cities application pool. In addition, the proposal would make the competition for UDAG funding more equitable by placing cities of similar size and capacity in the same category for funding purposes.

REPEALERS

Section 107 would repeal several HUD community development and related authorities.

Lump sum drawdown authority

Subsection (a) would repeal section 104(g) of the Housing and Community Development Act of 1974. Section 104(g) allows grantees to draw down in a lump sum up to the entire amount designated in their block grant programs for rehabilitiation activities before the funds are in fact needed to finance those activities. The funds are deposited in a revolving loan fund with local banking institutions pending disbursement.

The lump sum provision for rehabilitation is unique in the block grant program and contrary to U.S. Treasury policy which is applicable to all Federal grant programs. That policy attempts to keep to a minimum the lapse of time between the transfer of funds from the U.S. Treasury, to the grantee, and disbursement by the grantee to meet program costs. It is the only provision allowing for drawdown of funds before commitment. While use of the deposited funds must begin within 45 days, the statute prescribes no time limit in which all of the deposited funds must be used. (Under HUD regulations the fund can be used over a period of two years before remaining amounts must be returned to the recipient's letter of credit although a recipient may request an extension beyond the two year period.) Actual drawdown amounts under this provision for 1976 through 1981 are estimated to total between $300 and $400 million. The current advance drawdown system forces the Federal government to borrow funds unnecessarily at high rates of interest

long before their actual need and commitment to eligible projects.

The most frequently cited rationale for having lump sum drawdowns is that they are necessary to achieve private participation, or "leveraging." It was initially thought that allowing communities to draw down large amounts and place the funds in local banking institutions would encourage those institutions to offer more loans at lower interest to finance eligible activities. However, there are about 200 programs throughout the country involving significant private lending institution participation without lump sum agreements. Since the benefit of private participation can be achieved without resort to lump sum agreements, eliminating this feature would potentially save the Federal government millions of dollars in interest.

Revolving loan funds established before the effective date of repeal would continue in effect until expiration, and would continue to be governed by the provisions of section 104(g) as they existed before repeal.

Loan guarantees

Subsection (b) would repeal section 108 of the Housing and Community Development Act of 1974. This section provides for guarantees of notes and other obligations issued by units of general local government or by public agencies designated by such units for financing the acquisition of real property or the rehabilitation of real property owned by the unit of general local government. Termination of this program is consistent with the Administration's policy of eliminating the growing pressure on private credit markets. Any guarantee made by the Secretary under section 108 pursuant to a commitment to guarantee made before the repeal would continue to be governed by the provisions of section 108 as they existed before repeal. Pending loan guarantee applications would not be approved.

Section 312

Subsection (c) would repeal the Rehabilitation Loan Program contained in section 312 of the Housing Act of 1964. This program authorizes direct loans to property owners and tenants to finance the rehabilitation of residential and business properties.

These functions are eligible for funding under a number of existing eligible activities in the Community Development Block Grant Program. For example, section 105(a)(4) includes as an eligible activity the rehabilitation of buildings and improvements, including the financing of public or private acquisition of privately-owned properties for rehabilitation and the rehabilitation of those properties. Section 105(a)(14) provides that block grants may be used, among other things, to finance the rehabilitation of commercial or industrial buildings or structures and other commercial or industrial real property improvements. Finally, section 105(a)(15) allows block grants to be used for a wide range of rehabilitation activities undertaken by neighborhood nonprofit groups, local development corporations and minority-enterprise small investment companies. In addition, special funding for rental rehabilitation is proposed in the Department's Rental Rehabilitation initiative. In light of these existing and proposed authorities, continuation of the Section 312 Program is no longer desirable.

The proposal would, however, retain provisions of section 312 concerning the creation and uses of the program's revolving fund. These provisions would be retained to ensure that funds for servicing and liquidating section 312 loan contracts would be available until September 30, 1984 or until the assets and liabilities of the fund are transferred to the revolving fund for liquidating programs, whichever is earlier. Language to accomplish the transfer of the fund will be included in the Department's proposed fiscal year 1984 Budget. The provision also would make clear that the monies in the revolving fund for liquidating programs may be used for necessary expenses (including the use of private contractors) for servicing (including protection of security) and liquidating section 312 loans.

Surplus land

Subsection (d) would repeal the Surplus Land Program continued in section 414 of the House and Urban Development Act of 1969. Section 414 permits the General Services Administration to transfer surplus Federal real property to HUD and the Department of Agriculture for sale or lease at fair value for use for predominantly low- and moderate-income housing.

Since its inception, this program has been infrequently used. Fourteen properties have been transferred since 1970. Nine additional properties are in the pipeline. This limited activity over such a long period does not justify the costs involved—staff, travel, etc.—in maintaining the program. Moreover, the program is administratively inefficient, since it interjects HUD and FmHA between GSA and the ultimate purchaser/lessee of the property involved.

In addition to repealing section 414, this proposal would permit HUD and FmHA to dispose of surplus property within 120 days after the effective date of this Act if either Secretary had requested GSA to transfer the land prior to the effective date of this Act. This is necessary to assure that adequate time is afforded the Secretaries to complete processing of projects in the pipeline at the time of enactment of the 1984 legislation.

Section 414 presently provides that land conveyed to a private entity will revert to the United States if it is used for other purposes within 30 years (20 years with Federal approval) after its transfer for use as low- and moderate-income housing. The repealer specifically provides that this provision will continue to be in force and effect for all properties transferred pursuant to section 414 to which it applies.

Miscellaneous

Subsection (e) would repeal provisions of the Urban Renewal, Open Space Land and Neighborhood Facilities Programs in order to reduce Federal involvement in decisions which are more appropriately made at the local level.

Paragraph (1) of subsection (e) would repeal section 106(g) of the Housing Act of 1949. This provision requires localities to obtain a transient housing study before an Urban Renewal Plan can provide for the construction of hotels or other transient housing in the Urban Renewal area. The study is to assure that there is a need for this type of housing in the area. This requirement would be deleted, since the decision concerning whether to permit transient housing is one that should be made by local authorities who are most familiar with local zoning and marketing conditions.

Paragraphs (2) and (3) of subsection (e) would eliminate provisions in the Open Space Land and Neighborhood Facilities Programs which prohibit, without Federal approval, the conversion of land or property obtained with assistance under the programs for uses other than those intended at the time the grant was made. These changes would remove cumbersome restrictions and give the locality discretion in determining the appropriate use of its land or property, and would thereby promote the effort to decentralize the decisionmaking process and speed its return to local control. The locality in which the land and/or property is situated is best able to determine what is the most appropriate use of its resources and whether or not a conversion to another use is consistent with its needs and objectives.

Specific provisions to be repealed include:

Section 703(d) of the Housing and Urban Development Act of 1965. This authority prohibits a conversion in the use of neighborhood facilities during a 20-year period following the grant, unless HUD approves the conversion based on the finding that the conversion is in accordance with the then-applicable program of health, recreational, social, or similar community services in the area, and is consistent with comprehensive planning for the development of the community in which the facility is located.

Section 704 of the Housing Act of 1961. This provision prohibits a conversion of open space land to uses not originally approved by HUD unless HUD approves the conversion under regulations requiring findings that (1) there is other comparable land available for substitution; (2) the conversion is needed for orderly growth and development; and (3) the conversion is in accord with the comprehensive plan for the urban area.

Section 705 of the Housing Act of 1961, which requires prior approval by the Secretary of the Interior before open space land involving historic or architectural purposes can be converted for other uses.

The second sentence of section 706 of the Housing Act of 1961, which gives the HUD Secretary general authority to deny approval of the conversion of land for which a grant was made to acquire interests to guide future urban development.

TITLE II—ASSISTED HOUSING

DESCRIPTION OF PROGRAM

The Department's FY 1984 Budget for lower income housing assistance programs consists of the following major elements:

$1.4 billion of budget authority for public housing modernization under the Comprehensive Improvement Assistance Program contained in section 14 of the United States Housing Act of 1937;

10,000 units of section 8 new and substantial rehabilitation for use with the section 202 Housing for the Elderly or Handicapped Program;

120,340 units under the new Housing Payment Certificate Program of this bill, broken down as follows:

(1) 26,000 certificates for the conversion, at the expiration of ACC's during FY 1984, of units now under the current Existing Housing ("Finder's Keeper's") Program. In addition to the 120,340 unit total, 94,000 will be converted as families leave the Finder's Keeper's Program and are to be funded out of contract and budget authority already provided under contract with Public Housing Agencies under the Section 8 Program;

(2) 50,000 incremental certificates to provide additional assisted housing;

(3) 30,000 certificates estimated to be used with the Rental Rehabilitation Program proposed in section 102 of this bill;

(4) 8,340 certificates estimated to be used with the sale of HUD-owned properties and

other properties in default (property disposition);

(5) 5,000 certificates to be available to the tenants of those public housing units to be sold or demolished during the fiscal year; and,

(6) 1,000 certificates for those section 8 new construction and substantial rehabilitation contracts (executed in the early years of the program) that owners choose not to renew at the end of their five-year contract term;

$76 million of budget authority for the Department's proposed Indian Housing Grant Program. $75 million will also be provided for Indian tribes under the CDBG Program;

$436 million of budget authority for amendments to public housing and section 8 units approved in prior years;

the conversion of 5,000 units of section 23 leased housing to the present Section 8 Existing Housing Program;

the conversion of 64,101 rent supplement and RAP (Rental Assistance Payment Program under section 236 of the National Housing Act) units to project-based section 8 existing housing with 15-year terms; and

$75 million of budget authority to assist lower income families in HUD-insured projects and to prevent mortgage defaults.

AUTHORIZATION AND USE OF ASSISTED HOUSING

Section 201 of the bill would provide increased funding authorizations on and after October 1, 1983 for both public housing and section 8 housing, and would repeal section 213(d) of the Housing and Community Development Act of 1974 and certain restrictions on the use of fiscal years 1981 and 1982 authority.

Authorizations

Subsection (a)(1) would amend section 5(c)(1) of the United States Housing Act of 1937 to provide $472,253,443 in additional contract authority on and after October 1, 1983. This amount includes the portion of the contract authority released in the fiscal year 1983 Further Continuing Appropriations Act (P.L. 97-377) ($63,597,741) in excess of contract authority available under section 5(c). No additional budget authority would be provided since amounts previously authorized are sufficient to cover the amount released in the fiscal year 1983 Further Continuing Appropriations Act and meet fiscal year 1984 needs. Subsection (a)(3) would amend section 5(c)(2) of the Act to require the Secretary, of the additional authority approved in appropriation Acts and made available on October 1, 1983, to enter into contracts aggregating at least $70,000,000 for assistance to public housing projects under section 14 for public housing modernization.

Subsection (b) would amend section 9(c) of the Act to provide $1,636,500,000 for public housing operating subsidies for fiscal year 1984. This amount is needed to meet operating subsidy requirements under the proposed fair market rent-based subsidy formula which will become operational in fiscal year 1984. In addition, a $1,350,000,000 authorization is proposed to cover the amount appropriated for fiscal year 1983.

The amount of loan and borrowing authority currently available under section 202 of the Housing Act of 1959 are sufficient to fund the direct loan Housing for the Elderly and Handicapped Program for fiscal year 1984. Therefore, no additional authorization is proposed.

Section 201 would also repeal section 213(d) of the Housing and Community Development Act of 1974 and present provisions of sections 5(c) (2) and (3) and the last sentence of section 5(c)(1) of the United States Housing Act of 1937.

Section 213(d) requires HUD to allocate housing assistance on the basis of the relative needs of different areas and communities so far as practicable, establishes the range of allocations for nonmetropolitan areas at not less than 20 nor more than 25 percent of the total amount of such assistance, limits the reallocation of funds outside States in which they were initially allocated, and specifies the possible uses for the 15 percent reserve retained by the Secretary.

The pattern of funding for housing programs subject to section 213(d) in recent years has been increasingly for purposes for which a fair share formula approach is not practicable. In recognition of this fact, Congressional Appropriations Acts suspended section 213(d) requirements for fiscal years 1982 and 1983. Given this recent experience and the Department's proposed housing assistance program for fiscal year 1984 and beyond, it makes little sense to retain section 213(d). The flexibility needed to administer these programs should not depend on a year-by-year suspension of section 213(d) under the Appropriations Act.

Section 213(d) already exempts the Comprehensive Improvement Assistance Program for public housing modernization from its coverage, and it is inconsistent with most of the proposed uses of the new section 8 Housing Payment Certificate Program under this bill. Conversions of units from other housing assistance programs to the new program and provision of assistance in connection with the Department's property disposition program bear no necessary relationship to an area's relative housing need; thus, these activities should be exempt from section 213(d) allocation requirements. The proposed allocation of 30,000 units in fiscal year 1984 under the Housing Payment Certificate Program for use in the Rental Rehabilitation Program would be governed by a separate allocation process, as described in section 102 of this bill. To the extent an allocation system is needed for 10,000 section 202 units and the 50,000 additional Housing Payment Certificates which are proposed, an equitable procedure could be established administratively.

The present provisions of sections 5(c) (2) and (3) of the 1937 Act impose, among other things, percentage limits on the amount of fiscal years 1981 and 1982 contract authority which can be used for newly constructed and substantially rehabilitated units and for existing units. These provisions, if retained, would apply to funds from those years recaptured in fiscal year 1984 which are proposed to be used to carry out the 1984 program. Since the housing type percentages and other requirements of these provisions were intended to establish funding restrictions on the Department's program in certain prior fiscal years, these provisions are obsolete.

Repeal of these section 5(c) provisions is consistent with congressional action taken in appropriating assisted housing funds for both fiscal years 1982 and 1983. For both years, language was included stating that none of the merged amounts available for obligation was subject to the provisions of sections 5(c) (2) and (3).

INDIAN HOUSING AND COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAMS

The Department is proposing two approaches for providing Indian housing assistance beginning in fiscal year 1984:

1. The Indian Housing Program would involve a combination of grants for newly constructed housing and related infrastructure, FHA mortgage insurance, and, for very low income Indian families, the Housing Payment Certificate Program for rental assistance tied to the new units. Ownership of dwelling units under the program would have three forms, which could be used at the option of the tribe:

The housing could be owned by the tribe (or Indian Housing Authority (IHA)) with a lease purchase agreement with the family;

The housing could be owned by the tribe (or IHA) and the Indian family as co-mortgagors;

A tribe (or IHA) could own and then lease units to households who are eligible for rental assistance.

The total budget authority for this program would be $76 million. It is anticipated that approximately $38 million would be used for housing grants (including related infrastructure) and approximately $38 million for rental assistance. These funds would be available for obligation for a two-year period and then lapse.

2. The Indian Community Development Block Grant Program would be funded from the Secretary's Discretionary Fund under the current Community Development Block Grant Program. Currently, approximately $31 million is being made available administratively for Indian tribes from this fund. This would be increased by $44 million, to $75 million earmarked for Indian tribes. The tribes would have the flexibility to use grants for any eligible CDBG activity, including new construction (as proposed for all CDBG recipients elsewhere in this bill) and related infrastructure.

The Department is proposing these approaches in order to address the unmet Indian housing need in a more adequate and flexible manner. Under this proposal, Indian tribes would compete for funding from both programs and could receive funding from both the Indian Housing Program and the Indian Community Development Block Grant Program. Money received through the Indian Community Development Block Grant Program could be used for all eligible activities, including, but not limited to, new construction. Tribes which were not funded under the Indian Housing Program, but which receive Community Development Block Grant funds, would be encouraged to use their Community Development Block Grant funds for housing activities. This would assure expanded housing development for Indians.

Under both programs, the Indian tribe would apply for the grant, in accordance with procedures established by HUD, and would administer the program, directly or through Indian Housing Authorities (IHA's). Tribes would have wide discretion on how to design proposed programs tailored to their needs within the specific program limits described below. In providing greater autonomy and flexibility, these programs would be an improvement over current assisted housing programs for Indians.

Allocation of funds under both programs would be on a needs formula to each HUD field office with responsibility for the Indian program, similar to the approach now used for the CDBG Indian Program. The field office would then select proposals from eligible tribes based on criteria such as need, capacity, quality of the proposal and past performance.

Basic health, safety and durability standards (such as those established by national

model codes or codes adopted by the tribe for local use) would apply to housing developed under the Housing program. HUD would consider waivers, where appropriate, to respond to remote locations and special cultural and geographic conditions.

The same definition of Indian tribe used for the Community Development Block Grant Program would be used for the Indian Housing Program. See section 106 of the bill for the amendment of the definition for the CDBG Program.

Tribes would be required to report annually to HUD and maintain accounts in accordance with current CDBG requirements for Indians, which include biennial audits.

The Indian Housing Program

The Indian Housing Program involves grants for newly constructed housing and related infrastructure (e.g., water and sewer facilities), FHA insurance under section 203(b) of the National Housing Act, and assistance under the proposed Housing Payment Certificate Program for very low income Indian families. Approximately 1,500 units of newly constructed housing are expected to be constructed and operated using the $76 million of budget authority referred to above.

1. The Indian Housing Grant.—Section 202(a) would authorize grants (estimated at $3.8 million) for the development of new units for the benefit of members of Indian tribes. Tribes would develop their own program taking into account reasonable development costs for the area as well as family income levels. The following limits would apply: (1) grant funds could be used to pay 100 percent of all water and sewer facilities costs and up to 70 percent of other development costs for each unit and (2) in no case could the grants be used to reduce the remainder of the housing development costs below $15,000. The Indian tribe, and the home purchaser, where applicable, would have responsibility for financing the remainder. FHA-insured mortgage loans, family or tribal resources, or other funds could be used.

2. Availability of FHA Insurance on Indian Reservations.—The FHA Mortgage Insurance Program under section 203 of the National Housing Act would be available to insure mortgages covering the portion of the development cost (at least $15,000) not covered by the Housing Grant. Section 331 of the bill would add a new section to the National Housing Act providing that the Secretary may insure mortgages on reservations without regard to limitations relating to marketability of title or other restrictions the Secretary finds are contrary to promoting the availability of FHA insurance. This amendment would make FHA insurance more available to Indian reservations without jeopardizing the trust status of Indian land. It is described in greater detail in section 331 of this legislative program and is a separate provision, which can be used in conjunction with or independently from the Indian Housing Program.

Three additional provisions are proposed for units which receive assistance under the Indian Housing Program and also receive FHA-insured financing:

1. *Construction advances.*—Section 202(b) would add a new section 203(q) to the National Housing Act which would authorize the Secretary to insure construction advances in connection with this program. Such authority under the single family programs is now limited to section 203(k) rehabilitation loans. This authority would facilitate construction of housing on reservations where construction financing is a problem. The Secretary would exercise this authority only when the proposed construction is otherwise acceptable and there is no financing alternative available.

2. *Favorable loan-to-value ratio.*—Because the tribe (or IHA) will own and then lease units (or establish lease-purchase agreements) in some cases, an amendment is appropriate to provide favorable loan-to-value ratios in these cases. The proposed new section 203(q) would permit the tribe or IHA to qualify for the higher loan-to-value ratio which applies in the case of owner-occupants, instead of the limit applicable to non-occupant investor-owners. It should be noted that section 314 of the bill proposes a technical change to the limit now applicable to non-occupant, investor mortgagors.

3. *Reduction of FHA risk.*—To minimize defaults and to reimburse the Secretary for claims against the FHA insurance fund, tribes would be required to:

(a) demonstrate that they have a mechanism for evicting rental families if they do not pay their rent and for substituting other eligible families; and

(b) pledge income from tribal resources (such as tribal businesses and leasing tribal lands), or tribal assets (such as tribal bank accounts), or pledge Federal grants (such as CDBG), to reimburse the FHA insurance fund for any claims paid.

Also, it should be noted that the Department intends to establish actuarially-sound premiums under the program.

3. *Rental assistance under the Housing Payment Certificate Program.*—The third major feature of the program is use of assistance under the proposed Section 8 Housing Payment Certificate Program for eligible families who reside in units developed under the program but are unable to afford debt service and other housing costs even after the capital grant is applied.

The tribe would have the discretion to establish administratively a separate holdback of certificates available for families who enter the program as co-mortgagors or prospective homebuyers and later, due to circumstances beyond their control, become eligible for rental assistance.

Special provisions of the Housing Payment Certificate Program would authorize assistance contracts of 15 years, instead of 5 years. This would coincide with a 15-year FHA mortgage. In addition, an Indian tribe or IHA would be authorized to administer units under the program which it also owns. This is necessary since it is not usually possible to find another public housing agency to administer the units where the tribe or IHA is the owner. Generally in the proposed Housing Payment Certificate Program, PHA's (including IHA's) would not be permitted to administer assistance contracts for units which they own.

To qualify, families (and individuals) would be required to be very low-income families, those with incomes below 50 percent of the median. Section 205(b) would amend the U.S. Housing Act of 1937 to authorize the Secretary to adjust income ceilings for very low-income families higher or lower than 50 percent of area median income where necessary because of unusually high or low family incomes. This amendment is especially important for Indian reservations where there is a very high proportion of families with low incomes. Using the 50 percent of median income formula without adjustment could result in many Indians who are indisputably in need of assistance being above the income limit.

The Indian community development block grant program

Two basic changes from the current program are proposed. First, for all CDBG grantees, including Indian tribes, new housing construction would be made an eligible activity under the program, as proposed in section 105 of the bill. Second, funding available for Indians would be increased by $44 million (from approximately $31 million) to a total of $75 million.

The Indian Community Development Block Grant Program would provide Indian tribes with an additional option for the new construction of housing, in addition to the Indian Housing Program described above, with the same flexibility otherwise applicable to the CDBG Program. Tribes would be able to use community development block grant funds to provide various forms of assistance to facilitate the new construction of needed housing. For example, funds could be used to finance "buy-downs" of the mortgage interest rates, to provide water and sewer facilities, or to make capital grants.

Tribes would continue to be able to use these grants to fund all of the activities currently eligible under CDBG such as rehabilitation, economic development, water and sewer systems and various public improvement efforts. In short, tribes would have a full range of options in using community development needs. The decision to finance or otherwise assist newly-constructed housing would be left solely to the discretion of the participating tribes.

PAYMENTS FOR OPERATING AND REPLACEMENT COSTS OF PUBLIC HOUSING PROJECTS

Section 203(a) would amend section 9 of the United States Housing Act of 1937 to incorporate a formula for funding the operating costs and replacement needs of public housing projects on the basis of the cost of providing standard quality rental housing in the private market.

As currently in effect and as proposed to be amended, section 9 authorizes the payment of operating subsidies for the operation of lower income housing projects for the purposes of assuring the lower income character of such projects and achieving and maintaining adequate operating services and reserve funds. As currently in effect, section 9 provides that for the purpose of making such payments, the Secretary shall establish standards for costs of operation and reasonable projections of income, taking into account the character and location of the project and characteristics of the families served, or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operation of a prototype, well-managed project.

Since 1975, the Department has funded operating subsidies in accordance with a Performance Funding System (PFS) based almost entirely on historical spending levels subject to no external standards. In general, the more public housing agencies spent for operations, the higher amount of future subsidy the formula produced. The Performance Funding System formula did not fulfill the statutory expectations regarding standards based on costs for providing comparable services.

The Omnibus Budget Reconciliation Act of 1981 directed the Secretary to review the operating subsidy formula, including "alternative methods for distributing operating subsidies which provide incentives for efficient management, full rent collection, and improved maintenance of projects." Pursu-

ant to this directive, the Secretary delivered a report to Congress in May 1982 regarding Alternative Operating Subsidy Systems for the Public Housing Program. This proposal is an outgrowth of that review and report.

Under the proposal, the amount paid to each public housing agency would be based upon the fair market rents for the market area determined for the Section 8 Existing Housing Program (or, upon adoption of the Section 8 Housing Payment Certificate Program contained in section 204 of this bill, the payment standards determined for purposes of that program). The use of such an external standard would more nearly conform to the expectation of the current statute by assuming that the level of Federal support for the efforts by locally constituted agencies to provide and maintain decent, safe, and sanitary housing for lower income families is subject to some effective constraint which, while recognizing inflation of costs of housing maintenance in local markets is not undermined by inefficient management practices of the supported agencies themselves. At the same time, more specific incorporation of the formula itself in the statute will increase the predictability of the flow of adequate subsidies from year to year.

The funding formula, which would provide for a single payment to include both operating funds and a replacement allowance, would be calculated as follows:

Each public housing agency would receive an amount comparable to the sum of the existing housing fair market rents in the area (or, upon enactment, payment standards) for its units, based on bedroom sizes, less other income sources to the agency including projected tenant rental income and debt service reimbursements pursuant to annual contributions contracts under section 5 of the 1937 Act. The statute would authorize appropriate adjustments in the formula to take account of factors such as the characteristics of families served, costs associated with types of housing not comparably represented in the private market (e.g., high-rise family projects), and the extent to which actual debt service reimbursement levels may exceed typical debt service requirements in the private market due to historic factors such as land costs or more recent construction periods. The formula would provide for annual adjustment of the subsidy level based on revision of the fair market rents (or payment standards) in the area.

For public housing agencies for which the fair market rent-based formula would yield a higher subsidy level than the Performance Funding System calculation for 1984 (after adding to such calculation an amount for replacement allowance), the proposal provides an alternative subsidy level equal to the PFS amount plus a replacement allowance. In subsequent years, the 1984 funding level will be increased by an amount corresponding to the increase in fair market rents in the area. The Department anticipates that, for purposes of this determination, it will calculate the replacement allowance amount as equal to 20 percent of historical non-utilities operating expenses.

The proposal also provides that in the first year of funding under the fair market rent formula, funds available for operation and a replacement allowance may not be less than 95 percent of the total funds that would have been available to the agency under the Performance Funding System, after addition of amounts for replacement allowance as described above and rent payable by tenants. Similar phased reductions would occur in subsequent years until the fair market rent formula level is reached.

The amendment requires that the subsidy formula prescribed by the Secretary be adopted through rulemaking proceedings.

The proposal grants discretion to the Secretary to fund certain public housing projects outside the new formula-based system. These exceptions include section 23 leased housing, public housing homeownership opportunity programs, Indian housing, and projects in the Virgin Islands, Puerto Rico, Guam, and Alaska.

The proposal would also clarify, consistent with the original Congressional intent, that amounts authorized under section 9 of the 1937 Act will only be paid where the public housing agency has executed an annual contributions contract or contract amendment which provides that no disposition of the public housing projects under such contract may occur during and for ten years after the period when assistance is paid under section 9.

Section 203(b) repeals section 9(d) of the United States Housing Act of 1937. Section 9(d), added by the Housing and Community Development Amendments of 1979, requires the Secretary to allocate excess operating subsidy funds to public housing projects which incur excessive costs beyond their control, which could not reasonably be anticipated when the initial subsidy allocation was made. Since the Performance Funding System is a cost-based system, requiring cost projections to determine subsidy levels, it was considered appropriate to use appropriations in excess of the funding formula for unanticipated costs.

Under the proposed operating subsidy system, which is based on existing housing fair market rents (or, upon enactment, payment standards) for various locations and unit sizes, anticipated PHA costs are no longer a factor in determining the amount of operating subsidy received by a PHA. The year-to-year increase in funding levels for PHA's will be based on increases in private market rents. Therefore, there is no need to adjust subsidy levels for "unanticipated costs."

SUNSET ON THE COMPREHENSIVE IMPROVEMENT ASSISTANCE PROGRAM

Section 203(c) would prohibit the Secretary from entering into additional contracts for assistance under the Comprehensive Improvement Assistance Program (CIAP) after September 30, 1987, using authority approved in appropriation Acts for fiscal year 1988 and later fiscal years. After that date, the Department intends to execute contracts only for amounts previously reserved for a PHA.

This provision will define a four-year transition period of modernization activity to permit PHA's to rehabilitate their units, in preparation for successful operation within the new funding system in which capital costs are no longer separately funded under a categorical grant program.

In section 203(a) the Department has proposed a new operating subsidy system for public housing which, among other features, includes a replacement allowance adequate for future capital improvement needs, after the inventory has been brought up to an adequate level of housing quality and energy efficiency. In the funding formula, all PHA's will receive either an explicit replacement allowance in addition to the operating subsidy they would have received under the current funding system (the Performance Funding System) or a Fair Market Rent-based operating subsidy which, by providing the level of operating funds equivalent to rents received by owners of private rental dwellings in the community, implicitly provides a replacement allowance. PHA's will begin receiving the replacement allowance in FY 1984 and will be able to invest it for future capital costs or to use it for current maintenance or capital needs. Section 203 (a) and (c) together will permit PHA's to shift from a categorical grant approach, in which it was necessary to focus on obtaining resources on a project-by-project basis, to managing a pool of known resources to rehabilitate and render cost-effective their total inventory.

Because the replacement allowance is designed to meet only future capital expenses of units that enter the new funding system, it is necessary to provide CIAP funds for the FY 1984-1987 transition period to permit PHA's to bring the units to an adequate level of housing quality and energy efficiency.

Because the replacement allowance is built into the operating subsidy system, it is appropriate to establish a "sunset" on the CIAP program. The "sunset" will establish a fixed period within which transition modernization must be planned and funds appropriated.

SECTION 8 HOUSING PAYMENT CERTIFICATE PROGRAM

Section 204 would amend section 8 of the United States Housing Act of 1937 to create a new component under the Section 8 Existing Housing Assistance Payments Program intended to serve as the cornerstone of HUD's future assistance to needy households.

These amendments draw upon HUD's experience with the Experimental Housing Allowance Program (EHAP), and would improve upon the present Section 8 Existing "Finder's Keeper's" Program in several important respects. Instead of providing maximum rent ceilings based upon published Fair Market Rents (FMR's), a "payment standard" would be used, based on the rental cost in a particular area of modestly priced standard housing of various sizes and types. This standard would be used, in combination with appropriate data about family income and composition, to determine the Federal subsidy amount to be provided.

A family would be permitted to rent above the payment standard amount, but would not receive additional subsidy when it did so. At the same time, a family also would be permitted to rent below the payment standard amount (provided that the selected unit met prescribed housing quality standards) without reduction of the subsidy amount (subject to a minimum rent). The program thus contains a "shopper's incentive" which serves both to contain the inflationary impact on rents that is experienced in the current program and, more importantly, to permit assisted families the similar range of choice between housing and other needs that they would exercise if utilizing only their own money.

Payment standard

The absence of a maximum rent provision would have several beneficial effects:

Increased opportunities for families to improve their housing and neighborhoods. Although housing markets are complex, in general the price of rental housing can be viewed as a continuum reflecting quality and location. The present role of FMR's severely limits the opportunities families have to improve their housing and neighborhoods. Without a rent ceiling, families

would be able to choose units in neighborhoods with less concentration of low-income residents, furthering the legislative goal of promoting economically mixed housing and the Departmental goal of increased opportunity for all people to live where they choose.

In the EHAP, which also did not have a rent ceiling feature, over half of the participating families chose units above the equivalent of FMR and paid the additional cost themselves. Families who are willing to forego other consumer items in order to live in better units or in better neighborhoods should be permitted to do so.

Greater equity among eligible families. Many very low-income families are now living in housing which costs more than the FMR for Section 8 Existing housing. The rent ceiling feature excludes these families from participating in the present Section 8 Program, ironically, because of the high value they place on housing. (The section 8 research program has found that a few families do downgrade their housing in order to get within the FMR.)

Easing pressures on FMR's. In the EHAP, rents of units followed the rents in the market at large. In the Section 8 Existing Housing Program, however, there is a heavy concentration of rents near the FMR. There are several reasons for the concentration, but a major cause is the search for units in the narrow band of housing just under the FMR. Another reason is the perception that if a unit is in the program it can be rented at FMR, even if it was previously rented below it. In a survey of Section 8 landlords, many stated that they raised their rents to meet the FMR. Without a "shopper's incentive"—a provision that families can keep the savings if they rent below the FMR—there is no reason for the family to object to the landlord's decision to set the rent right at the FMR. All of these factors have the effect of pushing rents in the program up to FMR.

Because rents are pushed up to FMR, or even above FMR's to the maximum exception rent, and because the effect of the ceiling is to exclude units above this limit from the program, the present system creates constant pressures for raising FMR's, or for authorizations to use exception rents.

Comparisons of rent changes for EHAP and Section 8 Existing Housing Program recipient families that do not move demonstrate the difference a ceiling makes. These families in Section 8 experienced an increase of 8 percent in rent. In EHAP, without the ceiling, similar families' rents increased on average less than 2 percent.

Subsidy formula

Under the new program, the typical monthly assistance payment available for a family would be the amount by which the area's payment standard exceeds 30 percent of the family's monthly adjusted income. This amount would vary only in the case of two "minimum rent" provisions. First, in no case may the assistance payment be more than the amount by which the actual rent for the dwelling unit (including amounts allowed for separately metered utilities) exceeds 10 percent of the family's income. Second, the assistance payment may not exceed the amount by which the lower of the actual rent for the dwelling unit or the payment standard exceeds the shelter component of a family's welfare grant, in those States where the shelter component is adjusted in accordance with actual housing costs.

For an example of the typical payment calculation, assume a payment standard of $300 and a family with an adjusted monthly income of $400. Deducting $120 (30 percent of adjusted income) from the payment standard would provide the family with a maximum subsidy of $180 a month ($300–$120=$180). This $180 would be the actual subsidy payment, unless one of the "minimum rent" provisions produced a lower figure.

The following section of the bill pertaining to tenant rents and contributions establishes the method by which this subsidy formula and other factors will be implemented.

PHA administration

The program would be administered by the public housing agencies which currently administer the Section 8 Existing Housing Program. These agencies include local housing authorities which also own public housing units, as well as State and regional agencies, Indian housing authorities, and a number of other local public entities.

Tenant eligibility

Under the new program, initial eligibility would be limited to households with incomes at or below 50 percent of area median family income. This requirement is in keeping with the targeting of assistance to families with the most urgent need for housing assistance. However, an important exception is provided for families previously assisted under the U.S. Housing Act of 1937 as well as families with incomes between 50 and 80 percent of area median who enter this program from a program under section 101 of the Housing and Urban Development Act of 1965, the National Housing Act, section 202 of the Housing Act of 1959, section 312 of the Housing Act of 1964, or any other provision of law, where appropriate, as determined by the Secretary. Such families would include, among others, those displaced from public housing projects subject to demolition and from subsidized insured projects acquired by the Secretary and subsequently sold, as well as households converted from the Section 8 Existing Finder's Keeper's Program to the Housing Payment Certificate Porgram. Without certificate assistance, these households would be forced to move or pay higher rents because of actions taken by the Department or by owners of rental housing under the terms of Federal contracts, so it is appropriate that eligibility for assistance be extended to them. However, for some such families, alternative assistance may be provided; for example, a tenant of a public housing project subject to demolition may move to another public housing project.

Families would continue to receive certificate assistance until such time as income increased to the point where the subsidy was zero (i.e., until 30 percent of their income or a minimum rent was as great as the payment standard), or until the end of the annual contributions contract term, whichever came first.

Dwelling units

Families qualifiying for assistance under the program will be able to select housing from among the existing private rental stock. In some circumstances, the family's initial receipt of a certificate may be based upon current occupancy of a particular housing unit. For example, in the Rental Rehabilitation Program, eligible families residing in units being upgraded or rehabilitated with Federal assistance will receive certificates. In such circumstances, the family may continue to occupy the same unit, receiving the benefit of the certificate and its subsidy. However, such a family would not be required to continue to occupy that unit as a condition to the receipt of its certificate. The certificate could be used in connection with that unit, or for any other standard unit the family chooses.

The unit selected by the family would be subject to an initial inspection to assure that it met housing quality standards established by the Secretary, before any subsidy assistance could be provided under the program. Subsequent inspections would be made at least annually to assure that the unit continues to meet such standards; otherwise the subsidy would be discontinued unless the family moved or the necessary repairs were made.

Conversions

Assistance under the current Section 8 Existing Housing Finder's Keeper's Program would be converted to the Housing Payment Certificate Program in the following ways. First, conversion of assistance would take place when assisted tenants leave the current program and new families enter. Second, tenants that remain in the program would be converted to housing payment certificates upon the expiration of the applicable annual contributions contract (ACC). It is anticipated that all new ACCs providing Section 8 Existing Housing subsidies beginning in Fiscal Year 1984 will be under the Housing Payment Certificate Program, except for Existing Housing subsidies in connection with section 23 and "project-based" Rent Supplement and Section 236 Rental Assistance Payment (RAP) conversions and with the Indian Housing Program under the bill.

Specific Amendments

Section 8(c) is proposed to be amended to retain most of the features of the current Section 8 Program authority intact, but aspects of that authority formerly contained in section 8(d) have been merged into subsection (c) as well. Thus, subsection (c) would describe program elements which pertain to assistance contracts based upon a maximum monthly rent, while subsection (d), completely revised, would describe the Housing Payment Certificate Program.

Proposed section 8(c)(8) (which has the same designation under current law) has been amended to clarify that the requirements of that paragraph apply only to newly constructed or substantially rehabilitated section 8 units. This was in fact the original intent of the provision, as made clear by the Conference Report on the Housing and Community Development Amendments of 1981.

Proposed sections 8(c)(9) and (10) set forth the program requirements applicable to Section 8 Existing assistance contracts which were formerly contained in section 8(d) of the United States Housing Act of 1937, with the following two changes: (1) in proposed section 8(c)(10)(A), the phrase "used by the owner" has been deleted in reference to tenant selection criteria since under the Section 8 Existing Housing Finder's Keeper's Program, the public housing agency applies the preferences in determining which tenants will be accepted into the program, and (2) in recognition of the importance of tenant rent burden as a factor in determining the most urgent need for housing assistance, proposed section 8(c)(10)(A) would also require that tenants who are paying more than 50 percent of their income for rent be given preference for selection for such assistance. Although

such families do not occupy substandard or overcrowded housing, their need for assistance is also great because they have sacrificed other goods and services to pay an extremely high proportion of their income to obtain decent housing.

Proposed section 8(c)(11) sets forth current authority for PHA's, with the approval of the Secretary, to administer assistance contracts for units they also manage on behalf of owners.

Proposed new subsection (d)(1) requires the Secretary to establish payment standards (based on dwelling size and type) for different market areas, and states that these standards shall be used to determine the maximum monthly assistance which may be paid for any family. The payment standards will be established periodically, but not less than annually. Payment standard levels will be designed so as to assist families in securing decent, safe and sanitary housing, while providing assistance to the greatest possible number of families.

Payment standards (and fair market rents in section 8(c) as proposed to be revised) are required to be published in the Federal Register. However, the proposal would not make the determination of these amounts a "rulemaking." While the Department may well find it necessary to consult with the public concerning the appropriate level of FMR's and payment standards, these are essentially fact-based determinations which should be adjustable, as appropriate, to meet economic exigencies, rather than being subject to the delays occasioned by publication for comment.

Proposed revised section 9(d)(2) sets out the basic formula for determining the assistance to be made available for a family renting a unit under the Housing Payment Certificate Program. The formula provides that the monthly assistance payment shall be the amount by which the local payment standard exceeds 30 percent of the family's monthly adjusted income. However, this formula is subject to two "minimum rent" provisions which assure that a significant contribution toward the cost of the dwelling is made by the assisted family. First, the assistance payment amount may not exceed the amount by which the actual rental cost (rent to the owner plus allowances for utilities paid directly by the tenant, if any) exceeds 10 percent of family income.

Second, if the family is receiving welfare assistance, and a part of its assistance is designated for the family's housing costs and adjusted according to the actual rent ("welfare rent"), the monthly assistance under this program may not exceed the amount by which the lower of the actual rent for the dwelling unit or the payment standard exceeds the family's welfare rent. This provision encourages such welfare tenants to choose units within the payment standard (since no assistance will be given toward rental costs above that level) and limits certificate assistance to the actual rental costs paid by the tenant above and beyond the welfare rent. This special treatment will affect only welfare tenants in the nine "as-paid" States which designate a portion of welfare assistance for housing and adjust the amount according to actual rental costs, and is necessary to achieve the objectives of the two programs.

Adjustments in the amount of tenant assistance payments will be made on an annual basis according to changes in the family's income and other circumstances. The PHA's also will have discretion to adjust the assistance payments according to changes in the payment standard. Because no additional funds will be provided to make adjustments increasing the amount of assistance payments, PHA's may choose to restrict the total number of households served over the life of the program in order to retain available amounts sufficient to cover such adjustments. However, it is expected that PHA's will be able to cover such adjustments by delaying for a time the reissuance of certificates which become available through normal tenant turnover.

Proposed revised section 8(d)(3) provides that only families determined to be very low-income (i.e., at or below 50 percent of area median) may qualify for assistance under the Housing Payment Certificate Program, unless the family previously received assistance under the United States Housing Act of 1937 or is a lower-income family that previously participated in programs under section 101 of the Housing and Urban Development Act of 1965, the National Housing Act, section 202 of the Housing Act of 1959, section 312 of the Housing Act of 1964, or any other provision of law, where appropriate, as determined by the Secretary. Preference is required to be given to families which, at the time they are seeking assistance, occupy substandard housing, are involuntarily displaced, or are paying more than 50 percent of income for rent. The first two of these preference criteria are already included for housing assisted under the United States Housing Act of 1937. The 50 percent of income for rent preference criterion is proposed for addition as a new statutory preference, in recognition of the fact that rent burden is a factor to be considered in determining those most in need of housing assistance.

However, proposed subsection (d)(4) would authorize the Secretary to override these three normally applicable preference criteria for special purposes. Thus, the Secretary under the Housing Payment Certificate Program could use certificates for (1) families who previously were assisted under the Public Housing or present Section 8 Programs under the United States Housing Act of 1937; (2) families who previously participated in programs under section 101 of the Housing and Urban Development Act of 1965, the National Housing Act, section 202 of the Housing Act of 1959, section 312 of the Housing Act of 1964, or any other provision of law, where appropriate, as determined by the Secretary; (3) families residing in units to be rehabilitated under the proposed Rental Rehabilitation Program; and (4) families whose certificates are funded under the Indian Housing Program under section 202 of the bill.

Subsection (d)(5) provides for "vacancy payments" in the program. Payments for vacant units would be limited to the remainder of the month during which the tenant leaves the unit.

Under subsection (d)(6), Housing Assistance Payments Contracts under the Housing Payment Certificate Program would be limited to a term of five years or less.

Under subsection (d)(7), PHA's would be required to inspect a unit selected for occupancy by a family holding a certificate, to determine that the unit met housing quality standards set by HUD before any assistance payment could be made. Thereafter, the contract would require annual or more frequent housing quality standard inspections by the PHA during the contract term. If a dwelling unit failed inspection, no assistance payment could be made unless the failure was promptly corrected and the PHA verified the correction.

Under subsection (d)(8), where the amount of the maximum annual commitment under an ACC exceeds the annual amount required for assistance payments, the Secretary would have the authority to reserve the excess amount for assistance payments in following years.

Proposed subsection (d)(9) would authorize the Secretary to provide certificates in connection with dwelling units assisted under the Indian Housing Program under section 202 of the bill, with two variations. With the approval of the Secretary, an Indian tribe or housing authority could administer assistance contracts for units it owns. Instead of a five year maximum contract term, a fifteen year contract could be used. These two variations are necessary to facilitate use of the program in connection with the Indian Housing Program described in section 202.

Section 204(d) revises section 8(j) of the United States Housing Act of 1937 which authorizes special terms and conditions for section 8 assistance to families renting manufactured home spaces or manufactured homes and spaces to accommodate a certificate program for such units.

Section 204(e) requires that tenants be given preference for assistance under the Public Housing Program, the Section 8 New Construction and Substantial Rehabilitation Programs, and the Rent Supplement Program if, at the time they are applying for assistance, they are paying more than 50 percent of income in rent. Pursuant to the Housing and Community Development Amendments of 1979, applicants for units in these programs must receive preference for such assistance if they occupy substandard housing or are involuntarily displaced. Section 204(e) is consistent with the purpose of the 1979 preference critieria which is to give special consideration to those who have the most urgent housing needs. This provision will also make these preference criteria for the Public Housing Program, the Section 8 New Construction and Substantial Rehabilitation Programs, and the Rent Supplement Program consistent with the criteria to be used in the Section 8 Existing Program and the Housing Payment Certificate Program, as described above.

AMENDMENTS AFFECTING TENANT RENTS OR CONTRIBUTIONS

Section 205 proposes certain changes affecting tenant rents or contributions and the gradual implementation provisions of the Omnibus Budget Reconciliation Act of 1981, including changes occasioned by the proposed Housing Payment Certificate Program amendments contained in this bill.

Annual review of family income

Subsection (a)(1) would move the requirement for annual review of family income to section 3(a) of the 1937 Act, to make the same annual recertification requirement applicable to all units assisted under the Act, including the new Section 8 Housing Payment Certificate Program.

Exemptions from the section 3(a) rent formula

Subsection (a)(2) would revise section 3(a) of the 1937 Act to provide exemptions from the rent payment formula set forth in that section for families participating in the Section 8 Housing Payment Certificate Program or in the public housing homeownership programs.

In the case of the Housing Payment Certificate Program, a similar, but not identical, formula for determining assistance

levels is set out separately in a proposed revised section 8(d)(2) of the 1937 Act. Certificate holders under the program will pay "rent" at levels higher or lower than those provided for in section 3(a), depending upon the price of housing selected by those families and the amount of subsidy produced by application of the payment standard formula.

For the public housing homeownership programs, the revisions to section 3(a) give the Secretary the discretion to permit families participating in public housing homeownership programs to pay a greater portion of their income for rent than is currently allowed under that section.

The Department's two main public housing homeownership programs are the Mutual Help Homeownership Opportunities Program and the Homeownership Opportunities Program for Low-Income Families (Turnkey III). The former program, limited to Indian Housing Authorities, is already exempt from the limitations imposed by section 3(a) pursuant to the provisions of section 203 of the Housing and Community Development Act of 1974. The Turnkey III Program is operated by public housing agencies (PHAs) and Indian Housing Authorities. There are also a few PHA demonstrations involving lease-purchase or other homeownership arrangements.

The primary objective of these homeownership programs—to provide eligible lower-income families with an opportunity to buy a home—is facilitated through a variety of means. Initially, participation is limited to those families which evidence a genuine potential for assuming the full obligations of homeownership. Upon admission to the Turnkey III program, the prospective homebuyer must execute an agreement with the PHA. The agreement gives the homebuyer an option to buy the home and sets forth conditions which must be met as a prerequisite to homeownership status. Currently, when the required monthly payments under the agreement would exceed the amount permitted by section 3(a), the prospective homebuyer is subject to removal from the homeownership program and loss of homebuyer status, thus reverting to PHA regular renter status.

The exemption would permit homebuyers whose required payments would exceed the section 3(a) limit to choose whether to pay the full amount and remain in the homeownership program. Those who prefer not to make the larger payment would be able to leave the homeownership program and transfer to PHA regular renter status.

Exemption from section 3(a) would serve to preserve homeownership opportunities for those lower-income families who would prefer to make monthly payments which exceed the section 3(a) rent cap in order to protect their equity and to continue to receive the benefits of potential homeownership. Moreover, it would be consistent with the Housing Payment Certificate Program contained in this bill, under which certificate holders could choose to pay more than the section 3(a) amount for rent.

Variations in tenant income ceilings

Subsection (b) would amend section 3(b) of the 1937 Act to permit the Secretary to establish income ceilings higher or lower than 50 percent of median on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes. The Secretary already has this adjustment authority for establishing income ceilings higher or lower than 80 percent of median, and comparable authority at 50 percent of median is appropriate, especially in light of the shift in emphasis toward assistance for very low-income families in all programs and the fact that the Housing Payment Certificate Program proposed in section 204 would restrict assistance for new housholds to those with very low incomes.

Implementation of tenant rent increases

Section 322(i) of the Omnibus Budget Reconciliation Act of 1981 gives the Secretary discretion to provide for the gradual phase-in of the rent increases (from 25 to 30 percent of adjusted income) for tenants receiving assistance when that Act became effective. Rent increases resulting from this phase-in, other changes in the 1981 Act and changes in Federal laws dealing with what benefits must or may be counted as income for housing assistance purposes are limited by section 322(i) to 10 percent a year.

Subsection (c) of this section would amend section 322(i) in several ways. In section 322(i)(1)(A), it would do the following: First, it would raise the limit on rent increases from 10 percent a year to 20 percent in order to permit a more rapid phase-in of the changes enacted in the 1981 legislation. Second, it clearly specifies the tenants protected by this section as those occupying housing assisted under the United States Housing Act of 1937, section 236 of the National Housing Act and the Rent Supplement Program on or before the effective date of regulations implementing the 1981 amendments. Third, the proposed 20 percent cap on rent increases for these tenants would be extended to include changes made with respect to homeownership opportunities programs, as described above, for tenants in occupancy on or before the effective date of regulations implementing those amendments.

Proposed section 322(i)(1)(B) would make the 20 per centum limitation in subparagraph (A) also cover increases in rent or contribution, as defined by the Secretary, for tenants converted to the new Housing Payment Certificate Program from the Section 8 Existing Finders Keeper's Program (where the tenant selects the unit) so long as assistance under the new program is for occupancy of the same unit, and would assure continued protection from such increases that result from the phase-in of 1981 amendments for all previously assisted families that convert to the Housing Payment Certificate Program from other programs under the United States Housing Act of 1937, section 236 of the National Housing Act, or section 101 of the Housing and Urban Development Act of 1965.

This provision is needed to protect families from any large percentage increases in rent or contribution that might occur from the combined effects of the 1981 Act amendments, the change to the different rent formula and the conversion from the fair market rent (FMR) system to the payment standard system. Changing to the payment standard system could affect previously assisted tenants even though fair market rents and the planned payment standards are expected to be the same amounts. This is true because tenants already under the fair market rent system have been eligible for exception rents and annual contract rent adjustments which are not subject to FMR limits. Units occupied by such tenants may have current rents much higher than the payment standard.

The revised sections 322(i)(1)(A) and (B) would protect tenants against burdensome increases in the amount of their rent or contribution, while assuring that statutory rent formulas are implemented on a timely and equitable basis. In particular, the proposed 20 percent cap would facilitate the correction of certain disparate rent levels among public housing tenants caused, in large part, by pre-1981 rent ceilings established by public housing agencies under the public housing program. A 1979 survey of public housing households determined that families with annual incomes above 50 percent of area median income were paying, on average, less than 18 percent of net adjusted income to rent—in contrast to 22.6 percent of adjusted income paid, on average, by all other public housing families. This inequity can only be corrected during the five-year phase-in period if the rent cap is increased from 10 to 20 percent. Otherwise, at the end of five years, many higher income public housing tenants would still be paying less than 30 percent of net income as rent. The 20 percent cap would make this virtually impossible.

The uniform application of this 20 percent cap to HUD-assisted programs would simplify HUD and PHA administration of the programs, would ease implementation of the new program, and would eliminate possible hardships on tenants who convert from the Section 8 Existing Finder's Keeper's Program. Uniform application of the cap would also assure equitable treatment for all families currently receiving assistance, regardless of whether they remain in their present program or transfer to the new program.

Proposed section 322(i)(1)(C) would provide that all tenants who were not occupying assisted housing on or before the effective date of regulations implementing the rent increases caused by the 1981 Omnibus Budget Reconciliation Act or the homeownership opportunities program amendment under the bill, or who were not transferring to the Housing Payment Certificate Program from the Section 8 Finder's Keeper's Program, would be subject to immediate rent or contribution determinations in accordance with applicable law, with no "phase-in." However, any tenant who was occupying assisted housing at the time of a future change in Federal law redefining which governmental benefits must or may be considered as income would have the effect of such a change in law limited by a 20 percent cap.

Proposed section 322(i)(1)(D) would authorize the Secretary to provide for delayed applicability or staged implementation of the procedures for determining a family's rent or contribution under the 1981 and 1983 amendments to the extent the Secretary determines that immediate application of such procedures would be impracticable, would violate the terms of existing leases, or would result in extraordinary hardship for any class of tenants.

Proposed section 322(i)(1)(E) would update the current provision that the gradual implementation provisions of section 322(i) shall remain in effect and may not be changed or superseded except by another provision of law specifically amending that subsection.

Proposed section 322(i)(1)(F) would provide that the 20 percent cap on rent increases would not apply to families whose rent payments are based on the welfare rent amount in those cases where the Secretary determines that the tenant will not bear the burden of the increase. Since welfare rents represent a designated portion of the welfare grant that is adjusted in accordance with the recipient's actual housing costs, an

increase in the welfare rent amount does not always represent an additional cost to the tenant because the welfare grant may be increased to cover the entire rent increase. If the cap on increases were applied to welfare rent in these instances, the Department would be arbitrarily prevented from collecting the amount that the welfare agency would pay if the tenant were in unassisted housing.

Paragraph (G) would transfer the requirement now contained in the last sentence of section 322(i)(1) of the Omnibus Budget Reconciliation Act of 1981 to paragraph (G) and extend the applicability of the requirement to provide that the procedures for determining tenant rents or contributions, as defined by the Secretary, contained in section 322 as well as section 205(a) of the Housing and Community Development Act of 1983, shall not result in a reduction in the amount of such rent or contribution below the amount paid by a tenant occupying housing assisted under the United States Housing Act of 1937, section 236 of the National Housing Act or section 101 of the Housing and Urban Development Act of 1965 before the effective date of regulations implementing the 1981 and 1983 amendments.

REVISED DEFINITION OF DISABILITY

Section 206 would amend the definition of "disability" contained in section 3(b)(3) of the U.S. Housing Act of 1937 and the definition of "developmentally disabled individual" contained in section 202(d)(4) of the Housing Act of 1959 to conform to the definition of "developmental disability" statutorily applicable to HHS programs under the Developmental Disabilities Assistance and Bill of Rights Act (P.L. 95-602). The current definitions applicable to developmental disability contained in the two sections which would be amended refer to a statute which no longer exists. Section 3(b)(3) of the U.S. Housing Act of 1937 and section 202(d)(4) of the Housing Act of 1959 provide that individuals who are disabled, as defined by section 102 of the Developmental Disabilities Services and Facilities Construction Amendments of 1970 (P.L. 91-517), are considered "families" who may be eligible for housing assistance under those programs. Section 102 of the 1970 Act amended definitions contained in Title IV of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (P.L. 88-164). Title IV of the 1963 Act, as amended in 1970, was repealed in 1975 (P.L. 94-103). Therefore, the definition in section 102 of the 1970 Act, upon which sections 3(b)(3) and 202(d)(4) rely, may no longer be legally valid.

Adopting this definition would not significantly change the current coverage of these programs. The new definition is somewhat more expansive in that it includes some additional disabilities for which coverage was previously unclear, and the age of onset shifts from before age 18 to before age 22. Neither of these changes, however, significantly increases the eligibility pool since most of these individuals would also be eligible as "handicapped" persons under the two statutes.

There are at least three benefits to be derived from the proposed change. First, the proposed change would help clarify the legal validity of the definition of "developmental disability." Second, updating the definition to the one currently used by HHS promotes consistency between HUD and HHS when housing and disability benefits are coordinated at the State and local level. Third, changing from the superseded definition to the one now applicable to HHS assures that the Department can use the currently accepted statutory definition of developmental disability.

PUBLIC HOUSING AGENCY RECEIVERSHIP AMENDMENT TO U.S. HOUSING ACT OF 1937

Section 207 would amend the United States Housing Act of 1937 to authorize the Secretary to apply to a Federal or State court for appointment of a receiver of a public housing agency if, in the opinion of the Secretary, the agency is in substantial default of the covenants and conditions to which it is subject. If the court determines that such a substantial default has occurred, a receiver is to be appointed without regard to collateral questions sometimes considered under common law standards such as availability of alternative remedies. The amendment also permits the Secretary to seek appropriate temporary or preliminary relief pending the court's determination on the appointment of a receiver. Injunctive relief, such as freezing the assets of the agency or mandating remedial actions, may be appropriate where it appears that project assets are being misused or that health and safety violations are present. The receivership would terminate upon petition by the Secretary or when the court otherwise determines that all defaults have been cured and that the public housing projects of the agency will thereafter be operated by it in a manner consistent with the Act.

Under current law, the Secretary is authorized, upon the occurrence of a substantial default, to require either conveyance of title or delivery of possession of a project to the Secretary. This remedy, because it operates only at the project level, is inadequate to address deficiencies that may exist at the administrative or policy level within the public housing agency. The amendment recognizes, however, that public housing agencies are created under State law and their governing bodies appointed by State or local officials. Accordingly, direct usurpation by the Department of the internal administration of a State-created entity would be inappropriate. Receivership provides for an independent, court-supervised management of the affairs of the agency, obtainable only upon the Department's demonstration before an independent tribunal of the substantiality of the default requiring such intervention.

DEMOLITION AND DISPOSITION OF PUBLIC HOUSING

Section 208 would amend the United States Housing Act of 1937 by adding a new section 17 to provide independent authority to approve and fund applications from public housing agencies (PHA's) for the demolition or disposition of public housing projects or portions of public housing projects. This is a reintroduction of a similar amendment affecting demolition that was proposed last year, modified to cover disposition applications (as well as those for demolition) and to reflect the concerns of Congress that affected tenants and local governments be consulted before approval of an application.

The 1937 Act currently contains two provisions dealing with the demolition or disposition of public housing projects—the section 14 Comprehensive Improvement Assistance Program (CIAP) and section 6(f). Section 14(f) of CIAP authorizes the Secretary to approve and fund applications for public housing demolition. It does not, however, set forth criteria for approving a demolition and imposes such extensive and rigorous requirements that it becomes difficult, if not impossible, to attain legitimate and necessary objectives in the case of demolition. For example, section 14(d) requires the applicant to submit an application containing detailed assessments of the physical conditions, the normal schedules of replacement of equipment systems and structural elements, and the improvements needed to upgrade the management and operation of each project for which assistance or approval is requested. Additionally, the applicant must submit a comprehensive plan designed to address the problems and needs of all projects identified in the assessment on both a short- and long-term basis. While such requirements are appropriate for modernization activities under CIAP, in general the nature of demolition activity is such that this type of assessment is not suitable. Demolition applications are more analagous to emergency or special needs applications, and, like those activities, should not be subject to the requirements of section 14(d). Moreover, the strict unit-by-unit replacement rule under section 14(f) for demolition may force PHA's to continue the operation of obsolete projects or parts of projects when it is neither desirable nor feasible to replace such projects.

Section 6(f) authorizes the modification or closeout of public housing projects. It does not, however, offer specific guidance on approving a disposition or a demolition of part of a project, or on the steps (including tenant protections) which a PHA must undertake to secure approval of its application.

Proposed section 17 would give PHA's greater flexibility with respect to decisions about their housing stock, and would establish criteria for approval of PHA requests to undertake such disposition or demolition actions, including assuring tenant and local involvement in the decision to demolish or dispose, without imposing inappropriate CIAP requirements. Further, by authorizing demolition or disposition when funds cannot reasonably be expected to be available to rehabilitate the project, it eliminates the current anomaly of forcing PHA's to operate what is clearly undesirable housing for the residents.

Specifically, proposed sections 17(b) (1) and (2) would require that (1) for applications proposing demolition or partial demolition, a determination be made that the project or portion of the project is obsolete as to physical condition, location or other factors, making it unusable for housing purposes and that no program of modification is feasible to return the project or portion of the project to useful life, or (2) for applications proposing partial demolition of a project, a determination be made that the demolition will help assure the useful life of the remainder of the project. These provisions would give the Secretary greater flexibility in approving applications for partial demolition.

Proposed section 17(b)(3) would require the Secretary, for applications proposing disposition of real property, to determine that retention of the property is not in the best interests of the tenants or public housing agency and that the net proceeds of the disposition will be used to retire outstanding indebtedness in accordance with provisions of the annual contributions contract and, if proceeds remain, that they will be used in accordance with a plan approved by the Secretary.

Proposed section 17(c) would impose additional conditions for approval and funding of an application. Consultation by the PHA with tenants to be affected by the action and with local government officials would be required. Displaced families would be provided an opportunity by the PHA to relocate to other decent, safe, sanitary and affordable housing, including Section 8 housing. These criteria for approval would assure that each application would be assessed on its particular merits, with appropriate evaluation of the relative interests of all affected parties.

Proposed section 17(d) would authorize the Secretary to make available financial assistance for applications approved under this authority, using available annual contributions authorized under section 5(c) of the 1937 Act, including annual contributions made available for use under section 6(f) and under section 14(b) of the Act.

Proposed section 17(e) would provide that disposition of property determined by the Secretary to be excess to the needs of the project, or to be incidental to continued operation of the project, would not be subject to the requirements of this section. Such disposition is governed by other Departmental procedures which establish appropriate guidance for making such determinations, and which provide the necessary flexibility for dealing with purely administrative transfers, such as granting rights-of-way or easements, or for approving routine sales such as disposition of excess undeveloped land purchased in connection with a development since completed.

REPEAL OF REQUIREMENT FOR SIGNIFICANT COMMUNITY REPRESENTATION ON GOVERNING BOARDS OF SECTION 202 PROJECTS

Section 209 would amend section 202(d)(2)(B) of the Housing Act of 1959 to delete the requirement (added in 1978) that non-profit entities receiving loans for developing housing for the elderly and handicapped must include, on their governing boards, members selected in a manner to assure significant representation of the views of the community in which the project is located.

A significant number of national organizations which are active sponsors of section 202 housing have objected strenuously to this requirement. The sponsors have pointed out that, as national organizations, it is impossible for them to have representatives on their governing boards from all communities in which they may wish to operate. Similar concerns have been expressed by State-wide housing corporations, as well as county and community groups, which find it difficult to have representatives from all areas in which they intend to operate. The existing requirement of section 202 curtails participation by many organizations which have been organized specifically to share resources and to develop a more comprehensive and coordinated approach to providing housing for the elderly or handicapped. Moreover, with the exception of one or two isolated cases, there is no evidence of the need for this provision.

OPERATING ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS

Section 210(a) would amend section 201 of the Housing and Community Development Amendments of 1978 to delete the Secretary's discretionary authority to provide operating subsidies under section 201 to troubled multifamily housing projects which, though HUD-assisted, are not covered by a mortgage which is insured or was formerly insured under the National Housing Act. Under existing section 201(c)(1)(A), projects which are assisted under the section 236 program of the National Housing Act or the Rent Supplement Program of the Housing and Urban Development Act of 1965 are eligible for assistance, even if not covered by a mortgage insured under the National Housing Act.

This proposal would restore the coverage of the "troubled projects" program to that originally proposed by the Department in 1978. It would permit scarce resources to be directed toward insured projects to prevent mortgage assignments and foreclosures and to mitigate otherwise potentially excessive losses resulting from insurance claims, as well as to avoid substantial rent increases and physical deterioration in HUD-assisted projects for which the Department has a direct responsibility. Responsibility for further assistance to projects which are not insured by HUD should be borne by State and local government.

Subsection (b) would amend section 236(f)(3) of the National Housing Act to extend through September 30, 1985 the period during which amounts in the section 236 rental housing assistance fund may be approved in appropriation Acts for use in the Troubled Projects Program. Existing law subjects the making of payments from the fund to approval in an appropriation Act, and prohibits any amount from being so approved for any fiscal year beginning after September 30, 1982.

This proposed amendment is necessary to permit amounts in the rental housing assistance fund to be used for the Troubled Projects Program during fiscal years 1984 and 1985. The Department intends to request approval, in the HUD appropriation Act for fiscal year 1984, to use the $30 million expected to be received in the rental housing assistance fund during that year.

TENANT PARTICIPATION IN MULTIFAMILY HOUSING PROJECTS

Section 211 would amend section 202 of the Housing and Community Development Amendments of 1978 to change its coverage. Section 202 requires the Secretary to assure, among other things, that tenants of "multifamily housing projects" have a chance to participate in certain project management decisions, and are permitted to organize tenant associations to represent tenant interests. Section 202 defines its coverage by a cross reference to section 201(c) of the 1978 Amendments, thus subjecting projects eligible for troubled projects operating subsidies to section 202's requirements. Consistent with the amendment in section 210, this section would exclude State-aided, uninsured projects from section 202's coverage.

Extension of section 202's requirements to State-aided, projects appears to have been unintentional. The Senate provision from which section 202 was drawn applied only to HUD-insured and HUD-owned projects. The conference report indicates that the Senate provision was adopted, with an amendment to "conform" its coverage to that of the troubled projects program. Research has indicated no conscious intent to apply section 202's provisions to State-aided projects. Because these projects are supervised by State agencies rather than by HUD, the Department believes that any special requirements regarding relationships between owners and tenants should be determined by the supervising State agencies.

Section 211 would also extend section 202's coverage to projects otherwise covered, but which are HUD-owned. Section 202 currently applies to projects whose mortgages are held by the mortgagee or HUD, or which were acquired by HUD and subsequently resold subject to certain conditions, but not to projects in HUD's inventory. This amendment would remedy this anomaly by extending section 202's statutory applicability to include otherwise covered, HUD-owned projects.

PREVENTING FRAUD AND ABUSE IN HUD-ASSISTED HOUSING

Section 212 contains a number of provisions to help prevent fraud and abuse in HUD's assisted housing programs.

Subsection (a) would require State unemployment agencies to release information to HUD and public housing agencies concerning applicants' wage information and unemployment benefits. The State agencies would be required to establish safeguards, pursuant to regulations issued by the Secretary of Labor, to assure that disclosed information is used only to determine eligibility for benefits or amount of benefits under HUD programs.

Subsection (b) would provide that the entity responsible for determining eligibility and/or level of benefits under the United States Housing Act of 1937, section 101 of the Housing and Urban Development Act of 1965 or section 221(d)(3) (BMIR) or 236 of the National Housing Act, including PHA's and owners of such projects, shall deny participation in the particular program benefits to any applicant who knowingly submitted incorrect or misleading statements, concealed or withheld any relevant facts or otherwise violated these Acts or any of their regulations.

Subsection (d) would amend section 214(b) of the Housing and Community Development Act of 1980 to extend the prohibition against financial assistance to certain aliens to include the section 221(d)(3) (BMIR) program.

Access to data bases maintained by State unemployment agencies, as authorized by subsection (a), is needed to enable the Department to undertake post-audit, quality control, and other investigative reviews based on computer matching to such data bases. This authority would help the Department to assure that complete and accurate information has been submitted by beneficiaries of HUD programs. The Department of Agriculture has been given similar authority in connection with its food stamp program.

Subsection (b) would provide clear statutory authority for public housing agencies and owners of projects assisted under the section 8, Rent Supplement, section 221(d)(3) (BMIR) and section 236 programs to disqualify an applicant from eligibility for admission or for continued benefit if the applicant has made incorrect or misleading statements or concealed relevant facts. The public housing agencies and owners of assisted projects would follow up and verify information affecting eligibility and benefit level based on data furnished by the Secretary. By allowing resolution of such matters at the local level, several goals are achieved. The Department will be providing a means for combating fraud, assisting in debt collection efforts, and allowing for greater local administration of the program.

Since the section 221(d)(3) (BMIR) program also provides a financial benefit to tenants, it should be included, as provided by subsection (d), along with the other rental assistance programs in the prohibition against financial assistance to aliens.

Also, the amendment is needed to prevent the anomalous situations where some of the tenants in a section 221(d)(3) (BMIR) project are subject to the 1980 prohibition (Rent Supplement tenants) while others are not.

TITLE III—PROGRAM AMENDMENTS AND EXTENSIONS

EXTENSION OF FEDERAL HOUSING ADMINISTRATION MORTGAGE INSURANCE PROGRAMS

Section 301 of the bill would extend (through September 30, 1985) the authority of the Secretary of Housing and Urban Development to insure mortgages or loans under certain HUD-FHA mortgage or loan insurance programs contained in the National Housing Act. A technical amendment has also been included to make clear, for authorities proposed for extension, that the authority to make commitments to insure under these programs also is extended through September 30, 1985. An extension through September 30, 1983 is proposed for the section 235 program of homeownership for lower income families.

Under existing law, the authority of the Secretary of Housing and Urban Development to insure mortgages and loans under these programs will expire on May 20, 1983. After that date, the Secretary may not insure mortgages or loans under any of the major HUD-FHA insuring authorities contained in the National Housing Act, except pursuant to a commitment to insure issued before that date.

Insuring authorities which will expire on May 20, 1983 and are proposed for extension through September 30, 1985, include those for the following HUD-FHA mortgage or loan insurance programs: title I—property improvement and manufactured home loan insurance; section 203—basic home mortgage insurance; section 207—rental housing insurance; section 213—cooperative housing insurance; section 220—rehabilitation and neighborhood conservation housing insurance; section 221—housing for moderate-income and displaced families; section 223—miscellaneous housing insurance, including insurance in older, declining urban areas and for existing multifamily housing projects and hospitals; section 231—housing for the elderly; section 233—experimental housing; section 234—condominiums; section 237—special mortgagors; section 240—homeowner purchases of fee simple title; section 241—supplemental loans for multifamily housing projects, health facilities and energy conserving improvements; section 243—homeownership for middle-income families; section 244—mortgage insurance on a co-insurance basis; section 245—mortgages insurance on graduated payment mortgages; and title X—land development. The text of the extension for section 245 appears in the proposed rewrite of that provision in section 324 of this bill.

The proposed extensions of the above-listed mortgage insuring authorities are designed to guarantee the continued availability of FHA mortgage insurance and thus to maintain and enhance the Department's capacity to contribute to achievement of the national housing goal of "a decent home and a suitable living environment for every American family."

In the last session of Congress, the Administration, as part of its proposed Housing and Community Development Amendments of 1982 (H.R. 6020 and S. 2361), sought an extension of section 235 of the National Housing Act until September 30, 1983 in order to assure that units in the pipeline prior to that time could be insured. The 1982 extension also provided for the unconditional termination of section 235 insurance authority on September 30, 1983. That proposal has been repeated in this section.

Extensions have not been included for the following provisions of the National Housing Act: section 235(q) (countercyclical economic stimulus), section 236 (rental and cooperative housing for lower income families), section 222 (mortgage insurance for servicemen), section 232 (nursing homes), section 242 (hospitals), title VIII (armed forces-related housing) and title XI (group practice facilities).

The section 235(q) authority (countercyclical economic stimulus), scheduled to expire on May 20, 1983, is not proposed for extension. This emergency authority has never been activated.

Section 236 was routinely extended until May 20, 1983 by H.J. Resolution 612. It had previously been extended until September 30, 1982 to permit projects in the pipeline to be processed. Most such projects have not been processed or cancelled, and those still in the pipeline have secured commitments which will make possible the provision of insurance after May 20, 1983 pursuant to a commitment to insure made before that date. Thus, there is no necessity to extend the insuring authority.

The program of mortgage insurance for servicemen under section 222 would be permitted to expire on May 20, 1983. Military personnel, Coast Guard personnel and employees of the National Oceanic and Atmospheric Administration certified as requiring housing by the Secretaries of Defense, Transportation and Commerce, respectively, are eligible under this program. However, since the Department of Defense no longer participates in the program, it has fallen into disuse. In FY 1981 only 260 mortgages were insured, and in FY 1982 this number fell to 11.

An extension of the authority to provide insurance for nursing homes and intermediate care facilities under section 232 is not being sought beyond the present May 20, 1983 expiration date. Nursing homes and intermediate care facilities are eligible for Medicare and Medicaid reimbursement. Many such facilities currently in existence have been developed and financed without the benefit of federally insured mortgages. Section 232 has not been a high-volume mortgage insurance program, and there appears to be no reason to believe that the private market cannot meet the financing needs of such facilities in the absence of the section 232 program.

The Section 242 hospital insurance program similarly would appear to require no extension. The Administration's attempts to bring cost containment to the health and medical sector, plus the fact that many areas are already over-bedded due to excess hospital facilities, suggest that only a very limited need exists for financing hospitals. Since the private market has provided financing to many of the hospitals currently in existence, and appears quite capable of meeting credit needs in those few cases where new hospital construction is appropriate, extension of section 242 is not being sought beyond the current expiration date of May 20, 1983.

While the section 244 coinsurance program is proposed for extension, the limitation contained in section 244(d) will be permitted to expire. That provision limits the amount of mortgages and loans which may be coinsured before May 21, 1983, to 20 percent of the aggregate principal amount of all mortgages and loans insured under Title II of the Act each year. The 20 percent limitation applies separately to multifamily and single family mortgages.

With respect to multifamily mortgages, HUD anticipates a drop in the overall amount of multifamily mortgage insurance written in the FY 1983-1984 period. This will occur at a time when HUD has developed coinsurance regulations for the purchase of refinancing of multifamily properties (under section 223(f)) and for private lender financing of new construction or substantial rehabilitation (under section 221). The coincidence of the anticipated decrease in the overall amount of multifamily insurance to be written and increased policy and program emphasis upon coinsurance makes the existing 20 percent limtitation of section 244(d) an inhibiting factor in carrying out FHA multifamily operations. Expiration of the restriction will permit a more extensive and more effective FHA multifamily insurance program than would otherwise be possible.

With respect to single family insurance, HUD estimates that both applications and the amount of insurance written in FY 1983 and FY 1984 will exceed the FY 1982 level. Although single family operations may continue to work within the 20 percent limit for the present, HUD will be making improvements in its coinsurance regulations with a view toward making the coinsurance approach more attractive to lenders. HUD anticipates a substantial increase in coinsurance activity as a consequence.

The benefits of coinsurance are clear and compelling: it maximizes the role of the private sector, it reduces processing time through delegated processing, and it limits HUD's exposure to losses through risk-sharing. By permitting expiration of the current 20 percent restriction, increased cooperation and direct involvement of the private sector in FHA insurance programs will be enhanced.

The authority to insure armed forces housing under title VIII of the National Housing Act (sections 809-810) is not proposed for extension beyond the current May 20, 1983 expiration date. These programs have been inactive for several years—no insurance was written under their authority during fiscal years 1981 and 1982 and no applications for insurance are currently pending.

Finally, there has been little activity under the Title XI authority to insure Group Practice Facilities, suggesting that whatever need exists is being met adequately by the private market. Accordingly, no further extension of this authority is being sought.

AUTHORIZATION FOR APPROPRIATIONS TO COVER LOSSES TO THE GENERAL INSURANCE FUND

Section 302 would amend section 519(f) of the National Housing Act to authorize the appropriation of such sums as may be necessary to cover losses of the General Insurance Fund. Existing law contains an overall ceiling on the amounts which may be appropriated for this purpose, which would be removed by this amendment.

Losses sustained as a result of the sale of acquired property are not a function of the amount authorized for appropriations to restore the losses. The losses represent the difference between the purchase price of units acquired through the Department's insurance activities, expenses incurred through maintenance and repair, and the

proceeds realized from sale of these properties. The authorization does not limit the loss but merely places a limitation on the amount which may be sought in recompense for losses already sustained. The present authorization limitation requires the Department to seek an increase in the amount authorized for appropriation before an appropriation to restore the losses can be enacted. The proposal would simplify this process by removing the limitation and authorizing the appropriation of the sums necessary for this purpose.

RESEARCH AUTHORIZATIONS

Section 303 would authorize the appropriation of $18 million in fiscal year 1984 and necessary sums for fiscal year 1985 for the Department's Research and Technology Program. Particular areas of study in fiscal year 1984 will include:

The efficiency and effectiveness of assisted housing programs through reforms of existing programs and evaluation of alternative programs;

Issues relating to the Department's mortgage insurance programs, including alternative housing finance mechanisms (such as alternative mortgage instruments), alternative tax and other financial incentives for housing, and the role of secondary mortgage markets;

Encouragement of affordable housing and homeownership by reducing the component costs of housing (costs of development, building, financing, and operating);

The effectiveness of the Department's community development programs;

Better methods of community management and delivery of local government services;

Successful neighborhood strategies;

New or improved approaches to urban economic developing, including the Administration's Enterprise Zone Program; and

Issues related to fair and nondiscriminatory housing.

Inclusion of the $18 million funding authorization for fiscal year 1983 is a technical amendment to reflect the amount which was in fact appropriated for Research and Technology for that year.

CANCELLATION OF DEBT OWED THE TREASURY AND LIQUIDATION OF NEW COMMUNITIES PROGRAM

Section 304 authorizes liquidation of the New Communities Program and contains provisions needed for its orderly termination. This program was first authorized in title IV of the Housing and Urban Development Act of 1968, and was reauthorized with certain statutory amendments in title VII of the Housing and Urban Development Act of 1970. Between February 1970 and July 1979, HUD approved 16 new communities, of which 13 were financed in part with the proceeds of the sale of debentures guaranteed as to principal and interest by the Secretary.

Section 304(a) would authorize liquidation of the program and the transfer of the assets and liabilities of the New Communities Revolving Fund to HUD's Revolving Fund (Liquidating Programs) Account. The New Communities Revolving Fund was established to provide for the timely payments of liabilities incurred as a result of debenture guarantees. This revolving fund includes fees and income received in the program, and the statute provides that, in the event of a shortfall in the revolving fund, obligations may be issued to the Secretary of the Treasury in order to borrow sufficient monies to cover these costs. The costs of salaries and expenses for operating the New Communities Program, including administrative and nonadministrative expenses, have also been funded from the revolving fund. Interest accrues on the Treasury borrowing at rates periodically established by the Treasury. Because of interest compounding and because the return on disposition of assets acquired by foreclosure or otherwise has been substantially smaller than the costs of paying off the guaranteed debentures, the revolving fund has accumulated a debt to the Treasury estimated to be $399 million at the end of fiscal year 1983.

The transfer which section 304(a) would authorize would take place upon enactment of section 304(a) and approval of the transfer in an appropriation Act.

Section 304(b) makes clear that the authority governing HUD's Revolving Fund (Liquidating Programs) is sufficient to permit all necessary functions regarding the liquidation of the program to be performed. The second sentence of this subsection is based directly on the New Communities Revolving Fund's authority under section 717(c) of title VII, and is also intended to assure that there will be adequate authority for the liquidation. Residual program personnel would no longer be paid from the New Communities Revolving Fund but would be paid from the Department's Salaries and Expenses, HUD account.

Section 304(c) would confer Treasury borrowing authority on the Secretary, and contains conventional language concerning the Secretary of the Treasury's reciprocal duties and powers. The central purpose of the borrowing authority is to assure that payments on guaranteed debentures can be made, notwithstanding the cash position of the Revolving Fund (Liquidating Programs) at any given time. This authority would also permit the redemption of debentures, if the levels of the Treasury borrowing rate made such action advantageous to the Government. Were this borrowing authority omitted, HUD would be vulnerable to claims by debenture holders of impairment of their rights.

Section 304(d) provides that the Secretary's duty to repay principal and accrued interest on obligations issued to the Treasury for the New Communities Program is cancelled, upon transfer of the New Communities Fund's assets and liabilities to the Revolving Fund (Liquidating Programs). The cancellation of this debt to the Treasury, estimated to be $399 million at the end of fiscal year 1983, is proposed because it is unrecoverable, and the cost of servicing it is escalating. In fiscal year 1983 alone, the interest to Treasury is estimated to be $34.5 million. If the debt to Treasury remains outstanding, the interest in 1984 is estimated to be more than $37 million. To continue to service this debt would require further borrowings from the Treasury, creating more debt that will forever be beyond the capability of the program to repay. Cancellation of the debt will clear the books and allow the New Communities Program to be terminated. In 1984, it is expected that program costs (excluding any Treasury interest) can be funded from program funds. However, depending on the timing of receipts and the transfer to the Revolving Fund (Liquidating Programs), additional borrowings from the Treasury during the year for the New Communities Program may be necessary. In any event, under the authority of the Revolving Fund (Liquidating Programs), amounts in the fund which are excess to its needs are required to be paid to the Treasury at least annually.

Section 304(e) repeals titles IV and VII except for those sections technically necessary to remain in effect in order to enable the Department to meet its obligations under these titles. A savings clause is also included for those guarantees already made under titles IV and VII.

The proposed cancellation of obligations, including principal and accrued interest, is patterned on the analogous legislation for the Saint Lawrence Seaway Development Corporation, 33 U.S.C. § 985(b) (as to interest) and § 311, Department of Transportation and Related Agencies Appropriation Act, 1983, Pub. L. 97-369 (as to principal).

CANCELLATION OF DEBT OF SPECIAL ASSISTANCE AND EMERGENCY MORTGAGE PURCHASE ASSISTANCE FUNDS OF THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

Section 305(a) would cancel the Government National Mortgage Association's (GNMA's) duty to repay approximately $8 billion which it owes the Treasury from operations in its Special Assistance Functions (SAF) and Emergency Home Purchase Assistance (EMPA) Programs, and accrued interest on these borrowings. It would also provide for the cancellation of any indebtedness incurred by these programs in the future, on an annual basis.

In these programs, GNMA has borrowed funds from the U.S. Treasury to finance mortgage purchases, up to commitment levels approved by Congress. GNMA then places these mortgages in its inventory or sells them to private investors at a discount which reflects current market yields. The difference between the price at which GNMA purchases mortgages and the price at which these mortgages are then sold to private investors is a subsidy to encourage the construction of certain types of housing. No monies have ever been appropriated to fund this subsidy. GNMA uses the proceeds of mortgage sales to retire its Treasury debt and to finance its operations.

The $8 billion figure cited above represents the total amount of debt incurred by GNMA in its SAF and EMPA Programs in excess of the face value of the mortgages held in its portfolio. This figure includes interest accrued on the debt. Interest is compounded daily, thereby inflating the principal amount owed to the Treasury. Given the statutory structure of the programs, GNMA has no effective means of ever repaying this debt. Thus, the debt should be regarded as a paper debt—an artificial liability of GNMA as well as an artificial asset of the Treasury—and cancelled.

GNMA's authority to issue commitments to purchase mortgages under the EMPA authority expired on October 1, 1981. Some purchases are still being made, however, pursuant to commitments issued before expiration. Its commitment authority under SAF expired on September 30, 1982, but an additional $500 million in commitment authority was included in the 1983 Continuing Resolution. GNMA will still have to borrow funds from the U.S. Treasury for some time in order to meet its outstanding purchase commitments. Due to the large accumulation of GNMA debt, provision for annual cancellation of this debt is needed in order to prevent the recurrence of existing problems.

Section 305(b) would provide for the transfer of all assets and liabilities acquired or incurred pursuant to sections 305 (SAF) and 313 (EMPA) to a management and liquidation functions fund established pursuant to section 306 of the FNMA Charter Act.

Section 305(c) would repeal sections 305 and 313, but with a savings clause regarding purchases or commitments to purchase mortgages under these sections prior to their repeal. As a technical conforming amendment section 3(b) of the Emergency Home Purchase Assistance Act of 1974 would also be repealed. The Administration does not intend to reactivate the EMPA function or seek an extension of its SAF commitment authority. The Tandem Program used in SAF and EMPA is an excessively expensive method of increasing the housing supply. Moreover, this costly subsidy often tends to benefit those with little or no need for financial assistance in order to obtain decent, safe and sanitary housing.

ELIMINATION OF REQUIREMENT THAT FHA INTEREST RATES BE SET BY LAW

Section 306 would amend the insuring authorities in the National Housing Act which are proposed for extension beyond fiscal year 1983 to allow an insured mortgage or loan to bear interest at a rate agreed upon by the borrower and the lender. These authorities are: title I—property improvement and manufactured home loan insurance; section 203—basic home mortgage insurance; section 207—rental housing insurance; section 213—cooperative housing insurance; section 220—rehabilitation and neighborhood conservation housing insurance; section 221—housing for moderate-income and displaced families; section 231—housing for the elderly; section 234—condominiums; section 240—homeowner purchcses of fee simple title; section 241—supplemental loans for multifamily housing projects, health facilities and energy conserving improvements; and title X—land development.

The proposal would repeal section 3 of P.L. 90-301—HUD's interim authority to establish maximum FHA interest rates—as well as section 4 of that Act, which established a commission on interest rates which expired in 1969.

Section 306(b)(11) would amend section 235 of the National Housing Act to provide for continuation of the Secretary's authority to set interest ceilings essentially in the same manner as is authorized under present law. Since the section 235 subsidy is the difference between the actual interest rate on the mortgage and a below market rate set by HUD, to allow negotiated interest rates in this program might prove prohibitively expensive.

The administered ceiling on the FHA contract interest rate has outlived its usefulness. The ceiling is an outdated manifestation of concern that some lenders would take advantage of buyer ignorance and charge an "above market" rate of interest. Mortgage rates were relatively stable in the post-World War II years by today's standards, but differed among various regions of the country. This difference reflected the relatively greater demand for funds in some areas and the immobility of mortgage funds across regions. In the interest of promoting a truly national mortgage market and facilitating the flow of funds between regions, FHA attempted to set a national mortgage rate.

Over the years the perception has developed that, by setting a ceiling, FHA determines mortgage interest rates. This is simply not the case. FHA mortgages are sold to investors at market yields. Investors discount the loans to bring the yield up to those available on alternative investments. These discount "points," although they cannot legally be charged directly to the borrower, can be ultimately passed on indirectly, typically in the price charged by the seller.

Mortgage markets are now national in scope and extremely competitive. Homebuyers can readily obtain information on the going rate for a mortgage loan, and can negotiate for themselves a market interest rate. Thus, the ceiling is no longer needed.

The recent volatility in interest rates has made the ceiling extremely difficult to administer. The FHA ceiling must reflect current market interest rates if homebuyers are to obtain mortgage credit. When interest rates move by as much as five discount points within a week, as they have in the recent past, it becomes increasingly difficult to administer the contract interest rate effectively.

In summary, the FHA will follow the conventional mortgage market by letting the borrower and lender determine the mortgage interest rate.

REPEAL OF SECTION 367(b)(2)(A) OF THE MULTIFAMILY MORTGAGE FORECLOSURE ACT OF 1981

Section 307 would repeal section 367(b)(2)(A) of the Multifamily Mortgage Foreclosure Act of 1981. This section requires that, if the majority of housing units in a project foreclosed under the Act are occupied at the time of sale, the purchaser shall be required to continue operating the project in accordance with the terms of the title II insurance program or section 312 loan program under which assistance was originally provided, or any applicable regulatory or other agreement in effect immediately before foreclosure.

This repeal of section 367(b)(2)(A) would remove a potentially burdensome obstacle to the disposition of foreclosed properties to private purchasers. In some instances, the present language would mandate the continued use of such properties for low- and moderate-income housing, without regard for the economic consequences to the Federal Government or the purchaser of such a requirement. The amendment would retain section 367(b)(1), which provides the Secretary with discretionary authority to require continued operation in accordance with the original program terms, but does not compel the use of this authority if conditions warrant a different approach.

TREATMENT OF FHA SINGLE FAMILY PREMIUMS

Section 308 would make certain technical corrections relating to the treatment of mortgage insurance premiums (MIP's) under HUD's single family mortgage insurance programs. HUD is proposing to implement by regulation its authority to charge a single, lump-sum MIP covering the full term of the mortgage at the time the loan is closed. As part of implementing the new system, HUD proposed last year to amend certain sections of the National Housing Act to increase the otherwise applicable maximum dollar mortgage amounts by the amount of the MIP, and to exclude the amount of the premium from "cost of acquisition" for purposes of determining minimum down payment requirements. Congress enacted these proposals as section 201 of the Omnibus Budget Reconciliation Act of 1982.

One of the purposes of the amendments was to permit the homebuyer to add the amount of the MIP to the amount of the insured loan, thereby assuring that implementation of the new system would not increase existing downpayment requirements. Because of their placement, however, the amendments did not completely fulfill this intent.

In addition to statutory provisions directly addressing downpayment requirements, the amount of the required downpayment is also affected by maximum loan-to-value ratios. For example, section 203(b)(2) of the National Housing Act provides that insured loans may not exceed an amount equal to the sum of 97 percent of the first $25,000 of the "appraised value" of the property and 95 percent of the "appraised value" in excess of $25,000. No amendment to this and other loan-to-value ratio requirements was included in the 1982 Reconciliation Act.

By longstanding administrative practice, the Department has calculated maximum loan-to-value ratios on a basis which included closing costs in "appraised value." Consistent with this practice, the Department intend to include also the amount of the up-front premium as an element of "appraised value" for the purpose of calculation of the maximum loan-to-value ratio. The result of this will be that in the case of loans which are at the maximum ratio before consideration of the up-front premium, the required downpayment will be increased by the percentage resulting from the applicable loan-to-value ratio (5 percent in the case of a loan covered by the ratio provision cited above where the value exceeds $25,000).

Subsection (a) would correct this unintended result by providing in one place the general authority to increase, by the amount of the MIP, the otherwise applicable single family maximum mortgage amount—irrespective of whether the amount is arrived at as a result of the relevant dollar or loan-to-value limitation. Subsection (b) contains technical conforming amendments to strike certain amendments made by the 1982 Reconciliation Act which would be subsumed under the general authority proposed in subsection (a).

Subsection (c) contains a technical amendment to assure the continued applicability of the prohibition stated in section 201(g) of the 1982 Reconciliation Act against implementation of the provisions providing for increases in mortgage amounts and exclusions from down payment requirements unless HUD determines that the one-time MIP collection plan is actuarially sound.

AUTHORITY TO USE THE MULTIFAMILY MORTGAGE FORECLOSURE ACT OF 1981 FOR MORTGAGES INSURED UNDER THE COINSURANCE PROGRAM

Section 309 would amend the Multifamily Mortgage Foreclosure Act of 1981 to authorize lenders participating in the Multifamily Coinsurance Program to use the Act's nonjudicial foreclosure procedures for mortgages in default. The Act is currently limited to certain multifamily mortgages held by the Secretary.

The Coinsurance Program authorized by section 244 of the National Housing Act requires that eligible mortgagees participating in the program assume a percentage of any loss on an insured mortgage, advance, or loan in direct proportion to the amount of the coinsurance. The mortgagee, in turn, is delegated the authority to carry out a full range of underwriting functions and appropriate responsibilities for servicing, management oversight, foreclosure and property disposition pursuant to regulations issued by the Secretary.

This amendment is being proposed to reduce unnecessary delay and, therefore, save money. Delays in foreclosing defaulted mortgages, caused by extensive foreclosure periods, increase the risk of property deterioration and loss by vandalism, waste or

other damage. They result in increased loss to the mortgage insurance fund and increased costs associated with management and holding expenses. The flexibility afforded by use of nonjudicial foreclosure procedures would permit the Secretary to assure that such mortgages are dealt with as expeditiously as those held by HUD, while providing appropriate protections for the best interests of owners, residents of the involved projects, local communities and the Federal government. Minimizing the adverse effects of lengthy foreclosure proceedings and reducing unnecessary litigation should encourage more lenders to participate in the Coinsurance Program.

The amendments would generally make the Act's non-judicial foreclosure procedures available for coinsured lenders on the same basis as for the Secretary. This would include retention of the mortgagor protections presently contained in the Act. Specifically, the amendments would continue the requirement that the Secretary be the guarantor of any misconduct or financial default on the part of the foreclosure commissioner. They would also require that a coinsured lender's designation of a commissioner be subject to regulation by HUD.

REPEAL OF REQUIREMENT TO PUBLISH PROTOTYPE HOUSING COSTS FOR ONE- TO FOUR-FAMILY DWELLING UNITS

Section 310 would repeal section 904 of the Housing and Community Development Act of 1977, which requires HUD to prepare and publish annually prototype housing costs for one- to four-family dwelling units for each of the approximate 650 housing market areas in the United States.

Preparation and publication of prototype costs under section 904 is expensive and unnecessary. The legislative history provides no specific reason for the requirement to prepare and publish this information other than for "public" information. These figures are not used for operation of any HUD program. Neither the general public nor any public agency or private entity has expressed the view that the information is useful. The main area of comment has been from mortgagees, builders and developers challenging the accuracy of the figures.

INCREASED LOAN LIMITS FOR MANUFACTURED HOMES AND LOTS UNDER TITLE I OF THE NATIONAL HOUSING ACT

Section 311(a) of the bill would amend section 2(b) of the National Housing Act to increase the maximum loan limits for manufactured homes, lots and home-and-lot combinations under the title I program. The maximum loan amounts would be increased to $40,500 for manufactured homes (60 percent of the section 203(b) mortgage limit); $13,500 for lots (20 percent of the 203(b) limit); and $54,000 for combination home and lot loans (80 percent of the 203(b) limit). High-cost area adjustments would be authorized as described below. The revised home limits would apply to all manufactured homes, irrespective of the number of modules.

These increases in the title I loan limits are needed to reflect the rising costs for manufactured homes, land acquisition and site preparation. Based on present trends, the price of a new multi-module home is expected to average $37-39,000 by 1984. Developed lot prices vary greatly from one part of the nation to another, but amounts in the range of $12-14,000 are not unusual.

The new loan limits are related to the basic mortgage limit for single family homes under section 203(b) of the Act, but are adjusted for the lower sales prices and different site development and foundation requirements where manufactured housing under the title I program is involved. Since there is a considerable overlap in unit sizes and sales prices between single-module and multi-module homes, there is no longer any necessity for differing maximum loan amounts for single-module and multi-module homes.

Subsection (b) would authorize the Secretary to increase the maximum limits for lot loans and for combination home-and-lot loans in high-cost areas to the extent the Secretary deems necessary. However, the percentage increase from the basic loan limits could not exceed the percentage by which the maximum loan amount for a one-family residence in the area is increased by the Secretary under section 203(b)(2) of the National Housing Act. The Secretary is authorized to increase the section 203(b) dollar limit for one-family residences on an area-by-area basis up to the lesser of 133⅓ percent of that limit or 95 percent of the median one-family house price in the area.

This provision would make title I insurance available in those market areas where the higher costs of land acquisition and site development are the major factors limiting the program's usefulness. This subsection would replace the Secretary's existing authority under section 2(b)(2), which limits high-cost area adjustments for lot loans and combination loans to $7,500. The provision in section 2(b)(2) authorizing the Secretary to increase the dollar limit on loans for manufactured homes or lots in Alaska, Guam or Hawaii by up to 40 percent would remain unchanged.

Manufactured homes constitute a significant portion of the housing market. In 1982, manufactured homes represented more than 25 percent of all new single family homes constructed in the United States. This proposal would permit the Department to serve better the needs of low- and moderate-income homebuyers by expanding their options to purchase a home.

AUTHORITY FOR REFINANCING MANUFACTURED HOMES UNDER TITLE I OF THE NATIONAL HOUSING ACT

Section 312 would amend section 2(b) of the National Housing Act to permit owner-occupied manufactured homes or home and lot combinations which were purchased without title I insurance to be refinanced under title I.

The Housing and Community Development Amendments of 1981 amended title I to authorize the refinancing of a manufactured home lot under title I, even if it was previously purchased without such assistance, so long as the refinancing is in connection with the purchase of a home to place on the lot. This proposal would extend this refinancing authority to situations where the home (or home and lot combination) was previously purchased without title I insurance, if the home was constructed in accordance with standards established under section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974, is owner-occupied and otherwise meets the requirements for title I insurance.

The proposal is consistent with the policy of eliminating unnecessary restrictions and discriminatory treatment of manufactured housing. It would permit manufactured homes to be treated the same as site-built homes with regard to refinancing under an FHA insurance program.

CHANGE IN MAXIMUM LOAN-TO-VALUE RATIO FOR MODESTLY PRICED SINGLE FAMILY HOMES

Section 313 would amend section 203(b)(2) of the National Housing Act to increase the maximum loan-to-value ratio for homebuyers purchasing modestly-priced single family homes.

The current loan-to-value provision in section 203(b)(2) establishes, for most cases, a maximum mortgage amount on a one- to four-family residence as the sum of 97 percent of the first $25,000 of appraised value and 95 percent of such value in excess of $25,000 (subject to the maximum dollar limits prescribed in section 203(b)(2)). Section 313 would permit a maximum mortgage amount of 97 percent of the first $50,000 of appraised value and 90 percent of such value in excess of $50,000, again subject to the maximum dollar limits.

The amendment would significantly reduce the downpayment requirement for purchasers of modestly priced single family housing. Reducing the initial cash investment should permit more low- and moderate-income, first-time homebuyers to own their own homes. The amendment would increase downpayment requirements for purchasers of more expensive housing, thus reducing FHA's competitive role in the market stratum served by private mortgage insurers. Thus, the proposal would target FHA activities to those least well served by the private market.

NON-OCCUPANT SINGLE FAMILY MORTGAGORS

Section 314 would provide higher maximum mortgage amounts for non-occupant owner one- to four-unit dwellings insured under section 203(b) of the National Housing Act.

Present law limits the principal amount of an owner-occupant mortgage which may be insured under section 203(b) to the lesser of specified dollar amounts or amounts resulting from specified loan-to-value ratios. Thus, the maximum insurable amount for a typical single family home is the lesser of $67,500 or the sum of 97 percent of the first $25,000 of value and 95 percent of the remainder. Section 203(b)(8) of the Act limits the maximum insurable amount for investor-owners to 85 percent of the owner-occupant ceiling. Thus, for a typical single family home, the limit is 85 percent of $67,500, or $57,375.

This amendment would set the investor limit at the lesser of the otherwise applicable dollar amount or 85 percent of the appraised value of the property as of the date the mortgage is accepted for insurance. This would make the maximum dollar amount which may be insured for investors the same as that for owner-occupants, while at the same time restricting the percent of value which could be insured for investor-owners to 85 percent of appraised value. The proposed change would help stimulate investor interest in one- to four-unit dwellings, thereby resulting in increased rental housing supply.

INCREASE IN MORTGAGE INSURANCE PREMIUMS

Section 315 would amend section 203(c) of the National Housing Act to authorize the Secretary to establish mortgage insurance premiums (MIP's) for the insurance of mortgages under title II of the Act on a subsection-by-subsection basis at amounts up to 3 percent of the amount of the outstanding principal balance. At present, except for MIP's under sections 203(k) (rehabilitation loans) and (n) (individual units in cooperatives), premium charges must be uniform on

a section-by-section basis, and the per annum statutory limit for all programs is set at one percent.

This amendment recognizes that the actuarial risk to the FHA Insurance Funds can vary by program within individual sections of the Act, and that the present one percent limit may be inadequate to assure the actuarial soundness of all programs. Thus, the Secretary would be given discretionary authority to set MIP's as necessary for individual programs which may present higher risks. These include the section 223(e) program, which is available only in older, declining urban areas, and programs using alternative mortgage instruments, which may involve greater risk than the traditional level payment, fully amortizing mortgage. The one-time MIP collection system which the Department intends to implement by regulation will apply only to MIP's of one percent or less.

SHELL HOME CONSTRUCTION

Section 316 of the bill would amend section 203(k) of the National Housing Act to permit the Secretary to insure, on a coinsurance basis pursuant to section 244 of the Act, mortgage loans (including staged advances made during construction) for the purchase and construction of single family "shell homes" for occupancy by the homebuyer. No more than 30,000 mortgages covering shell homes could be insured pursuant to this authority.

The authority would be similar to that now provided in section 203(k) for the rehabilitation of family dwellings. The insured advances ordinarily would cover the costs of acquisition and preparation of the home site; purchase of and construction by a contractor of the "shell home;" and exterior/interior finishing work, some or all of which may be done by the homebuyer.

At the time of closing for purchase of the lot, the lender would release only those funds needed to finance the acquisition and preparation of the site and the purchase and construction of the "shell." The remaining mortgage proceeds would be disbursed only at various stages based upon the lender's inspection and certification that the completed work met all applicable HUD and local standards.

The maximum mortgage limit for a shell home would be limited by the provisions of section 203(b)(2) which apply to the basic FHA single family mortgage program. As was proposed by the Department for FY 1983 for all FHA single family programs (except section 235), and is proposed by section 306 of this bill, the interest rate on shell home loans would be a matter to be negotiated by the borrower and the lender.

The Secretary would encourage borrowers, to the maximum extent possible, to contribute their own labor to the completion of the home. The amount of work to be done by the buyer would depend on his or her relative skill levels. A contribution of labor would reduce the amount of the mortgage, increase the borrower's equity, and make homeownership more affordable.

Innovative self-help housing programs to help homebuyers reduce the cost of home purchases have been developed throughout the country. They have included the use of modular housing and prefabricated and other types of partially constructed housing, in addition to shell housing. These types of self-help programs in the non-FHA market are often unavailable to homebuyers traditionally served by HUD—moderate-income and first-time buyers—because of the cost of high interest rates on interim or construction financing and the lack of guaranteed permanent, long-term financing after completion of construction. This proposal is designed to make this type of housing alternative available to the traditional FHA homebuyer and, thus, extend the availability of affordable housing to many more Americans.

PAYMENT OF CLAIMS WITHOUT HUD ACQUISITION OF TITLE

Section 317 would amend section 204(a) of the National Housing Act to give HUD discretion to permit mortgagees to submit claims on foreclosed insured single family properties and be paid without transferring title to HUD.

Under the current system, the mortgagee must transfer title or assign the mortgage to HUD before a claim for the full amount of indebtedness can be paid. The mortgagee acquires title after default by either a deed in lieu of foreclosure or by bidding the property's outstanding indebtedness at the foreclosure sale and being the highest bidder. Title is then transferred to HUD. Upon conveyance of title, HUD pays 90 percent of the claim (i.e., 90 percent of the outstanding indebtedness). HUD also reimburses the mortgagee for operation, maintenance and a portion of the foreclosure expenses. Once title is determined to be marketable, HUD pays the remaining 10 percent. Upon transfer of title, HUD is responsible for holding costs, marketing and sale of the property.

Subsection (a) would permit HUD to pay off the insurance claim without requiring transfer of title, where the property is sold at foreclosure for at least its fair market value (FMV), with such adjustments as the Secretary deems appropriate. Mortgagees would continue to be required to notify the Secretary of default and the institution of foreclosure. Before the foreclosure sale, HUD would establish the property's FMV through use of an appraiser or by other appropriate means, and make any needed adjustment to that amount. The amount HUD would pay to the mortgagee should foreclosure be necessary would be the lesser of the difference between (1) the outstanding indebtedness and the adjusted FMV or (2) the outstanding indebtedness and the sale price received at the foreclosure sale. HUD would continue to reimburse mortgagees for operation, maintenance and a portion of the foreclosure expenses. Thus, assuming an insured property with an adjusted FMV of $20,000 which is sold for that amount and an outstanding indebtedness of $30,000, HUD would pay the mortgagee $10,000, plus reimbursement for expenses. If a bid at the foreclosure sale were received for $21,000, HUD would pay $9,000, plus expenses.

If no bids were received at the foreclosure sale for at least the property's adjusted FMV, the mortgagee would bid at the sale, transfer title and file a claim with HUD in accordance with the current program. Taking the example above, if a bid were received for $9,000, the mortgagee would bid more and convey title to HUD. HUD would then pay the mortgagee as it does now under the current program.

The proposed system would be implemented by regulations as a standard feature of all single family insurance programs, and would apply with respect to mortgages insured pursuant to commitments issued on or after the provision's effective date, and, with mortgagee approval, with respect to insured mortgages for which commitments were insured before that date. Claims where title is acquired by the mortgagee through a deed in lieu of foreclosure would be processed in accordance with current practice.

As with the current program, if a default were due to circumstances beyond the mortgagor's control, the Secretary would be able to take an assignment of the mortgage as provided by section 230 of the National Housing Act. Claims on assigned mortgages would be paid to mortgagees in accordance with current practice. In addition, mortgagors would remain eligible for Temporary Mortgage Assistance Payments as provided by section 230 of the Act. This proposal would not affect the coinsurance program under section 244 of the National Housing Act.

For insurance claims paid under the new system, the proposal would reduce HUD outlays significantly. HUD would not be responsible for holding, marketing and sale costs for properties sold at foreclosure for at least the adjusted FMV. In addition, unlike the current system, HUD would only be paying a portion of the total outstanding indebtedness at the time the claim is paid. Thus, upfront outlays and overall costs would be cut. This approach is consistent with the Administration's policy of making use of private sector expertise wherever possible. Not only would the Federal role in free market activities be reduced to the greatest extent possible, but also the procedure would be similar to that used by the private mortgage insurance industry. In addition, because the foreclosure sale and subsequent availability of the property for resale would be expedited, the potentially deleterious effect on the surrounding neighborhood from the property standing vacant for a long period of time would be reduced.

DISCRETIONARY AUTHORITY TO REGULATE RENTS OR CHARGES

Section 318(a) would remove language in section 207 of the National Housing Act mandating that the Secretary regulate project rents and rates of return, and would substitute discretionary authority in the Secretary to provide for such regulation. This change (and the parallel amendment of section 234(d)(2) contained in subsection (b)) would conform these authorities to other National Housing Act multifamily authorities (sections 220(d)(2)(A), 201(d)(4), and 231) which provide for discretionary authority to regulate rents and charges.

The purpose of these changes is to permit the Department to deregulate rent levels in unsubsidized, insured projects. Deregulation is expected to help assure the financial stability of insured projects, and will reduce administrative costs for the Department by eliminating the review and processing of applications for rent increases.

This deregulation would apply to existing mortgages as well as to future unsubsidized project mortgages. After appropriate regulatory changes are promulgated pursuant to these amendments, existing mortgagors would be invited to amend their regulatory agreements to remove requirements for HUD approval of rent increases. The Department would, however, reserve the right to resume regulation of rents and charges for any such project in the future.

MORTGAGE INSURANCE FOR MANUFACTURED HOME PARKS FOR THE ELDERLY

Section 319 would amend section 207(b)(2) of the National Housing Act to permit the insurance of manufactured home parks designed exclusively for occupancy by the elderly. Present law states that the insurance of section 207 mortgages is intended to facilitate particularly the production of rental

accommodations "suitable for family living." Section 207(b)(2) goes on to prohibit the provision of insurance under section 207 unless the mortgagor certifies under oath that there will be no discrimination "by reason of the fact that there are children in the family. . . ."

The proposed amendment would retain this basic rule, but would provide language clarifying that exception may be made with regard to manufactured home parks designed exclusively for the elderly. Recent surveys indicate that about one-third of all manufactured home units are occupied by elderly persons. Since section 207 is the only authority for insuring manufactured home parks, the change in section 207(b)(2) is necessary to meet the need for insurance to develop parks designed, constructed and managed for occupancy exclusively by the elderly.

REMOVAL OF REFINANCING LIMITATIONS ON CERTAIN MULTIFAMILY PROJECTS

Section 320 would amend the mortgage limit provisions of sections 220(d)(3), 221(d)(3) and 221(d)(4) of the National Housing Act to facilitate refinancing to perform substantial rehabilitation. Currently under these provisions, the limits on mortgages for substantial rehabilitation of properties are based upon the sum of the cost of repair plus the value of the property before rehabilitation. However, where there is an existing mortgage, and application to insure a new mortgage under one of these provisions is made, the mortgage limits would be based upon the sum of the estimated cost of repair plus the existing indebtedness (rather than the value of the property before repair). The amendment would delete the latter formula, so that the mortgage limits would be the same for refinancing as it is for new financing for substantial rehabilitation.

The limitation involving existing indebtedness for refinancing in the current laws prevents owners from realizing any of their equity if they wish to rehabilitate a project and retain ownership. This forces sales of the properties if the owners are to realize any equity from the projects. This limitation is contrary to a policy of encouraging rehabilitation and retention of rental property by present owners. As a result of this inequity, many projects requiring rehabilitation cannot receive the benefits of rehabilitation without the sale to another owner.

ASSIGNMENT OF SECTION 221(g)(4) MORTGAGES TO GNMA

Section 321 would amend section 221(g)(4) of the National Housing Act which permits mortgagees holding section 221 mortgages which are not in default to assign them—twenty years from the date of insurance endorsement—to the Secretary, and to receive the benefits of insurance.

The purpose of section 321 is to authorize the Secretary to direct mortgagees exercising this assignment option to deliver the mortgage and credit instruments directly to the Government National Mortgage Association. Upon such an assignment to GNMA, the rights of the mortgagee would be identical to those provided in the present law. The proposal would, however, establish a more effective process within HUD for dealing with these assignments. GNMA, acting as agent for the Secretary, would take delivery of the mortgages. However, FHA would continue to process the claims on these mortgages and assure that all assignments are legally sufficient and properly completed. GNMA would pay for them with debentures issued pursuant to the current procedure outlined in section 221(g)(4). These debentures would be debited against the FHA fund. Upon sale of the loans, GNMA would provide the proceeds to FHA. GNMA would be reimbursed for all administrative costs.

Without this amendment, FHA could continue to be responsible for taking assignment and servicing these mortgages, but an increase in staffing in HUD's Office of Finance and Accounting would be required, since that office is not prepared to take on the additional responsibility caused by the forthcoming eligibility of numerous section 221 mortgages for 20-year assignment.

Explicit statutory authority to instruct mortgagees to transfer these mortgages directly to GNMA would eliminate the paperwork and time delays within HUD involved in requiring receipt of the mortgages by the Office of Finance and Accounting, and subsequent transfer to GNMA for purposes of handling debenture issuance and subsequent sale of the mortgages.

GNMA has greater experience in handling such sales, and will also be in a position to "space" its sales, so that HUD mortgages will not be sold in competition with GNMA's own mortgage sales.

REPEAL OF SECTION 221 BUY-BACK PROVISION

Section 322 would amend section 221(g)(4) of the National Housing Act to eliminate the "buy-back" feature of that provision with respect to commitments to insure under section 221 entered into on or after the effective date of the Housing and Community Development Act of 1983. Section 221(g)(4) now permits mortgagees to assign to HUD current mortgages which are in their 20th year of amortization. HUD exchanges the mortgages for debentures at the going rate for the face value of the outstanding debt because of the current high interest rates, it has become more and more advantageous for mortgagees to assign mortgages to HUD and take debentures at the "going rate" of interest. This proposal would avoid expected future losses to the FHA insurance funds based on business transacted after the provision's effective date.

ELIMINATE EXISTING RESTRAINTS ON FHA INSURANCE FOR CONDOMINIUM UNITS

Section 323 would amend section 234(c) of the National Housing Act of eliminate the special conditions contained in existing law for the insurance of individual condominium units. Under current law, HUD may insure individual condominium units only if one of the following conditions is met: (1) the project is or has been FHA-insured or VA-approved; (2) there are less than 12 units in the building; or (3) if the building has 12 or more units, it is more than a year old. In addition, the mortgagor must acquire a family unit for his own use or occupancy and not own more than four units covered by mortgages insured under section 234(c). The amendment would delete these requirements.

Elimination of these conditions would lessen the constraints on insured financing for condominium units and would result in expanded homeownership opportunities. Additionally, the proposal would simplify the insuring process and eliminate the amount and degree of FHA review and regulation.

As noted above, present provisions limit mortgagors to ownership of not more than four one-family units insured under the section 234 program, one of which must be acquired for the mortgagor's own use and occupancy. A recent opinion by HUD's Office of General Counsel has interpreted this provision to mean four insured units anywhere in the Nation, rather than in a particular project. Unless this provision is deleted, investor participation in the section 234 program will be severely constrained. The Secretary will continue to exercise discretionary authoritiy to prescribe terms and conditions assuring that a sufficient percentage of condominium units in any project are owner-occupied in order to ensure stability and sound management.

This proposal would bring HUD into line with what the Veterans Administration has been doing for several years. Since 1974, the VA has allowed insurance for any condominium unit. The enactment of similar FHA and VA condominium insuring authorities would facilitate implementation of the paperwork reduction requirements of section 905 of the Housing and Community Development Amendments of 1978. Section 905 specifies that, insofar as practicable, HUD, the VA, and the Farmers Home Administration shall develop uniform application and other requirements for their single family and multifamily programs.

GRADUATED PAYMENT MORTGAGES FOR MULTIFAMILY AND SINGLE FAMILY HOUSING

Section 324 would amend section 245 of the National Housing Act to consolidate the separate authorities now contained in sections 245(a) and (b) into a single graduated payment mortgage (GPM) authority for one—to four-family dwellings in accordance with the more generous limitations now contained in section 245(b), and to eliminate certain restrictive features of the present section 245(b) GPM program. In addition, amendments are proposed in a new subsection (b) to make possible the use of GPM's for multifamily projects.

The proposed revisions to section 245(b) would delete the threshold requirement that a mortgagor be unable reasonably to afford to finance a purchase by means of any other mortgage insurance program. This change would make any otherwise qualified mortgagor eligible for an insured graduated payment mortgage.

The requirement limiting section 245(b) insurance to mortgagors who have not owned dwelling units within the preceding three years would be stricken.

Finally, restrictions on the number of mortgages or the aggregate amount of initial principal obligation of mortgages insured under section 245 are also proposed to be removed.

Section 245(c) as proposed to be amended would provide authority for GPM's for multifamily insured projects. A major deterrent to the production of multifamily housing is the high cost of financing. Availability of GPM's would assure lower principal and interest payments on the mortgage in the early years of a project. Later, as debt service payments increased, reasonable rental increases would cover these costs. Use of the GPM approach in the multifamily context would assist the sluggish rental housing market without the help of Federal subsidies.

GPM's for multifamily projects would not, however, have requirements identical to those applicable to single family insuring authorities. The initial principal obligation of a multifamily mortgage would not be permitted to exceed the percentage of value or replacement cost required by the particular title II insuring authority with which the

GPM authorization was linked. During the term of the mortgage, the principal obligation (including interest deferred and added to principal) would not be permitted to exceed the property's projected value at any time.

Projected value of a multifamily project would be determined in the same manner as under the current section 245 for single family dwellings—by means of a HUD calculation based on the initial value of the property, projecting increased value at a rate not to exceed 2½ percent per year.

Authority under section 245 would expire September 30, 1985.

ADJUSTABLE RATE MORTGAGES FOR SINGLE FAMILY HOUSING

Section 325 would amend the National Housing Act by adding a new section 247 to provide authority for HUD to insure single family Adjustable Rate Mortgages (ARM's) on a limited basis. Under the authority, insurance activity would be limited to 125,000 mortgages in any fiscal year. Interest rate adjustments would be indexed to a national interest rate index which the Secretary of HUD would specifically approve in regulations. This authority would expire September 30, 1985.

These FHA-insured adjustable rate mortgages would include safeguards for the consumer. To protect participating homeowners, statutory limits would control the size and frequency of interest rate adjustments. A limit of one adjustment per year, with maximum increases in the interest rate of 1 point a year and 5 points over the life of the mortgage, would be established. The mortgagee would be required to provide information to the mortgagor describing particular features of the variable rate mortgage, including a hypothetical "worst case" payment schedule.

At present, HUD cannot insure a mortgage financed with a variable interest rate. When inflation rates and interest rates are high, the ARM is likely to become a primary mortgage instrument available to a purchaser in the conventional market. In that event, it would be desirable for FHA to be able to offer a choice between ARM's and fixed-rate mortgages.

SHARED APPRECIATION MORTGAGES FOR SINGLE FAMILY HOUSING

Section 326 would amend the National Housing Act by adding a new section 248 authorizing the Secretary to insure Shared Appreciation Mortgages (SAM's) for single family housing, including cooperatives. Insurance activity would be limited to 50,000 mortgages in any fiscal year, and the authority would expire on September 30, 1985.

The new authority would permit a lender to share in a predetermined percentage of the net appreciated value of the property or stock in a cooperative secured by the mortgage. The lender's share would be due and payable at the time the insured property is sold or transferred, or, absent a sale or transfer, upon full payment of the mortgage.

The mortgage would: (a) meet conditions, including interest rate limitations, as the Secretary may prescribe, (b) provide for amortization over a period not to exceed 30 years, but the actual term (excluding refinancing) would be for not less than 10 nor more than 30 years, and (c) contain such provisions relating to refinancing and any contingent deferred interest as the Secretary may provide. In the event of default, the mortgagee's right to insurance benefits would not include the mortgagee's share of net appreciated value.

The Secretary would be authorized to provide, by regulation adequate consumer protection and disclosure requirements.

This proposal provides homebuyers with an alternative to the Department's fixed-rate mortgages, Graduated Payment Mortgage (GPM) program, and the proposed Adjustable Rate Mortgage (ARM) program. In order to stimulate a healthy housing market, it is important in terms of current and future market conditions that both home purchasers and mortgage lenders have the broadest possible choice of financial mechanisms. SAM's increase the affordability of housing by making possible substantial reductions in monthly payments due to the reduced interest rate offered by the lender in return for the lender receiving a share of any appreciation in the value of the property. In addition, mortgagors would be allowed to take advantage of the generally lower interest rates available when the mortgage term is less than 30 years.

SHARED APPRECIATION MORTGAGES FOR MULTIFAMILY HOUSING

Section 327 would amend the National Housing Act by adding a new section 249 to provide authority for HUD to insure Shared Appreciation Mortgages (SAM's) for multifamily housing. This authority would expire September 30, 1985. In addition, subsections (b) through (e) would amend sections 207(c)(3), 220(d)(4), 221(d)(6), and 231(c)(5), respectively, to allow HUD discretion to insure loans which do not completely amortize over the loans term, whether or not a multifamily SAM mortgage is involved.

Under the SAM approach permitted by section 327(a), the multifamily developer would benefit from a lower interest rate on the mortgage loan, in return for the lender's receiving a share of any appreciation in the value of the property.

Recent economic conditions have made the production of multifamily rental housing difficult, and lenders remain cautious. A particular problem facing the multifamily housing industry is the reluctance of lenders to invest in fixed-rate mortgages of 30 or 40 years duration. Alternatives to traditional long-term mortgage instruments need to be insurable by HUD in order to stimulate unsubsidized rental construction.

The multifamily SAM proposed would allow HUD to insure loans of 15 years or longer which have level payment amortization schedules which would completely amortize in 30 years or less. Mortgagors would be allowed to take advantage of the generally lower interest rates available for shorter term financing. The lender's share of the appreciated value would be due and payable at the time the insured property is sold or transferred or at the expiration of the loan term.

Used either in tandem or separately, the multifamily SAM proposal and the proposed discretion in the Secretary to insure mortgages which do not provide for complete amortization will substantially lower the monthly mortgage payments on multifamily loans and thereby encourage the production of rental housing.

DEMONSTRATION AUTHORITY TO INSURE HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

Section 328 would amend title II of the National Housing Act by adding a new section 250 to authorize the Secretary to insure up to 1,000 home equity conversion mortgages for elderly homeowners on a demonstration basis. These mortgages would reduce the financial hardships of elderly homeowners by permitting them to tap accumulated equity to meet expenses such as paying maintenance, tax, utility and other living expenses without being forced to move. The authority to insure the mortgages would expire September 30, 1986.

The increasing number of elderly persons has far-reaching ramifications which have been chronicled by many studies, articles, public and private debates, and governmental inquiries. The need to develop new programs for elderly homeowners is underscored by the fact that a significant portion of the elderly population has substantial home equity, but is burdened by limited incomes and hig housing costs. The proposal would demonstrate the feasibility and desirability of insuring home equity conversion mortgages as a means of addressing this problem.

Although home equity conversion mortgages are a relatively new concept, they appear to offer a reasonable way of improving the income level and quality of life of a significant number of elderly homeowners by providing access to accumulated equity. Programs have been initiated in California, Wisconsin, New York, and New Jersey by public or not-for-profit groups, with the assistance of private or public contributions. The programs include the marketing of the mortgages, interest rate reduction opportunities, and the provision of interest-free or reduced interest rate deferred loans for home rehabilitation. There is currently in the planning and organizing stage a major private endeavor designed solely for the purpose of financing home equity conversion mortgages.

It is too early to evaluate the effect and scope of these programs. However, initial results support the view that home equity conversion mortgages can meet the legitimate needs of some elderly homeowners. These early assessments indicate, also, that public and private entities want HUD to take a more active role in the area of home equity conversion mortgages.

The demonstration program would be designed to:

(1) Concentrate use of FHA-insured equity conversion mortgages in a few geographic areas and provide guidance, as needed, to encourage participation of mortgage lenders and increase their familiarity with the program;

(2) Identify and evaluate various forms of home equity conversion mechanisms to assure that the interests of homeowners, lenders, investors and the Federal government are appropriately protected;

(3) Ascertain whether there is a need for a HUD role and, if so, the appropriate extent of HUD involvement in this area; and

(4) Determine the extent of need and demand for equity conversion financing.

To ensure that effective consumer protections are afforded elderly homeowners who may wish to participate in the program, participating lenders would be required to provide each prospective borrower at the time of application with a written statement explaining the home equity conversion mortgage, including the type of mortgage being offered, its specific terms and a clear explanation of its effect on such matters as tax and estate planning and eligibility for certain government benefits, grants or pensions.

Subsection (a) would set forth the purposes of the demonstration program to include: the insuring of home equity conversion mortgages to assist elderly homeowners in converting a portion of their home equity

into liquid assets, and the securing of data to determine the extent of need for the program and the appropriate scope and nature of the Secretary's participation in the home equity conversion mortgage market.

Subsection (b) would set forth definitions of "elderly homeowner" and "home equity conversion mortgage", and subsection (c) would authorize the Secretary to insure such mortgages after a determination that such mortgages, in addition to having the potential to meet the special needs of elderly homeowners and increase participation by private lenders, include safeguards for mortgagors to offset the special risks of such mortgages.

Subsection (d) would prescribe the requirements for eligibility of a mortgage, including that the mortgage be secured by a property designed principally as a one-family residence and that it be executed by a mortgagor who is the owner-occupant of the property and who meets the prescribed minimum age. The maximum mortgage would be limited to that established for a one-family residence in section (b)(2) of the National Housing Act and may not exceed 90 per centum of the appraised value of the property. The mortgage would permit the interest rate to be fixed or adjusted periodically as agreed to by the parties and would contain provisions for full satisfaction of the obligation satisfactory to the Secretary.

Subsection (e) would establish that mortgages insured under this section are eligible for insurance benefits provided in section 204 of this Act.

Subsection (f) contains the consumer safeguards noted above.

Subsection (g) would limit the Secretary's authority to insure mortgages under this section to a total number of mortgages not to exceed 1,000, and would set September 30, 1986 as the final date for insurance of such a mortgage, except for commitments to insure which are issued on or before that date.

Subsection (h) would authorize the Secretary to enter into such contracts and agreements and to undertake such studies as the Secretary determines are appropriate to the purpose of the demonstration.

Subsection (i) would provide for preemption of any State constitution, statute, court decree, common law, rule or public policy limiting or prohibiting sharing appreciation, increases in outstanding balances after execution of the mortgage, disbursement of mortgage proceeds over an extended time, or requiring that the term of the mortgage be fixed.

Subsection (j) would authorize the Secretary to make any disbursements to the mortgagor required by a mortgage insured under this section or by an ancillary contract in the event of default by the party responsible for payment. The Secretary is further authorized to take any action necessary to obtain repayment of such disbursements including, but not limited to: accepting an assignment of the insured mortgage, calculating the amount and making the payment of an insurance claim on such assigned mortgage, requiring a junior mortgage from the mortgagor to secure repayment of funds advanced by the mortgagor, and imposing premium charges. Actions undertaken by the Secretary would preempt any State or local law prohibiting or limiting such actions. Payments would be made from the General Insurance Fund.

STRUCTURAL DEFECTS IN VA-APPROVED, FHA-INSURED NEW HOMES

Section 329 would amend section 518(a) of the National Housing Act, which authorizes the Secretary to make expenditures to correct or compensate for structural defects in single family homes which were approved for FHA insurance prior to construction. As amended, section 518(a) would specify that the Secretary may also correct or compensate for structural defects in FHA-insured new homes which were approved for loan guaranty by the Veterans Administration prior to construction.

Section 203 of the National Housing Act states that VA loan guaranty, insurance or direct loan approval prior to the beginning of construction may be substituted for the Secretary's approval. The proposal would clarify that VA approval is the equivalent of the Secretary's for purposes of correcting or compensating for structural defects.

TIME OF PAYMENT OF MORTGAGE INSURANCE PREMIUMS

Section 330 would amend section 530 of the National Housing Act to clarify that the Department's obligation to collect mortgage insurance premiums on a monthly basis, and to charge interest for late payment of monthly premiums, applies only to the Department's single family programs. The amendment would permit continuation of the existing practice of collecting premium payments from multifamily mortgagees on an annual basis, with interest payable only in the case of late remittance of the annual payment. Monthly collection of premiums would, of course, not apply in the case of mortgages subject to up-front premium collection requirements.

In the past, HUD has not required monthly collection of premiums for its multifamily mortgages. Premiums for those programs are paid by the mortgagor in advance and are escrowed by the mortgagee. Collection of these premium payments on a monthly basis would increase paperwork and would be staff-intensive. It would also unnecessarily disrupt existing finance and accounting operations, which are geared to annual receipt of such payments.

As amended, section 530 would continue to require that premiums be paid "promptly upon their receipt from the borrower" in the case of the single family programs, but would require, for all other insuring authorities, that premiums be paid "promptly when due to the Secretary" (i.e., annually). Interest payable to the Secretary would continue to be required for late payment of premiums, but such interest would accrue beginning twenty days after the mortgagee's receipt of premium payments from the borrower in the case of single-family mortgages, while in the multifamily programs, interest would be due for the period beginning twenty days after the premium payment's due date.

SINGLE FAMILY MORTGAGE INSURANCE ON INDIAN RESERVATIONS AND HAWAIIAN HOME LANDS

Section 331 would add a new section to title V of the National Housing Act authorizing the Secretary to insure certain mortgages without regard to limitations in the National Housing Act, such as those regarding marketability of title, or any other statutory restriction which impedes the availability of mortgage insurance on Indian lands or Hawaiian home lands. The eligible mortgages would be those covering one- to four-family dwellings executed (1) by an Indian tribe (or a member of an Indian tribe and an Indian tribe as co-mortgagors) covering property located on an Indian reservation, (2) by a native Hawaiian covering property located on Hawaiian home lands, provided the Department of Hawaiian Home Lands is a co-mortgagor or guarantor or offers other security acceptable to the Secretary, or (3) in connection with a property assisted under the Indian Housing Program under section 202 of the bill. The insured dwelling would have to be the principal residence of the member of the Indian tribe or native Hawaiian.

The unique nature of the ownership of land on Indian reservations and laws governing the disposition of Indian land makes lenders unwilling to provide mortgage financing for housing on reservations. HUD cannot induce lenders to make mortgage loans by providing insurance because the National Housing Act has requirements for insurability relating to marketability of title that cannot be met by Indian reservation land. The proposal would enable the Secretary to make mortgage insurance available without regard to such statutory restrictions.

The nature of ownership of Hawaiian home lands is similarly unique. Pursuant to the Hawaiian Homes Commission Act of 1920, control but not title to thousands of acres of federally-owned land designated as Hawaiian home lands was transferred to the Hawaiian Homes Commission. When Hawaii was admitted to the Union, the title to the land was conveyed from the Federal government to the State of Hawaii. The new Department of Hawaiian Home Lands has the same powers as the superseded Commission. The Department may lease land for terms of up to 99 years to native Hawaiians only. The lessee may transfer, mortgage or pledge his or her interest only with the approval of the Department and only to another native Hawaiian.

As in the case of Indian lands, HUD cannot encourage lenders to make such loans by insuring the mortgages on the properties, due to requirements of the National Housing Act that cannot be met because of the restrictive provisions of the Hawaiian Homes Commission Act of 1920. The proposal would enable the Secretary to make mortgage insurance available without regard to those requirements.

In order to facilitate the use of FHA insurance on Indian reservations and Hawaiian home lands, this section would contain provisions, similar to those in section 202 of this Act relating to the Indian Housing Program, permitting the Secretary to insure construction advances and applying the higher owner-occupant loan-to-value ratio for all mortgages insured pursuant to this section. Also, as provided in section 202, the Secretary could require Indian tribes to pledge income from tribal resources or tribal assets or pledge Federal grants to reimburse the Secretary for any claims paid in connection with dwellings assisted under this section.

Mortgages insured under this section would be obligations of the General Insurance Fund.

REPEAL OF AUTHORITY TO MAKE GRANTS OR CONTRACTS FOR HOUSING COUNSELING ASSISTANCE

Section 332 would amend section 106(a) of the Housing and Urban Development Act of 1968 to eliminate the Secretary's authority to make grants or contract for housing counseling and other activities authorized by that section. The authorization for ap-

propriations under 106(a)(3) for housing counseling would be repealed. Additionally, section 101(e) of the Act, which authorizes housing counseling assistance for mortgagors under section 235(i) or 235(j)(4) of the National Housing Act, would be repealed. Finally, section 230(d) of the National Housing Act, which directs the Secretary to provide housing counseling to persons assisted under the TMAP program, would be repealed.

Localities can use other sources of Federal revenues (such as community development block grants and general revenue sharing) to fund the activities specified in the above authorities. Accordingly, all authority to appropriate funds for grants and contracts for these purposes (including the Housing Counseling Assistance Program) would be eliminated. However, HUD's authority to provide information, advice and technical assistance for the purposes contained in these provisions would remain unchanged. For example, HUD staff could continue to work with housing counseling agencies that provide mortgage default and rent delinquency counseling on a voluntary basis. The HUD staff activity would include approving counseling agencies and providing technical assistance, making referrals of delinquent mortgagors to counseling agencies, and using counseling agencies to help keep forbearance agreements current. The only expenditures to the Federal government under section 106(a) for the provision of these services would be the salaries and related expenses of the HUD employees involved.

PROHIBITION ON USE OF FHA COINSURANCE IN CONNECTION WITH TAX-EXEMPT OBLIGATIONS

Section 333 would amend section 244 of the National Housing Act to prohibit the tax-exempt status of any obligations issued by a State, political subdivision, or governmental entity, the proceeds of which are used to finance mortgages insured pursuant to section 244 (the Coinsurance Programs). The Administration has been concerned with the coupling of mortgage insurance and tax-exempt financings, under which government guarantees backup tax-exempt obligations. The Department intends not to allow such arrangements with respect to its Coinsurance Programs.

These programs are expected to be used more widely over the next several years for both single family and multifamily housing. The amendment would ensure that development financed by public bodies and employing coinsured mortgages will be done so on a taxable basis. In this way, the availability of coinsurance will not contribute to revenue foregone on tax-exempt housing obligations.●

By Mr. DOLE (for himself, Mr. HEFLIN, and Mr. THURMOND):

S. 645. A bill to establish an intercircuit tribunal, and for other purposes; to the Committee on the Judiciary.

COURT IMPROVEMENTS ACT OF 1983

● Mr. DOLE. Mr. President, on behalf of myself and Senators HEFLIN and THURMOND, I am pleased to introduce the Court Improvements Act of 1983.

The most significant of the reforms included in the package is the creation of an intercircuit tribunal to exercise jurisdiction over cases referred to it by the Supreme Court.

The purpose of the tribunal is to relieve the dramatically increased workload of the Supreme Court. In recent months, in highly unusual fashion, eight Justices of the Court have spoken publicly about the problem of docket congestion. A few weeks ago, the Chief Justice of the United States specifically endorsed the creation of a temporary intercircuit tribunal to help alleviate the growing overload.

For years, judicial commentators and scholars have tracked the alarming rise in the number of cases before the Court. In the Court's past session, there were more than 6,000 petitions for certiorari, an increase of more than 80 percent over the past 10 years. Of sheer necessity, an increasing number of these requests for High Court review were decided in summary, or per curiam fashion.

Almost 10 years ago, the Hruska Commission, which was established to study the Federal appellate system, recommended that a national court of appeals be created to serve as a safety valve for an increasingly overloaded and overworked Supreme Court. In the intervening years, the pressures which led to this recommendation have intensified and the Hruska proposal has continued to receive interest and support. In this and the past Congress, Senator HEFLIN, the ranking minority member of the Courts Subcommittee, has proposed the creation of a permanent National Court of Appeals along the lines recommended by the Hruska Commission, and his well-recognized expertise in this area was instrumental in the development of this intercircuit tribunal proposal.

The intercircuit tribunal can be an important new tool to ease the alarming burdens on the Court.

The elements of the proposal are straight-forward: A temporary court would be created for a 5-year period to settle important matters referred to it by the Supreme Court. The proposal follows the recommendations of the Hruska Commission in that the tribunal would have no original jurisdiction. It would decide only cases which the Supreme Court referred to it by majority vote. The Supreme Court would retain the power to overrule or modify any decision of the tribunal, consistent with its constitutional role as the highest court in the land.

The circuit council of each circuit court of appeals would nominate two judges to sit on the 26-member tribunal. Five judge panels would then be formed within the tribunal to hear and decide cases. No two judges from the same circuit could sit on the same panel. Judges would be designated to sit on panels by a lottery system in such a way that all judges of the tribunal would hear and decide cases that represent all types of cases before the tribunal.

The legislation also incorporates Senator HEFLIN's proposal to establish a Chancellor of the United States who would be appointed by the Chief Justice from among circuit judges in regular active service. The Chancellor would be responsible for assisting the Chief Justice with the ever increasing administrative burdens of the position of Chief Justice. He would also serve as a member of the intercircuit tribunal and be responsible for the administration of that court.

Mr. President, this proposal constitutes a balanced and cost-efficient response to the Supreme Court's urgent need for relief from its burgeoning caseload. Because the proposal does not involve the creation of new judgeships, nor the establishment of a separate administrative support structure, its costs should be minimal. In addition, the temporary nature of the tribunal should address the reservations of some about creating a new appellate layer to the Federal court structure in the form of a permanent National Court of Appeals. Rather, this 5-year experiment will provide the Congress with needed information concerning the feasibility and wisdom of taking such a step. At the same time, the tribunal will provide desperately needed additional decisional capacity for the resolution of disputes where nationwide uniformity is needed, many of which are now left unresolved because the Supreme Court cannot make room on its docket.

The remaining components of this court improvements package consist of proposals which are similar or identical to bills which were introduced in the last Congress. All were mentioned in the year end report of the Chief Justice as needed improvements in judicial administration.

First, title I would eliminate the mandatory jurisdiction of the Supreme Court. Under current law, certain cases may be appealed directly to the Supreme Court and the Court is obligated to hear and decide them. The majority of these cases do not involve important issues, are summarily dealt with, and essentially serve only to clog the Court's docket. Identical proposals have passed at least one House of Congress in the past three Congresses.

Title II would eliminate most civil priorities. Over the past several years, the Congress has enacted so many statutory provisions requiring the courts to give expedited consideration to certain civil cases, that they have become virtually meaningless. Title II would eliminate all these identified priorities, except for habeas corpus, civil rights, and FOIA cases, and applications for temporary restraining orders or injunctions. A proposal virtually identical to title II passed the House last year as part of the Railsback court reform package.

Title III would make certain improvements to judicial survivor's benefits to make them more comparable to

those provided by State judicial systems and in private law practice. These improvements should help turn the tide on the increasing number of Federal judges resigning and help maintain the high caliber of those accepting appointments to the Federal bench. Included in the improvements are: Basing children's annuities on a percentage of salary, as opposed to a fixed dollar amount; creating a minimum annuity of 30 percent of salary for surviving spouses; and increasing the factoring figure upon which surviving spouses' annuities are based. Participating judges would be required to contribute an increased percentage of their salary to help offset additional costs.

Title IV would create a State justice institute. This nonprofit corporation would administer federally funded assistance programs to State courts to improve judicial administration at the State level. It is identical to a bill introduced by Senator HEFLIN, and which passed the Senate in the last Congress.

Title V would create a temporary Federal courts study commission to look beyond the immediate problems confronting the judiciary and to undertake comprehensive, long-range planning. Specifically, the major purposes of the commission would be to conduct a 2-year study of the jurisdiction of the Federal and State courts, appraise the problems confronting the courts and develop a long-range plan for their future needs. The bipartisan commission would consist of 14 members appointed by the heads of the three branches of Government, and would submit periodic reports on the state of the judiciary and a final report at the end of 10 years. It is identical to a proposal sponsored by Senators THURMOND and HEFLIN which passed the Senate last year.

Mr. President. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 645

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Court Improvements Act of 1983".

TITLE I—SUPREME COURT REVIEW

REVIEW OF DECISIONS INVALIDATING ACTS OF CONGRESS

SEC. 101. Section 1252 of title 28, United States Code, and the item relating to that section in the section analysis of chapter 81 of such title, are repealed.

REVIEW OF DECISIONS INVALIDATING STATE STATUTES

SEC. 102. (a) Section 1254 of title 28, United States Code, is amended by striking out paragraph (2) and redesignating paragraph (3) as paragraph (2).

(b) The section heading for section 1254 of such title is amended by striking out "appeal;".

(c) The item relating to section 1254 in the section analysis of chapter 81 of title 28, United States Code, is amended by striking out "appeal;".

REVIEW OF STATE COURT DECISIONS INVOLVING VALIDITY OF STATUTES

SEC. 103. Section 1257 of title 28, United States Code, is amended to read as follows:

"§ 1257. State courts; certiorari

"(a) Final judgments or decrees rendered by the highest court of a State in which a decision could be had, may be reviewed by the Supreme Court by writ of certiorari where the validity of a treaty or statute of the United States is drawn in question or where the validity of a statute of any State is drawn in question on the ground of its being repugnant to the Constitution, treaties, or laws of the United States, or where any title, right, privilege, or immunity is specially set up or claimed under the Constitution or the treaties or statutes of, or any commission held or authority exercised under, the United States.

"(b) For the purposes of this section, the term 'highest court of a State' includes the District of Columbia Court of Appeals.".

REVIEW OF DECISIONS FROM SUPREME COURT OF PUERTO RICO

SEC. 104. Section 1258 of title 28, United States Code, is amended to read as follows:

"§ 1258. Supreme Court of Puerto Rico; certiorari

"Final judgments or decrees rendered by the Supreme Court of the Commonwealth of Puerto Rico may be reviewed by the Supreme Court by writ of certiorari where the validity of a treaty or statute of the United States is drawn in question or where the validity of a statute of the Commonwealth of Puerto Rico is drawn in question on the ground of its being repugnant to the Constitution, treaties, or laws of the United States, or where any title, right, privilege, or immunity is specially set up or claimed under the Constitution or the treaties or statutes of, or any commission held or authority exercised under, the United States.".

CONFORMING AMENDMENTS

SEC. 105. (a) The items relating to sections 1257 and 1258 in the section analysis of chapter 81 of title 28, United States Code, are amended to read as follows:

"1257. State courts; certiorari.
"1258. Supreme Court of Puerto Rico; certiorari.".

(b) Section 2101(a) of title 28, United States Code, is amended by striking out "sections 1252, 1253 and 2282" and inserting in lieu thereof "section 1253".

(c)(1) Section 2104 of title 28, United States Code, is amended to read as follows:

"§ 2104. Reviews of State court decisions

"A review by the Supreme Court of a judgment or decree of a State court shall be conducted in the same manner and under the same regulations, and shall have the same effect, as if the judgment or decree reviewed had been rendered in a court of the United States.".

(2) The item relating to section 2104 in the section analysis of chapter 133 of title 28, United States Code, is amended to read as follows:

"2104. Reviews of State court decisions.".

(d) Section 2350(b) of title 28, United States Code, is amended by striking out "1254(3)" and inserting in lieu thereof "1254(2)".

AMENDMENTS TO OTHER LAWS

SEC. 106. (a) Section 310 of the Federal Election Campaign Act (2 U.S.C. 437h) is amended by repealing subsection (b), and redesignating subsection (c) as subsection (b).

(b) Section 2 of the Act of May 18, 1928 (25 U.S.C. 652), is amended by striking out ", with the right of either party to appeal to the United States Court of Appeals for the Federal Circuit".

(c) The last sentence of section 203(d) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652(d)) is amended to read as follows: "An interlocutory or final judgment, decree, or order of such distinct court may be reviewed only upon petition for a writ of certiorari to the Supreme Court of the United States.".

(d) Section 209(e)(3) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 719(e)(3)) is amended—

(1) in the first sentence by striking out ", except that" and all that follows through the end of the sentence and inserting in lieu thereof a period; and

(2) in the second sentence by striking out "petition or appeal shall be filed" and inserting in lieu thereof "such petition shall be filed in the Supreme Court".

(e) Section 303(d) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 743(d)) is amended to read as follows:

"(d) REVIEW.—A finding or determination entered by the special court pursuant to subsection (c) of this section or section 306 of this title shall be reviewable only upon petition for a writ of certiorari to the Supreme Court of the United States. Such review is exclusive and any such petition shall be filed in the Supreme Court not more than 20 days after entry of such finding or determination.".

(f) Section 1152(b) of the Omnibus Budget Reconciliation Act of 1981 (45 U.S.C. 1105(b)) is amended—

(1) in the first sentence by striking out ", except that" and all that follows through the end of the sentence and inserting in lieu thereof a period; and

(2) in the second sentence by striking out "petition or appeal shall be filed" and inserting in lieu thereof "such petition shall be filed in the Supreme Court".

(g) Section 206 of the International Claims Settlement Act of 1949 (22 U.S.C. 1631e) is amended by striking out "1252, 1254, 1291," and inserting in lieu thereof "1291".

(h) Section 12(a) of the Act of May 13, 1954, commonly known as the Saint Lawrence Seaway Act (33 U.S.C. 988(a)), is amended by striking out "1254(3)" and inserting in lieu thereof "1254(2)".

EFFECTIVE DATE

SEC. 107. The amendments made by this title shall take effect ninety days after the date of the enactment of this title, except that such amendments shall not apply to cases pending in the Supreme Court on the effective date of such amendments or affect the right to review or the manner of reviewing the judgment or decree of a court which was entered before such effective date.

TITLE II—CIVIL PRIORITIES

ESTABLISHMENT OF PRIORITY OF CIVIL ACTIONS

SEC. 201. (a) Chapter 111 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1657. Priority of civil actions

"(a) Notwithstanding any other provisions of law, each court of the United States shall determine the order in which civil actions are heard and determined, except that the court shall expedite the consideration of any action brought under chapter 153 or section 1826 of this title, any action for temporary or preliminary injunctive relief, or any other action if good cause therefor is shown.

"(b) The Judicial Conference of the United States may modify the rules adopted by the courts to determine the order in which civil actions are heard and determined, in order to establish consistency among the judicial circuits."

(b) The section analysis of chapter 111 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"1657. Priority of civil actions.".

AMENDMENTS TO OTHER LAWS

SEC. 202. The following provisions of law are amended:

(1)(A) Section 309(a)(10) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(11) is repealed.

(B) Section 310 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437h), as amended by section 106(a) of this Act, is further amended—

(i) by striking out "(a)" after "SEC. 310."; and

(ii) by repealing subsection (b), as redesignated by section 106(a) of this Act.

(2) Section 6(a) of the Commodity Exchange Act (7 U.S.C. 8(a)) is amended by striking out "The proceedings in such cases in the court of appeals shall be made a preferred cause and shall be expedited in every way.".

(3)(A) Section 6(c)(4) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136d(c)(4)) is amended by striking out the second sentence.

(B) Section 10(d)(3) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136h(d)(3)) is amended by striking out "The court shall give expedited consideration to any such action.".

(C) Section 16(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136n(b)) is amended by striking out the last sentence.

(D) Section 25(a)(4)(E)(iii) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136w(a)(4)(E)(iii)) is repealed.

(4) Section 204(d) of the Packers and Stockyards Act, 1921 (7 U.S.C. 194(d)), is amended by striking out the second sentence.

(5) Section 366 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1366) is amended in the fourth sentence by striking out "At the earliest convenient time, the court, in term time or vacation, ' and inserting in lieu thereof "The court".

(6)(A) Section 410 of the Federal Seed Act (7 U.S.C. 1600) is amended by striking out "The proceedings in such cases in the court of appeals shall be made a preferred cause and shall be expedited in every way.".

(B) Section 411 of the Federal Seed Act (7 U.S.C. 1601) is amended by striking out "The proceedings in such cases shall be made a preferred cause and shall be expedited in every way.".

(7) Section 816(c)(4) of the Act of October 7, 1975, commonly known as the Department of Defense Appropriation Authorization Act of 1976 (10 U.S.C. 2304 note) is amended by striking out the last sentence.

(8) Section 5(d)(6)(A) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(d)(6)(A)) is amended by striking out "Such proceedings shall be given precedence over other cases pending in such courts, and shall be in every way expedited.".

(9)(A) Section 7A(f)(2) of the Clayton Act (15 U.S.C. 18a(f)(2)) is amended to read as follows: "(2) certifies to the United States district court for the judicial district within which the respondent resides or carries on business, or in which the action is brought, that it or he believes that the public interest requires relief pendente lite pursuant to this subsection, then upon the filing of such motion and certification, the chief judge of such district court shall immediately notify the chief judge of the United States court of appeals for the circuit in which such district court is located, who shall designate a United States district judge to whom such action shall be assigned for all purposes.".

(B) Section 11(e) of the Clayton Act (15 U.S.C. 21(e)) is amended by striking out the first sentence.

(10) Section 1 of the Act of February 11, 1903, commonly known as the Expediting Act (15 U.S.C. 28) is repealed.

(11) Section 5(e) of the Federal Trade Commission Act (15 U.S.C. 45(e)) is amended by striking out the first sentence.

(12) Section 21(f)(3) of the Federal Trade Commission Improvements Act of 1980 (15 U.S.C. 57a-1(f)(3)) is repealed.

(13) Section 11A(c)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1(c)(4)) is amended—

(A) by striking out "(A)" after "(4)"; and

(B) by striking out subparagraph (B).

(14)(A) Section 309(e) of the Small Business Investment Act of 1958 (15 U.S.C. 687a(e)) is amended by striking out the sixth sentence.

(B) Section 309(f) of the Small Business Investment Act of 1958 (15 U.S.C. 687a(f)) is amended by striking out the last sentence.

(C) Section 311(a) of the Small Business Investment Act of 1958 (15 U.S.C. 687c(a)) is amended by striking out the last sentence.

(15) Section 10(c)(2) of the Alaska Natural Gas Transportation Act (15 U.S.C. 719h(c)(2)) is repealed.

(16) Section 155(a) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1415(a)) is amended by striking out "(1)" and by striking out paragraph (2).

(17) Section 503(b)(3)(E) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2003(b)(3)(E)) is amended by striking out clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively.

(18) Section 23(d) of the Toxic Substances Control Act (15 U.S.C. 2622(d)) is amended by striking out the last sentence.

(19) Section 12(e)(3) of the Coastal Zone Management Improvement Act of 1980 (16 U.S.C. 1463a(e)(3)) is repealed.

(20) Section 11 of the Act of September 28, 1976 (16 U.S.C. 1910), is amended by striking out the last sentence.

(21)(A) Section 807(b) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3117(b)) is repealed.

(B) Section 1108 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3168) is amended to read as follows:

"INJUNCTIVE RELIEF

"SEC. 1108. No court shall have jurisdiction to grant any injunctive relief lasting longer than ninety days against any action pursuant to this title except in conjunction with a final judgment entered in a case involving an action pursuant to this title.".

(22)(A) Section 10(b)(3) of the Central Idaho Wilderness Act of 1980 (Public Law 96-312; 94 Stat. 948) is repealed.

(B) Section 10(c) of the Central Idaho Wilderness Act of 1980 is amended to read as follows:

"(c) Any review of any decision of the United States District Court for the District of Idaho shall be made by the Ninth Circuit Court of Appeals of the United States.".

(23)(A) Section 1964(b) of title 18, United States Code, is amended by striking out the second sentence.

(B) Section 1966 of title 18, United States Code, is amended by striking out the last sentence.

(24)(A) Section 408(i)(5) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(i)(5)) is amended by striking out the last sentence.

(B) Section 409(g)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 348(g)(2)) is amended by striking out the last sentence.

(25) Section 8(f) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 618(f)) is amended by striking out the last sentence.

(26) Section 4 of the Act of December 22, 1974 (25 U.S.C. 640d-3), is amended by striking out "(a)" and by striking out subsection (b).

(27)(A) Section 3310(e) of the Internal Revenue Code of 1954 (26 U.S.C. 3310(e)) is repealed.

(B) Section 6110(f)(5) of the Internal Revenue Code of 1954 (26 U.S.C. 6110(f)(5)) is amended by striking out "and the Court of Appeals shall expedite any review of such decision in every way possible".

(C) Section 6363(d)(4) of the Internal Revenue Code of 1954 (26 U.S.C. 6363(d)(4)) is repealed.

(D) Section 7609(h)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 7609(h)(3)) is repealed.

(E) Section 9010(c) of the Internal Revenue Code of 1954 (26 U.S.C. 9010(c)) is amended by striking out the last sentence.

(F) Section 9011(b)(2) of the Internal Revenue Code of 1954 (26 U.S.C. 9011(b)(2)) is amended by striking out the last sentence.

(28)(A) Section 596(a)(3) of title 28, United States Code, is amended by striking out the last sentence.

(B) Section 636(c)(4) of title 28, United States Code, is amended in the second sentence by striking out "expeditious and".

(C) Section 1296 of title 28, United States Code, and the item relating to that section in the section analysis of chapter 83 of that title, are repealed.

(D) Subsection (c) of section 1364 of title 28, United States Code, the section heading of which reads "Senate actions", is repealed.

(E) Section 2284(b)(2) of title 28, United States Code, is amended by striking out the last sentence.

(F) Section 2349(b) of title 28, United States Code, is amended by striking out the last two sentences.

(G) Section 2647 of title 28, United States Code, and the item relating to that section in the section analysis of chapter 169 of that title, are repealed.

(29) Section 10 of the Act of March 23, 1932, commonly known as the Norris-LaGuardia Act (29 U.S.C. 110), is amended by striking out "with the greatest possible expedition" and all that follows through the end of the sentence and inserting in lieu thereof "expeditiously".

(30) Section 10(i) of the National Labor Relations Act (29 U.S.C. 160(i)) is repealed.

(31) Section 11(a) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 660(a)) is amended by striking out the last sentence.

(32) Section 4003(e)(4) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1303(e)(4)) is repealed.

(33) Section 106(a)(1) of the Federal Coal Mine Health and Safety Act of 1969 (30 U.S.C. 816(a)(1)) is amended by striking out the last sentence.

(34) Section 1016 of the Impoundment Control Act of 1974 (31 U.S.C. 1406) is amended by striking out the second sentence.

(35) Section 2022 of title 38, United States Code, is amended by striking out "The court shall order speedy hearing in any such case and shall advance it on the calendar.".

(36) Section 3628 of title 39, United States Code, is amended by striking out the fourth sentence.

(37) Section 1450(i)(4) of the Public Health Service Act (42 U.S.C. 300j-9(i)(4)) is amended by striking out the last sentence.

(38) Section 304(e) of the Social Security Act (42 U.S.C. 504(e)) is repealed.

(39) Section 814 of the Act of April 11, 1968 (42 U.S.C. 3614), is repealed.

(40) The matter under subheading "EXPLORATION OF NATIONAL PETROLEUM RESERVE IN ALASKA" under the headings "ENERGY AND MINERALS" and "GEOLOGICAL SURVEY" in title I of the Act of December 12, 1980 (94 Stat. 2964; 42 U.S.C. 6508), is amended in the third paragraph by striking out the last sentence.

(41) Section 214(b) of The Emergency Energy Conservation Act of 1979 (42 U.S.C. 8514(b)) is repealed.

(42) Section 2 of the Act of February 25, 1885 (43 U.S.C. 1062), is amended by striking out "; and any suit brought under the provisions of this section shall have precedence for hearing and trial over other cases on the civil docket of the court, and shall be tried and determined at the earliest practicable day".

(43) Section 23(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1349(d)) is repealed.

(44) Section 511(c) of the Public Utilities Regulatory Policies Act of 1978 (43 U.S.C. 2011(c)) is amended by striking out "Any such proceeding shall be assigned for hearing at the earliest possible date and shall be expedited by such court.".

(45) Section 203(d) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652(d)) is amended by striking out the fourth sentence.

(46) Section 5(f) of the Railroad Unemployment Insurance Act (45 U.S.C. 355(f)) is amended by striking out ", and shall be given precedence in the adjudication thereof over all other civil cases not otherwise entitled by law to precedence".

(47) Section 305(d)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 745(d)(2)) is amended—

(A) in the first sentence by striking out "Within 180 days after" and inserting in lieu thereof "After"; and

(B) in the last sentence by striking out "Within 90 days after" and inserting in lieu thereof "After".

(48) Section 124(b) of the Rock Island Transition and Employee Assistance Act (45 U.S.C. 1018(b)) is amended by striking out ", and shall render a final decision no later than 60 days after the date the last such appeal is filed".

(49) Section 402(g) of the Communications Act of 1934 (47 U.S.C. 402(g)) is amended—

(A) by striking out "At the earliest convenient time the" and inserting in lieu thereof "The"; and

(B) by striking out "10(e) of the Administrative Procedure Act" and inserting in lieu thereof "706 of title 5, United States Code".

(50) Section 13A(a) of the Subversive Activities Control Act of 1950 (50 U.S.C. 792a note) is amended in the third sentence by striking out "or any court".

(51) Section 12(a) of the Military Selective Service Act of 1967 (50 U.S.C. App. 462(a)) is amended by striking out the last sentence.

(52) Section 4(b) of the Act of July 2, 1948 (50 U.S.C. App. 1984(b)), is amended by striking out the last sentence.

EFFECTIVE DATE

SEC. 203. The amendments made by this title shall not apply to cases pending on the date of the enactment of this title.

TITLE III—JUDICIAL SURVIVORS' ANNUITIES

SHORT TITLE

SEC. 301. This title may be cited as the "Judicial Survivors' Annuities Reform Act of 1982".

ANNUITIES FOR SURVIVORS

SEC. 302. (a) Subsections (b) and (d) of section 376 of title 28, United States Code, are amended by striking out "4.5 percent" each place it appears and inserting in lieu thereof "5.0 percent".

(b) Subsection (c) of section 376 of title 28, United States Code, is amended by striking the first sentence and inserting in lieu thereof the following: "There shall also be deposited to the credit of the 'Judicial Survivors' Annuities Fund', in accordance with such procedures as may be prescribed by the Comptroller General of the United States, amounts required to maintain the actuarial balance of the program as such amounts are actuarially determined on an annual basis in accordance with the provisions of subtitle C of part II of title I of the Budget and Accounting Procedures Act of 1950 (Public Law 95-595; 31 U.S.C. 68a).".

(c) Subsection (h)(1)(B) of section 376 of title 28, United States Code, is amended by striking out clauses (i) and (ii) and inserting in lieu thereof the following:

"(i) 10 percent of the average annual salary amount determined in accordance with the provisions of subsection (l) of this section; or

"(ii) 20 percent of such average annual salary amount, divided by the number of children; or".

(d) Subsection (h)(1)(C) of section 376 of title 28, United States Code, is amended by striking out clauses (ii) and (iii) and inserting in lieu thereof the following:

"(ii) 20 percent of the average annual salary amount determined in accordance with the provisions of subsection (l) of this section; or

"(iii) 40 percent of such average annual salary amount, divided by the number of children.".

(e) Subsection (l) of section 376 of title 28, United States Code, is amended—

(1) by striking out "1¼ percent" and inserting in lieu thereof "1.5 percent"; and

(2) by striking out all after "of this subsection" in paragraph (2) and inserting in lieu thereof the following: ", except that such annuity shall not exceed an amount equal to 50 percent of such average annual salary, nor be less than an amount equal to 30 percent of such average annual salary, and that any amount determined in accordance with the provisions of this subsection shall be reduced to the extent required by subsection (d) of this section, if applicable.".

(f) Subsection (h)(2) of section 376 of title 28, United States Code, is amended by inserting before the period, "prior to the attainment of sixty years of age".

AVAILABILITY OF BENEFITS

SEC. 303. The benefits conferred by this title shall immediately become available to any individual becoming eligible for an annuity under section 376 of title 28, United States Code, on or after the date upon which this title becomes effective, except that, although the rights of any judicial official electing to come within the purview of section 376 of title 28, United States Code, on or after the date upon which this title becomes effective, shall be determined exclusively under the provisions of that section as amended by this title, nothing in this title shall be interpreted to cancel, abrogate, or diminish any rights to which an individual or his or her survivors may be entitled by virtue of that individual having contributed to the judicial survivors annuity fund before the date upon which this title becomes effective.

RIGHT TO REVOKE ELECTION TO PARTICIPATE

SEC. 304. At any time within one hundred and eighty days after the date upon which this title becomes effective, any judicial official who has been participating in the judicial survivors annuity program created by the Judicial Survivors' Annuities Reform Act (90 Stat. 2603), shall be entitled to revoke his or her earlier election to participate in that program and thereby completely withdraw from participation in the program as reformed by this title, except that—

(a) any such revocation may be effected only by means of a writing filed with the Director of the Administrative Office of the United States Courts,

(b) any such writing shall be deemed to have become effective no sooner than the date upon which that writing is received by the Director,

(c) upon receipt of such a writing by the Director, any and all rights to survivorship benefits for such judicial official's survivors shall terminate, and all amounts credited to such judicial official's individual account, together with interest at 3 percent per annum, compounded on December 31 of each year to that date of revocation, shall thereafter be returned to that judicial official in a lump-sum refund payment, and

(d) any judicial official who effects such a revocation and who subsequently again becomes eligible and elects to join the judicial survivors annuities program created by this title under the provisions of section 376 of title 28, United States Code, as amended by this title, shall be permitted to do so only upon the redeposit of the full amount of the refund obtained under this section plus interest at 3 percent per annum, compounded on December 31 of each year from the date of the revocation until the date upon which that amount is redeposited.

Any judicial offical who fails to effect a revocation in accordance with the right conferred by this section within one hundred and eighty days after the date upon which this title becomes effective shall be deemed to have irrevocably waived the right to that revocation.

EFFECTIVE DATE

SEC. 305. This title shall become effective on the first day of the third month following the month in which it is enacted.

TITLE IV—STATE JUSTICE INSTITUTE

SHORT TITLE

SEC. 401. This title may be cited as the "State Justice Institute Act of 1982".

DEFINITIONS

SEC. 402. As used in this title, the term—

(1) "Board" means the Board of Directors of the Institute;

(2) "Director" means the Executive Director of the Institute;

(3) "Governor" means the Chief Executive Officer of a State;

(4) "Institute" means the State Justice Institute;

(5) "recipient" means any grantee, contractor, or recipient of financial assistance under this title;

(6) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States; and

(7) "Supreme Court" means the highest appellate court within a State unless, for the purposes of this title, a constitutionally or legislatively established judicial council acts in place of that court.

ESTABLISHMENT OF INSTITUTE; DUTIES

SEC. 403. (a) There is established a private nonprofit corporation which shall be known as the State Justice Institute. The purpose of the Institute shall be to further the development and adoption of improved judicial administration in State courts in the United States. The Institute may be incorporated in the District of Columbia or in any other State. To the extent consistent with the provisions of this title, the Institute shall exercise the powers conferred upon a nonprofit corporation by the laws of the State in which it is incorporated.

(b) The Institute shall—

(1) direct a national program of assistance designed to assure each person ready access to a fair and effective system of justice by providing funds to—

(A) State courts;

(B) national organizations which support and are supported by State courts; and

(C) any other nonprofit organization that will support and achieve the purposes of this title;

(2) foster coordination and cooperation with the Federal judiciary in areas of mutual concern;

(3) make recommendations to government agencies concerning programs and activities relating to the administration of justice in State courts;

(4) promote recognition of the importance of the separation of powers doctrine to an independent judiciary; and

(5) encourage education for judges and support personnel of State court systems through national and State organizations, including universities.

(c) The Institute shall not duplicate functions adequately performed by existing nonprofit organizations and shall promote, on the part of agencies of State judicial administration, responsibility for the success and effectiveness of State court improvement programs supported by Federal funding.

(d) The Institute shall maintain its principal offices in the State in which it is incorporated and shall maintain therein a designated agent to accept service of process for the Institute. Notice to or service upon the agent shall be deemed notice to or service upon the Institute.

(e) The Institute, and any program assisted by the Institute, shall be eligible to be treated as an organization described in section 170(c)(2)(B) of the Internal Revenue Code of 1954 and as an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from taxation under section 501(a) of such Code. If such treatments are conferred in accordance with the provisions of such Code, the Institute, and programs assisted by the Institute, shall be subject to all provisions of such Code relevant to the conduct of organizations exempt from taxation.

(f) The Institute shall afford notice and reasonable opportunity for comment to interested parties prior to issuing rules, regulations, guidelines, and instructions under this title, and it shall publish in the Federal Register, at least thirty days prior to their effective date, all rules, regulations, guidelines, and instructions.

BOARD OF DIRECTORS

SEC. 404. (a)(1) The Institute shall be supervised by a Board of Directors, consisting of eleven voting members to be appointed by the President, by and with the advice and consent of the Senate. The Board shall have both judicial and nonjudicial members, and shall, to the extent practicable, have a membership representing a variety of backgrounds and reflecting participation and interest in the administration of justice.

(2) The Board shall consist of—

(A) six judges, to be appointed in the manner provided in paragraph (3);

(B) one State court administrator, to be appointed in the manner provided in paragraph (3); and

(C) four public members, no more than two of whom shall be of the same political party, to be appointed in the manner provided in paragraph (4).

(3) The President shall appoint six judges and one State court administrator from a list of candidates submitted by the Conference of Chief Justices. The Conference of Chief Justices shall submit a list of at least fourteen individuals, including judges and State court administrators, whom the conference considers best qualified to serve on the Board. The President may reject such list and request another list of individuals. Prior to consulting with or submitting a list to the President, the Conference of Chief Justices shall obtain and consider the recommendations of all interested organizations and individuals concerned with the administration of justice and the objectives of this title.

(4) In addition to those members appointed under paragraph (3), the President shall appoint four members from the public sector to serve on the Board.

(5) The President shall appoint the members under this subsection within sixty days after the date of enactment of this title.

(6) The members of the Board of Directors shall be the incorporators of the Institute and shall determine the State in which the Institute is to be incorporated.

(b)(1) Except as provided in paragraph (2), the term of each voting member of the Board shall be three years. Each member of the Board shall continue to serve until the successor to such member has been appointed and qualified.

(2) Five of the members first appointed by the President shall serve for a term of two years. Any member appointed to serve for an unexpired term arising by virtue of the death, disability, retirement, or resignation of a member shall be appointed only for such unexpired term, but shall be eligible for reappointment.

(3) The term of initial members shall commence from the date of the first meeting of the Board, and the term of each member other than an initial member shall commence from the date of termination of the preceding term.

(c) No member shall be reappointed to more than two consecutive terms immediately following such member's initial term.

(d) Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

(e) The members of the Board shall not, by reason of such membership, be considered officers or employees of the United States.

(f) Each member of the Board shall be entitled to one vote. A simple majority of the membership shall constitute a quorum for the conduct of business. The Board shall act upon the concurrence of a simple majority of the membership present and voting.

(g) The Board shall select from among the voting members of the Board a chairman, the first of whom shall serve for a term of three years. Thereafter, the Board shall annually elect a chairman from among its voting members.

(h) A member of the Board may be removed by a vote of seven members for malfeasance in office, persistent neglect of, or inability to discharge duties, or for any offense involving moral turpitude, but for no other cause.

(i) Regular meetings of the Board shall be held quarterly. Special meetings shall be held from time to time upon the call of the chairman, acting at his own discretion or pursuant to the petition of any seven members.

(j) All meetings of the Board, any executive committee of the Board, and any council established in connection with this title, shall be open and subject to the requirements and provisions of section 552b of title 5, United States Code, relating to open meetings.

(k) In its direction and supervision of the activities of the Institute, the Board shall—

(1) establish such policies and develop such programs for the Institute as will further achievement of its purpose and performance of its functions;

(2) establish policy and funding priorities and issue rules, regulations, guidelines, and instructions pursuant to such priorities;

(3) appoint and fix the duties of the Executive Director of the Institute, who shall serve at the pleasure of the Board and shall be a nonvoting ex officio member of the Board;

(4) present to other Government departments, agencies, and instrumentalities whose programs or activities relate to the administration of justice in the State judiciaries of the United States, the recommendations of the Institute for the improvement of such programs or activities;

(5) consider and recommend to both public and private agencies aspects of the operation of the State courts of the United States considered worthy of special study; and

(6) award grants and enter into cooperative agreements or contracts pursuant to section 406(a).

OFFICERS AND EMPLOYEES

SEC. 405. (a)(1) The Director, subject to general policies established by the Board,

shall supervise the activities of persons employed by the Institute and may appoint and remove such employees as he determines necessary to carry out the purposes of the Institute. The Director shall be responsible for the executive and administrative operations of the Institute, and shall perform such duties as are delegated to such Director by the Board and the Institute.

(2) No political test or political qualification shall be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, agent, or employee of the Institute, or in selecting or monitoring any grantee, contractor, person, or entity receiving financial assistance under this title.

(b) Officers and employees of the Institute shall be compensated at rates determined by the Board, but not in excess of the rate of level V of the Executive Schedule specified in section 5316 of title 5, United States Code.

(c)(1) Except as otherwise specifically provided in this title, the Institute shall not be considered a department, agency, or instrumentality of the Federal Government.

(2) This title does not limit the authority of the Office of Management and Budget to review and submit comments upon the Institute's annual budget request at the time it is transmitted to the Congress.

(d)(1) Except as provided in paragraph (2), officers and employees of the Institute shall not be considered officers or employees of the United States.

(2) Officers and employees of the Institute shall be considered officers and employees of the United States solely for the purposes of the following provisions of title 5, United States Code: Subchapter I of chapter 81 (relating to compensation for work injuries); chapter 83 (relating to civil service retirement); chapter 87 (relating to life insurance); and chapter 89 (relating to health insurance). The Institute shall make contributions under the provisions referred to in this subsection at the same rates applicable to agencies of the Federal Government.

(e) The Institute and its officers and employees shall be subject to the provisions of section 552 of title 5, United States Code, relating to freedom of information.

GRANTS AND CONTRACTS

SEC. 406. (a) The Institute is authorized to award grants and enter into cooperative agreements or contracts, in a manner consistent with subsection (b), in order to—

(1) conduct research, demonstrations, or special projects pertaining to the purposes described in this title, and provide technical assistance and training in support of tests, demonstrations, and special projects;

(2) serve as a clearinghouse and information center, where not otherwise adequately provided, for the preparation, publication, and dissemination of information regarding State judicial systems;

(3) participate in joint projects with other agencies, including the Federal Judicial Center, with respect to the purposes of this title;

(4) evaluate, when appropriate, the programs and projects carried out under this title to determine their impact upon the quality of criminal, civil, and juvenile justice and the extent to which they have met or failed to meet the purposes and policies of this title;

(5) encourage and assist in the furtherance of judicial education;

(6) encourage, assist, and serve in a consulting capacity to State and local justice system agencies in the development, maintenance, and coordination of criminal, civil, and juvenile justice programs and services; and

(7) be responsible for the certification of national programs that are intended to aid and improve State judicial systems.

(b) The Institute is empowered to award grants and enter into cooperative agreements or contracts as follows:

(1) The Institute shall give priority to grants, cooperative agreements, or contracts with—

(A) State and local courts and their agencies,

(B) national nonprofit organizations controlled by, operating in conjunction with, and serving the judicial branches of State governments; and

(C) national nonprofit organizations for the education and training of judges and support personnel of the judicial branch of State governments.

(2) The Institute may, if the objective can better be served thereby, award grants or enter into cooperative agreements or contracts with—

(A) other nonprofit organizations with expertise in judicial administration;

(B) institutions of higher education;

(C) individuals, partnerships, firms, or corporations; and

(D) private agencies with expertise in judicial administration.

(3) Upon application by an appropriate Federal, State, or local agency or institution and if the arrangements to be made by such agency or institution will provide services which could not be provided adequately through nongovernmental arrangements, the Institute may award a grant or enter into a cooperative agreement or contract with a unit of Federal, State, or local government other than a court.

(4) Each application for funding by a State or local court shall be approved by the State's supreme court, or its designated agency or council, which shall receive, administer, and be accountable for all funds awarded by the Institute to such courts.

(c) Funds available pursuant to grants, cooperative agreements, or contracts awarded under this section may be used—

(1) to assist State and local court systems in establishing appropriate procedures for the selection and removal of judges and other court personnel and in determining appropriate levels of compensation;

(2) to support education and training programs for judges and other court personnel, for the performance of their general duties and for specialized functions, and to support national and regional conferences and seminars for the dissemination of information on new developments and innovative techniques;

(3) to conduct research on alternative means for using nonjudicial personnel in court decisionmaking activities, to implement demonstration programs to test innovative approaches, and to conduct evaluations of their effectiveness;

(4) to assist State and local courts in meeting requirements of Federal law applicable to recipients of Federal funds;

(5) to support studies of the appropriateness and efficacy of court organizations and financing structures in particular States, and to enable States to implement plans for improved court organization and finance;

(6) to support State court planning and budgeting staffs and to provide technical assistance in resource allocation and service forecasting techniques;

(7) to support studies of the adequacy of court management systems in State and local courts and to implement and evaluate innovative responses to problems of record management, data processing, court personnel management, reporting and transcription of court proceedings, and juror utilization and management;

(8) to collect and compile statistical data and other information on the work of the courts and on the work of other agencies which relate to and effect the work of courts;

(9) to conduct studies of the causes of trial and appellate court delay in resolving cases, and to establish and evaluate experimental programs for reducing case processing time;

(10) to develop and test methods for measuring the performance of judges and courts and to conduct experiments in the use of such measures to improve their functioning;

(11) to support studies of court rules and procedures, discovery devices, and evidentiary standards, to identify problems with their operation, to devise alternative approaches to better reconcile the requirements of due process with the needs for swift and certain justice, and to test their utility;

(12) to support studies of the outcomes of cases in selected subject matter areas to identify instances in which the substance of justice meted out by the courts diverges from public expectations of fairness, consistency, or equity, to propose alternative approaches to the resolving of cases in problem areas, and to test and evaluate those alternatives;

(13) to support programs to increase court responsiveness to the needs of citizens through citizen education, improvement of court treatment of witnesses, victims, and jurors, and development of procedures for obtaining and using measures of public satisfaction with court processes to improve court performance;

(14) to test and evaluate experimental approaches to providing increased citizen access to justice, including processes which reduce the cost of litigating common grievances and alternative techniques and mechanisms for resolving disputes between citizens; and

(15) to carry out such other programs, consistent with the purposes of this title, as may be deemed appropriate by the Institute.

(d) The Institute shall incorporate in any grant, cooperative agreement, or contract awarded under this section in which a State or local judicial system is the recipient, the requirement that the recipient provide a match, from private or public sources, equal to 25 per centum of the total cost of such grant, cooperative agreement, or contract, except that such requirement may be waived in exceptionally rare circumstances upon the approval of the chief justice of the highest court of the State and a majority of the Board of Directors.

(e) The Institute shall monitor and evaluate, or provide for independent evaluations of, programs supported in whole or in part under this title to insure that the provisions of this title, the bylaws of the Institute, and the applicable rules, regulations, and guidelines promulgated pursuant to this title, are carried out.

(f) The Institute shall provide for an independent study of the financial and technical assistance programs under this title.

LIMITATIONS ON GRANTS AND CONTRACTS

SEC. 407. (a) With respect to grants or contracts made under this title, the Institute shall—

(1) insure that no funds made available to recipients by the Institute shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any Executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative body, or any State proposal by initiative petition, unless a governmental agency, legislative body, a committee, or a member thereof—

(A) requests personnel of the recipients to testify, draft, or review measures or to make representations to such agency, body, committee, or member; or

(B) is considering a measure directly affecting the activities under this title of the recipient or the Institute;

(2) insure all personnel engaged in grant or contract assistance activities supported in whole or part by the Institute refrain, while so engaged, from any partisan political activity; and

(3) insure that every grantee, contractor, person, or entity receiving financial assistance under this title which files with the Institute a timely application for refunding is provided interim funding necessary to maintain its current level of activities until—

(A) the application for refunding has been approved and funds pursuant thereto received; or

(B) the application for refunding has been finally denied in accordance with section 509 of this title.

(b) No funds made available by the Institute under this title, either by grant or contract, may be used to support or conduct training programs for the purpose of advocating particular nonjudicial public policies or encouraging nonjudicial political activities.

(c) The authorization to enter into contracts or any other obligation under this title shall be effective only to the exent, and in such amounts, as are provided in appropriation Acts.

(d) To insure that funds made available under this title are used to supplement and improve the operation of State courts, rather than to support basic court services, funds shall not be used—

(1) to supplant State or local funds currently supporting a program or activity; or

(2) to construct court facilities or structures, except to remodel existing facilities to demonstrate new architectural or technological techniques, or to provide temporary facilities for new personnel or for personnel involved in a demonstration or experimental program.

RESTRICTIONS ON ACTIVITIES OF THE INSTITUTE

SEC. 408. (a) The Institute shall not—

(1) participate in litigation unless the Institute or a recipient of the Institute is a party, and shall not participate on behalf of any client other than itself;

(2) interfere with the independent nature of any State judicial system nor allow sums to be used for the funding of regular judicial and administrative activities of any State judicial system other than pursuant to the terms of any grant, cooperative agreement, or contract with the Institute, consistent with the requirements of this title; or

(3) undertake to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative body, except that personnel of the Institute may testify or make other appropriate communication—

(A) when formally requested to do so by a legislative body, committee, or a member thereof;

(B) in connection with legislation or appropriations directly affecting the activities of the Institute; or

(C) in connection with legislation or appropriations dealing with improvements in the State judiciary, consistent with the provisions of this title.

(b)(1) The Institute shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Institute shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses.

(3) Neither the Institute nor any recipient shall contribute or make available Institute funds or program personnel or equipment to any political party or association, or the campaign of any candidate for public or party office.

(4) The Institute shall not contribute or make available Institute funds or program personnel or equipment for use in advocating or opposing any ballot measure, initiative, or referendum, except those dealing with improvement of the State judiciary, consistent with the purposes of this title.

(c) Officers and employees of the Institute or of recipients shall not at any time intentionally identify the Institute or the recipient with any partisan or nonpartisan political activity associated with a political party or association, or the campaign of any candidate for public or party office.

SPECIAL PROCEDURES

SEC. 409. The Institute shall prescribe procedures to insure that—

(1) financial assistance under this title shall not be suspended unless the grantee, contractor, person, or entity receiving financial assistance under this title has been given reasonable notice and opportunity to show cause why such actions should not be taken; and

(2) financial assistance under this title shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the grantee, contractor, person, or entity receiving financial assistance under this has been afforded reasonable notice and opportunity for a timely, full, and fair hearing, and, when requested, such hearing shall be conducted by an independent hearing examiner. Such hearing shall be held prior to any final decision by the Institute to terminate financial assistance or suspend or deny funding. Hearing examiners shall be appointed by the Institute in accordance with procedures established in regulations promulgated by the Institute.

PRESIDENTIAL COORDINATION

SEC. 410. The President may, to the extent not inconsistent with any other applicable law, direct that appropriate support functions of the Federal Government may be made available to the Institute in carrying out its functions under this title.

RECORDS AND REPORTS

SEC. 411. (a) The Institute is authorized to require such reports as it deems necessary from any grantee, contractor, person, or entity receiving financial assistance under this title regarding activities carried out pursuant to this title.

(b) The Institute is authorized to prescribe the keeping of records with respect to funds provided by grant or contract and shall have access to such records at all reasonable times for the purpose of insuring compliance with the grant or contract or the terms and conditions upon which financial assistance was provided.

(c) Copies of all reports pertinent to the evaluation, inspection, or monitoring of any grantee, contractor, person, or entity receiving financial assistance under this title shall be submitted on a timely basis to such grantee, contractor, or person or entity, and shall be maintained in the principal office of the Institute for a period of at least five years after such evaluation, inspection, or monitoring. Such reports shall be available for public inspection during regular business hours, and copies shall be furnished, upon request, to interested parties upon payment of such reasonable fees as the Institute may establish.

(d) Non-Federal funds received by the Institute, and funds received for projects funded in part by the Institute or by any recipient from a source other than the Institute, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds.

AUDITS

SEC. 412. (a)(1) The accounts of the Institute shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.

(2) The audits shall be conducted at the place or places where the accounts of the Institute are normally kept. All books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Institute and necessary to facilitate the audits shall be made available to the person or persons conducting the audits. The full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to any such person.

(3) The report of the annual audit shall be filed with the General Accounting Office and shall be available for public inspection during business hours at the principal office of the Institute.

(b)(1) In addition to the annual audit, the financial transactions of the Institute for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States.

(2) Any such audit shall be conducted at the place or places where accounts of the Institute are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Institute and necessary to facilitate the audit. The full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to such representatives. All such books, accounts, financial records, reports, files, and other papers or property of the Institute shall remain in the possession and custody of the Institute through-

out the period beginning on the date such possession or custody commences and ending three years after such date, but the General Accounting Office may require the retention of such books, accounts, financial records, reports, files, and other papers or property for a longer period under section 117(b) of the Accounting and Auditing Act of 1950 (31 U.S.C. 67(b)).

(3) A report of such audit shall be made by the Comptroller General to the Congress and to the Attorney General, together with such recommendations with respect thereto as the Comptroller General deems advisable.

(c)(1) The Institute shall conduct, or require each grantee, contractor, person, or entity receiving financial assistance under this title to provide for, an annual fiscal audit. The report of each such audit shall be maintained for a period of at least five years at the principal office of the Institute.

(2) The Institute shall submit to the Comptroller General of the United States copies of such reports, and the Comptroller General may, in addition, inspect the books, accounts, financial records, files, and other papers or property belonging to or in use by such grantee, contractor, person, or entity, which relate to the disposition or use of funds received from the Institute. Such audit reports shall be available for public inspection during regular business hours, at the principal office of the Institute.

AMENDMENTS TO OTHER LAWS

SEC. 413. Section 620(b) of title 28, United States Code, is amended—

(1) striking out "and" at the end of paragraph (3);

(2) striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(3) inserting the following new paragraph (5) at the end thereof:

"(5) Insofar as may be consistent with the performance of the other functions set forth in this section, to cooperate with the State Justice Institute in the establishment and coordination of research and programs concerning the administration of justice.".

AUTHORIZATIONS

SEC. 414. There are authorized to be appropriated to carry out the purposes of this title, $20,000,000 for fiscal year 1984, $25,000,000 for fiscal year 1985, and $25,000,000 for fiscal year 1986.

EFFECTIVE DATE

SEC. 415. The provisions of this title shall take effect upon the date of enactment of such title.

TITLE V—FEDERAL COURTS STUDY COMMISSION

SHORT TITLE

SEC. 501. This title may be cited as the "Federal Courts Study Act".

ESTABLISHMENT AND PURPOSES OF THE COMMISSION

SEC. 502. (a) There is hereby established a Federal Courts Study Commission on the future of the Federal Judiciary (hereafter referred to as the "Commission").

(b) The purposes of the Commission are to—

(1) study the jurisdiction of the courts of the United States;

(2) evaluate the procedures, personnel, business and administration of the courts;

(3) stimulate the examination of problems currently facing the courts;

(4) order, receive, and review reports from all dispute resolving bodies, including courts, administrative agencies, and alternative dispute resolution entities; and further, collect, and review all private and public studies concerning the effectiveness of courts of the United States, the jurisdiction of the courts and their procedures, personnel, business, and administration;

(5) report to the President, the Congress, the Judicial Conference of the United States, and the State Justice Institute, on the revisions, if any, in the Constitution and laws of the United States where the Commission, based on its study and evaluation, deems advisable; and

(6) develop a long-range plan for the future of the Federal Judiciary, including assessments involving—

(A) alternative methods of dispute resolution;

(B) the actual structure and administration of the Federal court system;

(C) the manner in which courts handle cases;

(D) methods of resolving intracircuit and intercircuit conflicts in the court of appeals; and

(E) the types of disputes resolved by the Federal courts and Federal agencies.

MEMBERSHIP OF THE COMMISSION

SEC. 503. (a) The Commission shall be composed of fourteen members appointed, within ninety days after the effective date of this title, as follows:

(1) four members appointed by the President of the United States with not more than two members from any major political party;

(2) two members of the Senate appointed by the President pro tempore of the Senate, one of whom shall be appointed upon the recommendation of the majority leader and one of whom shall be appointed upon the recommendation of the minority leader;

(3) two members of the House of Representatives appointed by the Speaker of the House of Representatives, one of whom shall be appointed upon the recommendation of the majority leader and one of whom shall be appointed upon the recommendation of the minority leader;

(4) four members appointed by the Chief Justice of the United States with no more than two of such members from any major political party; and

(5) two members appointed by the Conference of Chief Justices, with no more than one such member being from any major political party.

(b) The membership of the Commission shall be selected in such a manner as to be broadly representative of the various interests, needs, and concerns which may be affected by the jurisdiction of the Federal courts.

(c) The term of office of each Commission member shall be five years. Any member who was appointed pursuant to paragraph (2) or (3) of subsection (a) who vacates such office during his term of office with the Commission shall vacate his position on the Commission also. A member appointed to fill any such vacancy shall be appointed only for the remainder of his predecessor's term. Vacancies in the Commission shall not affect its powers and shall be filled in the same manner in which the original appointment was made.

(d) The Commission shall select a Chairman and a Vice Chairman from among its members.

(e) Eight members of the Commission shall constitute a quorum.

POWERS OF THE COMMISSION

SEC. 504. (a) The Commission or, on the authorization of the Commission, any subcommittee thereof may, for the purpose of carrying out its functions and duties, hold such hearings and sit and act at such times and places, administer such oaths, and request the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission, or any such subcommittee may deem advisable.

(b) The Administrative Office of the United States Courts, and the Federal Judicial Center, and each department, agency, and instrumentality of the executive branch of the Government, including the National Institute of Justice and independent agencies, shall furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information and assistance as the Commission may reasonably deem necessary to carry out its functions under this title, consistent with other applicable provisions of law governing the release of such information.

(c) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title, and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $200 a day for individuals.

(d) To the extent or in such amounts as are provided in appropriation Acts, the Commission is authorized to enter into interagency agreements or contracts with the Federal Judicial Center, the National Center for State Courts, Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(e) The Commission is authorized to receive financial assistance from sources other than the Federal Government, including assistance from private foundations.

(f) The Commission is authorized, for the purpose of carrying out its functions and duties pursuant to this title, to establish advisory panels consisting of members either of the Commission or of the public. Such panels shall be established to provide expertise and assistance in specific areas, as the Commission deems necessary.

FUNCTIONS AND DUTIES

SEC. 505. (a) The Commission shall—

(1) make a complete study of the jurisdiction of the courts of the United States and of the several States and report to the President and the Congress on such study within two years after the effective date of this title;

(2) recommend revisions to be made to the Constitution and laws of the United States as the Commission, on the basis of such study, deems advisable;

(3) collect and review studies on the effectiveness of the courts;

(4) develop a long-range plan for the judicial system;

(5) submit written reports to the President and the Congress on the condition of the judiciary, including a summary of their findings, recommendations, and conclusions annually, submitting the first such report within one year after the study concluded pursuant to paragraph (1); and

(6) make any recommendations and conclusions it deems advisable every year thereafter.

(b) The study of the jurisdiction of the courts conducted by the Commission pursuant to paragraph (1) of subsection (a) shall be completed within two years after the effective date of this title and prior to the other functions and duties provided for in this section.

COMPENSATION OF MEMBERS

SEC. 506. (a) A member of the Commission who is an officer or full-time employee of the United States shall receive no additional compensation for his or her services, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of duties vested in the Commission, but such amount shall not exceed the maximum amounts authorized under section 456 of title 28, United States Code.

(b) A member of the Commission who is from the private sector shall receive $200 per diem for each day (including traveltime) during which he or she is engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties, but such amounts shall not be in excess of the maximum amounts authorized under section 456 of title 28, United States Code.

REPORTS

SEC. 507. (a)(1) The Commission shall transmit to the President and to the Congress, not later than two years after the effective date of this title, a study of the jurisdiction of the courts of the United States and of the several States pursuant to section 505(a)(1) of this title. The Commission shall thereafter, in keeping with its functions, annually transmit to the President and the Congress a report on the condition of the judiciary and summarize any findings, and make any recommendations and conclusions it deems advisable on the basis of its previous activities.

(2) Not later than 10 years after the effective date of this title the Commission shall submit a final report containing a detailed statement of the findings and conclusions of the study conducted pursuant to this title, together with any recommendations it deems advisable.

EXPIRATION OF THE COMMISSION

SEC. 508. The Commission shall cease to exist on the date 90 days after it transmits the final report pursuant to section 507 of this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 509. To carry out the purposes of this title there are authorized to be appropriated $700,000 for each of the fiscal years 1984 and 1985, and $800,000 for each of the eight succeeding fiscal years 1986 through 1993.

EFFECTIVE DATE

SEC. 510. This title shall become effective on the date of enactment of this title.

TITLE VI—INTERCIRCUIT TRIBUNAL

SHORT TITLE

SEC. 601. This title may be cited as the "Intercircuit Tribunal of the United States Courts of Appeals Act".

ESTABLISHMENT OF TRIBUNAL

SEC. 602. (a) Part I of title 28, United States Code, is amended by inserting immediately after chapter 3 the following new chapter:

"CHAPTER 4—INTERCIRCUIT TRIBUNAL OF THE UNITED STATES COURTS OF APPEALS

"Sec.
"61. Establishment and composition of Intercircuit Tribunal; sitting panels.
"62. Establishment and duties of the Chancellor of the United States.
"63. Principal office and terms.
"64. Seal.
"65. Sessions.

"§ 61. Establishment and composition of Intercircuit Tribunal; sitting panels

"(a)(1) There shall be established an Intercircuit Tribunal of the United States Courts of Appeals which shall be composed of the Chancellor of the United States and twenty-six circuit judges who are in regular active service or who are senior judges. The circuit council of each circuit shall designate two judges to serve on the Tribunal for a period of not more than five years from the date of such designation.

"(2) Cases and controversies shall be heard and determined by sitting panels, composed of five judges on each panel, as designated by rule of the court, from among judges serving on the Intercircuit Tribunal, except that no two judges from the same circuit may be designated to serve on a sitting panel at the same time. Judges shall be designated by a lottery system to serve on sitting panels in such a manner that all of the judges on the Tribunal hear and determine cases that are representative of all types of cases reviewed by the Tribunal. The judge on the sitting panel who is senior in service shall preside over that panel.

"(b) Rules of procedure shall be promulgated and published by vote of a majority of the full membership of the Intercircuit Tribunal before any cases are heard.

"(c) In the event of the death, resignation, or disability of any judge designated under subsection (a), the circuit council from which such judge had been selected shall, subject to the provisions of subsection (a), fill the vacancy for the remainder of the period for which such judge was designated to serve.

"§ 62. Establishment and duties of the Chancellor of the United States

"(a)(1) There shall be a Chancellor of the United States appointed by the Chief Justice from amongst judges on active duty as members of a United States Circuit Court of Appeals. The President shall appoint a replacement for the vacated circuit judgeship.

"(2) The Chancellor shall be subject to removal by the Chief Justice.

"(3)(A) The Chancellor may return to his former position as a judge of the United States Circuit Court of Appeals and serve in the same manner as he did prior to becoming Chancellor if he is dismissed, or voluntarily vacates such position.

"(B) The time spent as Chancellor shall be treated as years of judicial service for purposes of such judge's seniority status.

"(C) If such Chancellor returns to his former circuit judgeship position, such circuit shall be permitted to have its authorized number of judgeships plus the one additional judgeship resulting from the return of the former Chancellor until such time as one judge leaves the circuit by assuming senior status, by retirement, or death.

"(4) The Chancellor shall take the oath or affirmation as provided in section 453 of title 28, United States Code, before performing the duties of his office.

"(5) The Chancellor shall be provided with travel expenses pursuant to section 456 of title 28, United States Code, to the same extent such expenses are provided each Justice or judge of the United States.

"(b) The Chancellor shall serve as a member of the Intercircuit Tribunal and shall be responsible for the administration of the court.

"(c) The Chancellor shall supervise all administrative matters assigned to him by the Chief Justice and, as requested by the Chief Justice, assist with nonjudicial functions of the position of Chief Justice including administrative duties.".

"§ 63. Principal office and terms

"The principal office of the Intercircuit Tribunal of the United States Courts of Appeals shall be in the District of Columbia, but the Tribunal may hold court at such times and places within the United States as the Tribunal may fix by rule.

"§ 64. Seal

"The Intercircuit Tribunal of the United States Courts of Appeals shall have a seal which shall be judicially noticed.

"§ 65. Sessions

"The time and place of the sessions of the Intercircuit Tribunal of the United States Courts of Appeals shall be prescribed by rule of the court.".

(b) The analysis of part I of title 28, United States Code, is amended by inserting immediately after the item relating to chapter 3 the following new item:

"4. Intercircuit Tribunal of the United States Courts of Appeals.. 61".

OFFICERS AND EMPLOYEES

SEC. 603. (a) Part III of title 28, United States Code, is amended by inserting immediately after chapter 47 the following new chapter:

"CHAPTER 48—INTERCIRCUIT TRIBUNAL OF THE UNITED STATES COURTS OF APPEALS

"Sec.
"731. Clerk and employees.
"732. Marshal and bailiffs.

"§ 731. Clerk and employees

"(a) The Intercircuit Tribunal of the United States Courts of Appeals may appoint a clerk who shall be subject to removal by the Tribunal. The Tribunal may appoint or authorize the appointment of such other officers and employees in such number as may be approved by the Director of the Administrative Office of the United States Courts.

"(b) The officers and employees of the Tribunal shall be subject to removal by the Tribunal or, if the Tribunal so determines, shall, with the approval of the Tribunal, be subject to removal by the clerk or other officer who appointed them.

"(c) The clerk shall pay into the Treasury all fees, costs, and other moneys collected by the clerk and shall make returns thereof to the Director of the Administrative Office of the United States Courts under regulations prescribed by the Director.

"§ 732. Marshal and bailiffs

"(a) The Intercircuit Tribunal of the United States Courts of Appeals may request the services of the marshal of the court of appeals in the judicial district in which the Tribunal is sitting. The marshal shall attend the Tribunal at its sessions, take charge of all property of the United States used by the Tribunal or its employees, and perform such other duties as the Tribunal may direct. The marshal, with the approval of the Tribunal, may request necessary bailiffs from the court of appeals which the marshal serves. Such bailiffs shall attend the Tribunal, preserve order, and perform such other necessary duties as the Tribunal or the marshal may direct.".

(b) The analysis of part III of title 28, United States Code, is amended by inserting immediately after the item relating to chapter 47 of such title the following new item:

"48. Intercircuit Tribunal of the United States Courts of Appeals.. 731".

JURISDICTION AND REVIEW

SEC. 604. (a)(1) Chapter 81 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1259. Referral to Intercircuit Tribunal of the United States Courts of Appeals

"(a) After granting or denying certiorari or noting probable jurisdiction of an appeal in cases before it, or while an application for review of a case by appeal or by writ of certiorari is pending in the Supreme Court, the Supreme Court may refer to the Intercircuit Tribunal of the United States Courts of Appeals any such case which is before the Supreme Court, by the affirmative vote of five of its members. The Supreme Court shall direct the Intercircuit Tribunal of the United States Courts of Appeals to decide any case so referred.

"(b) Any judgment of the Intercircuit Tribunal of the United States Courts of Appeals, in any case referred to the Tribunal under subsection (a), may be reviewed by the Supreme Court by writ of certiorari granted upon the petition of any party to any such case before or after rendition of judgment or decree by the Tribunal.".

(2) The analysis of chapter 81 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"1259. Referral to Intercircuit Tribunal of the United States Courts of Appeals.".

(b)(1) Part IV of title 28, United States Code, is amended by adding immediately after chapter 81 of such title the following new chapter;

"CHAPTER 82—INTERCIRCUIT TRIBUNAL OF THE UNITED STATES COURTS OF APPEALS

"Sec.
"1271. Jurisdiction.
"1272. Finality of decisions.

"§ 1271. Jurisdiction

"The Intercircuit Tribunal of the United States Courts of Appeals shall have jurisdiction of cases referred to the Tribunal by the Supreme Court.

"§ 1272. Finality of decisions

"(a) The Intercircuit Tribunal of the United States Courts of Appeals may deny review in any case referred to the Tribunal by the Supreme Court which is subject to review by writ of certiorari, unless the Tribunal is directed by the Supreme Court to decide the case.

"(b) Unless modified or overruled by the Supreme Court, decisions of the Intercircuit Tribunal of the United States Courts of Appeals other than decisions denying review under subsection (a) shall be binding on all courts of the United States and, with respect to questions arising under the Constitution, laws, or treaties of the United States, on all other courts.".

(2) The analysis of part IV of title 28, United States Code, is amended by inserting immediately after the item relating to chapter 81 of such title the following new item:

"82. Intercircuit Tribunal of the United States Courts of Appeals.. 1271".

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 605. (a) Section 1913 of title 28, United States Code, is amended to read as follows:

"§ 1913. Courts of appeals; Intercircuit Tribunal of the United States Courts of Appeals

"The fees and costs to be charged and collected in each court of appeals and in the Intercircuit Tribunal of the United States Courts of Appeals shall be prescribed from time to time by the Judicial Conference of the United States. Such fees and costs shall be reasonable and, in the case of the courts of appeals, shall be uniform for all the courts.".

(b) The item relating to section 1913 of title 28, United States Code, in the analysis of chapter 123 of such title, is amended to read as follows:

"1913. Courts of appeals; Intercircuit Tribunal of the United States Courts of Appeals.".

(c) The first paragraph of section 2072 of title 28, United States Code, is amended by inserting after "courts of appeals of the United States" the following: ", and of the Intercircuit Tribunal of the United States Courts of Appeals".

(d) Section 2106 of title 28, United States Code, is amended by inserting immediately after "Supreme Court" the following: ", the Intercircuit Tribunal of the United States Courts of Appeals,".

AUTHORIZATION OF APPROPRIATIONS

SEC. 606. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

EFFECTIVE DATE; REPORTS; TERMINATION OF INTERCIRCUIT TRIBUNAL

SEC. 607. (a) This title, and the amendments made by this title, shall take effect on October 1, 1983.

(b) Section 604(d) of title 28, United States Code, is amended—

(1) in paragraph (4) by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following:

"(5) lay before Congress annually statistical tables and other information which will accurately reflect the business which has come before the Intercircuit Tribunal of the United States Courts of Appeals.".

(c) The Intercircuit Tribunal of the United States Courts of Appeals, in consultation with the Director of the Administrative Office of the United States Courts, shall submit to the Congress, not later than October 1, 1987, a comprehensive report on its activities from the effective date of this title.

(d)(1) The Intercircuit Tribunal of the United States Courts of Appeals shall terminate on September 30, 1988.

(2) This title, and the amendments made by this title, shall cease to be effective on September 30, 1988.●

By Mr. DOLE:

S. 646. A bill to amend title 18, United States Code, for the purpose of providing authority to the Attorney General to prosecute acts obstructing the flow of commerce, and for other purposes; to the Committee on the Judiciary.

INTERSTATE COMMERCE PROTECTION ACT OF 1983

● Mr. DOLE. Mr. President, today I am introducing the Interstate Commerce Protection Act of 1983, a bill to amend title 18 of the United States Code for the purpose of providing additional tools to the President and Attorney General where the movement of persons or property in interstate commerece is threatened by actual or potential violence.

The impetus for this legislation was the recently concluded "strike" by a minority of independent truck operators which affected the flow of products in interstate commerce throughout the United States. The strike activities of the independent operators who led the work stoppage were marked by numerous incidents of violence against the majority of truckers who refused to participate. The violence was, for the most part, random and unplanned. but it was, at the same time, encouraged by the stridency of certain leaders of the Independent Trucker's Associations who, in my view, callously disregarded the importance of protecting the interests of all parties traveling on the roadways of our Nation and those involved in the production and distribution of goods which flow in the channels of commerce.

As we in Congress watched the spectacle of one irresponsible, violent act after another unfold during the duration of this strike, it became obvious to me that the Federal Government—which is utltimately responsible for the proper management of the Federal highway system—needed a strengthened hand in dealing with renegade groups which thrive on unlawful disruption to the flow of commerce in order to rivet public attention on their grievances, thus was born this legislative initiative.

The legislation focuses upon two problem areas in the law as it currently exists.

First, the Federal criminal statues are unclear with regard to the Attorney General's authority to prosecute a violent act, the sole purpose of which is to disrupt the flow of goods in commerce. There presently exists authority to prosecute persons who damage, destroy, or disable motor vehicles carrying passengers—or passengers and freight—for hire; but the statutes are apparently limited by their terms to commercial vehicles carrying passengers, and further do not cover the commission of acts—such as blockades—which are done for the purpose

of blocking the movement of goods, and not destroying property.

Second, the utilization of criminal prosecutions as the primary response to such violence does not meet the need for quick, effective deterrent action against organized groups of individuals who act in concert to stop the flow of goods in commerce, or threaten so to do. Thus, the Government—when faced with spontaneous action by a group of independent contractors who threaten to disrupt commerce to call attention to their complaints—has no remedy except the time-consuming process of criminal indictment and prosecution. Valuable time is lost while criminal investigations are commenced and grand juries are convened, as the movement of persons and property in commerce is disrupted.

An example of the anomalous situation our Government finds itself in in such situations was the trucker's strike. If the Teamsters Union had called a nationwide trucking strike, the President could have acted under the powers granted to him by the Taft-Hartley Act, and sought injunctive relief against the union on the grounds of threat to the national welfare posed by the prospective strike. Yet when a group of independent truckers announces and carries out a work stoppage involving acts of violence and blockades, the President can do little else except seek indictment of individuals committing specific acts of violence. It is this imbalance that the legislation I offer today is intended to correct.

The legislation would amend title 18 of the United States Code in two principal respects. First, it would make unlawful the commission of any act the purpose of which is to obstruct or delay the flow of persons or property in interstate commerce, or to do material injury thereto; and it would further make unlawful the incitement or encouragement of any such act. Second, it would provide the Attorney General with the authority to seek injuctive relief in Federal courts against any individual who is committing such an act or encouraging others to commit such acts. Thus, it provides a more effective deterrent against those who would interfere with commerce than present law does, and it would provide quick civil remedies which could be used to control actual or threatened disruptions to the flow of goods in commerce by organized groups seeking public attention.

The bill is carefully written to insure that it does not infringe upon the legitimate exercise of collective bargaining rights by a labor union involved in a legitimate labor dispute. The language of the proposed measure expressly exempts any acts which are done within the parameters of a proper judicial order or statutory enactment. Thus, a strike action which is permitted by law—one protected by the provisions of statutes and case law governing labor relations—would not be affected by its provisions.

Mr. President, the legislation is brief in content and self-explanatory. I ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 646

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. That this Act may be cited as the "Interstate Commerce Protection Act of 1983".

SEC. 2. Title 18, United States Code, is amended by adding after Chapter 53 thereof a new chapter, which shall be designated as Chapter 54 and which shall read as follows:

"Chapter 54.—INTERSTATE COMMERCE

"Sec. 1170. Obstruction of Commerce: Criminal Acts and Penalties

"Sec. 1171. Obstruction of Commerce: Civil Remedies

"§ 1170. Obstruction of Commerce: Criminal Acts and Penalties.

(a) It shall be unlawful for any person to knowingly and intentionally commit, or attempt to commit, any act the purpose of which is to obstruct or delay the movement of persons or property in interstate commerce, or to inflict material damage or injury upon any person or item of property which is moving in interstate commerce.

(b) It shall be unlawful for any person to incite, encourage, aid, or abet the commission of any act which is prohibited under the provisions of paragraph (a) of this section.

(c) The provisions of this section shall not prohibit the commission of any act which is permitted by proper judicial order or by law, including but not limited to laws relating to labor disputes.

(d) Any person found guilty of violating the provisions of this section shall be fined not more than $10,000 for each such violation or imprisoned not more than ten years, or both.

(e) The term 'insurance commerce' as used in this section shall include any person or item of property which is engaged in trade, commerce, transportation, transmission, or communication among the several states or with foreign nations, or engaged in the production of goods for commerce."

"§ 1171. Obstruction of Commerce: Civil Remedies

(a) Any person injured in his person, business, or property by reason of a violation of section 1170 of this title may sue therefor in any appropriate United States district court, and shall recover such damages as may be sustained and shall be entitled to such equitable relief as may be proper.

(b) The Attorney General of the United States, or his designee, may petition any district court of the United States having jurisdiction over the parties to enjoin any person or group of persons who threaten to commit, or who is committing, any act which is in violation of section 1170 of this title from committing such act; and, upon a showing by a preponderance of the evidence, the court shall have jurisdiction to grant such injunctive relief as may be appropriate, as well as to enter such further orders as may be necessary under the circumstances of the case."

SEC. 3. Title 18, United States Code is further amended, in section 1961(1) thereof, by inserting the words "section 1170 (relating to obstruction of commerce)," after the words "section 1084 (relating to the transmission of gambling information),".●

By Mr. DOMENICI (for himself, Mr. PERCY, and Mr. RIEGLE):

S.J. Res. 43. Joint resolution to declare "Baltic Freedom Day"; to the Committee on the Judiciary.

BALTIC FREEDOM DAY

● Mr. DOMENICI. Mr. President, 43 years ago, in June of 1940, the Soviet Union in a flagrant violation of international, and indeed moral law annexed the Baltic States of Latvia, Lithuania, and Estonia. Their occupation of these states, characterized by religious persecution, dilution of century-old ethnic and cultural tradition, and the squelching of individual right of expression has been a source of great concern to people throughout the world.

The plight of these people, equal in gravity to that of the Poles and Afghans has not received the intense media attention that these more recent examples of Soviet expansionism and tyrrany have for the simple reason that their battle for freedom is an old one. Yet they persist, with a determination and strength that deserves the admiration of all those who wish to permanently eliminate the horror of imperialism. While under the yoke of Soviet hegemony, the Balts have not only endured the denial of their basic human rights, they have battled against the ongoing attempts of their oppressors to deprive them of their national identities. This identity, rich in cultural wealth, and value has clearly provided them with the strength and resolve that prevents them from giving up their struggle for freedom.

Mr. President, despite their 43-year fight for autonomy, these states remain under Soviet domination. Yet this has neither dampened their spirit of determination, nor lessened the strong sense of culture and tradition that unifies them. What is even more admirable is that the value they place on freedom extends beyond their own situation to that of others. Few groups of people stood as supportively behind the Polish people as the Balts.

We, who are so fortunate to live in freedom must extend to these brave people our ongoing support and commitment to their purpose. Thus, I ask that my colleagues join me in again designating June 14 as Baltic Freedom Day to commemorate and applaud the unyielding courage of the Balts in their pursuit of freedom.●

ADDITIONAL COSPONSORS

S. 4

At the request of Mr. CRANSTON, the name of the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 4, a bill to provide assistance and coordination in the provision of child care services for children living in homes with working parents, and for other purposes.

S. 17

At the request of Mr. DOLE, the names of the Senator from Alaska (Mr. STEVENS), the Senator from Vermont (Mr. STAFFORD), the Senator from Texas (Mr. BENTSEN), and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of S. 17, a bill to expand and improve the domestic commodity distribution program.

S. 39

At the request of Mr. BOREN, the name of the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 39, a bill to amend the Internal Revenue Code of 1954 to repeal the withholding of tax on interest and dividends.

S. 97

At the request of Mr. FORD, the name of the Senator from Maine (Mr. MITCHELL) was added as a cosponsor of S. 97, a bill to amend the Railroad Unemployment Insurance Act to provide supplemental unemployment benefits to certain employees with less than 10 years of services.

S. 213

At the request of Mr. LUGAR, the names of the Senator from Idaho (Mr. SYMMS), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Nebraska (Mr. EXON), the Senator from Iowa (Mr. GRASSLEY), the Senator from Oklahoma (Mr. NICKLES), the Senator from Florida (Mrs. HAWKINS), and the Senator from Alabama (Mr. HEFLIN), were added as cosponsors of S. 213, a bill to amend title II of the Social Security Act to provide generally that benefits thereunder may be paid to aliens only after they have been lawfully admitted to the United States for permanent residence, and to improve further restrictions on the right of any alien in a foreign country to receive such benefits.

S. 216

At the request of Mr. THURMOND, the name of the Senator from Maine (Mr. MITCHELL), was added as a cosponsor of S. 216, a bill to amend title 18, United States Code, to combat, deter, and punish individuals who adulterate or otherwise tamper with food, drug, cosmetic, and other products with intent to cause personal injury, death, or other harm.

S. 253

At the request of Mr. PRESSLER, the name of the Senator from Minnesota (Mr. BOSCHWITZ), was added as a cosponsor of S. 253, a bill to amend the Internal Revenue Code of 1954 to reduce the rate of tax imposed on certain petroleum products that are mixed with alcohol, and for other purposes.

S. 306

At the request of Mr. CRANSTON, the name of the Senator from California (Mr. WILSON), was added as a cosponsor of S. 306, a bill for the relief of Elga Bouilliant-Linet.

S. 427

At the request of Mr. BAUCUS, the names of the Senator from Vermont (Mr. STAFFORD), the Senator from Maryland (Mr. MATHIAS), the Senator from Wyoming (Mr. SIMPSON), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from North Dakota (Mr. ANDREWS), were added as cosponsors of S. 427, a bill to amend the Internal Revenue Code of 1954 to remove certain limitations on charitable contributions of certain literary, musical, or artistic compositions.

S. 464

At the request of Mr. LONG, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 464, a bill to exempt newly discovered oil from the windfall profit tax.

S. 476

At the request of Mr. LEVIN, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 476, a bill to amend title II of the Social Security Act to require a finding of medical improvement when disability benefits are terminated, to provide for a review and right to personal appearance prior to termination of disability benefits, to provide for uniform standards in determining disability, to provide continued payment of disability benefits during the appeals process, and for other purposes.

S. 480

At the request of Mr. PRESSLER, the names of the Senator from South Dakota (Mr. ABDNOR), the Senator from Maryland (Mr. SARBANES), and the Senator from Michigan (Mr. RIEGLE) were added as cosponsors of S. 480, a bill relating to the transfer of civil land remote sensing space satellite systems and meteorological satellite systems to the private sector.

S. 498

At the request of Mr. D'AMATO, the names of the Senator from South Dakota (Mr. PRESSLER), and the Senator from Louisiana (Mr. JOHNSTON) were added as cosponsors of S. 498, a bill to amend the Agricultural Act of 1949 to modify the dairy price support program.

S. 527

At the request of Mr. GRASSLEY, the name of the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 527, a bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of agricultural commodities received under a payment-in-kind program.

S. 549

At the request of Mr. HATCH, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 549, a bill to amend title 11, United States Code, to improve the protections for shopping centers and their tenants under the Bankruptcy Code.

S. 553

At the request of Mr. HART, the name of the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of S. 553, a bill to authorize a national program of improving the quality of education.

S. 563

At the request of Mr. CHILES, the name of the Senator from Vermont (Mr. STAFFORD) was added as a cosponsor of S. 563, a bill to reform the laws relating to former Presidents.

S. 571

At the request of Mr. ROTH, the names of the Senator from Montana (Mr. MELCHER), and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of S. 571, a bill to amend the Federal Property and Administrative Services Act of 1949 to make Federal surplus property more accessible to local emergency preparedness and volunteer firefighting organizations and to authorize and direct the Federal Emergency Management Agency to recommend available Federal surplus to the Administrator of the General Services Administration, and for other purposes.

S. 599

At the request of Mr. LEVIN, the names of the Senator from Rhode Island (Mr. PELL), and the Senator from Montana (Mr. MELCHER) were added as cosponsors of S. 599, a bill to provide that the amount of unnegotiated social security checks shall be returned to the social security trust funds.

SENATE JOINT RESOLUTION 11

At the request of Mr. ROTH, the name of the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of Senate Joint Resolution 11, a joint resolution entitled "National Safety in the Workplace Week."

SENATE JOINT RESOLUTION 37

At the request of Mr. HATCH, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of Senate Joint Resolution 37, a joint resoluton providing that the week containing March 8 of 1983, 1984, and 1985 shall be designated as "Women's History Week."

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. BOSCHWITZ, the names of the Senator from Dela-

ware (Mr. BIDEN), the Senator from Georgia (Mr. NUNN), the Senator from Oklahoma (Mr. BOREN), the Senator from Montana (Mr. BAUCUS), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger.

SENATE RESOLUTION 49

At the request of Mr. HOLLINGS, the names of the Senator from Oklahoma (Mr. BOREN), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Minnesota (Mr. BOSCHWITZ), and the Senator from Montana (Mr. MELCHER) were added as cosponsors of Senator Resolution 49, a resolution disapproving deferral D83-43, relating to economic development assistance programs.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that at the next printing of Senate Resolution 49, the following Senators be added as cosponsors: Mr. BOREN, Mr. DURENBERGER, Mr. BOSCHWITZ, and Mr. MELCHER.

With the addition of the above Senators, we now have a total of 49 Senators sponsoring Senate Resolution 49. The Committee on Appropriations has Senate Resolution 49 on the agenda for its meeting on Friday, March 4. I urge the leadership to schedule the resolution for early Senate action.

SENATE CONCURRENT RESOLUTION 12—REGARDING TREATY TERMINATION

Mr. GOLDWATER submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 12

Resolved by the Senate (the House of Representatives concurring),

PURPOSE AND DECLARATIONS

SECTION 1. (a) The purpose of this concurrent resolution is to provide for the greatest effectiveness of treaties to which the United States is a party, and to uphold the reputation of the United States as a treaty partner, by declaring the sense of Congress regarding the termination of, or withdrawal from, treaties by the United States.

(b) The Congress declares that the provisions of this concurrent resolution are an assertion and reaffirmation of—

(1) the powers of the Congress pursuant to the Constitution of the United States, to declare war, provide for the common defense, establish and regulate the Armed Forces of the United States, defend and protect the United States against foreign invasion, preserve a republican form of government, and enforce the supreme law of the land and the separation of powers between the executive and legislative branches of the United States;

(2) the power of the Congress under article I, section 8, of the Constitution, to make all laws necessary and proper for carrying into execution all powers vested by the Constitution in the government of the United States, or in any department or officer thereof, including the duty of the President to take care that the laws be faithfully executed; and

(3) the advice and consent and treaty powers of the Senate, under article II, section 2, clause 2, of the Constitution.

TREATIES OF MILITARY ALLIANCE, DEFENSE OR NATIONAL SECURITY

SEC. 2. Whenever the President or any officer acting for the President, without the prior advice and consent of the Senate or approval of the Congress—

(1) gives notice, on behalf of the United States, to any foreign government, foreign entity, or international organization of an intention to terminate or withdraw from a treaty of military alliance, defense, or national security to which the United States is a party, which treaty or resolution of ratification does not specifically identify the President as the officer who shall give such notice for the United States; or

(2) determines that any such treaty is terminated because it has lapsed or expired, or

(3) determines that the operation of any such treaty is temporarily suspended with respect to the United States,

the United States will not be considered as having terminated or withdrawn from such a treaty, unless and until the Senate have given its advice and consent to, or the Congress has authorized, directed, or otherwise approved or ratified, such termination or withdrawal.

REPORT TO CONGRESS OF CHANGE IN STATUS OF A TREATY

SEC. 3. Whenever the President—

(1) gives notice, on behalf of the United States, to any foreign government, foreign entity, or international organization, of an intention to terminate or withdraw from any treaty to which the United States is a party, or

(2) determines that such such treaty has lapsed or expired, or

(3) determines that the operation of any such treaty is temporarily suspended with respect to the United States—

the President, as soon as practicable under the circumstances, but no later than thirty days after the date of giving such notice of making such determination, is requested to prepare and transmit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a report setting forth the substance of such notice or determination. The President may transmit any such report in classified form under such rules of confidentiality and secrecy for the receipt and retention of such report as the President and the Congress may establish if he finds such a form of transmittal necessary in the interest of national security.

DEFINITION

SEC. 4. For purposes of this concurrent resolution—

(1) the term "treaty" is used within the meaning of article II, section 2, clause 2 of the Constitution of the United States and includes.

(A) a bilateral or multilateral treaty, whether or not it is inoperative or suspended, which is in effect with the United States on the date of approval of this concurrent resolution, and

(B) any provision of any such treaty; and

(2) the term "advice and consent of the Senate" means an affirmative vote of the Senate, with at least a majority of the Senators present concurring.

Mr. GOLDWATER. Mr. President, I propose today to define the rules which should be followed before any formal treaty to which the United States is a party can be terminated by the President. After giving the matter much thought, I have decided to submit a concurrent resolution which will be acted on only by the Congress. It will not be signed by the President. I will explain the reason for this approach later in my statement.

The resolution contains two basic features. First, it sets forth a procedure which the President should follow whenever he wishes to terminate any major military, defense, or national security treaty. The resolution says to the President that no matter what action he has taken with respect to such a treaty, he must come to the legislative branch first, before the treaty will lose its status as being part of the supreme law of the land of the United States.

The resolution does not attempt to deny the President any constitutional authority he may possess to consider a treaty as being temporarily suspended. This feature of the resolution will, I hope, answer anyone who is concerned about situations where treaties cannot be given effect "as black letter law," such as with respect to our treaties with Iran or Cuba.

The resolution sets forth clearly the position of the Congress that a formal treaty shall not be considered as having been finally terminated under the laws of the United States unless and until the President has obtained some form of legislative approval or ratification of his action. The resolution gives the President a choice. He may seek to obtain the advice and consent of the Senate, or he may choose to ask both Houses of Congress, for approval or ratification of his action.

Although I, personally, believe that the Senate should give a two-thirds vote when it acts alone with the President to terminate a treaty, the resolution provides that a majority vote will be sufficient whether he goes to the Senate or to both Houses of Congress for consent. The important thing is that there must be some manner of legislative participation in making a major decision which affects the security of the whole Nation and people.

The second provision of the resolution requests the President to inform Congress whenever he has given notice, on behalf of the United States, to any foreign government, entity or international body of his intention to terminate or withdraw from a treaty, whether it is a military or commercial or any other kind of treaty.

Also, the resolution asks the President to inform Congress whenever he finds that a treaty has lapsed or expired, or that the operation of any treaty with respect to the United

States is temporarily suspended. The President often gives notice of his intention to foreign governments in this situation, but the Congress is the last to hear or never is told.

Mr. President, the basic purpose of the resolution is to uphold the essence of our American system of constitutional government, which is the limitation of power, the purpose of preventing the accumulation of total power in any one branch or unit of government. This is unquestionably the foremost of the principles derived from the Revolutionary period and the Constitutional Convention of 1787.

My colleagues in Congress will be well aware that I first gained an intense interest in this subject as a result of former President Carter's action in abrogating the Mutual Defense Treaty with the Republic of China. His action was completely unprecedented in U.S. history. It stands among the worst violations of the separation of powers in the nearly 200 years of constitutional Government of our Nation.

When President Carter first announced his decision to terminate the Taiwan Defense Treaty, I filed suit in the Federal courts challenging the constitutionality of his action. That lawsuit went all the way to the Supreme Court. The district court upheld my challenge and declared the President's action to be unconstitutional. The court of appeals, by a 4 to 1 vote, supported the President's authority to unilaterally end a treaty. The Supreme Court granted certiorari in the case, but avoided ruling on the constitutional issue. The High Court did, however, specifically vacate and thereby overturn the court of appeals' decision leaving the President without any judicial approval of his action.

Instead, the plurality opinion by four members of the Supreme Court stated that treaty termination is a subject to be worked out between the Congress and the Executive, with no judicial intervention. The plurality opinion characterized the case as involving a "dispute between coequal branches of our Government, each of which has resources available to protect and assert its interest * * *."

Accordingly, Mr. President, I am submitting this resolution in direct response to the urging of the Supreme Court. I believe Congress will be able to address the issue at this time free of any emotional arguments about this Nation's relationship with the People's Republic of China and with the Republic of China on Taiwan. The issue of the Taiwan Defense Treaty is behind us. We should now consider the important issue of what is the proper role for the legislature to play in the termination of the law of the land, without regard to partisan politics or our feelings regarding a particular treaty.

Mr. President, the truth is that there are numerous significant treaties which may some day raise the same question that was presented with abrogation of the Taiwan treaty. For example, there is the recurring question of our Nation's participation in the United Nations under the U.N. Charter. There is the issue of our Government's adherence to the ABM Treaty in the face of suspected violations by the Soviets. There is the subject of our continued commitments under the defense treaties with South Korea and Japan.

There are any number of major treaties relating to national security that might be called into question in the future for reasons which are unknown at this time. We should have a systematic policy ready for dealing with these matters before the next crisis occurs.

Mr. President, the great flaw in the Supreme Court plurality opinion is that a treaty will have been terminated before Congress can do anything about it.

Congress can impeach the President. The treaty will still remain broken. Congress can deny all funds to operate the State Department. The treaty will still not exist. It is done, wiped off the slate, whatever happens later to the President, or his lieutenants or to his programs.

Under the decision of the Supreme Court to duck the constitutional issue, all the President has to do is to announce that a treaty is terminated effective immediately. It will not matter whether the treaty itself called for a grace period prior to termination, because the judicial branch has said it will not hear the matter. It has told us to find our own way to check the President. But Congress has no resources by which it can keep a treaty alive that is already terminated. Even the President himself cannot withdraw his final act of clear and unequivocal termination of a treaty.

The Senate cannot make a treaty by itself. By digging in his heels and refusing to negotiate a replacement to the abrogated treaty, the President can make a permanent grave for any treaty.

Even if the inconceivable should happen, and the same or another President should be persuaded by Congress to negotiate a new treaty containing the identical terms as the old one, a lengthy period of time will likely have transpired during which the original treaty will no longer exist. If the Supreme Court has found a way for Congress to move time backward, and I am not speaking just of minutes at the end of a congressional session, but for weeks and months and possibly years backward, and to have our Nation's action recognized by the international community, I wish the court would tell us how to do it.

Mr. President, I announced at the beginning of my statement that I have reached the decision of introducing a concurrent resolution instead of a bill or joint resolution. I do this for two reasons. First, I believe Congress should declare at the earliest possible time just where we stand on the issue of treaty termination. I think we can and will act on the matter faster if the President does not have to sign the legislation.

Second, I do not feel it will make any difference as a matter of law whether we agree to a concurrent resolution or a formal statute. In either event it is the Constitution itself that is the real source of the mandate for legislative participation in the termination of a treaty.

Once Congress conclusively announces its position on the subject, I believe the President will cooperate with the legislature. If the President should fail to cooperate with us, and I am speaking of whomever may sit in the Oval Office in the future, I am hopeful that the Supreme Court will change its mind on the political question issue. I believe that by adopting a formal resolution, we will confer standing on the legislative branch to contest any future unilateral treaty termination by the President.

But the first step is up to us. We must announce our view of the constitutional law which governs the termination of treaties. We must assert our interest in carrying out the constitutional requirement of legislative participation in the decision of the President to terminate a security treaty.

This subject cannot be left to case-by-case developments whenever a world crisis may next arise. We should act now to set forth reasoned and systematic standards applicable to the termination of security treaties. By doing so, we will restore credibility and permanence to our treaty alliances and improve the effectiveness of our treaty arrangements.

Finally, Mr. President, I would point out that the resolution will apply to a very limited number of treaty situations. In all of our history the United States has terminated less than 60 treaties. Most of the thousands of treaties that have been terminated have lost their force as a result of actions by other governments.

SENATE RESOLUTION 76—OMNIBUS COMMITTEE FUNDING RESOLUTION OF 1983

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 76

Resolved, That this resolution may be cited as the "Omnibus Committee Funding Resolution of 1983".

AGGREGATE AUTHORIZATION

SEC. 2. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate, there is authorized in the aggregate $44,937,945, in accordance with the provisions of this resolution, for all Standing Committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs.

(b) Each committee referred to in subsection (a) shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 2, 1984, in the case of the Select Committee on Indian Affairs, and not later than February 29, 1984, in the case of any other such committee.

(c) Any expenses of a committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees of the committee who are paid at an annual rate.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

SEC. 3. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,363,825, of which amount (1) not to exceed $2,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON APPROPRIATIONS

SEC. 4. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,080,310, of which amount (1) not to exceed $80,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ARMED SERVICES

SEC. 5. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,907,807, of which amount (1) not to exceed $15,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(I) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

SEC. 6. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,704,116, of which amount (1) not to exceed $1,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON THE BUDGET

SEC. 7. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,945,961, of which amount not to exceed $50,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

SEC. 8 (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $3,461,746, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SEC. 9. (a) In carrying out its powers, duties, and functions under the standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,338,584.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SEC. 10. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such

hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,373,286, of which amount (1) not to exceed $10,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $3,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON FINANCE

SEC. 11. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,223,306, of which amount not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the legislative Reorganization Act of 1946, as amended).

COMMITTEE ON FOREIGN RELATIONS

SEC. 12. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,540,911, of which amount not to exceed $18,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON GOVERNMENTAL AFFAIRS

SEC. 13. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,574,249 of which amount (1) not to exceed $189,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,725 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(c)(1) The committee, or any duly authorized subcommittee thereof, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud and the use of off-shore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents;

(iii) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular reference to the operations and management of Federal regulatory policies and programs:

Provided, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of any particular branch of the Government; but may extend to the records and activities of any persons, corporation, or other entity.

(2) Nothing contained in this section shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by

the Legislative Reorganization Act of 1946, as amended.

(3) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1983, through February 29, 1984, is authorized, in its, his, or their discretion (A) to require by subpena or otherwise the attendance or witnesses and production of correspondence, books, papers, and documents, (B) to hold hearings, (C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate, (D) to administer oaths, and (E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Permanent Subcommittee on Investigations specifically authorized by the chairman, by deposition.

(4) All subpenas and related legal processes of the committee and its subcommittees authorized under S. Res. 57 of the Ninety-seventh Congress, first session, and S. Res. 333 of the Ninety-seventh Congress, second session, are authorized to continue.

(5) In voting whether to close any meeting or hearing of the Permanent Subcommittee on Investigations pursuant to rule XXVI(5)(b) of the Standing Rules of the Senate, written proxies specifically identifying the subject of the hearing may be counted.

COMMITTEE ON THE JUDICIARY

SEC. 14. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,451,074, of which amount (1) not to exceed $66,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,400 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON LABOR AND HUMAN RESOURCES

SEC. 15. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,346,000, of which amount not to exceed $90,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON RULES AND ADMINISTRATION

SEC. 16. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,298,033, of which amount not to exceed $5,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON SMALL BUSINESS

SEC. 17. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $934,680.

COMMITTEE ON VETERANS' AFFAIRS

SEC. 18. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $852,029.

SPECIAL COMMITTEE ON AGING

SEC. 19. (a) In carrying out the duties and functions imposed by section 104 of S. Res. 4, Ninety-fifth Congress, agreed to February 4, 1977, and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the special committee under this section shall not exceed $1,036,131, of which amount (1) not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff af such committee (under procedures specified by section 202(j) of such Act).

SELECT COMMITTEE ON INTELLIGENCE

SEC. 20. (a) In carrying out its powers, duties, and functions under S. Res. 400, May 19, 1976, in accordance with its juridiction under section 3(a) of such resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of such resolution, the Select Committee on Intelligence is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,882,407, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SELECT COMMITTEE ON INDIAN AFFAIRS

SEC. 21. (a) In carrying out the duties and functions imposed on it by section 105 of S. Res. 4, Ninety-fifth Congress, agreed to February 4 (legislative day, February 1), 1977, as amended, and in exercising the authority conferred on it by such section, the Select Committee on Indian Affairs is authorized from March 1, 1983, through January 2, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $623,490, of which amount not to exceed $16,667 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

REPEALER

SEC. 22. Senate Resolution 59 of the Ninety-eighth Congress, agreed to February 16, 1983, is repealed.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. MATHIAS. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Thursday, March 3, 1983, at 9:30 a.m., in SR-301, to receive testimony from Members of Congress and other interested parties on Senate Concurrent Resolution 7, a bill introduced by Senator GOLDWATER and cosponsored by Senator DECONCINI and myself, which would authorize and provide for a bust of Carl Hayden to be placed in the Capitol.

It is fitting and appropriate that we so honor this distinguished and highly respected legislator who spent more than half his life in service to his country. As you may know, Carl Hayden served in the U.S. Congress longer than any other person in history—a total of 56 years, 10 months, and 17 days, an alltime record. With Arizona's admission to the Union in 1912, Carl Hayden became the State's first Representative, serving from 1912 to 1927. In 1926 he was elected to the U.S. Senate and served from 1927 until he retired in 1969. The Sheriff, a nickname he earned from serving as Maricopa County sheriff from 1907 to 1912, was Senate President pro tempore from 1957 to 1969. Upon his retirement from the Senate, he returned to Arizona where he died in January of 1972 at the age of 94.

Members of Congress and other interested persons who wish to testify or to submit a statement for the record should contact Carole Blessington of the Rules Committee staff on 224-0278.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold an oversight hearing on the Federal minority business development programs on March 8, 1983, at 2 p.m., in room 428A-SR. Senator WEICKER will chair the hearing.

Mr. President, I would like to announce that the Senate Small Business Committee will hold a full committee markup on S. 499, a bill to require the usage of tax-exempt financing in connection with the Small Business Administration's section 503 loan program, on March 9, 1983, at 2 p.m., in room 428A-SR.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 1, at 11 a.m., to hold a business meeting to discuss the March 1 letter to the budget chairman, and to vote on the following nominations:

Morton I. Abramowitz for the rank of Ambassador during the tenure of his service as the representative of the United States of America for Mutual and Balanced Force Reductions Negotiations.

Manfred Eimer to be an Assistant Director of the Arms Control and Disarmament Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 2, at 10 a.m., to hold a hearing on Foreign Relations Legislation: 1983, to consider U.S. Information Agency authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 2, at 11:30 a.m., to hold a hearing on Foreign Relations Legislation: 1983, to consider Board for International Broadcasting authorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. BAKER. I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, March 2, at 2:30 p.m., to hold a hearing on Foreign Relations Legislation: 1983, to consider Mideast—legislative issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 2, in order to receive testimony concerning low-level radioactive waste disposal compacts.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 2, to resume hearings on organized crime in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, March 3, to resume hearings on organized crime in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Friday, March 4, in order to receive testimony concerning S. 216, the Federal Anti-Tampering Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SOVIET UNION RESIGNS FROM WORLD PSYCHIATRIC ASSOCIATION, FEARING REJECTION

● Mr. DOLE. Mr. President, the international psychiatric community learned recently that the Soviet Society of Psychiatrists and Neuropathologists, the official organization of practicing psychiatrists in the Soviet Union, had decided to withdraw from membership in the World Psychiatric Association (WPA). Although this news came as a surprise to many observers, both within and outside the field of psychiatric medicine, there was a certain rationale to the Soviet decision. There have been a number of allegations, many of them well documented, by Western psychiatric experts and former inmates of Soviet psychiatric facilities, that psychiatry is being used as a method of suppressing dissent in the Soviet Union. Even a leading Soviet psychiatrist admitted that Soviet citizens are routinely hospitalized in psychiatric hospitals for making "groundless complaints" or "slanderous statements." It was for this reason that several psychiatric organizations within the World Psychiatric Association had been considering a move to expel the Soviet Union at the upcoming WPA Congress in Vienna, if the Soviet organization did not cooperate in providing information on alleged abuses of dissidents.

The Commission on Security and Cooperation in Europe, on which I serve as Cochairman, is charged by law with monitoring and encouraging compliance with the Helsinki Final Act of 1975, which was signed by both the United States and the Soviet Union, and which guarantees in part basic, individual human rights. The Commission is in receipt of several documents from the Soviet Union attesting to the abuse of psychiatry as practiced against Soviet dissidents. These victims of psychiatric abuse include religious dissenters such as Father Joseph Mikhailov, Ukrainian patriot Hanna Mykhailenko, the late Russian nationalist Boris Evdokimov, emigration activist Nikloai Barats,

Gen. Petro Grigorenko, and labor reformers Vladimir Klebanov and Aleksei Nikitin, to name just a few of those about whom the free world has received information. And these are, in the words of a former Soviet psychiatrist now living in the West, "just the tip of the iceberg."

SMUGGLED LETTER FROM LABOR CAMP

It is against the backdrop that I call the attention of my colleagues to a letter smuggled out of Labor Camp No. 37, in the Soviet region of Perm. The letter describes the continuing persecution by Soviet authorities against Soviet psychiatrist and Prisoner of Conscience, Dr. Anatoly Koryagin. Dr. Koryagin had bravely come to the defense of healthy citizens—particularly in the case of mining engineer Aleksei Nikitin—who had been diagnosed as mentally incompetent by "official" Soviet psychiatrists for having protested against injustices in Soviet society. For this "crime" Dr. Koryagin was sentenced to 7 years labor camp and 5 years subsequent internal exile. In July of last year, he was retried at Labor Camp No. 37 and sentenced to spend 3 years of his sentence in the dread confines of Chistopol Prison, a facility of whose harsh reputation the world has become particularly aware, particularly in connection with the recent hunger strike by another of its unfortunate occupants, Anatoly Shcharansky.

The letter to which I refer provides an accurate description of the price that Anatoly Koryagin is paying for his principled defense of his fellow man, both as a physician and human being. I ask to have printed in the RECORD the text of this letter, as translated by the Commission on Security and Cooperation in Europe.

The letter follows:

FOR MEDICAL AID—GO TO PRISON

On July 13, 1982, a lightning-quick parody of a trial (for medical aid—go to prison) took just a few minutes to sentence Kharkov psychiatrist and inmate of Perm Camp No. 37, Anatoly Koryagin, to three years in prison. This kangaroo court took place in the administration office on the second floor, where two guards stood at the entrance and refused admittance to any of the inmates, except for the accused. The inmates of the camp were not informed as to what were the charges against Koryagin. But the prisoners themselves know that he had taken an active part in exposing the agents and provocateurs of the KGB, Robert Magdeev, Oleg Mihailov, and Vladimir Sverdlov. He had gone on strike in October-November 1981, was the author of several works exposing the criminal interference of the KGB in psychiatry as it is applied against political prisoners (PZKS). He had been the coauthor of a number of factual texts, exposing KGB activities in the political zone at Camp No. 37. He has refused to talk with KGB operatives. He had resisted the punishment-educational measures conducted by the KGB and corrective labor administration authorities, and for this has been subjected on several occasions to the torture of hunger, cold and insomnia—through incarceration in solitary confinement cells and camp prison cells. But a number of other prisoners have done the same thing. Why was Koryagin brought up on charges? Undoubtedly because he helped inmates in his capacity as a highly qualified physician, frequently coming into conflict with the medical personnel, who are now required to follow the precepts of Dzerzhinsky, rather than those of Hippocrates. He rendered medical aid, and provided consultation, in particular, to political prisoner Marzpet Arutyunyan, who had been savagely beaten by KGB operatives at the Rostovskaya prison, and to whom the doctors had refused to give the necessary medical assistance; (he aided) V. Arutyunyan, T. Madisson, I. Izevkov, G. Yakunin, N. Ivlyushkin, Yu. Orlov, and A. Tsurkov, whom doctors had also refused to treat on the grounds that "camp is not a resort, no one is going to take care of you here, and if something happens to you, it's no loss for the country." This is the professional opinion of corrective labor administration doctor and MVD captain, G. Chepkasovaya, who is responsible for caring for people. But, alas, taking her orders from the KGB, she does not do this. The only one who did this was Koryagin, carrying out his duties as a physician and following the dictates of his conscience as a human being.

Arutyunyan, V., Shevchenko, V., Izvekov, I., Ivlyushkin, N., Yakunin, G, Maddisson, T., Orlov, Yu., Arutyunyan, M., Chitava, V.●

AN APPEAL FOR A TRUCE IN EL SALVADOR FEBRUARY 28, 1983

● Mr. PELL. Mr. President, on Friday, February 25, identical letters initiated by me in the Senate and by Representative MICHAEL BARNES in the House of Representatives were sent to President Magana of El Salvador and Dr. Guillermo Ungo, head of the Democratic Revolutionary Front, the political arm of the insurgent movement, calling on them to urge their forces to observe a truce during the visit of the Pope on March 6. The letters which were signed by Senators DODD, LEVIN, PRESSLER, EAGLETON, RIEGLE, HATFIELD, BINGAMAN, CRANSTON, BOSCHWITZ, KASSEBAUM, HART, TSONGAS, KENNEDY, and myself and by 83 Members of the House also called on both sides to observe the truce indefinitely in order to allow initiatives for a political settlement to surface. Senator CHAFEE, although not an initial signer of the letter, also associates himself with it.

It is clear from recent events in El Salvador that neither the Government nor the guerrilla forces can hope to win a military victory. We are urging that the fighting and bloodletting be stopped so that the search for a political solution can begin. The visit of the Pope offers the first opportunity in a long time for a breakthrough toward peace in El Salvador which the people of that beleaguered nation so much want and deserve.

Mr. President, I ask that the text of the two letters be printed in the RECORD.

The letters follow:

UNITED STATES SENATE,
Washington, D.C., February 25, 1983.

His Excellency ALVARO ALFREDO MAGANA BORJO,
President, Republic of El Salvador, National Palace, San Salvador, El Salvador.

DEAR MR. PRESIDENT: It has been reported in the United States press that Msgr. Arturo Rivera y Damas, Acting Archbishop of San Salvador, has called upon both Government and guerrilla forces to observe a truce in observance of the visit of His Holiness John Paul II in early March.

We strongly endorse this proposal and urge the forces on both sides to observe such a truce. Furthermore, we urge the forces of both sides to observe the truce indefinitely, in order to give initiatives for a political settlement of the conflict an opportunity to surface and to take effect.

The people of El Salvador want peace, and they believe that the visit of His Holiness can help bring peace. It is our strong hope that this constructive initiative of Msgr. Rivera y Damas could lead to a break in the unhappy cycle of violence that has afflicted your country and could open up avenues for a peaceful resolution of the conflict.

With every good wish.

Sincerely,

Claiborne Pell, Carl Levin, Thomas F. Eagleton, Mark O. Hatfield, Alan Cranston, Nancy L. Kassebaum, Paul E. Tsongas, Christopher J. Dodd, Larry Pressler, Donald W. Riegle, Jr., Jeff Bingaman, Rudy Boschwitz, Gary Hart, Edward M. Kennedy.

UNITED STATES SENATE,
Washington, D.C., February 25, 1983.

Dr. GUILLERMO MANUEL UNGO,
President, Democratic Revolutionary Front.

DEAR DR. UNGO: It has been reported in the United States press that Msgr. Arturo Rivera y Damas, Acting Archbishop of San Salvador, has called upon both Government and guerrilla forces to observe a truce in observance of the visit of His Holiness John Paul II in early March.

We strongly endorse this proposal and urge the forces on both sides to observe such a truce. Furthermore, we urge the forces of both sides to observe the truce indefinitely, in order to give initiatives for a political settlement of the conflict an opportunity to surface and to take effect.

The people of El Salvador want peace, and they believe that the visit of His Holiness can help bring peace. It is our strong hope that this constructive initiative of Msgr. Rivera y Damas could lead to a break in the unhappy cycle of violence that has afflicted your country and could open up avenues for a peaceful resolution of the conflict.

With every good wish.

Sincerely,

Claiborne Pell, Carl Levin, Tom F. Eagleton, Mark Hatfield, Alan Cranston, Nancy Landon Kassebaum, Paul Tsongas, Christopher J. Dodd, Larry Pressler, Don Riegle, Jeff Bingaman, Rudy Boschwitz, Gary Hart, Edward M. Kennedy.●

FREEDOM FOR THE BALTIC NATIONS

● Mr. DOLE. Mr. President, it is the privilege of many Members of this body, including myself, to frequently call attention to the plight of the three formerly independent Baltic na-

tions, Estonia, Latvia, and Lithuania, which are currently occupied by the Soviet Union.

With this in mind, I take pleasure in noting that on January 13, 1983, the European Parliament, meeting in Strasbourg, France, voted to adopt a resolution calling for the restoration of independence to the three Baltic nations to which I have referred. The resolution was passed by a 98-to-6 margin, which indicates the strength of the commitment of the members of the European Parliament to the restoration of independence to the captive Baltic nations.

I commend the action of the European Parliament and request that the text of the resolution be entered into the RECORD.

The text of the resolution follows:

BALTIC ISSUE BEFORE THE EUROPEAN PARLIAMENT—MOTION FOR A RESOLUTION ON THE SITUATION IN ESTONIA, LATVIA, AND LITHUANIA

The European Parliament:

A. having regard to the joint declaration of 45 nationals of Estonia, Latvia, and Lithuania, in April 1979, calling on the United Nations to recognize the rights of the Baltic States to self-determination and independence, and demanding a referendum on this issue,

B. having regard to the bilateral peace treaties between the Soviet Union and the three Baltic States in Dorpat (2 February 1920), Moscow (12 July 1920) and Riga (11 August 1920), in which the Soviet Union guaranteed the three Baltic States the inviolability of their territory and eternal peace,

C. having regard to Article VIII of the Final Act of the Helsinki Conference on Security and Cooperation, which secures the right of self-determination of people and their right, in full freedom, to determine, when and as they wish, their internal and external political status,

D. condemning the fact that the occupation of these formerly independent and neutral states by the Soviet Union occurred in 1940 pursuant to the Molotov/Ribbentrop Pact, and continues,

E. whereas the Soviet annexias of the three Baltic States has still not been formally recognized by most European states and the USA, Canada, the United Kingdom, Australia and the Vatican still adhere to the concept of the Baltic States,

F. having regard to the eight-year long struggle and armed resistence of Estonians, Latvians, and Lithuanians fighting for their freedom, the thousands of victims of this struggle and the 665,000 Estonians, Latvians, and Lithuanians who have been resettled and removed to labor camps in Siberia by the Soviet rulers since 1940,

G. having regard to the motion for a resolution on the situation in Estonia, Latvia, and Lithuania (Doc. 1-777/80),

H. having regard to the report of the Political Affairs Committee (Doc. 1-656/82),

1. Calls on the Conference of Foreign Ministers meeting in political cooperation to attempt to form a common favourable approach to the declaration addressed to the United Nations in 1979;

2. Suggests that they submit the issue of the Baltic states to the Decolonization Subcommittee of the UN,

3. Considers that the plight of the peoples of these states should be the subject of review during the conferences to monitor implementation of the Helsinki Final Act;

4. Expresses the hope that the Conference of Foreign Ministers will use their best endevours to see that the aspirations of the peoples of these states as to their form of government are realized,

5. Instructs its President to forward this resolution to the Foreign Ministers of the Member States of the European Community meeting in political cooperation, and to the governments of the Member States.●

THE BOLAND PROVISION REVISITED

● Mr. DODD. Mr. President, in the waning hours of the 97th Congress, my colleagues will recall that the Boland provision relating to U.S. policy toward Nicaragua was adopted as part of the continuing resolution.

The intent of this provision, as I understand it, is to bar the Central Intelligence Agency and the Pentagon from using or furnishing military equipment, training, or advice, or funding any military activities for the purpose of overthrowing the Government of Nicaragua or provoking a military exchange between Honduras and Nicaragua.

So far, so good, Mr. President. But the difficulty is this: To what extent does the Boland provision permit either the CIA or the Pentagon to do indirectly what it is prohibited from doing directly? In other words, to what extent does the Boland provision contain a significant loophole? To what extent does this provision allow funding for paramilitary groups whose objective are decidedly different from our stated policy? More to the point, Mr. President, to what extent does the existing legal requirement permit continued funding for the Somocista forces who fled to Honduras and who are determined to topple the new government in Managua, a government with which we have regular diplomatic relations. Finally—and to be blunt about it—to what extent is the Boland provision little more than a "toothless tiger," or perhaps the legislative equivalent of a denture adhesive?

These are the questions that arise from the language of the Boland provision. These are the questions that serve to underscore the controversy surrounding it. And these are the questions that must be answered clearly and definitively.

To my way of thinking, Mr. President, the Boland provision at a minimum must be modified to prohibit U.S. support for any paramilitary group or irregular military force whose goals and objectives include overthrowing the Nicaraguan Government or provoking a military confrontation between Honduras and Nicaragua. Such a prohibition is absolutely essential if there is to be any hope of restoring a measure of peace and stability in the Central American region.

The fact of the matter is, I would prefer to see a broader prohibition—a blanket prohibition—against any U.S. funding for paramilitary operations in Central America. Such a prohibition not only makes good commonsense, but it also makes good foreign policy as well. Sooner or later we must come to the realization that gunboat diplomacy is no more popular in Central America today that it was at the turn of the century.

In the meantime, Mr. President, I will reluctantly settle for something less, providing it amounts to more than the Boland provision presently offers. It must be modified and strengthened. And I will lend my full support to this effort.

By the time the existing Boland provision expires September 30, a stronger, tougher measure must be in place. To this end, I look forward in the coming weeks to working closely with the members of the Intelligence Committee, as well as with my colleagues on the Foreign Relations Committee. I am confident this matter can be resolved satisfactorily and in a way which avoids taking up additional time on the Senate floor.●

INTERNATIONAL DAY OF THE SEAL

● Mr. WEICKER. Mr. President, I am proud today to recognize the International Day of the Seal. Last year, I introduced a resolution to set apart today in order to heighten public awareness of the plight of seals and to perpetuate a 3-year tradition of celebrating such a day. March 1 was chosen because it represents the high point in the life cycle of the Canadian harp seal, which is probably the species most familiar to the general public.

Seals are an essential part of the ocean environment. They are warmblooded, fur-bearing predators that inhabit coastal areas all over the world. Predominantly fish eaters, they occasionally feed on squid, decapods, crustaceans, krill, and other invertebrates. Usually, they are cold and temperate water dwellers. In one season, an individual seal may migrate thousands of miles.

The seal has been hunted for food and its fine fur for centuries. As a result, some species have been depleted to the point that a number of nations, including the United States, now protect seals along with other marine mammals. In 1972, public outrage in the United States was the impetus for passage of the Marine Mammal Protection Act. The act has so far had a great impact on the protection and rehabilitation of several species of marine mammals.

One of the few tropical seals, the Hawaiian Monk Seal, is the most endangered marine mammal within the jurisdiction of the United States. Only the awareness by a concerned citizenry of the special role these mammals play in the world's web of life has prevented their total disappearance.

The only exemption for the hunting of seals in this country is by Alaskan natives on the Pribilof Islands for subsistence and commercial purposes. An average annual harvest of more than 25,000 of the North Pacific fur seals has been taken in recent years. The Pribilof seals are clubbed to death in the same manner that the harp seal pups are harvested in northern Canada.

I was indeed encouraged to find out that public opinion in Europe has resulted in a halt of all imports of baby sealskins by the European Economic Community. Because of this economic sanction, the Canadian Government announced last week that it has canceled the harp seal hunt.

Mr. President, the seal stands as a symbol of man's attempts to conserve and to live in harmony with the natural realm. Therefore, I commend to all the recognition of the International Day of the Seal.●

BERNARD J. WUNDER, JR.

● Mr. PACKWOOD. This week, the Reagan Subcabinet loses one of its best. Bernard J. Wunder, Jr. is resigning as Assistant Secretary of Commerce for Communications and Information, a position that he has held since June 1981. Bernie, with his genuine and unflagging enthusiasm and diligence, has accomplished much in support of the Commerce Committee's deregulatory initiatives in the telecommunications field. Indeed, without Bernie's help and counsel, and the extensive technical and policy assistance provided by the National Telecommunications and Information Administration he headed, we could not have achieved more than a fraction of the goals sought by our committee and the Reagan administration in fostering competition in this key high-tech, sunrise industry. Bernie, in short, has been a great resource.

Bernie Wunder began his Government service in 1969 when he joined the staff of Congressman Jim Collins of Texas. Later, he worked with the House Commerce Committee's Subcommittee on Oversight and Investigations, served as Republican counsel for the House Telecommunications Subcommittee, and ultimately, was named chief counsel for that subcommittee. In 1981, the President nominated him as Assistant Secretary and the Senate promptly confirmed him to this position.

Bernie played a pivotal role in obtaining Senate passage of its first bill containing significant reforms in domestic common carrier regulation. It was a bill that would have promoted competition in our Nation's telephone industry, while preserving the quality of service to the consumer. Congress had been debating how to deregulate the communications field more than 6 years. Finally, with Bernie's help, the Senate passed a bill.

In other areas, Bernie helped the Congress pass a bill which reauthorized a number of needed changes in the Public Broadcasting Act. He also worked with the Senate to help us enact the first broadcasting reforms in 12 years, by using the 1981 omnibus budget reconciliation measure. Bernie has been working with the Senate Communications Subcommittee to develop sound cable television legislation and reform the copyright laws. Last week, he submitted to Congress, on behalf of NTIA, an exhaustive study of U.S. policies and goals in the international telecommunications and information policies that the United States must pursue in future multilateral and bilateral meetings.

Bernie must count as one of his most important accomplishments the elevation of the level of attention accorded telecommunications issues in the executive branch. In conjunction with Secretary of Commerce Malcolm Baldrige's leadership and interest, Bernie worked in the Cabinet Council on Commerce and Trade to identify issues and adopt strategies that have helped to resolve many of the problems clouding the future of U.S. domestic and international telecommunications policy. He accomplished all this even as he was streamlining NTIA and making it a more effective voice in the telecommunications field.

Telecommunications is one of the most important sectors of our competitive, free-enterprise economy. How we address policy issues in this area, and what caliber of leadership the executive branch demonstrates, are of great importance. They signal at home and abroad the priority that we accord to this crucial part of our economy. By naming Bernie Wunder, President Reagan sent the signal that he and the administration cared enough to appoint just about the very best. I am personally sorry to see Bernie leave Government, but I know all the members of our committee join me in wishing him all the best in his new endeavors in Texas.●

INTERVIEW WITH JAMES ROWE

● Mr. BAUCUS. Mr. President, the February 27 Washington Post contains an interview with James Rowe, one of President Franklin Roosevelt's closest advisers.

Rarely does a man of Jim Rowe's talents come along. He has left his mark on public policy since the New Deal. For 50 years Presidents, Senators, Congressman, and others have valued his wise counsel.

Jim Rowe is also a native of Butte, Mont. I will always remember and cherish the advice and help the gave me when I came to Washington some years ago as a freshman Congressman.

Sunday's interview gives us a glimpse of this great man's contribution to politics in America. I ask that the article be printed in the RECORD.

The article follows:

[From the Washington Post, Feb. 27, 1983]

FDR'S ERA MAY HAVE BEEN BETTER THAN THE FOUNDING FATHERS'

(By Robert G. Kaiser)

Q. Let's talk about how Washington is different then to now. What are the big changes?

A. People, mostly. There was a small government compared to what we have now. I get very startled when somebody points out that the staff on the Hill consists of 25,000 people. It just boggles my mind. But it is true. And it means that there are substantive changes.

In my day, if you had a problem, you went up and saw the senator and discussed it with him and he'd say, "Well, I agree" or "Let me think about it, come on back." You'd come on back and you'd discuss it again. You see a senator today, he'll say, "Well, there's something to that, talk about it with my staff," and you never see him again. The staff makes the decisions. The senator's got too many balls in the air, I guess. I don't think it's a very efficient system. Tip O'Neill said one day his real problem was the staff. He says they have all these very well-educated people with not much to do. They go around drafting and getting ideas and, he said, "They give me most of my trouble."

In my day, if you had a problem to solve you had to talk to two or three people and if you convinced them, you were on the way. I think today, you have to talk to 23 people. By the time you get to the 23rd, the first three are dead and you have to start over again.

Q. Is this inevitable, what's happened? Or was it stupidity that allowed it to happen?

A. I keep thinking about the growth of the White House staff, for instance. Something I've been yelling about forever and getting nowhere. I remember I went off in the Navy during the war, so I was away about three years. Roosevelt had died and Truman was president and I had some friends who worked in the White House and I was talking with them and said, "Who does this that I used to do? And who does this that I used to do?" And I remember saying, "My God! You've got nine people doing what I used to do."

Every president that comes in screams. I remember Lyndon Johnson said, "I'll cut it if it's the last thing I'll ever do. I'll cut it down, cut it down, cut it down." And he, like any other president, ended up with more than the last fellow. I guess this is true of Reagan today. I'm sure his White House staff is larger than Carter's and Carter's was larger than Ford's and so forth. I don't know why. It seems to be no reason. Except there don't seem to be any internal controls. The president wants to cut his staff down, but never does.

When I first went [to the White House], there were three secretaries and, I think, one assistant secretary. And that was a

great expansion from Hoover, who had only one secretary. Who did everything, I might add. While we were building the arsenal for democracy and getting ready for the war, it started expanding. It's never stopped since.

Q. What was it like for you? You were, what, 25 or 26 years old?

A. I was 28 when I first went in the White House. Roosevelt said, "Your job is to be a bird dog." I said "What does that mean?" "Just run around town and find out what's happening." So that's what I did. He'd send me off on errands or I'd go find something and bring it to his attention. Pretty good job.

Q. What sort of hours did you work?

A. Long hours. When Jimmy Carter was first president, I remember watching him fly out to Camp David with these reports under his arms. I said, my God, that'll kill that fellow. In Roosevelt's day he got the big reports and sent them over to me and say I want a one-page memorandum tomorrow morning. So I was up all night, but he wasn't.

Q. Who brought you to his attention?

A. Jimmy Roosevelt was secretary to the president. But he also wanted to be governor of Massachusetts. So he spent a lot of time up there, where his business was. And he made speeches. In those days everybody seemed to write their own speeches. He was handling a large part of the government, but whenever he stared to write his speech, he closed his office down. Nobody in the government could get near him for about three days. Tommy Corcoran started screaming about this. He said, "You can't do that." Jimmy said, "I've got to make these speeches." So [Corcoran] said, "I'll get you a speech writer." So I turned up. Part time, occasionally to write a speech. And Jimmy liked them and one day said, "Why don't you come over and work full time?" And I think they almost doubled my pay. That's the real reason I went, I had just gotten married and could use the money. I don't think I was that overcome with the glamour of the White House. The glamour of the money is what got me. I think it was $6,000.

Q. I'd like to go back before this phase. The businessman's son from Butte arrives in Cambridge, in, what, 1927? How did it come that you went off to Harvard from there?

A. I was out in California, Santa Clara, in a Jesuit prep school, and I liked it. And they had a college. I think my father was afraid I was going to be a priest, so he sent me out.

I didn't want to go to Harvard. I didn't even know where the hell it was. But at that time, Lowell was the president and he was starting to make Harvard a national university rather than a regional New England university. So a Westerner could practically walk in free. They said, all right, come along, if you came from Montana.

Q. Did you feel like a bumpkin?

A. It was hard educationally. Out West, I'd always been first in my class. When I got in this place, hell, these fellows just ran over me. I almost flunked out. I was on probation for about a year and a half. My father wrote a letter to this freshman dean, saying, "My son is fairly big and he probably would be a good truck driver. Do you think he'd be a better truck driver? Tell me and I'll take him out of there." I got mad about that, so I started to go to work. I think that saved my day. I, in effect, said the hell with you fellows, I'll show you. And I worked from then on.

Q. Somebody told me a story about [Supreme Court Justice Louis Brandeis] inviting you to tea on Sundays and always asking when you were going back to Montana?

A. Bradeis had this concept—and he may have been right—that the states were the place to do the experimenting—you should never have a strong federal government. Therefore the brains of the country should be diffused. If a fellow came from Montana he ought to go back to Montana. He used to have those teas where you used to see people but the food was dreadful. He always said to me, "Mr. Rowe, when are you going back to Montana?" I would say, "Oh, maybe another six months." One day he passed by and said, "You're not going back to Montana, are you?" I was never asked back. Interesting man, Brandeis.

Q. Did you ever think about going back?

A. I thought about it a lot. I thought to get into politics out there. I remember once when I was in the White House, I went out to see my family. A gangly fellow whom I knew said, "I hear you're going to run for the House." I said, "Well, no, I'm not." He said, "If you're not going to run, will you support me?" I said, "Well, yes, I will." His name was Mike Mansfield. So I always supported Mike.

Q. When you came in '34, what was the atmosphere? Was there this infectious enthusiasm that we hear about in the New Deal?

A. There was indeed. Rex Tugwell used the phrase that got him in trouble, saying, "We will roll up our sleeves and make America over." The press raised hell about it, and business. We privately thought that was just what we were doing, and it was clear that there was a black-and-white situation. The businessmen and bankers were bastards and we knew it, and something had to be done. And they thought we were bastards. So the issues were very clear. We worked all the time on legislation. It was a heady atmosphere. Roosevelt's enthusiasm brought the young here. It was a young government. He had no prejudice against the young. Which I thought then was fine. I'm not so sure it's so good now.

But he was, I hate to use the word, a charismatic fellow. He had great appeal and charm. I keep thinking—I watch Reagan on television and I remember Roosevelt on radio. Roosevelt's radio appeal is the same kind that Reagan seems to have on television. Roosevelt was a more exciting fellow. And certainly knew a lot more about government than Reagan does. But it was a very exciting period. I don't think there has ever been one like it. When Tommy Corcoran died I did his eulogy in the church. I said something about, "With the possible exception of the Founding Fathers there's never been [such] a period." And I'm not so damned sure about the Founding Fathers, but I didn't say so. They were pretty good, I admit.

Q. How did Roosevelt treat the staff?

A. They all adored him. Roosevelt didn't like the law much, and he didn't need money, so he never really worked at it. He never really worked at anything except politics. And people. I think the reason the staff loved him is all his life he'd been charming people. It was just instinctive. You walk in the room, "Bob, how are you." Call you Bob first thing. And if he didn't like what you did he got a little cold but he never got angry. He never yelled at you. His entire staff, secretaries and everybody else, just worshipped him. They might get a little critical about him in the back room, but that was as far as they went.

Q. Would he invite you in for a drink at the end of the day?

A. Sometimes. Or we used to have lunch. Which I hated because I handled all the appointments at the time and I didn't get enough time with him. If he asked me for lunch I knew I'd be filibustered. I'd go in to talk about appointments and then he'd get off on Hyde Park. I know more about Hyde Park than anybody around. Have you ever heard that Claude Pepper story about him? He was a young congressman. He had a project in Florida he just had to have and he was not getting it. He got an appointment with Roosevelt. For some reason Roosevelt was really against it. [Pepper] was given this 15 minutes. So he walked in, sat down and Roosevelt looked up and said, "Claude have I ever told you about my wife's ancestor Robert Livingstone?" And Claude sat there for a lecture about Livingstone, and at the end of 20 minutes, photographers and reporters started coming in. And [Roosevelt] said, "Claude, I've got a press conference. I've just got to stop. And thank you for comining in." And Claude said, "Mr. President, my project?" "You'll have to talk about that some other day." Claude said, "I never got my project, but I was the best-informed man on Livingstone in the United States."

He did that a great deal. If he didn't want to give you something he'd just talk and charm you. And with me, there was no reason to charm me. But he'd rather talk about Hyde Park than make the appointments. He wasn't against any of them, he just didn't want to go through the drudgery.

Q. What about the theory that the presidency just doesn't work anymore, that you can't be an effective president?

A. I'm not sure that's true. It's harder to be [effective]. I don't want to make the usual dull attack on the press or the media; you're responsible for a great deal of it, though. But I think if you put aside Vietnam Lyndon Johnson was a helluva good president. And he was an imperial president—he made the damn thing work. Occasionally I see signs that Reagan can, too. If he worked harder he'd do better.

I've always felt that we ought to pick our presidents from a very narrow class. They all ought to be professional politicians. They should have spent their lives at it. You can see that in Roosevelt. I think the most important part of his life, that people never watch, was the eight years here as assistant secretary of the Navy. He knew everything about Washington before he [became president.] He was governor of the largest state and therefore had to be a good administrator. He had one campaign as vice president under his belt. He was a very experienced, professional fellow. Johnson was the same type. Kennedy. He never did anything except politics. They learned how the system ran. I don't think Jimmy Carter ever did. He never managed to get along with Congress or learn how to make things work in this business.

And again the White House has become a staff problem. We were very careful with the Cabinet. He didn't pay much attention to the Cabinet as an institution, but he thought they were important people, and so did we. And we better damn well had! And I don't think they're important people anymore. And it's too bad, because I don't think a centralized staff can run a government of this size.

Q. Let's talk about LBJ.

A. He came to Washington as a young congressman just about the time I went to the White House, and we became great friends. Have you read the [controversial new

Robert] Caro book [biography of Johnson]? I'm very hard on Caro. I think he's a son of a bitch, and I think he's a hatchet man and a few other things. I was a great admirer of Johnson. God knows he had his faults, as we all know, but Caro doesn't give him credit for anything. I went down to the University of Virginia and made a speech. Rather arrogant speech—"Presidents I Have Known." Talked about five of them. And I said I thought Johnson was the brightest of all of them. The most complicated man, the most insecure man, but certainly he was the brightest of any of them. And I even include Roosevelt in that.

Q. It seems surprising that the two of you would hit it off.

A. Oh, yes, we were good friends. He realized the power in those days was with the New Dealers, not with the Congress. So if he wanted anything done he'd better know the New Dealers. And he did. He had tremendous energy, swept around, knew everybody. He used to come to dinner and he was a great talker. You'd walk in a room and you'd never met him and he'd just captivate you. After about half an hour you might wander off in another conversation. Most of the dinner guests did that. And when they did Johnson would just sit there and go to sleep. His wife would go over and wake him up and then he'd pick up again and grab the crowd. And when he lost 'em he'd go to sleep.

Q. You've sat here in Cleveland Park and watched an incredible number of characters come and go in this town. How does that look from your point of view?

A. As I explained to my children—or as they tell me—it's getting to be my old age. I do say there were giants in my day. And I'll fight for that. I said the other day, "You know, you don't have senators the way they were in my day. All these [new] fellows have the same damn hair stylist!" In my day they had long hair and they had string ties and they were colorful fellows. And they knew their stuff. All these [new] fellows—

Q. How do you explain it?

A. Television, I guess. The kind of fellow who appeals to the public through television is the sort of slick fellow with the hair cuts.

Q. How do you feel about what's happened to the Democratic Party?

A. I don't think there is such a thing as a party. I don't think there has been for a long time. And I don't know how to resurrect it. I've got to say that about both parties. The Republicans are better off at the moment, but I've watched the rise of the PACs, that's where the money is. That's what Congress is interested in. The party just isn't there.

Q. Is there going to be a revival of the progressive impulse in American government? Is the pendulum going to come back again?

A. It always has. A lot of the motivation is there. Unemployed, people starving. I think it'll come back. In what form I don't know. Pretty much the same as the New Deal. The country's more complicated but the problems are more serious. I think the progressives will come back. They always do.●

THE BUDGET CRISIS

● Mr. HATFIELD. Mr. President, last month, an extraordinary group of American leaders issued a call for the President and Congress to address our severe and damaging budget crisis. The credibility of the group to speak on this subject is striking. Known as the Bi-Partisan Budget Appeal, it is led by former Secretary of Commerce Peter Peterson and five former Secretaries of the Treasury—John Connally, Henry Fowler, Michael Blumenthal, Douglas Dillon, and William Simon. Supporters of the Appeal include a broad crosssection of prominent individuals in business, education, banking, economics, and law.

As its title and leadership suggest, the Appeal is thoroughly bipartisan. It is motivated not only by concern over current economic conditions, but by a substantial and well-grounded fear that unless budget deficits are brought under control now, the economy will be locked into fiscal crisis for decades to come. I am not certain I agree with every aspect to the program but the goal and the Appeal is certainly commendable.

As Congress begins its review of the President's budget, we would do well to consider the Appeal's exhortations and its program. For that purpose, Mr. President, I ask that a message from the Appeal be printed in the RECORD at this point.

The material follows:

[From the Washington Post, Jan. 20, 1985]

TO THE PRESIDENT AND THE CONGRESS—A BI-PARTISAN APPEAL TO RESOLVE THE BUDGET CRISIS

The federal budget is now out of control. It is primed to generate immense deficits, year after year, for decades ahead—deficits far larger than any in our history. This fiscal course is senseless. It threatens to lock the economy in stagnation for the remainder of this century. Massive deficits would absorb savings urgently needed for investment in plant and equipment, infrastructure and R&D. Productivity would sag and inflation resurface. Interest-sensitive industries would be smothered and exports would dwindle. The result would be a period of gradual decline, punctuated by high unemployment and social conflict and culminating in an America that is permanently poorer and weaker.

The Nation cannot afford to leave the budget to politics as usual. It is time to set aside differences of party, region and ideology. We appeal to you, our leaders, to display true leadership in the spirit of national unity, to resolve the current crisis. Only if you do so can the balance of this century yet be a time of prosperity and growth, of new jobs and higher standards of living. And only if it is, can we leave future generations with a richer and stronger America.

THE BUDGET DISASTER

Despite the budget actions of 1981 and 1982, the deficit has just topped 100 billion dollars for the first time in history and will rise beyond 200 billion dollars—5% to 6% or more of GNP—by the mid-1980's. After 1985, the deficit outlook actually worsens.

We are rapidly moving into uncharted fiscal territory. Deficits now in prospect have no precedent in our peacetime history, either in periods of sturdy growth or recession.

Furthermore, it is now widely realized that the solvency of the Social Security system is clearly threatened. It is now acknowledged that from 1983 to 1990, the Social Security system alone will run cumulative deficits approaching 200 billion dollars. By the year 2000, the system's annual deficit, including Medicare, could reach over 350 billion dollars, in spite of significant increases in Social Security taxes between now and 1990.

THE SOURCES OF DISASTER

Today's deficit is partly caused by the recession, reflecting a shortfall in tax revenue caused by today's weak economy. The present recession has clearly been aggravated by a collision between tight money and loose budget. Recovery requires a better balance between the two policies. Making the budgets even looser will make such a balance and thus a healthy recovery virtually impossible.

The crux of the budget problem resides not in 1983 but in the ensuing years. The startling growth in the deficits projected for the mid-1980s and beyond is not recession-related. These immense, structural deficits will take place even on the happy assumption that economic recovery commences immediately and proceeds at a sustained, healthy pace. We cannot "grow out of" this deficit shadow. Even if real GNP grows at a buoyant annual rate of 5% over the next 3 years, the 1985 deficit still will be about 200 billion dollars. On the other hand, if economic recovery is partial or halting (a more likely case, because massive federal borrowing will itself retard the recovery) the 1985 deficit could reach 250 to 300 billion dollars.

The growth in tomorrow's deficits arises not from today's economic recession but from yesterday's government policies. Recent tax legislation will keep relatively constant the share of national income going to federal taxes over the next several years. But federal spending, already authorized or announced, will be rising as a share of national income.

Federal spending no longer fluctuates in parallel with national needs. It no longer rises and falls much due to emergency defense programs to meet temporary crisis, or due to cyclical outlays designed to counter recession, such as unemployment compensation or jobs programs. Rather, 75% of the budget now flows into open-ended social entitlement programs, contractual interest expenses, and long-term defense modernization, and by 1985 this proportion would grow to over 80%. These long-term commitments have enormous momentum. They are scheduled to grow rapidly—in absolute terms, as a share of the budget, and as a share of GNP—for as far as we can project. That is why, as now structured, the federal budget would never achieve balance, but would sink deeper into the red with each passing year.

Thus, we face a basic mismatch of tax and spending policies:

Recent tax cuts will keep total federal revenues fixed at 18% to 20% of GNP over the 1980s.

By contrast, the growth in total spending has not been reduced. Quite the contrary. Without further budget cutting, spending in 1985 is projected to equal 25% or more of GNP, up from 22.4% in 1980—an increase of about 380 billion dollars.

This spending growth comes from three sources: social *entitlement programs* unrelated to means tests, such as Social Security, Medicare, and federal pensions; the *defense* buildup; and *interest* on the debt.

Under current laws, these non-means-tested social "entitlement" programs would grow by over 150 billion dollars—from 227

billion dollars in 1980 to 380 billion dollars in 1985—rising from 8.8% to about 9.9% of GNP. (By contrast, social programs targeted to the poor will decline relative to the economy, from 2.2% to about 2% of GNP. Budget actions to date have reduced the growth in these means-tested programs by more than twice as much on a percentage basis as non-means-tested programs.)

Defense spending, under the currently planned buildup, will increase by 150 billion dollars, a real (after inflation) increase of about 9% a year—over 15% per year in hardware items—lifting defense (not including military retirement) from 4.8% in 1980 to about 7.1% of GNP in 1985. (By contrast, public investment, grants to state and local governments, and federal operating expenses will actually decline from about 4.6% to about 2.9% of GNP.)

THE CONSEQUENCES

Huge deficits—and high real interest rates, with few precedents in modern history—risk denying too many Americans any chance at sustained jobs and prosperity in the new decade, after a decade in which real median income per worker showed little or no increase and unemployment rose to higher levels.

Recovery from today's recession could be feeble and temporary as a result. Depression conditions now prevail in most industries which sell their product on long-term credit; housing, automobile, construction, durable goods and the like.

High long-term real interest rates, largely attributable to concern over future government policy, would remain abnormally high, holding back new investment, which in recent years has been the lowest of any industrial country and is now declining still further. High short-term real interest rates would threaten to push thousands of small businesses and farms into bankruptcy—to say nothing of the adverse effects on the fragile economies of the developing world as well as on the global financial system.

Dollar exchange rates—now at lofty levels that have already crushed our export industries, overwhelmed our manufacturers in practically every international market, and have cost us an estimated one to two million job opportunities in the current period—would remain artificially high; they would continue to choke off American exports, such in imports, destroy U.S. jobs, and could make the temptation of full-scale protectionism irresistible.

As a result, capital formlation and job creation would continue to stagnate, making unacceptable high unemployment a fixed feature of the industrial landscape.

Thus, tomorrow's big deficits, and the high long-term real interest rates that will accompany them, are already doing serious damage now and will wreak even more havoc in the coming decade and beyond. Without savings available to fuel productive investments, the economy will face nearly perpetual stagnation.

In short, by losing control of the budget, we are sacrificing the jobs and prosperity of our children and grandchildren, and shrinking America's stature and influence in the world.

PRINCIPLES FOR BUDGET REFORM

Budget crisis transcends conventional politics. No solution is possible through partisan maneuver. We, the undersigned, believe Americans must now rally around three basic principles of budget reform:

1. Focus on the Long-Term. Financial markets, and the American people, are worried by today's deficits, but much more by the huge deficits now in prospect for the mid-1980s and beyond. Today's government action must commit to a substantial, progressive scaling down of those outyear deficits. The reforms must be large, structural, and permanent—equal to the size and duration of the problem itself. Temporary, one-shot actions won't do any good.

2. Fairness. Balancing the budget on the back of just one group or one set of programs is not feasible, and trying to do so would not be fair. So far in 1981 and 1982, the budget cuts have focused on the means-tested programs, through reductions in Medicaid, AFDC, food stamps, legal services and the like. The much larger programs which have been barely touched are those social programs that confer a large part of their benefits on middle and upper income groups (such as Social Security and federal pensions) and the military defense programs. Together, such programs in 1985 would amount to over 650 billion dollars in spending or 68% of the budget (interest on the national debt would be another 12%). It is now time for a wider sharing of the burden.

3. Focus on Investment. The chief vice of uncontrolled spending and big deficits is that they rob the future, by absorbing investment capital needed to build up productive jobs and real income for tomorrow. (Beginning in 1983, budget deficits will amount to a stunning and unprecedented 100% of the net savings generated by individuals and families in the U.S.) The 1980s should be a decade of investment, not a decade of red ink. Cutting deficits by measures that would simultaneously reduce savings and productive investment would make no sense. Budget reform should protect the future. As we squeeze the share of GNP taken up by federal spending—which we must—we should concentrate on programs that subsidize consumption (e.g., the social entitlemant programs) and spare programs of public investment (e.g., R&D and economically sound public works). When increasing revenues, we must focus our new taxes on private consumption and not on private savings and investment.

THE GOAL

We must put the budget on a multi-year path toward balance.

To achieve credibility in long-term financial markets, a project of fiscal reform must aim, at a minimum, to cut the projected 1985 deficit by about 175 billion dollars. This would bring the 1985 deficit to the 75 billion dollar range. Also, specific actions taken in 1983 should assure budget balance within a few years thereafter. If we do less than this, future deficits will likely remain well above 2% of GNP for years to come, which would make the nation's financial and investment situation in the 1980s even worse than in the 1970s. The last decade was bad enough for the nation's economic performance. To invite a further drop in our economic performance would be totally irresponsible.

We recognize that this budget reform is not the only action necessary to achieve long-term economic recovery. Many who signed this statement also favor other changes, such as in monetary policy, in the structure of the Social Security and federal pension systems to assure their long-term affordability and financial integrity, in support for research and development, in tax incentives for savings and capital investment, in manpower retraining, in rebuilding public infrastructure, in reformed exchange rate systems, in export policies, etc. But we are firmly united in our conviction that such measures will not prove effective without basic and major changes in budget policies.

A PROGRAM FOR IMMEDIATE ACTION

We can remake the budget without gutting our military security, without starving private savings and investment, and without putting harsh burdens on the poor. But we will have to address head-on each of the three major sources of runaway deficit: the growth of large social entitlement programs, the growth of defense spending, and the inadequacy of tax revenues. If any of these areas is placed "out-of-bounds", no fair or effective solution to the problem is possible.

We, the undersigned, rarely stand together on political and economic issues. But we believe Americans must rally to the common cause of fiscal responsibility. We support this plan as a fair, realistic, and bipartisan approach toward regaining mastery over our economic destiny, and we commend it to you for early action:

1. Entitlements and other Non-Defense Programs. We should now slow down the growth in non-defense spending so as to reduce the deficit by about 60 billion dollars in 1985. The best way to begin is with a one-year freeze in the growth of benefit levels of cash payments flowing from the large, non-means-tested entitlement programs: Social Security, veteran's benefits, civil service and military retirement, and other non-defense subsidies and payments that are not means-tested. Thereafter, there should be limits on the automatic inflation indexing of benefits (e.g., by capping inflation adjustments at 60% of the CPI, or at 4% per year, or by providing adjustments only for the amount of inflation in excess of 3% per year). However difficult politically, controlling the budget requires controls on the large entitlement programs and on the inflation indexing process that drives the cost of those programs upward. If those programs are instead placed off-limits, it will be impossible to make budget savings now necessary for financial stability. Similar restraint is required on all transfers, subsidies, and programs other than those essential to the needy.

These measures can be carried out in ways to protect those citizens truly in need.

2. Defense. The defense budget increases now planned should be moderated so as to save about 25 billion dollars in FY 1985. This would still provide for a major and sustained defense buildup, an overall increase in real terms between 1981 and 1985 of about 7% and an increase in hardware purchases of about 11% per annum. It would encourage more explicit planning for that buildup and lead to wider, sustained public support for a strong defense posture.

3. Taxes. Revenues should be increased by about 60 billion dollars in FY 1985. The principal source of these increases in revenue should be from consumption-based taxes, and by imposing user fees for the government's commercially valuable services. Modifying, delaying, or stretching out the income tax cut for 1983 has the unanimous approval of the undersigned members only in the context of a prior agreement on the kind and magnitude of spending cuts referred to in parts 1 and 2 of this program.

These steps, if undertaken now, would cut the FY 1985 deficit by about 145 billion dollars. This in turn could lead, through less federal borrowing, to a further deficit reduction of about 30 billion dollars in lower

interest payments. We would then meet the overall target of about 175 billion dollars in FY 1985 deficit reductions.

LEADERSHIP

The program we suggest would require tangible sacrifices from many middle and upper income citizens. But the sacrifices would not be severe, and they are simply necessary to avoid economic chaos and stagnation. Inaction would exact enormous and unnecessary sacrifices from every American.

The budget crisis is a national crisis. Only a united leadership in Washington, extending across both parties and embracing liberals and conservatives alike, can avert a fiscal disaster. Let us work together, as Americans, to rescue the future of our economy . . . and our country.

FOUNDING MEMBERS

The Honorable W. Michael Blumenthal, Secretary of the Treasury, 1977-1979.

The Honorable John B. Connally, Secretary of the Treasury, 1971-1972.

The Honorable C. Douglas Dillon, Secretary of the Treasury, 1961-1965.

The Honorable Henry H. Fowler, Secretary of the Treasury, 1965-1968.

The Honorable Peter G. Peterson, Secretary of Commerce, 1972-1973.

The Honorable William E. Simon, Secretary of the Treasury, 1974-1976.●

NAZI WAR CRIMINALS

● Mrs. HAWKINS. Mr. President, the horrors of the Holocaust were perpetrated almost 40 years ago. With the passage of time, some, especially the young, may forget, or be tempted to think that the memory of those brutal days should be allowed to fade. That would be a tragedy. If we are ever to hope to learn from history, we can never turn our back on events such as these, no matter how much time passes—be it 40 or 4,000 years.

The Holocaust stands as a bitter reminder of how cruel man can be to man. Some would urge us now to forgive and forget those men still living who participated in the murder of millions of Jews, Slavs, and other Europeans. An editorial in the February 3, 1983, USA Today sheds a valuable light on the error of this misplaced compassion. I ask, Mr. President, that the editorial be printed in the RECORD.

The editorial follows:

STOP SEARCHING FOR NAZIS? NEVER!

Half a century ago, Adolf Hitler was named chancellor of Germany. Crowds marched by torchlight in front of the Reichstag; flags with swastikas waved in the night.

That long night is not yet over. Thousands of Nazi war criminals live comfortably in South America, in Europe, in the United States—and though their trail grows colder with each passing year, the search for them continues.

Klaus Barbie, a Gestapo chief known as "the butcher of Lyons," is about to be extradited to West Germany from Bolivia, where he has been sheltered for decades.

Last month Maurice Papon, a top official in the French government until 1981, was charged with "crimes against humanity" for deporting Jews to death camps.

Dr. Josef Mengele, who tortured thousands of children at Auschwitz with hideous medical experiments, reportedly was sighted last month in the jungles of Paraguay.

And in America, a special unit of the Justice Department will spend $2.6 million this year to track down and deport war criminals. Twenty-five cases are in court now; 210 investigations are active.

Why didn't the U.S. government go after these murderers 30 years ago, when memories were fresher and witnesses easier to find?

Many Americans were tired of the horrors of war. After the trials of Nazi leaders at Nuremberg, zeal for finding smaller fry diminished. And in the cold war confusion, it was hard to verify the identity of 400,000 European immigrants—whose anti-communist views were appreciated.

So it was easy for a storm trooper or concentration camp guard to come to America, lie to immigration officials and even become a citizen. Not until 1979 did the Justice Department begin to compile lists of war criminals and match them against immigration records.

But the question remains: Why pursue a few old men who will die soon anyway? Why not forgive and forget?

Because the pursuit of war criminals is not a matter of vengeance. It is a matter of justice. The law does not excuse ordinary murderers simply because they are old; it should never excuse those who participated in the most unspeakable crimes ever committed.

And it is dangerous to forget. When thousands of German children were polled several years ago, some said Hitler was an astronaut, or a communist, or an Italian. Others admired him for curbing unemployment. No wonder that neo-Nazi groups sprout in Germany with depressing regularity.

The failings of the past do not justify complacency now. While there is still time, every nation owes it to the living as well as the dead to find those guilty of genocide, and to bring them to justice.●

JUDGE JOHN H. PIERCY TO RETIRE

● Mr. LEVIN. Mr. President, I would like to pay tribute to a dedicated Michiganite who has served the 14th Circuit Court in Muskegon, Mich., for more than 20 years.

Judge John H. Piercy is a native of Kentucky; he received his law degree from the University of Louisville in 1949. While at the university he was a member of the student government and became active in civil rights activities.

John Piercy settled in Muskegon as a young man and he has given much to his community. He founded the Muskegon Alcoholism Information Center, served on the board of the Urban League, the scholarship committee of the Muskegon Foundation, the building committee of the Norton Shores Library, and is an active member of St. Gregory's Episcopal Church. He has been active in Democratic politics and ran for Congress, albeit unsuccessfully, in 1952.

His long career in the legal profession has included private practice, the Michigan Labor Mediation Board, the American Arbitration Association, and 3 years as municipal court judge before becoming a circuit court judge in 1962.

Judge John H. Piercy is loved and respected by his family, friends, and colleagues. His presence on the bench will be missed, but his dedication to his community and to serving all the people will continue. I join with all those who will honor him at a retirement dinner on March 5, in wishing him a long, productive, and fulfilling retirement.●

PROPOSED INCREASE IN THE IMF QUOTA SUBSCRIPTION

● Mr. HUMPHREY. Mr. President, Congress will soon be asked to approve an administration request for an approximate $8.4 billion increase in the U.S. quota to the International Monetary Fund and the General Arrangements to Borrow. I for one am not at all satisfied with the arguments that have been advanced to date in support of this request, and I respectfully submit that, if my colleagues take the time to poll their constituents on this question, they will find very little support for this proposal at the grassroots level as well.

The fact of the matter, Mr. President, is that the United States is being pressured by the IMF, the banks, and other harbingers of doomsday scenarios to push ourselves more deeply into the black hole of international debt. We are being asked to authorize the Treasury to crowd out private borrowers to the tune of over $8 billion, at a time of long-awaited economic recovery, in order to pump precious dollars into an organization that at this very moment sits atop a $47.3 billion horde of gold, the partial liquidation of which could easily see the Fund through this short-term crisis. We are being asked to perpetuate the notion that careless bank lenders and the mismanagers of struggling LDC economies need not fear the consequences of poor business practices. Why should they, when Uncle Sam stands ready as an indirect lender of last resort every time the IMF directs us to sign on the dotted line?

Perhaps most gravely, Mr. President, we are being asked to shore up a pool of funds which will be drawn upon by our ideological adversaries the world over. In this regard, I submit to the attention of my colleagues a recent article by the distinguished columnist Patrick J. Buchanan, entitled "The Credit Trap." In it, Mr. Buchanan examines the mechanism through which "American capitalist dollars are * * * sent abroad to enable socialist countries to undercut American products and destroy American jobs."

I respectfully urge my colleagues to consider the sentiments expressed in this column when formulating their

views on this proposal. This is our opportunity to get off this debt-ridden merry-go-round while we still can see the light of day.

The article follows:

THE CREDIT TRAP

(By Patrick J. Buchanan)

My government has become a "tyranny" that no longer listens to its own people. With that painful admission, near treasonous to the Marxist regime that named him envoy to Washington, the Nicaraguan ambassador to the United States, Francisco Fiallos, resigned.

On a return home to Managua he was shaken by reports of a government-inspired mob assaulting a Catholic priest, and saw for himself how far the Sandinista Revolution had been delivered up to the Soviet Bloc and the Cubans.

The isolation of this squalid little regime continues to grow; but, fortunately for the Ortega brothers, it is not yet complete. Confronted with a $40 million interest payment on a near $3 billion debt it cannot hope to pay, the Ortegas sent their financial minister to the last, best hope of the Communist Bloc—the Western banks. And not in vain.

A $30 million loan was put together by the facile officers of the Bank of America, the biggest bank in the United States, the angel of the revolution.

Paradoxical is it not? While 50 American soldiers instruct the beleaguered Salvadorans how to resist a Sandinista-style takeover in their country next door, the already successful Sandinista Revolution in Central America is propped up with good hard Yankee dollars from the biggest banks in the United States. From the Reagan administration, that implacable antagonist of Castroism in the hemisphere not a word of reproach.

What has happened, said Brian Crozier who occupies James Burnham's chair at The National Review, is that the West has become ensnared in "the credit trap." With over $100 billion in loans outstanding to the Warsaw Pact allies, communist Yugoslavia, Cuba and Nicaragua, the Western banks that hold most of the unsecured paper have no choice but to go on feeding the monster with new morsels of credit, if there is to endure any hope of retrieving the lost wealth.

The Soviet Bloc, noting a far greater sense of desperation in the lenders than in the lendees, has gotten the point: The banks are more frightened than we; they don't own us; we own them!

So, Poland is kept on the books of the German banks. Hungary and Romania are provided admission to the credit windows of the International Monetary Fund. Yugoslavia suddenly becomes an object of stated concern and a billion-dollar rescue effort by the American secretary of state. The World Bank starts us down the identical road by providing the first hundreds of millions in long-term, no-interest loans to the People's Republic of China.

How long do the nonchalant and amoral men of the international banking community think this game can go on? How long do they think the simple-minded American middle class will consent to arm, train, equip and dispatch its young men to places like Guantanamo, Roosevelt Roads, West Germany and South Korea, the Med and the Malacca Straits to resist with their lives an empire that is being "carried" by the big banks of the United States?

When the American people saw Richard Nixon toasting the Godfather of Asian communism in Peking, any lingering disposition to spend more American blood to resist the advance of Asian communism a thousand miles to the south evaporated.

If Ronald Reagan comes before the country, in 1983, to argue the importance of keeping Hungary and Stalinist Romania afloat with American dollars, of not forcing poor down-and-out Gen. Wojciech Jaruzelski into default and ruining his credit rating, his defense consensus is gone.

More than any president in modern times, Mr. Reagan, instinctively, recognizes the centrality of morale, of spirit, of enthusiasm, of elan in maintaining steadfastness and courage in the twilight struggle with the Soviet Empire. What a demoralizing effect it would have upon his followers to learn that he, Ronald Reagan, had approved the IMF transfer of American dollars and NATO capital to maintain the bank standing of the military subdivisions of the Warsaw Pact.

According to Paul MacAvoy, Yale economics professor, it was the capacity of Chile, Peru and Zaire to siphon billions out of the World Bank, the regional banks and the Western banks terrified of default that enabled them to maintain and even expand copper production in a time of falling world demand. As a result, almost all the unemployment in the world copper industry was absorbed by American miners in Arizona, Colorado and Montana. American capitalist dollars are thus sent abroad to enable socialist countries to undercut American products and destroy American jobs.

For every dollar the IMF or the World Bank, the Fed or the Bank of International Settlements in Switzerland uses to bail out Brazil or Mexico or Argentina or the Soviet Bloc, there is one less dollar available for American businesses and consumers to restoke their own economy. With the sources of credit thus depleted, the cost of credit—interest rates—rises; and the recession endures.

When the latest, largest demands of the IMF and the World Bank—backed by the quietly desperate American bankers—reach Congress, we shall at long last find out who really owns the Republican Party.●

SENATOR HOWARD BAKER

● Mr. D'AMATO. Mr. President, a recent editorial by the Albany (N.Y.) Times-Union, a Hearst newspaper, aptly displays the high regard which each of us shares for our distinguished colleague, the majority leader, Senator HOWARD BAKER.

I ask that this article be printed in the RECORD in its entirety.

The article follows:

BAKER LEAVES A GREAT VOID

Tennessee's Senator Howard Baker has become one of the most highly respected and influential politicians in Washington. Anyone who doubts this need only to observe the political ripples caused by the Republican majority leader's decision not to seek re-election in 1984.

The announcement sparked discussion of Mr. Baker as a candidate for the presidency. Although he reconfirmed the other day his support for President Reagan for a second term, the senator clearly is standing in the wings in the event Mr. Reagan chooses not to run.

Respect for Senator Baker knows no party lines. A Democratic senator spoke warmly recently of the Republican leader, saying: "If there were a secret vote in the Senate for president, Baker would get 80 to 90 votes."

Senate Republicans will miss him. Wyoming Senator Alan Simpson said Baker's announcement "• • • will slow the pace for the Republican majority. There will be an aura of conjecture about successors and where do we go from here. Howard Baker leaves a great void." The size of the void can best be measured by remembering that many of President Reagan's budget and tax proposals would not have reached first base without Mr. Baker's skillful leadership. He has been a persuasive leader on both sides of the aisle.

Senator Simpson put Senator Baker in a class by himself as he noted:

"He has great respect and credibility. They are the currency of this place. It will be a long time before anyone else has those kinds of credentials."●

NUTRITIONAL VALUE OF MEAT

● Mr. EAGLETON. Mr. President, for many years consumers have been confused by conflicting advice over the value of meat in their diet. Recently, Dr. Jean Mayer, one of the top nutritionists in our country, wrote an excellent article extolling the virtues of meat as an important source of iron, essential minerals, and high quality protein.

Dr. Mayer points out that consumers concerned about their intake of saturated fat and cholesterol may still take advantage of the nutritional value of meat by selecting lean cuts and a cooking method that will reduce the amount of ingested fat.

I ask that the article by Dr. Mayer and Jeanne Goldberg be printed in the RECORD.

The article follows:

[From the Washington Post, Feb. 6, 1983]

NUTRITION

(By Dr. Jean Mayer and Jeanne Goldberg)

There's no doubt about it. Most Americans like meat. Last year alone, the average American ate 77 pounds of beef and 65 pounds of pork. So why, you may wonder, is the meat industry beginning a new advertising campaign?

The meat industry may not be as hard pressed financially as the grain farmers, but it has not had an easy time, and would naturally not like to see a further drop-off in consumption.

The use of pork has held steady over the years, but that 77 pounds of beef eaten last year is almost 19 pounds less than was eaten in 1976. Similarly, interest in veal and lamb has declined steadily.

Like fish and poultry, meats have a number of nutritional points in their favor. Their major drawback is that, unlike fish and poultry, many cuts are high in fat and the fat is predominately saturated. Fat is high in calories (nine per gram compared with four for protein and carbohydrate). Both saturated fat and dietary cholesterol tend to raise the level of blood cholesterol. Thus, the choice of cut and the method of preparation are important when trying to

limit total fat intake or when watching serum cholesterol.

However, contrary to what seems to be a widely held belief, meats, like fish and poultry, are not unduly high in cholesterol itself, although they contain some, as do all animal products. Only organ meats, like liver and kidneys, have enough cholesterol to cause concern (though they are low in fat, liver in particular). For example, two ounces of beef liver contain about 370 milligrams of cholesterol, half again as much as the 240 in the yolk of a medium egg. By contrast, three ounces of lean beef contain only about 75 milligrams, the same as three ounces of dark meat chicken.

One special nutritional value of meat, and fish and poultry, is that they are good sources of iron. A high proportion is heme iron, from the red pigment hemoglobin in blood and myoglobin in muscles. Heme iron is much better absorbed by the body than nonheme iron, which is also in animal foods but is the only kind in vegetables. In addition, meats, fish and poultry contain a still mysterious "meat factor" that helps the body absorb more nonheme iron, if it is eaten at the same meal.

Meats in general are good sources of essential minerals, like zinc, copper, and magnesium, and of the B vitamins. Pork is especially rich in thiamin. Liver is the body's storehouse for many nutrients. It supplies good amounts of a number of vitamins and minerals besides iron, including a lot of Vitamin A and even some Vitamin C. Its only drawback is cholesterol, which makes it a fine food for children and young women, but one to be eaten only now and then by adolescent boys, adult men, and women over the age of menopause.

Like every animal food, meat supplies high-quality protein. The leaner the meat, the higher the proportion of protein to fat. Choose lean cuts, without much marbling, and cut away visible fat both before cooking and at the table. You can also get more fat out of hamburger for sauces or stew and casserole meats by browning first, then draining. Still more can be skimmed off the stews, casseroles, and sauces and soups by cooling and taking off the congealed fat.

When roasting meats, use low temperatures and a rack so that the fat can drip off. Broiling or roasting is better than frying, and if you don't have time to cook cuts that require long cooking to be tender, use a tenderizer or a low-heat crockpot that can be left simmering safely during the day.

Please don't forget that while meat is useful, so are fish and poultry. We're not advocating a return to meat once a day, or the 12-ounce steak. Use all these foods in your weekly menus, and vegetable-protein main dishes, as well. The greater variety of good foods a diet contains, the better nutritior you'll be practicing.●

U.S. PARTICIPATION IN THE IAEA BOARD OF GOVERNORS MEETING

● Mr. McCLURE. Mr. President, a strong and effective International Atomic Energy Agency is essential if we are to realize the peaceful benefits of nuclear energy while controlling its dangers. Over the past several years, however, the introduction of divisive political controversy into the workings of that body have increasingly threatened its ability to carry out its basic technical mandate. This climaxed with the illegal rejection of Israel's credentials at the General Conference of the IAEA last September.

Since that time, many of us have given much thought to where the Agency was headed and whether it still is possible to reorient it to the purposes of its founders—fostering the peaceful uses of nuclear energy under adequate safeguards. The executive branch has carried out a deep and searching reassessment of U.S. participation in the Agency. Here in Congress, we passed the Kasten-McClure amendment to the continuing resolution requiring certification that Israel remains a full participant in the activities of the Agency, as a condition precedent to continued voluntary contributions of $10 million to the Agency in fiscal year 1983.

President Reagan has now reviewed the results of the U.S. reassessment. He has determined that the IAEA is critical to U.S. national security interests and our nonproliferations policy, and that the United States should resume participation in the Agency at an appropriate time. The President also decided that the United States should send a delegation to the IAEA Board of Governors meeting which took place in Vienna last week. Ambassador Richard Kennedy, the President's special representative for nuclear nonproliferation matters, led the U.S. delegation which returned to the IAEA.

I most strongly welcome these decisions, and hope that after the deliberations of last week's Board meeting, it will be possible to resume full U.S. participation in the Agency, including payment of our financial contributions. I am confident that the U.S. delegation once again made clear the seriousness of the U.S. reassessment, the depth of our concern, and the steadfastness of our opposition to political confrontation and divisive debate. There must be no doubt that we will not stand by and participate in the gradual self-destruction of this vital Agency. I also urge the other members of this Agency to take stock of where the Agency was headed last September. It is the responsiblity of all of the members to insure that the Agency respects the legal mandates of its charter.

Working together with other nations, I am confident that we can yet realize the promise of the Agency's founding 25 years ago. Our presence in Vienna and our resumed participation in the Agency are an important step in that direction.

Mr. President, in January I had the privilege of addressing an international conference on international nuclear commerce in San Diego sponsored by the American Nuclear Society. In my remarks, I discussed the IAEA reassessment generally, and specifically reviewed the legal situation created by the Kasten-McClure amendment with regard to voluntary contributions to the IAEA, as follows:

As you all know, the events related to the Israeli credentials at the IAEA General Conference in September 1981 led to a U.S. withdrawal from that conference and a subsequent reassessment of U.S. participation in the IAEA. Let me say at the outset of this discussion that I think it is imperative that the IAEA not be politicized by Arab-Israeli politics, no more than it should be politicized by U.S.-Soviet or East-West politics. While I was tremendously disturbed and disappointed by the Israeli air strike on the Iraqi nuclear facilities outside Baghdad on June 7, 1981, and even considered them to be a clear example of the failure of the nonproliferation policies of the past Administration, I cannot support politicization of the IAEA along pro-Arab or pro-Israeli lines. The events at the annual conference in September of last year were most unfortunate and the U.S. must assert its leadership to prevent any further actions of that nature. Having said that, however, it is imperative that the U.S. reassessment be completed as early as possible and result in the reaffirmation of United States participation in the IAEA. The reassessment is in its final stages now, with the inter-agency groups completing their review and preparing the final report and recommendation for Secretary Schultz and ultimately the President. I am optimistic that the reassessment will conclude that it is imperative, in the vital national interests of the United States, for American participation to continue and that the United States will return to the IAEA. I cannot emphasize too greatly the importance of the IAEA to this country's, and indeed the world's nuclear nonproliferation programs. IAEA safeguards are the critical element of over 100 nations' adherence to the Nuclear Nonproliferation Treaty. Even this nation, under the 1980 U.S.-IAEA Treaty to which the Senate gave advice and consent in the last Congress, utilizes IAEA safeguards for domestic nuclear power activities. Neither this nation nor the world can afford to allow such a catastrophic abandonment of our three-decade commitment to internationally safeguarded nuclear power.

During last December, the Senate Appropriations Subcommittee with responsibility for voluntary funds to the IAEA concluded that the events of last September required a total cut-off of U.S. voluntary funding for the IAEA. This matter became the subject of Senate attention during our consideration of the Continuing Resolution for fiscal year 1983 in mid-December. At that time, I proposed to offer an amendment to the Continuing Resolution which would have had the effect of unconditionally restoring all funding for the IAEA from voluntary funds. If the United States were to withdraw its financial support for the IAEA, the consequences would be extremely damaging to our national security interests. The loss of this funding would cripple our efforts to improve the IAEA safeguards program. It also would seriously undercut the firm U.S. policy of supporting and strengthening IAEA safeguards, a policy established by the Congress in the Nuclear Nonproliferation Act itself. A cutoff of U.S. voluntary funding would directly affect the safeguards inspection program and the availability of cost-free experts to work with the IAEA in developing procedures used in the safeguards program, as well as training at Los

Alamos for safeguards inspectors, technical assistance, and special training. Such a cutoff also would have a substantial negative impact on our nuclear-related exports, since the IAEA purchases much of its equipment and services from U.S. suppliers. Additionally, if IAEA safeguards were ultimately impacted by the reduction in funding, American nuclear exports across the board could be jeopardized because the Nuclear Nonproliferation Act requires the NRC to make findings on the application of safeguards to exported materials and technology.

In light of all of these factors I entered into negotiations with the Subcommittee Chairman, Senator Kasten, and we reached a compromise which was incorporated in the Continuing Resolution law enacted at the end of December. The compromise provision in the law requires a certification from the IAEA to the Secretary of State that the State of Israel is participating fully as a member nation in the activities of the Agency. As a matter of fact, Israel is now, and has been throughout the past year, participating fully in the activities of the agency and nothing which occurred at the September, 1981, Conference has changed that result. Consequently, I urge the IAEA officials, Ambassador Kennedy and the State Department to act quickly to provide the necessary certification of what is already established fact required by the Kasten-McClure amendment to the Continuing Resolution. The IAEA programs must continue with the fullest possible funding and action must be taken now to ensure that result. Neither this nation nor the world can afford any lack of predictability with regards to the continuation of the IAEA program. I can assure this audience that upon my return to Washington I will urge all of the parties involved in this provision of law to remove this impediment to the IAEA program.

Mr. President, I am particulary pleased and proud to inform the Senate that the State Department has informed me that last week the IAEA Board of Governors in Vienna appropriately acted on the letter of certification by Director General Blix, which will satisfy the certification requirements of the Kasten-McClure amendment in section 159 of the continuing appropriations for fiscal year 1983 (Public Law 97-377). As soon as the Secretary of State transmits the Director General's letter to the Congress, the requirement will be satisfied and the legal condition precedent on the voluntary contributions to the IAEA will be removed. At that point, which will hopefully be momentarily, the United States will have reestablished its historic support and full participation in the IAEA.

Mr. President, I believe the events of the past 5 months involving the U.S. reassessment of its participation in the IAEA and the efforts more recently related to the satisfaction of the Kasten-McClure amendment are a testament to the resolve of the President, Secretary Shultz, and Ambassador Kennedy to insure the ever-increasing strength and vitality of the IAEA as part of our Nation's vital nuclear nonproliferation policy. Their leadership has restored a depoliticized IAEA and preserved the important rights of the State of Israel to participate fully in the IAEA, as certified by the Board of Governors yesterday in Vienna. I want to commend the President, the Secretary, and Ambassador Kennedy for the dramatic and most difficult success in decoupling international Arab-Israeli politics from this vital international organizations in the world's nuclear nonproliferation program. I especially wish to commend Ambassador Dick Kennedy for his skill and tenacity in the conduct of the U.S. reassessment and the sensitive diplomatic and congressional negotiations leading to the action by the Board of Governors. This country, and indeed, the entire world have been served well in the quest for peace by the results of the Vienna meeting.

I ask that Ambassador Kennedy's statement to the Board of Governors be printed in the RECORD.

The statement follows:

STATEMENT BY AMBASSADOR RICHARD T. KENNEDY

Mr. Chairman: I would like to make a statement on the report of the Technical Assistance and Cooperation Committee. First, however, I wish to advise the Board of certain decisions recently taken by my government. As you all are aware, last September the United States suspended its participation in the IAEA. Since that time my government has been engaged in an extensive review and assessment of the IAEA and the future role of the United States in this Agency. I would like to use this opportunity to share with you briefly some of the conclusions which we have reached from our intensive study, which is now completed.

Let me begin by recalling for Governors the message President Reagan sent to the Delegates on the occasion of the 26th General Conference. At that time the President said:

"The United States is determined to work with other countries to assure that this Agency can successfully meet the challenges ahead—from strengthening technical cooperation for sharing the benefits of nuclear energy, to finding ways of improving further the technical and institutional safeguards against its misuse. It is our profound hope that others will share this determination—for it would be a tragedy for succeeding generations if we permit this organization to be weakened or undermined by political issues and concerns, which, however strong the emotions they arouse, are extraneous to the central technical purposes for which the Agency was founded."

It was with these thoughts in mind that our assessment was conducted. Our assessment underscored two basic points. First, it is overwhelmingly clear that the IAEA has played and should continue to play a critical role in support of very substantial interests of all of its member states. The IAEA has contributed in a major way to progress in the expanded and safe use of nuclear generated electric power, and through its other development programs such as those in medicine, industry, agriculture, health and safety. At the same time, we are all beneficiaries of the assurance provided though the application of international safeguards that nuclear material is not being misused for illicit and destructive purposes. Perpetuation of this assurance is essential if progress in peaceful nuclear development is to continue. We therefore need to work together to improve the effectiveness of IAEA technical assistance programs, to improve the Agency's safeguard system, and to maintain an effective secretariat. The Director General is aware of the concerns we have expressed, and I am confident that we can achieve these needed improvements if we all exert our best efforts to that end.

The second major point emerging from our assessment is that, just as we are all the beneficiaries of the work conducted by the IAEA, we will all pay a considerable price if the viability and effectiveness of the IAEA are threatened. Yet it is clear to us that the growing trend toward controversy and divisiveness over political issues extraneous to the work of the IAEA is such a direct threat. We believe that unless this tendency is promptly checked, it will render the IAEA ineffective, and will fatally corrode the enthusiasm with which member states have participated here for the last 2½ decades. This is not to say that there will not continue to be legitimate differences among us regarding the allocation of Agency resources and the relative emphasis placed on its programs. There are, of course, legitimate differences in perspectives and interests among the member states of the Agency. We must not, however, abandon debate of issues germane to the IAEA in favor of debate of controversial political issues which should be addressed elsewhere. To do that would be to abandon our mutual and important interests in the IAEA.

In short, Mr. Chairman, the Agency must respect the statute and not, for reasons of political expediency, act in ways that are inconsistent with that statute. The Agency's role in promoting the peaceful use of nuclear energy during this critical period depends entirely on the credibility of its technical expertise.

Fellow Governors, as members of the IAEA's governing body we bear a singular responsibility for determining the Agency's future course. I believe we should make a determined effort to re-establish the tradition of member state cooperation which characterized its first 25 years. I look forward to working actively toward this end with you.

My government and, we are confident, other concerned governments will be watching carefully to see which direction the Agency pursues in the months ahead. We hope and trust that the Agency can put behind it the unfortunate political wrangling of the recent past and get back to the basic purposes which brought us all together in the first place.

Mr. Chairman, the United States for its part then is prepared to renew its commitment to the IAEA and its important program. Within the constraints of U.S. law, the United States intends to support fully these programs. At the same time, I must note that our commitment must depend on the degree to which other members are also determined to return this Agency to its status as an effective international technical organization. It is our deep desire that all member states will join us in this sincere effort. Together we can strengthen this unique international organization and see that the Agency lives up to the principles contained in its statute.●

NUTRITION EDUCATION EFFORTS SHOULD NOT BE REDUCED

● Mr. EAGLETON. Mr. President, we have heard over and over again about the shortsightedness of many of the Reagan administration's budget proposals and their impact on the Federal feeding programs. It makes little sense to try to scrimp on nutrition programs aimed at feeding the poorest of our society when we know full well that these programs are highly successful and when the present economic climate has forced more and more Americans to become reliant on these programs.

Just as this policy is incomprehensible, it makes absolutely no sense to substantially reduce the nutrition education programs which are designed to teach our children proper nutrition, and to aid those on low incomes obtain the most for their food dollar.

This past Sunday, the Washington Post carried an excellent summary of the Department of Agriculture's nutrition education programs and how President Reagan's fiscal year 1984 budget would treat them. I believe it is important that my colleagues take note of these proposals.

I ask that an article entitled "The Tug of War Over Proposed Cuts in Nutrition Education Programs" be printed in the RECORD.

The article follows:

THE TUG OF WAR OVER PROPOSED CUTS IN NUTRITION EDUCATION PROGRAMS

(By Patricia Picone Mitchell)

Several nutrition education programs at the Department of Agriculture are in jeopardy, standing squarely in the path of the Reagan administration's 1984 budget ax. Administration officials believe the cuts are necessary in view of increasing budget constraints.

The following activities are on the endangered list:

The Nutrition Education and Training (NET) program would be eliminated in 1984. The program, funded at $5 million this year, is operated by the states and teaches school children, teachers and school food service personnel about food, nutrition and good eating habits.

Consumer and nutrition groups can be expected to fight the proposed elimination. Robert Leard, acting food and nutrition service administrator says there were never plans for the program "to go on forever," adding, "It's a very small program, it's done its duty over the years, and if states want to continue it, now is the time." In its budget presentation, USDA says the program is being eliminated because its mandate, the development of curriculum materials, has been fulfilled.

However, Elizabeth Shipley-Moses, public policy coordinator for a professional group, the Society for Nutrition Education (SNE), argues that the program "is much more than curriculum development." She says the program has turned school cafeterias into learning centers and has been cost-effective, reducing plate waste because of improvements in meal management by food service workers.

The Expanded Food and Nutrition Education Program (EFNEP), operated through Extension Service grants to states, would be cut 42 percent, from $60 million in 1983 to $35 million in 1984. The program provides for trained aides to work one-on-one with low-income families, especially those with young children, to teach them how to plan healthy meals on a limited budget.

EFNEP is popular in Congress and with the states, and a previous attempt to shift federal funds from the program failed. The proposed cut comes on the heels of a congressionally mandated evaluation that gave the program high marks for effectively targeting the neediest families and for keeping program goals in sharp focus.

In the budget proposal, USDA says EFNEP funding will permit states the flexibility to maintain the program by "using other available funds."

Funding for Human Nutrition Information Service (HNIS), the USDA agency responsible for collecting data on nutrient content in foods, conducting periodic nationwide surveys of what people eat, sponsoring nutrition education research and providing nutrition information and library services to the public, would be cut 20 percent, from $8.2 million this year to $6.6 million in 1984.

The service was saved from a more devastating blow by concerned nutrition groups which, last fall, got wind that the Office of Management and Budget was planning to cut the agency's budget in half and its staff of 85 by more than one-third. In December, the Society for Nutrition Education (SNE) sent a letter to OMB complaining that the cuts were shortsighted since, the group said, both private and public sector agencies and groups depend on the HNIS nutrition surveys and data for program planning. SNE and the National Nutrition Consortium, a group of six major scientific and educational nutrition associations, also issued a press release charging the government with "abandoning nutrition."

Assistant Secretary of Agriculture Mary Jarratt, who oversees the nutrition service, said recently the 20 percent cut would permit work to continue on the consumption survey and data bank. But other HNIS activities would have to be postponed, she said.

"USDA has made a very systematic effort, practically since day one, to demolish education programs," charged Michael Jacobson of the Center for Science in the Public Interest. He said Secretary of Agriculture John Block has ignored requests to meet with consumer groups, and he complained about the administration's decision to cease publication of certain nutrition pamphlets and charge what he characterized as outrageous prices for others.

Not all nutrition education activities at USDA are imperiled, however. In line with the department's efforts to work with private-sector groups on nutrition education projects, USDA is planning a multifaceted "Food and Fitness" campaign.

To be funded in large part by groups that represent producers of commodities such as meat, egg and dairy products, the campaign will officially begin in May with a "commodity fair" on the Mall. USDA's coordinator for the program, George Trapp, says the theme of the fair will be, "Try a new food today," and will attempt to broaden people's awareness of the variety of food produced by American farmers.

Trapp was unable to estimate USDA costs for the campaign, which will include production of a documentary, publications and regional commodity fairs. Plans for other activities are still being worked out, Trapp said.

Not surprisingly, the U.S. dietary guidelines won't be used in the campaign. Commodity groups have opposed the set of nutrition recommendations, which advocate less fat and cholesterol in the diet. "The program is not designed to be a prescription like that," says Trapp. Contending that "there's no one answer that's right for everyone," Trapp said the aim of the program is to raise people's awareness about the kinds of food they are eating and the level of physical activity they are getting. However, there will be nutrition messages targeted to particular groups of people, he says, including pregnant women, grade school children, teen-agers, adult men and women, and older Americans.●

PRELIMINARY NOTIFICATION ON PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million, or in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that 2 such notifications were received on February 28, 1983.

Interested Senators may inquire as to the details of these preliminary notifications at the offices of the Committee on Foreign Relations, room SD-427.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., February 28, 1983.

In reply refer to: I-00070/83ct.

Dr. HANS BINNENDIJK,
Professional Staff Member, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country for

major defense equipment tentatively estimated to cost in excess of $14 million.

Sincerely,

WALTER B. LIGON,
Acting Director.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., Feb. 28, 1983.

In reply refer to: I-00436/83.

Dr. HANS BINNENDIJK,
Professional Staff Member, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country tentatively estimated to cost in excess of $50 million.

Sincerely,

WALTER B. LIGON,
Acting Director.●

SPECIAL COMMITTEE ON AGING RULES

● Mr. HEINZ. Mr. President, in accordance with rule XXVI of the Standing Rules of the Senate, requiring the publication of the rules of each Senate Committee in the CONGRESSIONAL RECORD not later than March 1 of each year, I submit the rules of the Special Committee on Aging and ask that they be printed in the RECORD as follows:

The rules follow:

RULES OF THE SPECIAL COMMITTEE ON AGING OF THE UNITED STATES SENATE

RULE 1. CONVENING OF MEETINGS AND HEARINGS

1.1 Meetings. The Committee shall meet to conduct Committee business at the call of the Chairman.

1.2 Special meetings. The members of the Committee may call additional meetings as provided in Senate Rule XXVI(3).

1.3 Notice and agenda. (a) Hearings. The Committee shall make public announcement of the date, place, and subject matter of any hearing at least one week before its commencement.

(b) Meetings. The Chairman shall give the members written notice of any Committee meeting, accompanied by an agenda enumerating the items of business to be considered, at least 5 days in advance of such meeting.

(c) Shortened notice. A hearing or meeting may be called on not less than 24 hours notice if the Chairman, with the concurrence of the ranking minority member, determines that there is good cause to begin the hearing or meeting on shortened notice. An agenda will be furnished prior to such a meeting.

1.4 Presiding officer. The Chairman shall preside when present. If the Chairman is not present at any meeting or hearing, the ranking majority member present shall preside. Any member of the Committee may preside over the conduct of a hearing.

RULE 2. CLOSED SESSIONS AND CONFIDENTIAL MATERIALS

2.1 Procedure. All meetings and hearings shall be open to the public unless closed. To close a meeting or hearing or portion thereof, a motion shall be made and seconded to go into closed discussion of whether the meeting or hearing will concern the matters enumerated in Rule 2.3. Immediately after such discussion, the meetings or hearing may be closed by a vote in open session of a majority of the members of the Committee present.

2.2 Witness request. Any witness called for a hearing may submit a written request to the Chairman no later than twenty-four hours in advance for his examination to be in closed or open session. The Chairman shall inform the Committee of any such request.

2.3 Closed session subjects. A meeting or hearing or portion thereof may be closed if the matters to be discussed concern: (1) national security; (2) Committee staff personnel or internal staff management or procedure; (3) matters tending to reflect adversely on the character or reputation or to invade the privacy of the individuals; (4) Committee investigations; (5) other matters enumerated in Senate Rule IIVI (5)(b).

2.4 Confidential matter. No record made of a closed session, or material declared confidential by a majority of the Committee, or report of the proceedings of a closed session, shall be made public, in whole or in part or by way of summary, unless specifically authorized by the Chairman and ranking minority member.

2.5 Broadcasting. (a) Control. Any meeting or hearing open to the public may be covered by television, radio, or still photography. Such coverage must be conducted in an orderly and unobtrusive manner, and the Chairman may for good cause terminate such coverage in whole or in part, or take such other action to control it as the circumstances may warrant.

(b) Request. A witness may request of the Chairman, on grounds of distraction, harassment, personal safety, or physical discomfort, that during his testimony cameras, media microphones, and lights shall not be directed at him.

RULE 3. QUORUMS AND VOTING

3.1 Reporting. A majority shall constitute a quorum for reporting a resolution, recommendation or report to the Senate.

3.2 Committee business. A third shall constitute a quorum for the conduct of Committee business, other than a final vote on reporting, providing a minority member is present. One member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony at hearings.

3.3 Polling. (a) Subjects. The Committee may poll 1) internal Committee matters including those concerning the Committee's staff, records, and budget; 2) other Committee business which has been designated for polling at a meeting.

(b) Procedure. The Chairman shall circulate polling sheets to each member specifying the matter being polled and the time limit for completion of the poll. If any member so requests in advance of the meeting, the matter shall be held for meeting rather than being polled. The clerk shall keep a record of polls; if the Chairman determines that the polled matter is one of the areas enumerated in rule 2.3, the record of the poll shall be confidential. Any member may move at the Committee meeting following a poll for a vote on the polled decision.

RULE 4. INVESTIGATIONS

4.1 Authorization for investigations. All investigations shall be conducted upon a bipartisan basis by Committee staff. Investigations may be initiated by the Committee staff upon the approval of the Chairman and the ranking Minority member. Staff shall keep the Committee fully informed of the progress of continuing investigations, except where the Chairman and the ranking Minority member agree that there exists temporary cause for more limited knowledge.

4.2 Subpoenas. Subpoenas for the attendance of witnesses or the production of memoranda, documents, records, or any other materials shall be issued by the Chairman, or by any other member of the Committee designated by him. Prior to the issuance of each subpoena, the ranking minority member, and any other member so requesting, shall be notified regarding the identity of the person to whom the subpoena will be issued and the nature of the information sought, and its relationship to the investigation.

4.3 Investigative Reports. All reports containing findings or recommendations stemming from Committee investigations shall be printed only with the approval of a majority of the members of the Committee.

RULE 5. HEARINGS

5.1 Notice. Witnesses called before the Committee shall be given, absent extraordinary circumstances, at least forty-eight hours' notice, and all witnesses called shall be furnished with a copy of these rules upon request.

5.2 Oath. All witnesses who testify to matters of fact shall be sworn unless the Committee waives the oath. The Chairman, or any member, may request and administer the oath.

5.3 Statement. Any witness desiring to make an introductory statement shall file 50 copies of such statement with the Chairman or clerk of the Committee 24 hours in advance of his appearance, unless the Chairman and Ranking Minority Member determine that there is good cause for a witness's failure to do so. A witness shall be allowed no more than ten minutes to orally summarize his prepared statement.

5.4 Counsel. (a) A witness's counsel shall be permitted to be present during his testimony at any public or closed hearing or deposition or staff interview to advise such witness of his rights, provided, however, that in the case of any witness who is an officer or employee of the government, or of a corporation or association, the Chairman may rule that representation by counsel from the government, corporation, or association creates a conflict of interest, and that the witness shall be represented by personal counsel not from the government, corporation or association.

(b) A witness who is unable for economic reasons to obtain counsel may inform the Committee at least 48 hours prior to the witness's appearance, and it will endeavor to obtain volunteer counsel for the witness. Such counsel shall be subject solely to the control of the witness and not the Committee. Failure to obtain counsel will not excuse the witness from appearing and testifying.

5.5 Transcript. An accurate electronic or stenographic record shall be kept of the testimony of all witnesses in executive and public hearings. Any witness shall be afforded, upon request, the right to review that portion of such record, and for this purpose, a copy of a witness's testimony in pulbic or closed session shall be provided to the witness. Upon inspecting his transcript, within

a time limit set by the committee clerk, a witness may request changes in testimony to correct errors of transcription, grammatical errors, and obvious errors of fact; the Chairman or a staff officer designated by him shall rule on such request.

5.6 Impugned persons. Any person who believes that evidence presented, or comment made by a member of staff, at a public hearing or at a closed hearing concerning which there have been public reports, tends to impugn his character or adversely affect his reputation may;

(a) file a sworn statement of facts relevant to the evidence or comment, which shall be placed in the hearing record;

(b) request the opportunity to appear personally before the Committee to testify in his own behalf; and

(c) submit questions in writing which he requests be used for the cross-examination of other witnesses called by the Committee. The Chairman shall inform the Committee of such requests for appearance or cross-examination. If the Committee so decides, the requested questions, or paraphrased versions or portions of them, shall be put to the other witnesses by a member or by staff.

5.7 Minority witnesses. Whenever any hearing is conducted by the Committee, the minority on the Committee shall be entitled, upon request made by a majority of the minority members to the Chairman, to call witnesses selected by the minority to testify or produce documents with respect to the measure or matter under consideration during at least one day of hearing. Such request must be made before the completion of the hearing or, if subpoenas are required to call the minority witnesses, no later than three days before the completion of the hearing.

5.8 Conduct of witnesses, counsel and members of the audience. If, during public or executive sessions, a witness, his counsel, or any spectator conducts himself in such a manner as to prevent, impede, disrupt, obstruct, or interfere with the orderly administration of such hearing the Chairman or presiding Member of the subcommittee present during such hearing may request the Sergeant at Arms of the Senate, his representative or any law enforcement official to eject said person from the hearing room.

RULE 6. DEPOSITIONS AND COMMISSIONS

6.1 Notice. Notices for the taking of depositions in an investigation authorized by the Committee shall be authorized and issued by the Chairman or by a staff officer designated by him. Such notices shall specify a time and place for examination, and the name of the staff officer or officers who will take the deposition. Unless otherwise specified, the deposition shall be in private. The Committee shall not initiate procedures leading to criminal or civil enforcement proceedings for a witness's failure to appear unless the deposition notice was accompanied by a Committee subpoena.

6.2 Counsel. Witnesses may be accompanied at a deposition by counsel to advise them of their rights, subject to the provisions of Rule 5.4.

6.3 Procedure. Witnesses shall be examined upon oath administered by an individual authorized by local law to administer oaths. Questions shall be propounded orally by Committee staff. Objections by the witness as to the form of questions shall be noted by the record. If a witness objects to a question and refuses to testify on the basis of relevance or privilege, the Committee staff may proceed with the deposition, or may, at that time or at a subsequent time, seek a ruling by telephone or otherwise on the objection from a member of the Committee. If the member overrules the objection, he may refer the matter to the Committee or he may order and direct the witness to answer the question, but the Committee shall not initiate procedures leading to civil or criminal enforcement unless the witness refuses to testify after he has been ordered and directed to answer by a member of the Committee.

6.4 Filing. The Committee staff shall see that the testimony is transcribed or electronically recorded. If it is transcribed, the witness shall be furnished with a copy for review. No later than five days thereafter, the witness shall return a signed copy, and the staff shall enter the changes, if any, requested by the witness in accordance with Rule 5.6. If the witness fails to return a signed copy, the staff shall note on the transcript the date a copy was provided and the failure to return it. The individual administering the oath shall certify on the transcript that the witness was duly sworn in his presence, the transcriber shall certify that the transcript is a true record of the testimony, and the transcript shall then be filed with the Committee clerk. Committee staff may stipulate with the witness to changes in this procedure; deviations from this procedure which do not substantially impair the reliability of the record shall not relieve the witness from his obligation to testify truthfully.

6.5 Commissions. The Committee may authorize the staff, by issuance of commissions, to fill in prepared subpoenas, conduct field hearings, inspect locations, facilities, of systems or records, or otherwise act on behalf of the Committee. Commissions shall be accompanied by instructions from the Committee regulating their use.

RULE 7. SUBCOMMITTEES

7.1 Establishment. The Committee will operate as a Committee of the Whole, reserving to itself the right to establish temporary subcommittees at any time by majority vote. The Chairman of the full Committee and the Ranking Minority Member shall be ex officio members of all subcommittees.

7.2 Jurisdiction. Within its jurisdiction, as described in the Standing Rules of the Senate, each subcommittee is authorized to conduct investigations, including use of subpoenas, depositions, and commissions.

7.3 Rules. A subcommittee shall be governed by the Committee rules, except that its quorum for all business shall be one third of the subcommittee membership, and for hearings shall be one member.

8. Reports. Committee reports incorporating Committee findings and recommendations shall be printed only with the prior approval of the Committee, after an adequate period for review and comment. The printing, as Committee documents, of materials prepared by staff for informational purposes, or the printing of materials not originating with the Committee or staff, shall require prior consultation with the minority staff; these publications shall have the following language printed on the cover of the document: "Note: This document has been printed for informational purposes. It does not represent either findings or recommendations formally adopted by the Committee."

9. Amendment of Rules. The rules of the Committee may be amended or revised at any time, provided that not less than a majority of the Committee present so determine at a Committee meeting preceded by at least 3 days notice of the amendments or revisions proposed.●

PERFORMANCE RECORD OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

● Mr. JOHNSTON. Recently I received a copy of a letter which was written by Dr. Norman E. McSwain, professor of surgery at Tulane University Medical Center in New Orleans, to Dr. Jay P. Sanford, dean of the Uniformed Services University of the Health Sciences (USUHS). Dr. McSwain's letter to Dr. Sanford evaluates the performance of certain students from USUHS with whom Dr. McSwain had the opportunity to work. Basically, Dr. McSwain—who has no affiliation at all with USUHS—found that the students of our military medical school reflected training and competence of the highest level. He further observed that these students showed a special understanding of their future role as military physicians. Mr. President, I would ask that Dr. McSwain's letter be printed in its entirety in the RECORD so that all Senators will be able to review his observations.

It was in 1972 that the Congress passed the Uniformed Services Health Professions Revitalization Act, Public Law 92-426, establishing USUHS. There was much controversy after that authorizing legislation was enacted about the school, its mission, and its cost effectiveness. A majority of the Congress time and again voted to continue with the project, and the school has been operating for 6 years. It is located on the grounds of the Bethesda Naval Hospital. This year the school will graduate 122 physicians who will then enter the military and will probably spend a career in the armed services.

Mr. President, I think Dr. McSwain's letter is testimony to the wisdom of this project. This medical institution is creating a corps of physicians who view themselves as military medical professionals and have a career commitment to service to their country. The school is also providing an opportunity for physicians already in the military to teach, to do research, and generally to be part of an academic medical setting for their own professional training and career enhancement. Such opportunities were not previously available. I understand that the Surgeons General of the Services believe that the university has improved morale in the medical corps.

Mr. President, I would also note that the university's operating expenses on a per capita basis are comparable to those of the average of all medical schools in the United States. In addition, since the obligated service of a USUHS graduate is sufficiently long

so as to strongly indicate that we can expect a career involvement in the military from such a graduate, the training cost per year of service will be more economical than the cost of paying the tuition of a civilian medical school. And, as Dr. McSwain indicated in his letter, the USUHS graduate is specially trained and specially oriented toward service in our armed services. This is a program which has been a great success, and I hope that all my colleagues will recognize that.

The letter follows:

TULANE UNIVERSITY MEDICAL CENTER, DEPARTMENT OF SURGERY,
New Orleans, La., November 22, 1982.

JAY P. SANFORD, M.D.,
Dean, School of Medicine, Uniformed Services University of the Health Sciences, Bethesda, Md.

DEAR DR. SANFORD: When we began to receive medical students for a trauma emergency department clinical rotation from your university, I noted and was very impressed that they were able to function and had the maturity of our PG II's. They worked far above the level of one of our senior medical students. I was also impressed that their orientation was toward their ultimate career of being a military physician, and that of an individual going into the civilian practice of medicine. I felt that they would be much better able to handle themselves in a military career upon finishing school than would a civilian student upon completing civilian medical school and joining the military. They seemed so much more mature than our medical students.

I had the opportunity this past week to accompany a portion of the present senior class on the Bushmaster Course in San Antonio. I watched a very scared, disorganized, immature group of people begin their training and saw a well motivated cohesive, mature, self-assured group of individuals come out a week later. Now I understand why they can triage, evaluate and care for patients in a much more mature and determined manner than can our medical students at the same level. They have been taught this. We don't do that in our medical school. The ATLS and ACLS training program sets the stage and the emergency department rotation completes it.

You are preparing medical students for an entirely different career than a civilian medical school and are doing a superb job of it. Your medical students think like military physicians.

Having personally been on both sides of the fence, that is, two years in the Air Force, and having a lot of friends who are still in the military; plus having spent the majority of my life in a civilian situation, I can certainly see the difference between the two groups of people. A military career is simply not like a civilian career. There are administrative responsibilities, military responsibilities, public health responsibilities, as well as standards of patient care responsibilities, that physicians working in the military world will need to know and understand. I can see that students graduating from a civilian medical school and coming into the military are going to have a tremendously difficult time competing with your students in the career opportunities, because your students are so much better trained for their job. You are now developing the individuals who will be leaders in the military medical corps 15 and 25 years from now. I believe that I can state that it is the Bushmaster course and the training period that surrounds it that is a major contributor to this.

You are to be congratulated on it.

I don't have any idea how much such a training program costs, but as a tax payer having seen it, I can certainly state that the benefits are greater then whatever it cost you. I feel much more comfortable now knowing that the future Medical Corps of the United States Armed Services is being so well trained. As a citizen of this country, I feel very much at ease. If the rest of the military is doing as much as you are to train superb individuals, then there is no question in my mind that the United States of America will always be safe for its citizens.

I am proud that we at Tulane are able to contribute to your outstanding educational program.

Sincerely,

NORMAN E. MCSWAIN, Jr., M.D.,
Professor of Surgery.●

RULES OF THE SELECT COMMITTEE ON INDIAN AFFAIRS FOR THE 98TH CONGRESS

● Mr. ANDREWS. Mr. President, in compliance with section 133(b) of the Legislative Reorganization Act of 1946, as amended, the Select Committee on Indian Affairs is publishing the committee's rules, which I ask be printed in the RECORD.

The rules are as follows:

RULES OF THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS FOR THE 98TH CONGRESS

COMMITTEE RULES

Rule 1. The Standing Rules of the Senate. Senate Resolution 4, and the provisions of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, to the extent that the provisions of such are applicable to the Select Committee on Indian Affairs and as supplemented by these rules, are adopted as the rules of the Committee.

MEETINGS OF THE COMMITTEE

Rule 2. The Committee shall meet on the first Wednesday of each month while the Congress is in session for the purpose of conducting business, unless, for the convenience of Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he may deem necessary.

OPEN HEARINGS AND MEETINGS

Rule 3. Hearings and business meetings of the Committee shall be open to the public except when the Committee by majority vote orders a closed hearing or meeting.

HEARING PROCEDURE

Rule 4. (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the Committee at least one week in advance of such hearing unless the Chairman of the Committee determines that the hearing is noncontroversial or that special circumstances require expedited procedures and a majority of the Committee concurs. In no case shall a hearing be conducted with less than 24 hours notice.

(b) Each witness who is to appear before the Committee shall file with the Committee, at least 24 hours in advance of the hearing, a written statement of his or her testimony in as many copies as the Chairman of the Committee prescribes.

(c) Each member shall be limited to 5 minutes in the questioning of any witness until such time as all Members who so desire have had an opportunity to question the witness unless the Committee shall decide otherwise.

(d) The Chairman and ranking Minority Member or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such other time as the Chairman and the ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5. (a) A legislative measure or subject shall be included in the agenda of the next following business meeting of the Committee if a written request for such inclusion has been filed with the Chairman of the Committee at least 1 week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee to include legislative measures or subjects on the Committee agenda in the absence of such request.

(b) The agenda for any business meeting of the Committee shall be provided to each Member and made available to the public at least 3 days prior to such meeting, and no new items may be added after the agenda is so published except by the approval of a majority of the Members of the Committee. The Clerk shall promptly notify absent Members of any action taken by the Committee on matters not included in the published agenda.

Rule 6. (a) Except as provided in subsecs. (b) and (c), four Members shall constitute a quorum for the conduct of business of the Committee.

(b) A measure may be ordered reported from the Committee by a motion made in proper order by a Member followed by the polling of the Members in the absence of a quorum at a regular or special meeting.

(c) One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure before the Committee.

VOTING

Rule 7. (a) A rollcall of the Members shall be taken upon the request of any Member.

(b) Proxy voting shall be permitted on all matters, except that proxies may be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only upon the date for which it is given and upon the items published in the agenda for that date.

SWORN TESTIMONY AND FINANCIAL STATEMENTS

Rule 8. Witnesses in Committee hearings may be required to give testimony under oath whenever the Chairman or ranking Minority Member of the Committee deems such to be necessary. At any hearing to confirm a Presidential nomination, the testimony of the nominee, and at the request of any member, any other witness shall be taken under oath. Every nominee shall submit a financial statement on forms to be perfected by the Committee, which shall be sworn to by the nominee as to its completeness and accuracy. All such statements shall be made public by the Committee unless the Committee on executive session determines that special circumstances require a full or

partial exception to this rule. Members of the Committee are urged to make public a complete disclosure of their financial interests on forms to be perfected by the Committee in the manner required in the case of Presidential nominees.

CONFIDENTIAL TESTIMONY

Rule 9. No confidential testimony taken by or confidential material presented to the Committee or any report of the proceedings of a closed Committee hearing or business meeting shall be made public in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee at a business meeting called for the purpose of making such a determination.

DEFAMATORY STATEMENTS

Rule 10. Any person whose name is mentioned or who is specifically identified in, or who believes that testimony or other evidence presented at, an open Committee hearing tends to defame him or otherwise adversely affect his reputation may file with the Committee for its consideration and action a sworn statement of facts relevant to such testimony or evidence.

BROADCASTING OF HEARINGS OR MEETINGS

Rule 11. Any meeting or hearing by the Committee which is open to the public may be covered in whole or in part by television broadcast, radio broadcast, or still photography. Photographers and reporters using mechanical recording, filming, or broadcasting devices shall position their equipment so as not to interfere with the seating, vision, and hearing of Members and staff on the dais or with the orderly process of the meeting or hearing.

AMENDING THE RULES

Rule 12. These rules may be amended only by a vote of a majority of all Members of the Committee in a business meeting of the Committee:

Provided, That no vote may be taken on any proposed amendment unless such amendment is reproduced in full in the Committee agenda for such meeting at least three days in advance of such meeting. Such proposed amendments shall be mailed to each Member of the Committee at least seven (7) calendar days in advance of the meeting.●

DOMESTIC COMMODITY DISTRIBUTION AND FOOD ASSISTANCE ACT OF 1983

● Mr. NICKLES. Mr. President, today I join my colleague from Kansas and 16 other Members of the Senate in cosponsoring S. 17, the Domestic Commodity Distribution and Food Assistance Act of 1983.

The paradox in American food policy is overwhelming. While making outlays of over $17 billion annually to support private and institutional feeding programs, Uncle Sam also garners and stores excess commodities. In 1982, USDA estimates that it spent $628,000 each day—that's a yearly total of $220 million—to store foodstuff valued by December 31 at $3.9 billion.

Surely no American housewife would be so foolish as to spend hundreds of dollars a week purchasing supermarket and restaurant food for her family, while at the same time spending hundreds of dollars more to keep pantries and refrigerators stocked with high-quality food, much of which obviously would spoil before it could be eaten.

Under this legislation, surplus commodities would be made available to eligible recipient agencies like food banks, soup kitchens, churches, and other nonprofit charitable organizations. S. 17 would not only provide for the distribution of these products, but would allow funds which would otherwise be expended to maintain these huge stockpiles to go toward processing and distributing the bounty to those who need it.

It is certainly time for the American Government to use some common sense in addressing its domestic food policies. I commend Senator DOLE for his practical solution to a continuing problem, and urge its swift adoption.●

THE RULES OF PROCEDURE OF THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

● Mr. GARN. Mr. President, in accordance with paragraph 2 of rule XXVI of the Standing Rules of the Senate, I submit the "Rules of Procedure of the Committee on Banking, Housing, and Urban Affairs," to be printed in the RECORD.

There have been no changes to the rules since they were last adopted by the committee on February 4, 1981, nor have there been any requests for rule changes.

The rules follow:

RULES OF PROCEDURE FOR THE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

[Adopted in executive session, Feb. 4, 1981]

RULE 1.—REGULAR MEETING DATE FOR COMMITTEE

The regular meeting day for the Committee to transact its business shall be the last Tuesday in each month; except that if the Committee has met at any time during the month prior to the last Tuesday of the month, the regular meeting of the Committee may be canceled at the discretion of the Chairman.

RULE 2.—COMMITTEE

(a) Investigations.—No investigation shall be initiated by the Committee unless the Senate or the full Committee has specifically authorized such investigation.

(b) Hearings.—No hearing of the Committee shall be scheduled outside the District of Columbia except by agreement between the Chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

(c) Confidential testimony.—No confidential testimony taken or confidential material presented at an executive session of the Committee or any report of the proceedings of such executive session shall be made public either in whole or in part by way of summary, unless specifically authorized by the Chairman of the Committee and the ranking minority member of the Committee or by a majority vote of the Committee.

(d) Interrogation of witnesses.—Committee interrogation of a witness shall be conducted only by members of the Committee or such professional staff as is authorized by the Chairman or the ranking minority member of the Committee.

(e) Prior notice of mark-up sessions.—No session of the Committee or a Subcommittee for marking up any measure shall be held unless (1) each member of the Committee or the Subcommittee, as the case may be, has been notified in writing of the date, time, and place of such session at least 48 hours prior to the commencement of such session, or (2) the Chairman of the Committee or Subcommittee determines that exigent circumstances exist requiring that the session be held sooner.

(f) Prior notice of first degree amendments.—It shall not be in order for the Committee or Subcommittee to consider any amendment in the first degree proposed to any measure under consideration by the Committee or Subcommittee unless twenty written copies of such amendment have been delivered to the office of the Committee at or before 2:00 p.m. on the business day prior to the meeting. This subsection may be waived by a majority of the Members of the Committee or Subcommittee voting. This subsection shall apply only when at least 48 hours written notice of a session to mark up a measure is required to be given under subsection (e) of this rule.

(g) Cordon rule.—Whenever a bill or joint resolution repealing or amending any statute or part thereof shall be before the Committee or Subcommittee, from initial consideration in hearings through final consideration, the Clerk shall place before each member of the Committee or Subcommittee a print of the statute or the part or section thereof to be amended or repealed showing by stricken-through type, the part or parts to be omitted, and in italics, the matter proposed to be added. In addition, whenever a member of the Committee or Subcommittee offers an amendment to a bill or joint resolution under consideration, those amendments shall be presented to the Committee or Subcommittee in a like form, showing by typographical devices the effect of the proposed amendment on existing law. The requirements of this subsection may be waived when, in the opinion of the Committee or Subcommittee chairman, it is necessary to expedite the business of the Committee or Subcommittee.

RULE 3.—SUBCOMMITTEES

(a) Authorization for.—A Subcommittee of the Committee may be authorized only by the action of a majority of the Committee.

(b) Membership.—No member may be a member of more than three Subcommittees and no member may chair more than one Subcommittee. No member will receive assignment to a second Subcommittee until, in order of seniority, all members of the Committee have chosen assignments to one Subcommittee, and no member shall receive assignment to a third Subcommittee until, in order of seniority, all members have chosen assignments to two Subcommittees.

(c) Investigations.—No investigation shall be initiated by a Subcommittee unless the Senate or the full Committee has specifically authorized such investigation.

(d) Hearings.—No hearing of a Subcommittee shall be scheduled outside the District of Columbia without prior consultation with the Chairman and then only by agreement between the Chairman of the Subcommittee and the ranking minority member of the Subcommittee or by a majority vote of the Committee.

(e) Confidential testimony.—No confidential testimony taken or confidential material presented at an executive session of the Subcommittee or any report of the proceedings of such executive session shall be made public, either in whole or in part or by way of summary, unless specifically authorized by the Chairman of the Subcommittee and the ranking minority member of the Subcommittee, or by a majority vote of the Subcommittee.

(f) Interrogation of witnesses.—Subcommittee interrogation of a witness shall be conducted only by members of the Subcommittee or such professional staff as is authorized by the Chairman or the ranking minority member of the Subcommittee.

(g) Special meetings.—If at least three members of a Subcommittee desire that a special meeting of the Subcommittee be called by the Chairman of the Subcommittee, those members may file in the offices of the Committee their written request to the Chairman of the Subcommittee for that special meeting. Immediately upon the filing of the request, the Clerk of the Committee shall notify the Chairman of the Subcommittee of the filing of the request. If, within 3 calendar days after the filing of the request, the Chairman of the Subcommittee does not call the requested special meeting, to be held within 7 calendar days after the filing of the request, a majority of the members of the Subcommittee may file in the offices of the Committee their written notice that a special meeting of the Subcommittee will be held, specifying the date and hour of that special meeting. The Subcommittee shall meet on that date and hour. Immediately upon the filing of the notice, the Clerk of the Committee shall notify all members of the Subcommittee that such special meeting will be held and inform them of its date and hour. If the Chairman of the Subcommittee is not present at any regular, additional, or special meeting of the Subcommittee, the ranking member of the majority party on the Subcommittee who is present shall preside at that meeting.

(h) Voting.—No measure or matter shall be recommended from a Subcommittee to the Committee unless a majority of the Subcommittee are actually present. The vote of the Subcommittee to recommend a measure or matter to the Committee shall require the concurrence of a majority of the members of the Subcommittee voting. On Subcommittee matters other than a vote to recommend a measure or matter to the Committee no record vote shall be taken unless a majority of the Subcommittee are actually present. Any absent member of a Subcommittee may affirmatively request that his vote to recommend a measure or matter to the Committee or his vote on any such other matter on which a record vote is taken, be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter and to inform the Subcommittee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman of the Subcommittee any time before the record vote on the measure or matter concerned is taken, the member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee.

RULE 4.—WITNESSES

(a) Filing of statements.—Any witness appearing before the Committee or Subcommittee (including any witness representing a Government agency) must file with the Committee or Subcommittee (before noon, 24 hours preceding his appearance) 75 copies of his statement to the Committee or Subcommittee. In the event that the witness fails to file a written statement in accordance with this rule, the Chairman of the Committee or Subcommittee has the discretion to deny the witness the privilege of testifying before the Committee or Subcommittee until the witness has properly complied with the rule.

(b) Length of statements.—Written statements properly filed with the Committee or Subcommittee may be as lengthy as the witness desires and may contain such documents or other addenda as the witness feels is necessary to present properly his views to the Committee or Subcommittee. It shall be left to the discretion of the Chairman of the Committee or Subcommittee as to what portion of the documents presented to the Committee or Subcommittee shall be published in the printed transcript of the hearings.

(c) Fifteen-minute duration.—Oral statements of witnesses shall be based upon their filed statements but shall be limited to 15 minutes duration. This period may be extended at the discretion of the Chairman presiding at the hearings.

(d) Subpoena of witnesses.—Witnesses may be subpoenaed by the Chairman of the Committee or a Subcommittee with the agreement of the ranking minority member of the Committee or Subcommittee or by a majority vote of the Committee or Subcommittee.

(e) Counsel permitted.—Any witness subpoenaed by the Committee or Subcommittee to a public or executive hearing may be accompanied by counsel of his own choosing who shall be permitted, while the witness is testifying, to advise him of his legal rights.

(f) Expenses of witnesses.—No witness shall be reimbursed for his appearance at a public or executive hearing before the Committee or Subcommittee unless such reimbursement is agreed to by the Chairman and ranking minority member of the Committee or by a majority vote of the Committee.

(g) Limits of questions.—Questioning of a witness by members shall be limited to 10 minutes duration, except that if a member is unable to finish his questioning in the 10-minute period, he may be permitted further questions of the witness after all members have been given an opportunity to question the witness.

Additional opportunity to question a witness shall be limited to a duration of 10 minutes until all members have been given the opportunity of questioning the witness for a second time. This 10-minute time period per member will be continued until all members have exhausted their questions of the witness.

RULE 5.—VOTING

(a) Vote to report a measure or matter.—No measure or matter shall be reported from the Committee unless a majority of the Committee are actually present. The vote of the Committee to report a measure or matter shall require the concurrence of a majority of the members of the Committee who are present.

Any absent member may affirmatively request that his vote to report a matter be cast by proxy. The proxy shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the record vote on the measure or matter concerned is taken, any member may withdraw a proxy previously given. All proxies shall be kept in the files of the Committee, along with the record of the rollcall vote of the members present and voting, as an official record of the vote on the measure or matter.

(b) Vote on matters other than a report on a measure or matter.—On Committee matters other than a vote to report a measure or matter, no record vote shall be taken unless a majority of the Committee are actually present. On any such other matter, a member of the Committee may request that his vote may be cast by proxy. The proxy shall be in writing and shall be sufficiently clear to identify the subject matter, and to inform the Committee as to how the member wishes his vote to be recorded thereon. By written notice to the Chairman any time before the vote on such other matter is taken, the member may withdraw a proxy previously given. All proxies relating to such other matters shall be kept in the files of the Committee.

RULE 6.—QUORUM

No executive session of a Committee or a Subcommittee shall be called to order unless a majority of the Committee or Subcommittee, as the case may be, are actually present. Unless the Committee otherwise provides or is required by the Rules of the Senate, one member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony.

RULE 7.—STAFF PRESENT ON DAIS

Only members and the Clerk of the Committee shall be permitted on the dais during public or executive hearings, except that a member may have one staff person accompany him during such public or executive hearing on the dais. If a member desires a second staff person to accompany him on the dais he must make a request to the Chairman for that purpose.●

RULES OF THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

● Mr. STAFFORD. Mr. President, Senate rule XXVI requires that by March 1 standing committees of the Senate publish their rules in the CONGRESSIONAL RECORD. The rules of the Committee on Environment and Public Works remain, with one exception, identical to the rules under which the committee has for a number of years functioned effectively and harmoniously.

At its meeting on Monday, February 28, the committee voted a revision to its rules approved at the beginning of the 98th Congress., It voted to delete old rule 15, delegating committee resolutions to review water resources reports and to study public building projects. Instead, in conformance with what has increasingly become committee practice over the past several years, full committee review and approval of water resources and public building studies will now be required. A new rule 15 was then adopted which incorporates our procedure with respect to public building prospectuses

submitted by the General Services Administration.

The new rule, which was first proposed by Senator SIMPSON at our organizational meeting on January 26, is consistent with legislation this committee adopted unanimously and which was subsequently passed by the Senate in both the 96th and 97th Congresses (S. 2080 and S. 533). It illuminates the point that Senator SIMPSON, with Senators RANDOLPH, MOYNIHAN, and myself, remains keenly interested in reform of the Nation's public building policy. To this end, we introduced S. 452 earlier in this session and expect to act on it promptly.

Mr. President, I ask that a brief description of the new rule 15 be printed in the RECORD immediately following the rules of procedure of the Committee on Environment and Public Works.

The material follows:

RULES OF PROCEDURE OF THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Rule 1. Regular Meeting Days.—The regular meeting days of the Committee shall be the first and third Thursday of each month at 10:00 A.M., except that if there be no business before the Committee, the regular meeting shall be omitted.

Rule 2. Committee Meetings.—Subject to section 133(a) of the Legislative Reorganization Act of 1946, as amended, Committee meetings for the conduct of business, for the purpose of holding hearings, or for any other purpose, shall be called by the Chairman, after consultation with the ranking Minority Member. Subcommittee meetings shall be called by the Chairman of the respective subcommittee, after consultation with the ranking Minority Member. Notice of a meeting and the agenda of business to be discussed by the Committee will be provided to all Members not less than twenty-four hours in advance of such meeting. Additions to the agenda after that time may be made with the concurrence of the ranking Minority Member. Such 24-hour notice may be waived in an emergency by the Chairman, with the concurrence of the ranking Minority Member.

Rule 3.—Open Committee Meetings and Legislative Mark-up Sessions.—Meetings of the Committee, including hearings and legislative mark-ups, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the Committee determines by record vote of a majority of the members of the Committee present that the matters to be discussed or the testimony to be taken at such portion or portions—

(1) will disclose matters necesary to be kept secret in the interest of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of committee staff personnel or internal staff management or procedure; or

(3) consititute any other grounds for closure under paragraph 7(b) of rule XXV of the Standing Rules of the Senate (as amended by Senate Resolution 9, 94th Congress).

Rule 4. Presiding Officer.—(a) The Chairman shall preside at all meetings and hearings of the Committee except that in his absence of ranking Majority Member who is present at the meeting shall preside;

(b) Subcommittee Chairman shall preside at all meetings and hearings of their respective Subcommittees, except that in the absence of the Subcommittee Chairman, the ranking Majority Member of the Subcommittee who is present at the meeting shall preside;

(c) Notwithstanding the rule prescribed by subsections (a) and (b), any Member of the Committee may preside over the conduct of a hearing.

Rule 5. Quorums.—(a) Except as provided in subsections (b) and (d), five Members, two of whom shall be Members of the Minority party, shall constitute a quorum for the conduct of business, except for the purpose of reporting any measure or matter.

(b) Quorums for the conduct of business by the Subcommittees shall be a simple majority of the Membership of the Subcommittees with at least one Minority Member present.

(c) Once a quorum as prescribed in subsections (a) and (b) has been established for the conduct of business, the Committee may continue to conduct business.

(d) Notwithstanding the rule prescribed in subsection (a), one Member shall constitute a quorum for the purpose of conducting a hearing.

Rule 6. Proxy Voting.—(a) Proxy voting shall be allowed on all measures, amendments, resolutions, or any other issue before the Committee or any Subcommittees. Any Member who is unable to attend the meeting may submit his vote on any such issue, in writing or through personal instructions; however, proxies shall not be voted for the purpose of reporting any measure or matter except when the absent Committee Member has been informed of the matter on which he is being recorded and has affirmatively requested that he be so recorded. A proxy given in writing shall be valid until revoked, while a proxy given orally or by personal instructions is valid only on the day given.

(b) At the discretion of the Chairman, after consultation with the Ranking Minority Member, Members who are unable to be present and whose vote has not been cast by proxy may have their positions recorded on any vote on the same business day so long as the vote will not change the outcome.

Rule 7. Public Announcement of Vote.—Whenever the Committee by rollcall vote reports any measure or matter, or acts upon any measure or amendments thereto, the report of the Committee on such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure by each Member of the Committee.

Rule 8. Announcement of Hearing.—The Committee, or any Subcommittee thereof, shall make public announcement and provide notice to Members of the date, place, time and subject matter of any hearings to be conducted on any measure or matter, at least one week in advance of such hearing, unless the Committee Chairman, or Subcommittee Chairman, with the concurrence of the ranking Minority Member, determines that there is good cause to begin such hearing at an earlier date, in which event not less than twenty-four hours notice shall be given.

Rule 9. Statements of Witnesses at Hearings.—(a) Each witness who is scheduled to testify at any hearing of the Committee, or any Subcommittee thereof, shall file a written statement of his proposed testimony not later than noon of the last business day preceding the day on which he is scheduled to appear. At the time of his appearance, he shall supply for the use of the Committee or Subcommittee, 25 copies of his prepared testimony or such greater number as may be requested in the letter of invitation. Except for witnesses from the Federal Government, this rule may be waived with regard to field hearings.

(b) The presiding officer at a hearing may have a witness confine his oral presentation to a summary of his statement.

Rule 10. Regularly Established Subcommittees.—The Committee shall have six regularly established Subcommittees as follows:

Subcommittee on Environmental Pollution;

Subcommittee on Nuclear Regulation;

Subcommittee on Water Resources;

Subcommittee on Transportation;

Subcommittee on Toxic Substances and Environmental Oversight; and

Subcommittee on Regional and Community Development.

Rule 11. Subcommittee Membership. Following consultation with the Majority Members and the Ranking Minority Member of the Committee, the Chairman shall announce selections for membership of the Subcommittees referred to in Rule 10.

Rule 12. Environmental Impact Statements.—No project or legislation proposed by the Administration shall be approved or other action taken on such project or legislation unless the Committee has received a final environmental impact statement relative to it, in accordance with section 102(2)(C) of the National Environmental Policy Act of 1970, and the written comments of the Administrator of the Environmental Protection Agency, in accordance with section 309 of the Clean Air Act. This rule is not intended to broaden, narrow, or otherwise modify the class of projects or legislative proposals for which environmental impact statements are required under section 102(2)(C).

Rule 13. Whenever the Committee authorizes a project, under Public Law 89-298, Rivers and Harbors Act of 1965, Public Law 83-566, Watershed Protection and Flood Protection Act, or Public Law 86-249, Public Buildings Act of 1959, as amended, the Chairman shall submit for printing in the Congressional Record, and the Committee shall publish periodically as a committee print, a report that describes the project and the reasons for its approval, together with any dissenting or individual views.

Rule 14. Naming of Public Facilities.—No building, structure or facility authorized by the Committee, shall be named for any living person, except former Presidents or former Vice Presidents of the United States, or former Members of Congress over 70 years of age.

Rule 15. (a) The Committee shall act on all prospectuses for construction (including construction of buildings for lease by the Government), alteration and repair, or acquisition submitted by the General Services Administration in accordance with section 7(a) of the Public Buildings Act of 1959, as amended, and such action shall be completed by the date of May 15 during the same session in which such prospectuses are submitted to the Congress. The Committee may consider prospectuses submitted for alterations or repairs necessitated by emergency building conditions at any time during the same session of the Congress in which they are submitted. Prospectuses rejected by majority vote of the Committee or not contained in any bill reported to the Senate shall be returned to the GSA and

must then be resubmitted in order to be considered for action by the Committee during the next session of the Congress.

(b) Reports of building project surveys submitted by the General Services Administration to the Committee under section 11(b) of the Public Buildings Act of 1959, as amended, shall not be considered by the Committee as being prospectuses subject to approval by committee resolution in accordance with section 7(a) of that Act. Projects described in such survey reports shall be considered for Committee action only if they are submitted as prospectuses in accordance with section 7(a) and they shall be subject to the provisions of subsection (a) of this rule.

Rule 16. Broadcasting of Hearings.—Public hearings of the Committee, or any Subcommittee thereof, may be televised or broadcast, or recorded for television or broadcast, upon notification in advance to the Chairman through the Chief Clerk. During public hearings, photographers and other reporters using mechanical recording or filming devices shall position and use their equipment in such fashion as will not interfere with the seating, vision, or hearing of Committee Members or Staff on the dais, nor with the orderly process of the hearing.

Rule 17. Amendment of Rules.—The rules may be added to, modified, amended or suspended by a majority of the Committee Membership.

PROPOSED RULE ON PUBLIC BUILDINGS

The proposed rule in general incorporates the same procedure the Committee has been following informally (without rule); it conforms to the legislation which the Committee adopted unanimously in both the 96th and 97th Congresses (S. 2080 and S. 533).

1. Except for leases (which the Committee has refused to approve for 4 years) and emergency repair projects, the Committee would act on all prospectuses by May 15 in the same session in which they are submitted. Prospectuses rejected by majority vote, or not contained in any bill reported to the Senate, would be returned to the GSA and must be resubmitted in order to be considered for action by the Committee during the next session of the Congress.

2. Building project surveys submitted under section 11(b) of the Public Buildings Act of 1959 would not be considered by the Committee as being prospectuses subject to approval by committee resolution in accordance with section 7(a) of that Act. Such projects would be considered for Committee action only if they are submitted as prospectuses in accordance with section 7(a) of the Act.

These new procedures would: (A) Help to nullify arguments encountered by the Committee last year that no action is tantamount to approval. (B) Put authorizations of buildings on the same schedule as other authorizations (May 15). (C) Require GSA to send all prospectuses up before May 15, instead of in a piecemeal fashion throughout the year. The Committee cannot make rational judgments on the program when it is submitted piecemeal, and it should not be required to act on one group of projects when it does not know what else may later be submitted the same year.●

TECHNOLOGY TRANSFER AND SOVIET INDUSTRIAL ESPIONAGE

● Mr. GARN. Mr. President, recently I introduced legislation, S. 434, that would remove the primary administrative and enforcement responsibilities for export controls from the Commerce Department and vest them in an independent Federal agency, the Office of Strategic Trade.

The Soviets and their Warsaw Pact allies have obtained vast amounts of militarily significant Western technology and equipment through legal and illegal means. The Soviet effort is massive, well planned, and well managed—a national program approved at the highest levels of government.

In view of the high priority assigned to obtaining Western technology by the Soviet Union, the United States must organize more effectively than it has in the past to protect the mutual security interests of ourselves and our allies. The Office of Strategic Trade Act of 1983 addresses the inability of the current export control system, as administered by the Department of Commerce, to carry out its responsibilities under the Export Administration Act. The bill is a rewrite of the Export Administration Act of 1979 and if adopted would replace that act when it expires on September 30, 1983.

Recently, I read a copy of a speech given by Rear Adm. E. A. Burkhalter, Jr., USN to the Armed Forces Communications and Electronics Associations's western conference and exposition. In his speech, Admiral Burkhalter, the Director of the Intelligence Community Staff, states that—

Stealing technology has been assigned the highest priority for KGB (Soviet Intelligence Service) and GRU (Military Intelligence Service) collection.

The Soviet State Committee for Science and Technology relies on these two agencies to acquire about 70 percent of its technology acquisition requirements. The Soviet Union, a nation plagued with overcentralization, low productivity, and lack of imagination, has a fundamental dependency upon American technology for its own military expansion. These are not unwarranted suspicions, these are facts. We need to be sensitive to the extent of Soviet efforts to acquire Western technology through illegal means. I therefore commend Admiral Burkhalter for his fine statement on this subject, and I urge my colleagues to review his remarks.

I ask that Admiral Burkhalter's statement be printed in the RECORD.

The statement follows:

SOVIET INDUSTRIAL ESPIONAGE

(Remarks by RADM E.A. Burkhalter, Jr., USN Director, Intelligence Community Staff)

It was Lenin who first said that the Soviet Union could depend upon the West for military technology, back in the 1920s. "The capitalists," said Lenin, "will sell us the rope we need to hang them."

He was right.

Both the Soviet Union and the United States have come a long way in the past sixty years, but we are still selling them rope.

The latest Soviet ICBMs use gyros, accelerometers, and precision bearings manufactured by American equipment.

Many of the trucks that carried Soviet troops into Afghanistan were built at the Kama Truck Plant, constructed with 1.5 billion dollars worth of modern American and European automotive production machinery.

The new Soviet strategic transport plane incorporates many distinctive features of our C-5A.

Over the past ten years, the Soviets acquired enough state-of-the-art Western microelectronics production equipment to fit out their own fledgling industry. We in intelligence are only just beginning to see the resulting enhancements in Soviet weapons and sensors.

It is not news to any of you that the Soviet Union has been embarked on a massive military buildup for nearly two decades now. They have fielded some 200 new weapon systems per decade since the early 1960s, and the pace continues. Soviet military manufacturing capacity expanded 80 percent over this period. Today, one quarter of all these plants are undergoing further expansion. The Soviets are building new tanks, new bombers, new fighters, missiles, submarines, cruisers, even full-scale aircraft carriers.

You in this room know better than anyone else that today's weapon systems depend upon modern technology: microelectronics, communications, computers, advanced propulsion systems and materials. It takes a highly motivated and sophisticated industry to invent, develop, and produce the weapons of modern warfare. Here in the Bay Area, we stand in the heart of the greatest concentration of high-technology industry in the Western World. Surely the Soviets must have a Silicon Valley of their own, supporting their massive military buildup.

Yes, the Soviets do have such an industry. Unfortunately, you are part of it.

Anyone who has studied the Soviet economy knows that it is plagued by overcentralization, bureaucratic inertia, low productivity, and lack of imagination. There are selected areas of their military industry marked by aggressive research and development efforts; but, by and large, those who innovate, who take risks in research and development, come to grief if they cannot show immediate, tangible results.

So where does the Soviet Union turn for ready-made, proven, state-of-the-art technology? Technology that is cheap, and sometimes free? Technology that is necessary not only to Soviet military expansion, but to the development of its industrial base, even its agriculture? The Soviet Union turns to you, to the best technological minds in the world, for what it needs.

What I am about to describe for you in the next few minutes is not conjecture. It is not theory. It is certainly not alarmist propaganda. I am going to describe the Soviet Union's espionage effort directed against the high-technology industries of the United States. These are not allegations, but facts, substantiated by the American intelligence community, and in many cases proven in courts of law.

As voracious as the Soviet appetite for American technology is, their collection effort is not like a simple vacuum cleaner. At the highest level, the Soviet State Committee for Science and Technology consid-

ers the needs of the Soviet military, and—to a lesser extent—the civilian scientific and industrial communities. It formulates these technology needs into acquisition requirements.

About 30 percent of these technology requirements can be met by legal, open means: subscribing to periodicals such as Aviation Week, attending international conferences, sending scientists to do research at American universities, or buying equipment that is available for unrestricted international sale. One of the more productive means by which the Soviets have acquired large amounts of valuable information in recent years has been adroit use of the Freedom of Information Act. Just by asking the right questions, the Soviets are able to pull from federal government files reams of technical data not otherwise available to the public, much of it only recently declassified.

As voluminous and valuable as this openly available information is—and who in this room has not been shocked by the details of sensitive projects being published in the open press?—as voluminous as this unrestricted information is, it constitutes less than a third of what the Soviet State Committee for Science and Technology figures it needs. For about 70 percent of its technology acquisition requirements, the Committee turns to the Soviet intelligence services: the KGB, and the military intelligence service, the GRU.

Technology acquisition is not just another requirement laid on Soviet intelligence, relegated to a position low on the priority list. Former KGB officers and their agents, now in the West, have told us quite clearly that acquiring—stealing—technology has been assigned the highest priority for KGB and GRU collection. Because of the tangible nature of the target, success is easily measured: collection of technical information and devices wins sure praise for Soviet intelligence officers from the KGB and GRU bosses. In fact, the two services compete strenuously for such recognition, each trying to outdo the other in sending high-value technology back to Moscow.

Now let me describe the Soviet industrial espionage effort in this country by the use of examples. Each of these recent cases illustrates various facets of the Soviet intelligence threat to American high-technology industry.

First, let me emphasize that the Soviets have been at the technology transfer game for a long time, as Lenin's comment about the capitalists and the rope indicates. It is not just a recent phenomenon. Everyone recalls the Soviet theft of our atomic weapons technology after World War II. They copied the B-29 bomber, calling it a Tu-4. The engine in their Korean War-vintage Mig-15 fighter was copied from Rolls Royce.

Unfortunately, there are many cases from more recent times which hit a little close to home.

In 1977, a man named William Holden Bell was working as a radar engineer in the Los Angeles area. Bell had gotten himself into financial problems; he was burdened by overdue debts and back taxes. He had a neighbor named Marian Zacharsky, who made no secret of the fact that he was the West Coast manager of a Polish machinery importing firm named POLAMCO. POLAMCO is incorporated in Delaware and Illinois, and has offices not only in Los Angeles, but also in Chicago and Detroit.

Now Zacharsky did not strong-arm Bell into giving him secrets. He was much more subtle. They played tennis together, saw each other socially. They became friends, and if Bell needed anything, he needed a friend. A friend able to help him out of his financial difficulties. Bell provided Zacharsky several business contacts, quite harmless, and was surprised when in return Zacharsky gave him $4,000 in cash. Zacharsky went on to tell Bell that if he continued to provide valuable assistance to POLAMCO, he might even be hired as a well-paid consultant. My friends, the hook was in and set.

Bell was anxious to cinch the job, and to prove his value to Zacharsky, gave him a SECRET document he had been working on. More money changed hands. Seeing the light at the end of his financial tunnel, Bell laid his hands on more classified documents and gave them to his new-found friend: specifications for the F-15 fighter's look down/shoot down radar, the B-1 and Stealth quiet radar, an all-weather tank radar, the Phoenix air-to-air missile, the Patriot and Improved Hawk surface-to-air missiles, a towed-array submarine sonar.

Over a three-year period, Zacharsky gave Bell $110,000 for all this information. A lot of money for Bell, but for the Soviets it was dirt cheap. They saved hundreds of millions of dollars and years of research and development time.

The Bell/Zacharsky case illustrates several facts about Soviet industrial espionage that I would like to point out.

Note first that I said Soviet espionage, while Zacharsky was a Polish agent. Eastern European agents who have defected to the West or who have been apprehended and questioned have made it perfectly clear: their intelligence services are closely entwined with those of the Soviet Union. They respond to Soviet collection tasking, and the USSR benefits from everything of value that they collect.

Note too that Zacharsky represented an overt, legal, Polish trading company while also conducting clandestine intelligence operations. There are more than 30 such firms in the United States, under Soviet or East European ownership, and all of them provide cover for intelligence collection operations. In fact, these firms chartered in the U.S. can legally buy controlled technology. Only when they attempt to export it are they breaking the law. To say the least, this is a distinction that is tremendously difficult to police.

Let me point out another important fact. Bell was not a political radical or a subversive; he did not seek out Zacharsky and try to sell him secrets; nor was he blackmailed. In virtually every case, Soviet recruitment—and that's what it was in the Bell case—Soviet recruitment is more subtle. Bell needed a friend, so Zacharsky was friendly. Bell needed money, so Zacharsky provided it. Zacharsky was not a heavy-handed, trench-coated caricature of the Soviet agent. He was in his 30s, tanned, athletic, little accent.

Note too that Bell kept up his treason for three years. He had little difficulty in getting access to projects he had no need to know about. He had little difficulty in getting documents out of the building in which he worked. His superiors and co-workers knew he was under financial duress, but paid no special attention when his problems suddenly ceased. He made no secret of his association with POLAMCO, and in fact traveled openly to Austria and Switzerland, where he met with Polish agents. As of the time Bell was arrested in 1980, his security background investigation had not been updated in 28 years. Twenty-eight years.

Let me move on to another case, a very different one.

There is a computer software company in a Virginia suburb of Washington, named Software AG of North America. The company had developed a highly sophisticated program for data base management named ADABAS. In 1979, a Belgian purchasing agent contacted Software and tried to buy the ADABAS program. It soon became clear that the Belgian was representing the Soviet Union, and the company contacted the FBI. Software AG strung the agent along for seven months, during which time the amount he offered for the program tripled, and he made repeated assurances that the company's proprietary interest would not be compromised, as the Soviets were not about to turn around and sell the program to Software's competitors.

Finally, the Belgian got discouraged, but that was not the end of the Soviet effort. The Belgian purchasing agent next went to another company in the same building and asked them to procure the ADABAS program for him. They too called the FBI. Finally, an FBI agent posing as a Software employee who had stolen the program tape delivered it to the Belgian, who was promptly arrested.

Still that was not the end of the Soviet quest for the ADABAS program. In 1981, at two trade shows in Washington, Soviet diplomats tried to buy the program from the company. When they were turned down, inquiries came in from the Hungarian embassies in the United States, and later in West Germany and Japan. When the Hungarians were turned down, the Poles began to show an interest in getting the program.

Well, what lessons are to be learned from the Software/ADABAS case?

First, note that it was a Belgian purchasing agent who was so closely involved in the case. While there are more than 30 Soviet and East European trading companies and other commercial offices in the United States, there are more than 300 of them in Western Europe. As in the United States, almost all of them are engaged in acquiring Western technology for Soviet use.

The West European connection is important, and has many variations. Sometimes, these Soviet front organizations will try to buy restricted technology directly from American firms. Sometimes, they engage bona fide European firms as middlemen to obscure the ultimate destination of restricted equipment. Often they will deal with European subsidiaries of U.S. companies, hoping that controls may be a bit more lax. The variations are numerous. The results are the same. The Soviet intelligence services are involved in all such operations.

Second, take note that the Soviets knew exactly what they wanted. They were not just shopping around for a useful computer program. While the technology acquisition effort has been compared by some to a vacuum cleaner, in fact, it is a highly focused, well-managed collection program. Soviet agents have very specific shopping lists, right down to the model numbers.

Note too that the Belgian purchasing agent finally struck a deal with a man he thought was a Software employee out to make a fast buck by selling a computer tape. This did not seem odd to the Belgian, because as we all know, employee theft of high-technology materials is a severe and unfortunately common problem. For all its benefits, miniaturization has made pilfering

relatively easy. Whether we are talking about tapes, chips, or production tools, we know that some of these materials are finding their way into Soviet hands.

Finally, note once again the use of Eastern European services for Soviet purposes: in this case, both the Hungarians and the Poles.

The third example is different from either of the two cases I have already described.

In the latter 1970s, there was a company in Corona, California, named Spawr Optical. They made high-precision laser mirrors for U.S. Defense Department projects. Now Mr. Spawr wanted to expand his business, but had few scruples about how he went about it. Spawr hired a West German representative and through him offered his laser mirrors to the Soviet Union. His first shipments he sent under falsified documentation and, of course, he had not asked for an export permit. Those mirrors are now in the USSR. Perhaps bothered by his conscience, Spawr did ask for an export license for the next lot of laser mirrors, but was turned down. He proceeded to export them under false cover again. He was caught.

Fortunately, the Spawr case is unusual, a case in which an American business knowingly and aggressively sold restricted materials to the Soviet Union. Unfortunately, the case is not unique. If there is a lesson in the Spawr case that I would suggest to you, it is that while it may be possible to break export laws for some period of time, those who do so will eventually be caught. All of the offenders in the cases I have described to you went to jail.

I am sure that most of you are aware of the Boyce-Lee case, where once again the Soviets were more than happy to pay two unprincipled young men for information on some of our most sensitive satellite programs. This case was the subject of the recent best-seller, "The Falcon and the Snowman."

As a final example, let me illustrate the sophistication of the schemes the Soviets use to acquire our technology. Their boldness is astonishing. In August of last year, it was discovered, based on information provided by a U.S. company here in California, that a computerized processing system designed to enhance photographs taken from reconnaissance vehicles had been diverted to the Soviet Union in 1979 from its lawful destination—a firm in Great Britain. The equipment had been returned to the firm in the United States through Great Britain for "upgrading and modification." This incident, returning stolen equipment to the United States for repair, illustrates the confidence the Soviets have developed in the course of their efforts. But for the alertness of the U.S. firm, the equipment probably would not have been seized and would have found its way back to the USSR, complete with upgrades and modifications.

Let me give you a few more observations on patterns of Soviet acquisition of Western technology.

As you all are aware, most technology is applicable not only to just military uses, but has many bona fide civilian uses as well. In the sale of advanced technology to the Soviet Union, much is made at time of safeguards surrounding "dual use" equipment. The Soviets are made to promise that technology which would be of value in military systems will not be so used.

Let us look, for example, at the case of two floating drydocks built in the West for Soviet civilian use. These docks were beyond the technical capabilities of Soviet shipyards to build: they would have had to expand shipyard facilities, interrupting the construction of warships and submarines, and this would have taken a great deal of time and expense. The first of these two floating drydocks was towed immediately upon delivery to the Soviet Navy's Pacific Fleet in 1978. The second dock was towed to the Soviet Northern Fleet when it was delivered in 1981.

These "dual use" drydocks, which the Soviets promised would be used only for civilian purposes, are now being used to repair Kiev-class aircraft carriers, nuclear-powered ballistic missile submarines, and other warships. They no doubt will also be used for the new generation of Soviet aircraft carriers projected for the 1990s. To my knowledge, they have had no civilian use.

The Kama River truck plant, which I described earlier, is another example of "dual use."

Don't ever forget: the Soviet military has first pick for any new technology acquired in the West, it is not a surreptitious, backdoor arrangement; it is part of the system. When the state controls all aspects of the economy as it does in the Soviet Union, there is little real differentiation that can be made between civilian and military industry.

This espionage effort that I have outlined saves the Soviets billions of dollars in research and development costs. It saves the Soviets years in research and development time. Indeed, in cost vs. benefit terms, the KGB is far and away the most economically productive element of the Soviet economy, because of its contribution in the foreign technology area.

But the benefits to the Soviet Union do not stop there. With our best technology in hand, they can develop countermeasures to our systems before we ever deploy them.

And Soviet industrial espionage imposes new, ever-increasing costs on us, as we struggle constantly to overcome technology we have developed, which is now in Soviet hands.

Let us not fool ourselves by imagining that Soviet technological dependence on the West in itself condemns them to permanent inferiority. The Soviets are able to learn from our mistakes; they are able to select the best from both technological worlds; they are able to focus what R&D capital they do have on areas where we are the weakest. And, of course, the United States does not always choose to deploy weapons using this advanced technology—often the Soviets do.

So, what are we doing to turn this around?

In the government, our efforts are focused in two areas, domestic law enforcement and foreign intelligence.

As you know, the intelligence community is prohibited by law from getting involved in domestic law enforcement, but let me describe for you briefly some of what my colleagues in the law enforcement field are doing.

The Commerce Department has beefed up its Compliance Division, including the opening of new field offices here in San Francisco and in Los Angeles.

The Customs Service began what they call Operation Exodus in early 1982, to detect and prevent illegal exports of technology. The system includes a national command and coordination center at Customs Headquarters in Washington, where bits of information from all over the world are woven together to identify offenses in progress. Operation Exodus has already produced a number of prosecutions, and it is only now getting into full operation.

Here in California, the U.S. Attorney General established only a short time ago a Critical Technologies Task Force, including Assistant U.S. Attorneys, postal inspectors, and representatives from the Commerce Department, Customs, the FBI, and the IRS. The Task Force is setting up law enforcement coordination links with state and local police, as well as with the technology business in this area.

Because it is the Soviet Union that is behind this industrial espionage, the American intelligence community has become deeply involved in the national effort to stem the hemorrhage of critical technology to our adversaries.

We are redoubling our efforts to learn as exactly as possible what items are on the Soviets' shopping lists, so that industry and law enforcement can take defensive measure.

We are beefing up our counterintelligence efforts, monitoring the activities of Soviet and East European agents more closely, here in the United States, and overseas, particularly in Western Europe.

We are passing this intelligence to the Justice Department, the FBI, the Commerce Department, and other elements of the government to help them target their countermeasures.

The government is also taking measures in the policy area.

COCOM, the Coordinating Committee for Multilateral Export Controls, which consists of the United States, the major Western European countries, and Japan, is being strengthened, and technology export restrictions are being updated.

We are increasing restrictions on the activities of Soviet and East European citizens in the United States.

The administration is asking Congress for modifications to the Freedom of Information Act to deny the public release of sensitive technological information, especially that relating to U.S. weapon systems.

There are many things that we in the government can do, but in the struggle to deny the Soviet Union American weapons technology, the government is essentially on the sidelines. The front line in this struggle is in industry, in your backyard: in your laboratories, in your production shops, in your sales offices. Without your awareness and your commitment, we will fail in this crucial effort to protect our national security.

There is no high-technology firm that is free from the threat of Soviet infiltration or theft. The KGB does not just target those companies working on classified defense projects. Especially vulnerable are the many small companies, developing emerging technologies whose applications are only now being explored.

What am I asking you to do? I am only asking you to be aware of the facts. The facts are that advanced technology is the key to all modern weapon systems. The facts are that the Soviet Union has a fundamental dependence upon American technology for its own military expansion. The facts are that the Soviet leadership has ordered the KGB and the GRU to get that technology through any means they can. The facts are that the KGB and the GRU are here in California, carrying out those orders. These are not suspicions. These are not allegations. These are the facts.

The American defense technology industry—you here in this room this afternoon—

have a heavy, unique responsibility. But also an opportunity.

Not only are you responsible for providing the means by which the United States can deter—or, if necessary, fight—a war. Not only are you responsible for protecting the security of those means of defense.

But, by denying the Soviet Union the fruits of your imagination, your innovation, your risk-taking, your investment—by denying the Soviet Union what you have worked for, you are not only protecting the United States, but you are also dealing a crucial, telling blow at the Soviet military buildup itself.

Just remember: they can't do it without you.●

SECURITY ASSISTANCE FOR EL SALVADOR

● Mr. EAST. Mr. President, I have been dismayed in recent days by the statements of some that military assistance to El Salvador may damage the U.S. economy. These comments follow the President's announced intention of obtaining $60 million to assist El Salvador's Government in fighting Communist terrorists.

We know from the record that virtually all security assistance given to foreign governments flows back into the American economy since the funds involved are provided for purchase of American goods and services.

Yet the same individuals who cite harm to the U.S. economy in connection with funds needed to hold back communism in Central America would gladly permit billions of tax dollars to leave the U.S. Treasury to support the International Monetary Fund and other international financial institutions that back faltering socialist regimes worldwide.

Through various devices, the U.S. Government has already given $115.6 million tax dollars so far this year in addition to $351.1 million last year to the Communist regime in Poland. The total gift to Poland is $466.7 million with more on the way. But many of the same Congressmen and Senators who apparently think it is fine to bail out a military dictatorship in Poland will not support even a modest program to help a country struggling to prevent the kind of oppression that Poland now suffers.

These motives are hard to understand. Perhaps the most charitable characterization is that logic has never been known to burden particularly the U.S. Congress.●

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I have one nomination on today's Executive Calendar that appears to be cleared. May I inquire of the minority leader if he is prepared to proceed to the consideration of Robert A. Gielow, of Illinois, to be a member of the Railroad Retirement Board?

Mr. BYRD. Yes, Mr. President, I am prepared to proceed.

Mr. BAKER. Mr. President, there is also the possibility that I shall make more than one unanimous-consent request with respect to treaties while we are in executive session. Therefore, I ask unanimous consent that the Senate now go into executive session for the purpose of considering that nomination and for the purpose of making unanimous-consent requests with respect to certain treaties.

There being no objection, the Senate proceeded to the consideration of executive business.

RAILROAD RETIREMENT BOARD

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate proceed to consider the nomination of Robert A. Gielow, of Illinois, to be a member of the Railroad Retirement Board.

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of Robert A. Gielow, of Illinois, to be a member of the Railroad Retirement Board.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BAKER. I move to reconsider the vote by which the nominee was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, before I ask the Senate to return to legislative session, I hope we can clear two unanimous-consent requests with respect to treaties. While I check on that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MONTREAL AVIATION PROTOCOLS NOS. 3 AND 4

Mr. BAKER. Mr. President, I am told that it is perhaps agreeable to enter into a unanimous-consent agreement on the Montreal Aviation Protocols Nos. 3 and 4. I will state a request now for the consideration of the minority leader and the Members of the Senate.

UNANIMOUS-CONSENT AGREEMENT

Mr. President, I ask unanimous consent that at 11 a.m. on Monday, March 7, the Senate go into executive session to consider Executive Calendar No. 1, the Montreal Aviation Protocols Nos. 3 and 4.

Further, I ask unanimous consent that the treaty be advanced through its various parliamentary steps up to and including the presentation of the resolution of ratification, that the committee reported conditions be deemed agreed to, and that the time on the resolution of ratification be as follows: Six hours on the resolution to be equally divided between the chairman of the Foreign Relations Committee and the ranking minority member or their designees, and that no further understandings, reservations, conditions, declarations, or statements shall be in order.

I also ask unanimous consent that if a rollcall vote is ordered on the resolution of ratification, it occur at 11 a.m. on Tuesday, March 8, 1983.

Finally, Mr. President, I ask unanimous consent that there be 1 hour of debate prior to the vote on Tuesday to be equally divided between the distinguished Senator from Kansas (Mrs. KASSEBAUM) and the distinguished minority leader (Mr. BYRD) or his designee.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, there is no objection.

The PRESIDING OFFICE. Without objection, it is so ordered.

The text of the resolution of ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Additional Protocol No. 3 to Amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw on October 12, 1929, as Amended by the Protocols done at The Hague, on September 28, 1955, and at Guatemala City, March 8, 1971 (hereinafter, Montreal Protocol No. 3); and Montreal Protocol No. 4 to Amend the Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed at Warsaw on October 12, 1929 as Amended by the Protocol done at The Hague on September 8, 1955 (hereinafter Montreal Protocol No. 4): *Provided* that:

(1) the President shall not deposit the instruments of ratification for the United States until he has determined that a satisfactory supplemental compensation plan, as reviewed and approved by the Civil Aeronautics Board or its appropriate successor, will be in operation for the United States; and

(2) the President shall give notice of denunciation of these Protocols by the United States if, at any time after their entry into force for the United States, he determines that a satisfactory supplemental compensation plan, as periodically reviewed by the Civil Aeronautics Board in light of new economic or other relevant circumstances, is not in operation for the United States, or

that the best interests of United States airline passengers are not otherwise served by continued adherence to these Protocols by the United States; and

(3) the United States Government shall continue actively to seek to negotiate higher limits on the liability of carriers than those provided under these Protocols.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—SENATE RESOLUTION 76

Mr. BAKER. Mr. President, I wish to propound a unanimous-consent request, as in legislative session.

Mr. President, I ask unanimous consent that tomorrow at 11 a.m. the Senate turn to the consideration of Senate Resolution 76, the resolution containing the committee budgets for the several committees of the Senate. I further ask unanimous consent, Mr. President, that no nongermane amendments be in order to the resolution.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the minority leader. As I indicated earlier, to do that required the waiver of the 1-day rule and the 3-day rule. I am most grateful to the minority leader for arranging that so that the Senate will have that important piece of business to dispose of at that convenient hour.

CALENDAR OF BUSINESS

Mr. BAKER. Mr. President, there are certain other things that can be done tomorrow on the Calendar of General Orders. I will not enumerate them now except to say that we invite Senators to identify any of the several items on the calendar that can be cleared for action by unanimous consent or in a brief time for debate on tomorrow or Thursday.

We are doing very well in keeping the calendar pretty clean, and I would like to continue that. So I urge Members, particularly chairmen and ranking members, if the minority leader will join me in that request, to let us know if there are other items that can be cleared for action tomorrow.

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL TOMORROW AT 10:30 A.M.

Mr. BAKER. Mr. President, no provision has been made yet for the Senate to convene tomorrow, has it?

The PRESIDING OFFICER. There has been no such order entered.

Mr. BAKER. Mr. President, as in legislative session, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR STENNIS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the recognition of the two leaders under the standing order, the distinguished senior Senator from Mississippi (Mr. STENNIS) be recognized on special order of not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that after the execution of the special order there be a period for the transaction of routine morning business to extend not past 11 a.m. tomorrow in which Senators may speak for not more than 1 minute each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS ON THURSDAY

Mr. BYRD. Mr. President, before the majority leader proceeds, will he get 15-minute orders for Thursday for the following Senators: BYRD, SARBANES, PELL, and BIDEN, not necessarily in that order?

Mr. BAKER. I am happy to do that.

Mr. President, I ask unanimous consent that on Thursday, the day after tomorrow, after the recognition of the two leaders under the standing order, the following Senators be recognized on special orders for not to exceed 15 minutes each: the distinguished minority leader, the Senator from West Virginia (Mr. BYRD); the distinguished Senator from Maryland (Mr. SARBANES); the distinguished Senator from Rhode Island (Mr. PELL); the distinguished Senator from Delaware (Mr. BIDEN), and the distinguished Senator from Alaska (Mr. STEVENS).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Not necessarily in that order.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME AGREEMENT ON EXECUTIVE CALENDAR ITEM NO. 3, AMENDMENT TO THE 1972 PROTOCOL TO THE 1928 CONVENTION CONCERNING INTERNATIONAL EXPOSITIONS

Mr. BAKER. Mr. President, I have another unanimous-consent request in respect to a treaty which I will state now for consideration of the minority leader and the Senate.

Mr. President, I ask unanimous consent that on Thursday, March 3, 1983, at 12 noon, the Senate go into executive session to consider Executive Calendar No. 3, amendment to the 1972 protocol to the 1928 Convention Concerning International Expositions.

Further, I ask unanimous consent that the treaty be advanced through its various parliamentary stages, up to and including the presentation of the resolution of ratification, and that time on the resolution of ratification be as follows: 20 minutes on the resolution of ratification to be equally divided between the chairman of the Foreign Relations Committee and ranking minority member, or their designees; and that no understandings, reservations, conditions, declarations and statements be in order.

The PRESIDING OFFICER. Without our objection, it is so ordered.

The text of the resolution of ratification follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of an Amendment to the Protocol of November 30, 1972 (TIAS 9948) to the Convention of November 22, 1928, Concerning International Expositions (TIAS 6548, 6549).

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Mr. President, in a moment the Senate will recess over until 10:30 a.m. tomorrow.

Mr. President, at 11 a.m. the Senate will proceed to the consideration of Senate Resolution 76, the funding resolutions for the several committees of the Senate. It is anticipated that that resolution will be completed during the course of the day.

Mr. President, on Thursday, March 3, the Senate will proceed to the consideration of the Executive Calendar for the purpose of considering Executive Calendar No. 3, according to unanimous-consent agreement on which there is a time agreement.

It is hoped that we can also clear for action on Wednesday or Thursday further nominations on the Executive Calendar as they may appear at that time.

I specifically say to my friend, the minority leader, if it is possible to consider the nomination of Lewis Arthur Tambs, of Arizona, to be an ambassador and the nominations placed on the Secretary's desk for the Foreign Service. If those matters can be cleared for action either on an agreed time for debate or by unanimous consent, I would very much wish to do those things on Wednesday or Thursday as well.

Mr. BYRD. Mr. President, we are already checking on the Tambs nomination.

Mr. BAKER. I thank the Senator.

I hope then we can work those things out.

Mr. President, is there an order for the Senate to convene on Thursday?

The PRESIDING OFFICER. There is no order at this point.

ORDER FOR RECESS FROM WEDNESDAY UNTIL 9:30 A.M. ON THURSDAY

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business on Wednesday next it stand in recess until 9:30 a.m. on Thursday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM THURSDAY UNTIL 10:30 A.M. ON MONDAY

Mr. BAKER. Mr. President, I have been reminded by staff that we have already entered an order for the Senate to take up the Montreal Protocols at 11 a.m. on Monday.

I ask unanimous consent that when the Senate completes its business on Thursday, it stand in recess until 10:30 a.m. on Monday, March 7.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY TO RECEIVE MESSAGES

Mr. BAKER. Mr. President, I ask unanimous consent that on Friday, March 4, the Secretary of the Senate be authorized to receive and refer messages from the House of Representatives and the President of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BAKER. Mr. President, I have no further business to transact. May I inquire of the minority leader if he wishes to address that question at this time?

Mr. BYRD. I know of nothing.

Mr. BAKER. I thank the minority leader.

Mr. President, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:20 p.m. the Senate recessed until Wednesday, March 2, 1983, at 10:30 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate March 1, 1983:

RAILROAD RETIREMENT BOARD

Robert A. Gielow, of Illinois, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1982.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

THE TRIO PROGRAM: THE ADMINISTRATION RETREATS FROM EQUAL OPPORTUNITY

HON. WILLIAM D. FORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. FORD of Michigan. Mr. Speaker, the current administration believes that the poor and the disadvantaged should be grudgingly maintained on crumbs. But programs that might expand the opportunities for those from outside the country club set are not in favor. This administration's idea of a safety net is one stretched across the doors of opportunity to bar the way out of poverty.

The clearest and most flagrant example of this philosophy in action is the proposal in the fiscal year 1984 budget for the TRIO programs. The TRIO programs provide to low-income students whose parents did not attend college the supportive services they need to enroll in and graduate from college. These services include counseling, basic skills instruction, tutoring, and information about a college admissions and financial aid. These programs have a long track record of success in providing effective aid to those who would break out of the cycle of poverty and dependence and achieve the upward mobility afforded by higher education. Among TRIO students, 41 percent are black, 35 percent are white, 17 percent are Hispanic, 4 percent are American Indian, and 3 percent are Asian. This program is an integral part of the Federal commitment to equal educational opportunity.

The President's budget for fiscal year 1984 proposes to cut the appropriation for TRIO from $154.7 million to $35 million, a reduction of 77 percent. The result would be the elimination of 1,137 TRIO projects serving 471,930 students at 767 higher education institutions and 69 community agencies. Services for 185,280 black students and 79,050 Hispanic students now served by these projects would be terminated.

The President's budget also proposes that eligiblity for the remaining $35 million would be restricted to institutions whose enrollments are more than 50 percent minority students. This proposal flies in the face of the fact that the overwhelming majority of students who need the aid of the TRIO programs, including minority students, do not attend predominantly minority institutions. Currently, 7 of 10 black students and more than 9 of 10 Hispanic students (outside of Puerto Rico) are enrolled in an institution where minorities do not constitute a majority. Lest anyone think that this proposal is a bonanza for black colleges, they would receive the same amount—$23 million—under the President's proposal for TRIO as they now receive.

The administration's proposal for funding the TRIO programs is the most shortsighted and mean-spirited idea in a budget characterized by its lack of fairness and compassion. As the Congress works its will on the fiscal year 1984 budget, I trust that the TRIO programs will receive an appropriation beyond last year's modest level and that the administration's proposal will be rejected.

A list by State of the institutions and community agencies which would lose TRIO projects under the administration's budget proposal follows:

INSTITUTIONS WHICH WOULD LOSE TRIO PROJECTS UNDER THE ADMINISTRATION'S PROPOSAL

ALABAMA

Alabama A & M University; Alabama Center for Higher Education; Alabama State University; Alexander City State Junior College; Bessemer State Technical College; Brewer State Junior College; Concordia College; Enterprise State Junior College; George C. Wallace Community College; Gadsten State Junior College; Gadsten State Technical Institute; Harper County Trenholm State Technical College; J. F. Ingram State Technical Institute; Jefferson State Junior College; John C. Calhoun State Community College; Lawson State Community College; Lurleen B. Wallace State Junior College; Miles College; Miles College—Eutaw; N. F. Nunnally State Technical College; Northwest Alabama State Junior College; Selma University Junior College; Shelton State College; Southern Normal High School; Southern Vocational College; Spring Hill College; Stillman College; Talladega College; Tuskegee Institute; University of Alabama; University of Alabama—Birmingham; University of Alabama—Huntsville; University of Montevello; University of South Alabama; and Walker State Technical College.

ALASKA

Alaska Federation of Natives; University of Alaska—Anchorage; and University of Alaska—Fairbanks.

ARIZONA

Arizona State University; Arizona Western College; Central Arizona College; College of Ganado; Eastern Arizona College; Glendale Community College; Navajo Community College; Northern Arizona University; Phoenix College; Pima Community College; University of Arizona; Yauapal College; and Youth Development, Inc.

ARKANSAS

Arkansas College; Arkansas State University; College of the Ozarks; East Arkansas Community College; Garland County Community College; Henderson State University; North Arkansas Community College; Philander Smith College; Phillips County Community College; Ouachita Baptist University; Southern Arkansas University—El Dorado; Southern Arkansas University; University of Arkansas—Fayetteville; University of Arkansas—Montivello; and University of Arkansas—Pine Bluff.

CALIFORNIA

California Lutheran College; California State University—Bakersfield; California State University—Chico; California State University—Fresno; California State University—Hayward; California State University—Long Beach; California State University—Los Angeles; California State University—Northridge; California State University—Sacramento; California State University—San Bernardino; California State University—Sonoma; California State University—Stanislaus; City College of San Francisco; College of the Redwoods; Cuyamaca College; East Los Angeles Community College; Fresno Community Mobilization for Educational Guidance; Grossmont College; Humboldt State University; Imperial Valley College; Japanese Community Youth Council; Merritt Community College; Mills College; Monterey Peninsula College; Occidental College; Pact, Inc. Educational Clearinghouse; Peralta Community College; Palomar College; Projects to Assist Employment; Rio Hondo Community College; San Diego City College; San Diego City College; San Diego Mesa College; San Diego State University; San Diego Technical Institute; San Francisco State University; San Jose State University; Skyline College; Southwestern College; Stanford University; Stiles Hall University YMCA; Terrena Corporation; United Council of Spanish Speaking Organizations; University of California—Berkeley; University of California—Davis; University of California—Irvine; University of California—La Jolla; University of California—Los Angeles; University of California—Riverside; University of California—Santa Barbara; University of Southern California; University of the Pacific; University of San Francisco; Volunteers of America; and Wahupa Educational Enterprise.

COLORADO

Adams State College; Colorado State University; Community College of Denver; Metropolitan State College; Trinidad State Junior College; University of Colorado; University of Colorado—Denver; University of Northern Colorado; University of Southern Colorado; and Centro Emiliano Zapata.

CONNECTICUT

Connecticut Talent Assistance Corporation (Middletown); Eastern Connecticut State College; Fairfield University; Greater Hartford Community College; Housatonic Community College; Saint Juan Center (Hartford); Trinity College; University of Connecticut—Storrs; Wesleyan University.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

DELAWARE

Delaware State College; Delaware Technical and Community College; and University of Delaware.

DISTRICT OF COLUMBIA

College Entrance Examination Board; Delta Sigma Theta, Inc.; Gallaudet College; Georgetown University; Howard University; LULAC National Education Service Centers; Spanish Educational Development Center; and Trinity College.

FLORIDA

Bethune Cookman College; Biscayne College; Brevard Community College; Central Florida Community College; Daytona Beach Community College; Edison Community College; Edward Waters College; Embry-Riddle Aero University; Florida A & M University; Florida Farmworkers Council; Florida Memorial College; Florida State University; Hillsborough Community College; Jacksonville University; Manatee Junior College; Miami-Dade Community College; Rollins College; Santa Fe Community College; Seminole Community College; University of Central Florida; University of Florida; University of Miami; University of South Florida; University of West Florida; and Valencia Community College;

GEORGIA

Abraham Baldwin Agricultural College; Albany State College; Alabany Urban League; Atlamaha Area Community Action Authority; Atlanta Junior College; Clark College; Coastal Plain Area Economic Opportunity Authority; Columbus College; Epsilon Beta Lambda Chapter; Fort Valley State College; Georgia Southern College; Georgia Southwestern College; Georgia State University; Mercer University—Atlanta; Mercer University—Macon; Morris Brown College; NSSFNS—Atlanta; Paine College; Piedmont College; Savannah State College; Slash Pine Community Action Agency (Waycross); South Georgia College; Thomas County Community College; and University of Georgia.

HAWAII

Chaminade University; Kapiolani Community College; University of Hawaii—Hilo; University of Hawaii—Honolulu; University of Hawaii—Kahului; University of Hawaii—Kaneohe; and University of Hawaii—Maui Community College.

IDAHO

Idaho State University; and University of Idaho.

ILLINOIS

Ada S. McKinley Community Services; ASPIRA, Inc. of Illinois; Black Hawk College; Chicago State University; Education Center of East St. Louis; Elgin Community College; Governors State University; Illinois State University; Joliet Junior College; Joliet-Will County Community Action Agency; Knox College; Lakeland Community College; Lewis & Clark Community College; Lewis University; Loyola University; Monmouth College; Northeastern Illinois University; Nothern Illinois University; Roosevelt University; Southern Illinois University—Carbondale; Southern Illinois University—Edwardsville; Triton College; University of Chicago; University of Illinois—Chicago Circle; and University of Illinois.

INDIANA

Association for Loan Free Education (Indianapolis); Ball state University; Gary Community School Corporation; Indiana State University—Terre Haute; Indiana University; Indiana University—East; Indiana University—Indianapolis; Indiana University—Northwest; Marion College; National Cuban American Community Based Center; Oakland City College; Purdue University; Purdue University—Calumet; St. Francis College; University of Notre Dame; and Vincennes University.

IOWA

Central University of Iowa; Coe College; Cornell College; Graceland College; Indian Hills Community College; Iowa Lakes Community College; Iowa State University; Kirkwood Community College; Luther College; Marycrest College; University of Iowa; and University of Northern Iowa.

KANSAS

Donnelly College; Emporia Kansas State College; Hutchinson Community Junior College; Kansas State University; University of Kansas; and Wichita State University.

KENTUCKY

Berea College; Brescia College; Eastern Kentucky University; Jefferson Community College; Kentuckiana Metroversity; Kentucky Business College; Kentucky State University; Morehead State University; Murray State University; Northern Kentucky University; Owensboro Business College; Pikeville College; Thomas More College; Union College; University of Kentucky; University of Kentucky—Ashland Community College; University of Kentucky—Southeast Community College; University of Kentucky—Paducah Community College; University of Louisville; and Western Kentucky University.

LOUISIANA

Dillard University; Fort Nicholls State University; Grambling University; Louisiana State University; Louisiana State University—Eunice; Loyola University; New Orleans Educational Talent Search; Nicholls State University; Northeast Louisiana University; Northwestern State University; Our Lady of the Holy Cross College; Southeastern Louisiana University; Southern University; Southern University—New Orleans; Southern University—Shreveport; University of New Orleans; University of Southwestern Louisiana; and Xavier University.

MAINE

Bowdoin College; Husson College; Unity College; University of Maine—Augusta; University of Maine—Farmington; University of Maine—Fort Kent; University of Maine—Orono; and University of Maine—Presque Isle;

MARYLAND

Bowie State College; Chesapeake College; Community College of Baltimore; Dundalk Community College; Frostburg State College; Gilman School, Inc.; Howard Community College; Morgan State University; University of Maryland; University of Maryland—Baltimore; and University of Maryland—Eastern Shore.

MASSACHUSETTS

Boston College; Brandeis University; Bridge Fund, Inc.; Bristol Community College; Choice Thru Education; Harvard University; Hispanic Office of Planning and Education; Massachusetts Institute of Technology; Mount Wachusett Community College; North Adams State College; North Shore Community College; Northern Essex Community College; Northfield-Mount Herman School; Quinsigamund Community College; Salem State College; Southeastern Massachusetts University; Springfield Technical Community College; University of Massachusetts; University of Massachusetts—Boston; University of Lowell; Westfield State College; Worcester Consortium for Higher Education; and Worcester State College.

MICHIGAN

Adrian College; Alpena Community College; Acquinas College; Charles Stewart Mott Community College; Cranbrook School; Davenport College of Business; Eastern Michigan University; Grand Rapids Junior College; Grand Valley State College; Hope College; Kellogg Community College; Lake Superior State College; Lewis College of Business; Macomb County Community College; Madonna College; Marygrove College; Michigan State University; Northern Michigan University; Oakland University; Shaw College at Detroit; Siena Heights College; Suomi College; Wayne State University; and Western Michigan University.

MINNESOTA

Bemidji State University; Carleton College; College of Saint Teresa; Inver Hills Community College; Macalester College; Mankato State University; Metropolitan Community College; Rochester Community College; Saint Mary's College; Southwest State University; St. Olaf College; University of Minnesota; University of Minnesota—Duluth; and Winona State University.

MISSISSIPPI

Alcorn State University; Coahoma Junior College; Copiah—Lincoln Junior College; East Central Junior College; Hinds Junior College; Holmes Junior College; Jackson State University; Itawamba Junior College; Mary Holmes College; Mississippi Action for Community Education; Mississippi Band of Choctaw Indians; Mississippi Gulf Coast Junior College; Mississippi State Department of Education; Mississippi Valley State University; Northeast Mississippi Junior College; Northwest Mississippi Junior College; Prentiss Institute Junior College; Rust College; Tougaloo College; University of Mississippi; Utica Junior College; and William Carey College.

MISSOURI

Central Methodist College; Central Missouri State University; Drury College; Higher Education Council of Saint Louis; Kansas City Junior College District; Lincoln University; Northeast Missouri State University; Rockhurst College; Saint Louis University; Tarkio College; Three Rivers Community College; University of Missouri; and Washington University.

MONTANA

College of Great Falls, Dawson College; Eastern Montana College; Fort Belkamp Community Council; Montana State University; Montana Office of Higher Education; Northern Montana College; Rocky Mountain College; and University of Montana.

NEBRASKA

Chadron State College; Creighton University; and Duane College.

NEVADA

Truckee Meadows Community College; University of Nevada—Las Vegas; and University of Nevada—Reno.

NEW HAMPSHIRE

Keene State College; Plymouth State College; New Hampshire College; and University of New Hampshire.

NEW JERSEY

ASPIRA, Inc. of New Jersey; Atlantic Community College; Bloomfield College; Burlington County College; Camden County

College; Cumberland College; Delta Sigma Theta—New Jersey Alumni Chapter; Essex County College; Farleigh Dickinson University; Georgian Court College; Glassboro State College; Hudson County Community College; Jersey City State College; Mercer County Community College; Montclair State College; New Jersey Institute of Technology; Paterson Adult Learning Center; Puertorriquenos Associated for Community Organization; Rutgers University—Livington College; Saint Peters College; Seton Hall University; and Stevens Institute of Technology.

NEW MEXICO

Albuquerque Technical-Vocational Institute; College of Santa Fe; Eastern New Mexico University; Eight Northern Indian Pueblos; New Mexico Highlands University; New Mexico State University; Northern New Mexico Community College; University of Albuquerque; University of New Mexico; and Western New Mexico University.

NEW YORK

ASPIRA, Inc. of New York; Barnard College; Boys Harber, Inc. Carver Community Center; Clarkson College; Columbia University; Committee for Comprehensive Education; CUNY—Bronx Community College; CUNY—Hunter College; CUNY—Kingsborough Community University; CUNY—La Guardia Community University; CUNY—Manhattan Community College; CUNY—Medgar Evers; CUNY—New York City Community College; CUNY—Queens College; CUNY—York College; Dowling College; Dyouville College; East Harlem College and Career Counseling; Fashion Institute of Technology; Girls Club of New York; Hofstra University; LeMoyne College; Long Island University; Marist College; Marymount Manhattan College; Mater Dei College; Medialle College; Mercy College; Monroe Community College; Nassau Community College; NSSFNS; Polytechnic Institute of New York; Rochester Institute of Technology; Rockland Community College; Saint Lawrence University; South Fork Council for Children and Health; SUNY—Binghamton; SUNY—Broome Community College; SUNY—Buffalo; SUNY—Canton; SUNY—Fredonnia; SUNY—New Paltz; SUNY—North County Community College; SUNY—Plattsburgh; SUNY—Potsdam College; SUNY—Stony Brook; Staten Island Consortium for Education; Syracuse University; TIP Neighborhood House; University Settlement; and Vassar College.

NORTH CAROLINA

Appalacian State University; Barber Scotia College; Bennett College; Cleveland County Technical Institute; Chowan College; College of the Ablemarle; Crolven County College; Durham Technical Institute; Elizabeth City State University; Fayetteville State University; Guilford Technical Institute; Halifax Community College; Haywood County Consolidated School; Isothermal Community College; Johnson C. Smith University; Lenoir Community College; Livingston College; Lumdre Regional Development Association; Mars Hill College; North College A & T State University; North Carolina Commission on Indian Affairs; North Carolina State University; North Carolina Wesleyan College; Pembroke State University; Piedmont Technical College; Pitt Technical Institute; Randolph Technical College; Saint Augustines College; Sampson Technical College; Shaw University; Southeastern Community College; University of North Carolina; University of North Carolina—Greensboro; Wayne Community College; Western Carolina University; Wilkes Community College; Wilson County Technical Institute; Winston-Salem State University.

NORTH DAKOTA

Mary College; North Dakota State University; and University of North Dakota.

OHIO

Baldwin-Wallace College; Bowling Green State University; Case Western Reserve University; Central State University; Cleveland State University; Cuyahoga Community College; Dayton-Miami Valley Consortium; Dyke College; Kent State University; Miami University; Oberlin College; Ohio State University; Ohio University; Ohio Wesleyan University; Union for Experimenting Colleges and Universities; University of Cincinnati; University of Dayton; University of Toledo; Western Reserve Academy; Wilberforce University; Wittenberg University; Wright State University; and Youghstown Private Industry College.

OKLAHOMA

Bacone College; Carl Albert Junior College; Central Oklahoma Vocational-Technical School; Choctow Nation of Oklahoma; Claremore College; Connors State College; East Central Oklahoma State University; Langston University; Murray State University; Oscar Rose Junior College; Seminole Junior College; Southeastern Oklahoma State University; and University of Oklahoma.

OREGON

Eastern Oregon State College; Linfield College; Mount Hood Community College; Oregon State University; Pacific University; Portland Community College; Portland State University; University of Oregon; and Western Oregon State College.

PENNSYLVANIA

ASPIRA, Inc. of Pennsylvania; Bloomsburg State College; Butler County Community College; California State College; Carnegie-Mellon University; Chatham College; Cheyney State College; Clarion State College; Community College of Philadelphia; Drexel University; East Stroudsburg State College; Gannon College; Greater Erie Community Action Committee; Gwynedd Mercy College; Kings College; La Roache College; Lincoln University; Lock Haven State College; Luzerne County Community College; Millersville State College; Northampton County Area OIC-Philadelphia; Pennsylvania State University; Philadelphia School of Office Training; Saint Francis College; Seton Hill College; Slippery Rock State College; Swarthmore College; Temple University; University of Pennsylvania; University of Pittsburgh; Waynesburg College; Westmoreland County Community College; Widener College; and Wilkes College.

RHODE ISLAND

Community College of Rhode Island and Rhode Island College.

SOUTH CAROLINA

Beaufort Technical College; Benedict College; Charleston Higher Education Consortium; Claflin College; College of Charleston; Denmark Technical Education Center; Florence Darlington Technical College; Greenville Technical College; Greenville Urban League; Midlands Technical College; Morris College; Orangeburg-Calhoun Technical College; Piedmont Technical College; South Carolina State College; Spartanburg Methodist College; Sumter Area Technical College; Tri County Technical College; University of South Carolina; University of South Carolina—Spartanburg; Williamsburg Technical-Vocational Adult Education Center; Voorhees College; and York Technical College.

SOUTH DAKOTA

Black Hills State College; Dakota Wesleyan University; Presentation College; University of South Dakota; and Yankton College.

TENNESSEE

Austin Peay State University; Chattanooga State Technical Community College; Douglas Cherokee Economic Authority; East Tennessee State University; Fisk University; Girls Club of Memphis; Knoxville College; Lane College; LeMoyne Owen College; Lee College; Lincoln Memorial College; McKenzie College; Nashville State Technical Institute; Shelby State Community College; Tennessee State University; Tennessee Technical University; Tusculum College; University of Tennessee; University of Tennessee—Chattanooga; University of Tennessee—Space Institute; and Walters State Community College.

TEXAS

Alvin Community College; Amarillo College; Association for the Advancement of Mexican Americans; Austin Community College; Bee County College; Bishop College; Cedar Valley College; Central Texas Manpower Consortium; East Texas State University; El Paso Community College; Henderson County Junior College; Hill Junior College; Huston Community College; Lamar University; Laredo Junior College; Learn Inc.; McLennon Community College; Mountain View College; Navarro College; North Texas State University; Pan American University; Paul Quinn College; Project Stay, Inc.; Saint Edwards University; Saint Mary's University; San Antonio Community College; SER—El Paso; Southern Methodist University; Southwest Texas Junior College; Sul Ross State University; Tarleton State University; Texas A & I University—Kingsville; Texas Association of Developing Colleges; Texas Christian University; Texas College; Texas Southern University; Texas Southmost College; Texas Technological University; Trinity University; University of Houston; University of Houston—Downtown; University of Texas—Arlington; University of Texas—El Paso; West Texas State University; and Wiley College.

UTAH

College of Eastern Utah; Dixie College; Snow College; Southern University State College; University of Utah; Utah State University; and Weber State College.

VERMONT

Community College of Vermont; Johnson State College; Lyndon State College; Southern Vermont College; University of Vermont; and Vermont Student Assistance Corporation.

VIRGINIA

Arlington School Board; Clinch Valley College; Dabney Lancaster Community College; Ferrum College; Hampton Institute; J. S. Reynolds Community College; Mary Washington College; National Business College; New River Community College; Norfolk State College; Old Dominion University; Paul D. Camp Community College; Rappahannock Community College; Roanoke College; Southwest Virginia Community College; Total Action Against Poverty; University of Virginia; University of Virginia—Clinch Valley College; Virginia Commonwealth University; Virginia Highlands Community College; Virginia Intermont College;

Virginia Poly Institute & State University; Virginia State University; Virginia Tidewater Consortium; Virginia Union University; Virginia Western Community College; and Wyetheville Community College.

WASHINGTON

Bellevue Community College; Big Bend Community College; City of Seattle/Department of Human Resources; Eastern Washington State College; Everett Community College; Evergreen State College; Lower Columbia College; Metropolitan Development Council; Northwest Rural Opportunities; Seattle Central Community College; Skagit Valley College; University of Washington; Western Washington University; and Yakima Valley Community College.

WEST VIRGINIA

Bluefield State College; Concord College; Marshall University; Salem College; West Liberty State College; West Virginia Board of Regents; West Virginia Institute of Technology; West Virginia State College; and West Virginia University—Potomac State College.

WISCONSIN

Alverno College; Geloit College; Lawrence University; Marquette University; Milwaukee School of Engineering; Northland College; Ripon College; University of Wisconsin—Center System; University of Wisconsin—Eau Claire; University of Wisconsin—Green Bay; University of Wisconsin—La Crosse; University of Wisconsin—Milwaukee; University of Wisconsin—Oshkosh; University of Wisconsin—Platteville; University of Wisconsin—Stevens Point; University of Wisconsin—Stout; University of Wisconsin—Superior; University of Wisconsin—Whitwater; and Viterbo College.

WYOMING

University of Wyoming.

AMERICAN SAMOA

American Samoa Community College.

PUERTO RICO

Acolegio Universitario del Tur; ASPIRA, Inc. de Puerto Rico; Bayamon Central University; Caribbean University College; Colegio Universitad del Turabo; Colegio Universitad Metropolitano; Inter-American University—San Juan; Inter-American—San German International Institute of the Americas; Puerto Rico Junior College; University of Puerto Rico—Cayey University College; University of Puerto Rico—Carolina; and World University.

VIRGIN ISLANDS

College of the Virgin Islands.●

PERSONAL EXPLANATION

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. MOODY. Mr. Speaker, I was unavoidably detained earlier today when the House took up consideration of H.R. 999, a bill authorizing the American Conservation Corps. I am a cosponsor of H.R. 999 and, had I been present, I would have voted in favor of this important legislation. I want to take this opportunity to commend the Speaker and the House leadership for their prompt attention to this bill and considering it under a suspension of the rules of the House.●

DINGELL-JOHNSON SPORT FISHERY ENHANCEMENT ACT

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. BREAUX. Mr. Speaker, along with a number of other Members of Congress, I am today introducing legislation to amend the Dingell-Johnson Sport Fish Restoration Act to increase the funds available to the States to benefit sport fisheries and to provide funds for boating safety and enhancement programs. This legislation will be one of the top priorities of the Subcommittee on Fisheries and Wildlife Conservation and Environment in the 98th Congress.

The Dingell-Johnson sport fish restoration program was established by legislation in 1951. In essence, the legislation imposes a tax on certain recreational fishing items such as rods, reels, and artificial baits. The revenue raised, currently amounting to approximatley $30 million per year, is allocated to the States on a formula basis for projects which benefit sport fisheries. Projects include fishery research, stream improvement, lake construction, boating access, and hatchery construction. The States provide 25-percent matching funds for the projects.

A coalition of State fishery agencies, conservation groups, and recreational fishing groups have long urged Congress to expand the tax base to increase the revenues going to the States. Studies conducted by the American Fisheries Society indicate that an additional $100 million is desperately needed by the States in order to effectively manage their recreational fisheries. Their proposal, originally, was to place a 3-percent tax on boats and boating equipment and include fishing items not currently taxed. This proposal was opposed by the boat and motor manufacturers and organizations representing boat owners who argued persuasively that many of those purchasing boats did not use them for fishing and thus would not benefit from the program.

During the consideration of the Tax Reform Act passed by Congress in 1982, a modified version of this proposal was included in the Senate-passed bill. At that point, Mr. JONES of North Carolina, Mr. BIAGGI, Mr. SNYDER, Mr. FORSYTHE, and myself, working with both proponents and opponents of the legislation, developed a compromise that had the support of virtually all of the parties involved. This compromise, which was rejected in conference by the House because it had not been properly scrutinized by the Ways and Means Committee, is reflected in the legislation we have introduced today. It is based on the fact that boatowners are currently paying what amounts to a user fee without receiving any benefits. Under current law, the Secretary of Treasury deposits an amount equal to the gas tax that boatowners pay for motorboat fuel into the boating fund, authorized by the Federal Boat Safety Act, and the land and water conservation fund (LWCF). However, the boating fund has received only token appropriations and the land and water conservation fund, which receives funds from several additional sources, only incidentally benefits the boaters who pay the tax.

The compromise proposal would divert that fuel tax derived from motorboats to programs that benefit recreational boaters. The receipts would be divided equally among the boating safety and the boating facilities improvement programs and the Dingell-Johnson program. In addition, it would expand the Dingell-Johnson tax to include all fishing tackle items and trolling motors, proceeds from these tax items will go to the Dingell-Johnson program. Finally, the proposal would defer the effective date of the tax on fishing tackle items to allow for the tackle manufacturers to pass the tax along to their customers.

Mr. Speaker, the Dingell-Johnson program is an unusual one. It was begun because fishermen realized that, to properly manage recreational fisheries, they had to raise money. In effect, they agreed to tax themselves. This legislation supports these fishermen and the State agencies who strive to enhance our recreational fisheries.

THE CITY LIVABILITY AWARD PROGRAM

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. DOWNEY of New York. Mr. Speaker, as chairman of the Congressional Arts Caucus, I would like to call my colleagues' attention to an exceptionally worthy project of the U.S. Conference of Mayors and Philip Morris Inc.

For the past 3 years the Conference of Mayors and Philip Morris have joined in a joint effort to promote awareness of the important role the arts can play in making America's cities more pleasant places to live and in strengthening urban economic vitality. Through their cooperative sup-

port, each June at the annual meeting of the Conference of Mayors the City Livability Award is presented to the mayor who has shown exemplary leadership in incorporating the arts into the everyday life of the city. Past winners have been Mayors Henry Maier of Milwaukee (1980), William Donald Schaefer of Baltimore (1981), and Jane Byrne of Chicago (1982). In addition to the recipient of the award, several mayors receive recognition for their cities' efforts with certificates of Outstanding Achievement in the Urban Arts.

At the midwinter meeting of the Conference of Mayors in January, Philip Morris announced the awarding of a grant that will make it possible for the conference to turn the City Livability Award series into a year-round program. I was proud to be present at the meeting when this award was announced.

Because of the grant, the conference will now be able to establish and staff a national clearinghouse on the arts. Recognizing the extremely difficult economic times and the resultant pressures upon mayors who are attempting to initiate and maintain arts programs, the conference staff will aggressively seek out information on how mayors are financing urban arts programs despite tight budgets, will centralize that within the clearinghouse, and will disseminate that information, not only through a new bimonthly newsletter but also by actively calling ideas generated to the attention of individual mayors for whom they may be useful.

The clearinghouse will gather information on strategies for arts development funding, procedures to encourage public/private sector cooperation in the arts, and ways in which city government and private agencies can contribute to specific arts development activities.

The program will encompass all forms of the arts, including urban design, programs to broaden arts awareness, art in public places, creative use of the arts to help achieve urban policy objectives, and support for traditional performing arts activities.

Mr. Speaker, we all understand the value of the arts for our cities and their people—as a method of increasing their vitality as well as lifting spirits that are lagging during these difficult economic days.

Given the central importance of the arts, I commend the sponsors of the City Livability Award program and wish them much success in their continued effort to make our cities more pleasant places in which to live and work.●

LEGISLATION ON OUR NATION'S WATER NEEDS

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. BEDELL. Mr. Speaker, today I am reintroducing, along with DOUG BEREUTER and 13 of our colleagues, legislation which I hope will serve to generate an informed discussion of our Nation's water needs and the authority of each State to utilize the water resources within its boundaries. Although I think it has been generally accepted that each State has the authority to determine water use within its borders, I believe that recent developments have given rise to the need for an examination of the limits of an individual State to divert shared water resources for use outside of the State.

Particularly important in this regard is the Supreme Court decision last July in Sporhase against Nebraska which overturned a long-standing ruling by the late Justice Holmes in 1908 and declared water to be an article of commerce within the meaning of the commerce clause of the Constitution, and therefore subject to Federal control. Yet the Sporhase decision did allow the States to enact statutes to preserve and conserve their water resources.

However, a recent Federal district court ruling in January in El Paso against Reynolds indicated that only the strongest conservation rationale could justify a State statutory ban on water exports, leaving most Midwestern and Western States, which generally face problems of water scarcity, with a questionable defense under their existing statutes against interstate water demands from a multitude of sources.

Mr. Speaker, we need to determine our national water priorities and to begin to answer the difficult water questions raised by these court decisions. I am hopeful the bill we are reintroducing today will stimulate this dialog and lead to positive action by the Congress.

The language of our bill is straightforward. It merely prohibits any State from selling or permitting the sale of water resources shared with other States for use outside its borders unless there is in place a compact between these drainage basin States and the sale is approved by all of them.

The bill has been reintroduced because we are extremely concerned that such a sale, approved without the consent of the adjoining basin States, will set a dangerous precedent for future situations—in effect, putting a large, perhaps irreparable crack in our reservoir of water problem solutions. I fear these sales, by not having the aforementioned consent, will serve short-term parochial interests at the expense of other States and our national welfare. States would be pitted against each other in competition for this precious commodity. Indeed, recent developments indicate this competition is already beginning.

Mr. Speaker, condoning such sales would, I am afraid, open a Pandora's box of troubles, evolving into a situation where States would be acting purely for short-term economic reasons over prudent, wide-ranging actions serving the general good of our Nation. A precedent would be set which could escalate into full-scale bidding wars between differing interests for available water. Eventually, the water would be allocated to the user with the greater financial resources, rather than reserved for practices which may be more responsible. In this instance, allocation by the marketplace may not be sound and would pervert what would otherwise be the reasonable distribution of our water resources. To this end, the legislation direct the Secretary of Agriculture, in consultation with the Secretary of the Interior, to study the effects of interbasin water transfers on agriculture and agricultural productivity. If large-scale transfers of water are to be contemplated, I believe it is wise to know initially their effects on this crucial segment of our economy.

By enacting the proposal that my colleagues and I are introducing today, Mr. Speaker, we might avoid the intolerable situation where one or two interests dictate the distribution of this essential, inalienable, and rather finite resource. At the same time, we would be pursuing a cautious and more responsible course in shaping our country's future water policies, taking into consideration our needs and sources of supply. Many unanswered questions exist with regard to our water policies, such as ownership or claims and rights of competing interests, and these matters should be resolved before we allow States to sell or permit the sale of shared water resources outside of their borders in an unrestricted fashion. It is incumbent upon us to respond in a responsible manner to the court's decisions that water is merely another economic good to be traded in the marketplace with seemingly little regard for possible adverse consequences.

One fact remains clear. In finding answers to these difficult public policy questions, we must maintain a spirit of cooperation and openmindedness and work together to solve our problems, rather than struggle at odds with each other.

Mr. Speaker, I ask that the legislation be entered in the RECORD at the conclusion of these remarks. Thank you.

The text of the bill follows:

H.R. 1749

A bill to require the Secretary of Agriculture, in consultation with the Secretary of the Interior, to study the effects of interbasin water transfers on agriculture and to prohibit any State from selling or otherwise transferring interstate waters located in such State for use outside such State unless all States in the drainage basin of such waters consent to such sale or transfer

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that—

(1) adequate water resources are necessary to maintain the Nation's level of agricultural productivity;

(2) the redistribution of water resources may adversely affect agricultural production and the environment; and

(3) there is growing concern about the increasing demands on the Nation's limited water resources.

(b) The Secretary of Agriculture, in consultation with the Secretary of the Interior, shall study the effects of interbasin water transfers in different regions of the United States on agriculture and agricultural productivity. Such study shall be completed, and a report of such study shall be submitted to the Congress, not later than 18 months after the date of enactment of this Act.

SEC. 2. No State shall sell or otherwise transfer or permit the sale or transfer, for use outside of such State, water which is taken from any river or other body of surface water which is located in or which passes through more than one State or from any aquifer or other body of ground water which underlies more than one State unless—

(1) there is in effect an interstate compact (A) among the States in the drainage basin of such river or other body of surface water, or (B) among the States under which such aquifer or other body of ground water lies, which governs such sale or transfer, and

(2) all the States which are parties to such compact consent to such sale or transfer.●

THE RETIREMENT OF LEO E. GORDY, SR.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. DYSON. Mr. Speaker, it is a great honor for me to recognize an outstanding citizen upon the occasion of his retirement. Mr. Leo E. Gordy, Sr., is being honored at a retirement banquet on Saturday, March 5, 1983, at Delmar Fire House in Delmar, Del.

Mr. Gordy was born and reared in Salisbury, Md., and attended elementary and high schools in Wicomico County. During World War II, he volunteered for service in the U.S. Army. Upon induction, his tour of duty began at Camp Lee, Va. The major portion of his duty was in France. Prior to an honorable discharge, he attained the rank of sergeant. After his discharge from the service, he worked in one of the old landmark hotels in Salisbury. This was followed by employment with the Delmarva Power & Light Co., beginning in 1949. On January 31, 1983, he cleared his desk for the final time, joining the world of the retirees after 34 years of dedicated and loyal service to his employer. I take this opportunity to wish him a happy and enjoyable retirement.●

TRIBUTE TO EDITOR IRENE KAPLAN OF OCEANSIDE, N.Y.

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. LENT. Mr. Speaker, it is all too frequent, in these hectic times in which we live, that the achievements and community contributions of some of our most outstanding citizens tend to be overlooked.

With that in mind, I rise to bring to the attention of my colleagues the career of a most remarkable woman, who, I am proud to say, is a constituent of the Fourth Congressional District of New York, which I have the honor to represent.

I refer to Irene Kaplan, of Oceanside, N.Y., editor of the Oceanside and Rockville Centre editions of the Long Island Journal. Her life and her career in the newspaper world have been combined in service toward her community which are unexcelled.

In her editorial post, she is particularly noted for her two outstanding columns, "Oceanside as I See It" and "Rockville Centre as I See It." They keep the residents of those communities fully informed as to what's going on. Her witty and friendly style of writing add greatly to the enjoyment of these two features. Irene is perhaps best known, however, for her very special column "I'm a People Lover," which gives her readers informative insights into the lives of community, religious, and political leaders. I might say that Irene makes no mistake in describing herself as a people lover. Her warm, outgoing personality wins her friends wherever she goes.

But her newspaper work is only one facet to the life of this truly remarkable woman.

It is difficult to conceive of a community activity in which Irene Kaplan has not been a participant. Just consider, Mr. Speaker, some of her accomplishments in the civic life of her community.

Irene Kaplan has served as president of the Oceanside Jewish Center Sisterhood, and is currently a member of center board. She has served on the Oceanside PTA Board, and was vice president of the Band Parents Association. Irene Kaplan has a great love for the theater, and has performed in a number of Theatre Guild productions, and produced the smash hit "Funny Girl" for the Oceanside Jewish Center. She is a member of B'nai B'rith, and the Oceanside Hadassah, and has been very active on the executive committees of the Israel bond campaigns.

In fact, Mr. Speaker, later this month, on March 6, Irene Kaplan is being honored for her community service at a testimonial breakfast at the Oceanside Jewish Center.

This community tribute is a recognition of Irene Kaplan's dedication and commitment to her community, and her devoted service to the causes for which she has given so much of her time.

Mr. Speaker, such dedicated service to community, and great achievements in the newspaper field deserve the commendation of every one of us. I know that my colleagues in this Chamber join me in congratulating Irene Kaplan for her achievements, and in offering her all good wishes for continued success in the future.●

1979 EASTER FLOOD IN MISSISSIPPI

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. DOWDY of Mississippi. Mr. Speaker, on behalf of three important organizations in the Fourth District of Mississippi, I have introduced H.R. 1680, to relieve them of any obligation to repay the Federal Emergency Management Agency grants that they received after the 1979 Easter flood in my State, and were later determined ineligible for.

I am happy to say that I have the full support of my colleagues from Mississippi, Congressmen WHITTEN, MONTGOMERY, LOTT, and FRANKLIN, for this important legislation.

Junior Achievement of Jackson, Miss., the Jackson Symphony Orchestra, and the Mississippi Museum of Art were encouraged by the Federal Emergency Management Agency to apply for funds following the 1979 Easter flood in Mississippi. These nonprofit organizations received FEMA grants, repaired the damage caused by the flood, and some months later were demanded by the emergency agency to repay the moneys on the grounds that they were ineligible for such funding.

Each member of the Mississippi congressional delegation contacted FEMA last year, urging officials to reconsider their decision to demand repayment of the grants. Unfortunately, our appeals failed to receive favorable replies.

Junior Achivement, an effective educational vehicle for exposing high school students to the workings of the American economic system, is supported solely through voluntary contribu-

tions. The Jackson Symphony Orchestra and the Mississippi Museum of Art also depend primarily on private moneys since they receive very little public funding. They very well may not have been able to repair their facilities without the FEMA grants, and to repay this Federal aid would probably mean terminating their services.

I urge the Members of the House to join me and my Mississippi colleagues in supporting H.R. 1680. It would be very unfortunate to sacrifice such fine public services because of FEMA's reversed decision that they were not eligible for emergency funding.●

LITHUANIAN INDEPENDENCE DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. RODINO. Mr. Speaker, I want to share with my colleagues a letter to the editor of the Newark Star Ledger written by Jack Stukas, which appeared on February 16. Mr. Stukas writes in recognition of Lithuanian Independence Day, and asks that we pause for a moment to remember the brave struggle for freedom of the Lithuanian people. We should all be reminded that, as Mr. Stukas so eloquently states: "Lithuania will not perish as long as ideals of freedom and justice and righteousness prevail."

THE LITHUANIAN QUEST FOR FREEDOM

DEAR EDITOR: On Feb. 16, nearly a million Americans of Lithuanian descent commemorated the 65th anniversary of the restoration of Lithuanian Independence.

Once the largest state in Europe, from the 14th to the 16 Century, following its union with Poland, Lithuania gradually diminished in size until the Lithuanian-Polish federated state/commonwealth was divided in 1795, among Prussia, Austria and Russia. Most of Lithuania fell subject to harsh czarist rule, until World War I gave her leaders the opportunity on Feb. 16, 1918, to declare to the international community that Lithuania was again an independent state.

During her 22 years of independent life, 1918–1940, Lithuania, and her sister Baltic republics of Latvia and Estonia, made tremendous economic, cultural and social progress. However, in violation of peace treaties and nonaggression pacts, Soviet forces moved into Lithuania and her sister Baltic republics in 1940, and through coercion and fraud, forcibly annexed them.

The seizure of the Baltic States by the Soviet Union was thoroughly investigated by a select Committee of the House of Representatives, 83d Congress, in 1953 and in 1954, which found that "the Soviet Union, without provocation, did in 1940, invade Lithuania, Latvia and Estonia, thus committing an act of unprovoked aggression." Subsequently, on June 21, 1965, the House unanimously passed H.R. 416, urging the President of the United States . . . "to bring the force of world opinion to bear in behalf of the restoration of the rights of self-determination to the Baltic States."

Lithuania, and her sister republics, continue to be occupied and oppressed by Soviet forces and suffer the lack of basic freedoms and rights, including the right to worship. Terror, torture in jails, deportation to slave labor camps, and committal to psychiatric hospitals continue to this day. There is no freedom of press, speech or assembly. Oppression and persecution of the faithful is attested to in an underground paper. "Chronicle of the Catholic Church in Lithuania," which marked its 10th year of existence last year.

Lithuanians in the Free World are thankful to those nations that do not recognize the absorption of Lithuania, Latvia and Estonia by the USSR and regard the Baltic States as victims of aggression, according their former diplomatic corps full recognition. Such is the position of the United States. Both houses of Congress impressively commemorate Lithuanian Independence Day on Feb. 16.

On Jan. 13 of this year, the European Parliament, at its plenary session in Strasbourg, France, adopted a resolution requesting that the Council of Foreign Ministers submit the question of the Baltic States to the Decolonization Subcommittee of the United Nations. The European Parliament overwhelmingly (96 votes against six), expressed hope that the Conference of Foreign Ministers will use their best endeavors to see that the aspirations of the peoples of Lithuania, Latvia and Estonia as to their form of government be realized.

Lithuania will not perish as long as ideals of freedom and justice and righteousness prevail. Lithuania cannot be destroyed by perfidy and brutality and tyranny. There will always be a Lithuania; a Lithuania in the hearts of men, a Lithuania in the culture of people, a Lithuania in the history of the world's struggle for freedom, and in due time, a Lithuania at the conference of the world's great family of nations.

JACK J. STUKAS, Ph. D.,
Vice President, Supreme Committee for the Liberation of Lithuania,
Watchung, N.J.●

YOUTH EMPLOYMENT ACT OF 1983

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. McDADE. Mr. Speaker, today I have introduced the Youth Employment Act of 1983, Legislation that will provide meaningful work and educational benefits for our Nation's young adults as well as establish programs to repair and improve our national public lands.

Over the past 5 years much has been written about the deteriorating condition of our Nation's natural resources. Few realize that the Federal Govenment is solely responsible for the protection, conservation, and productivity of well over 1 billion acres of land. The Department of the Interior alone manages 170 million acres of rangeland, 23 million acres of commercial forests, and 800 national park sites and facilities to mention only several public holdings.

Unfortunately, the pace of public investment in these lands has not kept pace with the demands of those resources. Particularly noticable are the conditions in our national parks and recreation areas. In 1980 alone nearly 200 million people visited Bureau of Land Management recreation areas and 220 million visited national parks. Due to both fiscal and manpower restraints many of these facilities have been forced to close or severly restrict hours of operation.

Another critical resource that is sorely underutilized are our Nation's young adults. While much is written about the 10 percent unemployment rate among adults nearly 40 percent of our Nation's youths are unemployed. This is an intolerable situation and we must strive to rectify this devastating trend.

This bill is patterned after the former Young Adult Conservation Corps and the Youth Conservation Corps. Specifically, the two components of this bill would be funded through 1988 at a $400 million level per year. The Secretary of the Interior would administer the program with the cooperation of the Secretary of Agriculture.

Typical conservation projects carried out through the program would include conservation of urban parks, forests, wildlife refuges, preservation of historic and cultural sites, and development and maintenance of recreation areas, roads, trails, and waterfronts.

Enrollees must be unemployed between the ages of 15 to 25, citizens or lawful permanent residents of the United States.

Reflecting the fact that the Northeastern/Midwestern United States has suffered from the most chronic, long-term unemployment, priority consideration will be afforded those individuals who are economically, socially, and educationally disadvantaged, as well as youth's residing in labor surplus areas and States which had an unemployment rate for youths aged 16 to 25 equal or exceeding 12 percent during the preceding calendar year as established by U.S. Department of Labor Statistics.

Whenever, possible, enrollees would receive academic credit from educational institutions for competence developed from conservation work and training and from academic study during nonworking hours. Work skills would be certified and participants would receive job guidance and placement aid after completing the program.

Mr. Speaker, this country cannot afford to continue to lose the productivity of her young people. Equally important, we cannot lose the productivity of our public lands. This legislation is a small investment in our Nations

future—both her land and her future generation.●

THE MEETING OF THE PARTIES OF THE CONVENTION ON TRADE IN ENDANGERED SPECIES

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. BREAUX. Mr. Speaker, during the 97th Congress considerable attention was paid to the reauthorization of the Endangered Species Act of 1973. Many amendments were made to that act and I believe that we have made significant progress in protecting our Nation's endangered species. We have also reviewed our international commitments regarding the protection of wildlife and, in particular, the Convention on International Trade in Endangered Species of Wildlife Fauna and Flora (CITES). Through legislation and appropriate regulation, I believe we are establishing a proper approach to regulating wildlife through the implementation of professional and scientific management concepts.

In April 1983 the fourth meeting of the parties of CITES will take place in Botswana. Several proposals of major significance will be coming before the parties for action. One of the major areas concerns the concepts of ranching and farming of wild species. In general, those concepts are acceptable as they insure the continuation of species without harming wild stocks. Surinam and Reunion have submitted proposals to ranch and rear green sea turtles in a controlled environment. Green sea turtles are listed in appendix I of CITES and, as a general rule, appendix I species cannot be imported or exported for commercial purposes. However, when appendix I animal species are bred in captivity for commercial purposes they are deemed to be included in appendix II and can be traded commercially in conformity with the provisions of CITES.

In that regard, on January 22, 1982 the Pacific Legal Foundation and the Association for Rational Environmental Alternatives filed a petition for rulemaking with the Fish and Wildlife Service of the U.S. Department of the Interior for implementation of a mariculture exemption for trade in green sea turtle products from the Cayman Island Turtle Farm located on the Grand Cayman Island in the British West Indies. In addition, Grand Cayman Turtle Farm, Ltd. and the Government of the Cayman Islands have requested a review of the policy.

In the fall of 1982, the Subcommittee on Fisheries and Wildlife Conservation and the Environment held oversight hearings pursuant to that request and took testimony on the issue. In addition, I have had an opportunity, in the company of officials of the Department of Commerce, State and Interior, to visit the Cayman Islands and discuss this issue with government officials and managers of the farm. I was pleased to see that, on January 3, 1983, a Federal Register notice was published jointly by officials of the Interior and Commerce indicating that they would review the special rule concerning U.S. trade in certain sea turtle products according to CITES.

Mr. Speaker, I sincerely feel that it is important that the United States continue to review its policies concerning commercial trade in all species. Benefits to be derived from artificial propagation, farming and ranching of wild species is certainly a beneficial and worthy concept. Of course, we must continue to monitor such operations on an individual basis to determine whether or not they meet the criteria established by Congress, the respective Departments of the executive branches as well as the provisions of CITES. We must also make certain that the enforcement capabilities of those agencies are maintained at a level that allows for this monitoring and strict enforcement of the applicable laws and regulations. I commend the Departments of Commerce and Interior for taking this step and sincerely believe that a flexible policy regarding these issues will be one that will be most beneficial to threatened and wild species throughout the world.●

EDUCATION IN THE SCIENCES

HON. COOPER EVANS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. EVANS of Iowa. Mr. Speaker, within the next few days, we will be considering H.R. 1310, the Emergency Math and Science Education Act. This is perhaps one of the most important pieces of legislation to come before this body in some time. In this complex world where computer terminals organize our offices, and advances in technology influence every aspect of our daily life, the importance of educational training in the sciences cannot be overemphasized.

Recently, the president of the University of Iowa, Dr. James O. Freedman, delivered a speech to the Joint Service Clubs of Iowa City, Iowa, that highlights the importance of education in science and technology.

I heartily agree with Dr. Freedman's speech. In today's world, it is becoming almost mandatory for all us to have a basic knowledge of the science. The shortage of trained professionals in the sciences is well documented. The need to enhance education of the sciences on the elementary and secondary level is obvious. Dr. Freedman's speech points these facts out dramatically.

I commend to the attention of this body the following excerpts of Dr. Freedman's speech and urge a quick and positive response to these problems by this body.

EXCERPTS OF DR. FREEDMAN'S SPEECH

As the achievements and applications of scientific research have become more wondrous, we have responded with pride rather than understanding, with respect rather than an achieved, critical distance.

Lacking an adequate appreciation of the basic principles of science and technology, most Americans cannot command the breadth of perspective necessary to meet the challenges presented to a society.

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For a nation that aspires "to think with wisdom" about the social and political consequences of scientific achievement and technological development, such a consequence is profoundly disturbing.

We would do well, in our present predicament, to take Thomas Jefferson as our exemplar. For Jefferson believed passionately that an educated citizenry was the safest repository of democratic values. He believed that one of the purposes of liberal education is to prepare men and women to exercise the serious responsibilities of citizenship.

For too long, liberal education in the United States has neglected to emphasize an understanding of science and technology and of their possibilities and limitations. If we are to vindicate Jefferson's faith in the wisdom and vision of an educated citizenry, we must strengthen our efforts as a nation to instill in young men and women a greater appreciation of the principles of science and technology and of the relevance of those principles to decisions concerning the future of our society.

Liberal education should teach students that science is an intellectual activity of the greatest rigor, subtlety and complexity.

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It should teach students that science is comparable, in many respects, to the creation of poetry, the painting of pictures, and the writing of history.

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As liberal education teaches the principles and nature of science, it must stress that science serves the human aspiration for an ordered explanation of the universe.

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So long as we remain committed to Jefferson's faith that an educated citizenry is the safest repository of democratic values, we must educate the next generations of citizens to appreciate the powers and limits of the general laws which are the foundation of science, so that they can recognize that uncertain line where scientific facts end and political and moral decisions that implicate those facts begin. The challenge of education in the sciences is a challenge to be worthy of the responsibility of democratic citizenship.

By teaching the fundamental principles of science as part of a liberal education, universities will deepen the understanding that students receive of the nature of the universe and enlarge the appreciation that citi-

zens possess of the social meaning of technological change.

They will also sustain this nation's tradition of scientific discovery and technological innovation—a tradition that runs from Benjamin Franklin to Thomas Edison to Luther Burbank to Jonas Salk. And finally, they will enhance this nation's ability to manage the complexity of a modern economy, to release the innovative energies of public agencies and private companies, and to exploit fully the developing opportunities for technological growth.

But each of these outcomes depends upon more than our resolve that liberal education embrace the basic and applied sciences. It also depends upon our success in preparing well-qualified scientists and engineers in numbers adequate to meet our national needs.

At the end of World War II, the international community admired the United States as the world's leading nation in science and technology. During the ensuing years, the United States educated large numbers of scientists and engineers, in part out of fear of Russian superiority as symbolized by Sputnik. Many of the persons trained during these years made contributions that were instrumental in the attainment of our national goals, including efforts to put the first person on the moon, to harness nuclear power for domestic uses, and to perfect open-heart surgery.

These decades of achievement were made possible, in considerable degree, by the sustained investment that the federal government made in universities, an investment that provided scientists with the time, the resources, the laboratories, and the equipment necessary to conduct research and to educate men and women who were entering upon the study and the professions of the sciences.

In recent years, however, the United States has reduced its commitment to scientific excellence. During the period from 1965 to 1980, the proportion of the gross national product that the United States invested in research and development fell by more than 20 percent. During the same period, Japan increased the proportion of its gross national product invested in research and development by 27 percent, West Germany by 41 percent, and the Soviet Union by 21 percent. As a consequence of these developments, the proportion of scientists and engineers in our labor force has declined steadily since 1965.

The United States has now lost its international preeminence in some areas of science and technology. The achievements that enabled our scientists to dominate the Nobel Prizes in science for so many years rest upon investments made many decades ago.

At the moment, many other nations, like Japan, Germany, and France, are making significant national commitments to science and technology, and, more importantly, are allocating the resources that give meaning to those commitments. In France, for example, President Mitterrand has committed the government to support research and development during the next five years at an annual rate at least eight percent greater than the rate of inflation. Nothing approaching this level of support has been discussed by policy makers in this country.

Although undergraduate students continue to be attracted to many of the applied sciences—particularly in areas where opportunities in private industry are great, such as computer science and engineering—fewer young men and women are entering professions involving the basic sciences. Of those who are, fewer are pursuing the study of basic science beyond the baccalaureate degree, primarily because cutbacks in federal funding have restricted opportunities for the graduate education of young scientists.

Taken together, this combination of increased opportunities in private industry and the decreased availability of federal support for the study of science has changed the pattern of student choice that prevailed until recently and has created serious problems for higher education and the nation.

Let me speak specifically of engineering. As you doubtless know, applications and admissions to colleges of engineering across the nation have risen sharply in the last decade, often exceeding the capacity of universities to hire new faculty, to build new classrooms, and to equip new laboratories.

As the opportunities available to engineers in the private sector have become more and more attractive, fewer and fewer engineering students are pursuing graduate studies and the advanced degrees that would qualify them for careers in engineering education. At the same time, an increasing number of faculty members are leaving engineering education in order to take better-paying positions in the private sector.

If these disturbing trends continue, the standards of engineering education in the United States—now among the highest in the world—will inevitably decline. And as they do, our society's capacity to prepare a sufficient number of engineers who are qualified to meet our most imperative national needs will be in serious jeopardy. So, too, will our nation's capacity to support technological innovation.

If the United States is to have a sufficient number of skilled engineers and other scientists, it must make a national commitment to enrich the resources of universities to prepare men and women for careers in basic and applied sciences—men and women who will engage in teaching as well as in research.

Universities account for more than half of the basic research conducted in the United States. Forty percent of all the scientists and engineers engaged in basic research are employed by universities. Seventy percent of all Ph.D.s engaged in basic research are employed by universities. University scientists thus comprise one of the nation's most important resources.

But universities face many obstacles to making science and scientific careers attractive to students and faculty members. One of the most prominent is the deterioration of laboratory facilities and equipment for carrying out basic research.

A recent report of the National Science Foundation found that the growing obsolescence of scientific instrumentation is impeding both the progress of fundamental research and the rate of technological innovation in the United States.

When universities do not possess state-of-the-art equipment—which is too frequently the case today—they are unable to prepare scientists for the most advanced and promising opportunities in the educational and industrial worlds. In addition, scientists who have not been trained to use state-of-the-art equipment while they are students inevitably will be forced to undertake costly retraining at a later time if their career development is not to be artificially limited.

As scientific instrumentation in the nation's leading research universities becomes increasingly out-of-date these universities cannot effectively carry out the basic research upon which scientific innovation depends.

The crucial link between basic research and scientific innovation is well-illustrated by a current development at the University of Iowa. Faculty members from the College of Engineering and the College of Medicine are working together to develop two-dimensional echo-cardiograms to distinguish abnormal heart tissue from normal heart tissue. If their interdisciplinary investigation is fully successful, echo-amplitude analysis will be an easily-implemented and noninvasive means of characterizing heart tissue.

Having collaborated closely with the heart specialists, the engineers are now building a prototype of the innovative instrumentation required for the use of this new diagnostic technique. From this prototype, private industry will develop technologically the actual instruments that physicians will one day use. The basic research done at the University will thus provide private industry with a creative contribution that it can make the subject of commercial development.

As this example suggests, there is a dynamic interplay between basic research and technological development. That interplay can only thrive if universities have state-of-the-art equipment with which to conduct basic research. If they do not, many commercial industries—including, in this case, the medical instrumentation industry—will lose their competitive position in the markets of the world and suffer serious economic loss. It is essential, therefore, that this nation undertake a major program to renovate, rehabilitate, and modernize the facilities and equipment at those universities where basic research is carried forward.

Because the teaching of science, the conduct of scientific research, and the rate of scientific innovation depend so heavily upon the quality of universities, this nation must also insure that academic careers remain attractive to scientists—those who presently are faculty members and, equally important, those who prospectively are faculty members. At the same time, it must make special efforts to encourage more people to undertake careers in science—especially women and members of minority groups, who remain seriously underrepresented in the occupational spectrum of the sciences.

The problems of education in the sciences are not limited, however, to universities and colleges. One of the great unfinished items on the agenda of this nation is to strengthen the quality of secondary education. And in no area of secondary education is the need for strength more urgent than it is in the sciences.

Any demonstration of that need must begin with the fact that half of all students now in high school take no courses in science beyond the tenth grade. In a recent report, the National Science Foundation warned that "the most serious, long-term threat to our national science and technology capabilities is the declining emphasis on science and mathematics in the nation's secondary schools."

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Unless we reverse the trends they (NSF) document, our continuing failure to prepare sufficient numbers of qualified teachers of science for our secondary schools will have serious consequences for the development of the human resources of the nation.

When education in the sciences is deficient in secondary schools, students who have the aptitude and ability to become scientists are not identified because they are not exposed to the excitement that science holds, nor are they motivated to accept the challenges that advanced courses in science would bring.

In addition, those students who do not go on to universities or colleges are not adequately prepared to live and work in a society in which the need to understand the impact of science and technology grows greater every year.

The preparation of new generations of Americans competent in science will require teachers who can capture the imagination of secondary school students by the model of their mastery and the glow of their enthusiasm and can motivate students to pursue the advanced study of science when they enter universities and colleges.

Yet, far too few college graduates are electing to become teachers of science at the secondary school level. A recent study by the Iowa Academy of Science reported that in 1970, Iowa colleges and universities graduated 269 certified science teachers; in 1982, they graduated only 87. A University of California study came to a similar conclusion. It found that the number of college graduates preparing to teach secondary school science courses declined from 1971 to 1980 by 65 percent.

Many college graduates who are qualified for careers in secondary school science teaching choose instead to work for private industry because the financial rewards are greater. At the same time, more and more secondary school teachers of science are leaving their jobs in order to take positions in private industry at significantly higher salaries.

In addition, the relative position of secondary school teaching in the status structure of American occupations has declined steadily during the past three decades. Our society no longer accords secondary school teachers the kind of public respect that in an earlier day sustained their devotion and compensated them for their comparatively modest salaries.

Unless we are prepared to compensate secondary school teachers adequately and to grant them the esteem they merit, we cannot expect to attract teachers in the numbers and of the quality that we must have if we are to educate the generations of scientific technicians and industrial leaders that an internationally-competitive economy will, in the years ahead, most certainly need.

The future of this country depends upon the investment that our generation chooses to make in the most able and most promising of our young men and women. It was Adam Smith, whose name is so often invoked in economic discussions these days, who wisely said, "The skill, dexterity, and knowledge of a nation's people is the most powerful engine of its economic growth."

If we fail to invest in our nation's young people now because the costs seem high, the price we pay later will be higher still, because the trends by which the United States has already lost its preeminence in several areas of science and technology will almost certainly accelerate.

We are a nation that has benefited greatly from education—in the stable political freedom that we have enjoyed, in the economic prosperity that we have, for so long, taken virtually for granted, in the shared social responsibilities that we have voluntarily assumed. Because we have benefited so greatly from education, the weakening of our national commitment to education in the sciences is a source for serious concern.

We still have the opportunity to reverse the deterioration in science education that has occurred in recent decades. We still have the opportunity to bridge the "gulf of mutual incomprehension" between the two cultures that C. P. Snow warned against in 1959. We still have the opportunity to vindicate Jefferson's faith that an educated citizenry is the safest repository of democratic values. But we must act promptly and we must act decisively.

H. G. Wells, the British author, once wrote that "civilization is a race between education and catastrophe." As we seize the opportunity to strengthen education in the sciences, at both the university and the secondary school levels, we will not only insure that education wins that race with catastrophe. We will also enrich the quality of our civilization.●

DAIRY SURPLUS REDUCTION ACT WILL WORK

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. GUNDERSON. Mr. Speaker, on February 17, the Dairy Surplus Reduction Act (H.R. 1528) was introduced by a bipartisan group of Congressmen to offer a new and better solution to the surplus production problem that continues in the dairy industry.

In brief, the legislation would establish a voluntary incentive program under which participating dairy producers would be paid $10 per hundredweight for reductions they make from the level of milk they marketed in calendar year 1982. Funding for the incentive payments would come from a single 50 cents per hundredweight deduction on all milk marketed commercially.

When introducing H.R. 1528, its sponsors noted that it would solve the surplus production problem faster and at a lower cost to the Government while, at the same time, providing participating producers with greater annual income than under the current deduction program.

A scientific and computerized random sample of readers conducted recently by the national dairy magazine Hoard's Dairyman concludes that 60 percent of American dairy farmers would participate in this voluntary program. This would result in a total annual reduction in milk production of 12 billion pounds and a total annual savings of $1.5 billion to the Government.

Mr. Speaker, the complete results of the survey were reported in this morning's Milwaukee Sentinel. That article follows and I commend my colleagues' attention to it and H.R. 1528:

SIXTY PERCENT OF U.S. FARMERS POLLED WOULD CUT MILK PRODUCTION

FORT ATKINSON.—About 60 percent of U.S. dairy farmers would voluntarily take part in a proposed program to cut back milk production by 12 billion pounds and save the government nearly $1.5 billion annually, according to a survey by a national dairy magazine.

W. D. Knox, editor of Hoard's Dairyman, said Monday that 1,894 questionnaires were sent out, and 571 usable responses were received. He said the accuracy of the survey was within plus or minus 5 percent.

Knox said 62 percent of those surveyed in the West approved of the proposal, 61 percent of those in the North Central region, 62 percent in the Southwest, 65 percent in the Southeast and 51 percent in the Northeast.

The survey concerned the Voluntary Incentive Program developed by a coalition of farm and dairy organizations and milk plant operators. It was introduced in Congress Feb. 17 by a bipartisan group of Senators and Congressmen.

The government now is spending $2.2 billion per year to buy and store surplus cheese, butter and non-fat milk powder. The support price for milk has been frozen at $13.10 per hundredweight for the last three years, but farm milk production has continued to climb.

Knox said that paying a $10-per-hundredweight incentive to farmers who cut back production instead of $17 per hundredweight for a surplus, would save $840 million, and an additional $615 million would be raised through a 50-cent-per-hundredweight government assessment on what is produced.

The survey results have been sent to Department of Agriculture economists who are analyzing various options he said.

"One thing is certain," Knox said. "The present program is not working. The surplus problem is growing and a simple reduction in the support level will not solve it."●

CONSUMER DEBTOR BANKRUPTCY REFORM LEGISLATION

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. DAUB. Mr. Speaker, I rise in support of the "Consumer Debtor Bankruptcy Amendments Act of 1983."

As a small businessman, credit union president, and attorney, I have followed with interest and concern the rising number of unnecessary straight bankruptcy filings, much of which stems from abuses of our current bankruptcy laws. Many of my constituents are also becoming aware of the problems relating to chapter 7 "straight" bankruptcy because the issue has expanded from one of concern to the retailing and credit industry to one that affects each American citizen.

Over the last several years, the number of personal bankruptcies has increased dramatically. Though some of this increase can be laid on hard

economic times, the rate of increase has far exceeded levels in previous recessions. I believe that there is now a clear consensus that a large portion of this increase has been the result of unnecessary filings encouraged by the unintended effects of reforms in the 1978 Bankruptcy Reform Act.

Quite simply, the 1978 act may have gone too far in the name of giving all debtors an opportunity for a fresh start. Too little attention may have been paid to the basic fact that credit is extended on the basis of an ability to pay from future earnings. As a result, the current Bankruptcy Code allows an individual to claim bankruptcy based on a strict assets-versus-liabilities test that need not take into account the ability of the individual to repay debts from future income. Losses incurred by retailers and other creditors from bankruptcy-related losses are passed on to other consumers in the form of higher prices or tighter credit standards. This can be a particular problem for small businesses which often must rely on credit sales to compete with the major chain operations.

A recent national study underscores the magnitude of the problem. Of the $6 billion worth of debt wiped out each year under chapter 7, it has been estimated as much as one-quarter represents individuals who could, without undue hardship, repay the money owed. This is not fair to the rest of our citizens and must be corrected.

Let me emphasize that the bankruptcy laws are a necessary element of an enlightened and progressive society, and I would not for a moment consider changes that would adversely affect their real mission—to afford relief for borrowers who are truly unable to meet their loan obligations. Individuals who find themselves unable to pay their debts because they have been laid off from their jobs or have been unexpectedly faced with other difficult economic circumstances need the opportunity provided by our bankruptcy laws to pick up the pieces of their lives. This does not mean, however, that our bankruptcy laws were ever intended to allow individuals to rid themselves of debt that they knowingly and fairly accepted and have the ability to repay.

It is for the purpose of correcting the abuses in our bankruptcy system and restoring the needed balance between debtor protection and fulfillment of debt obligations that I join Representative SYNAR and others in cosponsoring this legislation.

If enacted, the Consumer Debtor Bankruptcy Amendments Act would provide a number of reforms needed to stem the growing tide of unnecessary bankruptcies. It would insure, for example, that debtors who have filed for bankruptcy receive counseling with respect to their options under the Bankruptcy Code. This is critical. Interviews with persons who have gone through bankruptcy proceedings suggest that a large number of consumer debtors are unaware of the option of seeking a rearrangement of their debts by filing under chapter 13 of the code. Greater public awareness of the availability of the chapter 13 protections which allow a debtor to restructure his or her debts on a more manageable repayment schedule could save thousands of Americans each year from jeopardizing their access to credit in the future. The need for better counseling of prospective bankrupts by the bankruptcy courts themselves was one of the major findings of the National Commission on Bankruptcy.

In addition, the bill we are introducing today would grant bankruptcy courts the authority to halt a bankruptcy proceeding where the court determines, on its own motion, that the granting of relief would involve substantial abuse of the bankruptcy laws. This represents a significant modification from provisions contained in prior versions of the legislation which would have allowed a creditor to put in issue a debtor's eligibility for straight bankruptcy relief. Under the terms of last year's bill, H.R. 4786—and I believe under the terms of Representative BOUQUARD's recently introduced bankruptcy legislation, H.R. 1169—a creditor, as well as the court, would be allowed to raise the issue of whether a debtor is in fact capable of paying all of his or her debts under a rearrangement. I still believe a creditor should have the right to raise that issue, but at least the bankruptcy courts will have authority on their own motion to review and to dismiss unnecessary or abusive filings. Moreover, I believe this change will significantly improve the legislation in the eyes of many of our colleagues.

Other provisions of the bill carry forward many of the valuable reforms of the 1978 act by further streamlining or eliminating cumbersome administrative procedures.

I would further add that this measure corrects a situation that has created great difficulty and hardship for our agricultural community. Grain elevator failures pose a special problem because of the inability of the courts to move quickly to distribute back to the farmer the crops that have been stored in bankrupt elevators even if the operator has no title to the grain.

This part of the legislation has been endorsed by the Farm Bureau Federation, the American Soybean Association, National Association of Wheat Growers, the American Agricultural Movement, National Governors Conference, National Association of State Departments of Agriculture, as well as others. I would point out that the original opposition of the American Bankers Association to this provision has been resolved.

Very simply, this legislation allows the courts to accept valid warehouse receipts and scale tickets as proof of ownership. It requires the judge to meet a 120-day time limit on the determination of grain ownership. If the farmer makes demand for reclamation of his crops, the court may honor it, and if it does not, then the court shall secure such a claim with a lien. Finally, the bill provides that all holders of a valid warehouse receipt shall share in the distribution of the assets. Those not holding warehouse receipts shall share in the second tier of distribution.

This legislation is long overdue for consideration in this body and I am very pleased that today we have the opportunity to address it as part of an overall package of reform and consumer protection.

I look forward to speedy consideration and passage of this important legislation.●

DR. WILLIAM R. PITTS, SR.: A TRIBUTE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. MICHEL. Mr. Speaker, yesterday I had the sad duty to report to you and our colleagues the death of a universally respected and beloved member of our Capitol Hill family. I refer to Dr. William R. Pitts, Sr., who served almost 40 years in the House. For a quarter of a century he was an irreplaceable aide to Les Arends, my Illinois colleague and former minority whip.

In 1973, following Dr. Pitts' retirement, another Illinois colleague, Harold R. Collier, inserted into the CONGRESSIONAL RECORD a story about Bill Pitts that appeared in the De Kalb, Ill., Chronicle. Because this story says so much about this great public servant and because Harold Collier's introductory remarks are so informative, I want at this time to insert into the RECORD "Bill Pitts Departs From Capitol Hill," an insert into the CONGRESSIONAL RECORD by the Honorable Harold R. Collier of Illinois, May 15, 1973:

BILL PITTS DEPARTS FROM CAPITOL HILL

Mr. COLLIER. Mr. Speaker, during my 16 years in Congress I have become well-acquainted with many of the able and dedicated people who work on Capitol Hill. Some of them are employed by the individual Members, some by the committees, and some by the leadership.

One of the employees who has labored here diligently and conscientiously for many years is William R. Pitts, more familiarly known as Bill. He worked for several Members, including Thomas C. Cochran of

Pennsylvania, Charles Halleck of Indiana, and three Illinoisans, Ralph Church, Charles S. Dewey, and Leslie C. Arends. Bill put in a quarter of a century as an aide to Arends, the Republican whip.

Dr. Pitts retired at the expiration of the 92d Congress, but I am sure that he finds plenty to occupy his mind and exercise his numerous talents. My best wishes accompany him as he departs from the Nation's Capital.

Mr. Speaker, I would like to extend my remarks in the RECORD by inserting a story that appeared in the De Kalb, Ill., Chronicle:

STORIES A CONGRESSIONAL AIDE CAN TELL

WASHINGTON.—Bill Pitts, longtime aide to house minority whip Leslie C. Arends of Illinois, is retiring from Capitol Hill to his old books and a new pool table.

"I'll miss the hill," says Pitts, a small compact, gray man of 65 whose heavy glasses let his warmth and wisdom shine through. "You feel you're on the inside of momentous decisions. But there are frustrations when your ego has to work in anonymity."

Dr. William R. Pitts, "The old professor" to some of his friends, has a right to an ego, though he'd probably be the last to take an ego trip. For all his college degrees, he's as easy to talk to as your best neighbor.

Bill started out as the "Boy Wonder of Sharon" back in Pennsylvania where he was born in 1907, the son of a steel worker in the rolling hills.

In high school, Bill was bookish and ill at ease with small talk but he was a demon on the debate platform. He made it to the Chicago finals in the national scholastic championship and walked off with the $2,000 scholarship top prize.

"I was small and slim," Bill recalls. "My stature entered into it a little bit, but I also had a capacity to talk with feeling."

Bill's debate scholarship got him into Brown University, a small Ivy League college for boys in Providence, R.I. By waiting on fraternity tables, working as a night librarian, and picking up some of the endowment money as a debater, he earned his way. He left Brown with a bachelor of arts and a masters in history.

He returned to Sharon during the depression and wangled a job at a "Scotch clergyman's stipend" from the editor of The Sharon Herald. Bill wrote editorials and byline articles on foreign affairs. This soon led to the knife-and-fork circuit as a speaker at Rotary, Kiwanis and similar club meetings.

When his Methodist minister took a sabbatical and the pulpit replacement failed to arrive in time, Bill was prevailed upon to fill in as a lay preacher. He did so well, he never missed a Sunday in some pulpit in Pennsylvania, Ohio or Indiana.

Bill got to Washington when his editor told Rep. Thomas C. Cochran, a Pennsylvania Republican, he had a young man on the staff who wanted to study law. The editor suggested Bill work in the congressman's office and go to school at night.

That's the way it worked out. Bill attended Georgetown University for some eight years, winning a bachelor's, master's and doctorate in law.

"I wouldn't do it again," says Pitts. "I had an intellectual curiosity. I wanted to be a professor in government."

About the time Cochran decided to return to Pennsylvania to become a judge, Bill married Florence Graham in 1935. She was from nearby Niles, Ohio, just across the line from Sharon, and they had met on a blind date. They're still together as Bill goes into retirement.

With his new responsibilities, Bill wanted a congressman "with a safe district" so he went with Rep. Ralph Church of Evanston, Ill. He even took up residence in Evanston.

When Church lost in a senatorial primary, Bill decided to go into law, but Charles S. Dewey, a Republican running in Church's old neighboring district, said Bill should stay in Washington with him.

"It was too precarious, but he talked me into it," Bill grins.

World War II came and Bill went into the Navy as a deck officer under training for amphibious operations. He got orders to the Navy Department as a special assistant to the renegotiation board and handled all the board's appeals. He dealt frequently with the Navy Secy. James V. Forrestal, who gave him a commendation ribbon.

"I admired him greatly," say Bill. "He was one of the greatest men I ever came in contact with. He was fair and compassionate."

Dewey, Bill's former millionaire congressman boss, was meanwhile defeated for reelection. But when they met again after Bill was mustered out in the rank of lieutenant commander, Dewey persuaded his one time aide to join him at Chase National Bank in New York City where he was a vice president.

"I ended up with the bank as special legal officer attached to the hierarchy," says Bill.

He hadn't moved his family, so when he returned about a year later to pack for New York, he ran into Rep. Charley Halleck, newly-elevated majority leader of the Republican 80th congress.

"Oh, great!" Bill said when Halleck asked him to be his aide. "I'd like that."

"The 80th was a great congress," declares Bill. "It passed the Taft-Hartley Act, it balanced the budget, it had a surplus, it initiated the Marshall Plan for Truman and he called it the "Do-nothing congress."

As Bill sees it, it won the enmity of the Democrats because Halleck bottled up in rules and cut back on more federal housing and aid to education and public works projects on the premise the administration hadn't spent the money already appropriated.

Halleck he assesses as "an intellectual, impatient and brusque," a man calculated to give prima donnas and slow learners a hard time.

"Halleck was a great leader because he really led. He was also a great speaker. He could ad lib and give meaning to your words. He could adjust the manuscript to the situation when things were moving fast. It was said of him that he "absorbed knowledge through his skin."

His most "dramatic" time with Halleck was the GOP national convention when Halleck was in line for the vice-presidential nomination but Tom Dewey won it.

"The Dewey people, in my judgment, double-crossed Halleck," says Bill. "They promised him the nomination if he could deliver certain delegations. He filled his side of the bargain."

The Republicans lost the house and Speaker Joe Martin had to step back down to the minority leader's post, bumping Halleck. Halleck didn't want the whip post, held by his lieutenant Arends. He supported Arends' bid to keep it and Arends won.

Bill Pitts joined Arends, who has been whip longer than anyone in the history of the house.

Bill spent 25 years as the Illinoisan's whip aide.

"Dramatics are not Arends' nature," says Bill when asked to highlight his experience. "But he's a great guy to work for."

Arends would never neglect his district for national affairs, says Bill, although by the same token he takes the whip assignment seriously.

Bill says his worst day came when the bells that call members to the chamber "kept clanging."

"We didn't know what was going on until the cloakroom told us there was shooting in the house and some members were hurt. We heard that a bullet had gone through the leadership desk."

This was where Arends sat. When the Puerto Ricans shot up the house that day, one bullet kicked up a splinter from the desk into his eye, but he was unhurt.

Arends returned to his office shakey and nervous, saying he just "couldn't understand it," Bill recalls.

Bill spent his last day in Arends office briefing his successor, Joseph H. MacCaulay, who had formerly worked for Congresswoman Charlotte T. Reid and other members of the house.

Bill says a good staff man should have a motto. His has been: "Work unseen, be more that you seem."

A TRIBUTE TO DELBERT E. (PETE) ALLEN, JR.

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. HAMMERSCHMIDT. Mr. Speaker, I would like to take this opportunity to offer my congratulations to Delbert E. "Pete" Allen, Jr., who was recently selected to be the chairman of the National Food Processors Association at its 76th annual meeting in Los Angeles earlier this month.

Although the honor was a choice one for Pete, who has spent his entire life in the food processing business, the honor also belongs to the Allen Canning Co. and to the entire State of Arkansas. Pete is the first Arkansan in the history of the association to serve as chairman.

At this time, I am inserting in the CONGRESSIONAL RECORD, the article entitled, "Allen: World's Largest Private Canner, and Growing" from the January issue of the publication entitled, "Processed Prepared Foods," which documents the amazing Allen success story.

The article follows:

[From the Prepared Foods, January 1983]

ALLEN: WORLD'S LARGEST PRIVATE CANNER, AND GROWING

NFPA'S NEW CHAIRMAN, DELBERT E. ALLEN, JR., THE LEADING CANNER OF SOUTHERN SPECIALTY VEGETABLES AND PRODUCER OF POPEYE BRAND SPINACH IS STILL FLEXING ITS MUSCLES AFTER A DECADE OF DRAMATIC GROWTH

(By Mike Pehanich, business editor)

Old wood-frame processing plants that helped anchor northwest Arkansas' agricultural economy decades ago for the most part are gone today. However, one can still

find remnants of the old canneries where farmers brought the yield of their 20 to 40 acre plots each season.

This is one case where numbers tell the story best. The Ozark Canners Association once boasted more than 300 members. Its descendant organization, the Ozark Food Processors Association, lists only three names on its roster today.

One of the survivors of this not quite forgotten era is Allen Canning Company. But more than an anachronism, Allen is today the largest privately owned food processing company in the world, as well as the largest producer of processed southern specialty vegetables.

BUSINESS CARRIES ON FAMILY TRADITION

Pete Allen sits comfortably in his office in Siloam Springs, Ark. with a desk-size statue of Popeye—figurehead of the company's world-famous spinach branch—guarding a stack of Allen-labeled vegetable cans. He has obviously before fielded remarks that family-owned big business is an anomaly.

"We have a lot of heritage, a long family tradition," says Pete. "We know it's unique today to have a family company that's successful on a large scale. But the fact is we thought on going public 10–14 years ago and today we are further away from it than we were then. We think we can stay more in tune with the business being private."

"Pete" is Delbert Allen, Jr., the Allen Canning president. Recently he was inducted as 1983 chairman of the board of the National Food Processors Association, demonstraing that the Arkansas Ozarks have contributed considerably more than moonshine and folklore to the national product.

But ask Pete to elaborate on his success and you'll likely here more about his heritage than his personal accomplishments.

He'll talk at length about his father, Delbert Allen, Sr., whom he succeeded as president and who remains as Allen Canning's chairman of the board. He'll also bring in the older member of the current Allen triumvirate, his brother Roderick L. "Rick" Allen, the company's executive vice-president. Next, he'll trace the company's origins to their grandfather, Earl Allen, who hauled his first truckload of canned tomatoes to a Tulsa, Oklahoma market in 1926 to ink the first page in the company's history.

Like the owners of most private companies, the Allens keep profit figures close to the vest. Still, sales have been placed at between $100 and $115 million annually. More than 75 products, ranging from shoestring potatoes (potato sticks) to a lengthy line of canned vegetables, come out of Allen plants. The company has averaged 20% annual growth in recent decades, excluding the volume growth of its acquisitions, and has achieved more than 1100% growth through the 1970s alone.

Through it all, the Allens have remained down home and low-key in manner and kept close to their operations—figuratively and literally. Delbert Allen, Sr., still lives in the home that stands only a stone's throw from the site of the first Allen plant—which burned to the ground in 1962, but was reconstructed almost before the smoke had cleared. And with the exception of their private buffalo herd, the only sign of eccentricity, the family has shown little inclination to play with its profits outside of its plants.

"We operate lean and mean," says Pete. "We are competitive. We feel that we have to be the low-cost producer so every year we pour profits back into the company to modernize our plants and our operations. That's the beauty of the private company: you can spend your money in the best possible way for the company without having to worry about the bank that owns 20 percent of your stock rising up in arms."

"It doesn't take us a long time to make a decision," says the youngest Allen, Rick. "If we have to purchase machinery, consolidate our operations, or even acquire another company, we can do it without endless management debate or awaiting board approval. We're just fortunate to have a family that works together."

COMPANY EXPERIENCED GRADUAL GROWTH

While business sense no doubt runs deep through the Allen bloodlines, the company's major decisions were kept on a rather modest scale through its early decades. Growth came gradually. Its Country Plant (Plant #1) sprouted up in the family front yard and housed all of the Allen operations until 1945 when the company purchased its Town Plant in nearly Siloam Springs. It also constructed headquarters in town that same year.

In 1946, a small multi-product plant in Gentry, Ark. was purchased. But that was the end of acquisitions for a while. Allen Canning began to broaden its product base, processing various greens (turnip, mustard, kale, poke salet, collard), blackberries and sweet potatoes. The move proved to be strategically sound as it more or less positioned the company to compete in the '70s and '80s by establishing a product mix of specialty items before a backdrop of processed commodity-type products.

Today, the specialty items include the company's internationally known Popeye brand spinach, yams, okra, a variety of greens and peas, and lima beans, among others. These have helped brace the company against commodity fluctuations, which have crippled many commodity-dependent packers in recent years.

"The canner that deals only in commodities is in trouble today," sums Rick Allen.

When Earl Allen died in 1948, his son, Delbert, stepped in to run the gradually growing business. And as the Ozark canner came closer to becoming an endangered species, Delbert further developed the company's existing markets and added new plant machinery to improve operating efficiency as the company moved through the '60s. As the baton passed to Pete in 1970, Allen Canning was well-positioned to make major acquisitions, and whatever else was necessary, to make it a big-time vegetable processor.

Keeping a close relationship with many industry figures proved its advantages in 1971 when H. L. Hunt decided to rid itself of its plants in Van Buren and Alma, Ark., as well as its Alma and Butterfield labels. The conglomerate approached the Allens to probe their interest in acquiring the multi-product plants.

"We saw an opportunity not only to increase production capacity, but to market products we hadn't had before," remembers Pete. "We realized, too, that most of the southern greens and the curly leaf spinach (special to the Arkansas region) were raised in the Ozarks and that the HLH plants were within 20 miles of the spinach and greens acreage."

The purchase began a series of acquisitions during the '70s that stimulated a remarkable 1100 percent growth that decade. Two years later, an ultra-modern plant in Moorhead, Miss. became available in a federal auction.

"The southeast market was growing and we figured that a southeast plant would be advantageous," recollects Pete. "The plant was also, again, very close to the products being grown—the carrots, Tennessee green beans, squash, okra, and rutabaga."

With the Moorhead acquisition under its belt, the Allens picked up mid-decade momentum with the purchase of the King Pharr Yam processing plant in Oak Grove, La. in 1975. The family believed there was a sizable potential market for a quality southern yam and found that the King Pharr plant was positioned within a 30-40 mile radius of the yam fields. To produce the quality product it felt the market needed, it had to re-equip the plant.

"Our strategy for making acquisitions is to take a long look at an operation and try to see what should be done and isn't being done, and then speculate whether or not we can do a better job," says Pete. "If we can, we make the purchase. I'm sure that it could happen, but so far, we haven't made a mistake."

In 1971, the only major Allen competitor from the old Ozark Canners Association days—Steel Canning—sold its operations to Pioneer Foods, a rice processing firm in southern Arkansas.

The Allens kept their eye on developments. A gradual evolution in its marketing strategy had begun to take place, and the company saw the old Steele operation, like the other purchases in the '70s, fitting well into its plans. Allen had already seen a potential for low sodium canned vegetables as far back as 1960 and had positioned itself with products to exploit that market. It has also alertly looked to export possibilities. But it wanted to take greater advantage of the opportunities the institutional food market provided. Steele operations would help them gain an even greater share of the foodservice market.

"We were looking to institutional markets because we knew they would continue to grow through the year 2000," says Pete Allen. "During the '70s we were looking for the needed production capacity to tap that market. Practically all of the companies we looked at during this time were previously involved in institutional foods. We just expanded on what they were doing."

The Allens' suspicion that Pioneer's expertise in rice might not carry over into the canning industry proved to be right. When Pioneer opted to sell the plants it had purchased from Joe Steele, the Allens were happy to pick up the pieces.

The Pioneer/Steele acquisition added eight plants in the Arkansas-Oklahoma area to Allen's operations, though some were quickly consolidated. It also gave the company its popular "Popeye" spinach brand, which has been a successful export as well as domestic product. Institutional food sales were increased, as well, and soon made up 35% of the company's total business, where they remain today.

PLANNING FOR FUTURE ENSURED SUCCESS

The Allens wax philosophical as they look back at their growth over the past seven decades.

"It was simply a matter of who could see the future best and plan for the future best," assesses Delbert Allen, Sr. "It turns out that we had the best staying power. We're the only pioneering company left in the area."

The Allens point to a host of insights and quick decisions that gave them an edge over the years. They foresaw a growing market in the American southeast and positioned themselves to cop a giant share of that market. They also elected early to keep

their plants up-to-date technologically to avoid one common pitfall of many in the canning industry—antiquated equipment.

ALLEN EYEING NEW OFFERINGS

What's next for Allen Canning? The Allens don't like to reveal family secrets, but they are admittedly looking at the possibilities of the flat can—perhaps for canned entree items. And frozen products and exports remain a possibility.

"America has been generally naive in export thinking," analyzes Pete Allen. "California suffered from a surplus of fruits last year while a major export market was available. We're looking seriously at exports.

"Many third world nations, and the Saudis in particular, know about southern black-eyed peas because the U.S. has been shipping them overseas as a cheap protein source. So, that's one product for which the recognition problem has been solved. We're a step further ahead with Popeye on our spinach cans. However, some of our other items aren't nearly as well recognized abroad," he said.

"American tastes rub off in foreign countries when Americans are living or working there," adds Delbert Allen, Sr. "the Okies and the Arkies took their tastes to California during the dust bowl years and California is still the best market for poke salad greens. The same could happen in foreign countries where there are Americans looking for back-home dishes."

The export market is not, however, the only area targeted for sales growth at the present time. Though Allen products sit on some shelves north of the Mason-Dixon line, there are still significant inroads to be made into large portions of the available Yankee market. Still, an awakening interest in "soul food" dishes—and the "healthful" qualities of the southern specialty vegetables—could provide Allen with a springboard into larger portions of these markets.

"We probably need to do a better job of telling the story of the nutritional quality of southern vegetables," says Pete. "The whole vegetable industry should tout the nutritional qualities of their products, in fact."

BUSINESS TO REMAIN FAMILY-RUN

Whatever direction it heads, Allen Canning will remain a family-run operation for some time to come. Far from an oddity, Allen Canning might just as well represent a new wave, to hear its owners.

"Many publicly-owned companies are trying to get back to being private," says Pete. "We don't have long-term debt and liquidity problems. If we are going to add a warehouse or some equipment, the funds are available. I can appreciate the foresight my father had in putting the company on a sound financial base. We are approached each year by several companies—both stateside and foreign—who would like to buy Allen Canning. But we simply take their offer as a compliment. We're not interested.

"We run a tight ship. We wear a lot of hats. We can tighten our belt faster, adjust to conditions faster. We're on the threshold of tremendous technological growth. We have a sound base and a good staff."

Pete Allen takes a long breath.

"We're here for the long pull," he says.●

THE USE OF FORMALDEHYDE

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. BLILEY. Mr. Speaker, the use of formaldehyde in various products has become the subject of widespread discussion and controversy in recent months. Several Federal agencies with health-related regulatory responsibility have taken markedly different views on the need for and scope of regulation of formaldehyde. Only the Consumer Product Safety Commission (CPSC), which banned urea-formaldehyde foam insulation for use in residences and schools in 1982, has concluded that emergency regulation of formaldehyde is necessary. The Occupational Safety and Health Administration and the Environmental Protection Agency, on the other hand, concluded after study that available scientific evidence failed to warrant regulation.

CPSC's ban of urea-formaldehyde foam insulation is presently the subject of a lawsuit. The Washington Legal Foundation (WLF), a public interest law firm with over 80,000 members and 120,000 supporters, filed a brief in that case urging reversal of CPSC's ban on the grounds that CPSC failed to employ "good science" in exercising its regulatory authority. WLF noted that the Agency's action amounted to "regulation by speculation" and that similarly unjustified regulatory initiatives would be undertaken with respect to other products in the future.

The WLF has brought to my attention an editorial by the British Industrial Biological Research Association (BIBRA), a respected toxological organization, which supports WLF's view of CPSC's approach to formaldehyde regulation. Given the amount of its budget that CPSC has spent on formaldehyde regulation as well as the costs of its initiative, I believe that the BIBRA editorial deserves the consideration of my colleagues. I ask unanimous consent that the editorial be printed in the RECORD at this point.

The editorial follows:

EDITORIAL

The Consumer Product Safety Commission (CPSC) in the United States employs about 600 people at a cost of about 33 million dollars every year. In recent years they have spent about 10 million dollars a year attacking the use of urea-formaldehyde foam (UFF) for home insulation on the grounds that it constitutes a serious hazard to health because it might release around 0.1 ppm of formaldehyde into the ambient air, and occasionally up to 2 ppm where the installation has not been impeccable. The CPSC claims that levels of 0.1 ppm (though not 2 ppm) may persist for up to a year and a half and that, as a direct consequence of this, about 90 of those people currently exposed could develop cancer. (The original CPSC estimate of 150 victims has somewhat mysteriously declined.) As a consequence of the activities of the CPSC, culminating in the recently published regulation banning UFF, a section of the home insulation industry has been virtually wiped out in the United States.

The CPSC is a political body, and given the quality of contemporary political leadership in the West it is perhaps not surprising that the quality of decisions leaves a great deal to be desired. That these decisions are backed by a budget that few outside government could match is also a sign of the times (though this imbalance is under redress in the United Kingdom). But it is rare, even now, for an issue so contrived as the case against formaldehyde to be brought to such an effective and speedy conclusion, and one may note that the Environmental Protection Agency (8,500) employees and an annual budget in excess of 3.5 billion dollars), after much soul searching, has decided that formaldehyde does not constitute a risk among the U.S. population.

The real significance of the CPSC action is that by trivializing serious toxicological problems, by using hearsay evidence from people whose motivation is suspect, by using analyses which load the dice against a product, and by ignoring expert opinion and a mass of (admittedly imperfect) epidemiological evidence, the industrial use of an indispensable commodity chemical might yet be placed in jeopardy.

The facts are that formaldehyde, a naturally occurring metabolite of biological processes, is able to react with nucleic acids and is able to cause nasal cancers in experimental animals after prolonged administration at high concentrations. This has only been demonstrated in obligatory nose-breathers and only after serious ulcerative lesions, with the attendant reactive hyperplasia, have developed. It is very unlikely that the cancers could develop in the absence of serious epithelial damage, and formaldehyde is so pungent that humans are unable to stand concentrations in excess of 3 ppm unless accustomed to do so. Exposure to such concentrations would have to be continuous for such damage to occur, and the damage would certainly be detected quickly.

No reasonable person could conclude that formaldehyde constitutes a serious cancer hazard to man in these circumstances and to do so, all other motivation excluded, shows a lack of objectivity which is a terrible disservice to the public the CPSC purports to serve. This is the real point. Mankind is beset with enough problems without these being aggravated by trumped up and trivial impositions based on feeble intellectual analysis or hysteria. We really cannot accept the continual debasement of toxicological science, and of the practice of occupational and preventive medicine, by the superficial mouthings of quangos with more money than sense. The toxicology and industrial importance of formaldehyde is too serious to be treated in this anarchic fashion. It really is time for those in control of the political machine in the United States, which remains the dominant influence in toxicology today, to take on board the realization that the respect the old agencies commanded is fast being eroded by the wholesale adherence to devious expediencies exhibited by the new.

Toxicological problems are very complex and difficult and do not lend themselves to facile solutions. If the dimension of predicting human hazard is added, the complexity

is much increased. This, at once, makes the solution more demanding and worthwhile. Those in positions of influence and authority must recognize the tremendous responsibility they have to ensure that the consumer is protected, not from hazards that exist only in the minds of the emotionally labile, but from real risks in excess of those natural to a complicated industrial society.●

DEMOCRATIC CREED

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. MAVROULES. Mr. Speaker, as this Nation stands today ever vigilant in defense of freedom and democracy, I thought I would commend to the attention of my colleagues the thoughts of Mr. Anthony W. Homer of Lynn, Mass.

As you read Mr. Homer's "Democratic Creed," I am sure you will feel as I do that it is entirely fitting, appropriate, and exemplary that a private citizen has the birthright to share his thoughts with his government, here in the world's greatest democracy.

Mr. Homer feels that the adoption of his creed will advance the position of this Nation as the world's leading proponent of peace and liberty.

The creed, Mr. Homer rightfully believes, should awaken all of us and our world neighbors to mankind's paramount mission: the achievement of unity, peace, and freedom for all.

Following is the "Democratic Creed":

THE DEMOCRATIC CREED

(By Anthony W. Homer)

I believe in God, the creator of the universe, as our true Father, and in all peoples and races of mankind as the complete brotherhood of man animated with the ideal and purpose of perfecting human life; in the sanctity of divine law; that no man is a slave to another and no one a master of another, but all are sons of God and servants of our Lord; and that all men have been created with certain inalienable rights which they must be allowed to enjoy at all times and in all parts of the earth.

I believe in a perfect democracy within a state, the government of the people, by the people, and for the people, which guarantees man his natural rights and allows him to perform his sacred duty to God and to his fellowmen; in whose principles man is not the tool of the ruler, but the master of himself; and in which man does not exist for the state, but the state for man.

I believe in the state in which men are governed, but are also allowed to govern, by order and law; in the state in which men are not led forward in destroying and enslaving their fellowmen, but in liberating the oppressed and in defending their natural rights and sacred honor; in the state in which men share in all things for a common cause and live freely together to learn and progress according to the laws of human justice and equality; in the state in which men are treated as true citizens and are paid full consideration and respect.

I believe in the family of nations and in the democracy of the world by which all people and nations shall unite and live together under one flag and one world government, and shall forevermore enjoy the blessings of love, of freedom, and of peace; under which all men shall become citizens of the world and go forth in exploiting the richest of the earth for the common good of all.

I believe in a world democracy by whose virtues all the arts and sciences shall be employed only for the good and progress of mankind; and in whose dominion men shall destroy whatever is harmful to human life and shall keep on building only the things which contribute to the welfare of man and to the exaltation of his soul.

I believe in a world democracy which will cultivate the arts of higher learning and promote greater love and understanding between man and man and between God and man.

I shall exert all the power that is in me for the institution of a world democracy and help to promote world order and peace for the good of all races and peoples.●

CONGRESSIONAL SALUTE TO HON. JOSEPH P. LAZUR, OF PASSAIC, N.J., ESTEEMED BATTALION FIRE CHIEF, DISTINGUISHED CITIZEN, AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. ROE. Mr. Speaker, on Sunday, March 6, the residents of Passaic, my congressional district, and State of New Jersey, will join together in testimony to an outstanding public safety officer, veterans' organization leader, and good friend, the Honorable Joseph P. Lazur, esteemed battalion chief of the Passaic Fire Department.

As Chief Lazur retires from his 32-year firefighting career of selfless dedication and exemplary service in safeguarding and protecting the people and property of the city of Passaic from the perils of fire, I know that you and our colleagues here in the Congress will want to join with me in deep appreciation of all of his good works and share great pride in the success of his achievements with his good wife, Jean, and other members of his family.

Mr. Speaker, Joseph Lazur has indeed earned the highest respect and esteem of all of us for the quality of his leadership and highest standards of excellence in carrying on the sterling traditions of the firefighters of America who daily risk their lives to protect the lives and property of our people. There is much that can be said of Joe Lazur and his lifetime of achievements in service to people, and with your permission, Mr. Speaker, I would like to insert at this point in our historic journal of Congress a brief outline of his good works and affiliations that will be particularly cited by his colleagues and friends on March 6, as follows:

JOSEPH PETER LAZUR

Born in Passaic, N.J., on December 7, 1917, at 64 Third Street.

Attended Holy Rosary School and Passaic School System. Worked in the bedding and furniture industry in Passaic.

Was shop steward for the United Furniture Workers of America AFL and CIO.

Enlisted and served four years in the U.S. Naval Reserve from 1937 to 1941.

Married Jean E. Kasica on April 26, 1941.

Enlisted into the U.S. Navy on March 23, 1942.

During naval service, served on battleships and destroyers during wartime and served with the U.S. Naval Minesweeping Fleet in the North Atlantic Theater of Operations, also doing escort convoy duty, headed for European allies. (Was boatswains mate in charge of minesweeping operation aboard ship.)

Was honorably discharged from the U.S. Navy on September 1, 1945, with the rank of boatswains mate first class.

After discharge from the Navy, was instrumental in organizing the returning veterans from military service and in 1946 helped establish the Rosol-Dul Memorial Post #359 American Legion of Passaic, N.J.

Served as Post Commander in 1950-51. Served in an active capacity on Post and Passaic County functions. Was Post Service officer for thirty years. Served as chairman of many committees, including Post and Passaic County Legislative Committee. Delegate to Passaic County Executive Committee from 1946 to the present (thirty-seven years). Served twice as Commander of the Passaic Veterans Alliance and also served as delegate from 1946 to the present.

Served as court attendant in the Passaic County Court System under the late Sheriff Chris Edell.

Was appointed to the Passaic Fire Department on February 1, 1951 (The first group to be appointed from a competitive Civil Service List Scoring Number Four). Promoted to lieutenant on April 23, 1959. Promoted to captain on August 21, 1967 and promoted to battalion chief on January 1, 1975. Retired on January 1, 1983.

Was Passaic Firemen's Mutual Benevolent Association (F.M.B.A.) Executive New Jersey State Delegate local No. 13 for nineteen years.

Was elected New Jersey State Firemen's Mutual Benevolent Association Vice President for three terms (three years) and three terms (nine years) as a member of the State Board of Trustees.

Passaic Fire Department Representative for Mutual Aid Fire Department Assistance. Also served as its president, which consists of Passaic, Wallington, Carlstadt, Rutherford and East Rutherford.

Served in the Passaic Fire Department in many capacities over the past thirty-two years. For the past five years as chief of the Passaic Fire Prevention Bureau and licensed by the State of New Jersey as the Fire Sub Code Official for Passaic.

Attended Passaic County Community College, Essex County College, and Jersey City State College, majoring in fire science and fire investigation.

Over the years, Joe has fought for increased widow and firefighter benefits on the State level as Local No. 13's F.M.B.A. state delegate. Joe has also been very active and productive in securing benefits for vet-

eran's widows, and disabled veterans throughout Passaic County.

On the community scene, was active in the Heart Fund, Cancer Fund, and Scout Fund Drives, also chaired many outstanding Citizen Award programs.

Mr. Speaker, throughout his lifetime, Chief Lazur has forged ahead with dedication, devotion, and sincerity of purpose in combating the perils of fire for the safety and well-being of our people. We applaud his knowledge, training, hard work and personal commitment that has enabled him to achieve the fullest confidence and strongest support of the people of our community.

It is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of our way of life here in America, and I am pleased to call your attention to his lifetime of outstanding public service.

As Joe Lazur retires his official leadership badge of courage and valor as battalion fire chief of the Passaic Fire Department, I respectfully seek this national recognition of his contribution to our people in placing others above self in safeguarding our people and property against the perils of fire. for his contribution to the quality of life for the people of our community, State, and Nation, we do indeed salute a distinguished citizen and great American—the Honorable Joseph P. Lazur of Passaic, N.J.●

TO AMEND THE TITLE VII OF THE CIVIL RIGHTS ACT OF 1964

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. MOAKLEY. Mr. Speaker, I have recently reintroduced legislation that will bring equal protection in employment to the handicapped under the Civil Rights Act of 1964.

Under existing law, there is no generally applicable prohibition against employment discrimination on the basis of handicap. Title VII of the Civil Rights Act of 1964 prohibits employment discrimination on the basis of race, color, religion, sex, or national origin; but it provides no protection for disabled workers.

The widespread exclusion of handicapped workers from employment exacts an enormous toll in terms of human dignity and the quality of life for countless Americans. Over 16 million people age 18 to 64 years reported some level of work disability in the 1976 census. Of this handicapped population, there were only 7.1 million persons working.

It is vital to realize that most of these people desire employment but do not work because of unjust and discriminatory hiring policies.

The handicapped face the dilemma of being discriminated against in employment opportunities because they are evaluated on the basis of false generalizations, misconceptions, and misinformation about their handicaps; not on the basis of their job skills, productivity, or performance.

Qualified individuals, time and again, are denied employment because of their disability when the disability would in no way interfere with their job performance. Our handicapped deserve the opportunity to be evaluated and hired on the basis of their ability and not their handicap.

The need for this legislation is obvious. There are too many employers who still will not hire an otherwise qualified individual for the sole reason of their disability. Some employers cling to the myths related to hiring the handicapped. Fears of increased insurance rates, lower job performances, and job stability, poor attendance and the required physical adjustment turn employers away from hiring the handicapped.

This unnecessary situation weighs a heavy cost on society. In 1980, it was estimated that the Federal Government spent approximately $1 out of every $13 in the Federal budget—$40 billion—to support our disabled population. State, local, and private support for disabled citizens amounts to approximately an additional $60 billion. Surely by eliminating employment discrimination of the handicapped we can help reduce this economic burden on taxpayers.

Additionally, and more important, by enacting this legislation we can help reduce the loss in human terms that is caused by discrimination against handicapped individuals. Too many deserving people are excluded from society's mainstream; left to lose their dignity and self-worth.

The time has come to include the handicapped individuals as a protected element in our population under title VII of the Civil Rights Act of 1964; protecting handicapped persons against all forms of employment discrimination under that title.

We must demonstrate our Nation's firm commitment to ending discrimination against the handicapped by enacting this legislation. I hope my colleagues will support me in my effort to give the handicapped an equal opportunity in employment.

Text of the bill follows:

H.R. 1200

A bill to amend title VII of the Civil Rights Act of 1964 to make discrimination against handicapped individuals an unlawful employment practice.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a reference in section 2, 3, 4, 5, or 6 of this Act to a section or other provision is a reference to a section or other provision of the Civil Rights Act of 1964.

SEC. 2. Section 701 is amended by adding at the end thereof the following:

"(l)(1) The term 'handicap' means the status of any individual—

"(A) who has a physical or mental impairment which substantially limits any of such individual's major life activities;

"(B) who has a record of such an impairment; or

"(C) who is regarded as having such an impairment.

"(2) Such term does not include the status of an individual who is an alcoholic or a drug abuser—

"(A) whose current use of alcohol or drugs prevents such individual from performing the job involved; or

"(B) whose employment, because of such current use of alcohol or drugs, would constitute a direct threat to property or safety of other individuals.".

SEC. 3. (a) Sections 703(a)(1), 703(a)(2), 703(b), 703(c)(1), 703(c)(2), 703(d), and 703(e)(1) are each amended by striking out "or national origin" each place it appears and inserting in lieu thereof "national origin, or handicap".

(b) The sentence beginning "Notwithstanding any" in section 703(h) is amended—

(1) by striking out "or national origin" the first place it appears and inserting in lieu thereof "national origin, or handicap"; and

(2) by striking out "sex or national origin" and inserting in lieu thereof "sex, national origin, or handicap".

(c) Section 703(j) is amended—

(1) by striking out "or national origin" the first place it appears and inserting in lieu thereof "national origin, or handicap";

(2) by inserting after "national origin" the second place it appears the following: ", or persons with any handicap,"; and

(3) by inserting after "national origin" the third place it appears the following: ", or persons with such handicap,".

(d) The center heading of section 703 is amended by striking out "OR NATIONAL ORIGIN" and inserting in lieu thereof "NATIONAL ORIGIN, OR HANDICAP".

SEC. 4. Section 704(b) is amended by striking out "or national origin" each place it appears and inserting in lieu thereof "national origin, or handicap".

SEC. 5. The sentence beginning "No order of the court" in section 706(g) is amended by striking out "or national origin" and inserting in lieu thereof "national origin, or handicap".

SEC. 6. (a) Section 717(a) is amended by striking out "or national origin" and inserting in lieu thereof "national origin, or handicap".

(b) Section 717(c) is amended by striking out "sex or national origin" and inserting in lieu thereof "sex, national origin, or handicap".

SEC. 7. The amendments made by this Act do not affect any right, remedy, obligation, or responsibility under the Rehabilitation Act of 1973.

SEC. 8. This act and the amendments made by this Act shall take effect at the beginning of the sixth month after the month in which this Act is enacted.●

THE NATIONAL COUNCIL OF CHURCHES: FALSE "PROFITS"

HON. DANIEL B. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. DANIEL B. CRANE. Mr. Speaker:

Beware of false prophets, which come to you in sheep's clothing, but inwardly they are ravening wolves. Ye shall know them by their fruits.—Matthew 7: 15, 16.

We do not have to look to Biblical times to find false prophets. We have only to look around.

For more years than I care to think about, the National Council of Churches—part of the largest organization of Christian churches in the world—has been waging guerrilla warfare against the very people who support it. Those people are the faithful parishioners who each Sunday dutifully return a portion of God's blessing to the collection plate. Little do they know what perfidious activities they are thus financing.

Those who have contributed to their neighborhood church, if it is a major Protestant denomination, have likely contributed to the Communist regimes of Cuba and Vietnam, the Palestine Liberation Organization (PLO), and to Soviet-front terrorists butchering Latin America, Asia, and Africa.

Perhaps the most insidious aspect is that the National Council of Churches goes to great lenghts to appear as a benign Christian fellowship. However, the facts belie that.

Finally, the veil of secrecy enshrouding the council's operations is being ripped away, thanks to the courageous work of David Jessup, CBS-TV's "60 Minutes," and the January Reader's Digest, in which the following article appeared.

Yes, the Lord said we would know people by their fruits: And the fruit of this tree is bitter indeed.

Many will say to me in that day, Lord, Lord, have we not prophesied in Thy name? and in Thy name have cast out devils? and in Thy name done many wonderful works?

And then will profess unto them, I never knew you.—Matthew 7: 22, 23.

[From the Reader's Digest, January 1983]

DO YOU KNOW WHERE YOUR CHURCH OFFERINGS GO?—YOU'D BETTER FIND OUT—BECAUSE THEY MAY BE SUPPORTING REVOLUTION INSTEAD OF RELIGION

(By Raël Jean Isaac)

In 1977 Linda and David Jessup began sending their children to the Marvin Memorial United Methodist Church in their Silver Spring, Md., neighborhood. When the children came home from Sunday school with "rice bags" the family was to fill with money to be used to buy wheat for Vietnam, Linda Jessup thought it odd. She had read that Vietnam's Communist government was using food as a means of forcing compliance with its oppressive regime.

David Jessup, who works for the AFL-CIO's Committee on Political Education, found that the money was to go to Vietnam via Church World Service (CWS), the relief and development arm of the National Council of Churches. Moreover, he discovered and documented that over a two-year period $442,000 in Methodist churchgoers' money alone had been sent to a number of political organizations, among them, in Jessup's words, "groups supporting the Palestine Liberation Organization, the governments of Cuba and Vietnam, the pro-Soviet totalitarian movements of Latin America, Asia and Africa, and several violence-prone fringe groups in the United States."

Were Jessup's surprising findings isolated cases? Hardly. Consider the activities of the National Council of Churches.

A FLAWED UNITED STATES

The NCC consists of 32 Protestant and Orthodox communions representing 40 million Christians (Southern Baptists and Catholics are the largest churches that do not belong to the NCC). The Methodist Church, with nine million members, is the largest denomination in the NCC and its chief contributor. After the Methodists, with their 1980 contribution of close to $8 million, come the United Presbyterians with nearly $3 million, followed by the United Church of Christ, with close to $2 million, and the Disciples of Christ and the Episcopal Church, each of which contributes over $1 million.

Established in 1950, the NCC can point to major achievements. The Revised Standard Version of the Bible was published under NCC auspices. The organization took a leadership role in the civil-rights movement. Church World Service has aided victims of natural and political disasters the world over, helped in refugee resettlement, and supported a host of projects in the Third World.

But in the last decade the National Council has become increasingly politicized. Critics charge that it supports Marxist-Leninist movements in the Third World, that it has betrayed the liberal tradition and that it has become obsessed with the alleged inherent injustices of America.

Indeed, the National Council's policy statements and resolutions portray the United States as deeply flawed. A 1979 policy statement passed by the NCC entitled "Challenges to the Injustice of the Criminal Justice System" basically attributes crimes to social conditions for which the criminal is not responsible. It claims that our criminal justice system "is inadequate to respond to the crime-related conditions which are essentially those of social injustice and conflicting values." While president of the NCC from 1979 to 1981, the Rev. M. William Howard embarked on a series of visits to those he described as U.S. "political prisoners." [1] In choosing which prisoners to visit, he was guided by research of the National Conference of Black Lawyers. That organization is affiliated with the International Association of Democratic Lawyers (IADL), a group listed by the CIA as an international Soviet-front organization. Howard visited such "political prisoners" as convicted murderer Larry Jackson of the Republic of New Africa, an organization whose goal is to establish an independent black country in five Southern states.

A number of NCC executives feel a just society is impossible under capitalism. In 1975, an Ecumenical Consultation on Domestic Hunger sponsored by the NCC passed a statement that said there was a basic contradiction between capitalism "and biblical justice, mercy, stewardship, service, community and self-giving love." Warren Day, the NCC's Director of News and Information, points out that such statements do not reflect the "official" view of the NCC. Nonetheless, the statements passed by such conferences are revealing of attitudes prevalent among the NCC staff members that organize them. Similar antagonistic views toward the American economic system are evident in the publications of the NCC's Friendship Press and in NCC-sponsored films.

ROMANTIC, NAIVE PEOPLE

As a religious organization concerned with social action, the NCC understandably gives high priority to human rights. What is troubling is that William Wipfler, director of the NCC's human-rights office, says that the Council and its member denominations are "consistent in their witness on behalf of human rights." But most of the great human-rights outrages of our time have never been condemned by the NCC's governing board. While a few individual officials of the NCC have spoken out, the official policymaking body of the NCC has failed to pass resolutions denouncing the atrocities of Idi Amin in Uganda; the killing of half a million non-Moslems by Moslems in the Sudan; Vietnam's creation of almost a million boat people; the barbarities of the cultural revolution in China; the Soviet invasion of Afghanistan—to name but a few. The NCC did condemn the Cambodian genocide, but put as much blame on the U.S. government as on the Pol Pot regime.

On the other hand, the NCC governing board has passed resolutions censuring, among others, El Salvador, Turkey, Nicaragua (under Somoza), Chile, South Korea and Guatemala, whose violations cannot be compared to those of countries the NCC governing board has ignored.

Warren Day explains the NCC's stance on human rights by saying that only countries friendly to the United States are sensitive to our public opinion, so only resolutions directed against friendly countries have any effect. But in that case, the NCC should not claim that it offers a "consistent witness on human rights."

The problem seems to go deeper. Many of those in key positions in the NCC identify several of the countries with the worst record on human rights as models of Christians. In 1977, the NCC sponsored a visit to Cuba. The delegation of church leaders reported that a "theological rebirth is evolving in Cuba that we believe can inform Christians around the world with a new intensity and depth of insight about the meaning of faith." The group insisted that there was full freedom of worship in Cuba. Yet, Cuban children are indoctrinated in atheism in schools, and no one who professes belief in God can be a member of the Communist Party or advance in his career.

Similarly, NCC officials persist in their praise of Vietnamese society. According to a brochure published by Church World Service, "Vietnam today is a nation of dedicated people, hard at work, and enthusiastically building a new society from the rubble of war." After folk singer Joan Baez and other disillusioned anti-war activists protested against human-rights violations by Vietnam, Paul McCleary, director of CWS, and James Armstrong, then a Methodist bishop and now president of the NCC, joined with a

[1] Political prisoners are commonly defined as those imprisoned for their beliefs rather than for crimes committed.

number of others to publish an advertisement in the New York Times. It insisted that "the present government of Vietnam should be hailed for its moderation and for its extraordinary effort to achieve reconciliation among all of its people." Strange adulation for a country whose cruelty is creating hundreds of thousands of refugees, whose "re-education" camps are full, and whose soldiers are engaged in warfare—including chemical warfare—in a neighboring country.

What is the attraction of leading churchmen to Third World, Marxist-Leninist societies that have severely restricted and in some cases all but eliminated religion? Judging from the characteristics of the countries singled out for praise, it is the very attempt to control all aspects of people's lives. This is interpreted as "caring" and "a sense of community." Isaac Rottenberg, a minister of the Reformed Church in America who was part of the NCC world for ten years until he was dismissed for criticizing it, offers this explanation: "These are immensely romantic people, often quite naïve."

FROM FOOD TO PHILOSOPHY

Church World Service is easily the most popular NCC program with churchgoers, a popularity reflected in its budget, which is roughly 70 percent of the NCC total. Yet even CWS has not been able to escape political influence. In 1976, it was proposed that CWS embark on a new direction, committing itself to "liberation and justice." When its longtime director, James MacCracken, refused to re-orient the agency from its traditional mission of helping the poor and hungry, he was summarily fired by Eugene Stockwell, associate general secretary of the Division of Overseas Ministries, of which CWS is a part.

Church World Service's traditional assistance programs of relief and development continue. But now CWS also engages in political advocacy, contributing churchgoers funds to programs designed to further strategic goals of governments with which CWS leaders sympathize. Recently, for example, CWS gave nearly half a million dollars for Vietnam's "New Economic Zones"—which a number of major newspapers depict as little better than concentration camps for "political undesirables." The new politicization of CWS also emerges clearly in the form of the CWS Office on Indochina Relations set up in Washington to "educate" members of Congress and government agencies on the need for diplomatic relations with, and economic aid to, Vietnam.

The Domestic Hunger Network coordinated by the NCC has much more to do with changing society than with feeding the hungry. It consists of 105 projects that in 1980 received over $650,000 raised from churchgoers responding to hunger appeals by their churches, which typically show a photograph of needy children. As Mary Ellen Lloyd, director of the project, points out, "This isn't just funding a bag of groceries." Some of the money from hunger appeals, how much she could not say, does go for emergency help, but a significant portion of it is funding political activists.

FUNDAMENTAL TASK

Not surprisingly, such actions by NCC leadership have alienated many churchgoers. Dean Kelley, an NCC official and author of a widely read book Why Conservative Churches Are Growing, delares, "The gap between the denominational leaders and the people in the pews is huge." Ten denominations belonging to the NCC have lost over three million members in the last decade. The obsession of the church leadership with advancing causes that contradict the basic beliefs of most churchgoers is felt by many to be an important factor.

A number of dissatisfied churchgoers have first become aware that something was wrong through reading NCC literature. Laura Hathaway, 61, of Spickard, Mo., a Methodist since she was 12, bought material at a United Methodist Women School of Missions she attended. Mrs. Hathaway says, "There was a play set in Mozambique with an American woman and a woman from Mozambique discussing the celebration of Mozambique's freedom. At the end of the play the American women says that in the United States everything is so complicated and immense that many Americans don't know where to begin a revolution. 'I know,' says the women from Mozambique. 'But perhaps you will learn from our struggle. There are ways.' Then the American woman says, 'Yes, there must be.' That's when I saw red. And I still do."

A major obstacle to reform is the unwillingness of the average churchgoer to acknowledge what has happened to his church. "People just can't believe that their church, the church they've loved all their lives, can be financing all these Marxist-Leninist projects," says David Jessup. "The very idea seems preposterous, an affront to common sense."

If there is to be change, it will have to be made by the men and women in the pews. Ministers for the most part are too dependent on the church bureaucracy to take the lead. Several Methodist ministers who urged their congregations not to pay their World Service apportionment have been punished, some actually forced out of the church.

Methodist evangelist Edmund Robb, who heads the Institute on Religion and Democracy, a new Washington-based organization of distinguished ministers and laymen, recognizes that there are churchgoers reluctant to take action for fear that it will divide the church. But he feels that, on the contrary, action is essential to renew and restore the church to its fundamental task of proclaiming the Kingdom of God.

"At the root of the problem," says Robb, "is the secularization of the church. The NCC has substituted revolution for religion. I believe that Christians have an obligation to work for social justice. But there will be no justice without freedom."

HOW YOU CAN HELP

The Institute on Religion and Democracy (1000 Sixteenth St., N.W., Suite LL50, Washington, D.C. 20036) will provide assistance to those who want to work within their own denominations. Its chairman, Edmund Robb, has some advice:

Stay with your church.

Make your feelings known to the boards and agencies of your church; silence is taken for consent.

Demand full disclosure of how the national church spends your collection-plate dollar.

Withhold funds from doubtful causes. In many churches, funds for the NCC and for the World Council of Churches are assigned separately, and local churches can delete them from the budget. In some denominations, your local church can designate the programs of the national church to which it wants its contributions to go.

Get involved in the decision-making processes of your national church. Local churches generally send one or more delegates to regional conferences that in turn appoint delegates to the highest policy-making body of the church. Make sure the delegates from your church believe there is a connection between Christian faith and human freedom.

(Raël Jean Isaac, a Ph.D. in sociology, has written for such publications as *The Atlantic Monthly, New Republic and American Spectator.* Currently, she is completing a major study of religious and political organizations in the United States.)●

SOCIAL SECURITY REFORM

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. ARCHER. Mr. Speaker, I would like to include in the RECORD today an excellent article on the recommendations from the National Commission on Social Security Reform. The author, Mr. Wilson S. Johnson, is president of the National Federation of Independent Business, which represents more than half a million small business men and women.

SMALL-BUSINESS ANGLE

(By Wilson S. Johnson)

NEW SOCIAL SECURITY PROPOSAL IS BAD NEWS

In mid-January when the National Commission on Social Security issued its recommendations, a collective sigh of relief went up from politicians of both parties. Most members of Congress said the commission produced a sound program for fixing the ailing Social Security system.

But the solution is flawed. The recommendations of the commission are minor repairs, not the major surgery needed, and some of the recommendations to aid Social Security would have a negative impact on other parts of the economy.

For example, payroll taxes again become the main revenue source. The commission proposes to slip backward to 1984 a payroll-tax increase now planned for 1985. Regular readers of this column will understand that a further rise in payroll taxes at this time will exacerbate the unemployment problem. These jobs taxes—in reality that's what they are—already overburden small business, the source of 80 percent of the nation's new jobs.

Payroli taxes account for about one of every three federal-revenue dollars, while corporate taxes have declined to less than 10 percent of those revenues. Nine Social Security rate increases have been scheduled over the period 1971 to 1990. The base wage on which payroll taxes are assessed also has increased every year.

The base and the rate of another payroll tax—federal unemployment tax—has increased three times in the same 20-year period. In other words, by 1990, the maximum tax a small-business owner pays on an employee will have increased 10 times in 20 years—50 percent a year without compounding!

Surely a country concerned about lost jobs can find a better way to raise revenues than by constantly resorting to taxes on jobs. Increasing the cost of hiring workers would continue to discourage employment growth. Small-business people I know say

that they are already learning to run their companies.

The inconsistencies between tax policy implemented in recent years and the solutions offered by the National Commission on Social Security should also stop Congress short. The idea of taxing the benefits of those making $20,000 a year contradicts recent changes in the tax law made to encourage saving. Congress introduced individual retirement accounts—and later broadened the rules—to encourage saving for one's own retirement. Taxing benefits for those whose income exceeds $20,000 (or $25,000 for married couples) will discourage many from participating in IRAs.

Worst of all the problems associated with the commission recommendations is the failure to close the short- or long-term deficits in the fund. The manner in which the revenues will be raised leaves the shortages in the mid '80s and one-third of the long-term deficit unresolved. For these reasons, the National Federation of Independent Business will oppose the commission recommendations on Capitol Hill and work with the Congress for a more comprehensive, equitable solution.●

SERVING OUR VETERANS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. OTTINGER. Mr. Speaker, I am happy to have this opportunity to commend Genevieve Riis on her years of service to disabled veterans at the Montrose Veterans' Hospital.

Ms. Riis, known as "Ma" to hundreds of veterans, has devoted her life to helping American servicemen and veterans. During World War II, she sent letters and packages to hundreds of servicemen from her home town of Harrison, N.Y., easing their hardship as they bravely defended our Nation. Since the Montrose Veterans' Hospital opened in 1950, "Ma" Riis has given her time and loving care to the veterans there. She also brightens their lives by bringing them food and clothing, mostly provided by her own savings. At the age of 79, she continues to do what she can to aid our veterans, despite bouts of arthritis.

Her generosity and sacrifice on behalf of our deserving veterans is an example to us all. I am happy to join the members of the Harrison Lions Club in their tribute to this fine citizen.●

RELIGIOUS PERSECUTION OF BAHA'IS IN IRAN

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. PORTER. Mr. Speaker, in the past week it has come to my attention that the Iranian courts have once again sentenced to death 22 leaders of the Baha'i religious faith.

That these 22 leaders are condemned to die was confirmed by a report in the Shariaz newspaper from Kahbar Iran. Normally we learn of the fates of the latest victims of the Iranian reign or terror after the fact and not before the act is carried out. This is a rate opportunity for us to intercede on behalf of unjustly condemned Baha'is and attempt to save them from execution.

My distinguished colleague Mr. LEACH of Iowa pointed out on February 23 that the House and Senate passed Senate Concurrent Resolution 73 in the 97th Congress which stated:

That the U.S. condemns persecution of the Baha'is and holds the Iranian government respoonsible for upholding the rights of all citizens including the Baha'is; and expressed the hope that the discrimination and brutal executions within the Baha'i community cease immediataely.

The State Department published their 1982 Country Reports on Human Rights Practices. They state that the Baha'is in Iran suffer most, because their faith is regarded as heresay by the Shiite Muslims regime of Khomeni. They are persecuted and killed solely on the basis of faith.

We must urge Iran to exercise compassion. If the death sentences are carried out, Iran will be considered an international outlaw. Iran is obligated by the International Covenant on Civil and Political Rights, to give its citizens freedom of religion and association. Justice and reason must prevail over prejudice and vile hatred.

Baha'is have been denied their basic human rights; 50,000 to 70,000 Baha'i children have been denied their right to education. Baha'i marriages are not considered legal, so their women are arrested as prostitutes. Their cemeteries are desecrated, their places of worship destroyed, their means to make a living ruined, and they are being killed merely for being Baha'is.

The "final solution" planned by the Khomeni regime for the Baha'is and other oppressed minorities in Iran is not unlike the genocide of Hitler's final solution. We cannot allow the persecution of a people due to their religious beliefs to continue. This kind of brazen disrespect of international law must not go unpunished. It is paramount that we do all we can to end the evil persecution of the Baha'is by the tyrannical regime of the Ayatollah Khomeni. This is genocide and we will not stand for it. We must not allow these 22 to join the thousands of others who have died to satisfy the base hatred of a totalitarian regime living in the dark ages. The ayatollah must realize we are living in the 20th century and that this type of behavior is foul, disdainful, illegal and will not be tolerated. We shall fight this with all means at our disposal.

So finally I must urge the State Department to consider this factor in all their dealings with Iran, until it is settled to our satisfaction.●

INTERNATIONAL DAY OF THE SEAL

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. UDALL. Mr. Speaker, today I join my colleagues in commemorating International Day of the Seal. I am pleased to note the many happenings around the world to celebrate this day. From Hong Kong, to Orlando, to Victoria, Tex., communities have planned activities to educate the public about the plight of the seals. I wish to add my voice to the many thousands in celebrating the birth of the baby seal.

Each year, around the first of March, approximately 400,000 harp seals are born off the coast of Newfoundland. Of these 400,000 baby seals, 180,000 are brutally clubbed to death within the first weeks of their lives. Worldwide, an average of 1,800 seals are killed per day, each day of the year, in organized commercial hunts.

Perhaps no other animal has received the public attention the seal has. This is not only because the seal pup is a cute animal, but also because the brutal clubbing of the seal symbolizes in the most graphic manner humanity's lack of concern for their environment.

The news this morning that the European Community governments are close to agreement on a 2-year ban on the import of skins of baby seals could not be more timely. Perhaps now we can put an end to the brutal slaughter of the baby seal.●

A LITTLE CITY FIGHTS BACK

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. COATS. Mr. Speaker, we were all stunned with the sudden and unexpected news that Corning Glass Works had tentatively decided to close its Bluffton, Ind., plant. Jim Barbieri, editor of the Bluffton News Banner, summed it up best on Tuesday, January 4, when he said:

In stunning developments here this morning, Corning Glass Works officially told tentative plans to close down its Bluffton plant. . . . The overwhelming probability would be a permanent shutdown.

Corning Glass produced the first light bulb for Thomas Edison back in 1879, and has long been a technologi-

cal leader in America. In 1964, Corning announced that it was building a new television picture tube plant in Bluffton, Ind., the largest plant in the industry. Corning president Dr. Thomas MacAvoy referred to the Bluffton plant in 1980 as "a flagship in a sea of cornfields," an example of machine technology and worker enterprise.

But now, as Mayor Flaningam of Bluffton summarized: "We've got a problem." From a 1980 peak of 857 employees, the remaining 450 workers face permanent layoff.

Immediately, rather than giving up, the community went to work. Mayor Flaningam and the chamber of commerce formed a special economic steering committee within 24 hours. Chamber executive director Carol Martin spoke of redoubling efforts in industrial development.

Local 1012 of the American Flint Glassworks Union announced a "Bluffton Survival Offer," a concession package valued from $4 million to $10 million to Corning, including a 20-percent pay reduction, a give-back on bonus pay, granting mandatory overtime, and a 2-year wage freeze.

Indiana Lt. Gov. John Mutz then announced that the Indiana Air Pollution Control Board has approved the switch from electricity to gas, satisfied that even at full production a scrubber unit would not be needed, saving Corning a $3 million investment.

At the same time, Senator LUGAR, Senator QUAYLE, and I began a process of intense negotiations with Commerce Secretary Baldrige, Ambassador Brock, and others on the questions of foreign imports, tariffs, dumping, and other trade matters that adversely impacted on Corning's ability to be competitive in the picture tube business.

We have now asked Corning board chairman Amory Houghton for an additional extension of time in order that solutions can be found to the many pressing problems facing the Corning Bluffton glass plant.

Union president Bob Perry said: "If they still close, I'll walk out that door with a smile, knowing we've done everything we can do."

"Doing everything we can do" has been the rallying cry of all involved in the "Save the Corning Bluffton Plant" effort. The past 30 days has seen an extraordinary effort by all concerned. Union, local management, community, local, State, and Federal representatives have pulled together in an unprecedented manner. Not once has partisan politics been mentioned, as Republicans, Democrats, and others have put the good of the community ahead of all other considerations.

For many years, we Americans have been complacent about foreign competition. As union president Bob Perry of the Bluffton plant says: "The good old days are over, not just at Corning Glass Works but everywhere."

Not only has the union made wage concessions but they are talking about the importance or recognizing differences between grievances and gripes. The statement: "Corning has to make money to stay in business," was made not by the president of Corning but by the head of the union.

I agree with Bluffton State representative Jess Espich who said that these voluntary efforts and the cooperation displayed is so unique that for the good of all America, this offer simply must not be rejected.

I am proud to represent the little city of Bluffton, where the spirit that built America lives on. I am proud of a community that, when facing adversity, decided to work together to fight back rather than engage in finger pointing. That spirit of unity—of all of us working together—is why Bluffton will prosper in the future.●

CONGRESSIONAL SALUTE TO THE HONORABLE CLARENCE KEHOE, JR., ESTEEMED POLICE LIEUTENANT OF OAKLAND, N.J., OUTSTANDING CITIZEN AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. ROE. Mr. Speaker, on Friday, March 4, the residents of Oakland, my congressional district and State of New Jersey will gather in testimony to the outstanding public service rendered to our community, State, and Nation by one of our most distinguished public safety officers, the Honorable Clarence Kehoe, Jr., police lieutenant of the Oakland Police Department, good friend, leading citizen, and great American.

As Lieutenant Kehoe retires from his law enforcement career, I know that you and our colleagues here in the Congress will want to join with me in deep appreciation of all of his good works and share great pride in the success of his achievements with his good wife Carole and their sons, Clarence III and George.

Mr. Speaker, Clarence Kehoe, Jr., has indeed earned the highest respect and esteem of all of us for the quality of his leadership and highest standards of excellence in seeking optimum public safety for all of our people. There is much that can be said of Clarence and his lifetime of achievements in service to our people and with your permission, Mr. Speaker, I would like to insert at this point in our historic journal of Congress a brief outline of this good works and affiliations that will be particularly cited by his friends on March 4, as follows:

OAKLAND.—Lt. Clarence Kehoe Jr., a sensitive man who showed compassion for each individual he dealt with, plans to retire from the Oakland Police Department in March, after serving almost 26 years.

"The borough is losing a very big asset—a terrific police officer," said Chief Donald Hasenbalg. "Clarence has always shown a lot of compassion for people. In the 23 years I have known him everything he did was in a vein of trying to help people. He had no animosity to people."

"I wish there were more like him in the law enforcement field," said Hasenbalg.

While often, after many years of serving in police work, Hasenbalg said, individuals tend to become somewhat callous, Kehoe never did. "Even though he is a very large, strong man, he is a very emotional, soft person. He handled every person and every case as a major incident," said Hasenbalg. "For instance, if someone's window was smashed or a shrub torn up, others would say, 'I'm sorry it happened,' and not give the incident much more thought, but Clarence would take it as a personal affront," internalizing the upset the incident had caused the victim. "He took a personal interest in each case. It is hard to believe, but after 25 years he is still that way."

Kehoe and his wife Carole have been residents of Oakland for 27 years. Their son Clarence is a graduate of Fairfield University and works in Connecticut as an accountant; and their son, George, recently discharged from the U.S. Marine Corp, is a graduate from Indian Hills High School.

Born and raised in Clifton, Kehoe had been in the Cincinnati Reds baseball club farm system. He enlisted in the U.S. Marine Corp during the Korean conflict; and later attended Fairleigh Dickinson University while working for the Erie Railroad signal department.

Kehoe joined the Oakland Police Department in May of 1957. He was promoted to Sgt. in 1961, served as patrol shift commander and later assigned to the Detective Bureau and then the Juvenile Bureau.

In June of 1974, Kehoe was promoted to lieutenant, serving as commanding officer of the Juvenile Bureau and liaison to the borough employee safety committee.

Serving with Lt. Kehoe in the Juvenile Bureau over the years have been James Yeomans, Sgt. John Cooper, Detective Robert Knapp and the present juvenile officer Michael Madonna.

Kehoe was named Police Officer of the Year in 1972 by the Oakland Memorial Post 369; and received the Oakland Police Department Certificate of Merit Award in Jan. 1978 and Sept. 1982.

He has served as a charter member of the Bergen County Juvenile Officers Association; a member of the International Narcotics Officers Association; the State of New Jersey Narcotics Officers Association; and the Health and Welfare Council of Bergen County.

Kehoe also served as attendance officer for Indian Hills High School; assisted in formulation of the Oakland Police Department Explorer Post; was an original member of the Board of Advisers to the Ayuda Toy Drive, Rahway State Prison; is a past member of PBA local 41, and currently a member of PBA local 164.

The many police training seminars Kehoe attended throughout his career includes that of the U.S. Department of Justice, the first college accredited course given at the Police Academy of Bergen County back in 1967.

He participated in Oakland's Recreation Basketball and Baseball programs; and

served as adult advisor to the student aid committee at Indian Hills High School, along with then assistant Principal William F. Woods and then student Greg Ruhl. Together they set in motion the plan for the "Summer gym program" at Indian Hills. Kehoe supervised the program in action for several years.

Mr. Speaker, throughout his lifetime Lieutenant Kehoe has forged ahead with dedication, devotion and sincerity of purpose in combatting crime and protecting the life of our people. We applaud his knowledge, training, hard work and personal commitment that has enabled him to achieve the fullest confidence and strongest support of the people of our community.

It is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of our way of life here in America and I am pleased to call your attention to his lifetime of outstanding public service.

As Lieutenant Kehoe retires his official leadership badge of courage and valor as police lieutenant of the Borough of Oakland, N.J., I respectfully seek this national recognition of his contribution to our people in placing others above self in providing safety on the streets, security in the home and optimum public safety for all of our people. We do indeed salute a distinguished citizen for his contribution to the quality of life for the people of our community, State, and Nation—The Honorable Clarence Kehoe, Jr., of Oakland, N.J.●

TRIBUTE TO MR. AND MRS. WAYNE MURPHY

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. STUMP. Mr. Speaker, I rise to pay tribute to the personal devotion of two Arizonans who for the last 9 years have spent 3 days of every month baking and transporting 50 dozen cookies for the patients in the Veterans' Administration hospital in Prescott, Ariz.

Wayne and Louise Murphy have never missed a month since beginning their cookie project in 1974. They bake several varieties. This size project requires quite a bit of muscle, which Wayne provides for Louise's bustling bakery. Their dedicated efforts are a continuation of the service this family has given to U.S. servicemen and veterans for decades. When Mrs. Murphy was in Vietnam with her husband, who was then a U.S. Navy Reserve commander, she started a USO birthday cake program that baked cakes for any serviceman in Hanoi who asked for one.

Mr. Speaker, Wayne and Louise Murphy do not seek recognition for their efforts. However, I believe their efforts need to be recognized as a reminder of the spirit of caring patriotism which has sustained this Nation since its beginning, but which is overlooked all too frequently today.

I am certain my colleagues will join me in saying thanks on behalf of the thousands of veterans whose days of illness have been brightened by Wayne and Louise. Thank you Mr. Speaker.●

CONSCIENCE VIGIL FOR SOVIET JEWS

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. DURBIN. Mr. Speaker, I rise to join the 1983 Congressional Call to Conscience Vigil for Soviet Jews. There is no more important issue in the world than the guarantee of basic human rights. All people yearn for freedom; the freedom to express their own views, to worship their God in their way, to choose meaningful work, to live in a place of their liking. Yet, if this is a universal desire, it is nevertheless denied to many across the world.

The latest human rights crisis in the world is occurring in the Soviet Union, with regard to the desire of many Soviet Jews to emigrate to other countries, principally Israel. This right is being denied to all but a few.

The figures documenting this crisis are startling. In 1979, 51,320 Soviet Jews were allowed to emigrate, but this number has declined dramatically to just over 2,600 last year.

For many years, we have been aware of the well-known Soviets who have left their country; the athletes, dancers and literary notables, such as Alexander Solzhenitsyn. But the issue at hand involves a significant number of individuals who want to leave the Soviet Union. It is a mass movement, and for this reason Soviet officials have issued their crackdown. It is certainly no flattering commentary on a nation when tens of thousands of its citizens wish to leave.

As a result, the Soviets have increasingly refused exit visas for Jews. Additionally, Soviet Jews are subjected to a variety of indignities including denial of education, adequate housing, movement within the country, and advancement within their profession.

The greatest outrage, however, is the internment of individuals in psychiatric hospitals, prisons, and labor camps, usually on some trumped up charge which masks the real intent of punishing those who demand their rights.

I would like to bring to your attention the plight of one individual, Yankel Alexandrovich Groberman, who is my prisoner of conscience within the Soviet Union.

Mr. Groberman, 35, is about to complete 4 years detention in a labor camp, to which he was sentenced for participating in group action violating public order. In reality, Mr. Groberman and several companions were arrested when they protested anti-Semitic remarks by other Russian citizens.

In fact, Mr. Groberman is a "Refusenik," a term designating Soviet Jews who have applied for exit visas and been denied on several occasions. Their persistence is often rewarded with punishment.

I have written to Soviet officials, asking them to grant an exit visa to Mr. Groberman, when he completes his prison term this spring. Mr. Groberman, a shoecutter by profession, should have the right to join his family in Israel.

I urge other Members of this House to adopt a prisoner of conscience and join in a rising chorus of protest that focuses upon the Soviet Union and its regrettable emigration policy. It demonstrates the farcical nature of the "Socialist republic," allegedly based upon the workers' rights.

As the National Conference on Soviet Jewry has stated, everyone in the world should know that the Soviet Union is a tough place to live, and an even tougher place to leave.●

SUPPORT ISRAEL

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. SCHUMER. Mr. Speaker, on Sunday, February 27, 1983, an open letter to President Reagan appeared in the New York Times. A group of over 130 retired generals and admirals expressed the need for continued strong American support of and strategic cooperation with Israel, our best ally in the Middle East. Israel, using American-made weapons and superior organizational tactics, decisively defeated the Soviet-supplied armies of the PLO and Syria in Lebanon. A group of people, some of whom are from my district, were instrumental in putting this letter together and presenting it to the American people. I applaud the authors of this important letter for their efforts, and I would like to share it with my colleagues in the House.

[From the New York Times, Feb. 27, 1983]

AT LAST—A SOVIET DEFEAT

ACCORDING TO A LARGE GROUP OF U.S. GENERALS AND ADMIRALS, RUSSIA—THROUGH ITS SOVIET-EQUIPPED SYRIAN SURROGATE—HAS SUFFERED A MAJOR DEFEAT WHICH PUTS INTO SERIOUS QUESTION THE VIABILITY OF SOVIET WEAPONRY AND MILITARY DOCTRINE

In an open letter to Prgsident Reagan, more than 130 retired generals and admirals have written that Israel ". . . has made major breakthroughs in conventional and electronic weaponry designed to overwhelm and destroy Soviet-made weapons systems." The general and flag officers go on to say: "We believe that the victory of Israeli-modified American weapons and tactics over those of the Soviet Union presents the free world with a tremendous opportunity to reduce the impact of Russia's extraordinary growth in tactical forces and battlefield technology."

This letter (see text below) marks only the second time in the history of our republic that a large and distinguished group of senior military officers has publicly offered advice to their Commander in Chief.

The world's attention has been focused on the crushing of the PLO in Lebanon; the extraordinary significance of the defeat of Soviet arms has been allowed to pass with little comment by the Administration or media. This is why the officers ask Mr. Reagan to recognize the value of these battle-tested innovations and to revitalize our strategic cooperation with Israel.

This message, sponsored by the Center for International Security, is part of a nationwide effort to inform the public on significant defense issues. We finance this work entirely through voluntary contributions. If you would like to help, please refer to the box below.

Here is the full text of the officers' letter to the President, followed by a list of signators in alphabetical order:

DEAR MR. PRESIDENT: As former members of our country's military and naval services, we are taking the liberty of addressing you directly on a national defense matter of great concern to us as private citizens.

Only once before in our nation's history have large numbers of senior retired officers publicly offered advice to their Commander in Chief. On January 21, 1979, alarmed by the then Administration's apparent complacency about rising Soviet military strength and geopolitical gains, many of us wrote your predecessor to express our views. It was gratifying to find that our concerns were reflected on November 4, 1980, in the mandate which the people gave you to rearm America and to challenge Soviet aggression. The first two years of your Administration have proven the sincerity of your personal beliefs and expressed intention of restoring the security of the United States and the free world.

We are troubled, however, that the profound military significance of the decisive defeat of Soviet arms in Lebanon is being obscured by the political turmoil surrounding Israel's armed intervention. We believe that the victory of Israeli-modified American weapons and tactics over those of the Soviet Union presents the free world with a tremendous opportunity to reduce the impact of Russia's extraordinary growth in tactical forces and battlefield technology.

Despite denials in some quarters, it is clear to us that the Israelis have made major breakthroughs in conventional and electronic weaponry designed to overwhelm and destroy Soviet-made weapons systems. Advanced, battle-proven technology and tactics, as deployed by our Middle East ally, offer a unique opportunity to diminish the present quantitative superiority of Soviet forces in Europe. These advances are in the areas of anti-armor, missile site suppression, and aerial combat, as well as command, control and communications (C^3):

A modified 105mm shell which pierced the honeycomb armor of the formidable Soviet T-72 main battle tank;

Highly advanced Electronic Counter Measures (ECM) and strike techniques which neutralized and destroyed Syrian SA-6, SA-8 and SA-9 Soviet-made missile arrays without loss;

Enhanced air-to-air missilery and other aerial ECM and tactics which resulted in an unprecedented combat kill ratio of at least 85-0 against Soviet aircraft; and

A unique C^3 ability to coordinate air, land and sea operations down to the unit level.

This combination of combat-proven high technology and tactics employed under remarkable Israeli generalship, together with new NATO arms technology and targeting systems already under development, could conceivably revolutionize the overall U.S. defense posture and offers exciting prospects for arms control and disarmament negotiations. Furthermore, the adoption of these modern, advanced technologies could make a favorable impact upon future defense costs and the national budgets of the United States and our allies.

An enhanced defense for NATO forces, achieved through the incorporation of the lessons of the war in Lebanon, raises the intriguing possibility of reducing the reliance on escalation to tactical nuclear weapons because of conventional battlefield inferiority.

The entire Soviet "Wave Theory" of advance in the Central Front of NATO is based upon swift movement of mass formations of armor and infantry, closely supported by Warsaw Pact air, all protected by integrated mobile missile air defense systems. If Pact tanks can be knocked out with unique penetrating shells, if SAM sites can be neutralized and destroyed in large numbers, and if their aircraft can be shot down in a virtual Turkey Shoot, then established Soviet military doctrine comes into question.

But lest the free world relax and congratulate itself on the recent victory of Israeli-manned American arms over those of the Russians, the crushing defeat of the Soviet-equipped PLO and Syrians in Lebanon should be recognized as a possible harbinger of future Russian aggression.

According to the best unclassified intelligence, the initial Soviet reaction to their losses was to blame Syrian manpower for ineptitude. Neither Soviet military doctrine nor equipment inadequacies were considered as factors. There is now reason to believe that the Soviets are no longer so certain.

If the free world doubts the actuality or the significance of these startling advances in weaponry and tactics, Moscow cannot afford to. On an issue so fundamental to their aggressive designs, the Soviets must know whether or not their military doctrine and weaponry are flawed.

Mr. President, if this supposition is correct, the Soviets will be tempted to test their doctrine and weaponry under combat conditions—and soon.

Implementation of these plans may have already begun. The ominous replenishment of war stocks in Syria includes the construction of three bases for SAM-5 anti-aircraft missiles and the further introduction of Soviet technicians. The SAM-5—which rings Moscow itself—has never before been placed outside the Soviet Union.

Mr. President, it ill behooves military men publicly to comment upon purely political matters. However, the current strained relations between Washington and Jerusalem do not augur well for utilizing what you yourself have called "Recognizing the Israeli Asset" in your Washington Post article of August 15, 1979: ". . . the paramount American interest in the Middle East is to prevent the region from falling under the domination of the Soviet Union. . . . Israel has the democratic will, national cohesian, technological capacity and military fiber to stand forth as America's trusted ally . . . Therefore, it is foolhardy to risk weakening our most critical remaining strategic asset."

For example, Israeli ports and bases would be open instantly to U.S. forces in the event of a serious strategic threat to the Middle East. Israel constitutes the only U.S. ally capable of immediate parry to a serious thrust against free world interests in this theater. And, Israel's continued sharing of vital intelligence on Soviet operations constitutes the other essential element of U.S. security in the Middle East.

Your 1979 views have proven prescient indeed, Mr. President. We concur in our assessment of our ally's ". . . geopolitical importance as a stabilizing force, as a deterrent to radical hegemony and as a military offset to the Soviet Union." Therefore, your present initiative on the Middle East must carefully consider the Israeli requirement of strategic depth for her own security, lest our ally be transformed from a strategic asset into a liability.

We have every confidence, Mr. President, that transitory political strains will not be allowed to detract from the fundamental congruence of strategic interests cemented by a common heritage of Western values and democratic ideals.

Mr. President, we therefore urge you to revitalize the strategic cooperation between the United States and Israel, thereby enhancing the safety and well-being of the free peoples of the world.

Sincerely and very respectfully,

Brigadier General Frank Albanese, AUS (Ret).

Major General Earl O. Anderson, USAF (Ret).

Major General Earl J. Archer, Jr., USAF (Ret).

Brigadier General Charles H. Barnwell, Jr., USA (Ret).

Brigadier General Richard G. Beckner, USA (Ret).

Major General Paul B. Bell, USAR (Ret).

Brigadier General Tedd L. Bishop, USAF (Ret).

Brigadier General Edwin F. Black, USA (Ret).

Brigadier General Jack S. Blocker, USA (Ret).

Major General Charles P. Brown, USA (Ret).

Brigadier General Albert R. Brownfield, USA (Ret).

Brigadier General Ernest H. Burt, USA (Ret).

Major General Jonathan R. Burton, USA (Ret).

Lieutenant General Charles W. Carson, USAF (Ret).

Major General Leslie D. Carter, USA (Ret).

Major General J. Hart Caughey, USA (Ret).

Major General Claude H. Chorpening, USA (Ret).

Major General Wendell J. Coats, USA (Ret).
Major General Marcus F. Cooper, USAF (Ret).
Major General William A. Cunningham, USA (Ret).
Brigadier General Robert S. Dale, AUS (Ret).
Brigadier General Anthony F. Daskevich, USA (Ret).
Brigadier General Clinton W. Davies, USAF (Ret).
Brigadier General Kenneth F. Dawalt, USA (Ret).
Major General Elbert DeCoursey, USAC (Ret).
Rear Admiral Charles G. DeKay, USN (Ret).
Major General Sylvester T. Del Corso, USA (Ret).
Brigadier General Clyde R. Denniston, Jr., USAF (Ret).
Rear Admiral Wallace R. Dowd, Jr., USN (Ret).
Brigadier General Thomas J. DuBose, USAF (Ret).
Brigadier General Wilbur E. Dunkelberg, USA (Ret).
Rear Admiral Robert W. Elliott, Jr., USN (Ret).
Major General Harry J. Engel, USA (Ret).
Rear Admiral James E. Forrest, USN (Ret).
Major General John H. Foster, USAF (Ret).
Rear Admiral Walter M. Foster, USN (Ret).
Major General David P. Gibbs, USA (Ret).
Brigadier General John C. Gordon, USAF (Ret).
Lieutenant General Daniel O. Graham, USA (Ret).
Lieutenant General Gordon M. Graham USAF (Ret).
Vice Admiral Arthur R. Gralla, USN (Ret).
Vice Admiral Samuel L. Gravely, Jr., USN (Ret).
Rear Admiral George R. Gronvold, USNR (Ret).
Rear Admiral William S. Guest, USN (Ret).
Brigadier General Charles S. Harris, USA (Ret).
Brigadier General Edwin C. Heffelfinger, USA (Ret).
Major General Harold F. Harding, USA (Ret).
Major General John P. Henebry, USAF (Ret).
Brigadier General Sidney R. Hinds, USA (Ret).
Major General William J. Hixson, AUS (Ret).
General Bruce K. Holloway, USAF (Ret).
Major General Charles T. Horner, Jr., USA (Ret).
General Hamilton H. Howze, USA (Ret).
Major General W. T. Hudnell, USAF (Ret).
Major General Herbert T. Johnson, AUS (Ret).
Major General George F. Keegan, Jr., USAF (Ret).
Major General Gerald F. Keeling, USAF (Ret).
Brigadier General John E. Kelsey, USA (Ret).
Admiral George E. R. Kinnear II, USN (Ret).
Brigadier General Albion W. Knight, USA (Ret).
Major General William R. Kraft, Jr., USA(Ret).
Brigadier General Philip E. Kromer, Jr., USAF (Ret).
Rear Admiral Chester A. Kunz, USN (Ret).
Brigadier General Fred C. Kyler, USAF (Ret).
Major General Edward G. Lansdale, USAF (Ret).
Brigadier General Louis W. LaSalle, USAF (Ret).
Vice Admiral Fitzhugh Lee, USN (Ret).
General Curtis E. LeMay, USAF (Ret).
Rear Admiral James E. Leeper, USN (Ret).
Brigadier General Selig J. Levitan, USA (Ret).
Brigadier General Gerald F Lillard, USA (Ret).
Brigadier General John J. Liset, USAF (Ret).
Major General John L. McCoy, USAF (Ret).
Rear Admiral Brian McCaulay, USN (Ret).
Major General Raymond F. McNally, Jr., AUS (Ret).
Vice Admiral William P. Mack, USN (Ret).
Major General Ralph J. Maglione, USAF (Ret).
Rear Admiral Robert C. Mandeville, USN (Ret).
Rear Admiral David L. Martineau, USN (Ret).
Brigadier General John A. Maurer, USA (Ret).
Major General John B. Medaris, USA (Ret).
Brigadier General Charles R. Meyer, USA (Ret).
Brigadier General Robert L. Moeller, USAF (Ret).
Brigadier General Hammond M. Monroe, USA (Ret).
Rear Admiral Albert J. Monger, USN (Ret).
Major General Harley L. Moore, Jr., USA (Ret).
Lieutenant General George W. Mundy, USAF (Ret).
Lieutenant General Samuel L. Myers, USA (Ret).
Brigadier General Bernard A. Nurre, USA (Ret).
Rear Admiral Arthur H. Padula. USN (Ret).
Brigadier General Edward A. Pagels, AUS (Ret).
Brigadier General George A. Pappas, Jr., USAF (Ret).
Brigadier General Donald G. Penterman, USA (Ret).
Brigadier General Roy W. Peters, AUS (Ret).
Rear Admiral Richard W. Peterson, USN (Ret).
Lieutenant General Kenneth E. Pletcher, USAF (Ret).
Brigadier General Jack P. Pollock, USA (Ret).
Major General John E. Ralph, USAF (Ret).
Rear Admiral Kendall S. Reed, USN (Ret).
Major General Thomas F. Rew, USAF (Ret).
Brigadier General Royal Reynolds, Jr., USA (Ret).
Brigadier General Nathaniel B. Rieger, USA (Ret).
Major General Milnor J. Roberts, AUS (Ret).
Brigadier General H. F. Safford, USA (Ret).
General Bernard A. Schriever, USAF (Ret).
Rear Admiral John C. Shepard, USN (Ret).
Major General John K. Singlaub, USA (Ret).
Brigadier General Franklin G. Smith, USA (Ret).
Major General Paul T. Smith, USA (Ret).
Rear Admiral Philip W. Smith, USNR (Ret).
Major General Maxwell C. Snyder, AUS (Ret).
Rear Admiral Robert H. Spiro, USNR (Ret).
Brigadier General Harry G. Staulcup, USAF (Ret).
Brigadier General Carl F. Steinhoff, USAR (Ret).
Major General Richard R. Stewart, USAF (Ret).
Brigadier General Clio E. Straight, USA (Ret).
Vice Admiral Robert J. Stroh, USN (Ret).
Major General James B. Tipton, USAF (Ret).
Lieutenant General T.J.H. Trapnell, USA (Ret).
Brigadier General Thomas K. Trigg, USA (Ret).
Vice Admiral Frederick C. Turner, USN (Ret).
Major General Francis E. Uhrhane, USA (Ret).
Brigadier General Willaim M. Van Harlingen, USA (Ret).
Brigadier General Herbert D. Vogel, USA (Ret).
Brigadier General Frederick T. Voorhees, USA (Ret).
Major General Louis A. Walsh, Jr., USA (Ret).
Rear Admiral Joseph Harold Wellings, USN (Ret).
Brigadier General Roger E. Whitcomb, AUS (Ret).
Brigadier General G.P. Wiedeman, USAF (Ret).
Rear Admiral Charles S. Williams, USN (Ret).
(Responses from additional signators arrived too late for inclusion in this list.)●

CONCURRENT RESOLUTION—AUTHORIZING A BUST OF CARL HAYDEN TO BE PLACED IN THE CAPITOL

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. STUMP. Mr. Speaker, I am privileged to introduce for myself, Mr. RUDD, Mr. UDALL, Mr. MCNULTY, and Mr. MCCAIN a concurrent resolution authorizing the placement of a marble bust of the late Senator Carl Hayden from Arizona, in the U.S. Capitol or in the Senate Office Buildings. This resolution is identical to Senate Concurrent Resolution 7, introduced by Senators GOLDWATER, DECONCINI, and MATHIAS.

When Carl Hayden retired in January 1969, he had served in the Congress and the Senate longer than any other Member. He represented Arizona in the U.S. Senate for 42 years and

served a total of 57 consecutive years in Congress.

His accomplishments were of national stature and included joint authorship of the constitutional amendment giving the vote to women, the original law establishing the Interstate Highway System, and of course the central Arizona project.

Over the span of several decades, Carl Hayden was Arizona's greatest asset. Yet, he did not seek publicity or notoriety. He went about the business of the country and his constituents without fanfare because he believed the folks back home were more interested in results than conversation. However, it was more than results that endeared this quiet, unobtrusive, but extremely effective man to the hearts of Arizonans.

I believe his constant concern for those folks back home was the key to Senator Hayden's success and longevity. He never lost touch with the common people. He spent equally attentive amounts of time with manual laborers in Phoenix, as with his colleagues in the august halls of the U.S. Congress.

The regard of the people of Arizona for the Senator was powerfully demonstrated during his final election campaign. He was stricken seriously ill after the primary yet was overwhelmingly reelected. Such loyalty can only be earned through years of faithful service.

Mr. Speaker, Carl Hayden may always be best known for his simple separation of the Members of Congress into two distinct groups: showhorses and workhorses. There is no better word to summarize the life of Senator Hayden than workhorse. This makes it all the more fitting that we take the time to honor and recognize the accomplishments of a man who sought no such recognition himself. The entire Arizona delegation urges prompt action by both bodies on this resolution.

Thank you, Mr. Speaker.●

I. LEE POTTER: RESPECTED REPUBLICAN LEADER

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. WOLF. Mr. Speaker, it is with deep regret that I bring to the attention of my colleagues the recent passing of a well-known and respected Republican leader in Virginia and on Capitol Hill.

I. Lee Potter served in various leadership positions with the Republican Party and was named executive director of the National Republican Congressional Committee in 1967, a position he held for 3 years, until being appointed executive director of the Republican Congressional Boosters Club where he served until 1982.

I would like to share with my colleagues Mr. Potter's obituary notice from the Washington Post of February 25, 1983, and also a eulogy of Mr. Potter provided at services for him at the Memorial Baptist Church in Arlington, Va., on February 25.

I would also like to extend my deepest sympathy to his wife and family, many of whom reside in Arlington.

[From the Washington Post, Feb. 25, 1983]

I. LEE POTTER, 73, DIES; VIRGINIA REPUBLICAN LEADER

I. Lee Potter, 73, the chairman of the Virginia Republican State Central Committee from 1956 to 1962 and a Republican National Committeeman from 1964 to 1972, died of a ruptured aorta Feb. 21 at Arlington Hospital. He lived in Arlington.

Mr. Potter was born in Pennsylvania and grew up in Northern Virginia. He earned a degree in accounting and business administration at Southeastern University. He was a professional organ player and union printer before becoming active in construction and real estate development in 1935.

At his death, he was president and board chairman of Jelleff's, a women's specialty store in Arlington. He had been a director of several Northern Virginia banks.

In politics, Mr. Potter was elected chairman of the Arlington County Republican Committee in 1950. From 1954 to 1955, he was administrative assistant to Secretary of Labor James Mitchell. In January 1957, he was named special assistant to GOP National Committee Chairman Meade Alcorn and director of the committee's southern division.

He became executive director of the National Republican Congressional Committee in 1967, and three years later was named executive director of Republican Congressional Boosters Club, the fund-raising arm of the Republican Senatorial and Congressional Campaign committees. He held that post until 1982.

He was a member of the board of the Wolf Trap Regional Foundation and of the Virginia Fish and Game Commission. He was chairman of the American Cancer Society of Northern Virginia.

Survivors include his wife, Dulcie H., of Arlington; a son, Alan, of Locust Grove, Va.; his father, H. Stewart Potter, and two sisters, Rae Vaughn and Jean Toombs, all of Arlington, and three grandchildren.

EULOGY—I. LEE POTTER

How do you measure the value of a man?

Is he of greater value because he sits among the leaders of his nation or because he is known for integrity.

Is he worth more because of his abilities in business or because of his generosity and good humor?

Is he to be judged by the frequency with which his name is heard, or by the affection of his family?

Is he to be known for the material success achieved in his lifetime, or by the number of those who call him "friend?"

Is it more important that he accumulated wealth, or that he earned respect?

Is his greater legacy to be the building of a political organization or the installation of high moral character in his descendants?

Every man has different dimensions, different facets, different characteristics, and different abilities, but we have had the rare privilege of knowing a man of true value, and we will not soon forget him.●

PRAISE FOR PAMELA HARRIMAN

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. ALEXANDER. Mr. Speaker, in my part of the country it is a tradition to salute great ladies—merely for being great ladies, and not on account of any particular favor they may have shown you. So at some point I would certainly be finding the occasion to praise Pamela Harriman—distinguished in her own right and well-known also as the wife of that great Democrat and great American, the Honorable Averill Harriman.

But, as it happens, Pamela Harriman has indeed favored me and several hundred other Democrats. First, she invited us to dinner Monday night at the Madison Hotel and brought all our contentious tribes, at least for an evening, under one contented roof as we honored, with her, the Nation's 34 Democratic Governors and their spouses. We could not help reflecting, by the way, that Governor Harriman's tenure as chief executive of New York was close to being a model one, and that was another bright aspect to the occasion. But Mrs. Harriman favored us even further. She called us—an assembly of office-holders, for the most part—"brave" and told us that we had held a high ground against the advances of reactionaries and suggested that we had something to do with preserving the hopes of mankind.

To the extent that any of that is true—and we will certainly strive mightily to prove her right—it is true because of the kind of faith and energy which only the Pamela Harrimans of this world possess. She has inspired us through the years as only a great and gracious lady knows how to inspire. She could, if she chose, remain on the sidelines of active politics and be admired at a distance. But she is not one to sit in the grandstand; she is a participant in the public business and in the great affairs of our Nation, and we have learned to look to her for initiatives. Pamela told us last night that she was proud to belong to a party that would "live up to the best ideals of this greatest of nations." Well, I for one am proud to belong to a party that includes Pamela Harriman, and happy for that accident of birth which makes me a fellow citizen with Pamela, who came to us by conscious choice.

Thank you, Pamela Harriman, for coming and thank you for giving me this occasion for saying so.

I attach a copy of her remarks for the RECORD, to wit:

REMARKS OF PAMELA HARRIMAN AT DINNER FOR DEMOCRATIC GOVERNORS

We are here to celebrate the marvelous Democractic gains of 1982—and to prepare for the sweeping Democractic victory of 1984.

First of all we salute the Democratic Governors—who now hold two-thirds of all the Governorships in the Nation, that seems like a large percentage—but in 1984, I believe we can do even better.

Second, we salute our Democratic Senators—those brave few who won in the difficult year of 1980; those 19 Democrats who won in the happy year of 1982; and all those who are in the Senate now, who are here tonight, and who will be sent back to the Senate in 1984. And in that election, we must and we will elect Democratic challengers as well—so we can return the Senate itself to a Democratic majority and Democratic principles.

Two years ago, when we started Democrats for the 1980's in the very shadow of the Reagan triumph, we were told our hopes were too high—that at best, we could try to hold a little ground against the inevitable advances of reactionaries and the new right. Now we know how wrong that pessimism was. We took our stand—and the people have turned to us.

But the success of the past year does not guarantee the victory of next year.

We need every resource of heart and every form of help each of us can give. The other side may outspend us—but they will never outwork us. That is the pledge and the commitment of Democrats for the 1980's.

Yet hard work by itself will not be enough.

We must also resolve that Democrats will offer fair and sensible alternatives to the unfair and insensitive policies of his administration. We must do more than oppose; we must propose a program for an economic recovery in which all our people have a fair share—and a more secure peace, where all the world will have a better chance for survival.

As all of you know, I was not born in this country or into the Democratic Party. I came to America by choice—and to the Democratic Party by conviction.

I am proud to belong to a Party which is not afraid to speak of compassion, to stand for nuclear arms control, and to demand that we live up to the best ideals of this greatest of Nations.

So let us renew our commitment to our cause.

Let us join in celebrating the Democratic victors of 1982—and in opening the way for a Democratic Senate, A Democratic Congress and a Democratic President in 1984.●

LINCOLN UNIVERSITY: A PRICELESS HERITAGE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. CLAY. Mr. Speaker, Lincoln University has a rich and distinctive history in the life of the State of Missouri and our Nation.

It was founded as an institution of higher education in 1866 to provide for the academic and intellectual development of the sons and daughters of former slaves. Lincoln University, therefore, has a specialness in the very lifeblood of black Americans because it offers through the provision of academic and intellectual skills a conduit for black Americans to enter the socio-economic mainstream of American society.

To that extent, it is very dear and much cherished by black Americans. It is most important that this peculiar heritage of Lincoln University and its precious roots be maintained and extended in the present and future.

It should be noted as a matter of historical record that Lincoln University has always, as is true of other predominantly black colleges and universities—namely, Howard, Morgan, Talladega, Hampton, and so forth—founded during the same period, opened its doors to all races. Lincoln University must remain, in the present and future, a vital and creative part of black America.

In this connection, Mr. Speaker, I would like to share with my colleagues a position paper prepared by Dr. Willie J. Kimmons regarding the maintenance of the heritage of Lincoln University.

The paper follows:

MAINTAINING THE HISTORICAL HERITAGE AND INTEGRITY OF LINCOLN UNIVERSITY

(By Willie J. Kimmons)

According to Randolph Bracy, Jr., the major goal of Black institutions of higher learning is the development of strategies for preparing Black people with the essential skills to govern and compete in the Black Community and the American society. ("The Black Private College and Strategies for its Survival," Journal of Negro Education, Vol XLIX, No. 1, 1980.)

In 1866, shortly after the Civil War, a group of Black men had a vision and saw a need for a Black institution of higher learning in the Jefferson City, Missouri area. Because they had no financial backing they decided to contribute some of their own earnings. Thus in 1866, because members of the 62nd and the 65th colored infantries had a vision and decided to contribute from their personal earnins, Lincoln Institute was created. This dream encouraged by other individuals became a reality and on September 17, 1866 Lincoln opened its doors for the first time to Black students desiring a post-high school education. Twenty four years later, in 1890 the State of Missouri established Lincoln as a land-grant institution of higher learning. In 1921, this institution became Lincoln University.

Since its inception, this institution has broadened the horizons of thousands of Black young men and women by helping them to realize their potential to fulfill themselves, serve humanity, and stand-up in support of the dignity of all persons. The tradition upon which Lincoln University was founded, nurtured and developed must remain as strong and true today and tomorrow as it was yesterday.

According to Dennis Daily Murphy, one of the major goals of Black institutions is to provide creditable models for aspiring youth. He stresses the importance of young Black men and Black women seeing other Blacks managing important affairs and administering important enterprises. ("The Future of Predominantly Black Public Colleges and Universities," Urban Education, Vol. 16, No. 1, April, 1981.)

Faustine Jones emphasizes that since their founding, the worth of Black Colleges is very often substantiated by quantitative measures such as the number of graduates. From a quantitative perspective, most of the teachers, lawyers, physicians, social workers, and other Black professionals who have made significant contributions or who have attained outstanding social distinction are alumni of Black Colleges. ("In appreciation: The Worth of Black Colleges" Journal of Negro Education, Vol. 50, No. 3, 1981.)

One of the outstanding strengths of Lincoln University is the pride and commitment of its graduates. These graduates along with the faculty and staff are dedicated to advancing excellence in the liberal arts, in the professions, and technical careers. A few of its outstanding graduates are:

Mr. William Gillespie, National President, Lincoln University Alumni Association, Chesterfield, Missouri.

Mr. Paul Thornton, Assistant Director, Internal Revenue Service, Detroit Office, Detroit, Michigan.

Mr. Jesse Hill, Jr., President, The Atlanta Life Insurance Co., Atlanta, Georgia.

Mr. Thomas Shropshire, Vice President, Miller Brewery, Milwaukee, Wisconsin.

Dr. Henry Givens, President, Harris-Stowe College, St. Louis, Missouri.

Mr. Stanley Scott, Vice President, Phillip Morris, New York, New York.

Mrs. Barbara Vance, Staff Facilitator, College of Education, Wayne State University, Detroit, Michigan.

Dr. Lionel Newsome, President, Central State University, Wilberforce, Ohio.

Mr. Earl Wilson, Marketing Director for European Countries, I.B.M.

Dr. Queen Randall, President, El Centro Community College, Dallas, Texas.

Dr. Odell Nails, Superintendent, Pontiac Public Schools, Pontiac, Michigan.

Mr. Julius Hollis, Corporate Attorney, General Motors, Detroit, Michigan.

Dr. Roy Cheatham, Dean, St. Louis University, St. Louis, Missouri.

Lincoln University graduates have distinguished themselves across this nation. Lincoln has produced and will continue to produce some of the greatest role-models and image-builders this country has to offer. It has graduated some of the greatest minds that have competed and contributed at all levels and in every facet of American life. Indeed the Alumni Association is engaged in many exemplary efforts promoting excellence in education and in maintaining the University's historical integrity, personal, and professional growth throughout its local chapters in more than 20 cities across the United States of America. The Association will continue to support the mission and goals of the institution and will continue their dedication to educating Black students, to all young people, and to our nation.

Historically Black Universities such as Lincoln provide opportunities for Black men and women with advanced degrees to find positions to teach and administer in a more congenial and more comfortable settings. According to Andrew Billingsley, among the nation's more than three thousand predominantly white colleges and universities, less than one percent of the faculties are Black.

Upon careful examination and analysis, it can be determined that the historically Black Colleges are the only significant academic "home" for Black faculty and staff members. "Building Strong Faculties in Black Colleges" Journal of Negro Education, Vol. 51, No. 1, 1982.) Consequently a "home" such as Lincoln must remain and continue to be strong in principle and commitment, rich in tradition and culture, and Black.

This position does not intend to place Blacks and non-Blacks in adversarial roles. Lincoln University is one of the two institutions of higher learning in Missouri which was developed because the other institutions of higher education refused to accept Black students. Times have changed. The economy is tight. The population of Jefferson city is more than seventy-percent non-Black. Non-Black students have always attended Lincoln University. We welcome all students to our Historically Black University.

We realize we are in close proximity to major metropolitan cities with sizable Black and minority populations such as Kansas City, Missouri; East St. Louis, Illinois; Chicago, Illinois; Memphis, Tennessee; and St. Louis, Missouri. The young Black and minority youngsters in these cities need Lincoln University and Lincoln University needs them. We want to satisfy their educational, personal, and social needs.

Truly, it is unfortunate that at this point of history we find it necessary to defend the history, culture, and future of this University by asserting our position that the President of Lincoln University must be highly competent, highly qualified and Black. Nevertheless the alumni, faculty and staff, community, and political representatives are united in our efforts to preserve Lincoln University along with its tradition and heritage. This necessitates selecting a President from the cadre of excellent Black administrators and educators across this nation.●

H.R. 1733

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. JEFFORDS. Mr. Speaker, today I am introducing a bill to amend title II of the Social Security Act to provide for timely notification of the Secretary of Health and Human Services by funeral homes or appropriate persons of any death. This bill—if enacted into law—will insure that the Social Security Administration (SSA) is able to stop benefit payments to a deceased person soon after death. The Social Security Administration will save over $100 million each year under the provisions of this bill. I would like to point out that it was through conversation with James A. Johnston, of Montpelier, Vt., that the importance of this type of legislation came to my attention.

Under the provisions of my bill within 3 days of the issuance of a death certificate, the person charged with disposition of a body must notify the SSA. This procedure would bring a $10 reimbursement from SSA to cover expenses of notification. If a person fails to notify the SSA four times, he or she will be subject to a $25 fine for each willful failure thereafter, after notification to do so. It is my sincere belief that funeral directors would comply to the fullest with this law even without the $10 reimbursement or the fine. However, those notifying SSA will be doing the country and the social security system a service for which they should be reimbursed.

The information supplied to SSA would not only save the old age and survivors trust fund millions of dollars, but it would be a step toward restoring faith in social security on the part of those who are disillusioned with the retirement program.

The system of notification in this bill would allow the Social Security Administration to share information about the death of Americans with Federal and State agencies that are responsible for the payment of other forms of benefits. In this way we will save millions of dollars in general revenues as well as in social security.

The text of this measure is printed below. We all recognize that corrections must be made in our social security system, and I hope that my colleagues will support this measure.

H.R. 1733

A bill to amend title II of the Social Security Act to provide for timely notification of the Secretary of Health and Human Services by funeral homes or other appropriate persons of deceased individuals' deaths

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 205 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"REIMBURSEMENT FOR TIMELY NOTIFICATION OF DEATH

"(r)(1) Any funeral home or other person who disposes of the remains of any deceased individual as authorized by law shall be paid $10 by the Secretary from amounts available for administration of this Act if such funeral home or other person notifies the Secretary (in such form and manner as shall be prescribed by the Secretary) of such individual's death within 3 business days after the date of the official filing with a State (or a political subdivision of a State) of a death certificate (or equivalent document maintained by such State or subdivision) recording such death.

"(2) Upon determining that any person on at least four occasions has disposed of the remains of deceased individuals and that on each such occasion has failed to notify the Secretary of the individual's death in a manner which would have entitled such person to a payment provided for in paragraph (1), the Secretary shall notify such person in writing that subsequent failures may result in criminal fines. Any person who receives notice from the Secretary after four such failures pursuant to the preceding sentence and who thereafter disposes of the remains of one or more deceased individuals and knowingly and willfully fails to notify the Secretary of such individuals' deaths in the manner described in the preceding sentence shall be guilty of a misdemeanor for each such failure and upon conviction thereof shall be fined $25.

"(3) In the case of individuals with respect to whom benefits are provided by (or through) a Federal or State agency other than under this Act, the Secretary may provide, through a cooperative arrangement with such agency, for utilization of information obtained pursuant to this subsection with respect to such individuals if—

"(A) under such arrangement the agency provides reimbursement to the Secretary for the reasonable cost of carrying out such arrangement, and

"(B) such arrangement does not conflict with the duties of the Secretary in compiling information pursuant to this subsection.

"(4) For purposes of this subsection, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.".●

TONGUE-TIED

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. SIMON. Mr. Speaker, the Reagan administration continues to cling to the notion that the only way to reduce its unprecedented deficit is to cut or eliminate domestic programs that most of our citizenry and much of the world would call vital.

So, while he plans to continue his enormous and frightening arms buildup, the President is proposing that the United States wipe out its meager international education program in the Department of Education. The program on which we rely to help train our diplomats, intelligence officers, and international businesspersons of the future.

As a result of his proposal, the international community is responding in disbelief. The United States, the recognized leader of the free world, proposes to cease its support for the advanced study of other cultures and languages.

I urge my colleagues to read the following article from the Economist, published in London, and then join with me in sending a clear message to the White House that we have no intention of following this pitiful suggestion to eliminate Federal support for the critical area of international education.

In 1776 such a move might be considered. In 1983 it is impossible to believe that Congress would seriously propose it.

The article follows:

[From the Economist, Feb. 12, 1983]

TONGUE-TIED

WASHINGTON, D.C.—In the grand numbers war of the federal budget, the inclusion (or exclusion) of a $26m item can easily pass unnoticed. That is perhaps what the administration hoped would happen when it tried to delete a line from the fiscal 1984 budget

for the department of education. The international studies programme, which identifies "national resource centres" at American universities and then gives them grants to encourage the study of foreign languages, cultures and political systems, was the intended casualty. But the academic, business and defence communities have caught on more quickly than they were supposed to, and they have begun a battle that may well end in a budget increase rather than a cut.

Responsibility for education is constitutionally reserved to the states in the American federal system. But in 1958, soon after Sputnik had thrown Americans into a panic about the quality of public education, congress passed the National Defence Education Act, which began formal federal sponsorship of, and some financing for, the study of international affairs. In some cases, the grants went to already well-endowed institutions, such as Harvard or Stanford, to improve existing courses and libraries; in other cases, truly needy state universities were the beneficiaries. It became possible to pursue Soviet studies in Ann Arbor, to learn excellent Chinese or Japanese in Seattle and to follow African affairs in Bloomington, Indiana. The federal expenditure came to be regarded as a good investment, if only because many of the international studies graduates joined the foreign service, went to work at the Pentagon, found jobs in one of the intelligence agencies or helped to sell American goods abroad.

The progress in the "international literacy" of Americans, as the experts call it, was still not great. The president's commission on foreign language and international studies reported in 1979 that, as American responsibilities and interests abroad had expanded, the pool of people genuinely qualified to manage them had shrunk. When Islamic militants, that very year, took over the American embassy in Teheran, its staff could not even understand their slogans; only three of the famous hostages spoke Farsi.

Ever since the 1979 report, there have been efforts in congress and on the campuses to extend the international studies programme to more languages and other areas. The argument was that if the federal government continued to show an interest then it would be easier to bring in funds from foundations, corporations and other donors. But Mr. Reagan's budget writers, arguing that most of the universities receiving the grants did not really need them or could probably raise the money elsewhere, decided that this was an easy and obvious place to achieve savings.

Mr. Bobby Inman, the retired admiral who once ran the National Security Agency (which employs many linguists), was one of the first to criticise the plan. International studies, he said, are "a national security issue". Admiral Inman predicted that a cut in this area would inhibit Mr. Reagan's much vaunted effort to rebuild the American intelligence effort. Business groups such as the Council of the Americas said they would have a hard time persuading their members to give to university departments if the government did not lead the way.

Few congressmen in either party seem included to support the president on this issue. Indeed, international studies suddenly rank with motherhood and apple pie on the political agenda. As a lobbyist from the American Council of Education put it, "We're really lucky they want to destroy the programme completely. A small cut might have seemed reasonable. This way, we might actually get a big increase." And so it goes on one small front of the budget battle.●

DEFENSE: THE PROCUREMENT PROBLEM

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mrs. ROUKEMA. Mr. Speaker, surely the projected Federal budget deficits over the next few years are as disturbing to you as they are to us. These deficits threaten to reverse the economic recovery now underway, one we have all labored so hard to achieve. It is imperative that we take the necessary steps to reduce these imminent deficits, not just for fiscal 1984 but, even more importantly, for future years.

The structure of Federal spending must be changed. In the same way we have resolved to reduce long-term commitments in Federal entitlements programs by structural reform, we must restructure the anticipated spending levels for defense acquisitions by realistically setting defense priorities. We must have a realistic and coherent defense strategy or face the consequences—confiscatory taxes, unacceptably high deficits, or both.

No more obvious proof of this need exists than the strong trends of public opinion that evidence rapid erosion of public confidence and support for a defense buildup. The mandate for a stronger defense, evidenced so convincingly in November of 1980, has enabled us to increase the defense portion of the Fedeal budget from 23 percent to 26.7 percent. Yet we are in danger of losing this consensus for a steady and sustained buildup in our national defense, largely because no convincing strategy has been produced to justify the expolsive growth in defense expenditures. Too frequently the message is buy more of everything.

What course then can be taken to realistically plan ahead within realistic budgetary parameters? Here the facts are revealing and persuasive:

If no change is made in the current federal budgetary policy we will add $1,159 billion to the federal deficit between fiscal 1984 and fiscal 1988. During this period the President is proposing a $1,593 billion defense plan.

We have gone far beyond President Reagan's pledge, to the American people in the 1980 campaign, of a 5 percent real growth rate in yearly defense spending. The President's program doubles this in fiscal 1984, with a requested increase of 10.2 percent real growth in budget authority. Over the period 1981-1988 the President's current plans will increase the defense budget an average of 8 percent yearly in real growth.

Since President Reagan took office we have increased yearly defense spending $51.3 billion or 33 percent and by 1988 spending increase another $188 billion or an additional 75 percent.

Between fiscal 1980 and 1984 spending on procurement will nearly triple from $35 billion to $94 billion. The President's recent five year plan nearly doubles procurement again between 1984 and 1988, from $94 to $170 billion. Presently, 29 percent of our defense budget goes to procurement, but by 1988 it will balloon to 39 percent.

In contrast, operations and maintenance, the very heart of our readiness capability, will drop from 33 percent of our defense budget in 1980 to 26 percent in 1984. The President's plan calls for an increase of only 50 percent, from $74 billion in 1984 to $112 billion in 1988. Operations and maintenance will still be 26 percent of our defense budget in 1988.

It is obvious that the reductions in the planned military buildup will have to occur in the area of procurement. If we cannot control the procurement bulge, we may all be limiting future choices with regard to our conventional forces. In the past, we have been too willing to cut in the critical areas of military personnel and operations and maintenance to achieve illusory short-term savings. With the pressures of persistent large deficits in future years, it will be all to easy to again find immediate savings in our "readiness" accounts. Consequently, our planes will sit in their hangars, our ships will lay at anchor, our tanks will remain idle because they are in need of repair or we do not have the trained personnel to man them. The decisions made today on major investment programs will determine the amount of this idleness that will occur tomorrow.

We have a solemn obligation to work for fiscal responsibility and a nation which is strong at home and abroad. This obligation demands that we urge the administration to demonstrate the leadership necessary for its fulfillment. Outside of the Congress the momentum for this change continues to build. The cover of Time magazine, discussions in the Business Roundtable, and the report of the National Governor's Conference all agree. We cannot allow defense spending to increase by 10 percent. The economy cannot accommodate such a jump and the American people will not tolerate such reckless growth. If we do not begin now, events will overtake us, and we will bear the burden and the blame for the consequences of our inaction and failure of leadership. Therefore, I call upon my Republican colleagues to join me in seeking Secretary Weinberger's leadership and cooperation in this task.●

MODIFIED DAIRY PRICE SUPPORT PROGRAM

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. FOWLER. Mr. Speaker, I introduced the modified dairy price support program on February 23, 1983. This legislation would correct serious problems facing the dairy industry, the taxpayers, and America's milk consumers. The text of the legislation reads as follows:

H.R. 1604

A bill to amend the dairy price support program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Modified Dairy Price Support Program."

SEC. 2. Section 101 of the Omnibus Budget Reconciliation Act of 1982 is hereby repealed.

SEC. 3. Subsection (c) of Section 201 of the Agriculture Act of 1949, as amended, is amended as follows:

"(c)(1) Effective for the period beginning April 1, 1983 and ending September 30, 1984—

"(A) The price of milk containing 3.67 per centum milk fat shall be supported at $12.10 per hundredweight.

"(B) On the basis of calculations made every three months, the Secretary shall increase the support price 50 cents per hundredweight whenever Commodity Credit Corporation (CCC) purchases are estimated to be below 7.5 billion pounds milk equivalent during the next twelve months and increase the support price $1.00 per hundredweight whenever CCC purchases are estimated to be below 5 billion pounds milk equivalent during the next twelve months.

"(2) Effective October 1, 1984 the price of milk shall be supported at a level not in excess of 83 per centum nor less than 61 per centum of the parity price therefor as follows: if the Secretary estimates the purchases of milk or the products of milk by the Commodity Credit Corporation for the forthcoming fiscal year to be less than 2 billion pounds milk equivalent, the price of milk shall be supported at 83 per centum of the parity price; if the estimate for purchases is 2 billion pounds milk equivalent or more, but less than 3 billion pounds, the price of milk shall be supported at 79 per centum of the parity price; if the estimate for purchases is 3 billion pounds milk equivalent or more, but less than 4 billion pounds, the price of milk shall be supported at 75 per centum of the parity price; if the estimate for purchases is 4 billion pounds milk equivalent or more, but less than 5 billion pounds, the price of milk shall be supported at 71 per centum of the parity price; if the estimate for purchases is 5 billion pounds milk equivalent or more, but less than 6 billion pounds, the price of milk shall be supported at 68 per centum of the parity price; if the estimate for purchases is 6 billion pounds milk equivalent or more, but less than 7 billion pounds, the price of milk shall be supported at 65 per centum of the parity price; if the estimate for purchases is 7 billion pounds milk equivalent or more, but less than 9 billion pounds, the price of milk shall be supported at 63 per centum of the parity price; if the estimate for purchases is 9 billion pounds milk equivalent or more, but less than 11 billion pounds, the price of milk shall be supported at 62 per centum of the parity price; and if the estimate for purchases is 11 billion pounds milk equivalent or more, the price of milk shall be supported at 61 per centum of the parity price.

"(3) The price of milk shall be supported through the purchase of milk and the products of milk."

SEC. 4. Class I milk prices for all marketing agreements and orders shall be established at not less than $12.56 plus the differential set forth in each order per hundredweight for milk containing 3.5% milk fat. This section shall be effective April 1, 1983 or upon enactment.

SEC. 5. Notwithstanding any other provision of law, any money that may have been paid to the Commodity Credit Corporation pursuant to Sec. 101 of the Omnibus Reconciliation Act of 1982 shall be remitted by the Secretary.●

THE BOLD NEW CITY OF THE SOUTH

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. CHAPPELL. Mr. Speaker, recently I had occasion to sit with Mayor Jake Godbold of the city of Jacksonville, Fla., a considerable portion of which lies within the Fourth Congressional District.

Mr. Godbold has consistently made efforts in behalf of his city in securing assistance, interest, business participation, expansion of recognition, and definition of community goals and objectives. He has been untiring in his pursuit of excellence.

Yesterday, during a conversation with a delegation from the Jacksonville Chamber of Commerce, the subject of the uniquely close relationship between government and the private sector in the city of Jacksonville was broached. In these days when we work so diligently to assist our constituent communities in posturing for the future, it is a pleasure to note that an individual leader has welded such strong and lasting ties as has been the case in Jacksonville, Fla.

Perhaps there are other leaders throughout this great Nation who may look to the example set by Mayor Jake Godbold and the city of Jacksonville, Fla. in establishing a similar working partnership, a marriage of effort, a team of "can do" oriented members.

I wish to commend the government and industrial leadership of Jacksonville on their splendid achievement and, in particular, Mayor Jake Godbold, for his personal leadership initiative in bringing this union of community interests and government objectives into a productive and viable focus. Indeed, Mayor Godbold epitomizes the very best in the city's motto—"The bold new city of the South".●

1983 DISTRICT DISTINGUISHED SERVICE AWARDS

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. BENNETT. Mr. Speaker, recently I had the honor of announcing seven 1983 recipients of the Florida congressional delegation's Distinguished Service Awards for the Third Congressional District. The seven were recommended by an awards panel of community leaders in private sector initiatives and volunteer work. The awards recipients are being honored as a part of the Florida congressional delegation's private sector initiatives program which the delegation adopted last August.

The goals of the Florida delegation's program include encouraging the private sector in each congressional district to take a more active role in solving community problems, giving official recognition and awards to models of successful private initiatives, and encouraging programs and individuals which stimulate the use of volunteers to address community needs.

The seven recipients are, in alphabetical order:

Jacksonville Area Chamber of Commerce, Edward Waters College Task Force, Richard Suddath, chairman: Provided management assistance to help a local college. A business team from the chamber has been working with the college to improve overall financial management.

Jacksonville Percent Club, Jacksonville Chamber of Commerce, Guy Botts and Robert T. Shircliff, cochairmen: Represents a long-range project which will have far-reaching positive effects over many years. The Percent Club encourages local corporations to take an active part in philanthropy. All of the 81 corporate members have certified through a signed affidavit that they gave either 2 percent or more, or 5 percent or more of their pretax earnings to charity during that year. The Jacksonville Percent Club is the first of its kind in Florida.

Sexual Assault Treatment Center, Mrs. Pat Hannan, chairperson: Represents an innovative project led by a volunteer who raised the capital from the private sector. Mrs. Hannan, a member of the mayor's Commission on the Status of Women, has been the driving force behind the funding and establishment of the center and of an education and awareness program in the schools.

Southeast Bank, Franklin Arms Corporate Volunteer Program: Represents a company's involvement. Southeast

Bank executives met with officials of the city and of Volunteer Jacksonville, the umbrella volunteer organization, to determine where their employees could be most effective. Based on these recommendations, Southeast Bank employees adopted the Franklin Arms Retirement Home. They have developed an ongoing relationship with the residents which has or will include social events, refurbishing facilities, and a Christmas celebration with the tenants.

Telephone Pioneers, Retirement Home Adoption: Represents an employee association's involvement. The association pledged to "reach out and touch" to provide hands on support and assistance to the residents of the Twin Towers Retirement Home. Some 425 volunteers refurbished the facilities, conducted social events for the residents, and started a library through a major book drive. The program was so successful that it is being expanded to other Florida cities.

Judge Gerald Tjoflat, Boy Scouts of America, North Florida Council: Represents traditional voluntarism. Judge Tjoflat is the president of the North Florida Council of the Boy Scouts of America. He believes that Scouting allows children to develop "the strength of character to resist the awesome pressure that peer groups put on them to use drugs, peddle drugs, and engage in crime." The number of Boy Scouts in the North Florida Council has risen by over 50 percent in the last few years under Judge Tjoflat's leadership. The judge also has a program to involve felony youth offenders in Scouting, the first of its kind in the United States.

WJXT-TV 4, Wednesday's Child: Represents an excellent way of using media resources for the benefit of the city. This series focuses on one child per week by identifying his or her needs and interests in regard to adult friendship to help eliminate the waiting list of boys and girls needing a Big Brother or Big Sister. It has enhanced community awareness of the Big Brother/Big Sister program and the plight of the single parent, and has increased the number of matches of child and adult.

Looking over the broad array of philanthropic work being done in Jacksonville and the willingness of the people of Jacksonville to come together for the good of the community is obvious and outstanding. All the nominations showed a wonderful sense of what a community can do for itself. All those who were named and all those who continue to work unselfishly as volunteers in the public interest, even though unrecognized, are truly the strength of America.●

SOCIAL SECURITY BENEFITS

HON. KENT HANCE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. HANCE. Mr. Speaker, everywhere I travel in my district. I hear the same question from senior citizens: Is Congress going to reduce my social security benefits? Social security represents the primary source of income for 90 percent of our senior citizens. There is great concern out there among social security recipients that Congress, in its haste to shore up the system, will place undue burdens upon current beneficiaries. We must not allow this to happen. We, as an elected, representative body, have an obligation to these people to protect their benefits. Yes, social security needs to be reformed; yes, let's put the system back on its feet. But let's not do it by taking away or reducing the benefits from those who have come to depend on their monthly benefit checks.

To this end, I have introduced a resolution today that would make it the sense of the House that no current recipient of social security would experience a reduction in the amount of money now received in his or her basic monthly social security check. The intent of Congress in reforming the Social Security System is to stabilize it for future generations of beneficiaries. It is not the intent of Congress in any way to reduce the monthly benefit checks of current recipients in order to achieve financial solvency for the system. People on social security deserve to continue receiving at least the amount they currently receive without fear of having that amount cut.

Mr. Speaker, I urge Members of this body to embrace my resolution and in doing so, tell the senior citizens of this Nation that we do not intend to make them the scapegoats for the tough decisions we face on social security reform.●

STOPPING TRADE IN STOLEN CARS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. STARK. Mr. Speaker, in the 97th Congress, my colleague Mr. GREEN introduced the Motor Vehicle Theft Law Enforcement Act of 1981—H.R. 4325. As a cosponsor of this bill, I was very dismayed to see this excellent and all-encompassing bill assigned to five different committees. No action was taken in the last Congress, in part because of the complexity of the multiple committee assignments. Consequently, I would like to introduce in the 98th Congress one section of this bill in order that it may be referred to just one committee, and thus this worthwhile section may be more susceptible to early enactment. This should help to expedite the passing of the rest of the legislation by simplifying some committee jurisdiction issues.

The title which I speak of, and which I am introducing as a separate bill, concerns the importation and exportation measures designed to help combat the tremendous problem involving the exportation of stolen cars.

Stop for a moment and consider the following figures: One million motor vehicle thefts are reported annually. The cost of these thefts to the public is over $4 billion. Every 28 seconds a motor vehicle is stolen in the United States. Four out of every ten cars stolen are never located. With figures like these, how can we continue to ignore the exorbitant problems relating to auto theft?

These stolen cars are not just going to "chop shops" to be dismantled and resold, but they are also being exported to a variety of countries in tremendous quantities. Estimates of the annual number of exported stolen cars range from 25,000 to 200,000.

It is estimated that 20,000 stolen vehicles are annually taken to Mexico along. U.S. Customs Service officers who patrol the docks in Newark and Elizabeth, N.J., recovered more than $1 million worth of stolen cars destined for overseas in just 1 year. Between the United States and Mexico, border crossings have become unchecked thoroughfares for the transport and sale of stolen vehicles. Law enforcement authorities report that "This open-door policy has given the criminals the idea that there are minimal risks to be taken and high profits to be gained in the disposal of stolen goods across the United States-Mexican border."

We must begin to take stronger precautionary measures. We must give customs agents more power. Federal authorities need to be able to control illegal exportation more effectively. We must, as H.R. 4325 proposed, require shippers to record the vehicle identification number (VIN) and file and export declaration with Customs before exporting.

This bill would make it a Federal offense to import or export, or attempt to import or export, stolen self-propelled vehicles, aircraft, or their parts, with knowledge that the vehicle or part was stolen. It also prohibits the importation or exportation of vehicles or parts whose identification number the importer or exporter knows to have been removed, obliterated, tampered with, or altered. These offenses would be punishable by a fine of up to $10,000, up to 5 years imprisonment, or both.

Under current law, a thief in the United States has little trouble exporting a car. All he or she has to do is drive to the docks, say he or she wants to ship it, and pay the freight charge. There is no verification of the legality of the car. In the normal course of business, U.S. Customs never looks at a car being exported. Why? Because the problem is not considered a high priority at Customs, which has its hands full with existing statutory requirements. Until we pass legislation that toughens the security and the penalties, the export market for stolen cars will continue to increase at astounding rates. We must fight to bring the rate of stolen vehicles down.

I urge my colleagues to join me in my drive to put a stop to the flow of vehicles and parts out of the country.●

DECLINING OIL PRICES: GOOD ECONOMIC MEDICINE

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 1983

● Mr. CORCORAN. Mr. Speaker, it is absolutely amazing to me that anyone would actually complain about lower oil prices or, even more incredibly, try to tag Saudi Arabia with the credit for bringing them down.

Competition from other sellers with other interests hand-in-hand with the high degree of conservation from our consumers is what has precipitated the recent fall in oil prices.

I am delighted that oil prices are coming down. To all the consumers in America who invested in conservation out of their own commonsense: Congratulations. We won. OPEC lost.

Now some may ask if the price of oil would not be able to shoot skyward again. Will we not, the cynics say, just find ourselves back in dependency again? I do not think so. The reason is that the amount of energy it takes to produce a given unit of gross national product has declined each year for the last 10 years and will continue to decline. Our economy has learned to live with the changes in oil prices and has become far more efficient in its use of energy. I call this permanent conservation.

I agree with Morgan Guaranty Bank which, in their February report, says that lower oil prices are very good news—a stimulative of the best sort to the economy. According to Morgan Guaranty, for every $5-per-barrel reduction in oil prices, our consumers save some $27 billion per year. Now there is a banker who is interested not just in the loans it may have made to oil producers, or perhaps even to makers of exotic oil substitutes, but also in the ecomomic well-being of our economy as a whole. There are, after all, a great many more lenders and borrowers who will be better off with lower oil prices. The bank concludes that lower oil prices, as they help to bring inflation down, may also contribute to lowering interest rates. "If that happened, the effect would be a major economic stimulant," the report stated.

Mr. Speaker, let me be one to state my encouragement for lower oil prices. Let others complain about the reduction in price. And, again, congratulations are, indeed, in order for all American energy producers and consumers who helped bring the price down. Let us keep up the good work.

Mr. Speaker, for the benefit of our colleagues, I would like to insert in the RECORD at this point the text of the February Morgan Guaranty Trust Co. report, regarding lower oil prices and their impact.

LOWER OIL PRICES: IMPACT ON UNITED STATES

The failure of OPEC to reach an agreement on production and pricing has resulted in a further drop in spot-market oil prices and in the official prices of a number of non-OPEC producers, including Egypt and the Soviet Union. The general expectation now is that official OPEC prices will fall in coming weeks.

Surprisingly, a debate has arisen as to whether or not an oil price decline is a good or a bad thing. At one level the answer depends entirely on where you stand: if you produce oil it's bad, if you consume oil it's good. At a more basic level, however, an oil price decline is beneficial for the U.S. economy and for the vast majority of Americans.

The oil-price increases of the 1970s were basically a symptom of a constraint faced by the economy. To the extent that the supply of and the demand for oil were relatively insensitive to its price, a limit on the supply of oil could impose a constraint on output—or, at the very least, would mean that very large amounts of resources would have to be used to overcome the limitation on oil supply.

The goods news in the recent decline in oil prices is that oil supply and demand are not as inelastic as had been thought. The supply of oil from countries outside of OPEC has risen steadily in recent years and demand has contracted sharply in response to higher prices (as well as the recession). These responses are, of course, one factor putting downward pressure on oil prices. More fundamentally, they mean that oil is not likely to be a constraint on economic growth in coming years.

A point to remember in analyzing the impact of lower prices is that prices have been falling for two years. The cost of foreign crude to U.S. refiners peaked at close to $39/bbl in early 1981 and by the end of 1982 had fallen to $33/bbl. If the impact of general inflation is taken into account, the decline has been even sharper. In real terms, the price of crude doubled between late 1978 and early 1981. Since then, close to half of that rise has been erased.

Most forecasts of oil prices for 1983 are in the $25/bbl-to-$30/bbl range. If average prices were to dip to $30/bbl, it would represent a continuation of the rate of decline experienced over the past two years. If prices break to $25, however, that would represent a significant increase in the rate of decline. Wholesale prices of oil products in the U.S. have already fallen to a level consistent with crude at somewhere near $27/bbl. Consequently, if crude prices hold at $30/bbl, product prices would actually rise, and a drop to $25/bbl would only push wholesale product prices down modestly.

A $5 DROP?

What if oil prices drop $5 a barrel? Here are some of the effects on the U.S. economy:

Incomes. A $5/bbl drop in the price of oil would save oil users in the U.S. $27 billion per year. Most of this saving would accrue to consumers directly through lower costs for gasoline and home heating oil. There would also be some indirect benefits as businesses passed through part of their savings in lower prices. Of the $27-billion gain to consumers, about $8 billion would come at the expense of foreign oil producers. The remaining $19 billion would represent, initially, a decline in the income of domestic producers. Something like 70 percent of this ($13 billion), however, would be offset by lower windfall profit, income, and severance taxes. Thus the biggest losers in an oil price decline are likely to be federal, state, and local governments.

Inflation. The direct impact of a $5/bbl (12¢ per gallon) drop in oil prices would be to reduce the consumer price index by 0.6% in 1983. In addition, however, the index would benefit from lower prices for goods and services, such as air travel, that use large quantities of oil. This indirect impact might reduce the CPI a futher 0.2% or 0.3%. the initial reduction in inflation, furthermore, would tend to lead to additional improvement through its influence on wage rates. This would happen automatically through reduced cost-of-living escalation under labor contracts and as decisions by nonunion employers began to reflect the better inflation performance. All told, a $5/bbl drop in the oil price might lower the CPI by 1% within a year.

Trade balance. With net oil imports running at a rate of approximately 4.5 million barrels per day, a $5 drop in the price of oil would reduce the trade deficit by $8 billion.

Real output. Lower oil prices would have two immediate effects on demand for goods and services. They would boost consumer spending through sizable additions to consumer purchasing power. They also, however, would reduce energy investment as oil industry profits fell and the expected returns from energy exploration declined. Whether the net result would be positive or negative is not clear.

A second impact from lower oil prices on demand is possible through monetary policy. With inflation lower, the monetary authorities might well have more latitude to bring interest rates down. If that happened, the effect would be a major economic stimulant.●

SENATE—*Wednesday, March 2, 1983*

(Legislative day of Wednesday, February 23, 1983)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Our Father in Heaven, we are grateful for the effective way Senate procedure operated yesterday. We thank Thee that a bill which threatened to involve long, emotional debate was resolved in a demonstration of reason, good will, and harmony. Thank Thee, Lord, that, despite strong disagreement, generous expressions of honor, which defuse a divisive and destructive spirit, were spoken.

As busyness, pressure and strain increase, grant, dear Lord, that the spirit of love and good will, of unity and honor may persist. Especially do we remember our families in prayer. As calendars demand more and more hours every day, help the Senators to keep faith with prior commitment to spouse and children. Help us to see that nobody wins, whatever the political victory, if marriage and family are sacrificed in the process. We pray this in the name of Him who commanded, "Therefore a man shall leave his father and mother, and cleave unto his wife and they shall be one flesh." (Genesis 2: 24 RSV) Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

APPRECIATION FOR THE CHAPLAIN'S PRAYER

Mr. BAKER. Mr. President, I once again wish to acknowledge my appreciation of the Chaplain's prayer today. I suppose it may sound facetious to say that I am happy that the Chaplain feels inclined to commend to the Lord the action of the Senate in avoiding a filibuster. I do not think that is an excessive attention by the Diety to the affairs of this Nation. I was so grateful for it that I may have uttered such a prayer silently myself.

But, seriously, I commend the Chaplain for the relevancy and the topical nature of the prayers and the originality of the prayers that he offers from time to time. They are, indeed, Senate prayers and I congratulate him for that.

SENATOR WALLOP'S DISTINGUISHED SERVICE ON THE SELECT COMMITTEE ON ETHICS

Mr. BAKER. Mr. President, In the past few months, I have had the opportunity to informally discuss with several of my colleagues a matter of critical importance to this institution, and I would like to use this occasion to speak publicly about the role of the Senate's Select Committee on Ethics during the 97th Congress, and in particular, the role of its chairman during that period, the distinguished Senator from Wyoming, Senator WALLOP.

The Select Committee on Ethics is the only committee of the Senate which is completely bipartisan. The chairmanship of the committee is usually a 1 year term of service. At the end of the first session of the 97th Congress, after serving 1 year as vice chairman, and the following year as chairman, I asked Senator WALLOP to continue for another year in the post. It is a decision that I was glad I made. In the months to come, under Senator WALLOP, and with the assistance of Vice Chairman Senator HEFLIN, the Select Committee on Ethics compiled an impressive record or achievements, and provided a balanced and nonpolitical forum for one of the most arduous episodes in Senate history.

Senator WALLOP was most determined that the committee would operate to protect the public interest and to protect the Senate as an institution. In both regards, he was most successful.

During the trial of former Senator Harrison Williams, Senator WALLOP operated devotedly and with distinction in bringing the matter before the Senate and in attempting to safeguard the rights of all concerned. When the Justice Department began to collect evidence, and when the criminal trial was completed, Senator WALLOP and the Ethics Committee began their own investigation.

Later, counsel for Senator Williams would describe those proceedings under Chairman WALLOP as "eminently fair."

Obviously no Senator enjoys the thought of passing judgment on a colleague. The task is a thankless one: It is exhausting and frought with emotional and professional considerations that appear rarely in the course of other legislative business. But the committee proceeded, acting with patience and persistence, completing the inquiry and presenting the case forcefully and fairly to the Senate. As the tense debate on expulsion began, it was clear to the Senate, and to the people of this country, that the committee had fulfilled its responsibility in preserving the reputation of this body.

The Williams episode was not the only business that the committee was charged with during the 97th Congress, and I am not sure that even my colleagues are aware of the time required to be an effective chairman of the Ethics Committee.

In the last Congress, the committee, in addition to its legislative responsibility, handled 657 ruling requests seeking committee guidance on the applicability of Senate rules and regulations with respect to the actions of Senators and staff. Most of the requests were resolved by Senator WALLOP and Vice Chairman HEFFLIN, but they required that volumes and volumes of detailed memorandum be prepared by the nonpartisan committee staff, and analyzed by its chairmen.

I have stated before, both publicly and privately, that the Senate and the Nation owe a great deal to Senator WALLOP for serving as chairman, and I will only add at this time that I am most grateful that he was so willing and so able to assume such a responsibility. I am convinced that this institution is better off because of the committee's efforts.

I would say to my good friend from Alaska, the distinguished assistant minority leader, Senator STEVENS, who is the new chairman of the Select Committee on Ethics that the responsibility he is assuming is not an easy one, but I know that he will be aided by the able vice chairman, Senator HEFFLIN, as well as Senator HELMS, Senator PRYOR, and Senator EAGLETON, who have served on the committee with distinction, and Senator DURENBERGER, who while new to the committee, has shown dedication to the Senate and to the ideals and standards the committee has nurtured and is charged with protecting. Finally, I say to my good friend from Wyoming, Senator WALLOP, that on behalf of all your colleagues, I want to thank you for a term of service that is perhaps unparalleled, and certainly most distinguished—a job well done, in a manner

befitting the dignity and highest values of this institution.

SENATE SCHEDULE

Mr. BAKER. Mr. President, today, after the two leaders have used or yielded back the time allocated to them under the standing order, the distinguished Senator from Mississippi, Senator STENNIS, will be recognized. After, that, Mr. President, if there is time remaining, and I expect there will be some time remaining, although brief, there will be a period for the transaction of routine morning business to extend not past the hour of 11 a.m.

SENATE RESOLUTION 76

At 11 a.m., under the order previously entered, the Senate will turn to the consideration of Senate Resolution 76, which is the resolution on committee budgets reported by the Rules Committee.

Once again, I express my appreciation to the minority leader for permitting us to do that today. It requires his consent to do it because it requires unanimous consent to waive the 3-day rule and the 1-day rule in order to reach that measure. But, had we not done that, there really would not have been much we could do today. That is an adjunct to the very successful conclusion of the shipping bill before the leadership had anticipated we would do so. But I am grateful for that.

Mr. President, it was ordered that no nongermane amendments would be in order to the Rules Committee resolution on committee budgets and no unanimous consent would be granted, absent most extraordinary circumstances, to qualify any amendment that is not directly relevant to the resolution.

ORDER FOR ADJOURNMENT ON THURSDAY UNTIL MONDAY

Mr. President, I entered an order yesterday providing that on Thursday the Senate would recess over until Monday. Mr. President, I wish to change that and I now ask unanimous consent, under the same terms and conditions, that on Thursday, instead of recess, the Senate adjourn until Monday. I put that request at this time, Mr. President.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MONTREAL PROTOCOLS AND JOBS BILL

Mr. BAKER. Mr. President, next week, beginning on Monday, we will take up the Montreal protocols under an agreement already entered and the vote on that will occur on Tuesday. It is the hope of the leadership that we can take up the jobs bill next week. It is expected to be a part of the urgent supplemental appropriations request.

Mr. President, I do not expect today to be a late today, nor, indeed, will tomorrow be a late day. There will be votes today and tomorrow, however. I expect that there probably will be a vote on the Rules Committee resolution and tomorrow we have an order on a treaty vote.

I hope, Mr. President, that it might be possible to take up the Tambs nomination tomorrow. That is not yet cleared, but if the minority leader would advise me on that, I will have a further statement or request to make later in the day.

Mr. President, I have no further need for my time under the standing order and I yield it to the control of the minority leader.

Mr. BYRD. I thank the majority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

S. 647—FAIR TRADE ACT OF 1983

Mr. BYRD. Mr. President, today I am introducing the Fair Trade Act of 1983. I can think of no time in all my years in the Senate when the American economy has been in such a critical state. While the President may see clear signs that we are on the mend, the people of my State of West Virginia, facing unemployment and mortgage foreclosures, have a different perspective. And it is a sober and depressing one at best.

When I introduced an identical bill, S. 2603, last May, many people were more optimistic than I that this administration's economic policies might somehow lead us to a light at the end of this tunnel of economic despair. We have all seen, however, just the opposite in the past 9 months.

In May, our national trade deficit stood at $7.05 billion for the third quarter of the fiscal year. At the end of the first quarter of the current fiscal year, the deficit had reached $12.79 billion and the trend is up.

Hard times are back in West Virginia too, the hardest since the 1930's.

The unemployment rate, 17.8 percent in December, is the highest and worst in the Nation.

Some counties, particularly those producing metallurgical coal, a raw material for steel, have unemployment rates of over 30 percent. And the State, overall, lost more than 36,000 jobs last year.

This makes the latest national unemployment rate and numbers, at 10.4 percent and 11.4 million, the highest since the Great Depression, look positively hopeful, by comparison.

In fact, the slight decrease of fourtenths of a percent in the unemployment rate from December to January reflects the sad reality that over half a million Americans have given up their search for jobs.

In May, the primary metals industry in West Virginia employed 17,300 workers. By December, the industry employment levels had dropped to 14,300, a drop of over 23 percent and a loss of 4,000 jobs in less than 1 year.

Our fabricated metals industry did no better. During 1982, it lost 1,500 jobs, down almost 20 percent from 7,900 to 6,400 workers employed.

And yet, the administration tells us we are on the mend. It points to lower inflation and interest rates—which independent economists point out are actually symptomatic of the continuing underlying weakness in our economy rather than of its improving health—and cautions us to be patient. But even its attitude of benign neglect toward economic problems has changed in recent weeks to concern over at least one element of our difficulties—our chronic trade problems.

Just last week, the U.S. Trade Representative rejected a complaint by the American steel industry against the export practices of the Japanese steel industry. The complaint alleged that the Japanese were benefiting from an agreement with the common market countries that the Japanese would send steel that would otherwise go to Western Europe to the United States instead. Trade Representative William Brock had this problem on his agenda when he was in Japan 2 weeks ago. But all he came back with was what he went with—a promise that the Japanese would closely monitor the amount of steel Japanese firms would send to the United States.

I suppose that would only take a minute or so to open a book. I am sure the Japanese keep careful records of how much steel they are importing into the United States. So, monitoring seems to me to have been no accomplishment at all, just a promise that the Japanese would closely monitor the amount of steel Japanese firms would send to the United States.

But it does not help the United States, nor does it help the steel industry, nor does it help the people who are working in that industry.

I am concerned that the Japanese might actually export additional steel to the United States in 1983, partially filling the void created by the European voluntary export agreement negotiated last year. The Trade Representative brought back no commitment to the contrary. That development is the last thing the American steel industry needs today. The economic security of tens of thousands of West Virginians whose livelihoods depend on steel, would be helped if our trade negotiators began to talk tough with the Japanese and the Europeans. Their exports come into our incredibly open markets and compete with the benefit of subsidies, government-backed credits, and government-financed research

and development programs our own industries do not enjoy. This situation cannot go on forever.

Pressures are growing in the Congress and in the country at large for this administration to take positive action to deal with these problems and quickly. Some would justify taking unilateral action on trade simply because imported goods compete with American industry and agriculture. That is not my complaint and that is not the approach of my bill.

No American producer likes the fact that the goods of other countries compete in our markets and our consumers sometimes choose to buy them rather than American products. But we must also recognize that fair competition among the world's economies is a necessary ingredient in our economic health. If others are to buy our products, they must be able to sell us theirs in order to earn the dollars we want them to spend here. Fair competition among products of equal quality, sold at fair prices reflective of the costs of producing them, is the basis of our free marketplace. And our exports can create thousands of new jobs for American workers every year.

But the essence of free and fair trade is that our trading partners should both compete fairly in our markets and open their markets to our exports as freely and fairly as we have traditionally done to theirs. We have had the most open market in the world. We have permitted an incredibly free flow of goods and services from other countries since the end of the Second World War when we undertook the reconstruction of the shattered economies of friends and former foes alike.

The program was successful beyond the wildest dreams of our great postwar leaders. And the United States paid a high price for this success. But we did it to preserve the free world's economy and we benefited from it too, over the quarter century in which our strong dollar was backed by an expanding economy and our trade with other countries helped create new jobs for American workers and farmers. And if we can compete fairly in foreign markets, trade can still be the most productive sector in our economy for the creation of new jobs.

In those postwar years, we were able to absorb growing imports from the industrialized countries whose economies we had helped rebuild. Japan and the Western European countries, the Brazils, the Mexicos and the more successful former colonial countries all have been able to capture increasing shares of our domestic market in the last decade. But as their economic problems have worsened, like ours exacerbated by high interest rates and rising inflation, some of these countries have attempted to export those problems—unemployment, lessened demand for their goods, and high financing costs—to us along with their products. By doing this they have been able to keep their workers employed in their problem industries, primarily steel and automobiles, at the expense of our workers.

They have done this through a variety of means. They have unfairly subsidized their exports, through government grants or below-market financing and credits and through aggressive government-backed research and development programs. These programs have helped chosen industries to target in on foreign markets, penetrate them and then unfairly compete with our own industries, cornering our markets for specific products and driving our domestic industries out of business. And these trading partners have dumped products on our markets at prices below their domestic production costs.

Adding insult to the injury they do our economy, they have then closed their markets to American products or artificially limited our access to them by throwing up nontariff barriers to our exports which often prove very difficult to eliminate. All these unfair trading practices, which place American industry and agriculture at a singular disadvantage as we seek to compete in world markets, also affect some of our most troubled and basic industries here at home.

It is these unfair practices which discriminate against our goods overseas and harm our industries at home, that my Fair Trade Act addresses. I am proposing new legislative remedies because the existing law does not provide them. My bill amends title III of the 1974 Trade Act, which deals with "relief from unfair trade practices" specifically including foreign import restrictions, export subsidies, antidumping and countervailing duties, and unfair import practices. As written, the statute authorizes the President to take "* * * all appropriate and feasible steps within his power to obtain the elimination * * *" of such practices. But it mandates nothing. It does not require the President to take any action to eliminate these harmful practices. In my judgment, that is its major flaw.

My Fair Trade Act would require the executive branch to provide the President with annual studies of the unfair trading policies and practices to which I have referred. It would further require the President to transmit the findings to the Congress within a specified period along with recommended actions for retaliation against countries which do not cease these unfair trading practices. The Congress would then be required to endorse specific remedies from among the President's suggested options within a specific time period. And finally, the President would be required to enforce these actions against those engaged in unfair practices unless they ended them within another specified period of time.

I emphasize that the purpose of my bill is not punitive. The process it establishes provides sufficient time—11 months from the time the annual study commences to the time action against the countries must be taken—for negotiations with the offending countries and for them to take the necessary steps to end the practices. It gives our trade negotiators a new persuasive mechanism to use in their dealings with our trading partners, particularly those who have proven most unwilling to end these practices. It is my hope that armed with this machinery, the Trade Representative and the Commerce Department will be able to apply greater leverage at the bargaining table as they seek solutions to our trade problems.

If negotiations are unsuccessful, however, the process of my bill establishes, once set in motion, can only be halted if the practices are ended. If they are not, the Government would not have any choice but to take the specific retaliatory actions endorsed by the Congress against the offending trading partners. These actions could take the form of countervailing or other types of duties, import quotas, or discriminatory customs valuations among the many possible remedies.

I hope other Senators will agree that my bill takes a reasoned and sensible approach to dealing with the trade problems our Nation faces because of the unfair trade practices of other countries and provides effective means to resolve them.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fair Trade Act of 1983".

SEC. 2. STATEMENT OF PURPOSE.

The purposes of this Act are—

(1) to redress imbalances in United States international trade and commerce due to unfair trade practices by United States trading partners;

(2) to give the United States effective weapons to use against subsidized foreign imports into our markets and other unfair trade practices by our trading partners;

(3) to open foreign markets to American products and services in order to improve the United States balance of payments and strengthen the United States domestic economy;

(4) to eliminate barriers imposed by United States trading partners which prevent fair competition between United States

exports and products of United States trading partners; and

(5) to establish procedures requiring Presidential action with respect to the importing of products of other countries into the United States unless such countries take, within a reasonable period of time, appropriate steps to remove impediments to American goods in their economies.

SEC. 3. STUDY OF UNFAIR FOREIGN TRADE PRACTICES AND OTHER BARRIERS TO MARKET ACCESS.

(a) IN GENERAL.—Chapter 1 of title III of the Trade Act of 1974 is amended by adding at the end thereof the following new sections:

"SEC. 307. STUDY OF FOREIGN EXPORT SUBSIDIES, UNFAIR TRADE PRACTICES, AND OTHER BARRIERS TO MARKET ACCESS.

"(a) STUDY OF BARRIERS.—On or before the date which is 6 months after the date of enactment of the Fair Trade Act of 1983 and each year thereafter, the United States Trade Representative shall, for each designated major trading country, complete and submit to the President a study of any act, policy, or practice of each such major trading country that—

"(1) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement,

"(2) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce, or

"(3) denies to the United States, with respect to products or commerical activities of the United States which (as determined by the Trade Representative) are internationally competitive, commercial opportunities substantially equivalent to those offered by the United States.

"(b) ACTION BY PRESIDENT.—Within 30 days after a study is submitted to the President under subsection (a), the President shall publish in the Federal Register and submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives—

"(1) such study,

"(2) an estimate of the trade distorting impact on United States commerce of any acts, policies, or practices identified in such study,

"(3) all feasible courses of action which would redress any imbalance resulting from such acts, policies, or practices if efforts to obtain their elimination fail, and

"(4) a proposed joint resolution which requires the President to take a specific course of action (beginning on the date which is 60 days after the date of enactment of such joint resolution) which the President has determined to be the most appropriate course of action.

"(c) ASSISTANCE OF OTHER AGENCIES.—

"(1) FURNISHING OF INFORMATION.—Each department, agency, and instrumentality of the executive branch of the Government, including any independent agency, is authorized and directed to furnish, upon request, to the Trade Representative such data, reports, and other information as the Trade Representative deems necessary to carry out his functions under this section.

"(2) PERSONNEL AND SERVICES.—The head of any department, agency, or intrumentality of the United States, including any independent agency, may detail such personnel and may furnish such services, with or without reimbursement, as the Trade Representative may request to assist him in carrying out his duties.

"(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

"(d) DEFINITIONS.—For purposes of this section—

"(1) DESIGNATED MAJOR TRADING COUNTRY.—The term 'designated major trading country' means any major trading country which the Trade Representative, after consultation with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, designates as a country with respect to which a study under subsection (a) is necessary and appropriate.

"(2) MAJOR TRADING COUNTRY.—The term 'major trading country' means—

"(A) any major industrial country within the meaning of section 126, and

"(E) any other foreign country or instrumentality designated by the Trade Representative for purposes of this paragraph.

"(3) COMMERCE AND COMMERCIAL OPPORTUNITIES.—The terms 'commerce' and 'commercial opportunities' have the same meaning given such terms by section 301(d)(1).

"SEC. 308. LEGISLATIVE ACTION ON STUDIES OF UNFAIR FOREIGN TRADE PRACTICES.

"(a) INTRODUCTION OF JOINT RESOLUTION.—Within 5 days after a joint resolution described in section 307(b)(4) is submitted by the President under section 307(b)—

"(1) the chairman of the Committee on Ways and Means of the House of Representatives shall introduce such joint resolution in the House of Representatives and such joint resolution shall be referred to the Committee on Ways and Means, and

"(2) the chairman of the Committee on Finance of the Senate shall introduce such resolution in the Senate and such resolution shall be referred to the Committee on Finance.

"(b) RESTRICTION OF AMENDMENTS.—Only amendments which relate to the course of action to be taken by the President with respect to any act, policy, or practice described in section 307(a) shall be in order in either House. No motion to suspend the application of this subsection or request to suspend the application of this subsection by unanimous consent shall be in order in either House.

"(c) COMMITTEE AND FLOOR CONSIDERATION.—Any joint resolution described in subsection (a) shall be subject to the same procedures and rules applicable to any implementing bill (or, in the case of a joint resolution which contains one or more revenue measures, any implementing revenue bill) under subsections (e), (f), and (g) of section 151, except that in applying section 151(e) in the case of such a joint resolution, '25th day' shall be substituted for '45th day' each place it appears therein.

"(d) CONFERENCE REPORT.—A vote on final passage of the conference report on any joint resolution described in subsection (a) (if necessary) shall be taken in each House before the 60th day after the day on which the President submitted such joint resolution to the appropriate committees under section 307(b).

"(e) RULEMAKING POWER.—The provisions of this section are enacted by the Congress—

"(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in this section, and they supersede other rules to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(f) DISCRETIONARY PRESIDENTIAL ACTION UNDER SECTION 301.—Nothing in this section shall be construed to affect the ability of the President to take action under section 301 without the piror approval of Congress.

"SEC. 309. NOTIFICATION OF OFFENDING TRADING PARTNERS OF LEGISLATIVE ACTION.

Upon enactment of any joint resolution described in section 308(a) in response to any act, policy, or practice of a foreign country or instrumentality, the President shall notify such foreign country or instrumentality that the President will undertake the course of action specified in such joint resolution on the date which is 60 days after the date of enactment of such joint resolution unless such foreign country or instrumentality ceases to commit such act or maintain such policy or practice prior to such date.".

(b) CONFORMING AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by inserting after the item relating to section 306 the following new items:

"Sec. 307. Study of foreign export subsidies, unfair trade practices, and other barriers to market access.

"Sec. 308. Legislative action on studies of unfair foreign trade practices.

"Sec. 309. Notification of offending trading partners of legislative action.".

SEC. 4. DISCRETIONARY ACTION BY THE PRESIDENT UNDER SECTION 301 OF THE TRADE ACT OF 1974.

Section 301(a) of the Trade Act of 1974 (19 U.S.C. 2411(a)) is amended—

(1) by striking out "or" at the end of paragraph (2)(A);

(2) by inserting "or" at the end of paragraph (2)(B);

(3) by inserting immediately after subparagraph (B) of paragraph (2) the following new subparagraph:

"(C) denies to the United States commercial opportunities substantially equivalent to those offered by the United States;";

(4) by inserting "(or to redress any imbalance resulting from)" after "elimination of"; and

(5) by striking out the last sentence thereof and inserting in lieu thereof the following new sentence: "Action under this section may be taken on a nondiscriminatory basis or solely against the products or services of the foreign country or instrumentality involved, and need not be limited to the equivalent product or service sector of the foreign country.".

Mr. BYRD. Mr. President, I apologize to my good friend from Mississippi, who is always a gentleman, whom I admire, for keeping him waiting so long.

Mr. STENNIS. Mr. President, I thank the Senator very much. No explanation or apology from him is needed.

RECOGNITION OF SENATOR STENNIS

The PRESIDING OFFICER (Mr. TRIBLE). Under the previous order, the Senator from Mississippi (Mr. STEN-

NIS) is recognized for not to exceed 15 minutes.

HIGH TECHNOLOGY MORRILL ACT

Mr. STENNIS. Mr. President, it is my privilege to have been given on yesterday 15 minutes to present remarks on a bill introduced yesterday by the Senator from Massachusetts (Mr. TSONGAS), S. 631.

I am a cosponsor and coauthor of that bill, and, with him and our respective staffs, we have worked together on it.

This is no ordinary measure, Mr. President. A great deal of work in the field of education has been done with reference to this problem and this measure which is suggested as an answer.

Mr. President, I am going to speak rather briefly, but I cannot overemphasize the importance of this measure, in my humble opinion, because it seeks to meet a special need now for more practical applications of leadership in science and technology, and particularly through our educational processes.

Mr. President, the unmatched progress and growth of our great Nation over the past 200 years has come in large measure from the leadership of our Nation in the practical application of science and technology. In every field of endeavor—agriculture, space, communications, commerce, medicine, chemistry, energy, and so on—U.S. engineers and scientists have led the way in getting the job done. Their record of scientific achievement has created the most bountiful nation and bountiful economy ever to exist, by and large, on the face of the Earth.

But with all of our progress, storm clouds are on the horizon. Some are the result of the pace of the new discoveries in science and technology and the changes are coming at such blinding speed that many of our workers are being dislocated by new machines and by new methods of manufacturing.

Some of the storm clouds are the result of forces which are largely economic. The wage and price battles which characterized the 1960's and the 1970's have weighed heavily on our major industries. Many of these mainstay industries, like autos and steel, have not since been able to successfully compete in international competition. And while higher prices took a heavy toll, there are other factors, some related to our engineering abilities. The most modern auto production plants in Japan seem to turn out autos that have the appearance of being of higher quality by virtue of better fit and finish, and some consumers say that the automobile built by our foreign competitors are more reliable and perform more to their liking.

Mr. President, those are not idle words. Those words are not hurriedly chosen and spoken. I am a stubborn kind of fellow and I was slow to yield to the validity of these facts that I have just related, but I decided we had to face the facts whatever they are, and we have to try to do something about them.

Finally, and most important, there are signs that the United States is beginning to slip in areas of basic research. National testing programs and surveys tell us that recent high school and college graduates are becoming increasingly unaware of math and science. This downhill slide could have grave consequences for the Nation's economy and defense. Our economic prosperity and national security depends on the Nation's ability to reverse this downward trend in education, particularly in the fields of math and science.

The solution will not come easy, Mr. President. In recent discussions with educators in my State, I was told that there are serious deficiencies at all levels of math and science education. For example, over one-half of all new high school math and science teachers do not meet the full requirement for teaching; 10 percent of all college engineering faculty places are either vacant or filled by temporary instructors. I am told that science, math, or engineering graduates right out of college can make more than their professors who have a higher degree. In my State of Mississipipi, recent engineering graduates started at $27,000 while beginning high school and math teachers earned $11,000.

Mr. President, I pause to say we are making progress in relieving some of those situations. I am using my own State here not as illustrative of the Nation but as a fact of life that is there, that I am familiar with and have some knowledge of. The problem, though, is just about as bad in other areas of the United States on a relative basis as the comparisons here that I have given.

Does the Senator from West Virginia wish to speak? I shall be glad to yield to him. He has a tremendous interest in this field.

Mr. BYRD. Mr. President, I thank the Senator. I am very impressed with what he has to say. I think America has its priorities mixed up. There are fewer math teachers, I am told, and fewer science teachers than we had in 1970. I hesitate to say this, but sometimes, I think we are more interested in good football teams than we are in the basic educational scholastic performances of our young people.

I do not say this to denigrate football at all. I think it has a proper place. I enjoy watching West Virginia beat the tar out of some other team.

Mr. STENNIS. Mr. President, I know the Senator's great concern and great knowledge of the needs in this field.

Mr. BYRD. When I go to other States and they say, "Ours is the No. 1 team," I say to myself, how well can they spell or how well can they add, subtract, divide, and multiply? We did not put men on the Moon without great cost and without tremendous development in science, and physics, and so on. It has had great influence on other fields, like medicine. I do not want to take the Senator's time, but he is talking on a subject that we ought to listen to and we ought to do something about.

I can remember when the Soviets put Sputnik into space and all of a sudden President Eisenhower and Congress provided for putting a man on the Moon; and Jack Kennedy came along and we put a man on the Moon and brought him home safely again. We can do it if we just set ourselves to do it. I thank the Senator for yielding and for calling the attention of this body and the press to this problem, which is a very serious one.

Mr. STENNIS. Mr. President, I remember when Sputnik went up. I remember the actual alarm which permeated these corridors around here, this floor. I remember the names of many we called in for conferences and for hearings. As I told a group of engineers in my home State some 2 weeks ago in a speech, we finally turned to the engineers of the Nation when young John Kennedy, then in full vigor and health, issued his order for putting a man on the Moon.

Mr. BYRD. Mr. President, will the Senator yield for a question?

Mr. STENNIS. Yes.

Mr. BYRD. At that time, had we not fallen behind in our science classes and our math classes in school? Had we not become fat and lazy?

Mr. STENNIS. Well, to a degree, yes. But we responded.

Mr. BYRD. Right. There was a great resurgence. Once the Soviets put up Sputnik, we really began to see reality on the campus and emphasis on the teaching of science and physics.

Mr. STENNIS. Those engineers listened with great pride, really, to the compliment I paid to them, that they were the ones; of all the rest we had, we turned to them.

Mr. BYRD. Now we are slipping back into that same situation where we were before Sputnik occurred.

Mr. STENNIS. And the situation now is changing and this time we are realizing it earlier. I think we shall find a way.

Mr. President, let me call attention to this problem which has been brought to my attention. The demands of our rapidly changing technical environment has placed a premium on engineering graduates. The high salaries

paid by industry for engineers have brought masters and doctorate programs to a standstill.

Let me repeat that, Mr. President. We all like to see a prosperous person get a good salary, so to speak. But this states as a fact that these salaries now that are paid by industry for engineers are so high that they have brought masters and doctorate programs in education to a standstill. The net result is that industry is eating its own seed corn. Clearly, we must do something to make teaching of math, science, and other related areas more financially appealing.

This is not just a plea for money or another educational bill trying to put out a limited program. This is the broad search, the broad appeal for a new policy and new methods. Teaching is the second greatest profession, Mr. President. That is what I believe. It is second only to the ministry itself.

I find to my surprise in this field that the school equipment and supply situation is also in a depressing state. University engineering and research equipment and facilities are outdated and obsolete in many instances. Science equipment for all elementary and high schools is woefully inadequate or nonexistent when considered by the needs of the present demand. Something must be done and done soon to correct this problem.

Our college class of the year 2000 will enter the first grade next year.

Think of that, Mr. President. These little fellows coming in school for the first time this next school year will be the college class of the future, the year 2000.

That generation to which I refer may be the make-or-break generation to assure our future economic strength, our competitive edge in technology and production, and our ability to defend ourselves. This educational problem, Mr. President, is urgent. Time has not run out on a solution but the clock is running fast.

Here I refer to the Soviet launching of Sputnik in 1957. This Nation was reminded of the importance of maintaining its leadership in technology. Congress and the Nation got busy.

I remember one witness testified that unless we built a test facility with a thrust of a million pounds we would lose the race. Some segments of the press said it was ridiculous to talk about a million pounds of thrust. A short time later, due to the magnificent program we adopted, the thrust that we had then in one test facility was 6, or 7, or 8 million pounds.

We set our goals and passed the landmark National Defense Education Act which provided unprecedented levels of aid to the school system at all levels. We engaged in a bold crash program to land on the Moon.

I remember that I was chairman of the Subcommmittee on Military Construction. We were watching the dollars mighty close, we thought. I asked the question, How much did the President recommend? He said that there was no limit on the recommendation; everything was to be on a crash basis.

These efforts were successful and they worked well together. As we all know, the real meaning of the Moon race was not just reaching the Moon but developing the expertise in the various fields and the technological ability to get there.

The challenge before us now is our economic future and our national defense.

Someone said, "Oh, well, the Senator from Mississippi is always talking about national defense."

I am proud to be able to talk about it some, but I say here now that this challenge is to our economic future. The warning signs are also clearly there to heed. They are common knowledge to all of us—persistent unemployment, slowed productivity, and loss of market share.

In most any office building you go into, the elevator to go up or down has no one there. That job has been dispensed with.

I was at a launching of the Navy's newest guided-missile cruiser a few weeks ago and they announced the crew of the old ship *Ticonderoga* was 800 men. That was some 80 or 100 years ago. This modern ship with everything, said to be one of the greatest ever put together, has a crew of 400 men, a reduction of 50 percent.

Everywhere we are turning we are eliminating through our scientific methods the need for the individual to be employed. Something special must be done to meet the needs of our economy to furnish simple employment.

There will not be any magic solution to any of these problems now confronting our Nation, but they must be addressed and those problems must be won.

It will, as it always has, require imagination, discipline, application, and plenty of plain commonsense and hard work.

I am confident that we have the resources to conquer these problems. We have a good foundation already in place to build upon. We have the world's highest student retention rate. Three-quarters of the U.S. children finish the 12th grade. We have the largest public school and university system in the world and the finest school buildings by any objective measure. This is a valuable storehouse of capital which can be used to build on and restore the United States to a preeminent position in science and technology.

There is the rub in our present situation, the lack of those key students.

This effort must start in the schools. We need to correct the shift away from the quality of education which seems to be occurring. Our children have proven that they have enormous capacities to learn. We need to address the teacher shortage and equipment problems of our educational plants. We need to address the need for upgrading the education and training of our current engineers, scientists, and technicians.

I believe that the bill which my colleague from Massachusetts (Mr. TSONGAS) and I are introducing along with Senators HART, PELL, and RANDOLPH, is a step in the right direction. It will involve Government, educational institutions, and industry in an attack on the education problems of preparing for our Nation's future. We all, parents, government, industry, and educators, have an enormous stake in this, and I urge my colleagues to join in this effort and to become more and more informed. I urge that this bill be considered by the appropriate committees as soon as possible, and I offer my assistance to work for passage of this educational assistance bill.

In summary, Mr. President, this pattern is not limited to the so-called land-grant colleges and universities by any means but as a broad proposition it follows partly the plan as set forth more than 100 years ago by a bill that became known as the Morrill Act or the Land-Grant College Act, whereby, money obtained by the Government from the sale of land was plowed back in, so to speak, by the Federal Government. We did not have direct Federal aid then. It was plowed back then, so to speak, and set forth this undertaking which has been highly successful.

I am not a stranger to that. I did not just read it in the paper. I had the privilege of going to a land-grant college, and I grew to manhood amid surroundings of that kind, with professors, instructors, and fellow students.

Mr. President, I have certain factual material regarding the high technology involved which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HIGH TECHNOLOGY MORRILL ACT: FACT SHEET

PURPOSE

To establish a national grants program providing matching Federal assistance for joint initiatives by private industry, educational institutions and state government to strengthen science, engineering, and technical education.

RATIONALE

An adequate supply of scientific, engineering, and technical personnel is essential to ensure U.S. scientific and technological leadership, to bolster U.S. international competitiveness and domestic employment, and to safeguard national security. Our educational system must respond to the economic challenge by improving the quality of math and science instruction at the pre-college level, strengthening and modernizing programs in science, engineering and tech-

nology in our colleges and universities, and developing the capability to provide lifelong education education and training to our existing technical workforce.

PARTNERSHIP

This Act would authorize a program of competitive grants for technology education projects and programs jointly sponsored by industry, educational institutions, and state governments. In order to be eligible for the 50 percent matching Federal grant, private industry would contribute 20 percent, and states 30 percent, of the total project costs. This formula ensures that federal funds to strengthen technological education would comport with the economic development policies of the state, educational needs of our schools and colleges, and priorities of the private sector. As a result, Federal funds would be channeled into educational areas that industry identifies as important for maintaining U.S. technological leadership.

ELIGIBLE ACTIVITIES

Grants made under this Act may be used to:

Modernize university lab equipment;

Establish university research/education centers;

Expand technician training programs at community colleges;

Develop lifelong cooperative education programs to maintain technical skills of the current work force;

Initiate programs to retrain workers for jobs requiring more technical skills;

Enhance math, science and engineering teaching as a career;

Establish computer literacy programs in elementary and secondary schools;

Improve educational productivity through the development of new educational methods and equipment;

Develop programs to teach the management of technological innovation;

Improve the access of women, minorities and handicapped to the fields of technology;

Encourage cooperative programs between humanities and sciences; and

Support any other programs that strengthen technological education.

CRITERIA

In making grants under this Act, the following criteria shall be used:

The activity is not likely to proceed without the grant;

The activity embodies innovative approaches not adequately provided by existing public and private programs;

The activity responds to clearly established technical education needs of industry;

The activities will result in sustained efforts or lasting improvements in education programs and facilities.

The Act also encourages applications involving joint programs between institutions of higher education and elementary and secondary schools, participation of small business, and regional efforts.

FUNDING

The Act would make available approximately $500 million of Federal matching grants per year for five years. Three percent of the federal revenues from the sale of energy and mineral resources on Federal lands are placed in a Technology Education Trust Fund, which are then made available for grants by annual appropriation.

ADMINISTRATION

The technology education grants established by this Act are to be administered by the Director of the National Science Foundation. He is authorized to establish an advisory committee representing industry, education, states, professional societies and labor, and to consult with the Secretary of Defense and other agencies to ensure coordination of Federal efforts.

PRECEDENT

The Morrill Act of 1862 devoted 17 million acres of Federal land for founding agricultural colleges across the country. Proceeds from the sale of the land were invested, and interest earned accumulated in a perpetual fund for the support of the land grant colleges. This act sparked a technological revolution that led to U.S. industrialization and made U.S. agriculture number one in the world.

Mr. BAKER. Mr. President, I thank the Senator from Mississippi for his insightful remarks. The Senate is grateful, as I am grateful, for his experience in this field and his recommendations in that respect.

Mr. STENNIS. I thank the Senator very much. He is a very practical man, and I value his interest and his persistence with respect to the problems in the field of education.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend past 11:15 a.m., in which Senators may speak for not more than 1 minute each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE OF TIME FOR CONSIDERATION OF SENATE RESOLUTION 76

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the consideration of Senate Resolution 76 be advanced until 11:15 a.m., instead of 11 a.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR BAKER EXCUSED FROM ATTENDING SESSION TOMORROW

Mr. BAKER. Mr. President, the President of the United States has invited me to attend a state dinner in honor of Her Majesty Queen Elizabeth and Prince Philip, in San Francisco, on tomorrow, Thursday.

I ask unanimous consent that I may be excused from attending the session of the Senate on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ARMENIAN GENOCIDE

Mr. PROXMIRE. Mr. President, the August 1982, issue of the Department of State Bulletin states that, "Because the historical record of the 1915 events in Asia Minor is ambiguous, the Department of State does not endorse allegations that the Turkish Government commited a genocide against the Armenian people." It is clear that this statement is wrong on all counts. After protests from Members of Congress, the following issue of the Bulletin said that the views expressed in this article were not necessarily those of the Department. However, this response fails to state what the position of the Department, in fact, is on this issue.

For the official publication of the Department of State to raise doubts regarding the existence of this genocide—in the face of the overwhelming verifying evidence—is ridiculous.

Consider the Turkish persecution of the Armenians. In 1914, the Turks called a general mobilization of their army in preparation for World War I. In their call they included all able-bodied Armenians. However, beginning in February 1915, they segregated the Armenian troops into labor battalions. The Turks then disarmed, and ultimately worked the Armenians to death or massacred them. At the same time, the young Turk Government began to release murderers and other criminals from prison for the express purpose of annihilating the Armenians. As a result, the Turks slaughtered the entire Armenian population of some villages.

Nineteen hundred and fifteen marked the beginning of large scale deportations and massacres of the Armenians, reaching a peak with the Edict of Deportation of May 27, 1915. Under this proclamation, the Turks deported thousands of Armenians from throughout the Ottoman Empire. The Turks separated the men from each group and brutally murdered them, while forcing the women, children, and elderly to march across Asia Minor and Turkish Armenia to the Syrian desert. Most of the marchers, without food, water, or adequate shelter for long periods of time, died. As a result of these government-led massacres and deportations, in the period from 1915 to 1923, 1,500,000 Armenians perished, and more than 500,000 were exiled.

This documentation is irrefutable. It is in no way an ambiguous record. Our own diplomats verified the horrible stories told by witnesses and survivors. The U.S. Ambassador to Turkey at the time, Henry Morgenthau, Sr., in a 1915 telegram to the Secretary of State called the treatment of the Armenians "a campaign of race extermination." He reiterated this allegation in his book, "Ambassador Morgenthau's Story," when he said that "(the Turkish authorities issued) a death warrant to a whole race * * * and, in their conversations with me, they made no particular attempt to conceal the fact." This is testimony from an

American Ambassador, an agent of American diplomacy. It leaves no room for ambiguity.

President Reagan said, in a proclamation on April 22, 1981, that "the lessons of the (genocide of the Armenians) must never be forgotten." This is clearly true. The denial of the fact of the Armenian genocide is an affront to all who value human life, and detracts from the integrity of American diplomacy. This blunder must surely raise serious questions in the minds of our fellow nations about the strength of our commitment to human rights.

There are two steps needed to rectify this situation: The first is an unequivocal retraction of this State Department error. The second, crucial step is ratification of the Genocide Convention. Ratification will tell the world, once and for all, that the United States has a firm commitment, in word and in deed, to the preservation of humanity. It will show that the greatest democracy in the world will never cease to be the proud guardian of human rights. We must make it clear that we recognize any and all genocide, past and future, as what it is—an unconscionable crime against all of humanity. I strongly urge my colleagues to join me in seeking ratification of this essential treaty.

RECENT ARTICLE OFFERS NEW INSIGHT INTO THE NUCLEAR FREEZE ISSUE

Mr. PROXMIRE. Mr. President, on December 7, 1982, an article on the nuclear freeze resolutions now before Congress, entitled "Cold, Hard Facts on the Freeze," appeared in the Washington Post. This piece was written by the Honorable Congressman ALBERT GORE, JR., of Tennessee. This provocative, penetrating look at the nuclear freeze issue deserves this body's attention, and I encourage my colleagues to take the time to consider Congressman GORE's views.

"Cold, Hard Facts on the Freeze" is an article that clearly demonstrates the futility in this Congress assuming a negative role on the Reagan administration's policies toward the Soviet Union. "What looms ahead for Congress," Congressman GORE writes, "is a protracted struggle over the future of nuclear weapons, on a system-by-system basis, without benefit of any common framework for evaluating each one and debating its merits in relation to an agreed national strategic plan."

This is a sizable challenge indeed, but it is a challenge that we must meet as soon as possible. Congressman GORE's article could prove useful in setting this new course.

Mr. President, I ask unanimous consent that the article be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COLD, HARD FACTS ON THE FREEZE

(By ALBERT GORE, Jr.)

During the next two years, Congress, and the House in particular, is likely to be the scene of a major crisis in our nation's defense policy. Enormous federal deficits will demand major reductions in government spending. Those cuts are not all going to come out of social programs, and therefore many will come out of the military budget. And in the military budget, nothing is more visible and vulnerable than the nuclear weapons program: big-ticket items whose value to the national security has been sharply challenged by the nuclear freeze movement.

Among the nuclear weapons program, the one with the least chance for survival is clearly the MX missile. But there are already indications that other programs, including the Pershing II missile for NATO and, very likely, the B1, again, will be challenged. Other programs, including cruise missiles and the Trident D5 submarine-launched missile, have their critics too, but are not as likely—for the time being, at least—to be at the center of controversy (although even this judgment may have to be modified, in the case of ground-launched cruise missiles for Europe).

We can expect President Reagan to show very little flexibility in this area. He will insist that the country requires all these weapons systems, and he will charge that if Congress refuses to fund them, it must take responsibility for weakening the national security, diminishing Soviet interest in arms control, and ultimately, increasing the hazard of war.

Proponents of the freeze reject this logic, and are likely to have enough votes in the next Congress to ensure that Reagan's arguments for major nuclear weapons programs across the board are rejected.

This having been done, however, members of Congress will then have to face the hard facts that (1) Reagan will not adopt the freeze programs as his own, because to do so would require him to abjure everything he believes about dealing with the Soviets; (2) funding decisions for nuclear weapons programs will have to be taken by Congress without benefits of an arms control framework; (3) new or modified Soviet nuclear weapons systems will continue to appear and to move toward deployment, and (4) public opinion, which has been inspired to doubt the value of nuclear superiority, has never lost its repugnance for conceding it to the Soviet Union by unilateral actions.

What looms ahead for Congress, therefore, is a protracted struggle over the future of nuclear, weapons, on a system-by-system basis, without benefit of any common framework for evaluating each one and debating its merits in relation to an agreed national strategic plan.

The president's philosophy will not serve for this purpose, but neither will that of the freeze movement. On the day after the House passes a resolution affirming its desire for a mutual, bilateral freeze with the Soviet Union, it must nevertheless continue to decide the fate of U.S. nuclear weapons in the absence of such an agreement, or even of the hope for one while Reagan is in office.

Congressional advocates of a freeze will face an especially painful dilemma. A pattern of votes against nuclear weapons programs adds up to unrequited concessions to the Soviet Union. But a pattern of votes in favor of such weapons adds up to approval of a process that will rapidly erode the freeze as a viable policy for a future administration.

What we lack today, and what the next Congress will urgently need, is a standard that will help us reach better-informed judgments as to what kind of nuclear posture we should have, as to what kinds of nuclear weapons programs are compatible with that posture, and as to how these decisions affect the stability of the nuclear balance and prospects for reaching an agreement with the Soviets.

Two months ago, I joined with Reps. Les Aspin, Thomas Downey, and Joel Pritchard to introduce a resolution suggesting what this standard ought to be.

The United States and the Soviet Union are heading toward a situation in which each will have the ability to menace a significant portion of the other's nuclear forces; specifically, the land-based ICBMs, which are the most accurate and in many ways the premier weapons systems.

Our response to the ICBM vulnerability problem has been the development of two new generations of ballistic missiles: the MX, for depolyment on land, and the Trident II D5, for deployment at sea. Each will mark an increase in the number and accuracy of U.S. ballistic missile warheads, such that either system, and certainly the two together, will constitute a threat to all Soviet ICBM silos.

The increasing vulnerability of U.S. land-based forces, and the coming vulnerability of Soviet land-based forces, are trends that are fraught with danger. Mutual fear of a first strike is highly destabilizing and markedly increases the risk of nuclear war, while putting at risk any prospect for meaningful arms control.

Congress should recognize this fear of a first strike as the central issue in judging whether existing deployments are adequate, for deciding what new deployments make sense, and for assessing whether arms control is on the right track. In the highly charged tension between the U.S. and the U.S.S.R., even a hypothetical advantage gained by striking first is dangerous and destabilizing, because it generates fear and raises the specter of political intimidation. Our resolution states that, as part of the strategic arms reduction negotiations (START), the United States and the U.S.S.R.:

(1) Should place the highest priority on efforts to reduce and eliminate the fear by either nation of a nuclear first strike against it by the other.

(2) Should seek a verifiable agreement that produces stability in the strategic relationship between the two nations by ensuring that a nuclear first strike would not confer upon the attacking nation even a hypothetical advantage.

To grasp this framework and apply it, the president need not repudiate his view of the world, but rather, modify and refine it. In theory, the next Congress might seek to bind the president to freeze measures by threatening to block major spending bills until he gives in. I hope we will avoid that kind of confrontation, but to do so requires the development of a bipartisan consensus on the nuclear problem, rather than polarization of the debate.

The freeze resolution, which I have supported, states an ideal we are not going to see realized, or even pursued, by the present

administration. Meanwhile, Congress—and the country—will need some basis for a discriminating and, in the end cathartic debate over our course of action. Given the right outcome, we might find areas of agreement strong enough to put consensus, rather than controversy, behind the president in his dealings with the Soviet Union.

PRIVATE EXPRESS STATUTES

Mr. STEVENS. Mr. President, as many Members know, there is increasing discussion of the question of whether or not Congress should amend the private express statutes, those statutes which provide the monopoly status for the Postal Service over delivery of first class letter mail.

Various proposals have been either talked about or introduced which would allow private businesses to carry first class letter mail. If such laws were passed, they would have a detrimental effect on the entire U.S. postal system and the ability of every American to be an equal partner in our universal postal service.

There is an erroneous assumption that private business would support such an effort to modify or eliminate the private express statutes. The theory is, as I understand it, that repealing the private express statutes would open up a new avenue for business to pursue and such entry by the private sector would mean a more efficient hard-copy communication system for the business community.

I recently received a letter from Mr. R. L. Bulger, a vice president of Harry and David, a private business which utilizes the Postal Service to a great extent. In writing to me, Mr. Bulger points out that the business community would suffer if the private express statutes were repealed. He states:

The Private Express Statutes are not to protect the Postal Service. They are to protect the American people. They are in the public interest.

I wholeheartedly concur and ask unanimous consent to have the entire text of Mr. Bulger's February 1 letter printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

HARRY AND DAVID,
Medford, Oreg., February 1, 1983.

Hon. TED STEVENS,
U.S. Senate, Russell Office Building,
Washington, D.C.

DEAR SENATOR TED STEVENS: On behalf of Harry and David and Jackson & Perkins Company, subsidiaries of Bear Creek Corporation in Medford, Oregon, I urge you to oppose any efforts to repeal the Private Express Statutes.

Our companies are engaged in the direct marketing by mail of a broad variety of fine fruit, gourmet food products, garden plants and products—with postage payments to the U.S. Postal Service exceeding $12 million for the mailing of some 70 million catalogs and other mail. Our employment varies during the year, from approximately 900 to 2,300, according to the season. Our annual Oregon payroll, Bear Creek's fiscal year ending June 30, 1982, was $17 million.

The purported ability and desire of some private firms to compete with the Postal Service in mail delivery has renewed the proposed panacea for the Postal Service's operating and financial difficulties—namely, the repeal of the Private Express Statutes.

If the Private Express Statutes are repealed, the most likely result is that private entrepreneurs would serve only the most profitable market—the First Class Mail of businesss mailers, which has been finely sorted by many businesses down to the most efficient delivery level through Carrier Route or ZIPcode before delivery to the Postal Service, thereby leaving the Postal Service with relatively inexpensive handling for this mail.

This mail would fall easy prey to the private firms in every metropolitan area. Private firms would quickly cash in on the profit opportunity inherent in the relatively easy and inexpensive local delivery of items such as monthly bills and financial statements for local companies. As "cream skimmers" expanded their operations, the resulting diversion in volume and revenues away from the Postal Service would be substantial, leaving the most costly and least productive segment of the letter mail market to the Postal Service.

The Postal Service, under mandate from Congress, must serve all. The increased costs of handling this residue would force Postal rates to climb rapidly, unless Congress chose to establish massive subsidies for the Postal Service.

The Private Express Statutes are not to protect the Postal Service. They are to protect the American people. They are in the public interest.

We need a universal mail system at uniform prices throughout this country to serve the people of America. Congress, over the years, has shaped a Postal system that serves a wide array of social and political objectives:

Frequent delivery.

Maintenance of numerous collection and distribution points.

Continuation of a strong rural network.

Universal letter mail service.

Uniform rates.

Repeal of the Private Express Statutes would mean some or all of these goals would be abandoned, with resultant higher costs.

Your opposition to any weakening of the Private Express Statutes is in the best interests of all Americans. We urge you to maintain the Private Express Statutes.

Best wishes,

R. L. BULGER,
Vice President,
Order Processing for Harry and David.

FEDERAL EMPLOYEES RETIREMENT REFORM BILL

Mr. STEVENS. Mr. President, last fall I introduced a reform of the civil service retirement system to be applicable to new Federal employees and optional for current ones. A great deal of misinformation has been circulated throughout the Federal community about this legislation, misconstruing both the intent and provisions of the bill. However, one Federal employee union local president in Alabama recently wrote me regarding my efforts. His letter capsulizes the intent behind the legislation.

I believe that if other Federal employees analyzed our proposal in light of other recommended changes, they would come to the same conclusion as the Alabama official. I ask unanimous consent that his letter, plus his analysis of the legislation, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

AMERICAN FEDERATION
OF GOVERNMENT EMPLOYEES,
Redstone Arsenal, Ala., December 6, 1982.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: Inclosed is a copy of an analysis that I did of your proposed Federal Employees Retirement Reform Bill, S. 2905, based upon your own detailed explanation of S. 2905 that was circulated among approximately 12,000 Federal employees in the Huntsville, Alabama area.

I know that my analysis was incomplete, and certainly imperfect, but I felt an attempt should be made to condense your proposals in the hope that the employees in our bargaining units would be encouraged to give your proposal very serious consideration in light of other and much worse proposals that the Reagan Administration might attempt to legislate in the very near future.

In other words, I looked upon your proposal as an attemt to alert Federal employees to the fact of life that: "Something drastic in going to happen to your retirement program in spite of what members of Congress who have your best interest at heart do to protect it! So, here is the best alternative to those drastic possibilities that I (Senator Stevens) can come up with." I am convinced that you were not trying to take away benefits, but protect current employees by given them a choice, in light of the anti-federal employee climate that exists in the minds of many, and which is being exploited to offset the pressures being placed on the Congress concerning the Social Security System's problems, such as bringing all employees with 10 years or less Federal service under Social Security.

In closing, I must say that your proposal has many attractive features that might prove both beneficial and attractive to either new or younger current employees. (I am 60 with 26 years service.)

You are to be commended for your efforts in behalf of Federal employees both in the past and for your current endeavor.

Sincerely,

ROBERT L. FLETCHER,
President.

RETIREMENT BILL

EDITOR: The following is a brief analysis of Senate Bill S. 2905 introduced by Senator Ted Stevens and which would drastically change the retirement system for future Federal Employees, and allow current employees the option of changing.

The analysis is not all encompassing.

Current employees could elect to remain under the present retirement system.

A. THREE TIER PLAN

1. Social Security. Mandatory coverage by Social Security of all federal employees hired after date of enactment, with option

to current employees to elect coverage under the new system.

2. Basic Pension Plan. A defined contribution. The Government will contribute to the employee's account 9 percent of first $20,000 (adjusted annually) and 16 percent for every dollar thereafter. The employee would not make any contribution to this Plan. Five years participation required to acquire a vested interest.

3. Voluntary Thrift Plan. Employee may contribute up to 16 percent of basic pay in a fiscal year. The Government will then match 100 percent of the employee's contribution up to 3 percent of salary. For example, if the employee contributes 6 percent, the Government will contribute 3 percent; if the employee contributes 2 percent, the Government will contribute 2 percent. Vesting begins with 20 percent per first year, increasing by 20 percent each year until 100 percent vesting is reached after fifth year.

B. SICK LEAVE AND DISABILITY SYSTEM

A new sick leave and disability system is established. Each employee will be granted seven days of non-accumulating annual sick leave. Illnesses or injuries necessitating longer leave will trigger short-term accident and illness insurance. Such insurance will be preceded by a short waiting period and application for such payment must be accompanied by medical documentation. Depending upon one's length of service and the duration of his absence, an employee will receive 100%, 80%, and 60% of his gross pay.

If the absence will extend beyond six months, the employee may apply for long-term disability. If he qualifies for disability under social security, he will be guaranteed 60% of his gross pay until restoration or death. If he does not qualify for social security, he will remain covered for two years. After two years, he must take a fitness examination or be dropped from the rolls. If he is considered capable of performing any federal job, he must be appointed to a position. If he refuses the position, all disability payments cease. If he is not able to perform any federal job but is still not eligible for social security, he will receive 40% of his gross pay until restoration or death.

C. TRANSFER, WITHDRAWALS, AND DEFERRED ANNUITY

1. Social Security. Credits would be transferable as in the private sector.

2. Basic Pension Plan. After five years, if any employee leaves the Government, the employee can choose any one of the following options:

(a) A lump sum payment of the full value of earned pension credits (including interest).

(b) A deferred annuity based on full value of credits earned prior to separation, plus any additional interest earned on those credits up to the date the annuity begins.

(c) An immediate annuity (including interest).

(d) Survivors would receive social security benefits plus the accumulated earnings in the employee's or annuitant's account.

3. Voluntary Thrift Plan. Employee can withdraw at his or her option.

D. GOVERNMENT BUY-OUT PROVISION FOR CURRENT EMPLOYEES

Under the Basic Pension Plan (A-2 above), current employees would be offered any one of three options:

1. Remain totally under the current retirement system.

2. Select Buy-Out option where the Government would match dollar for dollar the contributions made by the employee to the current system, and then apply a 5% interest factor to the new total sum, compounded by the years the contributions were made. Plus an amount equal to 14% of the employee's daily rate of pay for each day of accumulated sick leave. The employee would then have to participate in the new system for five years to acquire a vested retirement right. This plan supposedly would be more beneficial to employees with 13 or less years of service.

3. Select Buy-Out option where the Government transfers an amount equal to the present value of benefits payable to the employee, actuarially determined, based on the length of service (including credit for accrued sick leave) and average pay of the employee on the date of election, plus the amount of the contributions made by the employee, at an annual interest rate of 6%, and an assumed average annual increase in the consumer price index of 6%. (It is not certain at this time if the 6% interest is a "discount" interest, or an add-on interest compounded annually.) The employee would then have to participate in the new system for five years to acquire a vested retirement right. This plan would supposedly be more beneficial to an employee with more than 13 years service.

4. If an employee should leave Government service before the employee has been in one of the new plans for five years, the employee may withdraw the contributions originally made to the current system plus contributions made to the thrift plan, or elect to have the time under the current system recredited to the current system. If reemployed at a later time, repayment provisions are included.

5. Provisions are provided for payment of court-ordered payments in such matters as divorces annulments, legal separations, and property settlements.

The foregoing is not intended to be an "expert" analysis, but is provided to alert employees to look hard at this bill. It is a very complex legal proposal, not yet substantiated by actuarial figures, but which on the surface seems to have long term merit.

On the McNeil-Lehrer Report, Monday, 15 November 1982, Mr. Alan Greenspan, Chairman of the Social Security Study Commission, replied to a question as to "what effect the bringing of Federal employees under Social Security would have?" "That it would have little net effect."

Local 1858 takes no position on this matter at this time. We will try to obtain more expert advice from our national office and from Senator Stevens' office.

ROBERT L. FLETCHER,
President, AFGE Local 1858.

A TRIBUTE TO MARY McLEOD BETHUNE AND MARY C. SIMMS OLIPHANT

Mr. THURMOND. Mr. President, President John Kennedy once said that a nation reveals itself by the people it produces and those whom it honors and remembers.

Today, I have the singular pleasure of recognizing two outstanding South Carolinians who have distinguished themselves in their respective fields, and in doing so, have earned the admiration and respect of my State.

However, the accomplishments of these individuals transcend the boundaries of South Carolina. Indeed, the work of these two women—Mary McLeod Bethune and Mary C. Simms Oliphant—has, in many ways, benefited all of us. Their accomplishments, in fact, are the property of our entire Nation, available for all Americans to savor and enjoy.

Last month, I had the privilege of attending ceremonies where these two women were inducted into the South Carolina Hall of Fame in Myrtle Beach. Mary McLeod Bethune, who died in 1955, was inducted posthumously for her accomplishments in the field of improving educational opportunities for blacks. Mary C. Simms Oliphant, known affectionately in my State as "Miss May," was inducted into the Hall of Fame for her achievements in the fields of education and historical research.

Joining me at those ceremonies were the Honorable Richard W. Riley, Governor of South Carolina, and the Honorable Samuel R. Pierce Jr., the Secretary of the Department of Housing and Urban Development. Summing up the lives and accomplishments of Mrs. Bethune and Mrs. Oliphant is a difficult task. It is difficult because these women have left South Carolina and indeed our Nation with a richer heritage. In short, their accomplishments are testimony to the great resolve of the human spirit.

I was impressed with the tributes paid to these two women by Secretary Pierce and Governor Riley. I commend them to my colleagues because the lives of Mary McLeod Bethune and Mary C. Simms Oliphant can stand as lessons to all of us.

Mr. President, throughout history the great philosophers and thinkers of our world have known that much can be learned about individuals from what they say and what others say about them.

Today, I call to the Senate's attention two quotations; one about Mary C. Simms Oliphant and the other taken from a speech given by Mary McLeod Bethune. In these words we can learn about the lives and ambitions of these two remarkable people.

Of Mary Oliphant it has been said, "She is the embodiment of the spirit of history in South Carolina." In her lifetime, she has published some 15 volumes detailing my State's heritage and great history. That is surely a gift for the generations of South Carolinians yet to come and those who are its children now.

Mary McLeod Bethune left us a firm belief in the value of education and a philosophy that encourages the human race to believe in itself and its innate goodness.

"Faith ought not to be a puny thing. * * *" she said. "If we believe, then we should believe like giants."

Mr. President, I ask unanimous consent that the speeches of Governor

Riley and Secretary Pierce be included in the RECORD at the conclusion of my remarks so that I might share more about the lives of these two women with my colleagues.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

REMARKS BY SAMUEL R. PIERCE, JR., IN TRIBUTE TO MARY MCLEOD BETHUNE

Good morning. It is a distinct pleasure to be here with you for this proud and memorable event, the induction of Mary McLeod Bethune and Mary C. Simms Oliphant into the South Carolina Hall of Fame.

It is particularly gratifying for me to be introduced by my good friend and your distinguished Senator, the Honorable Strom Thurmond. His dedicated service to our country is matched, perhaps, only by the respect and affection with which he is held by South Carolinians and all others of us who consider him a friend. I understand you were inducted into the South Carolina Hall of Fame last year, Strom, and I know it is an honor you richly deserve.

Members of the dais, honored guests, ladies and gentlemen, South Carolina has chosen wisely in selecting Mary McLeod Bethune for this great honor. This is a State of elegant beauty, from the sandy stretch of your coastline to the palatial antebellum mansions and the lush, verdant fields of the countryside. There is a quiet beauty in your towns and cities which matches well the comfortable and gracious character of your people.

There is yet a separate, more profound, beauty which is the essence of this occasion. Early in her life, Mary McLeod Bethune recognized the beauty of a mind at work . . . a mind exploring the furthest reaches of its capabilities. She recognized the freedom that can be gained through a mind unfettered by ignorance . . . the glory of a mind seeking and studying and testing new ideas. Mary McLeod Bethune understood that education and intellectual growth could enable the individual to move beyond survival, could free a person to emerge from a merely tolerable existence into the stimulating world of ideas and progress.

She wanted the strength and beauty which she knew an education and an active intellect could bring, and she worked to pursue that goal not just for herself, but for all black youth . . . indeed, for everyone she had an opportunity to inspire.

Mary McLeod Bethune was a dedicated leader. She is today an honored and respected memory of our noble and indomitable spirit . . . of our courageous heritage. She concentrated on educating and uplifting our black youth at a time when such efforts were not fashionable. Blacks were terribly deprived, and it was not always safe to encourage and support black education. We are indebted to her, for her perception and her unflagging work has added greatly to the intellectual development of so many of our countrymen.

In broadening the intellectual horizon for black youth, she brought benefit to all races and nationalities, for the contributions of a mind at work are not limited by barriers of color or geography. Bring me an idea or a plan that I can use to benefit myself and others, bring me a challenge to my intellect . . . and your color, your nationality, your sex or physical characteristics are irrelevant . . . for you brought me the beauty of a mind at work.

I am reminded of a theme used to promote contributions and support for black colleges, You probably recall it. It says: "A mind is a terrible thing to waste." Mary McLeod Bethune understood that truth. The knowledge that she was making good use of her own mind was insufficient to her purpose. She drove herself to help others do the same.

During her life, Mary McLeod Bethune reached a position of great honor and respect. She was an advisor to four Presidents. She founded the National Council of Negro Women and the Daytona Educational and Industrial School for Negro Girls, which was merged with the Cookman Institute to become Bethune-Cookman College.

We are, all of us, indebted to the many positive contributions of mind and character she bequeathed us. South Carolina does well to honor Mary McLeod Bethune by welcoming her into your Hall of Fame, and it is particularly fitting that you bestow this honor during black history month.

In closing this tribute, I quote from the "last will and testament" of Mary McLeod Bethune:

". . . I leave you finally a responsibility to our young people. The world around us really belongs to youth for youth will take over its future management. Our children must never lose their zeal for building a better world. They must not be discouraged from aspiring toward greatness, for they are to be the leaders of tomorrow.

Nor must they forget that the masses of our people are still underprivileged, ill-housed, impoverished and victimized by discrimination. We have a powerful potential in our youth, and we must have the courage to change old ideas and practices so that we may direct their power toward good ends.

"Faith, courage, brotherhood, dignity, ambition, responsibility—these are needed today as never before. We must cultivate them and use them as tools for our task of completing the establishment of equality for the Negro. We must sharpen these tools in the struggle that faces us and find new ways of using them. The freedom gates are half ajar. We must pry them fully open.

"If I have a legacy to leave my people, it is my philosophy of living and serving. As I face tomorrow, I am content, for I think I have spent my life well. I pray now that my philosophy may be helpful to those who share my vision of a world of peace, progress, brotherhood and love."

Thank you.

REMARKS BY GOVERNOR RILEY IN TRIBUTE TO MARY C. SIMMS OLIPHANT

In 1952 when the first volume of the "Letters of William Gilmore Simms" was published, the New York Times Book Review greeted it with the words. "A champagne occasion!" Thirty years later, the sixth and final volume of that great series having been published only a few months ago by the University of South Carolina Press, we celebrate another champagne occasion, as we induct the senior editor of the "Letters," Mary C. Simms Oliphant, into the South Carolina Hall of Fame.

William Gilmore Simms, Mrs. Oliphant's grandfather, as all South Carolinians know was one of America's greatest novelist, editors, and poets during the Victorian period, ranking with and honored by men like William Cullen Bryant, Washington Irving, and James Fenimore Cooper. The achievement of Mrs. Oliphant and her fellow editors, Alfred T. Odell and T.C. Duncan Eaves, in producing the "Letters of William Gilmore Simms," is by itself sufficient reason for her entry into the South Carolina Hall of Fame. The scholarly world has acclaimed the volumes as: "An astonishingly rich lode of information on Southern literature and life", as "one of the most important bodies of source material ever published in the field of Southern American Literature."

We South Carolinians are proud of that recognition, but most of us think of Mrs. Oliphant not as the editor of her grandfather's letters but as the lady who wrote our history book. Since 1917 the schoolchildren of the State have been learning its history from her, from successive texts which at first were updatings of William Gilmore Simms' 1840 "History of South Carolina" but which became with continual rewriting ever more her own. She has said she was "born loving history." We love it because of her. Because of her, in our imagination as boys and girls and today as grown-up men and women, we sail the uncharter coast of Carolina with William Hilton, explore the Back County with Henry Woodward, learn how to grow indigo with Eliza Lucas, defy the British with Sergeant Jasper at Sullivan's Island, travel the world's longest railroad from Charleston to Hamburg on "The Best Friend of Charleston", listen to the words of John C. Calhoun as he hurls defiance against Andrew Jackson, ride with Wade Hampton's Legion against the Yankees, and fight with Ben Tillman for the rights of the common man. These are just a few of the great South Carolinians she introduced to us. Indeed, because of her, we know about the men and women in the South Carolina Hall of Fame, whose company she joins today.

Summarizing the public achievement of Mary C. Simms Oliphant, the prestigious American Association of State and Local History, proclaimed: "worthy granddaughter of eminent grandsire, she learned history from her elders, encouraged her contemporaries to cherish it, and taught succeeding generations of children to love and understand it."

It is not so easy to put into words the private person of May Oliphant, as she is known to her contemporaries, "Miss May" as she is called by her juniors. Her outstanding character trait, I believe, is loyalty. Her friendship, once given, is never withdrawn. Entering Miss Euphemia McClintock's famous College for Women in Columbia shortly before World War I, although easily the most popular girl in her class, she turned down all invitations to join a social sorority, because a childhood friend who entered with her was passed by. Her loyalty to the College and to Miss McClintock has persisted throughout the years. The Hampton-Preston House in Columbia, home of the College when she attended, and the Euphemia McClintock Distinguished Chair of Southern Letters at the University of South Carolina, exist largely because of her leadership.

Her loyalty to people, to friends, and to family, finds support in her loyalty to places: to her State, of course, as is witnessed by her devotion to its history, but more particularly to Barnwell County where she was born and spent her childhood and to Greenville, where she and her husband, Alfred Drane Oliphant, settled after their marriage in 1917.

She has preserved and cherished what remains of the Simms plantation home, Woodlands (in that part of Barnwell which is now Bamberg) and the old Elias Earle

Town House on James Street in Greenville which is still her home today.

Her loyalty to Barnwell and Greenville once came near to bringing disaster to my father, who, like May Oliphant, was born in Barnwell. Running for political office in Greenville against native sons, he was not making much of his origins further down state. At a political rally, his delight at seeing May Oliphant rise turned to dismay when he heard exhort the Greenville citizens to "vote for this nice young man from Barnwell." She thought this was a double endorsement; and she must have been right, since my father won the election.

To loyalty and gracious hospitality add imagination, energy, devotion, integrity, diplomacy and common sense. Her family and friends, whom she has never hesitated to enlist in pursuing her many projects, have sometimes wondered whether they are more the victims and less the beneficiaries of her amazing qualities. She insists on their doing and being their best.

One of her friends at a discouraging time some years ago, for no particular reason that he could fathom, received from May Oliphant this message through the mail:

Tribute with love, to one who never fails a friend yet never to expediency stoops, one whose generous spirit, shines in a hum drum world, making me grateful.

This friend tells me that he has treasured this "Tribute" over the years and that it has helped him over many a rough place. But, he says, it is more fittingly a tribute to May Oliphant herself. So, if I may, let me repeat her words, slightly changed;

A Tribute from South Carolina with love to Mary C. Simms Oliphant. To one who never fails a friend yet never to expediency stoops, one whose generous spirit shines in a hum drum world, making all of us grateful.

THE DRUNK DRIVER: AN ENEMY OF THE PEOPLE

Mr. PELL. Mr. President, a short time ago the Department of Transportation reported that some 5,000 fewer Americans died on the highways in 1982 than the year before. This is good news indeed, and no doubt some of the reduction in fatalities is due to increased awareness and outrage at the cause of over half of our highway deaths: drunk driving.

Much of the increase in public consciousness can be traced to the efforts of grass roots groups like Mothers Against Drunk Drivers (MADD) and Remove Intoxicated Drivers (RID). Recently I had the pleasure of meeting with Mrs. Pauline Allard of Woonsocket, R.I., a courageous woman who founded the first chapter of MADD in Rhode Island following the tragic death of her daughter Denise in a drunk driving accident last June.

Groups like MADD have been instrumental in the passage by 34 State legislatures of tougher drunk driver laws during 1982. Congress has also played an important role in combating the drunk driver by enacting legislation I was proud to sponsor last year with Senator DANFORTH and Congressmen MICHAEL BARNES and JAMES HOWARD creating incentives for States to adopt model drunk driver laws. The work of the Presidential Commission on Drunk Driving, ably chaired by the energetic and articulate former Transportation Secretary John Volpe, has contributed to the climate of national resolve to eradicate the drunk driver from our highways.

Despite these worthwhile initiatives, much work remains to be done. Drunk drivers continue to strike disproportionately at young Americans. Of the 25,000 persons who die each year in drunk driving accidents, more than 5,000 are teenagers and over 60 percent of these teenagers are drunk at the time of the accident that kills them. The life expectancy for every age group has increased in this century, with the single exception of the 15 to 24 age bracket in which drunk driving is the leading cause of death.

With stronger legislation now in place at the Federal and State levels, efforts must be concentrated on the development of the most effective kinds of public education programs that can be directed at younger drivers who frequently combine their inexperience behind the wheel of a car with an inexperienced and unwise use of alcohol. These programs should supplement and precede traditional driver education classes in the schools. The Providence Sunday Journal for February 27 contained an excellent article describing the kind of public education programs that are necessary to reshape the way our young people view alcohol and driving. The article was prompted by a recent tragedy in which a 17-year-old girl, drunk on beer that had been bought for her by an adult, struck and killed a 13-year-old boy as he walked along the roadside after school.

I would like to share this powerful article, entitled "The Ache and Outrage When a Drunken Driver Crushes Out a Life," by Brian Dickinson, with my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Providence Sunday Journal, Feb. 27, 1983]

THE ACHE AND OUTRAGE WHEN A DRUNKEN DRIVER CRUSHES OUT A LIFE

(Brian Dickinson)

On a bright afternoon last week—it was Tuesday, about half past two—the car sped eastward along First Avenue in East Greenwich. Later, the police would say that the 17-year-old girl behind the wheel was insensibly, incomprehensibly drunk on beer that had been bought for her by an adult. In a stupor, she seems to have swerved the car to one side, smashing into 13-year-old Todd Morsilli as he walked along the edge of the road with a cousin. In one freakish, nightmare instant, Todd was killed, and in the numbing aftermath, those of us who knew him are thinking harder about the circumstances in which such an awful event can occur.

The truisms are known: there's no guarantee against sudden, random tragedy. Every system has its anomalies, its flaws. Airplanes collide. Boats capsize. Lethal illness strikes. Maniacs can appear out of the dark, and you can break your neck from a fall in the bathtub.

All true. But when a drunken motorist careens down the road and brings sudden death or crippling injury to someone, it carries its own variety of disbelief and rage because such things simply are not supposed to happen in a civilized society. The inebriated driver is an enemy of the people, heedless of his actions as his car weaves along the highway, and when the drunk inflicts death he has become an outlaw. The teachings that promote a sense of responsibility, a sense of survival, a sense of simple prudence—all this is gone from the mind of the drunken driver. And the rest of us pay bitterly.

The costs have mounted since the automobile was born. Each year about 25,000 Americans die in highway accidents, and alcohol is involved in most of them. A vast apparatus of laws, rules, penalties and exhortations, created across the country as the extent of the risk has grown, may have kept the toll from going higher. But even the most well-meant efforts have not succeeded in bringing about a great reduction in drunk-driving fatalities: lately, in fact, the risk seems to be growing. Among American males between 15 and 24, the death rate is higher than it was 20 years ago, and auto deaths account for much of the increase.

But in recent years a conviction has spread that this level of carnage need not continue—that it is not some ghastly, inevitable extra cost attached to a modern nation. There is a growing belief that society not only should, but *can*, change itself in ways that will help keep drunks off the road.

Penalties, more police patrols, stiffer law enforcement—all this would undoubtedly help. A bill reintroduced by Sen. John C. Revens Jr., D-Warwick, which would authorize the police to set up drunk-detecting roadblocks, has received a nod of approval from Congress and deserves General Assembly adoption.

But in the view of several Rhode Island experts on highway safety, what is most needed is to reshape the way our society regards alcohol. And the place to concentrate the effort, they agree, is in the schools.

"Something has to be done to change the social behavior of children from kindergarten on," says Edward Walsh, head of the Governor's Office of Highway Safety. "Alcohol is permeating all aspects of our society, and alcohol education should start when grade school begins."

What he has in mind is shown by the efforts of the American Automobile Association, which for years has been a leader in the effort to expand alcohol-awareness units in the nation's schools. Esther M. Giammarco, driver education consultant to the state Department of Education, says the AAA approach and materials are "top-notch." They form the basis for the alcohol-awareness segment of the 30-hour mandated driver education program in all Rhode Island public high schools.

This segment, however, involves only five hours out of the 30, and Mrs. Giammarco would like to see the unit expanded. A bill to double the amount of time spent educating students to the effects of alcohol, to 10 semester hours, was introduced early this month in the state House of Representatives and deserves serious consideration.

What might help even more is for the General Assembly to mandate what Rhode Island, astonishingly, has never required—that its high school students, in order to complete driver education satisfactorily, must spend time with an instructor actually driving a car. Most states require such practical experience as part of their classes; Rhode Island does not. It should.

The driver-education units developed by the AAA are not confined to senior high schools. Robert Murray, public affairs director of the Automobile Club of Rhode Island, says a program titled "Al Cohol" has been prepared for junior high school students, and another, labeled "Starting Early," has just been prepared and is to be offered soon to all Rhode Island school superintendents.

Despite such efforts, however, every expert interviewed last week agreed that the level of school interest varies widely. Some teachers or principals are deeply committed to alcohol education, while others give it merely pro forma attention. Clearly, until Rhode Island schools can be persuaded to adopt a much broader program to educate kids about the terrible risks of drunken driving—and this would require strong policy statements at the state level—even the best programs aren't going to have an impact on all the kids who could benefit from them.

None of this can erase the pain of previous tragedies. But it may help reduce the incidence of such horrors in the future, and anyone who has lost a friend or relative to a highway drunk is convinced that the perils can be curbed if the political will can be found to act.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-365. A communication from the Director of the Office of Security of the General Accounting Office transmitting, pursuant to law, a report on the reclassification of a report of the General Accounting Office on November 2, 1982 (previously declassified on May 15, 1980) as "confidential" by the Drug Enforcement Administration; to the Committee on Governmental Affairs.

EC-366. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, the Inspector General's report for April 1 through September 30, 1982; to the Committee on Governmental Affairs.

EC-367. A communication from the Chairman of the U.S. International Trade Commission transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act; to the Committee on the Judiciary.

EC-368. A communication from the Acting Secretary of Health and Human Services transmitting, pursuant to law, the annual report on the Refugee Resettlement Program; to the Committee on the Judiciary.

EC-369. A communication from the Executive Director of the U.S. Holocaust Memorial Council transmitting a draft of proposed legislation authorizing appropriations to the Executive Director for necessary services; to the Committee on the Judiciary.

EC-370. A communication from the Secretary of Education transmitting a draft of proposed legislation to amend the Elementary and Secondary Education Act, the Education Consolidation and Improvement Act, and the Omnibus Budget Reconciliation Act; to the Committee on Labor and Human Resources.

EC-371. A communication from the Secretary of Education transmitting, pursuant to law, final regulations for the eligibility of foreign medical schools under guaranteed student loan program; to the Committee on Labor and Human Resources.

EC-372. A communication from the labor member and the management member of the Board of the U.S. Railroad Retirement Board transmitting, pursuant to law, a report on its determination that it must exercise 50 percent or more of its general fund borrowing authority; to the Committee on Labor and Human Resources.

EC-373. A communication from the Chairman of the National Digestive Diseases Advisory Board transmitting, pursuant to law, a report on the inadvisability of creating new institutes within the National Institutes of Health; to the Committee on Labor and Human Resources.

EC-374. A communication from the Chairman of the Board of Trustees of the Harry S. Truman Scholarship Foundation transmitting, pursuant to law, the annual report of the foundation; to the Committee on Labor and Human Resources.

EC-375. A communication from the Chairman of the National Commission for Employment Policy transmitting, pursuant to law, a report entitled "Hispanics and Jobs: Barriers to Progress"; to the Committee on Labor and Human Resources.

EC-376. A communication from the Chairman of the John F. Kennedy Center for the Performing Arts transmitting, pursuant to law, the annual report for the Center; to the Committee on Rules and Administration.

EC-377. A communication from the Public Printer transmitting, pursuant to law, the annual report of the Public Printer for fiscal 1982; to the Committee on Rules and Administration.

EC-378. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Examination of the U.S. Government Printing Office's Financial Statements for the Fiscal Years Ended September 30, 1982 and 1981;" to the Committee on Rules and Administration.

EC-379. A communication from the Executive Secretary of the Office of the Secretary of Defense transmitting, pursuant to law, a report on DOD procurement from small and other business firms for October 1982; to the Committee on Small Business.

EC-380. A communication from the Administrator of the Veterans' Administration transmitting a draft of proposed legislation authorizing a community residential care program; to the Committee on Veterans Affairs.

EC-381. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to recover costs of Federal administration of marketing agreements and orders; to the Committee on Agriculture, Nutrition, and Forestry.

EC-382. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to recover costs of market information and statistics pursuant to Cotton Statistics and Estimates Act and the Tobacco Inspection Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-383. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to repeal the mandatory price support program for honey and for tung nuts; to the Committee on Agriculture, Nutrition, and Forestry.

EC-384. A communication from the Secretary of Agriculture transmitting, pursuant to law, a report on national rural development strategy; to the Committee on Agriculture, Nutrition, and Forestry.

EC-385. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to extend certain insured and guaranteed loan programs of the Farmers Home Administration; to the Committee on Agriculture, Nutrition, and Forestry.

EC-386. A communication from the Deputy Assistant Secretary of Defense for Administration transmitting, pursuant to law, notice that the Navy intends to exclude records regarding the charter/purchase of a vessel from the United Kingdom from examination by the General Accounting Office; to the Committee on Armed Services.

EC-387. A communication from the Acting Secretary of the Air Force transmitting, pursuant to law, a report that four weapons systems have exceeded their baseline unit costs by more than 15 percent; to the Committee on Armed Services.

EC-388. A communication from the Assistant Secretary of the Navy for Shipbuilding and Logistics transmitting, pursuant to law, a report on a decision made to convert the cold storage function at the Naval Supply Center, Oakland, Calif., to performance under contract; to the Committee on Armed Services.

EC-389. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to repeal the requirement to solicit suggestions from certain military and civilian retirees for methods to improve procurement procedures; to the Committee on Armed Services.

EC-390. A communication from the Assistant Secretary of State for Congressional Relations transmitting, pursuant to law, the annual report on the Panama Canal Treaties of 1977 for October 1, 1981 through September 30, 1982; to the Committee on Armed Services.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. DOLE, from the Committee on Finance:

Margaret M. Heckler, of Massachusetts, to be Secretary of Health and Human Services; and

John A. Svahn, of Maryland, to be Under Secretary of Health and Human Services.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BYRD:

S. 647. A bill to amend the Trade Act of 1974 to ensure fair trade opportunities, and for other purposes; to the Committee on Finance.

By Mr. THURMOND:

S. 648. A bill to facilitate the exchange of certain lands in South Carolina; to the Committee on Energy and Natural Resources.

By Mr. HATCH (for himself, Mr. PERCY and Mrs. HAWKINS):

S. 649. A bill to encourage the employment of unemployed individuals by the private sector by furnishing training assistance for them to fill available jobs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MATHIAS:

S. 650. A bill to raise the retirement age for Superior Court judges in the District of Columbia; to the Committee on the Judiciary.

By Mr. MATHIAS:

S. 651. A bill to amend the Foreign Service Act of 1980 with respect to the number of Chiefs of diplomatic mission who are career members of the Foreign Service; to the Committee on Foreign Relations.

By Mr. MATSUNAGA:

S. 652. A bill to establish a hydrogen research and development program; to the Committee on Energy and Natural Resources.

By Mr. JACKSON (for himself and Mr. TOWER):

S. 653. A bill to amend chapter 104, title 10, United States Code, to establish the Foundation for the Advancement of Military Medicine and for other purposes; to the Committee on Armed Services.

By Mr. WALLOP (for himself, Mr. ARMSTRONG, Mr. SYMMS, Mr. BOREN, Mr. DURENBERGER, Mr. DANFORTH, Mr. ROTH, Mr. GLENN, Mr. HEINZ, Mr. PACKWOOD and Mr. CHAFEE):

S. 654. A bill to amend the Internal Revenue Code of 1954 to treat deductions for research and experimental expenses attributable to activities conducted in the United States as allocable to income from sources within the United States; to the Committee on Finance.

By Mr. PELL (for himself, Mr. BIDEN, Mr. DODD, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mr. JACKSON, Mr. RIEGLE, Mr. SARBANES, Mr. TSONGAS and Mr. CHAFEE):

S. 655. A bill to authorize appropriations to carry out the National Sea Grant program for fiscal years 1984, 1985, and 1986, and for other purposes; to the Committee on Commerce, Science, and Transportation and the Committee on Labor and Human Resources, jointly, by unanimous consent.

By Mr. RIEGLE:

S. 656. A bill to provide that no interest shall be charged on loans to State unemployment funds in the case of States which enact certain State unemployment compensation provisions, and to revise the criteria applicable to the cap on FUTA Tax credit reductions; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. MELCHER, Mr. RANDOLPH, Mr. HEINZ, Mr. PERCY, and Mr. STEVENS):

S. 657. A bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. HAWKINS (for herself, Mr. CHAFEE, and Mr. SYMMS):

S. 658. A bill to amend the Agricultural Act of 1949 to modify the dairy price support program for the 1983 through 1985 fiscal years, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. THURMOND (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. BUMPERS, Mr. BURDICK, Mr. CHILES, Mr. D'AMATO, Mr. DECONCINI, Mr. DOMENICI Mr. DURENBERGER, Mr. EAST, Mr. EXON, Mr. GOLDWATER, Mr. HATFIELD, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JOHNSTON, Mr. LAXALT, Mr. LUGAR, Mr. MATTINGLY, Mr. MELCHER, Mr. NUNN, Mr. PERCY, Mr. PRYOR, Mr. RANDOLPH, Mr. STENNIS, Mr. TSONGAS, Mr. WARNER, and Mr. JEPSEN):

S.J. Res. 44. Joint resolution to authorize the President to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week."; to the Committee on the Judiciary.

By Mr. BURDICK:

S.J. Res. 45. Joint resolution designating November 20 through 26, 1983 as "National Family Week"; to the Committee on the Judiciary.

By Mr. CRANSTON:

S.J. Res. 46. Joint resolution requiring the Federal Energy Regulatory Commission to commence a rulemaking relating to natural gas pipeline rate designs, and to report its findings, conclusions and recommendations; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO (for himself, Mr. HEINZ, Mr. DIXON, Mr. MOYNIHAN, and Mr. LAUTENBERG):

S. Res. 77. Resolution disapproving deferral D83-59 relating to Urban Mass Transportation Administration; to the Committee on the Budget and the Committee on Appropriations, jointly, pursuant to the order of January 30, 1975, to be reported by the Committee on Appropriations pursuant to the provisions of S. Res. 45 of the 94th Congress.

By Mr. BAKER (for himself and Mr. BYRD):

S. Res. 78. Resolution to authorize the Secretary of the Senate to withhold from salaries of Senate pages, and deposit in the House revolving fund for pages, amounts equal to the charges imposed on pages residing in the page residence hall; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BYRD:

S. 647. A bill to amend the Trade Act of 1974 to insure fair trade opportunities, and for other purposes; to the Committee on Finance.

(The remarks of Mr. BYRD on this legislation appear earlier in today's RECORD.)

By Mr. THURMOND:

S. 648. A bill to facilitate the exchange of certain lands in South Carolina; to the Committee on Energy and Natural Resources.

EXCHANGE OF CERTAIN LANDS IN SOUTH CAROLINA

Mr. THURMOND. Mr. President, today I am introducing legislation to enable the U.S. Forest Service to add 210 acres of land to the Francis Marion National Forest in exchange for other forest acreage which has become part of a hydroelectric project. The legislation would accomplish this purpose by relieving the hydroelectric project of the obligation to pay rent to the Federal Government on the forest acreage which will be conveyed to it.

The Francis Marion National Forest is located in South Carolina between two great watercourses, the Santee and Cooper Rivers. Those two rivers are the site of an important hydroelectric development, known as the Santee-Cooper project. As part of the Santee-Cooper project, the project's owner and operator, South Carolina Public Service Authority, uses 1,276 acres of Francis Marion National Forest land, most of which is under water. This land is of no use to the U.S. Forest Service.

Nonetheless, in accordance with the license issued to the authority by the Federal Energy Regulatory Commission, and in accordance with the regulations of that Commission, the authority pays an annual charge or rent for the use of those lands, Currently the annual rent is $13,454 per year.

The Forest Service and the authority have agreed upon a cooperative plan which can benefit both. In brief, the Forest Service proposes a land exchange with the authority whereby the Forest Service would convey to the authority the 1,276 acres which it is flooding. In return, the authority would convey to the Forest Service a 210-acre tract located directly across from the Forest Service headquarters within the Francis Marion National Forest. The Forest Service and the authority have agreed to the exchange subject to the approval of the Commission.

In an order issued on April 16, 1981, the Commission approved the proposal of the Forest Service to convey the 1,276 acres of land to the authority.

Mr. President, unless Congress passes this enabling legislation, the land exchange cannot be accomplished, notwithstanding the lack of any objection from the parties to the proposed transaction. The lands which the Forest Service wishes to convey are within the boundaries of a licensed power project and they are withdrawn from disposition under the public land laws in accordance with section 24 of the Federal Power Act, 16 U.S.C. section 818. When the Commission approved the proposed land exchange, it advised the Forest Service that it did not have authority to vacate the power withdrawal which had attached to the lands and that therefore the authority would have to continue paying annual charges or rent for those lands even though the authority acquired fee title to the lands from the Forest Service.

Not surprisingly, the authority is unwilling to exchange any lands with the Forest Service if it would have to continue paying rent for the lands it received in the exchange.

An exchange of lands, which all concerned recognize will be a mutually beneficial arrangement, is being thwarted because of a 1920 law which was enacted for other purposes. The lands in question, however, have already been developed as part of a power project licensed by the Commission. The project includes nearly 150,000 acres owned by the authority in addition to the 1,276 acres of Forest Service lands.

The legislation which I am introducing applies only to the Santee-Cooper project and would apply only to the proposed land exchange I have described. The legislation, if enacted, would simply mean that the authority would not have to continue paying rent to the Federal Government in order to use any lands which it acquires from the Federal Government as long as the head of the Federal agency conveying the lands advises the Commission that it has received adequate consideration in lieu of annual charges.

The legislation would, of course, achieve a broader and more important objective. The Francis Marion National Forest pays two South Carolina counties over $1.4 million yearly for timber sold in the forest. In these difficult times, this contribution is important to South Carolina local governments in providing schools and road systems. The legislation I am intrdoucing will facilitiate the addition of a very valuable tract of land to the Francis Marion National Forest through the traditional vehicle of a simple exchange of lands.

Mr. President, I call upon my colleagues to carefully consider the merits and necessity of this measure. I ask unanimous consent that the bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no charge shall be made under section 10(e) of the Federal Power Act, 16 U.S.C. section 803(e) (1976), for the use of any interest of the United States in lands lying within the boundary of the South Carolina Public Service Authority's Santee-Cooper Hydroelectric Project (Federal Energy Regulatory Commission licensed Project No. 199) which pursuant to a Commission determination under Section 24 of the Federal Power Act, 16 U.S.C. section 818 (1976), are hereafter conveyed by the United States directly to the licensee for that project subject to the power reservation in said Section 24, if the head of the Federal agency conveying the lands advises the Commission that it has received adequate consideration in lieu of annual charges.

By Mr. HATCH (for himself, Mr. PERCY, and Mrs. HAWKINS):

S. 649. A bill to encourage the employment of unemployed individuals by the private sector by furnishing training assistance for them to fill available jobs, and for other purposes; to the Committee on Labor and Human Resources.

EMERGENCY STRUCTURAL UNEMPLOYMENT RELIEF ACT OF 1983

Mr. HATCH. Mr. President, I am today introducing a bill which I believe is a responsible, intermediate step to assist workers in finding immediate employment opportunities. The Emergency Structural Unemployment Relief Act will make funds immediately available to employers through the States to train and retrain structurally unemployed and displaced workers for jobs which exist right now.

Ending unemployment is and should be uppermost on the minds of the Members of this distinguished body. In my own State of Utah, the unemployment rate exceeds 8 percent, which, while better than some areas, obviously is too high. Over the last several weeks my colleagues and I have heard hours of testimony concerning possible Federal solutions to our national unemployment. The experts seem to agree on but two points: First, that a healthy economy is the only permanent solution to high unemployment, and second, that short-term public sector employment programs do not work. Experts from Congressional Budget Director Alice Rivlin to Martin Feldstein, chairman of the Council of Economic Advisors, all agree that public sector job measures are more political placebos than strong, economic medicine. They do not provide long-term employment opportunities and their cost drains the limited investment capital needed to create permanent private sector jobs.

Consequently, to avoid the costly mistakes of the past, any emergency employment legislation that we consider must complement, not impede, the administration's existing economic program and must augment, not supplement, the Job Training Partnership Act of 1982.

Last year Congress enacted the Job Training Partnership Act. This legislation, ably shepherded through the Senate by Senator QUAYLE, is a milestone in Federal employment and training policy. I was pleased to have played a role in the enactment of this law and I will be proud to see it implemented. The JTPA has the potential to serve the labor market needs of individual substate areas over the long term, and, once implemented, measures like the one I am proposing today no longer will be needed.

The bill I am introducing does not change one word of the Job Training Partnership Act. It does not amend the structure or purpose of that important new program. Instead, the Emergency Structural Unemployment Relief Act is intended to serve in the interim period while the programs envisioned by the JTPA are being designed by States, local governments and private industry councils. The mechanisms through which JTPA services will be delivered are now being developed and put into place, but the process will take some time if it is to be done effectively, and it will not be operational until October 1. The proposal I have suggested will make funds immediately available to States for allocation as training grants directly to employers who have committed to hire one or more structurally unemployed or dislocated workers. It will assist in matching up willing workers and employers with jobs to offer.

Many businesses have openings now, but there are shortages of people with the qualifications needed to fill them. A brief survey of three major city daily newspapers on Thursday, February 17, showed that there were over 800 help wanted advertisements in New York City, 800 in Washington, and 1,500 in Los Angeles. Many of these advertisements asked for applicants for more than one position. If this seems at the outset like a drop in the bucket, let us remember that the public employment proposals being circulated and most likely to pass, call for spending more than three times as much as the $1.5 billion I am suggesting, for less than 500,000 jobs which are not permanent positions and do not provide any training or retraining. People employed in one of these jobs will be just as unemployed when the authorization for the public employment program expires. If we accept $3 to $4 billion for public employment projects, then we should at least make the second phase of our employment program one of training and placement in private sector jobs we know are waiting to be filled.

I envision the program to work in this way, Mr. President. First, the entire amount of the appropriation would be allocated to States by means of the same needs-based formula we agreed upon for the Job Training Partnership Act. This formula was chosen since the factors are appropriate to the purpose of the bill and also because the Department of Labor has already accumulated the data and programed it into their computer. The allotments, therefore, should not take much time. Funds can be available within weeks after the appropriation has been passed.

Second, States using up to 15 percent of the State grant for administration would ask for its local employ-

ment service and unemployment insurance offices to issue written certifications to unemployed persons determined to be structurally unemployed, that is, those who do not possess marketable job skills, or those whose skills are no longer in demand in that area.

Third, businesses of any size which had job openings and committed to hire a worker with a certification from the ES or UI office, regardless of the individual's skills, or lack thereof, could request a training grant from the State. The grant application would be simple and would basically consist of the number and types of jobs the employer was offering and a requested amount to cover the training costs. Training could be done by the employer or could be contracted out by the employer to a training organization. Obviously, the employer would submit employment-training proposals which were in line with the nature of the job he was offering.

Finally, the Governor, or his designated official, would make the training grants on the basis of general criteria which is written into the bill, such as the job's potential for upward mobility, the economic conditions in the area of the State, whether the proposal was to retrain workers who would have been permanently laid off for different jobs with the same firm, and, of course, the cost of the training per placement.

The Governor would submit to the Secretary a report on the number and types of jobs for which employers applied for training grants and did not receive them. The Governor would account for all dispersements.

Last, but not least, the bill also contains a $15 million authorization for the Secretary of Labor to fund additional programs for in-school youth. I have become convinced that we are missing the boat if we aim all of our attention and resources at those who are now in dire need of training for a future and forget those youth who are still in school, but are headed for a lifetime of hopelessness. These young people can be identified and singled out for special counseling and training. Our country has many such programs, such as the jobs for America's graduates program now operating in eight states, which can pick up these young people before they fall.

Mr. President, I urge my colleagues to join me in this effort. If we are going to have an emergency appropriation for emergency jobs and emergency humanitarian aid, then the second step ought to be bridging the gap before the Job Training Partnership Act is fully operational with an emergency structural unemployment relief bill.

I want to thank my distinguished friends and colleagues, Senators CHARLES PERCY and PAULA HAWKINS, for cosponsorship of this bill. They have long been concerned about the plight of the unemployed and have worked long and hard on behalf of their constituents in Illinois and Florida. I urge all of my colleagues in the Senate to consider the merit of this proposal and join us in securing its prompt passage.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 649

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Structural Unemployment Relief Act of 1983".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act—

(1) to encourage the rapid employment of certified unemployed individuals in the private sector by furnishing training to such unemployed individuals and by expediting specific training for which there is a demonstrated need; and

(2) to prevent the potential increase in unemployment of youth through a program of in-school guidance and training.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "area of substantial unemployment" has the same meaning given that term by section 4 (3) of the Job Training Partnership Act.

(2) The term "general training" means training for employment in an occupation, a paraprofessional position, or a skilled job classification.

(3) The term "Governor" means the chief executive of any State.

(4) The term "institution of higher education" has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965.

(5) The term "local educational agency" has the same meaning given that term by section 195(10) of the Vocational Education Act of 1963.

(6) The term "post secondary educational institution" means any institution covered by the definition of the term of institution of higher education defined in section 481(a)(1) of the Higher Education Act of 1965.

(7) The term "service provider" means any public agency, private business concern, or nonprofit private organization, which provides training services on a contractual basis, and may include any community based organization, labor organization, trade association, local educational agency, institutions of higher education and other post secondary educational institution.

(8) The term "specific training" means training in skills which are uniquely required for a specific workforce or specific workplace.

(9) The term "Secretary" means the Secretary of Labor.

(10) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(11) The term "supportive services" has the same meaning given that term under section 4(24) of the Job Training Partnership Act.

(12) The term "unemployed individuals" means individuals who are without jobs and who want and are available for work. The determination of whether individuals are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining individuals as unemployed.

TITLE I—TRAINING BLOCK GRANTS

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 101. (a) There are authorized to be appropriated $1,500,000,000 for the period beginning on the date of enactment of this Act through September 30, 1984 to carry out the provisions of this title.

(b)(1) Funds appropriated pursuant to subsection (a) may be obligated and expended until September 30, 1984.

(2) Funds appropriated pursuant to subsection (a) but not obligated or expended prior to September 30, 1984 may be obligated and expended pursuant to the provisions of part A of title II or title III of the Job Training Partnership Act or both.

ALLOTMENT

SEC. 102. (a) Not more than $2,500,000 of the amount appropriated pursuant to section 101(a) for each fiscal year shall be allotted among Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

(b)(1) Subject to the provisions of paragraph (2), of the remainder of the amount available for this title for each fiscal year—

(A) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in areas of substantial unemployment in each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

(B) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States; and

(C) 33⅓ percent shall be allotted on the basis of the relative number of economically disadvantaged individuals within the State compared to the total number of economically disadvantaged individuals in all States, except that, for the allotment for any State in which there is any service delivery area described in section 101(a)(4)(A)(iii) of the Job Training Partnership Act, the allotment shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged individuals in such area.

(2) No State shall receive less than one-quarter of 1 percent of the amounts available for allotment under this subsection for each such fiscal year.

(3) For purposes of paragraph (1)—

(A) the term "excess number" means the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State, or the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

(B) the term "economically disadvantaged" means an individual who has, or is a member of a family which has, received a total family income (exclusive of unemploy-

ment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level.

(4) The Secretary shall determine allotments under this section not later than 15 days after the date of enactment of this Act.

ELIGIBLE UNEMPLOYED INDIVIDUALS

SEC. 103. (a) An unemployed individual is eligible to participate in the program under this Act if the appropriate office of the United States Employment Service in the State or the State agency established pursuant to title III of the Social Security Act determines that the individual is unemployed because—

(1) the individual lacks job skills, or

(2) the individual has job skills which are no longer in demand in the labor market area in which the individual resides.

(b) The State office of the United States Employment Service and the State agency under title III of the Social Security Act shall issue a written certification to any individual who applies for a certification and meets the requirements of subsection (a).

USES OF TRAINING BLOCK GRANTS

SEC. 104. Grants under this title may be used for training assistance payments to business concerns in accordance with the application approved under section 105 and other provisions of this title.

APPLICATIONS

SEC. 105. Each State desiring to receive a block grant under this title shall submit an application to the Secretary. Each such application shall—

(1) designate an agency of the State to be determined by the Governor to administer the training block grant authorized by this Act, and describe the arrangement for the certification of the eligible unemployed individuals by the local offices of the State Office of the United States Employment Service and of the State agency under title III of the Social Security Act;

(2) provide for a State program for furnishing training payments to each business concern which—

(A) applies to the agency designated under clause (1) for a training grant for each eligible unemployed individual hired by such business concern;

(B) describes in the application the job for which each such individual is hired, together with a reasonable estimate of the general and specific training costs requested in the application; and

(C) describes, if applicable, in the application the contractual arrangements under which service providers will provide training to each such individual;

(3) describe the procedures under which the designated agency will evaluate the applications received under clause (1) which procedures will include a consideration of—

(A) the economic conditions of the area where the business concern is located;

(B) the potential of trainees to advance in the business concern;

(C) the cost and quality of the training per placement of eligible unemployed individuals; and

(D) whether the application is for the retraining of one or more of the employees of the business concern;

(4) provide assurances that no funds paid under this title to the State may be used to pay the business concern for wages, salaries, benefits, or supportive services of participants;

(5) provide assurances that not to exceed 15 percent of the State's allotment will be used for administrative costs under the application, including expenses of the State office of the United States Employment Service and the State agency under title III of the Social Security Act;

(6) provide assurances that the State will establish procedures and carry out the restrictions contained in section 106;

(7) provide such fiscal control and funds accounting procedures as may be necessary to assure the proper disbursal of and accounting for Federal funds paid to a State under this Act; and

(8) provide that a report will be filed with the Secretary at the end of the fiscal year 1984 describing—

(A) the number of jobs for which training grants were awarded,

(B) the number of jobs filled within certain occupational and industrial categories,

(C) the number of jobs for which training grants were not awarded, and

(D) the number of employers who applied and the number of employers who received grants.

(b) The Secretary shall approve any State application which meets the requirements of subsection (a) of this section within 20 days after the receipt of the application.

RESTRICTIONS AND ADJUDICATIONS

SEC. 106. (a)(1) Each business concern which discharges an eligible unemployed individual who is a participant in the training grant program authorized by this title without cause after the business concern received a payment under this title shall be ineligible to receive any further payments under this title.

(2) Each business concern which—

(A) discharges a participant in the training program assisted under this title in violation of the provisions of this title and the discharge;

(B) is determined to be in violation of a provision of this title, or application approved under this title, by a court of competent jurisdiction or by an administrative agency of a State having authority to make the determination,

shall repay to the State the cost of the training payment made by the State to that business employer for the individual discharged in violation of such provisions.

(b)(1) Each eligible unemployed individual on whose behalf a business concern receives a training payment pursuant to the provisions of this title and who voluntarily leaves the job for which the training costs were paid during the period of training under this title shall be ineligible to receive unemployment compensation benefits for the six-month period beginning on the date on which such individual leaves the job.

(2) Any individual whose entitlement to unemployment compensation benefits is suspended by reason of paragraph (1) may bring a civil action in a court of competent jurisdiction or an action in a State agency having authority to make the determination to show cause why the individual should not be subject to paragraph (1).

PAYMENTS

SEC. 107. (a) From the amount allotted to each State pursuant to section 102, the Secretary shall, in accordance with the provisions of this Act, pay to the State an amount equal to the amount needed for the purposes set forth pursuant to section 105.

(b) Payments under this Act may be made in installments in advance or by way of reimbursement, with necessary adjustments on account of overpayments and underpayments.

WITHHOLDING

SEC. 108. Whenever the Secretary, after reasonable notice to any State and opportunity for hearing within the State, finds that there has been a failure to comply with any provision set forth under section 105 or under section 106, the Secretary shall notify the State that further payments will not be made under this Act until the Secretary is satisfied that there is no longer any such failure to comply. Until the Secretary is so satisfied, no further payments shall be made under this title.

AUDIT

SEC. 109. The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant and any contractee receiving assistance under this Act that are pertinent to the sums received and disbursed under this Act.

NONDISCRIMINATION PROVISIONS

SEC. 110. (a) No person shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this title. Any prohibition against discrimination on the basis of and under the Age Discrimination Act of 1975 or with respect to otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) Whenever the Secretary determines that a State that has received a payment under this title has failed to comply with subsection (a) or an applicable regulation, he shall notify the Governor of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed 60 days, the Governor fails or refuses to secure compliance, the Secretary is authorized to (1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973, as may be applicable; or (3) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that the State is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

ADMINISTRATION

SEC. 111. (a)(1) The Secretary may delegate any functions under this Act, except the making of regulations, to any officer or employee of the Department of Labor.

(2) The Secretary shall issue regulations under this Act, within 30 days after the date on which an appropriation Act appropriating funds to carry out this title is enacted.

(b) In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other

public agency or institution, to the extent such services and facilities are otherwise authorized to be made available for such purpose, in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

(c) The Secretary shall establish procedures for Federal monitoring of State administration of programs assisted under this Act.

TITLE II—EMPLOYMENT GUIDANCE PROGRAMS FOR SECONDARY SCHOOL YOUTH

PROGRAM AUTHORIZED

SEC. 201. (a) The Secretary is authorized to make grants to public agencies and nonprofit private organizations with special competence in job training and counseling of secondary school students (such as Jobs for American Graduates, Inc.) for the purpose of establishing and carrying out programs for job training, counseling, remedial education, and placement services in secondary schools to enhance the employability of secondary school students.

(b) There is authorized to be appropriated $15,000,000 for the fiscal year 1983. Funds appropriated pursuant to this section may be available for obligation and expenditure in the succeeding fiscal year.

APPLICATION

SEC. 202. (a) No grant may be made under this title unless an application is made therefor, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(b) In approving applications under this title, the Secretary, to the extent practicable, shall attempt to obtain equitable distributions of assistance among the fifty States and the District of Columbia.

By Mr. MATHIAS:

S. 650. A bill to raise the retirement age for Superior Court judges in the District of Columbia; to the Committee on the Judiciary.

RETIREMENT AGE OF SUPERIOR COURT JUDGES

● Mr. MATHIAS. Mr. President, I am today introducing legislation which would amend the District of Columbia Code to increase the mandatory retirement age of judges of the District of Columbia courts from ages 70 to 74.

Under the present law, the District of Columbia Code makes it mandatory that judges of the Superior Court and the District of Columbia Court of Appeals retire at age 70. As a result of this law, the courts have lost the invaluable services of experienced judges who were, at the date of their retirement, in excellent physical and mental condition and who wanted to continue to serve on the bench.

The effect of the mandatory retirement age of 70, without regard to a judge's mental and physical condition, has been to deprive the District of Columbia of the much-needed special skills and expertise of its most senior superior court and District of Columbia Court of Appeals judges.

Mr. President, I believe enactment of this legislation will help to relieve shortages of judges and greatly ease delay in disposition of the enormous caseloads facing the local courts. I urge my colleagues to consider this matter promptly and favorably.●

By Mr. MATHIAS:

S. 651. A bill to amend the Foreign Service Act of 1980 with respect to the number of chiefs of diplomatic mission who are career members of the Foreign Service; to the Committee on Foreign Relations.

CHIEFS OF DIPLOMATIC MISSIONS

Mr. MATHIAS. Mr. President, for several years I have advocated placing statutory restrictions on the percentage of nonprofessionals appointed to ambassadorial rank as chiefs of U.S. diplomatic missions. In 1974, I proposed to the Senate that a 20-percent ceiling be placed on noncareer ambassadorial appointments. This amendment passed the Senate on October 2, 1974, but did not survive conference. In 1975, the idea was revived in my bill, S. 202, and in a separate Foreign Relations Committee proposal. These measures were considered by the committee but not adopted.

In 1976, I introduced an amendment to the State Department authorization bill proposing a limit of 15 percent for political ambassadorial appointees. In conference it was weakened and emerged, in diluted form, in Public Law 94-350 of July 12, 1976. Section 120 of the law declares:

It is the sense of the Congress that a greater number of positions of ambassador should be occupied by career personnel in the Foreign Service.

As of mid-October 1981, 9 months into President Reagan's administration, 44 percent of the President's ambassadorial appointments had gone to individuals outside of the career Foreign Service, although comprehensive figures including retained ambassadors were not so high. Nonetheless, a disturbing trend was apparent: If political appointments were to continue at this rate, the Reagan administration would have the highest percentage of nonprofessional chiefs of mission of any administration in the postwar period.

In response to this trend I introduced S. 1886, a bill to limit to 15 percent the percentage of political appointees to the position of chief of diplomatic mission. Hearings were held in April 1982 by the Senate Foreign Relations Committee, and a number of constructive criticisms were made of the bill. Some witnesses felt that it went too far, infringing on Presidential prerogatives or the constitutional appointment process. Others felt that it set the limit on noncareer chiefs of mission too low. Still others suggested that the bill did not go far enough, that it did not address the problem of the growing number of noncareer officals within the Department of State at the Assistant Secretary level and below, and that it did not provide for a more thorough review process to insure competence among political and nonpolitical appointees.

The measure was not adopted by the committee. Yet the trend of excessive political appointments continues, as the following chart provided by the American Foreign Service Association demonstrates.

	Number career	Number non-career	Percent career	Percent non-career
President:				
Truman	115	63	65	35
Eisenhower	156	72	68	32
Kennedy	72	52	58	42
Johnson	94	56	63	37
Nixon	157	73	68	32
Ford	47	29	62	38
Carter	141	52	73	27
Reagan	66	46	58	42
Total	848	443	65	35

There are, of course, other nonlegislative solutions to this problem. The most simple would be a policy determination by the Executive to support the principle of career appointment with a few meritorious exceptions. Another would be the acquisition by the Senate of the fortitude and resolve to examine the personal and professional qualifications of the diplomatic nominees as specifically related to the posts for which they are proposed. In short, the Senate could find the courage to say "No." Pending the day that either course is followed, we should pursue a legislative remedy.

I do not mean to imply that the United States has not greatly benefited from the services of some distinguished diplomats who were appointed from outside the ranks of the career Foreign Services. Such able and dedicated men and women as Ellsworth Bunker, John Sherman Cooper, Shirley Temple Black, Averell Harriman, and the late David K. E. Bruce brought to their ambassadorial positions great energy, skill, and experience. Mike Mansfield, our present Ambassador in Japan, is an exceptional example of the breed. These individuals are beyond price. But the Foreign Service was not what Mae West had in mind when she said, "Too much of a good thing is wonderful."

At the moment we have only three professional ambassadors in Western Europe. That means we have a team of highly trained, highly motivated, and experienced diplomats in Washington, underemployed and planning to leave the Foreign Service at the very moment that their competence is at the peak. Bright young men and women in the Service see their seniors in the corridors and cafeterias of the State Department and understand what has happened to their careers. The effect on their morale is devastating.

The professional Foreign Service is comprised of a relatively small cadre

of highly trained, very dedicated men and women. They endure countless hardships—frequent relocations, difficult living conditions, disruptions in family life and increasingly, personal danger—in the service of the United States. It is unthinkable to deny such men and women access, through normal promotion, to the highest positions of their profession. Yet that is the trend.

I believe that the Senate in its special responsibility in the area of foreign affairs should amend the Foreign Service Act of 1980 to reverse this trend. To accomplish this, I am again introducing a bill to limit the percentage of political appointees to the position of chief of diplomatic mission to 15 percent.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 651

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 304(a) of the Foreign Service Act of 1980 is amended by adding at the end thereof the following:

"(5) At any time, not less than 85 per centum of the total number of positions of chiefs of mission which are occupied shall be held by career members of the Service.".

By Mr. MATSUNAGA:

S. 652. A bill to establish a hydrogen research and development program; to the Committee on Energy and Natural Resources.

HYDROGEN RESEARCH AND DEVELOPMENT ACT

Mr. MATSUNAGA. Madame President, I am today introducing a bill to provide for the establishment of an expanded and intensified research and development program to accelerate the commercialization of the hydrogen economy.

The timing of the introduction of this measure is most appropriate, for the provisions of the bill address and attempt to resolve some of the problems we are having with national defense and energy in a manner which is in tune with the philosophy of the present administration, which has articulated its support for basic research and development of those potential energy sources which, by their very innovativeness, are deemed too risky for unilateral commercialization by the private sector, but yet show promise for having a major impact on the well-being of the Nation.

The ultimate impact of this bill will be to reduce oil importation, an economically debilitating dependence which has been bleeding our Nation at a rate of as much as $80 billion each year. The defense implications are partially related to development of the next generation of jet fuel, and partially tied to the concept of energy self-sufficiency, both of critical importance to our national security.

Another reason is that most of the other industrialized countries are carrying on hydrogen R&D activity at a level considerably greater than ours. While AEG-Telefunkun of West Germany once proposed a $50 trillion, 60-year solar photovoltaic/hydrogen plantation program, and an all-party Canadian Commons Committee recommended an expenditure of $1 billion over the next 5 years to develop a hydrogen system to make our neighbors to the north a world leader in hydrogen development, our own domestic program has declined from $28 million in fiscal year 1977 to an expected $15 million in this fiscal year.

The sad truth is that here in our great country there is currently no specific Federal program for the development of hydrogen as fuel for air or ground transportation. To worsen the situation, whatever disparate projects there are appear to be in various stages of termination.

How is it that a technology that was virtually born in these United States can suffer such retrogression in the face of significant foreign advancements? It was nearly a decade ago that Fortune magazine reported on the promise of the "hydrogen economy." The very first professional meeting to consider the entire field of hydrogen-related research comprehensively was held in this country in 1974. Demonstrations of a hydrogen-fueled automobile and hydrogen-operated homestead were conducted shortly thereafter. NASA has very successfully applied the technology in the space race, including the Space Shuttle, which was hydrogen-driven into space. Unfortunately, spinoffs have not been projected into the commercial sector.

Worldwide, the Netherlands has pioneered work on metal hydrides; West Germany is advancing high-temperature production of hydrogen; Brazil, with vast hydroelectric resources, already is using a 50-50 mixture of hydrogen and carbon monoxide as a substitute for natural gas; and Japan's auto industry is considering making hydrogen a fuel choice option in the foreseeable future. Japan also has its "Sunshine Project," which emphasizes solar-assisted hydrogen production.

We should not carry on an overly ambitious hydrogen program just because other industrialized nations of the world have such programs. However, the recent deemphasis in Federal hydrogen initiatives very much concerns me, and I seriously wonder if we again might be letting slip a technological development that could have crucial future economic implications.

Visions of the American auto industry seeking assistance to combat the superiority of foreign hydrogen-powered vehicles come to mind, and worse still, the possibility of the aerospace industry knocking on our doors, lamenting foreign dominance of the air because of our inability to anticipate an almost obvious long-term development. The defense overtones could compound the disastrous national economic consequences.

Let me assure my colleagues that my bill will not be creating another trough from which subsidies can be drawn. The provisions of this measure will commit our Nation to a reevaluation of where we are, so that recommendations can be made on what can be done to get us where we should be in the future. As a starting point, the Hydrogen Energy Coordinating Committee, an informal group representing 10 Department of Energy offices, can be activated to get the program off to a running start. There is every reason to believe that with some redirection and front-end Government incentives, our free enterprise system will be able to assume primary responsibility over the commercialization of the technology.

The intense worldwide interest in this alternative energy can perhaps best be appreciated by the various popular names by which hydrogen is known: "fuel of the future," "energy for space," "ultimate fuel," "universal fuel," and "cleanest, most natural fuel."

Hydrogen is the most abundant element in the universe and is readily available on Earth. Three-quarters of the world's surface is covered with water, the feedstock for hydrogen. Thus, wherever there might be electricity, high temperature, or sunlight, hydrogen can be produced.

Hydrogen is the lightest element in the universe, and therefore offers unique advantages in certain applications. For example, since hydrogen has a much higher energy per unit weight than conventional jet fuel, it could be used as a replacement fuel for aircraft.

Hydrogen has universal applicability, being a substitute for electricity or conventional fuels: Combined in a fuel cell with the atmosphere, electricity is produced; burned in a stove or engine, heat or mechanical motion can be extracted; stored in hydride form, a vehicle can be powered; and cooled into the liquid state, it is the ideal jet fuel.

Hydrogen has a number of advantages over electricity. It can be conveniently stored, allowing hydrogen generation plants to produce at maximum capacity at all times, or in the case of intermittent renewable energy sources, such as sunlight or windpower, it could permit sporadic production and storage for constant overall use. Hydrogen transmission over long distances through pipelines, furthermore, is more efficient and less costly than electrical transmission lines. While 10 percent or more of electrical energy

can be dissipated as heat in the line, hydrogen gas leakage will only be a fraction of this loss. Also, projected costs for hydrogen transmission amount to 4 cents to 6 cents per million Btu per 100 miles as compared to 37 cents to $1.05 for overhead electric transmission lines and $1 to $2 for underground transmission lines.

Although the Hindenburg dirigible syndrome has unfortunately created some safety doubts about this gas, experimental evidence indicates that there may be less exposure to hazard if liquid or hydrided hydrogen is used instead of jet fuel, gasoline, propane, kerosene, or liquid methane. A tank filled with gasoline or jet fuel shot with a high-powered rifle will explode, while a similar direct hit on a tank of liquid hydrogen will only cause leakage.

Madame President, hydrogen is indeed very much the ultimate, natural, and cleanest fuel. While fossil fuels emit particulates, carbon dioxide, carbon monoxide, oxides of sulfur, oxides of nitrogen, scrubber sludge, and ash, and nuclear energy yields various radioactive products, hydrogen combines with oxgen from the atmosphere to produce heat and/or electricity, with water as the byproduct. Hydrogen from solar energy sidesteps the dangers of nuclear proliferation and the "greenhouse effect."

This not to say, however, that hydrogen is the cure-all for our energy problem. There are questions about economics and timing. However, the technical knowhow is a sine qua non. Hydrogen cannot be regarded as a logical option unless the technical particulars of its generation, transmission, and storage are explored to their full potential.

A joint Department of Energy and National Academy of Sciences 1979 report entitled, "Hydrogen as a Fuel," indicated that there is a need for a well-conceived R&D program to study the basic problems that constrain the entrance of hydrogen into the economy. Specifically, the following principles should guide the formulation of a U.S. program in support of hydrogen systems:

First, basic exploratory research should be pursued on innovative concepts for hydrogen production, transmission, storage, and utilization through the laboratory demonstration stages. Such research should be pursued even if near-term market needs cannot be identified.

Second, the Federal program should include R&D elements designed to create a national data base of sufficient depth and quality that sound evaluations can be made of program alternatives in the future selections of coherent and timely development and demonstration programs.

Third, the Federal program should defer large-scale system development and demonstration activities aimed at hydrogen production until a market need of significant magnitude is clearly identified, and it is established that the timing or risks make it unlikely that the private sector will undertake these R&D phases.

Fourth, the architects of hydrogen R&D programs should remain alert to developments in application areas that might enhance the need for hydrogen, and thus accelerate consideration of development and demonstration programs for production, transmission, and storage systems.

Fifth, program priority should be given to exploratory research on concepts that hold promise of significantly reducing hydrogen production costs, particularly for coal/hydrogen systems, where the cost reductions could also benefit synthetic fuel costs.

Sixth, research should be initiated on hydrogen/air fuel cells suitable for transportation applications to provide an alternative to battery-powered automobiles in the event that future hydrocarbon fuel limitations are encountered.

Seventh, in addition to work on hydrogen production concepts, appropriate R&D should be conducted on potential problems associated with the transmission and storage of hydrogen as a consumer fuel. Particular attention should be given to the identification and resolution of potential safety problems for all phases of the hydrogen chain from production to consumption. Such studies should be conducted in a timely fashion so as to contribute to the overall evaluation of the feasibility of proposed hydrogen systems.

I wish to emphasize that my bill proposes the use of renewable energy in the production of hydrogen. This emphasis is made for three primary reasons:

First, the long-term survival of mankind cannot be tied to depletable energy. The energy content of domestic hydrogen annually produced today is approximately one quad. However, the corresponding energy consumption required, largely in the form of natural gas and petroleum, is about 1½ quads. In other words, if the current modes of hydrogen production are maintained, we would be using up fossil fuels at an even greater rate. Fortunately, a number of renewable energy options can be developed to replace fossil fuels totally.

Second, both the West German $50 trillion proposal and Japan's "Project Sunshine" specifically identify solar energy as the primary energy source in the process.

Third, a January 1981 publication, in summarizing the Department of Energy hydrogen projects, states that the ultimate requirement is a method of hydrogen production which makes use of renewables or long-term primary energy sources.

Madam President, in closing, I would like to refer to the 1979 report issued by the U.S. General Accounting Office entitled, "The Potential for Hydrogen as an Energy Source." It summarized the case for hydrogen development by stating that, while the decision to use hydrogen as a fuel will depend on economic, technical, sociopolitical, and institutional factors, the gas itself is an ideal fuel to meet our Nation's energy needs, because it is virtually inexhaustible, clean burning, convenient, versatile, and free from foreign control. Madam President, I submit that Congress can serve as the catalyst to help the private sector overcome these potential barriers, and I urge expeditious action on my bill to accelerate the commercialization of hydrogen.

Madam President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hydrogen Research and Development Act".

TITLE I—HYDROGEN PRODUCTION AND UTILIZATION

FINDINGS AND PURPOSES

SEC. 101. (a) The Congress finds that—

(1) viable alternatives for petroleum-base fuels and feedstocks must be developed;

(2) priority should be given to the development of alternative fuels with universal availability;

(3) hydrogen is the most abundant element in the Universe, and the primary feedstock to produce hydrogen, water, covers three-fourths of the earth.

(4) hydrogen appears promising as an alternative to carbon dioxide producing fossil fuels;

(5) hydrogen can be transported more efficiently and at less cost than electricity over long distances;

(6) renewable energy resources are primary energy sources that can be used to convert hydrogen from its naturally occurring states into high quality fuel, feedstock, and energy storage media;

(7) it is in the national interest to accelerate efforts to develop a domestic capability to economically produce hydrogen in sufficient quantities to make a significant contribution toward reducing the Nation's dependence on conventional fuels;

(8) hydrogenation is an integral part of synfuels production; and

(9) hydrogen is an important feedstock for ammonia and fertilizer production.

(b) Therefore, the purpose of this title is to—

(1) direct the Secretary of the Department of Energy to prepare and implement a comprehensive plan and program to accelerate the conduct of research and development activities leading to the realization of a domestic capability to economically produce and distribute hydrogen within the shortest practicable time consistent with ap-

propriate research and development techniques; and

(2) establish renewable energy resources as a primary energy source to be used in the production of hydrogen.

COMPREHENSIVE MANAGEMENT PLAN

SEC. 102. (a) The Secretary is authorized and directed to prepare a comprehensive program management plan for the conduct under this title of research and development activities consistent with the provisions of sections 103 and 104. In the preparation of such plan, the Secretary shall consult with the Administrator of the National Aeronautics and Space Administration, the Secretary of the Department of Transportation, and the heads of such other Federal agencies and such public and private organizations as he deems appropriate. Such plan shall be so structured as to permit realization of a domestic hydrogen production capability within the shortest practicable time consistent with the appropriate research and development techniques. In addition, such plan shall identify a lead center responsible for technology support and project management.

(b) The Secretary shall transmit the comprehensive program management plan to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate within nine months after the date of the enactment of this Act.

(c) Concurrently with the submission of the President's annual budget to the Congress for each year after the year in which the comprehensive plan is initially transmitted under subsection (b), the Secretary shall transmit to the Congress a detailed description of the comprehensive plan as then in effect, setting forth the modifications which may be necessary to appropriately revise such plan and any changes in circumstances which may have occurred since the plan or the last previous modification thereof was transmitted in accordance with this section. The detailed description of the comprehensive plan under this subsection shall include (but need not be limited to) a statement setting forth (with respect to each of the programs under this title) any changes in—

(1) the anticipated research and development objectives to be achieved by the program;

(2) the program elements, management structure, and activities;

(3) the program strategies including detailed milestone goals to be achieved during the next fiscal year for all major activities and projects;

(4) the economic, environmental, and societal significance which the program may have;

(5) the total estimated cost of individual program items; and

(6) the estimated relative contributions of the Federal Government and non-Federal participants in the program.

Such description shall also include a detailed justification of any such changes, a detailed description of the progress made toward achieving the goals of this title, a statement on the status of interagency cooperation in meeting such goals, any comments on and recommendations for improvements in the comprehensive program management plan made by the Hydrogen Technical Advisory Panel established under section 107, and any legislative or other recommendations which the Secretary may have to help attain such goals.

RESEARCH AND DEVELOPMENT

SEC. 103. (a) The Secretary shall establish, within the Department of Energy, a program to insure the development of a domestic hydrogen fuel production capability within the shortest practicable time consistent with the appropriate research and development techniques.

(b) The Secretary shall initiate research or accelerate existing research in areas which may contribute to the development of a hydrogen production and utilization capability. Areas to be addressed shall include, but not be limited to (1) production; (2) liquefaction; (3) transmission; (4) distribution; (5) storage; and (6) utilization. Particular attention shall be given to developing an understanding and resolution of all potential phases of the hydrogen production and utilization chain into the marketplace.

(c) The Secretary shall give priority to those production techniques that use renewable energy resources as their primary energy source.

(d) The Secretary shall, for the purpose of performing his responsibilities pursuant to this Act, solicit proposals and evaluate any reasonable new or improved technology, a description of which is submitted to the Secretary in writing, which could lead or contribute to the development of hydrogen production technology.

(e) The Secretary shall conduct evaluations, arrange for tests and demonstration and disseminate to developers information, data, and materials necessary to support efforts undertaken pursuant to this section.

DEMONSTRATIONS

SEC. 104. (a) The Secretary shall conduct demonstrations, preferably in self-contained locations, so that technical and nontechnical parameters can be evaluated to best determine commercial applicability of the technology.

(b) Concurrent with the conduction of activities pursuant to section 103, smaller scale demonstrations, at self-contained sites, should be initiated, and the Secretary shall, in consultation with the Secretary of the Department of Transportation, the Administrator of the National Aeronautics and Space Administration, and the Hydrogen Technical Advisory Panel established under section 107, prepare a comprehensive large-scale hydrogen demonstration plan. Such plan shall include at a minimum—

(1) a description of the necessary research and development activities that must be completed before initiation of a large-scale hydrogen production demonstration program;

(2) an assessment of the appropriateness of a large-scale demonstration immediately upon completion of the necessary research and development activities; and

(3) an implementation schedule with associated budget and program management resource requirements.

TECHNICAL APPLICATIONS

SEC. 105. (a) The Secretary shall prepare a comprehensive technology application plan. Such plan shall include at a minimum—

(1) an identification and description of potential applications for the use of hydrogen;

(2) technical market and economic readiness assessments for such potential applications;

(3) an assessment of those Federal Government actions required to develop such applications; and

(4) an analysis of the potential impact such applications will have on domestic energy supplies; both regionally and nationally.

(b) The Secretary shall conduct all economic analyses on a total system, life cycle basis. Such analyses shall include at a minimum production, transmission, distribution, storage, and end-use application.

(c) The Secretary shall conduct all activities pursuant to section 103 and 104 in such manner as to permit compliance with end-use system integration constraints.

COORDINATION AND CONSULTATION

SEC. 106. (a) The Secretary shall have overall management responsibility for carrying out the program under this title. In carrying our such program, the Secretary consistent with such overall management responsibility—

(1) shall utilize the expertise of the National Aeronautics and Space Administration and the Department of Transportation; and

(2) may utilize any other Federal agency (except as provided in paragraph (1)) in accordance with subsection (c) in carrying out any activities under this title, to the extent that the Secretary determines that any such agency has capabilities which would allow such agency to contribute to the purposes of this title.

(b) The Secretary may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency, or instrumentality. Each such request shall identify the assistance the Secretary deems necessary to carry out any duty under this title.

(c) The Secretary shall consult with the Administrator of the Environmental Protection Agency, the Secretary of the Department of Transportation, the Administrator of the National Aeronautics and Space Administration, and the Hydrogen Technical Advisory Panel in carrying out his authorities pursuant to this title.

TECHNICAL PANEL

SEC. 107. (a) A technical panel of the Energy Research Advisory Board shall be established to advise the Secretary on the conduct of the hydrogen program.

(b)(1) The technical panel shall be comprised of such representatives from domestic industry, universities, Government laboratories, financial, environmental, and other organizations as the Chairman of the Energy Research Advisory Board deems appropriate based on his assessment of the technical and other qualifications of such representative. Appointments to the technical panel shall be made within ninety days after enactment of this Act. Consideration should be given to the selection of at least one representative from sites where early large-scale demonstrations of the concept will occur.

(2) Members of the technical panel need not be members of the full Energy Research Advisory Board.

(c) The activities of the technical panel shall be in compliance with any laws and regulations guiding the activities of technical and factfinding groups reporting to the Energy Research Advisory Board.

(d) The technical panel shall review and may make recommendations on the following items, among others—

(1) implementation and conduct of the programs established by this Act;

(2) definition of hydrogen production performance requirements for various user applications; and

(3) economic, technological, and environmental consequences of the deployment of hydrogen production and utilization systems.

(e) The technical panel shall submit to the Energy Research Advisory Board on at least an annual basis a written report of its findings and recommendations with regard to the program. Such report shall include at a minimum—

(1) a summary of the panel's activities for the preceding year;

(2) an assessment and evaluation of the status of the programs mandated by this Act; and

(3) comments on and recommendations for improvements in the comprehensive program management plan required under section 102.

(f) After consideration of the technical panel report, the Energy Research Advisory Board shall submit such report, together with any comments such Board deems appropriate, to the Secretary.

(g) The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the technical panel in carrying out the requirements of this section and shall furnish to the technical panel such information as the technical panel deems necessary to carry out this section.

(h) The Secretary shall provide sufficient staff, funds, and other support as necessary to enable the technical panel to carry out the functions described in this section.

DEFINITIONS

SEC. 108. As used in this title, the terms—

(1) "Secretary" means the Secretary of the Department of Energy; and

(2) "capability" means having the proven technical ability.

AUTHORIZATION FOR APPROPRIATION

SEC. 109. There is hereby authorized to be appropriated to carry out the purposes of this title, in addition to any amounts made available for such purposes pursuant to other Acts, the sum of $200,000,000 of which $25,000,000 is authorized for the fiscal year ending September 30, 1984.

TITLE II—HYDROGEN-FUELED AIRCRAFT RESEARCH AND DEVELOPMENT

FINDINGS AND PURPOSES

SEC. 201. (a) The Congress finds that—

(1) the petroleum-base fuel currently used in all commercial turbine-powered aircraft is in short and unstable supply;

(2) future decreases in petroleum-base fuel availability will seriously impair operation of the world's air transport fleets;

(3) an alternative to petroleum must be found to fuel commercial aircraft, and hydrogen appears to be the alternative preferred by the majority of the industrialized nations of the world;

(4) it is therefore in the national interest to accelerate efforts to develop a domestic hydrogen-fueled aircraft capability; and

(5) the use of liquid hydrogen as a commercial air transport fuel has sufficient long-term promise to justify a substantial research, development, and demonstration program.

(b) Therefore the purpose of this title is to—

(1) direct the Administrator of the National Aeronautics and Space Administration to prepare and implement a comprehensive plan and program for the conduct of research, development, and demonstration activities leading to the realization of a domestic hydrogen-fueled aircraft capability within seven years of the date of enactment of this Act, or within the shortest practicable time consistent with appropriate research and development techniques;

(2) establish as a goal broad multinational participation in the program; and

(3) provide a basis for public, industry, and certifying agency acceptance of hydrogen-fueled aircraft as a mode of commercial air transport.

COMPREHENSIVE MANAGEMENT PLAN

SEC. 202. (a) The Administrator is authorized and directed to prepare a comprehensive program management plan for the conduct under this title of research, development, and demonstration activities consistent with the provisions of sections 203, 204, and 205. In the preparation of such plan, the Administrator shall consult with the Secretary of the Department of Energy, the Secretary of the Department of Transportation, and the heads of such other Federal agencies and such public private organizations as he deems appropriate. Such plan shall be so structured as to permit realization of a domestic hydrogen-fueled aircraft capability within seven years of the date of enactment of this Act, or within the shortest practicable time consistent with appropriate research and development techniques. In addition, such plan shall identify a lead center responsible for technology support and project management.

(b) The Administrator shall transmit the comprehensive program management plan to the Committee on Science and Technology of the House of Representatives and the Committees on Commerce, Science, and Transportation, and Energy and Natural Resources of the Senate within nine months after the date of the enactment of this Act.

(c) Concurrently with the submission of the President's annual budget to the Congress for each year after the year in which the comprehensive plan is initially transmitted under subsection (b), the Administrator shall transmit to the Congress a detailed description of the comprehensive plan as then in effect, setting forth the modifications which may be necessary to appropriately revise such plan and any changes in circumstances which may have occurred since the plan or the comprehensive program management plan made by the Hydrogen-Fueled Aircraft Advisory Committee established under section 207, and any legislative or other recommendations which the Administrator may have to help attain such goals.

RESEARCH AND DEVELOPMENT

SEC. 203. (a) The Administrator shall establish, within the National Aeronautics and Space Administration, a program to insure the development of a domestic hydrogen-fueled aircraft capability within seven years after the date of enactment of this Act, or within the shortest practical time consistent with appropriate research and development techniques.

(b) The Administrator shall initiate research or accelerate existing research in areas which may contribute to the development of a hydrogen-fueled aircraft capability.

(c) In conducting the programs pursuant to this section, the Administrator shall encourage the establishment of domestic industrial capabilities to supply hydrogen-fueled aircraft systems or subsystems to the commercial marketplace.

(d) The Administrator shall, for the purpose of performing his responsibilities pursuant to this Act, solicit proposals and evaluate any reasonable new or improved technology, a description of which is submitted to the Administrator in comprehensive program management plan made by the Hydrogen-Fueled Aircraft Advisory Committee established under section 207, and any legislative or other recommendations which the Administrator may have to help attain such goals.

RESEARCH AND DEVELOPMENT

SEC. 203. (a) The Administrator shall establish, within the National Aeronautics and Space Administration, a program to insure the development of a domestic hydrogen-fueled aircraft capability within seven years after the date of enactment of this Act, or within the shortest practical time consistent with appropriate research and development techniques.

(b) The Administrator shall initiate research or accelerate existing research in areas which may contribute to the development of a hydrogen-fueled aircraft capability.

(c) In conducting the programs pursuant to this section, the Administrator shall encourage the establishment of domestic industrial capabilities to supply hydrogen-fueled aircraft systems or subsystems to the commercial marketplace.

(d) The Administrator shall, for the purpose of performing his responsibilities pursuant to this Act, solicit proposals and evaluate any reasonable new or improved technology, a description of which is submitted to the Administrator in writing, which could lead or contribute to the development of hydrogen-fueled aircraft technology.

(e) The Administrator shall conduct evaluations, arrange for tests and demonstrations and disseminate to developers information, data, and materials necessary to support efforts undertaken pursuant to this section.

FLIGHT DEMONSTRATION

SEC. 204. (a) Concurrent with the conduct of activities pursuant to section 203, the Administrator shall, in consultation with the Secretary of the Department of Transportation, the Secretary of the Department of Energy, and the Hydrogen-Fueled Aircraft Advisory Committee established under section 207, prepare a comprehensive flight demonstration plan, the implementation of which shall provide confirmation of the technical feasibility, economic viability, and safety of liquid hydrogen as a fuel for commercial transport aircraft—

(1) a description of the necessary research and development activities that must be completed before initiation of a flight demonstration program;

(2) the selection of a self-contained domestic site where demonstration activities can lead to early commercialization of the concept;

(3) an assessment of a preliminary flight demonstration to occur concurrently with the later stages of research and development activities; and

(4) an implementation schedule with associated budget and program management resource requirements.

(b) The Administrator shall transmit such comprehensive flight demonstration plan to the Congress within two years after the date of enactment of this Act.

HYDROGEN PRODUCTION AND GROUND FACILITIES

SEC. 205. (a) The Administrator, in consultation with the Secretary of the Department of Transportation and the Secretary of the Department of Energy, shall define the systems, subsystems, or components associated with the production, transportation, storage, and handling of liquid hydrogen that are specifically required for and unique to the use of such fuel for commercial aircraft application.

(b) The Administrator shall structure the research and development program pursuant to section 203 of this title to include at a minimum the development of the systems, subsystems, or components defined pursuant to subsection (a) of this section.

(c) Conduct of the research and development program for hydrogen production, transportation and storage systems, subsystems, or components, which are suitable for inclusion as part of a fully integrated hydrogen-fueled aircraft system, but which are not being specifically developed for such a application shall be the responsibility of the Secretary of the Department of Energy. Such activities shall be included as part of the program established pursuant to title I of this Act, and shall be so conducted as to insure compliance with hydrogen-fueled aircraft system constraints.

COORDINATION AND CONSULTATION

SEC. 206. (a) The Administrator shall have overall management responsibility for carrying out the program under this title. In carrying out such a program, the Administrator, consistent with such overall management responsibility—

(1) shall utilize the expertise of the Departments of Transportation and Energy to the extent deemed appropriate by the Administrator, and

(2) may utilize any other Federal agency (except as provided in paragraph (1)) in accordance with subsection (b) in carrying out any activities under this title, to the extent that the Administrator determines that any such agency has capabilities which would allow such agency to contribute to the purposes of this title.

(b) The Administrator may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency, or instrumentality. Each such request shall identify the assistance the Administrator deems necessary to carry out any duty under this title.

(c) The Administrator shall consult with the Administrator of the Environmental Protection Agency, the Secretary of the Department of Transportation, the Secretary of the Department of Energy, and the Hydrogen-Fueled Aircraft Advisory Committee in carrying out his authorities pursuant to this title.

ADVISORY COMMITTEE

SEC. 207. (a) There is hereby established a Hydrogen-Fueled Aircraft Advisory Committee, which shall, at a minimum, study and advise the Administrator with regard to—

(1) implementation and conduct of the programs established by this title, with an aim toward accelerating commercialization;

(2) definition of hydrogen-fueled aircraft system performance requirements; and

(3) economical, technological, and environmental consequences of the deployment of hydrogen-fueled aircraft systems.

(b) The Committee shall be composed of at least seven members appointed by the Administrator from industrial, academic, financial, environmental, and legal organizations and such other entities as he deems appropriate. Consideration should be given to appointing at least one representative from sites where early commercialization of the concept might occur. The appointments shall be made within ninety days after enactment of this Act. The Chairman of the Committee shall be elected from among the members thereof.

(c) The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the committee in carrying out the requirements of this section and shall furnish to the Committee such information as the Committee deems necessary to carry out this section.

(d) The Committee shall meet at least four times annually, notwithstanding subsections (e) and (f) of section 10 of Public Law 92-463, until such time as the program goals in section 203 are met.

(e) The Committee shall prepare and submit annually to the Administrator a report. Such report shall include at a minimum—

(1) a summary of the Committee's activities for the preceding year;

(2) an assessment and evaluation of the status of the programs mandated by this title; and

(3) comments on the recommendations for improvements in the comprehensive program management plan required under section 202.

(f) The Administrator shall provide sufficient staff and other support as necessary to enable the Committee to carry out the functions described in this section.

DEFINITION

SEC. 208. As used in this title, the term—

(1) "Administrator" means the Administrator of the National Aeronautics and Space Administration; and

(2) "certifying agency" means any government entity with direct responsibility for assuring public safety in the operation of the air transport system.

AUTHORIZATION FOR APPROPRIATION

SEC. 209. There is hereby authorized to be appropriated to carry out the purposes of this title the sum of $75,000,000 of which $10,000,000 is authorized for the fiscal year ending September 30, 1982.

By Mr. JACKSON (for himself and Mr. TOWER):

S. 653. A bill to amend chapter 104, title 10, United States Code, to establish the Foundation for the Advancement of Military Medicine, and for other purposes; to the Committee on Armed Services.

FOUNDATION FOR THE ADVANCEMENT OF MILITARY MEDICINE

● Mr. JACKSON. Mr. President, today I am introducing legislation for myself and Mr. TOWER to establish the Foundation for the Advancement of Military Medicine. The Foundation will be an educational and research foundation—a nonprofit, charitable entity which will receive gifts, grants, and legacies. Business will be conducted by a Board of Directors and the Foundation will provide funds for academic chairs, teaching, research and demonstration projects under the auspices of the Uniformed Services University of the Health Sciences.

The Foundation will cooperate in research with the Uniformed Services University by bringing resources to the University and helping the University and military medicine maintain advanced scientific teaching, research and medical services.

The bill also directly involves the Congress, through our participation as directors of the Foundation and in the purposes, direction and supervision of the Foundation. This is like our involvement at the Smithsonian Institution. Through the Foundation we will be involved in medical advances for the uniformed services. The Foundation lets us, with the support of the public, but without governmental expenditures, honor distinguished citizens, both military and civilian, with living memorials such as chairs in medical science and support of important and innovative research and medical services.

The University was established by Congress in 1972 to provide the country with a dedicated corps of uniformed services physicians, trained in the traditions of caring and healing, but trained as well in those special aspects needed to support the health of our military. With their special obligation to the country for this training, these physicians will provide a significant part of the military's medical officers; and, I expect, they will be leaders in our country's medical care.

The University, like the rest of Government, is constrained by the availability of resources. It has always been the Congress intent that the programs at the University will be the best, most innovative, and at the forefront of teaching, research and care. The Foundation provides one method of supporting these goals through the public's recognition of their importance.

This week, we have seen the country's amazing reaction to the end of the 11-year television series, "M.A.S.H.", and to those who portrayed so well the men and women serving in Korea in medical units. This honored role, which we recognize in the public's enthusiasm for "M.A.S.H.", can manifest itself by support of such men and women through the Foundation.

The University will, as well, be able to work with similar foundations, such as the American Registry of Pathology, the service academy organization and those foundations that honor distinguished men and women who have served their country.

I can envision such cooperation in areas where the University is at the

forefront of major medical breakthroughs. Currently, it is involved in an exciting project to reverse or halt the effects of spinal cord injuries.

The Foundation will be extremely important to both civilian and military medicine. Often medical projects that have so much importance to the military provide great benefit to everyone. As I mentioned, the University's spinal cord research will, if successful, not only allow us to care for men and women injured in combat by preventing or alleviating any crippling effects, but also to care for our sons and daughters who are injured in crippling accidents in swimming pools and other athletic events, and who come to our hospital emergency rooms with the terrible results of automobile accidents. Here the path for cooperation is clear. There is a shared interest in research and an important role for the Foundation in facilitating and expanding cooperation in such programs We often forget the continuum between the civilian and military medical community. Many physicians share the experience of having served in the country's military. Often they wish to honor those they trained with and worked with. This Foundation gives them the opportunity to provide this appropriate recognition.

In addition, the Foundation will support the growing international role of the University in its cooperative research in other countries and in its programs with medical schools training military medical officers both here and abroad.

The bill is essentially a simple one. It establishes the Foundation for the for the Advancement of Military Medicine and it gives the Board of Regents of the Uniformed Services University the authority to interact with the Foundation. The bill is noncontroversial and enhances a unique and important national medical resource. The bill is based on Senator KENNEDY's successful model, the American Registry of Pathology, that Congress established in 1976 to support the Armed Forces Institute of Pathology.

It is my hope that the Congress will give this legislation quick and favorable consideration.●

By Mr. WALLOP (for himself, Mr. ARMSTRONG, Mr. SYMMS, Mr. BOREN, Mr. DURENBERGER, Mr. DANFORTH, Mr. ROTH, Mr. GLENN, Mr. HEINZ, Mr. PACKWOOD, and Mr. CHAFEE):

S. 654. A bill to amend the Internal Revenue Code of 1954 to treat deductions for research and experimental expenses attributable to activities conducted in the United States as allocable to income from sources within the United States; to the Committee on Finance.

DEDUCTIONS FOR RESEARCH AND EXPERIMENTAL EXPENSES

● Mr. WALLOP. Mr. President, the legislation I am introducing today would eliminate a little known regulation in the Internal Revenue Code that has created a disincentive to research and development investments in the United States. The section to which I refer is 1.861.8 which requires U.S. companies with foreign operations to apportion or allocate a percentage of their domestic R&D expenditures to their earned income abroad. Since foreign tax authorities do not recognize this bookkeeping fiction, the net result is that no tax deduction is permitted for this portion of a company's R&D investment. Such adverse tax consequences create a disincentive to expanded R&D expenditures in the United States and an incentive to move such investments abroad where they are fully deductible and enjoy numerous other tax benefits.

While perhaps based upon theoretically sound tax principles of matching expenses to income, section 861.8 has nevertheless the anomalous effect of pushing U.S. R&D and its principal benefits abroad—a consequence this country can ill afford. Stable economic recovery based upon noninflationary growth requires that we foster, and certainly not impede, U.S. R&D investment and the expansion of the American technological base. It is only in this way that we can retool our traditional industries, create new and more productive jobs in both our traditional and growing high-technology sectors, and regain our international competitiveness in markets throughout the world.

The Congress took an important first step to rectify the problems created by the R&D portions of section 861.8 in the context of the Economic Recovery Tax Act of 1981. A provision was included in the House-passed measure to eliminate the regulation's R&D allocation requirements. While we were unsuccessful in incorporating a similar provision in the Senate Finance Committee bill, an amendment proposed on the Senate floor to suspend the application of the regulations for 1 year was approved. The subsequent House-Senate conference agreed upon a 2-year suspension of the R&D portions of 1.861.8. In addition, ERTA required the Treasury Department to conduct a study of the impact of the regulations on R&D activity in the United States. This study was to be submitted to the Congress within 6 months and is now approximately 1 year overdue with no completion date in sight. In the meantime, the moratorium expires at the end of 1983.

It is to preclude the reimposition of the R&D allocation requirements and their concomitant adverse effects on future R&D investment decisions that I introduce this bill today. It would simply repeal on a permanent basis that portion of section 1.861.8 of the IRS Code requiring the apportionment of R&D expenditures made in the United States, making all such expenses fully deductible against U.S. income.

The need for this legislation was confirmed by a recent study conducted by Arthur Andersen & Co. for four major trade associations, based upon a survey of the principal R&D spenders in the United States. The national research and development study, released February 1, documents the manner in which section 1.861.8 has adversely impacted upon R&D investments in this country. It examines the numerous foreign governmental policies designed to attract R&D dollars which when combined with the disincentive effects of section 861 frequently lead U.S. management to shift R&D investments abroad rather than expand R&D activities in the United States. In my view, this document provides clear and convincing evidence why this legislation should be enacted.

This legislation has strong bipartisan support in both the Senate and House and it is my sincere hope that it will also have the endorsement of the administration. I wish to thank my colleagues who have cosponsored this legislation with me today and pledge to work with them towards its early enactment.

Mr. President, I ask unanimous consent that the text of this legislation appear in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 861 of the Internal Revenue Code of 1954 (relating to income from sources within the United States) is amended by adding at the end thereof the following new subsection:

"(g) ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES.—

"(1) IN GENERAL.—For purposes of subsection (b) and section 862(b), all amounts allowable as a deduction for qualified research and experimental expenditures shall be allocated to income from sources within the United States and deducted from such income in determining the amount of taxable income from sources within the United States.

"(2) QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—

"(A) IN GENERAL.—The term 'qualified research and experimental expenditures' means amounts—

"(i) which are research and experimental expenditures within the meaning of section 174, and

"(ii) which are attributable to activities conducted in the United States.

"(B) TREATMENT OF DEPRECIATION, ETC.—Rules similar to the rules of subsection (c) of section 174 shall apply.".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1980.●

By Mr. PELL (for himself, Mr. BIDEN, Mr. DODD, Mr. HOLLINGS, Mr. HUMPHREY, Mr. INOUYE, Mr. JACKSON, Mr. RIEGLE, Mr. SARBANES, and Mr. TSONGAS):

S. 655. A bill to authorize appropriations to carry out the national sea grant program for fiscal years 1984, 1985, and 1986, and for other purposes; by unanimous consent, referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Labor and Human Resources.

AUTHORIZATION OF APPROPRIATIONS FOR THE NATIONAL SEA GRANT PROGRAM

Mr. PELL. Mr. President, I am today introducing legislation to extend the authorization of appropriations for the national sea grant college program for an additional 3 years, through 1986. Joining me in introducing this legislation are Senators BIDEN, DODD, HOLLINGS, HUMPHREY, INOUYE, JACKSON, REIGLE, SARBANES, and TSONGAS.

The sea grant college program, established in 1966 by legislation which I introduced, has proved a highly successful and innovative mechanism for the development of our Nation's marine science and technology capabilities.

Repeated studies have proven the national sea grant college program to be highly cost efficient, producing cost savings in marine resource industries that are many times the modest investment of Federal and local matching funds. In addition, the program has spawned significant new marine resource industries and businesses.

With this record of success, I am appalled that the administration, again this year, is proposing elimination of the program. In each of the past 2 years, the Congress has rejected the administration's proposal to terminate Federal Government funding of the program, and I hope and expect that the Congress will again insist that the sea grant college program is a wise investment of taxpayers' funds and should be continued.

Mr. President, continuation of the sea grant college program is especially important at a time when U.S. industry in general is fighting for its very life against foreign competitors who are invading our markets through the development and application of advanced technology.

The sea grant program is in many ways a model for a national industrial strategy to maintain American leadership in technology and to assure that Americans will have jobs producing quality products for both domestic and world markets.

The sea grant college program is a national partnership of government, universities, and industry dedicated to the development of efficient and productive use of this Nation's rich marine resources.

This sea grant partnership examines the problems and potentials in marine resource protection and development, and develops new technology to solve those problems. Essential elements in every sea grant college program are education and training of scientists and technicians and extension services to help businesses and industry in the field to put the latest technological advances to work.

Sea grant is a model also, in that it requires a multidisciplinary approach to marine industry problems. The sea grant program can and does bring to bear on any problem not just scientific knowledge, but the contributions of economists, lawyers, educators, engineers, and just about any other field of knowledge required.

This is very much the kind of partnership, multidisciplinary effort that the Japanese have employed so successfully as a national industrial development strategy.

The sea grant program also is very close to the kind of industrial strategy that has been recommended for the United States by leading economists to assure that our Nation will be among the leaders in selected high-priority industries in a highly competitive world.

Instead of seeking to eliminate the sea grant college program, I believe the administration should seek to duplicate its success by establishing similar programs for other selected industries.

We would be foolish, indeed, to cast American industry adrift in a sea of laissez-faire economics, when our competitors abroad are vigorously pursuing, industry by industry, the advantages gained by partnership among government, academia, and business.

Mr. President, the national sea grant college program, administered by the National Oceanic and Atmospheric Administration of the Department of Commerce, encompasses 19 formally designated sea grant colleges, and an additional 10 sea grant institutions operating in 29 of the coastal and Great Lakes States, Puerto Rico, and Guam.

Repeated studies have demonstrated that this network of sea grant programs produces real economic benefits for our Nation.

For example, a study conducted by the Center for Policy Alternatives at the Massachusetts Institute of Technology, of a limited sample of individual sea grant projects, showed that 19 of the sample projects had led to commercial developments that enjoy annual sales of from $44 to $62 million—a figure well in excess of the current annual funding of the entire sea grant college program.

The MIT study, it should be emphasized, did not include all of the work of the sea grant program, but focused on just 77 projects funded in 1975. The MIT followup study conducted last year showed that these projects had resulted in the development of 11 new commercial products, the establishment of 10 new business enterprises, and the introduction of new products by an additional 25 companies.

Beyond its quantifiable commercial impact, the program though its education programs produces a supply of trained scientists, engineers, and technicians at a time when our Nation needs highly skilled manpower.

In addition, sea grant programs have served as the laboratories and expert advisers to State and local governments in their efforts to make maximum productive use of their coastal areas and marine resources. The sea grant programs have pioneered new methods to increase personal safety at sea and sea grant programs have developed methods and technologies that reduce costs for both Government and industry.

Let me cite just a few specific examples of how the investment in sea grant programs are paying off for the people.

Off the coast of Rhode Island a fishing boat went down in waters icy enough to kill the crew. But the crew survived and later gave credit to a sea grant marine advisory specialist who had trained them in techniques to prevent hypothermia and cold-water drowning. The techniques and equipment that saved these lives had been developed through research funded by sea grant in Michigan and Minnesota.

Off California, albacore fishermen use advanced satellite data showing warm and cool water masses to locate their catch, saving expensive fuel. Similarly, North Carolina charter boat captains are using satellite data to plan successful trips. Both groups began using the data system because sea grant advisory agents brought the system to their attention and helped them learn how to use it.

In Wisconsin, sea grant funded research on more flexible and cost-efficient water pollution control methods contributed to revisions of State standards that could save local governments and papermills millions of dollars and at the same time improve the water quality of the Fox River and Green Bay.

The national sea grant college program works and works efficiently. It should not be disbanded.

The legislation I am introducing today would authorize appropriations of $40, $45, and $50 million in the next 3 years and would extend the $5 million a year authorizations for the sea grant international cooperative pro-

gram. I urge my colleagues to support continuation of the program.

Mr. HOLLINGS. Mr. President, as on previous occasions, I have the honor today to join with Senator PELL and others in sponsoring legislation to reauthorize the National Sea Grant College and Program Act for fiscal years 1984, 1985, and 1986.

The Reagan administration has been notable in its persistent attempt to eliminate this highly successful program. Every year since 1981 the administration has told us that we should stop funding sea grant. And every year since 1981 the Congress has shown steadfast support. In these austere times we have cut back the funding to $35 million a year, from a peak of $41 million in fiscal year 1981. The bill we introduce today calls for authorized levels of funding at $40 million for fiscal year 1984, $45 million for fiscal year 1985, and $50 million for fiscal year 1986. Such spending ceilings reflect our belief that the sea grant program has undergone some very lean years, being reduced both by cuts in appropriations and by inflation. The modest growth built into our reauthorization will enable this vigorous program to carry on—although not in so lively a way as it might in better times.

The administration uses wondrous logic in recommending the termination of sea grant: Because the program has been successful, it must be done away with. That is backward thinking. I can see eliminating programs that do not work. But it seems to me that we would want to do all we can to keep the good things going.

Sea grant delivers a lot of value for the Federal investment. It has built a network of colleges and universities with strong programs in marine education and research, some 19 of which have been formally designated as sea grant colleges. It has stimulated a sound State-Federal partnership in marine programs through the requirement that the States put up matching funds. And through its marine advisory services, it has brought universities, industry, and local government together in ways that have led to tangible gains for the marine economy.

In my own home State of South Carolina I can point to any number of instances where the investment of sea grant dollars has been repaid many times over. Two recent mariculture and fishing projects provide excellent examples of the Federal-State-industry cooperation encouraged by the sea grant approach.

Since 1979 the South Carolina Sea Grant Consortium, the State wildlife and marine resources department, and a private mariculture firm have been working on the first effort in the Southeast to demonstrate the feasibility of the commercial-scale mariculture of hard clams. Without the $73,000 in economic and biological research through sea grant, this project might never have been pursued at all. But with the extra boost, the private firm was able to obtain the credit needed for capital and operating costs, and it is estimated that the operation will yield $1 million in clam sales by 1985. Thanks to this project we now have not only a thriving clam-culturing business, but we also have a proven design for a clam nursery facility and a publicly documented approach to a successful mariculture operation that entrepreneurs all over the country can benefit from.

The other illustration shows the shoestring costs of sea grant's marine advisory services. A lot of our coastal fishermen have been going broke fishing for shrimp, since their boats are idle during the winter months. Now, with the help of the marine advisory services, we have a number of commercial fishermen who fish for finfish like snapper and grouper during the winter until the beginning of the shrimp season in the spring. These fishermen have been landing between $500,000 and $750,0000 worth of finfish every year. The sea grant investment was 5 years of time and effort by marine extension agents, at an estimated cost of $15,000. It was a simple matter of technology transfer—the extension agents knew how to modify the shrimp trawls to catch the finfish and they shared this knowledge with the people who could use it productively.

In sum, sea grant is just the sort of program we should be stressing in these times because it involves the conservation and effective use of our natural resources and the better education and training of our people in fields like engineering and science. Economic frugality requires us to spend some of our money on preserving our future resources.

By Mr. RIEGLE:

S. 656. A bill to provide that no interest shall be charged on loans to State unemployment funds in the case of States which enact certain State unemployment compensation provisions, and to revise the criteria applicable to the cap on FUTA tax credit reductions; to the Committee on Finance.

INTEREST CHARGES ON LOANS TO STATE UNEMPLOYMENT FUNDS

● Mr. RIEGLE. Mr. President, the current sustained economic recession has pushed several of our great industrial States closer and closer to the edge of economic disaster. My own State of Michigan has been in the grip of economic agony. We have been staggering under the burden of double-digit unemployment for 38 consecutive months. Just to meet the basic income commitments to our unemployed workers, we have been forced to borrow in excess of $2 billion from the Federal Government. High unemployment has forced us to borrow these sums even in the face of interest charges that cost Michigan more than $216,000 per day and mounting penalty taxes on Michigan employers.

Michigan is a proud State that is struggling to recover from the economic malaise that has afflicted it. The State has recently undertaken major surgery on its unemployment insurance laws. Those changes include benefit reductions and tax increases that will generate over $3.5 billion in additional revenues over the next 4 years, and a freeze in benefit levels for the next 4 years. Needless to say, these changes were painful ones, taken under the most desperate of circumstances.

In the face of these major sacrifices, the continued imposition of mounting interest charges and mounting penalty taxes by the Federal Government makes no sense. At precisely the time that Michigan acts to help itself, the Federal Government actually cripples its chances for recovery. Michigan's economic situation is an extraordinary one, one that has been aggravated by the economic policies underlying the national recession. It is an economic situation that many of our industrial States share.

Clearly, the resolution of these problems requires a joint effort on the part of the Federal and State governments. When a State acts responsibly by altering its unemployment insurance laws to restore solvency, the Federal Government should reciprocate. The legislation I am introducing today will do precisely this. It provides relief from interest and penalty taxes for those States which are reeling under the effects of a deep recession. I am pleased that Senators are cosponsoring this legislation.

My bill has two major components. It exempts a State from interest charges assessed on advances from the Federal Unemployment Account if the State enacts legislation that raises additional revenues to pay unemployment benefits. Furthermore, it changes the criteria a State must satisfy in order to qualify for the Federal unemployment tax (FUTA) credit reduction cap.

INTEREST

When a State cannot pay its unemployment benefits from its State unemployment tax revenues, it must borrow from the Federal Unemployment Account (FUA) to meet its payments. As a result of the Budget Reconciliation Act of 1981, interest of up to 10 percent per annum is assessed on advances taken since April 1, 1982. Congress imposed this interest charge as an incentive for States to repay their debt and to restore solvency to their unemployment trust funds.

Consistent with this congressional intent, this bill exempts States from the imposition of these interest charges if they have enacted legislation to restore solvency. Specifically, a State must enact a law that increases its unemployment tax revenues and, if its average weekly unemployment benefit amount exceeds that national average, the law must decrease benefit expenditures. For a State that enacts its law after March 31, 1982, but before April 1, 1984, the law must increase tax revenues by at least 20 percent. It must also decrease benefit expenditures by 5 percent if its average weekly benefit exceeds the national average. A State that enacts its law on or after April 1, 1984, must increase tax revenues by at least 40 percent and decrease benefit expenditures by at least 10 percent. The difference in percentage provides an incentive for a State to act quickly to restore solvency. Effective the date the State law takes effect, the State will be exempt from interest charges assessed on outstanding advances.

A State would not qualify for the exemption if it increased its net borrowing from FUA compared to the prior year, unless its average unemployment tax rate exceeded the national average rate by at least 30 percent. This requirement insures that a State will act in a fiscally responsible manner. It also recognizes, however, that a State should not lose its eligibility when rising unemployment causes further borrowing if that State demonstrates a State tax effort substantially greater than the national average. The bill also provides that any State that decreases its unemployment tax effort below the bill's minimum levels in subsequent years will lose its exemption.

Mr. President, this interest exemption constitutes a fair and necessary solution to the problem of escalating debt suffered by high-unemployment States. It is fair because it relieves only those States that act to restore their solvency and thereby accelerate their loan repayment to the Federal Government. Since Congress imposed the interest charge to force a State to act in a fiscally responsible manner, it should suspend that charge when a State complies.

The exemption is necessary because those States suffering the highest unemployment for the longest periods simply cannot repay loans quickly and avoid interest charges. My own State of Michigan, devastated by 38 straight months of double-digit unemployment, now owes FUA over $2.38 billion. It must pay $216,000 per day in interest charges alone. Other high-unemployment States such as Illinois, Ohio, and Pennsylvania face similar interest costs.

Much of the impetus for this interest exemption comes as a result of actions taken in my State of Michigan. Michigan enacted a law, which became effective January 1, that resulted from many months of serious negotiations among labor, business, and Government representatives. Both labor and business made important concessions in order to restore solvency to the State fund. Employers accepted increases in tax rates and the taxable wage base, as well as a new solvency tax. Labor agreed to a reduction in benefits through a freeze on the maximum weekly benefit amount, a reduction in the wage replacement ratio, and stricter eligibility requirements. These reforms will raise an additional $530 million in 1983, which represents an increase of over 80 percent in available revenues for 1983. The Michigan Employment Security Commission projects that the new law will raise more than $3.57 billion in additional revenues during the years 1983-86.

My colleagues should note that Michigan has enacted these tough reforms during the worst economic crisis it has faced since the Great Depression. Despite these reforms, Michigan must continue to borrow because of the hundreds of thousands of unemployed who depend on unemployment benefits. This is why we in the Congress must act to supplement the actions of States like Michigan and Louisiana, which also has enacted changes in its unemployment insurance laws. An interest exemption is an appropriate and needed congressional solution.

FUTA "CAP"

The second part of this bill changes the criteria a State must satisfy in order to qualify for the cap on FUTA tax credit losses. These changes are necessary because the economic assumptions underlying the cap criteria have proven wrong.

Under current law, the Federal Government imposes a 3.5 percent Federal unemployment tax (FUTA) on employers, but grants a 2.7 percent tax credit if the employer's State meets certain requirements. When a State fails to repay its advances from FUTA within 2 years, that tax credit decreases by 0.3 percent in each succeeding year the debt remains unpaid. The tax credit losses are equivalent to a net increase in FUTA taxes paid by employers. The Omnibus Budget Reconciliation Act of 1981 permitted a State to limit or cap the tax credit loss if it met four solvency criteria. Congress enacted the cap provisions as an incentive for States to enact administrative and legislative changes to achieve solvency.

The two criteria that went into effect this year require a State to establish that (1) its average tax rate for the calendar year equals or exceeds its average benefit cost rate for the prior 5 years; and (2) its outstanding loan balance to FUA on September 30 does not exceed its balance on the third preceding September 30. When these provisions were agreed upon in 1981, economic projections indicated that a State would not need to borrow, or would borrow relatively small amounts, when these criteria took effect this year. Economic conditions have proven far worse than anticipated in the past 18 months. The number of unemployed has increased so greatly that States have had to pay billions of dollars of benefits and, therefore, have increased their borrowing to meet these payments. Even the administration now projects that the State debt to FUA will escalate from $8.6 billion owed at the end of fiscal year 1982 to $23.4 billion at the end of fiscal year 1984. Clearly, the economic assumptions underlying the cap criteria were wrong.

In recognition of the fact that State borrowing has increased greatly, this bill amends those two criteria that took effect this year. The bill eliminates the requirement that the outstanding loan balance not exceed that of the third preceding year. The reason for this change is obvious. Because of the extraordinarily high unemployment experienced by many States, virtually no State will satisfy this criterion in the next 2 years.

The bill also changes the criterion that requires a State's average tax rate to equal or exceed that State's average benefit cost rate for the prior 5 years. The bill eliminates the 5-year average so that a State's tax rate must equal or exceed its benefit cost rate for that year. The current formula, which places too much emphasis on a State's benefit cost rate of prior years when economic conditions differed radically from today, makes this change necessary. The rates of 4 and 5 years ago reflected an economic climate of much lower unemployment and surplus moneys in many State trust funds. The current criterion requires a State to raise its tax rates unreasonably high during the current period of economic crisis. Even if a State has increased its tax rate in a reasonable manner to account for the drain on its unemployment trust fund, it may still not satisfy the current criterion. Since providing an incentive for States to restore solvency was the intent underlying the enactment of the FUTA cap provisions, the change made by this bill furthers that intent in a more realistic manner.

Mr. President, 23 States owed money to the Federal Unemployment Account at the end of 1982. Another 13 States may become insolvent by the end of 1983 as a result of escalating unemployment payments. Now is the time for Congress to grant States the opportunity to offset the devastating effects of the economic crisis they have experienced. This legislation grants that opportunity to those States that enact responsible solutions

to their insolvency problem. I urge my colleagues to support the grant of that needed opportunity.

Mr. President, I ask unanimous consent that the full text of S. 656 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 656

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1202(b) of the Social Security Act is amended by redesignating paragraph (7) as paragraph (8) and inserting after paragraph (6) the following new paragraph:

"(7)(A) No interest which would otherwise accrue by reason of this subsection shall accrue with respect to any fiscal year (or portion thereof) which begins on or after the date, occurring after March 31, 1982, on which there became effective a State action which changed such State's unemployment compensation law so as to provide, effective for each fiscal year beginning after such date (and for the remainder of the fiscal year in which such date occurs), that—

"(i) the revenues from the State unemployment tax are increased for each such fiscal year (or portion thereof) by at least 20 percent (or, in the case of a State action taken after March 31, 1984, by at least 40 percent) over the amount of such revenues which would have been generated for such fiscal year (or portion thereof) under such law as in effect prior to such State action; and

"(ii) in the case of a State which paid (prior to such State action) average weekly benefit amounts under such law which exceeded the national average for such amounts, the total amount of benefit expenditures under such law for each such fiscal year (or portion thereof) is reduced by at least 5 percent (or, in the case of a State action taken after March 31, 1984, by at least 10 percent) below the amount of such expenditures which would have been paid under such law as in effect prior to such State action, by reason of two or more of the following: (I) a freeze on the maximum benefit amount, (II) a reduction in the benefit cost ratio (as defined in section 3302(f)(5) of the Internal Revenue Code of 1954), or (III) restrictions on qualification for benefits.

The provisions of this subparagraph shall apply only with respect to a fiscal year (or portion thereof) for which the requirements of clauses (i) and (ii) are actually met.

"(B) Subparagraph (A) shall not apply with respect to interest accruing during any fiscal year (or portion thereof) if the amount of the advances made to such State during such fiscal year, less any voluntary repayments made by such State during such fiscal year (as defined in paragraph (6)(B)), exceeds zero; except that this subparagraph shall not apply (and subparagraph (A) will apply) in the case of a State which has, for such fiscal year or portion thereof, a State unemployment tax rate (as defined in section 3302(f)(4) of the Internal Revenue Code of 1954) which is equal to or greater than 130 percent of the average of such tax rates for all the States.".

(b) The amendments made by subsection (a) shall apply with respect to interest accruing under title XII of the Social Security Act on or after April 1, 1982.

SEC. 2. (a) Section 3302(f)(2) of the Internal Revenue Code of 1954 is amended—

(1) by inserting "and" at the end of subparagraph (B);

(2) in subparagraph (C), by striking out "the average benefit cost ratio for calendar years in the 5-calendar-year period ending with the last calendar year before the taxable year, and" and inserting in lieu thereof "the benefit cost ratio for the last calendar year ending before the taxable year."; and

(3) by striking out subparagraph (D).

(b) The amendments made by subsection (a) shall apply with respect to taxable year 1983 and each succeeding taxable year.●

By Mr. DOLE (for himself, Mr. MELCHER, Mr. RANDOLPH, Mr. HEINZ, Mr. PERCY, and Mr. STEVENS):

S. 657. A bill to amend the Animal Welfare Act to insure the proper treatment of laboratory animals; to the Committee on Agriculture, Nutrition, and Forestry.

IMPROVED STANDARDS FOR LABORATORY ANIMALS ACT

● Mr. DOLE. Mr. President, today I am introducing S. 657, the Improved Standards for Laboratory Animals Act, as an amendment to the Animal Welfare Act. The act was first passed in 1966 as the Laboratory Animal Welfare Act and subsequently amended in 1970 and 1976 and renamed the Animal Welfare Act. The purpose of S. 657 is to enhance the USDA's efforts to insure the proper care and treatment of laboratory animals.

Several bills were introduced in the House during the 97th Congress which, in part, addressed a uniform system of standards for lab animals. H.R. 6928 received considerable attention before the lameduck session adjourned. After hearings last May, the legislation passed from the Science and Technology Committee to the Energy and Commerce Committee and hearings were held in the Health and Environment Subcommittee. Also toward the end of the 97th Congress, I introduce S. 2948 in the Senate which was similar to H.R. 6928 with a few modifications.

IMPROVED STANDARDS

S. 657 is in keeping with the spirit of the Animal Welfare Act. It would set up a uniform set of standards based on those sections of the "Guide for the Care and Use of Laboratory Animals" of the National Institutes of Health (NIH) which deal directly with the welfare of animals.

The USDA already has a minimum set of standards for research facilities regardless of whether they receive Federal funding. The minimum standards affect handling, housing, feeding, watering, sanitation, ventilation, shelter from extremes of weather and temperatures, and adequate veterinary care including the appropriate use of anesthetic, analgesic, or tranquilizing drugs. The proposed amendment would raise the level of these existing standards for research facilities.

ANIMAL STUDIES COMMITTEE

S. 657 would also establish an Institutional Animal Studies Committee with guidelines to govern committee actions. NIH suggests that such a committee is an effective device for developing and monitoring policies to guide animal care in keeping with the needs of the institution. However, aside from basic guidelines dealing with committee personnel, research facilities are without guidelines specifying periodic visits or report-filing procedures.

The Animal Welfare Act authorizes USDA to make unannounced inspections depending on budget and other agency priorities. USDA is prohibited from interfering with the design of actual research or experimentation. S. 657 also does not affect the design of actual research projects. In effect, the committees could make USDA's inspections more effective without increasing Government costs.

PENALTIES

If the sponsoring Federal agency determines that a research facility has not met applicable standards despite notification, the agency would suspend or revoke Federal support for a project. The USDA has no provisions for revoking funds but does charge fines for violations. USDA may also impose cease-and-desist orders for violations.

INFORMATION SERVICE

S. 657 would also establish an information service at the National Agricultural Library. The National Agricultural Library would work with the National Library of Medicine in providing information on improved methods of animal research and methods which reduce or replace animal use, minimize pain and distress, and prevent unnecessary duplication of animal experiments. This could help research facilities save time and expense by being able to obtain information on new methods of research or results from similar experiments.

SPECIAL PROCEDURES

The amendment would also mandate special conditions that reviewing agencies would look for in research proposals involving the direct use of conscious animals. NIH's "Guide" suggests some of these procedures and the Animal Welfare Act requires registrants to submit annual reports disclosing the species and number of animals used and showing whether pain-relieving drugs were used in relevant experiments. S. 657 would insure that such procedures are followed.

Finally, I would reemphasize that the issues involved in S. 657 have been thoroughly discussed with scientific and animal welfare interests. Both sides do not seem to be far apart and this bill should resolve most of their differences.

Mr. President, I ask that the text of this amendment appear in the RECORD at this point in my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 657

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Improved Standards for Laboratory Animals Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) methods of testing that do not use animals have been developed which show promise of being faster, less expensive, and more accurate than traditional animal experiments for some purposes and further opportunities exist for the development of these methods of testing;

(2) measures which eliminate or minimize the unnecessary duplication of experiments on animals can result in more productive use of Federal funds; and

(3) measures which help meet the public concern for laboratory animal care and treatment are important in assuring that research will continue to progress.

DEFINITIONS

Sec. 3. (a) Section 2 (e) of the Animal Welfare Act (7 U.S.C. 2132 (e)) is amended by adding after "The term 'research facility' means" the following: "each department, agency, or instrumentality of the United States which uses animals for research or experimentation,".

(b)(1) Subsections (f), (g), (h), (i), and (j) are redesignated as subsections (j), (k), (l), (m), and (n), respectively.

(2) Section 2 of the Animal Welfare Act is amended by adding after subsection (e) the following:

"(f) The term 'Federal agency' means an executive agency as such term is defined in section 105 of title 5, United States Code, and with respect to any research facility means the agency from which the research facility has received or may receive a Federal award for the conduct of research, experimentation, or testing, involving the use of animals;

"(g) The term 'Federal award for the conduct of research, experimentation, or testing, involving the use of animals' means any mechanism (grant, contract, cooperative agreement, or loan) under which Federal funds are provided to support the conduct of such research;

"(h) The term 'direct use of conscious animals' means any use or procedure that involves more than momentary minor pain or discomfort, except where the animal is anesthetized throughout the entire course of that use or procedure;

"(i) The term 'quorum' means a majority of the committee members;".

STANDARDS AND CERTIFICATION PROCESS

SEC. 4. (a) Subsection (a) of section 13 of the Animal Welfare Act is amended by adding after "(a)" the following: "(1)".

(b) The second sentence of section 13(a) of the Animal Welfare Act (7 U.S.C. 2143 (a)) is amended to read as follows: "Such standards shall include—

"(A) proper requirements with respect to handling, housing, feeding, watering, sanitation, ventilation and shelter from extremes of weather and temperatures;

"(B) provision for adequate exercise and separation by species where the Secretary finds that such separation is necessary for humane handling; and

"(C) provision for adequate veterinary care, including the appropriate use of anesthetic, analgesic, or tranquilizing drugs and appropriate pre-surgical and post-surgical medical and nursing care.".

(c) The last sentence of section 13(a) of the Animal Welfare Act (17 U.S.C. 2143 (a)) is amended to read as follows: "Nothing in this Act shall be construed as authorizing the Secretary to promulgate rules, regulations, or orders with regard to design of research or experimentation by a research facility. The Secretary shall promulgate standards for research facilities, including proper requirements for animal care, treatment and methodology in experimental procedures to ensure that animal pain and distress are minimized. The Secretary shall require, at least annually, every research facility to show that the standards governing the care, treatment, and use of animals, including appropriate use of anesthetic, analgesic, and tranquilizing drugs during experimentation, are being followed by the research facility during research and experimentation.".

(d) Subsection (a) of section 13 of the Animal Welfare Act is amended by adding at the end thereof the following:

"(2)(A) The Secretary shall require that each research facility establish an institutional animal studies committee (hereinafter in this paragraph referred to as the 'committee') composed of not fewer than three members. Such members shall possess sufficient expertise to assess the appropriateness of animal care and treatment in experimental research. Of the members of the committee—

"(i) at least one member shall be a doctor of veterinary medicine;

"(ii) at least one member shall not be affiliated with the research facility and shall be primarily responsible for representing community concerns regarding the welfare of animal subjects (such member shall provide adequate assurances that he or she will not release any trade secrets or confidential information of the research facility; and

"(iii) not more than three members, in those cases where the committee consists of more than three members, shall be form the same administrative unit of the research facility.

"(B) Such committee shall—

"(1) meet regularly with a quorum for all formal actions;

"(ii) make inspections at least semiannually of all animal study areas and facilities of the research facility;

"(iii) review as part of the inspection of the research facility the research methods and practices involving direct use of conscious animals and the condition of research animals for the purpose of evaluating those research methods and practices to ensure that animal pain and distress are minimized and to ensure compliance with the standards for appropriate animal care, treatment, and methodology; and

"(iv) file with the Secretary and with any Federal agency from which the research facility is receiving an award, a certification that such semiannual inspections and reviews have taken place.

The inspection certification required by subparagraph (B)(iv) shall include reports of any violations of standards promulgated by the Secretary, deficient conditions of animal care or treatment, and deviations of research methods and practices from originally approved proposals that adversely affect animal welfare. Such inspection certification shall be signed by a majority of the committee members. The committee shall file complete records of their inspection certification visits (including attendance of committee members) and other information pertinent to its activities. Any minority views shall be included in the certification records. Such records shall be maintained for at least three years by the committee or the research facility and available for inspection by any appropriate Federal agency.

"(C) The committee shall notify the Animal and Plant Health Inspection Service of the Department of Agriculture and any Federal agency from which the research facility is receiving an award, in writing, of any unacceptable conditions of animal care, treatment or methodology which have not been included in the certification. The notification shall be made only after the administrative representative of the research facility has been notified by the committee of the unacceptable conditions and the research facility is given an opportunity to make such conditions acceptable.

"(D) committee shall provide for annual sessions for scientists, animal technicians, and other personnel involved with animal care and treatment in research facilities, which provide instruction or training in—

"(i) the humane practice of animal maintenance and experimentation;

"(ii) the concept, availability, and use of research or testing methods that minimize or eliminate the use of animals or limit animal pain or distress; and

"(iii) utilization of the information service at the National Agricultural Library established under subsection (e) to prevent unnecessary duplication of animal experimentation by research facilities.

"(3) Research facilities shall inform their employees of the provisions of this section and shall inform such employees to report to the committee any violations of such provisions. Employees of such facilities may not be discriminated against because such employees reported any such violation.

"(4) The Secretary may waive the standards established under this section under exceptional circumstances which are related to the needs for research results or special and unusual circumstances of the research facility.".

(e) Section 13 of the Animal Welfare Act is amended by adding at the end thereof the following:

"(e) The Secretary shall facilitate agency compliance with the requirements of this section through the establishment of an information service at the National Agricultural Library. The National Agricultural Library shall, in cooperation with the National Library of Medicine, provide information on improved methods of animal experimentation including methods which would—

"(1) reduce or replace animal use;

"(2) minimize pain and distress, such as anesthetic and analgesic procedures; and

"(3) prevent unnecessary duplication of animal experimentation.

"(f)(1) A research facility shall provide a statement of assurance of compliance with this section upon requesting a Federal award for the conduct of research, experimentation, or testing involving the use of animals to the Secretary of Agriculture and to the Secretary of any Federal agency from which such research facility is requesting such award.

"(2) No Federal agency may approve any research facility for the receipt of a Federal award for the conduct of research, experimentation, or testing unless the agency finds, as a result of its review of the scientific merit of the proposal, that the award proposal includes—

"(A) in its justification of the research, the details of any procedure likely to produce pain or distress in an experimental animal and demonstrates that the principal investigator has considered possible alternative methods to any such procedure;

"(B) in any case involving the direct use of conscious animals, appropriate assurances that a doctor of veterinary medicine has been consulted in the planning of such procedures;

"(C) in any case involving the direct use of conscious animals, assurances—

"(i) for the proper use of tranquilizers, analgesics, and anesthetics;

"(ii) for appropriate pre-surgical and post-surgical medical and nursing care;

"(iii) against use of paralytics without adequate anesthesia; and

"(iv) that the withholding of tranquilizers, anesthesia, analgesia, or euthanasia when scientifically necessary shall continue for only the necessary period of time; and

"(D) except in cases of scientific necessity or other special circumstances as determined by the animal studies committee, assurances that no animal may be used in more than one major operative procedure from which it is allowed to recover.

"(g) The Secretary of Agriculture shall promulgate standards for compliance with this section. In any case in which the sponsoring Federal agency determines that conditions of animal care, treatment, or methodology in a particular project have not been in compliance with applicable standards, despite notification to the research facility, that agency shall suspend or revoke Federal support for the project. Any research facility losing Federal support as a result of actions taken under the preceding sentence shall have the right of appeal as provided in sections 701 through 706 of title 5, United States Code.".

EFFECTIVE DATE

SEC. 5. This Act shall take effect one year after the date of enactment.●

By Mrs. HAWKINS (for herself, Mr. CHAFEE, and Mr. SYMMS):

S. 658. A bill to amend the Agricultural Act of 1949 to modify the dairy price support program for the 1983 through 1985 fiscal years, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

NATIONAL DAIRY EQUITY ACT OF 1983

● Mrs. HAWKINS. Mr. President, despite our best efforts in the 97th Congress, the dairy program is careening out of control. In the last 3 years, Congress has considered the dairy program on several occasions to ease the burden on American taxpayers. Unfortunately, the burden has nevertheless become heavier. Twice Congress voted to forego scheduled increases in support levels, but with little result. And last year Congress, voted to freeze support levels while imposing $1 assessments against dairy producers. Although this assessment would have resulted in budgetary savings, the plan has little support among producers, consumers, Members of Congress, and the administration. In fact, it was ruled unconstitutional. Therefore, the important budgetary savings projected by the assessment remain unrealized. And the dairy surpluses continue to pile higher in underground Federal warehouses.

Thus, despite our efforts, overproduction of dairy products continues uninterrupted while the Federal Government daily purchases record quantities of surplus dairy products. Currently the Federal Government is forced to buy and store 10 percent of annual dairy production.

Mr. President, we cannot fault dairy farmers for this problem. They are responding to the signals sent by Congress. And, we cannot fault the program because, in the past, it has worked well, at little Federal expense. In the late 1970's, however, Congress sent the misguided signal to producers to increase production well beyond the amount consumers demanded. In 1977 and again in 1979, Congress dramatically increased support levels. In fact, by October 1980, it was $13.10 per hundredweight, 60 percent higher than only 4 years earlier, despite the fact that production costs were rising substantially less.

The result of this increase in support levels was predictable: Dairy farmers increased production. Dairy production soared 10 percent in 3 years, and, with a reduction in per capita dairy consumption, the Federal Government was forced to purchase dairy products at unprecedented levels. Incredibly, the Federal Government now purchases over 20 percent of the Nation's cheese production, almost 30 percent of all butter, and 65 percent of all nonfat dry milk produced in this country. Currently the Commodity Credit Corporation has in storage 438 million pounds of butter, 825 million pounds of cheese, and 1.2 billion pounds of nonfat dry milk. And the stocks continue to increase faster than we can give it away.

And what about the cost to taxpayers? When the support level was at reasonable levels in 1979, the cost of the program was only $46 million. As support levels increased, however, program costs skyrocketed to $1 billion in fiscal year 1980 and doubled to $2 billion in fiscal year 1981 and fiscal year 1982. And, if nothing is done costs will be $2.5 billion in fiscal year 1983. Does this program—with its unreasonable high support levels—sound as though it promotes a balance between supply and demand? I think not.

Mr. President, the dairy industry understands the seriousness of the problem and realizes that unless action is taken to bring supply in line with demand, the dairy support program and Federal marketing order programs are in jeopardy. Some argue that base plans, in effect creating an OPEC for milk, or different support levels for different classes of milk should be established. We believe, however, that the surest and fairest method of reducing the overproduction is to lower support levels across the board. After all, dairy farmers throughout the United States will benefit if the traditional dairy program is properly administered. They understand it and support it. Why dismantle the entire program when it is only necessary to adjust one component of it?

That one component is the support level. History has proven that a reduction in the support level is rapidly reflected in reduced Government purchases. In the past under similar circumstances, Congress has lowered the support level three times, and on each occasion, Commodity Credit Corporation purchases were significantly reduced. It worked then, and it will work now.

Therefore, today, Mr. President, we are introducing legislation that will bring order to the dairy program by using a traditional remedy. Our legislation repeals last year's language that allows the Secretary of Agriculture to levy unprecedented assessments on dairy farmers. Instead, it establishes a support price of $12.10 per hundredweight on April 1, 1983. In addition, the Secretary of Agriculture may reduce the support price to $11.60 per hundredweight on October 1, 1983, if he determines after consulting with the dairy industry that CCC purchases are not likely to decline in fiscal year 1984 below the amount bought in fiscal year 1983.

Further, when CCC purchases fall below 7 billion pounds, the support level would increase 50 cents per hundredweight, and when CCC purchases fall below 5 billion pounds or less, there would be an additional 50-cent increase.

This legislation is very similar to that supported by the Farm Bureau in the last Congress and is gaining support among dairy farmers throughout the country. They recognize that this plan provides an incentive to reduce production in order to achieve a higher support price later. And in so doing they are also protecting the dairy program from those who seek to abolish the dairy price support and marketing order programs.

Also, it is important to note that any dairy reform proposal that does not reduce support prices will not lead to increased consumption. But greater consumption is essential to dairy farmers to offset lower profit that everyone knows are inevitable.

In addition, our legislation will result in significant consumer savings. Due to the competitive nature of the dairy industry, the sellers of dairy products will reflect their lower costs through the purchase price of dairy

products to the public. By reducing the support level to $12.10, grocery store prices could drop as much as 11 cents per gallon of milk, 12 cents per pound of cheese, and 15 cents per pound of butter. Many consumers once priced out of the market could then increase their dairy products purchases. All told, consumer costs for dairy products may be reduced by as much as $1.7 billion over the life of the bill, while demand for dairy products will increase by 1.5 billion pounds. And consumer savings are distributed in a progressive fashion. The poor spend 5 percent of their income on dairy products while the well-to-do spend 1 percent, according to the Labor Department. For this reason, our bill might more appropriately be called the Low-Income Dairy Assistance Act of 1983.

Mr. President, I argued in favor of reducing dairy price supports before but never has the need been greater. We must bring supply in line with demand by letting the market work. I urge my colleagues to support this legislation because it is fair to producers, consumers, and taxpayers alike.●

By Mr. THURMOND (for himself, Mr. ABDNOR, Mr. ANDREWS, Mr. BUMPERS, Mr. BURDICK, Mr. CHILES, Mr. D'AMATO, Mr. DECONCINI, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAST, Mr. EXON, Mr. GOLDWATER, Mr. HATFIELD, Mr. HEINZ, Mr. HELMS, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JOHNSTON, Mr. LAXALT, Mr. LUGAR, Mr. MATTINGLY, Mr. MELCHER, Mr. NUNN, Mr. PERCY, Mr. PRYOR, Mr. RANDOLPH, Mr. STENNIS, Mr. TSONGAS, Mr. WARNER, and Mr. JEPSEN):

S.J. Res. 44. Joint resolution to authorize the President to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week"; to the Committee on the Judiciary.

NATIONAL SURVEYORS WEEK

Mr. THURMOND. Mr. President, on behalf of a number of our colleagues and myself, I am today introducing a joint resolution to authorize the President to issue a proclamation designating March 11-17, 1984 as "National Surveyors Week."

This resolution recognizes the important contribution surveyors have made throughout the history of our Nation, and focuses attention on the vital role the surveying profession plays in construction design, natural resource management and protection of private property rights.

The history of surveying in the United States is very closely tied to the development of the Nation itself. Presidents Washington and Jefferson earned licenses to be county surveyors in the Colony of Virginia. In fact, Thomas Jefferson, who chaired a committee formed under the Articles of Confederation in 1784 to devise a plan for disposing of lands west of the Thirteen Colonies, is credited with developing the rectangular survey system still used today in 38 States and administered by the Bureau of Land Management. Abraham Lincoln and Millard Fillmore were also surveyors prior to their elections as President, and our distinguished colleague from Virginia (Mr. WARNER) has some surveying experience.

Today's surveyors utilize modern and sophisticated equipment and techniques to locate and define boundary lines; plan roads and highways, utilities, and railroad rights-of-way; navigate oceans, rivers, harbors, and the air; and locate and record natural resources.

The surveyor has special education, training, experience, and knowledge of the principles of mathematics, the related physical and applied sciences, and requirements of law for adequate evidence. Professional surveyors provide vital services that are critical to many aspects of the issues Congress addresses. Land surveying is utilized in land development and planning, natural resource management, and protection of property rights. Marine or hydrographic surveying is important to dredging and navigation, coastal barrier protection, and water resources. Engineering surveys are used to study and select sites for construction, utilities, and mining operations. Geodetic surveying, the precise positioning of points on the surface of the Earth, is used by several Federal agencies for launching and landing long-range aircraft, missiles, and satellites.

The modern surveyor is a true professional whose judgment and expertise is needed by Government at all levels and many fields in the private sector. I am pleased to offer this resolution and urge prompt action by the Senate.

Mr. President, I ask unanimous consent that this joint resolution appear in the RECORD immediately following my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 44

Whereas the Congress of the United States recognizes the valuable contributions of the surveying profession to history, development and quality of life in the United States of America;

Whereas the surveying profession requires special education, training, experience, and knowledge of the principles of mathematics, the related physical and applied sciences, and requirements of law for adequate evidence; and

Whereas since the early days of our Nation when many of our forefathers, including our first and third Presidents, were surveyors, the profession of surveying has continued to be uniquely qualified to determine and describe land and water boundaries for the management of our natural resourses and the protection of private property rights; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the week beginning on March 11, 1984, as "National Surveyors Week" and to urge the people of the United States to observe such week with appropriate ceremonies and activities paying tribute to professional surveyors and their contribution to society.

By Mr. BURDICK:

S.J. Res. 45. Joint resolution designating November 20 through 26, 1983, as "National Family Week;" to the Committee on the Judiciary.

NATIONAL FAMILY WEEK

● Mr. BURDICK. "The root of the kingdom is in the state. The root of the state is in the family." Mencius 372-289 B.C.

Mr. President, with this quote, today I am introducing again a joint resolution to authorize the President to issue a proclamation designating November 20 through 26, 1983, as "National Family Week."

The purpose of National Family Week is very simple. It is a specific time to recognize the importance of the family in American life and the fundamental role it has played in forming the values upon which our Nation is based. National Family Week is simply a way to encourage people to pause for a moment and reflect on the way families have affected their lives and the course of this Nation.

The designation of National Family Week has the support of many broad-based organizations including The American Legion, the Boy Scouts of America, the Salvation Army, and many similar groups.

In the past, National Family Week has been designated as the week in November which includes Thanksgiving. I am following that tradition again because of the appropriate and customary family gatherings that take place on Thanksgiving.

Congress has approved National Family Week resolutions for the last 7 years, as well as in 1972. Last year, 35 Senators cosponsored the National Family Week resolution with me, and over half the Members of the House cosponsored a similar measure. I urge both Houses to again recognize the value of National Family Week and approve the resolution I am introducing.

I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 45

Resolved by the Senate and House of Representatives of the United States of America

in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the week of November 20 through 26, 1983, as "National Family Week," and inviting the Governors of the several States, the chief officials of local governments, and the people of the United States to observe such week with appropriate ceremonies and activities.●

By Mr. CRANSTON:

S.J. Res. 46. Joint resolution requiring the Federal Energy Regulatory Commission to commence a rulemaking relating to natural gas pipeline rate designs, and to report its findings, conclusions, and recommendations; to the Committee on Energy and Natural Resources.

NATURAL GAS PIPELINE RATE DESIGNS

Mr. CRANSTON. Mr. President, on Saturday President Reagan told the Nation of his plan to decontrol all natural gas prices over the next 3 years.

I disagree with the President's plan. It goes in the wrong direction.

Producers do not require higher prices as an incentive for production. The natural gas market is glutted.

There is no need to decontrol old or new gas. Decontrol of old cheap gas, as President Reagan proposes, would produce a bonanza for the large oil companies that own most of the low-cost gas—and a catastrophe for the consumer, who is already suffering.

Any benefits to the consumer from Reagan's plan will be very short lived at best and more probably nonexistent.

Even the President admits that his plan will raise prices. Estimates by consumer groups are that residential gas bills could go up by as much as 67 percent under the President's plan over the next 4 years.

An additional $50 billion could be added to the Nation's natural gas bill. And since natural gas is a major element in industrial production, farming, and the heating of factories and stores, these rising costs would also be passed along to consumers.

Mr. President, in southern California for instance, gas bills are already about 50 percent higher than last year. The Southern California Gas Co., the largest gas distributor in southern California, estimates that during the past year residential utility bills have risen more than $1 billion.

While Californians used 40 percent less natural gas per household in 1981 than in 1970, each unit cost nearly four times as much.

And California has lower energy prices on average than those in much of the rest of the country.

According to a recent article in the New York Times, in January natural gas cost almost 60 percent more per unit in New York City than in Los Angeles. We all know that higher consumption resulting from the colder weather experienced in the Northeast and Midwest multiplies this gas price difference and adds to the burden on consumers.

Mr. President, today's skyrocketing natural gas costs at a time of abundant supply—in fact oversupply—defy conventional economics law.

The 43 million American households who heat with natural gas are justifiably enraged over accounts of low-cost gas being shut in while high-cost gas is shipped to utility companies that pass costs on to their customers.

These same citizens cannot understand why pipeline companies negotiate contracts for exorbitantly priced Algerian liquefied natural gas at $7 per thousand cubic feet (MCF) when domestic gas at 50 cents MCF is going begging.

Mr. President, phrases like "take or pay" or "most favored nation" mean little to the elderly widow in Los Angeles who writes that she is now down to living in only one room because that is all she can afford to heat.

The jump in natural gas prices during the last year is having a devastating effect on American consumers and must be an urgent item of top priority in the 98th Congress.

The Natural Gas Policy Act of 1978 (NGPA) was a compromise created to deal with longstanding problems in the gas industry which resulted in the severe gas shortages of the 1970's.

The NGPA was designed primarily to promote conservation, to induce exploration and additional production, and to move intrastate gas into the interstate market.

It has accomplished those aims.

But, under deals made when gas was in short supply, producers negotiated with pipelines contracts with high purchase obligations—contracts that set prices at maximum allowable levels and permitted frequent price escalations. And utilities signed long-term contracts for expensive new and deep-well gas, and for costly foreign gas.

Many contracts required transmission companies to pay producers according to a set schedule, whether or not they needed the gas at the time.

These long-term contracts with take-or-pay provisions, combined with regularly scheduled increases in the price of new gas permitted by the NGPA, have been instrumental in driving prices up, and keeping them up.

Utilities have contracts with only one or two pipelines. Their contracts force them to take whatever mix of gas is presented to them. They cannot shop around. Nor can the residential consumer who bears the ultimate burden of this noncompetitive situation. He has only one source, his local utility, for the fuel with which he warms his house, heats his water, or cooks his food.

Large industrial users often have the capacity to use other fuels besides natural gas. When prices rise as they have been, these industrial customers can convert to oil or coal. The householder has no such luxury.

And this fuel switching compounds the problem of the residential consumer who finds the capital costs of the pipeline transmission system—which is included in his gas prices—spread over fewer and fewer customers. So his gas bill goes up yet again.

Today I am introducing a joint resolution which will result in relief from rapidly escalating prices natural gas consumers are paying around the country. This resolution, identical to one introduced at the end of the previous Congress by Congressman JULIAN DIXON from California's 28th District and reintroduced by him in January, attempts to deal with one important aspect of this problem.

It proposes no new legislation.

Instead it calls upon the Federal Energy Regulatory Commission (FERC), the regulatory body established by Congress to supervise the natural gas market, to use powers it already has to give distributors who supply gas to consumers some additional leverage in deciding what kind of gas to buy and how much they can afford to pay for it.

It gives utility companies the power to refuse unwanted quantities of high-cost gas.

In my view, FERC has the authority under the Natural Gas Act of 1938 and the Natural Gas Policy Act of 1978 to allow this discretionary purchase authority, but has failed to exercise it.

Consequently, the joint resolution I am introducing today calls on FERC to revise the rate design of natural gas pipleline companies through its rulemaking authority. Further increases in natural gas prices should be reduced considerably, if gas distribution companies are permitted to exercise discretion in buying high-cost gas supplies.

I believe that one of the major causes of today's high natural gas prices to consumers in FERC's practice of permitting interstate pipeline companies to average in the price of high-cost gas in the supplies sold to local utilities even though there is a plentiful supply of lower cost gas available for them to sell.

If utility companies had the power to buy high-cost gas only when needed, many extremely high-price purchases would be avoided.

This rulemaking would provide a mechanism whereby market signals about gas prices for both residential and industrial customers would be transmitted back to pipelines, and ultimately to the producers of natural gas. The local distributor of natural gas, the one who must deal with the consumer who pays the bills, is in a good position to provide that market signal.

Mr. President, my resolution calls upon FERC to consider four options:

First, establish a market-clearing price standard with reference to a competitive, appropriate alternative energy price, say No. 6 oil, to determine what should be considered high-priced natural gas.

Second, establish a procedure which would preclude pipeline companies from rolling in the price of this now defined high-cost natural gas with lower cost supplies, raising the mix price to an unmarketable price level.

Third, adjust service agreements between pipelines and local distribution companies to allow local companies to purchase natural gas which not only meets the market clearing price standard but also gives local distribution companies the flexibility to purchase high-cost natural gas if they have the market for it.

Fourth, require pipeline companies to exercise "market out" rights in any contract for the purchase of natural gas, if it is shown that the price in that contract would cause severe distortion and hardship in the relevant natural gas market.

After considering these alternatives, the resolution calls upon FERC to report its findings and conclusions to the President, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Energy and Natural Resources in the Senate, together with any recommendation for legislation.

Mr. President, my resolution is an urgent call for FERC to examine powers it already has to alleviate the market which is burdening our citizens so sorely.

Other actions may well be needed. But these do not include decontrol of old gas as the administration proposes with the sharp and immediate financial burden it would impose on all users of natural gas.

There is a dramatic lack of consensus within the industry, the administration, and in this Congress as to what long-term solution will best provide an abundant supply of this relatively clean, desirable fuel at a price people can afford.

There is an urgent need for more understanding of what has been going on in the natural gas market and distribution system, the reasons behind the situation in which we find ourselves, and an intelligent gathering of facts and opinions.

Thus, I fully support the ongoing GAO study of natural gas price increases which was first requested by my colleague, Senator EAGLETON, and several Members of the other body.

And I wholeheartedly favor the hearings on this issue which will be held before the appropriate Senate and House committees commencing this month.

More study is needed. But, in the meantime, I urge my colleagues to look seriously at this resolution and pass it quickly in order to get some immediate action without waiting for a major legislative remedy which could be months away.

Surely FERC, as well as the Congress, should be doing all that is within its power to correct the distorted rate patterns which are so damaging to the consumers of California and our nation.

Mr. President, I ask unanimous consent that the resolution be printed immediately following my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 46

Whereas natural gas is an essential fuel used by many in the preservation of health and life itself;

Whereas the cost of natural gas has risen dramatically over the last several years;

Whereas continued increases in natural gas prices will cause severe economic dislocations and hardships and will adversely affect commerce;

Whereas interstate natural gas pipeline companies (hereinafter in this joint resolution referred to as "pipeline companies") are acquiring supplies of certain categories of natural gas at prices in excess of what the end-use market would support if such supplies were sold separately and not on a rolled-in basis;

Whereas under current regulations, local natural gas distribution companies (hereinafter in this joint resolution referred to as "local distribution companies") are required to pay for high-cost natural gas when the price of such gas is rolled-in with the price of other gas;

Whereas it is essential that local distribution companies be given the option not to purchase such high-cost natural gas so that the local distribution companies can help protect their residential and other customers from continuing increases in utility bills; and

Whereas under the Natural Gas Act and the Natural Gas Policy Act of 1978, the Federal Energy Regulatory Commission (hereinafter in this joint resolution referred to as the "Commission") through its authority over pipeline companies' tariffs and service agreements, has an obligation to protect the public interest, including the interest of natural gas ratepayers: Now, therefore, be it

Resolved by the Senate and House Representatives of the United States of America in Congress assembled, That within sixty days after the date of the adoption of this joint resolution, the Commission shall commence a rulemaking relating to natural gas pipeline rate designs. In the course of such rulemaking, the Commission shall consider alternatives to insure that the market clearing prices in the areas of local distribution companies are reflected in such rate designs. Such alternatives shall include the following:

(1) Procedures to preclude pipeline companies from rolling-in the price of high-cost natural gas.

(2) Establishment of a market clearing price standard, with reference to an appropriate alternate energy price, to determine what is to be considered high-cost natural gas.

(3) Adjustment of service agreements between pipeline companies and local distribution companies to—

(A) allow local distribution companies to purchase natural gas which meets the market clearing price standard, and

(B) give local distribution companies the flexibility to purchase high-cost natural gas.

(4) Action to require pipeline companies to exercise market-out rights in any contract for the purchase of natural gas upon a showing that the contract price would cause severe distortion and hardship in any relevant natural gas market.

The Commission, within one hundred and eighty days after the date of the commencement of this rulemaking, shall report its findings and conclusions to the President of the United States and to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, together with any recommendations for legislation.

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. CRANSTON, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 11, a bill to amend title 38, United States Code, to establish a Veterans' Administration Advisory Committee on Women Veterans; to improve various aspects of Veterans' Administration health-care programs; to extend the period for Vietnam-era veterans to request counseling under the Veterans' Administration readjustment counseling program; to promote the recruitment and retention of certain health-care personnel in the Veterans' Administration's Department of Medicine and Surgery; to express the sense of the Congress with respect to the role of the Administrator of Veterans' Affairs; to require the Administrator of Veterans' Affairs to conduct an epidemiological study of long-term health effects in veterans of exposure to ionizing radiation from nuclear test detonations; and for other purposes.

S. 17

At the request of Mr. DOLE, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 17, a bill to expand and improve the domestic commodity distribution program.

S. 222

At the request of Mr. KASTEN, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Tennessee (Mr. SASSER), the Senator from Illinois (Mr. DIXON), and the Senator from Louisiana (Mr. LONG) were added as cosponsors of S. 222, a bill to repeal the withholding of tax from interest and dividends and to require statements to be filed by the taxpayer with respect to interest, dividends, and patronage dividends.

S. 414

At the request of Mr. HEINZ, the name of the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 414, a bill to amend and

clarify the Foreign Corrupt Practices Act of 1977.

S. 610

At the request of Mr. SPECTER, the name of the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 610, a bill entitled the "Collegiate Student-Athlete Protection Act of 1983."

S. 631

At the request of Mr. BYRD, his name was added as a cosponsor of S. 631, a bill to establish a national technology education grants program to provide matching Federal assistance to joint initiatives by private industry, educational institutions, and State government to strengthen science, engineering, and technical education, and for other purposes.

SENATE RESOLUTION 31

At the request of Mr. PROXMIRE, the name of the Senator from Alabama (Mr. DENTON) was added as a cosponsor of Senate Resolution 31, a resolution expressing the sense of the Senate that the President take certain diplomatic actions relating to the development, production, stockpiling, and use of bacteriological and toxin weapons.

SENATE RESOLUTION 77—DISAPPROVING DEFERRAL OF CERTAIN BUDGET AUTHORITY

Mr. D'AMATO (for himself, Mr. HEINZ, Mr. DIXON, Mr. MOYNIHAN, and Mr. LAUTENBERG) submitted the following resolution; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations and the Committee on the Budget:

S. RES. 77

Resolved, That the Congress disapproves the proposed deferral D83-59 relating to the Urban Mass Transportation Administration Mass Transit Capital Fund, as set forth in the message of February 1, 1983, which was transmitted to the Congress by the President. This disapproval shall be effective upon approval of this resolution and the amount of the proposed deferral disapproval herein shall be made available for obligation.

● Mr. D'AMATO. Mr. President, today I am joined by my colleagues Senators HEINZ, DIXON, MOYNIHAN, and LAUTENBERG, introducing a resolution disapproving the administration's deferral of urban mass transportation funds.

During the last session of Congress, the Members of this body spent many long days debating a comprehensive infrastructure measure which included funds for this Nation's highway and mass transit systems. The culmination of this long effort was, I believe, a good bill which will help repair our rapidly deteriorating infrastructure and put Americans back to work.

Title III of the Federal Public Transportation Act of 1982, which deals with mass transit authorizations, represents a carefully crafted compromise among many competing interests. After 2 years of debating the mass transit authorization issue, we were finally able to reach an accord on funding formulas, operating assistance levels, and many other important matters.

One of the highlights of the mass transportation provisions of Public Law 97-424, which was signed into law on January 6, is the creation of a section 9 mass transit formula block grant program. For the first time in the history of the Federal mass transit program local transit properties will receive funds on the basis of predictable, service-related factors. This will afford transit operators the needed flexibility to meet the challenges of the future.

The legislation directs that $779 million of the proceeds from the gas tax be made available to fund the section 9 block grant in fiscal year 1983. I and many other Members of the Senate predicated our support of the entire legislative package on the funds which would be allocated to mass transit in general and the formula block grant section in particular.

Unfortunately, OMB has transmitted a deferral of $229 million of the $779 million sum included for the section 9 block grant. As I told Mr. Stockman at the Appropriations Committee hearing several weeks ago, this deferral is ill-conceived and is contrary to understandings which I believe the Congress had with the administration regarding this legislation.

Mr. President, the demand for mass transit capital projects which can be implemented immediately far exceeds the entire mass transit budget. It is clear that the obligation of this $229 million would permit transit properties to engage in sorely needed capital improvement projects. Moreover, these funds would support nearly 18,000 full-time equivalent jobs.

It is for these reasons that I am compelled to introduce this resolution which disapproves the deferral of these mass transit capital funds. Congress made its will known several months ago when this measure was signed into law. I would have thought this matter was settled. Unfortunately, such is not the case. I urge the Senate to act expeditiously and pass this resolution so that the full impact of the action we took a short time ago may be realized.●

● Mr. LAUTENBERG. Mr. President, I am pleased today to join as a cosponsor of Senate Resolution 77 offered by my distinguished colleague from New York, Senator D'AMATO. Senate Resolution 77 will deny the deferral of funding for much-needed assistance to our Nation's mass transit capital facilities. These funds are of critical importance to my State of New Jersey and other States which are dependent on mass transit for their economic well-being.

In the gas tax legislation passed by the Congress and signed by the President, mass transit was to receive 1 cent of the 5-cent increase in revenues. This was an important victory for mass transit and a credit to the wisdom of the Senate. It was also a tribute to the efforts of the Senate Committee on Banking and Urban Affairs, its chairman Senator GARN and its entire membership. Senator D'AMATO worked particularly hard to insure that mass transit capital and operating needs received the attention they deserve.

Yet, it was not long before the administration moved to impose substantial cuts in mass transit, far out of proportion to any other surface transportation reductions. Should this be allowed to happen, mass transit's victory of last year will have been a brief and bitter one indeed.

Again, I join my esteemed colleague in his effort to restore these badly needed funds.●

NOTICES OF HEARINGS

COMMITTEE ON THE BUDGET

Mr. DOMENICI. Mr. President, the Senate Committee on the Budget has changed the hearing scheduled for Thursday, March 3, 1983 at 10 a.m. to Monday, March 7, 1983 at 10 a.m. The hearing will be held in SD-608. At this hearing the committee will receive testimony on defense matters from Senator JOHN TOWER, chairman of Senate Committee on Armed Services.

For further information, contact Nancy Moore of the Budget Committee at 224-4129.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public that the oversight hearing regarding the Energy Emergency Preparedness Act scheduled for Monday, March 7, will begin at 9:30 a.m. instead of 10 a.m.

In addition, the full committee hearing on pending natural gas legislation scheduled for Friday, March 11 will be held in room SD-106 instead of room SD-366.

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Subcommittee on Public Lands and Reserved Water to consider S. 627, to authorize the establishment of a scenic area to assure the protection, development, conservation, and enhancement of the scenic, natural, cultural, and other resource values of the Columbia River gorge in the

States of Oregon and Washington, to establish national policies to assist in the furtherance of this objective, and for other purposes.

The hearing will be held on Friday, March 25, beginning at 9 a.m. in the Bonneville Power Administration's auditorium located at 1002 NE. Holladay, Portland, Oreg.

Those wishing to testify should contact Senator HATFIELD's Portland, Oreg., office, 114 Pioneer Court House, Portland, Oreg. 97204; phone: 503-221-6374 no later than March 17, 1983. Witnesses will be limited in time for oral testimony. Complete written statements will be placed in the Record. Witnesses should bring 15 copies of their testimony to the hearing with them. Do not submit testimony in advance.

For further information regarding this hearing you may wish to contact Mr. Tony Bevinetto of the subcommittee staff at 202-224-5161 or Senator HATFIELD's Portland office at the above-mentioned number.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Subcommittee on Energy Research and Development to receive testimony from outside witnesses on the President's proposed budget for fiscal year 1984 for the Department of Energy's research and development programs under the jurisdiction of the subcommittee—energy research programs, conservation and renewable energy programs, nuclear energy programs and nuclear waste activities. The hearing will be held on Thursday, April 21, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy Research and Development, room SD-360, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Paul Gilman of the subcommittee staff at 224-4431.

SUBCOMMITTEE ON ENERGY AND MINERAL RESOURCES

Mr. WARNER. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public oversight hearing before the Subcommittee on Energy and Mineral Resources regarding the strategic problem reserve. The hearing will among other things analyze the administration's drawdown plan; the administration's funding of the SPR; and the current construction program for the SPR. The hearing will be held on Thursday, March 17, beginning at 9 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Subcommittee on Energy and Mineral Resources, room SD-360, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Roger Sindelar of the subcommittee staff at 224-5205.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, March 10, 1983, to hold a hearing on S. 615, the President's natural gas bill, and other pending natural gas bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate Wednesday, March 9, 1983, to hold a hearing on S. 615, the President's natural gas bill, and other pending natural gas bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Friday, March 11, 1983, to hold a hearing on S. 615, The President's natural gas bill, and other pending natural gas bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERGOVERNMENTAL RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Intergovernmental Relations of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Thursday, March 3, at 9:30 a.m., to hold an oversight hearing on OMB's Circular A95.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

MODIFICATION OF WITHHOLDING RULES

● Mr. DOLE. Mr. President, this morning the Treasury Department announced that it would modify the withholding regulations to accommodate legitimate concerns raised by the financial institutions and by my colleagues. At the same time, the Treasury Department again confirmed that it would maintain its support for the interest and dividend withholding provision. I shall submit at the conclusion of my remarks a letter form the Secretary of the Treasury announcing these changes and the text of the Treasury press release to be printed in the RECORD.

Mr. President, I welcome the Treasury announcement. Many of my colleagues know of my support for withholding on interest and dividends. At a time when we are losing about $8 billion annually from unreported interest and dividends and between 19 and 20 million taxpayers fail to fully report their interest and dividend income, a strong legislative response to improve compliance was necessary. Before we raise taxes to narrow the Federal deficit, we should collect the taxes already owed. Withholding is the most powerful and most effective means to narrow that gap. Moreover, fairness to wage earners (who pay about 99 percent of the tax they owe) dictates that we also collect Federal income taxes owed on other types of income.

At the same time, we want the withholding regulations to work efficiently. A number of my colleagues have worked with the Treasury to make some important modifications to those proposed rules. Senator DURENBERGER, Senator SYMMS, Senator BOSCHWITZ, Senator COHEN, and Senator LEVIN, among others, have worked with the Treasury Department, to simplify, streamline, and clarify the Treasury rules. Today's changes make important improvements for small banks and for large banks. Generally, the extension of annual withholding to money market accounts and to super-NOW checking accounts is particularly helpful for the small banks. For the large banks, the publication of original issue discount prices and simplification of the nominee rules are probably of principal importance.

Mr. President, we have again demonstrated our willingness to improve the interest and dividend withholding system to respond to legitimate concerns. I believe that it is incumbent upon members of the banking industry to join with us in making any necessary further improvements, while at the same time reassuring the American public on the effectiveness of withholding and publicly disavowing the misleading campaign many have waged against this new law. It is time for our Nation's financial institutions to stand up and be counted on the key issues of reducing Federal deficits and curtailing tax cheating.

We have dealt today with almost all of the outstanding issues of concern. Compliance with the new rules will be simpler for savers and for financial institutions. To the extent that we identify other areas in which modifications are appropriate, Secretary Regan has

assured me that they will make further modifications.

I welcome this opportunity to work further with my colleagues and the Treasury on this important problem.

MARCH 2, 1983.

TREASURY ISSUES WITHOLDING RULE REVISIONS

The Department of the Treasury today announced revisions to the regulations regarding withholding on dividends and interest and on the broadened information reporting rules, to take into account concerns raised by Members of Congress and affected financial institutions.

The announcement states that Treasury will defer the effective date for withholding with respect to original issue discount instruments until January 1, 1984. The Treasury stated that it recognized that withholding on original issue discount before that time would result in undue hardship to institutions. Similar relief is provided concerning the new information reporting requirements. All other withholding provisions are effective July 1, 1983. Treasury and the Internal Revenue Service will commence publication of information regarding outstanding original discount instruments in June 1983.

Today's other revisions relate to: payee unknown, year-end withholding, tansactional reporting, nominees, and backup withholding.

"The Administration remains committed to the withholding provisions," said Treasury Secretary Donald T. Regan. "We think it is the most effective means of improving the collection of taxes on unreported interest and dividend income. We believe that the changes described in today's announcement and forthcoming regulations will go far to respond to the concerns raised by the financial industry. They will simplify the operation of the withholding rules. We look forward to continuing to work with the industry to assure that withholding goes into effect on July 1 with minimum disruption."

The announcement is attached.

The Treasury Department and the Internal Revenue Service are completing their review of the comments received regarding the regulations under the interest and dividend withholding and broadened information reporting provisions of the Tax Equity and Fiscal Responsibility Act of 1982. It is expected that these regulations, revised to take into account the comments received, will be published as final regulations in the near future. Proposed regulations concerning the allocation of the credit for tax withheld from interest and dividends among trusts and estates and their beneficiaries will be published shortly thereafter.

Discussed below are some of the areas in which the withholding and information reporting regulations will be revised.

(1) *Original Issue Discount.* A number of persons expressed concern that payors would be unable to determine the amount subject to withholding with respect to instruments issued at a discount. The Treasury Department and Internal Revenue Service will take the following steps to insure that payors are able to calcuate readily the original issue discount attributable to these instruments:

(a) *Treasury Bills.* Commencing June 15, 1983, the Treasury will publish on a quarterly basis a list showing the original issue discount (based on the noncompetitive price), maturity date, and CUSIP number for Treasury bills maturing during the following quarter. Attached is a sample schedule setting forth the information which will be provided. This information will enable payors to determine readily the amount of discount income associated with Treasury bills. Persons are encouraged to comment on the format for presenting this information.

(b) *Other Discount Instruments.* On June 15, 1983, the Internal Revenue Service will commence publication of information concerning outstanding publicly-traded discount instruments. The publication will provide the following information: (i) for long-term discount instruments (maturities in excess of 1 year), the name of the issuer, identification of issue, date of issue, and amount of discount to be reported to a holder during the calendar year; and (ii) for short-term instruments (not exceeding 1 year), the name of the issuer, identification of issue, date of issue, issue price, redemption price and original issue discount. The withholding and information reporting regulations will relieve payors of liability for failure to withhold tax or furnish information on original issue discount on any instruments with respect to which information is not provided in the publication.

(2) *Undue Hardship.* Under the temporary and proposed regulations, applications for deferral of application of some or all of the withholding provisions were to be made, in general, not prior to April 1. A revenue procedure will be issued within a few days providing detailed information as to the circumstances under which an institution will be considered unable to comply with the withholding provisions without undue hardship, thereby qualifying for deferral of some or all of the withholding provisions (but, in accordance with the law, not beyond December 31, 1983). A rule will be provided concerning the availability of relief under this provision with respect to the requirement of withholding on original issue discount. Many persons have commented that it will be difficult or impossible to commence withholding on July 1 with respect to original issue discount. Although the publications described in (1) above ultimately will alleviate the problems of withholding on original issue discount, it is clear that payors generally will not be able to develop procedures for withholding on original issue discount by July 1, 1983 notwithstanding their efforts to do so. Accordingly, the Treasury Department will permit payors to delay the application of the withholding provisions to original issue discount until December 31, 1983 because of the undue hardship that would result from payors attempting to comply with such withholding requirements prior to that time. Payors will not be required to make application to the Internal Revenue Service to qualify for the delay in application of the withholding rules to original issue discount. Payors who are able to commence withholding on original issue discount prior to December 31 may do so, also without application to the Internal Revenue Service. The Internal Revenue Service also will consider the lack of information regarding original issue discount instruments to constitute reasonable cause for failure to comply with the expanded information reporting requirements added by the Tax Equity and Fiscal Responsibility Act of 1982 until December 31, 1983. The Internal Revenue Service previously stated that reasonable cause for failure to comply with these reporting requirements would be considered to exist for discount instruments until April 1 and July 1 in Announcement 83-6.

(3) *Payee Unknown.* Many financial institutions stated that it would be difficult to administer a rule requiring withholding upon payments with respect to which the institution is unable to determine the identity of the payee at the time the payment is first received. In many of these cases, institutions are able to identify the payee as an exempt recipient within a short time after receiving the payment. The final regulations will allow up to 60 days to confirm the ownership of payments in these situations before withholding will be required.

(4) *Year-End Withholding.* The final regulations will confirm that the election to defer withholding until year-end will be available for regular savings accounts, interest-bearing checking accounts and their equivalents, including the new money market accounts and SUPER-NOW checking accounts.

(5) *Transactional Reporting.*

(a) Where an interest coupon or savings bond is presented to a middleman for payment, the regulations will provide that only the name of the middleman, and not the name of the issuer of the obligation, should be reported on Form 1099. In addition, one Form 1099 may be used to show all payments made as part of a single transaction irrespective of whether the payments are made on obligations of different issuers.

(b) Persons presenting coupons from tax-exempt obligations must certify in writing that interest represented by the coupon is tax-exempt. Payors can rely on such certifications in not withholding or filing information reports with respect to such coupons. A statement that interest coupons are tax-exempt on the envelope commonly used by financial institutions to process such coupons, signed by the taxpayer, will be sufficient for this purpose if the envelope is properly completed (i.e., shows the name, address and taxpayer identification number of the taxpayer).

(6) *Nominees.* The final regulations will provide that nominees may be treated as exempt recipients without being required to file an exemption certificate if the nominee is known generally in the investment community as a nominee or is listed in the American Society of Corporate Secretaries, Inc. Nominee List.

(7) *Backup Withholding.* The backup withholding provisions added by the Tax Equity and Fiscal Responsibility Act of 1982 will not apply to payments of interest, dividends or patronage dividends that are within the scope of the 10 percent withholding provisions. The backup withholding provisions will not apply even if one or more exceptions to the 10 percent withholding rules applies to the payment (such as the exception for payments to exempt recipients, exempt individuals, and the minimal interest payment exception).

Maturity date	CUSIP	Earliest issue date	Noncompetitive price	Original issue discount
March:	912794			
3	CL6	9/2/82	95.073	4.927
10	CM4	9/9/82	95.144	4.856
17	CN2	9/16/82	95.094	4.906
24	CA0	3/25/82	87.352	12.648
31	CP7	9/30/82	95.351	4.649
April:				
7	CQ5	10/7/82	95.334	4.666
14	CR3	10/14/82	96.090	3.910
21	CB8	4/22/82	87.128	12.872
28	CS1	10/28/82	95.717	4.283
May:				
5	CT9	11/4/82	95.839	4.161
12	CU6	11/12/82	95.778	4.222
19	CC6	5/20/82	87.671	12.329
26	CV4	11/26/82	95.923	4.077

Maturity date	CUSIP	Earliest issue date	Noncompetitive price	Original issue discount
June:				
2	CW2	12/2/82	95.697	4.303
9	CX0	12/9/82	95.827	4.173
16	CD4	6/17/82	87.692	12.308
23	CY8	12/23/82	95.903	4.097
30	CZ5	12/30/82	95.930	4.070
July:				
7	DH4	1/6/83	95.983	4.017
14	DA9	7/15/82	87.545	12.455
21	DJ0	1/20/83	96.093	3.907
28	DK7	1/27/83	95.883	4.117
August:				
4	DL5	2/3/83	95.842	4.158
11	DB7	8/12/82	88.681	11.319
18	DM3	2/17/83	95.759	4.241
25	DN1	2/24/83	95.969	4.031

THE IR MAVERICK MISSILE

● Mr. GOLDWATER. Mr. President, recently, "60 Minutes" the Sunday evening news program sponsored by Columbia Broadcasting System had a program on which they severely criticized, condemned, and belittled the IR Maverick missile. What they did to come up with this very shoddy bit of programing was to go back in history and look at the weapon in the 1970's when we were having problems with it. Those problems have long since been cured and the weapon is now extremely effective and, shortly will be in the inventory of all the services.

The "60 Minutes" program was so bad it prompted me to write a letter to Mr. William Paley, chairman of the board of CBS. Part of the letter was read on a subsequent program of the "60 Minutes" show. But, to bring home to my colleagues a little more forcefully at just how inaccurate the program was, I ask that an article appearing in the March issue of the Air Force Magazine be printed at this point in my remarks following a copy of the letter that I wrote to Mr. Paley.

The material follows:

FEBRUARY 15, 1983.

Mr. WILLIAMS S. PALEY,
Chairman of the Board, Columbia Broadcasting System, New York, N.Y.

DEAR BILL: Having viewed your "60 Minutes" program on the IR Maverick missile, I am writing to express my disappointment in your treatment of the issue.

To begin with, the producers apparently relied almost exclusively on outdated information to discredit the performance of the missile. An interview with a retired Air National Guard pilot, whose experience was limited to the TV Maverick, is of questionable relevance. And the interview with Russ Murray consisted of nothing more than a dusting off of early development test results obtained almost five years ago. It is old information and no matter how dressed up, it does make a new story.

In fact, the results of the tests conducted in 1978 and 1979 led to significant changes in the software of the missile—changes which, in subsequent tests, have proven successful and will be incorporated in production missiles. That is, in fact, the very purpose of development testing: find the bugs and correct them before entering production. But, I worry over the integrity of the development process when early test results are repeatedly resurrected and paraded in the national media, as if new, to discredit a weapon system.

Next, the "60 Minutes" program clearly implied that the GAU-8 30mm cannon on the A-10 aircraft should be favored over the Maverick. If you really are persuaded that the GAU-8 is a more effective and survivable antitank weapon than the Maverick there are a few considerations you may have overlooked. One of these is the lethal range of the Soviet ZSU-23, SA-6, SA-7, SA-9, SA-11, SA-13, and SA-14 air defense systems. If you measure the distance from the A-10's in your films to the tanks they are firing at, you would note that those aircraft are squarely within the lethal envelope of the Soviet weapons. No aircraft will long survive in that environment.

There are two fundamental principles in combat: destroy the enemy and survive. The IR Maverick is designed to accomplish both. The IR Maverick has demonstrated better than 80 percent probability of being able to lock on, track and destroy targets even at ranges well outside the envelope of the most common battlefield air defense systems (ZSU-23 and SA-7). The IR Maverick will do all this in the dead of night. Did it occur to anyone to wonder what the GAU-8 will do for you at night?

The program stated that the Pentagon was denied an opportunity to respond because they made demands that were "unacceptable". What on earth is so unreasonable about a request to make an unedited response? I would suggest that Pentagon officials have seen enough of "60 Minutes" to know that no effort will be spared in your editing room to make those who do not agree with your premise appear foolish, inconsistent, and misinformed. It is your deck of cards. You do all the shuffling, you deal and you make up the rules—I wouldn't want to play in that game either.

The simple truth is that the Maverick has survived because it is working and we need it. Ask the pilots who may one day stake their lives on it—I have and the answer is always the same: they want Maverick.

CBS programmers succeeded in putting together what most viewers will believe is a convincing case against the IR Maverick. In truth, you have shamefully deceived the American public. You have presented only the argument of an uninformed and biased minority while rejecting the overwhelming support of a very knowledgeable majority.

The information necessary to balance your program was available. And let's not be coy. Just because someone does not wish to subject himself to public humiliation through selective editing does not mean he is any less honest or knowledgeable than those who so eagerly seek the spotlight. Isn't it time we question whether the predatory journalistic practices of "60 Minutes" have become so well known that you may never again be able to present fairly both sides of any controversy?

As a frequent viewer of "60 Minutes" I am growing increasingly dissatisfied and impatient with this sort of dishonest reporting. The American public is entitled to hear the truth—and that means both sides of the issue. Perhaps it will require an act of Congress to ensure that they do.

Sincerely,

BARRY GOLDWATER.

THE MANY BATTLES OF MAVERICK

(By John T. Correll)

The Air Force urgently needs a better weapon to counter massive armored assaults in the event of a conventional war in Europe. The cannon on the A-10 attack aircraft is a certified tank-buster, but cannot be used from standoff range. The TV-guided AGM-65A Maverick missile is limited to the daylight hours.

The best answer, USAF believes, is the Hughes AGM-65D, an imaging infrared (I^2R) variant of the battle-tested Maverick line. Whereas the TV Maverick picks up visual target images, the I^2R version senses the heat given off by a target. The Pentagon has not announced what the effective standoff range of the IR Maverick against a tank is, but the published estimates of five to six miles sound reasonable. That would be a substantial improvement over what's possible with the TV missile.

In a test program completed last year, the IR Maverick scored twenty direct hits out of twenty-six launches. The Air Force leadership firmly believes it has a good missile and wants to proceed with fielding it, hoping eventually to have 60,000 IR Mavericks in its inventory.

But in Washington, the heat-seeking IR Maverick is running into about as much heat as it can handle. The Washington Post has repeatedly attacked the program, calling it a "Fiasco in Weaponsland." The General Accounting Office charges that "evidence is lacking that the IR Maverick can be effectively used by US military personnel in combat." And Capitol Hill has doubts, too. So far, the Air Force has only been able to get funding for a limited pilot production of 200 missiles.

Among the allegations are that the IR Maverick won't perform in bad weather, that it can't acquire a valid target from standoff range, and that it has been tested under unrealistically benign conditions. The Air Force and the Department of Defense reject these conclusions and feel the critics are either misinterpreting or overlooking significant data.

"I think IR Maverick suffers somewhat from its history," says Lt. Gen. Lawrence A. Skantze, Air Force Deputy Chief of Staff for Research, Development and Acquisition. "If you go back to the mid- to late-1970s when we were initially developing the program, we had problems with it. Infrared tracker development at that time was not as sophisticated as we needed, and it could be spoofed by cannon fire and hot rocks and what have you. What I would now call ancient history tends to persist, though, and a lot of the critics are going back to that, not necessarily looking at what we've accomplished, say, in the last six months to a year in the program."

Responding to a June 1982 GAO report critical of the IR Maverick, for example, the Defense Department said the GAO analysis was based largely on 1977 and 1978 data and had not considered most of the recent test results in full-scale development. This is especially significant, because after those early tests the IR tracker was redesigned from an analog system to a digital one.

Slipped schedules and cost overruns have hurt the IR Maverick's reputation, and there have been problems with reliability and maintainability. The R&D contract was for a fixed-price incentive-fee, so after costs exceeded the ceiling, further expenses were borne by Hughes. Production costs grew, too, and for three reasons: inflation, increased complexity—such as the conversion from analog to digital—and restructuring of the acquisition, leading to program delays and less than efficient rates of production.

It now appears the unit cost for IR Maverick will be $100,000.

"I think our concern for the cost now is to get an efficient production rate," General Skantze says. "That's what's going to bring the cost down for us."

The decision to go into limited pilot production was postponed for several months last year to allow for completion of the initial operational test and evaluation process after a series of launch failures. However, long-lead funding for the IR Maverick was provided.

Only two of the six failures in the launch program were guidance-related. Two were caused by simple solder joint failures, another by inadvertent grounding of the g-bias signal, and a fourth by a software coding error. No problem was found with the basic integrity of the system.

The Air Force say it has a correction for every technical problem discovered in development and operational testing, and in December began flying reliability and maintainability validation tests to demonstrate those corrections. While acknowledging that the program has not been a model acquisition, the Air Force believes the IR Maverick is a missile it can go to war with.

TV AND ITS LIMITS

The first Maverick, the TV-guided A model, has been in use since 1973. It was among the first of the "smart" missiles that revolutionized air-to-ground warfare. One hundred Mavericks have been launched in combat—most of them by the Israelis—and eighty-seven of these were direct hits. Another five were deliberate near misses that disabled their tank targets, as intended, rather than destroying them. (By contrast, one study finds that the probability of hitting a tank with an iron bomb is less than four percent, and that with a nonprecision guided munition, the probability is twenty-eight percent.)

Despite this, critics have indicted the TV Maverick along with the IR Maverick in the present controversy, contending that the whole family of missiles is unworthy. The main complaints about the TV Maverick are that it cannot find a camouflaged tank if the target melds into green vegetation, and that it does not work in darkness or in low-visibility conditions. These accusations are true, but they do little more than define the limits of electro-optical technology. A black-and-white television sensor requires a reasonable amount of light and contrast to produce an imgage. As for tanks blending into the vegetation, that should not be much of a factor on a European battlefield, with armored vehicles moving by the thousands.

The inability of the TV Maverick to function in darkness or under conditions of poor contrast is more serious, and is a prime reason why the infrared system is needed.

The IR seeker in the nose of the AGM-65D senses minute differences in temperature. A vehicle that has not been operating for hours, or even a building, will give off enough heat for Maverick to spot. The tracker can lock onto objects either hotter or colder than their surroundings. A mechanical scanning system converts these infrared readings to a TV-like image on a screen in the cockpit of the launching aircraft. Darkness does not hamper the IR seeker. In fact, it may work even better after the sun goes down, since the temperature difference—and thus the IR signature—between a tank and the landscape is likely to be sharper.

NIGHT AND WEATHER

"The IR Maverick is a major new factor in nighttime fighting," says Lt. Gen. Thomas H. McMullen, Commander of the Aeronautical Systems Division. "We know we're going to have to fight at night. The enemy is going to fight at night. We cannot afford the penalty of operating only during the daytime and in VFR conditions, because in Europe that would sometimes keep the Air Force out of the game for extended times. In fact, in the winter it would leave us out, on the average, twenty hours each day."

The AGM-65D is now billed as having a "limited adverse weather" capability, which GAO notes is a change from the previous wording of "adverse weather." The extent to which foul weather degrades the IR Maverick's performance has been a major point with some of its critics.

"The majority of the DT&E and IOTE tests we ran were in humidity conditions representative of European winter or European summer," says Col. Thomas R. Ferguson, Maverick program director at the Aeronautical Systems Division. "In all of those cases, we found that the missile performed satisfactorily. We do not see the humidity conditions you could expect to see in Europe as having any kind of operational impact on the missile. The effect of very high humidity is that you have to drive in a little closer to the target. It doesn't mean the missile is not effective.

"As far as heavy rain is concerned—yeah, it's a limitation. But it's not a Maverick limitation—it's a limitation that you have in any kind of a target acquisition system that uses an IR signature. You're going to have degraded performance in any kind of condition that knocks down the signal, and obviously heavy rain is a very bad condition. You have the same situation in heavy fog or a very heavy snowstorm. On the other hand, there will also be some conditions of rain, fog, and snow where the missile will be effective."

Given all this, General Skantze says that "in the central region of Europe, the IR Maverick triples the amount of time you have available to use your aircraft effectively against armored vehicles."

OPERATIONAL CONCEPT

IR Maverick can acquire targets in a variety of ways. It can be cued, for example, by the Pave Tack infrared sensor or the electronic sensor of the Wild Weasel defense suppression system. Compatibility with these systems was proved during operational testing.

"The predominant method of attack, however—certainly predominant if you're talking about the A-10—begins with pilot prebriefings of targets in a pilot's normal area of attack, an area he's already familiar with," says Colonel Ferguson, the Maverick program director. "Intelligence sources are going to say there are armored vehicles in such and such a location. Prebriefed, the pilot goes in to his initial point, heads to the target area, uses the Maverick to look, and if he has targets in the kinds of formations he would expect to see, he can assume that's his target.

"A critical assumption here is that you're going to be operating in a very target-rich environment. The misconception, I think, has been that the pilot will be operating against very few targets in areas for which he will not have very much familiarity, and not knowing where the target is, he will have to use Maverick to search a fairly wide area to find his target. That is not the operational scenario as we see it."

The method of attack—and the choice of weapon, for that matter—depends on the situation. The missile and the gun complement each other.

"If you can get close enough, then you might as well shoot 'em in the eyes with the gun," says Maj. Nick Nicolai, a pilot with more than 1,100 hours in the A-10 and who flew many of the IR Maverick tests. "The gun is cheaper, and it's more reliable. In cases where you have friendly troops in extremely close contact with the enemy, you probably wouldn't use an IR Maverick except in a dire emergency. There are minimum distances established for all weapons in our inventory.

"I think the IR Maverick is great—but it's not always great. Just like the TV Maverick and the gun are sometimes good and sometimes not good. I have to take a given situation on a given day, with given weather constraints, the way I feel, the way the airplane has been performing, what the enemy has been doing. Then I dig into my bag of tricks and apply the ones that I need to defeat a target and survive. Tactical flexibility is the key to my survival."

QUALITY OF THE IMAGE

The pilot will have a great deal of information in addition to what he can see on his cockpit screen, but the quality of the image on that screen has been central to much of the criticism of IR Maverick. Variously, it has been charged that all a pilot can see on his display is "a bunch of bright spots," that he cannot pick a valid target out from thermal clutter on the battlefield, that the sensor's narrow field of view is like "looking at the world through a drinking straw," and that Maverick cannot tell an enemy tank from a friendly one.

In a series of videotapes of Maverick engagements shown to Air Force Magazine, even an untrained eye could distinguish tanks at a considerable range, and fine details became clear as the sensor moved closer in. An experienced pilot can, of course, read much more from those images. Program officials are taken aback by the "bright spots" accusation, because the picture on the screen is pretty good.

The Air Force says that in IR Maverick operational testing, pilots found they were able to lock onto armored vehicle targets with a high degree of confidence. They had no difficulty in sorting out armored vehicles from other vehicles. Nor were they confused by burning hulks or such thermal clutter as burning oil barrels set out on the range. Even in earlier testing, the missile's breaking lock after acquisition—a problem since fixed—was more of a concern than its locking onto objects other than valid targets.

Last year, Dr. Alton G. Keel, Jr., Assistant Secretary of the Air Force for Research, Development and Logistics, told Congress that in operational testing the IR Maverick had demonstrated a sixty to eighty percent probability of acquiring a valid target.

The IR Maverick has a three-degree angle of view, which can be focused down to one and a half degrees for better resolution. While this does not provide a panoramic view, three degrees takes in a fair amount of real estate when the angle begins spreading out from a standoff distance. An ample stretch of the target area was visible on the tapes shown to this magazine.

"In tests at Fort Riley, we saw columns of tanks with at least nine vehicles in the line of attack," says Major Nicolai.

The pilot will seldom be patrolling a broad area with nothing but the Maverick seeker

to point him toward the target. Most of the time, intelligence sources, forward air controllers, and various cuing aids will have gotten him in the proper vicinity. The standoff acquisition range and the desired field of view depend on the circumstances.

"If tanks are rolling across sand or dirt or something, or if there's been a battle going on and I can see smoke and flames, I might visually acquire the target ten miles away," says Major Nicolai. "Whatever the situation, I'd want to do as much as I could to identify the target with the IR Maverick's larger field of view. At some point, I want more information on the target, and I have the option to change the field of view to give me more resolution."

Neither the IR Maverick nor any device in existence can distinguish an enemy tank from a friendly one at any reasonable standoff range. Target selection is the pilot's responsibility.

"When I squeeze the pickle button to release the IR Maverick, I've made sure to the best of my ability that this is an enemy target," says Major Nicolai. "I wouldn't squeeze the trigger if I had not been able to make that definition.

"There are a lot of parameters you look at besides the features of the tanks: where they are pointed, where they are in respect to each other. I think you can tell as well with the IR Maverick as you can with any other weapon—or with your eyeballs in most cases. It takes a guy who's very knowledgeable to tell the difference in two tanks sitting out there, but most of the fighter pilots, the attack guys, are that knowledgeable. You could reasonably expect to define Soviet armor vs. friendly."

WERE THE TESTS TOO EASY

"We find that it has been demonstrated that the IR Maverick had limited success when operating under relatively benign test conditions," last year's GAO report charged. "On the other hand, we find that it is not known whether the IR Maverick can work well under less-than-favorable test conditions, as may happen in combat."

The main shortcomings cited by GAO were that the pilots quickly became familiar with the test ranges and visual landmarks because they flew repeated missions in the same small areas, that target briefings had told them what to look for, that "potentially serious operational constraints were omitted from the testing," and that the environment did not adequately simulate a battlefield.

The Air Force does not regard these criticisms as valid. Pilots do learn a test range after awhile, but during wartime they would also be flying repeated missions in the same areas of attack, and they would have substantial knowledge of those areas ahead of time. Certainly, they would have been briefed in detail on targets and cues to watch for.

The test ranges are relatively small because the areas available for live firing of ordnance are limited. This was partially compensated for by vectoring aircraft in from longer distances and from varying orientations. The lengthy test program included not only launches but also hundreds of hours with the missile in airborne captive carry—during which much larger test areas were used and in which target acquisitions were run.

Early developmental tests—on which the bulk of the GAO commentary was based—were designed to test specific attributes of the system. Complexity and operational realism increased as the program moved toward full-scale development and operational testing.

Launch velocities and altitudes were consistent with the battle tactics of the five types of aircraft—F-4s, A-10s, A-7s, F-16s, and F-111s—that flew the tests. "Environmental test conditions ranged from hot and humid at Eglin AFB, Fla., to snow background at Fort Drum, N.Y.," the Air Force says. "Realistic battlefield clutter such as disabled vehicles and burning hulks, countermeasures, as well as smoke camouflage were used to simulate expected conditions."

RELIABILITY AND MAINTAINABILITY

Two major reliability and maintainability standards were set for the IR Maverick. It has already met one of them, demonstrating a thirty-six-hour mean time between failures.

The other is more elusive. The requirement is that the missile have an eighty-five percent probability of working properly after fourteen hours in captive carry. So far, the test results have fallen short of that. Program officials say the standard would work out to a mean time between maintenance of eighty-six hours which may be unreasonable to expect. The TV Maverick, a mature system on which reliability has been good, averages only sixty-six hours between maintenance.

"I think a mistake we made was to establish a threshold for reliability and maintainability that was based on the current TV Mavericks out in the field," General Skantze says. "That system has a degree of maturity that we're not at yet with the IR. I don't see any reason to change the standard at this point. I think a lot of people recognize that it's a mature standard. We're going to get as close to it as we can. The trend data's there that says we are now moving up the curve."

ALTERNATIVES

There has been some suggestion that the Air Force cancel IR Maverick and go instead with the AGM-65E laser-guided Maverick, which is being built for the Marine Corps. That missile has a blast/fragmentation warhead, more powerful than the shaped-charge warhead in the TV and IR versions. Accuracy of the laser Maverick in operational evaluation tests has been sensational—fifteen hits in fifteen shots.

The Air Force was once in the laser Maverick program, and is still acquiring it for the Marines, but plans to buy more for itself. The main problem is that the AGM-65E requires a designator, either on the ground or airborne, to continue playing a laser beam on the target up until the missile impacts. The Air Force wants a weapon that it can launch and leave.

Looking ahead—beyond electro-optical, laser, and infrared technology—the next generation of antitank weapons will possibly employ millimeter wavelength radar. That could overcome some of the limitations of the older technologies, but millimeter wave weapons are still several years into the future. The Soviet and Warsaw Pact armored threat to Europe is in place now.

The Air Force sincerely believes the IR Maverick is a good system, and wants the capability it can add for operating against armor at night and under the weather.

It is not a perfect weapon, but much of the criticism made against it appears ill-founded. Nothing else that might do the job better is in sight.●

JOBS TAX CREDITS

● Mr. SASSER. Mr. President, last week the Senate Committee on Small Business heard from the leaders of a variety of small business groups about their legislative priorities for the 98th Congress. A top priority among many of those who came before the committee was the expanded use of a jobs tax credit. These men and women rightly saw such tax credits as a viable means of helping our Nation's small businesses grow and prosper.

The significance of jobs tax credits was further heralded in the March issue of Nation's Business. An article in that issue titled "What Small Business Wants From Congress" stresses the vital role jobs tax credits can play in generating new employment. As was pointed out in the article, a jobs tax credit "is the fastest, least intrusive mechanism to stimulate employment."

On February 1, I, along with Senators NUNN, HUDDLESTON, LEVIN, JOHNSTON, and PRESSLER, introduced S. 371, the targeted Jobs Tax Credit Amendments Act of 1983. This bill provides the type of assistance that these small business leaders and economists are asking for. It expands the possible use of jobs tax credits for all employers and contains provisions that are particularly attractive to small businesses.

Since the introduction of this measure I have been contacted by small firms in New Jersey, Florida, and other States, expressing an interest in this legislation. These business leaders have told me how their firms utilize this type of jobs tax credit and that they welcome the type of work we are doing in S. 371.

What all of these small business owners and operators recognize is that jobs tax credits such as S. 371 stimulate hiring. We have seen some indications that at long last economic recovery may be underway. Many small firms are approaching the point that they are again thinking about hiring. S. 371 acts as a catalyst to such employment planning. This point was also touched on in the Nation's Business article as Joel Popkin, an economist specializing in small business, pointed out "If I can use half a worker now and a whole one by year-end when business has improved, then with a tax credit, I can afford to hire that worker now instead of waiting." Thus, S. 371 can work to sustain and even further our burgeoning economic recovery.

Mr. President, I think my colleagues would benefit from reading the entire text of "What Small Business Wants From Congress." After absorbing what this article has to say, it is clear that S. 371 addresses the concerns of our small businesses and warrants expeditious action by this body. I ask that "What Small Business Wants From Congress" contained in the March

issue of Nation's Business be printed in the RECORD at this point.

The article follows:

WHAT SMALL BUSINESS WANTS FROM CONGRESS

(By Susan J. Duncan)

Small business people are looking to Washington this year for action that will help hold interest rates down and bring demand for their products and services up.

They think the first objective can be reached by slashing federal deficits and the second by increasing employment—thereby putting more money in consumers' pockets.

High interest rates and weak sales combined to make 1982 the worst post-Depression year yet for small businesses. Annual business failures, as reported by Dun & Bradstreet, increased nearly 49 percent, following a 1981 increase of 45 percent.

Almost half of the failing businesses had liabilities of less than $100,000. Dun & Bradstreet covers only terminations with losses to creditors. One estimate is that, for each of D&B's 25,346 recorded failures in 1982, 6 to 10 other businesses simply paid their bills and closed their doors.

Today, interest rates are still high, but they have dropped to bearable levels for many smaller companies.

Unlike large corporations, which have access to long-term debt or equity markets, small firms rely primarily on banks for their financing. They typically obtain loans at rates several points above the prime. When the prime hovered in the high teens and above, many small businesses could not afford to borrow. Economists found a 74 percent correlation between the level of the prime rate and the number of business failures.

With current prime rates of 11 to 13 percent, "small business can begin to borrow again," says John Sloan, president of Nashville's First Tennessee Bank, whose principal customers are small business owners.

Says Margaret Hansson, who founded a baby-products company and is now a small business consultant and investor in Boulder, Colo.: "Since interest rates have let up, you're seeing smiles on those of us who need to finance inventories or receivables."

However, small companies with markets abroad continue to cite high interest rates as their No. 1 problem. Because interest rates are higher in the United States than in other countries, investors have been exchanging other currencies for dollars. This demand for the dollar has driven up its value relative to the other currencies. Consequently, the price of foreign goods sold in the United States has gone down and the price of American goods sold abroad has gone up.

Shaw Mudge, whose Stamford, Conn., company makes fragrances bought by multinational manufacturers of shampoos, deodorants and other consumer products, complains:

"The strong dollar is destroying us overseas. We've had to slash prices to hold our business. For the first time in its history, the cosmetics industry is feeling a depression—and interest rates did it. They've got to come down to around 8 percent."

In the meantime, Mudge, who also chairs the Senate Small Business Committee's National Advisory Council, has dramatically altered his customer "mix"—from a few multinationals to dozens of smaller companies. "The multinationals have all turned into bankers," he snorts. "They can make more in money-market funds than they can launching new products."

Even those small firms with primarily domestic sales fear that interest rates may turn upward again as federal deficits intensify government competition in the credit markets.

Sixty-one percent of respondents to a survey by the U.S. Chamber of Commerce Small Business Center last spring identified federal deficits as one reason interest rates have not fallen as fast or as far as the inflation rate. Fifty-six percent also blamed Federal Reserve policy.

The Fed has since loosened its grip on the money supply—"Chicago banks have plenty of money to lend," says James Kackley, partner in charge of the small business division in the Chicago office of Arthur Andersen & Company, the accounting firm—but the deficit looms larger than ever. "It's the big risk factor," explains John Sloan, the Nashville banker. "The deficit could definitely wreak havoc with interest rates."

Van Smith speaks for many small business owners when he insists that if the deficit pushes interest rates up again, "Congress will have been the cause."

Smith, chairman and president of the Ontario Corporation in Muncie, Ind., and chairman of the U.S. Chamber's Council of Small Business, notes that "many small companies have taken desperate actions to hang on, cutting their margins to the bone. We want to see Congress do the same. We're frightfully disappointed by the lack of congressional courage to cut spending. Reagan wants to do it, but Congress is a quagmire of indecision."

But for now, with interest rates down at least for a while, depressed demand for their products and services is a bigger worry for most small businesses. In a survey of 1,000 business owners with 10 or fewer employes, conducted last August by Safeguard Business Systems, Inc., and the Institute for Constructive Capitalism, only 25 percent of respondents identified the cost or availability of money as their single most important business problem. That compared with 42 percent who mentioned either the economy in general or low demand in particular.

Kackley of Arthur Andersen & Company observes that sales slumps among some of his clients have them scrambling for new business and urging existing customers to increase their orders.

Helen Leslie, president of K&W Supply House, Inc., in St. Petersburg, Fla., sells heating and air-conditioning supplies to the homebuilding industry. She reports not only a significant sales decline last year but also bankruptcies among some of her customers.

Small and large companies alike agree that one way to stimulate demand is to get more consumers back to work—and small business generates the majority of American jobs. One study conducted at the Massachusetts Institute of Technology concluded that as many as 87 percent of all new jobs are created by small businesses, with 66 percent created by companies with fewer than 20 employes. Small companies tend to be far more labor-intensive than larger ones; according to one estimate, three-fourths of the work force is employed by small business.

Many small business advocates support enactment of a temporary general jobs tax credit, similar to one that existed in 1977-78. During that period, any company that increased its employment by at least 2 percent from year to year received a maximum credit against its income tax of $2,100 for each new hire, up to an annual ceiling of $100,000.

There is wide support for a credit that would be available only to small business and would recognize that many small companies, particularly new ones, operate at a loss. An income tax credit benefits only companies with net incomes. Frank Swain, chief counsel for advocacy at the Small Business Administration, suggests that the credit could be applied against payroll taxes, so that any small enterprise, whether profitable or not, could benefit.

An alternative, contained in a bill introduced in the last Congress by Sen. Lowell Weicker (R-Conn.), chairman of the Small Business Committee, would provide refunds to nonprofitable companies, in lieu of credits. Weicker's bill, to be reintroduced this year, would also restrict credits to new hires who were previously unemployed, an idea reportedly favored by the Reagan administration.

Because it would reduce revenue, any kind of tax credit faces an uphill battle in Congress. "We don't want to reward hiring that would have occurred anyway," comments Robert Dotchin, staff director of the Senate Small Business Committee, echoing a common criticism of the 1977-78 credit.

That kind of thinking misses the point, according to Swain, and indicates that "Congress has not heard the small business story on this issue." The credit is not intended to create new positions; rather, it is designed to speed up reemployment. Joel Popkin, an economist who specializes in small business issues, explains: "If I can use half a worker now and a whole one by year-end when business has improved, then with a tax credit, I can afford to hire that worker today instead of waiting."

A jobs tax credit would complement the investment tax credit, Swain contends. The latter aids asset-intensive companies, primarily big business, whereas the former would aid the labor-intensive small business sector.

In addition, as Shaw Mudge points out, credits offset the costs of training younger employes and retraining displaced adult workers (those who come from collapsing industries). Mudge, who currently has 45 employes, hired nine people while the original credit was in effect.

Finally, most economists prefer tax credits to public-works programs or training subsidies, both of which are generally more expensive and require longer lead times. "The tax credit is the fastest, least intrusive mechanism to stimulate employment," says Swain. "And there's no downside. If it doesn't work—if nobody hires—it doesn't cost a thing. The worst that could happen is that it could succeed!"

A second proposal to spur small-business employment is a subminimum wage for youngsters. The small business sector is the primary employer of the unskilled, high-unemployment groups—minorities, homemakers, the elderly and teen-agers. SBA reports that small business provides two-thirds of all initial work experience.

Like the job tax credit, a youth differential is being considered by the Reagan administration. But even with presidential backing, a subminimum wage will likely encounter even stiffer congressional opposition than a jobs credit. Labor groups fear the differential would be used to "downgrade" existing adult positions. Small business disagrees, arguing that a subminimum

wage would expand entry-level, unskilled employment.

Says Louis Laborde, co-owner of Community Paint & Hardware, of Bethesda, Md.: "I don't think a subminimum wage would help me out as much as it would help the kids. It's difficult for small businesses to hire someone with no experience." Laborde's small store employs 17 people.

"I'd use a youth wage," says Helen Leslie of K & W Supply House. "I've got some part-time maintenance jobs, like yard work, cleaning and sweeping, that just don't get done now because I can't afford to pay the minimum."

Unfortunately, before small business groups can concentrate on legislative proposals to boost employment, they must focus on proposals that would deter it. Heading this list is the bipartisan plan to raise payroll taxes to shore up the Social Security system.

"How can we have any confidence in a solution predicated on tax increases," asks Ivan Elmer, manager of the U.S. Chamber's Small Business Center, "when we look at the failure record of that solution? The maximum annual tax per employee has increased more than 600 percent since 1970 and we're further away from a solution than ever."

Most small business owners would like to see Social Security restored to its original concept as a supplement to other retirement income. They would also like to see the system become what accountants call "actuarially sound"—that is, an individual's benefits would be tied to his or her contributions, plus interest.

According to the Employee Benefit Research Institute, the average wage earner retiring today contributed about $12,000, which will be returned in benefits in about 16 months. This worker can expect to receive total benefits of about $125,000—representing a 1,000 percent "return on investment." With that rate of return, it is easy to see why the system is going broke.

"It may sound self-serving," says small business consultant Margaret Hansson, "but the best approach to reducing the deficit is to nurture those who create the jobs. So you've got to look very carefully at any tax increases that will affect small businesses."

SBA did exactly that two months ago in a report that it titled: "Social Security: a Tax on Labor." The report confirms that small businesses are less able than large businesses to shift payroll taxes to consumers (through higher prices) or to employes (through lower wages).

In addition, small firms pay more Social Security taxes per dollar of wages. At present, only the first $35,700 of an employe's wages is taxed—at a combined (employer/employe) rate of 13.4 percent. Most small business employes earn less than this amount. Because larger firms pay 34 percent higher wages on average, their effective tax rate is lower. For example, the effective tax rate for an employe earning $50,000 is only a combined 9.6 percent.

All these factors add up to a heavier burden for small business whenever payroll taxes are raised. Adopting this particular Social Security reform "will make an already difficult economic climate that much more hostile to job-creating small firms," the SBA report concludes.

Despite all the uncertainties of today's economic climate, the small business sector is basically optimistic about its future (see the article on the Heller/Roper Small Business Barometer, page 30).

Indeed, some say entrepreneurs thrive on uncertainty. Van Smith agrees with many economists who see American industry undergoing a radical tranformation, from an industrial age to an information age.

"The entrepreneur can leverage his or her ideas much more readily now than in a period of business stability," says Smith. "The opportunity and environment for innovation have never been better."

Even in declining industries, the entrepreneur can still carve out successful sales niches. For instance, "even though most auto dealers and suppliers did not fare well last year," says Arthur Anderson's Kackley, "I've got one client who is doing very nicely manufacturing plastics for auto exteriors. This is a relatively new market where demand is strong."

And Rowena Wyant, vice president of Dun & Bradstreet's business economics division in New York, notes an intriguing countertrend to the rash of business failures: Many of today's small business start-ups represent the brainstorms of people who were unable to find jobs.●

HOW THE TAX EQUITY AND FISCAL RESPONSIBILITY ACT WORKS

● Mr. DOMENICI. Mr. President, there is a great deal of confusion and frustration in my State because of the tip-reporting provision in the Tax Equity and Fiscal Responsibility Act. I have had meetings with many waitresses in New Mexico. Some were working 40 hours only to receive a $3 paycheck. It is clear that the law is not being properly or uniformly applied. I regret that there have been misunderstandings and I feel a strong responsibility as a U.S. Senator to be responsive to this matter.

In my part of the country, many of the waitresses are working mothers who work the 6 a.m. shift. They are on the go the entire time they are working. It is physically demanding to keep moving for 8 straight hours. It is mentally exhausting to satisfy the wishes and wants of every single person who sits down for a meal.

In rural New Mexico, a dollar is considered a generous tip. This falls short of the allocated tip target of 8 percent.

We are almost upon the April 1 effective date for the withholding on tips provision, and there is still a lot of confusion on how the law is supposed to work. I think it is inexcusable that more effort was not made at the national level to explain the law to the people most affected—the waitresses and waiters who work so hard.

I have had discussions with the IRS and I have collected all of the available information on this subject. I wish to have printed in the RECORD an explanation of how this provision is supposed to work:

The explanation referred to follows:

TAX INFORMATION USEFUL TO TIPPED EMPLOYEES

To best understand the changes the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) made it is helpful to understand what the law was before TEFRA.

Tips are income and income tax is due on all tips regardless of whether they are charged or left on the table.

Tips must be reported to your employer on or before the 10th day following the month you receive them. The employer is supposed to withhold income, FICA and FUTA taxes due. The new law does not change this.

Your employer will withhold on the amount of tips you report. This is important for you, the owner and bookkeeper to understand.

You are required to keep good records on the tips you receive. Your daily record should show your employer's name, the month, year and the daily amount of tips you receive and any tip-splitting. The IRS has a Form 4070A which is a good way to keep your records. (Copy attached)

The new law does not change your record keeping responsibilities. Good records are more important under the new law, especially if your tips don't equal 8 percent of the gross receipts of the restaurant or bar where you work.

If you haven't been keeping records you should start.

The new law changes how restaurants and bars with ten or more employees are required to file reports on their employees' tips.

Under the new law the IRS requires "information reporting." These new requirements are just what their name suggest—information only.

The new "information reporting" does not increase the tax on tips.

One new information reporting requirement is that each restaurant or bar must report once a year their gross receipts, other than carryout sales and mandatory 10 percent or greater service charge sales; total charge receipts; total tips shown on those charge receipts and total amount of tips reported by the tipped help.

For the first quarter of 1983 only (January 1 through March 31) employers are required to file information returns that include a list of all tipped employees and their reported tip income.

Another information reporting requirement deals with allocated tips.

Allocated tips is more information for the IRS. It has nothing to do with how much tax you owe. Allocated tips is the amount equal to the difference between 8 percent of gross receipts and the amount reported by the employees for the year.

If the amount you reported as tips adds up to 8 percent or more of the gross receipts, the "allocated tip" line on your W-2 will not have a tip allocation figure.

If you did not report tips equaling 8 percent or gross receipts then your employer must do more information reporting and include "allocated tips" in the space provided on your W-2. This figure is purely information and does not reflect how much tax you owe.

The IRS recognizes that some restaurants have customers who don't tip 8 percent. If a restaurant or bar can show the IRS that the average tip is less than 8 percent, then the employer can allocate tips based on a lower figure of not lower than 5 percent.

Example: A single taxpayer working 40 hours a week at $2.05 an hour in wages and $2 an hour in tips has an annual income of $8,424. The tax on this would be $765. If withholding is only taken from wages, the taxpayer would owe $379 in federal taxes on

April 15. With withholding on the tips there is a reduction in taxable home pay of $12.80 a week, the taxpayer would actually receive a refund of $287.

To be honest, I realize that paychecks may be smaller because the withholding provisions will be more comprehensively applied. However, there is some flexibility. For example, if you received a tax refund or did not owe taxes last year and do not expect to owe taxes this year, you can be exempt for the withholding provisions. To qualify, you give your employer a W-4, "Employee's Withholding Allowance Certificate." This will entitle you to receive more money in each paycheck rather than a refund at the end of the year.

Further, exemptions are provided for the following individuals: Single persons with adjusted gross income of $3,300 or less; a couple with no dependents and adjusted gross income of $5,400 or less; a household with one dependent and adjusted gross income of $4,300 or less; and a household with two dependents and adjusted gross income of $5,300 or less.

TAX INFORMATION USEFUL TO RESTAURANT OWNERS

Step 1: Determine whether the new rules apply to your business: The new rules only apply to "large food or beverage establishments" where tipping is customary and who employ the equivalent of 10 full-time employees.

Step 2. Gather the information to be reported: The following information will be needed:

(1) Gross receipts (other than nonallocable receipts explained below);

(2) Amount of charge receipts (other than nonallocable receipts) that have charged tips;

(3) Amount of tips included in item No. 2;

(4) Amount of tips reported to you during the calendar year by employees;

(5) Employee's share of mandatory service charges of less than 10 percent that are treated as wages for withholding tax purposes; and

(6) The name, social security number, and the amount of tips allocated to each employee who received an allocation during the calendar year (See Tip Allocation explained in Step 5).

Step 3: Determine receipts to be reported to the IRS for each establishment: You need to know what your gross receipts are for reporting purposes. This is not the same as gross receipts for other purposes.

Gross receipts for tip-reporting include:

Cash sales;

Charge receipts, such as credit card charges, and charges under any other credit arrangement;

Charges to a hotel room (excluding tips if the employer's accounting procedures allow these tips to be segregated);

Retail value of complimentary food or beverages served to customers; and

In the case of resorts or package deals include a good faith estimate, including a reasonable profit, of the portion of food or beverages that are provided along with other goods or services.

Nonallocable receipts (Items deducted from gross receipts) are:

Carryout sales;

Sales on which a 10 percent or more sales service charge has been added;

Tips reported on charge sales where employees do not receive cash from the employer for the amount of such tips; and

State or local taxes.

Step 4: Determine whether enough tips have been reported to avoid allocation:

Remember, allocation does not mean withholding. Allocation is simply information for the IRS. It does not affect an employee's tax liability. Withholding is based on the tips employees voluntarily report to you. Allocation is not necessary if employees report tips that equal at least 8 percent of gross receipts. The employee's reported tips must be included on their W-2 forms at the end of the year.

Employers who believe that the actual percentage of gross receipts constituting tips is below 8 percent can request that the IRS lower the rate, but not below 5 percent. The request should be made to the Director of the IRS in the area where the establishment is located. The rate can be reduced to a percentage that the District Director determines to be the best estimate of the actual percentage of gross receipts constituting tips.

Step 5: Allocate tips if employees haven't reported 8 percent (or lower percentage);

(1) Multiply gross receipts (GR) by the percentage (P), which is usually 8 percent (this can be reduced with permission but not below 5 percent), to produce the amount of tips required to be reported (T).

$$GR \times P = T$$

(2) Determine the amount of tips reported for the payroll period by indirectly-tipped employees (I).

(3) Subtract indirect tips reported (I) from the amount of tips required to be reported (T). The excess is the directly-tipped employees' share of allocable tips (D).

$$T - I = D$$

(4) For each directly-tipped employee, multiply the amount determined under No. 3 by the gross receipts directly allocated to each employee (GRE) over the total gross receipts (GR) to determine each employee's share of 8 percent of the gross receipts (ES).

$$D \times \frac{GRE}{GR} = ES$$

GRE may be determined either by direct method (for example, the sum of all receipts that have an employee's name on the check) or by the number of hours the employee worked divided by the total number of hours worked by all directly tipped employees.

(5) Subtract the amount of tips reported by the employee for the payroll period (R) from appropriate share of 8 percent of gross receipts (ES) to determine each employee shortfall (S).

$$ES - R = S$$

(6) Subtract the amount of tips reported by all directly and indirectly-tipped employees (TR) from the amount of tips required to be reported (T) to determine the amount to be allocated (A).

$$T - TR = A$$

(7) For each directly-tipped employee with a shortfall for the payroll period, multiply the amount determined under No. 6 by a fraction (the numerator is the amount of the employee's shortfall (S) determined in No. 5 and the denominator is the total shortfall for all directly-tipped employees (TS)). The product is each employee's allocation for the payroll period (EA) that must be reported on the employee's W-2.

$$A \times \frac{S}{TS} = EA$$

Allocation does not affect withholding. It does not have any impact on employees' paychecks or their tax liability. This is very important for you and the employee's to understand.

For 1983 only, tip allocation is not required for payroll periods before April 1. The only information required for the first quarter (January-March) of 1983 is the following:

Qualifying gross receipts, charge sales included in gross receipts and tips reported to the employer for the period, service charges of less than ten percent which the employer is required to include in the employee's income, and each tipped employee's name, social security number, wages, and reported tips.

For the last three quarters of 1983 and annually from them on, you must report only the names and social security numbers of employees to whom a tip allocation was made by attaching photocopies of the employees' W-2 forms to the 8027 forms you file.

Step 6: Report Information to the IRS. The specific filing requirements include:

Form: Form 8027 with the transmittal Form 8027T.

Due Date: On or before the last day of February of the year following the calendar year. For calendar year 1983, the Form 8027 will be due on February 29, 1984.

Where to File: IRS Service Center where you normally file your withholding tax information.

Special Filings: A special rule requires additional reporting for the first quarter of 1983. See step 5 above. This information will be used to study tip compliance.

At this point, I should point out that I am not a specialist in tax law or an official spokesman for the IRS. I encourage people with questions to contact their local IRS offices.●

THE INVOLVEMENT OF CPUSA IN THE NUCLEAR FREEZE MOVEMENT

● Mr. DENTON. Mr. President, many of my colleagues are concerned about allegations of Communist participation in the so-called nuclear freeze or peace movement, and about alleged Soviet efforts to influence or control it. I certainly understand their concerns, which I share. There is no question that most of the Americans who participate in freeze activities are well meaning and motivated by concerns that we all share and understand. They would be dismayed were they to believe that outsiders had taken advantage of their good intentions.

I believe most of my colleagues now agree that the Soviet Union is very interested in developments in the nuclear freeze movement in the United States. They are also probably aware that the Communist Party of the USA (CPUSA) is closely alined with the Soviet Communist Party.

Those who are concerned about the issue may be interested in several articles that have appeared in the Daily World, the successor to the Daily Worker as the official newspaper of the CPUSA.

In the Daily World of June 17, 1982, Gus Hall, the general secretary of the CPUSA, wrote about the party's participation in demonstrations in this country.

On January 4, 1983, Bruce Kimmel, a member of the CPUSA, wrote in the Daily World about the active involvement of members of the CPUSA in what he called literally hundreds of local peace organizations. This article was subsequently reprinted in the Wall Street Journal.

Finally, an article by Mike Davidow in the Daily World for December 7, 1982, coincidentally the 41st anniversary of the attack on Pearl Harbor, described a visit to the Soviet Union by a delegation from the U.S. Peace Council.

Mr. President, I ask that the texts of the three articles be printed in the RECORD immediately following my remarks.

The articles follow:

[From the Daily World, June 17, 1982]

THE MEANING OF JUNE 12

(By Gus Hall)

More than a million marched in New York City, 100,000 in Los Angeles, 50,000 in San Francisco, 40,000 in Denver, 15,000 in Seattle and tens of thousands in other cities all across our land.

Marching and speaking for the U.S. peace majority, these demonstrators took to the streets to demand peace and disarmament, to focus the main fire against the domestic and foreign policies of the Reagan Administration.

For every marcher there were 25 who could not march for many reasons. These protesters represented and reflected the real sentiments and needs of the great majority of our people.

This mass outpouring, this mass explosion is a reflection of the fact that both quantitatively and qualitatively the struggle for peace has now reached a new plateau.

Even more important is the fact that this majority sentiment has now crystallized into thousands of coalitions in every city, state and community, both urban and farm. It is a reflection of the deep desire for peace. But it is much more.

It is the growing mood of anger against the over-all policies of the Reagan Administration, policies that are bankrupting our nation, creating mass poverty and joblessness, while stuffing the coffers of the corporations and the very rich. It is a mass upsurge against the Reaganomic war against the people, against the policies of nuclear first strike and limited nuclear war that are moving our nation, and the world, toward the nuclear brink.

This organized crystallization into movements of protest and all people's fightback at the grass roots level is the best guarantee that the mass demonstrations were not one-shot explosions.

This mass crystallization is the best guarantee that the struggles will continue where it counts most—in the communities, wards and precincts of the politicians. The '82 elections will see the people's crystallization translated into votes that will oust all pro-Reaganites from office.

We are very proud of our Party's contributions both to the organization and mobilization of the marches for peace and disarmament throughout the country.

We are proud of our participation in these demonstrations. And we are especially happy and proud of our Party's contingent in the New York City demonstration, marching alongside the Young Workers Liberation League, which reflected our great multinational, multiracial working class—composed of men, women, children, seniors and youth from all walks of life, our contingent was a display of our new strength, our new confidence in the future of our Party, our class and people.

These explosive demonstrations assure that our country will never be the same again. They raise all struggles to a new level. They will be reflected not only in the White House, the halls of Congress and the streets of U.S. communities, but they will reverberate throughout the world.

[From the Daily World, Jan. 4, 1983]

I PLEAD GUILTY

(By Bruce Kimmel)

I confess.

As the representative of the Communist Party USA on the June 12 Coalition, I am in a position to say that the House Select Committee on Intelligence and the Wall Street Journal are correct: the Communist Party has played and continues to play an active role in the U.S. peace movement.

President Reagan's absurd charge that the U.S. peace movement is essentially a Soviet front forced the House Select Committee on Intelligence to hold hearings on the matter. The Committee issued a report in early December, called "Soviet Active Measures," which, among other things, notes that the Communist Party USA was actively involved in the historic June 12 demonstration. The report concludes that there is no evidence that the Soviet Union manipulated the coalition that organized the action.

This conclusion did not sit well with the Wall Street Journal. Anxious to aid Reagan's effort to generate another Cold War, the paper editorialized (Dec. 20) that the House report was seriously flawed because it did not recognize how alleged Soviet fronts, such as the Communist Party, "have been successful in shifting attention away from the Soviet Union's massive military buildup and toward the Reagan Administration's defense programs."

To prove this charge, the WSJ points out that there were no anti-Soviet signs, banners or chants at the June 12 demonstration. True enough. But what is interesting is that there were no rules prohibiting such signs, banners or chants. Organizations were free to use whatever slogans they wanted. The WSJ seems to be saying that the thousands of organizations which marched on June 12 were dupes of the Soviet Union.

But I must confess that I was among those who tried to get the June 12 Coalition to focus its demand on the Reagan Administration. I argued at a number of meetings that the military buildup of the Reagan Administration was bringing the world dangerously close to a nuclear holocaust.

Like others, I based my argument on the fact that the Soviet Union had endorsed the nuclear freeze, signed SALT II, called for a comprehensive test ban treaty, pledged not to be the first country to use nuclear weapons in a conflict, and urged the creation of nuclear free zones in different parts of the world, including Central Europe. I naturally pointed out that the Reagan Administration had not endorsed any of these disarmament proposals.

The Wall Street Journal assumes that only Communists or those manipulated by Communists would want to focus on the Reagan Administration. Actually, the decision of the June 12 coalition to focus on Reagan was determined at a two-day meeting at the end of last January. A resolution was adopted by several hundred national organizations which in essence said:

"While it is the responsibility of all governments to end the arms race, as residents of the U.S. it is our responsibility to alter the policies of the Reagan Administration." Although this remained the official position of the June 12 coalition, participating organizations were allowed to project whatever political demands they wanted.

The WSJ refuses to face the fact that peace activists in this country are scared out of their wits by the policies of their government and are working to change those policies. Rather than deal honestly with this uncomfortable fact, the WSJ attributes this sentiment to Communist manipulation and the naivete of U.S. peace activists, who are accused of working unwittingly in the interests of the Soviet Union.

This brings us to another WSJ charge: Communists in the peace movement are serving the interests of the Soviet Union.

Again I must confess. My Party's peace activities have indeed served the interests of the Soviet people—because their desire for peace is identical to that of the U.S. people. This is a strange charge. Is the WSJ suggesting that the Communist Party should be against peace because the Soviet Union is for peace?

Communist Party members are playing important roles in the peace movement. They argue among peace activists that the Reagan Administration, not the Soviet Union, threatens the survival of humanity. And they work in the interests of the Soviet Union by struggling for peace.

Also, Communists work to make the peace movement as broad as possible. They try to make sure it reflects the working class, multi-racial and multi-national character of the population. This may not serve the interests of the Reagan Administration, but it certainly serves the interests of the U.S. people.

Right now, Party members are active in literally hundreds of local peace organizations. The Communist Party USA—like Communist Parties around the world—has always been and will continue to be an active fighter in the struggle for peace. We confess.

[From the Daily World, Dec. 7, 1982]

U.S.-SOVIET PEACE ACTIVISTS MEET

(By Mike Davidow)

Moscow.—U.S. and Soviet peace activists, meeting here December 2, called for continuing actions against arms buildup and for working towards the friendship of both countries.

In an opening statement for the U.S. delegation, Mark Belkin, member of the executive committee of the U.S. Peace Council and director of the Department of Political Organization of the AFL-CIO of Iowa, said they were very impressed with the "yearning for peace of the Soviet people" which

was "consistent with the policies of the Soviet government."

"These impressions," he said, "have strengthened our determination to work for mutual friendship to the mutual benefit . . . of the U.S. and the Soviet Union."

A statement issued by the Soviet Peace Committee appealed to all peace-loving people, to all anti-war movements of the U.S., to struggle against plans to deploy the MX missiles, which would considerably increase the threat of a nuclear war. It called for actions December 1-15.

Tiola Hunter, Afro-American educator and member of the state legislature of Michigan, who introduced members of the delegation, stressed the disastrous impact of the nuclear arms race on the social needs of the people and on the economy. She pointed out that Michigan and particularly Detroit were hard hit by the Reagan Administration's belligerent foreign policy and Reaganomics.

INVOLVED IN UNITED ACTION

Frank Chapman, executive secretary of the National Alliance against Racist and Political Repression and a member of the executive committee of the U.S. Peace Council, noted the involvement of the U.S. Peace Council in the struggle against the MX missile and the deploying of Pershing 2 and cruise missiles in Western Europe.

Paul Dinter, a Catholic priest and leader of the Pax Christi of New York, told a press conference of Soviet news reporters at the headquarters of the Soviet Peace Committee that the Soviet peace movement "frankly puts most of us to shame by the grandness of its peace activity."

Dinter was a member of the executive committee of the coordinating committee for the June 12 demonstration for peace and human needs held in New York City last summer.

Earlier in a meeting with Yuri Zhukov, chairman of the Soviet Peace Committee and political commentator for Pravda, outlined the history, scope and activity of the mass Soviet peace movement. Zhukov noted that 80 million Soviet citizens annually make voluntary contributions to the work of the peace committees. "We do not get any money nor do we want any from the Soviet government. We are totally supported by the Soviet people."

The delegation included, Frank Clemente, national coordinator, National Campaign for Peace and Jobs; John Friend, member of the Committee of Jurists for Nuclear Policy, and Katherine Abel of National Public Radio.

Also Ann Marshand, director of Religious Center of Activity for Peace of Seattle; Ann Mitchell, member of the national leadership of Women's International League for Peace and Freedom from Philadelphia; and Susan Walter, head of the Campaign for Freezing Nuclear Arms of West Virginia. The delegation also visited Kiev, Simferopol and Yalta.

Chapman and Belkin were co-chairmen of the delegation.●

THE SALE OF PUBLIC LANDS

● Mr. BAUCUS. Mr. President, last summer, Interior Secretary James Watt unveiled a 5-year plan to sell what he called surplus public lands. I oppose Secretary Watt's proposed sale of some 35 million acres of public land.

Western States have always had a somewhat unique relationship with the Federal Government. In many States, Uncle Sam is the largest landowner. As such, he holds a controlling interest in their economic future.

It is for this reason that the sale of such a large amount of federally owned land is wrong. These 35 million acres equal an area roughtly the size of New England. This land contains rich coal deposits, oil and gas reserves, timber and grazing land.

How this land is developed will determine whether some States enjoy prosperity or hardship. Congress recognized this important fact in 1976 when it passed the Federal Land Policy and Management Act. Congress said public lands are a natural resource, one that must be maintained for all Americans.

Congress made clear its desire that the Federal Government manage and maintain a system of publically owned lands as a valuable national legacy.

No one disagrees that there are some federally owned properties that should be sold. Abandoned military installations and parcels of land in the hub of major cities are examples of the types of Federal holdings that should be sold. There also are numerous fragmented holdings that would be better off managed by State and local authorities or, in some cases, by private owners. The problem with Secretary Watt's proposal is that it is excessive.

To flood an already soft real estate market with such a massive amount of acreage would almost certainly lead to a depression in prices—for both public and private landholdings. Neither the Government nor private citizens would receive a fair market price for selling property.

Selling federally-owned grazing land also threatens the grazing rights of western ranchers. Few Montana ranchers are flush enough to buy up large parcels of land for grazing.

Finally, Secretary Watt's argument that this land sale would substantially reduce the Federal debt is faulty. His rosy estimate—that $17 billion would enter the Treasury—would barely scratch the surface. Sacrificing enormous parcels of land for only $17 billion hardly seems like a fair trade.

The Montana Legislature shares this view. On February 15, 1983, the Montana House of Representatives passed a resolution opposing the Watt Federal land sale proposal. Likewise, the Billings (Mont.) Gazette editorialized against the Secretary's plan.

I ask that the Montana State Legislature's resolution and the January 26, 1983, editorial from the Billings Gazette be printed in the RECORD.

HOUSE JOINT RESOLUTION NO. 12

A joint resolution of the Senate and the House of Representatives of the State of Montana opposing the Federal administration's plan to see public lands

Whereas, the Public Land Law Review Commission, in its 1964 public land study ordered by Congress, concluded that most public lands would not best serve the public interest if they were in private ownership; and

Whereas, the Federal Land Policy and Management Act of 1976 states and the National Forest Management Act of 1976 state that public lands will be retained in federal ownership; and

Whereas, the United States Secretary of Agriculture intends to propose legislation to the 98th Congress to expand his authority to sell National Forest System land; and

Whereas, the federal lands are a great national treasure and an important part of our heritage; and

Whereas, federal lands managed under multiple use represent a vast storehouse of publicly owned resources, such as fossil fuels, nonenergy minerals, rangeland, forests, wilderness, water, wildlife habitat, wildlife, fish, and many other valuable amenities and commodities; and

Whereas, these federal lands provide millions of hunters, fishermen, campers, picnickers, backpackers, snowmobilers, boaters, and recreational vehicle users a place to pursue recreational activities without encountering "no trespassing" signs; and

Whereas, retention of federal lands in federal ownership will promote access to the public lands and water for the maximum number of people for recreational and economic purposes; and

Whereas, federal lands are now available for use and enjoyment by all United States citizens; and

Whereas, public ownership of federal lands will ensure continued multiple-use management and public access to these lands; and

Whereas, since the sale of public lands could be made to the highest bidder, the result could be the elimination of the small rancher, timber operator, and other small commercial enterprises. Now, therefore, be it

Resolved by the Senate and the House of Representatives of the State of Montana:

(1) That public lands be retained in federal ownership except as provided in existing land-use planning statutes.

(2) That the 48th Legislature opposes legislation that the Federal Administration intends to propose which would permit the sale of National Forest System lands, excepting the sale of unmanageable, isolated parcels of land and financially burdensome, outdated, nonessential facilities.

(3) That the Secretary of State send copies of this resolution to the President of the United States and to each member of the United States Congress.

(4) That the Secretary of State send copies of this resolution to the presiding officers of the Legislatures of the states of Idaho, Wyoming, North Dakota, South Dakota, Washington, Oregon, Utah, Colorado, Nevada, New Mexico, and California.

"PRIVATIZATION" IS NO PANACEA FOR U.S.

"Those who cannot remember the past are condemned to repeat it," George Santayana wrote in 1906.

Our representatives in government might well keep Santayana's words in mind as they consider "privatization," the administration's plan to sell our public lands.

Back in 1803 Napoleon Bonaparte, in order to finance what would ultimately become his Waterloo, sold the United States a hugh parcel of land stretching from the Mississippi River to the Rocky Mountains—for $15 million.

And that figure included the settlement of some American claims against France.

And in 1867, the U.S. bought Alaska from Russia for some $7.2 million—less than two cents per acre.

At the time Russia was in the midst of a great expansionist fever, and it was believed that she and Britain were on the edge of war over India and Afghanistan.

And now President Ronald Reagan wants to sell an estimated 144 million acres of national land to help retire the national debt—a debt greatly affected by this country's defense spending.

France would certainly opt now for America's Midwest over Waterloo.

The U.S.S.R. certainly would prefer Alaska now to $7.2 million.

And 100 years from now, the United States may well wish that it had kept its public lands.

There are, of course, arguments in favor of privatization.

Proponents say that public lands would be better managed by the private sector where they would be subject to property tax and that they are an easy way to reduce the national debt—no increase in taxes, no cut in benefits.

But these arguments are shaky at best.

A few years ago when wheat prices jumped to $4 and $5 per bushel, some enterprising Montana farmers put the plow to public lands to increase their acreages. But the marginal prairie grasslands could not support wheat. With no root structure to hold the soil in place, it was carried away by the wind. If our public lands were made private, they would be subject to the pressures of the market place. That doesn't necessarily make for good management.

Some ranches are viable only because of the public lease lands. The staggering state of the agricultural economy would prohibit most ranchers from buying the land on which they depend.

And that would change the character of the West, family farms replaced by corporations with enough assets to tie up the public lands.

And that would further strap the states' economies. Family farms support local economies in many of the state's smaller communities. Large corporate farms would more likely buy directly from suppliers and borrow from larger lending institutions.

And finally, the sale of all these lands, particularly now in a time of sagging real estate prices, would not dent the national debt.

Total sales of the lands is estimated at $17 billion over the next five years. That figure represents .003 percent of the $100 trillion national debt. It has also been estimated that the loss of lease revenue from current federal holdings, particularly from mineral resources, will cost the government some $1 trillion in the future, much more than the sale of land would take in.

There is another point that Montana sportsmen might keep in mind. Non-fee hunting and fishing areas are fast becoming scarce in the West. The future of those revenue-producing sports may well depend in the future on public lands.

Privitization will be popular in the Eastern states, which have little to lose under the proposal.

But the Western states will suffer greatly if the administration's plan is put into effect.●

THE JAYCEE RATTLESNAKE ROUNDUP

● Mr. TOWER. Mr. President, on March 10, Sweetwater, Tex., will host the 25th anniversary of a special event, unique to west Texas—the Jaycee Rattlesnake Roundup.

Since 1958, the Sweetwater Jaycees have sponsored the roundup, with all proceeds going to benefit the residents of Sweetwater's Sunshine Inn, an activity center for the handicapped and disadvantaged which is operated and funded by the Sweetwater Jaycees. The rattlesnake roundup has grown from a local, community event to an annual attraction bringing thousands of visitors to Nolan County in west Texas. The roundup is now the largest event of its kind is the United States.

On this, the 25th anniversary of the Jaycees Rattlesnake Roundup, I would like to outline a little of the history of this west Texas tradition.

Since the days of the earliest pioneers, the area of west Texas has been heavily populated by the western diamondback rattlesnake. Year after year, the number of livestock killed or lamed by the bite of the rattlesnake increased, until, in 1958, the Sweetwater Jaycees decided to aid local farmers and ranchers by holding the first rattlesnake roundup. It is interesting to note that since the first roundup, approximately the same number of snakes have been captured each year. The average roundup nets around 5,000 pounds of snakes, with the exception of the 1982 roundup, when 18,000 pounds of rattlers were weighed in. This shows that while the hunt helps to control the snake population, it is by no means exterminating them.

The snake hunt begins with widespread hunting and collection of the poisonous reptile. The captured snakes are brought to the huge indoor coliseum, Nolan County Coliseum, and weighed in. The weigh-in operation can be viewed by the public only through heavy screen partitions. The snakes are placed in doubly lined and floored pits for public viewing.

Safety and handling demonstrations come next. False tales and rumors concerning rattlesnakes are discussed and explained by a professional snake handler. The public then leaves with a respect for the rattler based on understanding, rather than fear. They also leave knowing proper procedures to follow in case of a rattlesnake bite.

The snakes are then milked by professional handlers. The venom is made available for public and private research by reputable groups and individuals. Venom extracted from the snakes has proven to be quite useful in medical research. Treatment of certain ailments in unborn children, treatment of certain mental disorders, medical applications for snake bite and other medical benefits have come from the venom extracted at this Sweetwater event. Most recently, significant discoveries have been made in cancer research through tests with the venom coming from the Sweetwater Rattlesnake Roundup. The annual roundup offers the participant the opportunity of witnessing lectures emphasizing safety and factual information on rattlesnakes—sightseeing, snake meat, and souvenirs are also available. As added attractions, the Sweetwater Rifle and Pistol Club holds one of the largest gun and coin shows in the State, with exhibitors from across the Nation. Also, two collectables flea markets are held in conjunction with the roundup.

Two types of tours are provided for visitors. The first is a bus tour for interested people and photographers who only wish to watch the snakes being caught and not participate in the actual hunt. Another tour is provided for people who wish to hunt with the assistance of experienced hunters. Hunters are also able to hunt on their own certain specified ranches in the area; maps are provided. All hunters who wish to participate in any of these tours or hunts must register with the jaycees. The registration fee covers their hunting permit, insurance, and hunting instructions. Equipment is available for purchase at the coliseum. All captured snakes turned in at the roundup become property of the Sweetwater Jaycees.

A part of the roundup each year is the Miss Snake Charmer Queen pageant. Young women from the Sweetwater area compete for the crown of Miss Snake Charmer. The pageant takes place at the newly renovated Sweetwater Municipal Auditorium on the opening day of the roundup. Added attraction for this year's 25th anniversary roundup will be the rattlesnake review, a parade through downtown Sweetwater, two dances, and a 10-kilometer run on the final day.

The Sweetwater Jaycees, through its sponsorship of the roundup, are effectively informing countless thousands of people from all across the United States about the rattlesnake, and have been since this event began 25 years ago. I share the pride of all Texans in this fine organization and its support of the Sunshine Inn with this annual event.●

CONCLUSION OF MORNING BUSINESS

Mr. MATHIAS. Mr. President, what is the pending business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

OMNIBUS COMMITTEE FUNDING RESOLUTION OF 1983

The PRESIDING OFFICER. Under the previous order, the hour of 11:15 a.m. having arrived and passed, the Senate will now proceed to the consideration of Senate Resolution 76, which the clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 76) authorizing expenditures by committees of the Senate.

The Senate proceeded to consider the resolution.

Mr. MATHIAS. Mr. President, this morning we are considering how much the committees of the Senate should spend in 1983 to undertake investigations, to study proposed legislation, to report on legislation which is recommended to the full Senate and for that purpose to pay staffs, buy supplies and do all the other necessary things.

The committee budgets reported by the Rules Committee are lean budgets; they reflect the austere fiscal climate in which all governmental bodies find themselves. In order to inform my colleagues of the Rules Committee's recommendations to the Senate for 1983 committee spending, I will summarize the committee's report:

The Committee on Rules and Administration, in reporting an original measure incorporating the provisions of individual resolutions authorizing expenditures for Senate committees, recommends a total funding level for the standing committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs of $44,937,945 for the period March 1, 1983, through February 29, 1984, except for the Select Committee on Indian Affairs whose authorization extends from March 1, 1983, through January 2, 1984. The committee recommends further that the amounts for each committee be as follows:

Section	Committee	Amounts
3	Agriculture, Nutrition, and Forestry	1,363,825
4	Appropriations	4,080,310
5	Armed Services	1,907,807
6	Banking, Housing, and Urban Affairs	1,704,116
7	Budget	2,945,961
8	Commerce, Science, and Transportation	3,461,746
9	Energy and Natural Resources	2,338,584
10	Environment and Public Works	2,373,286
11	Finance	2,223,306
12	Foreign Relations	2,540,911
13	Governmental Affairs	4,574,249
14	Judiciary	4,451,074
15	Labor and Human Resources	4,346,000
16	Rules and Administration	1,298,033
17	Small Business	934,680
18	Veterans' Affairs	852,029
19	Aging (Special)	1,036,131
20	Intelligence (Select)	1,882,407
21	Indian Affairs (Select)	623,490
Grand total		44,937,945

This action reflects the decision of the Committee on Rules and Administration to recommend to the Senate that there be an increase in aggregate spending of Senate committees for this budget authorization period of no greater than 7.15 percent. This represents a reduction of 3.55 percentage points from the aggregate increase requested by Senate committees of 10.7 percent. These reductions were in keeping with the goals expressed in the Senate majority leader's letter of January 27, 1983, to the chairman of the Rules and Administration Committee in which the leader urged the Rules Committee to hold the line for 1983; in that letter, Senator BAKER noted the great progress made in the past 2 years in containing growth in Senate committee budgets, especially the 10 percent aggregate committee budget cut in 1981 and the 0 percentage increase in aggregate budget authorization for 1982.

Continuing, the majority leader stated:

Therefore it would be my recommendation that Committee budgets should maintain the current level of spending except for the mandated increases for health insurance and medicare, and the 4% October, 1982 pay raise. I would also suggest that we follow the President's proposal for freezing further pay increases which would be scheduled in October of 1983.

The committee took three major steps in achieving these recommended cuts in committee authorization amounts. First, each committee's request, where applicable, was reduced by amounts requested for October 1983, cost-of-living adjustments for staff salaries; by amounts requested for contingency expenses based on the possibility of July 1983, committee field hearings; and by amounts corresponding to corrections in arithmetic computations for agency contributions for life insurance, health insurance, and civil service requirement. In addition, the Committee on Armed Services budget request was reduced by $28,000 for word processing equipment; this equipment, if approved, will be provided to the Armed Services Committee at no direct cost to its budget.

Second, the Rules and Administration Committee held several days of hearings, with each committee's chairman and ranking minority member presenting their respective committee's plans for oversight and legislative review activities for the coming year. After these hearings, and a further review of committee budget submissions, several alternative plans for reducing committee budgets were formulated. The committee's goal was to achieve an aggregate increase in committee budget authorization of 6 to 7 percent.

I would pause at this moment, Mr. President, to pay special tribute and to express my thanks to the ranking minority member, the distinguished Senator from Kentucky (Mr. FORD), because he exhibited great patience during all these proceedings.

I think the committee benefited by his experience. He has been the chief executive of a State, the Governor of Kentucky, and he has had experience in helping to formulate State budgets. That experience is visible, evident, and extremely helpful in this budget process, which is never pleasant, never easy.

I would also pay particular thanks to the staff of the Rules Committee because they had to spend many hours computing different alternative systems of arriving at an accurate budget. They added and subtracted, they multiplied and they divided, and we finally came up with a formulation which we could, in good conscience, recommend to the Senate.

I am grateful to each member of the staff. I express my conviction that we would still be adding and subtracting if it had not been for their expert assistance.

The committee's third step consisted of meeting in markup session on February 28, 1983, and adopting a spending plan that holds committee spending increases to no more than $300,000 over the amounts authorized in 1982. In addition, each committee not affected by this cap has its requested spending increase reduced by 10 percent.

So we are asking of every committee a sacrifice in proportion to its committee budget request.

The committee notes, however, that the President may propose a cost-of-living adjustment for the Federal Government, effective October 1, 1983. If adopted, the committee will recommend to the Senate that this cost-of-living adjustment be granted to all Senate committees.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The Senator from Kentucky.

Mr. FORD. Madam President, I want to take just a few moments to add my thinking to that of the distinguished Senator from Maryland (Mr. MATHIAS). He has made a fine presentation of what the Committee on Rules and Administration did in reaching its decisions on the presentation of the committee budgets to the Senate.

Madam President, as I have said many times before, it is a difficult, unpleasant, and thankless task that we confront in passing judgment on our colleagues. Reviewing and recommending action on committee budget requests is never easy.

Two years ago, we managed, with considerable painful effort, to reduce Senate committee budgets by 10 percent. In 1982, we held the line and recommended an overall budget for committees in the same amount as had been authorized for 1981. This was done despite substantial increases in costs of operation.

Several changes in the law enacted last year imposed mandatory cost in-

creases on committees for 1983, in health insurance, medicare, and cost-of-living salary increases. These are estimated to amount to an increase of 6.3 percent over the committee budget level of $42,186,689 authorized for 1982.

The majority leader has requested that we try to hold the committee budget to that 6.3-percent increase for 1983. Senate Resolution 76 does not quite meet this level, but it comes very close to it; yet it will not, in my opinion, handicap our committees when they face the heavy and important calendar of legislative business that lies ahead of us in 1983.

The committees this year submitted requests which were reasonable and in which the increases asked were quite effectively justified. In fact, the total requests, despite rising costs, still totaled several hundred thousand dollars less than was authorized in 1980. At our direction, the Rules Committee staff deleted over $500,000 from the committee requests by eliminating provisions for the October 1983 cost-of-living salary increase and by making some further necessary calculation corrections. Our final recommendation reduces the aggregate for all committees by only 2 percentage points.

If we approve this resolution, we will have come very close to the target established by the majority leader. We will have approved a budget smaller than that approved in 1980, despite the recognized substantial cost increases the committees have faced.

Madam President, let me repeat that. We will have approved a budget smaller than that approved in 1980.

Mr. MATHIAS. If the Senator will yield, I think that is important, and I would suspect it is the only place in the entire Government that that is likely to be possible.

Mr. FORD. And I say to the Senator, I am glad to be associated with him on this landmark occasion.

We will also in my opinion be enabling the committees to do a responsible job in 1983.

I urge by colleagues to support this resolution without change.

Madam President, on occasion you have an opportunity to know individuals, but you really get to know them when you work with them in the decisionmaking process.

Making decisions probably is one of the hardest things we have to do. But when we give up the right to make decisions, we are giving up something very precious.

I want to pay tribute to my good friend, the distinguished Senator from Maryland. I found that he is a man of patience, a man who has never lost his good humor. On the many times I have dealt with him in all of the seemingly minor details that seem to keep coming and coming, he has never lost his good humor. I think he ought to be complimented for his fairness also.

Madam President, I want to compliment the staff of the Rules Committee on both sides of the aisle. They worked as one, made decisions in helping each other, and came up with recommendations to give the members of the committee an opportunity to make the ultimate recommendations to the Senate under this resolution.

Madam President, I do not think that I should sit down without complimenting the staff members of the various committees which came before us in presenting their committee's requests. I found that those staff members that came with the various committees were well qualified, intelligent, knew what they were talking about, and walked the thin line of protecting their committees while answering the questions that were posed to them by our committee members.

So I compliment the committees on the staffs that they had representing them before us.

Madam President, I hope there will be no amendments to this resolution and that we can proceed with the adoption of what I think is a landmark piece of legislation.

Mr. MATHIAS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MATHIAS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Madam President, I move the adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 76) was agreed to, as follows:

S. RES. 76

Resolved, That this resolution may be cited as the "Omnibus Committee Funding Resolution of 1983".

AGGREGATE AUTHORIZATION

SEC. 2. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate, there is authorized in the aggregate $44,937,945, in accordance with the provisions of this resolution, for all standing committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs.

(b) Each committee referred to in subsection (a) shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 2, 1984, in the case of the Select Committee on Indian Affairs, and not later than February 29, 1984, in the case of any other such committee.

(c) Any expenses of a committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees of the committee who are paid at an annual rate.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

SEC. 3. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,363,825, of which amount (1) not to exceed $2,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON APPROPRIATIONS

SEC. 4. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,080,310, of which amount (1) not to exceed $80,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ARMED SERVICES

SEC. 5. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make ex-

penditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department of agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,907,807, of which amount (1) not to exceed $15,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

SEC. 6. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,704,116, of which amount (1) not to exceed $1,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON THE BUDGET

SEC. 7. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,945,961, of which amount not to exceed $50,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

SEC. 8. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $3,461,746, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, amended), and (2) not to exceed $8,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SEC. 9. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by pargraph 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,338,584.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SEC. 10. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,373,286, of which amount (1) not to exceed $10,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $3,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON FINANCE

SEC. 11. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Commitee on Finance is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,223,306, of which amount not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON FOREIGN RELATIONS

SEC. 12. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,540,911, of which amount not to exceed $18,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON GOVERNMENTAL AFFAIRS

SEC. 13. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,574,249, of which amount (1) not to exceed $189,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4,725 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(c)(1) The committee, or any duly authorized subcommittee thereof, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents;

(iii) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular reference to the operations and management of Federal regulatory policies and programs:

Provided, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of any particular branch of the Government; but may extend to the records and activities of any person, corporation, or other entity.

(2) Nothing contained in this section shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(3) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1983, through February 29, 1984, is authorized, in its, his, or their discretion (A) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents, (B) to hold hearings, (C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate, (D) to administer oaths, and (E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Permanent Subcommittee on Investigations specifically authorized by the chairman, by deposition.

(4) All subpenas and related legal processes of the committee and its subcommittees authorized under S. Res. 57 of the Ninety-seventh Congress, first session, and S. Res. 333 of the Ninety-seventh Congress, second session, are authorized to continue.

(5) In voting whether to close any meeting or hearing of the Permanent Subcommittee on Investigations pursuant to rule XXVI(5)(b) of the Standing Rules of the Senate, written proxies specifically identifying the subject of the hearing may be counted.

COMMITTEE ON THE JUDICIARY

SEC. 14. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,451,074, of which amount (1) not to exceed $66,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,400 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON LABOR AND HUMAN RESOURCES

SEC. 15. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $4,346,000, of which amount not to exceed $90,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON RULES AND ADMINISTRATION

SEC. 16. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate,

the Committee on Rules and Administration is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department of agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,298,033, of which amount not to exceed $5,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON SMALL BUSINESS

SEC. 17. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $934,680.

COMMITTEE ON VETERANS' AFFAIRS

SEC. 18. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $852,029.

SPECIAL COMMITTEE ON AGING

SEC. 19. (a) In carrying out the duties and functions imposed by section 104 of S. Res. 4, Ninety-fifth Congress, agreed to February 4, 1977, and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the special committee under this section shall not exceed $1,036,131, of which amount (1) not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SELECT COMMITTEE ON INTELLIGENCE

SEC. 20. (a) In carrying out its powers, duties, and functions under S. Res. 400, agreed to May 19, 1976, in accordance with its jurisdiction under section 3(a) of such resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of such resolution, the Select Committee on Intelligence is authorized from March 1, 1983, through February 29, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $1,882,407, of which amount (1) not to exceed $20,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SELECT COMMITTEE ON INDIAN AFFAIRS

SEC. 21. (a) In carrying out the duties and functions imposed on it by section 105 of S. Res. 4, Ninety-fifth Congress, agreed to February 4 (legislative day, February 1), 1977, as amended, and in exercising the authority conferred on it by such section, the Select Committee on Indian Affairs is authorized from March 1, 1983, through January 2, 1984, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $623,490, of which amount not to exceed $16,667 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

REPEALER

SEC. 22. Senate Resolution 59 of the Ninety-eighth Congress, agreed to February 16, 1983, is repealed.

Mr. MATHIAS. I move to reconsider the vote by which the resolution was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATHIAS. Madam President, I once again express my appreciation to the distinguished ranking minority member of the Rules Committee, the Senator from Kentucky (Mr. FORD), and members of the staff for their work in connection with this resolution.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PRESSLER). Without objection, it is so ordered.

SEQUENTIAL REFERRAL—S. 434

Mr. BAKER. Mr. President, I have a request here for a sequential referral which appears to be cleared on both sides. May I state that request for the benefit of the minority leader and for the Senate?

Mr. BYRD. Mr. President, it has been cleared on this side.

Mr. BAKER. I thank the minority leader.

Mr. President, I ask unanimous consent that once the Committee on Banking, Housing and Urban Affairs has reported S. 434, a bill to create a new Office of Strategic Trade in the executive branch of the Federal Government, it then be referred to the Committee on Governmental Affairs for a period not to exceed 60 calendar days.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. BAKER. Mr. President, I have a series of seven items which are cleared on my calendar for action by unanimous consent. I inquire of the minority leader if he is prepared to consider all or any part of this list on that basis: Calendar Order Nos. 23, 24, 25, 26, 27, 28, and 31.

Mr. BYRD. Mr. President, this side is ready to proceed.

LAND CLAIM IN LIVINGSTON PARISH, LA.

The bill (S. 420) to quiet title and possession with respect to a certain private land claim in Livingston Parish, La., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of this Act only, the limitation provision of section 1 of the Act of December 22, 1928, as amended (45 Stat. 1069; 43 U.S.C. 1068), popularly known as the Color-of-Title Act, that restricts conveyances under that Act to not more than 160 acres, shall not apply to any claim for a patent that may be filed under the Color-of-Title Act for a parcel of land described as section 39, township 5 south, range 4 east, Saint Helena Meridian, Louisiana.

SEC. 2. Except as otherwise provided in section 2 of this Act, all provisions of the Color-of-Title Act shall apply to any claim

for a patent under the Color-of-Title Act for the parcel of land described in the first section of this Act.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

AMERICAN FALLS RESERVOIR

The bill (S. 459) to authorize and direct the Secretary of the Interior to convey, by quitclaim deed, all right, title, and interest of the United States in and to certain lands that were withdrawn or acquired for the purpose of relocating a portion of the city of American Falls out of the area flooded by the American Falls Reservoir, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 459

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized and directed to convey by quitclaim deed to the city of American Falls, Idaho, without cost, the following real property located within or adjacent to the city limits of said city of American Falls, reserving all right-of-way and oil and gas in land to the United States.

(a) The area identified as the Campbell Stebbins Park, containing approximately 41.5 acres, including the park area located between the Oregon Trail Highway and the Oregon Short Line Railroad, and the area identified as a Public Square, containing approximately 8.8 acres, all as shown on the official plat of the Reclamation Addition to the city of American Falls approved October 18, 1923, and recorded in the county of Power, Idaho, as instrument numbered 32042.

(b) Block 44 of the original townsite of American Falls; containing approximately 3.3 acres.

(c) A tract of land containing 11.7 acres, more or less, described as follows:

Beginning at the northwest corner of the southwest quarter of section 21, township 7 south, range 31 east, Boise meridian;

thence south 45 degrees 16 minutes east, a distance of 1,870.3 feet, more or less, to the southeast corner of said southwest quarter;

thence north 58 degrees 28 minutes west, a distance of 96.3 feet;

thence north 68 degrees 17 minutes west, a distance of 1,339.2 feet, more or less, to a point on the west section line of said section 21, and said point being 548.2 feet north of the southwest corner of said section;

thence north along the west section line a distance of 770.5 feet, more or less, to the northwest corner of the southwest quarter of said section 21, the point of beginning.

(d) A tract of land containing 8.79 acres more or less in the south half of the southwest quarter, section 28, township 7 south, range 31 east, Boise meridian, Idaho, and more particularly described as follows:

Beginning at the southwest corner of said section 28;

thence north 44 degrees and 38 minutes east, 1,868.6 feet to the 16/17 corner of said section;

thence east along the north boundary of the southeast quarter southwest quarter of said section 28, 367.2 feet to a point;

thence south 324.9 feet to a point;

thence north 89 degrees and 59 minutes west, 92.8 feet to a point;

thence south 49 degrees and 23 minutes west, 361.9 feet to a point;

thence south 78 degrees and 34 minutes west, 708 feet to a point;

thence south 26 degrees and 55 minutes west, 333.7 feet to a point;

thence south 61 degrees and 51 minutes west, 271.6 feet to a point;

thence south 43 degrees and 29 minutes west, 280.3 feet to a point on the south boundary of said section 28;

thence south 89 degrees and 59 minutes west along the south boundary of said section 28, 34.9 feet to the place of beginning.

(e) A tract of land containing 8.0 acres, more or less, located in the west half of the southwest quarter, section 28, township 7 south, range 31 east, Boise meridian, Idaho, and more particularly described as follows:

Beginning at the southwest corneer of section 28;

thence north 44 degrees 38 minutes east, a distance of 1,886.6 feet to the northeast corner of the southwest quarter southwest quarter, of section 28;

thence north a distance of 1,320 feet to the northeast corner of the northwest quarter southwest quarter of section 28;

thence west, a distance of 30 feet to a point on the east edge of Hillcrest Avenue;

thence southwesterly along a curve on the side of Hillcrest Avenue a distance of 2,955 feet to a point on line between sections 28 and 29;

thence south 65.0 feet to the southwest corner of section 28, the place of beginning.

Such property shall be conveyed subject to the reservation of rights-of-way for ditches, canals, and pipelines constructed by the authority of the United States and to other existing rights-of-way of record. The conveyance of such property shall contain a reservation to the United States of all oil and gas in the land, together with the right to prospect for, mine, and remove the same under such regulation as the Secretary of the Interior may prescribe.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

ADDITION TO EFFIGY MOUNDS NATIONAL MONUMENT

The bill (S. 473) to authorize the Secretary of the Interior to acquire certain lands by exchange for addition to Effigy Mounds National Monument in the State of Iowa, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 473

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Interior is authorized to accept a conveyance of approximately four acres of land adjacent to the Effigy Mounds National Monument in the State of Iowa, and in exchange therefor to convey the grantor, without monetary consideration, approximately three acres of land within the monument, all as described in subsection (b) of this section. Effective upon consummation of the exchange, the land accepted by the Secretary shall become part of Effigy Mounds National Monument, subject to the laws and regulations applicable thereto, and the land conveyed by the Secretary shall cease to be part of the monument and the boundary of the monument is revised accordingly.

(b) The land referred to in subsection (a) which may be accepted by the Secretary is more particularly described as that portion of the southeast quarter of the southeast quarter of section 28 lying south and east of County Road Numbered 561, and the land referred to in subsection (a) which may be conveyed by the Secretary is more particularly described as that portion of the northeast quarter of the northeast quarter of section 33 lying north and west of County Road Numbered 561, all in township 96 north, range 3 west, fourth principal meridian, Allamakee County, Iowa.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

CONVEYANCE OF CERTAIN FEDERAL LANDS

The bill (S. 577) to provide for the conveyance of certain Federal lands adjacent to Orchard and Lake Shore Drives, Lake Lowell, Boise project, Idaho, was considered.

● Mr. McCLURE. Mr. President, the Committee on Energy and Natural Resources does not intend that this measure (S. 577) authorize any additional budget authority for fiscal year 1983 than that already available to the Department of the Interior. The committee intends that any fiscal year 1982 costs incurred from the bill will be absorbed from existing funds.●

The bill (S. 577) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 577

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Secretary of the Interior (hereinafter referred to as the "Secretary") is hereby authorized to convey all right, title, and interest, except as reserved herein, to certain small tracts of Federal lands located adjacent to Orchard and Lake Shore Drives, Lake Lowell, Boise project, Idaho, to the adjacent landowners.

SEC. 2. Such conveyances shall be made by the Secretary only to the adjacent landowners, and shall be made within one year from the date of his receipt of a proper application from such landowners. Applicants for such conveyances must pay the fair market value of the lands as of the date of the conveyance, including administrative costs, but excluding the costs to the Government of conducting the necessary land surveys and preparing the legal descriptions of the land to be conveyed. In determining the fair market value of the lands, the Secretary shall not include the value of any improvements made to the lands by the adjacent landowners or their predecessors.

SEC. 3. All conveyances made pursuant to this Act shall reserve to the United States all mineral deposits in the lands and shall assure that the right to mine and remove such minerals is subservient to the surface rights granted in the conveyances.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

SAINT CROIX ISLAND INTERNATIONAL HISTORIC SITE

The joint resolution (S.J. Res. 25) redesignating the Saint Croix Island National Monument in the State of Maine as the "Saint Croix Island International Historic Site," was considered.

● Mr. MITCHELL. Mr. President, I support Senate Joint Resolution 25, a resolution redesignating St. Croix Island National Monument in the State of Maine as an international historic site.

St. Croix Island National Monument is a small portion of the National Park System that lies within the boundaries of Calais, Maine. It is of important historical significance as one of the first colonies settled in North America. In June 1604, a French expedition led by Sieur de Monts and the geographer Samuel de Champlain established a settlement which lasted for 1 year. Champlain later went on to found Quebec and explore other parts of Canada. He is still regarded as the father of Quebec and a founder of Canada.

St. Croix Island was placed on the American side of the United States-Canadian border upon completion of boundary negotiations between the two countries at the end of the Revolutionary War.

This island is of historic importance to the State of Maine and to our Canadian neighbors. By designating it as an international historic site, we will build on the cooperative effort currently underway between Maine and the Canadian Province of New Brunswick, and preserve that which is of historical, cultural and recreational significance.

Enactment of Senate Joint Resolution 25 will neither affect the status of St. Croix Island as a unit of the National Park System nor disrupt management by the National Park Service. Rather, it will serve to recognize its importance to Americans and Canadians alike.

Senator COHEN and I introduced a similar measure last year which passed the Senate in amended form, but failed to gain support in the House. I am therefore very gratified to see that the Senate Committee on Energy and Natural Resources has acted promptly on the resolution and commend my colleagues on that committee for their support and speedy action.

Mr. President, I urge adoption of the resolution.●

The joint resolution (S.J. Res. 25) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 25

Whereas in the summer of 1604, a small French expedition led by Sieur de Monts established the first European settlement in the northern half of North America on what is now Saint Croix Island, on the Saint Croix River, in the State of Maine;

Whereas pursuant to the Act entitled "An Act to authorize the establishment of the Saint Croix Island National Monument in the State of Maine" (approved June 8, 1949), portions of Saint Croix Island of national historical importance were established as the Saint Croix Island National Monument, a unit of the National Park System;

Whereas the historic settlement on Saint Croix Island marked the beginning of European colonization of Canada, from which the French embarked to establish the settlement which became Quebec; and

Whereas Saint Croix Island is important to the history of the people of Canada as well as that of the people of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress asembled, That (a) in recognition of its historic significance to the United States and Canada, the Saint Croix Island National Monument in the State of Maine is hereby redesignated as the "Saint Croix Island International Historic Site".

(b) Any reference in a law, map, regulation, document, record, or other paper of the United States to such monument shall be deemed to be a reference to the "Saint Croix Island International Historic Site".

(c) Nothing in this joint resolution shall affect the status of the "Saint Croix Island International Historic Site" as a national monument and a unit of the National Park System.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

WOMEN'S HISTORY WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 37) providing that the week containing March 8, 1983, 1984, and 1985, shall be designated as "Women's History Week" which had been reported from the Committee on the Judiciary with an amendment on page 2, line 3, strike "1984 and 1985",'

So as to make the joint resolution read:

Whereas American women of every race, class, and ethnic background helped found the Nation in countless recorded and unrecorded ways as servants, slaves, nurses, nuns, homemakers, industrial workers, teachers, reformers, soldiers, pioneers; and in professions and occupations representative of all walks of life;

Whereas American women have played and continue to play a critical economic, cultural, and social role in every sphere of our Nation's life by constituting a significant portion of the labor force working in and outside of the home;

Whereas American women have played a unique role throughout our history by providing the majority of the Nation's volunteer labor force and have been particularly important in the establishment of early charitable philanthropic and cultural institutions in the country;

Whereas American women of every race, class, and ethnic background served as early leaders in the forefront of every major progressive social change movement, not only to secure their own right of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor union movement, and the modern civil rights movement; and

Whereas despite these contributions, the role of American women in history has been consistently overlooked and undervalued in the body of American history: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week containing March 8, 1983, 1984, and 1985, is designated as "Women's History Week", and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The amendment was agreed to.

Mr. MATHIAS. Mr. President, the achievements and contributions of women in our national heritage have too long gone unrecognized and undervalued. Discrimination and stereotyping have obscured the many significant contributions and the great potential of the women of our Nation. There is a need to balance the record of history, and to restructure our vision for the future.

It is for this reason that I am pleased to cosponsor, once again, the resolution designating the week containing March 8 as "Women's History Week." This week is to be set aside to celebrate the wealth of women's accomplishments with special school and citizen events. This celebration has been met with much enthusiasm in my own State of Maryland. The first Maryland Women's History Week in 1981 was inspired by similar celebrations which had been held in 14 States since 1978. The primary focus was on developing activities in schools, libraries, and in community organizations to supplement activities and materials that have traditionally covered little of the history of women. The community activities were varied and creative, ranging from a luncheon attended by several hundred people honoring outstanding women to lectures, scholarships, and radio spots.

This is the third year that Maryland has officially commemorated Maryland Women's History Week. The theme, "Celebrating the Maryland Mosaic; Maryland Women of Diverse Cultures," focuses on the diversity of cultural and ethnic backgrounds of the women of Maryland. A major ob-

jective of this year's celebration is to nurture an appreciation of the contributions and strengths of minority women, both famous and unsung, throughout Maryland's history.

Perhaps, someday, history texts and other sources of information will be records of the contributions of all Americans, women and men. At this time, however, women and their accomplishments are largely invisible in our history. In proclaiming Women's History Week, we pledge ourselves to rediscover and credit the accomplishments of the countless women who have contributed and continue to contribute to the strength of our country's economic, political, scientific, and cultural achievements. Mr. President, it is my pleasure to cosponsor Senate Joint Resolution 37.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The title was amended so as to read: "Joint resolution providing that the week containing March 8, 1983, shall be designated as 'Women's History Week'."

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

AMERICAN BUSINESS WOMEN'S DAY

The joint resolution (Senate Joint Resolution 18), designating September 22, 1983, as "American Business Women's Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 18

Whereas there are forty-three million working women integrally involved in determining the direction of both the private and public sectors of our Nation;

Whereas American businesswomen hold active, responsible, decisionmaking roles at all levels of business, and thus influence the direction of our Nation; and

Whereas the Congress recognizes the important contributions of American businesswomen to our Nation's continuing vitality: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 22, 1983, is designated "American Business Women's Day." The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

ORDER TO EXTEND THE TIME FOR TRANSACTION OF ROUTINE MORNING BUSINESS UNTIL 3 P.M.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the transaction of routine morning business be extended to not later than the hour of 3 p.m. today and that the limitation for time for Senators to speak as it applies to the distinguished minority leader be lifted so that he may speak without limitation as to time. It is my understanding that the distinguished minority leader may deliver an address in the continuing series of addresses which he has given to the Senate on the history of the Senate which represents a major compilation of the history of this institution.

If it is agreeable to the minority leader, I ask unanimous consent, as well, that at the conclusion of the presentation on the history of the Senate by the distinguished minority leader, the Chair place the Senate in recess over until tomorrow under the order previously entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Senator.

Mr. President, I thank all Senators for their cooperation.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, as in the past, I will be glad to relinquish the floor at any time to a Senator who seeks the floor. In doing so, I ask unanimous consent, if such does occur, that my statement not show an interruption in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(During Mr. BYRD's subsequent remarks the following occurred:)

Mr. BYRD. Mr. President, I yield to the majority leader.

Mr. BAKER. I thank the majority leader.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, there are a number of routine matters that may be dealt with by unanimous consent. I have a list of them here and I will inquire of the minority leader if he is prepared to proceed to their consideration. First, Mr. President, a request in respect to H.R. 1572. Is the minority leader prepared now to proceed to its consideration?

Mr. BYRD. I am so prepared.

Mr. BAKER. I thank the Senator.

REPEALING SECTION 311 OF THE FEDERAL PUBLIC TRANSPORTATION ACT OF 1982

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 1572, a bill to repeal section 311 of the Federal Public Transportation Act of 1983.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1572) to repeal section 311 of the Federal Public Transportation Act of 1982.

The Senate proceeded to consider the bill which was deemed to have been read twice by title.

Mr. MATTINGLY. Mr. President, the legislation which we are considering today, H.R. 1572, would repeal section 311 of the Surface Transportation Act. This provision of the law only affects the Metropolitan Atlanta Rapid Transit Authority (MARTA) and is no longer needed in Federal law.

Section 311 was included in the Surface Transportation Act in order to give State and local officials the ability to make some decisions about the direction of the rapid transit line. In an effort that could be used as a model of cooperation and diplomacy, metropolitan city and county officials and members of the Georgia General Assembly joined together to reach a compromise. It is refreshing to see parochial interests set aside for the good of the community as a whole.

By repealing section 311, we in Congress can allow the Georgia General Assembly to implement the compromise. In a fair manner, construction of the transit line can take place toward the northern portions of Dekalb County as well as toward the airport.

The Georgia leaders who worked so diligently to serve the communities in the greater Atlanta metropolitan area should be congratulated and commended for their efforts.

The bill (H.R. 1572) was passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOINT REFERRAL OF THE NATIONAL SEA GRANT COLLEGE PROGRAM

Mr. BAKER. Mr. President, I have a request dealing with a joint referral of legislation dealing with the sea grant college program. I will state the re-

quest for the benefit of the minority leader and other Senators.

I ask unanimous consent that when the Senator from Rhode Island (Mr. PELL) introduces legislation to authorize additional appropriations for the national sea grant college program, it be referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Labor and Human Resources.

The PRESIDING OFFICER. Without objection, it is so ordered.

WITHHOLDING FROM SALARIES OF SENATE PAGES AMOUNTS EQUAL TO THE CHARGES IMPOSED ON PAGES RESIDING IN THE PAGE RESIDENCE HALL

Mr. BAKER. Mr. President, I have a resolution dealing with withholding of salaries from Senate pages for deposit in the House revolving fund for pages. If the minority leader is prepared to do so, I would like to do that.

Mr. BYRD. I am ready to proceed.

Mr. BAKER. I thank the Senator.

I send to the desk a resolution for myself and Mr. BYRD and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 78) to authorize the Secretary of the Senate to withhold from the salaries of Senate pages, and deposit in the House revolving fund for pages, amounts equal to the charges imposed on pages residing in the page residence hall.

The Senate proceeded to consider the resolution.

The resolution (S. Res. 78) was agreed to as follows:

S. RES. 78

Resolved, That the Secretary of the Senate is authorized to withhold from the salary of each Senate page who resides in the page residence hall an amount equal to the charge imposed for lodging, meals, and related services, furnished to such page in such hall. The amounts so withheld shall be transferred by the Secretary of the Senate to the Clerk of the House of Representatives for deposit by such Clerk in the revolving fund, within the contingent fund of the House of Representatives, for the page residence hall and page meal plan, as established by H. Res. 64, 98th Congress.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, there are five items on the Executive Calendar of today, together with nominations placed on the Secretary's desk in the Foreign Service, that we are prepared to consider by unanimous consent.

All of them appear following the heading of "New Reports." They are two in the Judiciary, one in the Department of Justice, two in the Federal Home Loan Bank Board and, of course, the other nominations just placed on the Secretary's desk in the Foreign Service.

Is the minority leader prepared to agree that we might consider those nominations by unanimous consent at this point?

Mr. BYRD. Mr. President, I regret that the minority is not ready to proceed with the nominations enumerated by the distinguished majority leader, with the exception of the nominations under "New Reports" of the Judiciary and the Department of Justice.

Mr. BAKER. Very well.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering two nominations on today's Executive Calendar under the Judiciary, being Calendar Orders Nos. 32 and 33, and one under the Department of Justice, being Calendar Order No. 34.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The assistant legislative clerk proceeded to read several nominations.

The PRESIDING OFFICER. The nominations previously enumerated are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc follow:

THE JUDICIARY

Gregory Wright Carman, of New York, to be a Judge of the U.S. Court of International Trade.

Shirley Wohl Kram, of New York, to be United States District Judge for the Southern District of New York.

DEPARTMENT OF JUSTICE

James W. Diehm, of the Virgin Islands, to be United States Attorney for the District of the Virgin Islands for the term of four years.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Mr. President, on tomorrow, under the order previously entered, there will be a vote on the amendment to the convention dealing with international expositions. At the conclusion of the business of the Senate on tomorrow, the Senate will stand in adjournment until Monday next.

On Monday, the Senate will turn to the consideration of the Montreal protocols, so called. There is a time limitation for debate on those measures. The vote on the Montreal Protocols, however, will occur on Tuesday, according to the order previously entered. There may be other Executive Calendar business to transact on Monday. It is anticipated, however, that if that is the case, a vote on any such item, if a rollcall vote is ordered, also would occur on Tuesday. There is no order to that effect, but that is the expectation of the leadership.

Mr. President, there is already an order entered that, at the conclusion of the remarks of the distinguished minority leader on the history of the Senate, the Senate will stand in recess until tomorrow.

UNANIMOUS CONSENT AGREEMENT—NOMINATION OF LEWIS ARTHUR TAMBS

Mr. President, as in executive session, I would like to propound an additional unanimous-consent request for the consideration of the minority leader. There is one other item of executive business, that is the nomination of Lewis Arthur Tambs, of Arizona, to be Ambassador Extraordinary of the United States to Colombia.

Mr. President, I ask unanimous consent that on that nomination there be a time limitation of 1 hour, equally divided, to be controlled by the distinguished chairman of the Foreign Relations Committee and the distinguished ranking minority member of the Foreign Relations Committee; that that debate occur on Monday next, to follow immediately after the conclusion of the debate on the Montreal protocols, as previously ordered.

I further ask unanimous consent that a rollcall vote on that nomination, if such is ordered, occur on Tuesday, to follow on after the vote previously ordered on the Montreal Proto-

cols without intervention, debate, motion, or point of order.

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the minority leader for this additional agreement. He has been most helpful, as have Members on his side of the aisle, in expediting the transaction of business that the Senate must attend to. We have kept a pretty clean calendar so far, both the Executive Calendar and the Legislative Calendar. I urge all Senators to take a look at them now because my hunch is they will not stay that way very long.

Mr. President, I thank the Senator for yielding to me so we could transact this business.

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BAKER. Yes; I yield.

Mr. DOLE. Mr. President, I am not sure, maybe it has already been called to the Senate's attention, but we did report out the nominations of Margaret Heckler to be HHS Secretary and Jack Svahn to be Under Secretary today in our Finance Committee. Is there any chance to act on those this week, or are we in session on Friday?

Mr. BAKER. Mr. President, to answer the Senator from Kansas, we will not be in session on Friday. We will be in session tomorrow, Thursday.

Let me inquire of the minority leader and also check our own clearance process. I would personally like to do that as soon as possible.

ORDER FOR RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BAKER. Mr. President, if the minority leader will yield to me further, it has been called to my attenton that we have a scheduling glitch; that tomorrow we are scheduled to convene at 9:30, I believe, and we also have an order to go to the treaty at 12 noon. There are five special orders, plus, of course, the standing order for the recognition of the two leaders. But it seems to me that that leaves too much time, perhaps, for the transaction of routine morning business.

If the minority leader has no objection, I ask unanimous consent that the time for the convening of the Senate be advanced tomorrow from 9:30 a.m. until 10:30 a.m. and that the balance of the arrangements for the legislative schedule tomorrow remain intact.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair and I thank the minority leader.

Mr. BYRD. I thank the majority leader.

(Conclusion of the later proceedings.)

THE UNITED STATES SENATE

THE SENATE DURING THE CIVIL WAR, 1859-1865 (Part I)

Mr. BYRD. Mr. President, although it seems like only yesterday, twenty years have passed since this nation commemorated the 100th anniversary of the tragic and costly American Civil War. During that centennial we witnessed stirring reenactments of major battles, viewed moving television documentaries, and read an increasingly large number of books on the war, a topic that has fascinated generations of Americans. The story of that bloody conflict traditionally has been told from the perspective of that giant among American presidents, Abraham Lincoln. From his clandestine entrance into the nation's capital on that grim February day in 1861 through his frustrations with his indecisive generals to the Emancipation Proclamation and the Gettysburg Address we have followed his tortuous path. That path leads us to Lee's dramatic surrender to Grant at Appomattox Court House and finally to the monumental tragedy that unfolded in the box above the stage at Ford's Theater on the night of Good Friday, April 14, 1865. At the end of Lincoln's four year, soul-wrenching quest, the blast of an assassin's bullet denied him the peace and satisfaction he so richly deserved.

Yet, Mr. President, there is another perspective from which to view the war that divided our nation and took the lives of more than 600,000 of our forebears. While Lincoln agonized over matters of pressing military strategy, Congress was hard at work shaping and passing legislation that would set the nation's course for the remainder of the 19th century and beyond. In 1863, freshman Senator John Sherman of Ohio wrote to his brother, Union General William Tecumseh Sherman, "the Senate has become a laborious committee, where bills are drawn as well as discussed." [1] Though Senator Sherman grumbled over the Senate's new role, in fact during the crucial early years of the Civil War, the Senate had decisively assumed the initiative in devising major legislative proposals, rather than simply acting in response to a presidential program.

In my last address I concluded with the session of January 4, 1859, during which the Senate moved as a body out of the old chamber down the hall which it had outgrown and, in a double file procession, into this very room. Much earlier in my series of statements, I described in detail the appearance of the new chamber with its sixty-four desks arranged in three rows in a room that seemed to its first occupants to be excessively large, poorly ventilated, and acoustically difficult.

As senators settled into their new chamber, profound political changes were underway. The recently concluded elections of 1858 had greatly benefited the newly emerging Republican party. It had achieved victories in every northern state except Illinois and Indiana. Although Abraham Lincoln failed in his bid to capture Stephen Douglas' Senate seat, most Republican candidates fared much better. Republicans won governships, gained majorities in state legislatures, took control of the U.S. House of Representatives, and increased their numbers in the Senate. That party's gains occurred as a result of a severe economic depression, adverse public feeling over the Dred Scott decision, which had the effect of opening the territories to slavery, and frustration at the weakness of the Democratic administration of President James Buchanan.[2]

During the remaining two months of the 35th Congress, early in 1859, the Senate accomplished little. The growing impasse between North and South ensured the northern senators' hostility to administration proposals for purchasing Cuba from Spain and establishing a protectorate over northern Mexico. Southern senators, for their part, blocked bills for an increased tariff, a transcontinental railroad, and river and harbor improvements. Southerners and land speculators killed a Homestead bill that would have allowed the head of every family to purchase 160 acres of western land for $1.25 per acre, fearing that it would have filled the West with anti-slavery settlers. Both Houses did pass Vermont Representative Justin Morrill's bill to establish land grant colleges in each state in order to spread educational opportunity more broadly across the citizenry. Unfortunately, President Buchanan believed that federal support of education was unconstitutional and vetoed the measure.[3]

When the Senate of the 36th Congress convened on December 5, 1859, sectional tensions had escalated far beyond the ability of legislative leaders to control them. "We are," wrote southern partisan Virginia Clay, wife of Alabama Senator Clement Claiborne Clay, "dancing over a powder keg." Three days earlier, in Charles Town, Virginia, the infamous John Brown, whose raid had helped ignite the slow burning fuse of that powder keg, was taken from his jail cell into the bright December morning sunshine. Awaiting him were six companies of Virginia infantry and a troop of horse cavalry. Brown was quickly escorted to an open wagon containing a heavy oak coffin. Seated next to his jailor, Brown rode slowly away to the forty acre field that had been chosen

Footnotes at end of article.

as the site for his execution. There, he discovered additional troops massed in a hollow square with a cannon directed at the scaffold to discourage those who might attempt to rescue him. Mounting the scaffold, Brown bade farewell to his captors and stood impassively erect as a hood of white linen was placed over his head, and a rough noose was pulled about his neck. The condemned man then moved onto the trap door and signaled his readiness. For eight long agonizing minutes, John Brown waited in silence as late arriving troops moved into their preassigned positions. Finally, the sheriff slashed the rope that held the trap. Hinges creaked and boards fell. John Brown swiftly went to his martyrdom.[4]

John Brown's abortive attempt to seize the federal arsenal at Harper's Ferry in October 1859 swept the South into a state of panic. Brown's action confirmed white southerners' deepest fears of an imminent plot by the North to invade their lands, with weapons taken from government arsenals, inciting the region's three million slaves to bloody revolt. His deed provided justification for the longstanding warnings of radical leaders. When more moderate leaders called for the North to disavow Brown, they received instead, from the pens of Emerson, Thoreau, Whittier and others, a literary response elevating the tragic old man to heroic status.

I would advise my colleagues and members of the staffs when the opportunity presents itself to visit Harper's Ferry and see some of the historical buildings there which have been rehabilitated, the exhibits that are there, and also to visit Charles Town, which is located in what is now West Virginia. The old court house still stands, and it is not far away from Harper's Ferry. It will provide an interesting, informative, and inspirational afternoon or entire day for anyone who proceeds to visit Harper's Ferry and Charles Town and relives the rich history of that period.

In December 1859, the first order of business for the new 36th Senate was a resolution establishing a committee to investigate possible conspiracy in connection with Brown's raid. On the following day, the Senate approved the resolution and got down to work for what proved to be a frustrating and unproductive session. Tensions among northern and southern senators escalated rapidly. The growing legislative stalemate that Congress faced as 1860 dawned was most dramatically revealed on the other side of the Capitol in the House of Representatives.

There, the sectional crisis took its focus in a bitter battle to elect a Speaker. John Sherman of Ohio, a moderate on the slavery issue, was the favored candidate. However, he had unwisely endorsed a book he never read. That volume, Hinton Rowan Helper's *The Impending Crisis*, caused an explosion of outrage in the South similar to that of John Brown's raid. Helper concluded in his 1857 tract that "slavery lies at the root of all the shame, poverty, ignorance, tyranny and imbecility of the South," impoverishing all but "the lords of the lash who are not only absolute masters of the blacks (but) of all non slaveholding whites, whose freedom is merely nominal, and whose unparalleled illiteracy and degradation is purposely and fiendlishly perpetuated." Sherman's support of the book cost him essential votes of border state members and the speakership contest dragged on for eight weeks. Members hurled insults at one another and the House chamber took on the appearance of an armed camp. One witness noted that "the only persons who do not have a revolver and a knife are those who have two revolvers." Finally, on the forty-fourth ballot, Sherman withdrew and an unknown New Jersey freshman, William Pennington, became Speaker.[5]

During the first half of 1860, senators focused their attention on the presidential nominating conventions. Democrats assembled in April at Charleston, South Carolina. When supporters of front running candidate Stephen Douglas succeeded in passing a platform plank opposing federal protection of slavery in the territories, delegates of eight southern states walked out—not something unheard of, even in our own recent times.

This led to a stalemate and then an agreement to reconvene the convention at Baltimore in June. Before the Democrats could meet again, Republican delegates assembled in Chicago. Going into that convention, Senator William Seward was the leading contender, but his drive faltered when it became clear that his strong anti-slavery record would alienate important border states. As we know, the nomination went to the former one-term House member from Illinois, Abraham Lincoln.[6]

On the heels of the Lincoln nomination, the Democrats met in Baltimore and promptly divided. The two wings of the party then nominated their own candidates, with Douglas receiving the nod from the northern faction and Vice President John Breckinridge of Kentucky that of the southerners. On November 6, 1860, Lincoln received a million fewer votes than the combined total of his divided opposition, but he captured a commanding majority of electoral votes. As the last session of the 36th Congress convened on December 3, 1860, senators looked to President Buchanan for a ray of hope in the darkening sky of secession threats. Buchanan, for his part, responded in a characteristically weak and vacillating manner. In his message to Congress, the president tried to placate all factions. Consequently, he satisfied none when he proclaimed that, while no state had the right to secede, neither did the federal government have the right to prevent such action. The president blamed Republicans and abolitionists for bringing on the crisis. Unless they stopped criticizing slavery and began to support the fugitive slave law, "disunion will become inevitable," and the South would "be justified in revolutionary resistance to the Government." The chief executive, clearly counting the days remaining in his disastrous term, recommended a constitutional amendment to protect slavery in the territories and the purchase of Cuba to give the South a new slave state.[7]

Both the House and Senate set up committees to examine a host of similar compromise proposals. In the Senate, the venerable Kentuckian, John Crittenden, who first came to this body in 1817, chaired a "Committee of Thirteen." Most of the compromise proposals called for abandonment of federal efforts to prohibit slavery in the territories. This prohibition was the basic principle behind the Republican party's formation and compromises based on its abandonment were certainly doomed to failure. On December 28, 1860, the Crittenden Committee voted, against the position of its chairman, to reject a package of constitutional amendments. The "Crittenden Compromise" included a plan to extend the Missouri Compromise line to California, permitting slavery south of that line and forbidding it to the north. Congress would be forbidden to abolish slavery in the District of Columbia and to interfere with the slave trade. The proposed amendments were intended to be irreversible for all time. When the package made its way to the Senate floor on January 16, 1861, it suffered a second and final defeat by a two-vote margin.[8]

A week before that crucial vote, Mississippi's senior senator, the elegant and aristocratic Jefferson Davis, rose to address the Senate. Mississippi had voted to leave the Union on the previous day; South Carolina had departed several weeks earlier; and Florida, Alabama, and Georgia were poised to take similar action. With his wife of sixteen years looking on from a packed gallery, the leader of the Democratic party's southern faction urged his Senate colleagues to allow the southern states to go in peace. He said:

> We seek not to disturb your prosperity. If we must part, I say we can put our relations upon that basis which will give you the advantage of a favored trade and still make the intercourse mutually beneficial to each other. If you will not, then it is an issue from which we will not shrink; for, between oppression and freedom, between the maintenance of right and submission to power,

we will invoke the Godbattles, and meet our fate, whatever it may be.

I have striven to avert that catastrophe which now impends over the country, unsuccessfully; and I regret it. If you desire at this last moment to avert civil war, so be it; it is better so. If you will but allow us to separate from you peaceably, since we cannot live peaceably together, then there are relations which may still subsist between us.

If you will not have it thus; if in the pride of power, if in contempt of reason and reliance upon force, you say we shall not go, but shall remain as subjects to you, then, gentlemen of the North, a war is to be inaugurated the like of which men have not seen.

Indeed, he was very prophetic in making that statement.

Is there wisdom, is there patriotism in the land? If so, easy must be the solution of this question. If not, then Mississippi's gallant sons will stand like a wall of fire around their State * * *.[9]

Two days later, New York Republican William Henry Seward rose to respond to Davis' appeal. Earlier he had proclaimed that the crisis would be over in sixty days. As Lincoln's Secretary of State-designate, Seward was marked to be a leader in the new administration—a prime minister almost. Far more experienced in the art of government than Lincoln, Seward exuded confidence as he addressed the Senate. Speaking in a raspy voice, irritated by excessive cigar smoking, Seward hoped to carry the day for moderation. Massachusetts Republican, Charles Sumner had tried to talk Seward out of giving the carefully prepared address. Sumner was furious with Seward's willingness to abandon his earlier strong anti-slavery position. Seward instead had devised a conciliatory offer to the South that included a constitutional guarantee that Congress would never interfere with slavery in any state and that the Arizona-New Mexico territory would be admitted as a slave state. Sumner argued that Seward's speech would undermine unionist support in the crucial border states. When Seward concluded his remarks to the Senate, it became clear that Sumner's fears were justified. His vague preachments antagonized radicals and disunionists alike. They even fueled a concessionist spirit in Sumner's own Massachusetts where merchants hoped that compromise would bring a resumption of vital cotton shipments from the South.[10]

Seward's address and the onrushing news of further defections among southern states set the stage for one of the most dramatic and memorable scenes ever to take place in this chamber. On January 21, 1861, five senators from Florida, Alabama, and Mississippi entered this chamber to bid their colleagues a sad farewell. Spectators began to press for admission to the galleries at 7:00 a.m. By 9 o'clock the galleries were packed, and so were the cloakrooms and the Senators' Lobby to the north of the chamber. The reporters gallery in front of me was given over to members of the diplomatic corps and their families.[11]

Mrs. Jefferson Davis observed that there was a sense of "blood in the air" as the Senate chaplain took his place at high noon. Following a brief period of routine morning business, a motion was made to take up a bill for the admission of Kansas as a free state. At that point Florida's David Yulee sought recognition to ask that his announcement of withdrawal might be heard. Ben Wade of Ohio, a leader among radical Republicans who reportedly kept a sawed off shotgun in his Senate desk, pretended not to know why the Florida senator sought the floor. The Kansas matter was deferred and the long awaited valedictories began. Jefferson Davis reserved the final position among his departing colleagues for himself.[12] Reiterating his plea for a peaceful separation, the senator, weakened by a recent illness, called out to his colleagues.

I am sure I feel no hostility toward you, Senators from the North. I am sure there is not one of you, whatever sharp discussion there may have been between us, to whom I cannot now say, in the presence of my God, I wish you well; and such, I am sure, is the feeling of the people whom I represent toward those whom you represent.

I, therefore, feel that I but express their desire when I say I hope and they hope for peaceable relations with you, though we must part. They may be mutually beneficial to us in the future, as they have been in the past, if you so will it.

The reverse may bring disaster on every portion of the country, and if you will have it thus, we will invoke the God of our fathers, who delivered them from the power of the lion, to protect us from the ravages of the bear; and, thus putting our trust in God and in our firm hearts and strong arms, we will vindicate the right as best we may * * *.

Mr. President and Senators, having made the announcement which the occasion seemed to me to require, it only remains for me to bid you a final adieu.[13]

When he finished, those in the chamber remained silent, but for the sound of general weeping. Then, as Davis started his final journey up the center aisle with his four compatriots falling in closely behind, Vice President Breckinridge rose to his feet. Fifty-eight senators followed the presiding officer's lead. And so did the massed spectators. Slowly, the five senators removed themselves from the mournful chamber, not one casting a backward glance. Then doors swung shut and the Senate moved quietly to take up the pending business. Later that fateful evening, Mrs. Davis overheard her husband's prayer. The former senator prayed, "May God have us in His holy keeping, and grant that before it is too late, peaceful counsels may prevail." [14]

Following Davis' departure, the Senate approved the bill to admit Kansas as a free state sending it on to President Buchanan who earlier had proclaimed that Kansas should be as much a slave state as South Carolina. Buchanan reluctantly signed the measure.

During the remaining few weeks before the March 3 adjournment date, other southern senators withdrew as their states, eleven in all, approved ordinances of secession. In Springfield, Illinois Abraham Lincoln prepared for his long journey to assume the reins of a divided government in a capital city increasingly awash with rumors of conspiracy and sedition. On February 8, the seceding states sent delegates to Montgomery, Alabama to set up a provisional government and the following day elected former Senator Davis as their president.

Major events tumbled one after another. On February 11, Lincoln left Springfield and two days later counting of the electoral votes took place in the House chamber. On that occasion, soldiers barricaded entrances to the Capitol Building, turning away all but the favored few who held tickets of admission. Plainclothes policemen mingled attentively with those who walked the corridors. At noon, senators in solemn procession entered the House chamber. Led by Vice President John Breckinridge, members took their assigned places. Without incident, the tellers registered the vote. Then the vice president, himself one of the losing presidential candidates, announced that Abraham Lincoln had been elected the nation's sixteenth president.[15]

As Lincoln's train approached the capital, threats of violence increased. Private detective Allan Pinkerton had reliable information that the president-elect faced assassination when his train reached Baltimore, which was a hotbed of secessionist spirit. Accordingly, the president donned a disguise and slipped into Washington, unannounced, on an earlier train. For the remainder of his life, Lincoln deeply regretted that subterfuge.[16]

Inauguration day, March 4, 1861, dawned raw and windy in the capital. A spirit of depression gripped the city. The procession of presidents swept swiftly past boarded windows and up to Capitol Hill. At the Senate entrance, two batteries of light artillery were positioned. Through the north door, the presidential party moved to the Senate chamber, where Vice President Hannibal Hamlin and newly elected senators took their oaths. A few minutes later, the new president's high-pitched voice rang out across the east plaza as he proclaimed, "we are not enemies, but friends . . . Though passion may have strained, it must not break our bonds of affection."[17]

President Jefferson Davis called the Confederate Congress into session immediately. President Lincoln decided to wait. Although the next regular ses-

sion was not due to begin until December 1861, the times demanded congressional consultation and action. Since the beginning of 1861, federal troops at Fort Sumter in the harbor of Charleston, South Carolina had been under seige of shore batteries. No solution was in sight. At 4:30 a.m. on April 12, those very batteries opened fire on the hapless Union fort. The Civil War had begun.

After thirty-four hours of intense but bloodless bombardment, Major Robert Anderson yielded to the inevitable and surrendered the garrison. This action galvanized sentiment throughout the North for a swift and decisive end to the South's secession. On April 15, the president declared a state of insurrection existed and ordered a recruitment of 75,000 three-month volunteers.

Meanwhile, dust gathered in the quiet Senate chamber. Fearing that Maryland would join the rebellion, thereby isolating the capital from northern military support, Lincoln ordered defensive preparations. By early April, the Capitol Building appeared ready for the onslaught. Boards, and boulders, and casks of cement barricaded the entrances. Paintings and statuary were draped in protective coverings. Iron plates, awaiting placement in the half completed dome, were pressed into service as breastworks on the porticoes.[18] On April 17, meeting in Richmond, Virginia's convention voted to remove that state from the Union. Fears of isolation skyrocketed.

Two days later, a regiment of troops from Massachusetts engaged in pitched battle as they tried to pass through hostile Baltimore. The timing of that incident, which took four dead and thirty-one wounded, was not lost on supporters of the Union. The fateful skirmish occurred on April 19, exactly eighty-six years after the encounter between the colonials and the British at Lexington and Concord. The badly mauled Sixth Massachusetts Regiment arrived in Washington on the afternoon train. As litters were removed, a group of Washington women rushed forward to dress the soldiers' wounds. In the lead was a young Patent Office clerk named Clara Barton. Tried and exhausted, the troops and their medical attendents headed for the only available room suitable to their needs—the vacant Senate Chamber.[19]

Each soldier received a ration of bacon, bread, and coffee. As fumes of cooking food drifted upward from furnaces in the basement, the men of the Sixth Massachusetts made themselves comfortable in this very room. Passions ran deeply as the wounded and hungry troops converted gallery seats and senators' chairs to temporary resting places. One enraged soldier sought out former Senator Jefferson Davis' seat, the one now occupied by the distinguished senior Senator from Mississippi, Mr. Stennis, two desks back from here. With his bayonet unsheathed, the man sought to destroy the stately desk. At that juncture, according to Senate lore, the venerable assistant doorkeeper of the Senate, Mr. Isaac Bassett, rushed forward to restrain the angered soldier.[20] Exhorting him to cease, he announced that the desk belonged to the government of the United States and not to the departed confederate chieftain. The soldier withdrew; and even today, if we look carefully along the right-hand front corner of that desk, we can detect the skilled carpenter's efforts to erase this sad incident.

Soon, the encamped soldiers grew restless. In the Marble Room to our north, they hung sides of bacon, stripping off portions to cook in that room's blazing fireplaces. Back in this chamber, they held mock legislative sessions, reminiscent of those conducted by invading British troops in the old House chamber in 1814. A self-appointed presiding officer called for order, only to be shouted down by throngs in the galleries. Pompous speeches were greeted with raucous applause and shouts of derision. Some sat at senators' desks as they composed letters to loved ones on Senate stationery, using franked envelopes to send the notes on their way.[21]

To feed the troops quartered in the Senate chamber, as well as those temporarily bivouacked in the rotunda, the House chamber, and in government buildings throughout the city, the military quartermaster constructed bread ovens in small brick-walled rooms throughout the Capitol basement. Huge barrels of flour were rolled down planks placed over the west central interior staircases

The sense of seige and isolation that had gripped Washington in March and April diminished with the arrival of fresh troops and the realization that an attack by southern forces was not imminent. As members of the Senate returned for the special Independence Day session, they found a more relaxed attitude among the city's residents. They also found a cleansed chamber. After their brief stay, the men of the Sixth Massachusetts Regiment were moved to other quarters. Soap and sand removed the grease and tobacco stains that served as the temporary occupants' legacy.

At twelve noon, on July 4, 1861, Vice President Hannibal Hamlin rapped the ancient Senate gavel. Reverend Byron Sunderland, in his opening prayer, observed that Independence Day in 1861 was "a day tenfold more precious by reason of our present troubles and sacred to the heart for the ever memorable Declaration of our fathers." As the vice president looked out into the chamber, he must have been deeply moved by the spectacle of twenty-one vacant seats. Among the senators of the eleven states of the Confederacy, only Tennessee's Andrew Johnson remained.[22]

The Senate of the 37th Congress was dramatically different from its predecessor as a result of the southern defections and the 1860 election. For the first time in its brief history, the Republican party gained control of the Senate outnumbering the Democrats by a margin of 31 to 10, with eight members claiming other party affiliations. During that session, the size of each party fluctuated slightly as members came and went, but the Democratic members recognized that they were badly outnumbered. In the days ahead, their rate of absenteeism grew and they never bothered to hold formal caucuses.[23]

Mr. President, one measure of the dramatic change in the Senate's composition during the early years of the Civil War can be taken from the manner in which it confronted the definition of membership for senators of the secessionist states. For the balance of my remarks today, I shall discuss the Senate's Civil War expulsion cases of 1861 and 1862. They reveal a great deal about the nature of this institution during those uniquely troubled times.

The moment Jefferson Davis and his four southern colleagues departed in January 1861, the Senate began the long process of deciding on the status of members who formally resigned, as well as of those who simply did not bother to appear at the start of the 37th Congress in March, and of those still serving whose sympathies appeared to lie with the Confederacy. Senators grappled with four basic issues related to this dilemma: The difference between withdrawal and resignation; the permanent or impermanent quality of the withdrawals; the subsequent status of committee memberships; and the underlying uncertainty over the legality of secession. That not all southern senators acted in the same manner or at the same time compounded the discussions. One Georgia senator, Robert Toombs, withdrew without sending formal notification to the Senate. The South Carolina senators, James H. Hammond and James Chestnut, announced their plans through home state newspapers, but never communicated with the Senate itself. In the Senate, perplexed members sought to use the language of the Constitution as a guide for identifying the proper responses to the peculiar situation. Unfortunately, no common agreement emerged in the constitutional interpretations and the senators continued to flounder for definitions of the offense, if any, that had been committed. Two motions, one to rule that the withdrawing senators were no longer members of the

Senate, and a second to declare their committee seats vacant, were ordered to lie on the table.

On March 4, 1861, a new Republican majority assumed control of the Congress, but it demonstrated no clear notions about how to handle the secession crisis. When the Senate again considered the dilemma of the southern senators, so much anger and sadness permeated the speeches that a troubled Senator James Bayard advised, "All I ask . . . is, to leave the question undisturbed . . . unless it be the desire of . . . the Senate to complicate the affairs of the country, already sufficiently complicated; to irritate passions already sufficiently aroused; and to afford additional chances for the utter destruction of the Union, when it is already sufficiently endangered." The Delaware Democrat's advice struck a sensitive chord, for the Senate rejected a resolution that declared the offenders had ceased to be members of the Senate. Instead, the Senate voted to pronounce the seats vacant and to direct the Secretary of the Senate to omit those names from the roll. This resolution applied to Albert G. Brown, Jefferson Davis, Stephen R. Mallory, Clement Clay, Robert Toombs, and Judah Benjamin. It did not apply to David Yulee, Benjamin Fitzpatrick, Alfred Iverson, or John Slidell because their Senate terms expired March 3, 1861, the day before the new Republican Congress convened.

The debate over senatorial withdrawal marked only the first of many constitutional disputes surrounding the major issue of secession. Each southern senator justified withdrawal upon the argument that when a state left the Union, the necessity for senatorial representation ended. Acceptance of the right to withdraw and to disassociate a state from the national legislature acknowledged the legitimacy of secession. However, by a declaration that the seats were merely vacant, the Senate denied the act of secession by implying that at any time a new senator with legitimate credentials could represent the state.[24]

In April 1861 the Senate could no longer hope that the southern legislatures would appoint new senators to fill the vacant seats in the chamber. Most southern legislators simply remained in their home states. When Congress reconvened in July 1861, with open warfare in progress, the Senate found itself with only a partially resolved problem, as it had earlier addressed the matter of just those senators who had actively withdrawn their membership.

The status of Arkansas' William Sebastian and Charles C. Mitchel, North Carolina's Thomas Clingman and Thomas Bragg, South Carolina's James Chestnut, Tennessee's A.O.P. Nicholson, Texas' John Hemphill and Louis Wigfall, and Virginia's James M. Mason and Robert M. T. Hunter remained murky. An earlier attempt to expel Louis Wigfall for his public declaration that he had become a foreigner and owed no allegiance to the United States government failed in March 1861 when the Judiciary Committee failed to return a report on its deliberations. South Carolina's James Hammond made a public withdrawal in the state newspapers, but since his term expired before the 37th Congress convened, no action was taken on his case. One Tennessee senator, Andrew Johnson, a staunch Unionist, refused to follow the secessionists and served in the Senate until 1862 when he resigned to become the military governor of that state at Abraham Lincoln's request.

On July 10, 1861 Senator Daniel Clark, a New Hampshire Republican, submitted a resolution for the expulsion of the ten southern senators. Clark based his request on a charge that all the named senators participated in a conspiracy against the peace and union of the United States government. Clark pointed to the failure of these senators to appear in the chamber and their active involvement in the conspiracy itself. He reminded members that those senators not named in his resolution has been dealt with during the March session. With the passage of the Clark resolution the status of all southern senators would be clarified.

As in the March debates, it was Bayard of Delaware who rose to the defense of the southern senators and to urge moderation. He opposed the expulsion measure, arguing that the southern senators followed the directions of their states and that no senator individually had conspired against the government. Bayard suggested that the expulsion rule should be reserved for individual acts of misconduct. To formally expel the southern senators would only exacerbate an already inflamed situation. Senator Milton Latham of California supported his fellow Democrat because he felt expulsion implied moral turpitude, a stain upon the personal character of the individuals that most would agree was unjust.

But the passions of war produced more fervent arguments from those on the other side of the debate. Senator Clark retorted that he failed to admire the "openness" of the absent senators, and he hoped the Senate would not repeat its tame action of the March session. "They have taken up arms against the Government," Clark declared, "their guns are now within the sound of your capital; and shall we sit here in the Senate and deliberate and doubt whether we shall turn out of this Senate the very men who are ready to explode those guns against your capital? . . . let them be ejected from the councils of the nation." Near the conclusion of the arguments Senator James McDougall turned aside the cautions of his colleague from California when he dryly noted that there might be no moral turpitude in their actions because, "Treason was always a gentlemanly crime . . . However, it is none the less a crime . . . No man has a right to a place on this floor who espouses a cause adverse to the Government."

Senator Latham made one last effort to temper the expulsion movement. He suggested that the southern senators be equated with United States Army officers whose names were dropped from the rolls when they resigned from the Union forces at the outset of the war. The mood of the Senate would not hear of it. The ten senators were expelled by a vote of 32 to 10 on July 11, 1861.[25]

Among Kentucky's political leaders none enjoyed a more illustrious national career than John C. Breckinridge, who held the offices of representative, senator, and vice president. Breckinridge's Senate term started on March 4, 1861, as Abraham Lincoln began his administration and southern states' determination to secede crested. A defender of the South on the Senate floor, Breckinridge personally hoped that secession could be stopped. By the fall of 1861, it became apparent that the secession movement was a reality and that Breckinridge's support of its proponents made his position in Washington untenable. The Kentucky senator hastily departed for Richmond. Though Kentucky, truly a border state with a population torn by divided loyalties, was forced to remain in the Union, Senator Breckinridge chose otherwise and pledged his allegiance to the Confederate forces.

Versed in the protocol of the Senate from his service as vice president, Breckinridge, unlike many other senators who followed the Confederacy, sent a formal letter of resignation to the Senate. On December 4, 1861 Senator Zachariah Chandler, Republican of Michigan, entered a brief resolution of expulsion.

A short discussion followed in which Illinois Republican Lyman Trumbull inquired of Breckinridge's Kentucky colleague, Lazarus Powell, if a rumor that Breckinridge had become a general in the Confederate Army was true. Powell weakly attempted to avoid a direct answer, but finally confirmed that Trumbull's information was correct. Breckinridge's acceptance of a prominent military position in the Confederacy compelled Trumbull to ask the resolution state, "whereas Breckinridge, the traitor, had joined arms with the enemies of the government," he be expelled from the Senate. On this resolution Breckin-

ridge was expelled by a 36 to 0 vote on December 4, 1861.

In earlier expulsion cases, friends of the South argued that the Senators should not be penalized for the secessionist decisions of their state governments, but only for their own individual misconduct. As long as southerners did not take up arms against the United States government, their supporters maintained they did not deserve the censure of their colleagues. In the case of John Breckinridge, with Kentucky a Union state and the senator an officer in the Confederacy, southern sympathizers were caught upon the horns of their own argument.[26]

The political climate of Missouri erupted as the nation moved toward Civil War in the early months of 1861. Bitter fighting resulted when secessionists and unionists clashed in vicious encounters. Efforts to force Missouri to remain in the Union succeeded, but at the cost of heavy casualities on both sides. During these events the behavior of both senators, Trusten Polk and Waldo P. Johnson, fortified the Missouri secessionists and irritated many of their Senate colleagues. Blatant support for the South voiced by members from a Union state demanded a response.

On December 10, 1861 president pro tempore Solomon Foot, a Vermont Republican, asked for the expulsion of Waldo Johnson based on the Missourian's sympathy for and participation in the rebellion. A week later Senator Charles Sumner called for the expulsion of Trusten Polk as a traitor. Although the dates and the wording of the resolutions differed slightly, the Missouri situation essentially represented one case, and was an extension of the earlier expulsions of July.

General floor discussion about the Missouri senators took place on both December 12 and December 18. In the debates earlier in the year, fervor carried the day and the expulsion question moved to a vote without first going to committee. By mid-December, however, senators retreated to their traditional concerns for evidence, form, and precedent. Senators James McDougall and James Bayard urged that correct procedures be followed. McDougall acknowledged that in the July cases he supported an immediate vote on the expulsions. However, in this case neither a dispute over the facts nor a necessity for unseemly haste existed. McDougall reminded the Senate that in such a serious matter the rules should be followed closely, for the members had no way of knowing how often and by whom resulting precedents might be invoked in the future.

Senators who opted for immediate action highlighted the point that neither Missouri senator had appeared at any time during the year to claim his seat. As the thought of the Senate and the expulsion activities had been widely publicized, Republicans argued that the missing members might have made some effort to communicate with those in Washington. Their failure to do so confirmed the unofficial information that Johnson held an officer's position in the Confederate Army and that Polk wrote public letters urging Missouri to join the southern cause. Nonetheless, the Senate sent the matter of the Missouri senators to the Judiciary Committee.

On January 9, 1862 that committee substantiated all the charges made against Johnson and Polk. Both had secretly crossed into rebel territory and sworn an oath of allegiance to the Confederate government. Satisfied that neither demonstrated the slightest interest in answering the Senate charges and that both participated in secessionist war activities, the committee recommended expulsion. The Senate expelled Waldo Johnson by a 35 to 0 vote and Trusten Polk by a 36 to 0 vote on January 10, 1862. In the expulsion of Johnson and Polk the Senate continued the trend established in the John C. Breckinridge case, resolved earlier in December. The Senate could not tolerate a situation in which the senators of a Union state gave open support to the enemy government.[27]

Mr. President, I shall now turn to the last occasion on which the Senate expelled one of its members. That event took place on February 5, 1862. In the 121 years since that time, there have been 15 additional efforts, but none has ended in formal expulsion.

Among the forty-four senators who remained after the southern states seceded, Jesse Bright of Indiana was the Senate's most senior Democratic member. A senator since 1845, Bright had earned a reputation for his knowledge of Senate rules and precedents and for his frank manner. He seldom avoided taking a firm position on sensitive issues, generally reaching a decision quickly with little regard for the long term consequences of his stands. Bright's colleagues regarded him as capable of unswerving friendship to those who shared his pro-slavery views and as "an enemy who knew how to inflict punishment" to those who did not. His principal antagonists were abolitionist Senators Charles Sumner and Morton Wilkinson. In recognition of his seniority, Bright had served as the Senate's president pro tempore in 1854, 1856, and 1860. During his tenure in that position, Bright saw to it that Sumner received no committee assignments.

Shortly after the inglorious rout of Union troops at the First Battle of Bull Run in July 1861, Thomas Lincoln, a Texas arms merchant, was captured by federal forces as he attempted to cross into Confederate territory. Lincoln's captors found, among his possessions, a letter, dated March 1, 1861. It was addressed to "His Excellency Jefferson Davis, President of the Confederacy" and bore the signature of Senator Jesse Bright. The brief document read as follows:

> Allow me to introduce to your acquaintance my friend Thomas B. Lincoln of Texas. He visits your capital mainly to dispose of what he regards a great improvement in firearms. I recommend him to your favorable consideration as a gentleman of the first respectability, and reliable in every respect.

In the following months before the Senate convened for the second session of the 37th Congress, Washington was rife with speculation as to Bright's likely fate at the hands of his Republic Senate colleagues. Over the years he had denounced those who equated abolitionism with loyalty to the Union. He believed that the rupture in the Union would be only temporary and that military force would have little effect in healing the break. Clearly, Bright was vulnerable in a Senate whose majority feared that southern sympathizers lurked throughout the highest councils of the national government.

On December 16, 1862, shortly after the Senate convened for the new session, Senator Wilkinson introduced a resolution providing for Bright's expulsion on grounds of disloyalty. The resolution was referred to the Judiciary Committee, which then consisted of five Republican and two Democratic members.

In his own defense, Bright argued that although he had written the letter, he did not specifically remember doing so because he had sent thousands of similar commendations on behalf of his friends and constituents. Early in his career, Bright had served as Thomas Lincoln's attorney and, in 1861, he felt it was only natural to introduce his friend to his former Senate colleague, Jefferson Davis. Bright contended that his letter followed the conventions of the day, using a polite form of address customary between two gentlemen. At the heart of Bright's defense was the question of the state of relations between the Union and Confederacy on March 1, 1861, the date of the letter. He argued that the break was then considered by no means irrevocable.

This seemed to be the weakest point in Bright's case. His opponents pictured Jefferson Davis as the arch-traitor who, in March 1861, was busily assembling arms for the Confederacy's April attack on the federal garrison at Fort Sumter. For Bright to introduce an arms merchant to Davis was, in their view, *prima facie* evidence of treason. They also focused on the wording of his letter, underscoring its subservient tone with references to "Your Excellency" and "your capital."

Where Bright's defenders agreed that he was guilty only of bad timing and indiscretion, his opponents charged that he violated his oath to defend the Constitution against foreign and domestic enemies.

The Judiciary Committee reported to the Senate on January 13, 1962. By a vote of 5 to 2, that panel found that the charges were *not* sufficient to justify expulsion. Debate in the Senate began a week later and continued intermittently until February 5, 1962. The most dramatic and damaging speech was by Charles Summer who demanded that the Senate purge itself of traitors. The decisive vote occurred on February 5, in a chamber filled to capacity with members of both houses and the public. During the proceedings, which lasted for five hours. Bright summarized his case, noting that the Republican caucus undoubtedly had already made the final decision. He spoke, he said, only to set forth his case for posterity. Upon completing his address, Bright gathered his belongings from his desk and walked out of the chamber. Moments later, the Senate, by a vote of 32 to 14, expelled him.[28]

Mr. President, Twenty-five southern senators serving in 1860 terminated their Senate service as a result of the Civil War. Of that number, one resigned before the Senate could expel him and four others had their terms expire in March 1861, so action against them was unnecessary. The remainder were expelled by formal resolution. Of the twenty-five, seven went on to serve with Confederate military forces, ten became members of the Confederate Congress, and eight occupied high posts in President Jefferson Davis' administration. The loss of such distinguished men from the United States Senate was but one further mark of the tragedy of the war that divided our Union.[29]

Of that war and the Senate's role in prosecuting it, I shall have more to say in my next address.

NOTES TO "THE SENATE DURING THE CIVIL WAR, 1859–1865"

(PART I)

[1] Rachel S. Thorndike, ed., *The Sherman Letters* (New York: Scribner's, 1894), p. 194.

[2] Elbert B. Smith, *The Death of Slavery: The United States, 1837–1865* (Chicago: University of Chicago Press, 1967), pp. 156–57.

[3] James D. Richardson, *A Compilation of the Messages and Papers of the Presidents, 1789–1902* (Washington: Bureau of National Literature and Art, 1905), Vol. V, pp. 543–50.

[4] Allan Nevins, *The Emergence of Lincoln, Prologue to Civil War, 1859–1861* (New York: Charles Scribner's Sons, 1950), pp. 95–97.

[5] James M. McPherson, *Ordeal By Fire: The Civil War and Reconstruction* (New York: Alfred Knopf, 1982), pp. 112–13; Roy Franklin Nichols, *The Disruption of American Democracy* (New York: Collier Books, 1962), pp. 271–76.

[6] Nichols, *Disruption*, pp. 288–304.

[7] *Congressional Globe*, 36th Congress, 2nd sess., *Appendix*, pp. 1–7.

[8] McPherson, *Ordeal*, pp. 134–35.

[9] *Congressional Globe*, 36th Congress, 2nd sess., pp. 311–12.

[10] Ibid., pp. 341–44; David Donald, *Charles Sumner and the Coming of the Civil War* (Chicago: University of Chicago Press, 1960), p. 732.

[11] Edward Boykin, *Congress and the Civil War* (New York: McBride, 1955), pp. 276–82.

[12] Ibid.; *Congressional Globe*, 36th Congress, 2nd sess., pp. 484–87.

[13] *Congressional Globe*, 36th Congress, 2nd sess., p. 487; biographies and memoirs of members serving in the 36th Senate uniformly contain colorful accounts of Davis' withdrawal.

[14] Boykin, *Congress*, p. 284.

[15] Excellent accounts of this dramatic period are available in Nevins, *Emergence of Lincoln;* McPherson, *Ordeal By Fire;* and Margaret Leech, *Reveille in Washington* (New York: Harper and Brothers, 1941), chapter 3.

[16] Leach, *Reveille*, pp. 34–36; Carl Sandburg, *Abraham Lincoln: The War Years* (New York: Harcourt Brace, 1939), Vol. I, pp. 66–84.

[17] Sandburg, *Abraham Lincoln*, Vol. I, chapter 4.

[18] Leech, *Reveille*, pp. 58–59.

[19] Ibid.

[20] "Camping in the U.S. Senate (Chamber) Fifty Years Ago," undated and unidentified clipping in Papers of Isaac Bassett, U.S. Senate Curator's Office.

[21] Leech, *Reveille*, pp. 67–68.

[22] *Congressional Globe*, 37th Congress, 2nd sess., p. 1.

[23] Leonard P. Curry, *Blueprint for Modern America: Nonmilitary Legislation of the First Civil War Congress* (Nashville: Vanderbilt University Press, 1968), p. 17; Joel H. Silby, *A Respectable Minority: The Democratic Party in the Civil War Era, 1860–1868* (New York: W. W. Norton and Company, 1977), pp. 51, 62–66.

[24] *Congressional Globe*, 36th Congress, 2nd sess., pp. 352, 484–87, 500–505, 589, 720–22, 1454–56.

[25] Ibid., 37th Congress, 1st sess., pp. 62–64.

[26] Ibid., 37th Congress, 2nd sess., pp. 9–10.

[27] Ibid., 37th Congress, 2nd sess., pp. 36, 70–71, 126, 263–64.

[28] Charles Murphy, "The Political Career of Jesse D. Bright," *Indiana Historical Society Publications X* (1931), pp. 101–45; *Congressional Globe*, 37th Congress, 2nd sess., pp. 89, 287, 391–98, 412–19, 431–35, 447–54, 470–71, 539–45, 559–64, 582–92, 622–29, 644–55, *Appendix*, pp. 37–42.

[29] For general information on Senate expulsion cases, see U.S. Senate, *Senate Election, Expulsion, and Censure Cases From 1793 to 1972*, Senate Document 92-7 (1972). I appreciate the research assistance of Professor Anne M. Butler of Gallaudet College who is revising the above cited volume.

Mr. BYRD. Mr. President, I yield the floor.

RECESS UNTIL TOMORROW AT 10:30 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 10:30 a.m. tomorrow.

Thereupon, the Senate, at 2:17 p.m., recessed until Thursday, March 3, 1983, at 10:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 2, 1983:

THE JUDICIARY

Gregory Wright Carman, of New York, to be a judge of the U.S. Court of International Trade.

Shirley Wohl Kram, of New York, to be U.S. district judge for the southern district of New York.

DEPARTMENT OF JUSTICE

James W. Diehm, of the Virgin Islands, to be U.S. attorney for the district of the Virgin Islands for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Wednesday, March 2, 1983*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, as we pray for justice and righteousness and peace, so may we also have the spirit to do the good works necessary to carry out Your holy words. May we not be bearers only of Your word of truth, but may we be doers also of the work that brings grace to the lives of those we serve. Help us to see the words of faith translate into deeds of love and compassion that we become Your messengers of peace to our land and world. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
March 2, 1983.

Hon. THOMAS P. O'NEILL, JR.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of a letter received from Mr. Thomas W. Wallace, Executive Director, New York State Board of Elections, indicating that the Honorable Gary L. Ackerman is the apparent winner of the Special Election held on March 1, 1983, for the Office of Representative in Congress from the Seventh District of New York.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

STATE BOARD OF ELECTIONS,
Albany, N.Y., March 2, 1983.

Hon. EDMUND L. HENSHAW, JR.
Clerk of the House of Representatives, Capitol, Washington, D.C.

DEAR MR. HENSHAW: Please be advised that the State Board of Elections has been notified by telegram sent by Betty Dolen, Executive Director of the New York City Board of Elections, that Gary L. Ackerman, who resides at 65-47 169th Street, Flushing, NY 11365 is the apparent winner of the special election held on March 1, 1983 for the office of Representative in Congress, Seventh Congressional District of New York.

Attached hereto is a copy of Mrs. Dolen's telegram which sets forth the vote received by all candidates in the contest.

Very truly yours,

THOMAS W. WALLACE,
Executive Director.

[Telegram]

NEW YORK, N.Y.
March 2, 1983.

Hon. THOMAS W. WALLACE,
Executive Director, New York State Board of Elections, Albany, N.Y.

Please be informed that the Honorable Gary L. Ackerman is the apparent winner in the special election held on March 1, 1983 to fill the vacancy in the 7th Congressional District in New York City. The votes recorded and received by the candidates are as follows: Democratic and Liberal Parties Gary L. Ackerman, 18,380; Republican, Conservative, and Right to Life Albert Lemishow, 8,303; Queens Independent Party Douglas E. Schoen, 5,983; Neighborhood Service Party Sheldon S. Leffler, 4,347. The official canvas is expected to be completed by March 8, 1983.

BETTY DOLEN,
Executive Director.

SWEARING IN OF HON. GARY L. ACKERMAN OF NEW YORK AS A MEMBER OF THE HOUSE

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the gentleman from New York, Mr. GARY L. ACKERMAN, be permitted to take the oath of office today. His certificate of election has not arrived, but I do have in my hand a telecopy of a certificate signed by the executive director of the State Board of Elections in New York. There is no contest and no question has been raised with respect to his election.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. Will the gentleman from New York, the new Member, kindly step forward into the well and will he be escorted by the New York delegation?

Mr. ACKERMAN appeared at the bar of the House and took the oath of office.

The SPEAKER. The gentleman is a Member of the Congress of the United States, and congratulations.

SOCIAL SECURITY SCAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

The SPEAKER. The Chair wants to wish the gentleman a happy birthday today.

Mr. MICHEL. Well, I thank the Speaker.

The SPEAKER. Perhaps it should be brought to the attention of other Members later in the day.

Mr. MICHEL. Oh, fine, thank you. May I have a moment at this time?

The SPEAKER. The Chair has recognized the gentleman.

Mr. MICHEL. I thank the Speaker for acknowledging me first, even though after making my remarks he may not be all that happy that he did so.

Yesterday I received a letter in the mail, Mr. Speaker, which read:

> The next few weeks are critical to the future of social security. Vote in Congress could come in a matter of weeks. Democratic party must mobilize millions of Americans to see that progress made so far is not undone.
>
> At this moment Claude Pepper and other Democratic leaders on Capitol Hill are working night and day to draft and enact fair social security legislation.

Obviously, those are not my words, Mr. Speaker. They come from the Democratic National Committee's latest soak-the-seniors fundraising campaign. How the Democratic National Committee can in good conscience conduct such a scam just defies imagination.

Those truly interested in saving social security in this body have tried to cooperate in the formulation of a program that will require full public support and backing. You do not get that backing by swindling people.

If the Democratic leadership is sincere about saving social security, then they ought to insist that the scam be scrapped immediately.

That is what I had to say today on my birthday, Mr. Speaker.

The SPEAKER. Very good.

HAPPY BIRTHDAYS

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, I had thought to do this to observe that today is the 60th birthday of the distinguished minority leader, BOB MICHEL, and to remark that great character sometimes is indicated by the date of one's birth.

March 2 is also the 190th anniversary of the birth of Sam Houston, the only one ever to serve as Governor of two States and citizen of five nations,

if you count the Cherokee Nation as well; so you have a ways to go, but you are almost there.

There was a time not so long ago when I thought that if I ever got to be 60, I would step aside and let a younger man take over, but I no longer feel that way.

Happy birthday, BOB.

Mr. MICHEL. I thank the gentleman.

OPPOSITION TO PROPOSAL FOR DECONTROL OF NATURAL GAS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, I am opposed to the Reagan administration's proposal to decontrol all natural gas prices over the next 3 years. According to many analysts, such action could cause a surge in consumer bills by as much as 70 percent over the next 4 years, or $1,000 in additional costs for each family. This is totally unacceptable.

Constituents of mine are already unable to bear the burden of constantly rising natural gas prices. One Toledo family, which has done everything conceivable in terms of insulating its home and conserving natural gas, sent me its gas bills for 1971, 1980, 1981, and 1982. This family is now paying almost five times more for heating than it did in 1971. We cannot support a proposal which would only exacerbate this already intolerable situation.

President Reagan's plan does not protect consumers against sudden price increases. He relies on the Federal Energy Regulatory Commission which has already approved billions of dollars of increases in natural gas costs.

We in Congress must band together against President Reagan's proposal now. We have an obligation to protect the American people against further increases and unfair competition in the gas industry.

HOUSE RESOLUTION CITING ANNE M. (GORSUCH) BURFORD FOR CONTEMPT OF CONGRESS

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and to include extraneous matter.)

Mr. SCHEUER. Mr. Speaker, I have a matter of utmost importance to the House. I have today sent the following letter to the Honorable ROBERT W. KASTENMEIER, chairman of the Judiciary Committee's Subcommittee on Courts, Civil Liberties and the Administration of Justice. I would like to read the letter and place it in the RECORD.

MARCH 2, 1983.

DEAR MR. CHAIRMAN: I am writing to request that your subcommittee conduct an examination of the actions of the United States Attorney for the District of Columbia, Stanley Harris, and officials of the United States Department of Justice—including Attorney General William French Smith—with respect to the resolution approved by the House of Representatives on December 16, 1982 which cited Anne M. (Gorsuch) Burford for contempt of Congress.

It is well established that immediately upon passage of a contempt of Congress citation it is the duty of the United States Attorney promptly to commence prosecution by presenting the matter to a Grand Jury.

Contrary to practice, and his oath of office, Mr. Harris chose not to initiate prosecution.

Mr. Harris' failure to act raises serious doubts concerning his commitment to enforcing the law and raises even more disturbing questions regarding the role of the Department of Justice and the White House in this matter.

Direct intervention by White House officials, or direction dictated by the Attorney General or his subordinates, which can be proven to have resulted in obstruction of the proper legal pursuit of the Contempt citation, may indeed be impeachable offenses.

"Regardless of where the trail ultimately leads, Mr. Harris appears to have abused the legal process with regard to the prosecution of a contempt of Congress citation. If the evidence supports this, he may well bear culpability for thwarting and delaying legitimate requests for information by the legislative branch. It remains to be determined whether the culpability is solely his, or must be shared—along with the consequences—with others in the Administration."

Additionally, I would note published reports quoting J. Paul McGrath, Assistant Attorney General for the Civil Division, that there would be "no prosecution" of Mrs. (Gorsuch) Burford for contempt of Congress.

Rather than proceed with prosecution, the Justice Department actually filed suit against Congress.

These are extremely serious matters involving fundamental Constitutional powers; your attention to this request will be greatly appreciated.

With kind regards,

JAMES H. SCHEUER.

RESTORING MASS TRANSIT FUNDING LEVELS

(Mr. HOWARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HOWARD. Mr. Speaker, if the rule permits, I intend to offer an amendment to the emergency supplemental appropriations bill to restore mass transit funding levels to the amounts agreed to by the House leadership and the administration.

Under that agreement, $400 million was to be provided for mass transit. Instead, the Appropriations Committee included only $110 million in its jobs bill with all of the funds earmarked for a handful of sites around the country. My amendment will restore the funding level to $400 million and will provide for equitable nationwide distribution of the money.

In the amendment, I am proposing a disapproval of the administration's proposed deferral of $229 million in gas tax money for mass transit in 1983. These funds will be distributed according to the formula in the Surface Transportation Assistance Act. Each State or locality receiving mass transit funds would receive about one-third of the total mass transit apportionment originally slated for 1983 or about one-half the amount published in the Federal Register of January 24, 1983, page 3303.

In addition, I am proposing to appropriate an additional $171 million for urban discretionary grants. None of these funds would be earmarked. All localities would be eligible.

I will be printing a copy of my amendment in today's RECORD. In addition, I will be placing a copy of my statement before the Rules Committee in today's Extensions of Remarks.

The amendment follows:

AMENDMENT TO THE COMMITTEE PRINT DATED FEBRUARY 25, 1983, OFFERED BY MR. HOWARD

Page 7, strike out line 20 and all that follows through line 2 on page 8 (relating to mass transportation) and insert in lieu thereof the following:

TO SPEED UP IMPROVEMENT OF MASS TRANSPORTATION

To accelerate the construction, modernization, and improvement of urban mass transportation systems, to increase the mobility of the urban work force which will result in productive jobs, an additional amount of $171 million, to remain available until expended, for Urban discretionary grants, to be obligated at the discretion of the Secretary of Transportation in accordance with section 3 of the Urban Mass Transportation Act of 1964.

The Congress disapproves the proposed deferral of budget authority in the amount of $229 million for the mass transportation capital fund—deferral numbered D83-59—as set forth in the President's special message which was transmitted to the Congress on February 1, 1983. This disapproval shall be effective on the date of enactment of this act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

REAGAN'S "GUNBOAT DIPLOMACY"

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, the administration has been lobbying for stepped-up involvement in El Salvador ever since the first days in office of the former Secretary of State, Alexander Haig. Indeed, through all the changes in the Reagan team, this affinity for gunboat diplomacy is one of the constrants of administration policy.

Now the cry is raised once more—this time for $60 million dollars more and a sizeable increase in advisers. I have closely followed developments in Central America and I am skeptical there has been no call for joint action from our allies in the region—Mexico, Venezuela, and other nations in the Organization of American States. And to act in our own hemisphere without being part of a common policy is to create the unfortunate spectacle of a Gringo war.

With unilateral action, we risk the possibility that we are on the wrong side of this conflict. And the image of ourselves as the big brother of the Western Hemisphere is one which we should let recede into the past. Let us instead forge a new era of history in which, along with our Latin neighbors, we act as part of a concert of the Americas.

□ 1215

TEXAS BORDER TOWNS HURT BY MEXICO'S FINANCIAL CRISIS

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, I am deeply troubled by recent comments from administration officials concerning assistance to border regions of the United States that have been adversely affected by the Mexican economic crisis.

At the National Governors Association Conference this week, Commerce Secretary Malcolm Baldrige stated that the President has not planned any special assistance for communities across the Southwest that suffer from profound economic dislocation caused by foreign currency devaluation.

As my colleagues are well aware, the Government of Mexico continues to experience the worst economic crisis in its history as a result of decreases in oil prices, excesses in spending, and unrealistic growth predictions. The devaluation of its currency, the peso, has translated into economic disaster for all types of businesses from Brownsville to San Diego.

My constituents in west Texas bear the impact of this economic crisis every day. El Paso is one of the largest metropolitan areas on the border and a major shopping center for northern Mexico. Many commercial enterprises had become dependent on the Mexican market. Following the second devaluation of the peso in August of last year, the El Paso downtown business community has reported drops in sales of between 30 and 70 percent.

This rash of business losses is having a ripple effect on the rest of the city: Tax revenues are down, property values are endangered, credit ratings are weakened. This, in turn, affects business and banking interest around the country.

During the height of the crisis period, border businessmen contacted the Departments of Treasury and Commerce and found little leadership or direction. The Small Business Administration offered only reuglar loans and loan guarantees, which proved to be useless for the majority of ailing businesses because of high interest rates and quick repayment terms.

Having spoken to some other Members whose districts border Mexico, I realize that legislative and administrative relief are imperative for this crisis, and hope that other Members will join us in addressing this issue.

JOBS BILL IS ONLY A STOP-GAP MEASURE TOWARD RECOVERY

(Mr. OLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLIN. Mr. Speaker, aside from preventing a nuclear war, the Nation's highest priority is to stimulate economic recovery and provide the opportunity for people to get back to work. The jobs bills the House is passing this week are a necessary part of that process. They will put people to work on needed projects. But they are at best a stop-gap measure. There is no way that these types of projects can put to work more than a small fraction of the 11 million unemployed.

Only true recovery can do it. In my view, the major factors still standing in the way of a recovery are abnormally high interest rates, unacceptable deficits, and lack of confidence in the future. Unless this Congress takes effective steps to cut the projected deficit in fiscal 1984 and beyond, we do not have a chance of achieving a real recovery.

I urge my colleagues to approach deficit reduction with the same resolve that they are showing on jobs measures. Only with the two approaches together can we achieve our real goal.

HELEN KELLER

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MRAZEK. Mr. Speaker, the life of Helen Keller stands as a testimony to the possibilities available to those with handicaps who are given care and training, and not simply discarded by mainstream society.

We honored this potential in 1969 with the establishment of the Helen Keller National Center for Deaf-Blind Youths and Adults. Today, the center serves more than 40,000 deaf-blind Americans in its Sands Point, N.Y., center, 9 regional offices, and 20 affiliates. The center stands as the only specialized training and research center with the resources to meet the special needs of deaf-blind Americans. Its programs allow deaf-blind citizens to become functioning members of society, to establish a desperately needed sense of self-worth and to break free from the limited future of institutionalization.

The number of Americans suffering from these joint afflictions skyrocketed with the advent of a nationwide rubella epidemic in the mid-1960's. More than 6,000 infants were stricken in the epidemic, infants now reaching adulthood and in need of comprehensive services to prepare them for employment and self-sufficiency.

I am confident that the Helen Keller Center will provide these vital services. To insure its stability and survival, today I am introducing legislation to grant the center an independent statutory base similar to those now enjoyed by Gallaudet College, the American Printing House for the Blind and the National Technical Institute for the Deaf.

For the record, this bill entails no additional budgetary expenditures or taxpayer expense. It simply guarantees funding for an important national resource, and allows a sector of our society hampered by severe handicaps a chance to survive.

MILITARY AID IS NOT THE ANSWER FOR EL SALVADOR

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, I rise today to state my opposition to the Reagan administration's request to increase the fiscal year 1983 military aid authorization to the Government of El Salvador.

This request for an additional authorization of $60 million will raise the total authorization level to over $86 million for this fiscal year alone. History has shown that more money alone will not solve the problems of poverty and social injustice that are shredding the fabric of life of El Salvador. Rather this proposal will further exacerbate the problems that affect the people of El Salvador and other people in Central America.

El Salvador has not met the standards set for recertification of continued economic and political reforms and the seeking of a political resolution of the conflict. There still has been no action by Salvadoran authorities to bring to justice those responsible for the killing of four nuns in December 1980.

We should not attempt to buy allies, or prop up dictatorships. Human rights goals are paramount and the first tentative steps toward new elec-

tions must be encouraged—but not with more guns and military advisors.

I recommend that this body not approve increased military spending for El Salvador, but instead recognize the inevitability of a political settlement and call for immediate negotiation between all parties involved. Let us get on with the business of helping to build a safe, democratic nation with a genuine respect for human rights.

EDUCATION AND TRAINING OF UNEMPLOYED MUST FOLLOW JOBS BILL

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, I rise to call attention to the emergency relief legislation we will be voting on tomorrow, and to make note of one of the great ironies of 1983. The Republican President and numerous members of his party have swung over to the Democratic philosophy of necessary, basic human Government action to aid economic recovery. They have finally come to recognize the human tragedy that their unemployment has caused. They are beginning to see and feel the damage done to those people who have lost their jobs, homes—and hope.

It must not be forgotten this is a relief measure only. It represents just a first step toward assisting those suffering from economic depression. We must do more than provide humanitarian aid. We must insure short- and long-range jobs, education, and training for the jobs of the future. As John F. Kennedy said: "How can we save the few who are rich if we do not help the many who are disadvantaged?"

SALVADORAN LEADERS STRESS NEGOTIATIONS, NOT MILITARY AID

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. OBERSTAR. Mr. Speaker, today His Holiness, Pope John Paul II, begins an historical mission of peace to Central America, one of the most troubled regions in the world. Even as he begins his mission, our Government is preparing to seek another $60 million or more in military assistance to a repressive government and to broaden involvement of U.S. personnel as advisers to the Salvadoran military.

When I visited El Salvador a year ago, the Salvadoran military even said they did not want a broader involvement of U.S. personnel. The Bishop of El Salvador, Rivera y Damas, said that the most important thing to his country was to end the killing on both sides, and that increasing arms to the Salvadoran military will increase the resistance on the other side and innocent people will suffer.

Mr. Speaker, the enemies in El Salvador are ignorance, poverty, deprivation, and hunger. The people cry out for human rights. What we need is humanitarian assistance. What we need is a mission of peace that will stop the gunrunning on both sides and bring about a negotiated settlement.

PROPER TARGETING IS KEY TO THE JOBS BILL

(Mr. EDGAR asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. EDGAR. Mr. Speaker, I have two comments to make. First, I would like to applaud my colleague, the gentleman from Minnesota (Mr. OBERSTAR) for his remarks on El Salvador, and I associate myself with his remarks.

I would now like to address the House for a few seconds on the emergency jobs legislation that will be before the House in the next few days. A number of Members of the Congress on both sides of the aisle have had an opportunity to review the provisions of the jobs bill that the Appropriations Committee has put together to expend $4.6 billion to create jobs. Some of us, Democrats, Republicans, conservatives, and liberals, are concerned that the amount of money being spent is insufficient, but also we are concerned that it is not targeted very well.

I hope that all Members will look carefully at the jobs bill and analyze the amendments that may be permitted to be offered by the Rules Committee. One of those amendments will permit the opportunity to target the funds to areas of high unemployment. It would make sure that the targeting of those funds be mandatory and that those funds meets the certain criteria which focus on the pockets of poverty and helps us to have a real jobs bill rather than simply spending money on programs.

FURTHER INVESTIGATION OF EPA URGED

(Mr. BONER of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONER of Tennessee. Mr. Speaker, today the EPA Administrator, Anne Burford, informed the HUD and Independent Agencies Subcommittee of the House Appropriations Committee that an investigation taking place within EPA could take money from programs that are vital to the quality of our environment. Today Mrs. Burford stated that she has recommended to the White House that EPA enforcement documents be made available for inspection to the Congress, and to this date the White House has restricted her from allowing her to do that.

Mr. Speaker, I believe that an independent investigator should be established to investigate any and all irregularities and improprieties within the EPA, and that a "blue ribbon" committee should be appointed to give renewed direction, integrity and credibility—to the EPA, and especially the Superfund.

CONGRESSIONAL TRIBUTE TO JOHN M. RAU

(Mr. BADHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BADHAM. Mr. Speaker, it is with great personal pride and pleasure that I rise today to pay tribute to a distinguished American, John M. Rau of Orange County, Calif., whose term as national president of the Navy League of the United States ends on March 30, 1983.

Since taking office 2 years ago, John Rau has traveled over 300,000 miles around the world visiting Navy, Marine Corps, Coast Guard and merchant marine ships and facilities. He has sailed with the 6th Fleet in the Mediterranean, with a carrier battle group in the Indian Ocean, with the Coast Guard on interdiction missions in the Caribbean and icebreaking in the Antarctic, and has spent 2 weeks with the U.S. Marines on winter maneuvers in north Norway.

A native of Chicago, John saw service in the Pacific as a radio technician first class in World War II, and again during the Korean war as a recalled Naval Reservists assigned to nuclear weapons testing. Graduating from the Massachusetts Institute of Technology in 1950, he received a B.S. in electrical engineering, a B.S. in engineering administration, and an M.S. in electrical engineering—all three awarded simultaneously for the first time in the history of MIT.

In 1960, he founded David Industries of Irvine, Calif., which with its affiliates, is involved in the development and manufacture of thermal-recovery and other heating systems for the petroleum production industry, precision temperature instrumentation, materials reclamation equipment, and industrial fiberglass products.

On behalf of the Navy League—which since 1902 has been the leading civilian organization in support of the maritime services—Mr. Rau, with tireless effort, unfailing enthusiasm, and dogged determination, has spoken out in support of a strong America before audiences around the country and in testimony before congressional committees.

Active in the Navy League for 21 years at the local, State, and regional levels, he has also been involved in many civic endeavors serving as a trustee and/or director of educational and philanthropic institutions and organizations in Orange County. He has served as president of the Child Guidance Center of Orange County; the University of California, Irvine (UCI) Foundation; the UCI Industrial Associates; The Experience Center (Museum); and the Orange County Center for the Performing Arts. He has taken an active role in politics in California and has served as a major fund raiser for a number of national, State, and local government candidates for office.

In addition to his civic activities, he is the author of a number of papers on engineering subjects and has had many articles published in engineering trade publications.

As my good friend John Rau steps down as national president of the Navy League, I would like to thank him, to congratulate him on a job well done, and to extend my very best wishes to him and to his family for continued success and good health.

Mr. Speaker, I take great pride in commending him to my colleagues for his dedication not only to the Navy League, but also to our country.

FLORIDA CITRUS INDUSTRY THREATENED BY CUTBACKS

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, Florida ranks first worldwide in citrus production and second nationwide in winter vegetable production.

My State alone furnished 50 to 60 percent of the Nation's fresh vegetable needs during the winter.

While I support the administration's efforts to reduce excessively high budget deficits—I am particularly concerned about the proposal to close seven agricultural weather stations and eliminate the fruit frost warning program.

Growers cannot take chances.

The availability of around-the-clock forecasting means millions of dollars in savings both to the industry and related services—and to the consumer.

I shudder to think of the disastrous result an unanticipated freeze would have on an enormously vital and productive sector of my district and the State of Florida's economy.

□ 1230

THE PRESIDENT'S PROGRAM IS WORKING

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I often think that Members of Congress do not listen too well, even to our constituents, let alone each other. But have you been listening recently to the 1-minute speeches? Listening this morning to my colleagues on the other side of the aisle—what are they talking about? They are talking about EPA, El Salvador, yesterday it was Canadian films, the rule on the jobs bill, whereas for the past 1½ years it has been gloom and doom. The naysayers have just been having a grand time talking about how bad the economy was.

Now they are not talking about the economy. I wonder why. It seems that each day a new bud sprouts on the recovery. It began last October, with the dramatic rise in the stock market, and that rise yesterday reached an all-time high. Building starts increased 96 percent in January, as compared to January a year ago. Building permits increased in January 1983 over January 1982 by 88 percent. An even more important signal of the economic upturn is the 0.9 percent increase in industrial production last month.

Domestic auto production jumped 52 percent in February. Construction spending rose 8.9 percent in January, and the initial unemployment claims have steadily been dropping.

Yesterday the first quarter GNP growth figures came out. We think now there may be as much as 4-percent real growth this year.

I urge my colleagues, my Democratic colleagues, that if you are going to continue with your doomsday predictions and with a $68 billion make-work jobs program, you better get going. If you do not, the economy is going to pass you by. The President's program is working, and it is time that we stand up and say so to the American people and for the American people.

BIG GOVERNMENT AND PORK BARREL IS WHAT THE DEMOCRATS ARE ALL ABOUT

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, for some time we have heard criticism in this Chamber about the administration and about conservatives unwilling to come forth with a so-called jobs approach. Now, within the last few days, we see the kinds of jobs approach that the Democrats have been suggesting. We see that it is not really concerned about the unemployed and the needy; we see that it is concerned about pork. They have got a barrel so loaded with pork that it is top heavy. They are concerned about big-government Congressmen getting their share of the political goodies, and that makes it just like the kind of programs we have had in the past. And the last time they came forth with a program like this, only 12 percent of the people employed within it were previously on the unemployment rolls, and only 2 percent of the money got spent on the unemployed. And that is exactly what is happening in the pork barrel kind of bill that they have brought forth now.

The lesson is clear from what happened in the past. Congress cannot solve unemployment with legislation and programs. Unemployment can only be eliminated with a working economy, meaning lower inflation, balanced budget, low interest, and regulatory reform.

That is the direction in which we have been trying to go and which the Democrats have tried to frustrate for 2 years. They will continue to try to frustrate economic recovery because it is not their kind of big government approach. And big government is what the Democrats are really all about.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT ON TODAY AND TOMORROW, MARCH 2 AND 3, 1983

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit on Wednesday, March 2, 1983, for the purpose of hearing testimony on the authorization of maritime programs of the Department of Transportation for fiscal year 1984, and on Thursday, March 3, 1983, for the purpose of holding an oversight hearing on the subject of construction differential subsidy paybacks.

The minority members, the gentleman from Kentucky (Mr. SNYDER) and the gentleman from New Jersey (Mr. FORSYTHE), both have been informed and are in accord with this request.

The SPEAKER pro tempore (Mr. ALEXANDER). Is there objection to the request of the gentleman from New York?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1310, EMERGENCY MATHEMATICS AND SCIENCE EDUCATION ACT

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 109 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 109

Resolved, That at any time after the adoption of this resolution the Speaker may pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1310) to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide for cost-sharing by the private sector in training of such personnel; and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments recommended by the Committees on Education and Labor and Science and Technology now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 1699 (containing the text of the amendment recommended by the Committee on Education and Labor to title I of H.R. 1310 and the text of the amendment recommended by the Committee on Science and Technology to title II of H.R. 1310), as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5, rule XXI are hereby waived. It shall be in order to consider an amendment to title I of said substitute striking out the heading "Part B—Postsecondary assistance" and all that follows through the remainder of title I and inserting the text recommended by the Committee on Science and Technology now printed on page 40, line 1 through page 55, line 9 of H.R. 1310, and said amendment shall be considered as if it was an amendment recommended by the Committee on Science and Technology to the substitute made in order as original text by this resolution. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Texas (Mr. FROST) is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Missouri (Mr. TAYLOR), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 109 provides for the consideration of H.R. 1310, the National Mathematics and Science Education Act. We are considering H.R. 1310 today in response to a national emergency—the critical shortfall of well-trained educators in our schools, colleges, and universities in the field of mathematics and science and the resulting shortage of students who have adequate knowledge to be trained as engineers, scientists, and teachers of these most important disciplines. For our Nation to continue as a world leader, it is imperative that our schools provide adequate training for our children so that they will be prepared to enter the job markets of the late 20th and early 21st centuries which will require more and more workers trained in mathematics, science, engineering, and other technical skills. H.R. 1310, reported by the Committees on Education and Labor and Science and Technology, is a first step, much like the initial steps taken after the launch of the Sputnik in 1957, to insure that our classrooms are staffed with teachers who can prepare our students for a world in which mathematics, science, and engineering will be of critical importance.

Mr. Speaker, House Resolution 109 is an open rule providing for 2 hours of general debate: 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor and 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology.

Prior to the consideration of H.R. 1310 by the Committee on Rules, the chairmen of both committees introduced H.R. 1699 which contains the text of the Education and Labor Committee amendment to title I of H.R. 1310 and the text of the Science and Technology Committee amendment to title II of that bill. Consequently, to simplify the amendment process when the bill is considered for amendment under the 5-minute rule, the resolution makes in order the text of H.R. 1699 as an original bill for the purpose of amendment. The only amendment specified in the rule is an amendment to title I of the substitute by the Committee on Science and Technology which strikes the postsecondary assistance provisions and inserts the Science and Technology Committee postsecondary assistance provisions as printed in H.R. 1310. While this amendment is specified and shall be considered as a Science Committee amendment, the rule does not otherwise preclude the offering of any other germane amendment to the substitute.

The rule further provides that the substitute shall be read by titles rather than by sections and that each title shall be considered as read. The rule also waives all points of order against the substitute for failure to comply with the provisions of clause 5, rule XXI, which prohibits appropriations in an authorization. Title I of H.R. 1310 and the substitute both contain a reappropriation of funds which is prohibited by clause 5 of rule XXI.

At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or the amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, title I of the bill deals with mathematics, science, and foreign language improvement programs at the elementary and secondary and postsecondary education levels. All of the programs in title I are to be administered by the Department of Education. As reported by the Committee on Education and Labor, title I authorizes $300 million for fiscal year 1984 and an open-ended amount for fiscal year 1985 for programs to improve the quality of instruction and levels of student achievement in mathematics and science education, to increase the supply and strengthen the qualifications of teachers of mathematics and science and to encourage students to pursue teaching careers in mathematics, science, and foreign languages.

Title II provides for the creation of a national policy for technical engineering and scientific personnel. The title provides for a special matching engineering and science personnel fund to be administered by the National Science Foundation to be used in cost-sharing programs for the precollege, college and postgraduate training of such personnel. As reported by the Committee on Science and Technology, the fund is authorized $100 million for each of the 5 fiscal years 1984 through 1988.

Mr. Speaker, there is no question that our Nation needs once again to address the question of mathematical, scientific, and technical education. In 1958 with the passage of the National Defense Education Act, the Congress took positive steps to improve these areas of education and in these times of great economic change we must make a renewed commitment to those efforts. Our schools are facing shortages of qualified teachers to teach these subjects and as a consequence the levels of achievement of our students continues to decline. This bill will at least begin to address a problem that has serious implications in America's future. As we did in the late 1950's and 1960's, we must dedicate ourselves

to quality education and training of students who can compete in global markets.

Mr. Speaker, I commend the Committees on Education and Labor and Science and Technology for moving so quickly to bring us this most important legislative proposal. If we are to insure economic well-being as well as a strong national defense in the coming years, this is a small step that we must support. I urge adoption of the rule.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 109 is an open rule under which the House will consider legislation to authorize a new, $425 million mathematics and science education grant program designed to train teachers and engineering and scientific personnel.

As the gentleman from Texas (Mr. FROST) has explained, this rule makes on order our consideration of a substitute, H.R. 1699, as an original bill for the purpose of amendment under the 5-minute rule. The rule provides for a committee amendment to the substitute, and waives clause 5 of rule XXI against that substitute.

Mr. Speaker, this legislation represents a joint venture between the Committees on Education and Labor, and Science and Technology, and each committee is allotted 1 hour of time, to be equally divided. The substitute, H.R. 1699, is a clean bill introduced by the gentleman from Kentucky (Mr. PERKINS) and the gentleman from Florida (Mr. FUQUA) to expedite consideration of the two pieces of H.R. 1310 their committees reported.

For those Members who may have amendments, I would point out that title I of H.R. 1699 consists of the text of title I of H.R. 1310 as reported by the Education and Labor Committee; while title II of H.R. 1699 consists of the text of title II of H.R. 1310 as reported by the Science and Technology Committee.

The rule provides that the substitute will be read by titles instead of by sections, and each title is to be considered as read. The waiver of clause 5 of rule XXI is provided because a paragraph of the Education and Labor title constitutes an appropriation. In this situation, the appropriating language changes the purpose of which funds already appropriated may be used.

Mr. Speaker, the rule also provides that the Committee on Science and Technology will offer a package of amendments to a portion of the Education and Labor Committee's title. In addition, one motion to recommit with or without instructions is provided for.

Mr. Speaker, the legislation made in order by this rule represents a major effort by the two committees involved to do something about this Nation's mathematics and science education programs in the hope of correcting the shortage of qualified teachers, improving student interest and achievement in math and science, and training adequate numbers of technical, engineering, and scientific personnel to meet the Nation's future needs.

This legislation has bipartisan support among the members of the two committees, and it is being widely acclaimed as a step in the right direction for educating our future generations.

According to the testimomy we received yesterday in the Committee on Rules, this legislation authorizes a total of $425 million for the 1984 fiscal year. Title I of the substitute contains $325 million in authorizations, including $250 million in formula grants to the States; while title II provides $100 million for an engineering and science personnel fund.

Mr. Speaker, there was no opposition to this rule in our hearing yesterday, and under the rule there will be ample opportunity for Members to offer amendments. I urge the adoption of this rule.

□ 1245

Mr. Speaker, I yield back the balance of my time.

● Mr. OLIN. Mr. Speaker, I rise in support of the Emergency Math and Science Education Act. Our country is suffering a crisis in math and science, and Mr. PERKINS' bill takes an important step toward resolving this crisis.

As one of a handful of engineers in Congress. I know how important engineering education is to helping our Nation increase productivity and compete in the world market. I know, too, that if we are to train the engineers this country needs, we must start in elementary and high schools. Tomorrow's engineers, scientists, and mathmeticians are in grade school today, and they are not getting the early education they need. This not only cheats the children, it robs this country of the brainpower and leadership we need to put us on the frontier of new, exciting developments.

In short, we are missing the boat. Today, all college-bound high school students in Japan take 4 years of math and 3 of science. In the Soviet Union, 10 times as many students take calculus as in the United States. Not surprisingly, the Soviets graduate twice as many scientists and five times as many engineers as we do. If we do not act now, we will all lose out to the competition.

We need to examine several approaches to improving our math and science education. We should look at fellowships for graduate students and loans and grants for college students going into math and science teaching. We should consider tax benefits for companies that share their expertise with our students and teachers or donate their equipment to our schools. The key, though, is to start early with upgraded math and science teaching in our elementary and secondary schools.

The money we invest today will come back to us many times over, as our trained scientists and engineers produce breakthroughs in medicine, telecommunications, and other fields that will save time, money and even lives. We have proven that America can be a leader in these fields. Six of the seven 1980 Nobel laureates were American. Last year, the United States produced 7 out of 9 Nobel prizewinners. Let us make sure our next generation of scientists does as well.●

Mr. FROST. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 393, nays 0, not voting 40, as follows:

[Roll No. 11]

YEAS—393

Ackerman	Broyhill	Dixon
Addabbo	Bryant	Donnelly
Akaka	Burton (CA)	Dorgan
Albosta	Burton (IN)	Dowdy
Alexander	Byron	Downey
Anderson	Campbell	Dreier
Andrews (TX)	Carney	Duncan
Annunzio	Carper	Durbin
Anthony	Carr	Dwyer
Applegate	Chandler	Dymally
Archer	Chappell	Dyson
Aspin	Chappie	Early
AuCoin	Cheney	Eckart
Badham	Clarke	Edgar
Barnard	Clay	Edwards (CA)
Barnes	Clinger	Edwards (OK)
Bartlett	Coats	Emerson
Bateman	Coelho	English
Bates	Coleman (MO)	Erdreich
Bedell	Coleman (TX)	Erlenborn
Beilenson	Collins	Evans (IA)
Bennett	Conable	Evans (IL)
Bereuter	Conte	Fascell
Berman	Conyers	Fazio
Bethune	Cooper	Feighan
Bevill	Corcoran	Ferraro
Biaggi	Coughlin	Fiedler
Bilirakis	Courter	Fields
Billey	Coyne	Fish
Boehlert	Craig	Flippo
Boggs	Crane, Daniel	Florio
Boland	Crane, Philip	Foglietta
Boner	D'Amours	Foley
Bonior	Daniel	Ford (MI)
Bonker	Dannemeyer	Ford (TN)
Borski	Daschle	Fowler
Bosco	Daub	Frank
Bouquard	Davis	Franklin
Boxer	de la Garza	Frenzel
Britt	Dellums	Frost
Brooks	Derrick	Fuqua
Broomfield	DeWine	Garcia
Brown (CA)	Dicks	Gaydos
Brown (CO)	Dingell	Gejdenson

Gekas	MacKay	Roybal
Gibbons	Markey	Rudd
Gilman	Marlenee	Russo
Gingrich	Marriott	Sabo
Glickman	Martin (IL)	Sawyer
Gonzalez	Martin (NC)	Schneider
Goodling	Martin (NY)	Schroeder
Gore	Matsui	Schumer
Gradison	Mavroules	Seiberling
Gramm	Mazzoli	Sensenbrenner
Gray	McCain	Shannon
Green	McCandless	Sharp
Gregg	McCloskey	Shaw
Guarini	McCollum	Shelby
Gunderson	McCurdy	Shumway
Hall (IN)	McDade	Shuster
Hall (OH)	McEwen	Sikorski
Hall, Ralph	McGrath	Siljander
Hall, Sam	McHugh	Simon
Hamilton	McKernan	Sisisky
Hammerschmidt	McNulty	Skeen
Hance	Mica	Skelton
Hansen (ID)	Michel	Slattery
Harkin	Mikulski	Smith (FL)
Harrison	Miller (CA)	Smith (IA)
Hartnett	Miller (OH)	Smith (NE)
Hatcher	Mineta	Smith (NJ)
Hawkins	Minish	Smith, Robert
Hefner	Mitchell	Snowe
Hertel	Moakley	Snyder
Hightower	Molinari	Solarz
Hiler	Mollohan	Solomon
Hillis	Montgomery	Spence
Holt	Moody	St Germain
Hopkins	Moore	Staggers
Horton	Moorhead	Stark
Howard	Morrison (CT)	Stenholm
Hoyer	Mrazek	Stratton
Hubbard	Murphy	Studds
Hughes	Myers	Stump
Hunter	Natcher	Sundquist
Hutto	Nelson	Swift
Hyde	Nichols	Synar
Ireland	Nielson	Tauke
Jacobs	Nowak	Tauzin
Jeffords	O'Neill	Taylor
Jenkins	Oakar	Thomas (CA)
Johnson	Oberstar	Thomas (GA)
Jones (NC)	Obey	Torres
Jones (OK)	Olin	Torricelli
Kaptur	Ortiz	Traxler
Kasich	Ottinger	Udall
Kazen	Oxley	Valentine
Kemp	Packard	Vander Jagt
Kennelly	Panetta	Vandergriff
Kildee	Parris	Vento
Kindness	Pashayan	Volkmer
Kogovsek	Patman	Vucanovich
Kolter	Patterson	Walgren
Kostmayer	Paul	Walker
Kramer	Pease	Waxman
LaFalce	Penny	Weaver
Lagomarsino	Pepper	Weber
Lantos	Perkins	Weiss
Latta	Petri	Wheat
Leach	Pickle	Whitehurst
Leath	Porter	Whitley
Lehman (CA)	Price	Whittaker
Leland	Pritchard	Whitten
Lent	Quillen	Williams (MT)
Levin	Rangel	Williams (OH)
Levine	Ratchford	Wilson
Levitas	Ray	Winn
Lewis (CA)	Regula	Wirth
Lewis (FL)	Reid	Wise
Lipinski	Richardson	Wolpe
Livingston	Rinaldo	Wortley
Loeffler	Ritter	Wright
Long (LA)	Roberts	Wyden
Long (MD)	Robinson	Wylie
Lott	Rodino	Yates
Lowery (CA)	Roe	Yatron
Lowry (WA)	Roemer	Young (AK)
Lujan	Rose	Young (FL)
Luken	Rostenkowski	Zablocki
Lundine	Roth	Zschau
Lungren	Roukema	
Mack	Rowland	

NOT VOTING—40

Andrews (NC)	Edwards (AL)	Huckaby
Boucher	Forsythe	Jones (TN)
Breaux	Gephardt	Kastenmeier
Crockett	Hansen (UT)	Lehman (FL)
Dickinson	Heftel	Madigan
Martinez	Rahall	Stokes
McDonald	Ridge	Tallon
McKinney	Rogers	Towns
Morrison (WA)	Savage	Washington
Murtha	Scheuer	Watkins
Neal	Schulze	Wolf
O'Brien	Smith, Denny	Young (MO)
Owens	Spratt	
Pursell	Stangeland	

□ 1300

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, because I was on official business on February 15, 1983, in Vienna speaking before the United Nations Commission on Narcotic Drugs, I was unable to vote on the two measures considered by the House of Representatives on that date.

Had I been present for those two measures, H.R. 861, the small business pilot procurement program extension, and H.R. 1043, to improve small business access to procurement information and contracting opportunities, I would have voted "yea" on rollcall No. 8 (H.R. 861), as well as "aye" on rollcall No. 9 (H.R. 1043).

APPOINTMENTS AS MEMBERS OF COMMITTEE ON THE HOUSE RECORDING STUDIO

The SPEAKER. Pursuant to the provisions of 2 U.S.C. 123b, the Chair appoints as members of the Committee on the House Recording Studio the following Members on the part of the House:

Mr. ROSE of North Carolina;
Mrs. BOGGS of Louisiana; and
Mr. BADHAM of California

APPOINTMENT AS MEMBERS OF HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

The SPEAKER. Pursuant to the provisions of section 5(b), Public Law 93-191, the Chair appoints as members of House Commission on Congressional Mailing Standards the following Members of the House:

Mr. UDALL of Arizona, Chairman;
Mr. SOLARZ of New York;
Mr. FORD of Michigan;
Mr. QUILLEN of Tennessee;
Mr. LOTT of Mississippi; and
Mr. CORCORAN of Illinois.

RESIGNATION AS MEMBER OF COMMITTEE ON EDUCATION AND LABOR

The SPEAKER laid before the House the following resignation as a member of the Committee on Education and Labor:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 23, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, H-204, Washington, D.C.

DEAR MR. SPEAKER: It is my desire and intent to resign from my position on the Committee on Education and Labor and relinquish those responsibilities effective Wednesday, March 2, 1983.

I appreciate your consideration.

Sincerely,

LARRY E. CRAIG,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

EMERGENCY MATHEMATICS AND SCIENCE EDUCATION ACT

The SPEAKER. Pursuant to House Resolution 109, and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1310.

The Chair appoints the gentleman from Kentucky (Mr. NATCHER) to preside over the Committee of the Whole.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1310, to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide for cost-sharing by the private sector in training such personnel; and for other purposes, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Kentucky (Mr. PERKINS) will be recognized for 30 minutes, the gentleman from Pennsylvania (Mr. GOODLING) will be recognized for 30 minutes, the gentleman from Florida (Mr. FUQUA) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. WINN) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of H.R. 1310, the Emergency Mathematics and Science Education Act.

This legislation tackles a grave national problem that threatens to compromise our competitiveness in world markets, further weaken our industrial base and undermine our national defense. That problem is the weak state of mathematics and science education in this country.

This problem is reaching crisis proportions, as evidenced by severe teacher shortages in mathematics and science, declining student achievement, fewer students taking mathematics and science courses, and fewer skilled technicians and high level professionals emerging from our postsecondary institutions.

The legislation before us today will help restore our stature in international markets without trade restrictions. It will beef up our national defense without more weapons.

H.R. 1310 will accomplish these ends by investing in our future: educating our young people, training our teachers, and building the capacity of our schools and institutions of higher education. This bill establishes programs to strengthen mathematics and science education at the elementary, secondary, and postsecondary levels and to revitalize the training of engineering, scientific, and technical personnel.

So important is this endeavor, that we are bringing to bear the resources and expertise of both the Department of Education and the National Science Foundation. Two committees—the Education and Labor Committee and the Science and Technology Committee—worked together to bring this bill to the floor expeditiously. I would like to commend my colleague, Chairman DON FUQUA, for showing the utmost cooperation during this entire process. Chairman FUQUA and his committee have contributed greatly to this bill.

H.R. 1310 is the product of careful, bipartisan deliberation in both committees. After considering the scope of the mathematics and science education problem in hearings over the past year and a half, the education and labor committee reported H.R. 1310 by a vote of 27 to 3. The Science and Technology Committee reported the bill by a unanimous vote.

The need for this legislation is widely recognized in this Chamber, as the bill has 49 cosponsors. Educators, the scientific community, employers and the public are looking to the Federal Government to provide leadership in this area, and the bill has widespread support among major education and other organizations.

I want to emphasize that this legislation has a reasonable cost of $425 million in fiscal year 1984, using the Science Committee's figures. Given the magnitude of the problem, this price tag is modest. Many education associations supporting the bill, like the National Education Association and the National School Boards Association, consider it only a short term, emergency response to our mathematics and science needs. I agree with this view. A broader, more comprehensive proposal will be brought before our committee at a later date and hearings will be held, and I hope such a bill can be reported.

A few statistics from our committee hearings vividly document the extent of the problem:

According to the president of the University of Illinois, of the 8,146 students who received baccalaureate degrees from that institution in 1982, only 49 chose to be certified to teach high school mathematics or natural science.

Forty-three States report shortages of mathematics teachers, 42 of physics teachers, and 38 of chemistry teachers.

Fifty percent of newly employed high school mathematics and science teachers are not formally qualified to teach those subjects.

One-half of all U.S. high school students take no mathematics or science beyond the 10th grade. American student preparation in mathematics and science stacks up poorly against that of the Soviet Union, Japan, and several other countries.

Student science achievement dropped steadily on three national assessments in 1969, 1973, and 1977, with the high achieving students losing the most ground.

These declines are occurring at the same time the demand in the work force for people with better scientific and mathematical skills is growing. The armed services also anticipate growth in their needs for people with scientific and technical skills.

The situation is not unlike the crisis our country faced in 1957, following the Sputnik launch. In that era, Congress, with the leadership of the Education and Labor Committee, enacted the National Defense Education Act of 1958.

I feel strongly that the present conditions demand a renewal of the same sort of commitment. That is why H.R. 1310 proposes a comprehensive approach, touching elementary school through postgraduate, including short-term and longer term solutions, and involving two Federal agencies.

Let me turn to some of the specific provisions of the bill, especially the elementary and secondary program.

In order to really have a significant impact on this widespread problem, and in order to get funds down to the classroom level where they have the most impact, our committee felt it was important to have an elementary and secondary formula grant program insuring almost every school district a grant of a usable amount.

Thus, part A of title I authorizes $250 million for fiscal year 1984 and an open-ended amount for 1985 for grants to States for elementary and secondary mathematics and science education improvement programs. At least 75 percent of each State's grant must be distributed to local school districts, with the remainder kept by the State educational agency for State-run programs and administration.

At both the State and local level, the top priority for using these funds is inservice teacher training in mathematics and science. These programs may focus on improving the skills of current mathematics and science teachers, elementary teachers and other teachers involved in science and mathematics instruction, and recertifying of teachers of other subjects as mathematics and science teachers. These training projects will have an impact on the shortages of adequately prepared teachers. And as teachers become better qualified, this will affect student achievement.

After meeting their teacher training needs, the State and local school districts may use their funds for other activities, at their discretion, to improve mathematics and science education.

The bill encourages joint programs between local school districts, State educational agencies, institutions of higher education, business and industry, and other public and private agencies such as libraries and museums.

H.R. 1310 also addresses the teacher shortage and qualification problem through a variety of postsecondary education programs. First, the legislation will provide scholarships for up to 5,000 undergraduate and graduate students in fiscal year 1984, to encourage them to become teachers of mathematics and science. For every year of scholarship assistance, which can cover up to the full cost of attendance at a postsecondary institution, the student must agree to teach elementary or secondary mathematics or science for 2 years.

The second prong is a program of grants to institutions of higher education to enable them to offer summer institutes. These institutes are aimed at improving the teaching skills and mathematical and scientific knowledge of current teachers.

H.R. 1310 also allows for grants to institutions of higher education for faculty improvement and curriculum development in mathematics and science. Finally, title I sets up a program of research into mathematics and science teaching and learning.

All the above programs are contained in title I of the bill. Mr. FUQUA will explain title II, which deals with the scientific and engineering programs administered by the National Science Foundation.

I would be remiss if I did not praise my colleagues on the Education and Labor Committee for their contributions to this bill and their diligence in getting it to the floor expeditiously. I especially commend my colleagues Mr. SIMON and Mr. GOODLING, who worked with me from the first day of the session and played a major role in writing this legislation.

Mr. Chairman, I look to H.R. 1310 as a first step in reviving our educational

system and economic base. I urge the Members to make this investment in our future and join with me in supporting this essential legislation.

Mr. FORD of Michigan. Mr. Chairman, I rise in support of the bill H.R. 1310, the Emergency Math and Science Education Act.

It is clear that the American work force must change to match the demands of the changing national and international economy. Management analyst Peter Drucker predicts that through the next two decades 10 to 15 million manufacturing jobs will disappear in America. While precise occupational projects are difficult, it is clear that the new jobs will be in areas such as computer technology, robotics, fiber optics, genetic engineering and health care. Most of the job growth in the eighties and nineties will be in occupations requiring high levels of competency—white collar, technical, and skilled trades workers.

Lester Thurow, an economist at Massachusetts Institute of Technology, summarized the situation:

> The economy is not going to thrive unless there is a major effort to upgrade the American labor force from top to bottom.

It is particularly apparent that there is a need for a high level of scientific, technological, and computer literacy for all citizens. This competency will be required not for a few but for most workers—including those displaced by the decline of manufacturing, those currently holding jobs and the new entrants into the labor force.

It is plain that the upgrading of the American work force that is required can only come as products of the American educational system. Yet, when we examine education in America we find that it is not producing or is not being allowed to produce the trained and skilled manpower we need. Shortages already exist or are anticipated for engineers, nurses, computer service technicians, and machinists, among others. For example, the American Electronics Institute estimates that industry will need nearly 200,000 new engineers by 1985; while universities, given their current faculty, can supply only 70,000.

Most projections of skill shortages do not take into account the $1.5 trillion defense buildup planned by the Reagan administration. The Defense Department estimates that its contractors will need 71,000 more computer specialists, 61,000 more electrical engineers and 110,000 more machinists, tool and die makers and metal molders by 1987.

In terms of our needs for trained and skilled manpower both as the engine of economic growth and productivity and as a crucial element in sustaining our national security, we find that critical shortages already exist. As we look back down the educational pipeline, the prospects for the future are also not encouraging.

Looking first at elementary and secondary education:

Between 1960 and 1977, the proportion of public high school students (grades 9 to 12) enrolled in science and mathematics courses declined—from 60 to 48 percent in the case of science.

Since 1970 there has been a nationwide trend toward reduction in high school graduation requirements. Only one-third of the Nation's 17,000 school districts require more than 1 year of mathematics and science for graduation.

There has been a steady decline in the science and mathematics achievement scores of U.S. 17-year-olds in the last decade.

The mathematical and verbal scholastic aptitude test (SAT) scores of students (approximately 1 million college-bound students, largely from the 2% of U.S. high school graduates) have declined steadily over an 18-year period through 1980 and showed only a slight gain in 1981.

There is a severe and growing shortage of mathematics and physical science teachers in the Nation's secondary schools.

In 1981, 50 percent of teachers newly employed nationwide to teach secondary science and mathematics were actually uncertified to teach those subjects.

In 1981, 43 States reported a shortage of mathematics teachers and 42 States reported a shortage of physics teachers.

Only 15 percent of American high school students now study a foreign language—down from 24 percent in 1965. The decline is continuing.

If we turn our attention to postsecondary education, we find:

Colleges and universities have been lowering their admission requirements, accepting students with less course work in mathematics, science, foreign language, and academic subjects generally. For example, only 8 percent of American colleges and universities now require a foreign language for admission, compared with 34 percent in 1966.

The report, Engineering Manpower and Education prepared by the Business-Higher Education Forum notes:

> Overwhelming evidence and almost unanimous consensus point to a severe shortage of doctoral-level engineers, both in the immediate market and in preparation.

For example, a recent report of the National Science Foundation indicates that there are more than 16,000 unfilled engineering faculty positions. The shortage is most severe in computer engineering where 16 percent of faculty positions are unfilled.

The scientific instruments and equipment at our colleges and universities are growing increasingly obsolete. The quality of both teaching and research is diminished when students and faculty must use wind tunnels, telescopes, reactors and accelerators that are not state of the art.

In the arts and sciences, undergraduate enrollments have been declining in many areas as students shift from fields like languages and literature to business and engineering. But, most disturbing is the fact that the very best students in the arts and humanities are not continuing on to graduate school in these fields.

It appears that the doors of educational opportunity are being narrowed. The percentage of nonwhite students in American colleges and universities doubled between 1960 and 1977, but it has remained unchanged in the last 5 years. Low income and minority students are also being forced by increasing costs and decreasing Federal aid to attend the lower cost public 2- and 4-year institutions. The number of students from families earning between $6,000 and $24,000 a year attending private colleges has dropped by 36 percent in 2 years. The number of Harvard's applicants who were the children of parents who never attended college fell by 27 percent in 3 years. The New York Times has editorialized against the danger of "a caste system" and "a new college segregation" in higher education.

The bill we are considering today is an important first step toward remedying the problems which I have described. It is the product of intensive consideration by the Education and Labor Committee and the Science and Technology Committee. It provides for a series of initiatives to strengthen education in mathematics and science at all levels from elementary through graduate school. It utilizes the resources and experience of the Department of Education and the National Science Foundation. I urge my colleagues to support this bill which will put us on the road to upgrading the quality of education in America.

Mr. HOYER. Mr. Chairman, America is currently in the midst of a crisis in the scientific education of our young people. The critical study of math and science is on the wane and the results are devastating. We have fewer technicians in these fields, declining test scores on student achievement tests, and fewer qualifed teachers in these critical areas.

Less than 30 years ago, America was caught unprepared in these same fields, and, as a result, we assumed the unenviable position of spectator as the Russians launched Sputnik. We responded then—with amazing success—and we must respond again today.

The future and present employment and defense needs of this Nation require a technologically literate populace. The world is becoming smaller as high technology allows us to

communicate and produce more efficiently. According to the Education and Labor Committee, demand for electrical and computer engineers is expected to exceed the supply by 40 percent in 1985. Data processing mechanics are expected to grow by 148 percent by 1990, computer analysts and office machine service personnel by 80 percent and 81 percent respectively by 1990.

The defense implications of this situation provide more compelling justification for our prompt action, today. The concept of conventional warfare has in fact been replaced by computerized warfare. Today, the Air Force reports that 57 percent of its civilian vacancies are for engineers. Only 53 percent of the Navy's needs for such personnel have been met, and the Army's need for engineers grew by 34 percent over the past 2 years. A review of the status of qualified teacher availability and student achievement will reveal that the immediate prospect for meeting these needs is not optimistic.

According to the responses of 45 States participating in a national survey, 43 reported shortages in math teachers. Only one-third of the Nation's school districts require more than 1 year of math or science, and seven require no math for graduation. Forty-two States reported shortages in physics teachers. In fact, there are only 10,000 physics teachers for the 17,000 school districts in the country, and calculus in taught in only 31 percent of America's high schools. For America's high school students these shortages produce tangible ramifications. The Education and Labor Committee indicates that only 34 percent of our high school graduates have taken 3 years of math. Less than 20 percent have taken 3 years of science, and only 8 percent have taken calculus. The mean SAT math score dropped from 502 in 1963 to 466 in 1980 while the number of students earning a 700 score on that exam dropped 15 percent between 1967 and 1975.

International comparisons bring the crisis to clarity. In the Soviet Union, high school graduates are required to have taken 2 years of calculus, 5 years of physics, 4 years of chemistry and biology, and 5 years of algebra. Last year the Soviets graduated 300,000 engineers from its postsecondary institutions. Japan's college-bound students take 4 years of math and 3 years of science. Last year 80,000 Japanese engineers matriculated. In the United States, only 65,000 engineers graduated from college.

Finally, Mr. Chairman, I am pleased to support H.R. 1310 because it will be responsive to the needs of the Fifth Congressional District of Maryland, where this year, math and physical science teachers will have to be recruited from out of State. This is so because the State of Maryland graduated a de minimus number of teachers in these areas. In fact, the Prince Georges County Board of Education indicates that all math teachers who were recently laid off have now been recalled, but the need still exists for more.

Mr. Chairman, the Emergency Mathematics and Science Act is a first step in the long road we must travel to bring ourselves up to the level of past expertise. In this increasingly more complex and technically oriented society, clearly our future depends on the adoption of a sound and directed policy for the scientific education of our youth. I hope my colleague will join with me today in adopting this sorely needed legislation.

□ 1315

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. ERLENBORN), the ranking minority member.

Mr. ERLENBORN. Mr. Chairman, I am opposed to H.R. 1310 on both procedural and substantive grounds. This legislation, originally introduced as H.R. 30, was rushed through the Education and Labor Committee.

I cannot understand why it was necessary to circumvent subcommittee consideration of this legislation. One of the values of subcommittee action is that it provides both the Members and the public an opportunity to review the shape and direction of the legislation in the context of the hearings. Any benefit that might accrue from suggestions made during the hearings or from the reaction of interested parties based on a subcommittee markup is completely negated by unnecessarily rushing this legislation through full committee markup. One example of the problems created by this unwarranted haste is that our members had barely 3 days to consider an alternative proposal put forward by the administration. One would think the committee would at least want the opportunity to evaluate thoroughly a major new initiative by the administration.

Another consideration is the authorization level contained in H.R. 1310. Before the markup ended, the committee managed to incorporate an additional legislative initiative which has the effect of increasing the proposed spending ceiling from $300 million to $400 million. I think it is the height of irresponsibility for the committee to create a new $400 million a year spending program in the face of a $200 billion deficit. This authorization level is $350 million more than the administration has requested.

It is obvious that the committee has no fear that we might just be throwing money at a problem with the hope that it would simply disappear. That tactic has not worked in the past and I am not convinced that it will be any different this time around.

The elementary and secondary education portion of the bill proposes to fund a wide range of activities ranging from teacher inservice training programs, summer institute expenses, and for other activities to improve instructional programs in mathematics and science. Given the scope of this legislation I fear that Congress will be raising expectations and making promises that are not likely to be fulfilled and without any certainty that whatever amount is spent will produce the result sought.

The proposed national teaching scholarship program provides scholarships to college juniors and seniors and to graduate students based on their intention to teach math, science, or foreign language. It does not appear to matter whether these individuals ever had any prior inclination to enter the field of teaching before applying for the scholarship.

These scholarships would be in addition to other Federal aid a student may receive—in other words, the scholarship is to act as an encouragement to students to enter math, science, or language teaching. The idea of incentives is laudable, but it is questionable that these scholarship will really increase the number of math or science teachers. After receiving the scholarship and finishing college, nothing would prevent the student from accepting a job in private industry and opting to repay the scholarship. Some students may view the scholarship as a new form of Federal aid, the only requirements being that they are making satisfactory progress and express an intention to teach math, science, or foreign language.

I also have concerns about the length of time it could take for a scholarship recipient to enter the classroom as a certified teacher from the day he or she receives the scholarship; 2 years to finish college, at least 1 year of study for certification, and possibly more for specialized training. There are no requirements in the bill that a scholarship recipient must begin teaching within a set period of time upon receipt of the money; only that the recipient indicate his intent to teach at some point.

I feel a scholarship program focused on current teachers—people who are more certain to teach but who need retraining—is a better use of Federal dollars and a surer way of getting math and science teachers into the classroom. For that reason, the proposal submitted by the administration entitled the "Science and Mathematics Teacher Development Act—(H.R. 1324)," is particularly attractive, and I intend to offer amendments and sup-

port others which would move in this direction.

I also oppose extending services under part B to teachers of foreign language. There is a shortage of Federal tax dollars, and we should direct them to the highest priority, not diffuse them.

I urge my colleagues to reject H.R. 1310 and to support a series of amendments designed to alleviate the problem of teacher shortages without compounding our deficit problems. I intend to offer a series of amendments which would result in preserving title I, part B of H.R. 1310. In effect, my amendments would provide for a $50 million program to increase the short-term supply of mathematics and science teachers in place of the $400 million package provided in H.R. 1310.

If we are serious about meeting the need to improve our children's knowledge of basic subjects, we ought to write a realistic program designed to achieve that goal. We cannot afford to do otherwise.

Mr. FUQUA. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the Committee on Science and Technology joins the Committee on Education and Labor in supporting H.R. 1310, proposing a broad and comprehensive bill to deal with what has been termed a crisis in science and math education. H.R. 1310, while comprehensive in nature is not seen by either committee as a solution to all the problems confronting our educational system today in science, math, engineering, and technology. Rather it should be viewed as a first step—although an important one—in a series of steps to be taken collaboratively by the Federal Government with State and local governments, academia, business and the other elements of the concerned private sector. True resolution of the problems will require a protracted effort on everyone's part to reverse the present trends of our educational system and meet our human resource needs of tomorrow.

Mr. Chairman, both committees have had extensive hearings on the issue of science and math education and its impact on the Nation's trained technical, engineering or scientific personnel. The Science Committee held five series of hearings in the last Congress as well as a final set of hearings in this Congress. The last day, in fact, we heard from over 20 witnesses representing industry, academia, State and local governments and various professional and educational groups and societies. In addition, dozens of conferences, meetings, and colloquiums have been held throughout the country with sponsors including the National Academy of Sciences, the American Association for the Advancement of Science, the National Association of Manufacturers, the American Association of Engineering Societies and many others.

Let me note here a few of the facts and ideas we have heard resulting from these oversight and investigative activities:

Fifty percent of new science and math teachers at the secondary school level are unqualified to teach those subjects.

Fewer than 30 percent of the Nation's high schools require more than 1 year of science and math.

There currently exists a 9-percent shortage of engineering faculty at just the time when engineering course enrollments are increasing.

Overcrowding of classrooms, lack of advanced instructional and research instrumentation, as well as noncompetitive salaries are attracting young engineering faculty and instructors out of the university and into industry.

Fewer American engineering students are entering graduate level programs to create the next generation of teachers and researchers in this area.

To put it another way, we are eating our "seed corn"—and that "seed corn"—our teachers and instructors, our researchers and engineers—will be critical to this Nation's future well-being.

As the President recently recognized in his second state of the Union address:

> Education, training and retraining are fundamental to our success as are research, development, and productivity . . . We Americans are still the world's technological leader in most fields. We must keep that edge, and to do so we need to begin renewing the basics—starting with our educational system.

I believe we all agree on the need as we stand here today. As I have noted, the problems are quite extensive, underscoring the need for quick action. In the 97th Congress, over 40 bills were introduced, but none were passed. I believe Members who have studied this problem are now prepared to act.

The bill before us today represents the culmination of almost 2 years of effort by numerous individuals both here in Congress and from outside. Again, it is not intended to be a single answer to the complex issue confronting us. Rather, it is a start in the process.

Let me briefly mention the highlights of the Science Committee's actions and recommendations as reported for consideration on the floor. As already noted by my distinguished colleague from Kentucky, the chairman of the Education and Labor Committee, Congressman CARL PERKINS, H.R. 1310 has two parts, title I—the "Engineering Mathematics and Science Education and Jobs Act" and title II—the "National Engineering and Science Personnel Act of 1983." The elementary and secondary portion of title I was considered solely by the Education Committee; the other portions of title I jointly by our two committees; and title II solely by the Science Committee.

In the title I activities considered by the Science Committee we found ourselves in agreement with the Education Committee as to the actual activities to be taken, although there were some changes in responsibilities and resources allocated between the Department of Education and the National Science Foundation. These included:

A special national teacher incentive scholarship program to be administered by the Department for providing new elementary and secondary math and critical foreign language teachers.

A special national teacher incentive scholarship program to be administered by the Department for providing new elementary and secondary math teachers, and teachers of critical foreign language.

Summer institutes and workshops to be operated by both the foundation and the Department aimed at improving teaching skills.

Postsecondary mathematics, science, and foreign language improvement at institutions of higher education; and investigations of effective educational methods and programs.

In title II the major thrust is twofold. One, to establish a clear policy as to the Federal role in maintaining an adequate supply of properly qualified technical, engineering and scientific personnel. Second, to establish a special matching fund administered by the National Science Foundation. This cost-sharing fund would focus on the following:

Recruitment and retention of new engineering faculty.

Two-year and community college, as well as four-year institution faculty development in high technology and scientific fields.

Instructional Instrumentation with special emphasis on computer accessibility in post secondary institutions.

Precollege science programs including the use of industrial personnel and resources in education programs; and the promotion of public understanding of science and mathematics.

The funding level in title I as reported by our committee was $325 million for fiscal year 1984; in title II $100 million per year is authorized for a 5-year period beginning in fiscal year 1984. The total amount in fiscal year 1984 would be $425 million.

Although $425 million is a lot of money, I would note that the Nation now spends over $200 billion annually for our public education enterprise. The $425 million is less than one-quarter of 1 percent of $200 billion. Given the crisis we have all acknowledged as

confronting us, I believe the amounts we have reported represent a level of investment in our Nation's long-term economic and security needs.

Mr. Chairman, I strongly urge support for this bill. When appropriate, I will offer a committee amendment reflecting the Science Committee's recommendations. With that amendment I would hope we reach a strong agreement on this legislation, and I urge its adoption.

□ 1330

Mr. WINN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of legislation which would address a pressing national need—the shortage of qualified mathematics and science teachers and technical, engineering, and scientific personnel. This is a problem that affects the entire Nation, whether it be Kansas, New York, or North Dakota. The United States is embarked on an era where high technology is the byword. Unfortunately, in many cases this country is not equipped to handle the revolution, either now or in the years to come.

Many of our young people have the burning desire to learn about these emerging technologies and to acquire these new skills. Yet, in many instances, we are unable to provide them with the necessary teaching to properly develop and channel this thirst for knowledge. One only has to look at the fascination of a 10-year-old with a new computer to realize that we are allowing a great national resource to go untapped, when we do not promote mathematics and science literacy in our students.

Let me point out that it is just not at the elementary and secondary level that we are falling behind in our efforts to achieve science and mathematics literacy. The crisis extends to the graduate and postgraduate level. The United States faces a crisis at all levels when it comes to providing an adequate number of technical, engineering, and scientific personnel to meet the demands of this high technology revolution.

When sputnik was launched in 1958, its implications and its threat to our national security so alarmed this country that we embarked on an intensive campaign to emphasize science and mathematics education throughout our school systems. There is no doubt that such emphasis paid off, as most dramatically evidenced by the spectacular Moon landing in 1969. That brillant scientific and engineering feat was only a small part of a decade of tremendous achievements by the American science community. As the threat of a Soviet challenge diminished, it seemed so did our interest in science and mathematics education. Our 16,000 school districts nationwide now find themselves extremely hard pressed to come anywhere close to finding an adequate number of qualified teachers in mathematics and science. This is reflected at the other end of the pipeline in our colleges and beyond, as we are not graduating a sufficient number of technical personnel to meet our national needs. We all know that in many respects the Japanese and our Western European allies have caught and surpassed us in many scientific fields. That is why, Mr. Chairman, we have today, I believe, a consensus both in this body and the Nation, that we cannot allow the situation to deteriorate any further. It must be improved.

The thrust of H.R. 1310 is to achieve that improvement. It does so, as the chairman has explained, by a broad, two-track approach. One track provides for grants to States to address elementary and secondary education math and science needs. That essentially will be administered by the Department of Education. The second track provides for a program administered by the National Science Foundation which will address not only elementary and secondary needs, but postsecondary and graduate shortages in scientific and engineering disciplines. With a few modifications, I feel this worthwhile bill will achieve its goals.

Mr. Chairman, having expressed my support for the concepts contained in this bill, I must point out that there are some problem areas. During markup of this bill, in the Science and Technology Committee, the minority members expressed some deep concerns with what we felt was a lack of proper focus in the bill. The bill authorizes $425 million. Some would say that is an inadequate amount to deal with this problem. However, I feel that is more than enough to get the job done if you focus the money properly. This means we must hold down administrative expenses at the local level to a bare minimum. This means we must insure that these are administered to the maximum efficiency between the National Science Foundation and the Department of Education. This means we cannot please everyone in this one piece of legislation by spreading limited resources over too many programs. All of these problems, and others, must be addressed in the context of the impact on the Federal budget and the projected deficit.

Mr. Chairman, at the appropriate time there will be amendments offered to correct many of these deficiencies. However, I do want to reiterate that I fully believe that there is a consensus that a national problem exists. Our only question now goes to the direction of the solution. I am certain that the debate that follows and the amending process will go a long way to pointing out the proper direction.

Mr. PERKINS. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, I am very pleased to be an original cosponsor of H.R. 1699, the Emergency Mathematics and Science Education Act. This bill recognizes two facts which have been ignored or underestimated for too long; Namely, the need for more qualified science and math teachers, and the critical importance of these subjects to our economic well-being.

The first section of the bill provides $250 million in grants to States for the improvement of elementary and secondary math and science education. The grants will focus on inservice teacher training, curriculum improvement, and modernization of instructional techniques. Funds are also authorized for postsecondary assistance, including scholarships for those who are planning to pursue teaching careers in math and science, summer institutes for upgrading teacher skills, curriculum development and research into more effective methods of instruction in math, science and foreign languages.

The second section of the bill establishes an engineering and science personnel fund within the National Science Foundation. The fund, authorized at $100 million, will provide matching grants to improve science education. Priority areas for grant awards will include:

College faculty development in high-technology fields;

Updating of instructional techniques for postsecondary education;

Recruitment and retention of new engineering faculty at the postsecondary level;

Community college instructor development in high-technology fields, and purchase of new scientific equipment;

Precollege science and math programs, with emphasis on cooperation with the private sector;

Development and dissemination of instructional materials in math, science, and engineering education; and

Public understanding of science and math.

During the past decade, surveys of schools around the country have shown a shocking decline in the number of math and science teachers. Last year alone, some 600,000 children were unable to enroll in math and science classes due to a lack of teachers or resources. In my home State of Iowa, the number of graduates prepared to teach mathematics declined from 234 in 1970 to 60 in 1979—a decline of 74 percent. The number of teacher vacancies in that period fluctuated between 200 and 250 each year. To make up for a lack of qualified per-

sonnel, certification standards are often lowered.

Training opportunities for math and science teachers to update their skills and backgrounds are essential to keep up with the rapid advances taking place in these fields. In most cases, precollege math, science, and technology instruction has yet to take advantage of the great strides in technology and behavioral science during the past two decades. For example, computers provide an immense opportunity to develop innovative curriculum and instruction approaches while at the same time exposing students to basic computer use concepts. Computer software in classrooms, however, is generally inadequate and many teachers lack the skills needed to utilize these computers.

The situation with respect to computer-related degrees is approaching the level of a national crisis. With more and more students clamoring for computer degrees, and at a time when there are roughly twice as many computer-related jobs as there are graduates to fill them, the pool of qualified teachers has been drying up.

Addressing the shortfalls in math and science education now will lower future unemployment rates and enable the country to compete more effectively in the world marketplace. Even the Reagan administration has come to see the folly of budget cuts in this area. I was happy to see that after 2 years of proposing cutbacks in National Science Foundation programs, Mr. Reagan did an about-face this year. It is particularly fitting to discuss this bill during the same week that we will vote on emergency jobs legislation. While that bill attempts to provide short-term solutions to the problem of unemployment, this bill looks to the future. It is "preventive medicine" to keep future unemployment rates down.

The cornerstone of a healthy economy is a well-educated, well-trained work force. It does not take a crystal ball to see that the jobs of the future, as well as a good number of present job openings, demand a solid background in math and science. The need for a national agenda and a strong, coordinated national policy with respect to math and science education is clear. Passage of this bill is the first step.

Mr. PERKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. Mr. Chairman, what we are doing here today is taking a step forward. We are not providing any magic cure for the problem; this bill is not a substitute for State and local school boards moving. It is a gesture, but a gesture of some significance on the part of the Federal Government to the States, to local school boards, that we have to move on this problem.

Mr. VALENTINE. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I now yield to my colleague from North Carolina who has expressed a desire to ask a question.

Mr. VALENTINE. Mr. Chairman, I intended to offer an amendment to the section to the bill which provided for the summer institutes. But I would ask the gentleman a question as to whether or not he understands that it is the intent of this proposed legislation for the Federal Government to cooperate with the chief school administrator or administrators so as to insure or guard against a duplication?

Mr. SIMON. I thank the gentleman from North Carolina for that question. That clearly is the intent.

The amendment the gentleman has drafted, some people were concerned that maybe we were going to end up with too much redtape as we proceed, but clearly the intent is that both the NSF and the Department of Education cooperate with the chief of State school officers so that we avoid duplication.

I thank the gentleman for his question and hope getting this on the record will clarify things.

Mr. VALENTINE. I thank the gentleman.

Mr. CHANDLER. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I am happy to yield to the gentleman from Washington.

Mr. CHANDLER. Mr. Chairman, as the Chairman of the Committee on Science and Technology knows, I had planned to offer an amendment during the committee markup. My amendment was designed to place private business into a partnership with the Federal Government in the provisions of work-study jobs for students pursuing math or science education degrees.

I agreed to withdraw that amendment, Mr. Chairman, at the time in order to consult with the chairman of the committee and the ranking minority member, the gentleman from Kansas (Mr. WINN) and with the gentleman from Illinois (Mr. SIMON) on the impact of the amendment on the existing college work-study program.

I have decided not to offer the amendment on the floor after discussing the amendment with the gentleman from Illinois (Mr. SIMON). We both believe it would be more appropriate to consider it during the upcoming authorization of the Higher Education Act.

Mr. SIMON. If the gentleman would yield back to me, I want to thank the gentleman for agreeing not to offer his amendment to the Emergency Math and Science Act. I have assured the gentleman that we will consider his amendment during the reauthorization of the Higher Education Act on which my subcommittee will begin hearings later this year.

The gentleman has an excellent idea for improving the college work-study program and the cooperative education program. His suggestion has merit and it will be considered by our subcommittee when we get into the reauthorization.

I thank the gentleman.

Mr. CHANDLER. I thank the gentleman for yielding.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I now yield to my distinguished colleague from Oklahoma.

Mr. McCURDY. I want to take a minute of the gentleman's time to state for the record my appreciation for the fine work and leadership the gentleman has provided on this issue. There is no question as to foreign languages and the concerns of education in attracting and retaining qualified people in math and science education that the gentleman has been at the forefront and vanguard.

As a member who sits on the Science and Technology Committee with you, and understanding the work you have done on the Education and Labor Committee, I again want to tell you how much the people in my part of the country are pleased and I think the entire Nation owes you a debt of gratitude for the leadership you have provided on this issue.

Mr. SIMON. I thank my colleague from Oklahoma and if I may reciprocate I commend him for his superb leadership in this whole matter.

I yield back the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise, of course, in support of the Emergency Science Education Act and the National Engineering and Personnel Act for many reasons.

First of all, I think it is an incentive for local school boards and local school districts to move on an issue where they must move and move rapidly.

I do not know when I ever read testimony as carefully and as often as I read the testimony that was given before our committee. After digesting all of that testimony it appeared to me that there were five areas that most people who came before the committee were concerned about.

First of all, the testimony would indicate that they had a real concern about the shortage of math and science teachers. Some areas have an abundance. Other areas have a real shortage.

They were also concerned about the decline in student performance. They were concerned over the economic impact that our declining math and science literacy may have as we try to recover from a worldwide recessionary period, and they had real concern

about national security as it relates to math and science.

Secondly, I think they were concerned about the fact that the new era we are moving into will demand that the general population have a science and mathematics literacy far beyond anything that we now have. It is stated that perhaps 80 to 90 percent of the general population are illiterate when you speak in terms of math and science knowledge. This cannot be if we are going to move ahead into the kind of an era that we are moving into.

Next, they were concerned that we do some focusing on retraining and upgrading current teacher forces as well as retraining people to fill existing job openings.

We had testimony from different groups that indicated that in many States, 35 to 40 of the States do not have sufficient science and mathematics teachers.

Furthermore, in many instances they have unqualified and uncertified people teaching simply because they do not have the proper certification.

They also were concerned that we start putting some emphasis on the elementary level. We have a tendency to think in terms of math and science and then talk about secondary and postsecondary education.

The unfortunate part about that is that if the youngster's appetite is not whetted in kindergarten, first grade, second grade, and third grade, certainly we are not going to turn him on when suddenly he finds himself in the seventh or eighth grade.

We also find that as many as 16 percent of the elementary school teachers have little background in math and science education.

So our hope is to give them an opportunity to whet the appetites of those youngsters in the areas of math and science long before they reach the secondary level.

The one other area that the testimony seemed to talk about was the need to develop and expand creative involvement in private sector in-school programs. I think this bill helps that and, as I indicated in committee, I think the Ways and Means Committee can help us eventually to get more involvement from the private sector.

So with that in mind, the question then is, if these are the problems, what do we do and what is our responsibility on the Federal level.

Our responsibility, as we decided in the Education and Labor Committee, is in part A and part B, and that is what I am going to talk about.

First of all, we decided that with $250 million, we would try to do the very best job possible to distribute this money to the States according to school age population, State wealth, and State per pupil expenditures, and then 75 percent of the money within that State would be allocated to schools on the basis of chapter 1 population.

We also indicated that we would try to focus on in-service teacher training. We would encourage joint programs with other schools or State-operated programs and the additional 25 percent of the money would be for State-run programs.

Of that 25 percent, we indicated that one-fifth of that must be used for bonus incentive matching grants to fund creative programs.

There are a lot of school districts that are doing new things that are working that are helping us along this line and this would be an incentive for them to move ahead, and others to try to duplicate and even improve upon some of the new things that are being done to improve literacy in math and science.

□ 1345

We would also then emphasize in-service teaching training and the funding of summer institutes. In part B we say that we will use $50 million for postsecondary assistance. National teaching scholarships would receive $20 million, for 5,000 scholarships which would be expanded to 10,000 awards that would be given out between now and 1985. This would help to bring new blood into teaching math and science. We would use also $7.5 million for postsecondary improvement. Competitive grants for program upgrading; we would use $17.5 million for summer institutes to upgrade current teachers including elementary teachers and $5 million for research.

I think that we have to be careful as we go through this exercise today, we have to make sure that we do not expand this program when we are talking about limited funds. If we do, then, of course, we are going to try to do all things for all people and end up doing nothing for anyone. We have very limited funds. These are the areas that are important, these are the areas of concern that the general population and those who are in a position to know who testified before us focused upon. I think our emphasis must be on science and math literacy for the entire population. We basically had programs in the past that zeroed in on making the elite in math and science more elite. We were successful in doing that. Now we have to bring the majority of the population to a reasonable level of math and science literacy. And I would hope that we would resist expanding the program today and I would hope that we would get overwhelming support to move ahead with this particular program.

The CHAIRMAN. The gentleman from Pennsylvania has consumed 7 minutes.

Mr. FUQUA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York (Mr. LUNDINE) a member of our committee.

Mr. LUNDINE. Mr. Chairman, in recent years, it has become increasingly evident that the United States is falling behind in mathematics and science education. In my view, failure to address this problem has severe implications for our ability to revitalize the economy of the United States. For this reason, I rise in strong support of H.R. 1310, the Emergency Math and Science Education Act of 1983, which I believe, is the first step toward addressing this central national problem.

As a member of the Science and Technology Committee, I have had the opportunity to consider this legislation and to contribute to the bipartisan compromise between the Education and Labor, and the Science and Technology Committees. Few would disagree that the bill we are considering here today is much improved over that which was originally introduced. I commend Chairman PERKINS and Chairman FUQUA for their leadership and diligence in guiding this measure through their respective committees.

As reported, H.R. 1310 proposes a program of initiatives to be administered by the Department of Education and the National Science Foundation. The legislation is specifically designed to address the serious problem of quality and quantity of science and math teachers at all levels, outdated resources and materials for use by teachers—including course content, computer and instructional equipment—quality and quantity of technically trained personnel—including engineers—to meet the demands of industry, and the lack of citizen education on the impact of science and technology on our society.

Solving the problem in the long run significantly depends on our ability to spark interest and motivation in students beginning in elementary school and continuing through graduate education. Teachers are the catalyst in the education process and a major factor in efforts to stimulate students to pursue the study of science and math. For this reason, the shortage of qualified teachers of math and science at all levels is particularly critical

H.R. 1310 addresses this problem in part, by providing assistance for inservice teacher training, national teaching incentive scholarships to encourage talented students to pursue careers in math and science education, and by the return to summer institutes for upgrading teacher skills and knowledge. I have been very impressed with the reported success of the summer institutes which were administered by the National Science Foundation during the sputnik era and I am hopeful that this success will be repeated under this provision.

While I am pleased with these provisions, I am concerned that the problems of retaining qualified teachers is not adequately addressed. Additional consideration must be given to ways to provide incentives for these teachers to stay in the teaching profession, rather than leaving for more financially rewarding positions in the private sector. The Federal Government may well have a role to play in providing assistance to State and local education agencies for the purpose of rewarding teacher excellence. In my view, it is time for Congress to examine this difficult question.

Finally, I am very pleased with the creation of the engineering and science personnel fund within the National Science Foundation and, more importantly, with the priorities established for expenditure of these funds. In addressing the problem at the postsecondary level, these priorities give important recognition to the role of community colleges, as well as 4-year institutions, in improving the quality of math, science, and engineering education.

Our experience during the Sputnik era demonstrated that we have the ability to significantly improve the quality and quantity of scientific personnel to continue our research and development activities. This legislation will once again make math and science education a national priority and will stimulate continued achievement in science and technology. In addition, this legislation recognizes the growing importance of citizen education in science and technology. All citizens, not solely those pursuing scientific careers, require a greater understanding of science and technology in order to make decisions affecting their private lives and also regarding public policy issues. H.R. 1310 recognizes this need and makes citizen education one of our priorities.

We must not underestimate the importance of science and math education to the country's industrial competitiveness. Innovation and improved productivity performance increasingly depends on the development of our human resources and the ability of the work force to understand and adapt to technological change. Most of our international trade competitors, like Japan, continue to place a greater emphasis than the United States on science and math education at all levels.

I am confident that this legislation will begin the task of improving science and math education in this country, enhancing our ability to revitalize the economy, and I urge its adoption by the Congress.

Mr. WINN. Mr. Chairman, I yield 5 minutes to the gentleman from New Hampshire (Mr. GREGG) who has been very instrumental in moving this bill to the floor.

Mr. GREGG. Mr. Chairman, as was pointed out by the prior speaker, Mr. LUNDINE, the issue of science and math education in our school systems is probably one of the most critical issues this country faces today. We are as we move into the eighties looking at a national economy which will be 50 percent reliant on high technology; our ability to compete in international markets is moving from a hard-goods approach to a high-technology approach. We are finding more and more our country depends for its lifeblood on international trade and also for its own vitality within the United States, on the high-technology business.

So we now find ourselves confronting the fact that as we move into this age of high technology we are producing less and less scientists, less and less people who are familiar with and capable in handling math.

Some statistics have been related here today but I think a few should be reviewed because of their significance and how they outline the depth of this problem.

Only 13 percent of all the high school students that graduate are prepared for engineering curriculum in college. Only 34 percent of recent high school students have taken 3 years of math. Only 8 percent have taken calculus. Less than 20 percent of high school students have taken 3 years of science.

Only one-sixth of all high school students have taken junior or senior math courses and two-thirds of the U.S. high schools require only 1 year of math and science.

This is the problem with the curriculum. In the role of teachers, it is even more severe. Only 78 percent of the current demand for science and math teachers is being met.

Out of the 45 States polled by the National Governors' Conference, 43 said they had a shortage or a critical shortage of math-science teachers.

In fact, there has been and is projected to be, a 4-percent drop in math-science teachers in 1980 and 1981 and there is projected to be a 35-percent drop in math-science teachers by the year 1992.

In addition, since 1972 there has been a 77-percent decline in the number of qualified secondary school math teachers nationwide, who are prepared in college-teacher programs and 26 percent of all math-teaching positions are filled by noncertified teachers and close to 20 percent of all high school science teachers are nonscience majors in college. Of all the present math-science teachers, 79 percent have not completed 10-hour workshops or courses in their subject areas in over 10 years. Even more startling is the fact that we are in a computer age and yet 69 percent of our math-science teachers at high school level have never attended a computer course.

This bill is presented to this House as a way of addressing this problem. But the simple fact is that this problem cannot be addressed by the Federal Government alone. It is really a problem which must be addressed at the local level. We can, by a bill such as this, try to move local school districts into coming forward with their own approach toward improving their math-science education. But when you come right down to it, the bottom-line decision has to be made by the local school board as to how it compensates the math and science teachers, because this bill skirts that fundamental issue. And that is the issue which is most affecting math and science education in our school systems. Specifically, the average teacher today is paid between $9,000 and $10,000. Yet the average engineering student or math specialist coming out of college can obtain a salary range of anywhere from $15,000 to $30,000. The economics of the situation are such that we are simply draining off from our school systems our qualified and capable math and science teachers.

And yet we refuse to be willing to address that fundamental concern, the payment and the compensation of the local math-science schoolteacher.

Mr. GOODLING. Mr. Chairman, would the gentleman yield?

Mr. GREGG. Mr. Chairman, I would be happy to yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman.

As I said in my testimony and in our committee I think that is an area that must be faced. It is one of the biggest problems I think the Ways and Means Committee has to get involved in, because I think you have to go the tax-incentive route because you could never differentiate between an English and math teacher, or you would never have any kind of continuity or any kind of cooperation in a school district. I have some experience along that line. But you could do it with tax incentives.

Mr. GREGG. I appreciate the gentleman's comment.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. GREGG. Mr. Chairman, would the gentleman yield?

Mr. GOODLING. I would be happy to yield 1 minute to the gentleman from New Hampshire.

Mr. GREGG. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I must unfortunately disagree with the gentleman, because in my opinion the issue is compensation. It is like any other situation where we have to recognize the law of supply and demand. The simple fact is that the demand for the math-science teacher is much higher than it is for

other teachers and we are going to have to pay them at the local level if we are going to maintain them in the math and science area.

Mr. PERKINS. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I rise to join with my colleagues to lend my strong support to the legislation before us, H.R. 1310, the Emergency Science and Math Education Act.

As an original cosponsor of this legislation and a member of the House Education and Labor Committee where this bill was considered, I am pleased that the critical need for qualified math and science instructions in our schools has been recognized in such expeditious fashion. In hearings held in our committee last year and early this year, we heard countless witnesses testify to the need for emergency action. President Reagan, in his state of the Union address echoed this sentiment.

This bill before us, H.R. 1310, goes well beyond what the President has proposed—and rightly so. The case for improved math and science instruction is well documented:

In my own State of New York, the number of teachers newly certified for physics instruction dropped 50 percent and dropped 69 percent for math teachers between 1975 and 1979;

The private sector has siphoned off many of those prepared in college to be secondary and postsecondary instructors; high school physics teachers now making $12,000 a year are being offered private sector jobs at an average of $18,000 to $20,000;

Recent figures from the National Science Foundation show that 16 percent of all elementary and secondary teachers were inadequately prepared to teach math and science to students;

This shortage in math and science teachers, according to the New York State Regents, has been in existence for an unbelievable 30 years.

This shortage in teachers has had a severe impact upon curricula in our elementary and secondary schools. The Soviet Union requires all citizens to complete 10 years of training in math and high-technology fields, including 5 years of algebra, 2 years of calculus, 5 years of physics and 4 years of chemistry. More than 5 million Soviet students have had calculus by the time they have graduated from high school. By contrast, in the United States, only 500,000 have had the subject in the first year of college. In Japan, 25 percent of secondary school class time is spent in science and math areas including physics, biology, chemistry, algebra, geometry, calculus, and statistics. More importantly, Japan graduates as many engineers as the United States—with half the population. At the same time, the demand for highly trained personnel in these fields is increasing. The U.S. Department of Labor estimates that 250,000 more engineers will be needed by 1990 than are presently employed. In order to meet this manpower shortage, our young people will have to begin a conscious effort to take math and science courses from the seventh grade on.

In my own city of New York, the demand for math and science personnel is especially critical. We will need at least 1,000 new math and science teachers for the next school year. If we cannot fill this gap, our children, and their future educational—as well as earning potential—will be severely hampered.

This bill addresses, in a comprehensive fashion, the need to upgrade current instruction efforts in schools—as well as encourage, at the college level, young people to follow these professions. Working closely with the Science and Technology Committee, and their distinguished Chairman DON FUQUA, we have also provided for a $400 million, 4-year program to insure an adequate supply of technical, engineering, and scientific personnel through the National Science Foundation. I commend Chairman FUQUA for his efforts in this area and for his efforts to bring this bill before us in such timely fashion, along with my own chairman, CARL PERKINS.

This bill also recognizes that the program production and distribution capabilities of this Nation's noncommercial educational television system can provide science and mathematics telecourses to improve the quality of instruction and levels of achievement of students and increase the supply and qualifications of elementary and secondary teachers on a wide scale and in a cost-effective manner. Over one-third of all U.S. classrooms are regular users of instructional programing, produced in close cooperation with teachers; most of the limited number of science and mathematics courses are designed for elementary class use. Inservice training courses and college credit courses have been developed in response to State and local needs and are distributed through State and regional educational television networks as well as the Public Broadcasting Service's Adult Learning Service and the Agency for Instructional Television. These services are particularly valuable for teachers without easy access to campuses, due to employment schedules, domestic demands or both. Little if any programing has been specifically developed to improve the knowledge of existing science and math teachers or to recertify teachers of other subjects. Local and State educational agencies may combine funds they receive to develop, produce and distribute educational television programs to further the objectives of this legislation.

I am pleased to note that the public station of New York City, WNET, has played an important leadership role in this area. With funding support from the New York State Department of Education, WNET, in conjunction with WNYE and WLIW has created a three-channel program service for elementary and secondary education in the State. In addition, WNYE is the only station programing prime time primarily for adult education—including college credit courses.

For the benefit of my colleagues, I wish to insert into the RECORD an outline of this legislation and a brief description of its components. I am also pleased to note that my own city of New York will receive some $14 million under this proposed legislation and the city of Yonkers, which I am now proud to represent jointly with Congressman OTTINGER, will receive approximately $100,000 under H.R. 1310:

EMERGENCY MATHEMATICS AND SCIENCE EDUCATION ACT

ELEMENTARY-SECONDARY

$250 million for '84 "such sums" for '85.

Grants to the States with at least 75% passed through to local school districts according to Chapter 1 allocations.

Local funds to be used for teacher training and retraining, and (only after all training is completed) to be used for any other activity to improve mathematics and science.

State funds to be used for teacher training & retraining, administration, & incentive grants to school districts to cooperate with private industry.

Private school children must participate in programs, & efforts made to increase women & minority enrollments.

SCHOLARSHIPS

$20 million for '84 "such sums" for '85.

5,000 full scholarships in '84 for undergraduate & graduate students who intend to become science, mathematics & foreign language teachers; increases to 10,000 in '85.

30 percent of scholarships set aside for current teachers who want to go back to college.

Recipient must spend two years as a teacher for each year of scholarship.

Selection of recipients made on basis of merit.

SUMMER INSTITUTES

$17.5 million for '84 "such sums" for '85 (Ed & Labor); $20 million for '84, $20 million for '85 (Science & Tech.).

Department of Education (Ed and Labor); National Science Foundation (Science & Tech.).

Summer institutes to upgrade skills of current teachers.

POSTSECONDARY ASSISTANCE

$7.5 million for '84, "such sums" for '85 (Ed & Labor); $10 million for '84, $10 million for '85 (Science & Tech.).

Department of Education (Ed and Labor); National Science Foundation (Science & Tech.).

Grants to improve programs of science, mathematics and foreign languages in colleges.

RESEARCH

$5 million for '84, "such sums" for '85.

Department of Education (Ed & Labor); National Science Foundation (Science & Tech.).

Grants for research in science, mathematics and foreign languages.

TEACHER INCENTIVE GRANTS

"such sums" for '85 (Ed & Labor); $5 million for '85 (Science & Technology); grants to individual teachers of science & mathematics to improve programs in their classrooms.

In sum, Mr. Chairman, I believe we should adopt this legislation as soon as possible so that we can begin our efforts to upgrade the science and math skills of our Nation beginning the next school year. This is a timely response to a growing national problem. In 1958, Congress recognized a similar deficiency in our Nation's manpower needs and we passed the landmark National Defense Education Act in response to the launch of the Russian Sputnik. Today, the Emergency Science and Mathematics Act is a similar recognition that the long-term strength and security of this country rests with a cadre of skilled manpower. This legislation will insure that the United States remains second to no one in the world. I urge my colleagues to join with me in supporting its passage.

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Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri (Mr. COLEMAN).

Mr. COLEMAN of Missouri. Mr. Chairman, over the past few weeks both the Education and Labor Committee and the Science and Technology Committee have been deliberating over the content of a math and science bill. We have had our differences over the types of programs to include in this bill, and the price of the bill, but one thing we do not differ on is the need for this bill.

In 1981, the Subcommittee on Postsecondary Education held a series of hearings on problems facing teachers today in general. It was at that time that we began to learn of the shortages of math and science teachers. And since 1981, the evidence of this shortage has grown, and the examples are becoming more dramatic.

Because of the shortage of persons trained in math, science, engineering, and other technical fields, America is losing its position as the leader in the development of new products and technologies. In addition, our citizens are rapidly becoming unable to deal with the computer age, in jobs or at home, and soon many of us will be computer illiterates. Engineering jobs go for the asking because we failed to inspire our students to enter mathematically or scientifically oriented courses of study. By acting on H.R. 1310, we are focusing on the problem and taking the first step to reverse this trend.

What bothers me about our approach in H.R. 1310 is the cost of the bill. When the bill was first brought to our committee, its price tag was $300 million. Shortly thereafter, our bill was appended to the Science and Technology Committee bill and overnight the price jumped to $400 million. Then, the Science and Technology Committee reported out the bill and the price became $425 million.

The proposal originally submitted by the administration included $50 million for a new math and science teacher training initiative.

At just the point where the President's plan for economic recovery is beginning to work—interest rates and inflation are dropping—we are adding $425 million more to the Federal deficit in one year.

I am also concerned about the effectiveness of the programs in the bill to actually solve the problems of teacher shortages and bring new math and science teachers into the classroom. I will attempt to target the funds more directly in this area with an amendment.

It is for these reasons that I do not totally embrace this bill. While supporting its intent, I question its method and funding level and hope we will be able to address some of these concerns through amendments this afternoon.

Mr. FUQUA. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Pennsylvania (Mr. WALGREN), a member of the committee.

Mr. ALBOSTA. Mr. Chairman, will the gentleman yield?

Mr. WALGREN. I yield to the gentleman from Michigan.

Mr. ALBOSTA. Mr. Chairman, we are facing a crisis in education. This country has fallen seriously behind in the training of math and science teachers that will educate our next generation of engineers and mathematicians.

According to a survey of the National Science Teachers Association, some 32,000 classes, involving 640,000 children, in science and mathematics for the 1982-83 school year had to be canceled because of the lack of teachers and resources. Less than two-thirds of all high school districts have physics teachers and only 31 percent of all high schools offer courses in calculus.

Last year, the United States graduated 30,000 engineers, Japan graduated 70,000 and the Soviet Union graduated 300,000 engineers. It is no wonder we are falling behind in the development and use of innovative technology to increase our productivity and put the United States back to work. Good math and science skills are necessary if this country is to meet the economic challenges of the 1980's, both at home and aboard.

H.R. 1310 will provide the funds to train math and science teachers at all levels of our education systems. Scholarships will be made available to students in college to pursue further math and science training. This bill will give us the tools to graduate a generation of highly trained mathematicians, engineers and scientists. Through these efforts we can take a major step forward to restoring American industrial strength and competitiveness.

We in the Congress have the responsibility to provide these important programs to our Nation's students and teachers and at the same time assist our Nation in recovering from double digit unemployment. The training of math and science students must be increased and therefore I urge my colleagues to vote for H.R. 1310, the Emergency Science and Mathematics Education Act, so that we can get on with the job of science and math education in this country.

Mr. WALGREN. Mr. Chairman, I would like to say how important I think this piece of legislation is. There is no question that the crisis in science and math education is real. The statistics that are cited all around deserve to be thought about and thought about deeply. Two-thirds of all American high schools require only 1 year of science and math. When you compare that to the comparable training in Japan where all college bound high school students take 4 years of math and 3 years of science, you can see that we are going to have difficulty in any competition in that area.

In the Soviet Union, high school students take 5 years of physics and 4 years of chemistry. They graduate 5 million high school students with training in calculus. In the United States we graduate only 500,000.

We should underscore the fact that if we are not educated in math and science at the start of our secondary education, we cannot catch up later on.

I, for one, had a most difficult time with calculus in my second year in college because I had absolutely no exposure to it before. I am afraid I may be living testimony to the fact that those of whose education does not introduce us to math and science in high school and before have no real opportunity to catch up later. The real decisions about the breadth of science and technological skills in our people are made well before they graduate from high school.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. WALGREN. I am happy to yield.

Mr. PERKINS. First, let me state that the gentleman made a tremendous contribution to this legislation as chairman of the subcommittee in the Science and Technology Committee.

I want to compliment him. I think he deserves the compliments of all the Members of the House.

One of the great leaders in the Congress today is the gentleman's chairman, DON FUQUA. We all worked together in connection with this bill, and it is a piece of legislation that I think all of us should be proud of.

Let me conclude by saying that I compliment the distinguished gentleman.

Mr. WALGREN. I appreciate the gentleman's remarks more than I can say.

Mr. SISISKY. Mr. Chairman, will the gentleman yield?

Mr. WALGREN. I am happy to yield to the gentleman from Virginia.

Mr. SISISKY. Mr. Chairman, hundreds of media stories in the last year have centered on the current post-Sputnik math and science crisis in the United States at a time when projected labor forces needs show strong growth in jobs areas such as engineering, computer work or electronics, all of which require math and science skills, U.S. students are taking fewer courses in these subject areas than ever before.

Statistics comparing years of training in math and science between U.S. students and their counterparts in other competing countries such as the U.S.S.R., West Germany or Japan—reveal a widening gap, with our students coming out at the bottom end of the scale.

Feeding into this problem is the shocking shortage of science and math teachers across the country. Many teachers neither specifically trained for nor certified in math and science, are pinch-hitting in the classroom in these subject areas; this, even as math and science are being hailed as the Nation's top educational priorities. This situation hurts teachers and students alike, and must be addressed to adequately respond to technological, economic or national security challenges currently facing us.

It is certainly most appropriate that the Congress address this problem with a plan to improve the situation.

I strongly endorse H.R. 1310 largely because it is an immediate short-range response, with resources, directed to levels that can begin to make a difference.

I applaud the effort of the committees involved, but, would urge that the committees also examine H.R. 881, as a more comprehensive solution to the math/science problem faced by our Nation.

Mr. WALGREN. Mr. Chairman, there is one piece in this bill that I would like to focus on that I think has tremendous potential to make a great contribution to solving our economic problems. That is the particular provision for matching grants, $20 million from the Federal level, $20 million from local, State, and private levels of our society, to provide help for community colleges and technical schools to establish model instructional programs and to do other things, like improving their faculty and upgrading equipment and instrumentation, all for the purpose of technician training.

The truth of the matter is that we face an incredible unemployment problem in this country as new computer controls, robotics, and automation spread with a rush across our economy.

It has been said that this change in our work place will be more profound than any other economic change in our history except for the introduction of the tractor to American agriculture; but when the tractor changed the face of agriculture, nobody really asked how many unemployed horses there were.

If we are to survive the broad structural unemployment that will accompany this change, we are going to have to provide in advance the training for technicians to participate in that future economy.

I think it is most important to realize that the programs that can be successful in this area have got to come from the local level.

The magic in this particular portion of the bill is that funds will be provided for proposals made from the local level, from the community colleges, and from the private sector.

Clearly, we do not have enough resources on the Federal level to solve this problem. But that means we must change the institutional relationships to make the best use of our resources where they are. With respect to access to training with state-of-the-art instruments and equipment, we do not have even a fraction of the needed funds. There is not that much government money, but we can change the institutional relationships. We can put students into the businesses and the private sector where the instruments now are. This bill will help find creative ways to provide the training and experiences to develop, the trained technicians we will need. And perhaps the next time the President holds up the want ads, there will be plenty of takers for those jobs that we hope will be present in our economy.

Mr. WINN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. SENSENBRENNER), a very active member of the committee.

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from Arizona.

Mr. RUDD. Mr. Chairman, I rise in opposition to this sloppy math and science bill.

Mr. Chairman, what started out as a good idea, which originally was to initiate an upgrading of math and science education around the Nation, has been diluted, deemphasized, and significantly distorted in the bill under consideration, H.R. 1310.

In his state of the Union message, President Reagan said something with which most of us would readily agree. As part of a four-point plan to improve education, he offered, in his words:

> A quality education initiative to encourage a substantial upgrading of math and science instruction through block grants to the States.

To carry out this policy, the President's budget included a $50 million block grant to the States and an 18-percent increase in the 1984 budget for the National Science Foundation.

Put simply, the President agreed that we should do something at the Federal level to spark State and local education agencies into re-emphasizing math and science training, primarily in the area of teacher retention in these fields.

The bill before us today defeats that purpose by creating a new $400 million spending program, dragging the Federal Government further into the realm of local education, and includes programs not even within the same orbit as math and science.

What, for instance, do foreign language grants, as contained in H.R. 1310, have in common with getting more science and math teachers back in the classroom? Further, why should we expand the role of the Department of Education at the expense of National Science Foundation, which is already in the business of promoting science programs at private and public education institutions around the country? I share the view of many that this bill could result in a further "brain drain" in the math and science teaching fields as opposed to focusing on the problem of teacher retention.

I oppose this bill, H.R. 1310, as passed out of committee, and I urge adoption of the amendments to bring this legislation into line with the original objective of providing incentives to teacher retention in the math and science fields.

Mr. SENSENBRENNER. Mr. Chairman, one of the reasons why this country is facing a crisis in mathematics and science education is due to the inability of States and local educational agencies to retain and obtain qualified science and mathematics teachers at the secondary level. This assessment is shared by the National Science Board's Commission on Precollege Education in Mathematics, Science and Technology. The Commission, established in April 1982, by the National Science Board, the policy-making body of the National Science Foundation, was instructed to define a national agenda for improving mathematics and science education in this country. On October 18, 1982, the Commission, in its first formal report entitled, "Today's Problems, Tomorrow's Crises," identified four problems that are contributing to the decline in

student achievement levels in math and science.

Frist, inadequate equipment and facilities;

Second, the need to modernize our math and science curriculum; and

Third, the failure of our current instructional methods to take advantage of the advances in technology, such as computers.

These identified problems are addressed by this legislation. However, the fourth identified problem—the need to obtain and retain qualified math and science teachers—is ignored by this bill.

The significance of this fourth identified problem cannot be understated.

The Commission, in its report, stated, "Therefore, the documented shortage of superior teachers must be considered a prime contributing cause of decreasing student participation and achievement in mathematics, science and technology."

The statistics bear out the Commissions finding.

In 1981, 43 States, out of 45 responding, reported a shortage of mathematics teachers.

For physics teachers, 42 States reported shortages.

From 1971 to 1980, student teachers in science and mathematics decreased threefold in science and fourfold in mathematics, and only half of them have actually entered the teaching profession.

Twenty-five percent of those currently teaching have stated that they expect to leave the profession in the near future.

Five times more math and science teachers left teaching in 1980 for employment in nonteaching jobs than left due to retirement. If the present exodus of math and science teachers from secondary schools continues, the Nation will suffer a net loss of 35 percent of the total by 1992.

The Commission's Cochairmen, William T. Coleman, Jr., and Cecily Cannan Selby issued a warning in the Commission's letter of transmittal, "The problems summarized in our report—if left unresolved—will escalate in the years ahead." We cannot ignore these warnings any longer.

Therefore, I will be offering at the appropriate time an amendent to begin to address this problem.

The amendment would establish a fund of $50 million, under the administration of the National Science Foundation, from which States would be eligible to receive grants. These grants would be used by a State, either directly or through local educational agencies to retain and increase the number of math and science teachers at the secondary school level through State-developed programs, including, but not limited to, salary bonuses, summer employment, and scholarships for college undergraduates and holders of a bachelor degree.

When this amendment was presented to the Science and Technology Committee, the major argument against this amendment appeared to be that the Federal Government was intruding into the procedures by which teachers' salaries are set at the State or local level. This argument is categorically untrue. Not one dime of the money is mandated to be spent on salary bonuses. That decision will be made at the State or local level, depending upon local needs and problems. This amendment merely allows the States the ability to plug any holes in their dikes.

For the betterment or our children's education, I urge the adoption of this amendment.

The CHAIRMAN. The Chair would like to state that the gentleman from Kentucky (Mr. PERKINS) has 11 minutes remaining, the gentleman from Pennsylvania (Mr. GOODLING) has 15 minutes remaining, the gentleman from Florida (Mr. FUQUA) has 17 minutes remaining, and the gentleman from Kansas (Mr. WINN) has 16 minutes remaining.

The Chair recognizes the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Chairman, I yield 4 minutes to the gentleman from Montana (Mr. WILLIAMS).

Mr. WILLIAMS of Montana. Mr. Chairman, it would be a mistake to think of the present crisis in math and science education as simply one facing only American education. Yes, America faces a crisis in math and science education, a severe and growing shortage of math and science teachers, and the following numbers bear this out:

Last year in New Hampshire, only one college graduate planned to become a mathematics teacher. Now, I know New Hampshire is small, but she is not that small.

At the same time in New York, the Nation's second most heavily populated State, only 32 college graduates planned on careers as junior or senior high school math teachers. With a junior and senior high school enrollment of well over 1 million students, 32 teachers will not teach much math.

And in the State of Texas in 1982 only seven college graduates became math teachers.

As you all know, similar figures can be cited for almost all States. This shortage is very real and very serious.

We can expect even more calamitous shortages in the future as two serious demographic trends begin to interact to exacerbate the present situation. One trend is teacher age; the other is school enrollment. In general, due to retrenchment and drain off by industry, the present teacher supply is graying rapidly. Math and science teachers, on average have about 16 to 18 years of teaching experience, and consequently will begin retiring over the next decade or so. At the same time, school enrollments, which are currently down, are expected to climb again in the 1990's. This climb in school enrollments will parallel the large-scale retirements of math and science teachers. Thus, in the next 15 to 20 years, the crisis in math and science could reach catastrophic proportions.

At the postsecondary level, fewer individuals are being trained for research and teaching positions in the sciences and in engineering. In most of the sciences, the number of individuals receiving advanced degrees is down. Likewise, in engineering, the number of unfilled faculty positions as of fall, 1981, was 1,650. One obvious result of such shortages will be increased teacher-student ratios, which frequently signal poorer quality education. But, less obvious perhaps, is the linkage between the quality of basic research in the sciences; in engineering; and in subsequent applied developments that have individual, economic, and defense-related impacts.

Basic research provides an important foundation for this country's economic growth and development. For example, biological and psychological research has led to significant applications in health, in industry, and in agriculture. Without a continuous infusion of new scientists/researchers, this Nation's economic growth will certainly suffer.

While one goal of education is to acquire knowledge, an equally important goal is to apply knowledge toward the enhancement of one's own well-being as well as the enhancement of the Nation's well-being. That is, an education should help the individual better himself or herself and at the same time contribute to the collective national good. In this sense, education is inextricably bound up in the Nation's economy.

As long as our economy was characterized by large labor forces, by reliance on heavy manufacturing, and by little foreign competition, the direct relationship that exists between education and the economy was masked by continual increases in our gross national product. Our economy is undergoing some major structural changes, causes by a decreasing need for large labor forces, for heavy manufacturing, and from increasing foreign competitiveness. Consequently, the importance of the quality and content of education to economic productivity is now becoming readily apparent. And, while this is true with all areas of education, it is especially true with respect to math and science education because these two content areas provide the foundation for our rapidly developing high-technology-based economy.

According to data from the Brookings Institution, technology as a factor of productivity comprises 38.1 percent, the largest component. In the United States, productivity continues to drop. The continuing decline of math and science skills in individuals who will comprise the labor force suggests that U.S. productivity will continue to decline unless the math and science problem is satisfactorily addressed.

Data from two divergent sources indicate the impact of poorly trained employees on productivity: quality control and consumer costs. AT&T now spends $6 million a year to train 14,000 employees in basic arithmetic and writing during office hours, and a survey of over 2,000 corporations, published in December 1982, revealed that mathematics was consistently noted as a deficient skill across a wide range of job classifications. Given that the most rapidly growing industries in our economy are high-technology and energy-related industries, all requiring math and science backgrounds, continued reliance on employees with poor educational backgrounds will not only likely increase consumer costs significantly but, more importantly, will likely accelerate the United States already-eroding competitive economic position.

Lest my words sound like mere rhetoric, consider the case of our neighbor, Japan. Once characterized by a lack of valuable minerals, arable land, and financial resources, Japan today is in direct competition with the United States. Japan's rapid economic gains have enabled her to surpass the United States in a number of areas. Some reasons for this may be related to differences in how well Japanese children are educated, especially in the math and science areas.

Japanese 13-year-olds have the highest achievement scores among 12 major industrialized countries, including the United States.

One-fourth of all class time in grades 7–9 is spent on math and science content.

Japanese high school students normally take three natural science courses and four math courses.

Only 8 percent of Japanese students fail to graduate from high school.

Whereas, in the United States, the record is considerably poorer.

The relationship between math and science education and defense is also a critical one. The defensive armaments we develop and maintain are characterized increasingly by reliance on sophisticated electronic, chemical, mechanical, and information-based designs. Individuals who develop, maintain, and operate such equipment must be well educated in math and science. Given current conditions in math and science education, it is sobering to consider that technology is the only military advantage we have over the Soviets.

One critical but often overlooked aspect of the present crisis in math and science education is that of public awareness. Americans of all ages need to be made aware of the vital role math- and science-related activities play in their personal lives and in their work opportunities so that they can contribute positively to this Nation's economic productivity. A part of this bill will provide for such efforts, and I want to thank my colleage, Mr. FUQUA, and the members of the Science and Technology Committee for including my "Public Understanding of Science" amendment in title II of this bill and for making citizen awareness one of their priorities.

In the late 1950's, America's formation of a national math and science educational program was generated out of fear of the Soviet Union's technological superiority, and that fear overrode the need to look at the more direct relationship that exists between education and economic development. Today, we need not look abroad for our motivation. We now can see clearly the need to provide policy that is both comprehensive and focused, and which will realistically address the various interacting factors comprising this Nation's math and science problems; for educational and scientific reasons, for defense reasons, but most of all—to promote our general economic welfare.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. GUNDERSON).

Mr. GUNDERSON. Mr. Chairman, the availability of and interest in a quality, well-taught math and science education has dwindled for the second time in the last three decades. The creation of the National Defense Education Act in 1958 and the leadership of President Kennedy in the 1960's was a reaction to a situation as vital as the one we face today.

The American response to the Soviet success in space with Sputnik clearly must be equaled by our Nation in the 1980's. While the motive in that time stood upon the Nation's perceived national security shortcomings, our present dilemma encompasses both our defense and economic well-being. The shortage of both qualified teachers and students in the math and science fields is now well apparent and the ramifications of the problem appear expansive.

The scope and depth of the problem is well known, and, relatedly, a significant disagreement on a proper solution has become apparent. A myriad of facts and statistics are available which clearly demonstrate the problem the President, Congress, and the Nation must solve. For example, at the elementary and secondary level, a national survey indicated that of 45 States responding, 43 reported shortages of mathematics teachers, 42 of physics teachers, and 38 of chemistry teachers. At the postsecondary level, the number of freshman intending to major in math and science, and thus the prospective number of teachers in these fields, has declined by 80 percent since 1970.

In my own State of Wisconsin, 30 percent of the secondary schools reported difficulties in hiring new math and science teachers. In addition, of the 31 institutions of higher education in the State, only one graduating physics major indicated an intent to become a physics teacher at the elementary or secondary level. That situation comes at a time when 24 percent of the secondary schools have indicated their intent to increase their science requirements.

The committee hearings have demonstrated that a wide range of suggested solutions are available, ranging from improved assessment and planning, inservice teacher training, summer institutes and workshops, curriculum improvement, undergraduate and graduate scholarships, funds for equipment and materials, to a national study for the improvement of math and science teaching strategies. A complete and immediate solution however, using all of the above, would require billions of dollars. Unfortunately, we continue to confront ever-increasing Federal deficits which preclude such a comprehensive approach. As such, we must target legislation to provide relief to the most-pressing aspects of our mathematics and science education deficiency.

Central emphasis should thus be placed upon the improvement of the caliber of our present teachers in the short run through teacher retraining using inservice teacher training and summer institutes and workshops. In addition, we must also encourage the development of a guaranteed supply of these math and science teachers in the future. While the other math and science problems undoubtedly require attention, the limited amount of funds available dictate a targeted response.

While I strongly support this bill and I commend the efforts of the two committees to deal with the issue quickly, H.R. 1310 will stretch the approximately $400 million authorized to the breaking point. On the other hand, the proposal forwarded by the Department of Education would inadequately attempt to heal only a single portion of our math and science deficiencies. It is insufficient by itself. Although I strongly support efforts to improve foreign language education and training, the inclusion of this discipline in the bill further dilutes the limited funds available.

Our work then, with the passage of this legislation, will be far from com-

plete. Our purposes would be better served through the passage of targeted legislation aimed at solving the most-pressing problems of quality teaching and teacher supply in the near term, and then turning our attention in the future to a more comprehensive approach.

However, we should move on with this legislation and all the hard work it represents. I would urge the other body and any future conferees to work to reduce the number of programs in the bill so that targeting may be accomplished. As such, I urge a positive vote on this important legislation.

Mr. FUQUA. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Oklahoma (Mr. McCURDY) a member of the committee.

Mr. McCURDY. Mr. Chairman, I rise in strong support of H.R. 1310. It is appropriate that the first major piece of legislation considered by the House in this Congress is one that addresses the crisis in science, math, and technical education. This is an issue that affects every sector of society. If not addressed now, our economic, scientific, and military leadership will be eroded beyond repair.

Over the last 2 years I have stood here many times urging my colleagues to support legislation to combat the critical shortage of qualified science and math teachers. Fortunately, my commitment has been shared by many Members of this body. Today, it is my hope and expectation that the great majority on both sides of the aisle will join in a resounding message to America—there is a crisis in science and math education and Congress is about the task of a resolution.

Last spring I chaired a special field hearing on science and math education in my district. The testimony I heard from Oklahoma educators was devastating and reflects the situation nationally. Fifty percent of Oklahoma science teachers are not qualified. In the fall of 1981, only 15 college students took the math or science teacher competency test. Yet Oklahoma anticipated at least 250 vacancies in math and science teaching in 1982. One superintendent said that three out of four of his science teachers were physical education instructors. Another superintendent had 50 applications on file for a science teaching position. Not one of the applicants was certified to teach science or math. Eighty-seven percent of Oklahoma students have never taken trigonometry. Only one-half have taken geometry.

It is our education system that has enabled us to advance faster and farther than any other country in the world. Our future hinges on high technology, but we do not have the science and math teachers to prepare our young people for their roles in a technological world. Our institutions of higher learning have neither the faculty nor the instructional equipment to train our future engineers, scientists, and technicians.

The declining quality of science and math education in the United States is in marked contrast to our industrial and military competitors, as illustrated during our recent committee trip to Japan. After several days of meetings with Japanese officials representing government, education, and private industry, what struck me most was their uniform cooperation. The Japanese have proven that education planning is a vital component of economic planning. They have set high standards of scientific literacy for all Japanese citizens. During the 1970's the Ministry of Education developed a national program to attract and retain high-quality teachers. Since the Diet (the Japanese Parliament) passed a 1974 law to provide higher pay for public school teachers, teacher salaries have increased four times. They have made enormous investments in teacher retraining. The Japanese have high-quality teachers. Their students are performing better than American students on science and math achivement tests. Their gifted young people are pursuing careers in science, math, and engineering.

H.R. 1310 is the important first step toward the revitalization of science and math education in the United States. It recognizes that the key to a quality education is a quality teacher. The bill is focused on attracting well-trained new teachers into the classroom and upgrading the skills of current math and science teachers. H.R. 1310 also establishes a national policy and a set of programs to insure an adequate supply of well-trained engineers, scientists, and technicians to propel America into the technological age.

Half of the math and science teachers in our classrooms are unqualified and teaching with emergency certificates. The primary purpose of the funds in title I, part A, is for inservice teacher training. The bill also reinstates the summer institutes for updating and upgrading teacher skills and knowledge. These extremely popular institutes were a casualty of this administration's budget cuts.

We also need a program to attract new teachers into the classroom. This issue is one that I have rated a top priority for the last 2 years. In 1980, only 55 percent of the college graduates who were prepared to teach math actually went into teaching. In 1981, 43 States reported a shortage of math teachers. Forty-two reported a shortage of physics teachers. Over the last 10 years there has been a dramatic decline in the number of college students earning degrees in math and science education. H.R. 1310 directly attacks this problem. It establishes a teacher incentive scholarship program to encourage young people to pursue careers in science and math teaching. The bill also contains a program to insure top quality undergraduate instruction of these future teachers.

H.R. 1310 is a comprehensive, balanced bill. It provides some of the answers. But as a Congress and as a nation we must not dust our hands and walk away satisfied that we have fully addressed the problem. This legislation does not adequately address the problem of retaining math and science teachers. Math and science teachers can earn 50 to 100 percent more in industry. In 1980, math and science teachers who left teaching for industry employment outnumbered those who retired by five times. If we do not eliminate the salary differential, the people we invest in with H.R. 1310 will apply their skills in industry rather than in the classroom. I have introduced legislation which will be the second step in attacking the technical education crisis. H.R. 836, the Math and Science Education Act, grants a tax credit to high-tech companies that hire math and science teachers during the summer. This initiative would supplement teacher salaries and provide them with hands-on high-technology experience to prepare their students for future jobs. It also grants tax credits to high-tech firms that allow their certified employees to teach math and science part time in the local schools. I urge my colleagues to fully address the crisis in science and math education by cosponsoring and supporting H.R. 836.

I commend my chairman, DON FUQUA, Chairman PERKINS, PAUL SIMON, BILL GOODLING, DOUG WALGREN, JUDD GREGG, and many others who have worked so diligently and quickly to bring this emergency legislation to the floor. I would also like to pay a special thanks to Ms. Suzy Leonard on my staff who has worked tirelessly for the past 2 years on this issue. The time for special studies and task forces is past. Congress must act now. H.R. 1310 is no panacea. But it is a vital first step toward excellence in science, math, and technical education. If Congress does not pass this legislation, the trend toward scientific illiteracy will continue. If we allow that to happen, we will surrender our position of economic and military leadership.

I urge my colleagues on both sides of the aisle to oppose all weakening amendments and to support this initiative so vital to our Nation's future.

Mr. WINN. Mr. Chairman, I yield 5 minutes to the gentlewoman from Rhode Island (Mrs. SCHNEIDER).

□ 1430

Mrs. SCHNEIDER. Mr. Chairman, I rise in strong, wholehearted support of H.R. 1310, the Emergency Mathemat-

ics and Science Education Act of 1983. As a member of the Science and Technology Committee, I am pleased to have had the opportunity to take part in shaping this significant legislation. Through a cooperative effort between Chairman Perkins and the members of the Committee on Education and Labor and Chairman FUQUA and my colleagues on the Science and Technology Committee, we are able to present a bill to the House that I feel goes a long way toward meeting the heavy educational needs of our expanding technological society.

Mr. Chairman, as we enter this post-industrial era, our need for a highly skilled technical workforce is reaching proportions never before imagined. By the year 1990, the demand for scientists and engineers is expected to increase a full 40 percent; 180,000 new jobs will become available in mathematics and the physical sciences while 480,000 new positions will need to be filled in the computer field. Yet, a 1981 survey by the National Science Teachers Association indicates a 65-percent decline in the number of students opting for certification as math teachers. My own commissioner of education in Rhode Island has indicated to me that while Rhode Island is not experiencing a shortage of science and mathematics teachers on the par of other States, there are a good number of teachers presently in the classroom who could greatly benefit from workshops designed to bring their skills up to date in the latest developments within the field. H.R. 1310 will provide these teachers and others like them with the opportunity to refine their knowledge and skills in these rapidly changing fields. The legislation also takes important steps toward providing college students with the necessary incentives for becoming dedicated math and science teachers.

Throughout the hearings held by my committee on H.R. 1310, substantial data came to our attention which clearly documented the severe inequities currently existent in the scientific and technical fields. As a case in point, in 1980, the numbers of master's degrees issued in chemistry varied sharply between men and women, with men receiving 1,287 degrees and women receiving only 444.

I therefore found it necessary to take action to reverse the Nation's present inability to attract sufficient numbers of women and minorities into the scientific, engineering, and technical fields. I am pleased to note that the committee on science and technology accepted my amendment into the final text of H.R. 1310 which insures equal educational opportunities for women, the handicapped, and minorities.

Mr. Chairman while H.R. 1310 by no means provides all the answers to our educational dilemmas, I believe it addresses, with critical urgency, the need for educators, students, and average citizens alike, to take a more active role in becoming technologically literate in today's sophisticated world. We can no longer afford to see our technological preeminence erode—both our economy and our national security depend upon our action today.

I urge my colleagues to lend their support by voting for this timely and significant legislation.

Mr. PERKINS. Mr. Chairman, I yield 3 minutes to the distinguished delegate from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 1310, the Emergency Mathematics and Science Education Act. I want to first of all commend Chairman PERKINS and Chairman FUQUA for the intense work they have put into this bill and the speed with which they have taken action on this critical issue.

In my view, H.R. 1310 represents a thoughtful approach to the critical national need to improve the quality of science and mathematics education, and to increase the proficiency of our teachers in these areas.

Numerous studies have documented the decline of student achievement in mathematics and science. Average science and mathematics scores on standardized college entrance examinations have been steadily dropping for the past 20 years.

This decline is not surprising when one considers that secondary students are taking fewer courses in mathematics and science than in past years, and fewer courses are being offered. Although half of all high school students in the United States take no mathematics after the 10th grade, other industrialized nations, particularly Japan and Germany, are placing increasing emphasis on science and mathematics education.

One of the major causes of the decline in the quality of education in science and mathematics is the shortage of qualified mathematics and science teachers. During the 1970's, the number of secondary school mathematics teachers being trained declined by 77 percent and the number of science teachers being trained declined by 65 percent. It has been estimated that about 50 percent of all newly employed teachers nationwide are uncertified and unqualified to teach mathematics and science. This situation is exacerbated by the departure of trained classroom teachers for better paying jobs in industry. Recent statistics released by the National Science Foundation indicate that, nationwide, 16 percent of all elementary school teachers are not sufficiently prepared to provide basic training in science and mathematics.

Our national security and economic future depend to a considerable extent on how well we meet the challenge of training and retraining America's work force to compete in the age of high technology. The problem of inadequate instruction in science and mathematics is not limited to certain States or regions; it is rather, a major national problem. Throughout the country, there are too few qualified teachers and too little modern equipment to provide adequate instruction in science, mathematics, and other technological subjects.

Although most States are making efforts to improve the quality of instruction in science and mathematics, significant improvement on a national level will not occur without substantial Federal financial support. State and local educational agencies simply do not have the resources needed to meet this challenge. Yet, in this era of increasing emphasis on high technology and automation, I truly believe that our economic future depends upon the development of a work force that is literate in science and mathematics. This is why H.R. 1310 is so important to our Nation—it will provide a new source of funds for schools to use in improving—not just maintaining the quality of their programs.

Mr. Chairman, recent profiles prepared by the Puerto Rico Economic Development Administration indicate that much of Puerto Rico's recent economic growth had occurred in the high technology, pharmaceutical, and electronic industries. Yet, many of our science teachers are deficient in the academic preparation needed to effectively teach subjects—such as chemistry, mathematics and physics—which relate to those industries.

Some efforts have been made to address this problem in Puerto Rico. For example, in-service programs are presently being operated by the University of Puerto Rico's Resource Center for Science and Engineering and the Puerto Rico Science Teachers' Association. Although these efforts have resulted in some improvement in the qualifications of science teachers in Puerto Rico, our limited resources have enabled only a small number of teachers to participate in the training.

Funds allocated under H.R. 1310 for teacher training, scholarships, and summer institutes will go a long way in extending the benefits of this type of programs to a much larger base of teaching personnel, and therefore open a range of material to students in our elementary and secondary schools.

Mr. Chairman, I also want to point out the vital importance of provisions in H.R. 1310 to address the lack of foreign language proficiency among our population. Although I believe that we have a real shortage of science and math teachers in the Nation, I also believe that an equally serious problem exists in our national capability for

communication with other countries. I trust that this bill will provide a beginning for increased awareness of the need for knowledge of foreign languages.

I am pleased to be a member of the Education and Labor Committee which has developed this bill and to join with President Reagan in his drive to expeditiously address this need in our educational system. I urge my colleagues to support H.R. 1310 and to join me in my support of this vital piece of legislation.

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to a new, enthusiastic member of our committee, the gentleman from Texas (Mr. BARTLETT).

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of the need of this Congress to address the national need. I rise in opposition, however, to H.R. 1310, and I rise in opposition for two reasons:

First, because this bill simply costs too much. This Congress and this country are facing a $200 billion deficit, and this would add $375 million to the deficit. As the gentleman from Illinois (Mr. ERLENBORN) and the gentleman from Missouri (Mr. COLEMAN) had previously told us, the total size of this bill began at $50 million, then it went to $200 million, then to $300 million, and now it is $425 million.

Second, Mr. Chairman, I would submit that this bill does not in fact address the real problem.

I commend my colleagues on the Committee on Education and Labor, the distinguished chairman of the committee, the gentleman from Kentucky (Mr. PERKINS) and the chairman of the Committee on Science and Technology, the gentleman from Florida (Mr. FUQUA) along with my colleagues on both committees, for demonstrating a deep concern about the future of this country by giving a high priority to the problems of American math and science education, and I share their concern about the crisis in math and science education today.

But, Mr. Chairman, I rise to oppose H.R. 1310 because, while the committee showed concern for the problem, the results of this legislation do little to solve that problem.

The crisis in American math and science education, as we all know, is multifaceted, but the immediate and most critical and most widely agreed upon problem consists of two parts: math and science teacher supply and math and science teacher retention in the classroom, and H.R. 1310 does not adequately focus on the pressing teacher supply and retention crisis.

As a member of the Committee on Education and Labor, I submit that this bill spends proportionately too much money on problems peripheral to the shortage of math and science teachers and short-changes the real need of students, and that is the need to keep present math and science teachers in the classroom and recruit and train more qualified teachers in the classroom as rapidly as possible.

In 1983 we faced the prospect of a Federal budget deficit approaching $200 billion, and that deficit requires the resources available for math and science education by this Congress be limited. It would be a better approach, I think, that those limited dollars spent to address the problems of math and science education be focused where those dollars can do the most good, by correcting the teacher shortage.

We have heard all the statistics here today, and in the Committee on Education and Labor and in the Committee on Science and Technology we heard testimony from experts from around this country week after week that 43 States now report a shortage of math teachers, 42 a shortage of physics teachers, and 38 a shortage of chemistry teachers. Witnesses have detailed a 79-percent decline in the number of people preparing to teach mathematics and a 64-percent decline in those preparing to teach science. We have heard that from 1971 to 1980 the number of student teachers in science declined threefold and the number of future math teachers fell fourfold, and that occurred in a decade.

But in spite of this evidence, the programs, in H.R. 1310 with the exception of the very small national teaching scholarships administered in Washington, do not directly add to the stock of new math and science teachers. Despite witness after witness testifying to the critical teacher shortages, H.R. 1310, Mr. Chairman, spends only about 4 percent of its appropriations for fiscal year 1984 on retaining present and training new math and science teachers.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I am happy to yield to the distinguished chairman of the committee.

Mr. PERKINS. Mr. Chairman, I want to take a rare opportunity, I say to my good friends on the minority, to compliment the gentleman from Texas (Mr. BARTLETT) who has been so attentive and who has done so much good work since he has been a member of the Committee on Education and Labor. I do not know of anyone on the majority side who studies an issue as thoroughly as the gentleman from Texas.

The CHAIRMAN. The time of the gentleman from Texas (Mr. BARTLETT) has expired.

Mr. PERKINS. Mr. Chairman, I yield 1 additional minute to the gentleman from Texas (Mr. BARTLETT).

Mr. Chairman, if the gentleman will yield, let me say that I very seldom agree with the gentleman, but in his views he always has logic for his reasoning, and I hope that someday we can win him over so that our views may to some degree coincide. I say that because of his thorough study of all the issues involved in any piece of legislation that comes before the committee.

Mr. BARTLETT. Mr. Chairman, I thank the chairman of the committee for those words.

In the 20 seconds that I have remaining, let me say that I will be submitting, along with two other Members of the House, an amendment this afternoon in the hope of winning over the chairman of my committee and in the hope of addressing this critical shortage that we face today in the classrooms.

Mr. FUQUA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from California (Mr. MINETA), a member of the committee.

Mr. MINETA. Mr. Chairman, I rise in support of H.R. 1310, the Emergency Mathematics and Science Education Act. This bill addresses one of our country's most pressing problems—a serious shortage of math and science faculty and curriculum in our Nation's schools and colleges.

Improvement in the quality of our life and assurance of adequate security has become increasingly dependent on the development of our electronics and communications industries. Yet our educational system is not producing the math and science graduates and teachers necessary to the continued advancement of these industries.

In California, alone, there is a severe shortage of math and science teachers. It has been estimated that the State will need about 2,000 math and science teachers in the 1983-84 school year. Yet only 250 instructors are currently available to fill these positions.

I urge you to vote yes on this legislation. H.R. 1310 will help to solve the current teacher shortage and will send a signal of congressional concern to the industries and educational institutions whose full participation in our efforts is vital to a successful solution to this problem.

I also hope that we can learn from this experience. We cannot neglect the education or our citizens. A strong educational system is vital to the very existence of our democractic system. This bill provides grants and incentives for math and science students. But we must provide adequate funding and incentives in all areas of education. After all, Johnny can't study math and science, if Johnny can't read.

Mr. WINN. Mr. Chairman, I yield 3 minutes to the gentleman from Washington (Mr. CHANDLER), a member of the committee.

Mr. CHANDLER. Mr. Chairman, I would like to commend the chairmen and members of the Committees on Science and Technology and Education and Labor for the work they have done on H.R. 1310, the Emergency Mathematics and Science Education Act. I join my colleagues in support of the concepts and intended goals of H.R. 1310. This legislation will not solve all of our problems, but it is an important effort by the Congress to provide leadership and to put a national focus on the need for qualified teachers. Until we as a nation recognize the importance of teachers in our children's lives, and pay them commensurately, the problems with employing and retaining teachers who can inspire students to learn will continue. The pay issue must, of course, be addressed at the State and local level, but I hope that passage of this legislation today will serve to emphasize how serious we think the problems are.

During the past decade the United States has experienced a serious decline in the quality of education in mathematics and science. Most alarming to me was an article in the March 1982 issue of Education Week indicating that since 1972 there has been a 77-percent decline in the number of secondary-level mathematics teachers prepared in 600 teacher-training programs nationwide. Among newly employed science and mathematics teachers, 50.2 percent were judged by principals to be unqualified to teach in those fields but had been employed on an emergency basis because school officials could not find qualified teachers.

This shortage of mathematics and science teachers hampers the ability of the schools to provide the quality curriculum and instruction so necessary to academic achievement. During an age of technological advances, it is incumbent upon us to provide our students with the necessary skills to compete in today's society. I think this legislation we are considering here today is an important first step which could well determine this country's leadership role as we advance into the 21st century. I urge my colleagues to support H.R. 1310 because I feel that in order to achieve academic excellence tomorrow, we must make a commitment to education today.

□ 1445

Mr. PERKINS. Mr. Chairman, we have no further requests for time, and I yield back the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Pennsylvania (Mr. RITTER).

Mr. RITTER. Mr. Chairman, we do indeed face a crisis in science and math education. And I do believe that H.R. 1310 makes a good first-step effort.

Speaking as a former scientist, engineering professor, former member of the Science and Technology Committee, someone who has been deeply concerned in his own district with this question of better math and science education, I see H.R. 1310 as a major effort to increase the flow of science and math teachers in the pipeline; that is, to educate, to train, and to make available, I think H.R. 1310 goes a long way. It makes a yeoman effort. But the problem is going to occur at the other end of the pipeline. Once the teachers are prepared, will the opportunity be there in a way that people can provide for their families in somewhat similar fashion than they can do were they to work in the private sector?

I submit that that question is not yet addressed. In reponse to a previous statement, we are not in a postindustrial age; we are in a new industrial age. We will continue to build cars, we will continue to make steel, we will continue to produce chemicals. This country is not to be turned into one large Silicon Valley where everybody is making Ataris. Incidentally, Atari just shipped 1,700 jobs to Taiwan and Hong Kong. No; it is the infusion throughout America of new technologies. And the prime sponsors are going to be those able to teach in these areas.

I submit that opportunities, once they are through the pipeline, once H.R. 1310 and the system has worked its will, that opportunity will not be there if the market forces for talent are being repressed. The teacher recruitment and retention problem is largely a matter of economics. Here are some interesting aspects of the problem.

In a recent study by James Guthrie, chairman of the School of Education at University of California the author noted that the dramatic shortage of mathematics and science teachers may doom the United States to a "second rate" future in high technology. The author noted that private industry offers more lucrative pay to people qualified to teach math and science. For example in the San Francisco Bay area, starting teachers earn $12,680 while private industry likely would pay them $20,000, the report said.

The report suggested five tactics for fighting the high school brain drain in technical fields. One of the five recommendations was to allow schools to offer higher pay for these higher demand fields.

In Houston teachers with critical skills, such as science and math teachers will be paid bonuses of $2,000 a year. If they agree to teach in the poorer neighborhoods they receive an additional $2,000. And if they teach in a school where test scores rise above the anticipated norm, they get an additional $1,300.

This has led to an extremely low number of vacancies in these areas in the city of Houston. Only four vacancies in math and science.

Many teachers are drifting away toward industry at this point and according to Henry Tunis, research director of the National Council of Teachers of Mathematics it will get worse as economic recovery progresses. At that point he notes potential science and math teachers will find it easier and more rewarding to go into industry.

Herman L. Carter, personnel supervisor for the Richmond, Va. schools noted that he received over 300 applicants for teaching positions after offering a $1,500 bonus. He noted:

> It used to be in some cases that you'd hire the only (science) applicant who applied. Now for the first time we have the opportunity to pick from them.

In Oklahoma City the school system's personnel chief is offering math and science teachers $500 plus an additional $100 for each credit hour they teach. And the result has been an improvement in the situation.

And I know this is a touchy political situation. Every school administrator, in fact, many teachers whom I spoke with back in my district, recognize it as a touchy situation. But they all recognize that a physics teacher or a mathematics teacher does command a different rate of return and something has to be done.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. BROWN).

Mr. BROWN of California. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I rise in support of H.R. 1310, as amended, and reported by the two committees involved, and I commend the leadership for placing such a high priority on addressing the emergency in science and math education. Chairman FUQUA of the Science and Technology Committee and Chairman PERKINS of the Education and Labor Committee have done an admirable job of bringing together the efforts and interests of their two committees in this one bill.

A number of other Members from both sides of the aisle have also been involved in fashioning this important piece of legislation. The result is a well-balanced bill.

Mr. Chairman, I am not going to detail the merits of this bill nor the urgency of the problem which has resulted in its being moved in an expedited fashion to the floor. I would rather comment very briefly on the fact that the effort to bring it to the

floor in a cooperative way exemplifies the need that exists in this country for a cooperative approach for meeting this very important problem.

The Federal Government cannot solve this problem, nor can the State government or the local school districts. We can each play our part in solving that problem and our part at the Federal level may well be that of merely indicating priorities or providing leadership, of getting out of the way of some of the initiatives that need to be done, and I think that this piece of legislation is an illustration of our willingness to move in that direction.

Amongst the many groups that need to be involved in solving this problem, of course, are the professional mathematicians and the professional scientists who are the ones who create the knowledge base with which we are so concerned. And I note that perhaps through inadvertence that no specific reference is made to these groups in the bill, and I may have a perfecting amendment to accomplish that.

I would like to comment on two general features of the bill that I think are fundamental elements of any solution to the science education problem.

First, while I recognize that we must confront the problem at each level of education, I strongly believe that we should focus a significant portion of our efforts on teacher training at the elementary and secondary school level. Our children are our future, and we cannot afford to squander that valuable human resource through inadequate preparation in those crucial early school years. The most immediate need at the precollege level, as you have heard again and again, is for more properly trained teachers. A recent study in my own State of California estimated that only 10 to 15 percent of the 3,000 new math and science teachers needed statewide each year are now undergoing training. The approach used in this bill to meet the teacher shortage is, I believe, a good one.

Second, it is important that we bring all segments of our society into the solution of this problem. To paraphrase Georges Clemenceau, "Science education is too important to be left to the educators." Private industry, the military, and State and local governments all have an interest in educating a scientifically literate public and in building a technically trained work force. The provision in title II of this bill that requires the matching of funds will insure that these other sectors are brought in as part of the solution. In these times of budget constraints, I hardly need to point out that the matching of funds will also give greater leverage to our limited Federal funds.

Having made those two general comments on the bill, I would like to highlight three of the priorities in title II that I think are especially important.

In section 205, one of the priorities for use of the engineering and science personnel fund is for the development of instructional instrumentation and systems, with special emphasis on computer accessiblity. As we heard in testimony before the Science and Technology Committee 2 weeks ago, our colleges and universities are failing to graduate enough people with the capability to maintain our world lead in computer technology. A recent Wall Street Journal article that I am inserting today as an extension of remarks further underscores this point. Not only is there a great need for training computer experts, but we need also to insure that all college graduates are technically literate. By technically literate, I mean being able to use the new information technologies to obtain information and make informed decisions. A recent report by the Office of Technology Assessment on "Informational Technology and Its Impact on American Education" describes some of the profound changes that we can expect in the coming years. We all realize that the $15 million provided in section 205 for moving our colleges and universities into the so-called information age is not enough money to solve the problem. With the use of matching funds, however, I think the Federal Government can be an important part of the solution. Our action will provide a signal to the country that we intend to maintain our lead in the development and use of information technologies.

Another one of the priorities for use of the personnel fund is for grants to 2-year and community colleges. I thank Mr. WALGREN, chairman of the Subcommittee on Science, Research and Technology, for his active leadership in this area. The community colleges have emerged as the largest arm of American higher education, and I am pleased that their importance is recognized in H.R. 1310. Community colleges are probably the largest source of advanced skill training, outside industry. While our children will be the work force of the future, our adults will provide the transition to the technological society. The education and training needs of our adult population are critical. These are the people jamming unemployment offices and being left behind as our economy shifts its course. It is a matter of the highest national priority to help these people find a place in a society which demands new skills. Community colleges will provide this valuable training and retraining.

A final priority that I see to be very important is to increase the public understanding of science and mathematics. It is my conviction that, in order to promote and encourage technical, engineering, and scientific personnel development in the private sector and in higher education, it will be necessary to communicate these needs and goals widely. Not only do those in these target areas need to know them, but the public also must know them—and help to support them. Otherwise, experience has shown that this sort of effort will again cease just as soon as Federal funds stop. Public television programs such as "Nova" and "3-2-1 Contact" reach million of households and represent a valuable contribution to science education in the United States. These programs have received support in the past from the National Science Foundation, and I hope that these public understanding activities will resume and continue in the future.

With these priorities in how the funds are allocated, I think we have a very strong bill. My only regret about this legislation is that we have not acted before now. As a member of the Committee on Science and Technology during the last decade, I recall how the Congress has fought every year to strengthen science education programs while those programs were given lower and lower budget priority. Those battles have been particularly tough in the last 2 years as the current administration sought to eliminate all funding for science education. Now I feel those many budget fights are paying off. The tide has finally turned. President Reagan has now joined us in asking for increased funding for science education. We gladly welcome his support.

Mr. Chairman, our Nation must make a commitment to educate and train our citizens for living and prospering in a technological economy and society. The work of educating our citizens for the future is one of the most important tasks facing our country. The Federl Government has an important leadership role to play in this process, especially in bringing together and encouraging linkages between all segments of our society which should be concerned with this problem. Our work on science education will not end when we finish action on this bill. In many ways our work is just beginning. As an important first step in meeting the challenge, I strongly urge my colleagues to support H.R. 1310.

Mr. WINN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BROWN of California. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Tennessee (Mrs. BOUQUARD).

Mrs. BOUQUARD. Mr. Chairman, I rise in support of H.R. 1310, the Emergency Science and Mathematics Education Act. This important measure will help us to correct the problem of decline in the quantity, and in many

cases, the quality of technical manpower.

In the not so distant past, the United States was the unquestioned technological leader of the world. Indeed, we have been in this position for so long that is difficult for the great majority of the American public to realize how rapidly this lead is disappearing or, in many cases, has been already lost as in the case of consumer electronics—which we well know from watching our Japanese TV's and listening to our Japanese radios.

How have we found ourselves in this predicament? Certainly one major factor in this decline has been our failure to make adequate investments in research and development—R&D. But I also believe that our national investment in R&D is but one of two major contributions to our current difficulties; the other major contributor is our failure to provide the technical training needed by our work force if we are to compete effectively in the international marketplace. At the precollege level, in particular, we have fallen far behind our international competitors both in quality and in quantity.

The past decade has also witnessed a dramatic decline in the quality and quantity of secondary schoolteachers of science and mathematics.

Finally, our system is failing to provide sufficient incentives for our young people to go into graduate study in science and engineering. Low stipends for graduate fellowships, poor salaries for university professors, and obsolete laboratory equipment are turning American science and engineering graduates to private industry which offers high pay and state-of-the-art equipment with which to work.

Clearly, this loss of resources and wasting of talent for which the Nation has urgent need must not be tolerated, and I am convinced that if we are to get a handle on the problem we must begin by making major improvements at the secondary levels—improvements which I believe the Federal Government can expedite. In fact, it was my concern about this vital issue that led me to support this bill. The programs supported by these additional funds can play a pivotal role in reversing the grim situation in which we find ourselves today.

These programs will, of course, take time to show results. But the time to begin is now and we must remain resolute. The failure will have grave consequences for our economic well-being and for our national security in the coming decades.

Mr. GOODLING. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would just like to reemphasize that the difference of the approach we are using today from anything I can think of that was done in the past is that we are trying to improve the math and science literacy among the general population rather than merely enhance the expertise of the elite, and we are doing this through institutes and in-service training programs; we are doing this by upgrading existing teachers, recertifying teachers, and bringing those into the field who have expertise in math and science but are not certified.

Mr. Chairman, I yield back the balance of my time.

Mr. BROWN of California. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Chairman, I appreciate the gentleman from California yielding me this time to speak on a very important issue.

In the 1950's, the Soviet Union sent aloft a satellite which alarmed the world and alarmed us. This satellite, known as Sputnik, caused this Congress in 1958 to pass legislation known as the National Defense Education Act of 1958. That helped us bridge the so-called Sputnik gap and to get ourselves back on track in the area of science engineering and technology, and that we did. And we have done well in recent years.

But we have also learned that, as a result of our not paying as strict attention to these areas in the last couple of years, we have slipped.

Mr. Chairman, I asked that the Library of Congress prepare, a year ago, a study as to America's position in science and engineering. The Library of Congress responded with a two-part study, and in that study they pointed out that the United States has fallen to third in the world in producing scientists and engineers. We are third behind the Soviet Union, which is first, and the country of Japan, which is second.

This is alarming. This bill is a first step in correcting that wrong.

Mr. Chairman, as a member of the Armed Services Committee and also one who is deeply interested in our exports of American products and our trade here as well as abroad, this bill will help us right the wrong that we have at the present time. There is a teacher shortage. There is a lack of general understanding of the need for the importance of science and technology, and that is what this bill addresses.

I hope that we will not only begin with this bill but that we can continue in the future to work and do our very best to make sure that the technology gap of the 1980's will narrow and that we will again be in the lead.

I wish at this time to engage the gentleman from Florida (Mr. FUQUA) in a colloquy dealing with this bill.

As the gentleman knows, I ordered the two-part Library of Congress study on America's role and the lack of our having science and engineering and the need for it, and thereafter, as the gentleman will recall, I introduced legislation to establish a commission that would assist and to assess our problems and our goals and needs in the area of science, engineering, and technology.

Now, the gentleman's bill, H.R. 1310, does not include the commission that I have recommended. However, the gentleman does have, as part of his bill, legislation that would establish a coordination between this and the White House.

I would appreciate the gentleman's comments on that, please.

Mr. FUQUA. Well, we have the Department of Education involved in some of the programs, the National Science Foundation, and others, and also the science and technology policy within the White House, which is its normal function and responsibility, to make sure that there is coordination between all of the functions that are involved in education, whether it be just these two agencies or maybe even the Department of Defense in the programs that they may feel that are necessary. And that is the function as the Science Adviser to the President. And the Office has indicated, Science and Technology Policy, that they recommend and review the condition of these activities, to make sure that they are with the overall purposes that not only Congress intended but also the national purposes that we pursue.

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Mr. SKELTON. What assurances, then, do we have that the Office of Science and Technology Policy which answers to the White House would be committed to fulfilling the objectives of this Congress?

Mr. FUQUA. We feel as though they would. We would hope that the charge that is given to the Department of Education as well as the National Science Foundation would be followed.

We hope that the Department of Education and the National Science Foundation are experienced agencies in operating these programs and we think within the scope of their responsibilities that they can carry that out.

However, we want to insure that there is coordination and we have designated that in the bill where the Office of Science and Technology Policy within the White House to review and work with them and coordinate between these two agencies to make sure that they are carrying it out, and we have every reason to believe they will.

We have had very cooperative relationships with the Office of Science and Technology Policy and its Director, Dr. Keyworth, and I have every reason to believe that will continue.

Mr. SKELTON. I appreciate that.

Mr. NELSON. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Florida.

Mr. NELSON. Mr. Chairman, I am pleased to have this opportunity to speak in strong support of H.R. 1310. I am a cosponsor of this legislation which is a combination of two bills—the Emergency Mathematics and Science Education Act and the National Engineering and Science Personnel Act. I was originally a cosponsor of each of these vital bills also. Today's debate is an important step in securing a speedy enactment of this important legislation.

The global economy of the 1980's will be one of high technology in homes, schools, businesses, and government services. Today, the United States is a world technological leader primarily as the result of our national resource of skilled scientists, technologists, engineers, and technicians. This leadership is essential for our economic and national security.

U.S. technological supremacy has eroded as other industrial countries have developed and implemented programs for expanding their technological capability. Our technological edge is threatened by a shortage of skilled engineers and scientists and, even more seriously, by the lack of general scientific and mathematical literacy necessary for the majority of citizens who provide the technical and consumer support of our economy. Technological literacy is also becoming increasingly important for full participation in our society and for individual personal development.

Our future national economic and social well-being is determined partly by our schools and their ability to prepare youth for effective participation in a technological information society. There is increasing evidence that the mathematical and scientific literacy of our youth and adults is being neglected.

If we are to respond effectively it is essential that we:

Establish the improvement of education and mathematical and scientific literacy as a priority for action;

Increase and improve the pool of qualified teachers of mathematics and science who can adequately prepare our youth for the emerging technological society;

Restructure and revise the mathematics and science curriculum to prepare the nonspecialist as well as the specialist and to modify the sequencing of curriculum to match the stages of intellectual development and ability;

Increase the amount of time students spend on academic studies and increase the availability of scientific equipment and facilities; and

Develop comprehensive programs that can further general computer literacy, including computer applications that will lead to increased mathematical and scientific literacy.

This legislation is an important first step in addressing our current crisis. Our leadership in technology for the world is at stake. We cannot afford to wait any longer.

Mr. SKELTON. Mr. Chairman, I certainly hope this is a major step in doing away with any technology gap that we have in our future.

Mr. PORTER. Mr. Chairman, I rise in support of H.R. 1310, the Emergency Mathematics and Science Education Act of 1983.

Among other provisions, the bill provides for the in-service training of teachers and encourages modernizing and expanding courses of instruction in mathematics and science. These are worthwhile objectives that need further effort and involvement by all segments of the Nation, including the business community, the Nation's universities and above all the members of the teaching profession and their allies in the educational publishing industry.

It has been truly said that this is the age of the computer and the decade when the elementary and secondary school children of the United States will prepare themselves to use the scientific and mathematical wonders of the 21st century. These students face greater intellectual challenges than any other generation of Americans. This effort by the Congress to further the teaching of mathematics and science and meet that intellectual challenge has my enthusiastic endorsement.

Beyond the better preparation of teachers in these crucial areas, our Nation needs to bring forward better programs to enhance the ability of students to learn. One of the most innovative plans to identify and bring to the attention of teachers everywhere effective programs in many areas of learning is the National Diffusion Network, a modest $9.7 million part of the discretionary funds of the Secretary of Education. I believe very strongly that together with the efforts contained in H.R. 1310 to encourage better qualified and a larger number of math and science teachers, our Nation needs the ability to mobilize our best efforts in the actual teaching of these subjects. For this reason I intend to work for increased funding of the National Diffusion Network, together with appropriate language in the report accompanying the appropriation for the Department of Education directing the Secretary to increase his efforts to discover and promulgate the most innovative and effective teaching programs in mathematics and science to our Nation's elementary and secondary teachers.

This dual effort—both in obtaining the best possible teaching personnel and the best possible teaching models or programs—in mathematics and science for our Nation's schools will help our children meet the challenge of the next century in the exemplary fashion that we have always met the future and made it ours.

Mr. GREEN. Mr. Chairman, I rise in support of H.R. 1699, a bill to provide funds for science, math, and technical training. Having sponsored a hearing in my district last year on our Nation's scientific training base, and as the ranking minority member of the Appropriations Subcommittee for the National Science Foundation, I am familiar with the severity of the problems the United States faces in this area, and support the manner in which H.R. 1699 deals with them.

Science bears on almost every aspect of our lives: On our ability to heal the sick, to dispose safely of hazardous waste, to compete internationally, to innovate technologically, and so on. Recent years have seen remarkable scientific advances, and in the coming decades the pace of technological change will probably quicken. Technological skills are in short supply and at a premium due to structural changes in our economy. Yet because of the dwindling supply of science and math teachers and engineers, the United States may face a severe shortage of the technologically trained personnel necessary to sustain a United States and world economy icnreasingly dependent on scientific know-how. While few would deny the United States is today preeminent in science, few, too, would deny that the United States stands a good chance of seeing this preeminence evaporate unless steps are taken to improve science and mathematics education in the United States.

At my February 1982 hearings on science and math education I heard from a variety of educators, Government representatives, scientists, and industry representatives about science and math education. The witnesses at the hearing painted a disturbing picture of our country's inability to train scientists and engineers and to educate nonspecialists in the scientific and quantitative skills they will need to participate fully in our increasingly technical society. At my hearing, I learned of industry salaries in engineering that are drying up the supply of teachers for future generations of engineers, causing shortages and bottlenecks in a profession that is crucial to economic growth. I learned of the severe shortages of precollege math and science teachers that prevent many children from getting the preparation they need and preclude them from pursuing scientific careers. This is a terrible waste of intellectual resources. Furthermore, it has caused a mismatch between the needs of the

work force and the ability of our educational system to fulfill them that must be corrected.

The bill deals with these problems in various ways. Title I of the bill is to be administered by the Department of Education, and is intended primarily to improve math and science education at the elementary through postsecondary levels. Part A of title I authorizes $250 million for fiscal year 1984 to improve training for current teachers in elementary and secondary schools. Part B of title I authorizes $50 million for postsecondary education programs. It seeks to increase the supply of science and math teachers, and would in fiscal year 1984 provide 5,000, and in fiscal year 1985, 10,000, scholarships for students committed to teaching science or math. Part B also funds summer institutes and workshops for teachers, curricula improvement, education research, and the minority institutions science improvement program.

Title II of the bill deals with engineering and technical personnel, and will be administered by the National Science Foundation. The $100 million authorized by this title will enable postsecondary institutions to increase the pool of technically trained manpower in the United States, especially in engineering. Grants made under title II must be matched by funds from private or other public sector sources. Title II outlines several broad priorities: To improve technician training, to provide greater access to computers, to enhance precollege science education, to encourage public participation in and exposure to science, and to encourage women and minorities participation in science. Title II also gives the White House Office of Science and Technology Policy primary responsibility for coordinating research and development and science personnel.

As I have said, I support the bill and will vote for it. I am concerned, however, that of the $400 million authorized in the bill only $50 million is devoted to increasing the supply of precollege science and math teachers. I feel this issue is the most serious in the long term and am concerned only one-eighth of the funds authorized in this bill are expressly devoted to solving it.

Section 205 of title II of the bill lists "recruitment and retention of engineering faculty" as the first of the seven priorities to be addressed by the NSF in administering the title. I believe equal importance should be attached to recruitment and retention of computer sciences faculty and hope this will be clarified during consideration of the bill.

Title II's use of matching funds from private and other sources is a very constructive approach. As industry is part of the problem in science and technical education, so should it participate in the solution. Also, the private sector will be a good ally in averting the crisis in math and science education because it has both a strong vested interest in seeing the problem solved and the resources to provide effective help.

Mr. Chairman, the problems of science and math education and technical personnel are very serious and I am pleased the 98th Congress has moved so expeditiously to ease them. Enacting this bill will not solve our technological personnel problems, and I certainly intend to continue my efforts in this area, but the bill is a good first step and I support it.

● Mr. MARKEY. Mr. Chairman, I join today with many of my colleagues in supporting H.R. 1310, the Emergency Math and Science Act. It is not necessary to impress upon this body the critical need to bolster math, science, and other technology-related education because it is a situtation with which we are very familiar.

This country has been most fortunate in terms of the quality of teachers employed in our schools. But the shortage of math and science teachers is well known, as is the need to train our future generations to compete with new skills in a changing world. Testimony has shown that most States are short of physics, math, and chemistry teachers. At the same time, student achievement on college entrance exams has declined in these areas, while fewer students prepare for careers in science or mathematics.

The Emergency Mathematics and Science Education Act could pave the way toward addressing this most serious problem. We are all aware of the present economic situation, but this is an instance where money spent today will come back to us in the future. There is no wiser investment than the education of our youth. The technological community in this country would be invigorated by the entry of more scientists and mathematicians into a number of fields, including teaching. We should begin by directing our efforts, through this bill, at the schools. Building up the Nation's standing as a technological leader will be a long process, but one which can and must be undertaken today with passage of this bill.●

● Mr. ROE. Mr. Chairman, I rise today to express my strong support for H.R. 1310, the Emergency Mathematics and Science Education Act of 1983, a bill whose passage I consider vital to the very future of our Nation.

For decades this country has been the world leader in the field of technological innovation. Indeed, we were the first Nation to put a man on the Moon. For the most part, our scientists and engineers have continued to startle the world with new developments in the fields of science and mathematics.

But recently our technological edge has been dulled and indeed threatened by a radically increasing shortage in this Nation of skilled scientists, technologists, engineers, and technicians.

Recent Federal education budget cuts by our current administration has greatly exacerbated this dangerous situation by reducing both funding and programs to train our young people in these essential fields.

The situation has deteriorated to the point where last year, in my own State of New Jersey, all 21 counties reported an inability to find fully qualified teachers in the fields of mathematics and science.

Mr. Chairman, H.R. 1310 would do much to alleviate this situation at minimal cost. It appropriates adequate funding to improve math and science instruction at the elementary and secondary levels and to increase the supply and qualifications of teachers at those levels.

It also establishes a unique 2-year scholarship program, to be called the national teaching scholarships, for undergraduate and graduate students and 1-year scholarships for current teachers. Each person receiving a scholarship would be required to teach 2 years for every year of assistance he or she received.

Mr. Chairman, there has been much concern expressed by the White House over the need to expand our military defense system. Yet, there is little effort coming from this administration to train our young people in the scientific skills that will enable them to develop the new weapons and defense systems they are urgently calling for.

If we are to remain competitive in the world economy, we must have the technological expertise to deal with the economic threat coming from Japan and other nations who are stealing our thunder in this area. A giant step in that direction would be the passage of H.R. 1310 and I urge my colleagues to overwhelmingly support it today.●

● Mr. DYMALLY. Mr. Chairman, when the Science and Technology Committee marked up the Emergency Science and Math Education Act, H.R. 1310, I offered an amendment which was agreed to unanimously by my fellow committee members. The amendment removed the qualifier "certified" from before the word "teacher" in the summer institutes section of the bill. There are some who have expressed the fear that this amendment would open the summer institutes to people who are unqualified. That is not the intent of the amendment. It is my intent that only those who possessed a teacher certification or those who have professional training in the area they hope to teach should have access to the summer institutes and workshops.

Those who are unqualified either through lack of a credential or through lack of professional training in the area they would teach, would still be excluded from participation in the summer institutes funded through H.R. 1310. The amendment was intended to allow State and local authorities to make use of a teaching talent pool that has been largely neglected.

This is the talent pool represented by professional scientists and mathematicians. If the word "certified" had remained in the bill, such experts would have been barred from the program. Far from intending to open the summer institutes to those who are unqualified in science or mathematics, its intent is to open the programs to those who are most qualified: Scientists and mathematicians.●

● Mr. WISE. Mr. Chairman, I strongly oppose any proposal advocating a differential in pay for teachers in math and science. This band-aid approach to the problem of attracting and retaining teachers in the areas of math and science is very shortsighted. Pay differentials—sometimes referred to as merit pay—make a strong statement to all teachers: Some subject areas are more important than others. After all, without reading and writing skills, no child can learn science or math. This means that education at the elementary school level must be taken into account in any initiative proposing to improve math and science training. Without a basic framework on which to build from the earliest years, students will not be able to achieve their potential in any subject area.

It is clear, in addition, that recruiting well prepared teachers of English or other languages, art, or music is as vital as hiring good math and science teachers. The pursuit of all-around quality must stay as a guiding education policy.

Added pay schemes fail to take into account two fundamental considerations: Why people enter teaching and why they remain in it. Virtually every available study shows that people enter the field primarily because they want to work with young people. These same studies reveal that many leave because of inadequate time to teach and because of other factors that are directly related to salary. Obviously, salaries for all teachers must be raised, but there are other ways of making teaching more attractive than simply paying more to teachers who are—perhaps only temporarily—in short supply. Class size must be made manageable, nonprofessional duties must be reduced, and teachers must be given time to pursue courses and other professional development activities to help them improve their teaching and their sense of self-worth. These changes cost money, but money that will aid teachers—and students—not only a select few.●

● Mr. ROYBAL. Mr. Chairman, I welcome this opportunity to speak on behalf of H.R. 1310.

For some time now, I have been growing increasingly concerned about the state of our educational system. We simply have not been able to keep pace with the rapidly changing demands of our high-technology society. I am gratified that so many of my colleagues appreciate the urgency of this matter, for the situation is becoming critical. Warning signs are everywhere:

First, of the 25 instructional hours available in a school week, elementary schoolchildren get an average of 1 hour of science instruction and less than 4 of arithmetic.

Second, in junior high school, most students are not exposed to algebra until ninth grade, and then only two-thirds of ninth graders elect to study it. In addition, there is little opportunity for junior high students to explore a specific science or engineering topic.

Third, only 34 percent of our 3 million annual high school graduates have completed 3 years of math. Only 31 percent of our high schools even bother to include calculus in their curriculum. Science fares even worse—only a third of all seniors have taken a chemistry course, and only 10 percent have taken physics.

Our schools do not have the proper equipment for instruction in many of the sciences, and are facing a critical shortage of qualified science and math teachers. During the 1970's, we experienced a 77-percent decline in the number of secondary school mathematics teachers being trained, and a 65-percent decline in science teachers in training. Of those who are trained, many are leaving the low pay and high aggravation level of teaching for jobs in business and industry. In light of these figures, it is not surprising that as many as 50 percent of those currently teaching science and math were found to be unqualified to do so.

Those students who do decide to pursue a course of study in science or mathematics in college are often plagued by the same problems they faced in high school—lack of equipment, underqualified teachers, a limited selection of classes, and a poor prepatory background in those fields. Of the group that manages to overcome these obstacles, minorities and women are seriously underrepresented.

This is in sharp contrast to the educational systems of such countries as the Soviet Union and Japan, where a high priority is placed on developing skills in science and math. Those countries even have a national education policy emphasizing the importance of those disciplines to economic and cultural progress. They will be prepared for the future. Where we once ruled the roost in virtually all high-technology areas, other nations are rapidly catching up and in some cases, such as the Japanese in microelectronics, have displaced us.

If we continue as we have been, where will we be in a few years from now? How will we fill the estimated annual demand for over 50,000 new electronic, computer, mechanical, and science technicians through the end of the decade? Where will our major new advances in those fields come from? If we do not want to get them second hand, we had better act now.

It is past time to reemphasize education as a national, not just a local concern, and one that is just as important to the defense of our Nation as the latest developments in missiles. What good are these costly and complicated weapons systems if we have no one to conceive of them, to build, operate, and maintain them, to improve on them? In my opinion, fading technological capabilities pose as serious a security risk to this country as do the Soviet weapons systems. We need cooperation among State, local, and Federal Governments, school boards, colleges, and universities, and private industry if we are going to effectively address this problem, and we need it now.

H.R. 1310 emphasizes those critical areas I have just discussed—teacher training, curriculum revitalization, and equipment availability—and it will be of benefit to precollege and postsecondary students alike. It also recognizes the important place foreign languages should occupy in our schools' curriculum—our students must be prepared to deal with the ever-expanding world marketplace. Moreover, the development of a national policy in these areas is encouraged.

For the sake of our future, we must act today. I urge you to join with me in voting for passage of this measure.●

● Mr. BOUCHER. Mr. Chairman, I rise in support of H.R. 1310 the Emergency Mathematics and Science Education Act. As a member of both the House Committee on Education and Labor and the Committee on Science and Technology, I have been deeply involved in the development of this legislation which is, in my view, as important to our Nation's economic development and national security as was the National Defense Education Act of 1958 which followed the Soviet launch of the Sputnik satellite.

The statistics which dramatize our national neglect of science and math education are well known and will be repeated here frequently during the debate on this measure. Less than 30 percent of the Nation's high schools require more than 1 year of science and math instruction. There is currently a 9-percent shortage of engineering faculty despite the growing

demand from business and industry for engineers. At the elementary and secondary level, and at the postsecondary level, science and math classrooms are overcrowded and equipment is obsolete. My own State of Virginia faces a serious shortage of elementary and secondary schoolteachers certified in chemistry, physics, the Earth sciences, and mathematics. Other nations are outdistancing the United States in their course requirements for science, math, and engineering.

The statistics are indeed telling. But, as is so ofter the case, it is not until we take the time to look within our home districts that we understand how pervasive the problem really is.

Last month, I spent several days traveling throughout my district in southwest Virginia talking with constituents, business leaders, educators, and students. Whether I was on the campus of Virginia Tech in Blacksburg, one of the South's leading research and development institutions, or in the coalfields of Wise County, the impact of technology and the need for basic science and math training for students was everywhere apparent.

At Virginia Tech I visited with professors and students involved in agricultural research to improve farm productivity. Their work will have applications on the family farm as well as on the large agricultural enterprises.

At United Coal Co., in Bristol, company officials showed me the product of a new coal technology that converts solid coal into a combustible liquid form. New coal technologies will make America's most abundant energy resource more economical and will help put unemployed miners back to work.

In Abingdon, I visited the computer career training center at Virginia Highlands Community College, and in Montgomery County, area business leaders described their difficulty in finding employees with basic technological training.

The message of the visit was clear: The need for expanded science and math education is urgent. It is a need as important in our rural areas as in developed, metropolitan areas. The longer we delay in responding to the need, the further our community will fall behind in meeting the demands of the modern marketplace.

The assistance to local governments contemplated in H.R. 1699, the program of national teaching scholarships, and other provisions to revitalize the teaching of science and math represent an important first step in this effort to once again place America on the frontier of science and technology. H.R. 1310 substantially addresses this need, and I urge its adoption by the House.●

● Mr. WIRTH. Mr. Chairman, our passage of H.R. 1310 today is the first action we can take on the floor of the 98th Congress to make some much needed investments in our country's future—investments which will pay for themselves many times over in increased productivity and competitiveness in our rapidly changing economy.

The bill is the result of a carefully crafted consensus between Chairman PERKINS of the Education and Labor Committee and Chairman FUQUA of the Science and Technology Committee. As such, it addresses a range of critical problems facing our Nation's elementary, secondary, and postsecondary institutions, and contains sound, carefully drawn solutions.

First, it contains a range of remedies to our serious erosion of quality in math and science education. Just 2 weeks ago, the Denver-based Educational Commission of the States, in its new national assessment of education, pointed out that high achieving students do not seem to be realizing their potential, particularly in math and science. It is no wonder. Our schools have a severe shortage of teachers trained to teach these subjects. For example, studies show that 43 States have a shortage of math teachers at the secondary school level. In my own State of Colorado, only 80 percent of the math slots are being filled by qualified math instructors, and this is expected to decline to 50 percent by the year 2000. Similar shortages have been reported in physics and chemistry.

At the same time, our economy which is increasingly reliant on technology and information, needs more than ever a work force which can manipulate numbers and machines. The jobs of the future will go to those who have a solid math and science background, and we must take steps to insure, as H.R. 1310 does, that all students will have access to these jobs. Otherwise we would be reneging on our longstanding commitment to provide equal educational opportunity for all students. Serious needs in our math and science education programs are national in scope, and require our attention.

Second, H.R. 1310 has a strong commitment to some investments in research and higher education which are critical to future economic growth. There is an established relation between investments in basic research and our Nation's productivity, both within industries and across the entire economy. A University of Pennsylvania study for example showed that 40 percent of increased productivity over a 20-year period is due to new technology or information.

But now when we are stuck in the midst of a persistent and deep recession and facing longer term challenges to our economic competitiveness in an increasingly international economy, we have neglected our basic research seriously.

Our universities have traditionally been partners with Government and business in the national mission of basic research and development. But Federal investment in universities R&D plants fell—in adjusted 1972 dollars—from more than $211 million in 1966 to less than $16 million today.

The result is that our university laboratories are eroding, and they are starving for new instrumentation. Now when our future international competitiveness depends on the ability to continue to innovate and invent, students are training on equipment twice as old as industry's, often on instruments already obsolete.

Last year, in recognition of these problems and their serious economic consequences, I proposed in the Budget Committee a productivity package of investments. Comprised of a major 5-year strategy to renew and increase Federal investment in university research and development, its goal was to restore universities to their place as full partners in the pursuit of economic growth. A similar goal, and many of the same components, are reflected in H.R. 1310. It includes $50 million directed toward university's instrumentation needs and a multifaceted emphasis on strengthening educational research and development. It further would establish a National Science Foundation engineering and science personnel fund as an important step toward insuring that our country is supplied with the trained manpower that is badly needed in these fields. These are among the most important investments we can make toward reversing alarming declines in productivity growth, and setting the stage for sustained economic growth.

In addition, as chairman of the Subcommittee on Telecommunications, Consumer Protection, and Finance, I want to commend the Education and Labor Committee for recognizing the valuable contribution public television can make to this effort. At this point, Mr. Chairman, I would like to offer for my colleagues a fine article by William Finegold which clearly illustrates the potential for public television in improving science and math education, and insert it in the RECORD at this point.

TV CAN TEACH SCIENCE AND MATH

(By William Finegold)

Our nation's schools are facing a crisis in science and mathematics on the secondary school level caused by the shortage of science and math teachers. This shortage will have a serious impact on our country's future capability in the area of scientific and industrial research and development as well as our national defense.

One major reason given for this shortage of teachers is that college graduates who excel in science and math are recruited for positions in industry that are more remunerative and possibly more challenging.

One practical solution that has not received sufficient consideration is the expanded use of television to teach science and mathematics. The top teachers at the secondary school and college levels could be recruited to develop and teach these courses. They can be broadcast over public TV stations, closed circuit TV or cable, or they can be put on videotape to be used at a school's convenience.

Science and math would seem to be the ideal subjects for the use of electronic instruction. The TV screen and computer offer the special advantages of color and animation as well as dramatic and graphic presentation. We have seen how the younger generation is attracted by television, the computer and the excitement of electronic games. This interest can be built upon and broadened in science and math instruction.

Scientific experiments can be shown on the screen in full color, magnified many times over with the use of the electron microscope. Slow motion and stop action photography will enable the students to study biological, chemical and physical processes in minute detail.

In a very practical way, these television presentations will serve as demonstration lessons for current as well as future science and math teachers. The ideal way to improve the quality of instruction is for superior teachers to demonstrate the finer procedures in the art of teaching.

On the college level, these televised science and mathematics lessons will provide training in methodology as well as content for the students preparing to enter the field of teaching. These college students can, at the same time, be utilized as teachers-in-training or interns on the secondary school level. They will be able to follow up the television presentations with the high school students on a group or individual basis in the classroom or laboratory. It would be feasible to pay them some stipend as part of this work-study program.

The dual value of science education and teacher training through television is cited by Robert Diamond of the University of Miami, who states: "The use of television in science instruction has allowed the schools to increase the amount of individual attention for our exceptional children, and it has permitted an excellent program of teacher education with minimal expense to the district . . . "We are convinced that television, properly used, will bring the most talented instructors and the highest quality of instruction."

TV programs with science content, such as "Cosmos," "Connection," "Nova," "The Ascent of Man" and "The Body in Question," have attracted a large audience. Although they have been intended for the general public, study outlines are available for some of these courses, and some colleges do grant credit for students who watch such courses, do additional readings, and take an examination based on the TV course.

Other general television courses have been adapted for college students, and colleges throughout the country are granting credit for such courses. Despite the fact that these programs were not designed for instructional television, they do indicate its potential as a teaching tool. Last year 55,000 students in more than 500 colleges in 47 states took television courses offering college credit, some in science and mathematics.

The shortage of science and math teachers may provide the opportunity for a breakthrough in the use of instructional TV. If the best scholars, educators and media specialists pool their talents, they will not only fill the science and math teaching gap, but also improve the quality of instruction. They may even help TV fulfill its potential for becoming the exciting tool for learning that some educators foresaw in its infancy.

Mr. Chairman, as chairman of the Democratic Caucus' Task Force on Long-Term Economic Policy, I have spent a great deal of time in the past 2 years consulting with thousands of Americans from all walks of life about what the Federal Government, along with business and labor, can do to get our economy back on track for the rest of this decade and beyond. An answer that came back loud and clear from leaders of finance, universities, labor, high technology firms, and troubled basic industries, as well as many common citizens, was that we need to make adequate investments in our people. Our brainpower is our most valuable national resource. Our long-term economic policy report thus puts major emphasis on investments in human capital. H.R. 1310 is the first piece of legislation before us in this Congress which addresses these very important issues. I am proud to be a cosponsor of this bill, and urge its adoption today.●

● Ms. OAKAR. Mr. Chairman, the legislation we are considering today is crucial to the continued vitality of our educational system. H.R. 1310 channels funds where they are most needed. The problem our country faces in its shortage of qualified mathematics and science educators is a serious one. Our country needs to hold its own in the area of education—our children are a valuable resource that needs to be cultivated. We cannot allow them to have anything but the best—and, therefore, we need to provide the best possible training for our teachers.

The decline we have seen in the number of students participating in mathematics and science programs is largely due to the decline in available, qualified teachers in those fields. Students are not encouraged by the lack of parity between the financial compensation of teachers and private industry personnel with commensurate qualifications.

The funds that the measure authorizes will not only strengthen current mathematics and science teachers but will encourage postsecondary students to pursue careers in these fields as well as in the field of foreign languages.

Another need that will hopefully be alleviated by the passage of this legislation is the critical shortage of skilled technicians and high level scientific personnel. This is a dilemma which threatens to weaken our stature in the international marketplace as well as our industrial base. It is essential that our Nation's commitment to science and technology be strengthened—this legislation would do just that.

Mr. Chairman, it is imperative that we pass the legislation today. We cannot do any better by our children than to invest in their futures by investing in their educations.●

● Mr. STARK. Mr. Chairman, I wholeheartedly support the concept and purpose of this legislation to provide Federal assistance to improve mathematics, science, and foreign language training in our Nation's schools.

We are in the midst of a new type of industrial revolution; one that takes on even greater and more mind-boggling technological aspects than our first such revolution. To deny this country's students the needed technological training to prepare them for the jobs spawned by this revolution is to seriously handicap both the students and, ultimately, this Nation.

When we speak of literacy in this age, we must consider more than just an ability to read and write in our native tongue—we must consider computer literacy, as well. And establishing that literacy, which is so vital to our future, requires the necessary computer hardware.

In the 97th Congress, I introduced legislation to provide tax incentives to all computer companies that donate their wares to our country's schools. The measure passed in the House overwhelmingly, but time ran out in the final days of the lameduck session, and the Senate was unable to act.

I have reintroduced this legislation in the 98th Congress, and during this session we will have the unique opportunity to witness how a similar program works on a smaller scale.

With my bill serving as the impetus, the California Legislature, in the true spirit of federalism, last year approved a measure granting tax incentives to computer manufacturers to encourage equipment donation to the State's school system.

One computer company alone estimated it would be able to donate as many as 10,000 computers to California schools, a figure enthusiastically greeted by the superintendent of schools in my district.

"Everything we hear these days tells us computers are going to become a bigger and bigger part of our lives, somewhat like the changes in our lives the automobile made," Alameda County Superintendent of Schools, Robert Coney, said. Coney added that donations made by computer manufacturers would "provide for the expansion of hands-on training," which he says is extremely important.

Despite its many budgetary problems, California is willing this year to serve as a living laboratory to test the theory that government support for technological training in computers

will ultimately pay off in a better educated, better equipped citizenry.

Therefore, during the coming months, I will be asking California teachers, administrators, students, and parents to describe the impact that the computer equipment donations in California have on their curriculum, their rate of learning, their test results, their attendance and interest in the classroom and the problems they have in effectively utilizing donated equipment, training teachers in their use, and in finding or using good quality software.

As chairman of the Select Revenue Measures Subcommittee, which handled my 1982 bill to encourage a system of national donations, I intend to hold field hearings in California this summer or early fall to document the successes and failures of the California donation program. If, as I suspect and hope, it is a success and does improve classroom learning and enthusiasm, then I believe we can make an irrefutable case for the enactment of national legislation.

Our educational and hi-tech employment problems are national in scope; if the California experiment is useful and helpful to the students of the Golden State, then the same program should be enacted for the whole country.

I know that the teachers and administrators of my State do not need any more forms or questionnaires to fill out—but I hope they will respond to my future inquiries in this matter, since it can lead to a major national program of benefit to the entire country.●

● Mr. AUCOIN. Mr. Chairman, within a matter of days, we here will consider a jobs bill that many of us do not like a great deal. That bill will provide jobs in some few industries but it does not invest enough in the long term future of this Nation and its vital industries.

In the legislation before us, the math and science education bill, I find far more cause for optimism. For the opportunity before us today is to make a carefully targeted, high-yield investment in the Nation's most valuable resource, the brain power of its youth.

I rise as a cosponsor and strong advocate of H.R. 1699, and do so because for me, this is truly a jobs bill that fulfills one of our deepest needs—providing an educated and trained work force that will inherit an industry whose precise nature is really beyond the imagination of most of us in this House today.

As things stand now, this Nation is startlingly unprepared to face the future. Last year in my home State of Oregon, a State where high technology is the wave of today and tomorrow, higher education produced only one new physics/chemistry teacher. One. This, in a State where 18 instructors teaching science at the high school level are not certified for those subjects. And where 28 math teachers lack proper certification.

But it is not just Oregon, Mr. Chairman. There are shortages of math and science teachers in virtually every school district in the United States. In 1981, 43 States reported a shortage of math teachers, and 42 claimed shortages of physics instructors.

It is not too hard to see where that is leading us, in a world where our trading partners are making major national investments to outstrip us in basic research and development of high tech components. The simple fact is, that if we are to harness the incredible growth that high technology industries have to offer, it is essential that we provide that industry a highly skilled work force.

In Oregon, high technology firms tell me that the single most important thing we can do to keep them competitive and producing jobs is to make it possible for our public schools to provide a solid education in math and science. Without that, we face a future in which no trade legislation will be worth anything, no military system will be more than second rate, and no phase of our economy will be anything other than vulnerable to the merest breeze in the international trade winds.

Consider—the rate of knowledge in the electronics industry is doubling every 18 months. That means a huge demand for trained technicians, 50,000 a year until at least the end of the decade according to the Department of Labor. Additionally, forecasters are predicting that the electronics industry will open up, overall, 2 million new jobs during the 1980's.

H.R. 1699 will move to fill this gap by offering recertification programs for elementary and secondary teachers and scholarships for college students pursuing a teaching degree in these fields. In addition, it will allow school districts to amend their curriculum to take advantage of advances in technology.

The bottom line is that if we do not have the trained work force to fill these jobs, some other country will. We have got to act now, and I commend the Education and Science Committees for the bipartisan way in which they fashioned this bill. While H.R. 1699 is not the end-all be-all, it is an important first step, and I urge its passage.●

● Mr. FRENZEL. Mr. Chairman, here is another example of Congress rushing to get on board a popular wagon. As usual, proponents are saying it will solve our problem.

Actually, we are voting on another expensive symbol. We are asking the taxpayers to shell out a couple of hundred million dollars a year for a program which would not do very much other than to signal congressional interest in providing better math and engineering education at all levels. Better we should have passed a commendatory resolution.

Unfortunately, H.R. 1699 is also an example of something else. It is an example of the old politics of the 1930's. It is another bill that would not do much except whet appetites for more.

Local people, parents, educators, and elected officials are concerned that so little planning has gone into the consideration of H.R. 1699. Nobody has a good idea how it works.

Spending the peoples' money requires better work than has gone into this bill. Everybody wants instant engineers and computer whizzes, but this bill is unlikely to produce them. We can do much better.●

● Mr. MILLER of California. Mr. Speaker, the Emergency Mathematics and Science Education Act is a first important step toward solving our national problem and mathematical and scientific literacy.

Our Nation's elementary and secondary mathematics and science education is suffering from neglect. We know this especially well in California, birthplace of high-technology industry. In my own district of Contra Costa County, major employers have told me that many high school graduates they interview for entry level jobs come ill prepared in mathematics and science. Throughout the State, colleges and universities are complaining that too many students require remedial education prior to the start of college level work. A recent report to the California Business Roundtable concluded:

> The evidence suggests that California students are not now being adequately prepared for college or work, and that current levels of achievement are well below those attained one or two decades ago.

This decline in achievement could have potentially ominous consequences for our State's high-technology industries which are highly dependent on a well-educated work force. In 1982, I held a hearing in San Francisco on the need to improve our educational systems to prepare students for further training and jobs in high technology. Gary Peterson, of the Electronic Industries Association, testified at that hearing.

> No matter whether you are talking about literacy in computer science or literacy in the basic electronics industry, we cannot basically use people who are not skilled or . . . disciplined in such things as basic science and math.

In some cases, this lack of trained personnel has led these companies to go abroad to meet their needs.

At the same time, Armando Picciotto, computer science teacher and district computer coordinator for the Richmond Unified School District, in my own district, reported:

I saw the (shortage of trained personnel) first hand last year while working at Fairchild in San Jose during a leave of absence from my teaching duties. I was amazed at the number of skilled and semi-skilled technicians that the company had imported from Singapore, the Philippines, Hong Kong and even Europe because they could not find enough qualified people locally.

The California Commission on Industrial Innovation, whose members include leaders of business, labor, and education, recommended in their report on enhancing industrial innovation and productivity, that:

The United States should mobilize national resources to support math, science, computer engineering and high technolgy vocational education . . .

Mr. Speaker, we are beginning this mobilization today with the passage of the emergency Mathematics and Science Foundation Act. I am proud to have played an active role in the development of this landmark legislation.

Because of the immediate need to rectify this education crisis, we have focused the act on improving existing teacher's knowledge of mathematics and science, including instruction in the use of computers. In drafting several portions of this act, I made certain that every teacher who has responsibility for mathematics and science education is eligible for additional training. I was particularly concerned that elementary teachers, who often teach mathematics and science as part of a broader educational program, be included. Elementary teachers, while far less likely than secondary teachers to have extensive education in mathematics and science, strongly influence student attitudes toward these subjects. If we lose a student's interest in fourth grade, there is a good possibility we will lose it for a lifetime.

To a large degree, the success of a school's educational program is dependent upon the leadership of the school principal. I have included a special provision in the act to provide principals with inservice training in mathematics, science, and the use of computers. While the principals will not be teaching these subjects, this training can offer special insights to the curriculum and new teaching approaches which will help them support their mathematics and science teachers.

Throughout my district I have heard of many creative projects by teachers to improve mathematics and science teaching. In response to several teachers' suggestions, I included a program of teacher initiative grants to reward and encourage such efforts. Under this program, any teacher who has attended training provided by this act may apply for a personal grant to enhance their classroom teaching of mathematics, science, or technology. Grants might be made for the purchase of equipment for a special project or demonstration, purchase of specialized reference materials, or underwriting the cost of bringing a lecturer to the classroom or school for student and faculty enrichment.

Important as the legislation is, it is only a beginning. In particular, our vocational training programs need similar direction. The rapidly changing nature of technology, and the demand for highly trained technicians, in combination with unwise reduction in education funding in recent years, have resulted in many of our programs falling behind. A spokesman for over 500 high-technolgy companies recently told a hearing on vocational education that "training within the vocational education system has not been relevant to employers' needs." The solution to this training problem can best be found by encouraging business and vocational educators to work together.

I will soon introduce the High-Technology Training Act of 1983. This legislation will amend the existing Vocational Education Act to provide thousands of workers and students with new opportunities to train for rewarding careers in high technology.

Working together, these two pieces of legislation will raise the mathematical and scientific literacy of our Nation's students while encouraging the public sector-State and local governments and school systems—to work more closely with the private sector in planning educational programs which will provide students and workers the basic skills they need for a wide range of occupations and further education.●

The CHAIRMAN. The time of the gentleman has expired, and all time has expired.

Pursuant to the rule, the text of H.R. 1699 is considered by titles as an original bill for the purpose of amendment under the 5-minute rule in lieu of the amendments recommended by the Committees on Education and Labor, and Science and Technology, and each title is considered as having been read. It shall be in order to consider an amendment to title I of said substitute made in order by House Resolution 109 which shall be considered as an amendment recommended by the Committee on Science and Technology.

The Clerk will designate title I.

Title I of H.R. 1699 reads as follows:

H.R. 1699

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—EMERGENCY MATHEMATICS AND SCIENCE EDUCATION ASSISTANCE

SHORT TITLE

SEC. 101. This title may be cited as the "Emergency Mathematics and Science Education Act".

AMENDMENTS TO THE NATIONAL DEFENSE EDUCATION ACT OF 1958

SEC. 102. (a) The National Defense Education Act of 1958 is amended by adding the following new title:

"TITLE VI—EMERGENCY MATHEMATICS AND SCIENCE EDUCATION

"PART A—ELEMENTARY AND SECONDARY ASSISTANCE

"FINDINGS

"SEC. 601. The Congress finds that in order to enhance our Nation's economic productivity and ensure an adequate number of skilled individuals to meet our national defense needs, it is necessary (1) to improve the quality of instruction and levels of student achievement in mathematics and science at the elementary and secondary education levels, and (2) to increase the supply and strengthen the qualifications of teachers of mathematics and science at the elementary and secondary education levels.

"AUTHORIZATION OF APPROPRIATIONS TO THE DEPARTMENT OF EDUCATION

"SEC. 602. (a) There are authorized to be appropriated to the Department of Education to carry out this part $250,000,000, for fiscal year 1984, and such sums as may be necessary for fiscal year 1985.

"(b) No funds are authorized to be appropriated to carry out this part for any fiscal year if the amount appropriated to carry out chapter 1 of the Education Consolidation and Improvement Act of 1981 for such fiscal year does not equal or exceed the amount appropriated to carry out such chapter for the preceding fiscal year.

"ALLOCATION OF FUNDS

"SEC. 603. (a)(1) From the amount appropriated under section 602 for any fiscal year, the Secretary shall reserve—

"(A) one per centum for allocation among Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands in proportion to their allocations under chapter 1 of the Education Consolidation and Improvement Act of 1981; and

"(B) one-half of one per centum for payment to the Secretary of the Interior for use in Bureau of Indian Affairs schools for programs consistent with the purposes of this part.

"(2) The remainder of the amount so appropriated (after meeting the requirements of paragraph (1)) shall be allocated among the States (treating the District of Columbia and Puerto Rico as States) as follows:

"(A) One-half of such remainder shall be allocated among the States in the same manner as is required by the second sentence of section 302(a)(1) of this Act.

"(B) One-half of such remainder shall be allocated among the States by allocating to each State an amount which bears the same ratio to that one-half of such remainder as—

"(i) the product of the school-age population of such State, multiplied by a fraction equal to (I) the per pupil expenditure amount determined under the second sentence of section 111(a)(2)(A), or under section 111(a)(2)(C), of the Elementary and Secondary Education Act of 1965 with respect to such State, divided by (II) the average per pupil expenditure in the United States as determined under section 198(a)(2) of such Act, bears to

"(ii) the sum of such products for all the States.

"(b)(1) From the amount allocated to any State pursuant to subsection (a) the State educational agency may reserve not more than 25 per centum of such amount for the conduct of State programs, planning, and administration pursuant to section 605.

"(2) The remainder of the amount allocated to any State pursuant to subsection (a) which is not reserved under paragraph (1) shall be allocated by the State educational agency among the local educational agencies in that State in proportion to their most recent allocations under chapter 1 of the Education Consolidation and Improvement Act of 1981.

"USE OF FUNDS BY LOCAL EDUCATIONAL AGENCIES; APPLICATION

"SEC. 604. (a) Funds made available to any local educational agency pursuant to this part shall be used, in accordance with a local application certified to meet the requirements of subsection (c) by the State educational agency—

"(1) first, to assess the needs for improvement of mathematics and science education in the school district of that local educational agency, including the needs of traditionally underrepresented groups, to determine methods for meeting those needs, and to provide services to aid school administrators and school board members in assessing those needs;

"(2) upon completion of activities under paragraph (1), for (A) in-service training (i) to improve teacher knowledge of and teaching skills in mathematics, science, and their applications, (ii) to train school principals for the supervision of course offerings in mathematics, science, and their applications, and (iii) to recertify teachers of other subjects as mathematics and science teachers; and (B) payment of expenses related to teachers attending (i) State-operated teacher training programs in mathematics and science, including programs under section 605, and (ii) summer institutes funded under section 624 of this title; and

"(3) after meeting the needs of teachers in the school district of the local educational agency for the programs described in paragraph (2), for any other activity to modernize, expand, or improve instructional programs in mathematics and science in the school district of that agency.

"(b) In meeting the needs of teachers for programs described in paragraph (2) of subsection (a) and in carrying out activities under paragraph (3) of such subsection, local educational agencies shall give thorough consideration to the establishment of such programs and activities in conjunction with other such agencies, the State educational agency, educational service agencies, area vocational education schools, and institutions of higher education. Such agencies are also authorized to establish such programs and activities in conjunction with private business enterprises, museums, libraries, and other public and private organizations and agencies.

"(c) The application to the State educational agency required by subsection (a) shall consist of (1) an assurance that the local educational agency will comply with applicable Federal audit requirements, and (2) satisfactory information to ensure that the local educational agency will use the funds received hereunder in a manner consistent with the purposes of this part and in accordance with section 607.

"(d) All in-service teacher training provided under this section shall be in programs which meet any mandatory State standards for teacher training, retraining, and professional development.

"STATE USE OF FUNDS; STATE PLAN

"SEC. 605. (a)(1) Funds made available to any State educational agency under section 603(b)(1) shall, in accordance with a State plan certified to meet the requirements of this part (including section 607) by the Secretary, be used (A) for programs described in subsection (b) or (c), or (B) for other programs to meet State priorities for modernizing, expanding, and improving mathematics and science education in the State.

"(2) Such programs may be operated directly by such agency or under grants to or contracts with local educational agencies and institutions of higher education. Such funds may be used for programs described in clause (B) of paragraph (1) only after the need in such State for programs described in clause (A) of such paragraph has been met.

"(3) Such funds may be made available as grants to local educational agencies in accordance with criteria established by the State educational agency which emphasize assisting school districts with special needs. Such grants may include grants for—

"(A) cooperative programs developed by rural school districts to maximize in-service training efforts within rural regions or States, develop mathematics and science curricula that take into consideration the special needs of rural regions or rural States, and facilitate cooperative efforts of rural school districts with institutions of higher education and other public or private nonprofit organizations to enhance service delivery; and

"(B) efforts to increase the representation of typically underrepresented groups.

"(b)(1) Funds allocated to a State educational agency pursuant to section 603(b)(1) may be used for—

"(A) in-service training (i) to improve teacher knowledge of and teaching skills in mathematics, science, and their applications, (ii) to train school principals for the supervision of course offerings in mathematics, science, and their applications, (iii) to recertify teachers of other subjects as mathematics and science teachers;

"(B) payment of expenses related to teachers attending summer institutes funded under section 624 of this title.

"(2) In carrying out activities under paragraph (1)(A), the State educational agency shall give thorough consideration to the establishment of such activities in conjunction with local educational agencies, educational service agencies, area vocational education schools, and institutions of higher education.

"(c)(1) At least 20 per centum of the funds allocated to a State educational agency pursuant to section 603(b)(1) shall be used for making grants to provide not more than one-half the cost of joint programs to improve mathematics and science education. Such programs shall be operated by local educational agencies in conjunction with private business enterprises, institutions of higher education, museums, libraries, or other public or nonprofit private organizations and agencies. Private sector personnel shall be under the supervision of State certified teachers when instructing students in the school classroom. Such programs may include—

"(A) training of teachers in programs operated by the private sector;

"(B) use of private sector personnel (i) to donate time in elementary and secondary schools for improvement of mathematics and science education and (ii) to train teachers in mathematics and science;

"(C) sharing of equipment and facilities;

"(D) on-site mathematics and science instruction at private sector facilities; and

"(E) improving the skills of teachers while employed in summer jobs.

"(2) Funds available under chapter 2 of the Education Consolidation and Improvement Act of 1981 may be used to meet the other one-half of the cost of a program under this subsection, but no other Federal funds may be used to meet that requirement.

"(d) Not more than 12 per centum of the funds available under section 603(b)(1) may be used by the State educational agency for the cost of administration of programs under this part.

"REQUIREMENT TO SUPPLEMENT NOT SUPPLANT

"SEC. 606. A State or local educational agency may use funds received under this part only so as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of funds received under this part, be made available from non-Federal sources for programs and activities assisted under this part.

"PARTICIPATION REQUIREMENT

"SEC. 607. Each State and local educational agency shall take appropriate steps to ensure equal educational opportunity and the full participation of traditionally underrepresented groups, including women and racial and ethnic minorities, in assessment, planning, in-service training, joint programs, and other programs assisted with funds made available under this part.

"PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE SCHOOLS

"SEC. 608. (a) To the extent consistent with the number of children in the State or in the school district of each local educational agency who are enrolled in private elementary and secondary schools, such State or agency shall, after consultation with appropriate private school representatives, make provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate and which meet the requirements of this part. Expenditures for educational services and arrangements pursuant to this subsection for children in private schools shall be equal (taking into account the number of children to be served and the needs of such children) to expenditures for children enrolled in the public schools of the State or local educational agency.

"(b) To the extent consistent with the number of children in the State or in the school district of a local educational agency who are enrolled in private elementary and secondary schools, such State or agency after consultation with appropriate private school representatives shall make provision for including teachers from such schools in programs and activities conducted with funds available under this part. Expenditures for such teachers shall be equal (taking into account the number of children served by such private schools) to expenditures for teachers in the public schools of the State or local educational agency.

"(c) If by reason of any provision of law a State or local educational agency is prohibited from providing for the participation of children or teachers from private schools as required by subsections (a) and (b), or if the Secretary determines that a State or local

educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children or teachers which shall be subject to the requirements of this section. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 557(b) (3) and (4) of the Education Consolidation and Improvement Act of 1981.

"CONTROL OF FUNDS

"SEC. 609. A State or local educational agency may receive funds under this part only if control of such funds, and title to property derived from such funds, is in a public agency, and only if a public agency will administer such funds and property.

"EVALUATION AND DISSEMINATION

"SEC. 610. (a) Each State plan and local educational agency application under this part for fiscal 1985 or any succeeding fiscal year shall contain an evaluation of the programs conducted under this part. Such report shall include (1) a description of the needs determined to exist for in-service teacher training as described in section 604(a)(2); (2) the extent to which training provided under this part during the preceding year has met that need; and (3) a specific list of the expenditures made.

"(b) The Secretary shall utilize the national diffusion network operated under chapter 2 of the Education Consolidation and Improvement Act of 1981 to disseminate information concerning particularly successful programs under this part to other State and local educational agencies.

"PART B—POSTSECONDARY ASSISTANCE

"FINDINGS

"SEC. 621. (a) The Congress finds that it is necessary (1) to improve the educational foundations of American citizens in order to improve the Nation's economic productivity, (2) to encourage students in postsecondary education to pursue teaching careers in mathematics, science, and foreign language, and (3) to improve the quality of instruction in colleges of teacher education.

"(b) The Congress declares that it is therefore necessary (1) to increase the number and quality of postsecondary students entering careers in teaching, (2) to improve the quality of instruction for future teachers of mathematics, science, and foreign language, (3) to provide enriched opportunities for currently employed teachers, and (4) to evaluate (A) current teaching techniques, including technological improvements in classroom equipment and instructional methods, and (B) methods of improving instruction.

"NATIONAL TEACHING SCHOLARSHIPS

"SEC. 622. (a)(1) Sums available for the purpose of this section shall be used to award national teaching scholarships in accordance with this section to not more than five thousand individuals for fiscal year 1984, and to not more than ten thousand individuals for fiscal year 1985. Such scholarships may not exceed an amount equal to the tuition and fee expenses of any recipient for two academic years (of undergraduate or graduate education) and may be paid only upon proof of satisfactory achievement in the preceding academic year.

"(2) The Secretary of Education may reserve up to 30 per centum of the sums available for national teaching scholarships to make awards to individuals who are currently teachers for one year of study at an institution of higher education. Such awards shall not exceed $5,000 to cover the cost of attendance at such institution and related expenses.

"(b) Each chief State school officer or appropriate State officer responsible for postsecondary education may provide to the Secretary of Education the names and qualifications of a number of individuals who are qualified to receive national teaching scholarships which does not exceed the product of the number of Members of Congress from that State, multiplied by twenty. The chief school officers of the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands may each provide to the Secretary the name and qualifications of not more than fifty such individuals. Such nominations shall be supported by suitable academic credentials and recommendations, and shall include a personal statement by the individual expressing a commitment to pursue a career in teaching.

"(c)(1) National teaching scholars shall be selected by a committee composed of the Librarian of Congress (acting as chairman), the Secretary of Education, the Director of the Office of Science and Technology Policy, the Director of the National Science Foundation, the Administrator of the National Aeronautics and Space Administration, four individuals appointed by the Speaker of the House of Representatives, and four individuals appointed by the majority leader of the Senate. The individuals appointed by the Speaker and the majority leader shall be individuals (A) who are prominent in public or private elementary, secondary, or postsecondary education, such as teachers, professors, administrators, or officials, (B) who are in private business enterprises and who have a thorough understanding of the requirements for educated employees of business, or (C) who are members of the public, including parents of students and students.

"(2) Selections of national teaching scholars shall be made in accordance with regulations prescribed by the Secretary of Education after consultation with the Librarian of Congress, the Director of the National Science Foundation, and the Director of the Office of Science and Technology Policy. Individuals shall be selected on the basis of merit and shall be pursuing a course of instruction in science, mathematics, foreign language, or other course of study identified by the chief State school officer of the pertinent State as having a critical shortage of qualified teachers. The committee shall ensure that the individuals so selected include individuals who are unrepresented or underrepresented in the respective disciplines. The committee shall also assure appropriate geographic distribution of national teaching scholarships.

"(d) To be eligible for selection as a national teaching scholar, an individual shall have completed the equivalent of at least two years toward a baccalaureate degree and shall have formally expressed the intention to teach elementary or secondary school mathematics, science, foreign language, or other appropriate subject for at least two years for each year for which assistance is received under this section.

"(e) Each national teaching scholar shall be obligated to teach for two years for each year of scholarship assistance received, or to repay the total amount of the scholarship, plus interest at a rate prescribed by the Secretary of Education.

"(f) Notwithstanding the provisions of section 428(a)(2)(B) through (F) and section 482(a)(1) and (2) of the Higher Education Act of 1965, scholarship funds awarded pursuant to subsection (a) shall not be considered in determining eligibility for student assistance under title IV of such Act, but the sum of student assistance received under such title and a national teaching scholarship shall not exceed the cost of attendance (as such term is defined in section 482(d) of such Act).

"POSTSECONDARY MATHEMATICS, SCIENCE, AND FOREIGN LANGUAGE IMPROVEMENT

"SEC. 623. (a) Funds available for this section for fiscal year 1984 or 1985 shall be made available by the Secretary of Education for competitive grants to institutions of higher education for undergraduate mathematics, science, and foreign language curriculum improvement and faculty development, in consultation with the school or department of education at that institution. Such programs shall be directed to improving instruction in mathematics, science, and foreign languages for degree and nondegree students who have or who are pursuing teaching certificates.

"(b) Twenty-five per centum of the funds available pursuant to subsection (a) for fiscal year 1984 or 1985 shall be made available by the Secretary for programs described in such subsection to institutions of higher education which are eligible for assistance under title III of the Higher Education Act of 1965.

"SUMMER INSTITUTES

"SEC. 624. From the funds available for this section for fiscal year 1984 or 1985, the Secretary of Education shall make grants to institutions of higher education to support summer institutes and workshops for supervisors and certified teachers in elementary and secondary schools to improve the knowledge and skills of such teachers in the areas of mathematics, science, and foreign language, and to improve their instructional skills. Such institutes may, to the extent possible, involve the cooperation of advanced technology firms and other private industries which are able to supply assistance in the teaching of mathematics and science. Such institutes may also be conducted in such other areas as determined by the Secretary. Upon request of the State educational agency, the Secretary may make grants to other public teacher training agencies as established by the State educational agency prior to January 1, 1983.

"INVESTIGATIONS OF EFFECTIVE EDUCATIONAL METHODS AND PROGRAMS

"SEC. 625. (a) The Director of the National Institute of Education, in consultation with appropriate Federal agencies, shall conduct investigations of effective methods of instruction, and effective educational programs, in mathematics, science, and foreign language (including technical literacy and methods to secure full participation of women and racial and ethnic minorities). Such studies may include—

"(1) teaching and learning research in mathematics, science, and foreign languages and on the instructional uses of information technologies;

"(2) application of teaching and learning research to the local and private sector development of instructional materials, and to the improvement of teacher training programs;

"(3) secondary school operations as they affect student learning in mathematics, science, and foreign languages; and

"(4) analysis of local and institutional policies enhancing or inhibiting the recruitment, retention, and improvement of mathematics, science, and foreign languages faculties.

"(b) There are authorized to be appropriated to the Department of Education and made available to the National Institute of Education and the Fund for the Improvement of Postsecondary Education to carry out this section not more than $5,000,000 for each of the fiscal years 1984 and 1985.

"LIMITATION

"SEC. 626. Notwithstanding any other provision of this part, the total amount which may be appropriated pursuant to this part for fiscal year 1984 shall not exceed $50,000,000, of which not less than—

"(1) 40 per centum shall be available to carry out section 622; and

"(2) 15 per centum shall be available to carry out section 623; and

"(3) 35 per centum shall be available to carry out section 624.

"PART C—TEACHER INITIATIVE GRANTS

"AUTHORIZATION OF APPROPRIATIONS TO THE DEPARTMENT OF EDUCATION

"SEC. 641. There are authorized to be appropriated to the Department of Education to carry out this part such sums as may be necessary for fiscal year 1985.

"ALLOCATION OF APPROPRIATIONS

"SEC. 642. The amount appropriated pursuant to section 651 for any fiscal year shall be allocated among the States in the same manner as is required by section 603(a) of this title.

"USE OF FUNDS

"SEC. 643. (a) Funds made available to any State pursuant to this part shall be used to make grants to teachers, who have completed in-service or other training under part A or B of this title, for teacher-initiated projects to improve mathematics, science, and technology education. Such uses may include—

"(1) purchase of equipment for a specific classroom project or demonstration;

"(2) purchase of specialized reference materials;

"(3) transportation and other costs of participation for class visits to science museums, computer centers, laboratories, or institutions involved in research and development; and

"(4) underwriting the cost of bringing special equipment or lecturers to the classroom or school for student and faculty enrichment.

"(b) From the amount available to any State, the State educational agency may reserve not more than 1 per centum of such amount for the conduct of State administration and activities to assist teachers in formulating programs eligible for grants under this part.".

(b) Section 103 of the National Defense Education Act of 1958 is amended to read as follows:

"DEFINITIONS

"SEC. 103. Except as otherwise provided therein, the following terms are defined for purposes of this Act:

"(1) The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

"(2) The term 'institution of higher education' has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965.

"(3) The term 'Secretary' means the Secretary of Education.

"(4) The term 'State educational agency' has the same meaning given such term in section 198 of the Elementary and Secondary Education Act of 1965.

"(5) The term 'school-age population' means that part of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Secretary on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

"(6) The term 'elementary school' has the same meaning given such term in section 198 of the Elementary and Secondary Education Act of 1965.

"(7) The term 'secondary school' has the same meaning given such term in section 198 of the Elementary and Secondary Education Act of 1965.

"(8) The term 'local educational agency' has the same meaning given such term in section 198 of the Elementary and Secondary Education Act of 1965.".

MINORITY INSTITUTIONS SCIENCE IMPROVEMENT

SEC. 103. Section 406A of the General Education Provisions Act (as added by the Education Amendments of 1980; 94 Stat. 1497) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

"SEC. 406A. There are authorized to be appropriated $5,000,000 for each of the fiscal years 1984 and 1985 for the purpose of carrying out the minority institutions science improvement program transferred to the Secretary from the National Science Foundation by section 304 of the Department of Education Organization Act.".

SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the amendment recommended by the Committee on Science and Technology.

The Clerk read as follows:

Committee on Science and Technology amendment: Strike out line 22 on page 13 and all that follows through line 8 on page 24 and insert in lieu thereof the following:

"PART B—POSTSECONDARY ASSISTANCE

"FINDINGS

"SEC. 621. (a) The Congress finds that it is necessary (1) to improve the educational foundations of American citizens in order to improve the Nation's economic productivity, (2) to encourage students in postsecondary education to pursue teaching careers in mathematics, science, and critical foreign languages, (3) to encourage members of groups now underrepresented in mathematics, science, and critical foreign language teaching, including women, racial and ethnic minorities, and the handicapped, to pursue such careers, and (4) to improve the quality of instruction in colleges of teacher education.

"(b) The Congress declares that it is therefore necessary (1) to increase the number and quality of postsecondary students entering careers in teaching, (2) to increase the number and quality of students entering teaching from groups now underrepresented in mathematics, science, and critical foreign languages, including women, racial and ethnic minorities, and the handicapped, (3) to improve the quality of instruction for future teachers of mathematics, science, and critical foreign languages, (4) to utilize the National Science Foundation when developing and monitoring programs designed to improve the quality of instruction for future teachers of mathematics and science, (5) to provide enriched opportunities for currently employed teachers, and (6) to evaluate (A) current teaching techniques, including technological improvements in classroom equipment and instructional methods and the use of community resources such as science museums, regional centers, public television, and community colleges, and (B) methods of improving instruction.

"NATIONAL TEACHING INCENTIVE SCHOLARSHIPS

"SEC. 622. (a)(1) Sums available for the purpose of this section shall be used to award national teaching incentive scholarships in accordance with this section to not more than five thousand individuals for fiscal year 1984, and to not more than ten thousand individuals for fiscal year 1985. Such scholarships may not exceed an amount equal to the tuition and fee expenses of any recipient for two academic years (of undergraduate or graduate education) and may be paid only upon proof of satisfactory achievement in the preceding academic year.

"(2) The Secretary of Education may reserve up to 30 per centum of the sums available for national teaching incentive scholarships to make awards to individuals who are currently teachers for one year of study at an institution of higher education. Such awards shall not exceed $5,000 to cover the cost of attendance at such institution and related expenses.

"(3) The Secretary of Education may reserve up to 10 per centum of the sums available for national teaching incentive scholarships for individuals pursuing a course of instruction in a critical foreign language.

"(b) Each chief State school officer or appropriate State officer responsible for postsecondary education may provide to the Secretary of Education the names and qualifications of a number of individuals who are qualified to receive national teaching incentive scholarships which does not exceed the product of the number of Members of Congress from that State, multiplied by twenty. The chief school officers of the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands may each provide to the Secretary the name and qualifications of not more than fifty such individuals. Such nominations shall be supported by suitable academic credentials and recommendations, and shall include a personal statement by the individual expressing a commitment to pursue a career in teaching.

"(c)(1) Recipients of national teaching incentive scholarships shall be selected by a committee composed of the Librarian of Congress (acting as chairman), the Secretary of Education, the Director of the Office of Science and Technology Policy, the Director of the National Science Foundation, the Administrator of the National Aeronautics and Space Administration, four individuals appointed by the Speaker of the House of Representatives, and four individ-

uals appointed by the majority leader of the Senate. The individuals appointed by the Speaker and the Majority Leader shall be individuals (A) who are prominent in public or private elementary, secondary, or post-secondary education, such as teachers, professors, administrators, or officials, (B) who are practicing scientists or mathematicians, (C) who are in private business enterprises and who have a thorough understanding of the requirements for educated employees of business, or (D) who are members of the public, including parents of students and students.

"(2) Selections of recipients of national teaching incentive scholarships shall be made in accordance with regulations prescribed by the Secretary of Education after consultation with the Librarian of Congress, the Director of the National Science Foundation, and the Director of the Office of Science and Technology Policy. Individuals shall be selected on the basis of merit and shall be pursuing a course of instruction in science, mathematics, or a critical foreign language. The committee shall ensure that the individuals so selected include individuals who are unrepresented or underrepresented in the respective disciplines, including women, racial and ethnic minorities, and the handicapped. The committee shall also assure appropriate geographic distribution of national teaching incentive scholarships.

"(d) To be eligible for selection as a national teaching incentive scholarship, an individual shall have completed the equivalent of at least two years toward a baccalaureate degree and shall have formally expressed the intention to teach elementary or secondary school mathematics, science, or critical foreign language for at least two years for each year for which assistance is received under this section.

"(e) Each recipient of a national teaching incentive scholarship shall be obligated to teach for two years for each year of assistance received, or to repay the total amount of the scholarship, plus interest at a rate prescribed by the Secretary of Education.

"(f) Notwithstanding the provisions of section 428(a)(2) (B) through (F) and section 482(a) (1) and (2) of the Higher Education Act of 1965, funds awarded pursuant to subsection (a) shall not be considered in determining eligibility for student assistance under title IV of such Act, but the sum of student assistance received under such title and a national teaching scholarship shall not exceed the cost of attendance (as such term is defined in section 482(d) of such Act). However, this subsection shall not be construed to require the payment of a scholarship of less than $1,000.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 623. Notwithstanding any other provision of this part, there are authorized to be appropriated to carry out this part $20,000,000 for fiscal year 1984 and such sums as may be necessary for fiscal year 1985.

"PART C—TEACHER INITIATIVE GRANTS

"AUTHORIZATION OF APPROPRIATIONS TO THE DEPARTMENT OF EDUCATION

"SEC. 641. There are authorized to be appropriated to the Department of Education to carry out this part $5,000,000 for fiscal year 1985.

"ALLOCATION OF APPROPRIATIONS

"SEC. 642. The amount appropriated pursuant to section 651 for any fiscal year shall be allocated among the States in the same manner as is required by section 603(a) of this title.

"USE OF FUNDS

"SEC. 643. (a) Funds made available to any State pursuant to this part shall be used to make grants to teachers, who have completed inservice or other training under parts A or B of this title, for teacher initiated projects to improve mathematics, science, and technology education. Such uses may include—

"(1) purchase of equipment for a specific classroom project or demonstration;

"(2) purchase of specialized reference materials;

"(3) transportation and other costs of participation for class visits to science museums, computer centers, laboratories, or institutions involved in research and development; and

"(4) underwriting the cost of bringing special equipment or lecturers to the classroom or school for student and faculty enrichment.

"(b) From the amount available to any State, the State educational agency may reserve not more than one per centum of such amount for the conduct of State administration and activities to assist teachers in formulating programs eligible for grants under this part.".

(b) Section 103 of the National Defense Education Act of 1958 is amended to read as follows:

"DEFINITIONS

"SEC. 103. Except as otherwise provided therein, the following terms are defined for purposes of this Act:

"(1) The term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

"(2) The term 'institution of higher education' has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965.

"(3) The term 'Secretary' means the Secretary of Education.

"(4) The term 'State educational agency' has the same meaning given such term in section 198 of the Elementary and Secondary Education Act of 1965.

"(5) The term 'school-age population' means that part of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Secretary on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

"(6) The term 'elementary school' has the same meaning given such term in section 198 of the Elementary and Secondary Education Act of 1965.

"(7) The term 'secondary school' has the same meaning given such term in section 198 of the Elementary and Secondary Education Act of 1965.

"(8) The term 'local educational agency' has the same meaning given such term in section 198 of the Elementary and Secondary Education Act of 1965.".

SUMMER INSTITUTES AND WORKSHOPS

SEC. 103. (a) From the funds available for this section, the Secretary of Education and the Director of the National Science Foundation shall make grants to institutions of higher education (as that term is defined in section 1201(a) of the Higher Education Act of 1965) to support summer institutes and other workshops for supervisors and teachers in elementary and secondary schools to improve the knowledge and skills of such teachers in the areas of mathematics, science, and critical foreign languages, and to improve their instructional skills. Such institutes may, to the extent possible, involve the cooperation of advanced technology firms and other private industries which are able to supply assistance in the teaching of mathematics and science. Upon request of the State educational agency, the Secretary or the Director of the National Science Foundation may make grants to other public teacher training agencies as established by the State educational agency prior to January 1, 1983.

(b) The Secretary of Education and the Director of the National Science Foundation shall each prepare a program implementation plan for the programs under this section. Such plans shall provide for appropriate coordination of such programs by the Department of Education and the National Science Foundation. No funds may be obligated for expenditure under or expended for any such program unless—

(1) a period of thirty calendar days (excluding any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain) has passed after the Secretary of Education or the Director of the National Science Foundation, respectively, has transmitted such plan to the appropriate committees of the House of Representatives and the Senate; or

(2) each such committee before the expiration of such period has transmitted to the Secretary or the Director a written notice to the effect that such committee has no objection to the plan.

POSTSECONDARY MATHEMATICS, SCIENCE, AND CRITICAL FOREIGN LANGUAGE IMPROVEMENT

SEC. 104. (a) Funds available for this section shall be made available by the Director of the National Science Foundation for competitive grants to institutions of higher education (as that term is defined in section 1201(a) of the Higher Education Act of 1965) for undergraduate mathematics science, and critical foreign language curriculum improvement and faculty development, in consultation with the school or department of education at that institution. Such programs shall be directed to improving instruction in mathematics, science, and critical foreign languages for degree and nondegree students who have or who are pursuing teaching certificates.

(b) Twenty-five per centum of the funds available pursuant to subsection (a) for any fiscal year shall be made available by the Director of the National Science Foundation for programs described in such subsection to institutions of higher education which are eligible for assistance under title III of the Higher Education Act of 1965.

INVESTIGATIONS OF EFFECTIVE EDUCATIONAL METHODS AND PROGRAMS

SEC. 105. (a) The Director of the National Science Foundation, in consultation with the Director of the National Institute of Education, shall conduct investigations of effective methods of instruction, and effective educational programs, in mathematics, science, and critical foreign languages (including technical literacy and methods to secure full participation of women and racial and ethnic minorities). Such studies may include—

(1) teaching and learning research in mathematics, science, and critical foreign

languages and in the instructional uses of information technologies;

(2) application of teaching and learning research to the local and private sector development of instructional materials, and to the improvement of teacher training programs;

(3) research on the effective use of community resources such as science museums, regional centers, public television, community colleges, and local industries in the teaching of mathematics and science;

(4) investigation of the affect of secondary school operations on student learning in mathematics, science, and critical foreign languages;

(5) analysis of local and institutional policies enhancing or inhibiting the recruitment, retention, and improvement of mathematics, science, and critical foreign languages faculties; and

(6) analysis of effective materials and methods of instruction used in other nations, and their potential application in the United States.

(b) Studies conducted pursuant to subsection (a) shall be reported to the Office of Science and Technology Policy and shall be made available to the public. The Office of Science and Technology Policy shall include the results of such studies in its report to the President and the United States Congress.

MINORITY INSTITUTIONS SCIENCE IMPROVEMENT

SEC. 106. Section 406A of the General Education Provisions Act (as added by the Education Amendments of 1980; 94 Stat. 1497) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

"SEC. 406A. There are authorized to be appropriated $5,000,000 for each of the fiscal years 1984 and 1985 for the purpose of carrying out the Minority Institutions Science Improvement program transferred to the Secretary of Education from the National Science Foundation by section 304 of the Department of Education Organization Act.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 107. (a) There is hereby authorized to be appropriated to the Department of Education $20,000,000 for each of the fiscal years 1984 and 1985 to carry the responsibilities of the Department under section 103.

(b) There is hereby authorized to be appropriated to the National Science Foundation $30,000,000 for each of the fiscal years 1984, 1985, 1986, 1987 and 1988 of which not less than—

(1) one-half shall be available to carry out the Foundation's responsibilities under section 103,

(2) one-third shall be available to carry out section 104, and

(3) one-sixth shall be available to carry out section 105.

Mr. FUQUA (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. SENSENBRENNER. Mr. Chairman, reserving the right to object, just to make clear the text that the gentleman is proposing to insert, does that include part B which begins with the title of "Postsecondary Assistance Findings"?

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from Florida.

Mr. FUQUA. The gentleman is correct.

Mr. SENSENBRENNER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENTS OFFERED BY MR. FUQUA TO THE SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

Mr. FUQUA. Mr. Chairman, I offer several amendments to the amendment offered by the Committee on Science and Technology, and I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. FUQUA to the Science and Technology Committee amendment: Page 41, lines 1 and 2, strike out "the National Science Foundation" and insert in lieu thereof "all available Federal resources, including the National Science Foundation,".

Page 41, line 11, insert "institutions of higher education, including" before "community colleges,".

Page 49, line 20, strike out "other".

Page 50, line 13, insert after the period the following: "The Secretary of Education shall submit such plan to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate not later than October 1 of the year preceding the award of funds under this section. The Director of the National Science Foundation shall submit such plan to the Committee on Science and Technology of the House of Representatives and the Committee on Labor and Human Resources of the Senate.".

Page 53, line 5, insert "institutions of higher education, including" after "public television,".

(Page and line references are to H.R. 1310 as reported.)

Mr. FUQUA (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FUQUA. Mr. Chairman, these amendments have been provided to the minority. They are technical in nature and clarify some of the language as it came out in the bill.

I am sure there is no opposition to the amendments. I will be happy to explain them should there be any request to do so, but they are technical and clarifying in nature.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. I yield to the gentleman from Kentucky.

Mr. PERKINS. First let me state I support the amendments, but I would like for the distinguished gentleman from Florida to clarify the differences, for the benefit of the Committee this afternoon, and I would like to ask him if it is correct that his committee has adopted no changes to the elementary and secondary education grant program in the bill, and only a few minor changes in the scholarship program?

Mr. FUQUA. The gentleman is correct.

Mr. PERKINS. And if it is also correct that you have increased the funds for summer institutes from $175.5 million in our bill to $35 million, and that you have required not only the Department of Education but also the National Science Foundation to administer these institutes?

Mr. FUQUA. The gentleman is correct.

Mr. PERKINS. And you have increased the funds for postsecondary assistance from $7.5 million to $10 million, and transferred this program from the Department of Education as we propose, to the National Science Foundation?

Mr. FUQUA. The gentleman is correct.

Mr. PERKINS. And you have also transferred responsibility for the research program from the Department of Education to the National Science Foundation?

Mr. FUQUA. The gentleman is correct.

Mr. PERKINS. Is it correct that you have placed an authorization ceiling of $5 million on the teacher incentive grant program instead of leaving an open-ended authorization as we propose?

Mr. FUQUA. The gentleman is correct.

Mr. PERKINS. Mr. Chairman, as I stated, we support all of these changes and we think the gentleman from Florida has made some improvements.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. I am happy to yield to the gentleman from Pennsylvania.

Mr. GOODLING. After the colloquy, I assume what you are offering is your substitute, your committee substitute?

Mr. FUQUA. I am offering my substitute, and then, as provided under the rule, which brings forth the changes that were made in the bill in the Science and Technology Committee, only those changes. The amendments that are pending now to the amendment relate to technical and clarifying changes in some of the findings sections in language that we felt

improved the bill, but they are not substantive changes.

Mr. GOODLING. I am correct in believing, then, that after you have made those technical corrections it will be open for amendment, since there are some?

Mr. FUQUA. The gentleman is absolutely correct.

Mr. GOODLING. I thank the Chairman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Florida (Mr. FUQUA) to the Science and Technology Committee amendment.

The amendments to the Science and Technology Committee amendment were agreed to.

AMENDMENT OFFERED BY MR. SENSENBRENNER TO THE SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

Mr. SENSENBRENNER. Mr. Chairman, I offer an amendment to the Science and Technology Committee amendment.

The Clerk read as follows:

Amendment offered by Mr. SENSENBRENNER to the Committee on Science and Technology Committee amendment: Page 40, strike out line 1, and all that follows through page 46, line 6, and insert in lieu thereof the following:

"PART B—SECONDARY SCHOOL ASSISTANCE

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 621. There are authorized to be appropriated to carry out this part $50,000,000 for fiscal year 1984 and $50,000,000 for fiscal year 1985.

"PRESIDENTIAL SCIENCE AND MATHEMATICS IMPROVEMENT PROGRAM

"SEC. 622. (a) There is hereby established within the National Science Foundation a Presidential Science and Mathematics Program Fund (hereinafter in this section referred to as the "Presidential Fund"). The Presidential Fund shall be administered by the National Science Foundation which shall promulgate guidelines for the distribution and the administration of the Presidential Fund consistent with the purposes of this section.

"(b) The purpose of the Presidential Fund shall be to improve the quality of science and mathematics instruction in the United States by helping State and local educational agencies meet the critical need to retain and obtain qualified science and mathematics teachers at the secondary school level.

"(c)(1) From the funds available for this section for any fiscal year, the National Science Foundation may reserve—

"(A) not more than 1 per centum for allocation among Guam, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance.

"(B) not more than one-half of one percent for payment to the Secretary of the Interior for use in Bureau of Indian Affairs schools for programs consistent with the purposes of this section.

"(2)(A) The remainder of the amount so appropriated shall be allocated among the States (treating the District of Columbia and Puerto Rico as States) by allocating an amount which bears the same ratio to that remainder as the number of full-time students attending public instruction in grades nine through twelve, inclusive, in the State bears to the number of those students in all the States.

"(B) From the amount allocated to any State pursuant to subparagraph (A) a State may reserve not more than 5 per centum of such amount for the conduct of State administrative activities pursuant to subsection (d).

"(3)(A) The National Science Foundation may reallocate all or a portion of a State's allocation for any fiscal year if the State does not submit an application under subsection (d), or informs the Foundation that it does not need the full amount of its allocation for that fiscal year.

"(B) The National Science Foundation may reallocate funds to one or more States that have a current need for additional funds under this section. Any funds reallocated to a State shall not be deemed part of such State's regular allocation for the fiscal year in which it receives the reallocated funds.

"(4) For purposes of determining allocations under this section, the number of students attending public instruction in grades nine through twelve shall be based on the most recent data satisfactory to the National Science Foundation.

"(d)(1) Any State desiring to receive a grant under this section during any fiscal year shall submit to the National Science Foundation an application which describes how the funds under this section will be used. The application must—

"(A) describe—

"(i) how the State's program will achieve the purposes of this section, as well as the State's specific goals;

"(ii) how the funds awarded under this section will be used by the State; or to the extent the State will not operate the program directly, how the funds will be distributed to local educational agencies; and

"(B) contain assurances that the State will—

"(i) provide for such methods of administration as are necessary for the proper and efficient administration of programs under this section; and

"(ii) provide for such fiscal control and fund accounting procedures as are necessary to ensure proper disbursement and use of Federal funds paid to the State.

"(2) Each application shall contain an assessment of the success of the State's program during the preceding year, including an assessment of the extent to which the State met the purposes of this section as well as the specific goals established for that preceding year.

"(3) Prior to submitting an application to the National Science Foundation, a State shall make such application public in a manner that facilitates comment from interested groups and individuals.

"(e)(1) A State shall use a grant, either directly or through local educational agencies, to retain, or alleviate shortages of, teachers who are qualified to teach science and mathematics at the secondary level in public schools through programs considered appropriate by the State or local educational agency, including salary bonuses, summer employment, or scholarships.

"(2)(A) Any scholarships shall—

"(i) be made available only to teachers, or other individuals who have completed at least two years of full-time study toward a baccalaureate degree, to acquire the necessary qualifications to teach science or mathematics at the secondary school level;

"(ii) not exceed $5,000; and

"(iii) not exceed twelve months of academic study.

"(B) Recipients of scholarships shall agree to teach science or mathematics at the secondary school level for a period determined by the State or local educational agency.

"(C) Not less than 50 percent of such sums as may be used by a State for scholarships shall be made available to local educational agencies within such State for award of scholarships.

Mr. SENSENBRENNER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from Florida.

Mr. FUQUA. Mr. Chairman, could I ask the gentleman to identify which amendment it is he is offering and if we have a copy of it?

Mr. SENSENBRENNER. This is the amendment that provides for secondary school assistance.

Mr. FUQUA. I do not think we have a copy of the amendment.

Mr. SENSENBRENNER. A copy of the amendment is being sent over to the gentleman.

Mr. FUQUA. I thank the gentleman.

Mr. SENSENBRENNER. Mr. Chairman, as I had indicated earlier, I am offering this amendment to begin to address the critical inability of States and local school districts to find and retain qualified math and science teachers. Unless this problem is addressed, any legislation adopted by this body will be inherently less effective and may even make the problem worse by increasing the marketability of math and science teachers, thereby increasing the flow of math and science teachers into the private sector.

The amendment would not raise the amount proposed to be authorized under the bill because, when we consider title 2, I will offer an amendment to delete $30 million under title 2.

The amendment I am offering would delete the national teaching scholarship program in title I and would replace it with a $50 million fund, under the administration of the National Science Foundation, from which States would be eligible to receive grants. These grants would be used by the States, either directly or through local educational agencies, to meet a State's particular math or science education personnel problem.

For example, States experiencing math and science teacher shortages may wish to set up scholarships for undergraduate students who want to be math or science teachers, or for current teachers who could be retrained to teach math or science. Unlike the scholarship program proposed in the bill, which calls for a

Washington-based panel to hand out the scholarships and does not require that the recipient teach within the State which nominated him, our amendment would provide for State and local control of the scholarships and require the recipient to teach within the awarding State. Thus, State and local control is maintained and the taxpayers of the State will directly benefit from the program.

For those States unable to retain qualified teachers, the amendment would permit the State to develop whatever programs are deemed appropriate by the State, including but not limited to, salary bonuses or summer employment, as proposed in the State of North Carolina to address this problem.

The amendment maintains State and local control over education, while permitting States to address their particular problems in retaining and obtaining qualified math and science teachers.

I urge your support of the amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me?

Mr. SENSENBRENNER. I yield to the distinguished gentleman from Kentucky.

Mr. PERKINS. If I understand the gentleman's amendment, he is proposing to eliminate the scholarships as they are presently in the bill and is proposing higher salaries for mathematics and science teachers?

Mr. SENSENBRENNER. The gentleman is not correct in stating that. What this amendment does is it takes the money that is in the Washington-based scholarship program and sends it to the States as a block grant. The States can decide what to do with that block grant fund.

Reclaiming my time, I would say to the gentleman from Kentucky, one of the things the State could do is to provide for differential pay for math and science teachers. But to say that this amendment is mandating differential pay for math and science teachers from the Federal level is a complete red herring. That decision will be made in the 50 State capitals. What is good for Wisconsin is not necessarily good for Kentucky.

I have a great deal of faith in the State legislatures and the State superintendents of public instruction to do what is right for their State.

Mr. PERKINS. What guidelines are you giving the States insofar as the block grant is concerned? Is it similar to the Pesident's proposal or just how does it differ; can you tell us that?

Mr. SENSENBRENNER. If the gentleman from Kentucky would read pages 3 and 4 of my amendment, it says that the State application shall describe how each State's program would achieve the purposes of this section, as well as the State's specific goals, how the funds awarded would be used by the States, and to the extent the State would not operate the program directly, how those funds would be distributed.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. SENSENBRENNER) has expired.

(By unanimous consent Mr. SENSENBRENNER was allowed to proceed for 3 additional minutes.)

Mr. SENSENBRENNER. It contains assurances that the State will provide such methods of administration as are necessary for the proper and efficient administration of programs under this section and provides for fiscal control.

Now what your bill does, sir, is to say that all this is done in Washington. You could take a teacher out of Kentucky, give him a scholarship, run him through a university to increase his skills, and that teacher can land in Virginia or Wisconsin or Texas or California, or any other State that provides for higher teacher pay. I do not think we want to see that. I think that the people who get awards in Kentucky ought to stay in Kentucky and the ones that get awards in my State ought to stay in the State of Wisconsin.

Just to make sure that the air is clear, this amendment establishes a $50 million fund under the direction of the National Science Foundation. It permits, does not require, local school districts to receive grants to address teacher shortages or teacher retention. It retains State and local control for education by permitting them to set up whatever program they deem advisable to address their particular problem.

It provides for scholarships administered by the State and local school districts to undergraduates or existing teachers to address the problem of teacher shortages.

Scholarship recipients must work in the State that awards the scholarship. The bill does not provide this, thereby not guaranteeing that each State shall benefit from the program, not just those that are the most attractive to teach in.

□ 1515

And it eliminates the national bureaucracy of the bill scholarship program. What this amendment does not do is as follows: It does not permit the Federal Government to interfere in the educational processes. The ultimate control over any program rests within States and local school districts. It does not, repeat, does not mandate teacher salary differences. Only if the States feels that that is the proper method of addressing their problem. It does not raise the total amount of money authorized because the subsequent amendment will delete $30 million under title 2. Now this is a far more sensible and a far more responsive way to address this problem than what has come out of both the Committees on Education and Labor and Science and Technology. Let us face it; we have a shortage of dollars around here. This is a major national problem and we ought to stretch those dollars as far as we possibly can by making sure that these programs are as effective as they possibly can be.

Mr. COLEMAN of Missouri. Will the gentleman yield?

Mr. SENSENBRENNER. I will be glad to yield to the gentleman.

Mr. COLEMAN of Missouri. The gentleman was pointing out what this bill is not. I think for the record to be straight, this is not the administration's proposal, per se. It is the gentleman's initiative on his own and any red herrings that might be brought along this path do not originate from the administration's bill.

Mr. SENSENBRENNER. The gentleman is correct.

Mr. PERKINS. Mr. Chairman, I rise to oppose the amendment.

First, let me say, Mr. Chairman, that this amendment is insignificant, insofar as doing anything about the problem that this country is confronted with today.

How far would $50 million go in solving a problem of this type? Anything the gentleman from Wisconsin is talking about can be done under the bill as it is written at the present time.

So, he just dilutes the program to the extent that we do not have any program at all. And when you talk about an amendment, as he states, that requires $50 million to be distributed to all States and the territories, some States maybe would receive less than $100,000, some may only receive $50,000. How can any State run a program to create an incentive to improve math and science throughout this Nation under an amendment of this kind? It just cannot be done. I am afraid this program is just an empty promise. Anything this amendment does can be done by the States and local school districts under our proposal.

I would hate to think that this Chamber would buy an amendment of this type when we are trying to improve science and mathematics teaching in this Nation today.

I do not believe the membership of this Chamber is that gullible. We want to do something to improve math and science in this country and if we approve this amendment we might as well forget about this program altogether. It is just an empty promise and it is my hope that all the Members in this Committee would vote against this amendment.

Mr. SIMON. Would the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Illinois.

Mr. SIMON. Yes; I concur completely with the chairman of the committee. Let me add a couple of other points: First, we are being asked to break ground and it is amazing that it comes from that side of the aisle, that the Federal Government for the first time is going to go into this area of teacher pay. Now, the language is very fuzzy so the gentleman may deny that that is what he is doing. But that obviously is the intent. If we can do it today on science and math, tomorrow it will be second grade teachers. The precedent is set and it is attempted to be set from that side of the aisle.

Mr. Chairman, I want to make a couple of other points because that is not the only weakness of this amendment.

Second, there are 16,000 school districts in this Nation. You take this money and you dissipate it out there to 16,000 school districts and it becomes totally ineffective. What we have in our bill is a targeted kind of help that I think and the chairman thinks can be helpful.

Third, the gentleman applies it only to secondary schools while the testimony before our committees was that one of the real weaknesses is in the elementary area. And finally, and I think the chairman will concur in this, there has never been a program we have designed yet that is able to confine teachers to certain States, as the gentleman suggests he is able to do. I do not think it will work. I think the chairman has rightly pointed out the weaknesses and I concur with him completely.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, much as I regret to say, I believe both the distinguished chairman from Kentucky and the gentleman from Illinois basically misinterpret the intent of this amendment.

First, the amendment does not dilute any part of the bill except that part that is devoted to authorizing funds for the Washington-based national scholarship program.

Now, I think there will probably be an awful lot less opposition to this amendment if I did not state that there was the authority for teacher salary differences contained in the amendment. I believe that each State has got its own different problems and that the battle over teacher salary differences should be fought in the 50 State capitals rather than in the Halls of this Congress.

But I think that the last two speakers have expressed a basic lack of confidence over the ability of the several States to deal with the problem.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. SENSENBRENNER and by unanimous consent, Mr. PERKINS was allowed to proceed for 2 additional minutes.)

Mr. SENSENBRENNER. Will the gentleman yield further?

Mr. PERKINS. I will be happy to yield to the gentleman again.

Mr. SENSENBRENNER. That there is a basic lack of confidence over the ability of the several States, which after all do have the primary responsibility over the education in this country to respond to the problem of the retention and the obtaining of math and science teachers.

I think we ought to put the responsibility at that level of government that has administered education in this country for the last 206 years and that is the State and local governments; not be creating another Washington program that dissipates 50 million dollars, worth of scholarship money throughout the country. Now, if your $50 million program is adequate and mine is inadequate, I would certainly like to understand why.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Let me first state, Mr. Chairman, that we have targeted through our legislation every section of the country, not just any one section, but the entire Nation.

Under the scholarship section, nominations are received from every congressional district in the Nation, times 20 the number of Congressmen that we have in this House here.

So, I would hope that we would go along and do something that is worthwhile instead of prancing around in the Chamber and doing nothing, which this amendment does.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Mr. Chairman, I yield to the gentleman from Illinois, again.

Mr. SIMON. I thank the gentleman.

I agree with the Chairman. It is not a lack of confidence in the States; it is a question of whether the gentleman's amendment effectively does anything and whether this body should, for the first time, get into this area of subsidizing teacher salaries. Up to this point we have not done that. The gentleman from Wisconsin suggests we break precedent. Maybe we should, but we ought to do it after very, very careful study, not with an amendment that arbitrarily does it as here.

Mr. PERKINS. I agree with the gentleman.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all, I would like to say that I am not quite sure what my colleague is doing with his amendment that is different than what we permit in part A of the bill. I am not sure that you are not duplicating in part B what we are allowing in part A.

In the part A State-operated programs, there is a provision for an incentive bonus grant that permits the State to do most of the things that the gentleman is talking about. Now, they must spend a minimum of 20 percent of that total that they get for those purposes. They could really spend the total, 100 percent, which would be $60 million. So, I am not sure that we do not allow, in most instances, in part A to do what the gentleman is suggesting we do in part B.

Let me further say that I agree with many of the people who have talked about one of the problems we had with retaining good math and science teachers. But let us not at this particular time, without any consideration as to what the ramifications are as to how we would handle that situation, do it in this particular piece of legislation.

I would think that we would need hours and hours of testimony and then research on just how you do that kind of thing. This is not anything new. School districts have been wrestling with this problem, States have been wrestling with this problem for years. It is nothing new. But I think we need to come up with some concrete answer as to how you attack that problem and, above all, what role the Federal Government plays in this whole area of teacher retention.

I was asked in the Rules Committee yesterday and was flabbergasted—that is a York County Dutch term—to hear an inquiry from my side of the aisle regarding the amount of money in the bill for local school districts to hire these teachers. And I could not believe that that came from my side of the aisle. So, I think we have to be careful when we start adding amendments that we have not given careful thought to, at least our committee has not. Again, I would only say that I think there is a possibility that you are duplicating in part B what we already are authorizing in part A.

Mr. FUQUA. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the gentleman's amendment.

Mr. Chairman, I certainly appreciate the efforts that the gentleman from Wisconsin who is a very valued member of our committee, is proposing. He has been on our committee for several years. I am sure he is aware of the fine work that the National Science Foundation performs. I appreciate that confidence because what it appears to me from looking at the amendment is that he, in effect, is transferring what has historically been within the Department of Education, transferring that into the National Science Foundation for these programs.

This amendment involves formula grants that the National Science Foundation has never been involved in before. All of its grants are competitive grants based on merit and peer review. And it is changing somewhat, even the role of the National Science Foundation that is not contained in the original Organic Act of that agency.

So, I think the gentleman from Pennsylvania pointed out very eloquently, that it is doing, attempting to do what is already I think carried out in other parts of the act. But I do have some concern about one part of his amendment that relates to how these grants would be spent and that it would include salary bonuses and summer employment and scholarships.

I do not know exactly what the salary bonuses would be. That is an area that I think should include local funds rather than Federal funds. Summer employment, I am not sure what summer employment is including.

□ 1530

We have summer institutes where people are reimbursed for going to school to try to improve their skills and their teaching abilities; but I do not know what summer employment would be and what type of scholarships they would be. Would there be scholarships for other than science and math? I think it would be science and math, but I am not sure from the reading of the amendment.

I think it would be something that should be considered more carefully and I would urge my colleagues to vote against the amendment.

It also appears that the $20 million that is currently in the bill for part B where this is expanded to $50 million, so it is expanded by an additional $30 million. that may not be the case, but it is what appears to me in a quick reading of the bill.

So I would urge my colleagues under the circumstances to reject the amendment and keep the language that we have in the bill. It has been carefully thought out in hearings, not only this year, but last year. I think it tries to do the same thing that the gentleman from Wisconsin is attempting to do.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words. I rise to speak in favor of the amendment.

Mr. Chairman, I would call the attention of this body to really come back to the purpose and the exact language and the results of passing this amendment.

In the first place, just by way of clarification for my colleagues, this amendment would, in fact, take that extra $30 million out of title II of the bill. That would have to be made as a separate amendment later and I would assume that would be done, assuming this passes.

What this amendment does, it focuses on the very precise problem and that is the problem of the shortage of math and science teachers in the classroom, a problem which is getting worse, not better. What this amendment would do would be to allow and to give the tools to school districts to be able to recruit and train new teachers and to retain those existing teachers.

This amendment instead of diluting our efforts would target a greater share of limited resources toward that exact need. The bill presently spends 4 percent of the total expenditures for scholarships and this would increase it to 11 percent.

This amendment would also give States and school districts some flexibility in deciding how that would be done within the broad purview of scholarships, of retention and of training. It would put the decisions out of the halls of Congress on teacher retention and training and into the school districts and the States where they belong and then the scholarships would more to the point take the existing scholarship model which is in the bill and take it out of the hands of the Washington-dispensed scholarships of $20 million and put it directly to the States where the States and the school boards can tie those scholarships if they choose to the recipients and to their own needs and thus the school boards would find ways to make an investment in their teachers instead of spending. In terms of the total dollar size of $50 million, if $5,000 average were spent in training or in the recruiting or in retaining a teacher, that would add immediately 10,000 new teachers in September of 1985.

So I would urge this body to seriously consider the merits of this amendment.

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment. As the author of a separate bill regarding forgiveable loans, scholarships, whatever appropriate word you want to use, and there was considerable debate in both the Science and Technology Committee and the Education and Labor Committee and we decided upon the term scholarships; but they do have a tie, there is a commitment involved. Any recipient under this program would have a commitment to teach in the State, in the school district, in science and math education 2 years for each year that he or she received a scholarship.

There are provisions within this and I think that the amended version, if the gentleman will peruse those sections carefully, are much better than the original bill. I think they have gone a long way to address some of the concerns.

The gentleman raises a number of good points and I think they are well taken; however, I would respectfully point out to the gentleman from Wisconsin and also to the gentleman from Texas that this is not "a Washington-based" scholarship. This is not a political fund that is established by Members of Congress to dole out in their districts.

The language on page 42, line 14, indicates as follows:

"(b) Each chief State school officer or appropriate State officer responsible for postsecondary education may provide to the Secretary of Education the names and qualifications of a number of individuals who are qualified to receive national teaching incentive scholarships which does not exceed the product of the number of Members of Congress from that State, multiplied by twenty.

What it does is allow the State superintendent to nominate to a committee based on merit the number of people that are qualified, that have expressed an intention to teach math and science in our schools.

Again, this is not a Washington boondoggle. This is a program that has been well thought out.

I might also mention that we discussed in the committee the possibility of a committee at the State level, but when you do that, all you are doing is adding another layer.

We are trying to avoid the establishment of more and more bureaucracies. We are trying to enlist the existing institutions, such as the Department of Education, which is far better qualified for supervising a loan or scholarship program than is the National Science Foundation; but at the same time requiring the National Science Foundation to provide technical support in this area.

I think the amendment is unfounded. I think, although I am sure it is well intended, it does not address to the critical need of attracting qualified people to teach math and science in the schools.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I am glad to yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I thank the gentleman from Oklahoma.

If there are people here who are concerned about the Washington-based portion of the gentleman's argument, I have an amendment which would disperse this back to the States without the problems that the amendment of the gentleman from Wisconsin has.

While the gentleman was talking about the formula, if you will, on dispensing these various scholarships, I think that is part of the problem of

the Fuqua substitute that I will address in my amendment.

It is not necessarily the case just because a congressional delegation is reflective of the population that that, in fact, reflects the population of students between the first grade and seniors in high school. That is part I think of the problem of the Fuqua amendment: The distribution problem based on total population, not student population.

It is conceivable, for example, for in a State which has a very high elderly population, there would be fewer people involved with participating on the educational levels, whereas other States might have just the opposite. Just because we have one-man one-vote does not necessarily reflect that down into the high school and grade school levels.

Mr. McCURDY. If I might reclaim my time, I appreciate the gentleman's comments; but I think that the fair distribution of these funds is very important and one of the measures adopted in this is providing a floor to encourage students to enter into this profession and it addresses primarily those concerns of tuition and fees that perhaps from a more rural school or a school such as a State school in Missouri whose tuition and fees are not as expensive as MIT or Stanford and that this scholarship program would address this in a more equal manner.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) to the Science and Technology Committee amendment.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SENSENBRENNER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Thirty-two Members are present, not a quorum.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Wisconsin (Mr. SENSENBRENNER) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 92, noes 323, not voting 18, as follows:

[Roll No. 12]

AYES—92

Archer	Gregg	Parris
Badham	Hartnett	Pashayan
Bartlett	Hiler	Paul
Bateman	Hunter	Ritter
Billirakis	Kasich	Roberts
Bliley	Kemp	Robinson
Broomfield	Kramer	Roemer
Broyhill	Lagomarsino	Rudd
Burton (IN)	Latta	Schulze
Campbell	Leath	Sensenbrenner
Carney	Lewis (CA)	Shaw
Chappie	Lewis (FL)	Shumway
Cheney	Livingston	Shuster
Coats	Loeffler	Siljander
Conable	Lott	Skeen
Corcoran	Lowery (CA)	Smith, Robert
Crane, Daniel	Lujan	Solomon
Crane, Philip	Lungren	Stangeland
Daniel	Mack	Stump
Dannemeyer	Marlenee	Sundquist
DeWine	Martin (IL)	Thomas (CA)
Dreier	Martin (NC)	Vucanovich
Edwards (OK)	McCain	Walker
Emerson	McCollum	Weber
Erlenborn	McEwen	Whitehurst
Fiedler	Miller (OH)	Whittaker
Fields	Molinari	Winn
Franklin	Moore	Wolf
Gekas	Moorhead	Wortley
Gradison	Nielson	Zschau
Gramm	Packard	

NOES—323

Ackerman	Coughlin	Glickman
Addabbo	Courter	Gonzalez
Akaka	Coyne	Goodling
Albosta	Craig	Gore
Alexander	Crockett	Gray
Anderson	Daschle	Green
Andrews (NC)	Daub	Guarini
Andrews (TX)	Davis	Gunderson
Annunzio	de la Garza	Hall (IN)
Anthony	Derrick	Hall (OH)
Applegate	Dickinson	Hall, Ralph
Aspin	Dicks	Hall, Sam
AuCoin	Dingell	Hamilton
Barnard	Dixon	Hammerschmidt
Barnes	Donnelly	Hance
Bates	Dorgan	Harkin
Bedell	Dowdy	Harrison
Bellenson	Downey	Hatcher
Bennett	Duncan	Hawkins
Bereuter	Durbin	Hefner
Berman	Dwyer	Heftel
Bethune	Dymally	Hertel
Bevill	Dyson	Hightower
Biaggi	Early	Hillis
Boehlert	Eckart	Holt
Boggs	Edgar	Hopkins
Boland	Edwards (AL)	Horton
Boner	Edwards (CA)	Howard
Bonior	English	Hoyer
Bonker	Erdreich	Hubbard
Borski	Evans (IA)	Huckaby
Bosco	Evans (IL)	Hughes
Bouquard	Fascell	Hutto
Boxer	Fazio	Hyde
Breaux	Feighan	Ireland
Britt	Ferraro	Jacobs
Brooks	Fish	Jenkins
Brown (CA)	Flippo	Johnson
Brown (CO)	Florio	Jones (NC)
Bryant	Foglietta	Jones (OK)
Burton (CA)	Foley	Kaptur
Byron	Ford (MI)	Kastenmeier
Carper	Ford (TN)	Kazen
Carr	Fowler	Kennelly
Chandler	Frank	Kildee
Clarke	Frenzel	Kindness
Clay	Frost	Kogovsek
Clinger	Fuqua	Kolter
Coelho	Garcia	Kostmayer
Coleman (MO)	Gaydos	LaFalce
Coleman (TX)	Gejdenson	Lantos
Collins	Gephardt	Leach
Conte	Gibbons	Lehman (CA)
Conyers	Gilman	Lehman (FL)
Cooper	Gingrich	Leland
Lent	Ottinger	Smith (NJ)
Levin	Owens	Snowe
Levine	Oxley	Snyder
Levitas	Panetta	Solarz
Lipinski	Patman	Spence
Long (LA)	Patterson	Spratt
Long (MD)	Pease	St Germain
Lowry (WA)	Penny	Staggers
Luken	Pepper	Stark
Lundine	Perkins	Stenholm
MacKay	Petri	Stokes
Madigan	Pickle	Stratton
Markey	Porter	Studds
Marriott	Price	Swift
Martin (NY)	Pritchard	Synar
Martinez	Pursell	Tallon
Matsui	Quillen	Tauke
Mavroules	Rangel	Tauzin
Mazzoli	Ratchford	Taylor
McCandless	Ray	Thomas (GA)
McCloskey	Regula	Torres
McCurdy	Reid	Torricelli
McDade	Richardson	Traxler
McGrath	Rinaldo	Udall
McHugh	Rodino	Valentine
McKernan	Roe	Vander Jagt
McKinney	Rogers	Vandergriff
McNulty	Rose	Vento
Mica	Rostenkowski	Volkmer
Michel	Roth	Walgren
Mikulski	Roukema	Watkins
Miller (CA)	Rowland	Waxman
Mineta	Roybal	Weaver
Minish	Russo	Weiss
Mitchell	Sabo	Wheat
Moakley	Savage	Whitley
Mollohan	Sawyer	Whitten
Montgomery	Scheuer	Williams (MT)
Moody	Schneider	Williams (OH)
Morrison (CT)	Schroeder	Wilson
Mrazek	Schumer	Wirth
Murphy	Seiberling	Wise
Murtha	Shannon	Wolpe
Myers	Sharp	Wright
Natcher	Shelby	Wyden
Nelson	Sikorski	Wylie
Nichols	Simon	Yates
O'Brien	Sisisky	Yatron
Oakar	Skelton	Young (AK)
Oberstar	Slattery	Young (FL)
Obey	Smith (FL)	Young (MO)
Olin	Smith (IA)	Zablocki
Ortiz	Smith (NE)	

NOT VOTING—18

Boucher	Hansen (UT)	Nowak
Chappell	Jeffords	Rahall
D'Amours	Jones (TN)	Ridge
Dellums	McDonald	Smith, Denny
Forsythe	Morrison (WA)	Towns
Hansen (ID)	Neal	Washington

□ 1610

The Clerk announced the following pair:

On this vote:

Mr. McDonald for, with Mr. Rahall against.

Mr. MACKAY, Mrs. BOGGS, and Mr. MICA changed their votes from "aye" to "no."

Mr. KEMP changed his vote from "no" to "aye."

So the amendment to the Science and Technology Committee amendment was rejected.

The result of the vote was announced as above recorded.

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the last word.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I rise in support of H.R. 1310, the Emergency Mathematics and Science Education

Act. The bill authorizes $425 million for the improvement of science, mathematics and foreign language education in our Nation's elementary and secondary schools and institutions of higher learning, and sets a national policy for training and maintaining an adequate supply of qualified scientific and technical personnel.

Without question, the condition of science and mathematics education in our Nation is profoundly unhealthy. Evidence of a dramatic erosion in the ability of our schools to produce technologically competent individuals is abundant and persuasive. Over the last decade the national assessments of educational progress have revealed a dramatic decline in student's scores on tests of science and mathematics achievement. An equally troubling drop in scholastic aptitude test scores in mathematics has occurred over the last 20 years. We cannot expect to maintain a competitive edge in an increasingly technologically oriented world if these trends are not abated.

While the causes of lowered achievement are no doubt many, we cannot but think that the critical shortage of qualified mathematics and science teachers is a significant part of the problem. A recent survey indicated that of 45 States reporting, over 40 were experiencing significant shortages in mathematics and physics teachers. To make matters worse, the numbers of teachers being prepared in teacher education programs has declined by over 60 percent over the last decade.

Given these alarming trends, H.R. 1310 focuses assistance for mathematics and science education where it is most needed. The majority of funds appropriated under the bill are targeted for inservice teacher training to upgrade the skills of mathematics and science teachers and to retrain teachers of other subjects to teach mathematics and science courses. Scholarship funds are also provided to attract highly competent individuals into precollege teaching. By targeting funds in this way, the legislation strikes at the heart of the problem of teacher shortages in a substantive yet cost-effective manner.

H.R. 1310 also appropriately directs the greatest amount of assistance to those elementary and secondary schools with the least amount of financial resources. Poorer school districts are less able to provide the salaries and teaching environments that can lure qualified persons away from lucrative technical professions and into precollege teaching. Thus for a scarcity of competent instruction and guidance a great reservoir of potential scientific talent, our Nation's economically disadvantaged children, remains untapped. We, as a nation, cannot afford this loss.

For the reasons I have outlined and others, H.R. 1310 deserves our support. Enactment of this legislation will not completely remedy the many difficult problems in mathematics and science education, but it will be a significant first step toward a more technologically competitive society. I urge my colleagues to join with me in voting for this critical emergency measure.

Mr. RITTER. Mr. Chairman, will the gentleman yield for a colloquy with the chairman of the Science and Technology Committee?

Mr. COLEMAN of Missouri. I yield to the gentleman from Pennsylvania for the purpose of a colloquy between the gentleman and the chairman of the Committee on Science and Technology.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I understand that in section 105 of the bill the National Institute of Education and the National Science Foundation may undertake studies to improve math, science, and foreign language education. The bill states that NIE and NSF may make an analysis of local and institutional policies enhancing or inhibiting the recruitment, retention, and improvement of mathematics, science, and foreign languages faculties.

As my colleague knows, I am interested in whether the use of wage and salary differentials for these teachers could enhance the recruitment and retention of qualified people in this area. As the gentleman reads this bill, does the gentleman feel that this would be one area that would be addressed by such studies?

Mr. FUQUA. If the gentleman will yield, I would certainly think that local and institutional policies, where it talks about the retention and the recruitment, would certainly include the salaries, working conditions, many other things that teachers may have that would impact on whether or not they remained or entered into the field of science and math teaching.

Mr. RITTER. I thank the gentleman.

I personally believe that we should study the wage and salary differentials to determine how effective they can be in resolving the shortage.

In a report prepared for the National Science Teachers Association by James Guthrie, chairman of the School of Education at Berkeley, he noted that money is the root of the shortage, and one of his recommendations in dealing with the problem is to encourage schools to offer higher pay for higher demand fields.

This legislation is certainly a beginning in dealing with the drastic shortages of qualified teachers in this area. However, there are some things that can be done at the State and local levels to address the shortage and wage differentials certainly should not be ignored in our efforts to attract and retain qualified personnel in the teaching profession in the same ways we attempt to attract and retain qualified personnel in every other profession.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from New York.

Mr. GREEN. Mr. Chairman, I would now like to engage in a colloguy with the distinguished chairman of the Science and Technology Committee.

Mr. Chairman, I am concerned that, in the course of my studies of this problem, as ranking minority member of the HUD-Independent Agencies Appropriations Subcommittee, with responsibility for the National Science Foundation, it has become clear to me that the problem with respect to computer science teaching at the university level is very similar to that which is identified with respect to engineering instruction in the discussion of this bill. I would hope that either by being included within the sphere of engineering or by being included in the priority that you noted regarding the importance of computer education, computer sciences would be included in the bill as a priority area.

□ 1620

Mr. FUQUA. In section 206 of the bill, the priorities, it states in subsection 3 of section 205 the technical engineering——

The CHAIRMAN. The time of the gentleman from Missouri (Mr. COLEMAN) has expired.

(At the request of Mr. GREEN and by unanimous consent Mr. COLEMAN of Missouri was allowed to proceed for 3 additional minutes.)

Mr. FUQUA. If the gentleman will continue to yield, we specify in the bill that there will be special emphasis on computer accessibility. On page 39 of the committee report I quote:

> The committee finds that there is a serious gap in higher education between the computing needs of faculty and students and the resources available. The committee believes that significant revamping of existing facilities, networks, curriculum development, et cetera, is required to support growth and change necessary to accommodate students who need and want to learn to use computers.

So we certainly do share the concerns of my good friend from New York and feel as though this adequately takes care of those concerns.

Mr. GREEN. And that would include a priority for faculty in the computer science field?

Mr. FUQUA. The gentleman is certainly correct, it does.

Mr. GREEN. I thank the gentleman for his assurance and thank the gentleman from Missouri.

AMENDMENT OFFERED BY MR. SIMON TO THE SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

Mr. SIMON. Mr. Chairman, I offer an amendment to the Science and Technology Committee amendment.

The Clerk read as follows:

Amendment offered by Mr. SIMON to the Science and Technology Committee Amendment: Page 53, line 21, redesignate subsection (b) as subsection (c) and insert before such line the following new subsection:

(b) The Director of the National Science Foundation shall make available to the Director of the National Institute of Education, for purposes of this section, one-half of the funds appropriated pursuant to section 106(3) of this Act for any fiscal year. Such funds shall be made available under the authority granted to the Director of the National Institute of Education in section 405(i) of the General Education Provisions Act.

Page 54, beginning on line 3, strike out all of section 106 through line 16.

Page 54, line 18, redesignate section 107 as section 106, and on page 55, line 1, strike out "$30,000,000" and insert in lieu thereof "$35,000,000".

Page 55, line 3, strike out "one-half" and insert in lieu thereof "three-sevenths", on line 6, strike out "one-third" and insert in lieu thereof "two-sevenths", and on line 8, strike out "one-sixth" and insert in lieu thereof "two-sevenths".

Mr. SIMON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SIMON. Mr. Chairman, I will try not to take 5 minutes. I believe this is a noncontroversial amendment. This is the amendment I indicated in committee would be drafted and offered.

This amendment takes the minority institutions science improvement program, which is a separate statute, and leaves it separately. It was included here, frankly, just to pull all science programs together. We can include it in our Higher Education Reauthorization Act later. It takes that $5 million there and puts it into research at NIE.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my good friend from Pennsylvania.

Mr. GOODLING. I would say to my good friend that I find a possibility here that this could be a very controversial amendment in that if I understand what the gentleman is doing, he would eliminate MISIP from this bill?

Mr. SIMON. That is correct.

Mr. GOODLING. However, MISIP expires in 1984 and therefore will have to be reauthorized. The administration supports it, everybody probably will support it, which means that what you have done, in my estimation, is essentially added another $5 million to the budget.

Mr. SIMON. The gentleman is technically correct. But what we do not add is any money to the authorization on this bill.

Mr. GOODLING. If the gentleman will yield again, I agree with what he is saying technically. We already have $5 million in here. What you would do is to push the $5 million that is in there for MISIP into that category which makes it $10 million, and then later on, during this session, just so everyone understands, they will then ask us to come up with the $5 million from MISIP that we are now removing from this part of the budget.

So it is a $5 million addition essentially in our budget.

Mr. SIMON. In a sense; that would be up to the Appropriations Committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. SIMON) to the Science and Technology Committee amendment.

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 28, noes 43.

So the amendment to the Science and Technology Committee amendment was rejected.

AMENDMENT OFFERED BY MR. COLEMAN OF MISSOURI TO THE SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

Mr. COLEMAN of Missouri. Mr. Chairman, I offer an amendment to the Science and Technology Committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COLEMAN of Missouri to the Science and Technology Committee amendment: Page 40, beginning on line 1, strike out all of part B through line 6 on page 46 and insert in lieu thereof the following:

"PART B—SCIENCE AND MATHEMATICS TEACHER DEVELOPMENT

"PURPOSE

"SEC. 621. The purpose of this part is to improve the quality of science and mathematics instruction in the United States by helping States and localities meet the critical need for additional qualified science and mathematics teachers at the elementary and secondary level, particularly in areas where there is a shortage of such teachers, and by making it possible for States and localities to increase science or mathematics enrollments or graduation requirements at the elementary and secondary level.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 622. For the purpose of carrying out this part there are authorized to be appropriated $20,000,000 for each of fiscal years 1984 and 1985.

"STATE ALLOTMENTS

"SEC. 623. (a) From the funds appropriated under section 622 for any fiscal year, the Secretary may reserve not more than one per centum for grants to the insular areas. The Secretary shall apportion the amount reserved for the insular areas according to their respective needs for assistance.

"(b) From the remainder, the Secretary shall allot to each State (excluding the insular areas) an amount which bears the same ratio to that remainder as the number of persons aged five through seventeen, inclusive, residing in the State bears to the number of persons in all the States (excluding the insular areas).

"(c)(1) The Secretary may reallot all or a portion of a State's allotment for any fiscal year if the State does not submit a proposed use report under section 624, or informs the Secretary that it does not need the full amount of its allotment for that fiscal year. The Secretary may fix one or more dates during a fiscal year upon which to make reallotments.

"(2) The Secretary may reallot funds to one or more States that have a current need for additional funds under this part. Any funds reallotted to another State shall be deemed not to be part of its regular allotment for the fiscal year in which it receives the reallotted funds.

"(d) For purposes of determining allotments under this section, the population aged five through seventeen, inclusive, residence in any State shall be based on the latest data that are satisfactory to the Secretary.

"(e)(1) The Secretary shall allot to each Indian tribe, which submits a proposed use report that meets the requirements of section 624, an amount which bears the same ratio to the allotment of the State or States in which the tribe is located as the number of members of the Indian tribe aged five through seventeen, inclusive, residing in that State or States bears to the number of persons aged five through seventeen, inclusive, residing in the State or States.

"(2) The Secretary shall reduce the amount allotted to a State or States under subsection (b) by the amount alloted to an Indian tribe under paragraph (1).

"(3) For purposes of this subsection, the term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village, which is recognized by the Secretary of the Interior as having special rights and responsibilities, and is recognized as eligible for the unique services provided by the Division of Indian Affairs to Indians because of their status as Indians.

"PROPOSED USE REPORT

"SEC. 624. (a) Any State desiring to receive a grant authorized by this part during any fiscal year shall submit to the Secretary an annual proposed use report which describes how the funds under this part will be used. The proposed use report must—

"(1) describe—

"(A) how the State's program will achieve the purposes of this part, as well as the State's specific goals;

"(B)(i) how the funds awarded under this part will be used by the State; or

"(ii) to the extent the State will not operate the program directly, how funds will be distributed to local educational agencies; and

"(C) how the State will provide elementary and secondary level students attending private schools equitable opportunities to benefit from the State's program; and

"(2) contain assurances that the State will—

"(A) provide for such methods of administration as are necessary for the proper and efficient administration of programs under this part;

"(B) provide for such fiscal control and fund accounting procedures as are necessary to ensure proper disbursement and use of Federal funds paid to the State; and

"(C) maintain continuing public administrative direction and control over funds used to benefit students attending private schools.

"(b) Each proposed use report (after the first) must contain an assessment of the success of the State's program during the preceding year, including an assessment of the extent to which the State met the purposes of this part as well as the specific goals it established for that preceding year.

"(c) Prior to submitting the proposed use report to the Secretary the State shall make it public in a manner that facilitates comment from interested agencies, groups, and individuals.

"GENERAL EDUCATION PROVISIONS

"SEC. 625. Only the following sections of the General Education Provisions Act shall apply to programs and activities conducted under this part: sections 412(a) and (b), 415, 416, 417, 420, 442(a)(1) and (2), 426(a), 431, 432, 437, 438, 439, 440, 451, 452, 454, 455, and 456.

"AUDITS

"SEC. 626. Each State shall provide for independent financial and compliance audits of all programs and activities supported with Federal funds awarded under this part. These audits shall be conducted at least every two years and in accordance with standards prescribed by the Comptroller General. Reports of those audits shall be available to the public.

"USE OF FUNDS

"SEC. 627. (a) The State shall use its grant, either directly or through local educational agencies, to increase the number of teachers who are qualified to teach science or mathematics at the elementary and secondary level in public or private schools, by awarding scholarships which will enable the recipients to receive necessary instruction at institutions of higher education.

"(b)(1) For each scholarship recipient a State may use funds under this part to pay a portion of the total amount of the scholarship (including tuition and stipend) provided to the recipients to enable the recipient to acquire the necessary qualifications to teach science or mathematics at the elementary and secondary level.

"(2) A State may not use funds under this part to provide instruction to a scholarship recipient for more than one period of twelve consecutive months or to pay more than $5,000 toward the total amount of the scholarship.

"SCHOLARSHIP RECIPIENTS

"SEC. 628. (a) A State may select as a scholarship recipient only a person who at the time the scholarship is awarded—

"(1) has at least a bachelor's degree; and

"(2) lacks the qualifications to teach science or mathematics at the elementary and secondary level in public or private schools in that State, but can become qualified within one year.

"(b) A State or local educational agency (unless the State determines otherwise) shall condition selection as a scholarship recipient upon that person's agreement to teach science or mathematics at the elementary and secondary level for at least two years in a public or private school determined by the State or the local educational agency to have a need for such a teacher. Each recipient of a scholarship shall be obligated for at least two years or to repay the total amount of the scholarship, plus interest at a rate prescribed by the Secretary.

"(c) A State may require a local educational agency or private school at which a scholarship recipient will teach to contribute a portion of the total amount of the scholarship (including tuition and stipend).

"(d) Nothing in this part shall be construed to require a scholarship recipient to become certified under State law.

"PARTICIPATION OF TEACHERS IN PRIVATE ELEMENTARY AND SECONDARY SCHOOLS

"SEC. 629. The requirements of subsections (b) and (c) of section 608 of this title shall apply to funds made available under this part.

"DEFINITIONS

"SEC. 630. As used in this part—

"(1) The term 'State' includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"(2) The term 'elementary and secondary level' means grades one through twelve.

"(3) The term 'science' means the natural sciences.

"(4) The term 'mathematics' means all branches of mathematics, including computer science.

"(5) The term 'local educational agency' means—

"(A) a public board of education or other public authority legally constituted within a State for either administrative control of or direction of, or to perform service functions for, public elementary or secondary schools in—

"(i) a city, county, township, school district, or other political subdivision of a State; or

"(ii) such combination of school districts or counties a State recognizes as an administrative agency for its public elementary or secondary schools; or

"(B) any other public institution or agency that has administrative control and direction of a public elementary or secondary school.

"(6) The term 'insular area' means Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"(7) The term 'institution of higher education' means an institution of higher education as defined by section 1201 of the Higher Education Act of 1965, as amended.

"(8) The term 'school or department of divinity' means an institution or component of an institution whose program is specifically for the education of students to prepare them to enter into a religious vocation or prepare them to teach theological subjects.

"EFFECTIVE DATE AND EXPIRATION DATE

"SEC. 631. This part shall take effect on October 1, 1983, and shall expire on October 1, 1985."

Mr. COLEMAN of Missouri (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. FUQUA. Mr. Chairman, reserving the right to object, and I shall not object, I do not have a copy of the amendment and I would like to reserve a point of order against the amendment.

Mr. COLEMAN of Missouri. Mr. Chairman, we supplied one of the desks with an amendment, and I would hope both desks were supplied. Let us get the amendment over there.

Mr. FUQUA. Mr. Chairman, is my point of order reserved?

The CHAIRMAN. The gentleman's point of order is reserved.

Mr. FUQUA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COLEMAN of Missouri. Mr. Chairman, this amendment replaces the existing national teaching scholarship program which is in the Fuqua amendment with a program based upon the administration's initiative called the Math and Science Teacher Development Act.

But, Mr. Chairman, this amendment is broader than the administration's proposal because it encompasses not just the secondary but also elmentary teachers for training under this scholarship section. There should be no confusion that this is the orignial administration proposal. It is not. It is broader and more expanded.

This amendment only touches one section of the bill; that is, section 622, and its does not affect any other part or program in this legislation.

This amendment would provide scholarships to States to fund scholarships up to $5,000 a year to persons who can become qualified to teach math or science within a 1-year period.

In other words, this is the block grant to the States, and the States, in turn, determine how and where they want to spend this money.

The qualifications to get one of these scholarships are as follows: You must have a bachelor's degree, and you cannot be qualified to teach math or science in school at the present time but you could become eligible within 1 year. In other words, we are trying to get the teachers who are nonmath and science teachers, who have already received their educational training and their classroom experience, to go out and learn how to teach math and science.

In both cases, for those people who are teachers now that do not teach math or science and those that are not qualified to teach math and science, they would have to become qualified within 1 year of the date of the scholarship. Other people who are out in industry or any place else who can come in and get the basics of education so that they can go into the classrooms to teach math or science would also be eligible.

This proposal would permit the States and local school districts under the States' direction to select recipients that administer the program. No more Washington-based bureaucracy as we have heard about before.

The receipt of the scholarship would be contingent upon an agreement by the individual recipient to enter into an agreement to teach for two years after receiving the scholarship.

To receive the $5,000 scholarship there would be a commitment to teach for 2 years, and if the person did not teach for 2 years he would have to pay the scholarship back in full.

This proposal would send the money to the States on a formula based on the elementary and secondary school age population according to that State.

We have heard about the distribution formula under the present bill. The present bill does not take into consideration where the young people of the country might be residing.

□ 1630

It simply says divide the money by the number of Congressmen in each State delegation. That may not be accurately reflective of the people we are trying to reach, those students in grade schools and high schools of this country, not just the general population. This is a very important difference, I think. My amendment does not take any money away from the school scholarship program. It is funded at the full $20 million. We have estimated that 4,000 scholarships will be awarded under this program. This means that teachers will be reaching that classroom, teaching math and science within 1 year.

Now, if we are serious about a national emergency and if we are putting this bill on a fast track, why are we doing it, because under the proposal that is pending it could take 2 or 3 years before we see any manifestations of what we do here today. Under my amendment there would be new teachers in the classroom teaching math and science within 12 months. The gentleman from Florida's amendment goes to scholarships to students who can be juniors in college, who will graduate in 2 years, maybe go on for post graduate work and eventually come into the classroom, 3, 4, 5, 6 years down the line. So, I suggest that if you want to get moving fast, if you want to react to this crisis that we have heard about, that we not go with the slow version, but we go with the fast version. And we get these people out teaching math and science immediately within 12 months.

Mr. PERKINS. Will the gentleman yield?

Mr. COLEMAN of Missouri. I would be more than glad to yield to the chairman.

Mr. PERKINS. I just want to say that the amendment knocks out the $20 million altogether that is in our bill and proposes to block grant it to the States.

Mr. COLEMAN of Missouri. We do, Mr. Chairman, have $20 million, the same $20 million that the chairman has, but the emphasis is different. His emphasis is on undergraduates to try to get them to go into math and science. We say it is so critical that we need new teachers out there within 1 year, not 3 or 4 years. What we are trying to do is reach those teachers who have already been trained as teachers but not in math and science, to go out and get these scholarships, return to the classrooms and be able to start teaching youngsters within 1 year.

Mr. PERKINS. Would the gentleman yield?

Mr. COLEMAN of Missouri. I would be happy to yield to the gentleman.

Mr. PERKINS. I do not feel that the gentleman's bill has the incentive that our bill has. I personally feel, and I think all the witnesses who came before the committee agreed, that we should include juniors and seniors in the scholarship program. Here the gentleman is tearing that down and saying no. I think the gentleman's bill will be a tremendous handicap in the development of science and math teachers. I feel that we should stand with the committee bill, where we provide a limited amount of money adequate to provide some 5,000 full scholarships in 1984 for undergraduates and graduate students.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. COLEMAN of Missouri was allowed to proceed for 2 additional minutes.)

Mr. COLEMAN of Missouri. I think the gentleman is absoutely right in portraying the committee bill. I think that is part of the problem. If we have a national emergency, let us not talk about 3 or 4 years down the road when these juniors that you want to give scholarships to are graduated. If we look at this as a crisis, this certainly is a fast-track piece of legislation. It went through both committees in rather rapid order, and we have to confront the issue head on. That is, are we going to have somebody in these classrooms that are not there today in 12 months from the date of the enactment or are we going to have them come in 4 years from the date of enactment of this bill?

Mr. GOODLING. Will the gentleman yield?

Mr. COLEMAN of Missouri. I will be happy to yield to the gentleman.

Mr. GOODLING. I thank the gentleman for yielding. As the gentleman from Illinois knows, we have had some discussions on this issue and I too feel that the scholarship program should have been designed for those who have already received their bachelor's degree. Therefore, I think the approach that the gentleman is suggesting makes sense.

Mr. COLEMAN of Missouri. I might say too that the administration's original proposal was inadequate, I thought, because it did not deal with elementary teachers. I think it should. This amendment does that.

Mr. WALKER. Will the gentleman yield?

Mr. COLEMAN of Missouri. I would be happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman.

As I understand it we have a shortage of approximately 20,000 teachers, give or take some, we have approximately that kind of shortage. Can the gentleman tell me how many teachers we might have that are certified that we could utilize his approach to get into the classrooms and fill those positions?

Mr. COLEMAN of Missouri. We could eliminate 4,000 of those shortages by this bill in 12 months. Four thousand of those scholarship recipients could go into the classroom and teach under this amendment.

Mr. WALKER. Would the gentleman yield further?

Mr. COLEMAN of Missouri. I yield.

Mr. WALKER. His amendment we could take care of 20 percent of the whole problem in 1 year rather than spreading this out over a long period of time as the committee's bill intends to do?

Mr. COLEMAN of Missouri. That is right.

Mr. WALKER. And perhaps 5 years out create those same 4,000?

Mr. COLEMAN of Missouri. That is right. And I imagine we would get farther and farther behind each year you wait for these juniors to go out and graduate.

The CHAIRMAN. The time of the gentleman has expired.

Does the gentleman from Florida insist on his point of order?

Mr. FUQUA. Mr. Chairman, I withdraw my point of order.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

Let me say, Mr. Chairman, that this is not a fast track amendment; this is a backward amendment that will really destroy the incentive for math and science teachers.

Now, the testimony was that it would take longer than 1 year to retrain teachers. A scholarship of only $5,000 is not going to get a teacher to leave teaching for 1 year and go to school. I think all of us know that.

I, one day, was a classroom teacher myself and many of you people were. That is just no incentive. The $20 mil-

lion that the gentleman talks about spread out among the States and territories would mean some States would receive only $25,000 and $50,000; hardly enough to do anything.

We have here a good scholarship program in this bill. But here this amendment is limited to those persons who can become qualified to teach math and science within 1 year. And that just will not work. It is going to take a longer period of time and why tie this down with an amendment which in one sense will kill the bill, kill the effectiveness of the bill. The pool of such individuals is not large and the proposal offers no longer term incentives for students to pursue teaching courses.

The bill already sets aside up to 30 percent of the scholarship money for people who are already in the teaching profession. And scholarships under this amendment will just not work; whereas in our bill we provide $5,000 full scholarships in 1984 for undergraduate and graduate students who intend to become math and science teachers, and $10,000 in 1985; 30 percent of scholarships are set aside for current teachers who want to go back to college. The recipient must spend 2 years as a teacher for each year of scholarship.

The selection of these teachers who receive these scholarships is on merit and as has been described here today, they will be selected from throughout the entire Nation. The gentleman offers an amendment here, I reckon it is based on population, which could mean anything.

The greatest incentive that we have is in this bill to develop science and math teachers in this Nation. And anybody who has had any experience with education over a period of years knows that this amendment will destroy the incentive.

Mr. SIMON. Will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. SIMON. I thank the chairman for yielding.

I concur with his opinion. I know the gentleman from Missouri recalls that I agreed to accept his amendment with a 30-percent provision so that we do take into account this kind of a need. But we do not toss out every student in college from a scholarship as he does. We agreed, as a compromise out of respect to my friend from Pennsylvania (Mr. GOODLING) to start as juniors in college and not before, and convinced my friends and colleagues on the Science and Technology Committee to agree that eligibility be restricted to juniors in college and above.

□ 1640

But we cannot pretend that we are going to solve this problem overnight and not develop these teachers in the future.

Mr. PERKINS. And retrain these teachers within a year, it is not going to happen.

Mr. SIMON. If the gentleman from Kentucky will yield further, the summer institutes help to provide something here.

The gentleman ignores one area that he knows I am interested in, he knows that the scientists who testified are interested in, and that is the foreign language area.

Finally, the geography question is not quite the political thing that the gentleman from Missouri suggests. One of the reasons for geography in our bill and that you are nominated, so that is a scattering, because in fact we have certain areas where there is no shortage of science and math teachers, but we have central city areas and rural poor areas, like that of the gentleman from Kentucky and mine in southern Illinois, where we do have a problem.

Our bill assures some geographical representation. The amendment of the gentleman from Missouri does not and every indication is that the proximity of where you go to school and where you lived before has a relationship to where you teach.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

I would like to ask the gentleman from Missouri a question first and then I would be glad to listen to what response he might have to the chairman of the Education and Labor Committee.

Is it not true that across the Nation there are many, many communities that actually have a teacher surplus? I know in my community we have people who are trained teachers who have found themselves having to take jobs working at hamburger stands, who are part-time clothing store clerks, who are taking a lot of jobs because there are not sufficient teaching jobs available.

Am I correct that what the amendment of the gentleman would do is permit those people to go get certification in math and science and allow them to go in and take math and science slots in the school districts that would be open to them? Is that correct?

Mr. COLEMAN of Missouri. If the gentleman will yield, that is absolutely right. These people have already received their educational classroom training. We want to turn those teachers who cannot find a job and are now hamburger flippers into math and science teachers, so we can gain that competitive edge.

The gentleman knows, for example, that there are some people who may be certified to teach general science, as it is called, who maybe within 1 year or 6 months could become chemistry or physics teachers, the very people that we need in the classrooms.

Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I would be glad to yield further.

Mr. COLEMAN of Missouri. How could anybody on the floor of this House argue with a distribution system that, "Puts the money out there where the students are." That is exactly what my amendment does.

I have heard all kinds of reasons why we should not send the money where the students are. I do not believe what I am hearing, that we ought to scatter it around. It does not make sense that we are going to spread it around where maybe it is not needed in some cases, any more than we should spread around heating assistance to Hawaii. We want to spread it around where the students are and where the shortages are and the States will make these decisions.

Now, I respect the opinion of my chairman, but I cannot remain silent when he suggests that I am trying to kill the bill. I am trying to strengthen the bill, as the gentleman well knows.

In fact, if the teacher scholarships were so bad, why is it that the gentleman from Illinois agreed to increase the present participation of the bill to 30 percent?

Originally it was 10 percent of these funds that would go to reteaching teachers, if you will, to go into the classrooms. That is up to 30 percent now because of the gentleman's agreement and I respect and I thank the gentleman for his agreement; but if it was so bad, why would we have 10 percent in the first place and why would we agree to 30 percent in the second place?

It is not bad. It is good. It is the rational approach. It is the short-term approach to knocking out a very difficult problem facing this country.

I could say that we could sit around here and fiddle for 4 years. We are not going to regain the edge over Japan or Germany or anywhere else until we get serious about putting this on the fast track. This is a fast track amendment. It is a positive amendment.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his explanation.

I think that it is well to point out that we pass a lot of things through this House that we label as emergencies in order to try to put them on a fast track through here and get them done.

We truly have an emergency in this area. The question is how are we going to deal with the emergency? Are we going to deal with the emergency 1 year from now or are we going to deal with it 5 years from now?

Congress loves to deal with things 5 years out, because then you create a 5-year funding stream rather than a 1-year funding stream.

That is why it seems to me that what we are doing in this bill, the gentleman is attempting to correct. We can take the money and make certain that what we do is get some real results within 1 year. If it is a real emergency, if that is what we are dealing with, that is what we should all be about and I think the gentleman's amendment really does push us in the right direction.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, if I could, through the gentleman from Pennsylvania, respond briefly to my good friend and colleague, the gentleman from Missouri. I agreed to the 30 percent because I think this is a possibility, that this can help; but I also believe we have to have a balanced approach and to believe that we can take these English teachers and in 1 year give them enough chemistry or physics and so forth and they are going to all of a sudden in huge numbers become effective chemistry and physics teachers, we are living in a dream world if we think that.

We have a problem. That 30 percent is in the proposal now, but let us have balance and let us recognize that we are going to have a problem 3 years from now and 5 years from now. Let us recognize the future in this bill.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, this is not the only program in the bill. It is just one area. We have to look at the entire bill. We have other programs. We have summer institutes.

I mean, we can say the same thing about summer institutes. Why on earth send a teacher to a summer institute for just 3 months if he cannot be retrained. Well, I think the teacher can be retrained, I am not against that. I do not touch that. I support that. I am not touching anything else.

We have to look at this bill as an entire package. I think my amendment strengthens the bill and addresses just this one area. It is a change of emphasis. I think we want to go down the same road, but I suggest that we will get there faster this way.

Mr. FUQUA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this bill is trying to aim at quality teachers. That is what the whole thrust in this part of the bill is after.

It was approved by both committees, the Education and Labor Committee and the Science and Technology Committee.

As has been pointed out by both the gentleman from Missouri and by the gentleman from Illinois, the bill does set aside 30 percent for this type of an award; but also it limits it to those persons who can become qualified in 1 year, and the pool of those numbers of individuals is very scarce.

I am afraid while attempting on a short-term basis to solve a problem, we are not really looking at the long-term incentives of students who want to pursue teaching careers.

Mr. Chairman, if I might, I would like to quote the language from the committee report on page 31, and it says that it is the committee's intent that these scholarships go only to those who show by their previous academic work to be clearly preparing for a career in elementary and secondary school teaching, though it is not intended that those majoring in science and math but desiring to teach be excluded from consideration. In fact, some effort should be made to bring such students into the teaching profession through these scholarships.

It is also, Mr. Chairman, the committee's intent that the teaching requirements be fulfilled by consecutive years of teaching beginning as soon as possible after the completion of the student's course of academic studies, and it goes on and elaborates further.

Mr. Chairman, I think that this proposal in the bill, while it may have faults, it is a compromise intended to take some of the good points that the gentleman from Missouri is attempting to offer, but also giving balance, as was pointed out by our good colleague from Illinois, and I support that. We have worked very hard to bring this together and I think it is essential that we stick with what we have in the bill because it is aimed at some of these programs.

Twenty million dollars spread around over all the United States is not going to go very far when you send it out in $5,000 scholarships.

We provide in the bill that the tuition and the cost of an education be provided for. That gives a person, Mr. Chairman, an opportunity to go to a school that may be located in their home area or go to one of the State universities or private universities that may be located somewhere. We leave that up to the individual.

□ 1650

But we think it gives a long-term solution to a critical problem that we have now, and with the work that has gone into this bill by both sides of the aisle, I would urge that the amendment be defeated and we continue on with the bill as reported by the committee. I urge the defeat of the amendment.

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the full time, and I again want to associate myself with the comments of the distinguished chairmen of both the Committee on Education and Labor and the Committee on Science and Technology because I believe they have addressed the point very eloquently.

The only point that I would like to add, Mr. Chairman, is that of the entire bill, I believe this provision, this section, provides the greatest incentive for those people who are going to come into the profession to teach math and science. This is the one provision that is going to attract those students who are making career decisions to go into this vital area.

We have heard time and time again in the testimony in the committees that industry is eating its own seed corn. It is taking people out of the profession. Until we provide some incentive—and this is the incentive at the college level—we are not going to address that problem and solve it.

In a hearing in my district in Oklahoma last year, the one section that teachers uniformly commented on and addressed was the need for incentive at the college level; that they cannot afford to go into this area, and that they needed the help at the university level. It was universally addressed and supported.

I might also react to a comment that the gentleman made, and this is not derogatory in any way, but we do not need those hamburger flippers; we need people who are concerned about math and science, math and science majors, to go in there into this highly professional sector, and yet a sector that does not get the respect that they truly deserve.

I think this incentive in the bill is good and I would urge my colleagues to stand in strong opposition to this amendment.

Mr. ERLENBORN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, let me point out that the committee bill provides the same $20 million. When my colleague from Florida says this paltry sum of $20 million is not going to do much, their bill provides $20 million.

Yes, it is going to provide scholarships for students or teachers coming out of all of the 50 States, as would the committee bill. So if the gentleman tries to damn this amendment with faint praise, he does the same thing to the committee bill at the same time.

Let me say the big difference is this: The committee bill addresses itself to undergraduate students who already are qualified for Pell grants, for guaranteed student loans, national defense student loans, work-study programs, and it adds on top of that another additional $5,000 per year for 2 years. What it is doing, therefore, is not really addressing the immediate problem of those who already have the training to be teachers but do not have the resources to get qualified in math and science.

I support the amendment offered by the gentleman from Missouri. It is broader than the program recommended by the administration and it does address that very pressing need of math and science teachers at the elementary level as well as the secondary level, and it looks to utilize a resource that we now have.

As has been pointed out, we have a surplus of teachers. We have a dwindling school population. We have many people who are qualified as teachers who cannot teach because they cannot find jobs; but we do not have that very necessary corps of teachers qualified in math and science. We would take this resource, those who are now denied the opportunity of a teaching career that they have already become qualified for, and we use that resource and qualify them in an area where there is a need in the schools and where they can gain employment.

So I hope the amendment would be supported.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I would be happy to yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I thank the gentleman for yielding.

Mr. Chairman, I think the fundamental difference between the committee provision and my amendment is that a numerical progression will be made under my amendment, because if you train one person to be a qualified math or science teacher, they can turn that individual youngster on to go after it, too, on his own, to a college career in math and science. Instead of going down to the college level to try to encourage people, one good teacher could get 20 or 30 youngsters involved in math and science and all you have expended is $5,000. If you do it their way, you will spend $5,000 times 20 for the same product. That is the difference between the two proposals.

Mr. ERLENBORN. Mr. Chairman, I might reiterate that the committee bill will address itself to students already qualified for Pell grants, for guaranteed student loans, for national defense student loans, and work-study funds. It in no way says that the receipt of this $5,000 under the committee bill would disqualify them for the other aid.

What it may do is just add more money to those we are already investing in, instead of taking those who have the will to teach, have the desire to teach, but do not have the qualifications and could be, within a year, brought into qualification so that they could gain employment teaching math and science.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I would be happy to yield to the gentleman from Oklahoma.

Mr. McCURDY. I thank the gentleman for yielding.

Mr. Chairman, I wanted to clarify perhaps what is a misleading impression.

This is not a $5,000 grant. This is based on the need, the tuition and books and the basic costs of attending a university or college, not to fall below $1,000. So it would not be $5,000. Tuition and books at the University of Oklahoma is $750, in that range, so we are not talking about $5,000.

Mr. ERLENBORN. If I may recapture my time from the gentleman, I have not read the bill that thoroughly, but my cursory glance at it shows no needs test in the bill. It did not show any disqualification for one seeking one of these scholarships if they already have a Pell grant, if they already have a guaranteed student loan or a national defense student loan.

The gentleman could correct me if I am wrong, but I did not find that in the bill.

Mr. McCURDY. Mr. Chairman, if the gentleman would yield on that point, these scholarships are based on merit. People that demonstrate ability and want to go into that area, this is an incentive to stay in the profession.

Mr. ERLENBORN. Will the gentleman address the question, though.

Mr. McCURDY. There is language in the report that indicates that need should be addressed, that need is a criteria when the committee makes a selection.

Mr. ERLENBORN. Mr. Chairman, I just cannot resist the opportunity to give a little lesson in writing the law that I think is forgotten.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. ERLENBORN) has expired.

(By unanimous consent, Mr. ERLENBORN was allowed to proceed for 2 additional minutes.)

Mr. ERLENBORN. Mr. Chairman, just because this is so often misunderstood by my colleagues, let me reiterate something that I have to often say in our committee: If the law is unambiguous on its face, we do not even look at the committee report. We do not even look at the floor debate. Only if there is ambiguity in the language of the law does the court have the ability or the authority to look at the committee report or at the floor debate to determine what we meant in the bill.

As far as I am aware, there is no ambiguity here that would cause the courts to look to the committee report.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to the gentleman from Illinois.

Mr. SIMON. The gentleman is correct in saying that there is no ambiguity because the law says cost of attendance is the maximum amount permitted. So if somebody is receiving a Pell grant or something else, that is taken into consideration.

Mr. ERLENBORN. I ask my colleague, does this say cost of attendance less grants and loans already received? Cost of attendance is a phrase of art.

Mr. SIMON. It certainly is a phrase of art, but the total that is permitted, if you have the book there, on page 52 at the top of the page you will see that the maximum you can receive in total is the cost of attendance.

Mr. ERLENBORN. If I remember correctly, we have even charts that show what the cost of attendance is at each of the institutions, because that is also a factor in determining the eligibility of those who are looking for Pell grants, and so forth.

Mr. SIMON. The gentleman is precisely correct.

Mr. ERLENBORN. But cost of attendance, as far as I am aware, in no case looks to the student's own capacity to pay, nor does it look to what aid they have gotten. Cost of attendance is tuition, fees, the cost of transportation, room and board, and it does not look to these other factors.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. ERLENBORN) has again expired.

(On request of Mr. GOODLING and by unanimous consent, Mr. ERLENBORN was allowed to proceed for 1 additional minute.)

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Chairman, I take this time only to point out that my concern during our debate on this issue, as the gentleman from Illinois knows, is that we do not know whether someone should be a teacher until after they have done their student teaching.

We do not want to attract people into the teaching field to get their college degree who we might indicate are outstanding math and science students. We have had a lot of those. I have had a lot of those in college.

They are lousy professors and lousy teachers. Whether 30 percent will do the job we want to do for those general science teachers who are out there who cannot get a job, those biology teachers who are out there who cannot get a job, Earth science teachers who are out there and cannot get a job, I am not sure whether 30 percent will be enough. I do not want to do anything to attract people into the field simply because they have math and science talent, because I have had a lot of those. We have dismissed a lot of those in the teaching profession. They are not teachers.

Mr. ERLENBORN. I thank the gentleman.

Mr. Chairman, let me make just one last observation. We have another phrase of art, and that is "remaining need." I do not see that this bill refers to remaining need.

□ 1700

The CHAIRMAN. The time of the gentleman from Illinois (Mr. ERLENBORN) has expired.

(On request of Mr. SIMON, and by unanimous consent, Mr. ERLENBORN was allowed to proceed for 1 additional minute.)

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am happy to yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, just so there is no misunderstanding and we are not talking about anything that is ambiguous, this is what the bill before us says:

• • • the sum of student assistance received under such title and a national teaching scholarship shall not exceed the cost of attendance (as such term is defined in section 482(d) of such Act).

We are talking about a very precise measured thing.

Mr. ERLENBORN. Yes. Can the gentleman tell me the definition contained in 482(d)? Does it take into account in determining the cost of attendance the amount of funds available to a student in his own capacity?

Mr. SIMON. It does.

Mr. ERLENBORN. It does?

Mr. SIMON. It does.

Mr. ERLENBORN. Mr. Chairman, I am going to have to look at that very closely. I will take the gentleman's word for it, but "remaining need" is the phrase that usually takes into account other resources available to the student rather than " cost of attendance," which has a different connotation.

Mr. SIMON. Mr. Chairman, if the gentleman will yield further, the "remaining need" is a phrase that is used under the guaranteed student loan program, not in this particular area.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. COLEMAN) to the Science and Technology Committee amendment.

The question was taken; and on a division (demanded by Mr. COLEMAN of Missouri) there were—ayes 32, noes, 28.

RECORDED VOTE

Mr. PERKINS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 138, noes 276, not voting 19, as follows:

[ROLL NO. 13]

AYES—138

Archer	Green	Parris
Badham	Gregg	Pashayan
Bartlett	Gunderson	Paul
Bateman	Hammerschmidt	Petri
Bliley	Hansen (ID)	Porter
Broomfield	Hartnett	Pritchard
Brown (CO)	Hiler	Pursell
Broyhill	Hillis	Regula
Burton (IN)	Holt	Roberts
Campbell	Hopkins	Robinson
Carney	Hunter	Rogers
Chandler	Hyde	Roth
Chappie	Kasich	Roukema
Cheney	Kemp	Rudd
Clinger	Kindness	Sawyer
Coats	Kramer	Schulze
Coleman (MO)	Lagomarsino	Sensenbrenner
Conable	Latta	Shaw
Conte	Leach	Shumway
Corcoran	Lent	Shuster
Coughlin	Lewis (CA)	Siljander
Craig	Lewis (FL)	Skeen
Crane, Daniel	Livingston	Smith (NE)
Crane, Philip	Loeffler	Smith (NJ)
Daniel	Lott	Snowe
Dannemeyer	Lowery (CA)	Snyder
Daub	Lujan	Solomon
Davis	Lungren	Spence
DeWine	Mack	Stangeland
Dickinson	Marlenee	Stump
Dreier	Martin (IL)	Sundquist
Edwards (AL)	Martin (NC)	Tauke
Edwards (OK)	Martin (NY)	Taylor
Emerson	McCain	Thomas (CA)
Erlenborn	McCollum	Vander Jagt
Evans (IA)	McEwen	Vucanovich
Fiedler	McGrath	Walker
Fields	McKernan	Weber
Fish	McKinney	Whitehurst
Franklin	Michel	Whittaker
Frenzel	Miller (OH)	Williams (OH)
Gekas	Moore	Winn
Gingrich	Moorhead	Wolf
Goodling	Nielson	Wortley
Gradison	Oxley	Young (FL)
Gramm	Packard	Zschau

NOES—276

Ackerman	Bonior	D'Amours
Addabbo	Bonker	Daschle
Akaka	Borski	de la Garza
Albosta	Bosco	Dellums
Alexander	Boucher	Derrick
Anderson	Bouquard	Dicks
Andrews (NC)	Boxer	Dingell
Andrews (TX)	Breaux	Dixon
Annunzio	Britt	Donnelly
Anthony	Brooks	Dorgan
Applegate	Brown (CA)	Dowdy
Aspin	Bryant	Downey
AuCoin	Burton (CA)	Duncan
Barnard	Byron	Durbin
Barnes	Carper	Dwyer
Bates	Carr	Dymally
Bedell	Chappell	Dyson
Beilenson	Clarke	Early
Bennett	Clay	Eckart
Bereuter	Coelho	Edgar
Berman	Coleman (TX)	Edwards (CA)
Bevill	Collins	English
Biaggi	Conyers	Erdreich
Boehlert	Cooper	Evans (IL)
Boggs	Courter	Fascell
Boland	Coyne	Fazio
Boner	Crockett	Feighan
Ferraro	Lipinski	Roe
Flippo	Long (LA)	Roemer
Florio	Long (MD)	Rose
Foglietta	Lowry (WA)	Rostenkowski
Foley	Luken	Rowland
Ford (MI)	Lundine	Roybal
Ford (TN)	MacKay	Russo
Fowler	Madigan	Sabo
Frank	Markey	Savage
Frost	Marriott	Scheuer
Fuqua	Martinez	Schneider
Garcia	Matsui	Schroeder
Gaydos	Mavroules	Schumer
Gejdenson	Mazzoli	Seiberling
Gephardt	McCandless	Shannon
Gibbons	McCloskey	Sharp
Gilman	McCurdy	Shelby
Glickman	McDade	Sikorski
Gonzalez	McHugh	Simon
Gore	McNulty	Sisisky
Gray	Mica	Skelton
Guarini	Mikulski	Slattery
Hall (IN)	Miller (CA)	Smith (FL)
Hall, Ralph	Mineta	Smith (IA)
Hall, Sam	Minish	Solarz
Hamilton	Mitchell	Spratt
Hance	Moakley	St Germain
Harkin	Mollohan	Staggers
Harrison	Montgomery	Stenholm
Hatcher	Moody	Stokes
Hawkins	Morrison (CT)	Stratton
Hefner	Mrazek	Studds
Heftel	Murphy	Swift
Hertel	Murtha	Synar
Hightower	Myers	Tallon
Horton	Natcher	Tauzin
Howard	Nelson	Thomas (GA)
Hoyer	Nichols	Torres
Hubbard	O'Brien	Torricelli
Huckaby	Oakar	Traxler
Hughes	Oberstar	Udall
Hutto	Obey	Valentine
Ireland	Olin	Vandergriff
Jacobs	Ortiz	Vento
Jenkins	Ottinger	Volkmer
Johnson	Owens	Walgren
Jones (NC)	Panetta	Watkins
Jones (OK)	Patman	Waxman
Kaptur	Patterson	Weiss
Kastenmeier	Pease	Wheat
Kazen	Penny	Whitley
Kennelly	Pepper	Whitten
Kildee	Perkins	Williams (MT)
Kogovsek	Pickle	Wilson
Kolter	Price	Wirth
Kostmayer	Quillen	Wise
LaFalce	Rahall	Wolpe
Lantos	Rangel	Wright
Leath	Ratchford	Wyden
Lehman (CA)	Ray	Wylie
Lehman (FL)	Reid	Yates
Leland	Richardson	Yatron
Levin	Rinaldo	Young (AK)
Levine	Ritter	Young (MO)
Levitas	Rodino	Zablocki

NOT VOTING—19

Bethune	McDonald	Smith, Robert
Bilirakis	Molinari	Stark
Forsythe	Morrison (WA)	Towns
Hall (OH)	Neal	Washington
Hansen (UT)	Nowak	Weaver
Jeffords	Ridge	
Jones (TN)	Smith, Denny	

□ 1710

The Clerk announced the following pair:

On this vote:

Mr. McDonald for, with Mr. Jones of Tennessee against.

Mr. RAY and Mr. KOLTER changed their votes from "Aye" to "No."

Mr. PORTER changed his vote from "No" to "Aye."

So the amendment to the Science and Technology Committee amendment was rejected.

The result of the vote was announced as above recorded.

□ 1720

AMENDMENT OFFERED BY MR. WALKER TO THE SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

Mr. WALKER. Mr. Chairman, I offer two amendments to the Science and Technology Committee amendment, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. WALKER to the Science and Technology Committee amendment: On page 40, line 14, strike "and", and on page 40, line 15, strike the period and add the following: ", and to create a pool of highly qualified new engineering, technical, and scientific personnel which will lead to the creation of a significant number of new jobs in these fields, and will strengthen the Nation's economy.".

On page 24, line 13, after "Personnel" add "and jobs creation".

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, these amendments are being offered today to emphasize the fact that this bill will be one of the most important pieces of legislation to be reported from our Committee on Science and Technology in this Congress.

At a time when we are struggling to free the Nation from a period of economic malaise brought on by more than 40 years of irresponsible spending by the Government on a whole spectrum of unnecessary, and often meritless Federal programs, the only way to encourage real long-term economic growth will be to create a favorable climate for a true growth in productivity.

This bill is no make-work panacea. It is no quickfix to unemployment. And, most importantly, unlike many other proposals being touted in the Halls of Congress these days, this bill is not a Band-Aid for a growing concern on the economy. But we are talking about jobs. People trained properly in science and mathematics will be more employable in the future.

There is a fundamental problem in America today which this bill addresses. We can no longer claim to be the world leader in many technical fields. We are raising a generation of Americans who are scientifically and technically illiterate. Our scientific and technical capacity has been on a downward trend for a number of years. Unless that trend is dramatically reversed the long-term implications for our economy are frightening.

This bill takes a giant step in the right direction. It will encourage new students in scientific and technical fields and will act to improve both their educational experience and their technical competence.

In doing this we insure a viable technological future for a new generation of Americans. But, equally importantly, we will create a new pool of highly qualified new engineering, technical, and scientific personnel. This will lead to the creation of new jobs in these fields and that is what will lead to long-term economic recovery and economic stability.

The Committee on Science and Technology recognized this fact and agreed with me when I offered amendments in committee to incorporate that recognition in the legislation. Only because of the way this legislation has been brought to the floor some of those amendments have been dropped, inadvertently, I am sure, or could not be offered in committee.

Let us take pride in the fact that this bill will create jobs. Be glad that this bill will pay long-term economic dividends. Agree with me that this approach is an honest jobs bill, not some shameless political sham like we so often see.

Mr. Chairman, I urge the adoption of my amendments.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the committee chairman.

Mr. PERKINS. If the amendment has been reported, I would be happy to accept it.

Mr. WALKER. I thank the gentleman for accepting it.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I would like to accept the amendments also.

Mr. WALKER. I thank the gentleman from Pennsylvania for accepting the amendments.

I would simply say the amendments are aimed at assuring that as we look at this bill we understand that there are 20,000 jobs out there in teaching and that we ought to concentrate the intention of the bill toward filling those 20,000 vacancies; also that we ought to recognize in taking this approach that what we are doing is assuring job creation for the future by training people in science and math.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Pennsylvania (Mr. WALKER) to the Science and Technology Committee amendment.

The amendments to the Science and Technology Committee amendment were agreed to.

AMENDMENT OFFERED BY MRS. ROUKEMA TO THE SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

Mrs. ROUKEMA. Mr. Chairman, I offer an amendment to the Science and Technology Committee amendment.

The Clerk read as follows:

Amendment offered by Mrs. ROUKEMA to the Science and Technology Committee amendment: At each of the following locations, strike out "mathematics, science, and critical foreign languages" and insert in lieu thereof "mathematics and science": page 40, lines 8 and 9, 10 and 11, and 21 and 22; page 40, line 25 to page 41, line 1; page 49, lines 23 and 24; page 51, lines 21 and 22; page 52, lines 15 and 16, and 21 and 22; and page 53, lines 10 and 11, 14 through 16.

Page 42, strike out lines 9 through 13.

Page 44, lines 13 and 14, strike out "mathematics, science, or a critical foreign language" and insert in lieu thereof "mathematics or science".

Page 45, lines 2 and 3, strike out "mathematics, science, or critical foreign language" and insert in lieu thereof "mathematics or science".

Page 51, lines 9 and 10, strike out "MATHEMATICS, SCIENCE, AND CRITICAL FOREIGN LANGUAGE" and insert in lieu thereof "MATHEMATICS AND SCIENCE".

Page 51, lines 16 and 17, strike out "mathematics science, and critical foreign language" and insert in lieu thereof "mathematics and science".

Mrs. ROUKEMA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

(By unanimous consent Mrs. ROUKEMA was allowed to proceed for 3 additional minutes.)

The CHAIRMAN. The gentlewoman from New Jersey (Mrs. ROUKEMA) is recognized for 8 minutes.

Mrs. ROUKEMA. Mr. Chairman, I offer an amendment to the Science and Technology Committee amendment. My amendment strengthens the bill by focusing the necessarily limited funds on the real emergency problem at hand—that is, the acute shortage of qualified math and science instructors in our elementary and secondary schools. My amendment would eliminate foreign language teaching as an objective of this bill.

Unfortunately, the current bill, and the pending Science and Technology Committee amendment, undermines this effort by including foreign language teachers as eligible for national teaching scholarships and summer institutes. In addition it includes foreign language in the institutional improvement and research and development programs. To mix metaphors, the bill puts apples and oranges into one basket and robs Peter without paying Paul.

If this is viewed as a "foot in the door," or the "camel's nose under the tent" by some of our colleagues who would like for the bill to retain foreign languages, they are barking up the wrong tree. The rationale for the approach taken in the emergency math and science bill has been threefold: First, the shortage of trained, certified teachers; second, competition from the private sector for those capable of teaching these subjects; and third, the steep, upward rise in the world of high technology. None of these factors apply to foreign languages.

Mr. Chairman, let me emphasize that I do not discount the need for improvement in the foreign language abilities of our Nation's students. However, the problem that lies in the area of foreign language is not one of a shortage of qualified instructors. Recent studies have demonstrated that teacher supply is adequate to meet the demand for teachers in the major foreign languages and, in fact, there is a slight surplus in some regions. According to the National Center for Education Statistics, layoffs of elementary and secondary foreign language teachers was second highest among all fields—second only to art teachers. As a percentage of all shortages among teachers, foreign language teachers constituted a low 1.1 percent—compared to 8.3 percent for math teachers, 5.5 percent for physical sciences, and 2.1 percent for general science. In view of these statistics, one can only conclude that including foreign languages in this bill is well-intentioned, but misdirected benevolence.

Clearly, our education system's failings in the area of foreign languages are not due to teacher shortages, but, instead are a result of a decline in foreign language entry requirements for college and a feeling on the part of students that they do not need foreign languages for employment opportunities. In fact, one can reasonbly conclude that, if we put the bill's funds into training of foreign language teachers, we will likely be preparing them for jobs that do not exist.

Both committee reports do point to a need for instructors in some of the more highly specialized languages, such as Arabic, Japanese, and Russian. However, if this is indeed a problem, it is ludicrous to try to throw these apples and oranges into a math and science bill, which is directed toward shortages of teachers at the elementary and secondary level. If the schools are having problems getting students to take the more traditional languages—French, German, Spanish—I hardly see where they will be clamoring for teachers of Arabic, Japanese, and Russian. If our problems with those languages is indeed real, a new initiative is necessary, or perhaps adding funds to existing programs such as the international education programs.

Compare now the supply of math and science teachers to that of foreign language teachers. Statistical data clearly points to what we already know: there is an acute shortage. According to a survey of the National Science Teachers Association, about 32,000 classes—involving 640,000 children—in science and mathematics needed for the 1982-83 school year were unable to be scheduled due to lack of teachers or resources. Less than two-thirds of all high school districts have physics teachers and only 31 percent of all high schools offer courses in calculus. This is principally a result of the dramatic decline in the number of teachers trained annually to teach these subjects. Over the past decade, there have been 77 percent fewer teachers trained in math and 65 percent in science. Compounding the problem, among those who are teaching math and science, the number of unqualified teachers in secondary school classrooms has been estimated to be as high as 50 percent. All of this is occurring at a time when the greatest demand for new jobs is in the high-technology industries where math and science skills are a prerequisite. Thus, we have not only a problem of supply, but also of upgrading of skills to meet the current state of the art and to train currently unqualified and uncertified teachers.

With a problem of such serious proportions, how can we justify taking our limited available funds, which will allow for only 5,000 scholarships next year and 10,000 thereafter, and undermine it by adding a foreign language where there is presently an oversupply.

Mr. Chairman, the bill and the pending Science and Technology Committee amendment are attacking the foreign language problem with the wrong weapon. To simply add foreign language to the eligible activities of the bill is nothing more than symbolic and, in fact, can worsen the overall education problem by contributing to further layoffs and diverting funds from an area where they are clearly needed.

Therefore, I urge the support of my amendment to insure that we achieve maximum use of funds for a problem of critical importance.

□ 1730

Mr. SIMON. I rise in opposition to the amendment.

Mr. Chairman, this is a well-intentioned amendment. Unfortunately of all the bad amendments we have this is the worst, because it attacks a fundamental weakness in our science and math area, science particularly.

Let me point out that we are not mixing apples and oranges. When we had two panels of scientists before the Science and Technology Committee, my good friend from Oklahoma (Mr. MCCURDY) asked the one panel: "Should we include foreign languages?" And the panel unanimously said, "Yes."

I asked the second panel, I do not recall the names of the scientists, and the one scientist said, "It is a desperate need."

Now, why is it a desperate need? Well, my friends you have to reflect just a little bit. What are the high-technology countries? They are not English-speaking countries. And the scientific exchange that is taking place today is a one-way exchange. Our good friends in Japan learn and understand English and they get our information and knowledge. But we are not studying Japanese or German or the other languages where we have this problem.

So, we have, in this bill, 10 percent of the scholarship provisions or about 1 percent of the total in this bill is assigned to this need. And I would point out one other thing: The Secretary of Commerce tells us, in speeches around the Nation, and his predecessors also, that if we want to sell abroad we are going to have to learn other languages. I heard in testimony this morning, and I have not seen the speech, but the Secretary, Secretary Weinberger, spoke last week before a group of educators and said there are three fundamental needs in the field of defense, as far as precollege education and college education: Science, math, and foreign languages.

So, we are talking about something that is not theory, we are talking about something that is not simply a desirable cultural exchange or something like that.

We are talking about something that is very, very fundamental.

Let me add one other thing: Congress has many strengths, but we also have some weaknesses. One of our weaknesses is we respond to yesterday's problems and today's problems. We are not very good at responding to tomorrow's problems.

And here, every study I have seen, every study, without exception, suggests this is a major problem that we are going to be confronting. It is a spotty problem now. If the gentlewoman from New Jersey is talking about Spanish teachers right now, there are some areas but it is not an overwhelming problem. But if you are talking about teachers of Japanese, teachers of Italian, teachers in many areas, then you are talking about a very serious problem.

So, I would hope, with all due respect to my friend, that her amendment, well-intentioned, but a backward step, would be rejected.

Mr. MCCURDY. Would the gentleman yield?

Mr. SIMON. I would be pleased to yield to my colleague.

Mr. McCURDY. I also rise in opposition to the amendment. I would state originally when this initially came up I did have some opposition to the language provisions. But after discussions with the gentleman in the well and his leadership in that area I also concluded that there is a need. I might add that the gentleman worked with the Science and Technology Committee and agreed to limit the amount of money designated for languages.

□ 1740

And also to include an important designation and that is the need for critical languages. As a member of both the Armed Services Committee and the Select Committee on Intelligence, we were able to make some designations and come up with some areas where national security is involved and based on those considerations and the work that the gentleman has done and his willingness to compromise; I support the gentleman's position and oppose the amendment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(At the request of Mr. DE LA GARZA, and by unanimous consent, Mr. SIMON was allowed to proceed for an additional 4 minutes.)

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to my colleague, the gentleman from Texas.

Mr. DE LA GARZA. I appreciate the gentleman yielding. I am sorry that I was out of the Chamber, but I was watching on TV. I came right away because the gentleman and I have spoken so many times about what he so eloquently discussed a little bit ago.

Let me say how heartily I concur with the gentleman, because in two areas, one in the agricultural sector where it is the only positive balance-of-payments sector that we have in America and yet one of the areas in which we are so deficient is that all the other countries in the world when they come into a country to sell their products, they come not only wearing the clothes of that area, knowing the culture, the idiosyncrasies and the customs, but speaking their language.

I have in a very cursory way made a study. In America we speak more languages than in any other country in the world, but yet we are a monolingual society. We cannot go to the other countries. Once you get out of the little neighborhood or once you get out of the ethnic area, we are monolingual. We cannot speak any other languages.

So it is in the science field. i have tried to work with a few languages myself and I find out how helpful it is in every area, in diplomacy and just being good neighbors. Even when you have sensitive areas to discuss, how much easier it is when you discuss it in the language of the other party. By and large, the other party speaks English. I have not seen a foreign official, including some of our adversaries with whom I have met, that does not speak English; but you can see the change in expression when you speak their language.

In technology, in medicine, in engineering, in avionics and space, certainly language is the most important factor when you are dealing with plans and when you are dealing with technology at very high levels.

I will not speak against the amendment of the gentlewoman from New Jersey, but I will say that the gentleman is correct and I join him in his opposition to the amendment, because I know the positive side that strategic language studies can mean to our country, not only in the national defense, but also in how we trade with other countries and eventually how we live with other countries.

The planet is so small that we should as Americans have as the primary effort for our integrity and for our defense being able to communicate with the rest of the world in their languages.

Mr. SIMON. Mr. Chairman, I thank the gentleman from Texas. I agree with him completely.

Let me add just one other point that what the gentleman has said reminded me of. A decreasing percentage of the world's technical journals are printed in English. An increasing percentage are printed in other languages.

The United States represents 3 percent of the world's population. If you believe that 3 percent has a monopoly of the world's technical knowledge, then support the amendment of the gentlewoman from New Jersey. If you believe there is a chance that we can learn from others, then I hope you will reject that amendment.

I thank the gentleman from Texas.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all, I would like to say that I think the gentlewoman from New Jersey made one of the better statements that I have ever heard made on this floor. The gentlewoman was not in any way indicating that she did not think we as Americans should not become more concerned, more interested, more knowledgeable, more capable in dealing with foreign languages. She did not say that at all.

What she said was that this bill is geared to prepare for a shortage of science and math teachers. That is what the bill is all about. There is very little money involved.

Now, we try to take that little money and spread it beyond and that just does not make good sense.

What we are trying to do in this bill is try as quickly as possible to get the critical shortage areas in the teaching profession brought into balance with our needs; so we are trying to get those math and science teachers trained as quickly as possible.

Let me point out that if we are talking about math and science in foreign languages, then certainly the only area in this bill that we should be concerned with is the area that would deal with scientists, would deal with sophisticated technical capabilities to read the research and to comprehend what is written in that research. We certainly should not be talking about conversational language in this kind of bill.

In fact, as someone will point out, in the budget from our committee we talk about new initiatives in foreign languages. They are important; although, let me tell you, we do not know how to accomplish it. We have not given much thought to that. About the only way you can do it is to mandate from the Federal level that the colleges will demand foreign languages in their entrance requirements. I do not believe we ever want to do that from the Federal level.

One statement was made that is incorrect that I would like to call to your attention. When many of us in the Congress of the United States attended college and attended high school, the diplomatic language worldwide was French. Do you know what the diplomatic language is now? It is English.

The language of science and mathematics when I was in high school and when I was in college was German. Do you know what it is now? It is English.

Let me quote from Newsweek November 15, 1982:

> English has replaced French in the world of diplomacy. English has replaced German in the field of science. English replaced German after World War II when scores of German scientists moved to Britain and the United States. Now two-thirds of all scientific papers are published first in English.

The teaching of English is so important in this country of ours because of the changes that have been made worldwide.

Let me again say that my colleague, the gentlewoman from New Jersey, agrees, I am sure, with what the gentleman from Illinois said and what the gentleman from Texas said about our need to be bilingual, but that is not what this bill is all about. This bill is talking about training teachers quickly to fill the vacancies that exist in advanced mathematics and in advanced science. I think that is what we should concentrate on with these limited amounts of funds.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I would just like to make another observation and also reiterate the fact that we have to start with the basic understanding that there is presently no shortage in foreign language teachers. The problem has a very different character than the one we are dealing with in math and science; but I would like to comment on the attribution that this has somehow something to do with national defense or foreign policy or intelligence. I think that is irrelevant to this bill.

There is no question but that we have been notorious in this country for not having diplomats that know how to speak the language, but I think there is quite a different kind of approach to dealing with that problem than training elementary and secondary foreign language teachers on a crash course. That is my conviction on this particular issue.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Illinois.

Mr. SIMON. I have two comments. No. 1, the quotation the gentleman made from Newsweek is correct, but my statement remains correct and that is that a decreasing percentage of the world's technical journals are in the English language.

I would simply point out one important factor, just one little incident. An engineer from Michelin, the French radial tire manufacturer, published an article in a French technical journal why certain processes do not work in the manufacture of radial tires. It so happened that no one in Firestone read the French technical journal and they made some mistakes that cost them tens of millions of dollars.

□ 1750

Just one point. If I could respond to the gentlewoman and take your time, and I appreciate your courtesy, when the gentlewoman says this is not a security bill, one of the reasons for this bill is that the Armed Forces of this Nation face a major problem.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. GOODLING) has expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 2 additional minutes.)

Mr. GOODLING. Can the gentleman wind it up quickly?

Mr. SIMON. Yes, and I will just take 30 more seconds.

Mr. Chairman, when the Secretary of Defense tells us we better pay attention to this area, when former Deputy Director of the CIA, Admiral Inman, says this is a major security problem, we can ignore them. We can ignore these scientists who testified before the Committee on Science and Technology, but I hope we have the good sense not to ignore them.

Mr. GOODLING. May I just respond very quickly by saying that the gentleman has reinforced my argument. When I say if there is any connection in this particular legislation with a foreign language, it is in the area of reading and comprehension of scientific and technical research. We are not going to get to that point, we are not going to save that tire company you mentioned earlier, by simply training more teachers.

That is why I believe there is a vehicle, there is a need to do what the gentleman wants to do, but it is not in this particular legislation.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield for just one question?

Mr. GOODLING. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for yielding.

Mr. Chairman, the author of this proposal has been the distinguished chairman of the Postsecondary Education Subcommittee for some years, and I would like to ask a sincere question.

I alluded in my statement to the fact that there are existing programs, perhaps the international education program, which are existing, not funded I am sure consistent with what you feel the funding level should be, but is that not a more appropriate vehicle, particularly since it had its inception, I believe, in concern over the precise national security and foreign policy questions that you have in mind? Is that correct?

Mr. SIMON. If the gentleman will yield, I would be pleased to respond.

Mr. GOODLING. I yield to the gentleman from Illinois.

Mr. SIMON. That is title VI of the Higher Education Act. It is funded at $26 million. It primarily teaches some of the lesser known languages, but it does not address this problem at all. This problem is a different problem and a very real problem.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. GOODLING) has again expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 1 additional minute.)

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to my colleague, the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask a question of the gentleman from Illinois.

Are we including foreign languages in this bill because there is a crisis in the learning of foreign languages that goes beyond science and math teaching? Is that what we are doing? I think there is a crisis in foreign languages, just as the gentleman does.

Mr. SIMON. If the gentleman from Pennsylvania would yield to me, I, frankly, believe there is this overall problem, and this, in a small way, addresses that, but there is in the scientific and technical area a very real problem.

The majority of teachers of German and other languages in our schools are literature-oriented. They are not oriented toward the technical fields, plus we are not developing the teachers in Japanese, Arabic, and some of the other areas.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. GOODLING) has again expired.

(On request of Mr. RITTER and by unanimous consent, Mr. GOODLING was allowed to proceed for 2 additional minutes.)

Mr. RITTER. I understand what the gentleman from Illinois is saying, and I think that is a very important point. I think there is, indeed, an enormous crisis in foreign language knowledge and training in this country. However, if we want to concentrate on the technical side of those foreign languages, for example, in dealing not only with scientific literature but in dealing with export markets in high technology, then I submit that Arabic is not one of those languages. There is a great need to learn Arabic, but it is not really related to the science and technology, certainly not on the research side, but perhaps it is related on the export side of high technology products.

I would urge my collegues to see this one clearly: Japanese language training in this country is like a desert. It is empty and it is in great need of irrigation, planting and nurturing. If the money in this bill all went into learning Japanese and teaching Japanese, we would have made a great stride forward in the science and technology aspects.

Russian, for example. I do not feel at this point, speaking fluent Russian by the way, that Russian is a necessity for science and math. Basically the great majority of work that is coming out of the Soviet Union that is high quality is in English, but for export and for training and for education, we have a tremendous vacuum in the field of Japanese, and I might add Chinese, not even so much for mainland China, but Chinese for east Asia.

Mr. CORRADA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I am concerned that in addition to a shortage of science and mathematics teachers in our country there is another equally serious problem in our educational system—the lack of foreign language proficiency by our youngsters. For this reason I want to emphasize the importance of the provisions under part B of H.R. 1310

which would allow teachers to be trained for careers in foreign language instruction as well as science and mathematics.

Our Nation has failed for years and years to face the reality that one of the reasons we do not get our message across to the peoples of the world is due to the cultural isolationism in which we keep ourselves.

There is some degree of resentment against the United States in Latin America, for example, because of the lack of proficiency of American men and women in understanding foreign languages, including Spanish. There is a perception among many peoples of the world, rightly or wrongly, that there is a degree of arrogance among English-speaking people who do not care about other languages because they think English is the language of the world and others should learn our language if they want to be able to talk to us.

Let me say this. I am a proud Puerto Rican and a proud American citizen. In Puerto Rico every time someone comes from the U.S. mainland who can say a couple of words in Spanish, the doors of understanding and better relationships are immediately opened. Yes, I am fully supportive of science and math. It is the time to pass this bill. But I will tell you that knowledge of a foreign language by English-speaking children and youngsters of this Nation—not Hispanic children or those who need bilingual education, but the typical American male and female who only knows English and has a dire need to understand foreign languages, whether it be Spanish, French, Japanese, German, or Russian—must become an integral part of our education system if we want to keep the United States from becoming isolated from the rest of the world. Now more than ever, with the threat of mass destruction hanging over our heads, we need to be in the position of being able to persuade the other countries of the world to follow our leadership in strengthening democracy and peace.

So I would hope that while we debate the merits of H.R. 1310 we do not fail to remember that human understanding between all the nations of the world is just as important as expertise in science and math. Science and math can lead us to destruction, but human understanding can allow us to use the talents of our children in science and math to make sure that the generations to come are able to live in a world of peace.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. CORRADA. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Chairman, I would just like to assure the gentleman that there is no one on this side who does not agree wholeheartedly with his comment when he says the lack of proficiency to speak and comprehend foreign language is a disgrace in this country.

□ 1800

Our only argument is that this is not the vehicle. We have money allocated in our budget from the Education and Labor Committee where we could really attack this.

What we are talking about, 10 percent of the little bit of money that we have here in the first place, even if they used it all, would not begin to make a dent in what it is the gentleman is talking about. I agree with what the gentleman is saying. I think we need to come up with a vehicle to do exactly what the gentleman is talking about.

Mr. CORRADA. If the gentleman will yield back, I will say that obviously we do not intend in this bill through this provision pertaining to foreign languages to address the brother problem of lack of knowledge of foreign languages by youngsters. But by simply allowing that some funds under this bill, a very modest amount, may be utilized in connection with teaching of foreign languages for people who may be interested in using that knowledge in the furtherance of science and math is something that is perfectly valid, and I do not see why it cannot be done.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. CORRADA. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, I simply want to commend the gentleman. It is true this bill is about science and technology. But we have a problem in that area. The gentleman has pointed this out well, and I commend him.

Mr. ERLENBORN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I have been listening to this debate, and I do rise in support of the amendment. But I have found the debate very interesting, in that there seems to be no difference of opinion at all from one side of the aisle to the other, the supporters and the opponents of the amendment, that there is a problem with our foreign languages capability.

So this is really not a debate over whether we should do something or not. It is really a debate that I would say is based on an issue of confidence.

I think we have more confidence in the gentleman from Illinois than he has in himself. We have confidence in the gentleman that he understands this problem and can help fashion the solution and then get a comprehensive program for foreign language instruction through our committee and through this Congress.

We also believe that, once he does that, the problem will be better addressed than if we nibble away at it. We add a little bit here in one program, and a little bit more in another program, and a little bit there. And you know what happens? Each program has its own overlay of administrative costs.

How much better it would be if the gentleman would put his efforts into designing and carrying through our committee in the Congress a comprehensive program that everyone here today seems to admit is necessary. And instead of having a web of administrative costs over little programs attached to popular bills on other subjects, the gentleman would have one program with less administrative costs that would address the problem better.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Illinois, in whom I have the greatest confidence.

Mr. SIMON. Mr. Chairman, I appreciate that great confidence the gentleman has in me. And I would have greater confidence in the answer the gentleman provides if he can give me assurance that when we come up with this comprehensive program, that the President of the United States will sign that program.

Mr. ERLENBORN. Oh, is that why the gentleman is attaching it to this bill? The gentleman thinks he is going to sign this one?

Mr. SIMON. I believe the President will sign this one.

Mr. ERLENBORN. Well, the gentleman may have placed his confidence in the wrong bill.

Mr. BATEMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened for some time this afternoon to the debate on this and the previous amendments, and I find myself in the unusual position of wondering who is on what side, because it has, as just observed, come through to me that there is little if any disagreement in terms of what our defined national objectives ought to be.

Obviously, we are here dealing with a bill that has as its purpose and at its outset had as its purpose the enhancement of scientific and mathematical education and training. No one in any sense fails to recognize that we are a nation critically deficient in linguistic skills. Sometimes I have even heard it said that we speak one language poorly. We certainly do a very poor job of speaking more than one.

But that is not the issue, and I think there is an inherent danger that if we are indeed serious about our linguistic deficiencies that what is offered in this bill is going to be no more than some pablum, some symbolism that

makes it more difficult for this Nation to really address the problem.

If this bill dealing with science and technology or science and mathematical education addressed funding to make available from all of these Japanese scientific technical journals and other critical language journals material that American scientists ought to have access to and meaningful ability to understand to translate them, it would have some immediate practical implication in terms of the national problem. Without this amendment, all that is going to be done is divert a part of the funds which would be provided under this bill to offer scholarships to some amorphous group out there somewhere that we hope will emerge and want to take courses in learning how to teach Japanese, Chinese, Arabic, or whatever is defined as a critical language. It is not going to happen that way. We are not going to accomplish anything by adding foreign language, even indeed critical foreign languages, to the provision of this bill. We are going to be purporting to do something about a problem when we actually accomplish nothing but the expenditure of some more money.

Let us reserve that money. Let us reserve our very efficient capability to fund programs which are needed and spend it in a well-directed program.

The amendment of the gentlewoman from New Jersey has been referred to as being a misguided, well-intentioned effort. I would suggest that the provision in this bill as it comes before us with foreign language provisions in it makes it in that regard an unguided missile. We are throwing some money at a problem. The problem is there. The problem is real. But throwing that money through the vehicle of this bill is not addressing the problem.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, was the gentleman there when the scientists who testified before the Science and Technology Committee were asked whether it was important that we include this for science and technology reasons?

Mr. BATEMAN. The answer to that question is that the gentleman was not, in fact, present when that was said, but I have heard the gentleman from Illinois relate it as being a fact and certainly I would not dispute the fact that some eminent scientist from somewhere said it at the committee when I was not present.

Mr. SIMON. It is interesting that we had two panels of scientists, and they all said the same thing.

Now, maybe these scientists do not know what they are talking about. They were not there at my request, but it occurs to me that maybe this House ought to listen to some of these scientists.

Mr. BATEMAN. I would suggest to the gentleman, in response, it is more than appropriate that we listen to these scientists. It is certainly more than important that these scientists help us convince the people and all of the Congress that we indeed need to do something about our language deficiencies. But I would suggest that perhaps a scientist is not the area of expertise that I would go to in terms of how to solve the problem in the teaching of science and in the funding the most effective way to get the job done.

Mr. PANETTA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think the most important thing we have to ask is: What is the purpose of the bill? And that has been mentioned a number of times. The purpose is, obviously, to deal with science and technology as it relates, obviously, to our overall national security, and the reality is that if any of us go to Japan or to Germany or to the Soviet Union, their training in terms of science and technology is interrelated with language training. They are not separate. They would not divide it. It is key. It is together, because it serves as an information exchange, because it relates to the interchange of ideas between countries, and because, more importantly, they feel, the scientists themselves feel, that that kind of training is essential if we are truly to improve our science and technology in this country.

The status of foreign language training in this country is scandalous. That is not my word. That is not just the view of Members who have spoken here. There was a national commission established that looked into this issue, and in 1979 reported back to the country that the status of training in foreign languages in this country is nothing less than scandalous. That is cause for concern.

The gentleman from Illinois and I have been raising this issue year after year since then, and nothing happens. Nothing happens.

□ 1810

Obviously we would like to see a comprehensive bill on language training coming out, but it has not moved.

It is related to the issues that are raised here in science and mathematics, and for that reason I think it is most essential that we retain it certainly at the higher education level.

The issue has been raised in several areas that I think are cause for concern for us. The CIA has obviously referred to this as an area where language training is not only getting bad, it is getting worse. The military has tried to increase the number of students going to the Defense Language Institute which is in my district because they see a desperate need to increase language training because it is so essential to our national security.

In foreign policy I can give you example after example of how your embassies have virtually failed to provide diplomats who have proper language training. Examples have been shown in Afghanistan with the Soviet Union all around your embassy and when a Soviet soldier went into our Embassy to surrender to our Embassy there was not anyone in our Embassy who could speak the Soviet language.

In Iran, out of 60 diplomats that were there for us, only 6 spoke the language of the country of Iran.

There is example after example after example and it is an outrage. We ought to be concerned about it.

The Japanese, the Soviets, the Germans understand the importance of this and are emphasizing language training.

Why is it a problem here? Because of the attitudes that have been reflected on the floor. We are all concerned about it but obviously it should not be something that we focus on in this issue. Let us deal with it later.

Teachers, we have teachers, but somehow we do not know whether those teachers are trained to fully deal with the language and whether they are in the areas of concern that we should be focusing on in terms of language training.

This needs to be addressed now, not later. I happen to believe that there is a fourth R developing if we believe in a modern world and we want to participate in this modern world. That R is a reality. It is the reality that relates to our national security. It is the reality that relates to our diplomacy. It is the reality that relates to our economy, and if we are going to participate in that world of the future then we have to start now.

It is for those reasons that the amendment of the gentlewoman ought to be rejected.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. PANETTA. I am pleased to yield to the gentleman.

Mr. SIMON. It occurred to me while I was sitting here one other little incident that I hope may have some impact on any of our colleagues who have not made up their mind.

Last week I noted on my schedule that the head of the National Science Foundation, Mr. Ed Knapp, was coming to my office. I thought, well, maybe he is going to ask me to get rid of the foreign language provisions in here.

He came in and he said, "I just want to thank you for adding this provision in your emphasis here. It is needed."

I thank the gentleman from California.

Mr. PANETTA. I thank the gentleman.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, thank you, and my colleagues, and particularly this distinguished chairman of our Subcommittee on Higher Education. It is difficult to stand up in opposition to his concerns in this particular area, but I want to go back to what I said earlier this afternoon in the general debate, and that is let us understand what we are doing today.

We are trying to target a very limited and yes, inadequate amount of money to a very serious problem that we have.

If I heard one criticism of the National Defense Education Act from all of you who have far more information and understanding of that act than I do, it is we try to do way too many things with too few dollars and, frankly, we accomplished little if anything because of that.

Earlier today the Education and Labor Committee marked up the budget recommendations that were forwarded to the Budget Committee. I think we need to understand that in those actions we show that it was not only the majority party but the minority party who shares the concern and the commitment to foreign language education that must come out of this Congress for our recommendations from the minority side which included some $50 million in initiatives for foreign language in this session of Congress and in the fiscal year 1984.

We share that commitment, and something ought to be done, but now is not the time to do it in this particular bill.

The only thing I can add that has not been said, I think, is understand what all of this means to your State and to your district. We are talking about a total of $20 million in the scholarship area. We are talking about the fact that in the formula each State is going to have 20 applicants for scholarships times the number of congressional districts, so we are sort of assuming at the maximum you are going to get 20 scholarships in your particular district.

When I look at my own State I find that we have between a 30- to 40-percent shortage of math and science teachers and I say, then, is this the place to put a dilution, to put a requirement or an opportunity that some of that money can go for foreign language when we cannot even make the basic intent.

You know, if we want to accomplish what we are talking about here with foreign language being a part of the necessity to understand math and science in this country, I would suggest we do two things. No. 1, we as a Congress pass either a law or a resolution calling on every college and university in this country to end their entrance requirements, insist that any of those students entering college must have taken some foreign language in high school. They do not do that today. We all have talked about the Ph. D.'s who have never had even a course in a foreign language.

Second, perhaps what we ought to do is not be spending dollars, but what we ought to do is simply require these same colleges that in any of their bachelor of science degrees issued in this country from any college or university that they must have a foreign language requirement to get that bachelor of science degree.

There are ways in which we can accomplish this without simply diluting the limited $20 million we have.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield.

Mr. SIMON. I thank the gentleman for yielding. I have great respect for my colleague from Wisconsin.

If we were to require what the gentleman suggests we would for the first time in the history of this Nation have the Federal Government moving into those colleges and universities and saying, "You have to teach this."

I have avoided that and I think this Congress ought to continue to avoid that.

I think we have to say what are ways that we can meet the problem that are in line with our traditions and it seems to me that the bill as it now is is in line with our traditions.

With all due respect to my good friend from Wisconsin, what he suggests is a significant departure from what we have done. I think it is a departure that we should not make.

Mr. GUNDERSON. I agree with the gentleman. I do not think this Congress ought to mandate by law that that be done.

Mr. SIMON. Then I misunderstood the gentleman.

Mr. GUNDERSON. I think the response that ought to be given to those panels of scientists from the universities who come to our committees and sit there and say we have got a problem, people do not understand foreign language so you, the Federal Government, give us more money, because money is the end all, the fact is we ought to tell them "Go home, get your house in order. If you think your scientists need foreign language requirements, mandate it as a part of the requirement to get a degree from that university. Do not always come to us and ask us for money."

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield.

Mrs. ROUKEMA. I am really most appreciative for the gentleman from Wisconsin's statement because he has brought the issue back to first principles, which is really what is involved here.

Never mind the obfuscations concerning foreign policy and diplomatic needs. The real issue is we have a limited number of dollars. We have a crucial shortage of math and science teachers. These funds are going to be distributed across the States and how much of those funds do you want to be diluted or undermined by spreading them thinner through an inappropriate response to the foreign language policy?

Mr. PACKARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the amendment is designed to do basically two things, in my judgment. One is to prevent the dilution of funding in a bill that is designed to solve a major problem in this country, and that is a shortage of math and science teachers.

Second, it is designed to prevent a dilution of another program that the chairman of the subcommittee that is concerned about this issue has designed to prevent it from diluting a meaningful foreign language program.

I do not believe that the amendment is designed at all to dispute the need for improvement in the foreign language program. Because of that I think we ought not to allow foreign language and its needs to enter into diluting what we have now worked so hard to design, a very important bill that addresses the math and science problem.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. PACKARD. I yield to the gentleman from Illinois.

Mr. SIMON. The gentleman, as so many others have used this term about diluting. Let us talk about what we are doing. We are talking about a $425 million bill, and the maximum on foreign languages in this is $5 million, or about 1 percent.

□ 1820

Now, that is the dilution that you are talking about. And when the scientists tell us we ought to be doing it.

Mr. PACKARD. But the general impression of every member of the committee has been that this is not enough to really even address the math and science problem. Then to further dilute what is already perceived by the majority of this committee, to extract from what is perceived to be an inadequate amount to address the math and science problem, then maneuver that over into a totally unrelated, in my judgment, area that would prevent us from meaningfully addressing the foreign language at another time, to me would not be in the best interest of what we have been

working toward in the existing bill. For that reason I would support the amendment to keep the bill as clean as possible, to allow it to remain to help solve the problems of math and science rather than eliminate the possibility in the future of addressing the foreign language problem. I personally feel it would be very difficult, Mr. Chairman, to even set up the program and to administer the program of foreign language with the small amount of money that we are talking about and it would merely prevent us from meaningfully getting into the foreign language program at a later point.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey (Mrs. ROUKEMA) to the Science and Technology Committee amendment.

The amendment was rejected.

AMENDMENT OFFERED BY MR. ERLENBORN TO THE SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

Mr. ERLENBORN. Mr. Chairman, I offer an amendment to the Science and Technology Committee amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN to the Science and Technology Committee Amendment: Page 46, line 6, after the period insert close quotations marks and a period, and, beginning on line 7, strike out all of part C through page 47, line 19.

Mr. ERLENBORN. Mr. Chairman, this amendment would eliminate part C (teacher incentive grants) from title I of the bill. This is an important amendment because it is part of a series of amendments I intend to offer which would result in a $50 million program designed to increase the short-term supply of mathematics and science teachers. My series of amendments, in effect, would replace the proposed $400 million package with a more efficient and reasonable proposal—one designed to meet the emergency without ignoring an even more immediate crisis—the looming $200 billion budget deficit.

To summarize, this amendment strikes part C of title I (teacher incentive grant program). It is the first of three amendments I intend to offer with the goal of having the bill consist of only title I, part B (teacher scholarships/summer institutes and postsecondary assistance) at a total cost of $50 million.

Mr. Chairman, I hope that the amendment may be considered and adopted with little or no further debate.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

I will not take the 5 minutes. Congressman MILLER in committee offered this amendment. It involves $5 million.

The amendment would eliminate the teacher initiative grants in part C of the bill. Mr. MILLER had an idea that it may encourage better teaching in math and science if some grants were made directly to the teachers.

Now, I oppose the amendment offered by the gentleman from Illinois (Mr. ERLENBORN), that this new program will do some good, making some small grants to the teachers, I have no objection to trying this idea.

This section of the bill was added by Congressman GEORGE MILLER in the Education and Labor Committee. It is for fiscal year 1985 only, not for fiscal year 1984, on a trial run basis for 1 year. And it is the only section of the bill that directly rewards classroom teachers for creative ideas, with funds to improve classroom instruction.

Under the circumstances I would urge the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ERLENBORN).

The question was taken; and on a division (demanded by Mr. ERLENBORN) there were—ayes 12, noes, 28.

So the amendment to the Science and Technology Committee amendment was rejected.

AMENDMENT OFFERED BY MR. HARRISON TO THE SCIENCE AND TECHNOLOGY COMMITTEE AMENDMENT

Mr. HARRISON. Mr. Chairman, I offer an amendment to the Science and Technology Committee Amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRISON to the Science and Technology Committee amendment: Page 49, line 21, insert "certified" before "teachers".

Mr. HARRISON. Mr. Chairman, I will not take 5 minutes but to explain briefly.

The purpose of this amendment is to limit eligibility for the summer institute program and only for the summer institute program to certify teachers.

Mr. GOODLING. Mr. Chairman, would the gentleman yield?

Mr. HARRISON. I will be happy to yield to the gentleman.

Mr. GOODLING. I thank the gentleman for yielding.

We would be happy to accept the amendment on this side.

Mr. HARRISON. I thank the gentleman.

Mr. PERKINS. We see no objection to it.

Mr. FUQUA. Mr. Chairman, I rise in opposition to the amendment.

We do not accept the amendment. This was a provision that was offered by the distinguished gentleman from California (Mr. DYMALLY), who is a member of our committee and it was intended that with this, that it is not required that teachers or supervisors be certified, but it was the committee's intent that such participants at least meet the mimimum requirements required for teaching in the private or nonpublic schools in a particular State. In addition it is intended that such programs also provide for allowing at least some portion of training people who have outstanding experience in science, math, engineering and so forth.

I think to do this gives some flexibility to a teacher who may have only 1 or 2 hours of college credit lacking certification.

□ 1830

This would provide the means whereby we could certify more teachers in this field.

So I would be happy to yield to my colleague, the gentleman from California (Mr. DYMALLY), who is an authority and has been on the certification board of the State of California, certified in five subjects. I think probably more than anybody in this House the gentleman is familiar with the issues involved in this particular item.

Mr. DYMALLY. I thank the chairman.

Mr. HARRISON. Mr. Chairman, may I reclaim my time just to make a brief statement and then I will be happy to yield.

The CHAIRMAN. The gentleman from Florida has the time at this time and is recognized for 5 minutes.

The Chair will protect the gentleman.

Mr. FUQUA. Mr. Chairman, I am happy to yield to the gentleman from California.

Mr. DYMALLY. I thank the gentleman.

Mr. Chairman, this can be called the exclusion amendment. In California we used to call it the Einstein exclusion amendment because under the provisions of this amendment if Einstein were alive he would not be able to teach in the California schools, as a result of which our former colleague, Leo Ryan, headed a joint committee on teacher credentials and we traveled all over the country looking at this problem.

What was intended here was to provide an opportunity for people who are qualified in the field of math and science to take advantage of the provisions of this bill so that they can become certified.

The amendment before us would limit access to the programs in the emergency science education bill to certified teachers. On the face of it that would seem reasonable. After all, we do not want unqualified people teaching our children. But this amendment is deceptive. It will not accomplish what it appears to accomplish. As a teacher possessing four teaching credentials, and as a former member of the Joint Committee on Credentialing for the State of California, I am well versed in the uses and abuses of certification.

I think you should know just who would be excluded from access to these programs if this amendment is

passed. Language in the Education and Labor Committee report on this bill makes it clear that credentialing agents other than State or local education authorities may declare a teacher certified. What this means is that it would be possible under this bill for a religious leader or a president of a private school consortium to rule that the teachers under him or her are certified. Those teachers then would be eligible to take part in the programs in this bill.

In fact, if this amendment is passed only one group of people would be excluded from the programs. That group is made up of scientists, mathematicians, and other technical experts. We often give lipservice in the Congress to the concept of education and industry cooperation. One very important way in which industry can contribute to the educational process is to allow release time to their experts to share some of that expertise with our children in their classrooms. In the instances where scientists and mathematicians have been allowed this access to the classroom the results have been striking. The most obvious example is the North Carolina School of Science and Mathematics, a high school that turns out more National Merit Scholarship winners than any other school in the country. This school employs professional scientists and mathematicians. When the school first tried to get these experts into their classroom, there was a great deal of wringing of hands, because, you see, these people were not certified. After some negotiating, the State credentialing agency created a special emergency certification for these scientists. If the amendment before us passes, scientists, and mathematicians would be excluded from the kind of training that would show them the best ways to convey their knowledge to our children. If this amendment passes, we might just as well call this bill the Exclusion Act, because if Einstein were alive today he would be barred by this amendment.

Several years ago California was faced with a similar problem as we face today. Our certification laws were so strict that they prevented people with Ph. D.'s in fields where we had teacher shortages from entering the classroom. In response to this problem, our former colleague, Leo Ryan and I coauthored a bill to rectify this problem by giving the kind of flexibility that was written into the bill by the committee. Now in California at least if a man or woman with the scientific stature of Albert Einstein wished to share his knowledge with our children he or she would be able to. Passing the amendment now before us would simply perpetuate within the United States the shortsightedness which, for a time, prevented California from getting some of its most talented people into the classroom.

I am sensitive to the concerns of my colleagues who do not want to see unqualified people teaching our children. I share that concern. This amendment does not alleviate the need for that concern, however, If the amendment passes we should become more rather than less concerned. I would suggest that it would assure that those who are unqualified could not use these programs to gain access to the classroom. In addition, I am prepared to enter into the record of today's proceedings a statement clarifying the intent of the amendment which I offered in the Science and Technology Committee to remove the qualifier "certified" which had formerly been used to describe teachers who could make use of the program. That amendment was passed unanimously by the Science and Technology Committee. The amendment you now have before you would negate this unanimously passed amendment. I strongly urge you to defeat the amendment. It will not accomplish what you think it will. Moreover, it will impede progress toward innovative solutions to the science and mathematics teacher shortage.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me?

Mr. DYMALLY. I would be glad to yield to the distinguished chairman.

Mr. PERKINS. I am going to ask the gentleman to withdraw this amendment. I do not see why we should have any division here at all. We are together, both committees. There is a difference of opinion. It is a small matter and we will have more time to think about it. Let us not go ahead and have any vote on this amendment.

Mr. HARRISON. Mr. Chairman, I will certainly defer to the chairman of the committee.

I would ask that this might be considered in conference should the opportunity arise.

Mr. PERKINS. We will consider it in conference if the Senate adopts such a provision.

The CHAIRMAN. Does the gentleman from Pennsylvania ask unanimous consent to withdraw his amendment?

Mr. HARRISON. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

PARLIAMENTARY INQUIRY

Mr. COLEMAN of Missouri. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COLEMAN of Missouri. Mr. Chairman, I thought I heard the chairman, the gentleman from Kentucky (Mr. PERKINS) say that he would accept the amendment. Is that what the gentleman was saying?

Mr. PERKINS. The gentleman is exactly correct, but at that time I did not thoroughly understand the situation and I will apologize for my misunderstanding.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. COLEMAN of Missouri. Mr. Chairman, reserving the right to object, this will not become a part of the bill that we pass if we pass this today. Is that correct?

Mr. PERKINS. That is correct.

Mr. COLEMAN of Missouri. So it could not be dealt with in conference unless the other body put it on; is that correct?

Mr. PERKINS. Well, I made the statement just now that it could be considered in conference.

Mr. COLEMAN of Missouri. If the other body adopts it?

Mr. PERKINS. Yes, if the other body adopts it.

Mr. COLEMAN of Missouri. Well, I just wanted to point out to my friend, the gentleman from Pennsylvania, that if he withdraws his amendment, it is not going to be in conference unless a Member of the other body presents it and it is adopted.

Mr. PERKINS. That is correct.

Mr. COLEMAN of Missouri. I thank the gentleman.

Mr. HARRISON. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The question is on the amendment recommended by the Committee on Science and Technology, as amended.

The Science and Technology Committee amendment, as amended, was agreed to.

The CHAIRMAN. Are there other amendments to title I?

AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of California: Page 18, line 24, insert after "State." the following: "The State plan and programs referred to in this section shall be prepared with adequate consultation with representatives of the professional mathematics and scientific communities as well as those organizations and agencies listed in section 604(b)."

Mr. BROWN of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me?

Mr. BROWN of California. I am happy to yield to the chairman of the committee.

Mr. PERKINS. As I understand the amendment, it requires State educational agencies to consult with professional scientific and mathematical organizations and with businesses, museums, and other public and private agencies in planning the elementary and secondary education programs.

I support this amendment, but want to make clear that this only requires consulting with these organizations. I want to make sure that there is no requirement for approval by these organizations of any State plans.

In addition, I do not think we intend any burdensome Federal regulations to implement it. Is that not correct?

Mr. BROWN of California. The gentleman is absolutely correct. My whole purpose was merely to involve the representatives of the professional organizations in math and science, hopefully getting their volunteer efforts to help improve the teaching of math and science.

Mr. PERKINS. Mr. Chairman, in the circumstances, we accept the amendment.

Mr. SKEEN. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I am happy to yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Chairman, could we ask the gentleman, are there copies of the amendment available?

Mr. BROWN of California. I left a copy at the desk, but I have some additional copies.

Mr. SKEEN. Mr. Chairman, I thank the gentleman.

Mr. GREGG. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I am happy to yield to the gentleman from New Hampshire.

Mr. GREGG. It is my understanding, and I have not had a chance to read the amendment, I just had it put before me; but it is my understanding that it is not compulsory that the States in distributing the funds will have to consult with these agencies.

Mr. BROWN of California. No. There is nothing compulsory. It merely lists these organizations along with the other organizations already contained in the bill.

I discussed this with the distinguished gentleman from Pennsylvania earlier and he indicated no opposition to it.

Mr. GREGG. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. BROWN).

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer amendments and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ERLENBORN:

Page 2, beginning on line 14, strike out all of part A of title VI of the National Defense Education Act of 1958 as proposed to be added by the amendment through page 13, line 21; strike out the heading of part B on page 13, line 22; and redesignate the succeeding sections accordingly.

Page 24, beginning on line 9, strike out all of title II of the amendment through page 31, line 16; on page 2, lines 3 and 4, strike out the heading of title I of the amendment; and redesignate sections 101 through 107 of the amendment as sections 1 through 7 respectively.

Mr. ERLENBORN. Mr. Chairman, when I spoke a minute ago on an amendment that unfortunately was adopted, I said it was the first of three amendments. These are the other two and are being considered en bloc.

The first amendment addressed a very small program and the loss of that is really not critical. The adoption of these two amendments being considered en bloc can still accomplish the major purpose that I intended.

Mr. Chairman, this amendment, the first of the two amendments, would eliminate part A of title I, the $250 million program for grants to State and local State education agencies for elementary and secondary education.

My amendment is part of a series of amendments, as I say, and they are designed to increase the short-term supply of math and science teachers.

As I stated when I offered my first amendment, my goal is to have the final version of the bill consist of only title I, part B, at a total cost of $70 million. This amendment would strike part A of title I.

The second of the two amendments being considered en bloc strikes title II of the bill and thus eliminates the $100 million program for National Science Foundation grants for new engineering and science personnel funds.

This amendment is part of a series which are designed to increase the short-term supply of math and science teachers.

As I stated before, my goal is to have the final version consist of just title I, part B.

Mr. Chairman, I would hope that as my last amendment did not generate a long debate and, therefore, will not impose and did not impose on the time of the Members, who I know have spent a long day here on the floor already and would like to leave at an early hour, I would hope that we would have no further debate on these amendments and that they would merely be considered favorably and adopted.

□ 1840

Mr. PERKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, if this amendment were adopted, we will only affect a few teachers and a few school districts. We must keep part A if we are going to affect all school districts. We have in part A $250 million and we have all the school districts in the United States targeted.

To knock out the $250 million would just be killing this program dead. We would just be spinning out wheels here on the floor of the House today if we went along with the Erlenborn amendments. Not only does he do it to title I, but he does it to the science title which Mr. FUQUA will talk about.

We have the money here reaching all the districts, at least the grants to the States, with at least 75 percent passthrough to local school districts according to our title I allocations in local funds to be used for teacher training and retraining.

The gentleman from Illinois (Mr. ERLENBORN) wants to knock those provisions out of the bill.

What would be left? Just a little money for a few teachers and a few school districts in the country, and I do not think the Members of the Congress want to come here and spin their wheels in any such manner.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Florida.

Mr. FUQUA. I appreciate my good friend, the gentleman from Kentucky, yielding.

Mr. Chairman, I certainly rise in support of his position regarding the amendment offered by our friend, the gentleman from Illinois (Mr. ERLENBORN.)

In the title II provision we provide for matching funds that must either come from private sources or local or State funds. It funds money for the development of faculty and researchers in our colleges of engineering and math and science. It provides money for the improvement of the educational abilities of our community college faculty, instrumentation and computer accessibility that we talked about earlier today, and the precollege science and math, particularly as it relates to elementary school teachers and others that our good friend and colleague from New Hampshire has worked so hard on.

It is a very important part of the bill, and I think I agree that the adoption of this amendment would totally destroy the bill and the purposes that so many of us have worked so hard for.

I urge my colleagues to vote against the amendment.

Mr. PERKINS. Mr. Chairman, I would say in conclusion that I would think that all the Members of this body would want their districts to participate in this program. If the Erlenborn amendment is adopted, they would not be able to participate.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois (Mr. ERLENBORN).

The amendments were rejected.

AMENDMENT OFFERED BY MR. FUQUA

Mr. FUQUA. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. FUQUA: Page 2, line 7, insert "and Jobs" after "Education".

Mr. FUQUA. Mr. Chairman, this amendment changes the short title of the bill to conform with the other amendments that have been adopted, and I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. FUQUA).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FUQUA

Mr. FUQUA. Mr. Chairman, I offer one more technical amendment.

The Clerk read as follows:

Amendment offered by Mr. FUQUA: Page 6, line 9, and page 9, lines 5 and 6, strike out "section 624 of this title" and insert in lieu thereof "section 103 of the Emergency Mathematics and Science Education and Jobs Act".

Mr. FUQUA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FUQUA. Mr. Chairman, this is a technical amendment correcting a cross-reference in title VIII since the adoption of the Fuqua substitute earlier in the day.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. FUQUA).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GREGG

Mr. GREGG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREGG: Page 4, line 1, strike out "The" and insert in lieu thereof "Subject to paragraph (3), the" and after line 23 insert the following new paragraph:

"(3) No State (including the District of Columbia and Puerto Rico) shall be allocated an amount which is less than one-half of 1 per centum of the remainder of the amount so appropriated (after meeting the requirements of paragraph (1)).".

Mr. GREGG (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. GREGG. Mr. Chairman, this amendment addresses the formula for the manner in which funds are distributed under the title I, section (a), part A of the bill, and it is an attempt to recognize the fact that the formula as presently structured does not apply evenly for small States throughout the country and, therefore, this amendment tries to redress that issue.

Mr. FUQUA. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, as I understand the amendment, it would establish a minimum amount of one-half of 1 percent for each State that they could receive under the elementary and secondary formula grant program in part A.

According to the Congressional Research Service, this amendment would probably raise the allocation to 13 States, while all the other States' allocations would be decreased by about 3 percent. Under the current formula, even the smallest States will receive enough to operate the various teacher training activities through joint arrangements of local educational agencies and higher education institutions.

I think it is a good formula, and I would urge my colleagues to reject tampering with the formula that we already have. We provide funds allocated to all of the States and under this most of the States would receive a reduction in the amount that would be available to them.

I urge rejection of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. GREGG).

The question was taken, and on a division (demanded by Mr. GREGG) there were—ayes 6, noes 17.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GREGG

Mr. GREGG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREGG: Page 9, line 4, after the word "expenses" insert "and stipends".

Mr. GREGG (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. GREGG. Mr. Chairman, this amendment simply adds an additional term to page 9; it includes stipend along with expenses for teachers who are going to the summer institutions, my belief being that if you ask a teacher to go to a summer institute, you are basically taking away a period of the year when they would be earning income, most teachers needing that timeframe during which to earn income; and therefore I think in order to encourage teachers to participate in summer institutes we really ought to give the flexibility to the States to have the ability to pay them beyond the expenses which they incur in order to participate in those summer institutes.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Florida.

Mr. FUQUA. I thank the gentleman for yielding.

I am trying to quickly look at the amendment. The gentleman used the word "stipend"; is that correct?

Mr. GREGG. That is correct.

Mr. FUQUA. How does the gentleman define what a stipend is in the amendment, and what is the extent of it?

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Mr. GREGG. Mr. Chairman, I would define the term, "stipend," to mean some reasonable payment to the teachers in lieu of the teachers' having to go out and earn a salary during that period in the summer when most teachers do have to go and find a second job in order to supplement their incomes. I think the States should be left with a considerable amount of flexibility, however, in how they wish to handle this stipend issue for the summer institutes, because otherwise we are not going to be able to attract them to the summer institutes.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me for a question?

Mr. GREGG. I will certainly yield to the committee chairman for a question.

Mr. PERKINS. Mr. Chairman, assuming a State had a seminar at the State level, the State could pay all of those expenses, all actual expenses, under the present legislation. But the gentleman is proposing that, in addition to that, the State could pay a stipend or extra money to certain teachers to attend that institute; is that not what the gentleman is proposing?

Mr. GREGG. The gentleman is correct.

Mr. FUQUA. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Florida.

Mr. FUQUA. Mr. Chairman, let me ask: How does this change what has historically been the method of reimbursement for those teachers who attended summer institutes? By changing the word to stipend, how does that

change it where they have been reimbursed for expenses?

Mr. GREGG. Mr. Chairman, if I may address that in this way, I would anticipate that it goes beyond the issue of expenses. Expenses are the cost of going to the institute, the cost of food, and the cost of lodging at the institute. It does not include the time that is taken away from that teacher's ability to earn an extra income in the summer.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I believe this is probably similar to what we did under NBEA. I think this is similar to what was done under NBEA, and I think that is what the gentleman is talking about.

Mr. FUQUA. Mr. Chairman, if the gentleman will yield further, I was going to say that I think it does not create mischief, and I would be inclined to accept the amendment. If we do find that it is something that is out of the ordinary, then we may have to correct it in conference, but under that assumption—and I know the gentleman from New Hampshire has worked very hard on the bill and has been very interested in this—and based on the good faith explanation, I would be inclined to accept the amendment.

Mr. GREGG. Mr. Chairman, it is never my intention to create mischief.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. GREGG. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, without agreeing with that last statement, I think what we do is two things: No. 1, we take a look at what the experience really was under NBEA, and, No. 2, we take a look at the possibility in conference of some kind of limitation.

I am a little concerned about an open-ended stipend provision, but it seems to me it would be within the confines and the limitations of the conference to restrict that. So I would, with some misgiving, frankly, be inclined to accept the amendment with the understanding that we take a look at it and work with the gentleman from New Hampshire and perhaps put a restriction on it in conference.

Mr. PERKINS. Mr. Chairman, if the gentleman will yield, we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire (Mr. GREGG).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SKEEN

Mr. SKEEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SKEEN: Page 2, line 24, strike the "." after "levels" and add the following: ", and (3) to retain qualified mathematics and science teachers at the elementary and secondary education levels.".

Mr. SKEEN. Mr. Chairman, this is an addition of language on page 2, line 24, that serves to emphasize retention of these teachers, which is not fully, I think, spelled out or well-enough defined in the findings in the preamble of this bill.

This just adds a No. 3 section, and the language says: "to retain qualified mathematics and science teachers at the elementary and secondary education levels."

That is all it says. Due to the tremendous attrition we have in the school systems, particularly at these levels, retention, I believe, is as important as the recruitment and the training, and I think it should be mentioned in the findings. That is merely what this language does.

Mr. PERKINS. Mr. Chairman, if I understand the amendment, it adds another emphasis to the findings section of part A to retain qualified math and science teachers. Is that all it does?

Mr. SKEEN. Mr. Chairman, the gentleman is absolutely correct.

Mr. PERKINS. Mr. Chairman, we support the amendment.

Mr. SKEEN. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico (Mr. SKEEN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODLING: At the end of the bill, insert the following new title:

TITLE III—PRIORITY IN FOREIGN LANGUAGE INSTRUCTION

COMPREHENSION OF SCIENTIFIC AND TECHNICAL JOURNALS

SEC. 301. In any foreign language instruction program assisted with funds made available under this Act or under any amendment made by this Act, priority shall be given to courses of instruction which teach in a manner designed to provide a foundation for reading comprehension of scientific and technical journals in critical foreign languages.

Mr. GOODLING (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GOODLING. Mr. Chairman, I believe I have the approval of the gentleman from Illinois (Mr. SIMON) on this.

What I am basically doing is this: I am saying that "in any foreign language instruction program assisted with funds made available under this act or under any amendment made by this act, priority shall be given to courses of instruction which teach in a manner designed to provide a foundation for reading comprehension of scientific and technical journals in critical foreign languages."

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I am happy to yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, I think this is an acceptable amendment, and I will be pleased to support it.

Mr. GOODLING. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. GOODLING).

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments to title I?

If not, the Clerk will designate title II.

Title II of H.R. 1699 is as follows:

TITLE II—NATIONAL ENGINEERING AND SCIENCE PERSONNEL

SHORT TITLE

SEC. 201. This title may be cited as the "National Engineering and Science Personnel Act of 1983".

FINDINGS AND PURPOSES

SEC. 202. (a) The Congress finds that—

(1) technical, engineering, and scientific personnel are an integral part of the Nation's economic, strategic, and national security needs, and are necessary for any potential growth and development to provide for the Nation's international competitiveness;

(2) there currently exists a pressing need for trained technicians and engineers for the Nation's industry and defense, with particular concern for such high-technology fields as electronics, information technology, and energy, and a need for technicians and engineers who are able to understand critical foreign languages and read foreign technical journals;

(3) improving the understanding of science and mathematics by all citizens is a key means by which to increase the number of those desiring to pursue technical, engineering, and scientific careers, and it is a key means by which citizens may gain the information they must have in order to support education responsibly;

(4) the United States needs a comprehensive policy and commitment regarding the Federal role in technical, engineering, and scientific personnel;

(5) the availability and quality of graduate engineering researchers and faculty is currently declining;

(6) the Nation is failing to attract sufficient numbers of minorities and women in the technical, engineering, and scientific fields to take proper advantage of these human resources;

(7) the Nation now faces potential shortages in scientific as well as engineering and technical fields; and

(8) the creation of a pool of highly qualified new engineering, technical, and scientific personnel will lead to the creation of a significant number of new jobs in these fields which will strengthen the Nation's economy.

(b) It is the purpose of this title to provide a national policy for technical, engineering, and scientific personnel to provide a means for cost sharing by the private sector in training such personnel, and to encourage the creation of new engineering, technical, and scientific jobs.

POLICY

SEC. 203. (a) The Congress declares that it shall be the continuing policy of the United States to maintain an adequate supply of technical, engineering, and scientific personnel to insure the technological strength and security of the Nation. The Congress further declares that the President shall take all necessary actions to coordinate the various departments and agencies of the Federal Government in carrying out this policy, including (among other measures) actions to—

(1) identify the technical, engineering, and scientific human resource needs necessary for the well-being of the Nation;

(2) establish and maintain the necessary means for continually assessing the Nation's short- and long-term technical, engineering, and scientific human resource needs, including the need to maintain knowledge of foreign technical and scientific development, and to provide the policies and programs necessary to meet those needs;

(3) promote and provide leadership to increase understanding of science and mathematics by all citizens;

(4) promote, encourage, and provide leadership and coordination to the efforts of the public and private sector, including the appropriate professional societies, to establish such policies and programs to carry out the purposes of this Act;

(5) assist institutions of higher education and research in assuring the adequacy and merit of instruction, research, and numbers of qualified graduates in science and engineering; and

(6) encourage the support of the private sector in meeting the Nation's needs for research and development and for science, engineering, and technical personnel.

(b) The Congress further declares that the primary responsibility for developing policies for Federal support of research and development and of science, engineering, and technical personnel lies with the Office of Science and Technology Policy in the Executive Office of the President.

(c) Each Federal department and agency authorized to establish, or to cooperate with State and local governments or private sector organizations in establishing, programs and activities for the training and education of technical and engineering personnel as may be necessary for the directed missions of the department or agency involved, shall coordinate such programs and activities with the Office of Science and Technology Policy in the Executive Office of the President.

ESTABLISHMENT OF ENGINEERING AND SCIENCE PERSONNEL FUND

SEC. 204. (a) There is hereby established within the National Science Foundation a special Engineering and Science Personnel Fund (hereinafter referred to as the "Fund") to promote and develop the quality of the United States technical, engineering, and scientific personnel resources. The Fund shall be administered by the National Science Foundation. In administering the Fund, the National Science Foundation is authorized to expend moneys for grants for such research (related to education in mathematics, science, and engineering), fellowships, capital equipment, salaries, instrumentation, and other activities as are considered necessary in carrying out the purposes of this Act.

(b) In directing policy for the Fund, the National Science Foundation shall take into account the current status and predictions of supply and demand for trained personnel in each discipline or specialty.

(c) Moneys for grants from the Fund shall be expended through a system of matching grants with such other private or public sector funds as may be made available (including in-kind service or other resources), with the moneys provided from the Fund for any individual grant not to exceed one-half of the total cost of the program supported by such grant.

(d) The Fund is established only for a period of five fiscal years after the enactment of this Act; and the continuance of the Fund beyond such five-year period shall require the specific authorization of the Congress.

(e) The National Science Foundation shall report to the Congress regularly, but no less than once every two years, concerning the expenditure of moneys under the Fund.

PRIORITIES FOR USE OF FUND

SEC. 205. (a) The Engineering and Science Personnel Fund established in section 204 shall have as the principal focus of its activities the following priority areas:

(1) recruitment and retention of new engineering faculty;

(2) two-year and community college faculty and instructor development in high technology fields, such programs to include faculty development, instructional development, model instructional program costs, and instrumentation;

(3) development of programs of instructional instrumentation and systems for postsecondary technical, engineering, and scientific education, with special emphasis on computer accessibility;

(4) pre-college science and mathematics education and training, including programs to promote cooperation and exchange of resources and personnel with industry and other elements of the private sector;

(5) public understanding of science and mathematics;

(6) developing and disseminating instructional materials and resources for improvement of education in engineering, mathematics, and the sciences; and

(7) four-year college faculty and instructor development in high technology fields, such programs to include instructional development and instrumentation.

(b) Of the amounts available for section 204 of this Act, funds shall be made available for the priorities established in subsection (a) as follows:

(1) not less than 20 per centum shall be expended for subsection (a)(2);

(2) not less than 15 per centum shall be expended for subsection (a)(3); and

(3) not less than 15 per centum shall be expended for subsection (a)(4).

COORDINATION OF ACTIVITIES; REPORTS

SEC. 206. (a) Pursuant to title IV of the National Science and Technology Policy, Organization, and Priorities Act of 1976, the Office of Science and Technology Policy shall have responsibility for coordinating the activities of the Department of Education and the National Science Foundation under this Act, except for activities under part A of title VI of the National Defense Education Act of 1958 (as added by section 102(a) of this Act).

(b) Within one year from the date of enactment of this Act, the National Science Foundation and the Department of Education shall provide to Congress a joint report on their activities under this Act. Such report shall be revised periodically, but no less than every two years for the duration of the programs and activities authorized in this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 207. There is hereby authorized to be appropriated to the Engineering and Science Personnel Fund to carry out the purposes of this title the sum of $100,000,000 for each of the fiscal years 1984, 1985, 1986, 1987, and 1988.

AMENDMENT OFFERED BY MR. FUQUA

Mr. FUQUA. Mr. Chairman, I offer an amendment which is at the desk and identified as No. 7.

The Clerk read as follows:

Amendment offered by Mr. FUQUA: Page 31, line 1, strike out "have responsibility for coordinating the activities of" and insert in lieu thereof "recommend and review the coordinating activities between".

Mr. FUQUA. Mr. Chairman, this amendment clarifies the role of the Office of Science and Technology policy in coordinating the activities of the National Science Foundation and the postsecondary activities of the Department of Education under the bill. The amendment makes it clear that the role of the OSTP is to make recommendations and review those recommendations and to assure that the agencies are working together.

I do not think there is any disagreement on the amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. I yield to the chairman of the committee.

Mr. PERKINS. Mr. Chairman, we feel that this is a good amendment and improves the bill.

Mr. GREGG. Mr. Chairman, will the gentleman yield?

Mr. FUQUA. I am happy to yield to the gentleman from New Hampshire.

Mr. GREGG. Mr. Chairman, this really does more than clarify, it seems to me. Basically, it changes the thrust of coordinating activities from one of being a primary responsibility of OSTP to being one of recommendations and a lower level of responsibility, does it not?

Mr. Chairman, if seems to me it does more than clarify. It seems to me it is actually changing the responsibility of OSTP as to how it deals with coordinating activities. Basically, under the old language, OSTP was responsible for the action, and under this new language now OSTP just becomes a reviewing agency versus having any authority to go in and take primary responsibility.

Mr. FUQUA. Under the act of OSTP, they are more a coordinating and advisory rather than a managing agency because it is in the Executive Office of the White House. I think,

though, that their activities and persuasive voice carry great weight when they are trying to coordinate activity between two agencies.

We felt that this would better work to satisfy both the National Science Foundation and the Department of Education, and it still does involve them. The gentleman expressed concern in the committee meeting, and I might say that this gentleman has concern. I think that this language, though, will take care of coordinating those activities between the two agencies and make sure that there is not duplication and overlapping.

Mr. GREGG. Mr. Chairman, if I may further inquire, if NSF and the Department of Education reach loggerheads over how a workshop should be run and the summer institutes should be run, it does not look to me as if OSTP could step in and say, "Well, NSF, your line of authority is here, and, DOE, your line of authority is here." It looks to me as if OSTP can only come in and recommend.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me?

Mr. FUQUA. I yield to the gentleman from Kentucky.

Mr. PERKINS. In that instance, Mr. Chairman, it would be the function of the President, and I think the gentleman would agree that if two agencies have a dispute, I do not see a thing in the world wrong with respecting the Cabinet level of the Department of Education. I think the gentleman's amendment is a very good amendment and would accomplish what the gentleman wants done.

Mr. GREGG. Mr. Chairman, I have reservations about it because I think basically what we are doing is weakening OSTP's authority in addressing issues of conflict between NSF and DOE, and I believe, OSTP being the science arm of the executive branch has the logical ability to settle those type of disputes. If the chairman of the committee can represent to me that this is not a weakening amendment, then I would be happy to support it.

Mr. FUQUA. Mr. Chairman, I do not believe it is a weakening amendment. I say that it qualifies, I think, better the role as contained in the Organic Act of the OSTP and its coordinating role among the various Federal agencies. After all, they are not a line-operating agency. They do not operate agencies.

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But they do try to coordinate and give advice and counsel, and the fact that it comes from the Executive Office of the President I think is significant impetus to show the strength and muscle, that these agencies should listen and heed their advice.

Mr. GREGG. Well, is it the intention of the Chairman that in a dispute between NSF and DOE, OSTP would be settling that dispute?

Mr. FUQUA. I think in cases of program conflicts that might develop at the top, certainly OSTP would be involved, and possibly OMB involved, and even maybe the President involved. So there are several avenues of resolution of those problems. I share the gentleman's concern that there not be bickering, and so on, and I might further point out that I am sure our Committee on Science and Technology and the Committee on Education and Labor would look very carefully at this and bring those agencies in and bump heads, to try to get these things resolved, should that occur. I do not think it will, and I certainly hope that it will not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. FUQUA).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LUJAN

Mr. LUJAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LUJAN: At the end of the bill add the following new title:

TITLE III—ADDITIONAL PROGRAMS

SHORT TITLE

SEC. 301. This title may be cited as the "National Technical Jobs Creation and Excellence in Technical and Scientific Education Act of 1983."

FINDINGS AND PURPOSES

SEC. 302. (a) The Congress finds that—

(1) technical, engineering, and scientific personnel are an integral part of the Nation's economic, strategic, and national security needs, and are necessary for any potential growth and development to provide for the Nation's international competitiveness;

(2) there currently exists a pressing need for trained technicians and engineers for the Nation's industry and defense, with particular concern for such high technology fields as electronics, information, technology, and energy;

(3) the United States needs a comprehensive policy and commitment regarding the Federal role in engineering and scientific personnel;

(4) the Nation is failing to attract sufficient numbers of minorities and women in the technical, engineering, and scientific fields to take proper advantage of these human resources;

(5) the Nation now faces potential shortages in scientific as well as engineering and technical fields; and

(6) the creation of a pool of highly qualified new engineering, technical, and scientific personnel will lead to the creation of a signficant number of new jobs in these fields which will strengthen the Nation's economy.

(b) It is the purpose of this title—

(1) to stimulate science and mathematics opportunities in elementary and secondary schools of the States;

(2) to stimulate increased public interest and support of the role of sciences, mathematics, and technology;

(3) to encourage student and teacher interest in the sciences, mathematics, and engineering fields; and

(4) to encourage the creation of new engineering, technical, and scientific jobs.

POLICY

SEC. 303. (a) The Congress declares that it shall be the continuing policy of the United States to maintain an adequate supply of technical, engineering, and scientific personnel to ensure the technological strength and security of the Nation. The Congress further declares that the President shall take all necessary actions to coordinate the various departments and agencies of the Federal Government in carrying out this policy, including (among other measures) actions to—

(1) identify the technical, engineering, and scientific human resource needs necessary for the well-being of the Nation;

(2) establish and maintain the necessary means for continually assessing the Nation's short- and long-term technical, engineering, and scientific human resource needs and to provide the policies and programs necessary to meet those needs;

(3) promote, encourage, and provide leadership and coordination of the efforts of the public and private sector, including the appropriate professional societies, to establish such policies and programs as are necessary to carry out the purposes of this title;

(4) assist institutions of higher education and research in assuring the adequacy and merit of instruction, research, and numbers of qualified graduates in science and engineering; and

(5) encourage the support of the private sector in meeting the Nation's needs for research and development for science, engineering, and technical personnel.

(b) The Congress further declares that the primary responsibility for developing policies for Federal support of research and development and of science, engineering, and technical personnel lies with the Office of Science and Technology Policy in the Executive Office of the President.

(c) Each Federal department and agency authorized to establish, or to cooperate with State and local governments or private sector organizations in establishing, programs and activities for the training and education of such technical and engineering personnel as may be necessary for the directed missions of the department or agency involved, shall coordinate such programs and activities with the Office of Science and Technology Policy in the Executive Office of the President.

PRESIDENTIAL PROGRAM FOR PREPAREDNESS IN HIGH-TECHNOLOGY

SEC. 304. (a) There is established within the Foundation a Presidential Program for Preparedness in High-Technology to stimulate public, teacher, and student interest and preparedness for Technology Development. Such program shall be administered by the Director who is authorized to make grants to appropriate recipients for the purposes of—

(1) training education in teaching techniques that communicate enthusiasm for and interest in the sciences, mathematics, and engineering;

(2) encourage a public outreach effort by means of radio and television stations, using programming that will stimulate interest among the general public, students, and teachers in the fields of science, mathematics, and engineering; and

(3) assessing local and State skill requirements in technical areas.

(b) The recipients of such grants shall include—

(1) postsecondary institutions, such as community colleges;

(2) nonprofit research training and development institutions or corporations; and

(3) school systems in collaboration with other recipients under this subsection.

(c) If the amount of the grant to any recipient exceeds $25,000, the Director shall ensure that the recipient has received or will receive a matching grant from non-Federal sources in an amount equal to or exceeding that excess.

PRESIDENTIAL SCIENCE AND MATHEMATICS IMPROVEMENT PROGRAM

SEC. 305. (a) There is established within the Department of Education a Presidential Science and Mathematics Improvement Program to improve the qualification of teachers of precollege science and mathematics. Such program shall be administered by the Secretary of Education who is authorized to make grants to the States for the purposes of—

(1) upgrading the curriculum of elementary and secondary schools in the State to assure better education in mathematics and the sciences for the students;

(2) supporting the appropriate State certification boards in establishing the appropriate credentials for elementary and secondary school teachers of science and mathematics in the State; and

(3) acquiring equipment to assist in the teaching of science and mathematics in elementary and secondary schools in the State.

(b) Such funds shall not be granted to a State unless the State—

(1) has evaluated the present status of science and mathematics in the elementary and secondary schools of the State;

(2) has set goals for improving the programs in the sciences and mathematics in the elementary and secondary schools of the State;

(3) continues to show progress in attaining the goals under the above paragraph;

(4) includes as a goal increasing the percentage of women and minority students in science and mathematics to reflect the percentage in the general population;

(5) demonstrates that the proposed curriculum reflects the current demands for technical education; and

(6) agrees to continue the program with only State funding five years after the first Federal grant is received.

AVAILABILITY OF FUNDS

SEC. 306. Funds appropriated pursuant to authorizations of appropriations in parts B and C of title VI of the National Defense Education Act of 1958, section 107 of this Act, and section 207 of this Act may, as provided in the appropriation Act, be made available for the purposes of carrying out this title. Of the amount so available, one-half shall be available for purposes of section 304, and one-half shall be available for purposes of section 305.

DEFINITIONS

SEC. 307. For the purposes of this title—

(1) the term "Director" means the Director of the National Science Foundation;

(2) the term "elementary school" has the same meaning given that term under section 595(a)(7) of the Education Consolidation and Improvement Act of 1981;

(3) the term "Foundation" means the National Science Foundation;

(4) the term "local educational agency" has the same meaning given that term under section 595(a)(4) of the Education Consolidation and Improvement Act of 1981;

(5) the term "secondary school" has the same meaning given that term under section 595(a)(7) of the Education Consolidation and Improvement Act of 1981;

(6) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico;

(7) the term "State Commission" means the State Commission on Excellence in Mathematics and Science established in accordance with title II of this Act; and

(8) the term "State educational agency" has the meaning given that term under section 1001(k) of the Elementary and Secondary Education Act of 1965.

Mr. LUJAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. LUJAN. Mr. Chairman, the growing competition from foreign countries, such as Japan, in the technological marketplace has been the subject of national concern recently.

Clearly technology will be the basis of most of the jobs in the future. There is a stunning volume of evidence that we are not going to have enough technically trained people in the future to remain competitive in the international technological marketplace. The legislation before us today proposes to address this problem. I commend the bill's sponsors for this. However, the variety of programs in this bill are focused on training teachers, whether it is retaining existing teachers or encouraging students to go into teaching, or providing equipment for teachers to use in the classroom; it is focused on the teachers. I must recognize the Science and Technology Committee amendment that would increase postsecondary students to develop technical skills.

However, I am deeply concerned that the bill generally ignores the students. It assumes that if a teacher is trained in science and math, that the teacher will be enthusiastic about the subject and communicate that enthusiasm to the students. I believe that something more must be done. Something more must be done to develop teaching techniques that generate student interest. Something more must be done to generate real interest in science and mathematics among the students, among the teachers, and among the general public. We must get people interested in technology if this country will continue to be the leader in technological development that the United States has been throughout its history. Genuine interest and enthusiasm is a key element of achieving excellence in any field. My amendment is intended to insure U.S. technological excellence in the future by generating interest in science and math now among our younger students. In summary, I believe that we really need to get the kids motivated at the elementary and secondary school level.

Therefore, my amendment establishes two programs. The first program is intended to generate interest in science and mathematics. NSF would grant money to: First, develop teaching techniques that get the students' interest and then train teachers in these techniques; Second, develop public outreach efforts, such as radio and televison programs to get the kids, their parents, and their teachers interested; and third, conduct assessments of the local and State market for technical skills so that the kids will realize there are good job opportunities for people with a technical education.

The public outreach efforts are an important part of this concept. Public television and radio programs have become the major vehicle for informing the public. For example, last year over 14 million households watched PBS science programs. Programs like "NOVA" and the "Children's Television Workshop" science series have been very successful.

The recipients of these NSF grants would be: First, postsecondary institutions such as community colleges; Second, nonprofit research and training organizations; and third, school systems in collaboration with one of the other two. Experience has shown that community colleges and vocational education schools are most flexible in responding to shifts in the local job market, and can provide local industries with appropriately trained technical workers. This program is an extension of the language in section 205 of the Fuqua amendment that established that "public understanding of science and mathematics" and established that "developing and disseminating institutional materials and resources for improvement of education" shall be two of the seven priorities for use of the engineering and science personnel fund.

The second program established by my amendment would allow the Department of Education to provide grants to States for the purposes of upgrading their curriculum in the elementary and secondary schools, and in reexamining the requirements for certification of science and mathematics teachers.

Approximately 7 percent of full-time teachers of science and mathematics currently teaching have a provisional or emergency certificate. About 10 percent of newly employed teachers of science and mathematics are not certified. We do not know how many unqualified or minimally qualified teachers there are. Certainly, this situation needs to be reexamined by the State school systems. Likewise, we have seen massive amounts of evidence that the curriculum in U.S. schools in science and mathematics is not comparable to

Japan, England, France, Russia, Germany, and other countries. My amendment is intended to make the States aware of the Federal concern and priority, but to allow the State school systems to determine themselves how to improve their science and math education. We have seen enough of the Federal Government telling the States how to do everything. I believe the State and local governments know what to do to resolve these concerns. This program will result in a stronger diversity of approaches.

These two programs will be included in the overall NSF and Department of Education authorization in this bill.

Mr. Chairman, I ask my colleagues to support me in this amendment.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I am glad that the gentleman reemphasizes what I believe is already in the legislation. I believe both of the gentleman's amendments are covered in the legislation. For instance, in title II, they are allowed, for instance, to use the money for public understanding of math and science. Another portion of the bill, after meeting the needs of teachers in the school district or local education agency for the programs described in paragraph 2, then you can use it for any other activity, to modernize, expand or improve instructional programs in mathematics and science in the school district of that agency. So I think the gentleman is reemphasizing what perhaps we did not emphasize but that we do have contained in the legislation.

Mr. FUQUA. Mr. Chairman, I rise in opposition to the amendment.

I think the gentleman from Pennsylvania summed it up. In the two titles that we have, we outline many of the purposes that are proposed by the gentleman from New Mexico, who is a member of our committee, and some of it raises some questions probably more than it answers. I know that the amendment is well intended; but I think the current bill in its purposes and the outline of the program is much more specific and in outlining a broad program that is contained in the amendment offered by our friend from New Mexico.

I would urge the defeat of the amendment.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I well realize that the gentleman from New Mexico (Mr. LUJAN) has offered this amendment in the best of faith, thinking that he would improve the bill. But I would certainly oppose the amendment because all of these activities that Mr. LUJAN mentioned are already covered in the two titles of the bill but in a more focused way. And to add a new section at the end will be duplicative and confusing, and I am afraid it will distort many of the good provisions of the bill. So, naturally, I am opposed to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico (Mr. LUJAN).

The amendment was rejected.

The CHAIRMAN. Are there additional amendments to the bill?

Mr. BOLAND. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have and continue to strongly support Federal assistance to improve science and math education. The Committee on Appropriations has long supported the science education activities of the National Science Foundation. In fact, it has been the HUD-Independent Agencies Subcommittee that, with the leadership of the distinguished gentleman from Florida, Mr. FUQUA, and the Science and Technology Committee, over the years has kept the science education program going.

For 2 years, the administration tried to phase out the science education program by reducing the funding requests. I am encouraged that it now appears the administration recognizes that a problem exists. But during those 2 years, it was the HUD-Independent Agencies Subcommittee and the Science and Technology Committee that recommended funding above the administration's request to keep the science education program alive.

I support the effort to improve science education in this country. I recognize that problems regarding the quality and quantity of science and math education do exist. Finding a solution to this problem will be difficult. There are no easy solutions. But I am concerned with the division of authority between the Department of Education and the National Science Foundation. It is to everyone's best interest that a tug-of-war between these two agencies does not exist, and I fear it. I for one intend to closely monitor this situation to make sure that it does not happen.

The CHAIRMAN. The question is on the Committee amendment in the nature of a substitute, as amended.

The Committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

□ 1910

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1310) to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide for cost-sharing by the private sector in training such personnel; and for other purposes, pursuant to House Resolution 109, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the Committee amendment adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

MOTION TO RECOMMIT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentlemen opposed to the bill?

Mr. ERLENBORN. In its present form, I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ERLENBORN moves to recommit the bill, H.R. 1310, to the Committee on Education and Labor and to the Committee on Science and Technology.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit. There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FUQUA. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 348, nays 54, not voting 31, as follows:

[Roll No. 14]

YEAS—348

Ackerman	Barnard	Biaggi
Addabbo	Barnes	Biley
Albosta	Bateman	Boehlert
Anderson	Bates	Boggs
Andrews (NC)	Bedell	Boland
Andrews (TX)	Beilenson	Boner
Annunzio	Bennett	Bonior
Anthony	Bereuter	Bonker
Applegate	Berman	Borski
Aspin	Bethune	Bosco
AuCoin	Bevill	Boucher

Bouquard	Hamilton	Nelson
Boxer	Hammerschmidt	Nichols
Breaux	Hance	O'Brien
Britt	Harkin	Oakar
Brooks	Harrison	Oberstar
Broomfield	Hatcher	Obey
Brown (CA)	Hawkins	Olin
Brown (CO)	Hefner	Ortiz
Bryant	Heftel	Ottinger
Burton (CA)	Hertel	Owens
Byron	Hightower	Packard
Campbell	Hiler	Panetta
Carper	Hillis	Parris
Carr	Hopkins	Patman
Chandler	Howard	Patterson
Chappell	Hoyer	Pease
Chappie	Hubbard	Penny
Clarke	Huckaby	Pepper
Clay	Hughes	Perkins
Clinger	Hutto	Petri
Coats	Ireland	Pickle
Coelho	Jacobs	Porter
Coleman (MO)	Jenkins	Price
Coleman (TX)	Johnson	Pritchard
Collins	Jones (NC)	Pursell
Conte	Jones (OK)	Quillen
Cooper	Kaptur	Rahall
Corcoran	Kasich	Rangel
Coughlin	Kastenmeier	Ratchford
Courter	Kazen	Ray
Coyne	Kennelly	Regula
D'Amours	Kildee	Reid
Daniel	Kogovsek	Richardson
Daschle	Kolter	Ridge
Daub	Kostmayer	Rinaldo
de la Garza	Kramer	Ritter
Dellums	LaFalce	Roberts
Derrick	Lagomarsino	Rodino
Dickinson	Lantos	Roe
Dicks	Leach	Roemer
Dingell	Leath	Rogers
Dixon	Lehman (CA)	Rose
Donnelly	Lehman (FL)	Rostenkowski
Dorgan	Leland	Roth
Dowdy	Lent	Roukema
Downey	Levin	Rowland
Duncan	Levine	Roybal
Durbin	Levitas	Russo
Dwyer	Lewis (FL)	Sabo
Dymally	Lipinski	Schneider
Dyson	Long (MD)	Schroeder
Early	Lott	Schulze
Eckart	Lowry (WA)	Schumer
Edwards (AL)	Lujan	Seiberling
Edwards (CA)	Luken	Shannon
Emerson	Lundine	Sharp
English	Lungren	Shaw
Erdreich	MacKay	Shelby
Evans (IA)	Madigan	Sikorski
Evans (IL)	Markey	Simon
Fascell	Marlenee	Sisisky
Fazio	Marriott	Skeen
Feighan	Martin (IL)	Skelton
Ferraro	Martin (NC)	Slattery
Fiedler	Martin (NY)	Smith (FL)
Fish	Martinez	Smith (IA)
Flippo	Matsui	Smith (NE)
Florio	Mavroules	Smith (NJ)
Foglietta	Mazzoli	Snowe
Foley	McCain	Snyder
Ford (TN)	McCloskey	Solarz
Fowler	McCollum	Spence
Frank	McCurdy	Spratt
Frost	McDade	St Germain
Fuqua	McEwen	Staggers
Garcia	McGrath	Stangeland
Gaydos	McHugh	Stark
Gejdenson	McKernan	Stenholm
Gekas	McKinney	Stokes
Gephardt	McNulty	Stratton
Gibbons	Mica	Studds
Gilman	Mikulski	Swift
Gingrich	Miller (CA)	Synar
Glickman	Mineta	Tallon
Gonzalez	Minish	Tauke
Goodling	Mitchell	Tauzin
Gore	Moakley	Taylor
Gray	Molinari	Thomas (CA)
Green	Mollohan	Thomas (GA)
Gregg	Montgomery	Torres
Guarini	Morrison (CT)	Torricelli
Gunderson	Mrazek	Traxler
Hall (IN)	Murphy	Valentine
Hall (OH)	Murtha	Vander Jagt
Hall, Ralph	Myers	Vandergriff
Hall, Sam	Natcher	Vento
Volkmer	Whittaker	Wright
Walgren	Whitten	Wyden
Walker	Williams (MT)	Wylie
Watkins	Williams (OH)	Yates
Waxman	Wilson	Yatron
Weiss	Winn	Young (AK)
Wheat	Wise	Young (FL)
Whitehurst	Wolf	Young (MO)
Whitley	Wolpe	Zablocki

NAYS—54

Archer	Franklin	Moorhead
Badham	Frenzel	Nielson
Bartlett	Gradison	Oxley
Bilirakis	Gramm	Pashayan
Broyhill	Hansen (ID)	Paul
Burton (IN)	Hartnett	Robinson
Carney	Hunter	Rudd
Cheney	Hyde	Sensenbrenner
Conable	Kemp	Shumway
Craig	Kindness	Shuster
Crane, Daniel	Latta	Siljander
Crane, Philip	Lewis (CA)	Smith, Robert
Dannemeyer	Livingston	Solomon
DeWine	Loeffler	Stump
Dreier	Mack	Sundquist
Edwards (OK)	McCandless	Vucanovich
Erlenborn	Miller (OH)	Weber
Fields	Moore	Zschau

NOT VOTING—31

Akaka	Jeffords	Sawyer
Alexander	Jones (TN)	Scheuer
Conyers	Long (LA)	Smith, Denny
Crockett	Lowery (CA)	Towns
Davis	McDonald	Udall
Edgar	Michel	Washington
Ford (MI)	Moody	Weaver
Forsythe	Morrison (WA)	Wirth
Hansen (UT)	Neal	Wortley
Holt	Nowak	
Horton	Savage	

□ 1920

The Clerk announced the following pair:

On this vote:

Mr. Wirth for, with Mr. McDonald against.

Mr. SPRATT changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide cost sharing by the private sector in training such personnel; to encourage creation of new engineering, technical, and scientific jobs; and for other purposes."

A motion to reconsider was laid on the table.

□ 1930

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1310

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 1310, the Clerk be authorized to correct punctuation, spelling, numbering, and references, and to make such other necessary corrections to reflect the actions of the House on that bill.

The SPEAKER pro tempore (Mr. FEIGHAN). Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TOMORROW

Mr. WRIGHT. Mr. Speaker, if I might have the attention of the membership, this next request might be a matter of interest to my colleagues.

Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 a.m. on tomorrow, Thursday, March 3, 1983.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I reserve the right to object to ask the distinguished majority leader just what the necessity for the time change may be. It is going to interfere with some committee schedules. It is going to interfere with an awful lot of plans that Members may have made.

I would appreciate knowing just what the purpose for advancing the time might be and I am glad to yield to the majority leader.

Mr. WRIGHT. At the request of the majority and minority members of the Rules Committee, I am making this unanimous-consent request, the reason being that on tomorrow we shall take up the supplemental appropriations bill. It has been granted a rule which permits a total of 6 hours of debate, 2½ hours of general debate and then four amendments would be made in order under the rule and the amount of time allotted for debate on the four amendments, together with the amount of time allotted for general debate, comes to a total of 6 hours.

Now, if we wait until 11 o'clock to come in on tomorrow and adopt the rule and if all the time is consumed in the general debate and on the various amendments and if recorded votes are ordered on each of the amendments, we could quite well find ourselves late tomorrow concluding the bill.

Therefore, at the request of the minority, as well as the majority on the Rules Committee, and with the compliance and agreement of the gentleman from Mississippi (Mr. LOTT) and the distinguished minority leader, the gentleman from Illinois (Mr. MICHEL), I am making the unanimous-consent request that we come in at 10 o'clock in order that we may complete our work tomorrow at a reasonable hour and Members may complete their schedules.

Mr. WALKER. Further reserving the right to object, do I understand that when these amendments come to the floor that they will not then come to the floor under the 5-minute rule,

as normally we would expect to consider amendments on the floor?

I yield to the gentleman.

Mr. WRIGHT. Under the rule recommended by the Rules Committee, and to be adopted tomorrow, presumably, by the House, if it is adopted, there are four amendments made in order. If I am not mistaken, each of two is permitted 1 hour of general debate, equally divided between the two sides. Each of the other two would be permitted 30 minutes of general debate, equally divided between the two sides, and the total time of debate on the amendments and on the bill itself would come to 6 hours. It is for that reason that I was requested to make this unanimous consent request.

Mr. WALKER. Further reserving the right to object, I guess the answer to my question then is yes, we are not going to permit the amendments to be considered under the 5-minute rule under the rules adopted by the committee.

Well, given the majority leader's assurance that this has been checked with the minority and his explanation, I appreciate the explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Mr. FORD of Michigan. Mr. Speaker, I was called away from the floor at the time of the vote on the bill just passed. Had I been here, I would have voted for the bill.

I wish to have the RECORD show that had I been able to return to the floor in time to cast my vote, I would have voted for passage of the bill.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1718, EMERGENCY APPROPRIATIONS, 1983

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 98-16) on the resolution (H. Res. 113) providing for the consideration of the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, which was referred to the House Calendar and ordered to be printed.

GENERAL LEAVE

Mr. WEBER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Illinois (Mr. CORCORAN).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

WEINBERGER'S REJECTION OF STRATEGIC COOPERATION CONTRARY TO OUR NATIONAL INTEREST

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LANTOS. Mr. Speaker, a distinguished group of highly respected generals and admirals—leaders who have given a lifetime of service dedicated to our Nation's security—are publicly calling on the President to renew the strategic cooperation between the United States and Israel, thus enhancing the security of the West.

The first beneficial consequence of this strategic cooperation would be the United States obtaining an invaluable spectrum of military knowledge learned by Israel last year. This crucial military intelligence was obtained in full-scale combat involving scores of both American and Soviet weapons systems. It could save the United States billions of dollars in military expenditures and spare untold numbers of American lives.

Secretary Weinberger's rejection of the Israeli offer to share their priceless data is ill advised and contrary to our national interest.

I am proud to stand with our distinguished generals and admirals in calling on President Reagan to reverse the Weinberger decision and I urge all my colleagues to join me in this effort.

Text of military leaders' letter:

DEAR MR. PRESIDENT: As former members of our country's military and naval services, we are taking the liberty of addressing you directly on a national defense matter of great concern to us as private citizens.

Only once before in our nation's history have large numbers of senior retired officers publicly offered advice to their Commander in Chief. On January 21, 1979, alarmed by the then Administration's apparent complacency about rising Soviet military strength and geopolitical gains, many of us wrote your predecessor to express our views. It was gratifying to find that our concerns were reflected on November 4th, 1980, in the mandate which the people gave you to rearm America and to challenge Soviet aggression. The first two years of your Administration have proven the sincerity of your personal beliefs and expressed intention of restoring the security of the United States and the free world.

We are troubled, however, that the profound military significance of the decisive defeat of Soviet arms in Lebanon is being obscured by the political turmoil surrounding Israel's armed intervention. We believe that the victory of Israeli-modified American weapons and tactics over those of the Soviet Union presents the free world with a tremendous opportunity to reduce the impact of Russia's extraordinary growth in tactical forces and battlefield technology.

Despite denials in some quarters, it is clear to us that the Israelis have made major breakthroughs in conventional and electronic weaponry designed to overwhelm and destroy Soviet-made weapons systems. Advanced, battle-proven technology and tactics, as deployed by our Middle East ally, offer a unique opportunity to diminish the present quantitative superiority of Soviet forces in Europe. These advances are in the areas of anti-armor, missile site suppression, and aerial combat, as well as command, control and communications (C^3):

A modified 105mm shell which pierced the honeycomb armor of the formidable Soviet T-72 main battle tank;

Highly advanced Electronic Counter Measures (ECM) and strike techniques which neutralized and destroyed Syrian SA-6, SA-8 and SA-9 Soviet-made missile arrays without loss;

Enhanced air-to-air missilery and other aerial ECM and tactics which resulted in an unprecedented combat kill ratio of at least 85-0 against Soviet aircraft; and

A unique (C^3) ability to coordinate air, land and sea operations down to the unit level.

This combination of combat-proven high technology and tactics employed under remarkable Israeli generalship, together with new NATO arms technology and targeting systems already under development, could conceivably revolutionize the overall U.S. defense posture and offers exciting prospects for arms control an disarmament negotiations. Furthermore, the adoption of these modern, advanced technologies could make a favorable impact upon future defense costs and the national budgets of the United States and our allies.

An enhanced defense for NATO forces, achieved through the incorporation of the lessons of the war in Lebanon, raises the intriguing possibility of reducing the reliance on escalation to tactical nuclear weapons because of conventional battlefield inferiority.

The entire Soviet "Wave Theory" of advance in the Central Front of NATO is based upon swift movement of mass formations of armor and infantry, closely supported by Warsaw Pact air, all protected by integrated mobile missile air defense systems. If Pact tanks can be knocked out with unique penetrating shells, if SAM sites can be neutralized and destroyed in large numbers, and if their aircraft can be shot down in a virtual Turkey Shoot, then established Soviet military doctrine comes into question.

But lest the free world relax and congratulate itself on the recent victory of Israeli-manned American arms over those of the Russians, the crushing defeat of the Soviet-equipped PLO and Syrians in Lebanon should be recognized as a possible harbinger of future Russian aggression.

According to the best unclassified intelligence, the initial Soviet reaction to their losses was to blame Syrian manpower for ineptitude. Neither Soviet military doctrine nor equipment inadequacies were considered as factors. There is now reason to believe that the Soviets are no longer so certain.

If the free world doubts the actuality or the significance of these startling advances in weaponry and tactics, Moscow cannot afford to. On an issue so fundamental to

their aggressive designs, the Soviets must know whether or not their military doctrine and weaponry are flawed.

Mr. President, if this supposition is correct, the Soviets will be tempted to test their doctrine and weaponry under combat conditions—and soon.

Implementation of these plans may have already begun. The ominous replenishment of war stocks in Syria includes the construction of three bases for SAM-5 anti-aircraft missiles and the further introduction of Soviet technicians. The SAM-5—which rings Moscow itself—has never before been placed outside the Soviet Union.

Mr. President, it ill behooves military men publicly to comment upon purely political matters. However, the current strained relations between Washington and Jerusalem do not augur well for utilizing what you yourself have called "Recognizing the Israeli Asset" in your Washington Post article of August 15, 1979: "* * * the paramount American interest in the Middle East is to prevent the region from falling under the domination of the Soviet Union. * * * Israel has the democratic will, national cohesion, technological capacity and military fiber to stand forth as America's trusted ally . . . Therefore, it is foolhardy to risk weakening our most critical remaining strategic asset."

For example, Israeli ports and bases would be open instantly to U.S. forces in the event of a serious strategic threat to the Middle East. Israel constitutes the only U.S. ally capable of immediate parry to a serious thrust against free world interests in this theater. And, Israel's continued sharing of vital intelligence on Soviet operations constitutes the other essential element of U.S. security in the Middle East.

Your 1979 views have proven prescient indeed, Mr. President. We concur in your assessment of our ally's "* * * geopolitical importance as a stablizing force, as a deterrent to radical hegemony and as a military offset to the Soviet Union." Therefore, your present initiative on the Middle East must carefully consider the Israeli requirement of strategic depth for her own security, lest our ally be transformed from a strategic asset into a liability.

We have every confidence, Mr. President, that transitory political strains will not be allowed to detract from the fundamental congruence of strategic interests cemented by a common heritage of Western values and democratic ideals.

Mr. President, we therefore urge you to revitalize the strategic cooperation between the United States and Israel, thereby enhancing the safety and well-being of the free peoples of the world.

Sincerely and very respectfully,

Brigadier General Frank Albanese, AUS (Ret).
Major General Earl O. Anderson, USAF (Ret).
Major General Earl J. Archer, Jr., USAF (Ret).
Brigadier General Charles H. Barnwell, Jr., USA (Ret).
Brigadier General Richard G. Beckner, USA (Ret).
Major General Paul B. Bell, USAR (Ret).
Brigadier General Tedd L. Bishop, USAF (Ret).
Brigadier General Edwin F. Black, USA (Ret).
Brigadier General Jack S. Blocker, USA (Ret).
Major General Charles P. Brown, USA (Ret).
Brigadier General Albert R. Brownfield, USA (Ret).
Brigadier General Ernest H. Burt, USA (Ret).
Major General Jonathan R. Burton, USA (Ret).
Lieutenant General Charles W. Carson, USAF (Ret).
Major General Leslie D. Carter, USA (Ret).
Major General J. Hart Caughey, USA (Ret).
Major General Claude H. Chorpening, USA (Ret).
Major General Wendell J. Coats, USA (Ret).
Major General Marcus F. Cooper, USAF (Ret).
Major General William A. Cunningham, USA (Ret).
Brigadier General Robert S. Dale, AUS (Ret).
Brigadier General Anthony F. Daskevich, USA (Ret).
Brigadier General Clinton W. Davies, USAF (Ret).
Brigadier General Kenneth F. Dawalt, USA (Ret).
Major General Elbert DeCoursey, USA (Ret).
Real Admiral Charles G. DeKay, USN (Ret).
Major General Sylvester T. Del Corso, USA (Ret).
Brigadier General Clyde R. Denniston, Jr., USAF (Ret).
Rear Admiral Wallace R. Dowd, Jr., USN (Ret).
Brigadier General Thomas J. DuBose, USAF (Ret).
Brigadier General Wilbur E. Dunkelberg, USA (Ret).
Rear Admiral Robert W. Elliott, Jr., USN (Ret).
Major General Harry J. Engel, USA (Ret).
Rear Admiral James E. Forrest, USN (Ret).
Major General John H. Foster, USAF (Ret).
Rear Admiral Walter M. Foster, USN (Ret).
Major General David P. Gibbs, USA (Ret).
Brigadier General John C. Gordon, USAF (Ret).
Lieutenant General Daniel O. Graham, USA (Ret).
Lieutenant General Gordon M. Graham, USAF (Ret).
Vice Admiral Arthur R. Gralla, USN (Ret).
Vice Admiral Samuel I. Gravely, Jr., USN (Ret).
Rear Admiral George R. Gronvoid, USNR (Ret).
Rear Admiral William S. Guest, USN (Ret).
Brigadier General Charles S. Harris, USA (Ret).
Brigadier General Edwin C. Heffelfinger, USA (Ret).
Major General Harold F. Harding, USA (Ret).
Major General John P. Henebry, USAF (Ret).
Brigadier General Sidney R. Hinds, USA (Ret).
Major General William J. Hixson, AUS (Ret).
General Bruce K. Holloway, USAF (Ret).
Major General Charles T. Horner, Jr., USA (Ret).
General Hamilton H. Howze USA (Ret).
Major General W. T. Rudnell, USAF (Ret).
Major General Herbert T. Johnson, AUS (Ret).
Major General George F. Keegan, Jr., USAF (Ret).
Major General Gerald F. Keeling, USAF (Ret).
Brigadier General John E. Kelsey, USA (Ret).
Admiral George E. R. Kinnear II, USN (Ret).
Brigadier General Albion W. Knight, USA (Ret).
Major General William R. Kraft, Jr., USA (Ret).
Brigadier General Phillip F. Kromer, Jr., USA (Ret).
Rear Admiral Chester A. Kunz, USN (Ret).
Brigadier General Fred C. Kyler, USAF (Ret).
Major General Edward G. Lansdale, USAF (Ret).
Brigadier General Louis W. LaSalle, USAF (Ret).
Vice Admiral Fitzhugh Lee, USN (Ret).
General Curtis E. LeMay, USAF (Ret).
Rear Admiral James E. Leeper, USN (Ret).
Brigadier General Selig J. Levitan, USA (Ret).
Brigadier General Gerald F. Lillard, USA (Ret).
Brigadier General John J. Liset, USAF (Ret).
Major General John L. McCoy, USAF (Ret).
Rear Admiral Brian McCaulay, USN (Ret).
Major General Raymond F. McNally, Jr., AUS (Ret).
Vice Admiral William P. Mack, USN (Ret).
Major General Ralph J. Maglione, USAF (Ret).
Rear Admiral Robert C. Mandeville, USN (Ret).
Rear Admiral David L. Martineau, USN (Ret).
Brigadier General John A. Maurer, USA (Ret).
Major General John B. Medaris, USA (Ret).
Brigadier General Charles R. Meyer, USA (Ret).
Brigadier General Robert L. Moeller, USAF (Ret).
Brigadier General Hammond M. Monroe, USA (Ret).
Rear Admiral Albert J. Monger, USN (Ret).
Major General Harley L. Moore, Jr., USA (Ret).
Lieutenant General George W. Mundy, USAF (Ret).
Lieutenant General Samuel L. Myers, USA (Ret).
Brigadier General Bernard A. Nurre, USA (Ret).
Rear Admiral Arthur H. Padula, USN (Ret).
Brigadier General Edward A. Pagels, AUS (Ret).
Brigadier General George A. Pappas, Jr., USAF (Ret).
Brigadier General Donald G. Penterman, USA (Ret).
Brigadier General Roy W. Peters, AUS (Ret).
Rear Admiral Richard W. Peterson, USN (Ret).
Lieutenant General Kenneth E. Pletcher, USAF (Ret).
Brigadier General Jack P. Pollock, USA (Ret).
Major General John E. Ralph, USAF (Ret).

Rear Admiral Kendall S. Reed, USN (Ret).
Major General Thomas F. Rew, USAF (Ret).
Brigadier General Royal Reynolds, Jr., USA (Ret).
Brigadier General Nathaniel B. Rieger, USA (Ret).
Major General Milnor J. Roberts, AUS (Ret).
Brigadier General H. F. Safford, USA (Ret).
General Bernard A. Schriever, USAF (Ret).
Rear Admiral John C. Shepard, USN (Ret).
Major General John K. Singlaub, USA (Ret).
Brigadier General Franklin G. Smith, USA (Ret).
Major General Paul T. Smith, USA (Ret).
Rear Admiral Philip W. Smith, USNR (Ret).
Major General Maxwell C. Snyder, AUS (Ret).
Rear Admiral Robert H. Spiro, USNR (Ret).
Brigadier General Harry G. Staulcup, USAF (Ret).
Brigadier General Carl F. Steinhoff, USAR (Ret).
Major General Richard R. Stewart, USAF (Ret).
Brigadier General Clio E. Straight, USA (Ret).
Vice Admiral Robert J. Stroh, USN (Ret).
Major General James B. Tipton, USAF (Ret).
Lieutenant General T.J.H. Trapnell, USA (Ret).
Brigadier General Thomas K. Trigg, USA (Ret).
Vice Admiral Frederick C. Turner, USN (Ret).
Major General Francis F. Uhrhane, USA (Ret).
Brigadier General William M. Van Harlingen, USA (Ret).
Brigadier General Herbert D. Vogel, USA (Ret).
Brigadier General Frederick T. Voorhees, USA (Ret).
Major General Louis A. Walsh, Jr., USA (Ret).
Rear Admiral Joseph Harold Wellings, USN (Ret).
Brigadier General Roger E. Whitcomb, AUS (Ret).
Brigadier General G. P. Wiedeman, USAF (Ret).
Rear Admiral Charles S. Williams, USN (Ret).
(Responses from additional signators arrived too late for inclusion in this list.)

COLEMAN INTRODUCES LEGISLATION TO REDUCE THE PRICE OF NATURAL GAS TO CONSUMERS

(Mr. COLEMAN of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Missouri. Mr. Speaker, people in Missouri and throughout the Nation are justifiably upset over the dramatic increases we have been seeing in natural gas prices. Pipelines are buying expensive deep-well and imported gas, while readily available domestic supplies at much lower prices go begging for buyers. There is a surplus of natural gas. Any student of supply and demand can tell you that prices should be coming down. Yet natural gas price increases follow one after the other, shooting out of control like a runaway freight train. Is it any wonder that people are asking Congress to put on the brakes?

Today I am reintroducing legislation designed to correct these problems and assure more reasonable gas prices for consumers. This bill, the Natural Gas Price Relief and Market Correction Act, has two main features. First, it would prevent wellhead natural gas prices from rising above the October 1, 1982, level for 2 years. Second, the bill requires pipelines to use the cheapest gas they have on contract first. Natural gas contracts would be amended so pipelines could not be forced to pay penalties—"take or pay" charges—for not taking delivery of higher priced gas. And the savings from these changes would be passed directly on to consumers.

The Natural Gas Price Relief and Market Correction Act sweeps away all the contract restrictions that have skewed the natural gas market. It forces gas producers to live in the real world of what consumers can pay. It puts producers and pipelines at risk, instead of always leaving it to consumers to foot the bill.

Step-by-step, here is how my bill would affect producers, pipelines, distribution companies, and consumers:

Today, pipeline companies figure out how much gas they need each day. The manager looks at the gas contracts the company has, and takes gas first from the high-priced suppliers who have take-or-pay clauses in the contracts, since the pipeline must pay for that gas anyway. If they need any more gas, then they take it from lower priced sources. Under my bill, the pipeline companies look at all the contracts they have signed, and start taking delivery of the cheapest gas first, until the companies have all the gas they need that day.

Today, the Natural Gas Policy Act allows producers to charge very high prices because take-or-pay clauses force pipelines to pay for the gas even if it is not needed. Under my bill, producers charging the highest prices would find that pipeline companies were not buying their gas, since pipelines would be able to meet all of their needs with less expensive supplies. Pipelines would be relieved of take-or-pay clauses because each natural gas contract would be deemed to include a volume adjustment option allowing pipelines to adjust, without financial penalty, the amount of gas they buy under any contract.

Today, pipeline companies are not required to make any effort at bringing prices down. Under my bill, the pipeline company must file papers with the Federal Energy Regulatory Commission explaining how it is using this new contract option to reduce gas prices.

Today, the higher and higher prices pipelines pay for gas are passed on to distribution companies, who add them to your heating bill as a purchased gas adjustment. Once my legislation is enacted, you will be able to compare recent gas bills with older ones and see exactly how much gas prices are coming down. The pipelines are required to report the cost savings to the Federal Energy Regulatory Commission so that they can be passed directly on to you.

Today, pipelines pass higher gas costs through to consumers without any penalty. Under my bill, if a pipeline took delivery of higher priced gas instead of cheaper gas, it would have to pay the difference itself rather than passing the extra cost on to consumers.

Today, producers are not very interested in renegotiating contracts to lower prices. Once my bill is enacted, these producers would not be able to earn any money unless they lower the price they are charging for their natural gas, so they are likely to want to renegotiate their contracts.

Preventing wellhead prices from rising above the October 1982 level for 2 years will give consumers a clear and much-needed assurance that the situation will not continue to deteriorate. Everyone involved—producers, pipelines, distributors, and consumers—needs to know that Congress is serious about straightening out this mess and lowering natural gas prices, and that we will take decisive action to do it.

Already this winter is slipping by. We need to act. Americans must not be forced to face another cold and bitter winter without hope of relief on their heating bills. They will not stand for it. This Congress must not allow it.

THE SOCIAL SECURITY RESCUE BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

● Mr. FORD of Michigan. Mr. Speaker, the Ways and Means Committee late yesterday approved a provision of the social security rescue bill that will place newly hired Federal workers under social security.

I feel it is important to send a message to current Federal workers that this action in no way affects the integrity of the civil service retirement system. We must assure our civil servants that we are not putting their futures in jeopardy.

The administration has proposed profound changes in the civil service retirement system far beyond social

security coverage of new Federal employees. If enacted into law, these changes would affect the character of the Federal work force for decades to come.

As chairman of the Post Office and Civil Service Committee, I carefully reviewed these proposals, as did you and Ways and Means Committee Chairman DAN ROSTENKOWSKI.

We concluded that, because the Federal civil service is so important to the welfare and future of our Nation, special pains must be taken to insure that whatever we in the House do will not weaken that system.

To this end, we outlined in a letter to our colleagues a joint position we felt was in the best interest of the Federal Government and those who serve it.

Since the House soon will be debating the social security proposals, I would like to reiterate our position for the benefit of Members:

We support the recommendation of the National Commission on Social Security Reform to extend social security coverage to newly hired Federal employees.

We believe that new Federal employees who become covered under social security should be provided retirement benefits comparable to those under the civil service retirement system.

We oppose the administration proposals that would reduce civil service retirement benefits and increase employee contributions to the civil service retirement fund.

We oppose the administration proposal to treat cost-of-living adjustments for Federal retirees differently from those of social security recipients.

We will oppose any proposal which would threaten or adversely affect the financial integrity of the civil service retirement fund, or the ability of that fund to continue to pay benefits promised to participants in the civil service retirement system.●

HUMAN BANK TELLERS: ONLY FOR THE AFFLUENT?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, I recently read a very disturbing article in the American Banker newspaper. It seems that Citibank, the second largest bank in this country, has decided that only its affluent customers deserve the services of human bank tellers. Everyone else will soon be forced to use automatic teller machines to do their business.

Citibank will begin this project at one of its New York banks in the middle of March. Only CitiExpress and priority customers—those with balances of at least $5,000 and $25,000, respectively—will be able to see a real live teller. Anyone with a balance lower than that must face a machine.

If you think that the bank is actively publicizing this innovative program, you are wrong. The only inkling that consumers have of the new plan is a misleading banner outside of the branch that reads "Announcing Improved Services for Citipeople" and a brochure telling people that "Citibank's bringing more banking hours to the West Side."

It is only when you go inside and begin asking questions that you discover that Citibank's new banking hours are but a small part of its new approach to customer service. Not only will the services of tellers be restricted to the upscale during the new evening and weekend hours—they will be off limits to regular customers during normal banking hours as well.

So while the average customer will have to wait in line to get at a machine, those with balances in excess of $5,000 will complete their transactions with the assistance of human tellers. They also get the privilege of doing this behind locked gates in a separate part of the bank.

It is quite obvious to me that Citibank does not want to waste its tellers' time with lower income people. I guess that Citibank thinks that those who do not have at least $5,000 on deposit are not very important customers.

Fortunately, those Citibank customers who would prefer to have the option of doing their banking with human beings have many other choices. According to recent figures, there are more than 400 different commercial banks, savings and loans, and credit unions in New York City. I imagine that many of these institutions allow those with less than $5,000 on deposit to do their business with human tellers. All the disgruntled Citibank customer need do is move his or her money over to another bank.

Though I see nothing wrong with Citibank installing automatic teller machines for the use of its customers, I vehemently object to its forcing people—on the basis of how much money they have—to use machines. Consumers should be able to decide whether or not they wish to use the automatic systems. After all, it is their money—not the bank's.

Unfortunately, Citibank does not seem to realize this. Perhaps if it starts losing some customers, it will reevaluate its priorities and reconsider this blatant anticonsumer policy. Let us hope so, for it would be a sad day for most Americans if banks permitted only the affluent to do their banking with human tellers and forced everyone else to deal with machines.●

□ 1940

EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, the administration wants an immediate boost of $60 million in military assistance to El Salvador. More ominously, they want to increase the number of U.S. military personnel there from 37 to 55. These soldiers will be trainers, so we are told. They will not be advisers, we are told.

Apparently this means that the administration plans no combat role for Americans, not right now anyway, although actually with what has been happening in the immediate past 2 years makes it a continued force and a disturbing imitation and duplication of what we saw in 1963 happening in Vietnam with the tragic consequences that history now has registered.

Those of us who remember the Gulf of Tonkin resolution know just how big a seemingly innocuous commitment can become. In the case of the Gulf of Tonkin, Congress was led to believe that it was passing a resolution that merely affirmed the right of self-defense. The President was asking for moral support in his rightful defense of American interests from Congress.

I remember having some questions about that at the time, but I got the assurance that this was just a resolution to show the North Vietnamese or Communists that the United States would not be kicked around. It was only later that the then administration argued that the Gulf of Tonkin Resolution was, to quote, "the functional equivalent of a declaration of war."

We have fair warning. The President has not asked us to pass any grand resolution regarding El Salvador, but his administration is already drawing the fine semantic lines that obscure, mask, and conceal ultimate intentions. The real issue is this: What is the compelling American interest in El Salvador that justifies the commitment of American troops to that country, whether they are called trainers, advisers, or anything else, or whether you commit them as combat units.

If there is compelling interest, is that in the nature of natural resources, trade, or some strategic concept? Thus far we have been told that there is a strategic concept, a geopolitical sort of thing at this point that is at stake. But up to now, to my knowledge, no one has successfully defined what that stake is, whether it has been attempted to be defined by either any Member of the Congress or the President or his administration. Nor has anyone told us how it is possible to assist a government that is in trouble

for one reason, and only one reason, and that is the historic repression, the systematic exploitation of its own people.

This is no recent thing. It is a fact of life that goes back for decades, even centuries, in places like El Salvador. The tragedy of today is that our Government has made, is indeed making, almost no effort to stand for the protection of human rights, to insist on an end to economic exploitation, to stand for, in other words, fair and square dealing with a government's own people.

Did Somoza fall because of some great plot? No. He fell because he, his government, his works, were corrupt, archaic and, let us face it, indifferent and callous and stupid. His government fell like a rotten corpse, burst asunder in the heat of its own evil.

Our Government never tried to stand for peaceful progress in that country. It did very little to do so, and has continued to do very little in El Salvador.

If we are being asked to pony up tens of millions of dollars in military aid today, and if we are being asked to look aside while our young men are being asked to serve in yet another murky cause, let us remember this: It would not be happening if we had stood for American principles in the first place.

People do not rebel for the sake of a good fight. They rebel because there is injustice, because they have grievances, because there is no legitimate way to resolve their problems. People rebel because they at last are left with no choice.

In El Salvador it may well be too late to do whatever it is we hope to accomplish by way of military force. In the final analysis, it will be force that ends the struggle; it will have to be and must be justice. A government that is for its own people, a government that is just, will bring peace within its own borders, and it is that kind of justice, that kind of commitment to people, that we have failed to demand in El Salvador. On the contrary, we are identified with the oppressor, we are identified with the murders of archbishops and priests and nuns, some of them Americans.

But El Salvador is not the only thing on my mind. If we want to see a place that is truly important to the United States in every possible way, politically, economically, strategically, that place is our next door neighbor, the Republic of Mexico.

I remind my colleagues that Mexico is in a profound economic crisis. The people of that country are undergoing the most dire kind of distress. It is a distress that is so profound, so enduring, that the people of that great country may well become disaffected. There could be violence. There could be all manner of problems, as there are, indeed, already, and it is there in Mexico where we face the greatest challenge to our imagination and our leadership.

We ought to be asking: In the midst of crisis, are we asking the Mexican Government to stand by the principles that it must—justice, fairness, an equitable and open economic system? For if we do not, then the people of Mexico will see no hope for the future. Then Mexico could become as I am distressed to fear our Afghanistan. If we think we are troubled by El Salvador, let us remember that the whole of El Salvador is not as great as a single state in the Republic of Mexico. Nor does El Salvador possess the oil, the industry, the skills of Mexico.

Yet what is our policy? Our policy is to stand silent when it comes to the great principles of freedom. Yet when it comes to economic policy, our posture is to aggressively demand that the Government of Mexico follow programs that make Reaganomics, mass unemployment, and hunger in the streets, look like a high-class tea party. And perhaps that is administration policy: A tea party among those who are ignorant and insensitive to the basic needs and desires of humanity, who do not see the fires of resentment building.

I say this: We gain nothing by sending troops to El Salvador. We gain nothing by forgetting the hard lessons of the very recent past. We ought to be alarmed. We ought to be cautious. We ought to be resolving here and now, this country will stand for human decency and justice, or it stands for nothing.

After all, when it comes to a choice between dictators, what difference does it make if the dictator is attached to this or that geopolitical bloc? Misery is the same under any name. But liberty and justice, hope for the future—that is something else.

What will our course be? To me it can only be one thing, to stand for honesty and decency for economic progress and human justice which, in effect, is a true and valid reflection of America and its people.

□ 1950

Those things do not come in the uniform of foreign soldiers; those things come in the form of trust, in the form of peace, and in the form of commitment.

Mr. Speaker, I do not believe that we help our cause by sending soldiers to El Salvador. The peasants there will not know or care who they are; they will only know and care that these are foreign soldiers with no business there.

IN OPPOSITION TO TUITION TAX CREDITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. WIRTH) is recognized for 5 minutes.

● Mr. WIRTH. Mr. Speaker, this morning, Senator ERNEST HOLLINGS and I were presented with half a million signatures on petitions from Americans living in all 50 States who oppose the administration's new tuition tax credit plan. The signatures were gathered by the National Coalition for Public Education, which represents 40 million people in 45 organizations. I would like to thank this coalition for dramatizing the dangerous effects tuition tax credits would have on our Nation's public education system. The hundreds of thousands of signatures presented to us today represent the deep concern of millions of Americans who believe, as I do, that tuition tax credits would pose a serious threat to the quality of public education. I will continue to work to insure they do not become law, and hope my colleagues will join me in this effort.

First, providing income tax credits to parents of students not attending public schools would be an enormously costly proposal. The Treasury would be drained of about $3 billion in the first 3 years, and the costs of tuition tax credits would continue to balloon without control. Allowing this revenue loss makes no sense at a time when we are facing record breaking Federal deficits hovering around $200 billion for the foreseeable future. It certainly makes no sense when public education programs have borne damaging cuts already, and the administration is proposing $2 billion in additional cuts for fiscal 1984. It would make far more sense to direct additional Federal funds to public education programs which are cost effective, proven, and designed to enhance our commitment to equality of education for all. Tuition tax credits would represent an erosion of support for one of the most fundamental institutions in American society which has helped make us a strong and unified democracy—free and equal public education.

Second, tuition tax credits would give the most benefit to those who need Federal assistance the least. The Congressional Budget Office has estimated, for example, that with a hypothetical $250 refundable tax credit for elementary and secondary education tuition payments covering 50 percent of tuition costs, about 42 percent of the funds would flow to families with incomes greater than $30,000. Only 16 percent would go to families with incomes less than $15,000. More than 60 percent of the benefits from tuition tax credits would go to the wealthiest 15 percent of our population under some proposals.

Third, there are serious constitutional questions raised by this proposal. Tuition tax credits would benefit only about 11 percent of school age children, most of whom attend schools associated with churches. Ninety percent of private schools are church related, and giving them Government support in the form of tax credits could easily lead to Federal intervention and regulation. A clear danger of violating the constitutional provision of separation of church and State is posed by tuition tax credits.

Mr. Speaker, certainly all of us are concerned about the rising costs of education, and the serious drain on family budgets posed by high tuition rates. Certainly all of us also believe that private schools play an important role in providing diversity in educational choice which is important to many families, and beneficial to our society in general.

But there are few investments our country can make that are more important than those in the minds and skills of our young people. Real supply side economics means investing in brainpower, our most precious national resource. Our public schools, dedicated to meeting the needs of all students, are deserving of more, and not less Federal attention. Tuition tax credits, especially in combination with the administration's efforts to drastically reduce Federal support for public education, threaten to erode this fundamental commitment. Instead, at a time when our economy relies ever more on a highly educated, technically skilled work force, we need a new commitment to excellence in public education for all Americans.

I look forward to working with my colleagues in the coming months as together we work to defeat tuition tax credits and instead strengthen public support for public education.●

PERSONAL EXPLANATION

The Speaker pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. MACKAY) is recognized for 5 minutes.

● Mr. MACKAY. Mr. Speaker, due to official business in my district in Florida on Tuesday, March 1, 1983, I was unable to be present for rollcall No. 10, final passage of H.R. 999, the American Conservation Corps Act. Had I been present, Mr. Speaker, I would have voted "for" the passage of the bill.

I appreciate having this opportunity to announce my position for the record.●

EXTENDING THE RENEWABLE ENERGY BUSINESS TAX CREDITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes.

● Mr. FUQUA. Mr. Speaker, last year, on July 13, 1982, Mr. FISH and I introduced H.R. 6735, the Business Energy Tax Credit Act of 1982, extending the termination date for existing business tax credits for solar, wind, geothermal and ocean thermal energy equipment from 1985 to 1990.

At the time, I cited the success of those tax credits in promoting third party financing of alternative energy systems, and the need to preserve those benefits for new technologies such as photovoltaics, large wind systems, OTEC and solar thermal central receivers, which will not achieve commercial readiness until the late 1980's.

Since then, however, the situation for renewable energy business investments has deteriorated significantly. The "basis adjustment" provisions of the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 effectively reduce the value of the solar business tax credits from 25 to 20 percent. The softening of world oil prices and the recent decline in energy demand have decreased the "value" of the energy produced by renewable systems by as much as 30 percent. This double blow has placed in jeopardy many excellent renewable energy projects that seemed certain to proceed as recently as 6 months ago.

As a result of these developments I am reintroducing the Business Energy Tax Credit Act with some important new provisions:

First, the tax credit would be raised to 25 percent to compensate for the effect of TEFRA and the soft world energy market.

Second, an affirmative commitments clause would be included which allows projects which are not completed by December 31, 1990 to be eligible for the tax credits if they have received all necessary permits and completed engineering design by that date. This clause is needed to protect large solar projects such as wind farms and central receivers, which often take 3 or 4 years to complete.

With these changes in the solar business tax credits, I am convinced that the renewable energy technologies that have been developed at considerable taxpayer expense by the Department of Energy over the last few years can be turned over to the private sector in the late 1980's with reasonable prospect for commercial success.

This will not be a permanent subsidy from the U.S. Treasury for renewable energy equipment. The business tax credit simply serves to stimulate an early market to cover the expense of tooling up for mass production. Once volume production begins, there is strong evidence that the renewable technologies will be able to compete unassisted in the energy marketplace. At that time the tax credit will have served its purpose and will be terminated.

I was pleased to hear Secretary of Energy Hodel express his personal support for extension of the solar business tax credits at the DOE posture hearing, February 8, 1983. I hope he will work to persuade the administration to support this initiative.

I am convinced that the benefits of extending the tax credits—in terms of reducing our use of conventional fuels, opening up new business opportunities in a high technology area, and providing for jobs and economic growth—will more than compensate for the direct costs to the Treasury. One study I have seen indicates that the Treasury could even come out ahead after all secondary effects are considered. Therefore, I hope this initiative will receive widespread support from individuals and groups in both parties and both branches of the Government.●

SMALL BUSINESS MOTOR FUEL MARKETER PRESERVATION ACT REINTRODUCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 5 minutes.

● Mr. BEDELL. Mr. Speaker, today I am pleased to reintroduce the Small Business Motor Fuel Marketer Preservation Act, H.R. 1755. Joining me as original cosponsors is a bipartisan group of over two dozen of our colleagues.

This legislation is intended to give independent gasoline dealers a fair and equitable chance to compete in the marketplace. Passage of the legislation would be of immediate and lasting benefit to both small businesses and consumers. It is long overdue and much needed.

The Small Business Committee has held hearings on gasoline marketing practices every year since 1979. And every year we have seen compelling evidence that major oil companies are using their vast economic power to slowly crush the independent sector of the gasoline marketing industry.

The heart of the problem is that these oil companies are both the suppliers and the landlords of the independent dealers against whom they are increasingly competing in the retail market. True competition under these circumstances is, of course, impossible, because one party effectively controls the actions of the other.

Take the case of the franchise dealer who leases his station from the refiner, which is a very common arrangement. Here, the refiner is able to dictate the dealer's rent, the price and availability of product, credit terms, hours of operation, and so forth.

The relationship between refiner and marketer is shamefully one sided.

The record is replete with examples of oil companies unilaterally imposing tremendous rent increases, arbitrary gasoline price changes, major shifts in credit policies, unfair allocations of product, and so forth.

As if this were not bad enough, several of the major oil companies are now selling large volumes of gasoline through outlets operated by their own employees or contracted agents. In many instances, they are competing directly against the same marketers that they supply and whose businesses they effectively control.

Thus, it should come as no surprise to anyone that the number of independent service stations in America has plummeted in recent years. While some of this may be attributable to other factors, such as the overall decline in gasoline consumption, it stands in sharp contrast to the steady increase in the volume of gasoline sold through company-operated stations. There are many of us who believe the oil companies are taking over the more lucrative portions of the retail gasoline market as a result of unfair and anticompetitive behavior.

For a variety of reasons, recourse to the existing antitrust laws is not impractical. Aside from the difficulty of applying the antitrust laws to instances of suppliers competing directly against their own distributors, we have the more practical problem that big oil companies have the economic power to kill small businesses while we wait for the wheels of the legal system to grind finely but slowly.

Mr. Speaker, before I go on to describe the specifics of this legislation, I want to point out that not all of the oil companies are guilty of the sort of unconscionable business practices I have described here. Some are truly bad actors, but others actually enjoy good relations with their distributors, and the rest fall somewhere in between. Moreover, the problem clearly is more acute in some regions of the country than in others.

This does not mean, however, that we can or should ignore this situation. Thousands of small businesses desperately need our help, and they need it now. It is the duty of the Government to see to it that competition in gasoline marketing—or in any other industry, for that matter—is fair and equitable. So, we must keep in mind not only the need to address the specific misconduct we have observed, but also the fact that just a few major companies behaving in an irresponsible manner can create major disruptions affecting everyone in that industry.

Now, the Small Business Motor Fuel Marketer Preservation Act is offered as a solution to the problem of big oil companies competing against marketers from whom they are the suppliers and landlords. And it goes one step further, helping consumers by injecting a greater degree of price competition into the wholesale market as well.

There are three key provisions in this bill. They are: retail marketing divorcement; open supply; and SBA assistance. The following is a brief description of each of these features.

DIVORCEMENT

The 16 major, integrated refiners would be prohibited from directly operating retail gasoline outlets in the United States, either with their own employees or through contracted management. They would still be permitted to own gas stations, but these must be leased out to independent businesses.

OPEN SUPPLY

Service station operators would be assured of the right to shop for competitively priced supplies of gasoline at the wholesale level, with their regular suppliers having the option of meeting competitive offers. So-called branded dealers would have to provide point-of-sale notice to consumers if the product being sold was obtained frm anyone other than the branded supplier.

SBA ASSISTANCE

Small Business Administration loans or guarantees would be made available to service station dealers who have the opportunity to purchase stations they currently lease from refiners. A mechanism is established to determine fair market value for the property. Funding would come from existing SBA authority.

Mr. Speaker, this is a simple but powerful package. It would end the insidious practice of oil companies competing against their own distributors. And it would open the wholesale gasoline market up for price competition such as we have not seen in the United States for years. Instead of 100,000 branded and company-operated stations forming a vast, captive market for a handful of big oil companies, we would see a dynamic marketplace full of entrepreneurs, each struggling to bring the product to the public at the lowest price on the best terms possible.

Declining world crude oil prices and a shrinking domestic market for gasoline today have produced the temporary illusion of competition in the marketplace. It really is just a few huge corporations jostling to see who gets to sit at the head of the table. Meanwhile, small businesses are left with the crumbs. If you want to see real competition, pass this legislation and watch the free enterprise system at work.

Mr. Speaker, the House Small Business Committee reported an earlier version of this bill by a vote of 25 to 1 in 1980. Last year, the Senate Judiciary Committee did so by a vote of 9 to 6. I hope we can get this legislation to the floor soon, so all Members can have a chance to show their support for small business.

HOWARD METZENBAUM and STROM THURMOND have introduce a companion bill, S. 40, in the Senate. Here in the House, we would welcome additional cosponsors.●

NATURAL GAS CONSUMER REGULATORY REFORM AMENDMENTS OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. CORCORAN) is recognized for 60 minutes.

● Mr. CORCORAN. Mr. Speaker, few would dispute the fact the natural gas market in the United States is in general disarray. Steadily escalating prices at the burner tip are merely symptoms of a more serious underlying disease which afflicts the body of our Federal natural gas policy. This sickness continues to drive up prices to artificially high levels, which the market says prices should be declining.

The problems in the gas market are not isolated to one segment of the industry or a certain geographical area—the problems affect everyone. Let me give a few examples:

Consumers in Illinois are paying over $100 million more in gas bills because high-priced Canadian gas is displacing cheaper, available domestic supplies.

Industrial users in the Midwest and the Northeast are switching to alternative fuels which, until recently, have historically been far more expensive than gas. For example, the price of natural gas delivered to industrial consumers in Buffalo, N.Y., is $1 per million Btu's more than the competing fuel oil.

A distribution company in my State was recently told by its supplying pipeline that it would suffer financial repercussions for attempting to acquire some of its gas from another pipeline.

A pipeline company which serves Illinois recently asked its domestic producers to cut back their supplies by 20 percent to make room for Algerian liquefied natural gas (LNG) at over double the cost.

Many domestic producers, especially in the Midwest, Northeast, and West, that have gas available at very attractive prices, are being shut in by pipelines who are committed to rigid take-or-pay obligations for more expensive gas.

The problems affect everyone—consumers, industrial users, distribution companies, pipelines, and producers.

Mr. Speaker, I do not think anyone should be satisfied with the current state of affairs. As I have said before, we are experiencing irrationality in our gas market—gas policy gone haywire. If you wonder why the gas market does not act like a market should, it is because of the overwhelm-

ing negative influence of existing Federal laws.

Mr. Speaker, I am introducing today at the request of the President his proposal to put competition in charge of natural gas pricing. I am convinced that unless we in Congress act soon on natural gas—and President Reagan has given us the framework and the impetus to act—we will find ourselves pressed to recontrol natural gas prices. If we do that, we know we will soon be creating a shortage.

If we act to recontrol prices, we will not be protecting consumers; quite the contrary, we will just encourage more and more imports of natural gas at exceedingly high prices. Perhaps, Mr. Speaker, some interests, such as importers of Canadian or Algerian or Arctic gas, will benefit, but consumers will pay unnecessarily high bills as a consequence. Mr. Speaker, I am against high natural gas prices just as I am against high oil prices. I am for competition. I am for the consumer.

Mr. Speaker, today I am introducing by his request the President's innovative proposal on natural gas. I believe it is an interesting and promising idea. I intend to be very active in the debate on this bill, just as I have been active in the past—when all we did was to debate. Now it is time to act. This bill, like all first drafts, will need revision. That is what the legislative process is all about. I am anxious to get to work.

Mr. Speaker, the New York Times and the Washington Post both used the same word to describe the President's proposal. They called it elegant in separate editorials both published yesterday. Now at the same time, Mr. Speaker, the Wall Street Journal thought it was not enough. And the Oil Daily reported that:

> Outside of Congress, bill supporters have had to deal with something of a mini-revolt by some producers. They have argued that they would be hurt by the gas cap, which they say might be too low, and the provision calling for a review by the FERC of certain purchased gas costs before they can be passed through by interstate pipelines.

It seems to me, Mr. Speaker, that with a variety of comments such as these, it must mean that the President has come out four-square in the middle, not too much to the left nor the right. Now, the legislative process may move this bill only after shifting and sorting, but I am convinced we have before us the fundamentals and the agenda. I am equally convinced that we must act this Congress, indeed this session, and our choices are three: This bill, this bill plus bipartisan revisions, or recontrol.

Mr. Speaker, I include the three editorials referred to for reprinting at this point in the RECORD.

[From the New York Times, Mar. 1, 1983]

A NATURAL ANSWER FOR NATURAL GAS

Some Democratic responses to President Reagan's proposal to deregulate natural gas have been quick, bitter and misguided. One liberal opponent labels it a joke; another calls it absurd. In truth, the proposal is an inventive, even elegant solution to an increasingly aggravating problem: how to protect both consumers and producers during the present transition to an efficient competitive market for natural gas.

The plan could stand improvement. For instance, some of the revenue windfall received by some producers could be taxed. But it's a fine start.

Under the Natural Gas Policy act painfully put together in the Carter years, prices were partially decontrolled. Controls on newly discovered gas were liberalized and set to expire in 1985. Prices for "old" gas, discovered before the legislation, were frozen forever. Everyone hoped that this compromise would create adequate incentives for exploration and conservation while cushioning consumers against price increases.

The hopes, alas, have collapsed. Incentives to sell gas from very deep wells proved too generous; gas from lower-cost wells goes begging for customers. Consumers with access to "old" gas still pay bargain rates that encourage wasteful overuse; consumers elsewhere reel from dramatic price increases. And, judging by the cost of competing fuel oil, average gas prices have risen about as much as they would have without any controls.

Unless something is done, gas prices, and the economy, will continue to suffer painful distortion. One approach would be to tinker with regulation again. But Mr. Reagan's advisers have found a shrewder way—one that uses the free market to smooth the transition. All controls on gas, including "old" gas, would be removed on Jan. 1, 1986. On that date, buyers and sellers would have the right to abrogate contracts signed before the new legislation. But in the meantime, they would be free to decontrol themselves right now by negotiating new long-term contracts, subject only to temporary price ceilings.

That idea improves on partial decontrol in two ways. First, it would give consumers a sturdier umbrella of price protection. Second, it would give buyers and sellers strong incentives to negotiate new contracts now rather than later, and at terms both believe will be competitive under deregulation. In the long run, some prices would undoubtedly go up—but some would almost certainly fall, reflecting the anticipated cost of competing fuels.

Extrapolating from the grotesquely high prices some pipelines have paid for small quantities of deep-well gas, Democratic opponents find that prospect hard to accept. And so they are likely to resist by trying to postpone the date of decontrol. If their aim is to hold prices down over all, that could be self-defeating. Delay would undermine the incentive to bargain created by the Reagan plan. A more profitable avenue of compromise would be tax the decontrolled "old" gas. Such a tax would not discourage production, yet would recoup some of the revenue windfall.

Opponents seek to make an ally of the unknown. Prices under the Reagan plan might go up, they say; at least no one can be certain they won't. But that's a conjectural problem. The country must deal, right now, with a known one: the distortions under the present law and the certain prospect that when it expires in 1985, the economy will suffer a painful transition. The Reagan plan would ease the way.

[From Washington Post, Mar. 1, 1983]

THE LATEST GAS BILL

The last attempt to write rational and fair price controls for natural gas has turned out spectacularly badly. Prices keep rising in the midst of a dramatic surplus. Cheap gas goes unsold while expensive gas flows at a pleasant profit to its producers. The spectacle evokes mixed feelings, as the Reagan administration now begins the slow and difficult process of enacting something better. Just about everybody agrees that reform legislation is necessary. But it's hard to find any three people who agree on precisely what direction it ought to take.

President Reagan sent to Congress yesterday a bill that deserves to be taken seriously as at least a point of departure. It gives the pipelines an opportunity to renegotiate or even to break the take-or-pay contracts that are responsible for much of the current rise in prices. It promises the gas producers a competitive market and freedom from controls. It offers consumers the protection of a cap on the prices that pipelines can pass through to their customers. It's an elegant and intelligent compromise, very much worth discussing further.

But nothing about gas pricing is simple. The malfunction of the present law, enacted in 1978, is largely the result of its authors' misjudgment of the rise in energy prices. Much of the industry, not to mention its customers, now fears that the present bill similarly misjudges falling energy prices. Suppose a year or two from now oil suddenly swings around and gets more expensive, once again drawing gas prices upward with it. The pipelines are fearful of being caught between a competitive market in the gas fields, at one end of their lines, and the federal cap on the prices it can pass along at the other. Producers are uneasy about the prospect that, if prices start up again, Congress might lose its enthusiasm for free competition in the gas fields and reimpose controls. Many of the consumers' organizations, having seen the rise in prices under the present regulations, mistrust the regulators.

In American politics it sometimes happens that a bill is so bitterly contested by so many deeply divided interests that clear and efficient legislation becomes impossible. Natural gas pricing is a conspicuous example. Over three decades of price controls, the rules have become steadily more turgid and intricate in character while becoming more perverse and unsatisfactory in effect. At present there is no majority visible in Congress for any bill. Nobody wants to live with the present law. But it's far from clear that the president's alternative, or any other, can actually be passed.

[From the Wall Street Journal, Mar. 1, 1983]

GETTING BURNED ON GAS

After two years in office, President Reagan says he is finally ready to make good on his promise to "decontrol" natural gas. The benefits of his earlier decision to decontrol oil are abundant what with the OPEC chaos and declining prices. "The doom-sayers were dead wrong," the president said in his radio address Saturday. "You don't have to go any farther than the nearest filling station to see that prices have gone down."

For all the rhetoric, however, the president's proposals are far from a free market approach; in many respects, the proposals are even more complicated and potentially

burdensome than existing regulations. Certainly, the proposals, as currently formulated, are unlikely to reap the major benefits that have accrued from oil decontrol.

It's important first to understand that the recent upsurge in residential gas prices is due precisely to the controls of the Natural Gas Policy Act of 1978. The act encourages the production of the most expensive types of gas, such as "deep" gas below 15,000 feet and high-priced imports, while it provides little or no incentive to enhance production of relatively cheaper gas. As oil prices have fallen over the last 18 months or so, industrial users have been switching from gas to oil. With gas pipeline throughput declining, the residential consumers were left picking up a larger chunk of the expensive gas distribution costs.

The president's plan to place a "cap" on gas price increases won't solve those problems. Prices will be limited to the current ceilings in the NGPA or less. Thus producers would still have little incentive to enhance output of relatively cheap gas, while more expensive types of gas will continue to flow. Consumers would still be forced to pick up the hefty distribution costs as more large customers convert to less expensive oil. And some gas pipelines, now filled with cheap "old" gas, will have a hard time trying to pass along the costs of new, more expensive replacement gas.

Moreover, the president hopes to encourage producers and pipelines to renegotiate existing contracts by a federal fiat that would obligate gas purchasers to only 70% of their "take or pay" contract volumes. Such federal intrusion into privately negotiated commercial contracts raises serious issues of legality, and goes against the grain of the administration's free market doctrine. The president's program was described as a "compromise" between those advisers urging complete decontrol and those concerned about a "consumer backlash." But the supposed consumerists aren't doing consumers any favor. Prices will continue to rise sharply.

The solution to the gas dilemma is complete decontrol. Faced with market pressures from competing lower oil prices, producers, pipelines, utilities and large industrial users will find it mutually advantageous to renegotiate contracts to achieve greater volumes at lower unit cost while sharing the profit margin. President Reagan's "decontrol" plan isn't much of a solution.●

● Mr. FIELDS. Mr. Speaker, today I along with several of my fellow colleagues from the Energy and Commerce Committee are introducing the administration's proposal to decontrol natural gas prices. This legislation, the Natural Gas Consumer Regulatory Reform Act, is the first major step toward decontrol of natural gas.

Mr. Speaker, many of us in Congress have heard from various interest groups, including producers, pipelines distribution companies, and especially consumers, on the problems of the current natural gas market. Gas prices continue to rise despite the surplus in the market. Consumers are being forced to accept these escalating prices despite the fact that old cheap gas is being shut in in favor of newer, more expensive gas being purchased by the pipelines. This regulatory and economic anomaly is a direct result of the Natural Gas Policy Act of 1978 (NGPA).

In passing the Natural Gas Policy Act of 1978, Congress established 20 different categories of one basic commodity, natural gas. In addition, incentives were created for new exploration and development of gas reserves so that the shortages of the winter of 1976-77 would not recur. Under the scenario created by the NGPA, some of these categories of natural gas will be free from price controls in 1985 while other categories of gas, mainly 104—old gas—will remain under price controls until these reserves are depleted.

Mr. Speaker, the intention of the 95th Congress; namely, a continued stable supply of natural gas at a reasonable price, has not been accomplished. What is happening in the market right now is a direct contradiction of elementary economics, rising prices during a period of a tremendous surplus. This economic contradiction needs to be eliminated.

Mr. Speaker, the time has come to reopen the debate on natural gas policy and allow free market principles to operate in the market. We in Congress have a responsibility to our constitutents and to the entire country to set a national policy on natural gas which restores some semblance of economic rationale to this issue.

As a cosponsor of the President's package, I applaud this innovative approach and look forward to an active role in securing enactment of this legislation.

Finally, Mr. Speaker, I would like to submit for the RECORD two editorials, one from the Dallas Morning News and one from the Dallas Times Herald, both of which endorse the President's initiative on natural gas decontrol.

[From the Dallas Times Herald, Mar. 1, 1983]

NATURAL GAS DECONTROL

President Reagan's announcement that his administration will push additional decontrol of natural gas prices at the wellhead should be welcome news to Texans. For too long, federal controls on the resource have distorted pricing to the detriment of the state's consumers and gas producers.

The Natural Gas Policy Act of 1978, passed under the Carter administration, was billed as a decontrol measure, and indeed it was better than the system of total controls that it replaced. Under that law, price controls on about 65 percent of the nation's gas are to be phased out by Jan. 1, 1985. But, unfortunately, it also created a complex tier-pricing system that kept controls on "old" gas produced before 1977 and based the price of new gas on the depth of the well the gas came from, with only the deepest gas being totally decontrolled.

The system gave a competitive edge to interstate pipeline companies that had long-term contracts with producers of old gas, and it allowed them to continue to send a blend of old and new gas to customers in other states at favorable prices, while Texas consumers in many instances have had to pay higher prices because the distribution firms that supplied them have become more and more dependent on costly new gas. Because President Reagan's plan calls for decontrol of old gas, the prices that out-of-state customers pay for gas eventually should equalize with those paid by Texas consumers.

That does not mean that Mr. Reagan's plan is devoid of problems and contradictions, however.

The President predicted that a freer natural gas market would have the same kind of effect that the decontrol of crude oil had and that natural gas prices would decline, just as the cost of gasoline has come down. But consumers should be wary of such predictions and keep in mind that different dynamics are at work here. Natural gas is transmitted and distributed as a highly confined utility, while gasoline consumption is somewhat discretionary and gasoline sales are the end product of a highly competitive and diversified marketing system.

It is likely, therefore, that the price of natural gas will continue to climb in the future for all consumers, as producers and pipeline and distribution companies renegotiate old contracts and sign new ones under provisions of the Reagan decontrol plan.

The Reagan measure faces some opposition from the natural gas industry, as well as from consumer groups. Pipeline companies are opposed to a provision that would prohibit them from automatically passing on their costs to customers. And producers are opposed to any change in the "take-or-pay" contractual arrangement under which purchasers must take a fixed amount of gas or pay for it anyway. The President wants to reduce the pay part of the arrangement to 70 percent.

But the general aim of the administration's decontrol measure is a good one. It will end the economic morass caused by the present pricing system, and it eventually should produce the investment capital necessary to drill more gas wells and to replenish declining reserves.

[From the Dallas Morning News, Mar. 1, 1983]

NATURAL GAS: DEREGULATE NOW

Let us get promptly to the heart of the natural gas question. If Congress deregulates gas prices, as President Reagan calls on it at last to do, will this force consumer prices up?

It certainly won't. Decontrol will force prices down.

When it comes to energy, decontrol is the most proconsumer measure imaginable.

Natural gas prices are too high. Everyone knows this. But why are they too high? Unfortunately, everyone doesn't know this.

Gas prices are too high due to three decades of federal regulation. Contrary to widespread popular belief, there hasn't been a free market in gas since 1954. From 1954 to 1978 the federal government fixed the wellhead price of gas sold across state lines; in 1978 it crossed state lines and started fixing prices even in producer states like Texas, where the law of supply and demand had formerly set prices.

The Natural Gas Policy Act of 1978, while establishing two dozen different pricing categories for gas, did in fact free certain kinds of gas from controls—the wrong kind of gas, as it happened.

The act allowed producers to charge premium prices for the costliest kinds of gas, which of course is what they went after,

rather than the cheaper, easier-to-find varieties. This gave prices an upward spin.

Worse, a quarter of a century of controls had by the late '70s brought on an acute shortage of gas. Pipeline companies, to keep their customers supplied, contracted to buy high-priced gas on a "take-or-pay" basis (i.e., they promised to pay whether they needed the gas or not). This, too, forced up prices.

As prices rose, industrial customers switched increasingly to cheaper fuel oil, leaving homeowners to pick up the tab.

Much remarked by commentators is the phenomenon of rising gas prices at a time of oversupply. It's the sort of phenomenon you place—only in a regulated one.

Swift and straightforward decontrol would be best for the country, because it would (1), bring onto the market shut-in supplies of lower-priced gas that would (2) force down the overall price level; meanwhile (3) the search for new reserves would be stimulated. Political tensions being what they are, this almost certainly is not in the cards. To his decontrol proposal the President is likely to couple assurances that prices may not in the short term rise beyond the level of inflation.

So be it. The paramount necessity is deregulation. What's good for oil is good for gas. And that's very good indeed—as witness what is happening, in an uncontrolled domestic market, to oil prices. They aren't rising—they're falling!

Should we be surprised? Or haven't we figured out by now that the free market is the best "consumer protection" ever devised by the mind of man?●

● Mr. BROYHILL. Mr. Speaker, of all the issues before this Congress, one of the most critical is the issue of natural gas pricing. Simply put, the prices are too high given the ample supplies and the decreased demand during the past year-and-a-half. With oil prices in decline, I believe the price of natural gas should not rise as much as it will rise if we fail to act. The price of natural gas continues to go up and up, in disregard of the usual laws of supply and demand. More and more of our constituents want to know why. Even more, they want to know what we in Congress intend to do about it.

I want to talk about what I call the antimonopoly bill, or the Consumer Relief Act. The President calls it the Natural Gas Consumer Regulatory Reform Amendments of 1983. This is a proposal whose harshest criticism has come from those totally unfamiliar with its design.

I urge my colleagues not to leap to judgment, but to take a careful look at this comprehensive and quite innovative proposal now being circulated on the Hill. One energy trade press columnist has called it "ingenious," adding, "By focusing on contracts and the principle of achieving competition at the burner tip, the drafters have come up with a plan that is without question politically salable."

What makes this true is that, under the Hodel proposal, new increases in purchased gas costs could no longer be automatically passed through to consumers but must be first reviewed by the Federal Energy Regulatory Commission under a new and tough standard. With this element of consumer protection firmly in place over the prices, our consumers must pay for natural gas, the price controls over what pipelines can pay producers become exposed for what they truly are: an elaborate, expensive price support program. In fact, with the Hodel proposal, prices for natural gas will be reallocated among producers by the pipelines with the result that prices charged to consumers can even come down.

If you number yourself among those of us who feel a real need to "do something" about natural gas prices, this may well be it. There is, however, no need to decide this now; there is every reason for you to "keep your powder dry." At a very minimum, this proposal promises to be the framework for turning the unpleasant controversy of natural gas legislation into a productive and comprehensive compromise for change. No one should, at this point, prefer the opposite course of endorsing the status quo of ample supplies, reduced demand, but skyrocketing prices.

In one respect, the entire issue of natural gas has changed as the real world of the natural gas market has changed.

The delivered price of natural gas to our consumers, residential and industrial alike, has neared, already reached, or even exceeded, the price of competing fuels.

The existing laws have not protected consumers from sharp price increases but rather have acted, perversely, to encourage the record high prices for the most exotic and expensive of supplies, including an increase in imported gas.

The demand for natural gas has begun to decline, just as oil demand did, as the price reached the market-clearing level. This decline in demand is due in part to the recession but also to conservation and to fuel-switching. Even as our economy recovers, downward oil prices should put downward pressure on natural gas prices.

Recent sales of new natural gas have tended not to reach the price ceilings due to the large size of the buyers' market. Forcing all existing natural gas contracts to be renegotiated under these same conditions would benefit consumers. The economic result would be a transfer of income from high-cost gas producers to low-cost gas producers, lower imports, and the prospect of lower, more sensible prices to consumers.

Current laws and industry practices actually work against maximizing low-cost gas production. In addition, there are many producers who want to sell their gas for less but are either shut in by a pipeline that will not accept delivery for resale or shut out by a pipeline that will not transport the gas for direct sale.

As a framework for us in the Congress to legislate on this most difficult of issues, the President's proposal is most imaginative. It is responsive to the needs not just of natural gas consumers but of us here in the Congress as well.

In short, it allows us to reform the regulations over this industry so that competition can go to work to benefit the consumers without putting us in the position of having to vote for any specific right price for gas.

I believe prices are already too high. I agree with the Chairman of the Federal Energy Regulatory Commission that the price of natural gas has already reached or exceeded the price of competing fuels. And—unless we act—the price of natural gas will go up even more.

Mr. Speaker, the price of natural gas in North Carolina today is threatening the residential consumer and the basic manufacturing industries which have been the mainstay of our economy for generations. Something must be done, Mr. Speaker, and the President's proposal is the framework for change. We may not be able to agree on every single point. We may make—in fact, I am sure we will make—revisions to this bill as it proceeds through the legislative process. I believe Secretary Hodel knows this, and I am confident that he will want to work with us. There is no good reason all of us cannot work together.

I want to point out to my colleagues that until the President put this natural gas package together it was the conventional wisdom that no legislation could be produced by Congress; the cynics said a stalemate was inevitable. That would mean even higher prices. The President has proved the cynics wrong once again. His legislation, which I join with several of my colleagues in introducing at his request, will become—in effect—an agenda for change. As the ranking Republican on the Committee on Energy and Commerce, I believe we will be well served to begin our legislative hearings with a focus on this bill.

Thank you, Mr. Speaker.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JONES of Tennessee (at the request of Mr. WRIGHT) for this week on account of illness.

By unanimous consent, leave of absence was granted to:

Mr. FORSYTHE (at the request of Mr. MICHEL) from March 1 through the balance of the week on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WEBER) to revise and extend their remarks and include extraneous material):

Mr. CORCORAN, for 60 minutes, today.

Mr. BETHUNE, for 60 minutes, March 3, 1983.

(The following Members (at the request of Mr. WILLIAMS of Montana) to revise and extend their remarks and include extraneous material:)

Mr. FORD of Michigan, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. WIRTH, for 5 minutes, today.

Mr. MACKAY, for 5 minutes, today.

Mr. FUQUA, for 5 minutes, today.

Mr. BEDELL, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FORD of Michigan, immediately following the remarks of Mr. PERKINS on H.R. 1310 in the Committee of the Whole today.

Mr. HOYER, immediately following the remarks of Mr. FORD of Michigan on H.R. 1310 in the Committee of the Whole today.

Mr. PORTER, during general debate on H.R. 1310 in the Committee of the Whole today.

Mr. GREEN, in support of H.R. 1310 in the Committee of the Whole today.

(The following Members (at the request of Mr. WEBER) and to include extraneous matter:)

Mr. MCKERNAN in two instances.

Mr. FRENZEL.

Mr. THOMAS of California.

Mr. YOUNG of Florida in 10 instances.

Mr. RINALDO.

Mr. PHILIP M. CRANE.

Mr. KEMP in three instances.

Mr. CONTE.

Mr. MICHEL in two instances.

Mr. ROTH.

Mr. LIVINGSTON in two instances.

Mr. MADIGAN.

Mr. ERLENBORN.

Mr. PAUL in two instances.

Mr. WOLF.

Mr. BETHUNE in two instances.

Mr. SHUMWAY in two instances.

Mr. BROOMFIELD.

Mr. LAGOMARSINO.

Mr. FIELDS in two instances.

Mr. CORCORAN.

Mr. MARTIN of North Carolina.

(The following Members (at the request of Mr. WILLIAMS of Montana) and to include extraneous matter:)

Mr. HOYER.

Mr. HALL of Ohio.

Mr. ROYBAL in two instances.

Mr. RODINO in two instances.

Mr. FORD of Michigan in three instances.

Mr. BRITT.

Mr. AUCOIN.

Mr. ADDABBO in two instances.

Mr. OTTINGER in three instances.

Mr. SHELBY.

Mr. LELAND.

Mr. STARK.

Mr. HUBBARD.

Mr. LEHMAN of Florida in two instances.

Mr. WIRTH in two instances.

Mrs. BOXER.

Mr. BARNES.

Mr. MINETA.

Mr. D'AMOURS.

Mr. MAZZOLI.

Ms. OAKAR.

Mr. FUQUA in five instances.

Mr. DYSON.

Mr. HOWARD.

Mr. BEDELL.

Mr. OBEY in five instances.

Mr. MARKEY in two instances.

Mr. PEASE.

Mr. FORD of Tennessee.

Mr. CARR.

Mr. MURTHA.

Mr. GAYDOS.

Mr. APPLEGATE.

Mr. SYNAR.

Mr. HEFTEL of Hawaii.

Mr. WALGREN.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 50 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, March 3, 1983, at 10 a.m.

OATH OF OFFICE, MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 98th Congress, pursuant to the provisions of 2 U.S.C. 25:

GARY L. ACKERMAN, Seventh District, New York.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV executive communications were taken from the Speaker's table and referred as follows:

455. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to revise the provisions of such title permitting persons from foreign countries to receive instruction at the U.S. Military Academy, the U.S, Naval Academy, and the U.S. Air Force Academy; to the Committee on Armed Services.

456. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes; to the Committee on Armed Services.

457. A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the General Arrangements to Borrow; to the Committee on Banking, Finance and Urban Affairs.

458. A letter from the General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to extend 5 years the expiration date of the Defense Production Act of 1950; to the Committee on Banking, Finance and Urban Affairs.

459. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's proposed intention to offer to sell certain defense articles and services to Indonesia (Transmittal No. 83-20), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

460. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's proposed intention to offer to sell certain defense articles and services to Saudi Arabia (Transmittal No. 83-21), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

461. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1984 and 1985 for the Department of State; to the Committee on Foreign Affairs.

462. A letter from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

463. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1983, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

464. A letter from the Deputy Director for Administration, Central Intelligence Agency, transmitting a report on the Agency's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

465. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on the Department's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

466. A letter from the Chairman, Federal Election Commission, transmitting proposed regulations concerning contributions and expenditures by corporations and labor organizations for nonpartisan communications, pursuant to 2 U.S.C. 438(d)(1); to the Committee on House Administration.

467. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to authorize appropriations for fiscal years 1984 and 1985, for the Panama Canal Commission to operate and maintain the Panama Canal and for other purposes; to the Committee on Merchant Marine and Fisheries.

468. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to retain the Defense dependents schools system within that Department; jointly, to the Committees on Armed Services, Education and Labor, and Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 174. A bill entitled the "Gladys Noon Spellman Parkway"; with amendments (Rept. No. 98-12). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1149. A bill to designate certain national forest system and other lands in the State of Oregon for inclusion in the National Wilderness Preservation System, and for other purposes; with an amendment (Rept. No. 98-13, Pt. I). Ordered to be printed.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 1296. A bill to amend the Internal Revenue Code of 1954 to allow any taxpayer to elect to treat for income tax purposes any crop received under a Federal program for removing land from agricultural production as produced by the taxpayer, to allow any taxpayer to elect to defer income on any cancellation under such a program of any price support loan, and to provide that participation in such a program shall not disqualify the taxpayer for the special use valuation of farm real property under section 2032A of such Code; with amendments (Rept. No. 98-14). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insluar Affairs. H.R. 1213. A bill to amend certain provisions of law relating to units of the national park system and other public lands, and for other purposes; with an amendment (Rept. No. 98-15). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR: Committee on Rules. H. Res. 113. Resolution providing for the consideration of the bill H.R. 1718 making appropriations to provide emergency expenditures to meet neglected urgent needs to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes (Rept. No. 98-16). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILLIAMS of Montana:

H.R. 1751. A bill to establish in the Department of Labor a Federal Boxing Commission to prescribe and enforce fair labor standards applicable to the conduct of professional boxing and to impose certain other requirements relating to professional boxing, and for other purposes; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. ADDABBO:

H.R. 1752. A bill entitled: "The Natural Gas Policy Act Amendments of 1983"; to the Committee on Energy and Commerce.

By Mr. ALBOSTA:

H.R. 1753. A bill to establish a national insurance program to protect persons storing grain in a public warehouse against losses which may be caused by the insolvency of such warehouse; to the Committee on Agriculture.

By Mr. BEDELL:

H.R. 1754. A bill to amend title II of the Social Security Act and chapters 2 and 21 of the Internal Revenue Code of 1954 to permit ministers and their employers to enter into voluntary agreements for the treatment of such ministers as employed persons; to the Committee on Ways and Means.

By Mr. BEDELL (for himself, Mr. ADDABBO, Mr. CROCKETT, Mr. D'AMOURS, Mr. EDGAR, Mr. FISH, Mr. FLORIO, Mr. GEJDENSON, Mr. HALL of Ohio, Mr. HUGHES, Mr. JONES of North Carolina, Mr. KASTENMEIER, Mr. LAFALCE, Mr. MITCHELL, Mr. MRAZEK, Mr. NOWAK, Mr. OBERSTAR, Mr. OTTINGER, Mr. PANETTA, Mr. ROE, Mr. SEIBERLING, Mr. SMITH of Iowa, Mr. SOLOMON, Mr. SWIFT, Mr. TAUKE, Mr. VENTO, and Mr. WEAVER):

H.R. 1755. A bill to amend the Small Business Act to provide special loan guarantees to small business concerns for the acquisition of motor fuel service stations, to require the divorcement of motor fuel service stations from operation by certain producers and refiners of motor fuels, and for other purposes; jointly, to the Committees on Small Business and Energy and Commerce.

By Mr. BIAGGI:

H.R. 1756. A bill to amend the Internal Revenue Code of 1954 to allow a deduction to individuals who rent their principal residences for a portion of the real property taxes paid or accrued by their landlords; to the Committee on Ways and Means.

By Mr. BURTON of California:

H.R. 1757. A bill to amend the Service Contract Act to prohibit discrimination against employees of predecessor employers under such act, and for other purposes; to the Committee on Education and Labor.

H.R. 1758. A bill to amend the National Labor Relations Act to give employees and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes; to the Committee on Education and Labor.

By Mr. COLEMAN of Missouri (for himself, Mrs. COLLINS, Mr. HERTEL of Michigan, Mr. MCNULTY, Mr. OWENS, Mr. PETRI, and Mr. WHITTAKER):

H.R. 1759. A bill to amend the Natural Gas Policy Act of 1978 to freeze natural gas prices at their October 1, 1982, levels, override take-or-pay clauses, and create market incentives in the natural gas industry; to the Committee on Energy and Commerce.

By Mr. CORCORAN (for himself, Mr. BROYHILL, Mr. TAUZIN, Mr. DANNEMEYER, Mr. RALPH M. HALL, Mr. FIELDS, and Mr. BLILEY) (by request):

H.R. 1760. A bill to correct deficiencies in the Natural Gas Policy Act of 1978, to protect natural gas consumers from price increases because of current distortions in the regulated market for natural gas, to provide for a free market for natural gas, to permit natural gas contracts to reflect the change from a regulated to a free market, to eliminate incremental pricing requirements for natural gas, to eliminate certain fuel use restrictions, and for other purposes; to the Committee on Energy and Commerce.

By Mr. D'AMOURS (for himself, Mr. JONES of North Carolina, Mr. FORSYTHE, Mr. STUDDS, Mr. BIAGGI, and Mr. HUGHES):

H.R. 1761. A bill to amend title I of the Marine Protection, Research, and Sanctuaries Act of 1972; to the Committee on Merchant Marine and Fisheries.

By Mr. DAVIS:

H.R. 1762. A bill to amend section 5(d) of Public Law 874, 81st Congress, to prevent taking into account Federal funds made available under that act in the distribution of State educational funds; to the Committee on Education and Labor.

H.R. 1763. A bill to require the Secretary of Health and Human Services to study whether there may be a relationship between the exposure of members of the Armed Forces of the United States to nuclear radiation in Hiroshima and Nagasaki immediately after World War II and various symptoms currently exhibited by such members; to the Committee on Energy and Commerce.

H.R. 1764. A bill to amend Public Law 94-565, relating to payments in lieu of taxes, to provide that the amount of Federal payment to units of local government within a State for certain Federal property located within their jurisdiction shall not be less than the amount which such unit would be eligible to receive from the State if the property were owned by the State rather

than by the United States; to the Committee on Interior and Insular Affairs.

H.R. 1765. A bill to require the Secretary of Commerce to propose a program to compensate persons and States and political subdivisions thereof for damages caused by shoreline erosion arising from the actions of the International Joint Commission with respect to the level of water on the Great Lakes; to the Committee on Public Works and Transportation.

H.R. 1766. A bill to amend title II of the Social Security Act to improve the administration of such title with regard to disability benefits; to the Committee on Ways and Means.

H.R. 1767. A bill to transfer the Coast Guard from the Department of Transportation to the Department of Defense; jointly, to the Committee on Armed Services and Merchant Marine and Fisheries.

By Mr. DELLUMS:

H.R. 1768. A bill to amend the Civil Rights Act of 1964 to eliminate employment discrimination on the basis of military discharge status; to the Committee on Education and Labor.

H.R. 1769. A bill to exonerate and to provide for a general and unconditional amnesty for certain persons who have violated or are alleged to have violated laws in the course of protest against the involvement of the United States in Indochina, and for other purposes; to the Committee on the Judiciary.

By Mr. DREIER of California:

H.R. 1770. A bill to amend the Internal Revenue Code of 1954 to provide that a 14-percent income tax rate shall apply to all individuals, and to repeal all deductions, credits, and exclusions for individuals other than a $2,000 deduction for each personal exemption; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 1771. A bill to amend the Tennessee Valley Authority Act of 1933 to provide a qualified immunity for certain officers and employees of the Tennessee Valley Authority; to the Committee on Public Works and Transportation.

H.R. 1772. A bill to amend the Internal Revenue Code of 1954 to continue to allow mortgage revenue bonds to be issued; to the Committee on Ways and Means.

By Mr. DUNCAN (for himself and Mr. GUARINI):

H.R. 1773. A bill to amend the Internal Revenue Code of 1954 with respect to the unrelated business taxable income of certain nonprofit charitable organizations; to the Committee on Ways and Means.

By Mr. EDGAR (by request):

H.R. 1774. A bill to amend title 38, United States Code, to extend authority of the Administrator of Veterans' Affairs to provide certain contract hospital care and medical services in Puerto Rico, the Virgin Islands, and other territories; to the Committee on Veterans' Affairs.

By Mr. FUQUA (for himself and Mr. LUJAN):

H.R. 1775. A bill to amend the Internal Revenue Code of 1954 to increase and extend the energy investment tax credit for solar, wind, geothermal, and ocean thermal property; to the Committee on Ways and Means.

By Mr. LEVITAS (for himself, Mr. LOTT, Mr. ALEXANDER, Mr. ANDERSON, Mr. ANDREWS of North Carolina, Mr. APPLEGATE, Mr. ARCHER, Mr. BARNARD, Mr. BEREUTER, Mr. BEVILL, Mr. BLILEY, Mr. BONER of Tennessee, Mrs. BOUQUARD, Mr. BROOMFIELD, Mr. BROYHILL, Mr. CAMPBELL, Mr. CLINGER, Mr. COLEMAN of Missouri, Mr. COURTER, Mr. DANIEL B. CRANE, Mr. CRAIG, Mr. D'AMOURS, Mr. DANNEMEYER, Mr. DASCHLE, Mr. DAUB, Mr. DREIER, Mr. ENGLISH, Mr. ERLENBORN, Mr. FAZIO, Mr. FORSYTHE, Mr. FRENZEL, Mr. FROST, Mr. FUQUA, Mr. GILMAN, Mr. GINGRICH, Mr. GRADISON, Mr. GUNDERSON, Mr. HAMILTON, Mr. HANCE, Mr. HANSEN of Idaho, Mr. HATCHER, Mr. HEFNER, Mr. HIGHTOWER, Mr. HILER, Mr. HUBBARD, Mr. HUTTO, Mr. IRELAND, Mr. JENKINS, Mr. KASICH, Mr. KILDEE, Mr. KINDNESS, Mr. KRAMER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LENT, Mr. LIVINGSTON, Mr. LOEFFLER, Mr. LUKEN, Mr. McDONALD, Mr. McGRATH, Mr. McKINNEY, Mr. MARLENEE, Mr. MARTIN of New York, Mr. MARTIN of North Carolina, Mrs. MARTIN of Illinois, Mr. MAZZOLI, Mr. MILLER of Ohio, Mr. MOLLOHAN, Mr. MOODY, Mr. MOORE, Mr. MURPHY, Mr. MYERS, Mr. NEAL, Mr. NELSON, Mr. NICHOLS, Mr. PARRIS, Mr. PASHAYAN, Mr. PETRI, Mr. PRICE, Mr. QUILLEN, Mr. RATCHFORD, Mr. RAY, Mr. RITTER, Mr. ROBINSON, Mr. ROE, Mr. ROEMER, Mr. ROTH, Mr. ROWLAND, Mr. RUDD, Mr. SENSENBRENNER, Mr. SHELBY, Mr. SKEEN, Mr. DENNY SMITH, Mrs. SNOWE, Mr. SOLOMON, Mr. SPENCE, Mr. STANGELAND, Mr. STUMP, Mr. SUNDQUIST, Mr. TALLON, Mr. THOMAS of Georgia, Mr. WALKER, Mr. WEBER, Mr. WHITTAKER, Mr. WINN, and Mr. WORTLEY):

H.R. 1776. A bill to amend title 5 of the United States Code to improve agency rulemaking by expanding the opportunities for public participation, by creating procedures for congressional review of agency rules, and by expanding judicial review, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. FLORIO:

H.R. 1777. A bill to amend the war powers resolution to require specific authorization for the introduction of U.S. Armed Forces into El Salvador for combat; to the Committee on Foreign Affairs.

By Mr. FLORIO (for himself, Mr. DOWDY of Mississippi, Mr. ECKART, Mr. LENT, Ms. MIKULSKI, Mr. RICHARDSON, Mr. RITTER, and Mr. TAUZIN):

H.R. 1778. A bill to establish a Congressional Advisory Commission on Boxing; to the Committee on Energy and Commerce.

By Mr. GEJDENSON:

H.R. 1779. A bill to amend the Small Business Act to repeal the credit elsewhere test in determining the interest rates applicable to homeowners and businesses on disaster loans; to the Committee on Small Business.

By Mr. HANSEN of Idaho:

H.R. 1780. A bill entitled: "The Willow Creek Winter Stock Water Supply Act"; to the Committee on the Judiciary.

By Mr. HEFNER (for himself and Mr. BRITT):

H.R. 1781. A bill to amend the Internal Revenue Code of 1954 to repeal income tax withholding on interest; to the Committee on Ways and Means.

By Mr. HERTEL of Michigan:

H.R. 1782. A bill to amend section 924 of title 18 of the United States Code to provide mandatory minimum penalties for the illegal transfer of firearms to individuals who use those firearms to commit serious crimes, and to expand and strengthen the application of the existing mandatory minimum penalty for use of firearms in connection with the commission of Federal felonies; to the Committee on the Judiciary.

H.R. 1783. A bill to amend title 18 of the United States Code to regulate certain transactions in valuables in order to facilitate investigations of theft and prevent fencing of stolen property; to the Committee on the Judiciary.

By Mr. CONYERS:

H.R. 1784. A bill to raise the overtime compensation requirements of the Fair Labor Standards Act of 1938 from 1½ times to 2 times the regular rate; to reduce for overtime purposes the numbers of hours in a workweek from 40 hours to 32 hours in 6 steps over 8 years; to prohibit the scheduling of overtime without the consent of the worker; and for other purposes; to the Committee on Education and Labor.

By Mr. HERTEL of Michigan:

H.R. 1785. A bill to amend title 38, United States Code, to provide that veterans' compensation or pension benefits to which an inmate of a State penal institution or State hospital is otherwise entitled may be paid directly to the State as reimbursement for costs incurred in the care of such inmate during the imprisonment or confinement, if the State law requires inmates in such institutions or hospitals to make reimbursement for such costs; to the Committee on Veterans' Affairs.

H.R. 1786. A bill to amend title II of the Social Security Act to provide that social security benefits to which an inmate of a State penal institution or State hospital is otherwise entitled may be paid directly to the State as reimbursement for costs incurred in the care of such inmate during his or her imprisonment or confinement, if the State law requires inmates in such institutions or hospitals to make reimbursement for such costs; to the Committee on Ways and Means.

By Mr. HUCKABY (for himself and Mr. STANGELAND):

H.R. 1787. A bill to provide authority for activities to develop, maintain, and expand markets for U.S. agricultural commodities, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. JACOBS:

H.R. 1788. A bill to amend Public Law 85-745 to provide that a former President may receive monetary allowances under that law only after waiving any rights to receive any other annuity or pension to which the former President would otherwise be entitled under any other Federal law; to the Committee on Post Office and Civil Service.

H.R. 1789. A bill to include home delivery of children's publications in the existing rates for children's publications sent to schools; to the Committee on Post Office and Civil Service.

H.R. 1790. A bill to amend the Internal Revenue Code of 1954 to increase the Federal excise tax on distilled spirits and to provide that the revenues from the additional tax shall be deposited in the Federal hospital insurance trust fund under the Social Security Act; to the Committee on Ways and Means.

H.R. 1791. A bill to amend title II of the Social Security Act to require actual dependency as a condition of a stepchild's eligibility for child's insurance benefits, thereby preventing an insured individual's stepchildren from qualifying for such benefits on his or her wage record—and thereby reducing the benefits of his or her natural

children—if they are being supported by their natural parent; to the Committee on Ways and Means.

H.R. 1792. A bill to amend title XVIII of the Social Security Act for the purpose of mandating guidelines with respect to the return of unused home dialysis supplies; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 1793. A bill to eliminate the exemption for Congress or for the United States from the application of certain provisions of Federal law relating to employment, privacy, and social security, and for other purposes; jointly, to the Committees on Education and Labor, Government Operations, and Ways and Means.

H.R. 1794. A bill to amend the Motor Vehicle Information and Cost Savings Act to require Environmental Protection Agency automobile fuel economy tests to be based upon actual road conditions; to the Committee on Energy and Commerce.

By Mr. JEFFORDS, (for himself, Mr. GUNDERSON, Mr. MADIGAN, Mr. ROBERTS, Mr. AKAKA, Mr. HANSEN of Idaho, Mr. HEFTEL of Hawaii, Mr. STUMP, Mr. STENHOLM, and Mr. EVANS of Iowa):

H.R. 1795. A bill entitled "The Federal Meat Inspection Act Amendments of 1983"; to the Committee on Agriculture.

By Mr. LEHMAN of Florida:

H.R. 1796. A bill to amend title 5, United States Code, to provide that any Federal employee who, at the time of retirement, does not elect a reduced annuity in order to provide a survivor annuity to a spouse or other person may make such an election within 1 year after retiring, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LONG of Maryland (for himself, Mr. ADDABBO, Mr. BARNES, Mr. BOLAND, Mr. BROWN of California, Mr. DIXON, Mr. EDGAR, Mr. FAUNTROY, Mr. HOYER, Mr. JACOBS, Mr. LEHMAN of Florida, Mr. LENT, Mr. MCGRATH, Mr. MATSUI, Mr. MAVROULES, Ms. MIKULSKI, Mr. MINETA, Mr. MITCHELL, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. NEAL, Mr. NOWAK, Mr. OTTINGER, Mr. RODINO, Mrs. ROUKEMA, Mr. SMITH of Florida, Mr. STOKES, Mr. SUNIA, Mr. WEISS, Mr. WILSON, Mr. LANTOS, Mr. YATES, Mr. ST GERMAIN, Mr. ROTH, Mr. BENNETT, Mr. CORRADA, Mr. BERMAN, Mr. GUARINI, Mr. KASTENMEIER, Mr. PORTER, Mr. MARKEY, Mr. DWYER of New Jersey, Mr. RUSSO, Mr. WAXMAN, Mr. GRAY, Mr. MINISH, Mr. EDWARDS of California, Mr. VENTO, Mr. CLAY, Mr. BONIOR of Michigan, Mr. TORRICELLI, Mr. ROYBAL, Mrs. SCHNEIDER, and Mr. WHITEHURST):

H.R. 1797. A bill to end the use of steel-jaw leghold traps on animals in the United States and abroad; to the Committee on Energy and Commerce.

By Mr. LONG of Louisiana:

H.R. 1798. A bill to amend title 28 of the United States Code to set up a regime of repose for certain archeological and ethnological material and cultural property; to the Committee on the Judiciary.

By Mr. MCNULTY:

H.R. 1799. A bill to amend section 315 of the Federal Election Campaign Act of 1971 to reduce the amount that a multicandidate political committee may contribute to a candidate for Federal office; to the Committee on House Administration.

By Mr. SYNAR (for himself, Mr. FRANK, Mr. SAWYER, Mr. MCCOLLUM, Mr. LONG of Louisiana, Mr. DERRICK, Mr. GEPHARDT, Mr. GRAY, Mr. FAZIO, Mr. LOTT, Mr. EMERSON, and Mr. DAUB):

H.R. 1800. A bill to amend title II of the United States Code with respect to consumer credit, agricultural produce, and for other purposes; to the Committee on the Judiciary.

By Mr. MCEWEN:

H.R. 1801. A bill to amend the Railroad Unemployment Insurance Act to provide extended unemployment benefits to certain employees with less than 10 years of service; to the Committee on Energy and Commerce.

H.R. 1802. A bill to amend the Internal Revenue Code of 1954 to provide that amounts paid for health insurance will be allowed as a deduction without regard to the 3 percent limitation on the medical deduction, to allow a deduction for one-half of the social security tax on self-employment income and for certain life insurance premiums, and for other purposes; to the Committee on Ways and Means.

By Mr. MADIGAN:

H.R. 1803. A bill to amend the Internal Revenue Code of 1954 to allow certain lifetime residents of residential retirement facilities a deduction for their proportionate share of the real property taxes imposed on such facilities; to the Committee on Ways and Means.

By Mr. MARLENEE:

H.R. 1804. A bill to amend the Solid Waste Disposal Act to exempt rural communities from the prohibition on open dumping of solid waste; to the Committee on Energy and Commerce.

H.R. 1805. A bill to amend the Clean Air Act to permit a State legislature to contest the redesignation under such act of an area within such State by an Indian tribe, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1806. A bill to amend the Controlled Substances Act to provide mandatory minimum sentences for certain drug offenses; to the Committee on Energy and Commerce.

H.R. 1807. A bill to amend section 924(c) of title 18 of the United States Code to increase the mandatory minimum penalties applicable to certain firearms offenses; to the Committee on the Judiciary.

H.R. 1808. A bill to amend title 18 of the United States Code to provide mandatory minimum sentences for repeat offenders; to the Committee on the Judiciary.

H.R. 1809. A bill to provide for minimum fines for certain offenses relating to welfare and unemployment fraud; jointly, to the Committees on Agriculture, Energy and Commerce, and Ways and Means.

By Mr. MRAZEK (for himself, Mr. DOWNEY of New York, Mr. SUNIA, Mr. DWYER of New Jersey, Mr. LEHMAN of Florida, Mr. FRANK, Mr. MOAKLEY, Mr. ROE, Mr. STOKES, Mr. YATRON, Mr. SMITH of Florida, Mr. BROWN of California, Mr. MCGRATH, Mr. SCHEUER, Mr. EDWARDS of California, Mr. LENT, Mr. LONG of Louisiana, Mr. BIAGGI, Mr. RATCHFORD, Mr. MCNULTY, Mr. WASHINGTON, Ms. KAPTUR, Ms. MIKULSKI, Mr. EDGAR, Mr. BONIOR of Michigan, Mr. COLEMAN of Texas, and Mr. ALEXANDER):

H.R. 1810. A bill to modify and enlarge the authority of the Secretary of Education with respect to the operation of the Helen Keller National Center for Deaf-Blind Youths and Adults, to reestablish the authority for the funding and operation of such center, and for other purposes; to the Committee on Education and Labor.

By Mr. OBERSTAR (for himself and Mr. WEBER):

H.R. 1811. A bill to declare that the United States holds certain lands in trust for the Mille Lacs Band of Chippewa Indians; to the Committee on Interior and Insular Affairs.

By Mr. PARRIS (for himself, Mrs. HOLT, and Mr. WOLF):

H.R. 1812. A bill to provide for a special enrollment period, and the elimination of the late enrollment premium penalty, for certain military retirees and Federal civilian retirees under title XVIII of the Social Security Act; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. PASHAYAN (for himself, Mr. COELHO, and Mr. LEHMAN of California:

H.R. 1813. A bill to authorize the Secretary of the Army to construct improvements on Red Bank and Fancher Creeks, Calif.; to the Committee on Public Works and Transportation.

By Mr. PAUL:

H.R. 1814. A bill to provide that for purposes of assessing the taxable gain of a taxpayer, the Internal Revenue Service shall treat income received in the form of U.S. coins or currency as income received in the amount of the face value of such coins or currency; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 1815. A bill to amend the Elementary and Secondary Education Act of 1965 to provide comprehensive elementary school guidance and counseling programs for elementary students through States and local educational agencies; to the Committee on Education and Labor.

By Mr. PRICE (for himself and Mr. DICKINSON) (by request):

H.R. 1816. A bill to authorize certain construction at military installations for fiscal year 1984, and for other purposes; to the Committee on Armed Services.

By Mr. SEIBERLING (for himself, Mr. FAUNTROY, Mr. DYMALLY, Ms. OAKAR, Mr. EDGAR, Mr. WEAVER, Mr. NEAL, Mr. FORSYTHE, Mr. MITCHELL, Mr. LOWRY of Washington, Mr. DELLUMS, Mr. BONIOR of Michigan, and Mr. MINETA):

H.R. 1817. A bill to prohibit the furnishing of cluster bombs to any foreign country; to the Committee on Foreign Affairs.

By Mr. SEIBERLING:

H.R. 1818. A bill to amend the Internal Revenue Code of 1954 to provide a refundable credit to taxpayers who vote in Federal elections; to the Committee on Ways and Means.

By Mr. SHELBY (by request):

H.R. 1819. A bill to amend title 38, United States Code, to improve survivor benefits in the case of certain veterans who at the time of death had a 100-percent service-connected disability; to the Committee on Veterans' Affairs.

H.R. 1820. A bill to amend title 38, United States Code, to authorize the Veterans' Administration to pay certain funeral expenses for former prisoners of war; to the Committee on Veterans' Affairs.

H.R. 1821. A bill to amend title 38, United States Code, to authorize the Administrator of the Veterans' Administration to make direct low-interest loans to veterans eligible

for specially adapted housing assistance; to the Committee on Veterans' Affairs.

By Mr. SPENCE:

H.R. 1822. A bill to amend the Agricultural Act of 1949 to modify the dairy price support program for the 1983 through 1985 fiscal years; to the Committee on Agriculture.

By Mr. WALGREN:

H.R. 1823. A bill to provide for continuation of health insurance for workers who lose such insurance by reason of unemployment; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. WAXMAN (for himself, Mr. SCHEUER, Mr. WYDEN, Mr. OTTINGER, Mr. WHITTAKER, Mr. SYNAR, Mr. RITTER, Mr. HANSEN of Idaho, Mr. HANSEN of Utah, Mr. WEISS, Mr. OBERSTAR, Mr. WEAVER, Mr. GIBBONS, Mr. HEFTEL of Hawaii, Mr. WATKINS, Mr. FAUNTROY, Mr. RATCHFORD, Mr. D'AMOURS, Mr. YATES, Mr. LOWRY of Washington, Mr. EDWARDS of California, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. MILLER of California, Mr. St Germain, Mr. BEILENSON, Mr. STARK, Mr. SIMON, Mr. EDGAR, Mr. SUNIA, and Mrs. COLLINS):

H.R. 1824. A bill to establish a national program to increase the availability of information on the health consequences of smoking, to amend the Federal Cigarette Labeling and Advertising Act to change the label requirements for cigarettes, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WHITTEN:

H.R. 1825. A bill to provide soybean producers with the same protection from natural disasters as producers of wheat and feed grains; to the Committee on Agriculture.

H.R. 1826. A bill to restore the U.S. share of world trade, to provide for payment in kind which shall be considered a payment to American farmers for their financial losses suffered by reason of the Government having held American farm commodities off world markets, and for other purposes; to the Committee on Agriculture.

H.R. 1827. A bill to establish the Reconstruction Finance Corporation to make loans and loan guarantees to individuals or concerns engaged in industry, agriculture, and commerce, who would otherwise be unable to obtain needed financing or refinancing essential for continued operation thereby preventing unemployment and resulting disruption of the economy, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1828. A bill to amend the Federal Rules of Civil Procedure to restore the right to a jury trial in certain cases involving the exercise by the United States of the power of eminent domain; to the Committee on the Judiciary.

H.R. 1829. A bill to protect the national security, protect the economic well-being of the American people including the Nation's present supplies and undeveloped sources of energy, fuel, food, and fiber from damage due to arbitrary and unsound regulation, order, or decision issued by any executive department, agency, or commission, and for other purposes; to the Committee on the Judiciary.

H.R. 1830. A bill to abolish the U.S. Postal Service, to repeal the Postal Reorganization Act, to reenact the former provisions of title 39, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1831. A bill to amend title 39 of the United States Code to prohibit the Postal Service from limiting regular daily mail delivery to fewer than 6 days each week, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 1832. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to pay claims for damage to a water well, spring, or artesian well used or susceptible for use as a water supply, if construction or operation of any segment of the Tennessee-Tombigbee Waterway project is the cause of said damage; to the Committee on Public Works and Transportation.

H.R. 1833. A bill directing a study and report on requiring proper lighting of boat landing ramps adjacent to waters subject to the jurisdiction of the United States, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 1834. A bill to provide for determination through judicial proceedings of claims for compensation on account of disability or death resulting from disease or injury incurred or aggravated in line of duty while serving in the active military or naval service, including those who served during peace-time, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 1835. A bill to protect funds invested in series E, U.S. savings bonds from inflation and to encourage persons to provide for their own security; to the Committee on Ways and Means.

H.R. 1836. A bill to amend the Internal Revenue Code of 1954 to allow estates required to file estate tax returns before July 13, 1978, the date on which regulations under section 2032A of such code were proposed, to elect the valuation of certain farm and other real property under section 2032A of such code within 90 days after the enactment of the amendments to such code proposed by this bill; to the Committee on Ways and Means.

H.R. 1837. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence, and to allow the owner of rental housing to amortize at an accelerated rate the cost of rehabilitating or restoring such housing; to the Committee on Ways and Means.

H.R. 1838. A bill to amend the Internal Revenue Code to remove the limitations on the amount of medical and dental expenses which may be deducted, to permit taxpayers to deduct such expenses, to arrive at their adjusted gross income, and for other purposes; to the Committee on Ways and Means.

H.R. 1839. A bill to amend the Internal Revenue Code of 1954 with respect to the determination of whether certain charitable organizations are publicly supported; to the Committee on Ways and Means.

H.R. 1840. A bill to amend the Internal Revenue Code of 1954 to provide that the deduction for medical and dental expenses shall be allowable without regard to whether such expenses exceed certain percentages of the taxpayer's adjusted gross income and to provide that such deduction shall be allowable whether or not the taxpayer itemizes deductions; to the Committee on Ways and Means.

By Mr. WOLF (for himself, Mr. WHITEHURST, and Mr. PARRIS):

H.R. 1841. A bill to amend chapter 54 of title 5, United States Code, to reform the merit pay system; to the Committee on Post Office and Civil Service.

By Mr. YATRON:

H.R. 1842. A bill to require maintenance of the traditional 10-to-7 ratio in U.S. military assistance for Turkey and Greece; to the Committee on Foreign Affairs.

By Mr. YATRON (for himself and Mr. BROOMFIELD):

H.R. 1843. A bill to prohibit the use on Cyprus of military equipment provided to Turkey by the United States; to the Committee on Foreign Affairs.

By Mr. YOUNG of Florida:

H.R. 1844. A bill to amend title 5 and title 44, United States Code, to lengthen the time period between the publication of a Federal rule and the effective date of such rule, and the time period between the publication of notice of a hearing and the beginning of such hearing; to the Committee on the Judiciary.

H.R. 1845. A bill to require that the U.S. Government prepare and make public annual consolidated financial statements utilizing the accrual method of accounting, and for other purposes; to the Committee on Government Operations.

H.R. 1846. A bill to require public disclosure by certain recipients of Federal funds of information required to be kept by such recipients as a condition of receiving such funds; to the Committee on Government Operations.

H.R. 1847. A bill to amend title 5 of the United States Code to establish a uniform procedure for congressional review of agency rules which may be contrary to law or inconsistent with congressional intent, to expand opportunities for public participation in agency rulemaking, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. ZABLOCKI (for himself and Mr. BROOMFIELD) (by request):

H.R. 1848. A bill to authorize supplemental international security assistance for urgent purposes for the fiscal year 1983, and for other purposes; to the Committee on Foreign Affairs.

H.R. 1849. A bill to authorize supplemental assistance to aid Lebanon in rebuilding its economy and Armed Forces, and for other purposes; to the Committee on Foreign Affairs.

H.R. 1850. A bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize security and development assistance programs for fiscal years 1984 and 1985, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BREAUX (for himself, Mr. ALEXANDER, Mr. LONG of Louisiana, Mr. CHAPPIE, Mr. COELHO, Mr. DIXON, Mr. DOWDY of Mississippi, Mr. FAZIO, and Mr. MATSUI):

H.J. Res. 164. Joint resolution to disapprove the governing international fishery agreement between the United States and Korea; to the Committee on Merchant Marine and Fisheries.

Mr. PEPPER:

H.J. Res. 165. Joint resolution commending the Cuban "Declaration of Freedom"; to the Committee on Foreign Affairs.

H.J. Res. 166. Joint resolution expressing the determination of the United States with respect to the situation in Cuba; to the Committee on Foreign Affairs.

H J. Res. 167. Joint resolution to authorize and request the President to proclaim January 28, 1984, as "Day of Marti, Apostle of Liberty"; to the Committee on Post Office and Civil Service.

By Mr. RITTER (for himself, Mr. BONER of Tennessee, Mr. BADHAM, Mr. NELSON of Florida, Mr. AKAKA, Mr. REID, Mr. LELAND, Mr. ALEXANDER, Mr. ROTH, Mr. TALLON, Mrs.

SNOWE, Mr. LENT, Mr. YOUNG of Missouri, Mrs. VUCANOVICH, and Mr. RUSSO):

H.J. Res. 168. Joint resolution to designate the week beginning May 29, 1983, as "National Tourism Week"; to the Committee on Post Office and Civil Service.

By Mr. SHUMWAY:

H.J. Res. 169. Joint resolution proposing an amendment to the Constitution of the United States establishing English as the official language of the United States; to the Committee on the Judiciary.

By Mr. WHITTEN:

H.J. Res. 170. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

H.J. Res. 171. Joint resolution to increase farm income and expand agricultural exports; jointly, to the Committees on Agriculture and Foreign Affairs.

H.J. Res. 172. Joint resolution to compensate farmers and others engaged in agriculture for losses suffered as a result of embargoes on the export of agricultural commodities, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. HEFTEL of Hawaii (for himself, Mr. SUNIA, Mr. CORRADA, Mr. DE LUGO, and Mr. WON PAT):

H. Con. Res. 72. Concurrent resolution expressing the sense of Congress that, if the method for allocating the costs for construction of navigation projects is amended, the amended method should not apply to the State of Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Marianas; to the Committee on Public Works and Transportation.

By Mr. LELAND:

H. Con. Res. 73. Concurrent resolution expressing the sense of the Congress that the U.S. Postal Service should conduct a study of the possible benefits of increased use of Amtrak rail passenger service for the transportation of mail; to the Committee on Post Office and Civil Service.

By Mr. WHITTEN:

H. Con. Res. 74. Concurrent resolution memorializing the President and the Secretary of Agriculture to declare a moratorium on farm loan repayments in order to protect the economy and the food supply of the Nation; to the Committee on Agriculture.

By Mr. YATRON (for himself and Mr. CONTE):

H. Con. Res. 75. Concurrent resolution expressing the sense of the Congress regarding the rate of fill for completing the strategic petroleum reserve; to the Committee on Energy and Commerce.

By Mr. ROYBAL (for himself and Mr. RINALDO):

H. Res. 114. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Aging in the 1st session of the 98th Congress; to the Committee on House Administration.

By Mr. BOLAND:

H. Res. 115. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Permanent Select Committee on Intelligence in the 1st session of the 98th Congress; to the Committee on House Administration.

By Mr. DELLUMS:

H. Res. 116. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on the District of Columbia in the 1st session of the 98th Congress; to the Committee on House Administration.

By Mr. JACOBS:

H. Res. 117. Resolution to amend the Rules of the House of Representatives to require that measures affecting the salaries, freebies, or emoluments of Members or former Members of Congress be adopted by rollcall vote; to the Committee on Rules.

By Mr. LEHMAN of Florida (for himself, Mr. FISH, Mr. WALGREN, Mr. ADDABBO, Mr. ARCHER, Mr. WIRTH, Mr. LANTOS, Mr. LOWERY of California, Mr. MOAKLEY, Mr. EDWARDS of California, Mr. GRADISON, Mr. OTTINGER, Mr. FRANK, Mr. LAGOMARSINO, Mr. YOUNG of Missouri, Mr. MORRISON of Connecticut, Mr. FORSYTHE, Mr. KASICH, Mr. GARCIA, Mr. BONER of Tennessee, Mr. RATCHFORD, Mr. WEISS, Mr. LENT, Mr. AUCOIN, Mr. PEPPER, Mr. FAUNTROY, Mr. WILSON, Mrs. KENNELLY, Mr. CORCORAN, Mr. PATTERSON, Mr. MARKEY, Mr. OBERSTAR, Mr. PORTER, Mr. FOGLIETTA, Mr. MCNULTY, Mr. VANDERGRIFF, Mr. FROST, Mr. LEVINE of California, Mr. MCCLOSKEY, Mr. ROE, Mrs. SCHNEIDER, Mrs. SCHROEDER, Mr. GLICKMAN, Mr. GREEN, Mr. BLILEY, Ms. KAPTUR, Mr. EDGAR, Mr. SMITH of Florida, Mr. HORTON, Mr. DEWINE, Mr. EVANS of Illinois, Mr. ERDREICH, Mr. KEMP, Mr. SHANNON, Mr. SCHEUER, Mr. BURTON of California, Mr. BEILENSON, Mr. HALL of Ohio, Mr. MRAZEK, Mr. BARNES, Mrs. MARTIN of Illinois, Mr. FASCELL, Mr. SIMON, Mr. WAXMAN, Mr. BERMAN, Mr. MINETA, Mr. SYNAR, Mr. YATES, Mr. RITTER, Mr. DWYER of New Jersey, Mr. SUNIA, Mr. WORTLEY, Mr. KRAMER, Mr. LELAND, Mr. COURTER, Mr. MCGRATH, Mr. LOWRY of Washington, Mr. SABO, Mr. SCHUMER, Mr. WYDEN, Mr. ORTIZ, and Mr. STOKES):

H. Res. 118. Resolution condemning the unjust trial and sentencing of Dr. Viktor Brailovsky by the Government of the Soviet Union, and expressing the sense of the House of Representatives that such Government should cease its persecution of Viktor Brailovsky and permit him and his family to emigrate from the Soviet Union to Israel; to the Committee on Foreign Affairs.

By Mr. OBERSTAR:

H. Res. 119. Resolution expressing the sense of the Congress that the Office of Management and Budget should withdraw the proposed revision to Circular A-122, "Cost Principles for Nonprofit Organizations"; to the Committee on Government Operations.

By Mr. ROEMER:

H. Res. 120. Resolution that it is the sense of the House to recognize the need for attention to the rate of increase in Federal spending and to urge the Committee on the Budget of the House of Representatives to use as their base of deliberations figures "frozen" at the previous fiscal year's budget levels; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By DELLUMS:

H.R. 1851. A bill for the relief of Maria Elena Cortez and Maria Claudia Cortez; to the Committee on the Judiciary.

H.R. 1852. A bill for the relief of Tomiko Fukuda Eure; to the Committee on the Judiciary.

H.R. 1853. A bill for the relief of Cathleen S. O'Regan; to the Committee on the Judiciary.

H.R. 1854. A bill for the relief of Montol Rattapituck, Supvaran Rattapituck, and Molvarn Rattapituck; to the Committee on the Judiciary.

H.R. 1855. A bill for the relief of Michael Slowbear and Darrin Mandy; to the Committee on the Judiciary.

H.R. 1856. A bill for the relief of West Oakland Health Council, Inc.; to the Committee on the Judiciary.

By Mr. DREIER of California:

H.R. 1857. A bill for the relief of Presbyterian Intercommunity Hospital, Inc.; to the Committee on the Judiciary.

By Mr. GORE:

H.R. 1858. A bill for the relief of John Smitherman; to the Committee on the Judiciary.

By Mr. LOWRY of Washington:

H.R. 1859. A bill for the relief of Emmy Ann Watanabe; to the Committee on the Judiciary.

By Mr. REID:

H.R. 1860. A bill for the relief of the estate of Nell J. Redfield; to the Committee on the Judiciary.

By Mr. SHUMWAY:

H.R. 1861. A bill authorizing the President of the United States to award, in the name of the Congress, the Medal of Honor to Ernest L. Wrentmore; to the Committee on Armed Services.

H.R. 1862. A bill for the relief of Gemma and Marylow Magadia; to the Committee on the Judiciary.

By Mr. THOMAS of California:

H.R. 1863. A bill to provide for the conveyance of certain parcels of Federal land in the State of California to the owners of residences on such parcels; to the Committee on Armed Services.

H.R. 1864. A bill to disclaim any right, title, or interest of the United States in certain lands in the State of California and to require the Secretary of the Interior to issue a quitclaim deed to such lands in favor of the Soda Flat Co., the present possessor of such land, or its successor in title to such lands; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Florida:

H.R. 1865. A bill for the relief of Nery De Maio; to the Committee on the Judiciary.

H.R. 1866. A bill for the relief of Doctor Walter J. Moser and Doctor Angrit G. Moser-Mahncke; to the Committee on the Judiciary.

H.R. 1867. A bill for the relief of Olga Rojas-Pujolar; to the Committee on the Judiciary.

H.R. 1868. A bill for the relief of Henri E. Rambonnet and Jeanne Rambonnet; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII sponsors were added to public bills and resolutions as follows:

H.R. 29: Mr. BATES, Mr. BONIOR of Michigan, Mr. BORSKI, Mr. BILIRAKIS, Mrs. COLLINS, Mr. COURTER, Mr. DWYER of New Jersey, Mr. FEIGHAN, Mr. FOGLIETTA, Mr.

FRENZEL, Mr. FROST, Mr. GEKAS, Mr. HOYER, Mr. LAFALCE, Mr. LEVIN of Michigan, Mr. LONG of Maryland, Mr. MADIGAN, Mr. MCKINNEY, Ms. MIKULSKI, Mr. MINISH, Mr. MOODY, Mr. OTTINGER, Mr. PATMAN, Mr. STOKES, Mr. SOLARZ, Mr. TORRICELLI, Mr. VANDERGRIFF, Mr. WAXMAN, Mr. WINN, Mr. ZABLOCKI, Mr. DAUB, Mr. WORTLEY, Mr. WILLIAMS of Ohio, and Mr. LIPINSKI.

H.R. 52: Mr. SHAW.

H.R. 70: Mr. SHUMWAY.

H.R. 221: Mr. MOLINARI and Ms. FIEDLER.

H.R. 242: Mr. SHUMWAY and Mr. MCDONALD.

H.R. 389: Mr. HORTON, Mr. GOODLING, and Mr. RICHARDSON.

H.R. 482: Mr. HUBBARD.

H.R. 483: Mr. STRATTON, Mr. WILSON, Mr. DYSON, Mr. MCNULTY, Mr. MCDONALD, Mr. DANIEL, and Mr. SOLOMON.

H.R. 500: Mr. FLORIO and Mr. MARLENEE.

H.R. 555: Mr. OTTINGER, Mr. CONYERS, Mr. ROE, Mr. HUGHES, Mr. MACKAY, Mr. MCNULTY, Mr. YATES, Mr. MOODY, Mr. BOSCO, Mr. GUARINI, Ms. KAPTUR, Mr. RATCHFORD, Mr. LEVINE of California, Mr. RANGEL, and Mr. EDGAR.

H.R. 618: Mr. TAUKE, Mr. BILIRAKIS, Mr. RUDD, Mr. RUSSO, Mr. STANGELAND, and Mr. MOLINARI.

H.R. 657: Mr. DANIEL B. CRANE.

H.R. 800: Mr. DIXON, Mr. BARNES, Mr. BONER of Tennessee, Mr. BRYANT, Mr. CORRADA, Mr. DE LUGO, Mr. DOWDY of Mississippi, Mr. DURBIN, Mr. FASCELL, Mr. FORD of Tennessee, Mrs. HALL of Indiana, Mr. HALL of Ohio, Mr. LONG of Louisiana, Mr. LUNDINE, Mr. MCKINNEY, Mr. MINETA, Mr. MOODY, Mr. PATTERSON, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SIKORSKI, Mr. SWIFT, Mr. TOWNS, Mr. WYDEN, Mr. SHARP, Mr. OTTINGER, Mr. ANDREWS of North Carolina, Mr. COLEMAN of Texas, Mr. BRITT, Mr. CLAY, Mr. GRAY, Mrs. COLLINS, Mr. DELLUMS, Mr. OWENS, Mr. MITCHELL, Mr. SAVAGE, Mr. LELAND, and Mr. MARTINEZ.

H.R. 836: Mr. FUQUA and Mr. JONES of Oklahoma.

H.R. 865: Mr. DAVIS, Mr. STAGGERS, and Mr. FRANK.

H.R. 866: Mr. STAGGERS, Mr. FRANK, and Mr. LELAND.

H.R. 867: Mr. STAGGERS, Mr. FRANK, and Mr. LELAND.

H.R. 868: Mr. STAGGERS, Mr. FRANK, and Mr. LELAND.

H.R. 869: Mr. STAGGERS, Mr. FRANK, and Mr. LELAND.

H.R. 870: Mr. STAGGERS, Mr. FRANK, and Mr. LELAND.

H.R. 871: Mr. STAGGERS, Mr. FRANK, and Mr. LELAND.

H.R. 872: Mr. VENTO, Mr. STAGGERS, Mr. FRANK, and Mr. LELAND.

H.R. 893: Mr. ANNUNZIO, Mr. HILER, Mr. PATMAN, and Mr. JONES of North Carolina.

H.R. 912: Mr. NICHOLS.

H.R. 983: Ms. FIEDLER.

H.R. 1011: Mr. LIVINGSTON, Mr. WHEAT, Mr. WILSON, Mr. HUGHES, Mr. SHELBY, Mr. RIDGE, Mr. RICHARDSON, and Mr. MCDONALD.

H.R. 1015: Mr. MURPHY.

H.R. 1016: Mr. MURPHY.

H.R. 1028: Mr. KOGOVSEK, Mr. LEHMAN of Florida, Mr. NELSON of Florida, Mr. BATES, Mr. FAZIO, Mr. WASHINGTON, Mr. STARK, Mr. SHELBY, Mr. LAFALCE, Mr. OWENS, Mrs. BOXER, Mr. MRAZEK, Mr. MARTINEZ, and Mr. MURPHY.

H.R. 1035: Mr. LOWERY of California, Mr. MORRISON of Washington, Mr. WHITEHURST, Mr. MOLLOHAN, Mr. HUBBARD, Mr. BOEHLERT, and Mr. WEAVER.

H.R. 1083: Mr. ADDABBO, Mr. ANDREWS of North Carolina, Mr. BATES, Mr. DE LUGO, Mr. DOWNEY of New York, Mr. FORD of Tennessee, Mr. FROST, Mr. GEJDENSON, Ms. KAPTUR, Mrs. KENNELLY, Ms. MIKULSKI, Mr. MINETA, Mr. MORRISON of Connecticut, Mr. OBERSTAR, Mr. OTTINGER, Mr. SOLARZ, Mr. STUDDS, Mr. SUNIA, Mr. TOWNS, Mr. WEAVER, Mr. WHEAT, and Mr. YATES.

H.R. 1084: Mr. DASCHLE, Mr. DYSON, Mr. OLIN, Mr. ROBERT F. SMITH, Mr. PAUL, Mr. GINGRICH, Mr. BROWN of Colorado, and Mr. WYLIE.

H.R. 1092: Mr. FRENZEL, Mr. HORTON, Mr. OXLEY, Mr. RINALDO, Mr. SMITH of New Jersey, and Mr. WASHINGTON.

H.R. 1093: Mr. FRANK, Mr. CONTE, Mr. DWYER of New Jersey, Mr. STOKES, Mr. VENTO, Mr. KOLTER, Mr. ROE, Mr. STAGGERS, Mr. BARNARD, Mr. MURPHY, Mr. SIMON, Mr. WILLIAMS of Montana, and Mr. MARKEY.

H.R. 1132: Mr. UDALL and Mr. BOUCHER.

H.R. 1136: Mr. SAVAGE, Mr. PATMAN, Mr. COYNE, Ms. KAPTUR, Mr. REID, Mr. RICHARDSON, Mr. CROCKETT, Mr. GEJDENSON, and Mr. WEAVER.

H.R. 1146: Mr. MINETA.

H.R. 1172: Mr. BONIOR of Michigan, Mrs. COLLINS, Mr. DE LUGO, Mr. FORD of Michigan, Mr. GARCIA, Mr. MITCHELL, Mr. OWENS, Mr. RAHALL, Mr. ROE, Mr. STOKES, Mr. TORRICELLI, and Mr. WHEAT.

H.R. 1178: Mr. BARNARD, Mr. BONIOR of Michigan, Mr. FEIGHAN, Mr. FISH, Mr. FOGLIETTA, Mr. GILMAN, Mr. GUARINI, Mr. HUGHES, Mr. KOGOVSEK, Mr. MINISH, Mr. MRAZEK, Mr. MURPHY, Mr. RATCHFORD, Mr. SHANNON, Mr. SMITH of Florida, Mr. SUNIA, Mr. WASHINGTON, Mr. YATES, and Mr. YATRON.

H.R. 1194: Mr. RITTER and Mr. HUGHES.

H.R. 1199: Mr. STOKES, Mr. FAUNTROY, Mr. MAVROULES, Mr. CLAY, Mr. SMITH of New Jersey, Mr. D'AMOURS, Mr. HARRISON, Mr. FEIGHAN, Mr. FRANK, Mr. WILLIAMS of Ohio, Mr. WILSON, Mr. RAHALL, Mr. ANNUNZIO, Mr. ADDABBO, Mr. HOYER, Mr. SMITH of Florida, and Mr. BEVILL.

H.R. 1202: Mr. ALEXANDER and Mr. TALLON.

H.R. 1206: Mr. HORTON, Mr. GINGRICH, Mr. DANIEL, Mr. WILLIAMS of Montana, Mrs. HALL of Indiana, and Mr. KOGOVSEK.

H.R. 1219: Mr. BARNARD, Mr. BIAGGI, Mrs. BYRON, Mr. DUNCAN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. FAZIO, Mr. FIELDS, Mr. FORSYTHE, Mr. SAM B. HALL, JR., Mr. HOPKINS, Mr. HORTON, Mr. JENKINS, Mr. JONES of North Carolina, Mr. LEATH of Texas, Mr. LEWIS of California, Mr. MATSUI, Mr. MONTGOMERY, Mr. OWENS, Mr. PANETTA, Mr. PEPPER, Mr. PERKINS, Mr. RATCHFORD, Mr. REID, Mr. RICHARDSON, Mr. ROE, Mr. SCHEUER, Mr. SIMON, Mr. STUMP, Mr. TALLON, Mr. VANDERGRIFF, Mr. VANDER JAGT, Mr. WILSON, Mr. WINN, Mrs. HALL of Indiana, and Mr. WASHINGTON.

H.R. 1234: Mr. HILLIS, Mr. SHELBY, Mr. ALBOSTA, Mr. BURTON of California, Mr. STUDDS, Mr. SHANNON, Mr. MCDADE, Mrs. HALL of Indiana, Mr. WASHINGTON, Mr. FRANK, Mr. YOUNG of Missouri, and Mr. SAVAGE.

H.R. 1255: Mr. WORTLEY, Mr. FAZIO, Mr. BARNES, Mr. D'AMOURS, Mr. DREIER of California, Mr. YATRON, Mr. RANGEL, Mr. GUNDERSON, Mr. MORRISON of Washington, Mr. MARTINEZ, Mr. LONG of Louisiana, Mr. RUDD, Mr. FASCELL, Mr. MARLENEE, Mr. DE LUGO, Mr. SMITH of New Jersey, Mr. WASHINGTON, Mr. HAMMERSCHMIDT, Mr. MOORHEAD, and Mr. CHAPPELL.

H.R. 1296: Mr. LEACH of Iowa, Mr. TAUKE, Mr. EVANS of Iowa, Mr. GRAMM, and Mr. FAZIO.

H.R. 1299: Mr. MITCHELL, Mr. WORTLEY, Mr. ZABLOCKI, Mr. COYNE, Mr. MOODY, Mr. EDGAR, Mr. MOLLOHAN, Mr. TAUKE, Mr. WOLPE, Mr. LEHMAN of Florida, Mr. MCCLOSKEY, Mr. STARK, Mr. WISE, Ms. OAKAR, Mr. RANGEL, Mr. LUKEN, Mr. HERTEL of Michigan, Mr. WEAVER, Mr. PETRI, Mr. BONIOR of Michigan, Mr. HARRISON, Mr. FROST, Mr. WILLIAMS of Montana, Mr. LIVINGSTON, Mr. WEISS, Mr. DICKS, Mrs. HALL of Indiana, Mr. SWIFT, Mr. WAXMAN, and Mr. WASHINGTON.

H.R. 1300: Mr. MITCHELL, Mr. WORTLEY, Mr. ZABLOCKI, Mr. COYNE, Mr. MOODY, Mr. EDGAR, Mr. MOLLOHAN, Mr. TAUKE, Mr. WOLPE, Mr. LEHMAN of Florida, Mr. MCCLOSKEY, Mr. STARK, Mr. WISE, Ms. OAKAR, Mr. RANGEL, Mr. LUKEN, Mr. HERTEL of Michigan, Mr. WEAVER, Mr. PETRI, Mr. BONIOR of Michigan, Mr. HARRISON, Mr. FROST, Mr. WAXMAN, Mr. LIVINGSTON, Mr. WEISS, Mr. DICKS, Mrs. HALL of Indiana, Mr. SWIFT, and Mr. WASHINGTON.

H.R. 1347: Mr. STUMP and Mr. MCNULTY.

H.R. 1407: Mr. MARLENEE, Mrs. SMITH of Nebraska, Mr. BROWN of California, and Mr. BEREUTER.

H.R. 1452: Mr. LOWRY of Washington, Mr. WISE, and Mr. GLICKMAN.

H.R. 1462: Mr. WHITEHURST.

H.R. 1482: Mr. GINGRICH.

H.R. 1487: Mr. OTTINGER.

H.R. 1536: Mr. KASICH.

H.R. 1543: Mr. MAVROULES, Mr. BROWN of California, Mr. STUDDS, Mr. FASCELL, and Mr. MINISH.

H.R. 1590: Mr. BROWN of California and Mr. FORD of Tennessee.

H.R. 1596: Mr. LOWRY of Washington.

H.R. 1611: Mr. HARRISON, Mr. WALGREN, and Mr. LAGOMARSINO.

H.R. 1622: Mr. DOWNEY of New York, Mr. HORTON, Mr. PURSELL, Mr. EDGAR, Mr. HOYER, Mr. STUDDS, Mr. FEIGHAN, Mr. BERMAN, Mr. WASHINGTON, Mr. SAVAGE, Mr. FAZIO, and Mrs. BOXER.

H.R. 1634: Mr. LUNDINE, Mrs. HALL of Indiana, Mr. WASHINGTON, and Mr. LEVIN of Michigan.

H.R. 1646: Mr. RICHARDSON and Mr. DOWDY of Mississippi.

H.R. 1649: Mrs. JOHNSON.

H.R. 1651: Mr. OXLEY, Mr. WYLIE, and Mr. KINDNESS.

H.J. Res. 2: Mr. TALLON and Mr. GORE.

H.J. Res. 3: Mr. MCKINNEY, Mr. OTTINGER, Mr. STUDDS, Mr. PANETTA, Mr. UDALL, Mr. FEIGHAN, Mr. CARR, Mr. MORRISON of Connecticut, Mr. OWENS, Mr. BATES, Mr. WALGREN, Mr. MRAZEK, Mr. RICHARDSON, Ms. KAPTUR, Mr. EVANS of Illinois, Mr. TORRICELLI, Mr. ANDREWS of North Carolina, Mr. STARK, Mr. GARCIA, Mr. LAFALCE, Mr. SUNIA, Mr. MOODY, Mr. FISH, Mr. YATES, Mr. NEAL, Mr. MURPHY, Mr. GEJDENSON, Mr. FASCELL, Mr. PATTERSON, Mr. FORD of Michigan, Mr. WASHINGTON, and Mrs. BOXER.

H.J. Res. 22: Mr. SISISKY.

H.J. Res. 58: Mr. LEVINE of California, Mr. PASHAYAN, Mr. ROYBAL, Mr. BROWN of California, and Mr. BERMAN.

H.J. Res. 61: Mr. WEISS, Mrs. KENNELLY, Mr. LOWRY of Washington, Mr. FORD of Tennessee, Mr. DELLUMS, Mr. MINISH, Mr. EDGAR, Mr. STUDDS, Mr. BONER of Tennessee, Mr. OTTINGER, Mr. MINETA, Mr. LEHMAN of Florida, Mr. PEPPER, Mr. FROST, Mr. SIMON, Mr. FRENZEL, Mr. WAXMAN, Mr. VENTO, Mr. LEACH of Iowa, Mrs. ROUKEMA, Mr. WEAVER, Mr. MAVROULES, Mr. KASTENMEIER, Mr. PETRI, Mr. MCHUGH, Mr. CARR, Mr. SMITH of Florida, Mr. BEILENSON, Mr. FORSYTHE, Mr. LANTOS, Mr. RANGEL, Mr. GLICKMAN, Mr. LUNDINE, Mr. WILLIAMS of Montana, Mr. TALLON, Ms. KAPTUR, Mr. BARNES, Mr. MITCHELL, Mr. STUDDS, Mrs. HALL of Indiana, Mr. GREEN, Mr. BEDELL, Mr. CROCKETT,

Mr. MRAZEK, Mrs. SCHROEDER, Mr. WALGREN, Mr. AUCOIN, Mr. SABO, Mr. GARCIA, Mr. FRANK, Mr. WOLPE, Mr. SCHUMER, Mr. FAUNTROY, Mr. WISE, Mr. MOODY, Mr. YATES, Mr. BATES, Mr. SCHEUER, Mr. DYMALLY, Mr. COOPER, Mr. PEASE, Mr. MARTINEZ, Mr. SEIBERLING, Mr. MAZZOLI, Mr. RICHARDSON, Mr. SAVAGE, Mr. GEPHARDT, Mr. DICKS, Mr. ANDREWS of North Carolina, Mr. WIRTH, Mr. HALL of Ohio, Mr. EVANS of Illinois, Mr. EDWARDS of California, Mr. OBERSTAR, Mr. BEREUTER, Mr. CHANDLER, Mr. TORRICELLI, Mrs. SCHNEIDER, Mr. PANETTA, Mr. FISH, Mr. BROWN of Colorado, Mrs. SNOWE, Mr. O'BRIEN, Mr. SYNAR, Mr. MCKERNAN, Mr. MOAKLEY, Mr. MATSUI, and Mr. LEHMAN of California.

H.J. Res. 73: Mr. TAUZIN.

H.J. Res. 103: Mr. DERRICK.

H.J. Res. 113: Mr. MCCAIN, Mr. SPENCE, Mr. BARNARD, and Mr. JONES of Oklahoma.

H.J. Res. 120: Mr. WAXMAN, Mr. SIMON, Mr. LEHMAN of Florida, and Mr. GORE.

H. Con. Res. 20: Mr. LEVINE of California, Mr. CONYERS, Mr. KASTENMEIER, Mr. EDGAR, Mr. SIMON, and Mr. OTTINGER.

H. Con. Res. 40: Ms. SOLARZ, Mrs. MIKULSKI, Mr. HOYER, Mr. TORRICELLI, Mr. MCKINNEY, Mr. UDALL, Mr. BOUCHER, Mr. PENNY, Mr. HAWKINS, Mr. WHEAT, Ms. FERRARO, Mr. BIAGGI, Mr. AKAKA, Mr. SISISKY, Mr. SIMON, AND Mr. D'AMOURS.

H. Con. Res. 68: Mr. ROE, Mr. YATRON, Mrs. SNOWE, Mr. MCGRATH, Mr. WORTLEY, Mr. WILSON, Mr. VANDERGRIFF, and Ms. OAKAR.

H. Res. 45: Mr. GARCIA, Mr. STANGELAND, Mr. SCHULZE, Mr. ROBERTS, Mr. BURTON of Indiana, Mr. ENGLISH, Mr. BEREUTER, Mr. MCCOLLUM, Mrs. BOXER, Mr. MITCHELL, Mr. LELAND, Mr. SCHEUER, Mr. FIELDS, Mr. LOEFFLER, Mr. BORSKI, Mr. RANGEL, Mr. MINETA, Mr. WASHINGTON, Mr. NIELSON of Utah, Mr. MINISH, Mrs. SCHNEIDER, Mr. CORCORAN, Mr. HUTTO, Mr. WIRTH, and Mr. ROGERS.

H. Res. 53: Mr. BROWN of Colorado, Mr. MARRIOTT, Mr. KASICH, Mr. SUNIA, Mr. MCDONALD, Mr. WINN, Mr. DANNEMEYER, Mr. BILIRAKIS, Mr. JACOBS, Mr. DAUB, Mr. DENNY SMITH, Mr. GINGRICH, and Mr. CORCORAN.

H. Res. 67: Ms. MIKULSKI, Mr. KOSTMAYER, Mr. STUDDS, Mr. BROOMFIELD, Ms. FIEDLER, Mr. FORSYTHE, Mrs. HOLT, Mr. LIVINGSTON, Mr. MCNULTY, Mrs. MARTIN of Illinois, Mr. RICHARDSON, Mr. SCHULZE, Mr. DAUB, Mr. MOLLOHAN, Mr. GLICKMAN, Mr. UDALL, Mr. EVANS of Illinois, Mr. MAVROULES, Mr. FRANK, Mr. PEPPER, Mr. MCHUGH, Mr. WAXMAN, Mr. HOWARD, Mr. TOWNS, Mr. OWENS, Mr. GORE, and Mr. ECKART.

H. Res. 97: Mr. HOWARD, Mr. SNYDER, Mr. SHUSTER, Mr. DE LUGO, Mr. EDGAR, Mr. HAMMERSCHMIDT, Mr. MINETA, Mr. NOWAK, Mr. VANDERGRIFF, Mr. WEAVER, and Mr. LIPINSKI.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1718

By Mr. COUGHLIN:

—On page —, after line —, insert the following new section:

Of the total budget authority provided in this Title which is not required by law to be obligated by formula or by geographic area, at least ninety percentum shall be made available only for projects and activities in labor market areas where, as of the date of enactment of this Act, and as determined by the Bureau of Labor Statistics, the unemployment rate is at least eighty percent of the national unemployment rate.

By Mr. EDGAR:

—On page 31, after line 9, insert the following general provision:

TARGETING JOBS TO AREAS OF HIGH UNEMPLOYMENT

Of the budget authority provided in this title, at least seventy-five percentum shall be made available only for projects and activities in civil jurisdictions with high unemployment, or in political units or in pockets of poverty that are currently or should meet the criteria to be eligible under the urban development action grant program administered by the Department of Housing and Urban Development. For purposes of this section, a "Civil Jurisdiction" is:

(1) A city of 50,000 or more population on the basis of the most recently available Bureau of the Census estimates; or

(2) A town or township in the State of New Jersey, New York, Michigan, or Pennsylvania of 50,000 or more population and which possesses powers and functions similar to those of cities; or

(3) A county, except those counties which contain any of the types of civil jurisdictions defined in paragraph (1) or (2) of this section; or

(4) A "Balance of County" consisting of a county less any component cities and townships identified in paragraph (1) or (2) of this section; or

(5) A county equivalent which is a town in the States of Massachusetts, Rhode Island, and Connecticut.

(6) A portion of a city or jurisdiction that meets the pockets of poverty criteria as defined by the Department of Housing and Urban Development.

For purposes of this section, a "Civil Jurisdiction With High Unemployment" is a civil jurisdiction that has been so classified by the Assistant Secretary for Employment and Training, United States Department of Labor.

The Assistant Secretary shall classify a civil jurisdiction as having high unemployment whenever, as determined by the Bureau of Labor Statistics, the civil jurisdiction has had an average unemployment rate over the previous 12 months no less than 90 percent of the national average unemployment rate during the same period or if the civil jurisdiction is currently or should become designated a labor surplus area by the Department of Labor.

The Assistant Secretary, upon petition submitted by the appropriate state agency, may classify a civil jurisdiction as having high unemployment whenever the civil jurisdiction has experienced or is about to experience a sudden economic dislocation resulting in job loss that is significant both in terms of the number of jobs eliminated and the effect upon the employment rate of the area.

The Assistant Secretary shall publish a list of civil jurisdictions with high unemployment, together with geographic descriptions thereof, within 30 days after enactment of this act, and on a monthly basis thereafter.

The provisions of this section shall not apply to any program or portion of a program under which funds are allocated by formula, or for humanitarian aid and training programs, including emergency mortgage assistance; Indian health facilities; operation of Indian program; community and home health services; maternal and child health services; Head Start; feeding programs for women, infants and children (WIC); and food distribution and emergency shelters.

By Mr. HOWARD:

—Page 7, strike out line 20 and all that follows through line 2 on page 8 (relating to mass transportation) and insert in lieu thereof the following:

TO SPEED UP IMPROVEMENT OF MASS TRANSPORTATION

To accelerate the construction, modernization and improvement of urban mass transportation systems, to increase the mobility of the urban work force which will result in productive jobs, an additional amount of $171,000,000, to remain available until expended, for "Urban discretionary grants", to be obligated at the discretion of the Secretary of Transportation in accordance with section 3 of the Urban Mass Transportation Act of 1964.

The Congress disapproves the proposed deferral of budget authority in the amount of $229,000,000 for the Mass Transportation Capital Fund (deferral numbered D83-59), as set forth in the President's special message which was transmitted to the Congress on February 1, 1983. This disapproval shall be effective on the date of enactment of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

By Mr. OTTINGER:

—On page 31, after line 9, insert the following:

"LOW-INCOME ENERGY ASSISTANCE PROGRAM

"There is appropriated an additional amount for carrying out title XXVI of the Omnibus Budget Reconciliation Act of 1981, $100,000,000 to remain available until expended."

—On page 22, after line 6, insert the following:

"SCHOOLS AND HOSPITALS ENERGY CONSERVATION

"There is appropriated an additional amount for 'Energy Conservation,' Department of Energy, $150,000,000, to remain available until expended for the Energy Conservation Program for Schools and Hospitals."

By Ms. OAKAR:

—(1) Add at the end thereof the following:

TITLE III—INTEREST ON STATE LOANS

SEC. 301. (a) Paragraph (3) of section 1202(b) of the Social Security Act is amended by adding at the end thereof the following new subparagraph:

"(D)(i) In the case of any interest which (but for this subparagraph) would be required to be paid under this subsection during any high unemployment month, such interest shall not be required to be paid before the last day of the first month thereafter which is not a high unemployment month. Any interest the time for payment of which is deferred by the preceding sentence shall bear interest in the same manner as if it were an advance made on the day on which it would have been required to be paid but for this subparagraph.

"(ii) For purposes of clause (i), the term 'high unemployment month' means any calendar month if the rate of national unemployment (seasonally adjusted) for the immediately preceding calendar month equals or exceeds 8.5 percent."

(b) The amendment made by subsection (a) shall apply to amounts required to be paid after the date of the enactment of this Act.

—(2) Add at the end thereof the following:

TITLE III—INTEREST ON STATE LOANS

SEC. 301. (a) Paragraph (3) of section 1202(b) of the Social Security Act is amended by adding at the end thereof the following new subparagraph:

"(D)(i) In the case of any interest which (but for this subparagraph) would be required to be paid under this subsection, such interest shall not be required to be paid for a period of two years from the date of enactment of this Act. Any interest the time for payment of which is deferred by the preceding sentence shall bear interest in the same manner as if it were an advance on the day on which it would have been required to be paid but for this subparagraph.

(b) The amendment made by subsection (a) shall apply to amounts required to be paid after the date of enactment of this Act.

—(3) Add at the end thereof the following:

TITLE III—INTEREST ON STATE LOANS

SEC. 301. (a) Paragraph (3) of section 1202(b) of the Social Security Act is amended by adding at the end thereof the following new subparagraph:

"(D)(i) In the case of any interest which (but for this subparagraph) would be required to be paid under this subsection, such interest shall not be required to be paid for a period of one year from the date of enactment of this Act. Any interest the time for payment of which is deferred by the preceding sentence shall bear interest in the same manner as if it were an advance on the day on which it would have been required to be paid but for this subparagraph.

(b) The amendment made by subsection (a) shall apply to amounts required to be paid after the date of enactment of this Act.

By Mr. OBEY:

(Page and line numbers refer to appropriations' full committee print of February 25, 1983, as reported by the committee.)

COMMUNITY HEALTH CENTERS

—Page 24, line 10, strike out "$30,000,000" and insert in lieu thereof "$78,000,000".

Page 24, line 14, insert "up to" after "That" and insert ", to the extent practicable," after "shall".

Page 24, line 15, insert before the period the following: ": *Provided further,* That each center may apply up to 20 percent of these funds provided to the center for the purchase (at rates not exceeding those prevailing under the applicable State plan approved under title XIX of the Social Security Act) of inpatient hospital services for delivery and postpartum care to pregnant women and infants who have no other source of payment for the care".

MATERNAL AND CHILD HEALTH

Page 24, line 20, strike out "$10,000,000" and insert in lieu thereof "$110,000,000".

Page 24, beginning on line 24, strike out "in those States experiencing high levels of unemployment" and inserting in lieu thereof the following: "and shall be allotted among the States based on the product, for each State, of the number of children under six years of age in the State and the unemployment rate in that State".

Page 25, after line 4, insert the following new paragraph:

INCREASING ASSISTANCE FOR PUBLIC HOSPITALS AND EMERGENCY ROOM SERVICES

(PREVENTIVE HEALTH SERVICES)

For an additional amount for allotments to States under part A of title XIX of the Public Health Service Act, $52,000,000, to be allotted among the States on the basis of the number of unemployed individuals in each of the States: *Provided,* That funds provided herein may only be used to provide financial assistance to public hospitals and to provide financial assistance to community hospitals to compensate for some portion of free emergency room services. *Provided further,* That funds provided herein may only be used to provide services to persons unable to pay for them: *Provided further,* That no grant shall be made to a hospital unless the hospital offers assurances that it will use such amounts in addition to rather than in lieu of existing Federal, State, or local funds currently available for these purposes.

By Mr. SHAW:

—Add at the end of the bill the following new section:

"SEC. . Section 302 of the Department of Transportation and Related Agencies Appropriations Act, 1983 (Public Law 97-369) is amended by striking "$600,000,000" and substituting in lieu thereof "$800,000,000".

By Mr. WISE:

—On page 18, line 11, delete the period, insert a comma followed by the language: "provided that no appropriation or fund made available by this bill be used for the Stonewall-Jackson Lake project, West Virginia."

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the fourth calendar quarter 1982:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).
(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

Organization or Individual Filing	Employer/Client
ACACIA MUTUAL LIFE INSURANCE CO, 51 LOUISIANA AVENUE, NW WASHINGTON DC 20001	
AKIN, GUMP, STRAUSS, HAUER & FELD, SUITE 400 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ALLIED TUBE & CONDUIT CORPORATION
Do	COMMITTEE FOR PRUDENT DEREGULATION
Do	METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY
Do	NORTHWEST ENERGY COMPANY
ALCALDE, HENDERSON & O'BANNON, 1901 N. FT. MYER DR. SUITE 1204 ROSSLYN VA 22209	FLORIDA ASSN OF MARINE INDUSTRIES
Do	FLORIDA CARIBBEAN CRUISE ASSN
Do	WASHINGTON WORKSHOPS
H. K. ALLEN, 1325 1/2 WISCONSIN AVENUE, NW, #300 WASHINGTON DC 20007	AHRENS AIRCRAFT, INC
RICARDO R. ALVARADO, 1575 I STREET, NW, #575 WASHINGTON DC 20005	SIGNAL COMPANIES, INC
JAMES A. ANDERSON JR., 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS
ANDERSON, HIBEY, NAUHEIM & BLAIR, 1605 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20009	ALAMO RENT-A-CAR, INC
ROBERT J. ARAUJO, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)
ARENT, FOX, KINTNER, PLOTKIN & KAHN, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	BUILDING SERVICE CONTRACTORS ASSN INTERNATIONAL
Do	LARS KROGH & CO A/S
JOHN A. ARMBRUSTER, 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO, INC
SANDY ARNOLD, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES
ASIAN PACIFIC ECONOMIC EDUCATIONAL CULTURAL ORGANIZATION, 2302 JACKSON PARKWAY VIENNA VA 22180	
JOHN MCELROY ATKISSON, 1156 15TH STREET, NW, #302 WASHINGTON DC 20005	WESTINGHOUSE
BAENEN, TIMME, DE REITZES & MIDDLETON, 1049 30TH STREET, NW WASHINGTON DC 20007	CONFEDERATED SALISH & KOOTENAI TRIBES OF THE FLATHEAD RESER.
Do	NANA REGIONAL CORPORATION, INC.
Do	SHEE ATIKA, INC.
BEVERLY J. BAILEY, 1101 17TH STREET, NW, #1002 WASHINGTON DC 20036	AMERICAN DENTAL ASSN
BAKER & HOSTETLER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	FRONTIER AIRLINES, INC.
BARNETT & ALAGIA, 1000 THOMAS JEFFERSON STREET, NW, #900 WASHINGTON DC 20007	FARM CREDIT BANKS
JAMES E. BARTLEY, 1090 VERMONT AVENUE, NW, #410 WASHINGTON DC 20005	NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE
BATZELL NUNN & BODE, 1015 15TH ST., NW WASHINGTON DC 20005	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC
BARRY H. BAUMAN, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS
BAYH, TABBERT & CAPEHART, SUITE 1025 1575 I STREET, NW WASHINGTON DC 20005	MILK INDUSTRY FOUNDATION
Do	NATIONAL BASKETBALL ASSOCIATION
Do	NEW ENERGY CORPORATION
Do	FRANK W. WINNE & SON, INC
GEORGE W. BEATTY, 1200 18TH ST., NW WASHINGTON DC 20036	BAILARD, BIEHL & KAISER, INC.
BEVERLY L. BENNETT, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE
MEREDITH BENNETT, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC
TOM BENSON, SUITE 501 501 UNION STREET NASHVILLE TN 37219	CLASS I RAILROADS
BILLIG SHER & JONES, 2033 K ST., NW WASHINGTON DC 20006	PRIVATE TRUCK COUNCIL OF AMERICA, INC
P. RICHARD BIONDO, 9 WEST 57TH STREET NEW YORK NY 10019	AVON PRODUCTS, INC
BIRCH HORTON BITTNER & MONROE, SUITE 1100 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	ALASCOM, INC.
Do	ALASKA PACIFIC BANCORPORATION
Do	AMERICAN BUS ASSN
Do	HARZA ENGINEERS
EDWARD J. BLACK, TENDLER, BLACK & BIGGINS 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	NATIONAL COUNSEL ASSOCS (FOR NORFOLK SOUTHERN RR, ET AL)
GERRY BLANCHARD, GNAU, CARTER, JACOBSEN & ASSOC., INC. 1777 F STREET, NW WASHINGTON DC 20006	AMURCON CORPORATION
Do	BEZTAK COMPANY
Do	CAC ASSOCIATES
Do	GRAND TRAVERSE DEVELOPMENT, INC.
Do	MOVE DETROIT FORWARD FUND
Do	POTTER INSTRUMENT CO., INC.
Do	RJK CONSTRUCTION COMPANY
Do	SANDERS CORPORATION
Do	URBAN REVITALIZATION, INC.
DONALD P. BOGARD, 733 15TH STREET, NW WASHINGTON DC 20005	LEGAL SERVICES CORPORATION
TIMOTHY A. BOGGS, 2020 K STREET, NW, #250 WASHINGTON DC 20006	WARNER COMMUNICATIONS, INC
HUGH S. BRADY, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS
RICHARD D. BRANNICK, 2169 WATTS DRIVE RANSOMVILLE NY 14131	NATIONAL BORDER PATROL COUNCIL
BREED, ABBOTT & MORGAN, 1875 EYE ST., NW, #1000 WASHINGTON DC 20006	VELO-BIND, INC
CHRISTOPHER N. BROWN, 323 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	AMERICAN RIVERS CONSERVATION COUNCIL
BROWN, ROADY, BONVILLIAN & GOLD, 1300 19TH STREET, NW, #300 WASHINGTON DC 20036	NORTHEASTERN INTERNATIONAL AIRWAYS, INC
BROWNSTEIN ZEIDMAN & SCHOMER, SUITE 900 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	CANADIAN FINANCIAL CORPORATION
LOUIS J. BRUNE III, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA
LARRY D. BRYANT, 1101 D STREET, SE WASHINGTON DC 20003	D.C. DEPT. OF CORRECTIONS OFFICERS FOR PROGRESSIVE CHANGE
STEVEN BRYANT, 3317 PROSPECT HOUSTON TX 77004	KALEIDOSCOPE RESEARCH & MARKETING GROUP
BURGER KING CORP, P.O. BOX 520783 MIAMI FL 33152	
FRED B. BURKE, 1620 I STREET, NW, #328 WASHINGTON DC 20006	AMERICAN PUBLIC TRANSIT ASSN
BUSBY, REHM & LEONARD, 1629 K ST., NW, #1100 WASHINGTON DC 20006	AUTOMOBILE IMPORTERS OF AMERICA, INC
Do	BACARDI IMPORTS INC.
Do	SAAB-SCANIA OF AMERICA, INC
BARBARA L. BUSH, 2101 L STREET, NW WASHINGTON DC 20037	AMERICAN PETROLEUM INSTITUTE
C & B ASSOCIATES, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	HELLER, EHRMAN, WHITE & MCAULIFFE
Do	MANVILLE CORPORATION
ARTHUR E. CAMERON, SUITE 110 499 S. CAPITOL ST., SW WASHINGTON DC 20003	SIGNAL COMMUNICATIONS
CAMP, CARMOUCHE, PALMER, BARSH & HUNTER, 2550 M ST., NW, #275 WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC.
Do	RJ REYNOLDS TOBACCO COMPANY
Do	SHELL OIL CO
JEANNE CAMPBELL, 1800 MASSACHUSETTS AVENUE, NW, #510 WASHINGTON DC 20036	NEW ENGLAND COUNCIL, INC.
JOHN N. CEVETTE, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: HRH PRINCE TALAL BIN ABDUL AZIZ AL SAUD)
Do	GRAY AND COMPANY (FOR: UNITED NATIONS CHILDREN'S FUND)
JAMES F. CLARK, ROBERTSON, MONAGLE, EASTAUGH & BRADLEY 200 NATIONAL BANK OF ALASKA BLDG. P.O. BOX 1211 JUNEAU AK 99802	ALASKA LUMBER & PULP
Do	ALASKA PULP & RESOURCES, INC
RUDY I. CLARK, 3179 COLCHESTER BROOK LANE FAIRFAX VA 22031	AIR FORCE SERGEANTS ASSN
CLEARY, GOTTLIEB, STEEN & HAMILTON, 1752 N STREET, NW WASHINGTON DC 20036	PUBLIC SECURITIES ASSOCIATION
COHEN AND URETZ, 4TH FLOOR 1775 K ST., NW WASHINGTON DC 20006	DEVELOPMENT CORPORATION FOR ISRAEL
LOIS D. COHEN ASSOCIATES, 360 EAST 65TH STREET NEW YORK NY 10021	NORTHEASTERN INTERNATIONAL AIRWAYS, INC
DAVID COHEN, 1322 HOLLY STREET, NW WASHINGTON DC 20012	BUSINESS EXECUTIVES FOR NATL SECURITY
COLLIER, SHANNON, RILL & SCOTT, SUITE 308 1055 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AMERICAN TEXTILE MACHINERY ASSN
Do	NATIONAL HAIRDRESSERS & COSMETOLOGISTS ASSN
COMMITTEE TO STOP ILLEGAL IMMIGRATION, 314 EAST CAPITOL STREET, #204 WASHINGTON DC 20003	
JERRY C. CONNORS, 3321 STEPHENSON PLACE, NW WASHINGTON DC 20015	MANUFACTURED HOUSING INSTITUTE
HOWARD COOK, 1825 CONNECTICUT AVENUE, NW WASHINGTON DC 20009	NATIONAL ASSN OF ARAB AMERICANS
COOK, PURCELL, HENDERSON & ZORACK, 11TH FLOOR 1015 18TH ST., NW WASHINGTON DC 20036	AIR FLORIDA, INC
Do	PYROTECHNIC SIGNAL MANUFACTURERS ASSN, INC
COUNSELORS FOR MANAGEMENT, INC. 900 17TH ST., NW #504 WASHINGTON DC 20006	ENERGY RESOURCES OF AUSTRALIA, LTD
COVINGTON & BURLING, 1201 PENNSYLVANIA AVENUE, NW P.O. BOX 7566 WASHINGTON DC 20044	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC
Do	CBS TELEVISION NETWORK AFFILIATES ASSOCIATION
Do	CELLULAR SYSTEMS, INC
Do	FIRST NATIONAL BOSTON CORPORATION
Do	JOINT AFFILIATES ASSOCIATIONS
Do	KERR-MCGEE CORP AND KERR-MCGEE NUCLEAR CORP
Do	SPARTAN RADIOCASTING COMPANY
DONALD FORSYTH CRAIB III, 1211 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SEARS, ROEBUCK & CO
WILLIAM C. CRAMER, 1320 19TH ST., NW, #200 WASHINGTON DC 20036	CRAMER, HOFFMAN & HABER, P.C. (FOR: AMERICAN CONCRETE PAVEMENT ASSN)
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: REPUBLIC OF GABON)
CRAMER, HOFFMAN & HABER, P.C., 1320 19TH ST., NW SUITE 200 WASHINGTON DC 20036	AMERICAN CONCRETE PAVEMENT ASSN
Do	REPUBLIC OF GABON
CHARLES S. CRAWFORD, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)
CROWELL & MORING, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	PAN AMERICAN WORLD AIRWAYS, INC
CUBAN AMERICAN PUBLIC AFFAIRS COUNCIL, 1627 K STREET, NW, NINTH FLOOR WASHINGTON DC 20006	
DAIRY-FARMER DISTRIBUTORS OF AMERICA, INC. * CHITTENANGO NY 13037	
CHRISTOPHER L. DAVIS, SUITE 650 1920 N STREET, NW WASHINGTON DC 20036	FALCON JET CORPORATION
J. EDWARD DAY, 5TH FL. 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ELECTRONIC INDUSTRIES ASSN
Do	THIRD CLASS MAIL ASSOCIATION
JEFF DEBOER, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS

Organization or Individual Filing	Employer/Client
DEHART ASSOCIATES, INC, 1505 22ND ST., NW WASHINGTON DC 20037	RECORDING INDUSTRY ASSN OF AMER, INC
MICHAEL DESANTO, 1343 L STREET, NW WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN, INC
DEWEY BALLANTINE BUSHBY PALMER & WOOD, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FEDERAL NATIONAL MORTGAGE ASSN
Do	NATIONAL ASSN OF PUBLIC HOSPITALS
DICKSTEIN SHAPIRO & MORIN, 2101 L ST., NW WASHINGTON DC 20037	STATE OF DELAWARE, STATE OF IOWA, STATE OF LOUISIANA, ET AL.
GEORGE DILLARD, 5128 SAUER, SUITE A HOUSTON TX 77004	KALEIDOSCOPE RESEARCH & MARKETING GROUP
MICHAEL F. DINEEN, 600 PENNSYLVANIA AVE., SE, #206 WASHINGTON DC 20003	FEDERAL KEMPER LIFE ASSURANCE COMPANY
Do	KEMPER INVESTORS LIFE INSURANCE COMPANY
MATTHEW DOBSON, 2119 H STREET, NW, #40 WASHINGTON DC 20052	GEORGE WASHINGTON UNIVERSITY STUDENT ASSN
SALLY S. DONNER, 1707 L STREET, NW, #950 WASHINGTON DC 20036	GENERAL FOODS CORPORATION
FRAN DU MELLE, 1101 VERMONT AVENUE, NW, #402 WASHINGTON DC 20005	AMERICAN LUNG ASSN
DANIEL A. DUTKO, SUITE 214 412 FIRST STREET, SE WASHINGTON DC 20003	ST. JOE MINERALS CORPORATION
L. L. DUXBURY, SUITE 800 400 FIRST STREET, NW WASHINGTON DC 20001	RAILROAD RETIREMENT ASSN
MAX N. EDWARDS, 1511 K STREET, NW, #1100 WASHINGTON DC 20005	FRANK G. KINGSLEY
CAROL R. EMERY, P.O. BOX 1300 MCLEAN VA 22102	STATE OF LOUISIANA
JOSEPH A. FARRELL, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC
FEDERATION EMPLOYMENT & GUIDANCE SERVICE, 114 FIFTH AVENUE NEW YORK NY 10011	
MARK B. FELDMAN, DONOVAN, LEISURE, NEWTON & IRVINE 1850 K STREET, NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA
JACK FERGUSON ASSOCIATES, 203 MARYLAND AVE., NE WASHINGTON DC 20002	CITY OF UNALASKA PROJECTS OFFICE
Do	WESTERN FOREST INDUSTRIES ASSN
FINLEY KUMBLE WAGNER HEINE UNDERBERG & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN PRESIDENT LINES, LTD
Do	GENSTAR CONTAINER CORP
Do	OCCIDENTAL PETROLEUM CORP
Do	STEWART ENVIRONMENTAL SYSTEMS, INC.
LAURI J. FITZ, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: REPUBLIC OF HAITI)
MARY CLARE FITZGERALD, 900 17TH STREET, NW WASHINGTON DC 20006	GOLEMBE ASSOCIATES, INC
MARIAN C. FRANZ, 2121 DECATUR PLACE, NW WASHINGTON DC 20008	NATIONAL COUNCIL FOR A WORLD PEACE TAX FUND
FREDERICK SERVICE GROUP, P.O. BOX 547 FREDERICK MD 21701	
CAROL FREEDMAN, 317 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE
RONNA FREIBERG, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND OCMPANY (FOR: AMERICAN IRON & STEEL INSTITUTE)
FRIED FRANK HARRIS SHRIVER & KAMPELMAN, SUITE 1000 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	MICHELIN TIRE COMPANY
Do	SOUTHERN BROOKLYN COMMUNITY ORGANIZATION
JAMES M. FRIEDMAN, 700 TERMINAL TOWER CLEVELAND OH 44113	COALITION FOR ENVIRONMENTAL-ENERGY BALANCE
JEFFREY FRITZLEN, 1120 20TH STREET, NW, #600-S WASHINGTON DC 20036	UNION PACIFIC CORP
HENRY T. GALLAGHER, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS
EDMUND J. GANNON, 314 EAST CAPITOL STREET, #204 WASHINGTON DC 20003	COMMITTEE TO STOP ILLEGAL IMMIGRATION
GARDNER, CARTON & DOUGLAS, 1875 I ST., NW WASHINGTON DC 20006	EDWARD HINES LUMBER CO
GARVEY, SCHUBERT, ADAMS & BARER, 1000 POTOMAC ST., NW WASHINGTON DC 20006	ENERGY RESOURCES OF AUSTRALIA AND COUNSELORS FOR MANAGEMENT
WAYNE GATHERS, 1925 K STREET, NW, #507 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY
RONALD L. GEIGLE, 1030 15TH STREET, NW, #1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSN
GEORGE WASHINGTON UNIVERSITY STUDENT ASSN., 800 21ST ST., NW #424 MARVIN CENTER WASHINGTON DC 20052	
GARY GLENN, 8001 BRADDOCK ROAD SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMMITTEE
GNAU, CARTER, JACOBSEN & ASSOC., INC., 1777 F STREET, NW WASHINGTON DC 20006	BEZTAK COMPANY
MARTIN B. GOLD, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: AMERICAN IRON & STEEL INSTITUTE)
Do	GRAY AND COMPANY (FOR: AMERICAN MARITIME ASSN)
Do	GRAY AND COMPANY (FOR: HAMBROS BANK LTD)
Do	GRAY AND COMPANY (FOR: SHARPS, PIXLEY & CO., LTD.)
RONALD L. GOLDFARB, GOLDFARB, SINGER & AUSTERN 918 16TH STREET, NW, #503 WASHINGTON DC 20003	WASHINGTON INDEPENDENT WRITERS, INC.
CHARLES E. GOODELL, 1225 19TH ST., NW WASHINGTON DC 20036	DGA INTERNATIONAL, INC. (FOR: AIRBUS INDUSTRIE)
ROBERT K. GRAY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: COLLEGE OF AMERICAN PATHOLOGISTS)
Do	GRAY AND COMPANY (FOR: HRH PRINCE TALAL BIN ABDUL AZIZ AL SAUD)
Do	GRAY AND COMPANY (FOR: UNITED NATIONS CHILDREN'S FUND)
ANTONIA M. GREENMAN, 422 FIRST STREET, SE, #208 WASHINGTON DC 20003	HALE FOUNDATION
RANDALL GRIFFIN, 1515 WILSON BOULEVARD ARLINGTON VA 22209	AMERICAN GAS ASSN
GROOM & NORDBERG, 1775 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20006	OCEAN DRILLING & EXPLORATION CO
Do	UNION TEXAS PETROLEUM
RICHARD E. GUTTING JR., 1101 CONNECTICUT AVENUE, NW, #700 WASHINGTON DC 20036	NATIONAL FISHERIES INSTITUTE
CRAIG HACKLER, 412 FIRST ST., SE SUITE 214 WASHINGTON DC 20003	ST. JOE MINERALS CORPORATION
HALE AND DORR, SUITE 807 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	COMPO INDUSTRIES, INC
Do	MEOH, INC
HALE FOUNDATION, 422 FIRST STREET, SE, #208 WASHINGTON DC 20003	
CHRISTINA HAMMOND, 1825 CONNECTICUT AVENUE, NW WASHINGTON DC 20009	NATIONAL ASSN OF ARAB AMERICANS
ROBERT N. HAMPTON, 7010 GIRARD STREET MCLEAN VA 22101	AUTOMOBILE IMPORTERS OF AMERICA, INC
RALPH HARDING, SUITE 717 WATERGATE 2600 VIRGINIA AVENUE, NW WASHINGTON DC 20037	PHILIPPINE SUGAR COMMISSION
WILLIAM F. HARRIS, 7980 GALLOWS COURT VIENNA VA 22180	BOEING COMPUTER SERVICES
EDMUND E. HARVEY, CHADBOURNE, PARKE, WHITESIDE & WOLFF 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	TRANS WORLD AIRLINES, INC
EDWARD D. HEFFERNAN, 1875 EYE ST., NW, # 1025 WASHINGTON DC 20006	ALASKA LUMBER & PULP
Do	ALASKA PULP & RESOURCES, INC
Do	CAMP, CARMOUCHE, PALMER, BARSH & HUNTER, P.C.
M. L. HEFTI, 1700 NORTH MOORE STREET, 20TH FL. ROSSLYN VA 22209	BOEING COMPANY
WILLIS L. HELMANTOLER, CREAMER DICKSON & BASFORD 1625 K STREET, NW WASHINGTON DC 20006	CITY OF AUSTIN, TX
Do	CITY OF DALLAS, TX
Do	CITY OF HOUSTON, TX
Do	CITY OF SAN ANTONIO, TX
Do	MAYOR OF KANSAS CITY, MO
DAVID A. HENNIG, 3204 WHISPERING PINE DRIVE SILVER SPRING MD 20906	COMMITTEE TO STOP ILLEGAL IMMIGRATION
STEPHEN HERM, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES
HOBBS STRAUS DEAN & WILDER, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	FRIED, FRANK, ET AL (FOR MICCOSUKEE TRIBE OF INDIANS OF FL.)
Do	METLAKATLA INDIAN COMMUNITY
HOGAN & HARTSON, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	CHAMPLIN PETROLEUM COMPANY
Do	MEHARRY MEDICAL COLLEGE
KAREN S. HOLLWEG, 444 BARKER ROAD MICHIGAN CITY IN 46360	NATIONAL AUDUBON SOCIETY
PAUL R. HOLTZ, 1101 17TH STREET, NW WASHINGTON DC 20036	AMERICAN DENTAL ASSN
EDWARD HOPKINS, 1341 G STREET, NW, #204 WASHINGTON DC 20005	CLEAN WATER ACTION PROJECT
VIRGINIA E. HOPKINS, 1800 MASSASHUSETTS AVENUE, N.W. WASHINGTON DC 20036	TAFT, STETTINIUS & HOLLISTER (FOR: WALD MANUFACTURING CO, INC)
CATHY HURWIT, 1300 CONNECTICUT AVENUE, NW, #401 WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION
GARY HYMEL, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: HRH PRINCE TALAL BIN ABDUL AZIZ AL SAUD)
Do	GRAY AND COMPANY (FOR: UNITED NATIONS CHILDREN'S FUND)
INTER-AMERICAN SERVICES, INC, 106 MOCKINGBIRD PLAZA I 5372 FREDERICKSBURG ROAD SAN ANTONIO TX 78229	
INTERNATIONAL MARITIME ASSOCIATES, INC, 1800 K ST., NW WASHINGTON DC 20006	
IVINS, PHILLIPS & BARKER, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	ROCHESTER TAX COUNCIL
ROY T. JACOBSEN, GNAU, CARTER, JACOBSEN & ASSOC., INC. 1777 F STREET, NW WASHINGTON DC 20006	AMURCON CORPORATOIN
Do	BEZTAK COMPANY
Do	CAC ASSOCIATES
Do	GRAND TRAVERSE DEVELOPMENT, INC.
Do	MOVE DETROIT FORWARD FUND
Do	POTTER INSTRUMENT CO., INC.
Do	RJK CONSTRUCTION COMPANY
Do	SANDERS CORPORATION
Do	URBAN REVITALIZATION, INC.
FRANK JAMES, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES
JENSEN, SANDERS & MCCONNELL, SUITE 1275 1875 EYE ST., NW WASHINGTON DC 20006	NELCO PRODUCTS, INC
ROBERT J. KEEFE, 1625 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	KAPLAN RUSSIN & VECCHI (FOR: AMERICAN CHAMBER OF COMMERCE OF THE DOMINICAN REPUBLIC)
KEMPER INVESTORS LIFE INSURANCE CO, 120 SOUTH LASALLE STREET CHICAGO IL 60603	
J. H. KENT, KENT & O'CONNOR 1919 PENNSYLVANIA AVE., NW SUITE 300 WASHINGTON DC 20006	AMERICAN DENTAL HYGIENISTS ASSN
KILPATRICK & CODY, SUITE 500 2501 M ST., NW WASHINGTON DC 20037	FURNITURE RENTAL ASSOCIATION OF AMERICA
WILLIAM P. KING, 8475 CORAL WAY MIAMI FL 33155	
KIRKPATRICK, LOCKHART, HILL, CHRISTOPHER & PHILLIPS, 1900 M ST., NW WASHINGTON DC 20036	PILOT PETROLEUM CORPORATION
LEORA KUSHER, 1420 WALNUT STREET, #315 PHILADELPHIA PA 19102	INTERNATIONAL LEGAL DEFENSE COUNSEL
GARY JAY KUSHNER, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE
JAMES M. KUSZAJ, SUITE 700 SOUTH 1800 M STREET, NW WASHINGTON DC 20036	DOW CHEMICAL U.S.A.
KUTAK, ROCK & HUIE, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ASSOCIATION OF LOCAL HOUSING FINANCE AGENCIES

Organization or Individual Filing	Employer/Client
DAVID F. LAMBERT III, 311 FIRST STREET, NW, #700 WASHINGTON DC 20001	NATIONAL ASSN OF INSURANCE BROKERS
MARCY LAMBOURNE, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS
ALBERT E. LANE, SUITE 537 1377 K STREET, NW WASHINGTON DC 20005	MEDCOM-MIC
JAMES F. LEVY, 5301 TRENHOLM ROAD COLUMBIA SC 29260	DENTAL MANAGEMENT SERVICES, INC
BURTON LEWKOWITZ, 1410 N. 3RD STREET P.O. BOX 25489 PHOENIX AZ 85002	SAMARITAN HEALTH SERVICE
SANDRA COHEN LIEBERMAN, 1775 K STREET, NW WASHINGTON DC 20006	INVESTMENT COMPANY INSTITUTE
LIPSEN, HAMBERGER, WHITTEN & HAMBERGER, SUITE 800 1725 DESALES STREET, NW WASHINGTON DC 20036	SYSTEMS & APPLIED SCIENCES CORP
CRAIG LISKE, P.O. BOX 2120 HOUSTON TX 77252	UNION TEXAS PETROLEUM CORP
ROBERT F. LOCKHART JR., 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO, INC
SYLVESTER LUKIS, SUITE 200 1320 19TH STREET, NW WASHINGTON DC 20036	CRAMER, HOFFMAN & HABER, P.C. (FOR: REPUBLIC OF GABON)
M.A.N. TRUCK AND BUS CORPORATION, 201 S. COLLEGE STREET CHARLOTTE NC 28244	
JOHN MARSH, 100 OAKVIEW DRIVE TRUMBULL CT 06611	RAYMARK CORPORATION
MAYER, BROWN & PLATT, 888 17TH ST., NW WASHINGTON DC 20006	TRANSCANADA PIPELINES LTD
C. H. MAYER, INC., SUITE 701 3421 NORTH CAUSEWAY BLVD. METAIRIE LA 70002	LANGHAM ENERGY CO
Do	LANGHAM PETROLEUM EXPLORATION CORP
JAMES R. MCCAUL, 1800 K ST., NW WASHINGTON DC 20006	INTERNATIONAL MARITIME ASSOCIATES, INC.
MCDERMOTT, WILL & EMERY, SUITE 500 1850 K ST., NW WASHINGTON DC 20006	OPPOSE
JOSEPH B. MCGRATH, 1320 19TH STREET, NW, #400 WASHINGTON DC 20036	AMERICAN ROSE COUNCIL
MCKENNA, CONNER & CUNEO, 3435 WILSHIRE BOULEVARD LOS ANGELES CA 90010	CALIFORNIA SAVINGS & LOAN LEAGUE
MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, 1155 15TH ST., NW WASHINGTON DC 20005	GROCERY MANUFACTURERS ASSN
LARRY D. MEYERS, SUITE 214 412 FIRST STREET, SE WASHINGTON DC 20003	ST. JOE MINERALS CORPORATION
ROSE MARY MIMS, 600 MARYLAND AVENUE, SW, #450 WASHINGTON DC 20024	NATIONAL FROZEN FOOD ASSN
MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO, SUITE 1025 1015 15TH STREET, NW WASHINGTON DC 20005	TURNER BROADCASTING SYSTEM, INC
TIMOTHY X. MOORE, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS
MOSS, MCGEE & BELLMON, 1740 N STREET, NW WASHINGTON DC 20036	NATIONAL RURAL DEVELOPMENT & FINANCE CORP
EDWARD MULROY, MARCELLUS NY 13108	
D. MICHAEL MURRAY, MURRAY AND SCHEER 2550 M STREET, NW WASHINGTON DC 20037	SWAZILAND SUGAR ASSN
NATIONAL ASSN OF BEVERAGE IMPORTERS, 1025 VERMONT AVENUE, NW, #1205 WASHINGTON DC 20005	
NATIONAL BENEFIT PROMOTIONS, P.O. BOX 28347 WASHINGTON DC 20005	
NATIONAL HAIRDRESSERS & COSMETOLOGISTS ASSN, 3510 OLIVE ST., ST. LOUIS MO 63103	
NATIONAL LEAGUE OF POSTMASTERS OF THE U.S., 1023 NORTH ROYAL STREET ALEXANDRIA VA 223L4	
NATIONAL LOTTERY ASSOCIATION, P.O. BOX 13365 LAS VEGAS NV 89112	
NATIONAL RURAL HOUSING COALITION, 1016 16TH STREET, NW, #8G WASHINGTON DC 20036	
K. MICHAEL NEUDECK, 7961 SOUTH WEBSTER WAY LITTLETON CO 80123	
NICKERSON INGRAM & ASSOCIATES, INC, 1150 17TH STREET, NW WASHINGTON DC 20036	SYSTEMS CONTROL TECHNOLOGY, INC
NISSAN MOTOR CORPORATION IN U.S.A., 1919 PENNSYLVANIA AVENUE, NW, #707 WASHINGTON DC 20006	
LOIS A. NOACK, 1828 L STREET, NW, #906 WASHINGTON DC 20036	MERRILL LYNCH & CO, INC
EVANS W. NORTH, 1216 16TH STREET, NW WASHINGTON DC 20036	
NOSSAMAN, KRUEGER & KNOX, 1140 19TH ST., NW, #600 WASHINGTON DC 20036	NEIL MCISAAC AND DON MCISAAC
O'CONNOR & HANNAN, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	COMBINED INSURANCE COMPANY OF AMERICA
Do	KANE PAPER CORPORATION
Do	LEHMAN BROTHERS KUHN LOEB INC
PATRICK C. O'CONNOR, KENT & O'CONNOR 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	AMERICAN DENTAL HYGIENISTS ASSN
GRADY O'CUMMINGS III, APT. 5C 2305 LINDEN BLVD BROOKLYN NY 11208	NATIONAL COMMITTEE FOR POOR PEOPLE
TERRI O'GRADY, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA
O'NEILL AND HAASE, P.C., SUITE 1110 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	U.S. FOOTBALL LEAGUE
Do	MILK INDUSTRY FOUNDATION
KATHERINE ANN OZER, 2000 P STREET, NW, #300 WASHINGTON DC 20036	U.S. STUDENT ASSN
PATTON BOGGS & BLOW, SUITE 800 2550 M ST., NW WASHINGTON DC 20037	CAPITAL CENTRE
Do	NATIONAL ASSN OF RETAIL DRUGGIST
Do	ST. JOE MINERALS CORP
Do	ZEISS AVIONICS SYSTEMS, INC
PAUL, HASTINGS, JANOFSKY & WALKER, 6TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	CALIFORNIA PORTLAND CEMENT CO
PEABODY, LAMBERT & MEYERS, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SEA & PINES, INC
PEPSICO, INC., 700 ANDERSON HILL RD. PURCHASE NY 10577	
PERKINS COIE STONE OLSEN & WILLIAMS, SUITE 1200 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	DEPARTMENT OF NATURAL RESOURCES
EDWARD L. PETRINI, 236 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20002	NATIONAL CONSUMER LAW CENTER, INC
NANCY POLIKOFF, 2000 P STREET, NW, #400 WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND
POWELL GOLDSTEIN FRAZER & MURPHY, SUITE 1050 1110 VERMONT AVE., NW WASHINGTON DC 20005	CORNING ASSOCIATES
Do	WESTINGHOUSE ELECTRIC CORPORATION
BRAINARD E. PRESCOTT, 670 MAIN ST. EAST AURORA NY 14052	SECURITY NEW YORK STATE CORPORATION
PRESTON THORGRIMSON ELLIS & HOLMAN, 1776 G ST., NW, #500 WASHINGTON DC 20006	GENERAL TELEPHONE & ELECTRONICS
TOM RAILSBACK, 1600 EYE STREET, NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC
RANDALL, BANGERT & PRICE, 1625 K ST., NW WASHINGTON DC 20006	GROCERY MANUFACTURERS OF AMERICA
CARL L. RASAK, 8301 FORT HUNT ROAD ALEXANDRIA VA 22308	
RAYMARK CORPORATION, 100 OAKVIEW DRIVE TRUMBULL CT 06611	
REID & PRIEST, 1111 19TH ST.NW WASHINGTON DC 20036	VELO-BIND, INC
PAT RILEY, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES
DALE P. RIORDAN, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN
BOB JOHN ROBISON, 1201 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	HILL AND KNOWLTON, INC
ROGERS & WELLS, 1737 H STREET, NW WASHINGTON DC 20006	ALLIED TUBE & CONDUIT CORPORATION
Do	CAMPAGNIE FINANCIERE DE PARIS ET DES PAYS-BAS
ROGERS HOGE & HILLS, SUITE 301 1111 19TH STREET, NW WASHINGTON DC 20036	CONTACT LENS MANUFACTURERS ASSN
FRED B. ROONEY, 6TH FL. 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	CONRAIL
Do	LONE STAR INDUSTRIES, INC
JEREMY D. ROSNER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE
PETER M. ROUSE, 1875 EYE STREET, NW, #1025 WASHINGTON DC 20006	ALASKA PULP & RESOURCES, INC
RANDALL M. RUSSELL, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES
COLIN D. SANDISON, 1899 L STREET, NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION
RONALD A. SCHECHTER, GOLDFARB, SINGER & AUSTERN 918 16TH STREET, NW, #503 WASHINGTON DC 20006	WASHINGTON INDEPENDENT WRITERS, INC.
SCHLOSSBERG-CASSIDY & ASSOCIATES, INC., 955 L'ENFANT PLAZA, S.W. SUITE 1401 WASHINGTON DC 20024	ATLANTA UNIVERSITY
Do	BOSTON COLLEGE
A. KOLBET SCHRICHTE, SUITE 500 1133 15TH STREET, NW WASHINGTON DC 20005	AMERICAN LOGISTICS ASSOCIATION
JANET L. SCHUESSLER, 1000 16TH STREET, NW WASHINGTON DC 20036	AMERICAN IRON & STEEL INSTITUTE
THOMAS K. SHOEMAKER, 1899 L STREET, NW, #600 WASHINGTON DC 20036	TRAVEL INDUSTRY ASSN OF AMERICA
JOHN SHUEY, P.O. BOX 3151 HOUSTON TX 77007	BROWNING-FERRIS INDUSTRIES, INC.
STEVEN W. SILVER, ROBERTSON, MONAGLE, EASTAUGH & BRADLEY 200 NATIONAL BANK OF ALASKA BLDG. P.O. BOX 1211 JUNEAU AK 99802	ALASKA LUMBER & PULP
Do	ALASKA PULP & RESOURCES, INC
RICHARD L. SINNOTT & CO, SUITE 306 2021 K ST., NW WASHINGTON DC 20006	HEFFERNAN & MOSEMAN
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, 919 THIRD AVE. NEW YORK NY 10022	OCCIDENTAL PETROLEUM CORP
THOMAS BLAISDELL SMITH, 1001 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	PUBLIC VOICE FOR FOOD & HEALTH POLICY
MARK SQUILLACE, 317 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE
SQUIRE, SANDERS & DEMPSEY, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS, INC.
Do	INDEPENDENT DATA COMMUNICATIONS MFGRS. ASSN., INC.
STEPTOE & JOHNSON, 1250 CONNECTICUT AVE., NW WASHINGTON DC 20036	TRAILWAYS, IANC
VICTORIA STEWART-SHAIN, 1730 M STREET, NW, #808 WASHINGTON DC 20036	ABBOTT LABORATORIES
STEPHEN W. STILL, 1100 15TH STREET, NW, #700 WASHINGTON DC 20005	SONAT, INC
JOHN J. STOCKER, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA
PATTI A. STOLL, 100 FEDERAL STREET BOSTON MA 02110	FIRST NATIONAL BOSTON CORPORATION
STROOCK & STROOCK & LAVAN, 1150 17TH ST., NW WASHINGTON DC 20036	DREYFUS TAX EXEMPT BOND FUND
Do	DREYFUS TAX EXEMPT MONEY MARKET FUND
Do	METRO GARAGE BOARD OF TRADE
GARY M. SUKOW, 3501 N. 13TH STREET ARLINGTON VA 22201	COMMITTEE TO STOP ILLEGAL IMMIGRATION
STEPHANIE TEFF, 1730 M STREET, NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.
ROCHELLE K. THOMAS, ROCHELLE K. THOMAS, INC 1150 17TH STREET, NW WASHINGTON DC 20036	METROPOLITAN DADE COUNTY TRANSPORTATION ADMINISTRATION
THOMPSON & MITCHELL, SUITE 3400 ONE MERCANTILE CENTER ST. LOUIS MO 63101	CROWN LIFE INSURANCE CO
WALTER L. THREADGILL, 1220 19TH STREET, NW WASHINGTON DC 20036	STORER COMMUNICATIONS, INC
TUCKER & BROWN, SUITE 1330 WESTERN FEDERAL SAVINGS BLDG. 718 17TH STREET DENVER CO 80202	FIRST NATIONAL BANK IN HARVEY
Do	REGIONAL TRANSPORTATION AUTHORITY
B. ELIZABETH TUNNEY, 124 SALEM CHURCH ROAD MECHANICSBURG PA 17015	RETAIL, WHOLESALE & DEPT STORE UNION (INT'L), ET AL.
H. B. VAN GIESON, 1700 NORTH MOORE STREET ROSSLYN VA 22209	BOEING COMPANY
VAN NESS, FELDMAN, SUTCLIFFE, CURTIS & LEVENBERG, 7TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	BLISS & CRAFT
VERNER, LIIPFERT, BERNHARD & MCPHERSON, 1660 L ST., NW WASHINGTON DC 20036	TURNER BROADCASTING SYSTEM, INC

Organization or Individual Filing	Employer/Client
CHARLS E. WALKER ASSOCIATES, INC., 1730 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	BANKERS TRUST COMPANY, ET AL.
Do	DIMENSION BANCORP, INC
DOUGLAS K. WALKER, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.
B. JACK WARREN, P.O. BOX 95385 ATLANTA GA 30347	FOREST FARMERS ASSN
CLIFTON L. WASHINGTON II , 17625 EL CAMINO REAL, #103 CLEAR LAKE CITY TX 77058	C. L. WASHINGTON & ASSOCIATES
WASHINGTON INDEPENDENT WRITERS, INC., 525 NATIONAL PRESS BUILDING WASHINGTON DC 20045	
LANA N. WEBER, 5301 TRENHOLM ROAD COLUMBIA SC 29260	DENTAL MANAGEMENT SERVICES, INC
WEBSTER AND SHEFFIELD, 1200 NEW HAMPSHIRE AVE., NW, #350 WASHINGTON DC 20036	FRAYDUN MANOCHERIAN
THEODORE F. WEIHE, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	ADVISORY COMM ON OVERSEAS COOPERATIVE DEVELOPMENT
WEIL, GOTSHAL & MANGES, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	MATSUSHITA ELECTRIC CORP OF AMERICA
STANLEY A. WEISS, 2126 CONNECTICUT AVENUE, NW WASHINGTON DC 20008	BUSINESS EXECUTIVES FOR NATIONAL SECURITY
WELLFORD, WEGMAN, KRULWICH, GOLD & HOFF, 1015 18TH STREET, NW, #802 WASHINGTON DC 20036	COUPON BOND TAX COMMITTEE
THOMAS F. WENNING, 1825 SAMUEL MORSE DRIVE RESTON VA 22090	NATIONAL GROCERS ASSOCIATION
DENNIS J. WHITTLESEY, WHITTLESEY & O'BRIEN, P.C. 1607 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20009	AMERICAN GLOBAL LINES, INC
Do	COW CREEK OF UMPQUA TRIBE OF INDIANS
Do	COWLITZ INDIAN TRIBE
WILLIAMS & JENSEN, P.C., 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	ERNEST W. HAHN, INC
Do	U.S. TELEPHONE COMMUNICATIONS, INC
KAREN WILLIAMS, 1750 K STREET, NW WASHINGTON DC 20006	HEALTH INSURANCE ASSN OF AMERICA, INC
JAMES E. WILSON, 1800 K STREET, NW WASHINGTON DC 20006	INTERNATIONAL MARITIME ASSOCIATES, INC
ROSEMARY L. WILSON, MINNESOTA PETROLEUM COUNCIL 300 NORTHERN FEDERAL BLDG. ST. PAUL MN 55102	AMERICAN PETROLEUM INSTITUTE
MARIE WINSLOW, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES
WITKOWSKI, WEINER, MCCAFFREY & BRODSKY, SUITE 350 1575 I ST., NW WASHINGTON DC 20005	MERRILL LYNCH & CO., INC.
MURRAY ZWEBEN, SUITE 600 1140 19TH STREET, NW WASHINGTON DC 20036	NOSSAMAN KRUEGER & KNOW (FOR: INTERNATIONAL PAPER CO)

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the fourth calendar quarter 1982:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add items "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $.....''Expense money'' and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors? Please answer "yes" or "no": .....
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A & S TRANSPORTATION COMPANY, 75 JACOBUS AVENUE SOUTH KEARNY NJ 07032			
ROBERT J. AAGRE, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	1,245.00	185.30
PAUL C. ABENANTE, SUITE 850 2020 K ST., NW WASHINGTON DC 20006	AMERICAN BAKERS ASSN	650.00	4.50
THOMAS G. ABERNETHY SR , 3973 STUART PLACE JACKSON MS 39211	U.S. CANE SUGAR REFINERS' ASSN		
GEORGIA ABRAHAM, 1825 CONNECTICUT AVENUE, NW WASHINGTON DC 20009	NATIONAL ASSN OF ARAB AMERICANS	1,125.00	350.00
ALBERT E. ABRAHAMS, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	8,000.00	750.13
SHERMAN ABRAHAMSON, SUITE 370 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	CONTROL DATA CORPORATION	45.00	30.00
ACTION, INC., 2025 EYE STREET, NW, #1022 WASHINGTON DC 20006	AMERICAN HOME ECONOMICS ASSN.		
Do	AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM	2,935.10	2,550.96
Do	NATIONAL CONGRESS OF AMERICAN INDIANS	1,174.85	919.63
ADAMS, DUQUE & HAZELTINE, 1920 N ST., NW, SUITE 420 WASHINGTON DC 20036	NATIONAL COUNCIL OF TEACHER RETIREMENT	12,427.00	
JOHN J. ADAMS, 1919 PENNSYLVANIA AVE, NW, #700 WASHINGTON DC 20006	ETHYL CORPORATION		
Do	VEPCO	5,565.04	
THOMAS L. ADAMS JR , 1101 15TH STREET, NW WASHINGTON DC 20005	REPUBLIC STEEL CORP		
HOBSON H. ADCOCK,, 700 ANDERSON HILL RD. PURCHASE NY 10577	PEPSICO, INC		
V. J. ADDUCI, 1909 K ST., NW, #300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
ADVANCE COAL MANAGEMENT CORPORATION, 805 NEWTOWN CIRCLE LEXINGTON KY 40511	RSV MINING EQUIPMENT B.V.		
AEROSPACE INDUSTRIES ASSN OF AMER, INC, 1725 DESALES ST., NW WASHINGTON DC 20036		16,627.49	16,627.49
AFL-CIO MARITIME COMM, 100 INDIANA AVE., NW WASHINGTON DC 20001		5,465.00	5,751.28
ELIZABETH AGLE, 530 7TH ST., SE WASHINGTON DC 20003	NATIONAL CLEAN AIR COALITION, INC	6,777.23	109.25
ROBERT S. AGMAN, 100 INDIANA AVE., NW WASHINGTON DC 20001	LABOR-MANAGEMENT MARITIME COMMITTEE	868.40	
HERBERT ALLEN AILSWORTH, SUITE 1101 1050 17TH STREET, NW WASHINGTON DC 20036	SANDOZ, INC		28.00
AIR CONDITIONING & REFRIGERATION INSTITUTE, 1815 N. FT. MYER DR. ARLINGTON VA 22209		21,000.00	*15,500.00
AIR PRODUCTS & CHEMICALS, INC, 1800 K ST., NW SUITE 1016 WASHINGTON DC 20006			176.00
RANDOLF H. AIRES, 1211 CONNECTICUT AVE., NW, #802 WASHINGTON DC 20036	SEARS, ROEBUCK AND CO	2,250.00	138.44
MICHAEL A. AISENBERG, 8301 PROFESSIONAL PLACE LANDOVER MD 20785	DIGITAL EQUIPMENT CORP	8,750.00	
G. COLBURN AKER, SUITE 700 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	HILL & KNOWLTON, INC		
AKIN, GUMP, STRAUSS, HAUER & FELD, SUITE 400 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AIR FREIGHT ASSOCIATION	140.00	
Do	ALLIED TUBE & CONDUIT CORPORATION	2,050.00	
Do	AMERADA HESS CORPORATION		
Do	AMERICAN QUASAR PETROLEUM COMPANY		
Do	AMERICAN STOCK EXCHANGE, INC		
Do	AMERICAN TELEPHONE & TELEGRAPH CO	525.00	
Do	ARCHER DANIELS MIDLAND COMPANY	2,200.00	646.60
Do	BEACON OIL CO		
Do	BENEFICIAL CORPORATION	3,000.00	
Do	CITIES SERVICE COMPANY		
Do	COALITION OF SERVICE INDUSTRIES, INC	2,340.00	
Do	COASTAL CORPORATION		
Do	COMMITTEE FOR PRUDENT DEREGULATION	2,000.00	
Do	DAMSON OIL CORP	115.00	
Do	DESERT GRAPE GROWERS LEAGUE OF CALIFORNIA	900.00	
Do	E & J GALLO WINERY	3,650.00	
Do	GOLDMAN SACHS & CO		
Do	LONE STAR INDUSTRIES, INC	500.00	
Do	MAPCO INC	150.00	
Do	MARLEX PETROLEUM, INC	2,625.00	
Do	METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY	10,800.00	
Do	MILITARY ACCESSORIES SERVICE ASSN., INC	1,220.00	
Do	MOTION PICTURE ASSN OF AMERICA, INC	21,300.00	
Do	MURPHY OIL CORP	125.00	
Do	NATIONAL FOOTBALL LEAGUE	7,625.00	
Do	NORTHWEST ENERGY COMPANY	2,700.00	
Do	NORTON SIMON, INC		
Do	RINGLING BROS. BARNUM AND BAILEY	6,975.00	
Do	RJ REYNOLDS INDUSTRIES, INC		
Do	SOUTH HAMPTON, INC		
Do	SOUTHLAND ROYALTY CO	100.00	
Do	TEXAS AIR CORPORATION	1,200.00	
Do	VALERO ENERGY CORPORATION	300.00	
Do	WAGNER & BROWN	140.00	
Do	WESTERN AIR LINES, INC		
JAMES J. ALBERTINE, 1660 L ST., NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA	300.00	
JOHN M. ALBERTINE, SUITE 209 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE	1,562.50	237.00
ALCALDE, HENDERSON & O'BANNON, 1901 N. FT. MYER DR. SUITE 1204 ROSSLYN VA 22209	AMERICAN FISHING TACKLE MFRS ASSN	1,500.00	
Do	AMERICANS FOR THE NATIONAL DIVIDEND ACT, INC	45,000.00	
Do	ASSOCIATED INDUSTRIES OF FLORIDA		
Do	BRUNSWICK CORP		
Do	COALITION FOR ENERGY EFFICIENT TRANSPORTATION		
Do	COMPUTER SCIENCES CORP	1,500.00	
Do	CONTINENTAL GROUP, INC		
Do	DADE COUNTY AVIATION DEPARTMENT	1,500.00	
Do	DADE COUNTY SEAPORT AUTHORITY	1,500.00	
Do	FLORIDA ASSN OF MARINE INDUSTRIES	1,000.00	
Do	FLORIDA CARIBBEAN CRUISE ASSN	1,000.00	
Do	JIM WALTER CORP	3,000.00	
Do	NEWSPAPER-BROADCASTER COMMITTEE	15,000.00	
Do	TAMPA ELECTRIC CO	1,500.00	
Do	TAMPA PORT AUTHORITY	3,600.00	
Do	WASHINGTON WORKSHOPS	300.00	
H. MEADE ALCORN JR., ALCORN, BAKEWELL & SMITH ONE AMERICAN ROW HARTFORD CT 06103	HELEN WODELL HALBACH ESTATE		
DONALD C. ALEXANDER, MORGAN LEWIS & BOCKIUS 1800 M ST., NW, #800 N WASHINGTON DC 20036	BALDWIN-UNITED CORPORATION		
Do	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT		
Do	DISABLED AMERICAN VETERANS		
Do	EASTERN AIR LINES, INC	110.00	
Do	MERRILL LYNCH LIFE AGENCY, INC		
Do	SEQUOIA VENTURES, INC		
KAREN D. ALEXANDER, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	110.00	
WILLIS W. ALEXANDER, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	2,500.00	54.69
MAXTON ALLCOX, 400 FIRST ST., NW, RM 801 WASHINGTON DC 20001	BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES	11,403.24	
H. K. ALLEN, 1325 1/2 WISCONSIN AVENUE, NW, #300 WASHINGTON DC 20007	AHRENS AIRCRAFT, INC		
JOSEPH P. ALLEN, 1899 L ST., N.W. SUITE 400 WASHINGTON DC 20036	INTELLECTUAL PROPERTY OWNERS, INC	12,640.50	487.17
LORETTA E. ALLEN, P.O. BOX 364 ORLEANS CA 95556	D.2. UNIVERSITY		
ROBERT G. ALLEN, 511 C STREET, NE WASHINGTON DC 20002	CONTINENTAL ASSN OF RESOLUTE EMPLOYERS (C.A.R.E.)		
ALLIANCE FOR CANNABIS THERAPEUTICS, PO BOX 23691 L'ENFANT PLAZA STATION WASHINGTON DC 20024			
ALLIANCE FOR IMMIGRATION REFORM, SUITE 103 1000 POTOMAC STREET, NW WASHINGTON DC 20007		7,500.00	4,759.30
ALLIANCE OF AMERICAN INSURERS, 20 NORTH WACKER DR. CHICAGO IL 60606			4,177.50
ALLIANCE TO SAVE ENERGY, 1925 K ST., NW SUITE 507 WASHINGTON DC 20006			3,211.19
PETER ALLSTROM, 815 16TH ST., NW WASHINGTON DC 20006	FOOD AND BEVERAGE TRADES DEPARTMENT, AFL-CIO	2,406.25	2,706.78
JOSEPH C. ALLWARDEN, DANIEL WEBSTER HIGHWAY SOUTH MERRIMACK NH 03054	KOLLSMAN INSTRUMENT CO		
HARVEY ALTER, 1615 H STREET., N.W. WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE	200.00	
RICHARD H. ALTMAN, 444 NORTH CAPITOL ST., NW, #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	1,260.00	
AMALGAMATED TRANSIT UNION, AFL-CIO, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016			8,300.00
AMALGAMATED TRANSIT UNION, NATL CAP DIV. 689, 100 INDIANA AVE., NW, #403 WASHINGTON DC 20001			
JEROME A. AMBRO ASSOCIATES, 2301 SOUTH JEFFERSON DAVIS DRIVE ARLINGTON VA 22202	ASSOCIATED UNIVERSITIES	1,500.00	1,455.26
Do	COUNTY OF SUFFOLK	4,375.00	4,074.64
Do	NEW YORK STATE DEPARTMENT OF TRANSPORTATION	4,125.00	3,658.04
AMERICAN ACADEMY OF FAMILY PHYSICIANS, 1740 WEST 92ND ST. KANSAS CITY MO 64114		8,743.87	8,743.87
AMERICAN ACADEMY OF OPHTHALMOLOGY, SUITE 300 1101 VERMONT AVE., N.W. WASHINGTON DC 20005			322.07
AMERICAN ADVERTISING FEDERATION, 1225 CONNECTICUT AVE., NW #401 WASHINGTON DC 20036			1,057.96
AMERICAN ARTS ALLIANCE, 424 C ST., NE WASHINGTON DC 20002		42,055.15	83,665.23
AMERICAN ASSN OF BLOOD BANKS, SUITE 600 1117 NORTH 19TH STREET ARLINGTON VA 22209			
AMERICAN ASSN OF EQUIPMENT LESSORS, SUITE 1010 1300 NORTH 17TH STREET ARLINGTON VA 22209			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
AMERICAN ASSN OF FOUNDATIONS FOR MEDICAL CARE, SUITE 210 5410 GROSVENOR LANE BETHESDA MD 20814			
AMERICAN ASSN OF HOMES FOR THE AGING, SUITE 770 1050 17TH ST,. NW WASHINGTON DC 20036		1,857.05	1,857.05
AMERICAN ASSN OF MEAT PROCESSORS, P.O. BOX 269 ELIZABETHTOWN PA 17022		622.49	680.94
AMERICAN ASSN OF PORT AUTHORITIES, INC, 1612 K ST., NW WASHINGTON DC 20006			28,767.66
AMERICAN AUTOMOBILE ASSN, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047			
AMERICAN BANKERS ASSN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036		36,033.43	36,033.43
AMERICAN BUSINESS CONFERENCE, 1025 CONNECTICUT AVENUE, N.W. SUITE 209 WASHINGTON DC 20036		1,200.00	2,115.00
AMERICAN CHAMBER OF COMMERCE OF THE DOMINICAN REPUBLIC, HOTEL SANTO DOMINGO SANTO DOMINGO DOMINICAN REPUBLIC.			9,000.00
AMERICAN COUNCIL FOR CAPITAL FORMATION, SUITE 520 1850 K ST., NW WASHINGTON DC 20006		2,948.00	3,535.00
AMERICAN COUNCIL OF LIFE INSURANCE, INC, 1850 K ST., NW WASHINGTON DC 20006			3,861.24
AMERICAN FARM BUREAU FED, 225 TOUHY AVE PARK RIDGE IL 60068		121,031.00	121,031.00
AMERICAN FED OF LABOR AND CONG OF INDUSTRIAL ORGANIZATIONS, 815 16TH ST., NW WASHINGTON DC 20006			153,119.22
AMERICAN FEED MFRS ASSN, 1701 N. FT. MYER DR. ARLINGTON VA 22209		3,000.00	3,000.00
AMERICAN GAS ASSN, 1515 WILSON BLVD ARLINGTON VA 22209		31,358.00	36,358.00
AMERICAN HELLENIC INSTITUTE PUBLIC AFFAIRS COMMITTEE, 1730 K ST., NW WASHINGTON DC 20006			
AMERICAN HONEY PRODUCERS ASSN, PO BOX 368 MINCO OK 73059			
AMERICAN HOTEL & MOTEL ASSN, 888 SEVENTH AVE. NEW YORK NY 10019		15,389.28	7,726.54
AMERICAN INST OF MERCHANT SHIPPING, SUITE 1000 1625 K ST,. NW WASHINGTON DC 20006			1,419.00
AMERICAN INSURANCE ASSN, 85 JOHN ST. NEW YORK NY 10038		747.00	747.00
AMERICAN ISRAEL PUBLIC AFFAIRS COMM, #412 444 N. CAPITOL ST., NW WASHINGTON DC 20001		104,811.00	89,906.54
AMERICAN LAND TITLE ASSN, 1828 L ST., NW WASHINGTON DC 20036			5,765.00
AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE, #4400 475 L'ENFANT PLAZA, SW WASHINGTON DC 20024		894.24	894.24
AMERICAN LOBBY FOR PRES. REAGAN'S BALANCED BUDGET AMENDMENT , 2307 RIVIERA DRIVE VIENNA VA 22180		917.51	47,041.70
AMERICAN MEAT INSTITUTE, PO BOX 3556 WASHINGTON DC 20007		7,871.16	7,871.16
AMERICAN MEDICAL ASSN, 535 NORTH DEARBORN ST. CHICAGO IL 60610		1,097.50	163,717.69
AMERICAN MEDICAL PEER REVIEW ASSN, SUITE 210 5410 GROSVENOR LANE BETHESDA MD 20814			91.15
AMERICAN MOVERS CONFERENCE, 400 ARMY-NAVY DR. ARLINGTON VA 22202			4,995.00
AMERICAN NEWSPAPER PUBLISHERS ASSN, BOX 17407 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041		1,500.00	1,500.00
AMERICAN NUCLEAR ENERGY COUNCIL, 410 1ST ST., SE WASHINGTON DC 20003		13,409.31	24,633.87
AMERICAN NURSES' ASSN, 2420 PERSHING RD KANSAS CITY MO 64108		17,304.42	17,304.42
AMERICAN OPTOMETRIC ASSN, C/O DR. JOHN D. TUMBLIN SUITE 400E 600 MARYLAND AVE., SW WASHINGTON DC 20024		609.37	609.37
AMERICAN ORTHOTIC AND PROSTHETIC ASSN., 717 PENDLETON ST. ALEXANDRIA VA 22314			
AMERICAN PAPER INST, INC, 260 MADISON AVE. NEW YORK NY 10016			
AMERICAN PARATRANSIT INSTITUTE, P.O. BOX 340276 CORAL GABLES FL 33134			4,000.00
AMERICAN PERSONNEL & GUIDANCE ASSOCIATION, 5203 LEESBURG PIKE FALLS CHURCH VA 22041		38,340.68	18,997.86
AMERICAN PETROLEUM INST, 2101 L ST., NW WASHINGTON DC 20037		149,260.00	222,413.00
AMERICAN PHYSICAL THERAPY ASSN, 1156 15TH ST., NW WASHINGTON DC 20005		4,144.96	4,144.96
AMERICAN PODIATRY ASSN, 20 CHEVY CHASE CIRCLE WASHINGTON DC 20015			17,839.50
AMERICAN POSTAL WORKERS UNION, AFL-CIO, 817 14TH ST., NW WASHINGTON DC 20005		4,389,325.03	176,927.99
AMERICAN PUBLIC TRANSIT ASSN, 1225 CONNECTICUT AVE., NW WASHINGTON DC 20036		22,872.00	22,872.00
AMERICAN PULPWOOD ASSN, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			
AMERICAN RIVERS CONSERVATION COUNCIL, 323 PENNSYLVANIA AVE., SE WASHINGTON DC 20003		32,649.00	38,882.00
AMERICAN SEED TRADE ASSN, SUITE 964 1030 15TH ST., NW WASHINGTON DC 20005			11,350.00
AMERICAN SHORT LINE RAILROAD ASSN, 2000 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			
AMERICAN SOYBEAN ASSOCIATION, SUITE 510 600 MARYLAND AVE., S.W. WASHINGTON DC 20024		4,125.00	18,286.70
AMERICAN SUBCONTRACTORS ASSN, SUITE 540 8401 CORPORATE DR. LANDOVER MD 20785			1,750.00
AMERICAN SURVEYS, EMBASSY SQUARE (SUITE 901) 2000 N ST., NW WASHINGTON DC 20036	NATIONAL CUSTOMS BROKERS & FORWARDERS ASSN OF AMERICA	512.25	339.41
AMERICAN TRADE AND FINANCE COMPANY, 2001 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202		72,930.00	70,206.19
AMERICAN TRUCKING ASSNS, INC, 1616 P ST., NW WASHINGTON DC 20036		10,290.06	73,475.03
AMERICAN VETERINARY MEDICAL ASSN, SUITE 828 1522 K ST., NW WASHINGTON DC 20005			183.00
AMERICAN WATERWAYS OPERATORS, INC, SUITE 1000 1600 WILSON BLVD. ARLINGTON VA 22209		14,699.13	1,709.00
AMERICAN WATERWAYS SHIPYARD CONFERENCE, SUITE 1101 1600 WILSON BOULEVARD ARLINGTON VA 22209			
MORRIS J. AMITAY, SUITE 168 400 N. CAPITOL ST., NW WASHINGTON DC 20001	NATIONAL SATELLITE CABLE ASSN	2,000.00	
Do	NORTHROP CORP	3,000.00	
Do	PAN AMERICAN WORLD AIRWAYS, INC	4,500.00	
EDWARD ANDERSEN, 1616 H ST., NW WASHINGTON DC 20006	NATIONAL GRANGE	785.00	
ANTHONY L. ANDERSON, 1800 K ST., NW, SUITE 820 WASHINGTON DC 20006	SUN CO, INC	4,934.00	162.59
ARNE ANDERSON, 1325 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20005	AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES	7,917.21	
GWEN A. ANDERSON, SUITE 101 1220 19TH STREET, NW WASHINGTON DC 20036	SMALL BUSINESS ON-PREMISE SIGN FOUNDATION		
J. LEM ANDERSON, 888 16TH ST., NW WASHINGTON DC 20006	TIME INC	2,500.00	15.99
M. KENT ANDERSON, BOX 300 TULSA OK 74102	CITIES SERVICE COMPANY		
ROBERT L. ANDERSON, JOHN DEERE RD. MOLINE IL 61265	DEERE & COMPANY		
WAYNE C. ANDERSON, 1629 K ST., NW WASHINGTON DC 20006	NABISCO, INC	5,000.00	1,194.12
WILLIAM C. ANDERSON, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		63.50
JACK O. ANDRESEN, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ANDREWS & KURTH, 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	SPACE SERVICES INC. OF AMERICA		
ROBERT ANGEL, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	JAPAN ECONOMIC INSTITUTE OF AMERICA	300.00	
JACK R. ANGELL, 1101 17TH ST., NW SUITE 704 WASHINGTON DC 20036	UNITED GAS PIPE LINE CO		
JAY ANGOFF, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	CONGRESS WATCH	4,374.99	
J. DONALD ANNETT, 1050 17TH ST., NW, #500 WASHINGTON DC 20036	TEXACO, INC	300.00	
TOBIAS ANTHONY, 1612 K ST., NW WASHINGTON DC 20006	RESEARCH-COTTRELL, INC	3,000.00	
LORI A. ANTOLOCK, 604 SOLAR BUILDING 1000 16TH STREET, NW WASHINGTON DC 20036	AMERICAN LAND DEVELOPMENT ASSN	1,500.00	
APARTMENT & OFFICE BUILDING ASSOC. OF METROPOLITAN WASH. D.C., SUITE 600 1413 K ST., NW WASHINGTON DC 20005.			
JOHN D. AQUILINO JR , 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
JOHN CHRISTIAN ARCHER, 1730 RHODE ISLAND AVE., NW, #213 WASHINGTON DC 20036	BROWN & ROOT, INC		
JOHN ARCHER, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
LESLIE ARENDS, 4815 DEXTER STREET, NW WASHINGTON DC 20007	W.C.I.A	10,000.00	
ARENT, FOX, KINTNER, PLOTKIN & KAHN, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CENTRAL STATES SE & SW AREAS HEALTH, WELFARE & PENSION FUNDS	67,089.26	2,302.39
Do	GUARDIAN LIFE INSURANCE CO. OF AMERICA	28,012.25	152.33
Do	INTELSAT	4,453.84	4,262.97
Do	MOTOR & EQUIPMENT MANUFACTURERS ASSN		
Do	URANERZBERGBAU-GMBH	76,305.02	626.21
J. KNOX ARGO, ARGO & ENSLEN, P.C. P.O. BOX 1550 MONTGOMERY AL 36102	MOTION PICTURE ASSN OF AMERICA, INC		602.14
ARMOUR HANDCRAFTS, INC., 230 5TH AVENUE NEW YORK NY 10001			
ARNOLD & PORTER, 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AHMANSON FOUNDATION	9,003.56	45.90
Do	BUILDING & CONSTRUCTION TRADES DEPT., AFL-CIO	245.00	40
Do	NATIONAL COORDINATING COMM FOR MULTIEMPLOYER PLANS	2,200.00	60.00
Do	RECORDING INDUSTRY ASSN OF AMER, INC	2,234.00	
Do	TABLE GRAPE GROWERS ASSN. OF SONORA, MEXICO		
CARL F. ARNOLD, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN FAMILY CORP	480.00	
Do	AMERICAN IRON & STEEL INSTITUTE	750.00	
Do	AMERICAN PETROLEUM INST	7,500.00	
Do	CORPORATE PROPERTY INVESTORS	500.00	
Do	MEAD CORPORATION	720.00	
Do	MORTGAGE GUARANTY INSURANCE CORP	233.00	
Do	NATIONAL REALTY COMMITTEE	600.00	
Do	QUINTANA PETROLEUM CORP	375.00	
Do	QUINTANA REFINERY COMPANY	375.00	
Do	SECURITIES INDUSTRY ASSN	350.00	
Do	SECURITY FIRST GROUP, INC	500.00	
ARTER, HADDEN & HEMMENDINGER, 1919 PENNSYLVANIA AVENUE, NW, #400 WASHINGTON DC 20006	PROQUINAL, LTDA		
ASBILL & JUNKIN, SUITE 401 419 7TH STREET, NW WASHINGTON DC 20004	COALITION ON SMOKING OR HEALTH	23,976.25	14,883.18
LUD ASHLEY, P.C., 1735 NEW YORK AVENUE, NW, 6TH FL. WASHINGTON DC 20006	AMERICAN INTERNATIONAL GROUP, INC		
Do	FEDERAL HOME LOAN MORTGAGE CORP	21,000.00	10,207.85
Do	GENERAL PUBLIC UTILITIES, INC	15,000.00	9,748.68
Do	IRVING TRUST CO	12,500.00	
Do	LOCKHEED CORPORATION	350.00	
Do	SAVINGS BANK OF PUGET SOUND		
JOSEPH ASHOOH, 1957 E ST., NW WASHINGTON DC 20006	WITKOWSKI, WEINER, MCCAFFREY & BRODSKY, P.C		
ASIAN PACIFIC ECONOMIC EDUCATIONAL CULTURAL ORGANIZATION, 2302 JACKSON PARKWAY VIENNA VA 22180	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ASPHALT ROOFING MANUFACTURERS ASSOCIATION, 1800 MASSACHUSETTS AVE., NW WASHINGTON, DC 20036			
ASSOCIATED BUILDERS & CONTRACTORS, INC, 729 15TH ST., NW WASHINGTON DC 20005		7,500.00	
ASSOCIATED EMPLOYERS, INC, 1222 N. MAIN, SUITE 315A, SAN ANTONIO, TX 78212			
ASSOCIATED GENERAL CONTRACTORS OF AMERICA, 1957 E ST., NW WASHINGTON DC 20006			
ASSOCIATION FOR BIOMEDICAL RESEARCH, 400-2 TOTTEN POND ROAD SUITE 200 WALTHAM MA 02154		43,625.00	8,919.12
ASSOCIATION FOR THE IMPROVEMENT OF THE MISSISSIPPI RIVER, 10 BROADWAY ST.LOUIS MO 63102			156.00
ASSOCIATION OF AMERICAN FOREIGN SERVICE WOMEN, P.O. BOX 8068 WASHINGTON DC 20024			
ASSOCIATION OF AMERICAN LAW SCHOOLS, ONE DUPONT CIRCLE, NW, #370 WASHINGTON DC 20036			
ASSOCIATION OF AMERICAN PUBLISHERS, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		8,285.95	8,285.95
ASSOCIATION OF AMERICAN RAILROADS, AMERICAN RAILROADS BLDG., SUITE 720 1920 L ST., NW WASHINGTON DC 20036.		41,696.96	41,696.96
ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES, SUITE 828 1522 K ST., NW WASHINGTON DC 20005			
ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS, 1300 NORTH 17TH ST. SUITE 300 ARLINGTON VA 22209			3,223.50
ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC, 1735 DESALES ST., NW WASHINGTON DC 20036		12,837.50	12,837.50
ASSOCIATION OF TRIAL LAWYERS OF AMERICA, 1050 31ST ST., NW WASHINGTON DC 20007		27,250.00	11,257.63
ASSOCIATION OF URBAN UNIVERSITIES, SUITE 228 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036		500.00	
GEORGE J. ASTE, 1825 K ST., NW, #607 WASHINGTON DC 20006	UNITED AIRLINES		1,937.38
ATLANTIC RICHFIELD CO, 515 SOUTH FLOWER STREET LOS ANGELES CA 90071		1,500.00	529.99
LLOYD G. ATOR JR., 1120 CONNECTICUT AVE., NW WASHINGTON, DC 20036	AMERICAN BANKERS ASSN	168.43	
FRITZ E. ATTAWAY, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMER, INC.	3,500.00	2,412.63
GEORGE L. ATWOOD, SUITE 500 700 S. COLORADO BLVD. DENVER CO 80222	MONSANTO CO.	105,000.00	132,636.71
AUDIO RECORDING RIGHTS COALITION, 2001 EYE STREET, NW WASHINGTON DC 20006			
DAVID AUSTERN, 918 16TH STREET, NW WASHINGTON DC 20006	AMERICAN LOGISTICS ASSN		
CLAUDIA MANSFIELD AUSTIN, 1801 N. MOORE STREET ARLINGTON VA 22209	AMERICAN ASSN OF SCHOOL ADMINISTRATORS		21.05
JOHN D. AUSTIN JR , 1920 N STREET, N.W. WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
RONALD R. AUSTIN, 1201 16TH STREET, NW WASHINGTON DC 20036	OVERSEAS EDUCATION ASSN & NATIONAL EDUCATION ASSN		
AUTOMOTIVE PARTS REBUILDERS ASSN, 6849 OLD DOMINION DRIVE MCLEAN VA 22101		1,454.00	1,453.42
JOHN S. AUTRY, SUITE 810 2000 L ST., NW WASHINGTON DC 20036	SPERRY CORPORATION	2,000.00	2,300.00
AVENEL ASSOCIATES, INC, BOX 53131 WASHINGTON DC 20009	BROWARD FEDERAL SAVINGS & LOAN ASSN.	1,950.00	
AVON PRODUCTS, INC, 9 WEST 57TH ST. NEW YORK NY 10019			864.00
WILLIAM H AXTMAN, RM. 160 950 N. GLEBE RD. ARLINGTON VA 22203	AMERICAN BOILER MANUFACTURERS		
WALTER C. AYERS, VIRGINIA PETROLEUM COUNCIL 1809 STAPLES MILL RD. RICHMOND VA 23230	AMERICAN PETROLEUM INST		
CRAIG H. BAAB, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	30.45
JED L. BABBIN, 4910 NORTH 27TH STREET ARLINGTON VA 22207	SHIPBUILDERS COUNCIL OF AMERICA	13,750.00	
PATTI JO BABER, SUITE 400 919 18TH ST., NW WASHINGTON DC 20006	DIAMOND SHAMROCK CORPORATION	1,500.00	
DALE R. BABIONE, 1700 N. MOORE ST. ROSSLYN VA 22209	BOEING COMPANY	338.00	
BAENEN, TIMME, DE REITZES & MIDDLETON, 1049 30TH ST., NW WASHINGTON DC 20007	CONFEDERATED SALISH AND KOOTENAI TRIBES OF THE FLATHEAD RESERVATION, MONTANA.		
Do	NANA REGIONAL CORP		
Do	SHEE ATIKA, INC		30.00
BAER MARKS & UPHAM, 299 PARK AVE. NEW YORK NY 10171	COMMODITY EXCHANGE, INC		
CARL E. BAGGE, COAL BUILDING WASHINGTON DC 20036	NATIONAL COAL ASSN	3,050.00	1,033.89
JOAN N. BAGGETT, 815 15TH ST., NW WASHINGTON DC 20005	INTERNATIONAL UNION OF BRICKLAYERS AND ALLIED CRAFTSMEN	3,000.00	32.00
GEORGE F. BAILEY JR , P.O. BOX 21 MONTGOMERY AL 36101	ALABAMA RAILROAD ASSN		
PAUL C. BAILEY JR., 1545 18TH STREET, NW WASHINGTON DC 20036	SOUTHERN COMPANY SERVICES, INC	180.00	315.10
WILLIAM W. BAILEY, 1050 17TH ST., NW SUITE 650 WASHINGTON DC 20036	MERCK & CO., INC.	1,000.00	352.90
JUDITH L. BAIRD, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	250.00	
JOHN BAIZE, CAPITOL GALLERY BLDG., #510 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN SOYBEAN ASSOCIATION	1,225.00	286.96
EDWARD R. BAJER, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	450.00	
BAKER & BOTTS, 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	HOUSTON LIGHTING & POWER COMPANY		
Do	PENNZOIL CO		735.26
Do	ROTAN MOSLE, INC		
Do	TEXAS INTERNATIONAL AIRLINES, INC		
BAKER & DANIELS, SUITE 600 1920 N ST..NW WASHINGTON DC 20036	ROCK ISLAND REFINING CORP		
BAKER & HOSTETLER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	CLEVELAND INSTITUTE OF ELECTRONICS		
Do	FEDERAL CARTRIDGE CORP	345.00	
Do	FRONTIER AIRLINES, INC	1,462.50	
Do	SOCIETY OF PROFESSIONAL JOURNALISTS, SIGMA DELTA CHI	1,500.00	674.40
Do	TIMKEN FOUNDATION	517.50	
BAKER & MCKENZIE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	DAILY EXPRESS, INC		
EMIL F. BAKER, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN		
EUGENE BAKER, 2010 COLEBROOKE DRIVE TEMPLE HILLS MD 20748			
JAMES JAY BAKER, 1600 RHODE ISLAND AVENUE, N.W. WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	675.00	70.64
KEITH L. BAKER, 1000 POTOMAC STREET, NW, #302 WASHINGTON DC 20007	FEDERATION EMPLOYMENT & GUIDANCE SERVICE	1,787.27	
WALDON L. BAKER, SUITE 802 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	100.00	
ALBERT L. BALDOCK, 1050 17TH ST., NW WASHINGTON DC 20036	RICHARDSON-VICKS INC	140,000.00	
DONALD BALDWIN, SUITE 804 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL LAW ENFORCEMENT COUNCIL		
DONALD BALE, 7436 CHUMMLEY COURT FALLS CHURCH VA 22043	CENTER TO PROTECT WORKERS' RIGHTS	9,999.99	438.60
H.R. BALIKOV, THORNALL STREET EDISON NJ 08818	J. M. HUBER CORP		
JACQUELINE BALK-TUSA, 1625 EYE ST., NW, #809 WASHINGTON DC 20006	BOISE CASCADE CORP	14,375.00	
W. ALLEN BALL, P.O. BOX 12910 CHARLESTON SC 29142	KIAWAH ISLAND COMPANY		
BALLARD, SPAHR, ANDREWS & INGERSOLL, SUITE 1100 1850 K STREET, NW WASHINGTON DC 20006	ALASKA INDUSTRIAL DEVELOPMENT AUTHORITY	11,572.12	63.24
Do	AMERICAN CAN COMPANY		
Do	DELAWARE RIVER PORT AUTHORITY	7,500.00	362.79
Do	IDAHO HOUSING AGENCY		
Do	PENNSYLVANIA ASSN OF INDUSTRIAL DEVELOPMENT AUTHORITIES		11.00
Do	PHILADELPHIA PORT CORPORATION	4,500.00	217.68
Do	PORT OF WILMINGTON, DELAWARE	1,500.00	72.56
Do	SOUTH JERSEY PORT CORPORATION	1,500.00	72.56
Do	U.S. COMMITTEE FOR UNICEF	5,167.00	299.61
Do	WEST VIRGINIA INDUSTRIAL DEVELOPMENT ASSN		59.42
MICHAEL BALY III, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	4,000.00	685.20
PATTY BANKSON, SUITE 408 1725 K STREET, NW WASHINGTON DC 20006	NATIONAL BOARD OF YOUNG MEN'S CHRISTIAN ASSNS		
WILLIAM BARCLIFT, 923 15TH ST., N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	4,500.00	331.00
JUDY BARDACKE, 11 DUPONT CIRCLE, NW WASHINGTON DC 20036	AMERICAN FED OF TEACHERS		
ROBERT O. BARKER, 801 NORTHLAND TOWERS WEST SOUTHFIELD MI 48075	NATIONAL ASSN OF MANUFACTURERS	1,500.00	
THOMAS H. BARKSDALE JR., 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST	5,500.00	405.95
DONNA R. BARNAKO, SUITE 1100 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	NATIONAL COUNCIL OF HEALTH CENTERS	1,602.00	341.22
JOHN H. BARNARD JR , 50 BEALE ST., PO BOX 3965 SAN FRANCISCO CA 94119	BECHTEL CORP		
BARNES RICHARDSON & COLBURN, SUITE 400 1819 H ST., NW WASHINGTON DC 20006	FLORIDA CITRUS MUTUAL		
Do	INDUSTRIAS QUIMICAS Y TARTARICAS, S.A.		29.06
Do	TARTARIC CHEMICALS CORPORATION		
Do	WORLD CARRIER, INC		
Do	STRATTON HATS, INC		649.49
Do	U.S. CANTALOUPE GROWERS & IMPORTERS ASSN	3,203.75	81.40
BARNETT & ALAGIA, 1000 THOMAS JEFFERSON STREET, NW, #900 WASHINGTON DC 20007	AMERICAN SCHOOL FOOD SERVICE ASSN	32,276.97	3,186.17
Do	DADE COUNTY FARM BUREAU		
Do	FLORDIA FRUIT AND VEGETABLE		
Do	FLORIDA TOMATO EXCHANGE		
PAMELA H. BARNETT, 100 MARYLAND AVE., N.E. WASHINGTON DC 20002	RELIGIOUS COALITION FOR ABORTION RIGHTS, INC.	4,999.98	
BARNETT, YINGLING, & SHAY, SUITE 810 1090 VERMONT AVE., NW WASHINGTON DC 20005	SAVINGS BANK OF PUGET SOUND		
Do	CITIBANK, N.A.	1,800.00	8.00
Do	CROCKER NATIONAL BANK	160.00	4.00
RICHARD L. BARR, P.O. BOX 834 DES MOINES IA 50304	IOWA RAILWAY ASSN		
BARRETT SMITH SCHAPIRO SIMON & ARMSTRONG, SUITE 1400 26 BROADWAY NEW YORK NY 10004	COFFEE, SUGAR & COCOA EXCHANGE, INC	1,800.00	16.50
Do	CSC CLEARING CORP		
Do	HUGO NEU & SONS, INC		
Do	IRVING TRUST COMPANY		
Do	METROPOLITAN TRANSPORTATION AUTHORITY		
Do	NEW YORK FUTURES EXCHANGE, INC		
Do	NEW YORK STATE MORTGAGE LOAN ENFORCEMENT & ADMIN. CORP.		
Do	NEW YORK STATE URBAN DEVELOPMENT CORP		
ROBERT W. BARRIE, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	1,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
HARVEY BARRISON, 291 BROADWAY NEW YORK NY 10007	C. A. SHEA & COMPANY, INC		
DAVID S. BARROWS, 1201 S. W. 12TH, #200 PORTLAND OR 97205	ASSOCIATION OF OREGON & CALIFORNIA LAND GRANT COUNTIES	1,200.00	
JOHN BARRY, 715 EIGHTH STREET, NW WASHINGTON DC 20003	NATIONAL VICTIMS OF CRIME		
T. MICHAEL BARRY, 2626 PENNSYLVANIA AVENUE, N.W. WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVE ASSN	2,500.00	947.00
LINDA LEIGH BARTLETT, 1010 WISCONSIN AVE., NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
RICHARD A. BARTON, 1730 K ST., NW, #905 WASHINGTON DC 20006	DIRECT MAIL/MARKETING ASSN	1,400.00	
JAMES P. BASS, 1101 17TH ST., NW WASHINGTON DC 20036	AMERICAN AIRLINES, INC	725.00	
DIANE BATEMAN, DAVIS & MCLEOD 499 SOUTH CAPITOL ST., SW WASHINGTON DC 20003	AMERICAN ASSN OF CROP INSURERS		
ROBERT E. BATES JR , 1100 CONNECTICUT AVE, NW WASHINGTON DC 20036	MOBIL OIL CORP	1,125.00	
CATHARINE R. BATKY, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	BURLINGTON NORTHERN, INC	750.00	152.42
DAVIS M. BATSON, 1155 15TH ST., NW SUITE 611 WASHINGTON DC 20005	ETHYL CORPORATION	900.00	
LAURIE C. BATTLE, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	2,600.00	
LYNNE D. BATTLE, 1101 CONNECTICUT AVE., NW, #705 WASHINGTON DC 20036	COLLEGE PLACEMENT COUNCIL, INC		
JOHN F. BATTLES, C/O MASSACHUSETTS PETROLEUM COUNCIL 11 BEACON ST., #515 BOSTON MA 02108	AMERICAN PETROLEUM INST		
BATZELL NUNN & BODE, 1015 15TH ST., NW WASHINGTON DC 20005	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC	90.00	6.00
Do	INDEPENDENT TERMINAL OPERATORS ASSN	500.00	
JOHN E. BAUGHMAN, 400 N. THIRD ST. HARRISBURG PA 17101	PENNSYLVANIA STATE EDUCATION ASSN		
ROBERT J. BAUGHMAN, 717 PENDLETON ST. ALEXANDRIA VA 22314	AMERICAN ORTHOTIC AND PROSTHETIC ASSN		
BARRY H. BAUMAN, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
JAMES R. BAXTER, 2033 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL CONSTRUCTION EMPLOYERS COUNCIL		
BAYH, TABBERT & CAPEHART, SUITE 1025 1575 I STREET, NW WASHINGTON DC 20005	AMERICAN CANCER SOCIETY	14,000.00	800.00
Do	CUMMINS ENGINE CO	4,000.00	460.00
Do	GEORGIA-PACIFIC	10,600.00	1,410.00
Do	MILK INDUSTRY FOUNDATION		145.00
Do	NATIONAL BASKETBALL ASSOCIATION		120.00
Do	NEW ENERGY CORPORATION		65.00
Do	PHARMACEUTICAL MANUFACTURERS ASSN	4,000.00	1,036.00
Do	SUGAR USERS GROUP	14,200.00	785.00
Do	WARNER COMMUNICATIONS, INC		
Do	FRANK W. WINNE & SON, INC		125.00
TINA MARTS BEACH, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	84.00	
BRUCE A. BEAM, SUITE 1041 1801 K ST., NW WASHINGTON DC 20006	AMERICAN ELECTRIC POWER CORP	63.54	99.67
THERESA E. BEARMAN, 9TH FLOOR 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	900.00	575.71
DONALD S. BEATTIE, 400 FIRST ST., NW WASHINGTON DC 20001	RAILWAY LABOR EXECUTIVES' ASSN	2,891.95	
CHRISTINE T. BEATTY, 1730 RHODE ISLAND AVE., NW, #612 WASHINGTON DC 20036	ST. JOE MINERALS CORP	7,500.00	160.96
GEORGE W. BEATTY. 1200 18TH ST., NW WASHINGTON DC 20036	SQUIBB CORPORATION		
HUBERT BEATTY, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
LAURA L. BEATY, 806 N. JEFFERSON ST. ARLINGTON VA 22205	NATIONAL PARKS & CONSERVATION ASSOCIATION	74.97	10.00
JANET F. BECHERER, 400 N. THIRD STREET BOX 1724 HARRISBURG PA 17101	PA STATE EDUCATION ASSN		
EDWARD A. BECK III, 15TH & M STREETS, NW WASHINGTON DC 20814	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
ROBERT J. BECKER, SUITE 204 3077 W. JEFFERSON JOLIET IL 60435	JOINT COUNCIL OF ALLERGY & IMMUNOLOGY		
WILLIAM W. BEDDOW, 1101 15TH ST., NW WASHINGTON DC 20005	NATIONAL CONSTRUCTORS ASSOCIATION	925.00	
JON CHARLES BEDNERIK, 499 SOUTH CAPITOL ST., S.W. SUITE 417 WASHINGTON DC 20003	INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS		
LOUIS BEER, KEMP, KLEIN, ENDELMAN & BEER 1320 19TH STREET, NW WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP		
EDWIN L. BEHRENS, 1801 K ST., NW, #230 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	30.00	
MAX J. BEILKE, 5535 HEMPSTEAD WAY P.O. BOX 1406 SPRINGFIELD VA 22151	NATIONAL ASSN FOR UNIFORMED SERVICES	1,437.50	
ALEXANDER B. BELL, 9618 COTTRELL TERRACE SILVER SPRING MD 20903	UNITED ASSN OF JNYMEN & APPREN. OF PLMBG & PIPEFTG INDUSTRY	3,750.00	277.26
BELL BOYD & LLOYD, THREE FIRST NATIONAL PLAZA 70 WEST MADISON STREET CHICAGO IL 60602	BOISE CASCADE CORP		
HOWARD H. BELL, 1225 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	AMERICAN ADVERTISING FEDERATION		
WINSTON EVERETT BELL, P.O. BOX 26543 LAS VEGAS NV 89126			
C. THOMAS BENDORF, 3615 OVERCREEK DR. COLUMBIA SC 29206	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	5,000.00	450.00
BRUCE BENEFIELD, SUITE 2600 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,000.00	
BENESCH, FRIEDLANDER, COPLAN & ARONOFF, 1100 CITIZENS BUILDING CLEVELAND OH 44114	MIDWEST ALLIANCE FOR INDUSTRIAL FINANCING & RESTRUCTURING		
KENNETH U. BENJAMIN JR , 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	2,887.00	156.20
W. M. BENKERT, 1625 K ST., NW, #1000 WASHINGTON DC 20006	AMERICAN INST OF MERCHANT SHIPPING	1,250.00	
WILLIAM C. BENNETT JR , 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	325.00	
JOHN C. BENNISON, 4400 MACARTHUR BLVD., NW WASHINGTON DC 20007	AMERICAN SOCIETY OF TRAVEL AGENTS	6,000.00	
BENOIT, SMITH & LAUGHLIN, 2001 JEFFERSON DAVIS HIGHWAY SUITE 501 ARLINGTON VA 22202	ECONOPURE		
Do	HUGHES AIRCRAFT COMPANY		
FREDERICK S. BENSON III, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
NANCY C. BENSON, 1575 EYE ST., NW, #220 WASHINGTON DC 20005	AMERICAN CYANAMID CO	176.00	133.91
TOM BENSON, SUITE 501 501 UNION STREET NASHVILLE TN 37219	CLASS I RAILROADS		
JAMES E. BENTON, N. J. PETROLEUM COUNCIL 170 W. STATE ST. TRENTON NJ 08608	AMERICAN PETROLEUM INST	55.00	
DAVID A. BEREN, 910 17TH ST., NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF ICE CREAM MFRS & MILK IND. FOUNDATION		
REBECCA J. BERG, 2550 M ST., NW SUITE 770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	400.00	289.34
O. M. BERGE, 12050 WOODWARD AVE. DETROIT MI 48203	BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES		
EDWIN M. BERGSMARK, THREE SEAGATE TOLEDO OH 43603	TOLEDO TRUST COMPANY		
PAUL C. BERGSON, 2550 M ST., NW WASHINGTON DC 20037	RJR INDUSTRIES, INC	627.00	15.00
JANE W. BERGWIN, SUITE 290 1050 17TH ST.,NW WASHINGTON DC 20036	CONSUMERS POWER CO	200.00	
FRANK BRETT BERLIN, SUITE 1100 1612 K ST., NW WASHINGTON DC 20006	CRAY RESEARCH, INC		
JASON S. BERMAN, SUITE 250 2020 K ST., NW WASHINGTON DC 20006	WARNER COMMUNICATIONS INC	15,000.00	11,268.09
RICHARD B. BERMAN, 6606 LBJ FREEWAY DALLAS TX 75240	STEAK & ALE RESTAURANTS OF AMERICA, INC		
WILLIAM R. BERMAN, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
MARY E. BERNHARD, 1090 VERMONT AVENUE, N.W. SUITE 500 WASHINGTON DC 20005	FLEXIBLE PACKAGING ASSOCIATION		
CHARLES BERNHARDT, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
RACHELLE B. BERNSTEIN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	250.00	13.00
MAX N. BERRY, 3213 O ST., NW WASHINGTON DC 20007	CENTRE NATIONAL INTERPROFESSIONNEL DE L'ECONOMIC LAITIERE		
Do	COMMITTEE TO ASSURE THE AVAILABILITY OF CASEIN		
Do	MEAT PRODUCTS GROUP, AMERICAN IMPORTERS ASSN		
FRANK S. BESSON III, 1129 20TH STREET, NW WASHINGTON DC 20036	AM GENERAL CORPORATION	1,450.00	
ROBERT A. BEST, SUITE 4400 475 L'ENFANT PLAZA, SW WASHINGTON DC 20024	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	3,500.00	
Do	ARCHER-DANIELS-MIDLAND COMPANY	2,000.00	
ROBERT L. BEVAN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,200.00	160.97
BEVERIDGE & DIAMOND, P.C., 1333 NEW HAMPSHIRE AVE, NW WASHINGTON DC 20036	DOW CHEMICAL COMPANY		
Do	EDISON ELECTRIC INSTITUTE		
Do	NEW ENGLAND ELECTRIC SYSTEM	118.75	
Do	UNION CAMP CORPORATION		
Do	UNION MINES		
Do	UNITED CHURCH OF CHRIST	1,370.00	25.00
RALPH A. BIEDERMANN, ONE BRUNSWICK PLAZA SKOKIE IL 60077	BRUNSWICK CORPORATION	240.00	244.75
JAMES N. BIERMAN, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY,LARDNER,HOLLABAUGH & JACOBS (FOR: INDEPENDENT REFINERS ASSOCIATION OF AMERICA)		
MOE BILLER, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL-CIO	8,195.79	
BILLIG SHER & JONES, 2033 K ST., NW WASHINGTON DC 20006	ADHERENCE GROUP, INC		
Do	PRIVATE TRUCK COUNCIL OF AMERICA, INC		1.00
Do	SOUTH DAKOTA DEPT. OF TRANSPORTATION, DIV. OF RAILROADS		
Do	STEAMSHIP CONFERENCES	6,250.00	256.77
BINGHAM, DANA & GOULD, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	CONSUMER BANKERS ASSOCIATION	4,853.15	
Do	FEDERATION FOR AMERICAN IMMIGRATION REFORM		
BIRCH HORTON BITTNER & MONROE, SUITE 1100 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	ALASKA NATIONAL BANK OF THE NORTH		
Do	ALASKA POWER AUTHORITY		
Do	CALISTA CORP		
Do	CHUGACH NATIVES, INC		
Do	COASTAL CORPORATION		
Do	COOK INLET REGION, INC		
Do	FIRST FEDERAL SAVINGS & LOAN ASSN		
Do	SEALASKA CORP		
Do	ST. GEORGE/TANAQ CORPORATION		
Do	WESTINGHOUSE ELECTRIC CORP		
Do	WIEN AIR ALASKA		
BONNIE G. BIRD, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
ROBERT J. BIRD, 888 16TH STREET, NW WASHINGTON DC 20006	ZACHRY, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
WILLIAM J. BIRKHOFER, 1015 - 15TH STREET, N.W. # 802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	875.00	
WILLIAM H. BIRTCIL JR., SUITE 2700 1000 WILSON BOULEVARD ARLINGTON VA 22209	TRW, INC	1,000.00	
RICHARD A. BISHOP, 1616 H STREET, NW, #813 WASHINGTON DC 20006	INTERNATIONAL TELEPHONE & TELEGRPAH CORP	5,000.00	
PHIL M. BITTER, 1700 K STREET N W. SUITE 1204 WASHINGTON DC 20006	CHEVRON USA, INC	465.00	
NEAL R. BJORNSON, 1840 WILSON BLVD. ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,950.00	46.70
EDWARD J. BLACK, TENDLER, BLACK & BIGGINS 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	NATIONAL COUNSEL ASSOCS (FOR NORFOLK SOUTHERN RR, ET AL)	1,820.00	696.00
TOM G. BLACK, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
BLACK, MANAFORT, & STONE, INC., 435 NORTH LEE ST. ALEXANDRIA VA 22314	TOSCO CORPORATION	20,050.00	1,527.67
BEV D. BLACKWOOD, 1899 L STREET, N.W. STE. 1100 WASHINGTON DC 20036	EXXON CORPORATION		
DAVID A. BLAIR, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORTAION	120.00	15.00
GERRY BLANCHARD, GNAU, CARTER, JACOBSEN & ASSOC., INC. 1777 F STREET, NW WASHINGTON DC 20006	AMURCON CORPORATION		
Do	BEZTAK COMPANY		
Do	CAC ASSOCIATES		
Do	GRAND TRAVERSE DEVELOPMENT, INC.		
Do	MOVE DETROIT FORWARD FUND		
Do	POTTER INSTRUMENT CO., INC.		
Do	RJK CONSTRUCTION COMPANY		
Do	SANDERS CORPORATION		
Do	URBAN REVITALIZATION, INC.		
HELEN BLANK, 1520 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	CHILDREN'S DEFENSE FUND	534.80	43.55
BLATCHFORD, EPSTEIN & BRADY, 1000 POTOMAC ST., NW WASHINGTON DC 20007	ARMOUR HANDCRAFTS, INC.		1,338.89
Do	CARON INTERNATIONAL/COLUMBIA MINERVA		1,338.89
Do	DIMENSIONS, INC.		1,338.89
Do	NATIONAL ASSN OF PRIVATE ENTERPRISE	1,000.00	30.72
Do	SUNSET DESIGNS		1,338.89
KENNETH T. BLAYLOCK, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	21,850.57	3,148.07
SAMUEL A. BLEICHER, BLANK, ROME, COMISKY & MCCAULEY 1700 K STREET, NW, #404 WASHINGTON DC 20006	A & S TRANSPORTATION COMPANY		
Do	RADNOR CORPORATION	7,253.75	
VIRGINIA B. BLISS, 1725 K STREET, NW WASHINGTON DC 20006	COURTNEY, MCCAMANT & TURNEY	300.00	
GERALD BLIZIN, 1201 PENNSYLVANIA AVE., N.W. WASHINGTON DC 20004	HILL & KNOWLTON, INC		
ELLEN BLOCK, 3RD FLOOR 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	825.00	
L. THOMAS BLOCK, ONE WALL STREET NEW YORK NY 10015	IRVING TRUST CO.	1,000.00	378.00
PETER L. BLOCKLIN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	800.00	
DOUGLAS M. BLOOMFIELD, 444 NORTH CAPITOL ST, NW #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	14,454.96	
MARK BLOOMFIELD, SUITE 520 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION	1,000.00	
BLUM & NASH, SUITE 408 1015 18TH ST., NW WASHINGTON DC 20036	GENERAL ELECTRIC CO	3,600.00	40.00
Do	MERCK & CO., INC.	187.50	8.00
Do	TIME, INC.		
Do	TWIN COAST NEWSPAPERS, INC.		
JACK A. BLUM, 1015 18TH ST., NW WASHINGTON DC 20036	INDEPENDENT GASOLINE MARKETERS COUNCIL	25,000.00	592.50
JARED O. BLUM, 1730 M ST., NW, #610 WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION	300.00	56.18
ROBERT A. BLUM, THREE EMBARCADERO CENTER 28TH FLOOR SAN FRANCISCO CA 94111	MCCUTCHEN, DOYLE, BROWN & ENERSEN (FOR: PERMANENTE MEDICAL GROUP, INC.).		
CHARLES R. BLUMENFELD, BOGLE & GATES THE BANK OF CALIFORNIA CENTER SEATTLE WA 98164	PACIFIC SEAFOOD PROCESSORS ASSN.		
BOAT OWNERS ASSOCIATION OF THE U.S., 880 S. PICKETT ST. ALEXANDRIA VA 22304		27,500.00	20,256.28
DAVID A. BOCKORNY, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	277.70
ROBERT SPURRIER BOEGE, 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN SOCIETY OF ASSN EXECUTIVES		
DONALD P. BOGARD, 733 15TH STREET, NW WASHINGTON DC 20005	LEGAL SERVICES CORPORATION	101.50	7.00
LARRY A. BOGGS, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
TIMOTHY A. BOGGS, 2020 K STREET, NW, #250 WASHINGTON DC 20006	WARNER COMMUNICATIONS, INC	3,750.00	2,886.50
ROBERT Z. BOHAN, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		19.00
PATRICIA BOINSKI, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO		
ROBERT J. BOLGER, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	1,650.00	
BERNADETTE BOLTON, 400 FIRST ST., NW SUITE 800 WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	300.00	
A. DEWEY BOND, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	500.00	
JAY BONITT, 300 MARYLAND AVE., NE WASHINGTON DC 20002	BENDIX CORP	1,100.00	65.00
SHARON LEE BONITT, 1025 CONNECTICUT AVE., NW, #200 WASHINGTON DC 20036	SHELL OIL CO	500.00	
BONSIB, INC, P.O. BOX 1807 WASHINGTON DC 20013	AMERICAN LEAGUE OF LOBBYISTS		
GAYLON B. BOOKER, 1918 N. PARKWAY MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMERICA		
EDWARD T. BORDA, 1625 EYE ST., NW, #1023 WASHINGTON DC 20006	ASSOCIATION OF GENERAL MERCHANDISE CHAINS	4,000.00	
LAURENCE D. BORY, SUITE 802 1015 15TH ST., NW WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	750.00	
CHARLES E. BOSWELL, 100 INDIANA AVE., NW, #403 WASHINGTON DC 20001	AMALGAMATED TRANSIT UNION, NATL CAP DIV. 689		
G. STEWART BOSWELL, 1611 NORTH KENT ST., #800 ARLINGTON VA 22209	AMERICAN APPAREL MANUFACTURERS ASSN, INC	7,625.00	93.65
MARION L. BOSWELL, 1235 JEFFERSON DAVIS HIGHWAY, #500 ARLINGTON VA 22202	ITALIAN AEROSPACE INDUSTRIES (U.S.A.), INC.		
CHARLES G. BOTSFORD, SUITE 515 1730 M ST., NW WASHINGTON DC 20036		1,000.00	104.00
JOHN E. BOUCHARD, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	132.00	7.00
ALBERT D. BOURLAND, 1660 L ST., NW, #800 WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	3,086.81
FRANK J. BOWDEN JR , C/O ASSOC PETROLEUM INDUSTRIES OF PA P.O. BOX 925 HARRISBURG PA 17108	AMERICAN PETROLEUM INST		
M. STEPHANIE BOWER, 102 LYNNMOOR DRIVE SILVER SPRING MD 20901	UNITED FARM WORKERS OF AMERICA, AFL-CIO	2,300.00	1472.05
RODNEY A. BOWER, SUITE 702 818 ROEDER RD. SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
DAVID W. BOWERS, 1801 K ST., NW, #1201 WASHINGTON DC 20006	U.S. INDEPENDENT TELEPHONE ASSN	1,000.00	
ROBERT R. BOWERS, WEST VIRGINIA PETROLEUM COUNCIL SUITE 714 ATLAS BLDG. CHARLESTON WV 25301	AMERICAN PETROLEUM INST		
BOWERY SAVINGS BANK, 110 EAST 42ND STREET NEW YORK NY 10017			155.00
BOWMAN, CONNER, TOUHEY & THORNTON, 2828 PENNSYLVANIA AVENUE, NW, #203 WASHINGTON DC 20007	COUNCIL OF AMERICAN FLAG SHIP OPERATORS	5,964.00	6.74
Do	NATIONAL ASSN OF AIRCRAFT & COMMUNICATIONS SUPPLIERS, INC	1,358.75	234.99
BOWMER COURTNEY BURLESON & PEMBERTON, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL AND COUSHATTA TRIBE		
JIM D. BOWMER, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL OF THE COUSHATTA TRIBE OF LOUISIANA		
JOAN COSTAIN BOWYER, 1015 15TH ST., NW WASHINGTON DC 20005	PHELPS DODGE CORP	150.00	
JOHN G. BOYD, 1801 K ST., NW WASHINGTON DC 20006	INTERNATIONAL BUSINESS MACHINES CORP.	35.00	
ROBERT K. BOYD, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	3,500.00	1,019.31
VAN R. BOYETTE, 114 THIRD STREET, SE WASHINGTON DC 20003	AMERICAN PETROLEUM REFINERS ASSOCIATION	75.00	
THURMAN L. BOYKIN, 1800 N. KENT STREET, #901 ARLINGTON VA 22209	AGRISTORE SYSTEMS COMPANY		
Do	ARKANSAS 2000, INC		
J. PATRICK BOYLE, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN		
STEPHEN S. BOYNTON, SUITE 1204 1901 N. FT. MYER DRIVE ARLINGTON VA 22290	AMERICAN FUR RESOURCES INSTITUTE	500.00	10.00
BRACEWELL & PATTERSON, SUITE 1200 1825 EYE ST., N.W. WASHINGTON DC 20006	CLC OF AMERICA, INC.		
Do	COMDISCO, INC.		
Do	DRESSER INDUSTRIES		
Do	HOUSTON NATURAL GAS CORP		
Do	SOUTHDOWN/PELTO OIL COMPANY	450.00	179.55
Do	U.S. TUNA FOUNDATION	1,950.00	778.05
Do	VALERO ENERGY CORPORATION	1,300.00	538.65
BRACY WILLIAMS & COMPANY, SUITE 304 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CALIFORNIA NICKEL CORP	24,000.00	24,565.00
Do	CITY OF TUCSON	7,000.00	5,830.00
Do	ENERGY ABSORPTION SYSTEMS, INC.	8,000.00	6,981.00
Do	HUMANA, INC.		
Do	PRATT & WHITNEY AIRCRAFT GROUP	10,000.00	5,123.00
FRANK W. BRADLEY, 1700 K ST., NW WASHINGTON DC 20006	CHEVRON USA, INC	2,000.00	
GENE M. BRADLEY, 12738 KEY STONE DRIVE SUN CITY AZ 85375	BOEING COMPANY		
MITCHELL H. BRADLEY, 2029 K ST., NW WASHINGTON DC 20006	AMERICAN SOCIETY OF MECHANICAL ENGINEERS		
WAYNE W. BRADLEY, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	625.00	
DENNIS M. BRADSHAW, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CHARLES N. BRADY, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
HUGH S. BRADY, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
JERRY M. BRADY, 1000 POTOMAC ST., NW WASHINGTON DC 20007	ENERGY CONVERSION GROUP		
CHARLES G. BRAGG, P.O. BOX 12285 MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER	625.00	72.17
RAYMOND F. BRAGG JR., 114 THIRD STREET, SE WASHINGTON DC 20003	AMERICAN PETROLEUM REFINERS ASSOCIATION	100.00	
STUART J. BRAHS, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	304.20	950.04
ROBERT M. BRANDON, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	750.00	118.00
RICHARD D. BRANNICK, 2169 WATTS DRIVE RANSOMVILLE NY 14131	NATIONAL BORDER PATROL COUNCIL	1,245.60	2,041.70
GERARD M. BRANNON, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC.		
THOMAS EDWARD BRASWELL, CORCORAN, YOUNGMAN & ROWE 888 17TH ST., NW, SUITE 600 WASHINGTON DC 20006	NEWPORT NEWS SHIPBUILDING & DRYDOCK CO	500.00	
ROY BRAUNSTEIN, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL-CIO	15,128.64	2,673.80

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PETER ELLIOT BRAVEMAN, SUITE 2200, 10100 SANTA MONICA BLVD. SUITE 555 LOS ANGELES CA 90067	LOEB AND LOEB (FOR: JOAN IRVINE SMITH)	15,750.00	91.00
NOEL BRAZIL, 600 MARYLAND AVE., SW SUITE 400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
EDWARD T. BREATHITT, 920 15TH ST., NW WASHINGTON DC 20005	NORFOLK SOUTHERN CORPORATION	1,000.00	
JOHN HENRY BREBBIA, ALSTON MILLER & GAINES 1800 M ST., NW, #1000 WASHINGTON DC 20036	BOARD OF TRADE CLEARING CORP		
Do	RCA GLOBAL COMMUNICATIONS, INC		
ROY S. BREDDER, SUITE 1004 1101 17TH ST., NW WASHINGTON DC 20036	AMERICAN DENTAL ASSN	1,000.00	
BREED, ABBOTT & MORGAN, 1875 EYE ST., NW, #1000 WASHINGTON DC 20006	ASSOCIATED HOSPITAL SERVICE OF NEW YORK		
Do	DONALD C. LUBICK (FOR: TALISMAN FUND)	514.00	10.00
Do	HANDY AND HARMAN		
Do	PANHANDLE EASTERN PIPE LINE COMPANY	31,562.18	35.00
Do	VELO-BIND, INC		
BRENDA I. BREGMAN, 100 MARYLAND AVENUE , N.E. WASHINGTON DC 20002	RELIGIOUS COALITION FOR ABORTION RIGHTS, INC	3,150.00	
BREGMAN, ABELL & KAY, SUITE 610 1900 L ST., NW WASHINGTON DC 20036	AFL-CIO		
Do	AIR TRANSPORT ASSN OF AMER		
Do	AMERICAN CAR RENTAL ASSN		
Do	COMMITTEE FOR EFFECTIVE TAX INCENTIVES		
Do	CONSOLIDATED FREIGHTWAY CORP		
Do	HILTON INTERNATIONAL, INC		
Do	NORTON SIMON, INC	5,000.00	
Do	ROADWAY EXPRESS, INC		
Do	RYDER SYSTEMS, INC	2,000.00	
Do	TRANS WORLD AIRLINES, INC		
Do	TRANS WORLD CORPORATION		
Do	TRUCK RENTING & LEASING ASSN	1,250.00	
MICHAEL J. BRENNAN, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF BRIDGE, STRUCT. & ORNAMENTAL IRON WKRS	10,800.00	694.48
RICHARD M. BRENNAN, 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		
MILES H. BRESEE JR , 50 BEALE ST., P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
JOHN B. BREWER, P.O. BOX 2303 400 ARMY-NAVY DR. ARLINGTON VA 22202	AMERICAN MOVERS CONFERENCE		
ALBERT E. BREWSTER, SUITE 2300 1000 WILSON BLVD. ARLINGTON VA 22209	NORTHROP CORP		
ALAN E. BRIAN, P.O. BOX 130 LEVIS, QUEBEC, CANADA	DAVIE SHIPBUILDING LIMITED		
CLAUDE S. BRINEGAR, 461 S. BOYLSTON ST. LOS ANGELES CA 90017	UNION OIL CO OF CALIFORNIA		
BELVA B. BRISSETT, 1771 N ST., NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	400.00
ELIZABETH Y. BRITTON, 2550 M STREET , N.W. WASHINGTON DC 20037	RJR INDUSTRIES, INC	227.92	255.09
ELLEN BROADMAN, 1146 19TH STREET, NW WASHINGTON DC 20036	CONSUMERS UNION OF U.S., INC	75.00	
DAVID A. BRODY, 1640 RHODE ISLAND AVE., NW WASHINGTON DC 20036	ANTI-DEFAMATION LEAGUE OF B'NAI B'RITH	1,875.00	
PHILLIP J. BROMAN, SUITE 600 919 18TH STREET, NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, USA, INC	200.00	12.00
MICHAEL D. BROMBERG, 1111 19TH ST., NW, #402 WASHINGTON DC 20036	FEDERATION OF AMERICAN HOSPITALS	4,500.00	
MICHAEL R. BROMWICH, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: INDEPENDENT REFINERS ASSOCIATION OF AMERICA)		
MARY E. BROOKS, 1730 M STREET, NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S	2,769.00	28.00
DAVID W. BROOME, 1800 M ST., NW, #870-S WASHINGTON DC 20036	BURLINGTON INDUSTRIES, INC	2,500.00	26,690.00
DANIEL T. BROSS, 1101 17TH ST., NW SUITE 704 WASHINGTON DC 20036	UNITED GAS PIPE LINE CO	950.00	253.25
MARIO BROSSI, 5713 WILSON LANE BETHESDA MD 20817	DIRECT SELLING ASSN	300.00	20.00
BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS & STATION EMPL 815 16TH ST., NW WASHINGTON DC 20006.		21,940.00	21,940.00
DONALD G. BROTZMAN, 1901 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	RUBBER MFGRS ASSN	10,000.00	
BEN JARRATT BROWN, SUITE 103 1000 POTOMAC STREET, NW WASHINGTON DC 20007	CORPORATION FOR GOVERNMENT ACTION, INC	3,300.00	
CHARLES T. BROWN, BOX 100 MIAMI AZ 85539	CITIES SERVICE CO		
DAVID S. J. BROWN, 1101 17TH ST., NW, #604 WASHINGTON DC 20036	MONSANTO CO	450.00	302.21
ELLEN B. BROWN, 729 15TH ST., NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS		
ELLEN S. BROWN, SUITE 310 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	COUNCIL OF ENERGY RESOURCE TRIBES		
HOWARD C. BROWN JR , 1919 PENNSYLVANIA AVE., NW, #702 WASHINGTON DC 20006	CENTAR ASSOCIATES		
Do	NATIONAL ASSN OF LIFE SCIENCE INDUSTRIES, INC		
JAMES F. BROWN, 4L0 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	170.22	
JESSE B. BROWN, 1900 PENNSYLVANIA AVE., NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO	10.95	
JESSE P. BROWN JR., 1918 N. PARKWAY MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMERICA	1,404.00	
VINCENT D. BROWN, 800 SO. 13TH STREET P.O. BOX 95063 LINCOLN NB 68509	AMERICAN PETROLEUM INST	500.00	30.40
WILLIAM E. BROWN, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	408.00	227.08
WILLIAM R. BROWN, 499 SOUTH CAPITOL STREET, S.W. SUITE 412 WASHINGTON DC 20003	COUNCIL OF STATE CHAMBERS OF COMMERCE	183.28	
BROWN, ROADY, BONVILLIAN & GOLD, 1300 19TH STREET, NW, #300 WASHINGTON DC 20036	DISTRICT OF COLUMBIA DEPARTMENT OF TRANSPORTATION	11,325.09	668.09
Do	KANSAS CITY SOUTHERN RAILWAY	800.00	89.09
Do	LOUISVILLE & NASHVILLE RAILROAD		
Do	METROPOLITAN TRANSIT AUTHORITY	4,875.00	999.07
Do	NORTHEASTERN INTERNATIONAL AIRWAYS, INC		312.09
Do	WESTERN RIVER GUIDES ASSN		
DONALD T. BROWNE, 205 EAST 42ND STREET NEW YORK NY 10017	RISK & INSURANCE MANAGEMENT SOCIETY, INC		
STANLEY R. BROWNE, SUITE 1120 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
BROWNSTEIN ZEIDMAN & SCHOMER, SUITE 900 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	INTERNATIONAL FOODSERVICE MANUFACTURERS ASSOCIATION		
Do	INTERNATIONAL FRANCHISE ASSN		
Do	MORTGAGE GUARANTY INSURANCE CORP		
Do	NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS		
Do	NATIONAL HOUSING REHABILITATION ASSOCIATION		
Do	NEW YORK STATE URBAN DEVELOPMENT CORP		
Do	REMCO ENTERPRISES, INC		
DAVID BRUBAKER, P.O. BOX 329 B-110 EPHRATA PA 17522	PENNAG INDUSTRIES ASSOCIATION		
JOHN R. BRUCH, P.O. BOX 5000 CLEVELAND OH 44101	CLEVELAND ELECTRIC ILLUMINATING CO		532.25
WALTER W. BRUDNO, 1800 FIRST NATIONAL BANK BLDG. DALLAS TX 75202	DEMINEX U.S. OIL CO	12,499.98	
Do	TEXASGULF, INC	12,499.98	
LOUIS J. BRUNE III, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA	525.00	
JAMES W. BRUNER JR , 2197 LAKE TAHOE BLVD. P.O. BOX 10110 SOUTH LAKE TAHOE CA 95731	LEAGUE TO SAVE LAKE TAHOE	9,000.00	1,007.81
KATHRYNE M. BRUNER, 2021 K ST., NW, #709 WASHINGTON DC 20006	GENERAL ATOMIC CO	725.00	45.85
WILLIAM K. BRUNETTE, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSOCIATION OF RETIRED PERSONS	363.46	264.32
ROBERT O. BRUNNER, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN. OF RETIRED PERSONS	424.04	46.05
J. CHARLES BRUSE, SUITE 802 1211 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ALLSTATE ENTERPRISES, INC		
Do	ALLSTATE INSURANCE COS	390.00	271.70
HARVEY F. BRUSH, 50 BEALE ST., PO BOX 3965 SAN FRANCISCO CA 94119	BECHTEL INC		
LARRY D. BRYANT, 1101 D STREET, SE WASHINGTON DC 20003	D.C. DEPT. OF CORRECTIONS OFFICERS FOR PROGRESSIVE CHANGE		
MARGARET H. BRYANT, 1899 L ST., NW, #500 WASHINGTON DC 20036	AMERICAN NATURAL RESOURCES CO	328.15	49.00
SUSAN BUCK, 108 S. AKARD STREET DALLAS TX 75202	U.S. TELEPHONE COMMUNICATIONS, INC		
JOHN S. BUCKLEY, SUITE 600 1523 L STREET, NW WASHINGTON DC 20005	NATIONAL TAX LIMITATION COMMITTEE	500.00	20.00
ROBERT D. BUEHLER, 1800 K ST., NW, #929 WASHINGTON DC 20006	BF GOODRICH CO	400.00	
SUSAN M. BUFFONE, 3604 34TH STREET, NW WASHINGTON DC 20008	NATIONAL PARKS AND CONSERVATION ASSN	100.00	
BUILDING OWNERS & MANAGERS ASSN INTL, 1221 MASSACHUSETTS AVE.,N.W. WASHINGTON DC 20005			
DOUGLAS W. BULCAO, 1101 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	AMERICAN TEXTILE MFRS INST	2,500.00	117.00
DARREL D. BUNGE, MINNESOTA PETROLEUM COUNCIL 300 NORTHERN FEDERAL BUILDING ST. PAUL MN 55102	AMERICAN PETROLEUM INSTITUTE	100.00	
DAVID A. BUNN, SUITE 406 1211 CONNECTICUT AVE., NW WASHINGTON DC 20036	HEARST CORPORATION		
Do	MAGAZINE PUBLISHERS ASSN, INC		
Do	PARCEL SHIPPERS ASSN		
BURCH & MANDEL, P.C., 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP	5,022.03	
J. THOMAS BURCH JR., 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	BURCH AND MANDEL, P.C. (FOR: M.A.N. TRUCK & BUS CORP)		
LAWRENCE E. BURCH, 1735 JEFFERSON DAVIS HWY, #903 ARLINGTON VA 22202	POTATO CHIP/SNACK FOOD ASSOCIATION		
NORMAN D. BURCH, SUITE 401 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	COLLEGE OF AMER PATHOLOGISTS	5,220.00	74.30
DAVID G. BURDEN, 200 E. RANDOLPH DR. CHICAGO IL 60601	STANDARD OIL CO		
PAUL F. BURDETT, 10 EMERSON COURT SEVERNA PARK MD 21146	MERRELL DOW PHARMACEUTICALS INC		26.00
HARRIET HUNT BURGESS, 82 2ND ST. SAN FRANCISCO CA 94105	TRUST FOR PUBLIC LAND	4,025.00	2,049.00
GERARD P. BURKE, SUITE 400 1707 H STREET, NW WASHINGTON DC 20006	INTERNATIONAL AIR LEASES, INC		
J.J. BURKE JR , 40 E. BROADWAY BUTTE MT 59701	MONTANA POWER CO		31.88
FRANCIS X. BURKHARDT, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	INTERNATIONAL BROTHERHOOD OF PAINTERS & ALLIED TRADES		
BURLEY & DARK LEAF TOBACCO EXPORT ASSN, 1100 17TH ST., NW WASHINGTON DC 20036		39,532.08	1,050.50
BILL D. BURLISON, 499 SOUTH CAPITOL STREET, SE, #103 WASHINGTON DC 20003	EMERSON ELECTRIC CO	3,750.00	169.33
Do	MCDONNELL DOUGLAS CORPORATION	8,750.00	507.99
Do	PLANNING RESEARCH CORPORATION	500.00	
DAVID G. BURNEY, 2040 HARBOR ISLAND DR., #208 SAN DIEGO CA 92101	U.S. TUNA FOUNDATION	6,000.00	3,000.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CHARLES S. BURNS, 1015 15TH ST., NW WASHINGTON DC 20005	PHELPS DODGE CORP	1,200.00	
GERRIE BJORNSON BURNS, 1800 K ST., NW, #929 WASHINGTON DC 20006	B.F. GOODRICH CO.	100.00	
TIMOTHY F. BURNS, 2501 M ST., NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC.	300.00	
BURR PEASE & KURTZ, INC, 810 N ST. ANCHORAGE AK 99501	EKLUTNA, INC.		
B. KENT BURTON, 1616 P ST., NW WASHINGTON DC 20036	AMERICAN TRUCKING ASSNS, INC	8,000.00	229.97
BUSBY, REHM & LEONARD, 1629 K ST., NW, #1100 WASHINGTON DC 20006	UNIVERSAL LEAF TOBACCO CO., INC.		
Do	AUTOMOBILE IMPORTERS OF AMERICA, INC.	4,720.00	252.00
Do	BACARDI IMPORTS INC.		
Do	SAAB-SCANIA OF AMERICA, INC.		
ROBERT W. BUSHA, 6811 KENILWORTH AVE. P.O. BOX 517 RIVERDALE MD 20737	NATIONAL ASPHALT PAVEMENT ASSN.		
BUSINESS PRODUCTS COUNCIL ASSN., P.O. BOX 53964 FAYETTEVILLE NC 28305			
JAMES J. BUTERA, 1709 NEW YORK AVE., NW SUITE 200 WASHINGTON DC 20006	NATIONAL ASSN OF MUTUAL SAVINGS BANKS	3,937.50	
BUTLER BINION RICE COOK & KNAPP, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	BROWARD COUNTY, FLORIDA		
Do	CITY OF HOUSTON/DEPT. OF AVIATION		
Do	CITY OF PHILADELPHIA		
Do	PENINSULA AIRWAYS, INC.	2,780.00	19.75
Do	PENNSYLVANIA SHIPBUILDING CO		
Do	PEOPLE EXPRESS AIRLINES, INC.	6,781.25	161.00
JOHN W. BUTLER, SUITE 310 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	COUNCIL OF ENERGY RESOURCE TRIBES		
THOMAS D. BYRNE, 2111 JEFFERSON DAVIS HIGHWAY, 917 NORTH ARLINGTON VA 22202	STONE CONTAINER CORP.		
JOHN W. BYRNES, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY,LARDNER,HOLLABAUGH & JACOBS (FOR: INDEPENDENT REFINERS ASSOCIATION OF AMERICA).		
Do	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: INSURANCE ASSOCIATION OF CONNECTICUT).		
JOHN F. BYSET, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
C & B ASSOCIATES, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	CLADOUHOS & BRASHARES (FOR: TOYOTA MOTOR SALES,USA)	500.00	
Do	CLADOUHOS & BRASHARES (FOR SECURITIES GROUP)		
Do	CLADOUHOS & BRASHARES (FOR SMITH, BARNEY, HARRIS & UPHAM CO)		
Do	CARL M. FREEMAN ASSOCIATES, INC.	100.00	
Do	LOCKHEED CORPORATION		
Do	WASHINGTON PSYCHIATRIC SOCIETY		
Do	WORLDWIDE INFORMATION RESOURCES (FOR STATE OF MONTANA)		
CADWALADER, WICKERSHAM & TAFT, 7TH FLOOR 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ASPHALT ROOFING MANUFACTURERS ASSOCIATION		
Do	GENERAL DYNAMICS CORPORATION		
Do	KWAJALEIN ATOLL CORP.		
Do	MOCATTA METALS CORP.		
Do	PHILADELPHIA STOCK EXCHANGE, INC		
Do	SHELL OIL CO.		
ROY C. CAHOON, 6100 KNOLLWOOD DR. FALLS CHURCH VA 22041	NATIONAL AUTOMATIC MERCHANDISING ASSN.		
MORRISON G. CAIN, 1625 I ST., NW, #1023 WASHINGTON DC 20006	ASSOCIATION OF GENERAL MERCHANDISE CHAINS	6,250.00	
ALAN CALDWELL, SUITE 770 2550 M STREET, NW WASHINGTON DC 20037	RJR INDUSTRIES, INC.	1,200.00	6.75
FRANK W. CALHOUN, 3400 TEXAS COMMERCE TOWER HOUSTON TX 77002	HOUSTON ENDOWMENT, INC		584.00
CALIFANO, ROSS & HEINEMAN, 1575 I ST., NW SUITE 600 WASHINGTON DC 20005	COCA-COLA COMPANY		
Do	FEDERAL NATIONAL MORTGAGE ASSOCIATION		288.75
Do	FLUOR CORPORATION	450.00	
Do	HORN & HARDART CO.		
Do	NATIONAL ASSN OF PUBLIC HOSPITALS		
Do	SENIOR CORP.		
PETER E. CALLANAN, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	HONEYWELL, INC	275.00	470.00
JOHN C. CALLIHAN, 299 PARK AVENUE NEW YORK NY 10171	WESTVACO CORP.		
CALMAR COMMUNICATIONS, 500 NORTH DEARBORN STREET, #1115 CHICAGO IL 60610	SUGAR USERS GROUP		
CALORIE CONTROL COUNCIL, #500-D 5775 PEACHTREE-DUNWOODY RD. ATLANTA GA 30342			2,573.00
GORDON L. CALVERT, BOX 34-531 BETHESDA MD 20817	COMMERICIAL LAW LEAGUE OF AMER, COMM COLL. AGENCY SECTION	3,000.00	10.00
DONALD L. CALVIN, 11 WALL ST. NEW YORK NY 10005	NEW YORK STOCK EXCHANGE, INC.		
ARTHUR E. CAMERON, SUITE 110 499 S. CAPITOL ST., SW WASHINGTON DC 20003	AMERICAN GREYHOUND TRACK OPERATORS ASSN	4,500.00	
Do	REDLAND PRISMO CORP., ETAL	5,621.00	
Do	SAFETRAN SYSTEMS CORPORATION	5,625.00	
Do	SIGNAL COMMUNICATIONS	1,667.00	
CAMP, CARMOUCHE, PALMER, BARSH & HUNTER, 2550 M ST., NW, #275 WASHINGTON DC 20037	GEORGE K. BAUM & CO.		
Do	BLYTH EASTMAN PAINE WEBBER, INC.		
Do	JOSEPH CANIZARO		
Do	CHAPMAN & CUTLER		
Do	CHEMICAL MANUFACTURERS ASSOCIATION, INC.	187.50	
Do	COALITION FOR AN EFFECTIVE ENERGY INVESTMENT TAX CREDIT		
Do	CUMBERLAND SECURITIES		
Do	EASTERN CENTRAL MOTOR CARRIERS ASSN	337.50	
Do	EG&G SYNFUELS, INC.		
Do	ESSEX		
Do	FRAZER LANIER CO.		
Do	GOLDMAN SACKS & CO.		
Do	INTERMEDICS		
Do	KIDDER, PEABODY		
Do	KING & SPAULDING		
Do	LEHMAN BROTHERS		
Do	MATLACK, INC.	225.00	
Do	MCDONALD & CO		
Do	MOBIL OIL CORP	1,200.00	
Do	NORTH, HASKELL, SLAUGHTER, YOUNG AND LEWIS		
Do	OCCIDENTAL PETROLEUM CORP	300.00	
Do	PPG INDUSTRIES, INC.	1,087.50	
Do	RAUSCHER PIERCE REFSNES		
Do	RJ REYNOLDS TOBACCO COMPANY		
Do	SHELL OIL CO.	412.50	
Do	STERN, AGEE & LEACH		
Do	THORNTON, FARISH & GAUNTT		
Do	U.S. LEAGUE OF SAVINGS ASSOCIATIONS		
Do	UNION PACIFIC RAILROAD		
Do	WHEAT FIRST SECURITIES, INC		
Do	WRIGHT & MCGILL CO.		
CAMPAIGN FOR COMMUNITY-BASED ECONOMIC DEVELOPMENT, SUITE 901 2025 EYE STREET, NW WASHINGTON DC 20006		2,800.00	2,205.00
ANGELA CAMPBELL, 600 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	INSTITUTE FOR PUBLIC REPRESENTATION		
C. R. CAMPBELL JR , SUITE 900 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	GENERAL TELEPHONE & ELECTRONICS	5,000.00	
CARL C. CAMPBELL, 1030 15TH ST., NW, SUITE 700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMER	383.33	
CHARLES ARGYLL CAMPBELL, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
JEANNE CAMPBELL, 1800 MASSACHUSETTS AVENUE, NW, #510 WASHINGTON DC 20036	NEW ENGLAND COUNCIL, INC.		
JERRY L. CAMPBELL, 831 CHESTNUT ST. CHATTANOOGA TN 30742	TENNESSEE VALLEY PUBLIC POWER ASSN.		
KEVIN B. CAMPBELL, 101 CONSTITUTION AVENUE, N.W. WASHINGTON DC 20001	UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA	6,675.00	3,068.91
THOMAS D. CAMPBELL, SUITE 500 1000 16TH ST., NW WASHINGTON DC 20036	STANDARD OIL CO (INDIANA)	1,500.00	1,046.27
ALYCE D. CANADAY, 918 16TH ST., NW WASHINGTON DC 20006	PACIFIC POWER AND LIGHT CO	740.00	665.43
CANADIAN COALITION ON ACID RAIN, 112 ST. CLAIR AVENUE, #504 TORONTO, ONTARIO M4V 2Y3			
ROBERT P. CANAVAN, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,123.45	81.00
SHARON M. CANAVAN, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA	5,275.00	64.00
CANDLELIGHTERS, 123 C ST., SE WASHINGTON DC 20003			
PAUL W. CANE, 50 BEALE ST., P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
DAVE CANNARD, 113 W. 1ST VANCOUVER WA 98660	FRIENDS OF THE COLUMBIA GORGE		
W. DEAN CANNON JR , 9800 S. SEPULVEDA BLVD. SUITE 500 LOS ANGELES CA 90045	CALIFORNIA SAVINGS & LOAN LEAGUE		
RICHARD A. CANTOR, P.O. BOX 8293 WASHINGTON DC 20024	OIL INVESTMENT INSTITUTE		
CAPITAL COUNSELORS, INC., 1700 K STREET, N.W. WASHINGTON DC 20006	ELECTRONIC DATA SYSTEMS CORPORATION		
CAPLIN & DRYSDALE, SUITE 1100 1101 17TH ST., NW WASHINGTON DC 20036	AETNA LIFE & CASUALTY	6,342.00	49.03
Do	AMERICAN FAMILY LIFE ASSURANCE CO OF GA	435.00	5.00
DONALD L. CAPSHAW, 2426 DOGWOOD TRAIL DR. GERMANTOWN TN 38138	AIRLINE PILOTS ASSOC		
ARNOLD P. CAPUTO, 2302 HORSEPEN ROAD HERNDON VA 22070	NATIONAL CONCRETE MASONRY ASSN		
CONSTANTINE G. CARAS, 2828 PENNSYLVANIA AVENUE, NW, #205 WASHINGTON DC 20007	OGDEN CORPORATION	5,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
NORVAL E. CAREY, 2021 K ST., NW, SUITE 709 WASHINGTON DC 20006	GENERAL ATOMIC CO	6,120.00	556.50
SARAH C. CAREY, SUITE 420 1920 N STREET, NW WASHINGTON DC 20036	ADAMS, DUQUE & HAZELTINE (FOR: NATIONAL COUNCIL ON TEACHER RETIREMENT).		
CAROLE R. CARLIN, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
ROBERT E. CARLSTROM JR., 1730 RHODE ISLAND AVENUE, NW, #612 WASHINGTON DC 20036	ST. JOE MINERALS CORPORATION	6,000.00	
WALTER L. CARMO JR., 400 N. THIRD ST. P.O. BOX 1724 HARRISBURG PA 17105	PENNSYLVANIA STATE EDUCATION ASSN		
CARON INTERNATIONAL/COLUMBIA MINERVA, 230 5TH AVENUE NEW YORK NY 10001			
CHAPIN CARPENTER JR., 1211 CONNECTICUT AVENUE, NW, #406 WASHINGTON DC 20036	MAGAZINE PUBLISHERS ASSN, INC	1,500.00	
GEORGE D. CARPENTER, 7162 READING ROAD CINCINNATI OH 45222	PROCTER & GAMBLE COMPANY	28.38	
LAWRENCE W. CARROLL, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO	600.00	1,191.00
PATRICIA CARROLL, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	312.50	
JOHN R. CARSON, 20 CHEVY CHASE CIRCLE WASHINGTON DC 20015	AMERICAN PODIATRY ASSN	16,000.00	
HANS L CARSTENSEN, 1625 EYE STREET N.W. #902 WASHINGTON DC 20006	WEYERHAEUSER CO	1,004.50	470.90
HARLON B. CARTER, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	1,875.00	
JOHN R. CARTER, 1000 WILSON BOULEVARD SUITE 2600 ARLINGTON VA 22209	TRW, INC	1,000.00	
JOSEPH L. CARTER JR , 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	803.25	396.10
JAMES P. CARTY, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	500.00	
SUSAN B. CARVER, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN	232.00	754.92
JIM CASEY, 3470 MILDRED DR. FALLS CHURCH VA 22042	BELLE FOURCHE IRRIGATION DISTRICT	400.00	50.00
Do	COMMITTEE OF POWER FOR THE SOUTHWEST, INC	300.00	37.00
Do	GARRISON DIVERSION CONSERVANCY DISTRICT	300.00	37.00
Do	LEAFFER COMPANY, INC	500.00	63.00
Do	SALT RIVER VALLEY WATER USERS ASSN	500.00	62.00
JAMES B. CASH JR , 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	2,000.00	
ALLEN R. CASKIE, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
EUGENE I. CASRAISS JR , 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	11,443.98	79.00
DANIEL J. CASSIDY, SUITE 600 1117 NORTH 19TH STREET ARLINGTON VA 22209	AMERICAN ASSN OF BLOOD BANKS		
J. WARREN CASSIDY, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN	1,575.00	
JOHN J. CASTELLANI, 27TH FLOOR 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,000.00	
RITA L. CASTLE, 100 NE ADAMS PEORIA IL 61629	CATERPILLAR TRACTOR CO		
G. THOMAS CATOR, 1050 17TH STREET, NW WASHINGTON DC 20036	GOVERNMENT GUARANTEED LOAN COMMITTEE		
Do	NATIONAL ASSN OF DEVELOPMENT COMPANIES (NADCO)	200.00	100.00
Do	NEECE, CATOR & ASSOCIATES, INC (FOR: SOUTHEASTERN LUMBER MANUFACTURERS ASSN).	1,800.00	900.00
JOSEPH E. CAVANAGH, 1125 15TH ST., NW WASHINGTON DC 20005	INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO-CLC	4,100.00	
DOROTHY D. CECELSKI, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	4,125.00	
CEDERBERG & ASSOCIATES, 7100 SUSSEX PLACE ALEXANDRIA VA 22307	GRUMMAN CORPORATION	200.00	
Do	MARTIN MARIETTA CORP	200.00	
Do	RCA	150.00	
Do	UNITED TECHNOLOGIES CORPORATION	150.00	
CENTRAL STATES RESOURCE CENTER, P.O. BOX 577 URBANA IL 61801			994.74
JOHN N. CEVETTE, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: HRH PRINCE TALAL BIN ABDUL AZIZ AL SAUD)	550.00	
Do	GRAY AND COMPANY (FOR: UNITED NATIONS CHILDREN'S FUND)	550.00	
CF INDUSTRIES, INC., SALEM LAKE DR. LONG GROVE IL 60047			500.00
CHARLES M. CHAFER, 2550 M STREET, NW WASHINGTON DC 20037	SPACE SERVICES INC OF AMERICA		
CHAIN SAW MFGRS ASSN, SUITE 1008 4340 EAST-WEST HIGHWAY BETHESDA MD 20014			
DURWOOD CHALKER, 2700 ONE MAIN PLACE DALLAS TX 75250	CENTRAL AND SOUTH WEST CORP		
WALTON M. CHALMERS II , 6815 GEORGIA STREET CHEVY CHASE MD 20815	CITIZENS FOR A NUCLEAR FREEZE		
ED CHANDLER, 7901 WESTPARK DRIVE MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	8,041.00	500.00
J. W. CHANDLER, 1575 I ST., NW WASHINGTON DC 20005	YORK DIV., BORG-WARNER CORP		18.50
WILLIAM J. CHANDLER, SUITE 300 1717 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATURE CONSERVANCY	893.74	66.69
WILLIAM C. CHAPMAN, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	3,155.24
RICHARD M. CHARLTON, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	208.00	200.83
J. WILLIAM CHARRIER JR., 2828 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20007	DELTA STEAMSHIP LINES, INC	1,200.00	123.15
CHARTER BUSINESS SERVICES, INC., 3471 NORTH FEDERAL HIGHWAY, #511 FORT LAUDERDALE FL 33306			
JANE CHEEVER, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
Do	FIRST NATIONAL BOSTON CORPORATION		
CHEMICAL MANUFACTURERS ASSOCIATION, INC., 2501 M ST.,NW WASHINGTON DC 20037		5,000.00	3,000.00
CHEMICAL SPECIALTIES MFGRS ASSN, 1001 CONNECTICUT AVENUE, NW WASHINGTON DC 20036			92.60
WILLIAM B. CHERKASKY, SUITE 1005 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN	650.00	
B. H. CHERRY, 100 INTERPACE PARKWAY PARSIPPANY NJ 07054	GPU SERVICE CORPORATION	820.00	41.00
HOWARD P. CHESTER, SUITE 315 218 N. LEE ST. ALEXANDRIA VA 22314	STONE, GLASS & CLAY COORDINATING COMM		
BLAIR G. CHILDS, P.O. BOX 7610, BF STATION WASHINGTON DC 20044	SENIOR EXECUTIVES ASSN	1,050.00	2,200.00
BRUCE L. CHRISTENSEN, 955 L'ENFANT PLAZA, SW WASHINGTON DC 20024	NATIONAL ASSN OF PUBLIC TELEVISION STATIONS	600.00	150.00
HAL M. CHRISTENSEN, 1101 17TH ST., NW WASHINGTON DC 20036	AMERICAN DENTAL ASSN	3,000.00	
WILLIAM T. CHRISTIAN, 1333 NEW HAMPSHIRE AVENUE,N.W. WASHINGTON, DC 20036	ATLANTIC RICHFIELD CO	250.00	
JACK E. CHRISTY, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN. OF RETIRED PERSONS	403.85	678.37
CHUGACH ELECTRIC ASSN, INC. PO BOX 3518 ANCHORAGE AK 99501			8,877.51
DONALD T. CHUNN, ROUTE 2, BOX 89 COLUMBIA TN 38401	TITLE ASSOCIATES, INC		
CHWAT/WEIGEND ASSOCIATES, 226 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20002	AMERICAN HOME SEWING ASSN, INC	500.00	500.00
Do	MORSE TYPEWRITER CO., INC	1,500.00	1,500.00
Do	NATIONAL ASSN. OF TOBACCO DISTRIBUTORS	3,000.00	3,000.00
CIGAR ASSN OF AMERICA, INC, SUITE 1201 1100 17TH STREET, NW WASHINGTON DC 20036			577.26
CITIZEN/LABOR ENERGY COALITION, RM. 401 1300 CONNECTICUT AVE., NW WASHINGTON DC 20036		2,230.00	4,270.00
CITIZENS COMM FOR THE RIGHT TO KEEP & BEAR ARMS, LIBERTY PARK, 12500 NE TENTH PLACE 1601 114TH SE BELLEVUE WA 98004.		511,947.40	159,552.31
CITIZENS FOR GOVERNMENT FAIRNESS, PO BOX 1336 BRAWLEY CA 92227			170.00
CLADOUHOS & BRASHARES, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	ASHLAND OIL, INC		
Do	CROWN CENTRAL PETROLEUM CORP		
Do	INTERNATIONAL PROCESSORS		
Do	SEAVIEW PETROLEUM CO		
Do	SECURITIES GROUP		
Do	SMITH, BARNEY, HARRIS, UPHAM & CO		
Do	TOYOTA MOTOR SALES, U.S.A., INC	1,500.00	400.00
BOB CLARK & ASSOCIATES, SUITE 1908 400 MADISON ST. ALEXANDRIA VA 22314	RYDER SYSTEMS, INC		
ANNE HARRISON CLARK, 110 MARYLAND AVE., NE WASHINGTON DC 20002	POPULATION RESOURCE CENTER, INC	9,962.00	
GILBERT CLARK, SUITE 600 1700 N. 19TH STREET ARLINGTON VA 22209	AMERICAN ASSN OF BLOOD BANKS		
JAMES W. CLARK JR , 600 MARYLAND AVE., SW SUITE 400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN	147.06	88.25
JOSEPH J. F. CLARK, 1750 K ST., NW, #260 WASHINGTON DC 20006	EATON ASSOCIATES, INC		
JULIE CLARK, 1625 K ST., NW EIGHTH FLOOR WASHINGTON DC 20006	NATIONAL LEGAL AID & DEFENDERS ASSN	9,347.00	361.73
KIMBALL CLARK, 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	617.63	374.58
PHILLIP A. CLARK, SUITE 700 1050 17TH STREET, NW WASHINGTON DC 20036	NATIONAL OCEAN INDUSTRIES ASSN	3,250.00	400.00
VERNON A. CLARK, 1899 L ST., NW, #403 WASHINGTON DC 20036	OUTDOOR ADVERTISING ASSOCIATION OF AMERICA, INC	2,825.00	898.00
DONALD M. CLARKE, COLLINS & SMITH ASSOCIATES, INC 6269 FRANCONIA ROAD ALEXANDRIA VA 22310	INTERNATIONAL HARVESTER		
WADE P. CLARKE JR , JOHN DEERE RD MOLINE IL 61265	DEERE & COMPANY		
SCOTT CHARLES CLARKSON, SUITE 607 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	WASTE MANAGEMENT, INC		
JOAN CLAYBROOK, SUITE 605 2000 P ST., NW WASHINGTON DC 20036	PUBLIC CITIZEN, INC	255.00	
CLEARY, GOTTLIEB, STEEN & HAMILTON, 1752 N STREET, NW WASHINGTON DC 20036	AMERICAN INDUSTRIAL HEALTH COUNCIL		
Do	BEAR, STEARNS & CO.; LEHMAN COMMERCIAL PAPER, INC	1,125.00	6.80
Do	NATIONAL SECURITIES CLEARING CORP		
Do	PUBLIC SECURITIES ASSOCIATION		44.00
Do	SALOMON BROTHERS, INC	2,235.00	
Do	SPORTING ARMS AND AMMUNITION MANUFACTURERS INSTITUTE		
Do	SYNTHETIC ORGANIC CHEMICAL MFGRS ASSN		
JACQUELINE W. CLEMENTS, SUITE 900 1015 15TH STREET, NW WASHINGTON DC 20005	INTERNORTH	1,500.00	
RONALD D. CLEMENTS, 1111 19TH ST., NW, 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	2,400.00	450.00
CLEVELAND ELECTRIC ILLUMINATING CO., 55 PUBLIC SQUARE P.O. BOX 5000 CLEVELAND OH 44113			849.65
CLIFFORD & WARNKE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	AUSTRALIAN MEAT & LIVE-STOCK CORP		
Do	GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA		
Do	INGERSOLL-RAND COMPANY		149.19
Do	JOINT CORPORATE COMM ON CUBAN CLAIMS	600.00	180.00
Do	J. C. MAXTONE-MAILER		30.40
Do	NATIONAL TOUR BROKERS ASSOCIATION, INC		53.50

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	WARNER-LAMBERT CO		
DEXANNE CLOHAN, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	3,769.00	
CHRISTOPHER E. CLOUSER, 25TH & MCGEE KANSAS CITY MO 64108	HALLMARK CARDS, INC		
COALITION FOR UNIFORM PRODUCT LIABILITY LAW, SUITE 303 1901 L STREET, NW WASHINGTON DC 20036		184.14	184.14
COALITION OF CONCERNED CHARITIES, C/O PEPPER, HAMILTON & SCHEETZ 1777 F ST., NW WASHINGTON DC 20006			
COAN, COUTURE, LYONS & MOORHEAD, SUITE 1015 1625 EYE ST., NW WASHINGTON DC 20006	A - C VALLEY CORPORATION		
Do	TOSCO		
Do	WESTINGHOUSE ELECTRIC CORPORATION	900.00	
COASTAL PROPERTIES INSTITUTE, INC., P.O. BOX 6255 HILTON HEAD SC 29938			
THOMAS B. COATES, CONNECTICUT PETROLEUM COUNCIL 410 ASYLUM ST. HARTFORD CT 06103	AMERICAN PETROLEUM INST		
RICHARD B. COBB, PETROLEUM COUNCIL OF GA 230 PEACHTREE ST., NW, #1500 ATLANTA GA 30303	AMERICAN PETROLEUM INST	220.00	105.20
JOHN J. COFFEY, 1700 K ST., NW WASHINGTON DC 20006	CHEVRON USA, INC	650.00	
DON V. COGMAN, 1100 CONNECTICUT AVE., NW SUITE 820 WASHINGTON DC 20036	MAPCO INC	3,750.00	347.82
COHEN & WHITE, 2934 M ST., NW WASHINGTON DC 20007	COMPUTER & COMMUNICATIONS INDUSTRY ASSN		
COHEN AND URETZ, 4TH FLOOR 1775 K ST., NW WASHINGTON DC 20006	DEVELOPMENT CORPORATION FOR ISRAEL		671.37
Do	ITT CORPORATION	8,625.00	387.53
HERBERT B. COHN, MORGAN, LEWIS, & BOCKIUS 1800 M ST., NW WASHINGTON DC 20036	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT		
COLE & CORETTE, P.C., 1100 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN EXPRESS CO		
Do	AMERICAN PETROLEUM REFINERS ASSOCIATION		
Do	CHASE MANHATTAN BANK, N.A		
Do	DOW CHEMICAL COMPANY		147.00
Do	GOVERNMENT OF THE NETHERLANDS ANTILLES		
Do	MEDTRONIC, INC		
Do	MILLIPORE CORPORATION		
Do	MINPECO S.A		
Do	MOHAWK DATA SCIENCES CORP		
ANN COLE, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSOCIATION		
E. WILLIAM COLE, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	600.00	37.50
STACEY W. COLE, NEW HAMPSHIRE PETROLEUM COUNCIL 23 SCHOOL ST. CONCORD NH 03301	AMERICAN PETROLEUM INST		
JOHN M. COLLIER, 4436 PERRIER ST. NEW ORLEANS LA 70115	SOUTHERN FOREST PRODUCTS ASSN	11,643.90	
COLLIER, SHANNON, RILL & SCOTT, SUITE 308 1055 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AMERICAN FROZEN FOOD INST		
Do	AMERICAN MEAT INSTITUTE		
Do	AMERICAN TEXTILE MACHINERY ASSN		
Do	CROP INSURANCE RESEARCH BUREAU		
Do	CYLINDERS MANUFACTURERS ASSOCIATION		
Do	FERROS SCRAP CONSUMERS COALITION		
Do	FOOD MARKETING INSTITUTE		
Do	INDEPENDENT LUBRICANT MANUFACTURERS ASSN		10.00
Do	NATIONAL ASSN OF CONVENIENCE STORES		
Do	NATIONAL BROILER COUNCIL		
Do	NORRIS INDUSTRIES	6,630.00	615.00
Do	OUTDOOR POWER EQUIPMENT INSTITUTE		
Do	SOCIETY OF INDEPENDENT GASOLINE MARKETERS OF AMERICA	2,000.00	62.28
	SPECIALTY STEEL INDUSTRY OF THE UNITED STATES	5,722.50	
GEORGE COLLINS, 1126 16TH ST., NW WASHINGTON DC 20036	INTERNATIONAL UNION OF ELECTRICAL, RADIO & MACHINE WORKERS	600.00	300.00
MARVIN COLLINS, 1850 K STREET, N.W. WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	1,000.00	
MARY M. COLLINS, 1025 CONNECTICUT AVE., NW SUITE 200 WASHINGTON DC 20036	SHELL OIL CO	500.00	
STEPHEN J. COLLINS, 1909 K STREET, N.W. SUITE 300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC	600.00	27.00
WILLIAM P. COLLINS, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S		
COLORADO RAILROAD ASSN, 420 DENVER CLUB BLDG DENVER CO 80202			
W. KENT COMBS, 1801 K ST., NW WASHINGTON DC 20006	INTERNATIONAL BUSINESS MACHINES CORP	936.00	357.13
COMMERCIAL UNION INSURANCE COMPANIES, ONE BEACON STREET BOSTON MA 02108	COMMERCIAL UNION ASSURANCE COMPANIES		
COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT, C/O HERBERT COHN 1800 M ST., NW, #800 NORTH WASHINGTON DC 20036.			
COMMITTEE FOR CONSTITUTIONAL INTEGRITY, 1900 L STREET, NW, #610 WASHINGTON DC 20036			
COMMITTEE FOR EFFECTIVE CAPITAL RECOVERY, SUITE 303 1901 L ST., NW WASHINGTON DC 20036		300.00	300.00
COMMITTEE FOR EFFECTIVE TAX INCENTIVES, ONE FARRAGUT SQUARE 8TH FLOOR WASHINGTON DC 20006			
COMMITTEE FOR EQUALITY OF CITIZENS BEFORE THE COURTS, 3401 WEST DIVISION ST. CHICAGO IL 60651			
COMMITTEE FOR HUMANE LEGISLATION, INC, 11 WEST 60TH ST. NEW YORK NY 10023		4,647.61	9,658.32
COMMITTEE FOR PROPOSITION THIRTY, P.O. BOX 915 HARTSELLE AL 35640			441.19
COMMITTEE ON NORTH-SOUTH ISSUES, C/O GINO JON DE MARCO ANDERSON HALL AMERICAN UNIVERSITY WASHINGTON DC 20016.			
COMMITTEE TO ASSURE THE AVAILABILITY OF CASEIN, 3213 O ST., NW WASHINGTON DC 20007		13,000.00	
COMMON CAUSE, 2030 M ST., NW WASHINGTON DC 20036		2,192,899.00	442,537.14
COMMUNITY NUTRITION INSTITUTE, RM. 300 1146 19TH ST., NW WASHINGTON DC 20036			
LANCE COMPA, 1411 K ST., NW, #410 WASHINGTON DC 20005	UNITED ELECTRICAL, RADIO & MACHINE WORKERS OF AMER	5,738.54	2.60
COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION, 1500 WILSON BLVD SUITE 512 ARLINGTON VA 22209			
EDWARD C. CONE P.O. BOX 1788 FOREST PARK GA 30051	SOUTHEASTERN LUMBER MANUFACTURERS ASSN	52.00	
CAROLE K. CONES, SUITE 301 1515 N. COURTHOUSE RD. ARLINGTON VA 22201	DCM GROUP (FOR: AD HOC COMMITTEE FOR AMERICAN SILVER)	1,925.00	25.93
CONFERENCE OF STATE BANK SUPERVISORS, 1015 18TH ST., NW WASHINGTON DC 20036			661.00
CONGRESS WATCH, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003		57,184.72	58,383.45
CONGRESSIONAL DIST ACTION COMM, DIST 7, C/O JOE TOMAINO 2735 IVY ST. TAMPA FL 33607			
RAYMOND F. CONKLING, 1050 17TH ST., NW WASHINGTON DC 20036	TEXACO, INC	200.00	21.75
JOHN B. CONNALLY, SUITE 900 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	VINSON & ELKINS (FOR: TRAVELERS INSURANCE COMPANY)		
ROBERT J. CONNER JR., 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHRYSLER CORPORATION	500.00	796.02
STEPHEN N. CONNER, ROUTE 1, BOX 506 EASTON MD 21601	FOREIGN MINISTRY OF KINGDOM OF SAUDI ARABIA		980.44
JOHN P. CONNOLLY, SUITE 802 2000 L STREET, NW WASHINGTON DC 20036	POPHAM, HAIK, ET AL (FOR CHICAGO MERCANTILE EXCHANGE)	459.00	
RICHARD J. CONNOR JR., 425 13TH ST., NW WASHINGTON DC 20004	DISTILLED SPIRITS COUNCIL OF THE U.S., INC	1,725.00	150.00
CONSERVATIVES FOR IMMIGRATION REFORM, INC, SUITE 321 226 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20013			100.00
CONSOLIDATED EDISON CO OF NEW YORK, INC, 4 IRVING PLACE NEW YORK NY 10003			512.50
CONSOLIDATED RAIL CORPORATION, PO BOX 23451 WASHINGTON DC 20024			10,501.00
CONSORTIUM OF SOCIAL SCIENCE ASSOCIATIONS, SUITE 300 1755 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036		1,165.00	2,663.32
JAY CONSTANTINE, SUITE 350 1300 N.17TH ST. ARLINGTON VA 22209	AMERICAN NURSES' ASSOCIATION	6,000.00	90.05
CONSUMERS UNION OF U.S., INC., 256 WASHINGTON ST. MOUNT VERNON NY 10550			10,572.00
CONTINENTAL ASSN OF RESOLUTE EMPLOYERS (C.A.R.E.), 511 C STREET, NE WASHINGTON DC 20002			
JOHN J. CONTNEY, 1250 E. HOLLANDALE BEACH BLVD. HOLLANDALE FL 33009	TEXTILE RENTAL SERVICES ASSN OF AMERICA		
CONTRACT CARRIER CONFERENCE, 1730 RHODE ISLAND AVE., NW SUITE 801 WASHINGTON DC 20036			
DANA CONTRATTO, SUITE 200 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASSOCIATED GAS DISTRIBUTORS		
JOHN A. CONWAY, 1201 16TH STREET, NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
JOHN T. CONWAY, 410 1ST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	1,750.00	348.37
EMERY S. CONYERS, P.O. BOX 1706 MIDLAND MI 48640	DOW CHEMICAL CO		
ALEXANDRA W. COOK, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	432.00	509.85
FREDERICK N. COOK, VERMONT PETROLEUM ASSOCIATION P.O. BOX 566 MONTPELIER VT 05602	AMERICAN PETROLEUM INST	750.00	154.82
HARRY N. COOK, 1130 17TH ST., NW WASHINGTON DC 20036	NATIONAL WATERWAYS CONFERENCE, INC		
K. RICHARD COOK, 777 14TH ST., NW, SUITE 700 WASHINGTON DC 20005	GENERAL ELECTRIC CO	425.00	
THOMAS M. COOK, SUITE 1032 425 13TH ST., NW WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	15.00
COOK, PURCELL, HENDERSON & ZORACK, 11TH FLOOR 1015 18TH ST., NW WASHINGTON DC 20036	AIR FLORIDA, INC	2,100.00	42.85
EILEEN D. COOKE, 110 MARYLAND AVE., NE, SUITE 101, BOX 54 WASHINGTON DC 20002	AMERICAN LIBRARY ASSN	1,154.00	
BERNARD J. COONEY, SUITE 900 1730 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	CATERPILLAR TRACTOR CO	660.00	36.00
PAUL E. COONEY, 1775 PENNSYLVANIA AVE., NW, #1000 WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: CITY OF MINNEAPOLIS)		
Do	FIRST WISCONSIN NATIONAL BANK OF MILWAUKEE		
Do	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: LAWYERS TITLE INSURANCE CORP)		
BENJAMIN Y. COOPER JR., 1730 NORTH LYNN ST. ARLINGTON VA 22209	PRINTING INDUSTRIES OF AMER, INC	7,500.00	
EMMANUEL M. COOPER, 651 STATE STREET BRIDGEPORT CT 06604			
JESSE D. COOPER, SUITE 314 1155 15TH ST., NW WASHINGTON DC 20005	ROCKY MOUNTAIN OIL & GAS ASSN	1,100.00	915.32
JOSHUA W. COOPER, 2626 S. LEE STREET ALEXANDRIA VA 22314	PORTSMOUTH-KITTERY ARMED SERVICES COMM, INC	1,400.00	529.52
KATHY J. COOPER, SUITE 1204 1700 K STREET, NW WASHINGTON DC 20006	CHEVRON USA, INC	100.00	
MITCHELL J. COOPER, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	COUNCIL OF FOREST INDUSTRIES	3,000.00	208.00
Do	FOOTWEAR DIV., RUBBER MFGRS ASSN	12,390.00	4.40
DARRELL COOVER, 499 SOUTH CAPITOL ST., SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	2,000.00	566.00
JAMES M. COPELAND, SUITE 801 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHICAGO MERCANTILE EXCHANGE	6,999.00	
JOHN F. CORCORAN, 920 15TH ST., NW WASHINGTON DC 20005	NORFOLK SOUTHERN CO	1,000.00	
CORCORAN, HARDESTY, WHYTE & POLITO, P.C., SUITE 510 1575 EYE ST., NW WASHINGTON DC 20005	CONTINENTAL RESOURCES CO		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PATRICK H. CORCORAN, SUITE 1205 1725 K ST., NW WASHINGTON DC 20006	ASSOCIATION OF OIL PIPE LINES		
ALFRED C. CORDON, GORDON & JACOBS 2000 L ST., NW, #616 WASHINGTON DC 20036	BUFFALO BROADCASTING CO., INC.		
BENNETT J. CORN, FOUR WORLD TRADE CENTER NEW YORK NY 10048	COFFEE, SUGAR & COCOA EXCHANGE, INC.		
CORN REFINERS ASSOCIATION INC., 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036		3,380.00	1,582.00
CORNELL, PELCOVITS & BRENNER ECONOMISTS, INC., SUITE 708 1211 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SONY CORP OF AMERICA		
CORPORATION FOR GOVERNMENT ACTION, SUITE 103 1000 POTOMAC STREET, NW WASHINGTON DC 20007		7,500.00	12,277.70
ERNEST J. CORRADO, SUITE 1000 1625 K STREET, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF MERCHANT SHIPPING	165.00	4.00
MARY MARCOTTE CORRIGAN, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER.		
RICHARD L. CORRIGAN, SUITE 560 1090 VERMONT AVENUE, NW WASHINGTON DC 20005	CH2M HILL, INC.	1,200.00	
MARTY CORRY, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	784.00	641.59
ALLAN D. CORS, 1800 K ST., NW, SUITE 1104 WASHINGTON DC 20006	CORNING GLASS WORKS	450.00	
WILLIAM R. CORSON, 1707 H ST., NW WASHINGTON DC 20006	PENTHOUSE INTL LTD	10,500.00	7,450.00
R. H. CORY, 1510 AMERICAN BANK TOWER AUSTIN TX 78701	CENTRAL AND SOUTH WEST SERVICES, INC.	67.00	153.87
TOM COSGROVE, 530 7TH ST., S.E. WASHINGTON DC 20003	NATIONAL CLEAN AIR COALITION, INC.	3,196.98	
COSMETIC, TOILETRY & FRAGRANCE ASSN, INC, SUITE 800 1110 VERMONT AVE., NW WASHINGTON DC 20005			
JAMES R. COSTELLO JR., 1101 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	AMERICAN TEXTILE MFRS INST.	500.00	39.20
MICHAEL E. COSTELLO, SUITE 600 1090 VERMONT AVE., NW WASHINGTON DC 20036	TEXAS EASTERN TRANSMISSION CORP		345.62
PETER J. COTCH, 1100 CONNECTICUT AVENUE, NW, #540 WASHINGTON DC 20036	CONTAINER CORP OF AMERICA		
MARY ALICE COTTER, 410 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	204.54	
COTTON FARMERS ASSOCIATION, 700 TEXAS CENTER 900 WASHINGTON WACO TX 76703			
J. BARRY COUGHLIN, 815 CONNECTICUT AVE.,N.W. WASHINGTON DC 20006	FORD MOTOR CO.	257.50	485.16
COUNCIL FOR LANGUAGES AND OTHER INT'L. STUDIES, SUITE 210 11 DUPONT CIRCLE, NW WASHINGTON DC 20036		7,193.75	5,491.13
COUNCIL OF STATE CHAMBERS OF COMMERCE, SUITE 412 499 S. CAPITOL ST., SW WASHINGTON DC 20003		387.00	434.19
COURSEN & COMPANY, 910 17TH STREET, NW WASHINGTON DC 20006	ESTATE OF HELEN HALBACH	17,100.00	512.00
WILLIAM R. COURTNEY, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL OF THE COUSHATTA TRIBE OF LOUISIANA		
JAMES COUSINS, 1101 15TH ST., NW, #400 WASHINGTON DC 20005	NATIONAL SAVINGS & LOAN LEAGUE	4,000.00	
JOHN F. COVE, SUITE 702 918 16TH ST., NW WASHINGTON DC 20006	COVE ASSOCIATES INC. (FOR: ASSN. OF U.S. NIGHT VISION MFRS.)		
COVINGTON & BURLING, 1201 PENNSYLVANIA AVENUE, NW P.O. BOX 7566 WASHINGTON DC 20044	AMERICAN ASSN OF ORAL & MAXILLOFACIAL SURGEONS		
Do	AMERICAN WATCH ASSN	1,460.00	
Do	ANCHOR NATL LIFE INSURANCE CO	7,000.00	
Do	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC	4,520.00	
Do	CBS TELEVISION NETWORK AFFILIATES ASSOCIATION		
Do	CELLULAR SYSTEMS, INC.		
Do	FACET ENTERPRISES, INC.	3,500.00	
Do	FIRST NATIONAL BOSTON CORPORATION		
Do	FIRSTMARK CORPORATION	1,750.00	8.00
Do	INTERNATIONAL BUSINESS MACHINES CORP.	5,500.00	85.00
Do	INVESTMENT COMPANY INSTITUTE	26,000.00	117.04
Do	IRVING TRUST CO.		
Do	JOINT AFFILIATES ASSOCIATIONS		
Do	KERR-MCGEE CORP AND KERR-MCGEE NUCLEAR CORP		9.60
Do	MIDWEST TELEVISION, INC.		11.90
Do	NATIONAL FOOTBALL LEAGUE	6,850.00	70.42
Do	NEW YORK STATE URBAN DEVELOPMENT CORP		
Do	POST-NEWSWEEK STATIONS, INC.		
Do	REICHHOLD ENERGY CORP	1,058.00	43.64
Do	SECURITIES INDUSTRY ASSN		
Do	SPARTAN RADIOCASTING COMPANY		4.00
EUGENE S. COWEN, 2759 UNICORN LN., NW WASHINGTON DC 20015	AMERICAN BROADCASTING CO.	180.00	
ARCHIBALD COX, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	4,492.50	310.67
C. BRYAN COX, PO BOX 139 KANSAS CITY MO 64141	KANSAS CITY LIFE INSURANCE CO		
KENNETH A. COX, 1133 19TH ST., NW WASHINGTON DC 20036	MCI COMMUNICATIONS CORP	430.72	17.65
WILLIAM C. CRAMER, 1320 19TH ST., NW, #200 WASHINGTON DC 20036	CRAMER, HOFFMAN & HABER, P.C. (FOR: AMERICAN CONCRETE PAVEMENT ASSN)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: CANAVERAL PORT AUTHORITY)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: CITY OF MIAMI)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: DADE COUNTY)		
Do	CRAMER, HOFFMAN & HABER, ORLANDO, P.A. (FOR: GLOBAL EXPLORATION & DEVELOPMENT CORP.).		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: M.A.N. TRUCK & BUS CORP.)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: REPUBLIC OF GABON)		
CRAMER, HOFFMAN & HABER, P.C., 1320 19TH ST., NW SUITE 200 WASHINGTON DC 20036	AMERICAN CONCRETE PAVEMENT ASSN		
Do	CANAVERAL PORT AUTHORITY	13,500.00	35.12
Do	CITY OF MIAMI	7,500.00	744.88
Do	DADE COUNTY	10,000.00	31.15
Do	GLOBAL EXPLORATION & DEVELOPMENT CORP.		
Do	M.A.N. TRUCK & BUS CORP.	12,000.00	
Do	REPUBLIC OF GABON	30,000.00	1,582.81
JOHN R. CRANE, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	600.00	
JOSEPH S. CRANE, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS	578.75	
CHARLES S. CRAWFORD, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: AMERICAN IRON & STEEL INSTITUTE)		
Do	GRAY AND COMPANY (FOR: AMERICAN MARITIME ASSN)		
Do	GRAY AND COMPANY (FOR: AVIS ENTERPRISES)		
Do	GRAY AND COMPANY (FOR: BENDIX CORPORATION)		
Do	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)		
Do	GRAY AND COMPANY (FOR: HTB CORPORATION)		
Do	GRAY AND COMPANY (FOR: JOINT MARITIME CONGRESS)		
Do	TERA CORPORATION		
FRANKLIN J. CRAWFORD, 1919 PENNSYLVANIA AVENUE, NW, #707 WASHINGTON DC 20006	NISSAN MOTOR CORPORATION IN U.S.A.		
WILLIAM D. CRAWFORD, 400 FIRST ST., NW WASHINGTON DC 20001	BROTHERHOOD OF RAILWAY CARMEN OF THE U.S. & CANADA	2,032.53	
RICHARD C. CREIGHTON, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	5,000.00	500.00
DONALD J. CREOLA, 400 N. THIRD STREET P.O. BOX 1724 HARRISBURG PA 17105	PENNSYLVANIA STATE EDUCATION ASSN		
KEN A. CRERAR, 1611 NO. KENT STREET, #900 ARLINGTON VA 22209	FOOTWEAR INDUSTRIES OF AMERICA	2,700.00	328.28
JOSEPH M. CRIBBEN, 6900 VALLEY BROOK DR. FALLS CHURCH VA 22042	UNITED ASSN OF JNYMEN & APPREN. OF PLMBG & PIPEFTG INDUSTRY	1,750.00	30.00
RICHARD E. CRISTOL, 5775 PEACHTREE-DUNWOODY RD., #500D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	70.00	
PHILIP R. CROESSMANN, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS	1,275.00	
P. H. CROFT, 2000 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN SHORT LINE RAILROAD ASSN		
ROBERT W. CROMARTIE, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	50.00	
CHARLES H. CROMWELL, INC., 6709 GEORGIA ST. CHEVY CHASE MD 20015	GENERAL ELECTRIC CO.		
Do	HUGHES HELICOPTERS		
Do	NORTHROP CORP.		
DONALD J. CRONIN, SUITE 1100 1511 K STREET, NW WASHINGTON DC 20005	FRANK G. KINGSLEY	3,000.00	200.00
Do	MILLIKEN & COMPANY	5,000.00	125.00
DONALD A. CROSIER, NEBRASKA PETROLEUM COUNCIL 334 S. 13TH ST., PO BOX 95063 LINCOLN NB 68509	AMERICAN PETROLEUM INST.		
AARON W. CROSS, 1801 K STREET, NW WASHINGTON DC 20006	INTERNATIONAL BUSINESS MACHINES CORP	770.40	73.00
BOBBY E. CROW, PO BOX 683 HOUSTON TX 77001	COLUMBIA GULF TRANSMISSION CO.		
DAVID T. CROW, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	3,229.18	
CROWELL & MORING, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASARCO, INC.	508.75	10.00
Do	ASSOCIATED GAS DISTRIBUTORS		
Do	AVON PRODUCTS, INC.	864.00	30.00
Do	BROOKLYN UNION GAS CO.		10.00
Do	COMMUNICATIONS SATELLITE CORPORATION	216.00	20.00
Do	CONTROL DATA CORPORATION		
Do	ELI LILLY AND COMPANY	3,607.50	10.00
Do	HELICOPTER ASSOCIATION INTERNATIONAL		
Do	NATIONAL ASSN OF WHOLESALER-DISTRIBUTORS	6,105.00	10.00
Do	PAN AMERICAN WORLD AIRWAYS, INC		30.00
Do	REGIONAL AIRLINE ASSOCIATION	375.00	
Do	SIERRA PACIFIC POWER COMPANY		
Do	TRW, INC.	998.75	10.00
CUBA CLAIMS ASSOCIATION, PO BOX 014004 MIAMI FL 33101			33.50
BARRY M. CULLEN, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO.	55.00	
WILLIAM E. CUMBERLAND, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA		
RICHARD C. CUNAN, 3100 FERRY BUILDING SAN FRANCISCO CA 94106	CALIFORNIA CANNERS & GROWERS	5,000.00	300.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
SCOTT S. CUNNINGHAM, 1100 15TH STREET, NW WASHINGTON DC 20005	UNION CARBIDE CORP		
JOHN T. CURRAN, 905 16TH ST., NW WASHINGTON DC 20006	LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO	14,182.50	272.35
Do	NATIONAL COORDINATING COMM FOR MULTIEMPLOYER PLANS	6,500.00	219.00
KATHLEEN L. CURRY, 1717 MASSACHUSETTS AVENUE, NW, #503 WASHINGTON DC 20036	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	3,210.00	164.99
RICHARD C. CURRY, 6819 ELM STREET, #3 MCLEAN VA 22101			
CARL T. CURTIS, 1101 CONNECTICUT AVE., NW SUITE 800 WASHINGTON DC 20036	DON RICH COMPANY		
EDWARD P. CURTIS JR., 36 WEST MAIN STREET ROCHESTER NY 14614	MINISTRY OF THE ENVIRONMENT PROVINCE OF ONTARIO, CANADA	6,600.00	
CURTIS, THAXTER, LIPEZ, STEVENS, BRODER & MICOLEAU, SUITE 503 1825 K ST., NW WASHINGTON DC 20006	AMERICAN EXPRESS CO		
Do	NATIONAL ALLIANCE FOR HYDROELECTRIC ENERGY		
M. RUPERT CUTLER, 950 THIRD AVENUE NEW YORK NY 10022	NATIONAL AUDUBON SOCIETY		
EVERETT E. CUTTER, 620 SW FIFTH AVENUE BLDG., SUITE 912 PORTLAND OR 97204	OREGON RAILROAD ASSN		
TERESE C. D'ALESSIO, 2020 NORTH 14TH ST. ARLINGTON VA 22201	MEDIA GENERAL, INC	1,080.00	107.45
WILLIAM D. D'ONOFRIO, 1800 W. 8TH ST. WILMINGTON DE 19805	NATIONAL ASSN FOR NEIGHBORHOOD SCHOOLS, INC		
WILLIAM KAY DAINES, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	1,500.00	89.50
LEWIS I. DALE, SUITE 1016 1800 K STREET, NW WASHINGTON DC 20006	AIR PRODUCTS & CHEMICALS, INC	75.00	
DONALD W. DALRYMPLE, 1575 I ST., NW WASHINGTON DC 20005	AMERICAN CYNAMID COMPANY (FOR: LEDERLE LABORATORIES)	1,680.00	179.60
EUGENE B. DALTON, APT. 1010N 1600 S. EADS ST. ARLINGTON VA 22202	NATIONAL LEAGUE OF POSTMASTERS		
JAMES G. DALTON, 2029 K ST., NW WASHINGTON DC 20006	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	2,500.00	
DAMRELL, DAMRELL & NELSON, P.C., 911 13TH STREET P.O. BOX 3489 MODESTO CA 95353	DESERT GRAPE GROWERS LEAGUE OF CALIFORNIA		
TRACY DANESE, P.O. BOX 14000 JUNO BEACH FL 33408	FLORIDA POWER & LIGHT CO	840.00	4,605.27
DANIELS, HOULIHAN & PALMETER, P.C., 1819 H ST., NW WASHINGTON DC 20006	JAPAN LUMBER IMPORTERS ASSN		
DAVID S. DANIELSON, SUITE 400 E 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
DAN DANNER, 1747 PENNYSLVANIA AVE., NW WASHINGTON DC 20006	ARMCO INC	300.00	210.00
WILLIAM H. DARDEN, SUITE 200 412 FIRST STREET, SE WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	186.30	
ONEIDA L. DARLEY, 3251 OLD LEE HIGHWAY SUITE 500 FAIRFAX VA 22030	NATIONAL LIMESTONE INST, INC		
RICHARD C. DARLING, 1156 15TH ST., NW WASHINGTON DC 20005	J. C. PENNEY CO, INC	80.00	50.00
DIANE DAVENNY DARNEILLE, 1100 17TH ST., NW, #1206 WASHINGTON DC 20036	SCHERING-PLOUGH CORP	2,220.00	6,133.69
THOMAS ROGER DART, ALABAMA PETROLEUM COUNCIL P.O. BOX 4220 MONTGOMERY AL 36195	AMERICAN PETROLEUM INST		
M. DENNIS DAUGHERTY, 733 15TH STREET, NW WASHINGTON DC 20005	LEGAL SERVICES CORP	638.00	29.00
JOHN B. DAVENPORT JR , 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	140.00	
LARRY C. DAVENPORT, 5775 PEACHTREE-DUNWOODY RD. SUITE 500-D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)		
EARL F. DAVID, SUITE 1107 1825 K STREET, NW WASHINGTON DC 20006	PHILLIPS PETROLEUM CO		
DANIEL I. DAVIDSON, 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	SPIEGEL & MCDIARMID (FOR: NORTHERN CALIFORNIA POWER AGENCY)		
CHRISTOPHER L. DAVIS, SUITE 650 1920 N STREET, NW WASHINGTON DC 20036	AMERICAN BUREAU OF COLLECTIONS, INC		
Do	ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY		
Do	FALCON JET CORPORATION		
Do	NATIONAL SKEET SHOOTING ASSN		
Do	TECHNOLOGY CENTER, INC		
DAVID R. DAVIS, INDIANA PETROLEUM COUNCIL 714 HARRISON BLDG. INDIANAPOLIS IN 46204	AMERICAN PETROLEUM INST		
DREW M DAVIS, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN	37.02	10.00
EDWARD M. DAVIS, 410 FIRST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	2,250.00	384.78
EDWIN I. DAVIS, 1510 FIRST CITY EAST BUILDING HOUSTON TX 77002	COASTAL CORP		
FRED G. DAVIS, 1111 19TH STREET, N.W. WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,153.00	253.91
DAVIS GRAHAM & STUBBS, SUITE 810 1920 N STREET, NW WASHINGTON DC 20036	INTEGRITY OIL & GAS COMPANY	558.00	556.33
Do	MUNICIPAL SUBDISTRICT, NO. COLORADO WATER CONSERVANCY DIST	1,918.13	1,918.13
Do	NORTHERN COLORADO WATER CONSERVANCY DISTRICT	1,918.13	1,918.13
Do	SNYDER OIL COMPANY	527.00	525.42
Do	TENNECO OIL COMPANY	1,054.00	1,054.84
KENNETH E. DAVIS, SUITE 743 1434 NEW YORK AVE., NW WASHINGTON DC 20005	ROHM & HAAS CO	500.00	65.89
OVID R. DAVIS, P.O. DRAWER 1734 ATLANTA GA 30301	COCA-COLA COMPANY		
DAVIS POLK & WARDWELL, 1575 EYE ST., NW WASHINGTON DC 20005	INTERNATIONAL PAPER CO	1,230.00	49.50
Do	MORGAN GUARANTY TRUST CO OF NEW YORK		
Do	SOCIETE GENERALE (FOR: HUDSON SECURITIES, INC)	200.00	8.00
R. HILTON DAVIS, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
ROBERT DAVIS, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	748.00	347.00
DAVIS SIMPICH & SIENA, 1301 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CALIFORNIA HOUSING COUNCIL	4,500.00	256.41
WILLIAM LEE DAVIS, 299 PARK AVE. NEW YORK NY 10171	WESTVACO CORP	1,416.67	481.09
DAVIS, WRIGHT, TODD, RIESE & JONES, 6TH FLOOR 1050 THOMAS JEFFERSON STREET, NW WASHINGTON DC 20007	NATIONAL INDEPENDENT DAIRY FOODS ASSN	800.00	22.00
Do	SOUTHERN PACIFIC COMMUNICATIONS CO	912.00	22.00
P. M. DAVISON JR., 418 E. ROSSER AVE. P.O. BOX 938 BISMARCK ND 58501	NORTH DAKOTA RAILWAY LINES		
J. EDWARD DAY, 5TH FL. 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ELECTRONIC INDUSTRIES ASSN		
Do	THIRD CLASS MAIL ASSOCIATION		
DCM GROUP, SUITE 301 1515 N. COURTHOUSE ROAD ARLINGTON VA 22201	AD HOC COMMITTEE FOR AMERICAN SILVER	1,925.00	2,008.47
O. MARK DE MICHELE, P.O. BOX 21666 PHOENIX AZ 85036	ARIZONA PUBLIC SERVICE COMPANY		
JOHN RUSSELL DEANE III, 1607 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	AMERICAN METAL DETECTORS MFRS., INC		
Do	COALITION OF AUTOMOTIVE ASSNS		
Do	NATIONAL OUTDOOR COALITION		
Do	SPECIALTY EQUIPMENT MARKET ASSN		
ROBERT L. DEBO, MISSOURI OIL COUNCIL 428 E. CAPITOL, #203 JEFFERSON CIY MO 65101	AMERICAN PETROLEUM INST		
EDWARD S. DEBOLT, SUITE 301 1515 N. COURTHOUSE RD. ARLINGTON VA 22201	DCM GROUP (FOR: AD HOC COMMITTEE FOR AMERICAN SILVER)		
MARK O. DECKER, SUITE 1100 1707 H STREET, NW WASHINGTON DC 20006	NATIONAL OIL JOBBERS COUNCIL	230.00	
WINSTON M. DECKER, SUITE 828 1522 K ST., NW WASHINGTON DC 20005	AMERICAN VETERINARY MEDICAL ASSN	168.00	
Do	ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES		
BRIAN DEERY, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
DONALD H. DEFOE, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO		
GEORGE K. DEGNON ASSOCIATES, INC., SUITE 3A 1311-A DOLLEY MADISON BLDG. MCLEAN VA 22101	ASSOCIATION OF STATE & TERRITORIAL HEALTH OFFICIALS		1,000.00
Do	NATIONAL ASSN OF CHILDREN'S HOSPITALS & RELATED INSTITUTIONS		
DEHART ASSOCIATES, INC, 1505 22ND ST., NW WASHINGTON DC 20037	RECORDING INDUSTRY ASSN OF AMER, INC	1,050.00	446.65
JOHN P. DEKANY, SUITE 823 201 I STREET, SW WASHINGTON DC 20024	MANUFACTURERS OF EMISSION CONTROLS ASSN		
STEPHEN T. DELAMATER, 2600 SOUTHLAND CENTER DALLAS TX 75201	HALLIBURTON CO		
JOHN W. DELANEY, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
Do	FIRST NATIONAL BOSTON CORPORATION		
JOHN L. DELANO, 7 EDWARDS - BOX 1172 HELENA MT 59624	MONTANA RAILROAD ASSN		
ROBERT B. DELANO, 225 TOUHY AVE. PARK RIDGE IL 60068	AMERICAN FARM BUREAU FED	2,500.00	
CARTHA D. DELOACH, 700 ANDERSON HILL ROAD PURCHASE NY 10577	PEPSICO, INC		
MICHAEL J. DELOOSE, 1015 18TH STREET, NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	290.00	
SUSAN C. DEMARR, 1615 H ST., N.W. WASHINGTON DC 20061	CHAMBER OF COMMERCE OF THE U.S.	2,500.00	
ELIZABETH C. DEMATO, 5210 AUTH WAY CAMP SPRINGS MD 20746	SEAFARERS INTERNATIONAL UNION	3,000.00	173.15
TANIA DEMCHUK, 499 SOUTH CAPITOL ST., SW SUITE 401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	100.00	
DEMINEX U.S. OIL COMPANY, SUITE 840, LOCK BOX 340 PLAZA OF THE AMERICAS, NORTH TOWER DALLAS TX 75201			1,430.19
BRADFORD T. DEMPSEY, 512 W. MAPLE AVE. SUITE 210 VIENNA VA 22180			
GEORGE H. DENISON, 4837 DEL RAY AVE. WASHINGTON DC 20814	NATIONAL OFFICE PRODUCTS ASSN	750.00	
Do	WESTINGHOUSE ELECTRIC CORP	2,925.00	
RAY DENISON, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	16,359.70	718.37
JOHN H. DENMAN, MISSOURI OIL COUNCIL 428 E. CAPITAL ST., #203 JEFFERSON CITY MO 65101	AMERICAN PETROLEUM INST	250.00	
DAVID W. DENSFORD, 1050 31ST STREET, NW WASHINGTON DC 20007	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	1,000.00	100.00
WELLS DENYES, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	EASTMAN CHEMICAL PRODUCTS, INC	150.00	7.50
DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		9,565.96	9,565.96
DERREL BLAURETT DEPASSE, 1100 CONNECTICUT AVE., NW, #540 WASHINGTON DC 20036	CONTAINER CORP OF AMERICA	9,750.00	4,950.00
ALPHONSE DEROSSO, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION		137.67
LLOYD J. DERRICKSON, SUITE 906 1828 L STREET, NW WASHINGTON DC 20036	MERRILL LYNCH & CO., INC	1,500.00	
HELEN B. DESAI, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	375.00	
MICHAEL DESANTO, 1343 L STREET, NW WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN, INC	1,000.00	160.00
JAMES T. DEVINE, LEONARD COHEN & GETTINGS 900 17TH ST., NW, #1020 WASHINGTON DC 20006	BOWLING PROPRIETORS ASSN OF AMER		
SAMUEL L. DEVINE, 1301 PENNSYLVANIA AVENUE, N.W. SUITE 1150 WASHINGTON DC 20004	AMERICAN SMALL AND RURAL HOSPITAL ASSOCIATION, OHIO CHAPTER		
Do	GROCERY MANUFACTURERS OF AMERICA, INC	942.50	
Do	OCCIDENTAL PETROLEUM CORP	13,333.32	
Do	PAYCO AMERICAN CORPORATION		
Do	PEPSICO, INC	5,000.00	8.94
R. DANIEL DEVLIN, 1000 16TH ST., NW WASHINGTON DC 20036	TRANS WORLD AIRLINES, INC	350.00	
RALPH B. DEWEY, 1050 17TH ST., NW, #1180 WASHINGTON DC 20036	PACIFIC GAS & ELECTRIC CO	868.95	1,234.63
DORIS J. DEWTON, 1025 CONNECTICUT AVENUE, NW SUITE 507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
KENDALL P. DEXTER, 9 COUNTRY CLUB ROAD MOBILE AL 36608	MACMILLAN BLOEDEL INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
DGA INTERNATIONAL INC, 1225 19TH ST., NW WASHINGTON DC 20036	AIRBUS INDUSTRIE	2,712.50	1,025.35
Do	DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS	600.00	211.99
Do	SOFREAVIA	310.00	121.14
DIAMOND SHAMROCK CORPORATION, 717 N. HARWOOD STREET DALLAS TX 75201			
CHARLES J. DIBONA, 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST	1,875.00	
JOHN M. DICKERMAN, JOHN DICKERMAN & ASSOCIATES, INC. 1015 15TH STREET, NW, #700 WASHINGTON DC 20005	NATIONAL LUMBER & BUILDING MATERIAL DEALERS ASSN	3,000.00	277.11
CHESTER T. DICKERSON JR., 1101 17TH STREET , N.W. SUITE 604 WASHINGTON DC 20036	MONSANTO CO		355.84
WILLIAM E. DICKINSON, SUITE 300 206 N. WASHINGTON STREET ALEXANDRIA VA 22314	SALT INSTITUTE	3,000.00	250.00
DICKSTEIN SHAPIRO & MORIN, 2101 L ST., NW WASHINGTON DC 20037	CORAL PETROLEUM, INC	1,500.00	
Do	CUSTOM AUTOMOTIVE SOUND ASSN, INC	1,000.00	
Do	FEDERATED CASH MANAGEMENT SYSTEMS		
Do	GILBANE BUILDING CO		
Do	HOME HEALTH SERVICES & STAFFING ASSN	7,500.00	
Do	HVIDE SHIPPING, INC	675.00	
Do	MARINE ENGINEERS' BENEFICIAL ASSN		
Do	METROPOLITAN TRANSPORTATION AUTHORITY		
Do	NATIONAL FEDERATION OF SOCIETIES FOR CLINICAL SOCIAL WORK	500.00	
Do	STATE OF DELAWARE, STATE OF IOWA, STATE OF LOUISIANA, ET AL		
TIMOTHY V. A. DILLON, 1850 K ST., NW, #380 WASHIONGTON DC 20006	WESTLANDS WATER DISTRICT	2,417.49	167.49
DIMENSIONS, INC., 641 MCKNIGHT STREET READING PA 19601			
THOMAS A. DINE, 444 NORTH CAPITOL ST, NW, #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	12,015.63	
MICHAEL F. DINEEN, 600 PENNSYLVANIA AVE., SE, #206 WASHINGTON DC 20003	FEDERAL KEMPER LIFE ASSURANCE COMPANY		
Do	KEMPER INVESTORS LIFE INSURANCE COMPANY		
Do	LUMBERMENS MUTUAL CASUALTY COMPANY		
HARLEY M. DIRKS, STANTON SQUARE 420 C ST., NE WASHINGTON DC 20002	HEALTH & MEDICINE COUNSEL OF WASHINGTON		
Do	PROFESSIONAL SERVICES COUNCIL		
DISABLED AMERICAN VETERANS, 3725 ALEXANDRIA PIKE COLD SPRING KY 41076		94,647.38	94,647.38
DENNIS C. DIX, 1901 L ST., N.W. WASHINGTON DC 20036	OUTDOOR POWER EQUIPMENT INSTITUTE		
PATSY B. DIX, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
O. L. DIXON III, P.O. BOX 1151 PENSACOLA FL 32520	GULF POWER COMPANY	1,902.00	
STEVEN P. DOEHLER, SUITE 1405 1725 K ST., NW WASHINGTON DC 20006	MORTGAGE INSURANCE COMPANIES OF AMERICA	2,500.00	120.00
WILLIAM BARROWS DOGGETT, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20007	STANDARD OIL CO (OHIO)		
JAMES F. DOHERTY, 624 9TH ST., NW 7TH FL. WASHINGTON DC 20001	GROUP HEALTH ASSN. OF AMERICA, INC		
GREGORY S. DOLE, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	2,599.00	389.75
JULIE DOMENICK, 1775 K STREET, NW WASHINGTON DC 20006	INVESTMENT COMPANY INSTITUTE	2,092.18	798.55
DOMESTIC WILDCATTERS ASSN, P.O. BOX 4394 HOUSTON TX 77210		60,000.00	76,896.83
BRIAN J. DONADIO, SUITE 104 499 SOUTH CAPITOL STREET, NW WASHINGTON DC 20003	AMERICAN OSTEOPATHIC ASSN	1,837.50	
MICHAEL DONAGHUE, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	400.00	
LEO J. DONAHUE, 230 SOUTHERN BLDG. WASHINGTON DC 20005	AMERICAN ASSN OF NURSERYMEN		
RICHARD M. DONALDSON, 1738 GUILDHALL BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
SALLY S. DONNER, 1707 L STREET, NW, #950 WASHINGTON DC 20036	GENERAL FOODS CORPORATION	750.00	308.88
THOMAS J. DONOHUE, 1615 H ST., NW WASHINGTON DC 20062	CITIZENS' CHOICE, INC	5,000.10	
JACK C. DONOVAN, P. O. BOX 5000, #612 CLEVELAND OH 44101	CLEVELAND ELECTRIC ILLUMINATING CO		
WILLIAM DONOVAN, 1111 N. 19TH ST, #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	2,500.00	26.50
FRANCIS X. DOOLEY, 525 SCHOOL ST., SW WASHINGTON DC 20024	AMERICAN ROAD & TRANSPORTATION BLDRS ASSN	6,000.00	510.00
IRA DORFMAN, SUITE 850 2020 K STREET, NW WASHINGTON DC 20006	AMERICAN BAKERS ASSN	525.00	3.40
MAY DEL RIO DORFMAN, 380 SECOND AVENUE NEW YORK NY 10010	PLANNED PARENTHOOD OF NEW YORK CITY, INC		
JAMES A. DORSCH, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSOCIATION OF AMERICA, INC		
DEAN R. DORT II, SUITE 808 910 17TH ST., NW WASHINGTON DC 20006	DEERE & COMPANY	40.00	
JOSEPH K. DOSS, 3251 OLD LEE HIGHWAY,SUITE 500 FAIRFAX, VA 22030	NATIONAL LIMESTONE INST, INC		
GORDON JACK DOVER, 1321 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	RENDON COMPANY		
DOW LOHNES & ALBERTSON, 1225 CONNECTICUT AVE., NW WASHINGTON DC 20036	PALMER COMMUNICATIONS, INC		12,676.00
CHARLES P. DOWNER, 7901 WESTPARK DRIVE MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	900.00	250.00
JANE LIND DOWNEY, P.O. OC 2303 400 ARMY-NAVY DR. ARLINGTON VA 22002	AMERICAN MOVERS CONFERENCE	1,493.00	
RICHARD MORGAN DOWNEY, 10801 ROCKVILLE PIKE ROCKVILLE MD 20852	AMERICAN SPEECH-LANGUAGE-HEARING ASSN		
JOHN H. DOWNS JR., 1101 16TH STREET, NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		
JOHN P. DOYLE, SUITE 1100 1090 VERMONT AVE., NW WASHINGTON DC 20005	BELL HELICOPTER TEXTRON	3,479.62	1,867.18
ROBERT H. DOYLE, SUITE 230 1130 17TH STREET, NW WASHINGTON DC 20036	WATER QUALITY ASSN		
NANCY DRABBLE, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	CONGRESS WATCH	5,250.00	
JAMES E. DRAKE, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	4,300.00	
JOAN ALBERT DREUX, 600 PENN AVE SE #202 WASHINGTON DC 20015	NATIONAL ASSN OF CASUALTY & SURETY AGENTS	1,875.00	790.50
JEROME L. DREYER, 1300 N. 17TH ST. SUITE 300 ARLINGTON VA 22209	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS		
STEPHEN D. DRIESLER, SUITE 306 1150 17TH ST., NW WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL		
DRINKER BIDDLE & REATH, 1815 H ST., NW WASHINGTON DC 20006	PHOENIX STEEL CORP		
KEVIN J. DRISCOLL, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
DOROTHY J. DRUMMER, 1025 CONNECTICUT AVENUE, NW, #209 WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE, INC	90.00	25.00
W.H. DRUSHEL JR., 3500 FIRST CITY TOWERS HOUSTON TX 77002	VINSON & ELKINS (FOR: QUINTANA PETROLEUM CORP)		
Do	VINSON & ELKINS (FOR: QUINTANA REFINERY COMPANY)		
EDWIN JASON DRYER, 1775 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	FOLEY,LARDNER,HOLLABAUGH & JACOBS (FOR: INDEPENDENT REFINERS ASSOCIATION OF AMERICA).		
EVELYN DUBROW, 1710 BROADWAY NEW YORK NY 10019	INTERNATIONAL LADIES' GARMENT WORKERS UNION	8,916.00	4,076.98
MORGAN D. DUBROW, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	150.00	
BARBARA S. DUDECK, 955 L'ENFANT PLAZA, SW # 905 WASHINGTON DC 20024	AMERICAN HONDA MOTOR CO, INC	200.00	
EARL C. DUDLEY JR., NUSSBAUM & OWEN 1800 M STREET, NW WASHINGTON DC 20036	PLAINTIFFS' ANTI-TRUST LIAISON SOCIETY		139.83
JANE MCPIKE DUDLEY, 1101 15TH STREET, N.W. WASHINGTON DC 20005	NATIONAL CONSTRUCTORS ASSOCIATION	375.00	
ANN ANDERSON DUFF, 222 S. PROSPECT AVE. PARK RIDGE IL 60068	NATIONAL ASSOCIATION OF MANUFACTURERS	1,200.00	
MICHAEL F. DUFFY, 1920 N ST. NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
C. R. DUGGAN, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
FRANCIS J. DUGGAN, 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	310.08	524.99
LAURIE DUKER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	4,950.00	1,065.01
EVELYN DUKOVIC, 3 EAST 86TH ST. NEW YORK NY 10028	MORALITY IN MEDIA, INC		
MERVIN E. DULLUM, 1629 K ST., NW, #204 WASHINGTON DC 20006	DELTA AIR LINES, INC	200.00	82.60
DON R. DUNCAN, 1825 K ST.,NW SUITE 1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY		
DUNCAN, WEINBERG, & MILLER, SUITE 1200 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ADOLPH KIZAS		
Do	EAST BAY REGIONAL PARK DISTRICT		
Do	IVA MAY HARVEY		
Do	HURON-CLINTON METROPOLITAN AUTHORITY		
Do	KONIAG, INC		
Do	MID WEST ELECTRIC CONSUMERS' ASSN, INC		
Do	STATE OF NORTH DAKOTA		
Do	WESTERN FUELS ASSOCIATION, INC		
JAMES W. DUNLOP, 195 MONTAGUE ST. BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
MARI LEE DUNN, SUITE 520 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION		
JOHN H. DUNNE, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
JAMES A. DUPREE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	4,200.00	1,290.00
JOSEPH L. DURAN, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
B. J. DURHAM, P.O. BOX 2121 CORPUS CHRISTI TX 78403	CENTRAL POWER AND LIGHT COMPANY	310.00	3,764.25
EDWARD J. DURKIN, SUITE 408 815 16TH STREET, NW WASHINGTON DC 20006	FOOD AND BEVERAGE TRADES DEPT., AFL-CIO	499.20	
DANIEL A. DUTKO, SUITE 214 412 FIRST STREET, SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORP OF AMERICA	2,499.00	
Do	CALIFORNIA WESTSIDE FARMERS	833.33	
Do	DOUGLAS OIL PURCHASING CORP	4,166.68	
Do	HILLCREST EQUITIES, INC		
Do	INDEPENDENT PETROLEUM ASSN OF THE MOUNTAIN STATES		
Do	ST. JOE MINERALS CORPORATION	1,500.00	
DENIS J. DWYER, 700 NORTH FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INST	342.00	
RODERICK T. DWYER, 1920 N STREET,N.W. WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JAMES W. DYKE JR., SIDLEY & AUSTIN 1722 EYE STREET, NW WASHINGTON DC 20006	CONTRACT STAFFING OF AMERICA, INC		
EDITH W. DYLAN, SUITE 906 1828 L STREET, NW WASHINGTON DC 20036	MERRILL LYNCH & CO, INC		
DENNIS J. EARHART, 1753 EUCLID AVE., NW WASHINGTON DC 20009	BONNEVILLE ASSOCIATES, INC. (FOR: WESTERN REGIONAL COUNCIL)	277.55	
JACK D. EARLY, 1155 15TH ST., NW, #514 WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN	35.00	
ROY W. EASLEY, 1735 DE SALES ST., NW WASHINGTON DC 20036	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC		
GEORGE H. EATMAN, SUITE 3210 490 L'ENFANT PLAZA, SW WASHINGTON DC 20024	SLURRY TRANSPORT ASSN	1,000.00	
EATON ASSOCIATES, INC, 1750 K ST., NW, SUITE 260 WASHINGTON DC 20006			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CHARLES H. EATON, SUITE 260 1750 K STREET, NW WASHINGTON DC 20006	EATON ASSOCIATES, INC.		
ROBERT E. L. EATON, 1750 K ST., NW, SUITE 260 WASHINGTON DC 20006	EATON ASSOCIATES, INC.		
DONALD R. EBE, 1800 K ST., NW, #800 WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER CO	3,125.00	
ROBERT E EBEL, 1025 CONNECTICUT AVE., NW, #1014 WASHINGTON DC 20036	ENSERCH CORPORATION	1,450.00	873.00
N. BOYD ECKER, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	MOBIL OIL CORP	1,500.00	26.65
ROBERT C. ECKHARDT, 1750 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	CONSOLIDATED NATURAL GAS CO	6,666.67	
Do	CONSUMER FEDERATION OF AMERICA	2,967.62	
Do	INVESTMENT COMPANY INSTITUTE	5,000.01	
PATRICIA K. ECONOMOS, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
EDELMAN INTERNATIONAL CORP, 1730 PENNSYLVANIA AVE., NW, #460 WASHINGTON DC 20006	DGA INTERNATIONAL (FOR: AIRBUS INDUSTRIE)		
Do	DGA INTERNATIONAL (FOR: SOFREAVIA)		
Do	ELECTRONIC INDUSTRIES ASSN OF JAPAN		
Do	REPUBLIC OF UGANDA		
PETER B. EDELMAN, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: CITY OF MINNEAPOLIS)		
Do	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: INDEPENDENT REFINERS ASSOCIATION OF AMERICA).		
DANIEL J. EDELMAN, INC., SUITE 460 1730 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMERICAN SEAT BELT COUNCIL		
Do	ROSES, INC		
Do	SONY CORP OF AMERICA		
WILLIAM R. EDGAR, SUITE 401 815 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	GATES LEARJET CORPORATION		
HELEN H. EDGE, 700 N. FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INST	391.25	
ARTHUR B. EDGEWORTH JR., 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	3,750.00	
EDISON ELECTRIC INSTITUTE, 9TH FLOOR 1111 19TH ST., NW WASHINGTON DC 20036		21,123.16	92,939.69
V. ANNE EDLUND, 1909 K ST., NW, #300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC.		
STEPHEN L. EDMISTON, 807 MAINE AVE., SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	9,825.60	2,378.72
EDS CORPORATION, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003			2,490.53
CHRISTINE A. EDWARDS, 1211 CONNECTICUT AVE., N.W. SUITE 802 WASHINGTON DC 20036	SEARS, ROEBUCK AND CO	538.89	76.05
J. RODNEY EDWARDS, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
MACON T. EDWARDS, 1030 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMER	4,200.00	126.88
MAX N. EDWARDS, 1511 K STREET, NW, #1100 WASHINGTON DC 20005	FRANK G. KINGSLEY	5,000.00	75.00
MICHAEL D. EDWARDS, 1201 16TH STREET, NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	1,891.80	100.00
WILLIAM A. EDWARDS, 250 OLD COUNTRY ROAD MINEOLA NY 11501	LONG ISLAND LIGHTING CO.	1,925.00	1,332.03
PAUL S. EGAN, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	7,143.00	89.70
EGGERS & GREENE, 1407 MAIN ST. SUITE 335 DALLAS TX 75202	LTV CORPORATION	3,000.00	1,532.31
SARA EHRMAN, 444 NORTH CAPITOL ST., NW, #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	1,704.66	
MARY ANN EICHENBERGER, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS	2,800.00	
JILL W. EILAND, 507 SECOND STREET, NE WASHINGTON DC 20002	PORTLAND GENERAL ELECTRIC		
ALBERT C. EISENBERG, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS	8,500.00	164.65
CARL W. EK, SUITE 202 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	3,634.63	119.35
JONATHAN P. ELA, 142 W. GORHAM MADISON WI 53703	SIERRA CLUB	1,377.00	2,014.44
H. J. ELAM III, 1201 MAPLE ST. GREENSBORO NC 27405	CONE MILLS CORPORATION		
JANE E. ELDER, 142 W. GORHAM MADISON WI 53703	SIERRA CLUB	1,282.50	
TIMOTHY L. ELDER, 1850 K ST., NW SUITE 925 WASHINGTON DC 20006	CATERPILLAR TRACTOR CO.	2,500.00	1,310.99
GEORGE K. ELIADES, 1401 WILSON BLVD., #205 ARLINGTON VA 22209	SOCIETY OF AMERICAN WOOD PRESERVERS, INC	150.00	220.00
J. BURTON ELLER JR., 425 13TH ST., NW, #1020 WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
CHARLES W. ELLIOTT, WISCONSIN PETROLEUM COUNCIL 25 W. MAIN ST., #703 MADISON WI 53703	AMERICAN PETROLEUM INST	96.56	
JOHN DOYLE ELLIOTT, 5500 QUINCY ST. HYATTSVILLE MD 20784		81.68	116.68
STEVE ELLIOTT, 765 BROAD ST NEWARK NJ 07101	FIDELITY UNION TRUST CO		
JOHN ELLIS, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
KEITH H. ELLIS, 1015 18TH ST., NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	371.00	
PERRY R. ELLSWORTH, SUITE 435 1425 H ST., NW WASHINGTON DC 20005	NATIONAL COUNCIL OF AGRICULTURAL EMPLOYERS	1,500.00	14.95
JOSEPH T. ELVOVE, 54 SURFWATCH DRIVE KIAWAH ISLAND SC 29455	PUBLICKER INDUSTRIES, INC.		1,292.69
CARL F. EMDE, 1800 K ST., NW, #1016 WASHINGTON DC 20006	AIR PRODUCTS & CHEMICALS, INC.		
EMERGENCY COMMITTEE FOR AMERICAN TRADE, 1211 CONNECTICUT AVE. WASHINGTON DC 20036		95,091.35	68,023.60
EMERSON ELECTRIC CO, 8000 FLORISSANT ST. LOUIS MO 63136			793.42
EMPLOYEE RELOCATION COUNCIL, SUITE 600 1627 K ST., NW WASHINGTON DC 20006			2,672.61
EMPLOYERS COUNCIL ON FLEXIBLE COMPENSATION, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006			
IRENE R. EMSELLEM, 1800 M STREET, NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	14.00
LOWELL J. ENDAHL, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	175.00	
ENERGY CONSUMERS & PRODUCERS ASSN, BOX 1726 PETROLEUM PLAZA SEMINOLE OK 74868		27,300.00	3,712.23
GERTRUDE ENGEL, 2450 VIRGINIA AVE., NW WASHINGTON DC 20037	NATIONAL HEALTH FEDERATION	3,000.00	
RALPH ENGEL, 1001 CONNECTICUT AVE., NW, #1120 WASHINGTON DC 20036	CHEMICAL SPECIALTIES MFGRS ASSN		
STEVEN L. ENGELBERG, 2033 M ST., NW, #404 WASHINGTON DC 20036	AMERICAN ASSN FOR MARRIAGE & FAMILY THERAPY		
LEWIS A. ENGMAN, 1100 15TH ST., NW WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	2,500.00	
PATRICIA HANAHAN ENGMAN, 1155 15TH ST., NW WASHINGTON DC 20005	BRISTOL-MYERS CO	6,000.00	
CHRISTOPHER ENGQUIST, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
M. DALE ENSIGN, 1100 17TH ST., NW SUITE 406 WASHINGTON DC 20036	SINCLAIR OIL CORPORATION	500.00	74.10
ALLISON JOHN EPPERSON, 1140 CONNECTICUT AVENUE, NW, #310 WASHINGTON DC 20036	COUNCIL OF ENERGY RESOURCE TRIBES	138.89	
EPSTEIN, BECKER, BORSODY & GREEN, SUITE 900 1140 19TH ST., NW WASHINGTON DC 20036	AMERICAN ASSN OF FOUNDATIONS FOR MEDICAL CARE		
Do	AMERICAN ASSN OF PROFESSIONAL STANDARDS REVIEW ORGS		
Do	TDI/WINSTON NETWORK, INC		5,304.90
Do	TRANSIT ADVERTISERS ASSN		
PAUL A. EQUALE, 600 PENNSYLVANIA AVE., SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC	9,398.77	
JOHN M. ERSKINE JR , 1108 LAVACA, SUITE 400 AUSTIN TX 78701	STANDARD OIL CO (INDIANA)	263.02	373.00
SAM J. ERVIN JR., P.O. BOX 69 MORGANTON NC 28655	MEAD CORP., ANHEUSER-BUSCH & WESTVACO		
INGOLF G. ESDERS, 815 16TH STREET, NW WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSN., AFL-CIO	4,128.12	
GEORGE T. ESHERICK, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	U.S. STEEL CORPORATION	663.00	394.00
ESTATE OF MABEL R. LADD, R.R. 1 BUNKER HILL IN 46914			
JANE B. ESTERLY, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	255.00	73.25
ETHYL CORPORATION, SUITE 611 1155 15TH ST., NW WASHINGTON DC 20005			3,900.00
ALEXANDER J. EUCARE JR., 1025 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036	ENVIRONMENTAL MANAGEMENT CONSULTANTS, INC.		
STEPHEN E. EURE, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	2,000.00	698.53
JOHN FORD EVANS JR., O'CONNOR & HANNAN 1919 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	R.M. SINGER & ASSOCIATES, INC.		
Do	TRANSPORT MUTUAL SERVICES, INC.		
Do	UNITED KINGDOM MUTUAL STEAM SHIP ASSURANCE ASSN (BERMUDA)	29,394.54	
Do	WEST OF ENGLAND SHIP OWNERS MUTUAL PROTECT. & INDEMNITY ASSN		
JOSEPH O. EVANS, APARTMENT 21 4401 LEE HWY. ARLINGTON VA 22207	UNITED ACTION FOR ANIMALS, INC.		
RAE FORKER EVANS, SUITE 210 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	HALLMARK CARDS, INC.		
ROBERT D. EVANS, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
FAWN K. EVENSON, 1611 NORTH KENT ST. SUITE 900 ARLINGTON VA 22209	FOOTWEAR INDUSTRIES OF AMERICA	4,000.00	498.76
EVERETT, JOHNSON & BRECKINRIDGE, 20 EXCHANGE PLACE NEW YORK NY 10005	BACARDI CORPORATION	2,400.00	439.95
CONRAD H. C. EVERHARD, WALL STREET PLAZA NEW YORK NY 10005	AMERICAN GLOBAL LINE, INC.		1,100.00
ELLEN E. EVES, NEW MURPHY RD. AND CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC.		
JEFFREY P. EVES, SCOTT PLAZA PHILADELPHIA PA 19113	SCOTT PAPER COMPANY	1,500.00	
KY P. EWING JR., 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	VINSON & ELKINS (FOR: AMERICAN GENERAL CORPORATION)		340.53
Do	VINSON & ELKINS (FOR: GATX TERMINALS CORP)	15,863.96	8.00
Do	VINSON & ELKINS (FOR: TRAVELERS INSURANCE CO)	294,120.00	1,015.02
WAYNE S. EWING, ASSOCIATED PETROLEUM INDUSTRIES OF PA P.O. BOX 925 HARRISBURG PA 17108	AMERICAN PETROLEUM INSTITUTE		
ROBBIE G. EXLEY, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
F/P RESEARCH ASSOCIATES, SUITE 303 1700 K STREET, NW WASHINGTON DC 20006	NATIONAL CABLE TELEVISION ASSN	3,600.00	
Do	SLURRY TRANSPORT ASSN	2,500.00	
MICHAEL FADEN, SUITE 1101 1346 CONNECTICUT AVE., NW WASHINGTON DC 20006	UNION OF CONCERNED SCIENTISTS	6,300.00	
THOMAS L. FAGAN, 777 - 14TH STREET, N.W. WASHINGTON DC 20003	GENERAL ELECTRIC CO	250.00	
ROBERT R. FAHS, SUITE 205 1101 15TH ST., NW WASHINGTON DC 20005	CARGILL INC.	2,500.00	
DALE W. FALLAT, P.O. BOX 119 MAUMEE OH 43537	ANDERSONS		
GEORGE W. FALLTRICK, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
ROBERT C FARBER, 6712 OLD MCLEAN VILLAGE DR. MCLEAN VA 22101	TOSCO CORPORATION	7,700.00	248.57
THOMAS B. FARLEY II, 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST	6,010.00	74.10
FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA, P.O. BOX 2251 DENVER CO 80251		75,905.00	64,038.23
JOHN W. FARQUHAR, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	300.00	
DAGMAR T. FARR, 1750 K STREET, N.W. WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
DOLORES L. FARR, SUITE 200 1101 14TH ST., NW WASHINGTON DC 20005	AMERICAN NURSES' ASSN	4,051.36	392.49
MICHAEL FARRAR, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PENELOPE S. FARTHING, SUITE 415 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN INSURANCE ASSN	260.00	
MARCUS G. FAUST, SUITE 200 2000 L STREET, NW WASHINGTON DC 20036	KENNECOTT CORPORATION	9,000.00	
Do	KIRTON, MCCONKIE AND BUSHNELL	7,012.50	358.13
CLINTON B. FAWCETT, NINE GREENWAY PLAZA HOUSTON TX 77046	COASTAL CORPORATION		
JANE FAWCETT-HOOVER, 1801 K ST., NW, #230 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	12.50	
KEVIN J. FAY, 1815 N. FORT MYER DRIVE ARLINGTON VA 22209	AIR CONDITIONING & REFRIGERATION INSTITUTE	700.00	200.00
FEDERATION EMPLOYMENT & GUIDANCE SERVICE, 114 FIFTH AVENUE NEW YORK NY 10011		1,787.27	
FEDERATION OF AMERICAN CONTROLLED SHIPPING, 50 BROADWAY NEW YORK NY 10004		1,389.77	1,389.77
FEDERATION OF AMERICAN HOSPITALS, SUITE 402 1111 19TH ST., NW WASHINGTON DC 20036		9,000.00	9,000.00
FEDERATION OF AMERICAN SCIENTISTS, 307 MASSACHUSETTS AVE., NE WASHINGTON DC 20002			1,508.50
MICHAEL FEINSTEIN, 1319 F STREET, NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS	300.00	
JANICE A. FENBERG, SUITE 602 1155 15TH STREET, NW WASHINGTON DC 20005	PENNZOIL CO	90.00	
C. WELLES FENDRICH, P. O. BOX 1500 SOMERVILLE NJ 08876	RESEARCH-COTTRELL, INC		
JUDITH W. FENSTERER, 242 E. 80TH STREET NEW YORK NY 10021	GENERIC PHARMACEUTICAL INDUSTRY ASSN		
EDWARD T. FERGUS, 100 GOLD ST. NEW YORK NY 10038	PRUDENTIAL-BACHE SECURITIES INC	750.00	
JACK FERGUSON ASSOCIATES, 203 MARYLAND AVE., NE WASHINGTON DC 20002	ALASCOM, INC		
Do	ALASKA INTERNATIONAL INDUSTRIES		
Do	FOSS LAUNCH & TUG COMPANY; FOSS ALASKA LINE		
Do	NORTHWEST ALASKAN PIPELINE CO		
Do	U.S. BORAX		
Do	WESTERN AIRLINES		
BETSY FERGUSON, 1875 EYE STREET, N.W. SUITE 1110 WASHINGTON DC 20006	TIMES MIRROR COMPANY		
JAMES H. FERGUSON, 1140 CONNECTICUT AVE., NW, #609 WASHINGTON DC 20036	AMERICAN SOCIETY FOR PERSONNEL ADMINISTRATION	7,500.00	4,483.00
JOHN T. FERGUSON II , 1875 EYE STREET, NW WASHINGTON DC 20006	GEORGIA-PACIFIC CORP	1,400.00	13.00
JOHN L. FESTA, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
BLAINE FIELDING, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
FRED C. FIELDING, 1129 20TH STREET, NW WASHINGTON DC 20036	AM GENERAL CORPORATION	2,400.00	76.00
GARY W. FIELDS, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	200.00	153.22
EDITH U. FIERST, 1140 CONNECTICUT AVE., NW, #712 WASHINGTON DC 20036	ASSOCIATION OF AMERICAN FORIEGN SERVICE WOMEN	183.00	
HERBERT A. FIERST, 610 RING BLDG. 1200 18TH ST., NW WASHINGTON DC 20036	COUNCIL OF FOREST INDUSTRIES OF B.C.	13,125.00	505.00
MATTHEW P. FINK, 1775 K ST., NW WASHINGTON DC 20006	INVESTMENT COMPANY INSTITUTE		
FINLEY KUMBLE WAGNER HEINE UNDERBERG & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036.	AMERICAN PRESIDENT LINES, LTD	2,500.00	
Do	ASSOCIATION OF SPANISH FISHERMEN		
Do	AT-SEA INCINERATION, INC		
Do	GENSTAR CONTAINER CORP	1,250.00	
Do	GOVERNMENT OF ANTIGUA & BARBUDA		
Do	OCCIDENTAL PETROLEUM CORP	2,500.00	
Do	PLAINTIFF CLASS, CORRUGATED CONTAINER ANTITRUST LITIGATION		
Do	PLAINTIFF CLASS, PLYWOOD ANTITRUST LITIGATION	966.00	
Do	POPULATION CRISIS COMMITTEE	230.00	
Do	STEWART ENVIRONMENTAL SYSTEMS, INC		
FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER, 1775 K STREET, NW WASHINGTON DC 20006	INTERNATIONAL COMMUNICATIONS ASSN		
THOMAS D. FINNIGAN, OLD RIDGEBURY ROAD SECTION D228 DANBURY CT 06817	UNION CARBIDE CORP		
JILL FINSEN, 923 15TH ST., N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	500.00
M. J. FIOCCO, 1090 VERMONT AVE., NW WASHINGTON DC 20005	NATIONAL INDUSTRIAL TRAFFIC LEAGUE	3,000.00	23.00
LAURIE A. FIORI, 1909 K ST., NW WASHINGTON DC 20049	NATIONAL RETIRED TEACHERS ASSN/AMERICAN ASSN OF RET PERSONS	467.11	208.75
FIRST CLASS MAILERS ASSN. INC, SUITE 107 1101 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037			92.00
FIRST NATIONAL BANK OF BOSTON, 100 FEDERAL ST. BOSTON MA 02110			4,292.55
FIRST NATIONAL BOSTON CORPORATION, 100 FEDERAL ST. BOSTON MA 02110			
RICHARD L. FISCHER, 1000 16TH ST., NW WASHINGTON DC 20036	STANDARD OIL CO (INDIANA)	677.00	
DONALD W. FISHER, 3814 IVANHOE LANE ALEXANDRIA VA 22310	AMERICAN GROUP PRACTICE ASSN, INC		
CHRISTINE M. FISHKIN, 1707 L STREET, NW SUITE 200 WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		100.00
JOHN H. FITCH JR., 1725 K STREET, NW SUITE 1200 WASHINGTON DC 20006	NATIONAL ASSN. OF WHOLESALER-DISTRIBUTORS		
LAURI J. FITZ, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: NATIONAL COALITION FOR A FREE CUBA)		
Do	GRAY AND COMPANY (FOR: REPUBLIC OF HAITI)	560.00	
MARK FITZGERALD, 15TH & M ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
MARY CLARE FITZGERALD, 900 17TH STREET, NW WASHINGTON DC 20006	GOLEMBE ASSOCIATES, INC		
HILLIARD J. FJORD, 602 MAIN ST., #600 CINCINNATI OH 45202	OHIO RIVER CO	1,500.00	478.75
SUSAN G. FLACK, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	2,000.00	4.50
DANIEL V. FLANAGAN JR., SUITE 900 1776 K STREET, NW WASHINGTON DC 20006	SOUTHERN PACIFIC CO		
Do	VEPCO		
JAMES J. FLANAGAN, 25 RESEARCH DR. WESTBOROUGH MA 01581	NEW ENGLAND POWER SERVICE CO	367.29	55.00
MICHAEL FLEMING, SUITE 1010 1300 NORTH 17TH STREET ARLINGTON VA 22209	AMERICAN ASSN OF EQUIPMENT LESSORS		
FLORIDA BUSINESS ASSOCIATES, SUITE 200 2000 L STREET, NW WASHINGTON DC 20036	WESTINGHOUSE ELECTRIC CORP	4,100.00	16.00
DAVID H. FOERSTER, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
WILLIAM J. FOGARTY, 2029 K STREET, NW WASHINGTON DC 20006	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	2,000.00	
FOLEY LARDNER HOLLABAUGH & JACOBS, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CITY OF MINNEAPOLIS	2,135.00	
Do	FIRST WISCONSIN NATIONAL BANK OF MILWAUKEE		
Do	INDEPENDENT REFINERS ASSOCIATION OF AMERICA	4,554.00	73.41
Do	INSURANCE ASSOCIATION OF CONNECTICUT	2,580.00	13.31
Do	LAWYERS TITLE INSURANCE CORP	15,150.00	299.98
Do	NATIONAL GYPSUM CO./CEMENT DIV	14,355.00	15.08
LEANDER J. FOLEY III, 267 CAPE ST. JOHN RD. CAPE ST. JOHN MD 21401	NATIONAL FED OF COMMUNITY DEVELOPMENT CREDIT UNIONS		
Do	NATIONAL RURAL DEVELOPMENT & FINANCE CORP		
RAYMOND J. FOLEY, 1430 K ST., NW, #1000 WASHINGTON DC 20005	NATIONAL CANDY WHOLESALERS ASSN, INC		
FOOD AND BEVERAGE TRADES DEPARTMENT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		12,648.05	12,648.05
FOOD MARKETING INSTITUTE, 1750 K ST., NW WASHINGTON DC 20006			4,450.00
FOODSERVICE & LODGING INST, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006			
GORDON FORBES, 303 HANOVER BLDG., 480 CEDAR ST. ST. PAUL MN 55101	MINNESOTA RAILROADS		
LAURENCE S. FORDHAM, FOLEY, HOAG & ELIOT ONE POST OFFICE SQUARE BOSTON MA 02109	C & S WHOLESALE GROCERS, INC	3,200.00	
DONALD D. FOREMAN, SUITE 324 4640 W. 77TH MINNEAPOLIS MN 55437	STANDARD OIL CO (INDIANA)		
FOREST FARMERS ASSOCIATION, P.O. BOX 95385 ATLANTA GA 30347			
FOREST INDUSTRIES COMMITTEE ON TIMBER VALUATION & TAXATION, 1250 CONNECTICUT AVE., NW WASHINGTON DC 20036.		129.30	129.30
EDWARD H. FORGOTSON, 1627 K ST., NW 10TH FLOOR WASHINGTON DC 20006	TEXAS OIL & GAS CORP		
MARK A. FORMAN, SUITE 600 S 1120 20TH STREET, NW WASHINGTON DC 20036	UNION PACIFIC CORP	625.00	149.05
SALLIE H. FORMAN, 1825 K ST., NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	1,375.00	14.75
NANCY E. FOSTER, SUITE 510 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN SOYBEAN ASSN	575.00	83.97
NANCY P. FOSTER, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	200.00	
ROBERT U. FOSTER, SUITE 1250 1110 VERMONT AVE., NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA		
EBERT E. FOURNACE, 3706 EATON RD., NW CANTON OH 44708	AMERICAN ELECTRIC POWER SERVICE CORP		
ERIC R. FOX, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	APPLE COMPUTER CORP		
Do	EMPLOYEE RELOCATION COUNCIL		
DAVID E. FRANASIAK, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		4.15
WILLIAM C. FRANCE, 1701 K ST., NW, #1204 WASHINGTON DC 20006	NATIONAL MOTORSPORTS COMM OF ACCUS		
WILLIAM H. G. FRANCE, 1701 K ST., NW SUITE 1204 WASHINGTON DC 20006	NATIONAL MOTORSPORTS COMM OF ACCUS		
DOUGLAS L. FRANCISCO, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		112.00
PETER M. FRANK, SUITE 906 1625 K STREET, NW WASHINGTON DC 20006	KERR-MCGEE CORP	2,500.00	957.22
ALFRED S. FRANK, JR., SUITE 320 1140 19TH ST., NW WASHINGTON DC 20036	NCR CORPORATION		
WALTER L. FRANKLAND JR , 1717 K ST., NW WASHINGTON DC 20006	SILVER USERS ASSN, INC	1,300.20	146.56
THOMAS C. FRANKS, 604 SOLAR BUILDING 1000 16TH STREET, NW WASHINGTON DC 20036	AMERICAN LAND DEVELOPMENT ASSN	1,500.00	767.09
CHARLES L. FRAZIER, 475 L'ENFANT PLAZA, SW, #2250 WASHINGTON DC 20024	NATIONAL FARMERS ORGANIZATION	4,708.33	3,211.82
GREGORY W. FRAZIER, P.O. BOX 427 ENGLEWOOD CO 80151	INTERNATIONAL ENERGY BROKERS, INC		
DONALD A. FREDERICK, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	116.50	
ROBERT M. FREDERICK, 1616 H ST., NW WASHINGTON DC 20006	NATIONAL GRANGE	4,625.00	
FREDERICK SERVICE GROUP, P.O. BOX 547 FREDERICK MD 21701			
D. MICHAL FREEDMAN, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	6,400.03	
JAMES O. FREEMAN, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	2,925.00	25.00
LEWIS R. FREEMAN JR., 605 14TH STREET, NW WASHINGTON DC 20005	SOCIETY OF THE PLASTICS INDUSTRY		
LINDA J. FREEMAN, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	353.08	
DAVID W. FREER, 1050 17TH ST., NW WASHINGTON DC 20036	WESTERN OIL AND GAS ASSOCIATION		
PAULA A. FREER, 1800 M ST., NW, #975 WASHINGTON DC 20036	MARATHON OIL CO		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ROBERT E. FREER, SUITE 2200 1000 WILSON BLVD. ARLINGTON VA 22209	KIMBERLY-CLARK CORP		
RONNA FREIBERG, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: ASARCO)		
Do	GRAY AND COMPANY (FOR: BUDD COMPANY)	125.00	
Do	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)		
Do	GRAY AND COMPANY (FOR: GENERAL TELEPHONE & ELECTRONICS)		
Do	GRAY AND COMPANY (FOR: HAMBROS BANK LIMITED)	625.00	
Do	GRAY AND COMPANY (FOR: HEALTH INSURANCE ASSN OF AMERICA)		
Do	GRAY AND COMPANY (FOR: MINIMUM TAX COALITION)		
Do	GRAY AND COMPANY (FOR: MOTOROLA)		
Do	GRAY AND COMPANY (FOR: SHAKLEE CORPORATION)		
Do	GRAY AND COMPANY (FOR: SHARPS, PIXLEY & COMPANY, LTD.)	625.00	
Do	GRAY AND COMPANY (FOR: RICHARD L. SINNOTT & COMPANY)		
Do	GRAY AND COMPANY (FOR: TOBACCO INSTITUTE)		
Do	GRAY AND COMPANY (FOR: WARNER COMMUNICATIONS)		
VERRICK O. FRENCH, 1000 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	550.00	15.00
SARA HAMRIC FREUND, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
GEORGE L. FRICK, DELAWARE PETROLEUM COUNCIL 20 E.DIVISION ST. DOVER DE 19901	AMERICAN PETROLEUM INST		
SUSAN FRIDY, 1848 WILSON BLVD. ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,490.00	
FRIED FRANK HARRIS SHRIVER & KAMPELMAN, SUITE 1000 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	AGRIGENETICS CORPORATION		
Do	CHEYENNE RIVER SIOUX TRIBE	100.14	21.40
Do	DIAMOND DEALERS CLUB, INC		1,139.78
Do	DOYON, LIMITED		
Do	MAKAH INDIAN TRIBE		
Do	METLAKATLA INDIAN COMMUNITY	4,134.00	24.20
Do	MICCOSUKEE TRIBE OF INDIANS OF FLORIDA	1,305.00	9.70
Do	MICHELIN TIRE COMPANY		
Do	NEZ PERCE TRIBE	4,747.00	9.90
Do	NORTON SOUND HEALTH CORPORATION		
Do	OGLALA SIOUX TRIBE OF THE PINE RIDGE RES		
Do	PUEBLO OF LAGUNA	1,852.60	40.50
Do	ROSEBUD SIOUX TRIBE		
Do	SCHENLEY INDUSTRIES, INC		203.57
Do	SENECA NATION OF INDIANS	4,310.00	13.30
Do	SOUTHERN BROOKLYN COMMUNITY ORGANIZATION		
PHILIP P. FRIEDLANDER JR., 1343 L ST., NW WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN	3,500.00	
FRIEDMAN & MANN, P.C., 810 18TH ST., NW WASHINGTON DC 20006	COUSHATTA TRIBE OF LOUISIANA		
JAMES M. FRIEDMAN, 700 TERMINAL TOWER CLEVELAND OH 44113	CLEVELAND ELECTRIC ILLUMINATING CO		
Do	COALITION FOR ENVIRONMENTAL-ENERGY BALANCE	4,950.00	835.04
GAY H. FRIEDMANN, 1150 CONNECTICUT AVE., NW, #717 WASHINGTON DC 20036	SOUTHERN CALIFORNIA GAS CO	7,075.00	138.71
FRIENDS OF THE COLUMBIA GORGE, ROOM 303 519 SW THIRD PORTLAND OR 97204			
SUSAN T. FRITSCHLER, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,024.00	384.17
CHARLES H. FRITTS, 2009 NORTH 14TH ST. SUITE 600 ARLINGTON VA 22201	NEW BEDFORD SEAFOOD COUNCIL, INC	6,600.00	628.25
ROBERT D. FRITZ, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	1,300.00	1,300.00
CHARLES H. FRITZEL, 499 S. CAPITOL ST., SE, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	300.00	250.00
RICHARD B. FROH, SUITE 1014 900 17TH STREET, NW WASHINGTON DC 20006	KAISER FOUNDATION HEALTH PLAN	15,000.00	2,207.94
RICH FRUCHTERMAN, 2355 SOUTH NITH STREET ARLINGTON VA 22204	U.S. TELEPHONE COMMUNICATIONS, INC		
GORDON H. FRY, SUITE 1201 1100 17TH ST., NW WASHINGTON DC 20036	CIGAR ASSOCIATION OF AMERICA, INC		
RONALD K. FULLER, 316 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	SAN DIEGO GAS & ELECTRIC	1,846.80	2,505.85
CLAUDIA R. FUQUAY, 1133 20TH ST., NW WASHINGTON DC 20036	NATIONAL FOOD PROCESSORS ASSN	500.00	25.05
DAVID H. FYOCK, SUITE 520 600 MARYLAND AVE., SW WASHINGTON DC 20024	GPU SERVICE CORPORATION	3,711.00	810.62
MARC P. GABOR, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO	3,000.00	170.35
TERRY GABRIELSON, 490 L'ENFANT PLAZA, SW, #3202 WASHINGTON DC 20024	TRANSCONTINENTAL GAS PIPELINE CORP	450.00	
GADSBY & HANNAH, SUITE 511 1129 20TH STREET, NW WASHINGTON DC 20036	GOVERNMENT OF BELIZE	13,500.00	798.81
Do	GOVERNMENT OF REPUBLIC OF PANAMA		175.23
Do	SUGAR ASSN OF THE CARIBBEAN	17,300.00	1,310.17
JAMES E. GAFFIGAN, SUITE 607 1899 L STREET, NW WASHINGTON DC 20036	TRAVEL & TOURISM GOVERNMENT AFFAIRS POLICY COUNCIL	1,625.00	
NORMAN S. GAINES, 2550 M ST., NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	2,200.00	532.00
JOE H. GALIS, P.O. BOX 1100 SLOTE 1455 AVON PARK FL 33825			
LAWRENCE H. GALL, P.O. BOX 1396 HOUSTON TX 77251	TRANSCO COMPANIES, INC		
ANN E. GALLAGHER, 1111 NORTH 19TH STREET, SUITE 700 ARLINGTON, VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	600.00	
HENRY T. GALLAGHER, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	5,000.00	15.68
LINDA P. GALLAGHER, 1925 K STREET, NW WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY		
MARK J. GALLAGHER, 1707 L ST., NW, #400 WASHINGTON DC 20036	NATIONAL COMM FOR A HUMAN LIFE AMENDMENT, INC	5,489.00	2,838.00
KARL GALLANT, 8001 BRADDOCK ROAD SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMMITTEE	375.00	180.85
LARRY GALLO, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHEMICAL SPECIALTIES MANUFACTURERS ASSN		
KIMBERLY A. GAMBLE, 110 MARYLAND AVENUE, NE WASHINGTON DC 20002	U.S. COMMITTEE FOR UNICEF	4,804.62	
WILLIAM R. GANSER JR., 4804 FOLSE DR. METAIRIE LA 70002	SOUTHERN FOREST PRODUCTS ASSN	2,405.96	
NICOLE GARA, SUITE 700 2341 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	AMERICAN ACADEMY OF PHYSICIAN ASSISTANTS	6,219.22	
MICHAEL N. GARABEDIAN, 14TH FLOOR 228 E. 45TH STREET NEW YORK NY 10017	SIERRA CLUB	32.51	
SHERWIN GARDNER, 1010 WISCONSIN AVE., NW SUITE 800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
GARDNER, CARTON & DOUGLAS, 1875 I ST., NW WASHINGTON DC 20006	AMERICAN HEALTH CARE ASSN		
Do	FTC COMMUNICATIONS, INC		
Do	EDWARD HINES LUMBER CO		
Do	K-A COMPANY		
Do	MIDCON CORP		
EDWARD A. GARMATZ, 2210 LAKE AVE. BALTIMORE MD 21213	BALTIMORE GAS & ELECTRIC CO		
NICHOLAS P. GARNETT, SUITE 410 1025 VERMONT AVE., NW WASHINGTON DC 20005	NATIONAL INSULATION CONTRACTORS ASSN		
JAMES J. GARRY, 77 WATER ST. NEW YORK NY 10005	COFFEE, SUGAR & COCOA EXCHANGE, INC		
JOHN C. GARTLAND, 1019 19TH STREET, NW WASHINGTON DC 20036	AMWAY CORPORATION	8,250.00	24.00
E. JUNE GARVIN, OHIO PETROLEUM COUNCIL 88 E. BROAD SUITE 1960 COLUMBUS OH 43215	AMERICAN PETROLEUM INST	4,000.00	93.11
W. BRADFORD GARY, 1050 17TH STREET, NW, #1126 WASHINGTON DC 20036	BAXTER TRAVENOL LABORATORIES, INC		
GAS APPLIANCE MFGRS ASSN, INC, 1901 NORTH FORT MYER DR. ARLINGTON VA 22209			
LILLIAN B. GASKIN, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
PHILIP GASTEYER, 1709 NEW YORK AVE., NW SUITE 801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	5,875.00	
WAYNE GATHERS, 1925 K STREET, NW, #507 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY	915.30	
JOHN GAUTHIER, 923 15TH STREET, N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	302.00
JOHN R. GEIGER, SUITE 506 1660 L ST., NW WASHINGTON DC 20036	GOULDS PUMPS, INC	500.00	
ROBERT C. GELARDI, 5775 PEACHTREE-DUNWOODY RD. #500-D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	240.00	
MORTON A. GELLER, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
JOSE A. GEMEIL, SUITE 302 1100 17TH STREET, NW WASHINGTON DC 20036	SAMUEL E. STAVISKY & ASSOCIATES, INC (FOR: INSTITUTO BRASILEIRO DO CAFE)	200.00	15.00
GENERAL AVIATION MANUFACTURERS ASSOCIATION, SUITE 517 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036			639.29
GENERAL INSTRUMENT CORPORATION, 1775 BROADWAY NEW YORK NY 10019		100.00	197.55
GENERIC PHARMACEUTICAL INDUSTRY ASSN., 18TH FLOOR 600 THIRD AVENUE NEW YORK NY 10016		26,244.37	26,244.37
FRED J. GENTILE, 195 MONTAGUE STREET BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
JOHN GENTILLE, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
GEORGE AND GEORGE, 499 SOUTH CAPITOL ST., SW SUITE 400 WASHINGTON DC 20003	PEPSICO, INC		
Do	RISS INTERNATIONAL		
NANCY WHORTON GEORGE, 499 SOUTH CAPITOL STREET, SW, #400 WASHINGTON DC 20003	CELERON		
GEORGE W. GEPHART, 6104 MAYWOOD AVENUE BALTIMORE MD 21209	BALTIMORE GAS & ELECTRIC CO		
JOSEPH G. GERARD, 918 16TH ST., N.W. # 402 WASHINGTON DC 20006	SOUTHERN FURNITURE MFGRS ASSN	1,500.00	1,041.76
LOUIS GERBER, 1925 K ST., NW WASHINGTON DC 20006	COMMUNICATIONS WORKERS OF AMERICA	6,127.02	141.60
LLEWELLYN H. GERSON, 425 13TH STREET, NW WASHINGTON DC 20004	DISTILLED SPIRITS COUNCIL OF THE U.S., INC	2,000.00	300.00
PHYLLIS H. GERSTELL, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
ALVIN J. GESKE, DAVIS & MCLEOD 499 S. CAPITOL ST., SW, #407 WASHINGTON DC 20003	NATIONAL CATTLEMEN'S ASSN		
Do	NATIONAL CORP FOR HOUSING PARTNERSHIPS		
DOROTHY F. GEVINSON, 1801 K ST., NW SUITE 230 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO		
ROBERT N. GIAIMO, 499 SOUTH CAPITOL ST., S.W. SUITE 110 WASHINGTON DC 20003	INSURANCE ASSOCIATION OF CONNECTICUT	11,500.00	
WAYNE GIBBENS, 1919 PENNSYLVANIA AVE., NW, #503 WASHINGTON DC 20006	MID-CONTINENT OIL & GAS ASSN	6,200.00	59.75
ANNE MARIE GIBBONS, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
CLIFFORD S. GIBBONS, 1010 WISCONSIN AVENUE, N.W. SUITE 800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	4,224.00	143.85
GIBSON, DUNN & CRUTCHER, 1776 G STREET, NW WASHINGTON DC 20006	ASSOCIATED SPECIALTY CONTRACTORS, INC		
Do	MECHANICAL CONTRACTORS ASSN OF AMERICA, INC		
GIC FINANCIAL SERVICES CORP., SUITE 420 9701 W. HIGGINS ROAD ROSEMONT IL 60018			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
WILLIAM G. GIERY, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOODSERVICE & LODGING INST.		
NORMA J. GILBERT, 1776 K ST., NW, #200 WASHINGTON DC 20006	MOTOROLA, INC	500.00	164.21
RICHARD GILBERT, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	1,222.00	
SUSAN GILBERT, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
ARTHUR P. GILDEA, 274 GLENFIELD CT. CINCINNATI OH 45238	BREWERY & SOFT DRINK WORKERS, NATIONAL CONFERENCE		
MICHAEL GILDEA, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	14,654.22	178.69
JOHN E. GILES, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMER, INC.	1,550.00	1,938.24
FLOYD H. GILKEY, 2111 HARBOR DRIVE ANNAPOLIS MD 21401	CHESAPEAKE INDUSTRIES, INC.		
JOSEPH S. GILL, BRICKER & ECKLER 100 E. BROAD STREET COLUMBUS OH 43215	NORFOLK SOUTHERN	5,000.00	
JACQUELINE GILLAN, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH		
MARK W. GILLASPIE, P.O. BOX 1188 HOUSTON TX 77001	HOUSTON NATURAL GAS CORP		
NEAL P. GILLEN, 1707 L ST., NW, #460 WASHINGTON DC 20036	AMERICAN COTTON SHIPPERS ASSN	24,000.00	1,336.59
WILLIAM GILMARTIN, SUITE 303 1220 19TH STREET, NW WASHINGTON DC 20036	PLANNED PARENTHOOD FEDERATION OF AMERICA, INC.		
JOE L GILMORE, 1745 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	GENERAL DYNAMICS LAND SYS.		
DAVID S. GILROY, 715 EIGHTH STREET, NW WASHINGTON DC 20003	NATIONAL VICTIMS OF CRIME		
MARLA F. GILSON, 444 NORTH CAPITOL STREET, N.W. # 412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	718.75	
SAMUEL P. GINDER, 2361 S. JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	PRESEARCH, INC		
GINSBURG, FELDMAN AND BRESS, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	COAL OIL PRODUCERS ASSOCIATION	500.00	349.30
Do	BELCHER TOWING COMPANY	300.00	20.14
GERARD GIOVANIELLO, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	754.76
BRENDA M. GIRTON, 1211 CONNECTICUT AVENUE, N.W. # 802 WASHINGTON DC 20036	SEARS, ROEBUCK AND CO	90.00	22.01
JONAH GITLITZ, SUITE 905 1730 K ST., NW WASHINGTON DC 20006	DIRECT MAIL MARKETING ASSOCIATION		
MICHAEL J. GIUFFRIDA, SUITE 450 600 MARYLAND AVE., SW WASHINGTON DC 20024	NATIONAL FROZEN FOOD ASSOCIATION	2,642.00	
DAVID B. GLANCEY, 2600 THE FIDELITY BUILDING PHILADELPHIA PA 19109	PHILADELPHIA STOCK EXCHANGE	7,700.00	559.29
JAY W. GLASMANN, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	EMPLOYEE RELOCATION COUNCIL		
SOL GLASNER, SUITE 810 2000 L ST., NW WASHINGTON DC 20036	SPERRY CORPORATION		
CLAUDE R. GLAZE, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	1,000.00	1,000.00
GEORGE L. GLEASON, 410 1ST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	2,225.00	77.92
JOHN P. GLEASON, 1750 OLD MEADOW RD. MCLEAN VA 22102	BRICK INSTITUTE OF AMERICA		
LAW OFFICES OF THOS ONE STATE STREET PLAZA NEW YORK NY 10004	INTERNATIONAL LONGSHOREMAN'S ASSOCIATION, AFL-CIO		
ROBERT GLEASON, 815 SIXTEENTH STREET, N.W. WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO	6,714.00	
GLENMEDE TRUST CO., 229 S. 18TH ST. PHILADELPHIA PA 19103			
JERE W. GLOVER, SUITE 1201 1001 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL FOR INDUSTRIAL INNOVATION		
Do	SERVICE STATION DEALERS OF AMERICA	3,504.50	
GNAU, CARTER, JACOBSEN & ASSOC., INC., 1777 F STREET, NW WASHINGTON DC 20006	AMYRCON CORPORATION		
Do	BEZTAK COMPANY		
Do	CAC ASSOCIATES		
Do	GRAND TRAVERSE DEVELOPMENT, INC.		
Do	MOVE DETROIT FORWARD FUND		
Do	POTTER INSTRUMENT CO., INC.		
Do	RJK CONSTRUCTION COMPANY		
Do	SANDERS CORPORATION		
Do	URBAN REVITALIZATION, INC.		
GODFREY ASSOC, INC, SUITE S-501 918 16TH ST., NW WASHINGTON DC 20006			
HORACE D. GODFREY, 918 16TH ST., NW, SUITE S-501 WASHINGTON DC 20006	GODFREY ASSOC, INC		
A. JAMES GOLATO, 1701 K STREET, NW WASHINGTON DC 20006	H&R BLOCK, INC		
HARVEY S. GOLD, 1015 15TH ST., NW, #909 WASHINGTON DC 20005	VELSICOL CHEMICAL CORP		
MARTIN B. GOLD, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: AMERICAN IRON & STEEL INSTITUTE)	595.00	
Do	GRAY AND COMPANY (FOR: AMERICAN MARITIME ASSN)	340.00	
Do	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)		
Do	GRAY AND COMPANY (FOR: EASTERN MICROWAVE, INC)		
Do	GRAY AND COMPANY (FOR: HAMBROS BANK LTD)	1,785.00	
Do	GRAY AND COMPANY (FOR: NEWCHANNELS CORP)		
Do	GRAY AND COMPANY (FOR: SHARPS, PIXLEY & CO., LTD.)	1,785.00	
Do	GRAY AND COMPANY (FOR: RICHARD L. SINNOTT & COMPANY)	5,185.00	
Do	GRAY AND COMPANY (FOR: WARNER COMMUNICATIONS, INC)		
HOWARD S. GOLDBERG, 1225 19TH ST., NW WASHINGTON DC 20036	DGA INTL, INC (FOR: AIRBUS INDUSTRIE)	328.80	517.15
Do	DGA INTL, INC. (FOR: SOFREAVIA)		
JANE A. GOLDEN, 1775 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: NATIONAL GYPSUM CO./CEMENT DIV.)		
RONALD L. GOLDFARB, GOLDFARB, SINGER & AUSTERN 918 16TH STREET, NW, #503 WASHINGTON DC 20003	WASHINGTON INDEPENDENT WRITERS, INC.		
JACK GOLODNER, 815 16TH ST., N.W. WASHINGTON DC 20006	DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO	3,660.51	
JOHN GONELLA, SUITE 200 412 FIRST STREET, SE WASHINGTON DC 20036	ASSOCIATION OF AMERICAN RAILROADS		
RUTH GONZE, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
CHARLES E. GOODELL, 1225 19TH ST., NW WASHINGTON DC 20036	DGA INTL, INC. (FOR: SOFREAVIA)		
VANCE V. GOODFELLOW, 307 4TH AVE., SOUTH, P.O. BOX 15047 MINNEAPOLIS MN 55415	CROP QUALITY COUNCIL		
ROBERT F. GOODWIN, 1850 K ST., NW, SUITE 275 WASHINGTON DC 20006	MEREDITH CORP	40.00	27.80
BENJAMIN GORDON, 2000 P ST., NW, #708 WASHINGTON DC 20036	HEALTH RESEARCH GROUP		
DOUGLAS GORDON, 1133 20TH STREET, N.W. WASHINGTON DC 20036	NATIONAL FOOD PROCESSORS ASSN.	375.00	
IRMGARD GORDOS, P.O. BOX 722 JEFFERSON CITY MO 65102	AMERICAN SECURITY COUNCIL		
BRENDA J. GORE, SUITE 2600 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC.	1,000.00	
MILLICENT GORHAM, SUITE 400E 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
JAMES D. GORMLEY, 1025 CONNECTICUT AVENUE, N.W. SUITE 517 WASHINGTON DC 20036	GENERAL AVIATION MANUFACTURERS ASSOCIATION	639.29	
PETER GOSSENS, 1717 MASSACHUSETTS AVE., NW, #503 WASHINGTON DC 20036	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	11,250.00	350.00
JOHN T. GOULD JR., SUITE 805 1625 EYE STREET, NW WASHINGTON DC 20006	ST. REGIS PAPER CO	500.00	700.00
GOVERNMENT RELATIONS ASSOCIATES, INC, 1629 K ST., NW, SUITE 401 WASHINGTON DC 20006	KAISER STEEL CORP	750.00	750.00
EDMOND GRABER, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
JOHN R. GRAFF, SUITE 330 1025 VERMONT AVE., NW WASHINGTON DC 20005	INTERNATIONAL ASSN OF AMUSEMENT PARKS AND ATTRACTIONS		
GRAHAM & JAMES, SUITE 1200 1050 17TH STREET, NW WASHINGTON DC 20036	NEPTUNE ORIENT LINES, LTD		
DONALD E. GRAHAM, 1800 MASSACHUSETTS AVE., NW, #604 WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES		
LAWRENCE T. GRAHAM, 1101 CONNECTICUT AVE., NW, #1006 WASHINGTON DC 20036	AMERICAN HOTEL & MOTEL ASSN	1,346.00	
LUIS L. GRANADOS, 1725 DESALES STREET, N.W., SUITE 401 WASHINGTON, DC 20036	ESOP ASSOCIATION OF AMERICA	6,000.00	5,779.40
WILLIAM W. GRANT, SUITE 710 1150 CONNECTICUT AVE., NW WASHINGTON DC 20036	UTAH INTL, INC		
JAMES L. GRANUM, 920 15TH ST., NW WASHINGTON DC 20005	NORFOLK SOUTHERN CORP	1,000.00	
MICHAEL R. GRAUL, 1725 DESALES ST., NW SUITE 401 WASHINGTON DC 20036	AMERICAN HARDWARE MANUFACTURERS ASSN	1,000.00	
Do	CUTTING TOOL MANUFACTURERS ASSN & METAL CUTTING TOOL INST	1,200.00	
JAMES A. GRAY, 7901 WESTPARK DR. MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	741.67	25.00
ROBERT K. GRAY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: AMERICAN IRON AND STEEL INSTITUTE)		
Do	GRAY AND COMPANY (FOR: AMERICAN MARITIME ASSN)		
Do	GRAY AND COMPANY (FOR: AMERICAN TRUCKING ASSN)		
Do	GRAY AND COMPANY (FOR: ASARCO)		
Do	GRAY AND COMPANY (FOR: BENDIX CORPORATION)		
Do	GRAY AND COMPANY (FOR: COLLEGE OF AMERICAN PATHOLOGISTS)	58.33	
Do	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)	87.50	
Do	GRAY AND COMPANY (FOR: COUNCIL OF STATE HOUSING AGENCIES)		
Do	GRAY AND COMPANY (FOR: EASTERN MICROWAVE, INC)		
Do	GRAY AND COMPANY (FOR: EL PASO NATURAL GAS)		
Do	GENERAL TELEPHONE & ELECTRONICS		
Do	GRAY AND COMPANY		
Do	GRAY AND COMPANY (FOR: GROUP W)		
Do	GRAY AND COMPANY (FOR: HAMBROS BANK LIMITED)		
Do	GRAY AND COMPANY (FOR: HEALTH INSURANCE ASSN OF AMERICA)	58.33	
Do	GRAY AND COMPANY (FOR: HRH PRINCE TALAL BIN ABDUL AZIZ AL SAUD)	700.00	
Do	GRAY AND COMPANY (FOR: HTB CORPORATION)		
Do	GRAY AND COMPANY (FOR: MINIMUM TAX COALITION)		
Do	GRAY AND COMPANY (FOR: MOTOROLA)		
Do	GRAY AND COMPANY (FOR: NATIONAL COALITION FOR A FREE CUBA)		
Do	GRAY AND COMPANY (FOR: NEW CHANNELS CORP)		
Do	GRAY AND COMPANY (FOR: QUIXOTE CORPORATION)		
Do	GRAY AND COMPANY (FOR: REPUBLIC AIRLINES)		
Do	GRAY AND COMPANY (FOR: NICHOLAS SALGO)		
Do	GRAY AND COMPANY (FOR: SHAKLEE CORPORATION)		
Do	GRAY AND COMPANY (FOR: SHARPS, PIXLEY & CO., LTD.)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	GRAY AND COMPANY (FOR: TOBACCO INSTITUTE)		
Do	GRAY AND COMPANY (FOR: UNITED NATIONS CHILDREN'S FUND)	700.00	
Do	GRAY AND COMPANY (FOR: WARNER COMMUNICATIONS)		
JOHN F. GRAYBEAL, SUITE 1000 1775 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: LAWYERS TITLE INSURANCE CORP)		
MARK E. GRAYSON, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	HILL & KNOWLTON, INC		
SAMUEL A. GRAYSON, P.O. BOX 1745 BOISE ID 83701	UNION PACIFIC RAILROAD		
GREATER WASHINGTON BOARD OF TRADE, 1129 20TH ST., NW WASHINGTON DC 20036			
JAMES R. GRECO, P.O. BOX 3151 HOUSTON TX 77001	BROWNING-FERRIS INDUSTRIES, INC		
DONALD R. GREELEY, 1101 17TH ST., NW, #307 WASHINGTON DC 20036	CELANESE CORP	1,000.00	191.81
EDWARD M. GREEN, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
GEORGE R. GREEN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
JAMES W. GREEN, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,536.20	157.39
JOHN K. GREEN, 800 NEBRASKA SAVINGS BLDG. OMAHA NB 68102	PAPILLION NEBRASKA SCHOOL DISTRICT	1,478.50	48.77
MICAH S. GREEN, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	89.99
WAYNE GREEN, 80 PINE ST. PETERBORDUGH NH 03458	73 INC		
JANE E. GREENBAUM, SUITE 210 1201 PENNSYLVANIA AVE. NW WASHINGTON DC 20004	HALLMARK CARDS, INC		
ALLEN GREENBERG, SUITE 708 2000 P STREET, NW WASHINGTON DC 20036	HEALTH RESEARCH GROUP		
ANTONIA M. GREENMAN, 422 FIRST STREET, SE, #208 WASHINGTON DC 20003	HALE FOUNDATION		
ROBERT GREENSTEIN, 236 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20002	CENTER ON BUDGET & POLICY PRIORITIES	348.01	811.38
DALE W. GREENWOOD, 612 HOGE BLDG. SEATTLE WA 98104	WASHINGTON RAILROAD ASSN		
SAUNDERS GREGG, PO BOX 2628 HOUSTON TX 77001	ENTEX, INC		
WILLIAM G. GREIF, 1155 15TH ST., NW WASHINGTON DC 20005	BRISTOL-MYERS CO	35,000.00	
ELLEN GRIFFEE, SUITE 1048 425 13TH STREET, NW WASHINGTON DC 20004	NATIONAL ORGANIZATION FOR WOMEN	3,180.00	8.50
MARK N. GRIFFITHS, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	200.00	
JACK GRIMES, 8100 OAK STREET DUNN LORING VA 22027	NATIONAL PEST CONTROL ASSN		
OLGA GRKAVAC, 1300 NORTH 17TH STREET SUITE 300 ARLINGTON VA 22209	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS		
GROCERY MANUFACTURERS OF AMERICA, INC., SUITE 800 1010 WISCONSIN AVE., NW WASHINGTON DC 20007			8,792.53
GROOM & NORDBERG, 1775 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20006	AD HOC GROUP ON LIFE INSURANCE CO. TAXATION OF PENSION FUNDS		
Do	AETNA LIFE & CASUALTY		
Do	BAXTER TRAVENOL LABORATORIES, INC		
Do	CONNECTICUT GENERAL LIFE INSURANCE COMPANY		
Do	ELI LILLY AND COMPANY		
Do	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.		
Do	GLOBAL MARINE, INC		
Do	GOLDMAN, SACHS & COMPANY		
Do	GULF OIL CORP	100.00	2.00
Do	JOHN HANCOCK MUTUAL LIFE INSURANCE CO		
Do	OCEAN DRILLING & EXPLORATION CO	300.00	6.00
Do	PHILLIPS PETROLEUM COMPANY		
Do	PHOENIX MUTUAL LIFE INSURANCE COMPANY		
Do	PRUDENTIAL INSURANCE COMPANY OF AMERICA		
Do	READING & BATES CORPORATION		
Do	TRAVELERS		
Do	UNION TEXAS PETROLEUM	150.00	3.00
Do	WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST FUND	200.00	4.00
Do	WESTINGHOUSE ELECTRIC CORP	150.00	3.00
CHESTER A. GROSECLOSE JR., P.O. BOX 1030 ABERDEEN SD 57401	SOUTH DAKOTA RAILROADS ASSN		
NINA G. GROSS, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	925.00	98.11
STANLEY C. GROSS, 249 MAITLAND AVENUE ALTAMONE SPRINGS FL 32701	INSTITUTE OF INTERNAL AUDITORS, INC		
FRANK N. GROSSMAN, SUITE 840 1100 CONNECTICUT AVE., NW WASHINGTON DC	SANTA FE INDUSTRIES, INC	1,500.00	
JOHN R. GROUNDWATER JR , 3251 OLD LEE HIGHWAY SUITE 501 FAIRFAX VA 22030	NATIONAL LIMESTONE INST, INC		
JOHN T. GRUPENHOFF, SUITE 306 10,000 FALLS ROAD POTOMAC MD 20854	AMERICAN ACADEMY OF DERMATOLOGY	3,900.00	384.00
Do	AMERICAN GASTROENTEROLOGICAL ASSN	3,575.00	390.00
Do	AMERICAN SOCIETY FOR GASTROINTESTINAL ENDOSCOPY	3,575.00	390.70
RICHARD F. GUAY, 1101 15TH ST., NW WASHINGTON DC 20005	NATIONAL CONSTRUCTORS ASSOCIATION	3,375.00	
CLARK J. GUILD JR., GUILD, HAGEN & CLARK, LTD. 102 ROFF WAY RENO NV 89505	MOTION PICTURE ASSN OF AMERICA, INC	1,556.25	399.83
JEROME R. GULAN, 1604 K ST., NW WASHINGTON DC 20006	NATIONAL SMALL BUSINESS ASSN	4,500.00	
Do	SMALL BUSINESS LEGISLATIVE COUNCIL	2,500.00	
THOMAS M. GUNN, PO BOX 516 ST. LOUIS MO 63166	MCDONNELL DOUGLAS CORPORATION		
DAVID GUSKY, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	9,604.74	
SUSAN L. GUSTAFSON, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
NED H. GUTHRIE, 209 HAYES AVENUE CHARLESTON WV 25314	AMERICAN FEDERATION OF MUSICIANS	1,440.00	666.90
ROBERT F. GUTHRIE, #608 815 16TH ST., NW WASHINGTON DC 20006	DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO	4,712.51	
JAMES L. GYORY, SUITE 709 2021 K STREET, NW WASHINGTON DC 20006	JAMES L. GYORY	1,000.00	109.88
TIMOTHY M. HAAKE, BIRCH, HORTON, BITTNER & MONROE 1140 CONNECTICUT AVE., NW, #1100 WASHINGTON DC 20036	TEAMSTERS LOCAL 959		
Do	WIEN AIR ALASKA		
C. JAMES HACKETT, P.O. BOX 11700 TACOMA WA 98411	AMERICAN PLYWOOD ASSN		
JAMES M. HACKING, 1909 K ST., NW WASHINGTON DC 20049	NATIONAL RETIRED TEACHERS ASSN/AMERICAN ASSN OF RET PERSONS	646.15	325.50
CRAIG HACKLER, 412 FIRST ST., SE SUITE 214 WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA	1,000.00	
Do	CADILLAC FAIRVIEW U.S., INC	1,000.00	
Do	CALIFORNIA WESTSIDE FARMERS	833.33	
Do	HILLCREST EQUITIES, INC		
Do	NATIONAL LIVING CENTERS	2,000.00	
Do	ST. JOE MINERALS CORPORATION	500.00	
LOYD HACKLER, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	2,000.00	36.69
CHARLES W. HACKNEY JR , 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
WILLIAM F. HADDAD, 322 W. 57TH ST. NEW YORK NY 10019	GENERIC PHARMACEUTICAL INDUSTRY ASSN	6,200.00	2,724.07
THOMAS M. HAGAN, 1510 AMERICAN BANK TOWER AUSTIN TX 78701	CENTRAL AND SOUTH WEST SERVICES, INC	567.00	920.78
ANN HAGEMANN, 1150 17TH ST., NW WASHINGTON DC 20036	AMERICAN BROADCASTING CO		
WILLIAM D. HAGER, 1835 K ST., NW, #515 WASHINGTON DC 20006	AMERICAN ACADEMY OF ACTUARIES		
BRUCE N. HAHN, 9300 LIVINGSTON RD. WASHINGTON DC 20022	NATIONAL TOOLING & MACHINING ASSOCIATION		
THOMAS F. HAIRSTON, 1100 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	5,750.00	798.19
HALE AND DORR, SUITE 807 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	COMPO INDUSTRIES, INC		386.52
Do	GHK COMPANIES	9,699.93	965.42
Do	INDIAN LAND CLAIM COMMITTEE		
Do	MEOH, INC		48.32
Do	TOWN OF MASHPEE		
HALE FOUNDATION, 422 FIRST STREET, SE, #208 WASHINGTON DC 20003			
RANDOLPH M. HALE, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
BEVERLY HALEM, 414 HIGH POINT DR., #206 COCA FL 32922	HALEM INDUSTRIES, INC		
HALEY BADER & POTTS, SUITE 600 2000 M STREET, NW WASHINGTON DC 20036	PILOTS RIGHTS ASSOCIATION	11,934.27	922.01
MARTIN HALEY COMPANIES, 1015 15TH ST., NW WASHINGTON DC 20005	AMERICAN ENERGY INC		
Do	CENTRAL TEXAS GRAIN PRODUCTS MARKETING COOPERATIVE		
Do	GRAIN PRODUCTS ALCOHOL COOPERATIVES		
Do	HIGH PLAINS GRAIN PRODUCTS COOPERATIVE		
Do	LOUIS DREYFUS CORP		
Do	M&M/MARS		
Do	MARION LABORATORIES, INC		
Do	NEW ENGLAND MUTUAL LIFE INSURANCE CO		
Do	NORTH PLAINS GRAIN PRODUCTS COOPERATIVE		
Do	NORTHWEST TEXAS GRAIN PRODUCTS COOPERATIVE		
Do	POWER AUTHORITY OF THE STATE OF NEW YORK		
HALL ESTILL HARDWICK GABLE COLLINGSWORTH & NELSON, SUITE 350 1750 K ST., NW WASHINGTON DC 20006	WILLIAMS COMPANIES	100.00	
JOHN F. HALL, 1619 MASSACHUSETTS AVE., N.W. WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	600.00	
RICHARD F. HALL, 1050 CONNECTICUT AVENUE, NW, #750 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	2,000.00	2,146.53
MARIAN HALL-CRAWFORD, 316 PENNSYLVANIA AVENUE, SE, #301 WASHINGTON DC 20003	SAN DIEGO GAS & ELECTRIC	600.00	45.50
JOSEPH HALOW, SUITE 610-N 1800 M ST., NW WASHINGTON DC 20036	NORTH AMERICAN EXPORT GRAIN ASSN., INC		
MAURICE E. HALSEY, SUITE 202 1627 K ST., NW WASHINGTON DC 20006	NORTHERN ILLINOIS GAS COMPANY	2,500.00	
J. PHILLIP HALSTEAD, P.O. BOX 24305 OAKLAND CA 94623	CLOROX COMPANY		
PAUL T. HALUZA, SUITE 333 1120 19TH STREET, NW WASHINGTON DC 20036	MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION	3,000.00	598.68
JERALD V. HALVORSEN, COAL BUILDING WASHINGTON DC 20036	NATIONAL COAL ASSOCIATION	7,000.00	1,860.42
HAMEL PARK MCCABE & SAUNDERS, 888 16TH STREET, NW WASHINGTON DC 20006	BENEFICIAL FOUNDATION		
Do	ESTATE OF HELEN WODELL HALBACH		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NOKOTA COMPANY	300.00	
Do	PUERTO RICO FEDERAL AFFAIRS ADMINISTRATION		
Do	STATE OF ALASKA		
Do	TANDY CORPORATION		
Do	UNITED STUDENT AID FUNDS, INC		
Do	GRAEPER-VAN NOY-WAGNER, INC		
BRUCE HAMILTON, BOX 1078 LANDER WY 82520	SIERRA CLUB	390.00	67.37
JAMES L. HAMILTON III, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	U.S. STEEL CORPORATION	595.00	55.27
J. LEE HAMILTON, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	59.58	
STANLEY HAMILTON, 1616 P ST., NW, #204 WASHINGTON DC 20036	COMMON CARRIER CONFERENCE-IRREGULAR ROUTE	500.00	50.00
WILLIAM W. HAMILTON JR., SUITE 303 1220 19TH STREET, NW WASHINGTON DC 20036	PLANNED PARENTHOOD FEDERATION OF AMERICA, INC		
SUSAN WOODWARD HAMLIN, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
AMY R. HAMMER, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION		466.55
ROBERT E. HAMPTON, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
ROBERT N. HAMPTON, 7010 GIRARD STREET MCLEAN VA 22101	AUTOMOBILE IMPORTERS OF AMERICA, INC	2,100.00	50.00
TIMOTHY A. HANAN, 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	MOBIL CORPORATION	1,500.00	
NOLAN W. HANCOCK, 1126 16TH ST., NW WASHINGTON DC 20036	OIL, CHEMICAL & ATOMIC WORKERS INTERNATIONAL UNION	4,787.50	
TED HANDEL, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
DONALD K. HANES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES		
GEORGE J. HANKS JR , 12TH FL. 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		
JAMES M. HANLEY, JAMES M. HANLEY AND ASSOCIATES 1301 PENNSYLVANIA AVENUE, NW, #1150 WASHINGTON DC 20004.	ALLIANCE OF THIRD CLASS NON-PROFIT MAILERS	5,000.00	100.00
ELIZABETH HANLIN, SUITE 810 2000 L ST., NW WASHINGTON DC 20036	SPERRY CORPORATION		
HANNAFORD CO., INC., SUITE 750 1225 19TH STREET, NW WASHINGTON DC 20036	AMERICAN SOCIETY OF COMPOSERS, AUTHORS & PUBLISHERS		
Do	BALTIC AMERICAN FREEDOM LEAGUE		
Do	CENTURY 21		
Do	CHINA EXTERNAL TRADE DEVELOPMENT COUNCIL		
Do	FIREMAN'S FUND INSURANCE COS		
Do	GENERAL MOTORS CORP		
Do	HUBBARD BROADCASTING COMPANY	10,500.00	528.11
Do	NATIONAL VENTURE CAPITAL ASSOCIATION	8,400.00	919.35
Do	NORTHWEST ALASKAN PIPELINE CO		
Do	TOSCO OIL CORPORATION		
Do	TRANS WORLD AIRLINES, INC	4,500.00	105.64
HANNAFORD INTERNATIONAL, INC, SUITE 207 905 16TH STREET, NW WASHINGTON DC 20006	LEBANESE INFORMATION & RESEARCH CENTER		
Do	STABLEX CORPORATION	900.00	22.77
HANSELL POST BRANDON & DORSEY, 5TH FL. 1915 I ST., NW WASHINGTON, DC 20006	ASSOCIATED BUILDERS & CONTRACTORS, INC	11,339.26	18.82
Do	EASTERN AIR LINES, INC	6,048.00	.40
Do	FIRST NATIONAL BANK OF ATLANTA	5,226.84	108.93
Do	ROCKWELL INTERNATIONAL CORP		
ERLING HANSEN, 624 9TH ST., NW, 7TH FL. WASHINGTON DC 20001	GROUP HEALTH ASSOCIATION OF AMERICA, INC		
J. E. HANSEN, 400 1ST ST., NW WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	350.00	
PETER J. HAPWORTH, 1511 K ST., NW WASHINGTON DC 20005	SUGAR ASSOCIATION, INC	500.00	241.26
HARBISON FORD, INC., ROUTE 1 MORRISVILLE PA 19067			
MARGARET K. HARDING, 1000 WILSON BLVD. ARLINGTON VA 22209	KIMBERLY-CLARK CORP	44.88	14.80
RALPH HARDING, SUITE 717 WATERGATE 2600 VIRGINIA AVENUE, NW WASHINGTON DC 20037	AMPCO FOODS, INC		
Do	PHILIPPINE SUGAR COMMISSION		
WILLIAM E. HARDMAN, 9300 LIVINGSTON ROAD FT. WASHINGTON MD 20744	NATIONAL TOOLING & MACHINING ASSN		
DAVID T. HARDY, 1600 RHODE ISLAND AVE. WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
EUGENE J. HARDY, SUITE 1000 1100 17TH ST., NW WASHINGTON DC 20036	GERBER PRODUCTS COMPANY	500.00	
HELEN S. HARGADON, 1100 15TH STREET, NW WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	4,000.00	14.00
J. RICHARD HARGIS, 2550 M STREET, NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	448.36	20.00
CHARLES N. HARKEY, 1700 NORTH MOORE ST. 1925 ROSSLYN CENTER BUILDING ARLINGTON VA 22209	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA		
DAN R. HARLOW, 919 18TH ST., NW WASHINGTON DC 20006	DIAMOND SHAMROCK CORPORATION	3,000.00	241.01
DONALD L. HARLOW, 310 RILEY ST. FALLS CHURCH VA 22046	AIR FORCE SERGEANTS ASSN, INC		
WILEY C. HARRELL JR , 1211 CONNECTICUT AVE., NW, #502 WASHINGTON DC 20036	ANHEUSER-BUSCH COMPANIES, INC		
MICHAEL T. HARRIGAN, 421 KING ST. ALEXANDRIA VA 22314	U.S. OLYMPIC COMMITTEE		
TONI HARRINGTON, 955 L'ENFANT PLAZA NORTH, SW, #905 WASHINGTON DC 20024	AMERICAN HONDA MOTOR CO, INC	200.00	190.77
HUBERT L. HARRIS, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
JUDY L. HARRIS, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
ROBERT L. HARRIS, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	ALUMINUM ASSN		50.00
JIM HARRISON, SUITE 228 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASSOCIATION OF URBAN UNIVERSITIES	6,250.00	53.50
WILLIAM H. HARSHA, 1102 DELF DRIVE MCLEAN VA 22101	WILLIAM H. HARSHA & ASSOCIATES, INC. (FOR: AMERICAN TRUCKING ASSNS, INC) .	7,500.00	353.43
Do	WM. H. HARSHA & ASSSOCIATES, INC (FOR: APPALACHIAN REGIONAL COMMISSION).	6,000.00	26.16
Do	WM. H. HARSHA & ASSOC., INC. (FOR: COMMUTER AIRLINE ASSOCIATION OF AMERICA).	3,000.00	
Do	WM. H. HARSHA & ASSOC., INC. (FOR: GRUMMAN FLXIBLE)	4,500.00	
Do	WM. H. HARSHA & ASSOC., INC. (FOR: SLURRY TRANSPORT ASSN)	12,000.00	
RICHARD HART, 601 N. VERMONT AVENUE LOS ANGELES CA 90004	NATIONAL ASSN OF MANUFACTURERS		
HARTFORD FIRE INSURANCE CO, HARTFORD PLAZA HARTFORD CT 06115			8,105.00
CHARLES D. HARTMAN, 1050 17TH ST., NW, SUITE 500 WASHINGTON DC 20036	TEXACO, INC	1,545.75	
MARY L. HARTMAN, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
ARTHUR W. HARTMANN, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN		
NORMAN B. HARTNETT, 807 MAINE AVE., SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	19,156.80	1,298.02
EDWIN HAROLD HARVEY, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
JULIANE B. HARVEY, SUITE 220 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN CYANAMID CO	410.40	173.43
CLIFFORD J. HARVISON, 1616 P ST., NW WASHINGTON DC 20036	NATIONAL TANK TRUCK CARRIERS, INC		
HOLLY HASSETT, SUITE 801 1629 K STREET, NW WASHINGTON DC 20006	HERSHEY FOODS CORP		
LEWIS B. HASTINGS, 1776 K ST., NW, #200 WASHINGTON DC 20006	MOTOROLA, INC	1,500.00	87.20
WALTER A. HASTY JR , SUITE 230 1801 K ST., NW WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	7.50	
L. ANDREA HATFIELD, 618 WASHINGTON BUILDING WASHINGTON DC 20005	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	1,000.00	
JANET HATHAWAY, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH	2,500.00	
GARY R. HATTAL, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
BARBARA J. HAUGH, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA		2,182.52
RODNEY E. HAUGH, SUITE 903 1735 JEFFERSON DAVIS HWY. ARLINGTON, VA 22202	POTATO CHIP/SNACK FOOD ASSOCIATION	600.00	
MARY W. HAUGHT, 1800 K ST., NW, #820 WASHINGTON DC 20006	SUN CO, INC	700.00	74.29
CHARLES W. HAVENS III, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	LEBOEUF, LAMB, LEIBY & MACRAE		
KATHRYN JOANN HAWES, SUITE 702 818 ROEDER RD. SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
SIDNEY G. HAWKES, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	MEAD CORPORATION	2,000.00	160.00
DAVID G. HAWKINS, 1725 I ST., NW WASHINGTON DC 20006	NATURAL RESOURCES DEFENSE COUNCIL, INC	3,837.75	
JOHN H. HAWKINS JR , 600 N. 18TH ST. BIRMINGHAM AL 35291	ALABAMA POWER CO	12,058.00	150.00
WESLEY F. HAYDEN, 5224 CHEROKEE AVE. ALEXANDRIA VA 22312	INTERNATIONAL ASSOCIATION OF FISH AND WILDLIFE AGENCIES	7,125.00	34.70
ROBERT A. HAYNOS, 4711 HUNT CIRCLE HARRISBURG PA 17112	HARSCO CORPORATION	12,250.00	13,594.64
HEALTH INSURANCE ASSOCIATION OF AMERICA, INC., 1750 K ST., NW WASHINGTON DC 20006			
HEALTH RESEARCH GROUP, SUITE 708 2000 P ST., NW WASHINGTON DC 20036			
PATRICK B. HEALY, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	543.75	
ROBERT L. HEALY, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	300.00	
CHARLES L. HEBNER, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
JAMES B. HEDLUND, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	3,200.00	
JAY HEDLUND, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	7,500.00	3,005.09
EDWARD D. HEFFERNAN, 1875 EYE ST., NW, # 1025 WASHINGTON DC 20006	CAMP, CARMOUCHE, PALMER, BARSH & HUNTER, P.C	18,000.00	
Do	DUCTILE IRON PIPE RESEARCH ASSN		
Do	HAZELTINE CORPORATION	4,845.25	154.75
Do	INTER-REGIONAL FINANCIAL GROUP LEASING COMPANY	21,000.00	7,015.97
Do	SOUTHERN CALIFORNIA GAS CO	10,000.00	10.85
JOHN HEFFNER, 1957 E STREET, N.W. WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ROBERT E. HEGGESTAD, CASEY, SCOTT & CANFIELD 1435 G ST., NW WASHINGTON DC 20005	LIBERTY HOMES, INC		
LON H. HEIBECK, 400 NORTH THIRD ST. HARRISBURG PA 17101	PENNSYLVANIA STATE EDUCATION ASSN		
ELIZABETH W. HEILIG, 1660 L STREET, NW, #215 WASHINGTON DC 20036	CROWN ZELLERBACH		
JOHN F. HEILMAN, 807 MAINE AVE., SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	13,430.40	3,317.44
JOHN R. HEISSE II , SUITE 900 1828 L STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF DEMOLITION CONTRACTORS		
HELICOPTER ASSOCIATION INTERNATIONAL, 1110 VERMONT AVE., NW SUITE 430 WASHINGTON DC 20005			16,770.78

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
RICHARD L. HELLWEGE, 1911 JEFFERSON DAVIS HIGHWAY, #1002 ARLINGTON VA 22202	LEAR SIEGLER, INC		
NOEL HEMMENDINGER, 1919 PENNSYLVANIA AVE., NW, #400 WASHINGTON DC 20036	ARTER HADDEN & HEMMENDINGER (FOR: JAPAN IRON & STEEL EXPORTERS' ASSN).		
CAROL C. HENDERSON, 110 MARYLAND AVE., NE, #101, BOX 54 WASHINGTON DC 20002	AMERICAN LIBRARY ASSN	753.00	
JOHN B. HENDERSON, SUITE 1100 1090 VERMONT AVE., NW WASHINGTON DC 20005	TEXTRON, INC.	1,990.00	295.00
RICHARD DEAN HENDERSON, SUITE 310 1101 17TH ST., NW WASHINGTON DC 20036	PRIVATE TRUCK COUNCIL OF AMER, INC		40.00
C. DAYLE HENINGTON, 1101 CONNECTICUT AVE., NW, #801 WASHINGTON DC 20036	CHICAGO MERCANTILE EXCHANGE		
EDMUND P. HENNELLY, 150 E. 42ND ST. NEW YORK NY 10017	MOBIL OIL CORP	1,500.00	
GEORGE F. HENNRIKUS JR , 201 N. WASHINGTON ST. ALEXANDRIA VA 22314	RETIRED OFFICERS ASSN	5,534.00	
LEANN HENSCHE, 2550 M STREET, NW SUITE 770 WASHINGTON DC 20037	RJR INDUSTRIES, INC.	263.74	238.82
BRUCE HEPPEN, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
LAWRENCE R. HERMAN, 600 PENNSYLVANIA AVENUE, SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC.	10,254.43	
LYLA M. HERNANDEZ, SUITE 210 5410 GROSVENOR LANE BETHESDA MD 20814	AMERICAN MEDICAL PEER REVIEW ASSN		91.15
CATHERINE L. HERON, 1775 K STREET, NW WASHINGTON DC 20006	INVESTMENT COMPANY INSTITUTE	167.45	62.35
HERRICK & SMITH, 100 FEDERAL STREET BOSTON MA 02110	SMITH COLLEGE		
CAROL M. HERRINGTON, 1235 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	EMERSON ELECTRIC CO		
FRED HERVEY, P.O. BOX 20230 4500 S.40TH ST. PHOENIX AZ 85036	CIRCLE K CORPORATION		
Do	REDUCE OUR DEBT FOUNDATION		671.04
KIM HETHERINGTON, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC.	353.00	
HEUBLEIN, INC., C/O MAUREEN BRIGGS MUNSON RD. FARMINGTON CT 06032			21,494.49
TED ALLEN HEYDINGER, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	1,100.00	140.36
G. BROCKWEL HEYLIN, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ANDREW I. HICKEY JR , 3900 WISCONSIN AVE., NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	15,750.00	1,216.42
PAUL T. HICKS, RHODE ISLAND PETROLEUM ASSN 154 FRANCIS ST. PROVIDENCE RI 02903	AMERICAN PETROLEUM INST	262.00	264.07
J. THOMAS HIGGINBOTHAM, MELLON BANK, N.A. PITTSBURGH PA 15230	MELLON BANK, N.A. & MELLON NATL CORP	2,000.00	1,364.69
CLIFTON T. HILDERLY JR., SUITE 507 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ASHLAND TECHNOLOGY, INC.	1,000.00	
ALLAN D. HILL, 1825 K STREET, N.W. SUITE 1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY		
HILL AND KNOWLTON, INC, SUITE 700 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	FLORISTS' TRANSWORLD DELIVERY ASSN		
GERALD 'JERRY' HILL, 6 EXECUTIVE PARK DRIVE ATLANTA GA 30029	STANDARD OIL CO (INDIANA)		
J. ELDRED HILL JR , SUITE 603 600 MARYLAND AVE., SW WASHINGTON DC 20024	UBA, INC	2,000.00	
MORTON A. HILL, 980 PARK AVE. NEW YORK NY 10028	MORALITY IN MEDIA, INC.		
PATRICIA HILL, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PAPER INSTITUTE, INC		
ROBERT B. HILL, 2501 M STREET, N.W. WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC.	300.00	
HIMES & KETCHEY, P.A., 100 TWIGGS STREET 301 FOUNDERS LIFE BUILDING TAMPA FL 33602	PHH GROUP, INC		
STEPHEN HITCHNER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	11,250.00	663.44
SHEILA K. HIXSON, 1101 17TH ST., NW WASHINGTON DC 20036	AMERICAN DENTAL ASSN	1,000.00	
LAWRENCE S. HOBART, 2301 M ST., NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	1,000.00	
CLAUDE E. HOBBS, 1801 K ST., NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP	3,700.00	115.00
ROBERT J. HOBBS, 11 BEACON ST. BOSTON MA 02108	NATIONAL CONSUMER LAW CENTER		
JERALD F. HOBSON, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	EL PASO COMPANY	2,500.00	196.13
HODGSON, RUSS, ANDREWS, WOODS & GOODYEAR, 1776 F STREET, NW WASHINGTON DC 20006	J. C. BROCK CORP	1,000.00	
HOWARD E. HOELTER, ILLINOIS PETROLEUM COUNCIL P.O. BOX 5034 SPRINGFIELD IL 62705	AMERICAN PETROLEUM INST		
GLEN D. HOFER, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	1,452.50	
IRVIN A. HOFF, 20 N. LIVE OAK RD. HILTON HEAD ISLAND SC 29928	U.S. CANE SUGAR REFINERS' ASSN		
ELLEN S. HOFFMAN, 1520 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	CHILDREN'S DEFENSE FUND OF THE WASH RESEARCH PROJECT, INC		
THOMAS F. HOFFMAN, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	CONSOLIDATION COAL COMPANY		
WILLIAM H. HOFFMAN, 1000 16TH ST., NW WASHINGTON DC 20036	AMERICAN IRON & STEEL INSTITUTE		250.00
WILLIAM L. HOFFMAN, 516 FIRST ST., S.E. WASHINGTON DC 20003	AMERICAN UNIVERSITY OF BEIRUT	9,900.00	848.50
F. NORDY HOFFMANN AND ASSOC., INC, SUITE 327 400 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	ARCHER DANIELS MIDLAND COMPANY		
Do	EPIC	400.00	
Do	INTERNATIONAL TELEPHONE & TELEGRAPH		
Do	MARINE ENGINEERS BENEFICIAL ASSN		
Do	O'CONNOR & HANNAN		
Do	PAGE AIRWAYS		
Do	WESTINGHOUSE ELECTRIC		
HOGAN & HARTSON, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	CHAMPLIN PETROLEUM COMPANY		
Do	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN		
Do	DESIGN PROFESSIONS GROUP	825.00	
Do	EL PASO EXPLORATION CO; ENTERPRISE GAS CO		3,229.55
Do	ETSI PIPELINE PROJECT		
Do	GLENDALE FEDERAL SAVINGS & LOAN ASSN		
Do	INLET JOINT VENTURE	3,720.33	271.20
Do	MEHARRY MEDICAL COLLEGE		10.00
Do	MOTORCYCLE INDUSTRY COUNCIL, INC		
Do	NATIONAL FARMERS ORGANIZATION	2,153.75	.66
Do	NATIONAL HOSPICE EDUCATION PROJECT		
Do	NATIONAL SOFT DRINK ASSN	350.00	12.00
Do	NEWSPAPER-BROADCASTER COMMITTEE		
Do	TOYOTA MOTOR SALES, U.S.A., INC.	6,380.00	60.00
RICHARD F. HOHLT, 1709 NEW YORK AVE., NW SUITE 801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	4,312.50	30.20
WALTER HOLAN, 20 NORTH WACKER DRIVE CHICAGO IL 60606	PROFIT SHARING COUNCIL OF AMER		
BRUCE E. HOLBEIN, 111 POWDERMILL RD. (B79) MAYNARD MA 01754	DIGITAL EQUIPMENT CORPORATION	10,750.00	
MICHELE O'DONNELL HOLBROOK, 10 LAFAYETTE SQUARE, ROOM 900 BUFFALO NY 14203	NATIONAL FUEL GAS DISTRIBUTION CORP., ET AL	480.00	1,124.40
NIELS HOLCH, THE POWER HOUSE, 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: AMERICAN IRON & STEEL INSTITUTE)	715.00	
Do	GRAY AND COMPANY (FOR: AMERICAN MARITIME ASSN)		
Do	GRAY AND COMPANY (FOR: EASTERN MICROWAVE, INC.)		
Do	GRAY AND COMPANY (FOR: NEW CHANNELS CORPORATION)		
Do	GRAY AND COMPANY (FOR: QUIXOTE CORPORATION)		
Do	GRAY AND COMPANY (FOR: SHAKLEE CORPORATION)		
Do	GRAY AND COMPANY (FOR: RICHARD L. SINNOTT AND COMPANY)		
Do	GRAY AND COMPANY (FOR: U.S. BANKNOTE)		
HOLIDAY INNS, INC, 3742 LAMAR AVE. MEMPHIS TN 38195			1,900.00
PHILIP C. HOLLADAY, 1025 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
HOLLAND & KNIGHT, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	RSV MINING EQUIPMENT B.V.		
Do	WACKENHUT CORPORATION	3,570.00	25.00
STEPHEN B. HOLLAND, 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	ARMCO, INC.	250.00	180.00
WENDELL M. HOLLOWAY, 815 CONNECTICUT AVE., NW, #900 WASHINGTON DC 20006	FORD MOTOR CO	2,490.00	1,505.07
KAREN S. HOLLWEG, 444 BARKER ROAD MICHIGAN CITY IN 46360	NATIONAL AUDUBON SOCIETY		
HOLME, ROBERTS & OWEN, 1700 BROADWAY DENVER CO 80290	PARAHO DEVELOPMENT CORP	445.00	185.07
MOSES D. HOLMES JR , 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN		
PETER E. HOLMES, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	500.00	
E.Y. HOLT JR , 1111 NORTH 19TH ST., #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS		
A. LINWOOD HOLTON JR , 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	500.00	
LOIS HOLWERDA - HOYT, SUITE 104 499 SOUTH CAPITOL STREET, NW, WASHINGTON DC 20003	AMERICAN OSTEOPATHIC ASSN	1,500.00	
HOME RECORDING RIGHTS COALITION, SUITE 1025 1015 15TH STREET, NW WASHINGTON DC 20006		70,000.00	77,549.57
KAREN C. HONTZ, SUITE 940 1875 EYE STREET, NW WASHINGTON DC 20006	GULF & WESTERN MANAGEMENT COMPANY	950.00	38.55
JOHN C. HOOPER, 530 BUSH STREET SAN FRANCISCO CA 94108	SIERRA CLUB		
LILLIE E. HOOVER, P.O. BOX 1085 MARTINSBURG WV 25401	NATIONAL PEACH COUNCIL		
JUDITH RICHARDS HOPE, 1050 THOMAS JEFFERSON STREET, NW WASHINGTON DC 20007	SECURITY LIFE OF DENVER		
VIRGINIA E. HOPKINS, 1800 MASSASHUSETTS AVENUE, NW WASHINGTON DC 20036	TAFT, STETTINIUS & HOLLISTER (FOR: MIAMI CONSERVANCY DISTRICT)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TAFT BROADCASTING COMPANY)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TELEPHONE AND DATA SYSTEMS, INC.)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: WALD MANUFACTURING CO, INC)		
ROBERT JACK HORN, SUITE 480 1990 M ST., NW WASHINGTON DC 20036	DETROIT EDISON CO	730.00	224.78
HARRY J. HORROCKS II , 40 IVY STREET, SE WASHINGTON DC 20003	NATIONAL LUMBER & BUILDING MATERIAL DEALERS ASSN	7,963.38	177.81
SANFORD D. HORWITT, 5935 N. 5TH ROAD ARLINGTON VA 22203	COMMITTEE FOR HUMANE LEGISLATION	9,333.32	115.00
Do	FRIENDS OF ANIMALS, INC		
WILLIAM J. HOTES, 919 18TH ST., NW, #400 WASHINGTON DC 20006	DIAMOND SHAMROCK CORPORATION	1,000.00	192.50
HOUSLEY, GOLDBERG & KANTARIAN, P.C., SUITE 500 2301 M ST., NW WASHINGTON DC 20037			
MARY GREER HOUSTON, 1901 L ST., NW, #711 WASHINGTON DC 20036	WILSON E. HAMILTON & ASSOCS, INC (FOR: FARM LABOR RESEARCH COMM)		
HOUSTON NATURAL GAS CORP, P.O. BOX 1188 HOUSTON TX 77001			163.45
HOWELL CORP, 1010 LAMAR SUITE 1800 HOUSTON TX 77002			
J. WILLIAM HOWELL, 1801 K ST., NW WASHINGTON DC 20006	INTERNATIONAL BUSINESS MACHINES CORP.	4,340.10	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JACK M. HOWELL, 2029 K STREET, NW WASHINGTON DC 20006	AMERICAN SOCIETY OF MECHANICAL ENGINEERS		
JAMES P. HOWELL, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	962.50	
MARY J. LYNCH HOWELL, SUITE 1100 1090 VERMONT AVE., NW WASHINGTON DC 20005	TEXTRON, INC.	1,500.00	280.00
STEVEN K. HOWELL, SUITE 1800 1010 LAMAR HOUSTON TX 77002	HOWELL CORP		
JOHN B. HOWERTON, 1730 RHODE ISLAND AVE., NW, #209 WASHINGTON DC 20036	ASARCO INC	2,000.00	
JOANNE MASSEY HOWES, SUITE 303 1220 19TH STREET, NW WASHINGTON DC 20036	PLANNED PARENTHOOD FEDERATION OF AMERICA, INC.	578.16	87.06
JOHN A. HOWES, SUITE 290 1050 17TH STREET, NW WASHINGTON DC 20036	CONSUMERS POWER CO	600.00	
MARY HOYER, P.O. BOX 7610, BF STATION WASHINGTON DC 20044	SENIOR EXECUTIVES ASSN		
PAUL R. HUARD, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
MARGARET RENKEN HUDSON, 2550 M ST., NW SUITE 450 WASHINGTON DC 20037	KORF INDUSTRIES, INC	2,000.00	
DAVID EMERY HUGHES, 2211 CONGRESS ST. PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO		
GARY E. HUGHES, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
HUGHES HUBBARD & REED, SUITE 300 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	BUSINESS ROUNDTABLE	1,000.00	8.00
Do	CONTINENTAL AIR LINES, INC		
Do	FORD MOTOR COMPANY		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	PFIZER, INC.		
PETER W. HUGHES, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RET PERSONS	1,704.00	
VESTER T. HUGHES JR., HUGHES & HILL 1000 MERCANTILE DALLAS BUILDING DALLAS TX 75201	SAMMONS ENTERPRISES, INC		
VINCENT C. HUGHES, 1235 JEFFERSON DAVIS HIGHWAY, #500 ARLINGTON VA 22202	ITALIAN AEROSPACE INDUSTRIES (U.S.A.), INC		
WILLIAM HUGHES, 1522 K ST., NW, #836 WASHINGTON DC 20005	NATIONAL ASSN OF FEDERAL VETERINARIANS	34.92	
EDWARD L. HUIE, WHEATON PLAZA NORTH, #415 WHEATON MD 20902	NATIONAL ASSN OF AIR TRAFFIC SPECIALISTS	8,980.80	912.76
CORDELL W. HULL, 50 BEALE ST., P O BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
DAVID C. HULL, 1030 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMER		
MARGOT SMILEY HUMPHREY, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: ALASCOM, INC)		
Do	KOTEEN & NAFTALIN (FOR: TELEPHONE & DATA SYSTEMS, INC)		6.00
DAVID A. HUNT, 1815 NORTH FORT MEYER DRIVE ARLINGTON VA 22209	AIR CONDITIONING & REFRIGERATION INSTITUTE	4,000.00	1,000.00
PETER C. HUNT, 195 MONTAGUE ST. BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
JAMES C. HUNTER, 1747 PENNSYLVANIA AVENUE, NW, #300 WASHINGTON DC 20006	CITIES SERVICE COMPANY	3,264.00	
MICHAEL M. HUNTER, 1707 L ST., NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION	1,500.00	30.00
ROBERT BRUCE HUNTER, 1801 N. MOORE STREET ARLINGTON VA 22209	AMERICAN ASSN OF SCHOOL ADMINISTRATORS		
WILLIAM J. HUNTER JR., SUITE 900 1730 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	MEAD CORPORATION	4,145.00	787.02
MILTON F. HUNTINGTON, MAINE PETROLEUM ASSN 283 WATER ST. AUGUSTA ME 04330	AMERICAN PETROLEUM INST	224.00	
HUNTON & WILLIAMS, P.O. BOX 1535 RICHMOND VA 23212	EDISON ELECTRIC INSTITUTE	2,506.25	179.07
J. JAMES HUR, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	ATLANTIC RICHFIELD COMPANY		
ADELE M. HURLEY, SUITE 206 1825 K ST., NW WASHINGTON DC 20006	CANADIAN COALITION ON ACID RAIN		
GERARD F. HURLEY, 1625 I ST., NW, #609 WASHINGTON DC 20006	NATIONAL CLUB ASSOCIATION		
JOHN EDWARD HURLEY, SUITE 107 1101 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037			
Do	NATIONAL ASSN FOR FREE ENTERPRISE		
ROBERT R. HURT, SUITE 650 1050 17TH STREET, NW WASHINGTON DC 20036	MERCK & CO., INC.		
CATHY HURWIT, 1300 CONNECTICUT AVENUE, NW, #401 WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	3,300.00	102.00
BENJAMIN MELVIN HURWITZ, SUITE 200 1925 K ST., NW WASHINGTON DC 20006	MITCHELL ENERGY & DEVELOPMENT CORP.		119.00
GEOFFREY B. HURWITZ, SUITE 743 1434 NEW YORK AVE., NW WASHINGTON DC 20005	ROHM AND HAAS COMPANY	500.00	25.40
DEWEY M. HUTCHINS, 1919 PENNSYLVANIA AVE., NW, # 705 WASHINGTON DC 20006	EASTMAN KODAK CO	450.00	143.00
PHILIP A. HUTCHINSON, SUITE 2450 475 L'ENFANT PLAZA, SW WASHINGTON DC 20024	VOLKSWAGEN OF AMERICA, INC	250.00	
ROBERT E. HUTCHINSON, P.O. BOX 20230 4500 SOUTH 40TH STREET PHOENIX AZ 85040	CIRCLE K CORPORATION		
Do	REDUCE OUR DEBT FOUNDATION		671.04
RANDY HUWA, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	7,500.00	1,233.82
ISABEL E. HYDE, 1800 K STREET, NW WASHINGTON DC 20006	GOODYEAR TIRE AND RUBBER CO	1,750.00	
GARY HYMEL, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: AMERICAN IRON & STEEL INSTITUTE)		
Do	GRAY AND COMPANY (FOR: ASARCO)		
Do	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)		
Do	GRAY AND COMPANY (FOR: EASTERN MICROWAVE, INC)		
Do	GRAY AND COMPANY (FOR: GENERAL TELEPHONE & ELECTRONICS)		
Do	GRAY AND COMPANY (FOR: HAMBROS BANK LIMITED)		
Do	GRAY AND COMPANY (FOR: HEALTH INSURANCE ASSN OF AMERICA)		
Do	GRAY AND COMPANY (FOR: HRH PRINCE TALAL BIN ABDUL AZIZ AL SAUD)	500.00	
Do	GRAY AND COMPANY (FOR: HTB CORPORATION)		
Do	GRAY AND COMPANY (FOR: MOTOROLA)		
Do	NEW CHANNELS CORP		
Do	GRAY AND COMPANY (FOR: QUIXOTE CORPORATION)		
Do	GRAY AND COMPANY (FOR: REPUBLIC AIRLINES)		
Do	GRAY AND COMPANY (FOR: SHAKLEE CORPORATION)		
Do	GRAY AND COMPANY (FOR: SHARPS, PIXLEY & COMPANY, LTD.)		
Do	GRAY AND COMPANY (FOR: RICHARD L. SINNOTT & COMPANY)	250.00	
Do	GRAY AND COMPANY (FOR: THYSSEN NORDSEEWERKE GMBH)		
Do	GRAY AND COMPAY (FOR: TOBACCO INSTITUTE)		
Do	GRAY AND COMPANY (FOR: U.S. BANKNOTE)		
Do	GRAY AND COMPANY (FOR: UNITED NATIONS CHILDREN'S FUND)	500.00	
ROBERT D. HYNES JR., SUITE 807 1825 K ST., NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	500.00	140.00
RICHARD H. ICHORD, SUITE 201 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	AAI CORPORATION	513.12	40.33
Do	EMERSON ELECTRIC CO	262.50	
Do	MAGNAVOX GOVERNMENT & INDUSTRIAL ELECTRONICS CO	312.50	
Do	WASHINGTON INDUSTRIAL TEAM, INC.	600.00	
RONALD K. IKEJIRI, 1730 RHODE ISLAND AVE., NW, #204 WASHINGTON DC 20036	JAPANESE AMERICAN CITIZENS LEAGUE		
ANNELISE ILSCHENKO, 101 S. REYNOLDS STREET, #H-116 ALEXANDRIA VA 22304	ANNELISE ILSCHENKO		
BERNARD J IMMING, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN		
INDEPENDENT BANKERS ASSOCIATION OF AMERICA, 1625 MASSACHUSETTS AVE., NW, #202 WASHINGTON DC 20036		78,509.00	31,403.55
INDEPENDENT INSURANCE AGENTS OF AMERICA, INC., 100 CHURCH ST. NEW YORK NY 10007		18,720.69	18,720.69
INDEPENDENT LOCAL NEWSPAPER ASSN, 1050 17TH ST., NW WASHINGTON DC 20036			
INDEPENDENT LUBRICANT MANUFACTURERS ASSN, 1055 THOMAS JEFFERSON STREET, NW WASHINGTON DC 20007			
INDEPENDENT TELECOMMUNICATIONS SUPPLIERS' COUNCIL, C/O PIERSON, BALL & DOWD 1200 18TH ST., NW WASHINGTON DC 20036.		10,000.00	7,385.20
INDUSTRIAL UNION DEPARTMENT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		23,727.80	23,727.80
NANCY J. INGALSBEE, SUITE 300 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	U. S. SKI ASSOCIATION	550.00	
JOHN H. INGRAM, NICKERSON-INGRAM & ASSOCIATES, INC 1150 17TH STREET, NW, #607 WASHINGTON DC 20036	MASSACHUSETTS BAY TRANSPORTATION AUTHORITY	14,381.07	37.21
ANDREA L. INNES, COAL BUILDING WASHINGTON DC 20036	NATIONAL COAL ASSN	4,625.00	479.66
INSURANCE ECONOMICS SOCIETY OF AMERICA, SUITE 590 1700 PENNSYLVANIA AVE., NW WASHINGTON, DC 20006		34,564.04	
INTERNATIONAL ASSN OF BRIDGE, STRUCT. & ORNAMENTAL IRON WKRS, 1750 NEW YORK AVE., NW WASHINGTON DC 20006.			10,800.00
INTERNATIONAL BROTHERHOOD OF PAINTERS & ALLIED TRADES, 1750 NEW YORK AVE., NW WASHINGTON DC 20006			
INTERNATIONAL BROTHERHOOD OF TEAMSTERS, 25 LOUISIANA AVE., NW WASHINGTON DC 20001			39,520.49
INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, 17 BATTERY PLACE SUITE 1500 NEW YORK NY 10004			44,051.71
INTERNATIONAL UNION OF BRICKLAYERS & ALLIED CRAFTSMEN, 815 15TH ST., NW WASHINGTON DC 20005			3,252.75
INVESTMENT COMPANY INSTITUTE, 1775 K ST., NW WASHINGTON DC 20006			31,401.57
INVESTMENT COUNSEL ASSN OF AMERICA, INC., 50 BROAD ST. NEW YORK NY 10004			
CHARLES C. IRIONS, 400 ARMY-NAVY DR. ARLINGTON VA 22202	AMERICAN MOVERS CONFERENCE	2,570.00	
JOSEPH S IVES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	115.00	
IVINS, PHILLIPS & BARKER, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	EMPLOYERS COUNCIL ON FLEXIBLE COMPENSATION		
ROBERT A. JABLON, SPIEGAL & MCDIARMID 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	FT. PIERCE UTILITIES AUTH OF THE CITY OF FT. PIERCE, ET AL		
CHARLES L. JACKSON, 1850 K STREET, NW WASHINGTON DC 20006	SHOOSHAN & JACKSON, INC (FOR: U.S. CABLESYSTEMS, INC)		
MERCER L. JACKSON, 1101 17TH ST., NW SUITE 700 WASHINGTON DC 20036	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC	200.00	
ROY T. JACOBSEN, GNAU, CARTER, JACOBSEN & ASSOC., INC. 1777 F STREET, NW WASHINGTON DC 20006	AMURCON CORPORATOIN		
Do	BEZTAK COMPANY		
Do	CAC ASSOCIATES		
Do	GRAND TRAVERSE DEVELOPMENT, INC.		
Do	MOVE DETROIT FORWARD FUND		
Do	POTTER INSTRUMENT CO., INC.		
Do	RJK CONSTRUCTION COMPANY		
Do	SANDERS CORPORATION		
Do	URBAN REVITALIZATION, INC.		
WALTER K. JAENICKE, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	4,500.00	
DANIEL L. JAFFE, SUITE 401 1225 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN ADVERTISING FEDERATION	60.44	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
MARGO L. JAMES, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	5,000.00	
JAPAN ECONOMIC INSTITUTE OF AMERICA, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036		1,793.56	1,793.56
JAPANESE AMERICAN CITIZENS LEAGUE, 1765 SUTTER STREET SAN FRANCISCO CA 94118			
JOSEPH J. JAQUAY, 5025 WISCONSIN AVE., NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION , AFL-CIO		
GARY JARMIN, 418 C ST., NE, #300 WASHINGTON DC 20002	NATIONAL BUSINESS & ECONOMIC FREEDOM COUNCIL, INC		1,634.00
T. DESTRY JARVIS, 529 TENNESSEE AVE. ALEXANDRIA VA 22305	NATIONAL PARKS & CONSERVATION ASSOCIATION	514.08	94.00
EVELYN JARVIS-FERRIS, 444 MARKET STREET SAN FRANCISCO CA 94111	SHAKLEE CORPORATION		
JERRY J. JASINOWSKI, 1776 F STREET, N.W. WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	2,000.00	
PATRICIA A. JEFFERS, SUITE 209 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE	65.00	25.00
JOSEPH S. JENCKES, 1730 M ST., NW, #808 WASHINGTON DC 20036	ABBOTT LABORATORIES	5,000.00	
LINDA JENCKES, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSOCIATION OF AMERICA, INC		
JENKENS & GILCHRIST, 2200 FIRST NATIONAL BANK BLDG. DALLAS TX 75202	AMERICAN COLLEGE OF EMERGENCY PHYSICIANS		
JAMES C. JENNINGS, 3255 GRACE ST., NW WASHINGTON DC 20007	GRAY AND COMPANY		
JENNINGS, STROUSS & SALMON, 111 WEST MONROE PHOENIX AZ 85003	SHAMROCK FOODS CO	185.00	
CHRIS L. JENSEN, FLORIDA PETROLEUM COUNCIL 111 NORTH GADSDEN ST. TALLAHASSEE FL 32301	AMERICAN PETROLEUM INST		
JENSEN, SANDERS & MCCONNELL, SUITE 1275 1875 EYE ST., NW WASHINGTON DC 20006	CARMA-SANDLING GROUP		
Do	COUNTY OF ORANGE	9,500.00	569.00
Do	NELCO PRODUCTS, INC	300.00	
Do	ORANGE COUNTY TRANSPORTATION COMMISSION	6,500.00	347.00
Do	SANTA ANA RIVER FLOOD PROTECTION AGENCY	300.00	
Do	SANTA ANA VALLEY IRRIGATION CO.		
NANCY H. JESSICK, 425 13TH STREET, NW WASHINGTON DC 20004	HIRAM WALKER & SONS, INC		
GUY E. JESTER, 2150 KIENLEN AVE. ST. LOUIS MO 63121	ASSOCIATION FOR THE IMPROVEMENT OF THE MISSISSIPPI RIVER		
CHARLES E. JOECKEL JR , 807 MAINE AVE., SW WASHINGTON DC 20024	DISABLED AMERICAN VETERANS	10,862.40	4,053.49
JOHNSON & SWANSON, 4700 FIRST INTERNATIONAL BLDG. DALLAS TX 75270	HARBISON FORD, INC		
CARL T. JOHNSON, SUITE 1104 1800 K STREET, NW WASHINGTON DC 20006	CORNING GLASS WORKS	400.00	
CLIFFORD T. JOHNSON, 1700 NORTH MOORE STREET ROSSLYN VA 22209	BOEING MILITARY AIRPLANE COMPANY	300.00	399.01
DAVID H. JOHNSON, MISSISSIPPI PETROLEUM COUNCIL 215 LAMAR LIFE BLDG., P.O. BOX 42 JACKSON MS 39205	AMERICAN PETROLEUM INST		
GEORGE DEAN JOHNSON JR., JOHNSON SMITH & HIBBARD P.O. BOX 5524 SPARTANBURG SC 29304	MILLIKEN & COMPANY	1,000.00	551.21
Do	WASTE MANAGEMENT, INC		
H. BRADLEY JOHNSON, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JESS JOHNSON JR , SUITE 200 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	SHELL OIL CO	500.00	
JOHN B. JOHNSON, ALABAMA PETROLEUM COUNCIL P.O. BOX 4220 MONTGOMERY AL 36195	AMERICAN PETROLEUM INST	866.25	
JOHN D. JOHNSON, SUITE 1014 900 17TH STREET, NW WASHINGTON DC 20006	KAISER PERMANENTE MEDICAL GROUP	15,500.00	2,207.94
LARRY W. JOHNSON, P.O. BOX 3000 LEESBURG VA 22075	VOCATIONAL INDUSTRIAL CLUBS OF AMERICA, INC		
LINDA MEYER JOHNSON, 7700 LITTLE RIVER TURNPIKE ANNANDALE VA 22003	ROLM CORPORATION	8,750.00	2,943.16
RADY A. JOHNSON, 1000 16TH ST., NW WASHINGTON DC 20036	STANDARD OIL CO (INDIANA)	600.00	
RICHARD W. JOHNSON JR., 219 N. WASHINGTON STREET ALEXANDRIA VA 22314	NON COMMISSIONED OFFICERS ASSN OF THE USA	5,078.48	37.21
STANLEY L. JOHNSON, 1050 17TH ST., NW WASHINGTON DC 20036	TEXACO, INC	200.00	
WILLIAM L. JOHNSON, SUITE 301 1050 17TH STREET, NW WASHINGTON DC 20036	MICHIGAN CONSOLIDATED GAS CO	1,000.00	
BARBARA W. JOHNSTON, 1150 CONNECTICUT AVE. NW #710 WASHINGTON DC 20036	UTAH INTERNATIONAL INC		
DAVID JOHNSTON, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
JAMES D. JOHNSTON, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,600.00	5,496.84
JOINT CORPORATE COMM ON CUBAN CLAIMS, C/O LONE STAR INDUSTRIES, INC PO BOX 5050 GREENWICH CT 06830			180.00
JOINT TASK FORCE ON FEDERAL FINANCIAL ASSIST. FOR STUDENTS, C/O LAW SCHOOL ADMISSION COUNCIL 11 DUPONT CIRCLE, NW WASHINGTON DC 20036.			
MARY KAAREN JOLLY, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA	750.00	206.16
ALLAN R. JONES, 1616 P ST., NW WASHINGTON DC 20036	AMERICAN TRUCKING ASSNS, INC	9,000.00	650.53
ERNEST W. JONES, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
GERALD R. JONES, SUITE 810 2000 L STREET, NW WASHINGTON DC 20036	SPERRY CORPORATION		
JAMES E. JONES JR , 1110 VERMONT AVE., NW WASHINGTON DC 20005	ALLIANCE OF AMERICAN INSURERS	170.00	121.00
JAMES E. JONES, 40 FRANKLIN RD., SW P.O. BOX 2021 ROANOKE VA 24022	APPALACHIAN POWER COMPANY		
JONES JONES BELL CLOSE & BROWN, LTD., 700 VALLEY BANK PLAZA 300 S. FOURTH ST. LAS VEGAS NV 89101	MEAD CORPORATION	960.75	67.65
NORVILL JONES, 1620 EYE ST., NW WASHINGTON DC 20006	REYNOLDS METALS CO	250.00	
RANDALL T. JONES, 1030 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMER	945.00	16.22
GREGORY N. JONSSON, 1000 CONNECTICUT AVE., NW, #1200 WASHINGTON DC 20036	UNITED STATES INDUSTRIAL COUNCIL		14,160.00
DE SOTO JORDAN, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	198.00	188.85
DONALD L. JORDAN, SUITE 700 311 FIRST ST., NW WASHINGTON DC 20001	NATIONAL ASSN OF INSURANCE BROKERS		
JAMES V. JORDAN III, PO BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO		
JEFFREY H. JOSEPH, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	1,365.00	10.00
DAVID W. JOYNER, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
ROBERT E. JULIANO, 1875 I ST., NW, #450 WASHINGTON DC 20006	HOTEL & RESTAURANT EMPLOYEES & BARTENDERS INTL UNION	16,238.52	764.88
BYRON E. KABOT, LEGAL DEPARTMENT - 43-33 77 WEST 45TH ST. NEW YORK NY 10036	INTERNATIONAL PAPER COMPANY	1,680.00	564.34
GEZA KADAR, 1750 K STREET, N.W. WASHINGTON DC 20006	HEALTH INSURANCE ASSOCIATION OF AMERICA, INC		
H. RICHARD KAHLER, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO		
VICTOR S. KAMBER, SUITE 800 1899 L STREET, NW WASHINGTON DC 20036	KAMBER GROUP (FOR: NATIONAL FOOTBALL LEAGUE PLAYERS ASSN)		1,958.20
LINDA HELLER KAMM, 1775 PENNSYLVANIA AVE., NW SUITE 1000 WASHINGTON DC 20006	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: CITY OF MINNEAPOLIS)		
Do	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: INDEPENDENT REFINERS ASSOCIATION OF AMERICA).		
Do	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: LAWYERS TITLE INSURANCE CORP).		
Do	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: NATIONAL GYPSUM CO./CEMENT DIV.)		
DONALD J. KANIEWSKI, 905 16TH ST., NW WASHINGTON DC 20006	LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO	6,647.49	178.75
KAPLAN RUSSIN & VECCHI, 1218 16TH STREET, NW WASHINGTON DC 20036	AMERICAN CHAMBER OF COMMERCE OF THE DOMINICAN REPUBLIC		211.55
Do	TADIRAN ISRAEL ELECTRONICS INDUSTRIES, LTD		
CHARLES W. KARCHER, MIDLAND BLDG, ROOM 850 CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
FRED G. KAREM, SHUFFETT, KENTON, CURRY & KAREM 109 NORTH MILL STREET LEXINGTON KY 40507	LINCOLN PROPERTY CO	1,000.00	
Do	NATIONAL MULTI HOUSING COUNCIL	500.00	
MARYANN M. KASWELL, SUITE 1200 1300 NORTH 17TH STREET ARLINGTON VA 22209	CONSUMER BANKERS ASSN	1,300.00	788.92
HOWARD C. KATZ, 160 WATER ST. NEW YORK NY 10038	COFFEE, SUGAR & COCOA EXCHANGE, INC		
LAWRENCE W. KATZ, 8283 GREENSBORO DR. MCLEAN VA 22102	SATELLITE BUSINESS SYSTEMS	1,500.00	
LINDA E. KATZ, 3350 HUNTLEY SQUARE DRIVE, T-2 TEMPLE HILLS MD 20031	CHICAGO, ROCK ISLAND & PACIFIC R.R. CO	4,500.00	511.67
Do	WESTINGHOUSE	8,160.00	
ALAN C. KAUFFMAN, 2600 FIDELITY BUILDING PHILADELPHIA PA 19109	PHILADELPHIA STOCK EXCHANGE	7,700.00	742.27
EVERETT E. KAVANAUGH, SUITE 800 1110 VERMONT AVE., NW WASHINGTON DC 20005	COSMETIC, TOILETRY & FRAGRANCE ASSN, INC		
KAYE, SCHOLER, FIERMAN, HAYS & HANDLER, 1575 I ST., NW SUITE 1150 WASHINGTON DC 20005	AMERICAN PSYCHOANALYTIC ASSOCIATION		
Do	DOW CHEMICAL COMPANY		
RICHARD F. KEATING, SUITE 502 1211 CONNECTICUT AVE., NW WASHINGTON DC 20036	ANHEUSER-BUSCH COMPANIES		
WILLIAM J. KEATING, 725 15TH ST., NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN		
HOWARD B. KECK, 555 S. FLOWER ST. LOS ANGELES CA 90071	SUPERIOR OIL CO		300.00
JOSEPH D. KEEFER, SUITE 1050 1825 EYE STREET, NW WASHINGTON DC 20006	NATIONAL COUNCIL ON SYNTHETIC FUELS PRODUCTION		
VICKI R. KEENAN, 1620 EYE ST., NW, SUITE 703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
DAVID A. KEENE, 919 PRINCE ST. ALEXANDRIA VA 22314	NATIONAL TAX LIMITATION COMMITTEE		
KEITH KEENEY, SUITE 500-D 5775 PEACHTREE-DUNWOODY RD. ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	140.00	
JEFFERSON D. KEITH, 8100 OAK ST. DUNN LORING VA 22027	NATIONAL PEST CONTROL ASSN		
ROBERT H. KELLEN, 5775 PEACHTREE-DUNWOODY RD., #500-D ATLANTA GA 20342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	90.00	
KELLER & HECKMAN, 1150 17TH ST., NW WASHINGTON DC 20036	SPECIALTY ADVERTISING ASSN. INT'L		
DONALD W. KELLER, 601 JEFFERSON HOUSTON TX 77002	QUINTANA PETROLEUM CORP		
Do	QUINTANA REFINERY COMPANY		
JOHN G. KELLER, 1899 L STREET, N.W. SUITE 1100 WASHINGTON DC 20036	EXXON CORPORATION		376.65
DONALD KELLERMANN, SUITE 1110 1875 EYE ST., NW WASHINGTON DC 20006	TIMES MIRROR COMPANY		
JOHN B. KELLEY, 1025 CONNECTICUT AVE., NW, #1200 WASHINGTON DC 20036	AVCO CORP	2,500.00	
TY KELLEY, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	1,500.00	
STEPHEN G. KELLISON, 1835 K ST., NW, #515 WASHINGTON DC 20006	AMERICAN ACADEMY OF ACTUARIES		
STEPHEN S. KELLNER, 1001 CONNECTICUT AVE., NW, #1120 WASHINGTON DC 20036	CHEMICAL SPECIALTIES MFGRS ASSN		
BRIAN F. KELLY, 1211 CONNECTICUT AVENUE, N.W. SUITE 802 WASHINGTON DC 20036	SEARS, ROEBUCK AND CO	250.00	25.40
EARL KELLY, 801 18TH STREET, NW WASHINGTON DC 20006	PARALYZED VETERANS OF AMERICA	8,183.84	
ERNEST B. KELLY III, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORPORATION	1,250.00	53.02
HAROLD V. KELLY, 1101 15TH ST., NW WASHINGTON DC 20005	REPUBLIC STEEL CORP		
MICHAEL J. KELLY, 1775 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	FOLEY & LARDNER (FOR: NATIONAL GYPSUM CO./CEMENT DIV.)		
MARK L. KEMMER, 1660 L STREET, N.W. WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	943.32
WILLIAM T. KENDALL, SUITE 210 1750 NEW YORK AVE., NW WASHINGTON DC 20006	ALLIANCE FOR FREE ENTERPRISE		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JOSEPH W. KENNEBECK, 475 L'ENFANT PLAZA, S.W. SUITE 2450 WASHINGTON DC 20024	VOLKSWAGEN OF AMERICA, INC	300.00	
ART KENNEDY, P.O. BOX 3576 ECB ANCHORAGE AK 99501	ALASKA RESOURCE ANALYSTS, INC	16,980.00	5,474.73
JOHN E. KENNEDY, VINSON & ELKINS 3300 FIRST CITY TOWER HOUSTON TX 77002	ASSOCIATION OF OIL PIPELINES	6,385.00	
MICHAEL E. KENNEDY, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
EDWARD E. KENNEY & ASSOCIATES, INC., SUITE 1610 1700 NORTH MOORE STREET ARLINGTON VA 22209	LOCKHEED-GEORGIA CORPORATION		
JEREMIAH J. KENNEY JR., 12TH FL. 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		
PETER B. KENNEY, 1825 K ST., NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	2,150.00	617.41
J. H. KENT, KENT & O'CONNOR 1919 PENNSYLVANIA AVE., NW SUITE 300 WASHINGTON DC 20006	AMERICAN DENTAL HYGIENISTS ASSN	3,356.00	1,652.14
Do	AMERICAN SUPPLY ASSOCIATION	3,182.88	3,149.56
Do	AMERICAN WAREHOUSEMEN'S ASSOCIATION		
Do	GOULD, INC	1,500.00	2,281.07
Do	MOTOR CARRIER LAWYERS ASSN		
VYTAUTAS KERBELIS, 69 COTTAGE ST. BAR HARBOR ME 04609	ARAS		
PAUL A. KERSCHNER, 1909 K STREET, NW WASHINGTON DC 20049	AMER ASSN OF RETIRED PERSONS	794.23	
ROBERT M. KETCHEL, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO		
GILBERT W. KEYES, PO BOX 3999 SEATTLE WA 98124	BOEING COMPANY		
EARLINE A. KEYSER, 1620 I ST., NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
KIAWAH ISLAND COMPANY, P.O. BOX 12910 CHARLESTON SC 29142			
RICHARD F. KIBBEN, 200 PARK AVE. NEW YORK NY 10166	BUSINESS ROUNDTABLE		
EDWARD J. KIERNAN, 412 1ST ST., SE WASHINGTON DC 20003	INTERNATIONAL UNION OF POLICE ASSOCIATIONS		
ROBERT W. KIERNAN, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
MARYANN KILDUFF, 923 15TH ST., NW WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	146.00
DANIEL L. KILEY, P.O. BOX 3609 NORFOLK VA 23514	NORFOLK SOUTHERN CORPORATION		
KILGORE & KILGORE, INC, 1800 FIRST NATIONAL BANK BLDG. DALLAS TX 75202	DEMINEX U.S. OIL CO	1,220.00	20,027.76
Do	TEXASGULF, INC		20,011.93
MARGARET A. KIMBALL, 1620 I ST., NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
RICHARD H. KIMBERLY, 1000 WILSON BOULEVARD SUITE 2200 ARLINGTON VA 22209	KIMBERLY-CLARK CORP	51.10	132.25
KIMBERLY-CLARK CORP., 401 NORTH LAKE STREET NEENAH WI 54956			210.53
JAMES L. KIMBLE, 1025 CONNECTICUT AVE., NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
GENE KIMMELMAN, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH	3,000.00	
KING & SPALDING, 1915 I STREET, NW WASHINGTON DC 20006	CAPITAL HOLDING CORP	850.00	561.83
Do	GEORGIA-PACIFIC CORP	91,200.00	2,663.89
Do			3,625.98
CHARLES L. KING, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	750.00	
EDWARD H. KING, 200 WILMOT RD. DEERFIELD IL 60015	WALGREEN CO		
G. JACK KING, WASHINGTON NATIONAL AIRPORT WASHINGTON DC 20001	U.S. AIR, INC		
W. RUSSELL KING, SUITE 400 1730 RHODE ISLAND AVE., NW WASHINGTON DC 20036	FREEPORT MINERALS CO	300.00	44.25
ROGER P. KINGSLEY, 10801 ROCKVILLE PIKE ROCKVILLE MD 20852	AMERICAN SPEECH-LANGUAGE-HEARING ASSN	7,500.00	
JANIE A. KINNEY, #408 1015 18TH ST., NW WASHINGTON DC 20036	TWIN COAST NEWSPAPERS, INC		
Do	MERCK & CO, INC		
KIRBY & GILLICK, SUITE 303 600 MARYLAND AVENUE, S.W. WASHINGTON DC 20024	COMMUNITIES FOR AN EFFECTIVE AIR TRANSPORTATION SYSTEM		
Do	SLURRY TRANSPORT ASSN	6,900.00	137.50
CECILIA ANNE KIRBY, 1101 CONNECTICUT AVENUE, NW, #1006 WASHINGTON DC 20036	AMERICAN HOTEL & MOTEL ASSN	1,076.00	
CAROL KIRCHNER, 4598-A SW CALDEW PORTLAND OR 97219	FRIENDS OF THE COLUMBIA GORGE		
ALAN G. KIRK II, 1900 PENNSYLVANIA AVE., NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO		
JOHN R. KIRK, BINGHAM, DANA & GOULD 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON	750.00	332.92
PAUL G. KIRK JR., SULLIVAN & WORCESTER 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL FOOTBALL LEAGUE	41,005.00	1,105.09
KIRKLAND & ELLIS, 1776 K ST., NW WASHINGTON DC 20006	AMERICAN NEWSPAPER PUBLISHERS ASSN		
SALLY ANN KIRKPATRICK, 1110 VERMONT AVE., NW WASHINGTON DC 20005	ALLIANCE OF AMERICAN INSURERS	588.00	
KIRKPATRICK, LOCKHART, HILL, CHRISTOPHER & PHILLIPS, 1900 M ST., NW WASHINGTON DC 20036	AMERICAN STOCK EXCHANGE	420.00	
Do	COLUMBIA PICTURES INDUSTRIES, INC	520.00	
Do	COUNCIL OF STATE HOUSING AGENCIES		
Do	GROCERY MANUFACTURERS OF AMERICA		
Do	MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
Do	MORGAN GUARANTY TRUST CO OF NEW YORK		
Do	PILOT PETROLEUM CORPORATION		
Do	REPUBLIC NATIONAL BANK OF NEW YORK		
Do	SOUTHERN SHIPBUILDING CORP		
Do	WHITNEY NATIONAL BANK OF NEW ORLEANS	720.00	
KIRLIN, CAMPBELL & KEATING, SUITE 800 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN	16,800.00	524.68
ROBERT A. KIRSHNER, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	500.00	
SAUL B. KLAMAN, 200 PARK AVE. NEW YORK NY 10166	NATIONAL ASSN OF MUTUAL SAVINGS BANKS	1,852.31	
RICHARD L. KLASS, 1225 19TH ST., NW WASHINGTON DC 20036	DGA INTL. INC (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS)	82.20	102.91
RICHARD P. KLEEMAN, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS		
RICHARD A. KLINE, 650 INDEPENDENCE AVE., SE WASHINGTON DC 20003	COUNCIL OF ACTIVE INDEPENDENT OIL & GAS PRODUCERS	7,629.00	
WILLIAM J. KLINEFELTER, 815 16TH ST., NW SUITE 706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	9,895.41	
JOHN J. KLOCKO III, 1701 PENNSYLVANIA AVE., NW SUITE 1120 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
GLENN KNAPP, 773 DARTMOUTH AVE. SAN CARLOS CA 94070			
JAMES E. KNEALE, 2335 SOUTH MEADE ST. ARLINGTON VA 22202	LOCKHEED CORPORATION	900.00	98.10
JEFFREY W. KNIGHT, 1045 SANSOME ST. SAN FRANCISCO CA 94111	FRIENDS OF THE EARTH		
PETER KNIGHT, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,875.00	430.34
DANIEL F. KNISE, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
C. EUGENE KNODER, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY		
JOHN C. KNOTT, 6800 POWDERHOUSE RD. CHEYENNE WY 82001	BURLINGTON NORTHERN RAILROAD CO		
RUTH E. KOBELL, SUITE 202 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	4,691.09	160.90
THOMAS G. KOBUS, SUITE 350 2000 K ST., NW WASHINGTON DC 20006	NATIONAL PARKING ASSOCIATION	14,249.95	
BRADLEY R. KOCH, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	139.75	
GEORGE W. KOCH, 1010 WISCONSIN AVE., NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	104.66	
PATRICK C. KOCH, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	800.00	
STANLEY E. KOLBE JR., 1735 NEW YORK AVE., NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS		
MICHAEL S. KOLEDA, SUITE 1050 1825 EYE ST., NW WASHINGTON DC 20006	NATIONAL COUNCIL ON SYNTHETIC FUELS PRODUCTION		
NICHOLAS KOMINUS, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	U.S. CANE SUGAR REFINERS' ASSN		
STEPHEN KOPLAN, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	15,552.18	301.55
EUGENE P. KOPP, SUITE 600 SOUTH 1120 20TH STREET, NW WASHINGTON DC 20036	UNION PACIFIC CORP	1,250.00	
STEVEN KOPPERUD, 1701 N. FT. MYER DRIVE ARLINGTON VA 22209	AMERICAN FEED MANUFACTURERS ASSN	3,000.00	
HORACE R. KORNEGAY, 1875 I ST., NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE		
CHARLES B. KORNMANN, P.O. BOX 1030 ABERDEEN SD 57401	SOUTH DAKOTA RAILROADS ASSN		
PETER H. KOSTMAYER, 1825 K STREET, NW WASHINGTON DC 20006	JOHN ADAMS ASSOCIATES		
KENNETH S. KOVACK, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	9,895.41	
JEANNE P. KOWALSKY, SUITE 500 1828 L ST., NW WASHINGTON DC 20036	SOUTHERN PACIFIC COMMUNICATIONS COMPANY	3,400.00	245.87
MYLIO S. KRAJA, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	10,338.00	455.22
THOMAS G. KRAJEWSKI, SUITE 1100 1828 L STREET, NW WASHINGTON DC 20036	COOPERATIVE LEGAUE OF THE USA	354.00	
AMOS KRAMER, KANSAS PETROLEUM COUNCIL SUITE 1414 MERCHANTS BANK BLDG. 8TH & JACKSON STS. TOPEKA KS 66612.	AMERICAN PETROLEUM INST		
JOSEPH H. KRAMER III, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: HTB CORPORATION)		
STEPHEN W. KRAUS, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
RAYMOND ROGER KRAUSE, SUITE 2700 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,000.00	
LAWRENCE E. KREIDER, 1015 18TH ST., NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS		
KRIVIT & KRIVIT, 101 DUDDINGTON PLACE, SE WASHINGTON DC 20003	CITY OF CAMDEN - OFFICE OF THE MAYOR		
JAMES C. KRONE, 1152 HASLETT ROAD P.O. BOX 99 HASLETT MI 48840	ROSES, INC	1,500.00	135.03
ARTHUR J. KROPP, 2029 K STREET, NW WASHINGTON DC 20006	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,250.00	
NEIL B. KRUGMAN, SUITE 320 1050 17TH STREET, NW WASHINGTON DC 20036	FAMILY HEALTH PROGRAM, INC	1,875.00	188.80
JAMES S. KRZYMINSKI, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	1,606.67	
ANTHONY J. KUCERA, 1600 WILSON BLVD., #1101 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
PHILIP KUGLER, 11 DUPONT CIRCLE, NW WASHINGTON DC 20036	AMERICAN FED OF TEACHERS		
LLOYD R. KUHN, 1725 DESALES ST., NW WASHINGTON DC 20036	AEROSPACE INDUSTRIES ASSN OF AMER, INC	15,484.00	
THOMAS R. KUHN, 410 FIRST ST., SE WASHINGTON DC	AMERICAN NUCLEAR ENERGY COUNCIL	1,625.00	138.16
JUDITH KUNOFSKY, 530 BUSH STREET SAN FRANCISCO CA 94108	SIERRA CLUB	2,115.00	39.00
ESTER KURZ, SUITE 412 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	9,999.96	
JEFFREY KURZWEIL, WATT, TIEDER, KILLIAN, TOOLE & HOFFAR 1742 R STREET, NW WASHINGTON DC 20009	MARRIOTT CORPORATION		
DANIEL M. KUSH, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,000.00	165.00
E. J. KUSHAN, SUITE 500 1828 L STREET, NW WASHINGTON DC 20036	SOUTHERN PACIFIC COMMUNICATIONS CO	450.00	5,012.00
HENRY J. KUSS JR., 1426 LADY BIRD DRIVE MCLEAN VA 22101	AMERICAN TRADE AND FINANCE COMPANY	12,499.98	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
KUTAK, ROCK & HUIE, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ASSOCIATION OF LOCAL HOUSING FINANCE AGENCIES		3,529.42
Do	FIRST NATIONAL BANK OF OMAHA	5,797.85	24.00
Do	HAYES, INC		54.09
Do	NATIONAL ASSN OF INDUSTRIAL & OFFICE PARKS	9,772.20	376.01
Do	RONALD E. ROBINSON		
KWAJALEIN ATOLL CORP, P.O. BOX 5220 KWAJALEIN EBEYE MARSHALL ISLAN			2,111.00
LABOR BUREAU, INC., SUITE 501 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036			
LABOR-MANAGEMENT MARITIME COMMITTEE, 100 INDIANA AVE., NW WASHINGTON DC 20001		8,260.00	5,824.00
LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO, 905 16TH ST., NW WASHINGTON DC 20006			21,281.09
PHILLIP RAY LACKEY, 823 15TH ST., NW SUITE 1001 WASHINGTON DC 20005	INTERNATIONAL MASONRY INSTITUTE	1,588.00	
JOHN D. LACOPO, 229 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	EDS CORPORATION	112.00	255.00
BRUCE C. LADD JR., 1776 K STREET, NW WASHINGTON DC 20006	MOTOROLA, INC	1,500.00	10.40
ROBERT A. LADIG, SCOTT PLAZA PHILADELPHIA PA 19113	SCOTT PAPER COMPANY	600.00	243.75
WALTER LAESSIG, 1101 VERMONT AVENUE, NW, #400 WASHINGTON DC 20005	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC		
JACK L. LAHR, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: INDEPENDENT REFINERS ASSN OF AMERICA).		
SARAH M. LAIRD, 1730 M ST., NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	4,328.00	27.00
ERIC T. LAITY, 1800 FIRST NATIONAL BANK BLDG. DALLAS TX 75202	DEMINEX U.S. OIL CO	7,500.00	
Do	TEXASGULF, INC	7,500.00	
ROBERT LAMB, 2101 L STREET, N.W. WASHINGTON DC 20037	AMERICAN PETROLEUM INST	5,000.00	386.54
V. KIM LAMB, SUITE 515 1835 K STREET, NW WASHINGTON DC 20006	AMERICAN ACADEMY OF ACTUARIES		
DAVID F. LAMBERT III, 311 FIRST STREET, NW, #700 WASHINGTON DC 20001	AUTOMOTIVE OCCUPANT PROTECTION ASSN	3,750.00	
DAVID M. F. LAMBERT, 1000 POTOMAC STREET, NW, #302 SUITE 900 WASHINGTON DC 20007	FEDERATION EMPLOYMENT & GUIDANCE SERVICE	1,787.27	
DAVID R. LAMBERT, 1030 15TH ST., NW SUITE 964 WASHINGTON DC 20005	AMERICAN SEED TRADE ASSN	5,000.00	
STEPHEN K. LAMBRIGHT, ONE BUSCH PLACE ST. LOUIS MO 63118	ANHEUSER-BUSCH COMPANIES, INC		
LAMON, ELROD & HARKLEROAD, 2500 PEACHTREE CENTER - CAIN TOWER 229 PEACHTREE STREET, NE ATLANTA GA 30303	NATIONAL ASSN OF PENSION CONSULTANTS & ADMINISTRATORS	1,500.00	19.60
CONSTANCE M. LAMONICA, 1410 N. THIRD STREET P.O. BOX 25489 PHOENIX AZ 85002	SAMARITAN HEALTH SERVICE		
L. CHARLES LANDGRAF, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	LEBOEUF, LAMB, LEIBY & MACRAE		
THOMAS M. LANDIN, 1500 SPRING GARDEN ST. PHILADELPHIA PA 19101	SMITHKLINE CORP		
LANDIS, COHEN, SINGMAN AND RAUH, 1019 19TH STREET, N.W. # 500 WASHINGTON DC 20036	AMERICAN SOCIETY OF COMPOSERS, AUTHORS & PUBLISHERS	2,500.00	
Do	COUNCIL OF CREATIVE ARTISTS, LIBRARIES AND MUSEUMS	750.00	
Do	NATIONAL FOOTBALL LEAGUE PLAYERS ASSN	3,000.00	
KARL S. LANDSTROM, 510 N. EDISON ST. ARLINGTON VA 22203	GEOTHERMAL RESOURCES INTL, INC	500.00	
BRUCE ALAN LANDY, 2700 VIRGINIA AVE., NW WASHINGTON DC 20037			
Do	B.A.L CO		
Do	CRYOGENIC VACUUM TECHNOLOGY CO		
LANE & EDSON, SUITE 400 SOUTH 1800 M ST., NW WASHINGTON DC 20036	CITY OF BALTIMORE	600.00	
Do	COUNCIL FOR RURAL HOUSING AND DEVELOPMENT	2,500.00	
Do	NATIONAL LEASED HOUSING ASSN	450.00	
ALBERT E. LANE, SUITE 537 1377 K STREET, NW WASHINGTON DC 20005	PEOPLE OPPOSED TO ENERGY LOBBY - POTEL		
LAURENCE F. LANE, SUITE 770 1050 17TH ST. WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	1,352.00	30.05
RICHARD F. LANE, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ROBIN W. LANIER, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	100.00	5.00
WAYNE R. LAPIERRE JR , 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	1,125.00	300.00
CLIFFORD LAPLANTE, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	1,100.00	
REED E. LARSON, 8001 BRADDOCK ROAD, #600 SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM		
JAMES LASALA, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
LASALLE NATIONAL BANK, 135 SOUTH LASALLE ST. CHICAGO IL 60690			
MICHAEL LASHBROOK, 1600 RHODE ISLAND AVENUE,NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
LATHAM, WATKINS, & HILLS, SUITE 1200 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	WILSHIRE TERRACE COOPERATIVE HOUSING CORP	385.00	133.94
THEODORE A. LATTANZIO, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
LOUIS F. LAUN, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
DENNIS LAVALLEE, 1016 20TH ST., NW WASHINGTON DC 20036	NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS	500.00	32.45
JOAN H. LAVOR, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
KATHRYN M. LAVRIHA, 1730 M ST., NW WASHINGTON DC 20015	LEAGUE OF WOMEN VOTERS OF THE U.S.	2,769.00	36.00
GEORGE H. LAWRENCE, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	415.00	
HENRY J. LAWRENCE, 1735 NEW YORK AVENUE,NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS		
JOHN I. LE BERRE, 900 17TH ST., NW WASHINGTON DC 20006	KAISER ALUMINUM & CHEMICAL CORP	120.00	75.00
ERNEST M. LE SUEUR, 1700 NORTH MOORE ST. 1925 ROSSLYN CENTER BUILDING ARLINGTON VA 22209	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA		
LEAD-ZINC PRODUCERS COMMITTEE, SUITE 3415 120 BROADWAY NEW YORK NY 10271		8,000.00	6,606.62
LEAGUE OF CALIFORNIA MILK PRODUCERS, 1225 8TH ST. SACRAMENTO CA 95814			3,819.81
LEAGUE OF WOMEN VOTERS OF THE U.S., 1730 M ST., NW WASHINGTON DC 20036		24,765.00	24,765.00
LEAGUE TO SAVE LAKE TAHOE, 2197 LAKE TAHOE BLVD. P.O. BOX 10110 SOUTH LAKE TAHOE CA 95731		9,000.00	1,007.81
BARBARA LEARY, SUITE 804 1100 17TH STREET, NW WASHINGTON DC 20036	WAGNER AND BARODDY (FOR: COEUR D'ALENE MINES)		
CORNELIUS J. LEARY, 2113 COUNTRYSIDE DRIVE SILVER SPRING MD 20904	AMERICAN COUNCIL OF INTERNATIONAL PERSONNEL, INC		
RICHARD J. LEASE, 2145 BOISE DRIVE LAS CRUCES NM 88001			
LEBOEUF LAMB LEIBY & MACRAE, 1333 NEW HAMPSHIRE AVE., NW, #1100 WASHINGTON DC 20036	SHIPPING CORP. OF INDIA, LTD		
Do	UNDERWRITERS AT LLOYD'S LONDON	950.00	
LECHNER & BUTSAVAGE, P.C., 3101 SOUTH ST., NW WASHINGTON DC 20007	NATIONAL ASSN OF POLICE ORGANIZATIONS	22,500.00	
Do	UNITED FOOD & COMMERCIAL WORKERS INTL UNION		
ROBERT F. LEDERER, 230 SOUTHERN BLDG. WASHINGTON DC 20005	AMERICAN ASSN OF NURSERYMEN		
THOMAS J. LEE JR., P.O. BOX 2628 HOUSTON TX 77001	ENTEX, INC		
DAVID A. LEFEVE, 1100 CONNECTICUT AVE., NW SUITE 200 WASHINGTON DC 20036	MERRILL LYNCH & CO., INC		
RICHARD A. LEGATSKI, SUITE 700 1050 17TH ST., NW WASHINGTON DC 20036	NATIONAL OCEAN INDUSTRIES ASSN		
CAROLINE MILLS LEGETTE, 215PENNSYLVANIA AVE., S.E. WASHINGTON DC 20003	CONGRESS WATCH	4,000.00	
MARY NELL LEHNHARD, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD		
LEIGHTON CONKLIN LEMOV JACOBS & BUCKLEY, SUITE 800 2033 M ST., NW WASHINGTON DC 20036	ADHESIVE & SEALANT COUNCIL, INC		
Do	AMERICAN ASSN OF NURSE ANESTHETISTS		
Do	AMERICAN DENTAL ASSISTANTS ASSN		
Do	AMERICAN EXPRESS CO		
Do	CITY & REGIONAL MAGAZINE ASSN		
Do	CLOROX COMPANY		
Do	FEDERATION OF APPAREL MANUFACTURERS	5,832.00	768.93
Do	FIREMAN'S FUND AMER LIFE INSURANCE CO	377.00	31.20
Do	GENERAL ATOMIC CO	1,781.25	558.64
Do	GENERAL INSTRUMENT CORPORATION		
Do	GREATER BOSTON REAL ESTATE BOARD		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	INTRAOCULAR LENS MFRS ASSN		
Do	KAISER ALUMINUM & CHEMICAL CORP		
Do	MUTUAL SAVINGS CENTRAL FUND, INC		
Do	NATIONAL BULK VENDORS ASSN	3,221.00	580.58
Do	NATIONAL CABLE TELEVISION ASSN, INC		
Do	NATIONAL GLASS DEALERS ASSN		
Do	PROFESSIONAL AIR TRAFFIC CONTROLLERS ORGANIZATION		
Do	SAVINGS BANKS ASSN. OF MASSACHUSETTS		
Do	TURNER BROADCASTING SYSTEM, INC		
Do	WHEY PRODUCTS INST		
TERRY L. LEITZELL, BOGLE & GATES 1575 EYE STREET, NW, #725 WASHINGTON DC 20005	AMERICAN SHRIMPBOAT ASSOCIATION	1,000.00	
Do	FLORIDA SHRIMP ASSOCIATION		
Do	MARINE CONSTRUCTION & DESIGN CO	750.00	
Do	PORT OF SEATTLE	1,000.00	
JOSEPH L. LEITZINGER, 900 4TH AVE. SEATTLE WA 98164	SIMPSON TIMBER CO	2,100.00	1,428.00
GILBERT LEKANDER, SUITE 801 1629 K ST., NW WASHINGTON DC 20006	MONTANA POWER CO & WASHINGTON WATER POWER CO	300.00	
ELIZABETH LEMOND, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	790.90	577.11
LYNETTE B. LENARD, 1800 M STREET, NW, #700S WASHINGTON DC 20036	DOW CHEMICAL CO	125.00	62.50
JOHN LENGEL, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)		
ANN LENTS, VINSON & ELKINS 3000 FIRST CITY TOWER HOUSTON TX 77002	ASSOCIATION OF OIL PIPELINES	6,385.00	
BETTY JANE LEONARD, P.O. BOX 21368 GREENSBORO NC 27420	UNIFI, INC	2,500.00	74.00
EARL T. LEONARD JR , P.O. DRAWER 1734 ATLANTA GA 30301	COCA-COLA COMPANY	764.00	1,579.32
LLOYD LEONARD, 1730 M ST., NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	3,229.00	10.00
RODNEY E. LEONARD, 1146 19TH ST. NW, #300 WASHINGTON DC 20036	COMMUNITY NUTRITION INSTITUTE		
LEONARD, KOEHN, ROSE AND HURT, P.C., SUITE 317 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CHARLES LEPPERT JR , 1801 K ST., NW, #230 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	56.70	
RICHARD L. LESHER, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
LESOURD PATTEN FLEMING HARTUNG & EMORY, 3900 SEATTLE-FIRST NATL BANK BLDG. SEATTLE WA 98154	GENERAL TEAMSTERS LOCAL 959, STATE OF ALASKA		
DALE LESTINA, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	2,239.20	86.00
LEVA HAWES SYMINGTON MARTIN & OPPENHEIMER, SUITE 1001 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	COOPERATIVE FOR AMERICAN RELIEF EVERYWHERE, INC. (CARE)		
Do	DON LANGENEGGER, ET AL		
Do	U.S. INDUSTRIES, INC		
Do	UPPER HUMBOLDT RIVER WATER USERS ASSN		
ROBERT JOHN LEVERING, 1730 M ST., NW, #610 WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION	300.00	51.08
MORRIS J. LEVIN, 1050 17TH ST., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN RAILROADS	2,500.00	
Do	INDEPENDENT LOCAL NEWSPAPER ASSN		
BARBARA W. LEVINE, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	634.50	
HARRY LEVINE JR , 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	325.00	
JAMES F. LEVY, 5301 TRENHOLM ROAD COLUMBIA SC 29260	DENTAL MANAGEMENT SERVICES, INC		
LESLIE LEVY, 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMMITTEE	6,499.98	
ROGER N. LEVY, 600 PENNSYLVANIA AVENUE, SE., #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC.	15,663.43	
CHARLES L. LEWIS, 5203 LEESBURG PIKE, SUITE 400 FALLS CHURCH VA 22041	AMERICAN PERSONNEL & GUIDANCE ASSOCIATION		
DAVID LEWIS, 600 MARYLAND AVE., SW SUITE 400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN	65.36	87.70
E. DAVID LEWIS, 1401 WILSON BLVD., #205 ARLINGTON VA 22209	SOCIETY OF AMERICAN WOOD PRESERVERS, INC.	200.00	245.00
JOHN F. LEWIS, BOX 10023 1665 N. 4TH STREET, #6 COLS OH 43201	ASR INC./LMMCA		
MICHAEL R. LEWIS, 1133 15TH ST., NW SUITE 640 WASHINGTON DC 20005	INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION	9,145.00	826.34
STUART A. LEWIS, SUITE 300 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	MANUFACTURERS HANOVER CORP	600.00	
Do	NATIONAL BANK OF DETROIT	400.00	
Do	SEATTLE FIRST NATIONAL BANK	600.00	
JOHN F. LEYDEN, 815 - 16TH ST., N.W. WASHINGTON DC 20006	PUBLIC EMPLOYEE DEPARTMENT, AFL-CIO	3,746.36	
WILLIAM J. LHOTA, 301 CLEVELAND AVE., SW CANTON OH 44702	OHIO POWER CO	438.40	610.93
HERBERT LIEBENSON, 1604 K ST., NW WASHINGTON DC 20006	NATIONAL SMALL BUSINESS ASSN	5,625.00	
Do	SMALL BUSINESS LEGISLATIVE COUNCIL		
SANDRA COHEN LIEBERMAN, 1775 K STREET, NW WASHINGTON DC 20006	INVESTMENT COMPANY INSTITUTE		
WILLIAM C. LIENESCH, 238 10TH ST., SE WASHINGTON DC 20003	NATIONAL PARKS & CONSERVATION ASSOCIATION	448.80	13.15
ROSS W. LILLARD, 2100 CHARTERBANK CENTER KANSAS CITY MO 64105	STINSON, MAG & FIZZELL (FOR: FARMLAND INDUSTRIES, INC)	320.00	
RICHARD A. LILLQUIST, SUITE 500 1090 VERMONT AVE., NW WASHINGTON DC 20005	FLEXIBLE PACKAGING ASSOCIATION		
DIANE PALMER LILLY, 2400 MULTIFOODS TOWER 33 SOUTH 6TH STREET MINNEAPOLIS MN 55480	NORTHWEST BANCORPORATION		
EDWARD J. LINCOLN, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	JAPAN ECONOMIC INSTITUTE OF AMERICA	100.00	
STEPHEN R. LINDAUER, 1957 E STREET, NW WASHINGTON DC 20515	ASSOCIATED GENERAL CONTRACTORS		
KATHLEEN M. LINEHAN, 1025 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	GULF OIL CORP	325.00	120.00
ELENA LINTHICUM, 1150 CONNECTICUT AVE., NW WASHINGTON DC 20036	ALLIED CHEMICAL CORP		
THOMAS LINTON L. , 1700 K STREET, NW #1204 WASHINGTON DC 20006	CHEVRON USA, INC	350.00	
LISBOA ASSOCIATES, INC., 3600 M ST., NW WASHINGTON DC 20007			
ROBERT G. LITSCHERT, 1111 19TH ST., NW, 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	800.00	335.77
BARBARA A. LITTLE, SUITE 611 1155 15TH STREET, NW WASHINGTON DC 20005	ETHYL CORPORATION	1,000.00	
CHARLES B. LITTLE, SUITE 603 600 MARYLAND AVE., SW WASHINGTON DC 20024	UBA, INC	1,000.00	
WILLIAM F. LITTLE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	362.50	347.50
ROY LITTLEFIELD, 1343 L ST., NW WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN	4,500.00	185.00
DAVID A. LITVIN, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL COMPANY (OHIO)	275.00	35.25
E.F. LIVAUDAIS JR , 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	100.00	
LIVESTOCK MARKETING ASSOCIATION, 301 E. ARMOUR BLVD. KANSAS CITY MO 64111			
LOBEL NOVINS & LAMONT, 1523 L ST., NW WASHINGTON DC 20005	GENERIC PHARMACEUTICAL INDUSTRY ASSN	10,830.00	315.44
CHARLES H. LOCKWOOD II , 300 NEW CENTER BUILDING DETROIT MI 48202	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC		
HAROLD D. LODEN, 1030 15TH ST., NW, #964 WASHINGTON DC 20005	AMERICAN SEED TRADE ASSN	4,000.00	
NILS LOFGREN, 1909 K ST., NW SUITE 300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
LAW OFCS OF SHELDON I. LONDON SUITE 401 1725 DESALES ST., NW WASHINGTON DC 20036	AMERICAN HARDWARE MANUFACTURERS ASSN	1,500.00	
ROBERT W. LONG, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
THOMAS R. LONG, 299 PARK AVENUE NEW YORK NY 10171	WESTVACO CORPORATION	200.00	153.01
JOHN H. LONNQUIST, 1025 CONNECTICUT AVE., NW SUITE 214 WASHINGTON DC 20036	JOHNS-MANVILLE CORPORATION	100.00	
LOOMIS OWEN FELLMAN & HOWE, 2020 K ST., NW WASHINGTON DC 20006	ASSOCIATION OF BITUMINOUS CONTRACTORS		
Do	CLASSROOM (PERIODICAL) PUBLISHERS ASSN		
Do	INDUSTRIAL DIAMOND ASSN		
Do	OPTICAL MFGRS ASSN		
Do	TEXTILE RENTAL SERVICES ASSN OF AMERICA		
SUSAN J. LOOMIS, 1957 E STREET, N.W. WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	2,000.00	500.00
KENNETH T. LOPATKA, FOLEY, HOAG & ELIOT ONE POST OFFICE SQUARE BOSTON MA 02109	C & S WHOLESALE GROCERS, INC	3,200.00	
LORD, DAY & LORD, 1120 20TH ST., NW WASHINGTON DC 20036	BOWATER NORTH AMERICA CORPORATION	1,003.21	
Do	CARGILL, INC		
Do	CONTINENTAL GRAIN COMPANY		
Do	PHOSPHATE CHEMICALS EXPORT ASSN., INC	740.00	
PHILIP J. LOREE, 50 BROADWAY NEW YORK NY 10004	FEDERATION OF AMERICAN CONTROLLED SHIPPING	200.00	
ROBERT E. LOSCH, 1716 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	AMERICAN DREDGING CO., ET AL	17,500.00	3,230.77
Do	PELICAN TERMINAL CORP & PORT OF GALVESTON		
DAVID S. LOTT, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY & LARDNER (FOR: NATIONAL GYPSUM CO./CEMENT DIV.)		
CLAUDIA J. LOUIS, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		
JAMES F. LOVETT, 1801 K ST., NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP	500.00	200.00
RICHARD J. LOVETT, 2400 MULTIFOODS TOWER 33 S. 6TH STREET MINNEAPOLIS MN 55480	NORTHWEST BANCORPORATION	1,000.00	
RODNEY W. LOWMAN, SUITE 700 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	GULF OIL CORPORATION	50.00	53.00
WILLIAM C. LOWREY, 1025 CONNECTICUT AVE., NW, #200 WASHINGTON DC 20036	SHELL OIL CO		
GERALD M. LOWRIE, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	6,000.00	
DONALD C. LUBICK, 1776 F STREET, NW WASHINGTON DC 20006	HAWAIIAN SUGAR TRANSPORTATION COMPANY	1,750.00	
Do	TALISMAN FUND	2,014.00	514.00
MRS. FREDDIE H. LUCAS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	844.60
CHARLES EMMET LUCEY, SUITE 500 1850 K ST., NW WASHINGTON DC 20006	CATHOLIC PRESS ASSN		
PETER J. LUCIANO, 923 15TH STREET, NW WASHINGTON DC 20005	TRANSPORTATION INSTITUTE		
WILLIAM F. LUDLAM SR , P.O. BOX 5282 VIRGINIA BEACH VA 23455	ARBA LICENSEES ASSN		280.00
SYLVESTER LUKIS, SUITE 200 1320 19TH STREET, NW WASHINGTON DC 20036	CRAMER, HOFFMAN & HABER (FOR: CANAVERAL PORT AUTHORITY)		
Do	CRAMER, HOFFMAN & HABER (FOR: CITY OF MIAMI)		
Do	CRAMER, HOFFMAN & HABER (FOR: DADE COUNTY)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: GLOBAL EXP. & DEV. CORP.)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: REPUBLIC OF GABON)		
LUMBERMENS MUTUAL CASUALTY COMPANY, LONG GROVE IL 60049			2,914.59
MILTON F. LUNCH, 2029 K ST., NW WASHINGTON DC 20006	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,000.00	
CHRISTIAN J. LUND, 1825 I STREET, NW WASHINGTON DC 20006	UNITED TECHNOLOGIES CORPORATION	13,975.00	
LUND, LEVIN & O'BRIEN, 1625 EYE ST., NW WASHINGTON DC 20006	FEDERATION OF AMERICAN CONTROLLED SHIPPING	600.00	22.31
Do	NATIONAL PRODUCT LIABILITY COUNCIL	800.00	54.08
Do	PENNSYLVANIA POWER & LIGHT CO	2,125.20	134.66
JOHN C. LYNCH, 1615 H STREET, NW WASHINGTON DC 20062	CITIZEN'S CHOICE, INC	26,000.00	
TIMOTHY P. LYNCH, SUITE 910 1510 WILSON BLVD. ARLINGTON VA 22209	ROADWAY EXPRESS, INC	400.00	200.00
WILLIAM T. LYONS, SUITE 700 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CIBA-GEIGY CORP	4,063.00	3,601.00
TIMOTHY MACCARTHY, 1909 K ST., NW, #300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC	1,484.00	
RUSSELL MACCLEERY, 1343 L ST., NW WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN	4,100.00	83.00
JACK A. MACDONALD, SUITE 915 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	NATIONAL COUNCIL OF HEALTH CARE SERVICES	1,125.00	99.95
JAMES E. MACK, 9005 CONGRESSIONAL COURT POTOMAC MD 20854	NATIONAL ASSN OF MIRROR MFGRS		
Do	PEANUT BUTTER & NUT PROCESSORS ASSN		
JAMES H. MACK, 7901 WESTPARK DR. MCLEAN VA 22101	NATIONAL MACHINE TOOL BUILDERS' ASSN		
THOMAS L. MACK, 1620 I STREET, NW WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
CURTIS T. MACKEY, 1025 VERMONT AVE., NW WASHINGTON DC 20005	NATIONAL INSULATION CONTRACTORS ASSN		
JOHN P. MACKEY, SUITE 302 605 14TH ST., NW WASHINGTON DC 20005	AD HOC COMM IN DEFENSE OF LIFE, INC	11,660.00	4,145.07
MARK J. MACKEY, 1775 K STREET, NW WASHINGTON DC 20006	INVESTMENT COMPANY INSTITUTE		
J. LYNN MADDOX, SUITE 1204 1700 K STREET, NW WASHINGTON DC 20006	CHEVRON U.S.A., INC	120.00	
FRANCIS E. MAGUIRE JR., 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,000.00	
W. TERRY MAGUIRE, BOX 17407 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041	AMERICAN NEWSPAPER PUBLISHERS ASSN	1,500.00	
DAVID L. MAHAN, 1225 19TH STREET, NW WASHINGTON DC 20036	DGA INTERNATIONAL, INC. (FOR: AIRBUS INDUSTRIE)		
Do	DGA INTERNATIONAL, INC. (FOR: SOFREAVIA)		
THOMAS D. MAHER, 1775 K STREET,N.W. WASHINGTON DC 20006	INVESTMENT COMPANY INSTITUTE		
JOHN F. MAHONEY, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	4,400.00	82.94

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ROBERT L. MAIER, SUITE 1000 900 17TH ST., NW WASHINGTON DC 20006	KAISER ALUMINUM & CHEMICAL CORP		
STEVEN R. MAIMON, 2303 WILLIAM & MARY DRIVE ALEXANDRIA VA 22308			
F. ANTHONY MAIO, FOLEY, LARDNER, HOLLABAUGH & JACOBS 1775 PENNSYLVANIA AVE., NW, SUITE 1000 WASHINGTON DC 20006.	FIRST WISCONSIN NATIONAL BANK OF MILWAUKEE		
ANDRE MAISONPIERRE, 1110 VERMONT AVE., NW WASHINGTON DC 20005	ALLIANCE OF AMERICAN INSURERS	320.00	
DAVID L. MALLINO, 815 16TH ST., NW SUITE 706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	9,895.41	
J. WILSON MALLOY JR , 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	EASTMAN CHEMICAL PRODUCTS, INC	725.00	42.00
KURT L. MALMGREN, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	106.50	
MARY JO MALONE, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS	1,875.00	1,344.40
MANAGEMENT IMPROVEMENT CORP. OF AMERICA, P.O. BOX 8737 DURHAM NC 27707			
CARTER MANASCO, 5932 CHESTERBROOK RD. MCLEAN VA 22101	NATIONAL COAL ASSN	6,774.01	138.65
MANATT, PHELPS, ROTHENBERG & TUNNEY, SUITE 200 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN PACIFIC INTERNATIONAL, INC		
Do	COUPON BOND TAX COMMITTEE		
Do	CSL ENERGY CONTROLS, INC		
Do	ETHYL CORPORATION		
Do	GATX CORP	1,137.50	
Do	GENERAL TELEPHONE CO. OF CALIFORNIA	44,350.00	
Do	IBAR	45,075.00	
Do	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS		
Do	JMB REALTY CORPORATION		
Do	LATHAM, WATKINS & HILLS		
Do	MAGANA, CATHCART, ET AL (FOR: MARINE & SHPBLDG WKRS AFL-CIO)		
Do	MANUFACTURERS HANOVER LEASING CORPORATION	4,112.50	
Do	MARLINE OIL CORP	4,375.00	
Do	MID ATLANTIC NEPHROLOGY CENTER, LTD		
Do	MOTION PICTURE & TELEVISION TAX INSTITUTE		
Do	MUSIC CORPORATION OF AMERICA, INC	2,625.00	
Do	NATIONAL INVESTMENT DEVELOPMENT CORPORATION		
Do	NATIONAL RESTAURANT ASSN		
Do	NORTHROP CORP	6,475.00	
Do	NORTHWEST ALASKAN PIPELINE CO	3,850.00	
Do	PHARMACEUTICAL MANUFACTURERS ASSN	8,312.50	
Do	TEXAS AIR CORPORATION		
Do	TOBACCO INSTITUTE		
MANCHESTER ASSOCIATES, LTD., 1155 15TH ST.,NW. SUITE 1010 WASHINGTON, DC 20005	NISSAN MOTOR COMPANY, LTD	10,987.00	11,255.00
FORBES MANN, 1155 15TH ST., NW, #1004 WASHINGTON DC 20005	LTV CORPORATION	500.00	20.00
TED R. MANNEN, 1030 15TH STREET, N.W. SUITE 1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSOCIATION		
RICHARD J. MANNIX, 195 MONTAGUE ST. BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
CYNTHIA MANSFIELD, SUITE 520 600 MARYLAND AVE., SW WASHINGTON DC 20024	GPU SERVICE CORPORATION	2,058.00	413.75
ARMAND G MANSON, 1090 VERMONT AVE. N.W. STE 1100 WASHINGTON DC 20006	BELL AEROSPACE TEXTRON		
MILTON C. MAPES, SUITE 409 110 MARYLAND AVE., NE WASHINGTON DC 20002	NATIONAL PEACE ACADEMY CAMPAIGN	7,500.00	423.82
JOHN V. MARANEY, 324 EAST CAPITOL ST., NE WASHINGTON DC 20003	NATIONAL STAR ROUTE MAIL CARRIERS' ASSN		
MARCH FOR LIFE, INC, PO BOX 2950 WASHINGTON DC 20013		22,278.33	24,082.30
CHARLES T. MARCK, 1800 M ST., NW, SUITE 700 SOUTH WASHINGTON DC 20036	DOW CHEMICAL CO	1,000.00	250.00
R. V. MARIANI, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	1,000.00	1,000.00
MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT, SUITE 600 1133 15TH STREET, NW WASHINGTON DC 20005.			
RICHARD MARK, 3RD FLOOR 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	1,457.09	2,211.17
RICHARD P. MARKEY, 729 15TH ST., NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC		
E. VERNON MARKHAM III, SUITE 500 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	STEPHENS OVERSEAS SERVICES, INC	43.65	
LAWRENCE D. MARKLEY, PO BOX 3518 ANCHORAGE AK 99501	CHUGACH ELECTRIC ASSN, INC	5,940.00	2,937.51
NATHAN FRED MARKS, 685 N.W. 8TH STREET GRESHAM OR 97030			
RONALD ANTHONY MARKS, 685 N.W. 8TH ST. GRESHAM OR 97030			
LUTHER A. MARKWART, SUITE 1019 1156 15TH STREET, NW WASHINGTON DC 20005	AMERICAN SUGARBEET GROWERS ASSN		
JOHN C. MARLIN, 307 W. NEVADA URBANA IL 61801	CENTRAL STATES RESOURCE CENTER	514.00	
HOWARD MARLOWE, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	15,821.40	497.57
CHALMERS H. MARQUIS, 3430 BLAIR RD. FALLS CHURCH VA 22041	NATIONAL ASSN FOR PUBLIC TELEVISION STATIONS	600.00	150.00
JOHN MARSH, 100 OAKVIEW DRIVE TRUMBULL CT 06611	RAYMARK CORPORATION	90.00	
C. TRAVIS MARSHALL, 1776 K ST., NW WASHINGTON DC 20006	MOTOROLA, INC	1,500.00	40.19
DAVID S. MARSHALL, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMERICA		
DAVID O. MARTIN, NORTH LAKE ST. NEENAH WI 54956	KIMBERLY-CLARK CORP		
JOHN M. MARTIN JR., 6909 FORT HUNT ROAD ALEXANDRIA VA 22307	FOOD MARKETING INSTITUTE	100.00	
Do	JEWELRY INDUSTRY COORDINATING COMMITTEE		
Do	TENNECO, INC		
KATHERINE E. MARTIN, 412 FIRST ST., SE. #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	478.33	321.42
ROBERT J. MARTIN, 1140 CONNECTICUT AVENUE, NW, #310 WASHINGTON DC 20037	COUNCIL OF ENERGY RESOURCE TRIBES		
ERNEST MARTY, 85 RIDGE ST. NORTH SIDNEY, NSW 2060 AUSTRALIA	ERNEST MARTY		
JUDITH MARTY, 85 RIDGE ST. NORTH SYDNEY, NSW 2060 AUSTRALIA	JUDITH MARTY		
JOSEPH J. MARTYAK, 12TH FL. 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		
MARYLAND SAVINGS-SHARE INSURANCE CORP., 901 NORTH HOWARD ST. BALTIMORE MD 21201			142.87
MIKE M. MASAOKA, SUITE 520, THE FARRAGUT BLDG. 900 17TH ST., NW WASHINGTON DC 20006	AMERICAN JAPANESE TRADE COMM		
Do	MATSUSHITA ELECTRIC CORP OF AMERICA	650.00	
Do	NISEI LOBBY		
Do	TOYOTA MOTOR SALES, U.S.A., INC	750.00	
Do	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	500.00	
SCOTT A. MASON, SUITE 330 8260 GREENSBORO DR. MCLEAN VA 22102	NATIONAL HEALTH ADVISORS, LTD		
W. A. MASON, P.O. BOX 21106 SHREVEPORT LA 71156	SOUTHWESTERN ELECTRIC POWER CO		
JAMES D. MASSIE, 1015 - 18TH STREET, N.W. WASHINGTON DC 20036	FERTILIZER INSTITUTE	5,000.00	2,360.45
COLIN D. MATHEWS, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	VINSON & ELKINS (FOR: AMERICAN GENERAL CORPORATION)		
Do	VINSON & ELKINS (FOR: GATX TERMINALS CORP)		
Do	VINSON & ELKINS (FOR: TRAVELERS INSURANCE COMPANY)		
CHARLES D. MATTHEWS, SUITE 700 1050 17TH ST., NW WASHINGTON DC 20036	NATIONAL OCEAN INDUSTRIES ASSN	3,750.00	181.18
ROBERT A. MATTHEWS, 700 NORTH FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INST	937.50	
JOANNE E. MATTIACE, 1211 CONNECTICUT AVE., NW, #802 WASHINGTON DC 20036	SEARS, ROEBUCK AND CO	240.00	80.15
MARSHALL L. MATZ, BARNETT & ALAGIA 1627 K STREET, NW WASHINGTON DC 20006	AFFILIATED FOOD PROCESSORS, INC	1,000.00	
Do	AMERICAN BAKERS ASSOCIATION	1,500.00	
C.V. & R.V. MAUDLIN, 1334 G ST., NW WASHINGTON DC 20005	BRASS AND BRONZE INGOT INSTITUTE		
ANTHONY F. MAURIELLO, NY STATE PETROLEUM COUNCIL 551 FIFTH AVE., RM. 718 NEW YORK NY 10176	AMERICAN PETROLEUM INST		
SAMUEL L. MAURY, SUITE 402 1828 L STREET, NW WASHINGTON DC 20036	BUSINESS ROUNDTABLE	300.00	10.00
THOMAS H. MAXEDON, KENTUCKY PETROLEUM COUNCIL 612-A SHELBY STREET FRANKFORT KY 40601	AMERICAN PETROLEUM INST		
ALBERT E. MAY, 1625 K ST., NW WASHINGTON DC 20006	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS	4,112.50	12.53
JAMES C. MAY, 700 ANDERSON ROAD PURCHASE NY 10577	PEPSICO, INC		
WALTER R. MAY, 7004 PARK TERRACE DRIVE ALEXANDRIA VA 22307	YELLOW FREIGHT SYSTEM, INC	13,750.00	2,472.03
ARNOLD MAYER, 1775 K ST., NW WASHINGTON DC 20006	UNITED FOOD & COMMERCIAL WORKERS INTL UNION	19,521.18	550.85
MAYER, BROWN & PLATT, 888 17TH ST., NW WASHINGTON DC 20006	AEROSPACE INDUSTRIES ASSN OF AMER, INC		
Do	BRUNSWICK CORP		
Do	COMDISCO, INC		
Do	ERISA INDUSTRY COMMITTEE		
Do	GATX CORPORATION		
Do	GENERAL TELEPHONE & ELECTRONICS CORP		
Do	JMB REALTY CORP		
Do	NATIONAL ASSOCIATION OF MANUFACTURERS' FTC-ANTITRUST SUBCMTE		
C. H. MAYER, INC., SUITE 701 3421 NORTH CAUSEWAY BLVD. METAIRIE LA 70002	L.P. MANAGEMENT CORPORATION	833.52	1,018.32
Do	LANGHAM ENERGY CO	458.33	777.40
JEFFREY G. MAYS, SUITE 400E 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
H. WESLEY MCADEN, SUITE 424 1155 15TH ST., NW WASHINGTON DC 20005	J. G. BOSWELL CO		
WILLIAM J. MCAULIFFE JR , 1828 L ST., NW WASHINGTON DC 20036	AMERICAN LAND TITLE ASSN		
LARRY D. MCBENNETT, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
ANN MCBRIDE, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	11,250.00	1,311.83
MARTHA MCCABE, 1828 L ST., N.W. SUITE 1100 WASHINGTON DC 20036	COOPERATIVE LEAGUE OF THE USA	2,083.33	
MICHAEL J. MCCABE, ALLSTATE PLAZA NORTHBROOK IL 60062	ALLSTATE ENTERPRISES, INC		
Do	ALLSTATE INSURANCE COS		
JOHN A. MCCAHILL, 1250 CONNECTICUT AVE, NW WASHINGTON DC 20036	U.S. OLYMPIC COMMITTEE		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JULIE P. MCCAHILL, SUITE 715 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	MEAD CORPORATION	275.00	
A. R. MCCAMMON, TENNESSEE RAILROAD ASSN 501 UNION STREET, #506 NASHVILLE TN 37219	CLASS I RAILROADS		
LAW OFFICES OF R. C. MCCANDLESS, 1707 H ST., NW WASHINGTON DC 20006	MILLER & SCHROEDER MUNICIPALS, INC	7,200.00	951.74
Do	TRANSAMERICA CORPORATION	26,184.00	4,047.96
Do	TRANSAMERICA-OCCIDENTAL INSURANCE CORP	34,429.50	10,114.21
KATHERINE S. MCCARTER, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	2,566.00	
CAROLYN KIM MCCARTHY, 7901 WESTPARK DRIVE MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN	1,015.00	500.00
JAMES R. MCCARTHY, 2101 L STREET, NW WASHINGTON DC 20037	AMERICAN PETROLEUM INSTITUTE	200.00	
JAMES W MCCARTHY, 1515 WILSON BLVD ARLINGTON VA 22209	AMERICAN GAS ASSN	3,000.00	1,063.00
JOHN C. MCCARTHY, BOX 1300 MCLEAN VA 22102	MELAMINE CHEMICALS, INC	1,000.00	800.00
Do	STATE OF LOUISIANA	20,000.00	7,250.00
MCCARTY NOONE & WILLIAMS, SUITE 3306 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	AMERICAN MEDICAL TECHNOLOGISTS	260.00	58.42
MCCLURE & TROTTER, SUITE 600 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CIGAR ASSOCIATION OF AMERICA, INC.		
Do	CITIES SERVICE CO	6,384.00	236.50
Do	COCA-COLA COMPANY	8,550.00	126.50
Do	GULF & WESTERN INDUSTRIES, INC	7,233.75	297.25
Do	MOBIL OIL CORP	8,723.75	275.75
Do	TRACOR, INC.		
ROBERT S. MCCONNAUGHEY, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
MOLLY MCCORMICK, 2301 MARKET STREET, S24-4 PHILADELPHIA PA 19101	PHILADELPHIA ELECTRIC COMPANY	2,125.00	421.97
SALLY MCCORMICK, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	6,750.00	557.45
MARIA S. MCCREA, SUITE 211 1825 CONNECTICUT AVE., NW WASHINGTON DC 20009	NATIONAL ASSN OF ARAB AMERICANS	1,187.00	400.00
E. L. MCCULLOCH, 819 RAILWAY LABOR BLDG., 400 1ST ST., NW WASHINGTON DC 20001	BROTHERHOOD OF LOCOMOTIVE ENGINEERS	284.60	493.03
ALBERT L. MCDERMOTT, 1101 CONNECTICUT AVE., NW, #1006 WASHINGTON DC 20036	AMERICAN HOTEL & MOTEL ASSN	2,211.00	
MARIANNE MCDERMOTT, 1201 PENNSYLVANIA AVE., N.W. WASHINGTON DC 20004	HILL & KNOWLTON, INC		
MARK T. MCDERMOTT, JOSEPH, POWELL, MCDERMOTT & REINER, P.C. 1300 19TH STREET, NW, #400 WASHINGTON DC 20036.	CIVIL PILOTS FOR REGULATORY REFORM	1,722.00	
MCDERMOTT, WILL & EMERY, SUITE 500 1850 K ST., NW WASHINGTON DC 20006	FEDERATION OF JAPAN SALMON FISHERIES COOPERATIVE ASSN		7.00
Do	OPPOSE	4,650.00	12.00
Do	TUNA RESEARCH FOUNDATION, INC	800.00	2.00
E. T. MCDONALD, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	1,300.00	1,300.00
JAMES MCDONALD, 9311 WOODLAND DR. SILVER SPRING MD 20910	JACK MCDONALD ASSOCIATES (FOR: NORTHROP CORP)		
MICHAEL D. MCDONALD, MARYLAND PETROLEUM ASSN 60 WEST ST. ANNAPOLIS MD 21401	AMERICAN PETROLEUM INST	200.00	
PATRICK J. MCDONOUGH, 5203 LEESBURG PIKE, SUITE 400 FALLS CHURCH VA 22041	AMERICAN PERSONNEL & GUIDANCE ASSOCIATION		
DINAH D. MCELFRESH, SUITE 1030N 1800 M ST., NW WASHINGTON DC 20036	HAUCK & ASSOCIATES (FOR: NATIONAL ASSN OF CHILD CARE MANAGEMENT)		
DARRYL D. MCEWEN, 901 N. WASHINGTON ST. ALEXANDRIA VA 22134	SOCIETY OF AMERICAN FLORISTS & ORNAMENTAL HORTICULTURISTS	2,500.00	
ROBERT H. MCFADDEN, 1909 K ST., NW SUITE 300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
JAMES M. MCGARRY JR , 1750 K ST., NW WASHINGTON DC 20006	EATON ASSOCIATES, INC		
PAUL J. MCGEADY, 27 HAMPTON PL. NUTLEY NJ 07110	MORALITY IN MEDIA, INC	34.34	
GALE W. MCGEE ASSOCIATES, SUITE 700 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	DGA INTERNATIONAL, INC		
DONNA LEE MCGEE, 1800 M STREET,N.W. #870-S WASHINGTON DC 20036	BURLINGTON INDUSTRIES, INC		
P. ANNE MCGHEE, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
ROBERT M. MCGLOTTEN, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	15,552.18	966.75
CHRISTOPHER C. MCGRATH, N. Y. S. PETROLEUM COUNCIL 551 5TH AVE., #718 NEW YORK NY 10176	AMERICAN PETROLEUM INST		
JEROME J. MCGRATH, 1660 L ST., NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA	500.00	
JOSEPH B. MCGRATH, 1320 19TH STREET, NW, #400 WASHINGTON DC 20036	AMERICAN ROSE COUNCIL		29.00
TERRENCE G. MCGREEVY, FIRST CITY TOWER HOUSTON TX 77002	VINSON & ELKINS (FOR: PELICAN TERMINAL)		
JOSEPH M. MCGUIRE, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
PETER E. MCGUIRE, 400 FIRST ST., NW WASHINGTON DC 20001	NATIONAL ASSN OF RETIRED & VETERAN RAILWAY EMPLOYEES	4,999.98	
WILLIAM P. MCGUIRE, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
MCHALE, COOK & WELCH, P.C., 1122 CHAMBER OF COMMERCE BUILDING INDIANAPOLIS IN 46204	ESTATE OF MABEL R. LADD		
CLARENCE M. MCINTOSH JR , 400 FIRST ST., NW WASHINGTON DC 20001	RAILWAY LABOR EXECUTIVES' ASSN	1,253.98	
ROBERT MCINTYRE, ROOM 200 2020 K ST., NW WASHINGTON DC 20006	CITIZENS FOR TAX JUSTICE	6,813.46	20.87
CHRISTINE E. MCKECHNIE, 2550 M ST., NW SUITE 770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	251.00	122.48
JEAN MCKEE, 1200 NEW HAMPSHIRE AVE., N.W. SUITE 370 WASHINGTON DC 20036	GENERAL MILLS RESTAURANT GROUP, INC.		
WILLIAM F. MCKENNA, SUITE 500 2301 M ST., NW WASHINGTON DC 20037	HOUSLEY, GOLDBERG & KANTARIAN		
MCKENNA, CONNER & CUNEO, 3435 WILSHIRE BOULEVARD LOS ANGELES CA 90010	AHMANSON FOUNDATION	1,294.00	202.23
JAN E. MCKENZIE, 1111 19TH ST., NW SUITE 702 WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,410.00	299.13
ROBERT T. MCKERNAN, 1619 MASSACHUSETTS AVENUE, N.W. WASJINGTON DC 20036	AMERICAN PAPER INST, INC		
WILLIAM COLM MCKEVENY, 30 ROCKEFELLER PLAZA NEW YORK NY 10112	AMERICAN PULPWOOD ASSN		
JAMES D. MCKEVITT, SUITE 695 600 MARYLAND AVE., SW WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	3,500.00	135.00
C. A. 'MACK' MCKINNEY, 219 NORTH WASHINGTON STREET ALEXANDRIA VA 22314	NON COMMISSIONED OFFICERS ASSN OF THE USA	7,123.14	21,356.77
JAMES D. MCLAUGHLIN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	425.00	171.47
WILLIAM F. MCMANUS, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	700.00	
JANE PIERSON MCMICHAEL, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	13,179.04	30,119.75
JAMES D. MCMILLAN, 1899 L ST., NW, #1100 WASHINGTON DC	EXXON CORPORATION		921.95
MCNAIR GLENN KONDUROS CORLEY SINGLETARY PORTER & DIBBLE, 1155 15TH ST., NW WASHINGTON DC 20005	AIRCO, INC		
Do	AMERICAN PETROLEUM INSTITUTE		
Do	BUSINESS ROUNDTABLE	13,591.00	760.00
Do	DAVIS POLK & WARDWELL	1,410.00	250.00
Do	GENERAL TELEPHONE & ELECTRONICS CORP		230.00
Do	GEORGIA PACIFIC CORP		310.00
Do	GROCERY MANUFACTURERS ASSN		
Do	KLINE IRON & STEEL CO		
Do	NATIONAL ASSN OF REALTORS	1,250.00	
Do	NATIONAL FOOTBALL LEAGUE	13,847.00	780.00
Do	NATIONAL OFFICE MACHINE DEALERS ASSN	540.00	
Do	PHARMACEUTICAL MANUFACTURERS' ASSN	11,548.00	367.00
Do	SONY CORP OF AMERICA	7,030.00	102.00
Do	WESTINGHOUSE ELECTRIC CORP		
LARAMIE FAITH MCNAMARA, SUITE 2700 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,000.00	
PETER F. MCNEISH, 618 WASHINGTON BUILDING WASHINGTON DC 20005	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	2,000.00	
JAMES A. MCPHERSON, P.O. BOX 1160 KANSAS CITY KS 66117	MISSOURI RIVER BASIN ASSN		
RONALD E. MCWILLIAMS, 1700 N. MOORE ST. ROSSLYN VA 22209	BOEING COMPANY		
GEORGE G. MEAD, 430 FIRST ST., SE WASHINGTON DC 20003	AMERICAN TRUCKING ASSNS, INC	10,000.00	
JOHN K. MEAGHER, 1155 15TH ST.,N.W. SUITE 1004 WASHINGTON DC 20005	LTV CORPORATION	2,500.00	610.00
FRANCIS X. MEANEY, SUITE 1025 1015 15TH ST., NW WASHINGTON DC 20005	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: GOLDMAN SACHS & CO).		
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: NORTHERN ENERGY CORPORATION).		
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: REFUSE FUELS, INC.)		
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: SCA SERVICES)		
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: SECURITIES INDUSTRY ASSN).	800.00	
JOSEPH J. MEDER, SUITE 1160 1050 17TH ST., NW WASHINGTON DC 20036	INTERLAKE, INC	9,000.00	
MEEHAN & STOELKER, 2200 TWO GIRARD PLAZA PHILADELPHIA PA 19102	MILLIKEN RESEARCH CORP		
DAVID O. MEEKER, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS		
WILLIAM H. MEGONNELL, 1111 19TH ST., NW, 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	233.77	69.19
RICHARD A. MEHLER, 1742 N ST., NW WASHINGTON DC 20036	AUTOMOTIVE PARTS REBUILDERS ASSN		
R. OTTO MELETZKE, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
MELEX USA, INC. ONE FARRAGUT SQUARE S. WASHINGTON DC 20006			
PATRICK L. MELLON, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	312.50	
STEPHEN J. MELMAN, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
HOWARD H. MENAKER, 600 MARYLAND AVE., SW SUITE 400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
MARILEE MENARD, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	2,000.00	
MENDELSOHN ASSOCIATES, INC., 1826 JEFFERSON PLACE, NW WASHINGTON DC 20036	AMERICAN PRESIDENT LINES		
Do	WOLF TRAP FOUNDATION FOR THE PERFORMING ARTS		
EDWARD L. MENNING, 1522 K STREET N.W. SUITE 836 WASHINGTON DC 20005	ASSOCIATION OF FEDERAL VETERINARIANS		
ELLIS E. MEREDITH, 1611 NORTH KENT ST. ARLINGTON VA 22209	AMERICAN APPAREL MANUFACTURERS ASSN, INC		
CHARLES L. MERIN, 1750 PENNSYLVANIA AVE., NW, #1204 WASHINGTON DC 20006	NATIONAL RURAL LETTER CARRIERS' ASSN	10,861.00	633.97
EDWARD A. MERLIS, 1010 WISCONSIN AVENUE, NW WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	480.00	
ORREN MERREN, 1000 POTOMAC STREET, NW, #204 WASHINGTON DC 20007	PORTFOLIO OF AGRICULTURE AND CAYMAN TURTLE FARM LTD	5,000.00	10,000.00
EDWARD L. MERRIGAN, 6000 CONNECTICUT AVE., NW WASHINGTON DC 20015	CENTRAL GULF LINES, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NATIONAL ASSN OF RECYCLING INDUSTRIES, INC	11,250.00	948.75
MERRILL LYNCH & CO., INC., SUITE 906 1828 L STREET, NW WASHINGTON DC 20036		1,500.00	
SHARON L. MESSINGER, 7980 GALLOWS COURT VIENNA VA 22180	BOEING COMPUTER SERVICES		
BRIAN M. MEYER, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN		
M. BARRY MEYER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	ALUMINUM ASSN		100.00
LARRY D. MEYERS, SUITE 214 412 FIRST STREET, SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORP. OF AMERICA	2,499.00	
Do	CALIFORNIA WESTSIDE FARMERS	833.33	
Do	INDEPENDENT CATTLEMEN ASSOCIATION	4,500.00	
Do	NATIONAL PEANUT GROWERS GROUP	1,500.00	
Do	ST. JOE MINERALS CORPORATION	1,500.00	
JAMES G. MICHAUX, 1801 K ST., NW, #903 WASHINGTON DC 20006	FEDERATED DEPT STORES, INC	500.00	
LAURIE L. MICHEL, 1629 K STREET, N.W. WASHINGTON DC 20006	NABISCO, INC	3,500.00	1,508.30
RONALD A. MICHIELI, SUITE 1020 425 13TH ST., NW WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
MID CONTINENT WILDCATTERS ASSN., 200 DOUGLAS BLDG. WICHITA KS 67202		103,146.83	7,729.00
MID-CONTINENT OIL & GAS ASSN, 711 ADAMS OFFICE BLDG. TULSA OK 74103		316.48	9,327.42
JOY MIDMAN, 1319 F ST., NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS	250.00	
MIDWEST ALLIANCE FOR INDUSTRIAL FINANCING & RESTRUCTURING, 1520 OHIO SAVINGS PLAZA CLEVELAND OH 44114			
PAUL J. MIGNINI SR., 815 16TH STREET, NW WASHINGTON DC 20006	AMALGAMATED CLOTHING & TEXTILE WORKERS UNION	2,595.00	7.35
MIGRANT LEGAL ACTION PROGRAM, INC., 806 15TH ST., NW WASHINGTON DC 20005			973.68
MILBANK, TWEED, HADLEY & MCCLOY, 1825 EYE ST., NW WASHINGTON DC 20006	CHASE MANHATTAN BANK		
Do	JOINT TASK FORCE ON FEDERAL FINAN. ASSIST. FOR LAW STUDENTS		
Do	LASALLE NATIONAL BANK		
MILES & STOCKBRIDGE, SUITE 500 1701 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	BLACK AND DECKER MANUFACTURING COMPANY		
Do	PEPSICO, INC	5,000.00	250.00
Do	PIZZA HUT, INC		
ROY H. MILLENSON, 1707 L ST., NW, #480 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	2,215.00	104.50
MILLER & CHEVALIER, CHARTERED, 655 15TH ST., NW WASHINGTON DC 20005	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC	4,517.04	
Do	BARKLEY COMPANY OF ARIZONA	12,500.00	
Do	LOCKHEED CORPORATION		
Do	NUCLEAR FUEL SERVICES, INC		
MILLER ASSOCIATES, INC., 2500 QUE ST.,NW WASHINGTON DC 20007	TOSCO CORPORATION	1,200.00	49.00
DALE MILLER, 1200 16TH ST., NW, #305 WASHINGTON DC 20036	GULF INTRACOASTAL CANAL ASSN		
Do	TEXASGULF, INC		
DEBORAH IMLE MILLER, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S		
JAMES C. MILLER, 1616 H ST, NW WASHINGTON DC 20006	NATIONAL GRANGE	3,250.00	
JOE D. MILLER, 535 NORTH DEARBORN ST. CHICAGO IL 60610	AMERICAN MEDICAL ASSN		
JOHN R. MILLER, 1750 MIDLAND BUILDING CLEVELAND OH 44115	STANDARD OIL CO		
PAUL J. MILLER, 8000 SEARS TOWER CHICAGO IL 60606	INVESTMENT COUNSEL ASSN OF AMERICA, INC		
RICHARD L. MILLER, 1700 NORTH MOORE ST ARLINGTON VA 22209	BOEING COMPANY		
ROBERT H. MILLER, 490 L'ENFANT PLAZA EAST, SW, #2202 WASHINGTON DC 20024	TENNECO INC		
ROBERTA BALSTAD MILLER, SUITE 300 1755 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	CONSORTIUM OF SOCIAL SCIENCE ASSNS	900.00	
ROBIN MILLER, 1925 K STREET, NW WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY	468.72	
MILLER, CANFIELD, PADDOCK & STONE, SUITE 300 2555 M ST., NW WASHINGTON DC 20037	INTERNATIONAL PAPER CO	3,400.00	828.00
MILLER, CASSIDY, LARROCA & LEWIN, SUITE 500 2555 M ST., NW WASHINGTON DC 20037	NATIONAL PUBLIC RADIO	100.00	
C.G. PETE MILLIGAN, 4360 N.E. JOE'S POINT STUART FL 33494	AMERICAN TELEPHONE & TELEGRAPH COMPANY	1,870.00	211.16
CHRISTINE TOPPING MILLIKEN, 1717 MASSACHUSETTS AVE., #503 WASHINGTON DC 20036	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	10,200.00	253.00
JOHN C. MILLINER P.O. BOX 1788 FOREST PARK GA 30051	SOUTHEASTERN LUMBER MANUFACTURERS ASSN	418.73	107.50
RICHARD M. MILLMAN, P.C., SUITE 908 1730 M STREET, NW WASHINGTON DC 20036	FAIRCHILD INDUSTRIES, INC		
Do	HOUSE OF REPRESENTATIVES, SAN JUAN, PR	1,587.50	1,488.34
Do	SENATE OF PUERTO RICO	11,982.33	
JOHN F. MILLS, 1875 I ST., NW WASHINGTON DC 20006	TOBACCO INSTITUTE	50.00	1.20
MINERAL EXPLORATION COALITION, INC, P.O. BOX 15638 SUITE 103 LAKEWOOD CO 80215	MINERALS EXPLORATION COALITION, INC		239.78
THOMAS B. MIRANDA, 410 FIRST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	437.50	22.22
STAFFORD MICHAEL MISHOE, P.O. BOX 10383 DES MOINES IA 50306	NATIONAL PORK PRODUCERS COUNCIL	225.00	170.00
SANDY MITCHELL, COOK, PURCELL, HANSEN & HENDERSON 1060 THOMAS JEFFERSON STREET, NW, #600 WASHINGTON DC 20007.	AIR FLORIDA	2,100.00	212.62
THOMAS F. MITCHELL, 1875 I ST., NW WASHINGTON DC 20006	GEORGIA-PACIFIC CORP		240.00
ROBERT M. MOLITER, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	147.00	
JOHN V. MOLLER, 1155 15TH ST., NW SUITE 1010 WASHINGTON DC 20005	MANCHESTER ASSOCIATES, LTD. (FOR: NISSAN MOTOR COMPANY, LTD.)	4,387.00	108.00
ROBERT A. MOLOFSKY, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO	5,000.00	126.00
MICHAEL J. MOLONEY, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	60.00	
C. MANLY MOLPUS, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	1,000.00	
HERMAN J. MOLZAHN, 1600 WILSON BLVD., #1101 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
CHRISTOPHER MONEK, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CHARLES A. MONFORT, SUITE 1101 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	UNION OF CONCERNED SCIENTISTS	1,104.17	155.64
JOHN M. MONLEY, SUITE 600 1090 VERMONT AVENUE, NW WASHINGTON DC 20005	TEXAS EASTERN TRANSMISSION CORP		
MICHAEL MONRONEY, SUITE 2700 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,000.00	
JOHN C. MONSUL, 923 RIVA RIDGE DRIVE GREAT FALLS VA 22066			
STEVEN M. MOODIE, 910 16TH STREET ROOM 302 WASHINGTON DC 20006	FEDERATION OF AMERICAN CONTROLLED SHIPPING	200.00	
G. MERRILL MOODY, 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	272.99	119.04
JAMES P. MOONEY, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	5,700.00	
ALAN J. MOORE, SUITE 840, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	ATCHISON, TOPEKA & SANTA FE RAILWAY CO	1,000.00	
APRIL MOORE, 711 G STREET, SE WASHINGTON DC 20003	NATIONAL CAMPAIGN TO STOP THE MX		
JANIS E. MOORE, 1776 F ST., NW WASHINGTON, DC 20006	NATIONAL ASSN OF MANUFACTURERS	250.00	
M. MELISSA MOORE, 2029 K STREET, NW WASHINGTON DC 20006	AMERICAN SOCIETY OF MECHANICAL ENGINEERS		
MORALITY IN MEDIA, INC., 475 RIVERSIDE DRIVE SUITE 239 NEW YORK NY 10115		44.32	44.32
VINCENT L. MORELLI, 2550 M ST., NW SUITE 225 WASHINGTON DC 20037	CONGOLEUM CORPORATION	399.00	701.70
JOHN MORGAN, 1925 K ST., NW WASHINGTON DC 20006	COMMUNICATIONS WORKERS OF AMERICA	875.00	45.80
MORGAN, LEWIS & BOCKIUS, SUITE 800 NORTH 1800 M ST., NW WASHINGTON DC 20036	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT		
Do	CONSOLIDATED NATURAL GAS CO		
Do	KNOLL FINE CHEMICALS, INC	40.00	
JEANNE MORIN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S	700.00	96.09
ROBERT E. MORIN, 600 NEW HAMPSHIRE AVENUE, NW, #354 WASHINGTON DC 20037	SOCIETY OF REAL ESTATE APPRAISERS		
JAMES A. MORRILL, SCOTT PLAZA I PHILADELPHIA PA 19113	SCOTT PAPER COMPANY	2,250.00	812.00
MARGARET M. MORRIS, 1750 OLD MEADOW ROAD MCLEAN VA 22102	BRICK INSTITUTE OF AMERICA		
MARTIN S. MORRIS, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
MORRISON & FOERSTER, 1920 N STREET, N.W. WASHINGTON DC 20036	CITY AND COUNTY OF SAN FRANCISCO	420.00	
Do	REEF CORPORATION (FOR: EAGLE MANAGEMENT TRUST)	12,620.57	25.00
WILLIAM C. MORRISON, 2001 NORTH ADAMS ST. ARLINGTON VA 20001	MEAT IMPORTERS COUNCIL OF AMERICA, INC	875.00	
FRANK D. MORUZZI, SUITE 500 1235 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	ITALIAN AEROSPACE INDUSTRIES (U.S.A.), INC		
RUSSELL N. MOSHER, SUITE 160 950 N. GLEBE RD. ARLINGTON VA 22203	AMERICAN BOILER MANUFACTURERS ASSOCIATION, INC		
SOL MOSHER, 1660 L ST., NW, #215 WASHINGTON DC 20036	CROWN ZELLERBACH CORPORATION		
BERNARD MOSS, 2440 VIRGINIA AVE., NW WASHINGTON DC 20037	ASSOCIATION OF BANK HOLDING COS	900.00	
ROBERT E. MOSS, SUITE 500 1899 L STREET, NW WASHINGTON DC 20036	AMERICAN NATURAL RESOURCES CO	4,862.00	52.00
MOSS, MCGEE & BELLMON, 1740 N STREET, NW WASHINGTON DC 20036	NATIONAL BANKERS ASSN	2,140.00	
Do	NATIONAL CENTER FOR APPROPRIATE TECHNOLOGY		
Do	NATIONAL COMMUNITY ACTION FOUNDATION	30,000.00	
Do	NATIONAL RURAL DEVELOPMENT & FINANCE CORP	2,500.00	
LYNN E. MOTE, 1015 15TH ST., NW, #900 WASHINGTON DC 20005	INTERNORTH	2,000.00	
MOTION PICTURE ASSN OF AMERICA, INC, 1600 EYE STREET, NW WASHINGTON DC 20006		28,000.00	28,721.67
JOHN J. MOTLEY, SUITE 695 600 MARYLAND AVE., SW WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION, 1120 19TH ST., NW SUITE 333 WASHINGTON DC 20036			3,598.68
MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC., 300 NEW CENTER BLDG. DETROIT MI 48202		3,533.00	3,533.00
KELLY HOLLEY MOUNTAIN, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
MOUNTAIN WEST ASSOCIATES, 2000 L ST., NW # 200 WASHINGTON DC 20036	GREAT NATIONAL CORPORATION	9,600.00	346.04
Do	UTAH POWER & LIGHT CO	15,948.00	4,084.62
HAROLD P. MUELLER III, P.O. BOX 7755 PHILADELPHIA PA 19101	TAXPAYERS FOR FEDERAL PENSION REFORM	8,750.00	
JAMES MULAR, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
WILLIAM G. MULLEN, 1010 WISCONSIN AVENUE, NW, #630 WASHINGTON DC 20007	THIRD CLASS MAIL ASSOCIATION	600.00	
RICHARD J. MULLER, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHRYSLER CORPORATION	2,000.00	105.00
JOHN P. MULLIGAN, 1101 17TH ST., NW WASHINGTON DC 20036	TUNA RESEARCH FOUNDATION	1,590.00	
ALBERT E. MULLIN JR., 111 POWDERMILL RD. (B79) MAYNARD MA 01754	DIGITAL EQUIPMENT CORPORATION	4,000.00	
TRACY MULLIN, 1000 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	100.00	15.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ROBERT J. MULLINS, SUITE 202 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	7,177.82	64.27
MUNICIPAL LABOR COMMITTEE, 140 PARK PLACE NEW YORK NY 10007		5,463.52	5,463.52
PATRICIA MUNOZ, 323 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	AMERICAN RIVERS CONSERVATION COUNCIL		
RICHARD MUNSON, 1001 CONNECTICUT AVENUE, NW, #510 WASHINGTON DC 20036	SOLAR LOBBY		
K. R. MURPHY, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	GULF OIL CORPORATION	1,000.00	
KEITH MURPHY, KEMP, KLEIN, ENDELMEN & BEER 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP		15.00
RICHARD E. MURPHY, 2020 K ST., NW, #200 WASHINGTON DC 20006	SERVICE EMPLOYEES INTL UNION, AFL-CIO	1,000.00	96.00
RICHARD W. MURPHY, 1133 20TH ST., NW WASHINGTON DC 20036	NATIONAL FOOD PROCESSORS ASSN	500.00	80.50
MURRAY & SCHEER, SUITE 695 2550 M ST., NW WASHINGTON DC 20037	FEDERAL EXPRESS		
Do	JOSEPH SEAGRAM & SONS, INC		
D. MICHAEL MURRAY, MURRAY AND SCHEER 2550 M STREET, NW WASHINGTON DC 20037	CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RRS	500.00	
Do	CLEVELAND CLIFFS IRON CO	250.00	
Do	FREEPORT MINERALS CO	300.00	
Do	IRON ORE LESSORS ASSN, INC	500.00	
Do	LTV CORPORATION	450.00	
Do	NATIONAL BUSINESS AIRCRAFT ASSN	450.00	
Do	NATIONAL COUNCIL OF COAL LESSORS	250.00	
GORDON L. MURRAY, SUITE 1002 1911 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	LEAR SIEGLER, INC./ENERGY PRODUCTS DIV		60.70
ROSEMARY GRIFFIN MURRAY, SUITE 901 1660 L ST., NW WASHINGTON DC 20036	PAN AMERICAN WORLD AIRWAYS, INC	227.36	585.82
WILLIAM E. MURRAY, 1800 MASS. AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	179.50	
FRANK DOMINIC MUSICA, 1625 EYE STREET, NW WASHINGTON DC 20006	AMERICAN SOCIETY OF CIVIL ENGINEERS	2,500.00	
CRAIG E. MUSICK, 5913 OAKLAND PARK DRIVE BURKE VA 22015	AMERICAN TRADE AND FINANCE COMPANY	8,749.98	
HAROLD D. MUTH, 1600 WILSON BLVD., #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC	300.00	
ROBERT J. MUTH, 120 BROADWAY NEW YORK NY 10271	ASARCO INC		
LAWRENCE P. MUTTER, 6849 OLD DOMINION DR. MCLEAN VA 22102	AUTOMOTIVE PARTS REBUILDERS ASSN		
FRED J. MUTZ, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	2,000.00	10.00
PAUL J. MYER, 1150 17TH ST., NW, 11TH FLOOR WASHINGTON DC 20036	AMERICAN BROADCASTING CO		
GARY D. MYERS, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	1,500.00	
KENNETH NADEN, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES		
CLIFFORD M. NAEVE, SUITE 503 1919 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	MID-CONTINENT OIL & GAS ASSN	2,055.00	31.00
ALAN Y. NAFTALIN, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: ALASCOM, INC)		
Do	KOTEEN & NAFTALIN (FOR: TELEPHONE & DATA SYSTEMS, INC)		
LOUIS NAGY, BOND COURT BUILDING CLEVELAND OH 44114	MIDWEST ALLIANCE FOR INDUSTRIAL FINANCING & RSTRUCTURING		
NANCY A. NAGY, SUITE 209 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE	62.50	25.00
LINDA K. NAIDA, 1616 H STREET, NW WASHINGTON DC 20006	NATIONAL GRANGE	812.50	
BERNARD NASH, 1015 18TH ST., NW SUITE 408 WASHINGTON DC 20036	GENERAL ELECTRIC CO		
Do	MERCK & CO., INC.		
Do	TIME, INC		
HARDY L. NATHAN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	900.00	
RAYMOND NATHAN, 4242 EAST-WEST HWY CHEVY CHASE MD 20015	AMERICAN ETHICAL UNION	555.00	169.46
NATIONAL AGRICULTURAL CHEMICALS ASSN, 1155 15TH ST., NW WASHINGTON DC 20005		5,671.50	5,671.50
NATIONAL AIR CARRIER ASSN, SUITE 710 1730 M ST., NW WASHINGTON DC 20036			
NATIONAL ASSN FOR FREE ENTERPRISE, SUITE 107 1101 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037			
NATIONAL ASSN FOR HUMANE LEGISLATION, INC, PO BOX 11675 ST. PETERSBURG FL 33733		6.76	
NATIONAL ASSN FOR NEIGHBORHOOD SCHOOLS, INC, P.O. BOX 14887 COLUMBUS OH 43214		4,512.59	2,256.41
NATIONAL ASSN FOR UNIFORMED SERVICES, P.O. BOX 1406 5535 HEMPSTEAD WAY SPRINGFIELD VA 22151		2,057.61	2,252.37
NATIONAL ASSN OF AIR TRAFFIC SPECIALISTS, SUITE 415 WHEATON PLAZA NORTH WHEATON MD 20902		96,497.22	9,893.56
NATIONAL ASSN OF CHAIN DRUG STORES, INC., P.O. BOX 1417-D49 ALEXANDRIA VA 22313			4,088.72
NATIONAL ASSN OF FEDERAL VETERINARIANS, SUITE 836 1522 K ST., NW WASHINGTON DC 20005			34.92
NATIONAL ASSN OF FEDERALLY LICENSED FIREARMS DEALERS, 2801 E. OAKLAND PARK BLVD. FT. LAUDERDALE FL 33306			
NATIONAL ASSN OF HOMES FOR CHILDREN, 104 EAST 35TH ST. NEW YORK NY 10016			1,250.00
NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES, SUITE 503 1717 MASSACHUSETTS AVE., NW WASHINGTON DC 20036.		490,511.00	158,419.00
NATIONAL ASSN OF MANUFACTURERS, 1776 F ST., NW WASHINGTON DC 20006		54,500.70	54,500.70
NATIONAL ASSN OF MUTUAL INSURANCE COS., 3707 WOODVIEW TRACE P.O. BOX 68700 INDIANAPOLIS IN 46268			
NATIONAL ASSN OF MUTUAL SAVINGS BANKS, 200 PARK AVE. NEW YORK NY 10166		16,508.50	16,508.50
NATIONAL ASSN OF PENSION CONSULTANTS & ADMINISTRATORS, INC, SUITE 300 3 PIEDMONT CENTER ATLANTA GA 30042		925.00	2,809.29
NATIONAL ASSN OF PERSONNEL CONSULTANTS, 1432 DUKE ST. ALEXANDRIA VA 22314		2,013.00	6,100.00
NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS, 1016 20TH ST., NW WASHINGTON DC 20036		3,525.09	3,525.09
NATIONAL ASSN OF PRIVATE ENTERPRISE, ALAMEDA ROOSEVELT 2827 SAN SALVADOR, EL SALVADOR			1,000.00
NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC., 1101 17TH ST., NW SUITE 700 WASHINGTON DC 20036			347.17
NATIONAL ASSN OF TRUCK STOP OPERATORS, INC, SUITE 505 700 N. FAIRFAX ST. ALEXANDRIA VA 22314			364.00
NATIONAL ASSN OF WHEAT GROWERS, SUITE 300 415 2ND ST., NE WASHINGTON DC 20002			4,036.14
NATIONAL AUDIO-VISUAL ASSN, INC, 3150 SPRING ST. FAIRFAX VA 22031		13,035.00	4,257.00
NATIONAL BROILER COUNCIL, 1155 15TH ST., NW WASHINGTON DC 20005		1,750.00	1,750.00
NATIONAL BUSINESS AIRCRAFT ASSN, ONE FARRAGUT SQUARE SOUTH WASHINGTON DC 20006			
NATIONAL CABLE TELEVISION ASSN, INC, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		13,124.83	13,124.83
NATIONAL CATTLEMEN'S ASSN, 5420 S. QUEBEC ST. P.O. BOX 3469 ENGLEWOOD CO 80155			3,015.00
NATIONAL CLEAN AIR COALITION, INC, 530 7TH ST., SE WASHINGTON DC 20003		24,476.58	23,412.83
NATIONAL CLUB ASSOCIATION, 1625 EYE ST., NW, #609 WASHINGTON DC 20006			
NATIONAL COAL CONSUMERS ALLIANCE, SUITE 800 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006		187.68	187.68
NATIONAL COALITION FOR MARINE CONSERVATION, INC., P.O. BOX 23298 SAVANNAH GA 31403		10,965.50	14,809.16
NATIONAL COMM FOR A HUMAN LIFE AMENDMENT, INC, SUITE 400 1707 L ST., NW WASHINGTON DC 20036		91,069.00	8,327.00
NATIONAL COMM FOR CITIZENS IN EDUCATION, SUITE 410 WILDE LAKE VILLAGE GREEN COLUMBIA MD 21044			
NATIONAL COMM ON SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS, BOX 1, 900 SOUTH 1800 M ST., NW WASHINGTON DC 20036.		5,942.50	5,942.50
NATIONAL COMMERCIAL FINANCE CONFERENCE, ONE PENN PLAZA NEW YORK NY 10001		1,856.25	3,374.06
NATIONAL COTTON COUNCIL OF AMER, P.O. BOX 12285 MEMPHIS TN 38112		15,335.42	15,335.42
NATIONAL COUNCIL FOR RESPONSIBLE FIREARMS POLICY, INC, 7216 STAFFORD RD. ALEXANDRIA VA 22307			
NATIONAL COUNCIL OF AGRICULTURAL EMPLOYERS, 435 SOUTHERN BLDG. 1425 H ST., NW WASHINGTON DC 20005			1,839.95
NATIONAL COUNCIL OF FARMER COOPERATIVES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		29,501.75	17,636.41
NATIONAL COUNCIL OF HEALTH CENTERS, SUITE 915 2600 VIRGINIA AVE., NW WASHINGTON DC 20037		4,480.04	3,776.14
NATIONAL COUNCIL OF TECHNICAL SERVICE INDUSTRIES, SUITE 1190 1850 K STREET, NW WASHINGTON DC 20006		781.12	771.30
NATIONAL COUNCIL ON SYNTHETIC FUELS PRODUCTION, SUITE 960 1875 EYE ST., NW WASHINGTON DC 20006			
NATIONAL ELECTRICAL MFGRS ASSN, 2101 L ST., NW WASHINGTON DC 20037		107.38	107.38
NATIONAL FEDERATION OF FEDERAL EMPLOYEES, 1016 16TH ST., NW WASHINGTON DC 20036		70,698.95	70,698.95
NATIONAL FEDERATION OF INDEPENDENT BUSINESS, 150 W. 20TH AVE. SAN MATEO CA 94403		13,435.00	13,435.00
NATIONAL FEDERATION OF LICENSED PRACTICAL NURSES, P.O. BOX 11407 214 SOUTH DR. DURHAM NC 27703		2,870.00	2,870.00
NATIONAL FERTILIZER SOLUTIONS ASSN, 8823 NORTH INDUSTRIAL ROAD PEORIA IL 61615		828.60	828.60
NATIONAL FOOD PROCESSORS ASSN., 1133 20TH ST., NW WASHINGTON DC 20036		5,000.00	2,401.66
NATIONAL GRAIN & FEED ASSN, 725 15TH ST., NW WASHINGTON DC 20005			
NATIONAL GRANGE, 1616 H ST., NW WASHINGTON DC 20006		12,500.00	9,472.50
NATIONAL GUARD ASSN OF THE U.S., ONE MASSACHUSETTS AVE., NW WASHINGTON DC 20001		58,638.00	3,113.16
NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE, SUITE 410 1090 VERMONT AVE., NW WASHINGTON DC 20005		4,125.00	3,660.00
NATIONAL LEAGUE OF POSTMASTERS OF THE U.S., 1023 NORTH ROYAL STREET ALEXANDRIA VA 223L4			
NATIONAL LEASED HOUSING ASSN, SUITE 400 SOUTH 1800 M ST., NW WASHINGTON DC 20036		450.00	450.00
NATIONAL LIMESTONE INST, INC, SUITE 500 3251 OLD LEE HWY. FAIRFAX VA 22030		20,314.68	20,314.68
NATIONAL LOTTERY ASSOCIATION, P.O. BOX 13365 LAS VEGAS NV 89112			
NATIONAL MARITIME COUNCIL, 1748 N ST., NW WASHINGTON DC 20036			
NATIONAL MILK PRODUCERS FED, 30 F ST., NW WASHINGTON DC 20001		8,692.84	8,692.84
NATIONAL MOTORSPORTS COMM OF ACCUS, SUITE 1204 1701 K ST., NW WASHINGTON DC 20006			265.00
NATIONAL OFFICE MACHINE DEALERS ASSOCIATION, 810 LIVELY BLVD., P.O. BOX 707 WOOD DALE IL 60191		28.00	3.34
NATIONAL OIL JOBBERS COUNCIL, INC., 1707 H ST., NW 11TH FLOOR WASHINGTON DC 20006		214,284.00	16,905.36
NATIONAL ORGANIZATION FOR WOMEN, 425 13TH ST., NW WASHINGTON DC 20004			3,597.93
NATIONAL PARKING ASSOCIATION, 2000 K ST., NW, #350 WASHINGTON DC 20036			31,299.22
NATIONAL PEACE ACADEMY CAMPAIGN, SUITE 409 110 MARYLAND AVE., NE WASHINGTON DC 20002		142,457.45	81,237.54
NATIONAL PEACH COUNCIL, P.O. BOX 1085 MARTINSBURG WV 25401			
NATIONAL PEST CONTROL ASSN, SUITE 1100 8150 LEESBURG PIKE VIENNA VA 22180			
NATIONAL PRODUCT LIABILITY COUNCIL, 20 N. WACKER DR. CHICAGO IL 60606			854.08
NATIONAL PUBLIC AFFAIRS CORP., ONE FARRAGUT SQUARE SOUTH WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP	300.00	
NATIONAL REALTY COMMITTEE, 2033 M ST., NW WASHINGTON DC 20036		2,066.59	2,066.69
NATIONAL REHABILITATION ASSN, 633 S. WASHINGTON ST. ALEXANDRIA VA 223L4			4,500.00
NATIONAL RETAIL MERCHANTS ASSN, 100 W. 31ST ST. NEW YORK NY 10001			750.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
NATIONAL RIGHT TO WORK COMMITTEE, SUITE 600 8001 BRADDOCK RD. SPRINGFIELD VA 22160		4,677.65	4,677.65
NATIONAL RURAL ELECTRIC COOPERATIVE ASSN, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			3,750.46
NATIONAL RURAL LETTER CARRIERS' ASSN, SUITE 1204 1750 PENNSYLVANIA AVE., NW WASHINGTON DC 20006		14,049.00	14,332.00
NATIONAL SAVINGS & LOAN LEAGUE, SUITE 400 1101 15TH ST., NW WASHINGTON DC 20005		481,235.00	49.31
NATIONAL SECURITY TRADERS ASSN, INC, SUITE 4511 ONE WORLD TRADE CENTER NEW YORK NY 10048			3,337.00
NATIONAL SMALL BUSINESS ASSN, 1604 K ST., NW WASHINGTON DC 20006		5,000.00	358.90
NATIONAL SMALL BUSINESS INDEX, R.R. #1 AITKIN MN 56431			
NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS, 2029 K ST., NW WASHINGTON DC 20006		12,500.00	8,850.00
NATIONAL SOFT DRINK ASSN, 1101 16TH ST., NW WASHINGTON DC 20036			32,880.88
NATIONAL SOLID WASTES MANAGEMENT ASSN, SUITE 930 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036			
NATIONAL TAX LIMITATION COMMITTEE, SUITE 600 1523 L STREET, NW WASHINGTON DC 20005		6,310.00	6,301.00
NATIONAL TIRE DEALERS & RETREADERS ASSN, 1343 L ST., NW WASHINGTON DC 20005		39,670.78	39,670.78
NATIONAL VICTIMS OF CRIME, 715 EIGHTH STREET, NW WASHINGTON DC 20003			
NATIONAL WATER RESOURCES ASSN, SUITE 1202 955 L'ENFANT PLAZA NORTH, SW WASHINGTON DC 20024		5,156.00	17,278.00
SUSAN BINGHAM NEAL, 490 L'ENFANT PLAZA EAST, S.W. SUITE 3206 WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
KAREN J. NEALE, 2501 M STREET N.W. WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC.	300.00	
ALAN M. NEDRY, 1111 19TH ST., NW, #303 WASHINGTON DC 20036	SOUTHERN CALIFORNIA EDISON CO	50.00	50.00
ALLEN NEECE JR., 1050 17TH STREET, NW WASHINGTON DC 20036	NEECE, CATOR & ASSOCIATES, INC (FOR: NATIONAL VENTURE CAPITAL ASSN)	2,500.00	1,250.00
Do	NEECE, CATOR & ASSOCIATES, INC (FOR: SMALL BUSINESS DEVELOPMENT CENTER DIRECTORS ASSN).	1,400.00	560.00
Do	NEECE, CATOR & ASSOCIATES, INC (FOR: SMALL BUSINESS UNITED)	1,500.00	750.00
NEECE, CATOR & ASSOCIATES, INC, 1050 17TH STREET, NW WASHINGTON DC 20036	GOVERNMENT GUARANTEED LOAN COMMITTEE		
Do	NATIONAL ASSN OF DEVELOPMENT COMPANIES (NADCO)	200.00	200.00
Do	NATIONAL VENTURE CAPITAL ASSOCIATION	2,500.00	2,500.00
Do	SMALL BUSINESS DEVELOPMENT CENTER DIRECTORS ASSN	1,400.00	1,400.00
Do	SMALL BUSINESS UNITED	1,500.00	1,550.00
Do	SOUTHEASTERN LUMBER MANUFACTURERS ASSN (SLMA)	1,800.00	1,800.00
C. B. NEELY JR., P.O. BOX 829 RALEIGH NC 27602	BENEFICIAL MANAGEMENT CORP OF AMERICA	500.00	
MARY ELIZABETH NEESE, 1101 15TH ST., NW, #400 WASHINGTON DC 20005	NATIONAL SAVINGS & LOAN LEAGUE	1,000.00	49.31
STANLEY NEHMER, 1320 19TH ST., NW WASHINGTON DC 20036	LEAD-ZINC PRODUCERS COMMITTEE	500.00	350.00
KIMBERLY ANN NEILSEN, 2626 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVES ASSN	1,625.00	480.00
CAROLYN B. NELSON, #2 METROPLEX DR., SUITE 500 BIRMINGHAM AL 35209	METROPOLITAN PROPERTIES, INC.		
E. COLETTE NELSON, SUITE 540 8401 CORPORATE DRIVE LANDOVER MD 20785	AMERICAN SUBCONTRACTORS ASSN, INC	1,750.00	
GORDON E. NELSON, 12005 MILLSTREAM DR. BOWIE MD 20715	FARM WATER ALLIANCE	14,310.00	8,495.55
MARK D. NELSON, SUITE 1120 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
MICHAEL A. NEMEROFF, SIDLEY & AUSTIN 1720 EYE ST., NW WASHINGTON DC 20006	DEKALB AGRESEARCH, INC		
A. S. NEMIR ASSOCIATES, SUITE 1230 PENNSYLVANIA BUILDING WASHINGTON DC 20004	BRAZILIAN SUGAR & ALCOHOL INSTITUTE	29,250.00	409.50
WILLIAM D. NESBEITT, SUITE 150 2655 VILLA CREEK DRIVE DALLAS TX 75234	UNI-BELL PLASTIC PIPE ASSN		
MILTON E. NESHEK, THE GODFREY BLDG. 11 N. WISCONSIN ST. ELKHORN WI 53121	KIKKOMAN FOODS, INC.		
MAL NESTLERODE, SUITE 700 1111 NORTH 19TH STREET ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	1,400.00	24.85
NETWORK, 806 RHODE ISLAND AVE., NE WASHINGTON DC 20018		26,362.28	23,419.98
E. JOHN NEUMANN, SUITE 820 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	BALTIMORE GAS & ELECTRIC CO	4,419.25	594.85
CARLA NEUSCHEL, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	2,400.00	23.49
ROBERT B. NEVILLE, 311 1ST ST., NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		64,842.00
LOUIS H. NEVINS, 1709 NEW YORK AVE., NW, #200 WASHINGTON DC 20006	NATIONAL ASSN OF MUTUAL SAVINGS BANKS	5,718.75	
NEW YORK COMM OF INTL COMM OF PASSENGER LINES, 25 BROADWAY NEW YORK NY 10004			
NEW YORK SHIPPING ASSN, 80 BROAD ST. NEW YORK NY 10004			17,800.00
BILL NEWBOLD, 1510 N. 12TH STREET, #204 ARLINGTON VA 22209	BILL NEWBOLD AND ASSOCIATES (FOR: AMERICAN PROTESTANT HOSPITAL ASSN.)	11,250.00	
Do	BILL NEWBOLD & ASSOCIATES (FOR: TEXAS HOSPITAL, ET AL)	4,500.00	
LESLIE F. NEWCOMER, 226 W. RITTENHOUSE SQUARE PHILADELPHIA PA 19101	PHILADELPHIA NATIONAL BANK		
KATHRYN L. NEWMAN, 1101 15TH ST., NW WASHINGTON DC 20005	REPUBLIC STEEL CORP		
THOMAS E. NEWMAN, 1719 ROUTE 10 PARSIPPANY NJ 07054	NATIONAL ASSN OF MANUFACTURERS	600.00	427.31
WILLIAM B. NEWMAN,JR., 2234 NORTH COLUMBUS STREET ARLINGTON VA 22207	CONSOLIDATED RAIL CORPORATION	2,500.00	
JANET G. NEWPORT, 1707 H ST., NW, 11TH FL. WASHINGTON DC 20006	NATIONAL OIL JOBBERS COUNCIL	5,000.00	442.79
CHARLES E. NICHOLS, 101 CONSTITUTION AVE., NW WASHINGTON DC 20001	UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA	22,750.00	1,025.46
NICHOLAS JOHN NICHOLS, 1620 EYE ST., NW WASHINGTON DC 20006	AMERICAN INST OF CERTIFIED PUBLIC ACCOUNTANTS	500.00	8,541.00
ROBERT W. NICHOLS, 1146 19TH STREET, NW, 3RD FLOOR SUITE 1033 WASHINGTON DC 20036	CONSUMERS UNION OF U.S., INC.	7,500.00	7.00
NICKERSON INGRAM & ASSOCIATES, INC, 1150 17TH STREET, NW WASHINGTON DC 20036	SYSTEMS CONTROL TECHNOLOGY, INC.	8,000.00	
PATRICK J. NILAN, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL-CIO	16,144.48	5,117.63
STEWART E. NILES, 225 BARONNE ST. NEW ORLEANS LA 70112	SHIPBUILDERS COUNCIL OF AMERICA		
NISSAN MOTOR COMPANY, LTD., P.O. BOX 1606 560 SYLVAN AVENUE ENGLEWOOD CLIFFS NJ 07632			11,255.00
ROBERT W. NOLAN, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN	100.00	
WALKER F. NOLAN, 1111-19TH STREET,N.W. 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	3,060.00	572.43
H. CHRISTOPHER NOLDE, 2501 M ST.,NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC.	300.00	
NONPROFIT MAILERS FEDERATION, SUITE 405 2550 M STREET, NW WASHINGTON DC 20037			
CHARLES M. NOONE, 490 L'ENFANT PLAZA EAST SUITE 3306 WASHINGTON DC 20024	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	1,800.00	214.94
M. KATHRYN NORDSTROM, SUITE 725 1575 EYE ST., NW WASHINGTON DC 20005	PACIFIC SEAFOOD PROCESSORS ASSN	3,750.00	40.84
JOSEPH M. NORMANDY III, 1101 17TH STREET, NW WASHINGTON DC 20036	PRIVATE TRUCK COUNCIL OF AMERICA, INC.		40.00
JULIA J. NORRELL, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC.	357.00	
NORTH AMERICAN EXPORT GRAIN ASSN., INC., 1800 M ST., NW, SUITE 610-N WASHINGTON DC 20036			
NORTH AMERICAN TELEPHONE ASSOCIATION, 511 2ND ST.,NE WASHINGTON DC 20002		30,350.00	30,350.00
EVANS W. NORTH, 1216 16TH STREET, NW WASHINGTON DC 20036	EVANS W. NORTH		
J. HALLOCK NORTHCOTT, 1101 15TH ST., NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO.	2,000.00	
NORTHEAST UTILITIES SERVICE CO, SELDEN ST. BERLIN CT 06037			1,055.03
NOSSAMAN, KRUEGER & KNOX, 1140 19TH ST., NW, #600 WASHINGTON DC 20036	AETNA LIFE & CASUALTY	1,560.00	175.00
Do	CALIFORNIA STUDENT LOAN FINANCE CORP		
Do	DIVIDEND SUPPORT GROUP		
Do	FOOD MARKETING INSTITUTE		
Do	GENERAL ELECTRIC COMPANY	880.00	7,550.00
Do	HELIONETICS, INC.	400.00	550.00
Do	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS, INC		
Do	INSURANCE ASSOCIATION OF CONNECTICUT	700.00	
Do	MOBIL OIL CORP		
Do	NEIL MCISAAC AND DON MCISAAC		25.00
Do	NEW YORK LIFE INSURANCE COMPANY		
Do	PHOENIX MUTUAL LIFE INSURANCE COMPANY		
Do	UTOTEM, INC.		
MICHAEL NOVELLI, 3012 CAMBRIDGE PLACE, NW WASHINGTON DC 20007	PACIFIC POTOMAC SERVICES		
RALPH D. NURNBERGER, SUITE 412 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMMITTEE	9,296.70	
FRANKLIN W. NUTTER, 1025 CONNECTICUT AVE., NW, #512 WASHINGTON DC 20036	REINSURANCE ASSN OF AMER		
MARK J. NUZZACO, 7901 WESTPARK DR. MCLEAN VA 22102	NATIONAL MACHINE TOOL BUILDERS' ASSN		
C.D. NYBERG, P.O. BOX 800 AUSTIN MN 55912	GEO. A. HORMEL & CO.		
HUBERT K. O'BANNON, 1544 33RD ST., NW WASHINGTON DC 20007	CONSOLIDATED RAIL CORPORATION	1,284.00	
GEORGE O'BEA JR , 815 16TH ST., NW, #304 WASHINGTON DC 20006	UNITED PAPERWORKERS INT'L UNION		
COLEMAN C. O'BRIEN, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	4,593.75	14.25
JOHN F. O'BRIEN, CONNECTICUT PETROLEUM COUNCIL 410 ASYLUM ST. HARTFORD CT 06103	AMERICAN PETROLEUM INST		
LAWRENCE F. O'BRIEN, BREED, ABBOTT & MORGAN 1875 EYE STREET, NW, #1000 WASHINGTON DC 20006	AMERICAN STOCK EXCHANGE, INC.	3,549.60	16.00
MARY EILEEN O'BRIEN, 1800 M ST., NW, SUITE 710 SOUTH WASHINGTON DC 20036	DOW CORNING CORPORATION		
RAYMOND V. O'BRIEN, 1707 L ST., NW, #200 WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION	800.00	75.00
ROSEMARY L. O'BRIEN, SUITE 640 2550 M ST., NW WASHINGTON DC 20037	CF INDUSTRIES, INC.	500.00	39.52
DAVID S. O'BRYON, 1916 WILSON BLVD. ARLINGTON VA 22201	AMERICAN CHIROPRACTIC ASSN.	450.00	74.65
JAMES J. O'CONNELL, 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CONTROL DATA CORPORATION	193.55	136.00
WILLIAM B. O'CONNELL, 111 EAST WACKER DR. CHICAGO IL 60601	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	19,250.00	1,848.64
O'CONNOR & HANNAN, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	AMERICAN CLINICAL LABORATORY ASSN	1,250.00	
Do	AMERICAN FAMILY LIFE ASSURANCE CO		
Do	AMERICAN INST OF CERTIFIED PUBLIC ACCOUNTANTS	8,000.00	
Do	AUTOMOTIVE PARTS & ACCESSORIES ASSN.		
Do	BERENERGY CORPORATION		
Do	BLYTH EASTMAN PAINE WEBBER		
Do	BLYTH EASTMAN PAINE WEBBER HEALTH CARE FUNDING, INC.	2,500.00	
Do	BORDEN, INC.		
Do	CHARLES RIVER BREEDING LABORATORIES, INC.		
Do	CXLW RADIO BROADCASTING, LTD.		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	CLAIBORNE GASOLINE COMPANY		
Do	CNA INSURANCE		
Do	COMPETITIVE TELECOMMUNICATIONS COALITION		
Do	CRINCO INVESTMENTS, INC.		
Do	ELECTRONIC DATA SYSTEMS CORP		
Do	FIRST NATIONAL MONETARY CORPORATION		
Do	GLASS PACKAGING INSTITUTE	890.00	
Do	GOLDEN GATEWAY CENTER	1,000.00	
Do	GOLDMAN SACHS & CO		
Do	GOVERNMENT OF THE COMMONWEALTH OF PUERTO RICO		
Do	HEALTH CARE FINANCING STUDY GROUP		
Do	HENNEPIN COUNTY		
Do	INDEPENDENT FEDERAL SAVINGS	250.00	
Do	INSURANCE ECONOMICS SOCIETY OF AMERICA		
Do	INVESTMENT COMPANY INSTITUTE		
Do	INVESTORS DIVERSIFIED SERVICES, INC.		
Do	J. C. PENNEY CO, INC	100.00	
Do	JOHN NUVEEN & CO, INC		
Do	JOSEPH E. SEAGRAM & SONS, INC.		
Do	KIMBERLY-CLARK CORP	1,200.00	
Do	LORD, BISSELL & BROOK		
Do	MERRILL LYNCH WHITE WELD CAPITAL MARKETS GROUP		
Do	NATIONAL ASSN OF NUMISMATIC PROFESSIONALS		
Do	NATIONAL COAL CONSUMERS ALLIANCE	196.39	
Do	NATIONAL COMM FOR QUALITY HEALTH CARE	3,200.00	
Do	NEIGHBORHOOD TV COMPANY, INC.	500.00	
Do	PADDOCK PUBLICATIONS, INC.	3,241.00	
Do	PARAHO DEVELOPMENT CORPORTION		
Do	SECURITIES INDUSTRY ASSN	11,648.00	
Do	SOUTHERN INDIANA SHALE OIL COMPANY, INC.		
Do	TENNESSEE-TOMBIGBEE WATERWAY DEVELOPMENT AUTHORITY	1,500.00	
Do	WESTINGHOUSE ELECTRIC CORP		
Do	WINE AND SPIRITS WHOLESALERS OF AMERICA, INC.	700.00	
Do	WORLD BOOK LIFE INSURANCE COMPANY		
GEORGE E. O'CONNOR, 600 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20037	NEW YORK LIFE INSURANCE COMPANY		
LEONARD F. O'CONNOR, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
PATRICK C. O'CONNOR, KENT & O'CONNOR 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	AMERICAN DENTAL HYGIENISTS ASSN.		
Do	AMERICAN SUPPLY ASSOCIATION	3,182.88	2,907.19
Do	AMERICAN WAREHOUSEMEN'S ASSOCIATION	1,638.40	444.92
Do	MOTOR CARRIER LAWYERS ASSN	900.00	326.88
JOHN B. O'DAY, SUITE 590 1700 PENNSYLVANIA AVE., NW WASHINGTON, DC 20006	INSURANCE ECONOMICS SOCIETY OF AMERICA		
THOMAS A. O'DAY, 1110 VERMONT AVE., NW WASHINGTON DC 20005	ALLIANCE OF AMERICAN INSURERS	650.00	423.50
ASHTON J. O'DONNELL, 50 BEALE ST., PO BOX 3965 SAN FRANCISCO CA 94119	BECHTEL INC.		
JANE O'GRADY, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	14,832.18	134.19
BARBARA E. O'HARA, 4400 MACARTHUR BLVD., NW WASHINGTON DC 20007	AMERICAN SOCIETY OF TRAVEL AGENTS	100.00	
BARTLEY O'HARA, 25 LOUISIANA AVE., NW WASHINGTON DC 20001	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	12,208.23	
O'KEEFE,ASHENDEN & LYONS, ONE FIRST NATIONAL PLAZA - SUITE 5100 CHICAGO IL 60603	AMERICAN INVSCO CORPORATION		
KATHLEEN O'LEARY, 1625 EYE ST., N. W. ROOM 301 WASHINGTON DC 20006	COLUMBIA GAS DISTRIBUTION COMPANIES	3,500.00	341.73
O'MELVENY & MYERS, 1800 M ST., NW WASHINGTON DC 20036	AIR TRANSPORT ASSN OF AMERICA		
Do	WARNER COMMUNICATIONS, INC.		
O'NEAL & CLAASSEN, CHTD., SUITE 952 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	COMMODITY EXCHANGE, INC.	300.00	
Do	INTERNATIONAL PRECIOUS METALS CORP	3,000.00	
Do	NATIONAL AIR TANKERS ASSN	1,500.00	
Do	NATIONAL REA TELEPHONE ASSN	750.00	
O'NEILL AND HAASE, P.C., SUITE 1110 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ALLEGHENY COUNTY COMMISSION		
Do	COMMERCIAL UNION INSURANCE COMPANIES		
Do	CRUISE AMERICA, INC.		
Do	GLASS PACKAGING INSTITUTE		1,280.00
Do	HOUSTON NATURAL GAS CORP		
Do	LEGISLATIVE ALLIANCE OF PHILATELISTS, HRD ASSET DLRS & CLTRS		
Do	MARRIOTT CORPORATION		
Do	SUGAR USERS GROUP		
Do	TEXAS UTILITIES SERVICES, INC.		
Do	U.S. FOOTBALL LEAGUE		
Do	WESTERN UNION TELEGRAPH CO.		
Do	WESTINGHOUSE ELECTRIC CORP		
Do	MILK INDUSTRY FOUNDATION		2,185.00
DONALD K. O'NEILL, SUITE 2600 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC.	1,000.00	
J. DENIS O'TOOLE, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	4,500.00	
M. DIANE O'TOOLE, SUITE 2300 1000 WILSON BLVD. ARLINGTON VA 22209	NORTHROP CORP.		171.68
MARTIN K. O'TOOLE, 227 MASSACHUSETTS AVENUE, NW, #321 WASHINGTON DC 20002	CONSERVATIVES FOR IMMIGRATION REFORM	100.00	
STEPHEN E. O'TOOLE, 1660 L STREET, N.W. WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	2,453.64
HARRY R. OBLEY, MELLON SQUARE PITTSBURGH PA 15230	MELLON BANK N.A. AND MELLON NATIONAL CORP.	2,000.00	
G. H. OCHENRIDER, 1000 WILSON BLVD. ARLINGTON VA 22209	GRUMMAN AEROSPACE CORPORATION	2,500.00	1,274.01
T. J. ODEN, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	4,500.00	
OIL INVESTMENT INST, PO BOX 8293 WASHINGTON DC 20024			
MASATOMO OKAHARA, 1919 PENNSYLVANIA AVENUE, NW, #707 WASHINGTON DC 20006	NISSAN MOTOR CORP IN U.S.A.		
R.Q. OLD AND ASSOCIATES, INC., 205 THE STRAND ALEXANDRIA VA 22314	FORD AEROSPACE & COMMUNICATIONS CORP	100.00	
Do	GENERAL ELECTRIC CO	200.00	
Do	GOULD, INC.	100.00	132.10
Do	GRUMMAN AEROSPACE CORPORATION	200.00	613.00
Do	SPERRY DIVISION	100.00	
ROBERT A. OLEXY, P.O. BOX 3151 HOUSTON TX 77001	BROWNING-FERRIS INDUSTRIES, INC.		
ALVIN E. OLIVER, 725 15TH ST., NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN		
AUSTIN P. OLNEY, 1333 NEW HAMPSHIRE AVE., NW, #1100 WASHINGTON DC 20036	LEBOEUF, LAMB, LEIBY & MACRAE (FOR: SHIPPING CORP OF INDIA, INC)	7.25	
DENNIS M. OLSEN, 485 E STREET IDAHO FALLS ID 83402	AETNA INSURANCE CO	3.00	.02
Do	AMERICAN BANKER'S INSURANCE CO OF FLORIA	19.00	.18
Do	CENTENNIAL INSURANCE COMPANY	1.42	.03
Do	CHARTER OAK INSURANCE	1.45	.03
Do	FLORISTS' MUTUAL INSURANCE CO	7.10	.07
Do	FOREMOST INSURANCE CO	37.90	.37
Do	GREAT AMERICAN INSURANCE COMPANY	4.05	.04
Do	MINNEHOMA INSURANCE COMPANY	1.30	.01
Do	MONSANTO CO	2,541.00	2,195.71
Do	NATIONAL FARMERS UNION PROPERTY & CASUALTY INSURANCE CO	6.69	.06
Do	STATE FARM FIRE AND CASUALTY CO	3.28	.03
Do	STATE FARM INSURANCE COMPANY	27.28	.27
Do	STATE FARM MUTUAL AUTOMOBILE INSURANCE CO	44.41	.44
Do	TRAVELER'S INDEMNITY OF RHODE ISLAND	1.76	.04
Do	TRAVELERS	39.36	.39
GERALD L. OLSON, 200 S. 6TH ST. MINNEAPOLIS MN 55402	PILLSBURY COMPANY		
ROY E. OLSON, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
ALAN M. OLSZEWSKI, 1608 K STREET, NW WASHINGTON DC 20006	AMERICAN LEGION	5,874.00	34.50
CLARK ONSTAD, 1050 THOMAS JEFFERSON STREET, NW SIXTH FLOOR WASHINGTON DC 20007	TEXAS AIR CORP, AND CONTINENTAL AIR LINES		
PHILIP C. ONSTAD, 500 WEST PUTNAM AVE. GREENWICH CT 06830	CONTROL DATA CORPORATION	50.00	309.52
MICHEL ORBAN, 1700 K ST., NW WASHINGTON DC 20006	AMERICAN EXPRESS CO.		63.44
ORGAN. FOR ADVANCEMENT & PROTECTION OF SMALL TELEPHONE COS, SUITE 530 2301 M STREET, NW 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037.			
ABRAHAM ORLOFSKY, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	1,100.87	
JOHN L. OSHINSKI, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	9,952.92	
HIDEAKI OTAKA, SUITE 600 919 18TH STREET, NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, USA, INC.	136.00	119.61
ROLAND A. OUELLETTE, 1660 L ST., NW, #501 WASHINGTON DC 20036	GENERAL MOTORS CORP	3,600.00	3,274.87
CLIFF OUSE, 1800 MASSACHUSETTS AVE., N.W. WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	50.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
OUTDOOR POWER EQUIPMENT INSTITUTE, SUITE 700 1901 L ST., NW WASHINGTON DC 20036			
THOMAS J. OWENS, P.O. BOX 12266 SEATTLE WA 98102	DOLLAR SAVINGS BANK AND WASHINGTON MUTUAL SAVINGS BANK	21,730.00	9,457.11
KATHERINE ANN OZER, 2000 P STREET, NW, #300 WASHINGTON DC 20036	U.S. STUDENT ASSN		2,175.00
R. RAY PAABO, SUITE 840 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SANTA FE INDUSTRIES, INC	1,000.00	
RONALD C. PADDOCK & COMPANY, 7025 N. CAMINO CANDELAS TUCSON AZ 85718	I.T.T. MEDTRONICS		
LEE W. PADEN, P.O. BOX 201 TULSA OK 74102	PUBLIC SERVICE COMPANY OF OKLAHOMA		
W. D. PAGE, SUITE 6 1581 PHOENIX BLVD. ATLANTA GA 30349	AMERICAN PLYWOOD ASSN		
JOHN M. PALATIELLO, 210 LITTLE FALLS STREET FALLS CHURCH VA 22046	AMERICAN CONGRESS ON SURVEYING & MAPPING	8,642.34	5,478.04
HENRY S. PALAU, 201 N WASHINGTON ST. ALEXANDRIA VA 22314	RETIRED OFFICERS ASSN	905.00	
WILLIAM S. PALEOS, SUITE 1000, 1101 14TH ST., NW WASHINGTON DC 20005			
BRADLEY D. PALMER, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	1,200.00	11.70
FRED PANZER, 1875 EYE ST., NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE	200.00	25.00
G. OLIVER PAPPS, N.J. PETROLEUM COUNCIL 170 W. STATE ST. TRENTON NJ 08608	AMERICAN PETROLEUM INST	43.00	
PARAHO DEVELOPMENT CORPORATION, SUITE 300A 183 INVERNESS DRIVE WEST ENGLEWOOD CO 80112			630.07
HERSCHELL E. PARENT, ARKANSAS PETROLEUM COUNCIL 302 COMMERCIAL NATL. BANK BLDG. LITTLE ROCK AR 72201	AMERICAN PETROLEUM INST		
JOHN N. PARKER, 1100 CONNECTICUT AVE., NW SUITE 620 WASHINGTON DC 20036	MOBIL OIL CORP	375.00	
KIMBERLY C. PARKER, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	8,445.36	42.00
KEN PARMELEE, 1155 15TH ST., NW SUITE 611 WASHINGTON DC 20005	ETHYL CORPORATION	2,000.00	
TOM E. PARO, 1735 DESALES ST., NW WASHINGTON DC 20036	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC	2,583.00	
PARRISH & CHAMBERS, INC., SUITE 1510 1300 17TH STREET ARLINGTON VA 22209	BANGOR & AROOSTOOK RAILROAD	2,400.00	2,824.93
Do	BOSTON & MAINE RAILROAD	3,641.66	2,843.33
Do	CHICAGO & NORTHWESTERN TRANSPORTATION CO	9,100.00	2,919.62
Do	DELAWARE OTSEGO SYSTEM	10,000.00	2,824.93
Do	FORUM COMMUNICATIONS		
Do	GENESEE & WYOMING INDUSTRIES	500.00	2,824.93
Do	PITTSBURG & SHAWMUT	1,400.00	2,824.93
Do	WESTINGHOUSE ELECTRIC CORP	4,400.00	2,824.93
ROBERT D. PARTRIDGE, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	430.00	
PASKUS, GORDON & HYMAN, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL MUSIC PUBLISHERS' ASSN		
RICHARD M. PATTERSON, 1800 M ST., NW, #700 SOUTH WASHINGTON DC 20036	DOW CHEMICAL CO	500.00	239.50
WILLIAM H. PATTERSON, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	195.00	
KENTON H. PATTIE, 3150 SPRING ST. FAIRFAX VA 22031	NATIONAL AUDIO-VISUAL ASSN, INC	3,188.00	
DAVID J. PATTISON, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSOCIATION OF AMERICA, INC		
PATTON BOGGS & BLOW, SUITE 800 2550 M ST., NW WASHINGTON DC 20037	AKAI AMERICA, LTD	40.60	
Do	AMERICAN COLLEGE OF MORTGAGE ATTORNEYS		
Do	AMERICAN CONGRESS OF SURVEYORS AND MAPPERS		
Do	AMERICAN EXPRESS COMPANY		
Do	AMERICAN INTERNATIONAL AUTOMOBILE DEALERS ASSN	8,000.00	
Do	AMERICAN MARITIME ASSN	2,500.00	78.00
Do	AMERICAN MOVERS CONFERENCE		
Do	AMERICAN PRESIDENT LINES		
Do	AMERICAN SOCIETY OF ASSN EXECUTIVES		
Do	ARMCO INC		
Do	ARTPAC	750.00	
Do	ASOCIACION DE AZUCAREROS DE GUATEMALA	340.00	
Do	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	3,925.00	
Do	BURLINGTON INDUSTRIES, INC	15,235.00	157.00
Do	BUSINESS ROUNDTABLE	1,600.00	
Do	CALIFORNIA WESTSIDE FARMERS	100.00	
Do	CAPITAL CENTRE	5,415.00	
Do	CASTLE & COOKE, INC		
Do	CHICAGO BOARD OPTIONS EXCHANGE	705.00	
Do	CHRYSLER CORPORATION		
Do	CITY INVESTING COMPANY		
Do	CITY NATIONAL BANK OF BEVERLY HILLS, CA		
Do	COUNCIL OF STATE CHAMBERS OF COMMERCE		
Do	COUPON BOND TAX COMMITTEE		
Do	DONALDSON, LUFKIN & JENRETT, INC		
Do	DUTY FREE SHOPPERS, LTD	250.00	
Do	ENERGY RESEARCH CORPORATION		
Do	FLUOR CORPORATION	3,390.00	46.75
Do	HITACHI SALES CORP OF AMERICA	159.60	
Do	E.F. HUTTON LIFE INSURANCE COMPANY		
Do	INDECO, INC		
Do	INSTITUTE OF SCRAP IRON & STEEL, INC	1,900.00	15.00
Do	LASCO SHIPPING COMPANY		
Do	LITTON INDUSTRIES, INC		
Do	LOCKHEED AIRCRAFT		
Do	LOOP, INC	2,350.00	
Do	LOSS RESERVE DEDUCTION COMMITTEE		
Do	MARATHON OIL CO		
Do	MARS, INC	420.00	
Do	MCI TELECOMMUNICATIONS, INC	200.00	
Do	MATSUBISHI ELECTRIC SALES AMERICA, INC	159.60	
Do	MITSUSHITA ELECTRIC CORP OF AMERICA	159.60	
Do	MOCATTA METALS CORP		
Do	MULTI MINERAL CORP		
Do	NATIONAL ASSN OF RETAIL DRUGGIST	1,185.00	
Do	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	407.50	46.00
Do	NATIONAL CABLE TELEVISION ASSN., INC	2,467.50	
Do	NATIONAL COALITION FOR PORT PROGRESS	15.00	15.00
Do	NATIONAL MARINE MFRS ASSN	4,800.00	34.50
Do	NATIONAL SOFT DRINK ASSN		
Do	NEC ELECTRONICS (USA) INC	82.60	
Do	NEW PROCESS CO		
Do	NORTHWEST ENERGY COMPANY		
Do	OCEAN MINERALS CO	3,290.00	
Do	OSG BULK SHIPS, INC	250.00	
Do	PENN CENTRAL CORPORATION		
Do	READER'S DIGEST ASSN, INC	5,000.00	
Do	REDWOOD INDUSTRY PARK COMM	460.00	
Do	RETAIL TAX COMMITTEE		
Do	ROCKWELL INTERNATIONAL CORP		
Do	SANYO ELECTRIC INC	159.00	
Do	SHARP ELECTRONICS CORP	159.60	
Do	SHERIDAN-KALORAMA NEIGHBORHOOD COUNCIL		
Do	SONY CORPORATION OF AMERICA	159.60	
Do	ST. JOE MINERALS CORP	480.00	
Do	STATE OF LA, DEPT OF CONSERVATION		
Do	SULTANATE OF OMAN	4,080.00	
Do	TOSHIBA AMERICAN, INC	159.60	
Do	US JVC CORPORATION	159.60	
Do	WILSHIRE OIL COMPANY OF TEXAS		
ANDREW R. PAUL, 1875 EYE STREET, NW, #940 FFERSON ST., NW WASHINGTON DC 20007	ZEISS AVIONICS SYSTEMS, INC	11,600.00	14.80
Do	AMERICAN TELEPHONE & TELEGRAPH CO	22,500.00	
Do	CALIFORNIA PORTLAND CEMENT CO		
LARRY E. PAULICK, 2000 K ST., NW WASHINGTON DC 20006	SECURITY LIFE OF DENVER	95,727.50	561.25
RICHARD A. PAYSOR, SUITE 135 1415 ELBRIDGE PAYNE RD. ST. LOUIS MO 63017	NATIONAL SPA & POOL INSTITUTE		
PEABODY, LAMBERT & MEYERS, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	FIRST CAPITOL ASSOCIATES - GATEWAY, INC		
FRANK PECQUEX, 5201 AUTH WAY CAMP SPRINGS MD 20746	SEA & PINES, INC		
JAMES M. PEIRCE JR . 1016 16TH ST., NW WASHINGTON DC 20036	SEAFARERS INTERNATIONAL UNION	3,000.00	136.95
PELTON RESEARCH CENTER, 1400 S. JOYCE STREET ARLINGTON VA 22202	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	1,613.62	
	HELP, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
HUMBERTO R. PENA, 1155 15TH ST., NW WASHINGTON DC 20005	BRISTOL-MYERS CO	1,000.00	
GEORGE C. PENDLETON, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	CANNED & COOKED MEAT IMPORTERS' ASSN		
ANDREW PENN, 918 16TH STREET, NW WASHINGTON DC 20006	AMERICAN LOGISTICS ASSN		
PENNSYLVANIA POWER & LIGHT CO, 2 N. 9TH ST. ALLENTOWN PA 18101			2,259.66
DONALD PENNY, SUITE 250 2020 K ST., NW WASHINGTON DC 20006	WARNER COMMUNICATIONS INC.		3,655.62
DOMINIC V. PENSABENE, 1700 K ST., NW WASHINGTON DC 20006	CHEVRON USA, INC	1,000.00	
GREGORY M. PENSABENE, 1100 CONNECTICUT AVE., NW, #840 WASHINGTON DC 20036	SANTA FE INDUSTRIES, INC	1,875.00	
PENSION RIGHTS CENTER, 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036		411.90	573.04
PEPPER & CORAZZINI, 1776 K ST., NW WASHINGTON DC 20006	SOUTHERN SATELITE SYSTEMS INC.	593.75	24.00
PEPPER HAMILTON & SCHEETZ, 1777 F STREET, NW WASHINGTON DC 20006	ALARM DEVICE MANUFACTURING CO.	2,720.44	
Do	ALARM IND TELECOMM COMM OF NATL BURGLAR & FIRE ALARM ASSN	4,329.50	75.00
Do	COALITION OF CONCERNED CHARITIES		
Do	DIRECT BROADCAST SATELLITE CORP		
Do	FOCUS		
Do	GENERAL DYNAMICS CORP		
Do	GLENMEDE TRUST CO		
Do	MILLICOM INCORPORATED		
Do	SOUTHERN PACIFIC COMMUNICATION CO.		
Do	STROMBERG-CARLSON CORPORATION	2,272.50	
Do	SUN SHIPBUILDING & DRY DOCK CO	8,968.75	100.00
Do	TRT TELECOMMUNICATIONS CORPORATION	1,600.25	
Do	TURNER BROADCASTING SYSTEM, INC		
Do	U.S. CANE SUGAR REFINERS' ASSN	852.50	
Do	UNITED TECHNOLOGIES COMMUNICATIONS COMPANY		
VICTOR J. PERINI JR , 1776 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	HIGHWAY USERS FEDERATION FOR SAFETY & MOBILITY		
PERITO, DUERK, CARLSON & PINCO, P.C., 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	ADVANCED HEALTH SYSTEMS, INC		
Do	AMERICAN COLLEGE OF NEUROPSYCHOPHARMACOLOGY		
Do	NATIONAL ASSN OF ALCOHOLISM TREATMENT PROGRAMS, INC		
Do	SOCIETY OF REAL ESTATE APPRAISERS	315.00	
PERKINS COIE STONE OLSEN & WILLIAMS, SUITE 1200 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	BOEING COMPANY		
Do	BURLINGTON NORTHERN, INC		
Do	DEPARTMENT OF NATURAL RESOURCES	2,200.00	29.82
TONY PERKINS, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	75.00	
GARY J. PERKINSON, 1700 NORTH MOORE STREET 1925 ROSSYLN CENTER BUILDING ARLINGTON VA 22209	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA		
ERNEST MICHAEL PERLEY, 112 ST CLAIR AVENUE, WEST, #504 TORONTO, ONTARIO N4V 2Y3	CANADIAN COALITION ON ACID RAIN		
JEFFRY L. PERLMAN, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,420.00	128.72
LEONARD PERLMAN, SUITE 400 5203 LEESBURG PIKE FALLS CHURCH VA 22041	AMERICAN PERSONNEL & GUIDANCE ASSN	7,000.00	486.48
MARK PERMAR, P.O. BOX 12910 CHARLESTON SC 29142	KIAWAH ISLAND COMPANY		
RICHARD J. PERRY, 1575 I. ST NW. WASHINGTON DC 20005	CALIFORNIA SAVING & LOAN LEAGUE		
SUSAN PERRY, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BUS ASSN.	2,687.50	75.00
JOHN J. PESCH, 3422 STONEYBRAE DRIVE FALLS CHURCH VA 22044	NORTHROP CORPORATION		
EDWARD B. PETERSEN, SUITE 700 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	GULF OIL CORP	50.00	69.71
GEOFFREY G. PETERSON, SUITE 1300 425 13TH ST., NW WASHINGTON DC 20004	DISTILLED SPIRITS COUNCIL OF THE U.S.	2,000.00	400.00
KENNETH PETERSON, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	15,552.18	182.39
LARS E. PETERSON, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
MARY B. PETERSON, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	1,121.80
RUSSELL W. PETERSON, 950 THIRD AVENUE NEW YORK NY 10022	NATIONAL AUDUBON SOCIETY	1,000.00	240.00
PETERSON, ENGBERG & PETERSON, SUITE 907 1730 M ST., NW WASHINGTON DC 20036	FEDERATED RESEARCH CORP	18,000.00	350.46
SUSAN F. PETNIUNAS, SUITE 214 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20034	JOHNS-MANVILLE CORPORATION	100.00	
MICHAEL J. PETRINA JR , 1155 15TH ST., NW WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	4,000.00	64.40
PAUL F. PETRUS, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	MOBIL OIL CORP	1,200.00	
H. WILLIAM PETRY, P.O. BOX 1927 SPARTANBURG SC 29304	MILLIKEN RESEARCH CORPORATION		
LORRAINE PETTI, 2817 18TH ST., NW WASHINGTON DC 20009	NATIONAL COMM AGAINST REPRESSIVE LEGISLATION		
JAMES R. PHALEN, 1100 CONNECTICUT AVE., NW SUITE 820 WASHINGTON DC 20036	MAPCO INC.	2,500.00	151.96
PHARMACEUTICAL MANUFACTURERS ASSN., 1100 15TH STREET, NW WASHINGTON DC 20005		68,610.57	68,610.57
GWEN PHARO, 1101 S. ARLINGTON RIDGE RD., #1213 ARLINGTON VA 22202	OILFIELD INDUSTRIAL LINES, INC.		
MARSHALL A. PHARR, P.O. BOX 1261 AMARILLO TX 79170	SOUTHWESTERN PUBLIC SERVICE CO	2,842.20	99.73
DEBORAH M. PHILLIPS, SUITE 320 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	GENERAL INSTRUMENT CORP	100.00	159.20
JOHN D. PHILLIPS, SUITE 503 1717 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	12,000.00	789.00
RICHARD F. PHILLIPS, 1825 K STREET,N.W. SUITE 1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY		
SUSAN L. PHILLIPS, 815 16TH ST., NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPARTMENT, AFL-CIO	4,239.65	56.85
WILLIAM G. PHILLIPS, D.C. ASSOCIATES, INC. 402 THIRD STREET, SE WASHINGTON DC 20003	AMERICAN VOCATIONAL ASSN		
Do	ASSOCIATION OF UNIV. PROGRAMS IN OCCUPA HEALTH & SAFETY	7,800.00	183.90
Do	ASSOCIATION OF UNIVERSITY ENVIRONMENTAL HEALTH CENTERS	6,000.00	82.18
PHOSPHATE CHEMICALS EXPORT ASSN., INC., 8410 W. BRYN MAUR AVE. CHICAGO IL 60631			740.00
SAM PICKARD, 1101 17TH ST., NW, #604 WASHINGTON DC 20036	MONSANTO CO	500.00	637.48
BILL PICKENS, 1111 19TH ST., NW SUITE 900 WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,698.00	203.71
W.D. PICKETT, 400 FIRST ST. WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	350.00	
MOLLY J. PIERCE, 1700 PENNSYLVANIA AVE.,NW WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD		
PIERSON BALL & DOWD, 1200 18TH ST., NW WASHINGTON DC 20036	ASPEN SYSTEMS CORPORATION	3,780.99	
Do	BOEING COMPANY	10,836.74	
Do	COMMUNITY PSYCHIATRIC CENTERS	310.00	
Do	DUN & BRADSTREET CORP.		
Do	GENENTECH, INC	7,272.00	
Do	GENERAL TIRE & RUBBER COMPANY	1,750.00	
Do	INDEPENDENT TELECOMMUNICATIONS SUPPLIERS' COUNCIL	7,385.20	
Do	INFECTIOUS DISEASES SOCIETY OF AMERICA	4,938.62	
Do	INTERNATIONAL FUTURES EXCHANGE (BERMUDA) LTD		
Do	INTEX HOLDINGS (BERMUDA) LTD		
Do	PHARMACEUTICAL MANUFACTURERS ASSN	7,752.24	
Do	WESTERN FARMERS ELECTRIC COOPERATIVE		
PIERSON SEMMES CROLIUS & FINLEY, 1828 L STREET, NW WASHINGTON DC 20036	AMERICAN LAND TITLE ASSN	135.00	11.55
STUART F. PIERSON, VERNER, LIIPFERT, BERNHARD, & MCPHERSON 1660 L ST., NW, #1100 WASHINGTON DC 20036	PAN AM, ET AL		
DANIEL J. PILIERO II , 1750 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	AD HOC COMMITTEE FOR RESPONSIBLE TAX POLICY	2,500.00	1,500.00
PILOTS RIGHTS ASSOCIATION, P.O. BOX 7000-367 REDONDO BEACH CA 90277		5,900.00	22,596.92
PINEAPPLE GROWERS ASSN OF HAWAII, P.O. BOX 3829 HONOLULU HI 96813			
PIPER & MARBURY, 888 16TH STREET, NW FIFTH FLOOR WASHINGTON DC 20006	PHH GROUP, INC.	16,500.00	65.68
Do	RYDER SYSTEMS, INC.		
Do	U.S. AIR, INC	950.00	
LILLIAN M.S. PITCAITHLY, SUITE 209 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE	100.00	25.00
PLAINS COTTON GROWERS, INC, PO BOX 3640 LUBBOCK TX 79452			
PLAINTIFFS' ANTITRUST LIAISON SOCIETY, SUITE 708 1776 K STREET, NW WASHINGTON DC 20006		6,000.00	
PLANNED PARENTHOOD FEDERATION OF AMERICA, INC., SUITE 303 1220 19TH STREET, NW WASHINGTON DC 20036		705.02	705.02
PLANNED PARENTHOOD OF NEW YORK CITY, INC, 380 SECOND AVENUE NEW YORK NY 10010			
RONALD L. PLATT, P.O. BOX 520783 GENERAL MAIL FACILITY MIAMI FL 33152	BURGER KING CORP		
WYLL W. PLEGER, 1730 RHODE ISLAND AVENUE, N.W. # 213 WASHINGTON DC 20036	BROWN & ROOT, INC		
RONALD L. PLESSER, BLUM & NASH 1015 18TH ST., NW, #408 WASHINGTON DC 20036	TWIN COASTS NEWSPAPER, INC		
MICHAEL PODHORZER, SUITE 401 1300 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION		
SHERMAN S. POLAND, ROSS, MARSH & FOSTER 888 16TH STREET, NW WASHINGTON DC 20006	DORCHESTER GAS PRODUCING CO	800.00	19.71
MICHAEL A. POLING, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
FRANCES A. POLLAK, SUITE 390 1850 K STREET, NW WASHINGTON DC 20006	UNION CAMP CORPORATION	211.53	74.57
ALFRED M. POLLARD, SUITE 702 1901 L STREET, NW WASHINGTON DC 20036	SECURITY PACIFIC NATIONAL BANK		54.40
KAREN POLLITZ, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	3,900.00	
HENRY E. POOLE, 9 WEST 57TH ST. NEW YORK NY 10019	AVON PRODUCTS, INC		
RAYMOND K. POPE, 1639 K ST., NW, #800 WASHINGTON DC 20006	AMFAC, INC.	3,145.00	255.41
POPULATION RESOURCE CENTER, INC, 622 THIRD AVE. NEW YORK NY 10017		5,045.00	13,343.00
PAULA D. PORPILIA, 1120 CONNECTICUT AVENUE, N.W. SEVENTH FLOOR WASHINGTON DC 20036	AMERICAN BANKERS ASSN	850.00	236.09
PHILLIP PORTE & ASSOCS., INC., SUITE 208 1301 ARLINGTON RIDGE RD. ARLINGTON VA 22202	NATIONAL ASSN OF MEDICAL DIRECTORS OF RESPIRATORY CARE	3,000.00	
Do	AMERICAN ASSN FOR RESPIRATORY THERAPY	6,000.00	
CAROL ALICE PORTER, SUITE 1101 1612 K ST., NW WASHINGTON DC 20036	WILDLIFE LEGISLATIVE FUND OF AMERICA	3,421.00	
PORTER, WRIGHT, MORRIS & ARTHUR, 37 WEST BROAD STREET COLUMBUS OH 43215	COALITION FOR ENVIRONMENTAL-ENERGY BALANCE	41,790.90	2,605.82
SHARON T. PORTNOY, ONE PENN PLAZA NEW YORK NY 10001	NATIONAL COMMERCIAL FINANCE CONFERENCE	2,750.00	360.80
MARY E. POST, 5203 LEESBURG PIKE, SUITE 400 FALLS CHURCH VA 22041	AMERICAN PERSONNEL & GUIDANCE ASSOCIATION		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
MARK POWDEN, SUITE 408 815 16TH STREET, NW WASHINGTON DC 20006	FOOD AND BEVERAGE TRADES DEPT., AFL-CIO	388.13	
JOHN MICHAEL POWDERLY, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	9,895.41	
POWELL GOLDSTEIN FRAZER & MURPHY, SUITE 1050 1110 VERMONT AVE., NW WASHINGTON DC 20005	AHRENS AIRCRAFT, INC		
Do	ASSOCIATION OF EXECUTIVE SEARCH CONSULTANTS, INC		
Do	COMMITTEE AGAINST REGULATION OF VIDEO ENTERPRISES		
Do	COUNCIL OF STATE HOUSING AGENCIES		
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	GATX CORP		
Do	GOVERNMENT OF NICARAGUA		
Do	JACQUES BOREL ENTERPRISES, INC		
Do	MARYLAND SAVINGS-SHARE INSURANCE CORP		
Do	NATIONAL COUNCIL FOR INDUSTRIAL INNOVATION		
Do	NATIONAL MULTI HOUSING COUNCIL		
Do	NATIONAL RESTAURANT ASSN		
Do	RUBBER MANUFACTURERS ASSN		
Do	SECURITY LIFE OF DENVER		
Do	WESTINGHOUSE ELECTRIC CORPORATION		
RICHARD M. POWELL, 7315 WISCONSIN AVE. WASHINGTON DC 20014	INTERNATIONAL ASSN OF REFRIGERATED WAREHOUSES		
ROBERT D. POWELL, SUITE 400 1300 19TH ST., NW WASHINGTON DC 20036	NATIONAL BUSINESS AIRCRAFT ASSN		
JANET POWER, 1620 I ST., NW WASHINGTON DC 20006	VISA USA, INC		
JOHN J. POWER, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	14,180.32	
GRAYDON R. POWERS JR , 1101 16TH ST., NW WASHINGTON DC 20036	SCIENTIFIC APPARATUS MAKERS ASSN		
PRATHER SEEGER DOOLITTLE & FARMER, 1101 16TH ST., NW WASHINGTON DC 20036	BANKER'S ASSN FOR FOREIGN TRADE	2,000.00	500.00
BRAINARD E. PRESCOTT, 670 MAIN ST. EAST AURORA NY 14052	SECURITY NEW YORK STATE CORPORATION		479.80
LLOYD T. PRESLAR, 1225 19TH ST., NW WASHINGTON DC 20036	DGA INTL, INC (FOR: AIRBUS INDUSTRIE)		
Do	DGA INTERNATIONAL, INC. (FOR: SOFREAVIA)		
PRESTON THORGRIMSON ELLIS & HOLMAN, 1776 G ST., NW, #500 WASHINGTON DC 20006	AMERICAN PRESIDENT LINES	2,115.50	
Do	AMERICAN WATERWAYS SHIPYARD CONFERENCE		
Do	BELLINGHAM COLD STORAGE		
Do	BOEING COMPANY		
Do	CALISTA CORP		
Do	CHUGACH NATIVES, INC	1,994.50	
Do	CITIES FOR CABLE		
Do	COMMERCIAL UNION ASSURANCE COMPANIES		
Do	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS	936.00	
Do	CROWLEY MARITIME CORPORATION		
Do	DRAVO CORPORATION		
Do	EMPLOYERS REINSURANCE CORP		
Do	GENERAL TELEPHONE & ELECTRONICS		
Do	MOORE MCCORMACK RESOURCES, INC	4,463.00	
Do	NORTHERN TIER PIPELINE CO		
Do	PHARMACEUTICAL MANUFACTURING ASSN	363.00	
Do	PORT OF SEATTLE	1,256.66	
Do	PORT OF TACOMA	1,256.66	
Do	ST. JOE MINERALS CORP		
Do	TENNESSEE GAS PIPELINE CO	225.00	19.69
Do	TRANSPORTATION INSTITUTE	1,256.66	
Do	U.S. CRUISES, INC		
Do	WESTERN RESOURCE ALLIANCE		
Do	WOMETCO ENTERPRISES, INC	2,953.00	70.15
Do	YARDARM KNOT CORPORATION		
Do	ALASKA LUMBER & PULP CO./LOUISIANA PACIFIC OF KETCHIKAN		
KEITH A. PRETTY, 322 W. OTTAWA LANSING MI 48933	STANDARD OIL CO (INDIANA)		
FORREST J. PRETTYMAN, 730 15TH ST., NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	962.50	
BARBARA J. PRICE, SUITE 1107 1825 K STREET, NW WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY		
PATRICIA PRIDE, 1129 20TH ST., NW WASHINGTON DC 20036	FINANCIAL ACCOUNTING STANDARDS BOARD	151.33	23.66
GWENYTH PRITCHARD, 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
JERRY C. PRITCHETT, SUITE 750 5530 WISCONSIN AVE., NW WASHINGTON DC 20015	MECHANICAL CONTRACTORS ASSN OF AMER, INC		
PRO-LIFE CDAC 12, P.O. BOX 7145 MENLO PARK CA 94025		487.43	734.62
PRO-LIFE CONGRESSIONAL DIST ACTION COMM, IN/2, 208 TINKLER LAFAYETTE IN 47901			
PROFIT SHARING COUNCIL OF AMER, 20 N. WACKER DRIVE CHICAGO IL 60606			
PROJECT ADVISORY GROUP, 1029 VERMONT AVE., NW SUITE 860 WASHINGTON DC 20005			
PROPRIETARY ASSN, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006			2,837.50
PROSKAUER ROSE GOETZ & MENDELSOHN, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	TORONTO STOCK EXCHANGE		14.10
DAVID P. PROSPERI, 1725 K STREET, NW, #909 WASHINGTON DC 20006	SUPERIOR OIL COMPANY & SUPERIOR FARMING COMPANY		
PRUDENTIAL-BACHE SECURITES INC., 100 GOLD ST. NEW YORK NY 10272	BACHE, HALSEY, STUART, SHIELDS INC		750.00
JAMES C. PRUITT, SUITE 500 1050 17TH STREET, NW WASHINGTON DC 20036	TEXACO, INC	63.00	
STEVEN L. PRUITT, SUITE 308 815 16TH STREET, NW WASHINGTON DC 20006	PUBLIC EMPLOYEE DEPARTMENT, AFL-CIO	11,307.66	
PUBLIC EMPLOYEE DEPARTMENT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		40,606.10	24,662.62
DAVID E. PULLEN, 1025 CONNECTICUT AVE., NW, #214 WASHINGTON DC 20036	JOHNS-MANVILLE CORPORATION	700.00	
F. EUGENE PURCELL, 1919 PENNSYLVANIA AVE., N.W. SUITE 300 WASHINGTON DC 20036	LONE STAR INDUSTRIES, INC	1,000.00	205.00
WILLIAM E. PURSLEY, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
EARLE W. PUTNAM, 5151 WISCONSIN AVE., NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
HOWARD PYLE III, 4930 QUEBEC ST., NW WASHINGTON DC 20016	HOUSTON LIGHTING & POWER COMPANY	3,600.00	
ROBERT N. PYLE, P.O. BOX 3731 WASHINGTON DC 20007	INDEPENDENT BAKERS ASSN	3,000.00	
JOHN R. QUARLES JR , MORGAN, LEWIS & BOCKIUS 1800 M ST., NW WASHINGTON DC 20036	NATIONAL ENVIRONMENTAL DEVELOPMENT ASSN CLEAN AIR ACT PROJ	1,000.00	50.00
JAMES M. QUIGLEY, SUITE 540 1875 EYE STREET, NW WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
WILLIAM A. QUINLAN, 3045 RIVA RD. RIVA MD 21140	NATIONAL CANDY WHOLESALERS ASSN, INC		
Do	RETAIL BAKERS OF AMERICA		
QUINTANA REFINERY COMPANY, P.O. BOX 3331 HOUSTON TX 77001			
R/A AND ASSOCIATES, SUITE 801 1100 17TH STREET, NW WASHINGTON DC 20036	WAGNER & BARODDY	1,803.75	
CLIFFORD RABER, ONE MCDONALD'S PLAZA OAK BROOK IL 60521	MCDONALD'S SYSTEMS, INC		
ALEX RADIN, 2301 M ST., NW WASHINGTON DC 20036	AMERICAN PUBLIC POWER ASSN	490.32	
RADNOR CORPORATION, P.O. BOX 1308 JUPITER FL 33458			7,818.06
TESS A. RAE, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE		
ROBERT A. RAGLAND, P.O. BOX 24305 OAKLAND CA 94623	CLOROX COMPANY		
RAILWAY LABOR EXECUTIVES' ASSN, 400 FIRST ST., NW SUITE 804 WASHINGTON DC 20001		67,550.00	85,865.29
RAILWAY PROGRESS INST, 700 NORTH FAIRFAX ST. ALEXANDRIA VA 22314			
LAW OFFICES OF JOHN RAINBOLT SUITE 429 1800 K STREET, N.W. WASHINGTON DC 20006	BOARD OF TRADE CLEARING CORP	18,100.00	1,637.52
Do	LONDON COMMODITY EXCHANGE CO., LTD.		
Do	LONDON GOLD FUTURES MARKET		
Do	METAL MARKET & EXCHANGE CO., LTD	19,600.50	2,125.06
Do	MIDAMERICAN COMMODITY EXCHANGE	10,862.50	2,083.77
JOYCE RAMONAS, SUITE 480 1990 M ST., NW WASHINGTON DC 20006	DETROIT EDISON COMPANY	225.00	15.00
DONALD A. RANDALL, SUITE 1205 1625 K ST., NW WASHINGTON DC 20006	AUTOMOTIVE SERVICE COUNCILS, INC		
Do	NATIONAL INDEPENDENT DAIRY-FOODS ASSN	2,820.00	
GARY B. RANDALL, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	125.00	
ROBERT RANDALL, P.O. BOX 23691 WASHINGTON DC 20024	ALLIANCE FOR CANNABIS THERAPEUTICS		
RANDALL, BANGERT & PRICE, 1625 K ST., NW WASHINGTON DC 20006	GROCERY MANUFACTURERS OF AMERICA		
Do	PHARMACEUTICAL MANUFACTURERS ASSN	905.00	
CAROL RANDLES, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN. OF BROADCASTERS	1,500.00	297.00
R. RAY RANDLETT, SUITE 700, 1150 CONNECTICUT AVE., NW WASHINGTON DC 20036	ALLIED CORP	100.00	
GAYLE RANDOL, 1828 L STREET, N.W. SUITE 402 WASHINGTON DC 20036	BUSINESS ROUNDTABLE		
ARTHUR G. RANDOL III, 1899 L ST., NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION		23.50
HOWARD W. RANDOLPH JR , 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
ROBERT A. RAPOZA, SUITE 8G 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FEDERATION OF HOUSING COUNSELLORS		
D. MICHAEL RAPPOPORT, P.O. BOX 1980 PHOENIX AZ 85001	SALT RIVER PROJECT	1,680.00	5,945.09
RARE ANIMAL RELIEF EFFORT, INC. C/O NATIONAL AUDUBON SOC 950 THIRD AVE. NEW YORK NY 10022			
CARL L. RASAK, 8301 FORT HUNT ROAD ALEXANDRIA VA 22308			
HELEN RAUCH, 1755 MASSACHUSETTS AVENUE, NW, #300 WASHINGTON DC 20036	CONSORTIUM OF SOCIAL SCIENCE ASSOCIATIONS	624.99	
CAROL L. RAULSTON, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
G. DAVID RAVENCRAFT, SUITE 507 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
W. LEE RAWLS, 1155 15TH ST., NW SUITE 602 WASHINGTON DC 20005	PENNZOIL CO	125.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
W. RANDALL RAWSON, 3251 OLD LEE HIGHWAY, #501 FAIRFAX VA 22030	NATIONAL LIMESTONE INST, INC	7,018.23	12.20
RAYMARK CORPORATION, 100 OAKVIEW DRIVE TRUMBULL CT 06611			102.00
J. GENE RAYMOND, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	1,135.20	
JULIAN O. READ, 807 BRAZOS, #901 AUSTIN TX 78701	CENTRAL AND SOUTH WEST CORP		
SYDNEY C. REAGAN, NO. 10 DUNCANNON CT. DALLAS TX 75225	SOUTHWESTERN PEANUT SHELLERS ASSN		
LINDA S. REARICK, 1707 H STREET, NW WASHINGTON DC 20006	NATIONAL OIL JOBBERS COUNCIL	3,100.00	193.00
HARRY M. REASONER, VINSON & ELKINS 3000 FIRST CITY TOWER HOUSTON TX 77002	ASSOCIATION OF OIL PIPELINES	6,385.00	
REAVIS & MCGRATH, 1776 F ST., NW WASHINGTON DC 20006	BUSINESS ROUNDTABLE		
JOHN M. RECTOR, 205 DAINGERFIELD RD. ALEXANDRIA VA 22314	NATIONAL ASSN OF RETAIL DRUGGISTS	700.00	150.00
TIMOTHY J. REDMON, 600 MARYLAND AVE., SW SUITE 400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
DWIGHT C. REED, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		
JO REED, 1909 K STREET, NW WASHINGTON DC 20049	NATIONAL RETIRED TEACHERS ASSN-AMER ASSN OF RETIRED PERSONS	340.57	94.88
CHARLES C. REELY, 3251 OLD LEE HIGHWAY,SUITE 500 FAIRFAX VA 22030	NATIONAL LIMESTONE INST, INC		
PAULINE B. REEPING, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	NEW YORK SHIPPING ASSN, INC		
MARTHA L. REES, 1701 PENNSYLVANIA AVE., NW SUITE 1120 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
ROBERT S. REESE JR , 1616 P ST., NW WASHINGTON DC 20036	AMERICAN TRUCKING ASSNS, INC	9,000.00	487.27
J. RONALD REEVES, WASHINGTON NATIONAL AIRPORT WASHINGTON DC 20001	U.S. AIR, INC	2,000.00	218.75
JOHN T. REGGITTS JR , 95 BOOTON AVE. P.O. BOX 470 BOONTON NJ 07005			
REID & PRIEST, 1111 19TH ST.,NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE		
Do	SOUTH CAROLINA ELECTRIC & GAS COMPANY		
Do	TUCSON ELECTRIC POWER CO		
Do	UTILITY GROUP		4,603.93
REID & RIEGE, P.C., ONE CONSTITUTION PLAZA HARTFORD CT 06103	WESLEYAN UNIVERSITY	2,020.00	
MICHAEL W. REID, SUITE 507 1925 K STREET, NW WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY		
JERRY E. REIDER, 1235 JEFFERSON DAVIS HWY., #305 ARLINGTON VA 22202	EMERSON ELECTRIC CO		
MARK REIHL, 5201 AUTH WAY RM 510 CAMP SPRINGS MD 20746	SEAFARERS INTERNATIONAL UNION	3,000.00	300.07
GARY B. REIMER, 1800 K ST., NW SUITE 600 WASHINGTON DC 20006	TIGER INTERNATIONAL, INC	1,410.00	412.92
WILLIAM W. REINERTSON, SUITE 400E 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
NOOLEY REINHEARDT, NOOLEY REINHEARDT & ASSOC. P.O. BOX 23190 WASHINGTON DC 20024	RURAL BUILDERS COUNCIL OF CALIFORNIA		
HARRY O. REINSCH, 50 BEALE ST. P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
MURRAY P. REISER, 4 LONGFELLOW PLACE BOSTON MA 02114	EDWARD BLANKSTEIN, INC		
JACK REITER, 1800 K STREET, N.W. SUITE 600 WASHINGTON DC 20006	TIGER INTERNATIONAL, INC	2,100.00	606.17
RELIGIOUS COALITION FOR ABORTION RIGHTS, INC., 100 MARYLAND AVENUE, N.E. WASHINGTON DC 20002		8,678.73	13,858.51
RENDON COMPANY, 1321 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003			
JOHN W. RENDON JR., 1321 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	RENDON COMPANY		
W. W. RENFROE, 69 FOUNTAIN PL. FRANKFORT KY 40601	KENTUCKY RAILROAD ASSN		
DIANE RENNERT, 2005 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	3,300.00	395.80
RESEARCH-COTTRELL, INC, P.O. BOX 1500 SOMERVILLE NJ 08876			3,000.00
RESOURCES FUND, INC., 810 18TH ST., NW, #802 WASHINGTON DC 20006			
RETIRED OFFICERS ASSN, 201 N. WASHINGTON ST. ALEXANDRIA VA 22314		8,255.00	
FORREST I. RETTGERS, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN. OF MANUFACTURERS		
JOHN H. REURS, 25 BROADWAY NEW YORK NY 10004	NEW YORK COMM OF INTL COMM OF PASSENGER LINES		
ALAN V. REUTHER, 1757 N STREET, NW WASHINGTON DC 20036	UAW	11,578.45	58.80
ALLAN R. REXINGER, 1700 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20006	PROPRIETARY ASSN	2,687.50	150.00
MARK E. REY, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	800.00	
NANCY C. REYNOLDS, 300 MARYLAND AVE., NE WASHINGTON DC 20002	BENDIX CORP	1,800.00	95.00
AUSTIN T. RHOADS, 910 17TH ST., NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF ICE CREAM MFRS & MILK IND. FOUNDATION		840.48
RICE GENOCIDE RESEARCH, 3046 ROOSEVELT STREET DETROIT MI 48216			236.06
LOIS D. RICE, 1201 PENNSYLVANIA AVNEUE, NW WASHINGTON DC 20004	CONTROL DATA CORPORATION	119.50	19.49
THERON J. RICE, 1025 CONNECTICUT AVE., NW, #1000 WASHINGTON DC 20036	CONOCO		
JAMES E. RICH JR., SUITE 200 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
STACY RICHARDS, SUITE 802 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	375.00	
ALAN H. RICHARDSON, 2301 M ST., NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	1,000.00	
JOHN G. RICHARDSON, 2774 NORTH HILLS DRIVE, NE ATLANTA GA 30305	GEORGIA POWER COMPANY	14,097.00	4,222.36
K. O. RICHARDSON, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	1,300.00	1,300.00
LLOYD C. RICHARDSON JR., P.O. BOX 1030 ABERDEEN SD 57401	SOUTH DAKOTA RAILROADS ASSN		
RUSSELL W. RICHARDSON, 201 GRAYSON COURT 1911 JEFFERSON DAVIS HIGHWAY SUN CITY CENTER FL 33570	LEAR SIEGLER, INC		
JUDY NOEL RIDDLE, 6630 W. BROAD STREET RICHMOND VA 23230	LAWYERS TITLE INSURANCE CORP		
KERRI RIDENOUR, 1155 15TH STREET, NW WASHINGTON DC 20005	NATIONAL BROILER COUNCIL	750.00	
LOWELL J. RIDGEWAY, NORTH DAKOTA PETROLEUM COUNCIL 418 EAST ROSSER, P.O. BOX 1395 BISMARCK ND 58502	AMERICAN PETROLEUM INST	512.00	
E. GEORGE RIEDEL, SUITE 200 1707 L STREET, NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORP	1,650.00	70.00
MARK J. RIEDY, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA		
E. PHILIP RIGGIN, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	9,462.00	528.23
VALERIE M. RIGGINS, 1700 NORTH MOORE STREET 1925 ROSSYLN CENTER BUILDING ARLINGTON VA 22209	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA		
SUSAN RILEY, 1150 17TH STREET, NW, #306 WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL		
R. SCOTT RINN, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
KEVIN J. RIORDAN, 1025 CONNECTICUT AVENUE, N.W. # 700 WASHINGTON DC 20036	GULF OIL CORP	345.00	150.00
JOHN S. RIPPEY, 730 15TH ST., NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	875.00	15.00
CAROL A. RISHER, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	1,200.00	167.66
ROBIN RISSO, 511 C STREET, NE WASHINGTON DC 20002	CONTINENTAL ASSN OF RESOLUTE EMPLOYERS (C.A.R.E.)		
JAMES E. RITCHIE & ASSOCIATES, SUITE 400 499 S. CAPITOL ST., SW WASHINGTON DC 20003	GAMING INDUSTRY ASSN OF NEVADA, INC	3,200.00	525.19
Do	LIBERTY FINANCIAL		
Do	NATIONAL ASSN OF OFF-TRACK BETTING	2,000.00	905.37
Do	NATIONAL ASSN OF OPTOMETRISTS & OPTICIANS, INC		
Do	NEVADA RESORT ASSN	4,800.00	785.99
STARK RITCHIE, 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST		
RIVKIN, SHERMAN AND LEVY, 900 17TH STREET, NW WASHINGTON DC 20006	SAVIN CORPORATION	1,187.50	48.50
Do	TOYOTA MOTOR CORPORATION	3,062.50	248.65
RAY ROBERTS & ASSOCIATES, 2224 PEMBROOKE DENTON TX 76201	CENTEX CORP	4,500.00	654.73
Do	GUAM OIL & REFINING CO., INC	3,000.00	686.20
Do	NORTH TEXAS MUNICIPAL WATER DISTRICT	3,000.00	676.45
Do	TEXAS UTILITIES SERVICES, INC	3,000.00	792.46
PATRICIA L. ROBERTS, SUITE 1107 1825 K STREET, NW WASHINGTON DC 20006	PHILLIPS PETROLEUM CO		
PERRY A. ROBERTS, 8000 FLORISSANT ST. LOUIS MO 63136	EMERSON ELECTRIC CO		793.42
RICHARD R. ROBERTS, 1899 L STREET, N.W. SUTIE 403 WASHINGTON DC 20036	OUTDOOR ADVERTISING ASSOCIATION OF AMERICA, INC	334.00	1,485.00
STEVEN M. ROBERTS, 1700 K STREET, N.W. WASHINGTON DC 20006	AMERICAN EXPRESS CO		
JOHN S. ROBERTSON, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)		
Do	GRAY AND COMPANY (FOR: MULTI-FAMILY ACTION COUNCIL)		
Do	GRAY AND COMPANY (FOR: RICHARD L. SINNOTT & COMPANY)		
BETTY S. ROBINSON, 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	11,443.98	126.55
CHARLES A. ROBINSON JR., 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	321.06	
THOMAS E. ROBINSON, SUITE 700 1101 17TH STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUST, INC	147.17	27.17
BOB JOHN ROBISON, 1201 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	HILL AND KNOWLTON, INC	2,150.00	62.00
HOWARD W. ROBISON, 10 WEST SIDE DRIVE REHOBOTH BEACH DE 19971	CONSOLIDATED RAIL CORPORATION	600.00	
ANTOINETTE K. ROCHE, 2021 K ST., NW, SUITE 709 WASHINGTON DC 20006	GENERAL ATOMIC CO	1,000.00	200.00
RODEY, DICKASON, SLOAN, AKIN & ROBB, P.O. BOX 1888 ALBUQUERQUE NM 87103	NAVAJO TRIBE		
QUINCY RODGERS, 1200 NEW HAMPSHIRE AVE., NW SUITE 320 WASHINGTON DC 20036	GENERAL INSTRUMENT CORPORATION		38.35
ROGERS & WELLS, 1737 H STREET, NW WASHINGTON DC 20006	ALLIED TUBE & CONDUIT CORPORATION		
Do	CAMPAGNIE FINANCIERE DE PARIS ET DES PAYS-BAS		
Do	DESERT PALACE, INC	1,150.00	
Do	MAGIC PANTRY FOODS, INC		
Do	MERRILL LYNCH & CO		
Do	MERRILL LYNCH COMMODITIES, INC		
Do	MERRILL LYNCH LEASING, INC		
Do	NATIONAL COAL CONSUMERS ALLIANCE		
Do	PAN AMERICAN WORLD AIRWAYS, INC		
Do	SQUIBB CORP		
Do	TEACHERS INSURANCE & ANNUITY ASSN/COLLEGE RET. EQUITIES FUND		
BRUCE N. ROGERS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	4,028.92
DONALD L. ROGERS, 730 15TH ST., NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	1,900.00	
ROGERS HOGE & HILLS, SUITE 301 1111 19TH STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF CHAIN DRUG STORES		
MARGARET ROGERS, 1730 NORTH LYNN ST. ARLINGTON VA 22209	PRINTING INDUSTRIES OF AMER, INC	1,000.00	
SUSAN M. ROGERS, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	612.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
TERRENCE L. ROGERS, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	9,728.53	96.55
CAROLE M. ROGIN, 1800 M STREET, NW, #1030 WASHINGTON DC 20036	HAUCK & ASSOCIATES, INC (FOR: HEARING INDUSTRIES ASSN)		
Do	HAUCK & ASSOCIATES, INC. (FOR: NATIONAL ASSN FOR CHILD CARE MANAGEMENT).		
RICHARD A. ROHRBACH, 1625 I ST., NW SUITE 809 WASHINGTON DC 20006	BOISE CASCADE CORP	22,250.00	
JACK ROLLINS, 1201 16TH STREET, NW WASHINGTON DC 20036	OVERSEAS EDUCATION ASSN & NATIONAL EDUCATION ASSN		
JOHN F. ROLPH III, SUITE 350 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	CITIBANK, N.A.	1,500.00	
KENNETH S. ROLSTON JR., 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PULPWOOD ASSN		
EMIL A. ROMAGNOLI, 120 BROADWAY NEW YORK NY 10271	ASARCO INC	300.00	383.85
TENO RONCALIO, P.O. BOX 1707 CHEYENNE WY 82001	ENERGY FUELS CORP	1,000.00	
TATIANA ROODKOWSKY, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,500.00	36.00
NICHOLAS ROOMY JR., P.O. BOX 1986 CHARLESTON WV 25327	APPALACHIAN POWER COMPANY	269.20	255.00
FRED B. ROONEY, 6TH FL. 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	PAUL, HASTINGS, JANOFSKY & WALKER (FOR: AM GENERAL CORPORATION)	225.00	
Do	AMERICAN IRON AND STEEL INSTITUTE	125.00	
Do	ASSOCIATION OF AMERICAN RAILROADS	325.00	
Do	CALIFORNIA PORTLAND CEMENT COMPANY	125.00	
Do	PAUL, HASTINGS, JANOFSKY & WALKER (FOR: SECURITY LIFE OF DENVER)	325.00	
JOHN C. ROOTS, SUITE 1001 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	200.02	
ROPES & GRAY, SUITE 360 1200 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	AMHERST COLLEGE; WELLESLEY COLLEGE		
LOUISE L. ROSEMAN, SUITE 603 1620 I STREET, NW WASHINGTON DC 20006	VISA U.S.A., INC		
RICHARD ROSEN, SUITE 118 5010 WISCONSIN AVENUE, NW WASHINGTON DC 20016			
ALBERT B. ROSENBAUM III, 1616 P ST., NW WASHINGTON DC 20036	NATIONAL TANK TRUCK CARRIERS, INC		
SARA ROSENBAUM, 1520 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	CHILDREN'S DEFENSE FUND	625.00	
FRANCIS C. ROSENBERGER, 6809 MELROSE DRIVE MCLEAN VA 22101	NATIONAL CONFERENCE OF BANKRUPTCY JUDGES	3,750.00	
PETER ROSENSTEIN, SUITE 700 2341 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	AMERICAN ACADEMY OF PHYSICIAN ASSISTANTS	899.60	15.00
ROGER C. ROSENTHAL, SUITE 600 806 15TH STREET, NW WASHINGTON DC 20005	MIGRANT LEGAL ACTION PROGRAM, INC	71.42	
ROSES, INC., 1152 HASLETT ROAD P.O. BOX 99 HASLETT MI 48840		3,284.50	4,338.36
JEREMY D. ROSNER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	4,000.03	
GAIL E. ROSS, 918 16TH STREET, NW WASHINGTON DC 20006	PLANNED PARENTHOOD		
JOE ROSS, 927 DONAGHEY BLDG. LITTLE ROCK AR 72201			
WILLIAM F. ROSS, SOUTH CAROLINA PETROLEUM COUNCIL 716 KEENAN BLDG. COLUMBIA SC 29201	AMERICAN PETROLEUM INST		
ALAN J. ROTH, SPIEGEL & MCDIARMID 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	FT. PIERCE UTILITIES AUTH OF THE CITY OF FT. PIERCE, ET AL		
BARRY N. ROTH, 1750 K ST., NW, #350 WASHINGTON DC 20006	WILLIAMS COMPANIES	100.00	
DONALD D. ROUNDS, SOUTH DAKOTA PETROLEUM COUNCIL P.O. BOX 669 PIERRE SD 57501	AMERICAN PETROLEUM INST		
WILLIAM C. ROUNTREE, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
MICHAEL O. ROUSH, 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
MARK ROVNER, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	4,180.03	
EUGENE F. ROWAN, 1156 15TH ST., NW WASHINGTON DC 20005	J. C. PENNEY CO, INC		
JAMES C. ROWLAND JR., 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		
JOHN W. ROWLAND, 5025 WISCONSIN AVE.,NW WASHINGTON DC 20006	AMALGAMATED TRANSIT UNION, AFL-CIO		
KEVIN P. ROWLAND, 511 C STREET, NE, WASHINGTON DC 20002	CONTINENTAL ASSN OF RESOLUTE EMPLOYERS (C.A.R.E.)		
ROBERT STEWART ROYER, 1717 PENNSYLVANIA AVENUE, NW, #950 WASHINGTON DC 20036	AMERICAN MILITARY SALES		
Do	CITY OF AKRON, OHIO		
Do	FORD, RIFF & BURGESS		
Do	HARLEY-DAVIDSON MILITARY SALES		
Do	INTERNATIONAL FUTURES EXCHANGE		
Do	INTEX HOLDINGS (BERMUDA) LIMITED		
Do	MICHIGAN TRADE EXCHANGE		
Do	MORGAN STANLEY & CO., INC		
Do	OVERSEAS MILITARY SALES GROUP		
Do	SECURITIES INDUSTRY ASSOCIATION		
TOBI Z. ROZEN, 910 17TH STREET, NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF ICE CREAM MFRS & MILK IND. FOUNDATION		
JAMES S. RUBIN, 1150 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	ALLIED CHEMICAL CORP	850.00	
PAUL M. RUDEN, WILNER & SCHEINER 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN SOCIETY OF TRAVEL AGENTS	500.00	
DEBORAH K. RUDOLPH, 1225 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN PUBLIC TRANSIT ASSN	5,800.00	
JOHN RUNYAN, 1730 NORTH LYNN STREET SUITE 409 ARLINGTON VA 22209	PRINTING INDUSTRIES OF AMERICA, INC	300.00	
LEONARD H. RUPPERT, NEW JERSEY PETROLEUM COUNCIL 170 W. STATE ST. TRENTON NJ 08608	AMERICAN PETROLEUM INST	60.00	
CHARLOTTE RUSH, SUITE 700 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	GULF OIL CORP	75.00	21.90
ALBERT R. RUSSELL, PO BOX 12285 MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER		
BARRY RUSSELL, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		20.00
CHRISTINE ANNE RUSSELL, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	7,300.00	220.07
NANCY RUSSELL, 4921 SW HEWETT BLVD. PORTLAND OR 97221	FRIENDS OF THE COLUMBIA GORGE, INC		
RANDALL M. RUSSELL, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	583.33	
ROBERT M. RUSSELL, 2170 PIEDMONT RD., NE ATLANTA GA 30324	ORKIN EXTERMINATING CO	94.00	366.00
WALLY RUSTAD, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	100.00	
HERMAN MAX RUTH, BOX 1000 OTISVILLE, NY 10963			
ELLA MARICE RYAN, 1156 15TH ST., NW WASHINGTON DC 20005	J. C. PENNEY CO, INC	100.00	
FRANK T. RYAN, 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	RUBBER MANUFACTURERS ASSN	2,500.00	
JOHN F. RYAN, 1707 L ST., NW, #200 WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		
JOHN G. RYAN, 1700 K STREET, NW WASHINGTON DC 20006	SQUIBB CORP		
JOSEPH RYAN, SUITE 800 1725 DESALES STREET, NW WASHINGTON DC 20036	GENERAL INSTRUMENT CORPORATION		
SACHS, GREENBAUM & TAYLER, 1620 EYE STREET, NW WASHINGTON DC 20006	PHILLIPS COLLEGES; BETZ COLLEGE; DRAUGHONS JUNIOR COLLEGE	2,379.50	
PAUL R. SACIA, SUITE 202, WEST WING 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	3,634.53	30.00
DAVID J. SADD, 1825 CONNECTICUT AVE., NW WASHINGTON DC 20009	NATIONAL ASSN OF ARAB AMERICANS	3,000.00	425.00
THOMAS L. SAGER, 1701 PENNSYLVANIA AVE., NW SUITE 1120 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
SAMARITAN HEALTH SERVICE, 1410 NORTH 3RD ST. P.O. BOX 25489 PHOENIX AZ 85002			
SAMMONS ENTERPRISES, INC., 403 SOUTH AKARD DALLAS TX 75202			
JAMES H. SAMMONS, 535 NORTH DEARBORN STREET CHICAGO IL 60610	AMERICAN MEDICAL ASSOCIATION	750.00	
FRANK P. SANDERS, 1575 I ST, NW WASHINGTON DC 20005	SIGNAL COMPANIES, INC	1,300.00	
CHARLES W. SANDFORD, 11202 FARMLAND DRIVE ROCKVILLE MD 20852	BECHTEL POWER CORP		
COLIN D. SANDISON, 1899 L STREET, NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION		
BETTY CAROLYN SANDLER, SUITE 505 700 N. FAIRFAX ST. ALEXANDRIA VA 22314	NATIONAL ASSN OF TRUCK STOP OPERATORS	364.00	
CHARLES E. SANDLER, 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST	5,000.00	
PETER G. SANDLUND, 1725 EYE ST., NW, #315 WASHINGTON DC 20006	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN	300.00	
CHARLES SAPP, 3400 TEXAS COMMERCE TOWER HOUSTON TX 77002	HOUSTON ENDOWMENT, INC		
KLARA B. SAUER, 9 VASSAR STREET POUGHKEEPSIE NY 12601	SCENIC HUDSON, INC	82.00	
ALBERT C. SAUNDERS, 1155 15TH ST., NW WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	4,000.00	2.80
SAVE OUR SECURITY, SUITE 222 1201 16TH STREET, NW WASHINGTON DC 20036		11,140.90	14,037.36
HENRY SCHACHT, 3100 FERRY BLDG. SAN FRANCISCO CA 94106	CALIFORNIA CANNERS & GROWERS		
VICTORIA V. SCHAFF, SUITE 1014 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ENSERCH CORPORATION	1,979.00	1,118.18
HERBERT Y. SCHANDLER, 475 L'ENFANT PLAZA, SW, #4400 WASHINGTON DC 20024	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	1,000.00	
C. M. SCHAUERTE, P.O. BOX 3247 HOUSTON TX 77001	AMERICAN GENERAL CORP	6,250.00	1,566.47
RONALD A. SCHECHTER, 918 16TH ST, NW #503 WASHINGTON DC 20006	WASHINGTON INDEPENDENT WRITERS, INC		
JAY T. SCHECK JR., SUITE 802 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN HOECHST CORPORATION		
DALE E. SCHELL, 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	GATX CORP		
JANE N. SCHERER, SUITE 1204 1700 K STREET, NW WASHINGTON DC 20006	CHEVRON U.S.A., INC	100.00	
JOSEPH SCHERER, 1801 NORTH MOORE ST. ARLINGTON VA 22209	AMERICAN ASSN OF SCHOOL ADMINISTRATORS		
SCHIFF HARDIN & WAITE, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHICAGO BOARD OPTIONS EXCHANGE, INC		
JACQUES T. SCHLENGER, 1800 MERCANTILE BANK & TRUST BLDG. THE HOPKINS PLAZA BALTIMORE MD 21201	MARYLAND SAVINGS-SHARE INSURANCE CORP		142.87
JAMES P. SCHLICHT, 729 15TH STREET, NW WASHINGTON DC 20005			
ASSOCIATED INGTON DC 20024	ATLANTA UNIVERSITY	400.00	10.00
Do	BOSTON COLLEGE	200.00	5.00
Do	BOSTON UNIVERSITY	5,200.00	50.00
Do	CATHOLIC UNIVERSITY OF AMERICA	50.00	5.00
Do	COLUMBIA UNIVERSITY		
Do	ELECTRONICS CORPORATION OF AMERICA	900.00	20.00
Do	OCEAN SPRAY CRANBERRIES, INC	800.00	20.00
Do	TUFTS UNIVERSITY	2,050.00	50.00
FOREST S. SCHMELING, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	500.00	386.00
RICHARD M. SCHMIDT JR., SUITE 600 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	500.00	
ARTHUR L. SCHMUHL, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
FRANK SCHNELLER, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
JACK J. SCHRAMM, SUITE 607 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	WASTE MANAGEMENT, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ROBERT I. SCHRAMM, 1725 K ST., NW, #909 WASHINGTON DC 20006	SUPERIOR OIL CO & SUPERIOR FARMING CO		
H. B. W. SCHROEDER, 1050 17TH STREET, NW SUITE 290 WASHINGTON DC 20036	CONSUMERS POWER CO	600.00	
N. DONALD SCHROEDER, MARYLAND PETROLEUM ASSN 60 WEST ST. ANNAPOLIS MD 21401	AMERICAN PETROLEUM INST	125.00	
STANLEY W. SCHROEDER, 1901 N. FT. MYER DRIVE ARLINGTON VA 22209	GAS APPLIANCE MFGRS ASSN, INC		
JANET L. SCHUESSLER, 1000 16TH STREET, NW WASHINGTON DC 20036	AMERICAN IRON & STEEL INSTITUTE		200.00
MARK SCHULTZ, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	5,000.00	126.71
WILLIAM B. SCHULTZ SUITE 700, 2000 P ST., NW WASHINGTON DC 20036	PUBLIC CITIZEN, INC	2,000.00	20.00
ROBERT L. SCHULZ, C/O IOWA PETROLEUM COUNCIL 1012 FLEMING BLDG. DES MOINES IA 50309	AMERICAN PETROLEUM INST		
WALTER A. SCHUMANN III, 1511 NATALIE JOY LN. MCLEAN VA 22101	POTOMAC OVERLOOK ASSOCIATES		
JAMES H SCHUYLER, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
DONALD H. SCHWAB, 200 MARYLAND AVE., NE WASHINGTON DC 20002	VETERANS OF FOREIGN WARS OF THE U.S.	7,350.00	525.60
LYNDLEY M. SCHWAB, 410 1ST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	925.00	23.15
SCHWABE, WILLIAMSON, WYATT, MOORE & ROBERTS, SUITE 302 1000 POTOMAC ST., NW WASHINGTON DC 20007	NATIONAL FOREST PRODUCTS ASSN	10,000.00	10.14
Do	NORTHWEST INLAND WATERWAYS COMMITTEE	1,300.00	
HARRY K. SCHWARTZ, 1800 M ST., NW, 400 S, WASHINGTON DC 20036	TOSCO CORPORATION	7,500.00	
RICHARD SCHWARTZ, 880 S. PICKETT ST. ALEXANDRIA VA 22304	BOAT OWNERS ASSOCIATION OF THE U.S.	4,000.00	
STEVE AARON SCHWARTZ, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
CARL F. SCHWENSEN, 415 2ND ST., NE SUITE 300 WASHINGTON DC 20002	NATIONAL ASSN OF WHEAT GROWERS	1,093.75	57.42
SALLY SCIACCA, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,062.00	
SCIENTIFIC APPARATUS MAKERS ASSN, 1101 16TH ST., NW WASHINGTON DC 20036		6,798.57	3,777.56
MICHAEL SCIULLA, 880 S. PICKETT ST. ALEXANDRIA VA 22304	BOAT OWNERS ASSOCIATION OF THE U.S.	4,000.00	
HAROLD B. SCOGGINS, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		4.50
SCOTT COMPANY, INC., 8 JACANA ROAD HILTON HEAD SC 29928	COASTAL PROPERTIES INSTITUTE		
JAMES M. SCOTT, 8 JACANA ROAD HILTON HEAD SC 29928	SCOTT COMPANY		
JUDY SCOTT, 815 16TH STREET, NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPT., AFL-CIO	5,443.75	
SCRIBNER HALL & THOMPSON, SUITE 700 1875 EYE STREET, NW WASHINGTON DC 20006	JEFFERSON-PILOT CORP. AND SUBSIDIARIES		16.90
Do	OCCIDENTAL LIFE INSURANCE CO OF CALIFORNIA		19.45
Do	PHILADELPHIA LIFE INSURANCE CO		17.40
Do	SECURITY LIFE & ACCIDENT INSURANCE CO	26,500.00	388.46
EARL W. SEARS, P.O. BOX 12285 MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER	1,697.50	16.92
SANDY SEDACCA, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	2,790.35	224.87
CHARLES M. SEEGER III, SUITE 200 2000 L STREET, NW WASHINGTON DC 20036	POPHAM, HAIK ET AL.(FOR: CHICAGO MERCANTILE EXCHANGE)	1,500.00	
H. RICHARD SEIBERT JR., 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	425.00	
GEORGE M. SEITTS, SUITE 900 1015 15TH STREET, NW WASHINGTON DC 20005	NORTHERN PLAINS NATURAL GAS CO	1,300.00	
ARMISTEAD I. SELDEN, SUITE 4400 475 L'ENFANT PLAZA, SW WASHINGTON, DC 20024	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	5,000.00	28.00
STANTON P. SENDER, 1211 CONNECTICUT AVE., NW WASHINGTON DC 20036	SEARS, ROEBUCK AND CO	1,135.00	69.98
STUART D. SERKIN, SUITE 3210 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	SLURRY TRANSPORT ASSN	1,000.00	
SERVICE MASTER INDUSTRIES, INC, 2300 WARRENVILLE ROAD DOWNERS GROVE IL 60515			1,100.00
SARAH SETTON, 1511 K ST., NW WASHINGTON DC 20005	SUGAR ASSOCIATION, INC	150.00	8.00
SEVEN MONTHS SESSION FOR CONGRESS, 3306 YELLOWSHIRE TERRACE AUSTIN TX 78757			564.00
J. RICHARD SEWELL, 1111 19TH ST., NW, #1102 WASHINGTON DC 20036	FLORIDA POWER & LIGHT CO	1,540.00	595.37
SEYFARTH SHAW FAIRWEATHER & GERALDSON, 1111 19TH ST., NW WASHINGTON DC 20036	AGRICULTURAL PRODUCERS	10,157.20	
Do	NATIONAL MULTI HOUSING COUNCIL		
Do	SHIPBUILDERS COUNCIL OF AMERICA	3,847.50	
CLIVE SEYMOUR, P.O. BOX 2511 1010 MILAM, RM. 1657-B HOUSTON TX 77001	TENNESSEE GAS PIPELINE CO		
WILLIAM H. SHAKER, SUITE 600 1523 L STREET, NW WASHINGTON DC 20005	NATIONAL TAX LIMITATION COMMITTEE	2,500.00	30.00
JAMES M. SHAMBERGER, 1025 CONNECTICUT AVE., NW, #512 WASHINGTON DC 20036	REINSURANCE ASSN OF AMER		
SHAMROCK FOODS CO., 2228 N. BLACK CANYON PHOENIX AZ 85009			185.00
SHANK, IRWIN, CONANT & WILLIAMSON, SUITE 210 1300 19TH STREET, NW WASHINGTON DC 20036	ASSOCIATION FOR EQUAL ACCESS TO NATURAL GAS MRKTS & SUPPLIES	11,500.00	194.45
Do	DOW CHEMICAL CO	583.03	23.03
DEBBIE SHANNON, 5TH FLOOR 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	355.42
DAVID L. SHAPIRO, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC		
HARRY D. SHAPIRO, 1800 MERCANTILE BANK & TRUST BLDG. TWO HOPKINS PLAZA BALTIMORE MD 21201	MARYLAND SAVINGS-SHARE INSURANCE CORP		142.87
ROBERT B. SHAPIRO, 1025 CONNECTICUT AVENUE, NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSOCIATION		
NORMAN F. SHARP, SUITE 1210 1100 17TH ST., NW WASHINGTON DC 20036	CIGAR ASSN OF AMERICA, INC		
G. JERRY SHAW, P.O. BOX 7610, BEN FRANKLIN STATION WASHINGTON DC 20044	SENIOR EXECUTIVES ASSOCIATION	2,813.00	318.00
JAMES E. SHAW, SUITE 511 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
LUTHER W. SHAW, SUITE 514 1155 15TH ST., NW WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN	5,625.00	11.50
SHAW PITTMAN POTTS & TROWBRIDGE, 1800 M ST., NW, #900-S WASHINGTON DC 20036	ASSOCIATION FOR THE IMPROVEMENT OF THE MISSISSIPPI RIVER	156.00	
Do	ATLAS MINERALS DIVISION	4,659.00	
Do	EMERSON ELECTRIC CO		
Do	INSTITUTE OF FOREIGN BANKERS	2,000.00	
Do	INVESTMENT COMPANY INSTITUTE	1,500.00	
Do	INVESTMENT COUNSEL ASSN OF AMERICA, INC		
Do	NATIONAL COMM ON SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS	5,934.00	8.50
Do	UTILITY NUCLEAR WASTE MANAGEMENT GROUP	968.75	30.82
SHEA & GOULD, 330 MADISON AVE. NEW YORK NY 10017	CHAMPION INTERNATIONAL CORP	15,000.00	33.20
Do	CINCINNATI MILACRON		
Do	DANVILLE RESOURCES, INC		
Do	DESERT GROUP, INC		129.66
Do	ELEANOR A. CLARK	18,140.42	170.12
Do	HOSPITAL CORP OF AMERICA		149.73
Do	NABISCO, INC	25,000.00	77.76
Do	PHILLIP MORRIS, INC	7,500.00	302.02
Do	SQUIBB CORPORATION		
JOHN J. SHEEHAN, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	12,760.65	
KATHLEEN SHEEKEY, 3RD FLOOR 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	7,500.00	1,462.26
JOHN P. SHEFFEY, P.O. BOX 1406 5535 HEMPSTEAD WAY SPRINGFIELD VA 22151	NATIONAL ASSN FOR UNIFORMED SERVICES	703.40	
JONATHAN R. SHEINER, 410 FIRST ST., SE WASHINGTON DC 20003	CONSOLIDATED EDISON CO OF NEW YORK, INC	512.50	
LOIS BURKE SHEPARD, 8602 HIDDEN HILL LANE POTOMAC MD 20854	REPUBLICANS ABROAD		
SEYMOUR SHERIFF, 1126 WOODWARD BLDG. WASHINGTON DC 20005	MAN-MADE FIBER PRODUCERS ASSN, INC		
JAY SHERMAN, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	5,416.68	624.44
DALE SHERWIN, 1735 I ST., NW, #717 WASHINGTON DC 20006	A.E. STALEY MFGR CO	3,000.00	210.00
Do	ALABAMA FARM BUREAU FEDERATION		
RUSSELL L. SHIPLEY JR., 1430 K ST., NW, #1000 WASHINGTON DC 20005	NATIONAL CANDY WHOLESALERS ASSN, INC		
SHIPLEY SMOAK & HENRIG, SUITE 820 910 17TH ST., NW WASHINGTON DC 20006	BLUEJAY OIL COMPANY		
Do	FLANIGAN'S ENTERPRISES, INC		
Do	FORT SILL GARDENS, INC		
Do	NATIONAL COMMITTEE OF DISCOUNT SECURITIES BROKERS		
Do	STEADMAN MUTUAL FUNDS		
Do	STEADMAN SECURITY CORPORATION		
Do	WBNO RADIO AND WLKM RADIO		
ELIZABETH SHIPLEY-MOSES, 1107 JACKSON COURT FALLS CHURCH VA 22046	SOCIETY FOR NUTRITION EDUCATION	225.00	
HARVEY A. SHIPMAN, 1776 G ST., NW, #502 WASHINGTON DC 20006	PENN CENTRAL CORPORATION	50.00	150.00
FRED B. SHIPPEE, 1611 N. KENT ST., #800 ARLINGTON VA 22209	AMERICAN APPAREL MANUFACTURERS ASSN, INC		
MARY FRANCES SHLAGEL, 1100 CONNECTICUT AVE., NW, #800 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA		
W. RAY SHOCKLEY, 1101 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	AMERICAN TEXTILE MFRS INST	2,550.00	
SHOOSHAN & JACKSON, INC., 1850 K STREET, NW WASHINGTON DC 20006	U.S. CABLESYSTEMS, INC		790.00
HARRY M. SHOOSHAN III, 1850 K STREET, NW WASHINGTON DC 20006	SHOOSHAN & JACKSON, INC (FOR: U.S. CABLESYSTEMS, INC)		
SHORT, KLEIN & KARAS, P.C., SUITE 303 1101 13TH STREET, NW WASHINGTON DC 20007	ATLANTIC CONTAINER LINE		
SCOTT SHOTWELL, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	2,475.00	
RICHARD G. SHOUP, SUITE 600 SOUTH 1120 20TH ST. NW WASHINGTON DC 20036	UNION PACIFIC CORPORATION	2,850.00	1,393.95
A. Z. SHOWS, RM 203 1801 COLUMBIA RD., NW WASHINGTON DC 20007			
JOHN SHUEY, P.O. BOX 3151 HOUSTON TX 77007	BROWNING-FERRIS INDUSTRIES, INC		
CANDICE J. SHY, 1025 CONNECTICUT AVE., NW, #1014 WASHINGTON DC 20036	ENSERCH CORPORATION	3,625.00	1,399.41
MARK A. SIEGEL & ASSOCIATES, SUITE 368 400 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	ARCHER DANIELS MIDLAND CO	6,000.00	
Do	COUZENS DISTRIBUTION SYSTEM	1,000.00	
Do	TWIN CITY BARGE, INC	3,000.00	
RICHARD H. SIEMSEN, 8000 FLORISSANT ST. LOUIS MO 63136	EMERSON ELECTRIC CO		
BERNARD H. SIERACKI, ILLINOIS PETROLEUM COUNCIL 79 W. MONROE ST., #514 CHICAGO IL 60603	AMERICAN PETROLEUM INST		
MARK SILBERGELD, 1146 19TH STREET, NW WASHINGTON DC 20036	CONSUMERS UNION OF U.S., INC	2,200.00	
DAVID SILVER, 1775 K ST., NW WASHINGTON DC 20006	INVESTMENT COMPANY INSTITUTE		
SILVER USERS ASSN, INC, 1717 K ST., NW WASHINGTON DC 20006		6,943.10	2,607.34

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
BRUCE A. SILVERGLADE, 1755 S STREET, NW WASHINGTON DC 20009	CENTER FOR SCIENCE IN THE PUBLIC INTEREST		
LARRY SILVERMAN, 1341 G ST., NW, #200 WASHINGTON DC 20005	CLEAN WATER ACTION PROJECT	6,719.00	257.00
SILVERSTEIN & MULLENS, 1776 K ST., NW WASHINGTON DC 20006	AMERICAN STOCK EXCHANGE		
Do	ASSOCIATION FOR ADVANCED LIFE UNDERWRITING		
Do	BRISTOL-MYERS CO		
Do	CHAMPION INTL CORP		
Do	F.W. WOOLWORTH CO		
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	GATX		
Do	HWL PROPERTIES		
Do	JACQUES BOREL		
Do	MEDAL DISTILLED PRODUCTS, INC		
Do	MUSIC CORP OF AMER, INC		
Do	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
Do	NATIONAL SAVINGS & LOAN LEAGUE		
GARY D. SIMMS, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
BARBARA I. SIMON, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY		
SIMON, DEITHCH, SIEFMAN, TUCKER & FRIEDMAN, PC, SUITE 1500 4000 TOWN CENTER SOUTHFIELD MI 48075	FIRST NATIONAL MONETARY CORP		
TALMAGE E. SIMPKINS, 100 INDIANA AVE., NW WASHINGTON DC 20001	AFL-CIO MARITIME COMM	300.00	260.67
C. KYLE SIMPSON, 1515 WILSON BLVD. ARLINGTON VA 22209	AMERICAN GAS ASSN	3,250.00	1,003.62
WILLIAM G. SIMPSON, SUITE 424 1155 15TH STREET, NW WASHINGTON DC 20005	FIRST MISSISSIPPI CORPORATION	2,000.00	
Do	FIRST MISSISSIPPI NATIONAL BANK	1,000.00	
Do	MISSISSIPPI POWER & LIGHT COMPANY	2,000.00	
Do	J.R. SCRIBNER ENTERPRISES	2,000.00	
Do	STATE OF MISSISSIPPI	3,000.00	
MARGARET SIMS, 2025 M STREET, NW WASHINGTON DC 20036	NATIONAL PUBLIC RADIO	2,307.00	
JEAN SINDAB, 2480 16TH ST., NW, #610 WASHINGTON DC 20009	WASHINGTON OFFICE ON AFRICA	4,280.01	
ROBERT C. SINGER, 475 PARK AVE., SO. AT 32ND ST. NEW YORK NY 10016	SOAP & DETERGENT ASSN		
MARGOT A. SINGLETON, SUITE 600 1523 L STREET, NW WASHINGTON DC 20005	NATIONAL TAX LIMITATION COMMITTEE	100.00	6.00
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, 919 THIRD AVE. NEW YORK NY 10022	OCCIDENTAL PETROLEUM CORP	4,000.00	
GREGG P. SKALL, BLUM & NASH 1015 18TH STREET, NW WASHINGTON DC 20036	DAYTIME BROADCASTERS ASSN		8.00
Do	GENERAL ELECTRIC COMPANY		8.00
Do	TIME, INC		8.00
Do	UNIDEN CORP OF AMERICA		8.00
ANGELA G. SKELTON, N.C. PETROLEUM COUNCIL P.O. BOX 167 RALEIGH NC 27602	AMERICAN PETROLEUM INSTITUTE		
WILLIAM J. SKINNER, 815 15TH ST., NW WASHINGTON DC 20005	U.S. PHARMACOPEIAL CONVENTION, INC		
BARNEY J. SKLADANY JR., 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	MOBIL OIL CORP	1,125.00	
RUTH L. SKY, 2211 CONGRESS ST. PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO	56.00	358.32
SL SOMMER & ASSOCIATES, INC., 3129 WORTHINGTON ST., NW WASHINGTON DC 20015	NORTHROP CORP	1,500.00	1,589.92
CARSTENS SLACK, 1825 K ST., NW SUITE 1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY		
F. SLATINSHEK & ASSOCIATES, INC., 1102 BELLE VISTA DR. ALEXANDRIA VA 20007	GRUMMAN AERO CORP; D.L. LYNCH & ASSOCS. & GULFSTREAM AMER CO	400.00	
MATTHEW B. SLEPIN, SUITE 1100 1828 L STREET, NW WASHINGTON DC 20036	COOPERATIVE LEAGUE OF THE USA	120.00	
CATHERINE REISS SLOAN, 1850 K STREET, NW WASHINGTON DC 20006	SHOOSHAN & JACKSON, INC (FOR: U.S. CABLESYSTEMS, INC)	370.00	
DAVID P. SLOANE, 1725 K STREET, NW, #710 WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
Do	NATIONAL ASSN OF WHOLESALE-DISTRIBUTORS		
SLURRY TRANSPORT ASSN, 490 L'ENFANT PLAZA EAST, SW SUITE 3210 WASHINGTON DC 20024		2,000.00	
SMALL BUSINESS COUNCIL OF AMERICA, INC, P.O. BOX 4299 COLUMBUS GA 31904		66,400.00	23,668.87
SMALL BUSINESS LEGISLATIVE COUNCIL, 1604 K ST., NW WASHINGTON DC 20006		3,000.00	847.00
PETER SMALL, 400 MADISON AVENUE NEW YORK NY 10017	PETER SMALL & ASSOCIATES, INC. (FOR: WILLIAM M. MERCER, INC.)		
DONALD E. SMILEY, 1899 L ST., NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION		65.57
JAMES R. SMIRCINA, P.O. BOX 5000 CLEVELAND OH 44101	CLEVELAND ELECTRIC ILLUMINATING CO	358.75	317.40
ARTHUR J. SMITH, 1025 CONNECTICUT AVE., NW, #200 WASHINGTON DC 20036	SHELL OIL CO	500.00	
CATHERINE S. SMITH, 1025 CONNECTICUT AVENUE, N.W. SUITE 209 WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE	112.50	25.00
ELIZABETH M. SMITH, 815 16TH ST., NW, #310 WASHINGTON DC 20006	AMALGAMATED CLOTHING & TEXTILE WORKERS UNION	4,744.48	805.84
GORDON L. SMITH, 1201 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC (FOR: FLORISTS' TRANSWORLD DELIVERY ASSN)	2,062.50	
GRACE H. SMITH, 1800 M STREET, NW WASHINGTON DC 20036	TELOCATOR NETWORK OF AMERICA	8,942.00	912.48
HUGH H. SMITH, 1700 K ST., #707 WASHINGTON DC 20036	AMERICAN EXPRESS CO		
JEFFREY A. SMITH, SUITE 600 919 18TH STREET, NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, USA, INC	271.00	60.00
JENNIFER L. SMITH, 900 17TH STREET, NW, #520 WASHINGTON DC 20006	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	300.00	
JULIAN H. SMITH JR., 600 NORTH 18TH STREET BIRMINGHAM AL 35291	ALABAMA POWER COMPANY	10,070.97	7,857.07
MICHAEL P. SMITH, 485 LEXINGTON AVE. NEW YORK NY 10017	NEW YORK STATE BANKERS ASSN	228.00	223.00
ROBERT BLAND SMITH JR., 1155 15TH ST., NW WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	4,000.00	26.00
WILLIAM H. SMITH, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN		
WAYNE H. SMITHEY, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	1,125.00	382.00
ARTHUR V. SMYTH, 1625 EYE ST., NW, #902 WASHINGTON DC 20006	WEYERHAEUSER CO	150.00	3.90
THOMAS M. SNEERINGER, 1050 31ST STREET, NW WASHINGTON DC 20007	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	2,000.00	100.00
FRANK B. SNODGRASS, 1100 17TH ST., NW, #306 WASHINGTON DC 20036	BURLEY & DARK LEAF TOBACCO EXPORT ASSN	1,050.50	
LARRY S. SNOWHITE, 1015 15TH ST., N.W. WASHINGTON DC 20005	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY & POPEO (FOR: LION LINES, LTD.)		
Do	MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO (FOR: SECURITIES INDUSTRY ASSN)		
SNYDER & BALL ASSOCS, INC, SUITE 1610 1700 N. MOORE ST. ARLINGTON VA 22209	DSP, INC		
Do	GOULD, INC		
J. R. SNYDER, 400 1ST ST., NW, #704 WASHINGTON DC 20001	UNITED TRANSPORTATION UNION		2,000.00
JOHN M. SNYDER, 600 PENNSYLVANIA AVE., S.E. SUITE 205 WASHINGTON DC 20003	CITIZENS COMM FOR THE RIGHT TO KEEP & BEAR ARMS	6,000.00	
SOCIETY FOR ANIMAL PROTECTIVE LEGISLATION, P.O. BOX 3719 GEORGETOWN STATION WASHINGTON DC 20007		21,486.22	12,445.03
SOCIETY FOR NUTRITION EDUCATION, 1736 FRANKLIN STREET OAKLAND CA 94612		231.00	225.00
SOCIETY OF PROFESSIONAL BENEFIT ADMINISTRATORS, 2033 M STREET, NW, #205 WASHINGTON DC 20036			
WILLIAM L. SOLLEE, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	PUBLIC SERVICE ELECTRIC & GAS CO		
STEVEN EDWARD SOME, SUITE 205 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	COASTAL CORPORATION	300.00	25.00
EDMUND T. SOMMER JR., 1625 K ST., NW, #1200 WASHINGTON DC 20006	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS		
CHARLES R. SONNIER, P.O. DRAWER 1101 ABBEVILLE LA 70510	COUSHATTA TRIBE OF LOUISIANA		
SONOSKY CHAMBERS SACHSE & GUIDO, 1050 31ST ST., NW WASHINGTON DC 20007	ASSINIBOINE AND SIOUX TRIBES		
Do	MULTI-HOUSING LAUNDRY ASSOCIATION, INC		
Do	SHOSHONE INDIAN TRIBE		
Do	STANDING ROCK SIOUX TRIBE		
SOUTH DAKOTA RAILROADS ASSN, P.O. BOX 1030 ABERDEEN SD 57401			
SOUTHERN SATELLITE SYSTEMS, INC., P. O. BOX 45684 TULSA OK 74145			1,262.75
SOUTHWESTERN PEANUT SHELLERS ASSN, 10 DUNCANNON CT. DALLAS TX 75225			
FRANK J. SPECHT, 1725 DESALES ST., NW WASHINGTON DC 20036	SCHENLEY DISTILLERS, INC		
SPECIALIZED CARRIERS & RIGGING ASSOCIATION, 733 15TH STREET, NW WASHINGTON DC 20005			
JOHN F. SPEER JR., 910 17TH ST., NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF ICE CREAM MFRS & MILK IND. FOUNDATION		
WILLIAM C. SPENCE, 3805 W. ALABAMA HOUSTON TX 77027	COLUMBIA GULF TRANSMISSION CO		
PHILIP SPESER, 5070 MACARTHUR BOULEVARD, NW WASHINGTON DC 20016	CONSORTIUM OF SOCIAL SCIENCE ASSNS		
Do	EMERGENCY COMM TO PASS THE SMALL BUS INNOVATION RESEARCH ACT		
Do	SOCIETY FOR AMERICAN ARCHAEOLOGY	3,600.00	369.51
SPIEGEL & MCDIARMID, 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	NORTHERN CALIFORNIA POWER AGENCY, ET AL		
GEORGE SPIEGEL, SPIEGEL & MCDIARMID 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	NORTHERN CALIFORNIA POWER AGENCY		
NICHOLAS J. SPIEZIO, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	11,000.00	212.22
LARRY N. SPILLER, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	900.00	
JOSEPH L. SPILMAN JR., 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST	200.00	
FREDERICK C. SPREYER, SUITE 540 2501 M ST., NW WASHINGTON DC 20007	PACIFIC RESOURCES, INC	500.00	
EARL C. SPURRIER, 1101 17TH ST., NW, #604 WASHINGTON DC 20036	MONSANTO CO		
SQUIRE, SANDERS & DEMPSEY, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	AMERICAN CHAMBER OF COMMERCE IN EUROPE & THE MEDITERRANEAN		
Do	AMERICAN CHAMBER OF COMMERCE IN ITALY, INC		
Do	AMERICAN CHAMBER OF COMMERCE IN SPAIN, INC		
Do	AMERICAN SOCIETY OF ANESTHESIOLOGISTS		250.50
Do	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS, INC		4.00
Do	INDEPENDENT DATA COMMUNICATIONS MFGRS. ASSN., INC		20.00
Do	NATIONAL COLLEGIATE ATHLETIC ASSN	147.00	4.00
Do	PUBLIC SECURITIES ASSN		
JOHN W. SROKA, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ROBERT P. ST. LOUIS, 2550 M ST., NW, #225 WASHINGTON DC 20037	CONGOLEUM CORPORATION	1,000.00	569.43
DAVID E. STAHL, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
MELVIN R. STAHL, SUITE 1410 1235 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MOTORCYCLE INDUSTRY COUNCIL		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
LYNN E. STALBAUM, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,610.00	52.39
BARRETT STAMBLER, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	SOLAR LOBBY		21,952.04
STANDARD OIL CO (OHIO), MIDLAND BLDG. CLEVELAND OH 44115		400.00	25.80
MITCHEL STANFIELD, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	COASTAL CORPORATION	72.48	
DAVID P. STANG, P.C., SUITE 601 1629 K ST., NW WASHINGTON DC 20006	AMERICAN TRUCK DEALERS		
Do	BROWN & ROOT, INC	31.92	
Do	EMPLOYEE STOCK OWNERSHIP ASSN	51.00	
Do	INTERNATIONAL ASSN OF DRILLING CONTRACTORS	147.37	
Do	OCEAN MINERALS CO	199.41	
Do	OFFSHORE INDUSTRY COMMITTEE		
Do	OIL INVESTMENT INSTITUTE		
Do	ROWAN COMPANIES, INC		
Do	ZAPATA CORP		
MICHAEL J. STANTON, 1909 K ST., NW, #300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC	960.00	
MELVIN L. STARK, SUITE 321 1707 L ST., NW WASHINGTON DC 20036	HARTFORD FIRE INSURANCE CO	6,000.00	
WALTER M. STARKE, P.O. BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO		
ROBERT R. STATHAM, ROBERT R. STATHAM & ASSOCIATES 1000 VERMONT AVENUE, NW WASHINGTON DC 20005	COMMITTEE FOR COMMERCIAL ENERGY CONSERVATION		
JEAN C. STATLER, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	4,875.00	337.86
CHARLES D. STATTON, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
SAMUEL E. STAVISKY & ASSOCIATES, INC. SUITE 302 1100 17TH STREET, NW WASHINGTON DC 20036	BROADCAST MUSIC INC. (BMI)		
Do	INSTITUTO BRASILEIRO DO CAFE	700.00	55.00
SAMUEL E. STAVISKY, 1100 17TH ST., NW, #302 WASHINGTON DC 20036	SAMUEL E. STAVISKY & ASSOCIATES, INC (FOR: BRAZILIAN COFFEE INSTITUTE)	500.00	40.00
Do	SAMUEL E. STAVISKY ASSOCIATES INC. (FOR: BROADCAST MUSIC INC. (BMI))		
RANDOLPH J. STAYIN, 1800 MASSACHUSETTS AVE., NW, #708 WASHINGTON DC 20036	TAFT, STETTINIUS & HOLLISTER (FOR: AMERICAN HOT DIP GALVANIZERS ASSN.)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: MACHINERY DEALERS NATIONAL ASSOCIATION)	2,300.00	900.00
Do	TAFT STETTINIUS & HOLLISTER (FOR: SPECIAL COMM FOR WORKPLACE PRODUCT LIABILITY REFORM)		
J. C. STEEN, 406 FIRST STREET, SE WASHINGTON DC 20003	FORD AEROSPACE & COMMUNICATIONS CORP	300.00	86.69
DAVID J. STEINBERG, 7216 STAFFORD RD. ALEXANDRIA VA 22307	NATIONAL COUNCIL FOR RESPONSIBLE FIREARMS POLICY, INC		
STEPHENS OVERSEAS SERVICES, INC., SUITE 500 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL OFFICE MACHINE DEALERS ASSN	78.27	15.01
Do		73.90	98.00
MICHAEL K. STEPHENSON SUITE 703 1620 EYE ST., NW WASHINGTON, DC 20006	BECHTEL POWER CORP		
STEPTOE & JOHNSON, 1250 CONNECTICUT AVE., NW WASHINGTON DC 20036	COALITION FOR UNIFORM PRODUCT LIABILITY LAW		184.14
Do	COMMITTEE FOR EFFECTIVE CAPITAL RECOVERY		300.00
Do	FOREST INDUSTRIES COMMITTEE ON TIMBER VALUATION & TAXATION		129.30
Do	INTERNATIONAL PAPER CO	2,300.00	25.00
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO., ET AL	2,500.00	100.00
Do	RULE OF LAW COMMITTE		
Do	TRAILWAYS, INC	1,980.00	2.88
RICHARD H. STERN, 2555 M ST., NW WASHINGTON DC 20037	INTEL CORPORATION		
RICHARD W. STERNBERG, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	115.00	
MICHAEL E. STEWARD, 7957 REVENNA LANE SPRINGFIELD VA 22153	PUGET SOUND POWER & LIGHT CO	7,500.00	603.90
Do	VITRO ENGINEERING CORP	550.00	
EUGENE L. STEWART, 1001 CONNECTICUT AVE., NW, #910 WASHINGTON DC 20036	ROSES, INC	600.00	157.43
TRAVIS B. STEWART, 1050 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	HOFFMANN-LA ROCHE INC		
WALTER J. STEWART, SUITE 700 1100 15TH STREET, NW WASHINGTON DC 20005	SONAT, INC		
WARREN E. STICKLE, SUITE 1120 1001 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHEMICAL SPECIALITIES MANUFACTURERS ASSN	75.00	17.60
LAVERNE STILL, 1030 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMER	345.00	20.38
JOHN W. STILLWAGGON, ONE WORLD TRADE CENTER, #2265 NEW YORK NY 10048	COFFEE, SUGAR & COCOA EXCHANGE, INC		
EDWARD W. STIMPSON, 1025 CONNECTICUT AVE., NW, #517 WASHINGTON DC 20036	GENERAL AVIATION MANUFACTURERS ASSOCIATION		
KENNETH F. STINGER, 1616 P ST., NW WASHINGTON DC 20036	AMERICAN TRUCKING ASSNS, INC	9,000.00	469.29
STOCKHOLDERS OF AMERICA, INC., 1625 EYE ST., N.W. # 724A WASHINGTON DC 20006		6,255.00	1,404.26
STEVEN F. STOCKMEYER, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	3,000.00	260.00
PATTI A. STOLL, 100 FEDERAL STREET BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
Do	FIRST NATIONAL BOSTON CORPORATION		
GEORGE W. STONE, 12025 EAST 45TH AVE. DENVER CO 80251	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	8,750.00	254.85
JOHN C. STONE, BOX 1300 MCLEAN VA 22102	MELAMINE CHEMICALS, INC	1,000.00	800.00
Do	STATE OF LOUISIANA	20,000.00	7,250.00
M. ELIZABETH STOTLER, 30 F STREET, NW WASHINGTON DC 20001	NATIONAL MILK PRODUCERS FEDERATION		
ALAN STOVER, 1735 NEW YORK AVENUE,NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS		
WILLIAM M. STOVER, 2501 M ST., NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	1,000.00	
DAVID E. STRACHAN, 15TH FLOOR 1012 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF PERSONNAL CONSULTANTS	4,500.00	
STRADLEY, RONON, STEVENS & YOUNG, 1100 ONE FRANKLIN PLAZA PHILADELPHIA PA 19102	MILLIKEN RESEARCH CORP	258.00	25.42
RONALD J. STRECK, P.O. BOX 238 ALEXANDRIA VA 22313	NATIONAL WHOLESALE DRUGGISTS' ASSN		
RICHARD H. STREETER, 1729 H STREET, NW WASHINGTON DC 20006	CAST NORTH AMERICA LTD		
ROGER J. STROH, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN		
JOEL B. STRONBERG, 1750 OLD MEADOW ROAD MCLEAN VA 22102	BRICK INSTITUTE OF AMERICA		
STROOCK & STROOCK & LAVAN, 1150 17TH ST., NW WASHINGTON DC 20036	AMERICAN TRUCKING ASSOCIATIONS	500.00	100.00
Do	CHEMOLIMPEX		
Do	CHINOIN		
Do	CITY OF TUCSON	950.00	65.00
Do	DREYFUS LIQUID ASSETS		
Do	DREYFUS TAX EXEMPT BOND FUND	1,400.00	
Do	DREYFUS TAX EXEMPT MONEY MARKET FUND	1,400.00	
Do	J. ARON & CO, INC	285.00	63.00
Do	METRO GARAGE BOARD OF TRADE	200.00	
Do	ORMOND RE GROUP, INC		
Do	PUERTO RICO FEDERAL AFFAIRS ADMINISTRATION	3,750.00	216.00
Do	SHEARSON/AMERICAN EXPRESS INC		
Do	TENANT-OWNED APARTMENT ASSN., INC	3,800.00	216.00
GEORGE STRUMPH, 624 9TH ST., NW, 7TH FL. WASHINGTON DC 20001	WARNER COMMUNICATIONS, INC	154.00	18.00
NORMAN STRUNK, 111 E. WACKER DRIVE CHICAGO IL 60601	GROUP HEALTH ASSOCIATION OF AMERICA, INC		
WALTER B. STULTS, 618 WASHINGTON BLDG. WASHINGTON DC 20005	U.S. LEAGUE OF SAVINGS ASSOCIATIONS		
EUGENE F. STURGEON, 182 CRATER LANE KENSINGTON CT 06037	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	3,000.00	
SUBSCRIPTION TELEVISION ASSN, 1425 21ST STREET, NW WASHINGTON DC 20036	NORTHEAST UTILITIES SERVICE CO	641.11	413.92
SULLIVAN & CROMWELL, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMERICAN INTERNATIONAL GROUP, INC		
Do	GOLDMAN SACHS & CO		
Do	INCO UNITED STATES, INC		
Do	INTERCONTINENTAL HOTELS CORPORATION		
Do	LIGGETT GROUP, INC		
Do	MERRILL LYNCH PIERCE FENNER & SMITH, INC		
Do	SECURITY LIFE OF DENVER		
SULLIVAN & WORCESTER, 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	DOLLAR SAVINGS BANK & WASHINGTON MUTUAL SAVINGS BANK	1,200.00	30.00
Do	MARION LABORATORES, INC	23,585.00	466.58
AUSTIN P. SULLIVAN JR., P.O. BOX 1113 MINNEAPOLIS MN 55440	GENERAL MILLS, INC		
GAEL M. SULLIVAN, SUITE 1004 1155 15TH STREET, NW WASHINGTON DC 20005	LTV CORPORATION	2,344.00	610.00
HAROLD R. SULLIVAN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	900.00	
MARCIA Z. SULLIVAN, SUITE 1200 1300 N. 17TH STREET ARLINGTON VA 22209	CONSUMER BANKERS ASSN	825.00	680.04
MARGARET COX SULLIVAN, 1625 EYE ST., N.W. # 724A WASHINGTON DC 20006	STOCKHOLDERS OF AMERICA, INC		
MARY BETH SULLIVAN, 923 15TH ST., N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	857.00
PATRICK J. SULLIVAN, 815 SIXTEENTH STREET, N.W. WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO	7,623.00	1,002.00
RICHARD C. SULLIVAN, SUITE 409 110 MARYLAND AVE., N.E. WASHINGTON DC 20002	NATIONAL PEACE ACADEMY CAMPAIGN	4,500.00	23.25
GARY R. SUMMERS, SUITE 1014 900 17TH STREET, NW WASHINGTON DC 20006	KAISER FOUNDATION HEALTH PLAN	10,750.00	2,207.94
J. MITCHELL SUMMERS, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ARMCO INC	936.00	234.46
PETER B. SUMMERVILLE, 1133 20TH ST., NW WASHINGTON DC 20036	NATIONAL FOOD PROCESSORS ASSN	500.00	46.11
SUNSET DESIGNS, 3401 CROW CANYON ROAD SAN RAMON CA 94583			
SURREY & MORSE, 1156 15TH ST., NW WASHINGTON DC 20005	BOEING COMPANY	1,560.00	25.00
Do	GOVERNMENT OF THE REPUBLIC OF ZAIRE		
Do	PHARMACEUTICAL MANUFACTURERS ASSN	525.00	12.00
Do	PIETRO BERETTA, S.P.A		
STEPHEN D. SUSMAN, SUSMAN, GODFREY & MCGOWAN 1200 MILAM, SUITE 900 HOUSTON TX 77002	PLANTIFF CLASS, CORRUGATED CONT. ANTI-TRUST LIT		33.52

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
THOMAS M. SUSMAN, 1200 NEW HAMPSHIRE AVENUE, N.W. SUITE 360 WASHINGTON DC 20036	WILLIAM CARTER COMPANY	27.50	
SUTHERLAND ASBILL & BRENNAN, 1666 K ST., NW WASHINGTON DC 20006	AMERICAN INDUSTRIAL CLAY & GEORGIA KAOLIN	242.00	
Do	ANGLO-AMERICAN CLAYS CORP	242.00	
Do	CONSUMER CREDIT INSURANCE ASSOCIATION	412.50	633.39
Do	ENGELHARD MINERALS & CHEMICALS CORP	242.00	
Do	EQUIFAX, INC	3,439.25	
Do	FREEPORT KAOLIN	242.00	
Do	J. M. HUBER CORP	242.00	
Do	KANSAS FARM BUREAU LIFE INS CO; FARM BUREAU MUTUAL INS CO		
Do	KENTUCKY FARM BUREAU MUTUAL INSURANCE CO; FARM BUREAU INS CO		
Do	LIFETIME COMMUNITIES, INC	1,461.37	
Do	MACCABEES MUTUAL LIFE INSURANCE CO		
Do	MULLITE CO OF AMER	242.00	
Do	MUTUAL OF OMAHA INSURANCE CO		
Do	NATIONAL ASSN OF LIFE COS	1,500.00	102.20
Do	NATIONAL HOME LIFE ASSURANCE COMPANY	1,389.87	
Do	NORD RESOURCES CORP	242.00	
Do	SOUTHERN FARM BUREAU LIFE INS. CO., ET AL		
Do	STOCK INFORMATION GROUP	51,069.73	3,223.58
Do	THIELE KAOLIN CO	242.00	
Do	UNITED FARM BUREAU FAMILY LIFE INS CO, ET AL		
WILLIAM F. SUTHERLAND, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	300.00	
DONNAE SUTHERLIN, 3845 FM 1960 WEST, SUITE 401 HOUSTON TX 77068	NATIONAL ASSN OF MANUFACTURERS	400.00	
SUTIN, THAYER & BROWNE, P.O. BOX 1945 ALBUQUERQUE NM 87103	TAXATION & REVENUE DEPARTMENT	920.00	321.24
W. THOMAS SUTTLE, 1755 WILLARD ST., NW, #104 WASHINGTON DC 20009	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS	2,000.00	625.00
WILLIAM W. SUTTLE, 1025 CONNECTICUT AVE., NW SUITE 415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
YASUHIKO SUZUKI, 1919 PENNSYLVANIA AVENUE, NW, #707 WASHINGTON DC 20006	NISSAN MOTOR CORP IN U.S.A.		
IRVING W. SWANSON, 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	HARRIS CORPORATION		
DEBORAH SWARTZ, 1611 N. KENT ST. ARLINGTON VA 22209	FOOTWEAR INDUSTRIES OF AMERICA		
DAVID A. SWEENEY, 25 LOUISIANA AVE., NW WASHINGTON DC 20001	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	16,455.55	
ROSEMARIE SWEENEY, 475 L'ENFANT PLAZA WEST, SW #2970 WASHINGTON DC 20024	AMERICAN ACADEMY OF FAMILY PHYSICIANS	1,875.00	700.51
DONALD R. SWEITZER, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	5,000.00	610.00
TRICIA L. SWIFT, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	1,200.00	
A. B. SWINDELL IV. P.O. BOX 2635 RALEIGH NC 27602	NORTH CAROLINA RAILROAD ASSOCIATION		
RUSSELL A. SWINDELL, P.O. BOX 2635 RALEIGH NC 27602	NORTH CAROLINA RAILROAD ASSOCIATION		
SHIRLEY ANN SWINGER, APT. C 338 SOUTH ORANGE AVE. NEWARK NJ 07103			
MERRIBEL SYMINGTON, SUITE 540 1875 EYE STREET, NW WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
SYRDAL DANELO KLEIN & MYRE, P.C., 24TH FLOOR FOURTH & BLANCHARD BLDG. SEATTLE WA 98121	WASHINGTON STATE CHARTER BOAT ASSN		
ALBERT S. TABOR JR., VINSON & ELKINS 3300 FIRST CITY TOWER HOUSTON TX 77002	ASSOCIATION OF OIL PIPELINES	6,385.00	
ROBERT TAFT JR., 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	TAFT, STETTINIUS & HOLLISTER (FOR: AMERICAN HOSPITAL ASSN)	500.00	349.00
Do	TAFT, STETTINIUS & HOLLISTER (FOR: AMERICAN HOT DIP GALVANIZERS ASSN.)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: MACHINERY DEALERS NATIONAL ASSOCIATION).		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: MIAMI CONSERVANCY DISTRICT)	7,500.00	121.86
Do	TAFT, STETTINIUS & HOLLISTER (FOR: OHIO ASSN OF COMMUNITY ACTION AGENCIES).		12.82
Do	TAFT, STETTINIUS & HOLLISTER (FOR: SPECIAL COMM FOR WORKPLACE PRODUCT LIABILITY REFORM).	5,221.00	779.07
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TAFT BROADCASTING COMPANY)	350.00	
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TELEPHONE & DATA SYSTEMS, INC.)		108.70
WALTER G. TALAREK, 1651 OLD MEADOW ROAD MCLEAN VA 22102	AMERICAN WOOD PRESERVERS INSTITUTE		
TALCOTT MCCABE & BOWSER, SUITE 302, WEST WING 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	HOLIDAY INNS, INC	1,900.00	
Do	NATIONAL ASSN OF HOMES FOR CHILDREN	1,250.00	
Do	SERVICEMASTER INDUSTRIES, INC	1,100.00	
JOE TALLAKSON, SUITE 421 1010 VERMONT AVE., NW WASHINGTON DC 20005	SENSE, INC (FOR: ONEIDA TRIBE OF WISCONSIN)		
Do	SENSE, INC. (FOR: QUINAULT INDIAN NATION)	2,880.00	643.18
TANAKA WALDERS & RITGER, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	BRIDGESTONE TIRE CO., LTD		
Do	ELECTRONIC INDUSTRIES ASSN OF JAPAN		
SUSAN TANNENBAUM, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	4,743.78	121.65
SUZETTE TAPPER, 1011 CONNECTICUT AVE., NW, #510 WASHINGTON DC 20036	SOLAR LOBBY		
LINDA TARR-WHELAN, 1201 16TH ST., NW WASHINGTON DC 20036	NATIONAL EDUCATION ASSN	1,375.00	63.00
DAN C. TATE, 1825 K STREET, NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO., INC		
JOHN F. TATE, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE		
GRACA DA SILVA TAVARES, 17 PERKINS STREET WEST NEWTON MA 02165			
TAXPAYERS FOR FEDERAL PENSION REFORM, P.O. BOX 7755 PHILADELPHIA PA 19101		52.80	1,155.27
CHARLES A. TAYLOR III, 499 SOUTH CAPITOL ST., SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	1,000.00	
DENNIS J. TAYLOR, SUITE 650 1090 VERMONT AVE., NW WASHINGTON DC 20005	CENTRAL STATES HEALTH & LIFE CO OF OMAHA	960.00	
Do	MULTI-STATE COMMUNICATIONS, INC		
FRANK A. TAYLOR, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
PEGGY TAYLOR, 815 16TH ST., NW WASHINGTON DC 20006	AFL-CIO	15,552.18	588.37
R. WILLIAM TAYLOR, 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN SOCIETY OF ASSN EXECUTIVES		
B. W. TEAGUE, P.O. BOX 2121 CORPUS CHRISTI TX 78403	CENTRAL POWER AND LIGHT COMPANY		
ELAYNE L. TEMPEL, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
PAUL M. TENDLER, 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	PAUL TENDLER ASSOCIATES, INC (FOR: BASCOM, INC.)		
Do	PAUL TENDLER ASSOCIATES (FOR: NATIONAL FEDERATION OF LICENSED PRACTICAL NURSES).	2,500.00	370.00
Do	PAUL TENDLER ASSOCIATES (FOR: RASCH ELEKTRONIK)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: SCHOENEMAN, INC)		
TENNESSEE HOME MEDICAL PROVIDERS ASSOCIATION,INC., 424 NORTH CENTRAL AVENUE KNOXVILLE TN 37917			
BETTY-GRACE TERPSTRA, 918 16TH ST., NW, #402 WASHINGTON DC 20006	SOUTHERN FURNITURE MFGRS ASSN	750.00	726.64
EDWARD F. TERRAR JR., 499 SOUTH CAPITOL ST., S.W. ROOM 400 WASHINGTON DC 20003	WASHINGTON INDUSTRIAL TEAM, INC	600.00	
JAY D. TERRY, SUITE 317 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	LEONARD, KOEHN, ROSE AND HURT, P.C		
TEXASGULF, INC., HIGH RIDGE PARK STAMFORD CT 06904			
TEXTRON, INC., 40 WESTMINSTER ST. PROVIDENCE RI 02903			9,561.80
THER-A-PEDIC MIDWEST, INC, 2350 5TH STREET ROCK ISLAND IL 61201			
BRUCE D. THEVENOT, 1155 15TH ST., NW, #424 WASHINGTON DC 20005	CASSON, CALLIGARO & MUTRYN (FOR: HUMANA,INC.)	1,500.00	
Do	OKLAHOMA STATE NURSING HOME ASSN	780.00	
Do	SPECTRUM EMERGENCY CARE, INC	521.00	
CRAIG G. THIBAUDEAU, 3251 OLD LEE HIGHWAY, #500 FAIRFAX VA 22030	NATIONAL LIMESTONE INST, INC		
THIRD CLASS MAIL ASSOCIATION, 1010 WISCONSIN AVENUE, NW, #630 WASHINGTON DC 20007		600.00	600.00
DORIS I. THOMAS, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
JOHN W. THOMAS, SUITE 828 1522 K ST., NW WASHINGTON DC 20005	AMERICAN VETERINARY MEDICAL ASSN	15.00	
Do	ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES		
LAWRENCE L. THOMAS, 50 BEALE ST. P.O. BOX 3965 SAN FRANCISCO CA 94105	BECHTEL POWER CORPORATION		
PATRICIA THOMAS, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	6,125.73	
ROBERT L. THOMAS, 1319 F ST., NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS		
BOYD THOMPSON, SUITE 210 5410 GROSVENOR LANE BETHESDA MD 20814	AMERICAN ASSN OF FOUNDATIONS FOR MEDICAL CARE		
Do	AMERICAN MEDICAL PEER REVIEW ASSN		
GARY C. THOMPSON, 1126-16TH ST., N.W. WASHINGTON DC 20036	OIL, CHEMICAL & ATOMIC WORKERS INTERNATIONAL UNION	4,111.25	
JAMES F. THOMPSON JR., 1957 E STREET, N.W. WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
KENNETH W. THOMPSON, 1660 L ST., NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA	300.00	
LAW OFFICES OF FRED THOMPSON 1919 PENNSYLVANIA AVENUE, NW, #850 WASHINGTON DC 20006	CABLE AMERICA, INC	1,764.70	
Do	CENTRAL STATES SE & SW AREAS HEALTH, WELFARE & PENSION FUNDS	8,894.00	
Do	TENNESSEE SAVINGS & LOAN LEAGUE, INC	800.00	
Do	U.S. CABLESYSTEMS, INC	1,764.70	
Do	WESTINGHOUSE ELECTRIC CORP	5,012.00	
NANCY THOMPSON, 1600 EYE STREET, NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC		
RICHARD L. THOMPSON, 1730 M ST., NW, #808 WASHINGTON DC 20036	ABBOTT LABORATORIES	4,500.00	
ROGER G. THOMPSON, 1701 CENTRAL AVE. ASHLAND KY 41101	KENTUCKY POWER CO	1,500.00	1,493.83
SAMUEL C. THOMPSON JR., SCHIFF HARDIN & WAITE 1101 CONNECTICUT AVENUE, NW, #600 WASHINGTON DC 20036	CHIAGO BOARD OPTIONS EXCHANGE, INC		
W. REID THOMPSON, 1900 PENNSYLVANIA AVE., NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO		
WILLIAM D. THOMPSON, 1001 CONNECTICUT AVE., NW, #601 WASHINGTON DC 20036	LEAR SIEGLER, INC	3,000.00	55.07
TERENCE H. THORN, SUITE 919 1700 NORTH MOORE STREET ARLINGTON VA 22209	HOUSTON NATURAL GAS CORP	163.45	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CYNTHIA L. THORNBURG, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	1,500.00	172.63
RICHARD B. THORNBURG, SUITE 505 5205 LEESBURG PIKE FALLS CHURCH VA 22041	NATIONAL BEER WHOLESALERS' ASSN.		442.23
JOHN A. THORNER, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	800.00	
WILLIAM R. THORNHILL, P.O. BOX 2511 HOUSTON TX 77001	TENNESSEE GAS PIPELINE CO		
MARGO THORNING, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION	105.00	
D. WHITNEY THORNTON II , SUITE 203 2828 PENNSYLVANIA AVE., NW WASHINGTON DC 20007	FLYER INDUSTRIES LTD.		
CYRUS C. TICHENOR III, 1050 17TH ST., NW, #1104 WASHINGTON DC 20036	A. H. ROBINS CO, INC.	785.00	67.50
DREW V. TIDWELL, SUITE 1200 1300 N. 17TH ST. ARLINGTON VA 22209	CONSUMER BANKERS ASSN	2,250.00	3,167.61
ROBERT O. TIERNAN, 1800 M STREET, NW, #299 WASHINGTON DC 20036	PENN CENTRAL CORP.		
ROGER TILLES, SUITE 1050 1111 19TH ST., NW WASHINGTON DC 20036	FILMS, INC.	1,500.00	126.81
Do	MICHIGAN DEPT OF EDUCATION	11,250.00	3,474.56
Do	NATIONAL CON-SERV, INC.	3,700.00	65.25
Do	WASHINGTON PSYCHIATRIC SOCIETY	14,336.00	846.61
WALLACE TILLMAN, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN.	150.00	
MARTIN R. TILSON JR , PO BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO	69.88	119.80
PATTI A. TILSON, SUITE 520 900 17TH STREET, NW WASHINGTON DC 20006	MATSUSHITA ELECTRIC CORP OF AMERICA	400.00	
Do	TOYOTA MOTOR SALES, U.S.A., INC.	500.00	
C. H. TIMBERLAKE, 1825 K ST., NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY		
TIMMONS & CO, INC, 1850 K ST., NW, #850 WASHINGTON DC 20006	AMERICAN BROADCASTING COS., INC	603.75	
Do	AMERICAN INLAND WATERWAYS COMM	2,630.63	
Do	AMERICAN PETROLEUM INST	431.25	
Do	ANHEUSER-BUSCH COS., INC.	431.25	
Do	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	412.50	
Do	CHRYSLER CORPORATION	431.25	
Do	EASTERN AIR LINES, INC	1,725.00	
Do	G. D. SEARLE & CO	1,725.00	
Do	H. J. HEINZ CO	1,293.75	
Do	MAJOR LEAGUE BASEBALL	1,293.75	
Do	MIDDLE SOUTH SERVICES	646.88	
Do	NATIONAL RIFLE ASSN OF AMER	431.25	
Do	NORTHROP CORP.	875.00	
Do	OFFICE OF THE GOVERNOR OF THE STATE OF AK	431.25	
Do	STANDARD OIL CO (INDIANA)	646.88	
MICHAEL L. TINER, 1775 K ST., NW WASHINGTON DC 20006	UNITED FOOD & COMMERCIAL WORKERS INTL UNION	9,751.92	726.17
E. LINWOOD TIPTON, 910 17TH ST., NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF ICE CREAM MFRS & MILK IND. FOUNDATION		
EBEN S. TISDALE, 1101 16TH ST., NW SUITE 300 WASHINGTON DC 20036	SCIENTIFIC APPARATUS MAKERS ASSN	1,450.00	34.75
TITLE ASSOCIATES, INC., RT.2, BOX 89 COLUMBIA TN 38401			
TOBACCO ASSOCIATES, INC, SUITE 912 1101 17TH ST., NW WASHINGTON DC 20036			2,869.49
JAMES R. TOBIN, MACK CENTRE DR. PARAMUS NJ 07652	BECTON, DICKINSON & CO	2,000.00	
WILLIAM J. TOBIN, SUITE 600 1523 L STREET, NW WASHINGTON DC 20005	NATIONAL TAX LIMITATION COMMITTEE	1,000.00	20.00
DAVID G. TODD, 1025 CONNECTICUT AVE., NW, #507 WASHINGTON DC 20036	ASHLAND OIL, INC.	2,000.00	
M. DOUGLAS TODD, SUITE 2300 1000 WILSON BOULEVARD ARLINGTON VA 22209	NORTHROP CORPORATION		
DAVID R. TOLL, SUITE 1100 1111 19TH STREET, NW WASHINGTON DC 20036	WESTERN UTILITIES CLEAN AIR GROUP	360.00	360.00
WILLIAM R. TOLLEY JR , PO BOX 37 MELBOURNE FL 32919	HARRIS CORPORATION		239.00
SALLY AUSTEN TOM, SUITE 1120 1522 K STREET, NW WASHINGTON DC 20005	AMERICAN COLLEGE OF NURSE-MIDWIVES		
EDWARD TONAT, 6723 BRIGADOON DRIVE BETHESDA MD 20034	ROBERT GOFF & ASSOCIATES, INC.		
ANN TONJES, 955 L'ENFANT PLAZA, SW WASHINGTON DC 20024	NATIONAL ASSN OF PUBLIC TELEVISION STATIONS	600.00	115.00
WILLIAM D. TOOHEY, 1899 L ST., NW, #600 WASHINGTON DC 20036	TRAVEL INDUSTRY ASSOCIATION OF AMERICA		
JOHN B. TOONE, P.O. BOX 970 FORT WORTH TX 76101	TEXAS ELECTRIC SERVICE CO	212.95	68.40
JOHN G. TOTH, 11935 BARREL COOPER CT. RESTON VA 22091	RESTON ADVISER COMMITTEE		
WANDA TOWNSEND, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC.	318.75	
JOHN P. TRACEY, 1801 K ST., NW, #1201 WASHINGTON DC 20006	U.S. INDEPENDENT TELEPHONE ASSN	1,000.00	
JOSEPH P. TRAINOR, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	3,000.00	530.00
JEFFREY B. TRAMMELL, 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: COMMONWEALTH OF PUERTO RICO)		
Do	GRAY AND COMPANY (FOR: EASTERN MICROWAVE, ICN)		
Do	GRAY AND COMPANY		
Do	GRAY AND COMPANY (FOR: HEALTH INSURANCE ASSN OF AMERICA)		
Do	GRAY AND COMPANY (FOR: MOTOROLA)		
Do	GRAY AND COMPANY (FOR: NEW CHANNELS CORP)		
Do	GRAY AND COMPANY (FOR: REPUBLIC AIRLINES)		
Do	GRAY AND COMPANY (FOR: SHAKLEE CORPORATION)		
Do	GRAY AND COMPANY (FOR: RICHARD L. SINNOTT & COMPANY)		
Do	GRAY AND COMPANY (FOR: TOBACCO INSTITUTE)		
TRANSPORTATION ASSN OF AMER, SUITE 1107 1100 17TH ST., NW WASHINGTON DC 20036		845.00	600.00
TRANSPORTATION INSTITUTE, 923 15TH ST., NW WASHINGTON DC 20005			26,496.00
HUBERT TRAVAILLE, SUITE 510 1090 VERMONT AVE., NW WASHINGTON DC 20005	POTLATCH CORPORATION	4,000.00	
TRAVEL & TOURISM GOVERNMENT AFFAIRS POLICY COUNCIL, SUITE 607 1899 L STREET, NW WASHINGTON DC 20036		1,660.00	1,660.00
TRAVEL INDUSTRY ASSOCIATION OF AMERICA, 1899 L ST., NW WASHINGTON DC 20036			
ERNEST B. TREMMEL, INC., 5908 ROSSMORE DRIVE BETHESDA MD 20014	BURNS AND ROE, INC.	2,490.00	332.18
R. S. TRIBBE, 1000 16TH ST., NW WASHINGTON DC 20036	TRANS WORLD AIRLINES, INC.	290.00	
LAURENCE H. TRIBE, P.C., 1525 MASSACHUSETTS AVENUE CAMBRIDGE MA 02138	MOTION PICTURE ASSN OF AMERICA, INC		
SALLY A. TRIPLETT, SUITE 302 1100 17TH STREET, NW WASHINGTON DC 20036	SAMUEL E. STAVISKY & ASSOCIATES, INC (FOR: BROADCAST MUSIC, INC)		
EUGENE M. TRISKO, 9817 ROSENSTEEL AVENUE SILVER SPRING MD 20910	STERN BROS., INC.		
MICHAEL G. TROOP, SUITE 700 1111 NORTH 19TH STREET, NW ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	1,300.00	29.35
ROBERT C TROUP, 730 SMITH RIDGE RD NEW CANAAN CT 06840			
GEORGE G. TROUTMAN, SUITE 1100 1090 VERMONT AVE., NW WASHINGTON DC 20005	BELL HELICOPTER TEXTRON	150.00	
ALEXANDER B. TROWBRIDGE, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	240.00	
MARIAN TROYER, 1242 D STREET, SE WASHINGTON DC 20003	BONNEVILLE ASSOCS, INC (FOR: INTERMOUNTAIN HEALTH CARE)		
THOMAS L. TRUEBLOOD, 401 NORTH MICHIGAN AVE. CHICAGO IL 60611	INTERNATIONAL HARVESTER	1,000.00	3,121.22
TRUST FOR PUBLIC LAND, 82 SECOND ST. SAN FRANCISCO CA 94105			6,674.09
ANH TU, SUITE 501 800 25TH STREET, NW WASHINGTON DC 20037	PROJECT ADVISORY GROUP		
TUCKER & BROWN, SUITE 1330 WESTERN FEDERAL SAVINGS BLDG. 718 17TH STREET DENVER CO 80202	JOHNS-MANVILLE CORP.		
Do	PETRO-LEWIS CORPORATION	4,000.00	
Do	REGIONAL TRANSPORTATION AUTHORITY		
TUNA RESEARCH FOUNDATION, 1101 17TH ST., NW WASHINGTON DC 20036		2,643.90	4,049.09
B. ELIZABETH TUNNEY, 124 SALEM CHURCH ROAD MECHANICSBURG PA 17015	RETAIL, WHOLESALE & DEPT STORE UNION (INT'L), ET AL	7,380.00	1,504.54
WILLIAM J. TURENNE, 1901 L STREET, NW WASHINGTON DC 20036	ELI LILLY AND COMPANY	3,000.00	240.60
BRIAN TURNER, 815 16TH STREET, NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPARTMENT, AFL-CIO	6,231.00	11.60
RICHARD F. TURNEY, 1725 K ST., NW WASHINGTON DC 20006	COURTNEY, MCCAMANT & TURNEY	300.00	
ST. CLAIR J. TWEEDIE, SUITE 220 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN CYANAMID COMPANY	6,250.00	135.00
EDGAR H. TWINE, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	500.00	12.36
U.S. CANE SUGAR REFINERS' ASSN, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036			
U.S. DEFENSE COMMITTEE, 3238 WYNFORD DRIVE FAIRFAX VA 22031		3,098.84	2,917.24
U.S. LEAGUE OF SAVINGS ASSOCIATIONS, 111 E. WACKER DR. CHICAGO IL 60601			157,803.24
U.S. SKI ASSOCIATION, SUITE 300 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006			770.00
JERRY G. UDELL, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	200.00	45.00
LEWIS K. UHLER, SUITE 600 1523 L ST., NW WASHINGTON DC 20005	NATIONAL TAX LIMITATION COMMITTEE	1,500.00	25.00
ULLMAN CONSULTANTS, INC., 1000 POTOMAC ST., N.W. SUITE 302 WASHINGTON DC 20007	CONFEDERATED TRIBES OF THE WARM SPRINGS RESERVATION	2,400.00	
Do	INTERNATIONAL TITANIUM, INC.	3,000.00	
Do	MERCK & CO., INC.	7,500.00	
Do	OREGON METALLURGICAL CORP	3,000.00	
Do	PUBLIC UTILITY TAX COMMITTEE	15,000.00	
Do	SPRUELL DEVELOPMENT CORPORATION	1,500.00	
Do	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	17,000.00	
Do	WESTERN FOREST INDUSTRIES ASSOCIATION		
MANYA S. UNGAR, 10 BRANDYWINE COURT SCOTCH PLAINS NJ 07076	NATIONAL CONGRESS OF PARENTS & TEACHERS		1,838.31
CHARLES K. UNGER, SUITE 601 307 YOAKUM PARKWAY ALEXANDRIA VA 22304	NATIONAL ASSN OF STEVEDORES	2,750.00	762.29
UNIFI, INC., 7201 W. FRIENDLY RD. P.O. BOX 21368 GREENSBORO NC 27420			2,770.00
UNION MUTUAL LIFE INSURANCE CO, 2211 CONGRESS ST. PORTLAND ME 04122			414.32
UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS, WORKERS OF AMERICA (UAW) 8000 E. JEFFERSON DETROIT MI 48214.		92,068.17	92,068.17
UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA, 101 CONSTITUTION AVE., NW WASHINGTON DC 20001			33,519.37
UNITED FOOD & COMMERCIAL WORKERS INTL UNION, 1775 K ST., NW WASHINGTON DC 20006		183,457.19	47,025.78

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
UNITED GAS PIPE LINE CO, PO BOX 1478 HOUSTON TX 77001			1,876.95
UNITED IRISH & AMERICAN SOCIETY OF ILLINOIS, BOX 219 3400 W. 111TH STREET CHICAGO IL 60655		215.00	680.99
UNITED SERVICES AUTOMOBILE ASSOCIATION, 9800 FREDERICKSBURG ROAD SAN ANTONIO TX 78288			
LLOYD N. UNSELL, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		27.25
A. RUSSELL UPSHAW JR., 1030 15TH STREET, NW WASHINGTON DC 20005	EASTERN AIRLINES		1,475.00
DREW A. UPTON, 1100 16TH ST., NW WASHINGTON DC 20036	SCIENTIFIC APPARATUS MAKERS ASSN		
MARIAN S. URNIKIS, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN		
YOSHINORI USUI, SUITE 600 919 18TH STREET, NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, USA, INC		
UTILITY NUCLEAR WASTE MANAGEMENT GROUP, C/O EDISON ELECTRIC INSTITUTE 1111 19TH ST., NW WASHINGTON DC 20036.		999.57	999.57
RONALD D. UTT, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S	96.00	142.56
JACK J. VALENTI, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMER, INC	540.00	
R. THOMAS VAN ARSDALL, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES		
VAN FLEET ASSOCIATES, SUITE 102 499 SOUTH CAPITOL ST., SW WASHINGTON DC 20003	MARCONI ELECTRONICS	3,625.00	161.70
Do	CADILLAC GAGE	11,250.00	157.55
H. B. VAN GIESON, 1700 NORTH MOORE STREET ROSSLYN VA 22209	BOEING COMPANY		
C. D. VAN HOUWELING, P.O. BOX 69 CENTREVILLE VA 22020	NATIONAL PORK PRODUCERS COUNCIL	340.00	
NICK L. VAN NELSON, SUITE 540 1875 EYE STREET, NW WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
VAN NESS, FELDMAN, SUTCLIFFE, CURTIS & LEVENBERG, 7TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007.	ALLIED-GENERAL NUCLEAR SERVICES	1,050.00	34.00
Do	AMERICAN ELECTRIC POWER CO., INC., ET AL	825.00	
Do	AMERICAN INST FOR CERTIFIED PUBLIC ACCOUNTANTS	2,430.00	
Do	AMERICAN PRESIDENT LINES, LTD	2,850.00	129.25
Do	ARCTIC SLOPE REGIONAL CORP		
Do	ASHLEY, THOMAS LUDLOW (FOR GENERAL PUBLIC UTILITIES)	225.00	
Do	BLISS & CRAFT	5,265.00	
Do	FLORIDA AGRICULTURE COALITION, INC		
Do	HAWAIIAN ELECTRIC COMPANY		
Do	JACOBS ENGINEERING GROUP, INC	375.00	12.00
Do	METROPOLITAN DISTRICT COMMISSION		
Do	NATOMAS COMPANY		
Do	PACIFIC GAS & ELECTRIC CO		
Do	PALM BEACH-BROWARD FARMERS COMM. FOR LEGISLATIVE ACTION		
Do	PEABODY COAL COMPANY	562.50	
Do	REPUBLIC GEOTHERMAL, INC		
Do	REPUBLIC OF PALAU		
Do	JOSEPH SEAGRAM & SONS, INC		
Do	SLURRY TRANSPORT ASSN	2,862.50	10.00
Do	SOUTH FLORIDA TOMATO & VEGETABLE GROWERS ASSN		
Do	SOUTH WEST WINTER VEGETABLE GROWERS ASSN		
Do	STANDARD OIL CO (INDIANA)		
Do	STATE OF ALASKA	4,125.00	15.00
Do	TEXAS AIR CORP. AND CONTINENTAL AIR LINES	500.00	
Do	U.S. ETHANOL CORPORATION		
Do	UNION CARBIDE CORP		
Do	WHEELABRATOR-FRYE, INC		
Do	WINDFARMS, LTD		
GLENN R. VAN SCHOONEVELD, SUITE 702 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	ARMCO	1,464.65	422.90
ELLEN JOSEPHSON VARGYAS, 1625 K ST., NW 8TH FLOOR WASHINGTON DC 20006	NATIONAL LEGAL AID & DEFENDERS ASSN	9,614.02	532.09
JAY N. VARON, SUITE 1000 1775 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: LAWYERS TITLE INSURANCE CORPORATION).		
JENNIFER VASILOFF, 530 7TH STREET, SE WASHINGTON DC 20003	NATIONAL CLEAN AIR COALITION	1,929.29	24.04
MURLE L. VAUGHAN, 1700 NORTH MOORE ST. 1925 ROSSLYN CENTER BUILDING ARLINGTON VA 22209	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA		
A. RANDALL VEHAR, 900 15TH ST., NW WASHINGTON DC 20005	UNITED MINE WORKERS OF AMERICA		
VELSICOL CHEMICAL CORP, 341 EAST OHIO ST. CHICAGO IL 60611			
VENABLE, BAETJER, HOWARD & CIVILETTI, SUITE 704 1301 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	PHARMACEUTICAL MANUFACTURERS ASSN	500.00	4.00
Do	WESTVACO CORPORATION	26,719.73	605.45
VENTURE ENTREPRENEURS, INC., SUITE 206 1201 SAN MARCO BLVD. JACKSONVILLE FL 32207			
C. JOHN VERMILYE, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	U.S. STEEL CORPORATION		
VERNER, LIIPFERT, BERNHARD & MCPHERSON, 1660 L ST., NW WASHINGTON DC 20036	LABOR-INDUSTRY COALITION FOR INTL TRADE		
Do	PAN AMERICAN WORLD AIRWAYS, INC		
Do	TRAVELERS CORP		
Do	TURNER BROADCASTING SYSTEM, INC	2,025.00	
FRANK VERRASTRO, SUITE 702 2000 L STREET, NW WASHINGTON DC 20036	TOSCO CORPORATION	332.00	20.00
LINDA VICKERS, 1706 23RD ST., SOUTH ARLINGTON VA 22202	NATIONAL ASSN OF CROP INUSRANCE AGENTS	6,500.00	
BRENDA R. VIEHE-NAESS, 1025 CONNECTICUT AVE., NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
R. ERIC VIGE, SUITE 300 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	CITIES SERVICE CO	650.00	
RUDOLPH A. VIGNONE, 1800 K ST., NW, #800 WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER CO	3,500.00	
STEVE A. VILLAS, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	325.00	116.79
HOWARD A. VINE, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	400.00	
WALTER D. VINYARD JR , ALSTON MILLER & GAINES 1800 M ST., NW WASHINGTON DC 20036	CONTINENTAL INSURANCE COMPANIES	2,000.00	
Do	HARTFORD INSURANCE GROUP	1,000.00	
VIRGINIA ASSOCIATION OF RAILWAY PATRONS, P.O.BOX 867 RICHMOND VA 23207		20.00	120.09
ANDREW VITALI JR , 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST	6,000.00	102.98
RON VLASKAMP, 323 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	AMERICAN RIVERS CONSERVATION COUNCIL		
VOLKSWAGEN OF AMERICA, INC, SUITE 2450 475 L'ENFANT PLAZA, SW WASHINGTON DC 20024			15,290.44
DOUGLAS K. VOLLMER, 4350 EAST WEST HIGHWAY , SUITE 900 WASHINGTON DC 20014	PARALYZED VETERANS OF AMERICA	9,693.52	
VOLPE, BOSKEY & LYONS, SUITE 602 918 16TH STREET, NW WASHINGTON DC 20006	AMERICAN ASSN OF EQUIPMENT LESSORS		
VOLUME FOOTWEAR RETAILERS OF AMERICA, 1319 F ST., NW WASHINGTON DC 20004			
INGRID A. VOORHEES, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	2,000.00	500.00
VORYS, SATER, SEYMOUR & PEASE, SUITE 1111 1828 L ST., NW WASHINGTON DC 20036	BOWERY SAVINGS BANK		
Do	CABOT CORPORATION		92.58
Do	COMMITTEE OF PUBLICLY OWNED COMPANIES		
Do	DOMINION-CONSOLIDATED TRUCK LINES, LTD		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	MOWSAFE PRODUCTS, INC		
Do	OHIO MFRS ASSN	12,600.00	126.50
Do	SMALL BUSINESS COALITION FOR POLLUTION CONTROL	7,568.70	1,223.66
Do	TOLEDO TRUST COMPANY	16,443.90	596.19
Do	WAGNALLS MEMORIAL		
W.A.W. WAR AGAINST WOMEN, 1251 ELLSWORTH EUGENE OR 97402			
SADAMI WADA, 9 WEST 57TH STREET NEW YORK NY 10019	SONY CORPORATION OF AMERICA	1,500.00	1,350.63
CATHERINE WAELDER, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
ROBERT J. WAGER, 2020 K ST., NW, #850 WASHINGTON DC 20006	AMERICAN BAKERS ASSN	1,010.00	3.75
CARL ROBERT WAGNER, 2550 M STREET, NW, #300 WASHINGTON DC 20036	GROUP W CABLE		
HOWARD W. WAHL, 777 E. EISENHOWER PKWY P.O. BOX 1000 ANN ARBOR MI 48106	BECHTEL POWER CORPORATION		
CHRISTINE M. WAISANEN, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
HERBERT R. WAITE, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON	1,800.00	1,409.63
Do	FIRST NATIONAL BOSTON CORPORATION		
WALD, HARKRADER & ROSS, 1300 19TH ST., NW WASHINGTON DC 20036	AMERICAN PAPER INSTITUTE		
Do	HARTFORD STEAM BOILER INSPECTION & INSURANCE CO		
ROBERT E. WALDRON, ASSOCIATED PETROLEUM INDUSTRIES OF MICHI 930 MICHIGAN NATL TOWER, PO BOX 10070 LANSING MI 48901.	AMERICAN PETROLEUM INST	767.50	
CHARLS E. WALKER ASSOCIATES, INC., 1730 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AEROSPACE INDUSTRIES ASSN OF AMERICA		
Do	AGRICO CHEMICAL COMPANY, ET AL		
Do	AIR TRANSPORT ASSN OF AMER		
Do	ALUMINUM CO OF AMER	312.50	
Do	AMERICAN AIRLINES, INC		
Do	AMERICAN GUILD OF AUTHORS & COMPOSERS	1,200.00	
Do	AMERICAN TELEPHONE & TELEGRAPH CO	4,312.50	
Do	ASHLAND CHEMICAL		
Do	BANKERS TRUST COMPANY, ET AL		
Do	BECHTEL CORP	312.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	BETHLEHEM STEEL CORP	312.50	
Do	CIGAR ASSOCIATION OF AMERICA, INC.		
Do	COUPON BOND TAX COMMITTEE		
Do	CSX CORPORATION		
Do	DEALER BANK ASSN	835.00	
Do	DEERE & COMPANY	312.50	
Do	DIMENSION BANCORP, INC.		
Do	DRESSER INDUSTRIES, INC.	312.50	
Do	EASTERN AIR LINES, INC		
Do	FEDERAL NATIONAL MORTGAGE ASSN	1,500.00	
Do	FEDERAL PAPER BOARD COMPANY, INC.		
Do	FIRST CHICAGO CORP	625.00	
Do	FORD MOTOR CO	375.00	
Do	GENERAL ELECTRIC CO	312.50	
Do	GENERAL PUBLIC UTILITIES CORPORATION	1,000.00	
Do	GENERAL TELEPHONE & ELECTRONICS	312.50	
Do	GOODYEAR TIRE & RUBBER CO	312.50	
Do	HAMPSHIRE ENERGY		
Do	ROY M. HUFFINGTON, INC.		
Do	IDEAL BASIC INDUSTRIES		
Do	INLAND STEEL CORP		
Do	INTERNATIONAL PAPER CO	312.50	
Do	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		
Do	JOHNSON & JOHNSON		
Do	KAISER ALUMINUM & CHEMICAL CORP		
Do	LONE STAR INDUSTRIES, INC.		
Do	LONE STAR STEEL CO	3,700.00	
Do	MEAD CORPORATION	4,500.00	
Do	NATIONAL STEEL CORPORATION		
Do	NATIONAL TAX LIMITATION COMMITTEE		
Do	NORTHWESTERN MUTUAL LIFE INSURANCE CO		
Do	OWENS-ILLINOIS	312.50	
Do	PHELPS DODGE CORP		
Do	POTLATCH CORPORATION		
Do	PROCTER & GAMBLE MANUFACTURING CO	312.50	
Do	REPUBLIC STEEL CORP		
Do	SCOTT PAPER COMPANY		
Do	UNION CARBIDE CORP	312.50	
Do	UNITED AIRLINES		
Do	WASTE MANAGEMENT, INC.	2,000.00	
Do	WEYERHAEUSER CO		
CHARLES W. WALKER, 1125 15TH ST., NW WASHINGTON DC 20005	INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS	9,987.50	
MARTIN A. WALL, 1025 VERMONT AVENUE, NW, #800 WASHINGTON DC 20005	AMERICAN OSTEOPATHIC HOSPITAL ASSOCIATION		
R. DUFFY WALL, SUITE 400 1730 RHODE ISLAND AVE., NW WASHINGTON DC 20036	FREEPORT MINERALS CO	350.00	42.00
DON WALLACE ASSOCIATES, INC., 232 E. CAPITOL ST. WASHINGTON DC 20003	AMERICAN SUGAR CANE LEAGUE OF THE USA, INC.	6,000.00	4,496.23
Do	COTTON WAREHOUSE ASSOCIATION OF AMERICA	11,000.00	2,637.79
RAYMOND C. WALLACE, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
LIONEL L. WALLENROD, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
R. DOUGLAS WALLIN JR , 1235 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	EMERSON ELECTRIC CO		
CHARLES S. WALSH, FLEISCHMEN & WALSH 1725 N ST., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC.		
JAMES P. WALSH, 6TH FL. 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AMERICAN TUNABOAT ASSN	7,500.00	954.50
HENRY L. WALTHER, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	600.00	
JOHN F. WANAMAKER, 201 N. WASHINGTON, ST. ALEXANDRIA VA 22314	RETIRED OFFICERS ASSN	1,816.00	
JAMES WANKO, 901 N. WASHINGTON ST. ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS & ORNAMENTAL HORTICULTURISTS		
BARBARA WANNER, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	JAPAN ECONOMIC INSTITUTE OF AMERICA	300.00	
ALAN S. WARD, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	BAKER & HOSTETLER (FOR: SOAP & DETERGENT ASSN)		
JOHN E. WARD, 182 SOUNDVIEW AVE. WHITE PLAINS NY 10606	MEAT IMPORTERS COUNCIL OF AMERICA, INC.		
RICHARD D. WARDEN, 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	16,878.64	297.60
JACK WARE, 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST	7,995.00	254.45
MICHAEL O. WARE, 1701 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	CONOCO	1,200.00	100.00
PETER F. WARKER, SUITE 2700 1000 WILSON BOULEVARD ARLINGTON VA 22209	TRW, INC.	1,250.00	
ERNEST R. WARNER JR , 1225 19TH ST., NW WASHINGTON DC 20036	DGA INTERNATIONAL, INC. (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS).		
Do	DGA INTERNATIONAL, INC. (FOR: AIRBUS INDUSTRIE)	696.55	79.92
Do	DGA INTERNATIONAL INC. (FOR: SOFREAVIA)	121.14	
CHRISTINE M. WARNKE, SUITE 300 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE	400.00	212.10
CLIFTON L. WASHINGTON II , 17625 EL CAMINO REAL, #103 CLEAR LAKE CITY TX 77058	C. L. WASHINGTON & ASSOCIATES		
WASHINGTON INDUSTRIAL TEAM, INC., 499 SOUTH CAPITOL ST.,S.W. ROOM 400 WASHINGTON DC 20003	BOEING COMPANY	450.00	358.56
Do	GENERAL DYNAMICS CORPORATION	450.00	358.56
Do	HUGHES AIRCRAFT COMPANY	450.00	358.56
Do	MCDONNELL DOUGLAS CORPORATION	450.00	358.56
Do	RAYTHEON COMPANY	450.00	358.56
Do	ROCKWELL INTL	450.00	358.56
Do	TRW, INC.	450.00	358.56
Do	UNITED TECHNOLOGIES CORPORATION	450.00	358.56
Do	WESTINGHOUSE ELECTRIC CORP	450.00	358.56
WASHINGTON OFFICE ON AFRICA, 110 MARYLAND AVE., NE WASHINGTON DC 20002		30,562.92	30,152.13
WASHINGTON STATE NARAL, ROOM 610 909 FOURTH AVENUE SEATTLE WA 98104			
ROBERT E. WATKINS, 1909 K STREET, N.W. SUITE 300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC.		
CAROLYN HERR WATTS, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	25.00	
GEORGE B. WATTS, 1155 15TH ST., NW WASHINGTON DC 20005	NATIONAL BROILER COUNCIL	1,000.00	
BRUCE H. WATZMAN, 1130 17TH STREET, N.W. WASHINGTON DC 20036	NATIONAL COAL ASSN	4,750.00	1,263.54
JUDITH G. WAXMAN, 1424 16TH ST., NW SUITE 304 WASHINGTON DC 20036	NATIONAL HEALTH LAW PROGRAM	1,405.16	1,192.87
WILLIAM J. WAY, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	1,914.44
WILLIAM H. WEATHERSPOON, NORTH CAROLINA PETROLEUM COUNCIL PO BOX 167 RALEIGH NC 27602	AMERICAN PETROLEUM INST		
HORACE S. WEBB, P.O. BOX 351 CEDAR RAPIDS IA 52406	IOWA ELECTRIC LIGHT AND POWER COMPANY		
FREDERICK L. WEBBER, 1111 19TH ST., NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	6,275.00	161.28
WEBSTER AND SHEFFIELD, 1200 NEW HAMPSHIRE AVE., NW, #350 WASHINGTON DC 20036	ADAMS COUNTY, COLORADO	172,825.00	239.75
Do	NORTH ALABAMA COAL GASIFICATION CONSORTIUM	40,000.00	2,749.27
Do	PENOBSCOT NATION	32,210.15	177.04
Do	SKANSKA (U.S.A.), INC.	8,475.00	20.54
WEBSTER, CHAMBERLIN & BEAN, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMERICAN PARATRANSIT INSTITUTE	4,000.00	
LEE J. WEDDIG, SUITE 700 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL FISHERIES INST	4,000.00	12.00
CHARLES W. WEGNER JR., 600 PENNSYLVANIA AVE., S.E. SUITE 202 WASHINGTON DC 20003	PROFESSIONAL INSURANCE AGENTS	400.00	470.00
JACK R. WEHRLY, 1800 M ST., NW SUITE 710 SOUTH WASHINGTON DC 20036	DOW CORNING CORPORATION		614.28
NANCY WEINBERG, 1434 NEW YORK AVENUE, NW, #743 WASHINGTON DC 20005	ROHM AND HAAS COMPANY	500.00	108.15
DONALD G. WEINERT, 2029 K ST., NW WASHINGTON DC 20006	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,500.00	
KENNETH W. WEINSTEIN, MCKENNA, CONNER & CUNEO 1575 EYE STREET, NW WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN	506.04	
ARTHUR E. WEISBERG, SUITE 675 NORTH 1800 M STREET, NW WASHINGTON DC 20036	DORSEY & WHITNEY		
JOEL A. WEISS, 1730 N. LYNN ST. # 400 ROSSLYN VA 22209	ACUREX SOLAR CORPORATION	4,094.10	381.60
MICHAEL A. WEISS, 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO INC		25.00
MORTON N. WEISS, SUITE 4511 ONE WORLD TRADE CENTER NEW YORK NY 10048	NATIONAL SECURITY TRADERS ASSN, INC.	3,337.00	
JUDITH H. WEITZ, 1520 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	CHILDREN'S DEFENSE FUND	674.44	
DON WELCH, P.O. BOX 841 ABILENE TX 79604	WEST TEXAS UTILITIES CO		
WELLFORD, WEGMAN, KRULWICH, GOLD & HOFF, 1015 18TH STREET, NW, #802 WASHINGTON DC 20036	CANADIAN EMBASSY	150.00	
Do	COUPON BOND TAX COMMITTEE	40,800.00	67.00
Do	DEPARTMENT OF NATURAL RESOURCES, PROVINCE OF MANITOBA	3,775.00	
Do	FIRST NATIONAL BANK IN HARVEY		
Do	JOHNS-MANVILLE		
Do	PETRO-LEWIS CORPORATION	100.00	
L. H. WELLS, SUITE 200 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SHELL OIL CO	500.00	
LANCE WELLS, P.O. BOX 6003 ANCHORAGE AK 99502	SEA AIRMOTIVE, INC., AIR NORTH, ET AL		
THOMAS F. WENNING, 1825 SAMUEL MORSE DRIVE RESTON VA 22090	NATIONAL GROCERS ASSOCIATION	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ANNE P. WERNER, 1730 K STREET, NW WASHINGTON DC 20006	DIRECT MAIL MARKETING ASSN		
W. R. WERNER, P.O. BOX 860 VALLEY FORGE PA 19483	CERTAINTEED CORP		
FRED WERTHEIMER, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	13,475.04	372.00
FRANK WEST, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	445.80
WEST MEXICO VEGETABLE DISTRIBUTORS ASSN, PO BOX 848 NOGALES AZ 85621			1,000.00
WEST TEXAS LAND & ROYALTY OWNERS ASSN., 4302 AIRPORT BLVD. AUSTIN TX 78722		408.50	
W. P. WEST 1629 K ST., NW ROOM 204 WASHINGTON DC 20006	DELTA AIR LINES, INC	273.00	179.52
HARRY H. WESTBAY III, SUITE 805 1625 EYE ST., NW WASHINGTON DC 20006	ST. REGIS PAPER CO	1,650.00	850.00
WESTERN RADIOLOGICAL GROUP, SUITE 2 2044 ARMACOST AVE. LOS ANGELES CA 90015			
WESTERN RESOURCE ALLIANCE, 2565 W. 23RD ST. EUGENE OR 97401			
JOSEPH J. WESTWATER, 10140 LINN STATION ROAD LOUISVILLE KY 40223	DAIRYMEN, INC	8,750.00	1,299.46
JOHN F. WETZEL, 1235 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MOTORCYCLE INDUSTRY COUNCIL, INC	500.00	5.00
WILLIAM WEWER, 1425 21ST STREET, NW WASHINGTON DC 20036	SUBSCRIPTION TELEVISION ASSN		
WEXLER AND ASSOCIATES, INC., SUITE 400 1616 H STREET, NW WASHINGTON DC 20006	ARMCO INC		
Do	BENEFICIAL MANAGEMENT CORP OF AMERICA	3,645.00	46.60
Do	BENENSON REALITY COMPANY	400.00	
Do	GHK COMPANIES	4,125.00	113.00
Do	INDEPENDENT GAS PRODUCERS COMMITTEE (IGPC)		
Do	MOTION PICTURE ASSN OF AMERICA	3,225.00	
Do	NATIONAL FOOTBALL LEAGUE	945.00	73.60
Do	NATIONAL RADIO BROADCASTERS ASSOCIATION	525.00	
Do	TOSCO CORPORATION	200.00	
ROBERT G. WEYMUELLER, 1101 VERMONT AVENUE, NW, #402 WASHINGTON DC 20005	AMERICAN LUNG ASSOCIATION	3,600.00	2,155.00
BRIAN B. WHALEN JR , 401 N. MICHIGAN AVE. CHICAGO IL 60611	INTERNATIONAL HARVESTER	1,250.00	210.42
CLYDE A. WHEELER JR , SUITE 820 1800 K ST., NW WASHINGTON DC 20006	SUN CO, INC	15,000.00	392.44
DALE J. WHEELER, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
EDWIN M. WHEELER, 1015 18TH ST., NW WASHINGTON DC 20036	FERTILIZER INSTITUTE		25.00
THOMAS E. WHEELER, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	1,375.00	
JUNE M. WHELAN, SUITE 600 S 1120 20TH ST.,NW WASHINGTON DC 20006	UNION PACIFIC CORPORATION	1,250.00	1,826.49
WILLIAM WHICHARD JR., 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA		
WHITE & CASE, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	COMMERCIAL UNION LEASING CORP		
Do	REPUBLIC OF INDONESIA	770.50	
CLEM WHITE, 1023 GREENE STREET AUGUSTA GA 30901	DSM, NORTH AMERICA, INC., ET AL		
DONALD F. WHITE, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	1,500.00	125.00
WHITE FINE & VERVILLE, SUITE 302 1156 15TH ST., NW WASHINGTON DC 20005	AFL-CIO MARITIME COMMITTEE		
Do	CENTRAL HUDSON GAS & ELECTRIC CORP	1,281.00	57.70
Do	NORTHWEST ALASKAN PIPELINE CO		
Do	TURLOCK IRRIGATION DIST. AND MODESTO IRRIGATION DIST	12,415.60	
Do	WESTINGHOUSE	10,944.00	
JOHN C. WHITE, SUITE 207 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	COASTAL CORP & CHICAGO MERCANTILE EXCHANGE		
JOHN S. WHITE, 1800 M ST., NW, #975 WASHINGTON DC 20036	MARATHON OIL CO		
JOHN THOMAS WHITE II , SUITE 2202 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO INC		
BRYAN K. WHITEHEAD, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
DONALD W. WHITEHEAD, SUITE 335 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	WASHINGTON STATES REPRESENTATIVES	7,500.00	
ALTON W. WHITEHOUSE JR , 1750 MIDLAND BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
MARSHALL E. WHITENTON, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	62.50	18.50
BENNETT C. WHITLOCK JR , 1616 P ST., NW WASHINGTON DC 20036	AMERICAN TRUCKING ASSNS, INC	7,500.00	507.76
WHITMAN & RANSOM, 1333 NEW HAMPSHIRE AVE., NW, #650 WASHINGTON DC 20036	AMERICAN FRIENDS OF KIRYAT SANZ LANIADO HOSPITAL		
Do	BELZ INSTITUTE OF ISRAEL - SECONDARY EDUCATION		
Do	JAPAN EXTERNAL TRADE ORGANIZATION (JETRO)		32.27
JAMES A. WHITMAN, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	500.00	
WILLIAM F. WHITSITT, 1800 K ST., NW SUITE 820 WASHINGTON DC 20006	SUN CO, INC	4,500.00	736.62
DAVID E. WHITTEN, 1015 18TH ST., NW WASHINGTON DC 20036	FERTILIZER INSTITUTE	5,000.00	1,612.41
WILLIAM E. WICKERT JR., 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	300.00	20.00
RICHARD J. WIECHMANN, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
HARRY G. WILES II , 499 S. CAPITOL ST., SW SUITE 40L WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS		76.00
GUENTHER O. WILHELM, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION		
CARL B. WILKERSON, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
JERRY C. WILKERSON, 1025 CONNECTICUT AVE., NW, #1005 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN	650.00	5,250.00
RALPH E. WILLHAM, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTL ASSN	10,773.00	
WILLIAMS & CONNOLLY, 839 17TH ST., NW WASHINGTON DC 20006	BENENSON REALTY CO		400.00
Do	GADSDEN TIMES, INC		
Do	PUBLIC WELFARE FOUNDATION, INC		
Do	SPARTANBURG HERALD & JOURNAL, INC		
Do	TUSCALOOSA NEWS, INC		
Do	TWENTIETH CENTURY-FOX FILM CORP		
WILLIAMS & JENSEN, P.C., 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	THOMAS L. ASHLEY, P.C		
Do	COMPETITIVE TELECOMMUNICATION COALITION		
Do	THUNDERBIRD FINANCIAL CORP		
F. LEE WILLIAMS, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	1,600.00	
JAMES H. WILLIAMS, 3251 OLD LEE HIGHWAY # 500 FAIRFAX VA 22030	NATIONAL LIMESTONE INST, INC		
KAREN WILLIAMS, 1750 K STREET, NW WASHINGTON DC 20006	HEALTH INSURANCE ASSN OF AMERICA, INC		
LEONARD B. WILLIAMS, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	125.00	14.00
LUCINDA WILLIAMS, 1111 19TH ST., NW, #402 ARLINGTON VA 20036	FEDERATION OF AMERICAN HOSPITALS	4,500.00	
MARGIE R. WILLIAMS, 415 2ND ST., NE SUITE 300 WASHINGTON DC 20002	NATIONAL ASSN OF WHEAT GROWERS	852.67	49.14
ROBERT E. WILLIAMS, 1825 K ST., NW, #607 WASHINGTON DC 20006	UNITED AIRLINES	1,500.00	
W.G. WILLIAMS, 1100 SEVENTEETH STREET, N.W. SUITE 1000 WASHINGTON DC 20036			
WILLIAMS, MYERS & QUIGGLE, 888 17TH ST., NW WASHINGTON DC 20006	CHURCH ALLIANCE FOR CLARIFICATION OF ERISA	30,375.00	2,691.17
JOHN C. WILLIAMSON, SUITE 1402 1725 K ST., NW WASHINGTON DC 20006	MORTGAGE INSURANCE COMPANIES OF AMERICA	2,700.00	95.60
DAVID K. WILLIS, 1909 K ST., NW SUITE 300 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
CHARLOTTE M. WILMER, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	100.00	
WILMER, CUTLER & PICKERING, 1666 K ST., NW WASHINGTON DC 20006	BUSINESS ROUNDTABLE	200.00	129.50
Do	CBS, INC	9,827.50	1,974.62
Do	CITICORP		
Do	DEALER BANK ASSN		
Do	FORD MOTOR CO		
Do	G-4 CHILDREN'S COALITION	781.25	32.68
Do	HANDGUN CONTROL, INC		27.27
Do	HAPAG-LLOYD, A.G	500.00	55.85
Do	MORGAN GUARANTY TRUST CO		
Do	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
Do	NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS		
Do	OWENS-ILLINOIS		
CHARLES D. WILSON, 1850 K ST., NW, #390 WASHINGTON DC 20006	UNION CAMP CORP	550.00	816.91
DENA L. WILSON, SUITE 1000 1600 WILSON BLVD. ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC	1,400.00	9.00
DONNIE E. WILSON, 1800 M ST., NW, #295 WASHINGTON DC 20036	HUSKY OIL COMPANY	250.00	
DOROTHY WILSON, 4201 CATHEDRAL AVE., NW SUITE 1205E WASHINGTON DC 20016	COALITION OF CONCERNED CHARITIES		
JOHN R. WILSON, 1520 OHIO SAVINGS PLAZA CLEVELAND OH 44114	MIDWEST ALLIANCE FOR INDUSTRIAL FINANCING & RESTRUCTURING		
ROBERT C. WILSON, RM 400 499 S. CAPITOL ST., SW WASHINGTON DC 20003	RMI, INC	320.00	
Do	SOUTHWEST MARINE, INC	100.00	
Do	WASHINGTON INDUSTRIAL TEAM, INC	600.00	
ROSEMARY L. WILSON, MINNESOTA PETROLEUM COUNCIL 300 NORTHERN FEDERAL BLDG. ST. PAUL MN 55102	AMERICAN PETROLEUM INSTITUTE		
WILLIAM A. WILSON III, 8001 BRADDOCK ROAD SUITE 500 SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM	400.00	
JUDITH A. WINCHESTER, 1620 I ST., NW WASHINGTON DC 20036	CITY OF PHILADELPHIA		
WINDELS,MARX, DAVIES & IVES, SUITE 940 1701 PENNSYLVANIA AVENUE,NW WASHINGTON DC 20006	SOLITRON DEVICES, INC		1.80
JOSEPH B. WINKELMANN, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	27.35
KATHLEEN J. WINN, 1155 15TH ST., NW SUITE 602 WASHINGTON DC 20005	PENNZOIL CO	475.00	
JAMES R. WINNIE, PO BOX 25128 OKLAHOMA CITY OK 73125	CITIES SERVICE GAS CO		
WINSTON & STRAWN, #500 2550 M ST., NW WASHINGTON DC 20037	AMERICAN ASSN OF MUSEUMS		
Do	BEATRIC FOODS CO	937.50	
Do	BUILDING OWNERS & MANAGERS ASSN INC	50.00	13.50
Do	CUMMINS ENGINE CO., INC		
Do	GIC FINANCIAL SERVICES CORP		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	GOULD, INC.		
Do	INTERNATIONAL COUNCIL OF SHOPPING CENTERS	552.50	13.50
Do	LEASE MANAGEMENT CORP	275.00	
Do	MIDWEST PENSION FUND OF CENTRAL STATES JOINT BOARD, AFL-CIO		
Do	TERSON COMPANY, INC.		
Do	VOLVO OF AMERICAN CORP	291.66	284.60
MARK E. WINTER, 1828 L ST., NW WASHINGTON DC 20036	AMERICAN LAND TITLE ASSN	3,223.00	
ANN R. WISE, 112 WASHINGTON ST. EAST WALPOLE MA 02032	HOLLINGSWORTH & VOSE CO.		
ALAN M. WISEMAN, SUITE 900 1730 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	MEAD CORPORATION	2,247.50	82.01
ROBERT V. WITECK, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: MINIMUM TAX COALITION)		
RICHARD F. WITHERALL, 420 DENVER CLUB BLDG. DENVER CO 80202	COLORADO RAILROAD ASSN		
WITKOWSKI, WEINER, MCCAFFREY & BRODSKY, SUITE 350 1575 I ST., NW WASHINGTON DC 20005	COMMERCIAL CREDIT CORP	1,153.28	7.34
Do	COORDINATING COUNCIL ON MANUFACTURED HOUSING FINANCE	2,832.10	73.08
Do	MERRILL LYNCH & CO (FOR: COMMERCIAL CREDIT)	5,775.00	4,550.00
Do	NATIONAL MANUFACTURED HOUSING FINANCE ASSN		
Do	NATIONAL TRUCK EQUIPMENT ASSN	390.00	
Do	TASK FORCE ON CREATIVE FINANCE FOR MANUFACTURED HOUSING	12,740.00	
GLENN P. WITTE, 910 17TH ST., NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF ICE CREAM MFRS & MILK IND. FOUNDATION		
HERMAN C. WITTHAUS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	1,546.62
JAMES E. WOLF, 2020 14TH ST., NORTH ARLINGTON VA 22201	TRANE COMPANY	2,800.00	
JAMES WOLF, 1925 K STREET, NW WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY		
SIDNEY M. WOLFE, 2000 P ST., NW, #708 WASHINGTON DC 20036	HEALTH RESEARCH GROUP		
BRUCE WOLPE, 2025 M STREET, NW WASHINGTON DC 20036	NATIONAL PUBLIC RADIO	9,631.00	76.00
RONALD WOLSEY, SUITE 1115 ONE NORTH CHARLES ST. BALTIMORE MD 21201	AMOCO OIL COMPANY		
DON WOMACK, SUITE 303 1825 K ST., NW WASHINGTON DC 20006	TEXAS UTILITIES SERVICES, INC.	2,575.00	97.56
WOMEN AGAINST MILITARY MADNESS POLITICAL ACTION COMM (WAMM) , 3255 HENNEPIN AVENUE MINNEAPOLIS MN 55408.			
BURTON C. WOOD, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA	10,950.00	1,469.00
CHARLES A. WOOD, 10 LAFAYETTE SQUARE BUFFALO NY 14203	NATIONAL FUEL GAS DISTRIBUTION CORP., ET AL		
JOHN L. WOOD, 2700 ONE MAIN PLACE DALLAS TX 75202	CENTRAL AND SOUTH WEST CORP		
WILBUR S. WOOD, 1750 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	NATIONAL RURAL LETTER CARRIERS' ASSN		45.07
W. ALAN WOODFORD, 2501 M ST.,NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC.	300.00	
DIANE WOODRUFF, SUITE 228 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036	COMMITTEE OF URBAN PROGRAM UNIVERSITIES	3,250.00	
M. ALAN WOODS, 1225 19TH ST., NW WASHINGTON DC 20036	DGA INTL, INC (FOR: AIRBUS INDUSTRIE)		
Do	DGA INTL. INC (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS)	129.79	
Do	DGA INTL. INC. (FOR: SOFREAVIA)		
RICHARD P. WOODS, 2501 M ST., N.W. SUITE 540 WASHINGTON DC 20037	PACIFIC RESOURCES, INC.	500.00	
WILLIAM E. WOODS, 205 DAINGERFIELD RD. ALEXANDRIA VA 22314	NATIONAL ASSN OF RETAIL DRUGGISTS	1,500.00	300.00
PERRY W. WOOFTER, SUITE 530 1800 K ST. NW WASHINGTON DC 20006	TESORO PETROLEUM CORP	2,500.00	
EDWARD A. WOOLLEY, BEDFORD CONSULTANTS BUILDING P.O. BOX 605 BEDFORD NY 10506	CTI-CONTAINER TRANSPORT INTL., INC., ET AL	1,667.54	17.29
LINDA ANZALONE WOOLLEY, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,500.00	
GEORGE M. WORDEN 1201 PENNSYLVANIA AVE., NW #700 WASHINGTON DC 20004	HILL & KNOWLTON INC. (FOR: DISTILLED SPIRITS COUNCIL OF THE U.S.)		
DEE WORKMAN, VALKYRIE ENTERPRISES, INC. 405 LEXINGTON AVE. NEW YORK NY 10017	MOBIL OIL CORPORATION	18,750.00	1,600.00
WORLD FEDERALIST POLITICAL EDUCATION COMM, 600 VALLEY RD. WAYNE NJ 07470		6,162.42	6,002.48
W. ROBERT WORLEY, 1736 CREEK CROSSING ROAD VIENNA VA 22180	SOUTHERN COMPANY SERVICES, INC.	132.00	805.10
STEVEN M. WORTH, 3255 GRACE ST., NW THE POWER HOUSE WASHINGTON DC 20007	GRAY AND COMPANY (FOR: AMERICAN MARITIME ASSN)		
Do	GRAY AND COMPANY (FOR: THYSSEN NORDSEEWERKE GMBH)		
DANIEL R. WRIGHT, 540 MADISON AVENUE NEW YORK NY 10022	BARON/CANNING & COMPANY, INC (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN).		
FRANKLIN L. WRIGHT JR , 1709 NEW YORK AVE., NW, #200 WASHINGTON DC 20006	NATIONAL ASSN OF MUTUAL SAVINGS BANKS	3,312.50	
WYATT & SALTZSTEIN, SUITE 802 1725 DESALES STREET, NW WASHINGTON DC 20036	AMERICAN BUSINESS PRESS, INC.		
RICHARD E. WYCKOFF, 1771 N ST., NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	207.00
FREDERICK S. WYLE, 1400 ALCOA BUILDING ONE MARITIME PLAZA SAN FRANCISCO CA 94111	FEDERATED STATES OF MICRONESIA		
WYMAN, BAUTZER, ROTHMAN, KUCHEL & SILBERT, SUITE 580 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	AMERICAN BOILER MANUFACTURERS ASSOCIATION, INC.		
Do	AUTOMOTIVE DISMANTLERS & RECYCLERS ASSN		
Do	BRISTOL BAY NATIVE CORP.		
Do	CARL M. FREEMAN ASSOCIATES		
Do	EKLUTNA, INC.		
Do	FILMWAYS, INC.		
MARC D. YACKER, 1619 MASSOCHUSETTS AVENUE, N.W. WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
DAVID V. YADEN, 1101 15TH STREET, NW, #200 WASHINGTON DC 20005	NERCO, INC.	300.00	48.92
T. ALBERT YAMADA, SUITE 520 900 17TH ST., NW WASHINGTON DC 20006	MATSUSHITA ELECTRIC CORP OF AMERICA	500.00	
Do	TOYOTA MOTOR SALES, U.S.A., INC.	500.00	
Do	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	500.00	
EDWARD R. YAWN, 1111 19TH ST., NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	428.57	556.17
JACK YELVERTON, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN		
PATRICIA D. YODER, SUITE 1000 1600 WILSON BLVD. ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
D. SCOTT YOHE, 1629 K ST., NW, #204 WASHINGTON DC 20006	DELTA AIR LINES, INC.	390.00	74.60
EDWARD A. YOPP, P.O. BOX 1072 EL PASO TX 79958	STATE NATIONAL BANK OF EL PASO		
G. REYNOLDS YOUNG, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,000.00	
HUGH F. YOUNG JR , 1500 RHODE ISLAND AVE., NW WASHINGTON DC 20005	NATIONAL PAINT & COATINGS ASSN, INC.	3,000.00	
JAMES A. YOUNG, 1919 PENNSYLVANIA AVENUE, NW, #707 WASHINGTON DC 20006	NISSAN MOTOR CORP IN U.S.A.		
JOHN ANDREW YOUNG, 1333 NEW HAMPSHIRE AVE., NW, #207 WASHINGTON DC 20036	COASTAL CORPORATION	1,000.00	
JUDITH A. YOUNG, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,500.00	83.75
THANE YOUNG, 777 14TH STREET, N.W. WASHINGTON DC 20005	NATIONAL ASSOCIATION OF REALTORS	1,500.00	102.55
BETSY YOUNKINS, SUITE 600 2101 L ST., NW WASHINGTON DC 20037	AMERICAN PETROLEUM INST	6,000.00	213.09
EUGENE A. YOURCH, 50 BROADWAY NEW YORK NY 10004	FEDERATION OF AMERICAN CONTROLLED SHIPPING	200.00	
HARRY M ZACHEM, 1025 CONNECTICUT AVE., #507 WASHINGTON DC 20036	ASHLAND OIL, INC.	2,000.00	
DONALD ZAHN, 8001 BRADDOCK RD., #600 SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM	528.00	52.00
LYNN ZAKUPOWSKY, 777 14TH ST., NW WASHINGTON DC 20005	GENERAL ELECTRIC CO	750.00	
STEVEN S. ZALEZNICK, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RET PERSONS	397.12	68.35
BARRY W. ZANDER, 6113 AMHURST ST. METAIRIE LA 70003	SOUTHERN FOREST PRODUCTS ASSN	6,846.05	
JOHN S. ZAPP, 1601 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	4,500.00	256.15
L. ANDREW ZAUSNER, 1155 15TH ST., NW, #602 WASHINGTON DC 20005	PENNZOIL CO.	1,000.00	
PHILIP F. ZEIDMAN, 1025 CONNECTICUT AVE., NW, #900 # 900 WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE		
DON J. ZELLER, SUITE 503 1000 16TH STREET, NW WASHINGTON DC 20036	STANDARD OIL CO (INDIANA)	1,500.00	210.21
RONALD L. ZIEGLER, SUITE 505 700 N. FAIRFAX ST. ALEXANDRIA VA 22314	NATIONAL ASSN OF TRUCK STOP OPERATORS		
KENNETH ZINN, 1720 Q STREET, NW WASHINGTON DC 20009	WASHINGTON OFFICE ON AFRICA	3,749.98	
ZUCKERT, SCOUTT & RASENBERGER, 888 17TH ST., NW WASHINGTON DC 20006	DREYFUS CORPORATION	1,175.00	250.97
Do	HARCOURT BRACE JOVANOVICH	2,101.00	208.36
Do	HAZARDOUS WASTE TREATMENT COUNCIL	2,430.00	1,265.53
Do	REPUBLIC AIRLINES, INC.		
Do	WORLD AIRWAYS, INC.	506.00	16.37
LEIGH ANN ZUNKE, 1133 20TH STREET, NW WASHINGTON DC 20036	NATIONAL FOOD PROCESSORS ASSN	375.00	
CHARLES O. ZUVER, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	3,000.00	
MURRAY ZWEBEN, SUITE 600 1140 19TH STREET, NW WASHINGTON DC 20036	NOSSAMAN KRUEGER & KNOW (FOR: INTERNATIONAL PAPER CO)		3,500.00
CARL E. ZWISLER III, 1025 CONNECTICUT AVE., NW, #1005 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN		
1ST PRO-LIFE CONG DISTRICT ACTION COMM (RI), 6 MAXFIELD CT. BARRINGTON RI 02806		600.00	1,489.03
13TH CONGRESSIONAL DISTRICT ACTION COMM, 986 VICAR LANE SAN JOSE CA 95117		76.60	192.13
23RD CONGRESSIONAL DISTRICT ACTION COMM., 575 CHARLES ST. ST. MARYS PA 15857			
31ST PRO-LIFE CONG DISTRICT ACTION COMM (NY) 8654 BONVIEW TERRACE WILLIAMSVILLE, NY 14221			
32ND CONGRESSIONAL DISTRICT ACTION COMM, 1245 ASH BRIDGE AVE. HARBOR CITY CA 90710			
39TH CONGRESSIONAL DISTRICT ACTION COMM, RD 2 ALLEGANY NY 14706			
6TH PRO-LIFE CONG DISTRICT ACTION COMM (FL), #1 PLAZA PLACE, NE, SUITE 1003 ST. PETERSBURG FL 33701			

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the third calendar quarter of 1982 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this items "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)

6. $.....TOTAL for this Quarter (Add items "1" through "5")
7. $.....Received during previous Quarters of calendar year

8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $....."Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A & S TRANSPORTATION COMPANY, 75 JACOBUS AVENUE SOUTH KEARNY NJ 07032			8,201.05
A-K ASSOCIATES,INC., 1225 8TH STREET, STE 590 SACRAMENTO, CA 95814	CALIFORNIA AIR TANKER OPERATORS ASSN	6,666.66	3,133.46
Do	CALIFORNIA SOCIETY OF PATHOLOGISTS	7,000.00	2,128.44
Do	CITY OF SOUTH LAKE TAHOE	12,500.00	2,218.58
Do	PATHOLOGIST PRACTICE ASSOCIATION	18,000.00	13,520.74
Do	SISKIYOU COUNTY SUPERINTENDENT OF SCHOOLS	4,999.98	1,932.87
ABADIE AND HUDSON, P.O. BOX 2787 BATON ROUGE LA 70821	MILLER COAL SYSTEMS, INC.		
LEANNE J. ABDNOR, SUITE 1250 1899 L STREET, NW WASHINGTON DC 20036	VENNERS AND CO., LTD. (FOR: KOCH INDUSTRIES)		
GEORGIA ABRAHAM, 1825 CONNECTICUT AVENUE, NW WASHINGTON DC 20009	NATIONAL ASSN OF ARAB AMERICANS	1,125.00	350.00
ALBERT E. ABRAHAMS, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	8,000.00	948.51
AD HOC COMM FOR COMPETITIVE TELECOMMUNICATIONS, 415 SECOND ST., NE WASHINGTON DC 20002		30,692.34	30,692.34
CHARLES F. ADAMS, SUITE 700 1899 L ST., NW WASHINGTON DC 20036	AMERICAN ASSN OF ADVERTISING AGENCIES	2,500.00	750.00
ADVOCATES TO SAVE LEGAL SERVICES, INC., 1625 K STREET, N.W. 8TH FLOOR WASHINGTON DC 20006		1,320.00	102.60
AIR CONDITIONING & REFRIGERATION INSTITUTE, 1815 N. FT. MYER DR. ARLINGTON VA 22209		21,000.00	15,000.00
DAVID ALBERSWERTH, 1006 MASSACHUSETTS AVE., NE WASHINGTON DC 20002	WESTERN ORGANIZATION OF RESOURCE COUNCILS	1,283.33	
ALCALDE, HENDERSON & O'BANNON, 1901 N. FT. MYER DR. SUITE 1204 ROSSLYN VA 22209	TAMPA ELECTRIC CO.	1,500.00	
CLAUDE D. ALEXANDER, SUITE 801 2000 L ST., NW WASHINGTON DC 20036	RALSTON PURINA GOVERNMENT AFFAIRS, INC.	400.00	165.00
SUSAN ALEXANDER, 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY	2,111.33	102.70
ALL UNIONS COMMITTEE TO SHORTEN THE WORK WEEK, 4300 MICHIGAN AVE. DETROIT MI 48210			
LORETTA E. ALLEN, P.O. BOX 364 ORLEANS CA 95556	D.2. UNIVERSITY		
AMERICAN ASSN FOR RESPIRATORY THERAPY, 1720 REGAL ROW DALLAS TX 75235		1,715.33	19,884.05
AMERICAN ASSN OF CROP INSURERS, 209 W. JACKSON BLVD. CHICAGO IL 60606		6,000.00	6,000.00
AMERICAN ASSN OF UNIVERSITY WOMEN, 2401 VIRGINIA AVE., NW WASHINGTON DC 20037			157.86
AMERICAN CANCER SOCIETY, 777 THIRD AVE. NEW YORK NY 10017			14,950.00
AMERICAN CHAMBER OF COMMERCE OF THE DOMINICAN REPUBLIC, HOTEL SANTO DOMINGO SANTO DOMINGO DOMINICAN REPUBLIC.			16,000.00
AMERICAN DENTAL ASSN, 211 E. CHICAGO AVE. CHICAGO IL 60611		20,002.12	20,002.12
AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES, 1625 L ST., NW WASHINGTON DC 20036			68,157.21
AMERICAN GAS ASSN, 1515 WILSON BLVD ARLINGTON VA 22209		33,326.00	33,326.00
AMERICAN HEALTH PLANNING ASSN, 1601 CONNECTICUT AVE., NW WASHINGTON DC 20036		13,720.28	4,656.01
AMERICAN RIVERS CONSERVATION COUNCIL, 323 PENNSYLVANIA AVE., SE WASHINGTON DC 20003		8,858.00	32,680.00
AMERICAN SUBCONTRACTORS ASSN, SUITE 540 8401 CORPORATE DR. LANDOVER MD 20785			1,200.00
AMERICAN TEXTILE MACHINERY ASSN, 7297 N. LEE HWY. FALLS CHURCH VA 22042		43.00	
NANCY AMIDEI, SUITE 500 1319 F ST., NW WASHINGTON DC 20004	FOOD RESEARCH & ACTION CENTER		
SCOTT G. ANDERSON, 600 MARYLAND AVE. SW WASHINGTON DC 20024	BURLINGTON NORTHERN INC.	1,900.00	960.25
L. J. ANDOLSEK, 1533 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	442.00	
LORI A. ANTOLOCK, 604 SOLAR BUILDING 1000 16TH STREET, NW WASHINGTON DC 20036	AMERICAN LAND DEVELOPMENT ASSN	1,500.00	
LESLIE ARENDS, 4815 DEXTER STREET, NW WASHINGTON DC 20007	W.C.I.A.		
ARKANSAS 2000, INC, P.O. BOX 1776 RUSSELLVILLE AR 72801			
W. STANLEY ARMSTRONG, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	90.00	9.00
ARNOLD & PORTER, 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AHMANSON FOUNDATION	12,133.93	1,027.30
Do	BUILDING & CONSTRUCTION TRADES DEPT., AFL-CIO	230.00	
Do	FEDERATION OF APPAREL MANUFACTURERS	1,000.00	21.44
Do	LONDON COMMODITY EXCHANGE COMPANY, LTD	26,635.00	3.00
Do	LONDON GOLD FUTURES MARKET		
Do	LONDON INTERNATIONAL FINANCIAL FUTURES EXCHANGE, LTD.	18,400.00	14.78
Do	METAL MARKET & EXCHANGE CO., LTD.		
Do	NATIONAL COORDINATING COMM FOR MULTIEMPLOYER PLANS	2,200.00	85.00
Do	RECORDING INDUSTRY ASSN OF AMER, INC		22.40
Do	TABLE GRAPE GROWERS ASSN. OF SONORA, MEXICO		72.00
NAN ARON, 600 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	ALLIANCE FOR JUSTICE	120.09	6.19
JOHN D. AUSTIN JR., 1920 N STREET, NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
AVIATION CONSUMER ACTION PROJECT, 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036			20.00
AVON PRODUCTS, INC, 9 WEST 57TH ST. NEW YORK NY 10019			545.80
ROBERT A. BACHA, 1625 MASSACHUSETTS AVE., NW, #505 WASHINGTON DC 20036	KEEFE COMPANY (FOR: ALVIN NEDERLANDER ASSOCIATES, INC.)		
Do	THE KEEFE CO. (FOR: WESTINGHOUSE ELECTRIC CORP)	2,500.00	
Do	KEEFE COMPANY (FOR: YOUNGS DRUG PRODUCTS CORP.)		
LORNE D. BAIN, FIRST INTERNATIONAL PLAZA P.O. BOX 4455 HOUSTON TX 77210	ROY M. HUFFINGTON, INC.		3,723.75
BAKER & MCKENZIE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	DAILY EXPRESS, INC.		
DENNIS J. BAKER, 1 NEW BOND ST. WESTMINSTER MA 01473	NORTON CO.		
BALLARD, SPAHR, ANDREWS & INGERSOLL, SUITE 1100 1850 K STREET, NW WASHINGTON DC 20006	U.S. COMMITTEE FOR UNICEF	17,825.00	348.75
BALLY MANUFACTURING CORP, 2640 BELMONT AVE. CHICAGO IL 60618			
PATTY BANKSON, SUITE 408 1725 K STREET, NW WASHINGTON DC 20006	NATIONAL BOARD OF YOUNG MEN'S CHRISTIAN ASSNS.	437.55	
ROBERT D. BANNISTER, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.	23,076.93	5.00
SAMUEL J. BAPTISTA, SUITE 603 1620 EYE STREET, NW WASHINGTON DC 20006	VISA U.S.A., INC.	1,000.00	
BARAFF, KOERNER, OLENDER & HOCHBERG, P.C., SUITE 203 2033 M STREET, NW WASHINGTON DC 20036	NATIONAL BASKETBALL ASSN	1,000.00	
Do	NORTH AMERICAN SOCCER LEAGUE		
BARRETT SMITH SCHAPIRO SIMON & ARMSTRONG, SUITE 1400 26 BROADWAY NEW YORK NY 10004	COFFEE, SUGAR & COCOA EXCHANGE, INC.	5,682.00	
Do	CSC CLEARING CORP.		
T. MICHAEL BARRY, 2626 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVE ASSN	2,500.00	668.67
WELDON V. BARTON, 1625 MASSACHUSETTS AVENUE, N.W. # 202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSOCIATION OF AMERICA	10,000.00	863.72
DIANE BATEMAN, DAVIS & MCLEOD 499 SOUTH CAPITOL ST., SW WASHINGTON DC 20003	AMERICAN ASSN OF CROP INSURERS		
CATHARINE R. BATKY, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	BURLINGTON NORTHERN, INC.	750.00	249.56
BAYH, TABBERT & CAPEHART, SUITE 1025 1575 I STREET, NW WASHINGTON DC 20005	ALLIED FIDELITY CORP.	1,000.00	100.00
Do	AMERICAN CANCER SOCIETY	14,000.00	950.00
Do	CUMMINS ENGINE CO.	5,000.00	655.00
Do	GEORGIA-PACIFIC	25,000.00	2,080.00
Do	PHARMACEUTICAL MANUFACTURERS ASSN		
Do	SUGAR USERS GROUP	3,000.00	300.00
Do	WARNER COMMUNICATIONS, INC		
JOSIAH BEEMAN, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	14,918.76	440.80
LOUIS BEER, KEMP, KLEIN, ENDELMAN & BEER 1320 19TH STREET, NW WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP.		
JAMES BEIZER, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	600.00	
TRISHA BENNETT, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	BURLINGTON NORTHERN, INC.	1,750.00	1,748.42
BENOIT, SMITH & LAUGHLIN, 2001 JEFFERSON DAVIS HIGHWAY SUITE 501 ARLINGTON VA 22202	ECONOPURE		
Do	HUGHES AIRCRAFT COMPANY		
KAREN S. BERKY, 2501 M STREET, N.W. SUITE 380 WASHINGTON DC 20037	ASHLAND OIL, INC.		
ROBERT BETZ, 1101 14TH STREET, NW, #1100 WASHINGTON DC 20005	ROBERT BETZ ASSOCIATES, INC. (FOR: ALABAMA HOSPITAL ASSOCIATION)	3,000.00	252.39
RALPH A. BIEDERMANN, ONE BRUNSWICK PLAZA SKOKIE IL 60077	BRUNSWICK CORPORATION	240.00	169.40
ROBERT J. BIRD, 888 16TH STREET, NW WASHINGTON DC 20006	ZACHRY, INC.		
ROBERT BIRD, 1200 NEW HAMPSHIRE AVE., NW, #370 WASHINGTON DC 20036	GENERAL MILLS, INC.	700.00	
BISON & WENNING, 1625 I ST., NW WASHINGTON DC 20006	NATIONAL FOOD BROKERS ASSN.		
BEV D. BLACKWOOD, 1899 L STREET, N.W. STE. 1100 WASHINGTON DC 20036	EXXON CORPORATION		
SMITH BLAIR, 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	12.92	5.20
RICHARD W. BLISS, BLISS & CRAFT 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20007	FLUOR CORP.	1,225.00	73.66
Do	GOVERNMENT OF AMERICAN SAMOA	376.65	51.72
Do	MARLINE OIL CORP.	2,400.00	76.57
Do	SUNEDCO	900.00	71.66
Do	ST. JOE MINERALS CORPORATION	890.00	39.90
GLENN E. BLITGEN, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JERALD BLIZIN, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	HILL & KNOWLTON, INC.		
CHARLES R. BLUMENFELD, BOGLE & GATES THE BANK OF CALIFORNIA CENTER SEATTLE WA 98164	PACIFIC SEAFOOD PROCESSORS ASSN.		
BOASBERG HEWES FINKLESTEIN & KLORES, 2101 L ST., NW WASHINGTON DC 20037	COMMITTEE FOR FARMWORKER PROGRAMS	4,088.44	
LARRY A. BOGGS, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	60.00	
ROBERT N. BORENS, 1701 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	GETTY OIL COMPANY	2,598.00	653.23
RODNEY A. BOWER, SUITE 702 818 ROEDER RD. SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
BOWMAN, CONNER, TOUHEY & THORNTON, 2828 PENNSYLVANIA AVENUE, NW, #203 WASHINGTON DC 20007	COUNCIL OF AMERICAN FLAG SHIP OPERATORS		680.00
BRACY WILLIAMS & COMPANY, SUITE 304 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	HUMANA, INC.		
MITCHELL H. BRADLEY, 2029 K ST., NW WASHINGTON DC 20006	AMERICAN SOCIETY OF MECHANICAL ENGINEERS		
JERRY M. BRADY, 1000 POTOMAC ST., NW WASHINGTON DC 20007	STEPAN CHEMICAL COMPANY		
THERESA M. BRADY, 444 NORTH CAPITOL STREET, N.W. SUITE 801 WASHINGTON DC 20001	JOINT MARITIME CONGRESS	703.20	
DAVID C. BRANAND, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	50.00	6.25
STEFANIE A. BRAND, 2000 L STREET, NW, #320 WASHINGTON DC 20036	CONSUMER ENERGY COUNCIL OF AMERICA		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ROBERT M. BRANDON, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	750.00	136.00
GERARD M. BRANNON, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC.	200.00	
BREED, ABBOTT & MORGAN, 1875 EYE ST., NW, #1000 WASHINGTON DC 20006	ASSOCIATED HOSPITAL SERVICE OF NEW YORK		
CAROLYN BRICKEY, SUITE 500 1319 F STREET, NW WASHINGTON DC 20004	FOOD RESEARCH AND ACTION CENTER	2,810.18	15.00
ANDREA L. BRIDGEMAN, 1120 CONNECTICUT AVENUE, N.W. WASHINGTON DC 20036	FINLEY, KUMBLE, WAGNER, HEINE, UNDERBERG & CASEY (FOR: STEWART ENVIRONMENTAL SYSTEMS, INC.).		
CAROL L. BROS, SUITE 1110 1411 K ST., NW WASHINGTON DC 20005	NATIONAL WOMEN'S POLITICAL CAUCUS		
BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS & STATION EMPL 815 16TH ST., NW WASHINGTON DC 20006.		39,015.91	39,015.91
JOSEPH BROWDER, 1015 18TH ST., N.W. WASHINGTON DC 20036	TOLEDO MINING COMPANY	5,600.00	61.80
BROWN & FINN, SUITE 510 1920 N STREET, NW WASHINGTON DC 20036	S.P.A.C.E.	23,120.00	
Do	SUBURBAN CABLEVISION AND WAYNE CABLEVISION	13,115.00	
DIANE V. BROWN, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO	2,000.00	280.00
DONALD K. BROWN, 1127 11TH ST., #544 SACRAMENTO CA 95814	CROWLEY MARITIME CORPORATION		
Do	SUMMA CORPORATION	1,623.44	
DOREEN L. BROWN, 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CONSUMERS FOR WORLD TRADE		
HOWARD C. BROWN JR., 1919 PENNSYLVANIA AVE., NW, #702 WASHINGTON DC 20006	CENTAR ASSOCIATES		
Do	NATIONAL ASSN OF LIFE SCIENCE INDUSTRIES, INC.		
JOHN J. BROWN, 1125 17TH ST., NW WASHINGTON DC 20036	INTERNATIONAL UNION OF OPERATING ENGINEERS	8,500.00	699.22
MARGUERITE BRACY BROWN, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	7,631.10	108.94
STANLEY R. BROWNE, SUITE 1120 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
DAVID BRUBAKER, P.O. BOX 329 B-110 EPHRATA PA 17522	PENNAG INDUSTRIES ASSOCIATION		
WALTER W. BRUDNO, 1800 FIRST NATIONAL BANK BLDG. DALLAS TX 75202	DEMINEX U.S. OIL CO	12,499.98	
Do	TEXASGULF, INC	12,499.98	
J. CHARLES BRUSE, SUITE 802 1211 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ALLSTATE ENTERPRISES, INC		
GARRY BRYANT, 806 15TH ST., NW SUITE 600 WASHINGTON DC 20005	MIGRANT LEGAL ACTION PROGRAM, INC.	240.76	
BURCH & MANDEL, P.C., 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP	3,634.75	
CHRISTINE CAPITO BURCH, 1625 L STREET, N.W. WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	8,022.00	296.61
J. THOMAS BURCH JR., 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	BURCH & ASSOCIATES, P.C. (FOR: M.A.N. TRUCK & BUS CORP)		
BURKE & BURKE, 529 FIFTH AVE. NEW YORK NY 10017	J. REYNOLDS BARNES (FOR: ELEANOR A. CLARK & JOHN POINIER JR)		
FRANCIS X. BURKHARDT, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	INTERNATIONAL BROTHERHOOD OF PAINTERS & ALLIED TRADES		
BUSBY, REHM & LEONARD, 1629 K ST., NW, #1100 WASHINGTON DC 20006	AUTOMOBILE IMPORTERS OF AMERICA, INC	5,500.00	50.00
Do	BACARDI IMPORTS INC		
ROBERT W. BUSHA, 6811 KENILWORTH AVE. P.O. BOX 517 RIVERDALE MD 20737	NATIONAL ASPHALT PAVEMENT ASSN		
BUSINESS COUNCIL FOR IMPROVED TRANSPORT POLICIES, SUITE 200 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036.			
ARKIE BYRD, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND	43.17	
JOHN W. BYRNES, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: INDEPENDENT REFINERS ASSOCIATION OF AMERICA).		
DONALD L. CALVIN, 11 WALL ST. NEW YORK NY 10005	NEW YORK STOCK EXCHANGE, INC		
CAMP, CARMOUCHE, PALMER, BARSH & HUNTER, 2550 M ST., NW, #275 WASHINGTON DC 20037	TEXACO, INC	900.00	
CAMPAIGN FOR COMMUNITY-BASED ECONOMIC DEVELOPMENT, SUITE 901 2025 EYE STREET, NW WASHINGTON DC 20006		4,000.00	6,995.02
CANADIAN COALITION ON ACID RAIN, 112 ST. CLAIR AVENUE, #504 TORONTO, ONTARIO M4V 2Y3			
CAPITOL ADVOCATES, 1127 11TH ST., SUITE 605 SACRAMENTO CA 95814	CROWLEY MARITIME CORP		
Do	DISTILLED SPIRITS COUNCIL OF THE U.S.		
Do	SUMMA CORPORATION	7,249.07	
ROSS CAPON, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	9,180.78	
DENISE A. CARDMAN, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
JANET B. CARROLL, SUITE 402 419 7TH STREET, NW WASHINGTON DC 20004	NATIONAL RIGHT TO LIFE COMMITTEE	4,500.00	172.50
HARLON B. CARTER, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	1,875.00	
DONATO CARUSO, LAMBOS, FLYNN, NYLAND & GIARDINO 29 BROADWAY, 9TH FL. NEW YORK NY 10006	NEW YORK SHIPPING ASSN., INC		170.00
ROBERT J. CASEY, 10TH FLOOR 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	FINLEY KUMBLE WAGNER HEINE UNDERBERG & CASEY		
GORDON CAVANAUGH, SUITE 800 1016 16TH STREET, NW WASHINGTON DC 20036	ROISMAN, RENO & CAVANAUGH (FOR: COUNCIL OF LARGE PUBLIC HOUSING AUTHORITIES).	8,100.00	50.00
Do	ROISMAN, RENO & CAVANAUGH (FOR: FIRST CENTRUM CORP.)	1,500.00	30.00
CENTER FOR ENVIRONMENTAL EDUCATION, INC, SUITE 500 624 9TH STREET, NW WASHINGTON DC 20001		524,000.00	6,017.25
CENTER FOR LAW AND EDUCATION, INC., 6 APPIAN WAY CAMBRIDGE MA 02138		41,577.77	129.36
HENRY CHAJET, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
HAL M. CHRISTENSEN, 1101 17TH ST., NW WASHINGTON DC 20036	AMERICAN DENTAL ASSN	3,000.00	
CHUGACH ELECTRIC ASSN, INC, PO BOX 3518 ANCHORAGE AK 99501			340.75
CITIZEN/LABOR ENERGY COALITION, RM. 401 1300 CONNECTICUT AVE., NW WASHINGTON DC 20036		2,160.70	2,160.70
ANNE HARRISON CLARK, 110 MARYLAND AVE., NE WASHINGTON DC 20002	POPULATION RESOURCE CENTER, INC	8,468.00	
SCOTT CHARLES CLARKSON, SUITE 607 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	WASTE MANAGEMENT, INC	1,000.00	166.40
CLIFFORD & WARNKE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	AUSTRALIAN MEAT & LIVE-STOCK CORP		
Do	GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA		
Do	JOINT CORPORATE COMM ON CUBAN CLAIMS	600.00	180.00
CHARLES M. CLUSEN, 1901 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	WILDERNESS SOCIETY	2,870.22	72.00
COALITION FOR LEGAL SERVICES, INC., 1625 K STREET, N.W. ROOM 908 WASHINGTON DC 20006		31,267.34	23,325.19
COHEN & WHITE, 2934 M ST., NW WASHINGTON DC 20007	COMPUTER & COMMUNICATIONS INDUSTRY ASSN	700.00	59.23
COHEN AND URETZ, 4TH FLOOR 1775 K ST., NW WASHINGTON DC 20006	ESTATE OF SYLVIA S. BURING		79.16
DAVID COHEN, 1322 HOLLY STREET, NW WASHINGTON DC 20012	CRAVER, MATTHEWS, SMITH & CO	2,000.00	
COLLIER, SHANNON, RILL & SCOTT, SUITE 308 1055 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AMERICAN TEXTILE MACHINERY ASSN		
Do	CYLINDERS MANUFACTURERS ASSOCIATION		
Do	NATIONAL BROILER COUNCIL		
Do	NORRIS INDUSTRIES	3,700.00	66.00
Do	SOCIETY OF INDEPENDENT GASOLINE MARKETERS OF AMERICA	2,000.00	86.24
Do	WEST TEXAS LAND & ROYALTY OWNERS ASSN	200.00	5.60
COLORADO SKI COUNTRY USA, INC., SUITE A-201 1410 GRANT STREET DENVER CO 80203		300.00	
COMMITTEE FOR DO-IT-YOURSELF HOUSEHOLD MOVING, SUITE 1000 1100 17TH ST., NW WASHINGTON DC 20036			
COMMITTEE FOR EQUALITY OF CITIZENS BEFORE THE COURTS, 3401 WEST DIVISION ST. CHICAGO IL 60651			
COMMITTEE FOR FARMWORKER PROGRAMS, SUITE 906 2101 L STREET, NW WASHINGTON DC 20037			4,088.44
COMMUNITY SERVICE SOCIETY OF NEW YORK, 105 EAST 22ND STREET NEW YORK NY 10010			818.30
STEPHEN R. CONAFAY, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	PFIZER, INC	1,000.00	903.01
ROBERT J. CONLAN, 1630 CONNECTICUT AVE., NW WASHINGTON DC 20009	NATIONAL CONSUMER COOPERATIVE BANK	10,130.40	177.00
JEFFREY B. CONLEY, NEDA/CAAP 605 14TH STREET, NW WASHINGTON DC 20005	E. BRUCE HARRISON COMPANY, INC		
JOHN J. CONNOLLY, SUITE 1000 1600 WILSON BLVD. ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
GERALD R. CONNOR, 6500 WISCONSIN AVENUE CHEVY CHASE MD 20015	AMERICAN PUBLIC HEALTH ASSN	756.00	271.18
Do	THOMAS E. BRYANT		28.42
Do	VOLUNTEER TRUSTEES OF NOT-FOR-PROFIT HSOPITALS	750.00	268.93
LORI CONSADORI, 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CONSUMERS FOR WORLD TRADE	320.00	
CONSUMER ENERGY COUNCIL OF AMERICA, SUITE 320 2000 L ST., NW WASHINGTON DC 20036			581.25
CONSUMERS FOR WORLD TRADE, 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036		409.10	409.10
COOK, PURCELL, HENDERSON & ZORACK, 11TH FLOOR 1015 18TH ST., NW WASHINGTON DC 20036	AIR FLORIDA, INC	2,100.00	292.46
EDWARD COONEY, SUITE 500 1319 F ST., NW WASHINGTON DC 20004	FOOD RESEARCH & ACTION CENTER	313.41	
MARK N. COOPER, 2000 L STREET, N.W. SUITE 320 WASHINGTON DC 20036	CONSUMER ENERGY COUNCIL OF AMERICA		
PETER COPPELMAN, 1901 PENNSYLVANIA AVE., N.W. WASHINGTON DC 20006	WILDERNESS SOCIETY	3,339.72	28.30
CORCORAN, HARDESTY, EWART, WHYTE & POLITO, P.C., SUITE 510 1575 EYE STREET, NW WASHINGTON DC 20005	INSTITUTE OF MAKERS OF EXPLOSIVES		
CORCORAN, YOUNGMAN & ROWE, SUITE 1100 1511 K ST., NW WASHINGTON DC 20006	FRANK G. KINGSLEY	5,000.00	125.00
CLARK R. COSSE III, 2900 INDIANA AVE. KENNER LA 70062	SOUTHERN FOREST PRODUCTS ASSN	7,674.99	
COUNCIL FOR A LIVABLE WORLD, 11 BEACON ST. BOSTON MA 02108			18,590.89
COUNCIL FOR TECHNOLOGICAL GROWTH, 451 SOUTH INDIANA STREET MOORESVILLE IN 46158		11,355.37	11,355.37
COUNCIL OF ENERGY RESOURCE TRIBES, 1140 CONNECTICUT AVE.,NW SUITE 310 WASHINGTON DC 20036		250.00	11,596.99
COUNCIL OF INDUSTRIAL BOILER OWNERS, 11222 SILVERLEAF DR. FAIRFAX STATION VA 22039			
COUNCIL OF STATE HOSPITAL FINANCE AUTHORITIES, SUITE 2188 35 EAST WACKER DRIVE CHICAGO IL 60601			
JEAN ANNE COUREY, 1825 CONNECTICUT AVE., NW WASHINGTON DC 20009	NATIONAL ASSN OF ARAB AMERICANS	2,125.00	425.00
COVINGTON & BURLING, 1201 PENNSYLVANIA AVENUE, NW P.O. BOX 7566 WASHINGTON DC 20044	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC		
Do	CBS TELEVISION NETWORK AFFILIATES ASSOCIATION		
Do	CELLULAR SYSTEMS, INC		
Do	JOINT AFFILIATES ASSOCIATIONS		
Do	SPARTAN RADIOCASTING COMPANY		
ERIC COX, SUITE W-219 1011 ARLINGTON BLVD. ARLINGTON VA 22209	WORLD FEDERALIST POLITICAL EDUCATION COMM	592.68	
W. O. CRAFT JR., BLISS & CRAFT 1050 THOMAS JEFFERSON ST., NW, 6TH FL. WASHINGTON DC 20007	FLUOR CORPORATION	1,225.00	73.66
Do	NAVAJO-HOPI RELOCATION COMMISSION	1,500.00	244.78

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	ST. JOE MINERALS CORPORATION	890.00	39.90
Do	SUNOCO ENERGY DEVELOPMENT COMPANY (SUNEDCO)	900.00	71.66
CRAMER HOFFMAN & HABER, ORLANDO, P.A., SUITE 101 57 W. PINE ST. ORLANDO FL 32801	GLOBAL EXPLORATION & DEVELOPMENT CORPORATION		1,691.31
WILLIAM C. CRAMER, 1320 19TH ST., NW, #200 WASHINGTON DC 20036	CRAMER, HOFFMAN & HABER, P.C. (FOR: CANAVERAL PORT AUTHORITY)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: CITY OF MIAMI)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: DADE COUNTY)		
Do	CRAMER, HOFFMAN & HABER, ORLANDO, P.A. (FOR: GLOBAL EXPLORATION & DEVELOPMENT CORP.)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: HOBBS CONSTRUCTION & DEVELOPMENT CO., INC.)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: M.A.N. TRUCK & BUS CORP.)		
CRAMER, HOFFMAN & HABER, P.C., 1320 19TH ST., NW SUITE 200 WASHINGTON DC 20036	CANAVERAL PORT AUTHORITY	13,500.00	34.06
Do	CITY OF MIAMI	10,000.00	656.42
Do	DADE COUNTY	12,000.00	701.96
Do	GLOBAL EXPLORATION & DEVELOPMENT CORP.		
Do	HOBBS CONSTRUCTION & DEVELOPMENT CO., INC.	5,000.00	2,240.53
Do	M.A.N. TRUCK & BUS CORP.		
CHARLES S. CRAWFORD, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: AMERICAN IRON & STEEL INSTITUTE)	85.00	
Do	GRAY AND COMPANY (FOR: AMERICAN MARITIME ASSN)		
Do	GRAY AND COMPANY (FOR: JOINT MARITIME CONGRESS)		
CURTIS, THAXTER, LIPEZ, STEVENS, BRODER & MICOLEAU, SUITE 503 1825 K ST., NW WASHINGTON DC 20006	AMERICAN EXPRESS CO		
Do	NATIONAL BEER WHOLESALERS' ASSOCIATION		
JAMES G. DALTON, 2029 K ST., NW WASHINGTON DC 20006	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	2,500.00	
DANIELS, HOULIHAN & PALMETER, P.C., 1819 H ST., NW WASHINGTON DC 20006	JAPAN LUMBER IMPORTERS ASSN		
Do	AMERICAN ASSN OF EXPORTERS & IMPORTERS	6,500.00	486.03
DAN DANNER, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ARMCO INC	300.00	212.00
RICHARD C. DARLING, 1156 15TH ST., NW WASHINGTON DC 20005	J. C. PENNEY CO, INC	90.00	50.00
DONALD S. DAWSON, 723 WASHINGTON BLDG. WASHINGTON DC 20005	OPTICIANS ASSN OF AMER	20,000.00	20,000.00
Do	U.S. BREWERS ASSOCIATION, INC		
Do	VIRGIN ISLANDS GIFT & FASHION SHOP ASSN		
CURTIS DEANE, 2028 P STREET, NW, #100 WASHINGTON DC 20036	FAIR CONGRESSIONAL TASK FORCE, INC	6,499.98	73.00
GASTON DEBEARN, 1775 K ST., NW SUITE 300 WASHINGTON DC 20006	HOFFMANN-LA ROCHE INC		534.48
DELL, CRAIGHILL, FENTRESS & BENTON, 888 17TH ST., NW SUITE 1200 WASHINGTON DC 20006	CONSEJO ESTATAL DE DESAROLLO		
Do	GOVERNOR ROBERTO DE LA MADRID		
DEMINEX U.S. OIL COMPANY, SUITE 840, LOCK BOX 340 PLAZA OF THE AMERICAS, NORTH TOWER DALLAS TX 75201			41,565.30
ALPHONSE DEROSSO, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION		40.90
LLOYD J. DERRICKSON, SUITE 906 1828 L STREET, NW WASHINGTON DC 20036	MERRILL LYNCH & CO., INC	1,500.00	
DEWEY BALLANTINE BUSHBY PALMER & WOOD, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	BENEFICIAL CORPORATION		
Do	GENERAL ELECTRIC PENSION TRUST		
Do	TEACHERS INSURANCE AND ANNUITY ASSN OF AMERICA		
Do	PHIBRO-SALOMON, INC		
DORIS J. DEWTON, 1025 CONNECTICUT AVENUE, NW SUITE 507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
PATRICK DI CHIRO, SUITE 508 2301 S. JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MANUFACTURED HOUSING INSTITUTE		
JAMES J. DICKMAN, 12TH FLOOR 80 BROAD STREET NEW YORK NY 10006	NEW YORK SHIPPING ASSN, INC		170.00
MICHAEL F. DINEEN, 600 PENNSYLVANIA AVE., SE, #206 WASHINGTON DC 20003	FEDERAL KEMPER LIFE ASSURANCE COMPANY	560.98	15.78
Do	KEMPER INVESTORS LIFE INSURANCE COMPANY	560.98	15.78
DIRECT SELLING ASSOCIATION, 1730 M ST., NW WASHINGTON DC 20036			12,952.73
JOHN D. DOHERTY JR , 900 17TH ST., NW WASHINGTON DC 20006	CHASE MANHATTAN BANK, N.A.		
DOMESTIC PETROLEUM COUNCIL TRADE ASSOCIATION, 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036			
BRIAN J. DONADIO, SUITE 104 499 SOUTH CAPITOL STREET, NW WASHINGTON DC 20003	AMERICAN OSTEOPATHIC ASSN	1,650.00	
CHARLENE DOUGHERTY, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	8,000.00	2,420.00
DOW LOHNES & ALBERTSON, 1225 CONNECTICUT AVE., NW WASHINGTON DC 20036	PALMER COMMUNICATIONS, INC		19,406.00
L. MICHAEL DOWLING, SUITE 320 1901 L STREET, NW WASHINGTON DC 20036	OGILVY AND MATHER PUBLIC RELATIONS		
RICHARD MORGAN DOWNEY, 10801 ROCKVILLE PIKE ROCKVILLE MD 20852	AMERICAN SPEECH-LANGUAGE-HEARING ASSN		
DRINKER BIDDLE & REATH, 1815 H ST., NW WASHINGTON DC 20006	PHOENIX STEEL CORP		
DOROTHY J. DRUMMER, 1025 CONNECTICUT AVENUE, NW, #209 WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE, INC		
W.H. DRUSHEL JR , 3500 FIRST CITY TOWERS HOUSTON TX 77002	VINSON & ELKINS (FOR: QUINTANA PETROLEUM CORP)		
Do	VINSON & ELKINS (FOR: QUINTANA REFINERY COMPANY)		
PAUL DUBRUL, 105 EAST 22ND STREET NEW YORK NY 10010	COMMUNITY SERVICE SOCIETY		156.00
EARL C. DUDLEY JR., NUSSBAUM, OWEN & WEBSTER, 1800 M STREET, NW WASHINGTON DC 20036	PLAINTIFFS' ANTI-TRUST LIAISON SOCIETY	4,245.00	30.90
MARY JANE C. DUE, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	60.00	
MICHAEL F. DUFFY, 1920 N ST. NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
C. R. DUGGAN, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	1,200.00	1,200.00
ROBERT B. DUNCAN, 1000 POTOMAC STREET, NW, #302 WASHINGTON DC 20007	GENERAL AVIATION MANUFACTURERS ASSOCIATION		
H. STEWART DUNN JR., SUITE 600 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	JOURNAL COMPANY		
JOHN H. DUNNE, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
JOSEPH L. DURAN, 100 FEDERAL ST., BOSTON, MA 02110	FIRST NATIONAL BANK OF BOSTON		
EDWARD J. DURKIN, SUITE 408 815 16TH STREET, NW WASHINGTON DC 20006	FOOD AND BEVERAGE TRADES DEPT., AFL-CIO	460.72	
JEAN DURNING, 4TH AND PIKE BLDG., ROOM 622 1424 FOURTH AVENUE SEATTLE WA 98101	WILDERNESS SOCIETY	1,673.43	23.59
JAMES W. DYKE JR., SIDLEY & AUSTIN 1722 EYE STREET, NW WASHINGTON DC 20006	CONTRACT STAFFING OF AMERICA, INC	3,000.00	
EDITH W. DYLAN, SUITE 906 1828 L STREET, NW WASHINGTON DC 20036	MERRILL LYNCH & CO., INC	290.00	10.00
DONALD R. EBE, 1800 K ST., NW, #800 WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER CO	3,125.00	
EDWARDS ASSOCIATES, 507 SECOND ST., NE WASHINGTON DC 20002	CONFEDERATED TRIBES OF WARM SPRINGS		
CHARLES E. EHRHART, SUITE 801 2000 L ST., NW WASHINGTON DC 20036	RALSTON PURINA CO	500.00	165.00
ELIAS AND MATZ, 12TH FL. 734 15TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF STATE SAVINGS & LOAN SUPERVISORS		
IRENE R. EMSELLEM, 1800 M STREET, NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	102.25
STEPHEN R. ENDEAN, 508 1/2 E STREET, NE WASHINGTON DC 20002	GAY RIGHTS NATIONAL LOBBY, INC	4,370.29	
ENERGY CONVERSION GROUP, 1000 POTOMAC STREET SUITE 103 WASHINGTON DC 20007			
ALLISON JOHN EPPERSON, 1140 CONNECTICUT AVENUE, NW, #310 WASHINGTON DC 20036	COUNCIL OF ENERGY RESOURCE TRIBES		
PAUL A. EQUALE, 600 PENNSYLVANIA AVE., SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC	2,456.73	
JONATHAN ERLITZ, 105 EAST 22ND STREET NEW YORK NY 10010	COMMUNITY SERVICE SOCIETY	357.00	
JERRY N. ERVIN, P. O. BOX 3331 HOUSTON TX 77001	QUINTANA REFINERY COMPANY		
ESTATE OF MABEL R. LADD, R.R. 1 BUNKER HILL IN 46914			
JOHN T. ESTES, 1150 CONNECTICUT AVE., NW #700 WASHINGTON DC 20036	ALLIED CORP	500.00	50.00
ALEXANDER J. EUCARE JR., 1025 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036	ENVIRONMENTAL MANAGEMENT CONSULTANTS, INC		
O. KEISTER EVANS, P.O. BOX 1308 ALEXANDRIA VA 22313	IMPORTED HARDWOOD PRODUCTS ASSN, INC		
WILLIAM J. EVANS JR., SUITE 901 1660 L ST., NW WASHINGTON DC 20036	PAN AMERICAN WORLD SERVICES, INC	370.00	188.07
CONRAD H. C. EVERHARD, WALL STREET PLAZA NEW YORK NY 10005	AMERICAN GLOBAL LINE, INC		600.00
WAYNE S. EWING, ASSOCIATED PETROLEUM INDUSTRIES OF PA P.O. BOX 925 HARRISBURG PA 17108	AMERICAN PETROLEUM INSTITUTE		
MICHAEL FADEN, SUITE 1101 1346 CONNECTICUT AVE., NW WASHINGTON DC 20006	UNION OF CONCERNED SCIENTISTS	6,300.00	
GEORGE W. FALLTRICK, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
KEVIN J. FAY, 1815 N. FORT MYER DRIVE ARLINGTON VA 22209	AIR CONDITIONING & REFRIGERATION INSTITUTE	2,000.00	500.00
FEDERAL KEMPER LIFE ASSURANCE COMPANY, KEMPER BLDG. D-3 LONG GROVE IL 60049			2,400.73
ALLEN R. FERGUSON, 1525 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	PUBLIC INTEREST ECONOMICS FOUNDATION	1,950.00	
FINLEY KUMBLE WAGNER HEINE UNDERBERG & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036.	AT-SEA INCINERATION, INC	769.00	
Do	COMMITTEE FOR HUMANE LEGISLATION, INC		
Do	GOVERNMENT OF ANTIGUA & BARBUDA	1,875.00	
Do	POPULATION CRISIS COMMITTEE	414.00	
DAVID M. FITZGERALD, 206 KING ST. ALEXANDRIA VA 22314	LITTON DATA SYSTEMS	1,000.00	26.00
MARY CLARE FITZGERALD, 900 17TH STREET, NW WASHINGTON DC 20006	CHASE MANHATTAN BANK, N.A.		
REV. MSGR. JAMES H. 15 COMPUTER DRIVE WEST ALBANY NY 12205	HOSPITAL ASSOCIATION OF NEW YORK STATE	283.00	319.00
DANIEL V. FLANAGAN JR., SUITE 900 1776 K STREET, NW WASHINGTON DC 20006	SOUTHERN PACIFIC CO		
FLORIDA BUSINESS ASSOCIATES, SUITE 200 2000 L STREET, NW WASHINGTON DC 20036	WESTINGHOUSE ELECTRIC CORP	6,900.00	65.50
JOHN J. FLYNN, 1125 17TH STREET, NW WASHINGTON DC 20036	INTERNATIONAL UNION OF OPERATING ENGINEERS	7,500.00	528.16
JOHN P. FOLEY 2501 M ST., NW, SUITE 380 WASHINGTON DC 20037	ASHLAND OIL, INC		
Do	SISK, FOLEY, HULTIN & DRIVER (FOR: MAY CO)	3,500.00	6,953.87
FOOD RESEARCH & ACTION CENTER, SUITE 500 1319 F ST. NW WASHINGTON DC 20004			
NANCY P. FOSTER, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE		
ALBERT A. FOX JR , 1150 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	ALLIED CORP	350.00	25.00
ERIC R. FOX, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	APPLE COMPUTER CORP		29.44
DONALD FRAHER, 810 18TH ST., NW WASHINGTON DC 20006	HANDGUN CONTROL, INC	5,054.00	20.00
WILLIAM C. FRANCE, 1701 K ST., NW, #1204 WASHINGTON DC 20006	NATIONAL MOTORSPORTS COMM OF ACCUS		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
GEORGE FRANKLIN, 2000 L STREET, NW, #200 WASHINGTON DC 20036	KELLOGG COMPANY	3,000.00	325.00
THOMAS C. FRANKS, 604 SOLAR BUILDING 1000 16TH STREET, NW WASHINGTON DC 20036	AMERICAN LAND DEVELOPMENT ASSN	1,500.00	679.82
GREGORY W. FRAZIER, P.O. BOX 427 ENGLEWOOD CO 80151	INTERNATIONAL ENERGY BROKERS, INC		
LEWIS R. FREEMAN JR., 605 14TH STREET, NW WASHINGTON DC 20005	SOCIETY OF THE PLASTICS INDUSTRY		
DAVID W. FREER, 1050 17TH ST., NW WASHINGTON DC 20036	WESTERN OIL AND GAS ASSOCIATION		
PAMELA B. FREER, 1710 BROADWAY NEW YORK CITY NY 10019	INTERNATIONAL LADIES' GARMENT WORKERS UNION	5,343.00	92.75
FRIED FRANK HARRIS SHRIVER & KAMPELMAN, SUITE 1000 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	OGLALA SIOUX TRIBE OF THE PINE RIDGE RES		
Do	ROSEBUD SIOUX TRIBE		
FRIENDS OF THE EARTH, 530 7TH ST., SE WASHINGTON DC 20003		212,267.00	60,676.24
OWEN V. FRISBY, 900 17TH ST., NW WASHINGTON DC 20006	CHASE MANHATTAN BANK, N.A	600.00	164.41
ROBERT D. FRITZ, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	3,000.00	3,000.00
ROBERT F. FROEHLKE, 1850 K STREET, N.W. WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	3,750.00	
FULBRIGHT & JAWORSKI, 1150 CONNECTICUT AVE., NW, #400 WASHINGTON DC 20036	ALAMO RENT A CAR	15,400.00	896.43
Do	HOUSTON POST COMPANY		378.84
GADSBY & HANNAH, SUITE 511 1129 20TH STREET, NW WASHINGTON DC 20036	GOVERNMENT OF BELIZE		1,025.65
Do	GOVERNMENT OF REPUBLIC OF PANAMA	3,000.00	316.81
Do	SUGAR ASSN OF THE CARIBBEAN		355.97
MARK J. GALLAGHER, 1707 L ST., NW, #400 WASHINGTON DC 20036	NATIONAL COMM FOR A HUMAN LIFE AMENDMENT, INC	4,705.00	2,565.00
GARDNER, CARTON & DOUGLAS, 1875 I ST., NW WASHINGTON DC 20006	FTC COMMUNICATIONS, INC		
Do	K-A COMPANY		
Do	MIDCON CORP		
GARVEY, SCHUBERT, ADAMS & BARER, 1000 POTOMAC ST., NW WASHINGTON DC 20006	JAPAN FISHERIES ASSN	12,685.00	
Do	TOTEM OCEAN TRAILER EXPRESS, INC	647.50	
GAS APPLIANCE MFGRS ASSN, INC, 1901 NORTH FORT MYER DR. ARLINGTON VA 22209			90.00
LILLIAN B. GASKIN, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
GAY RIGHTS NATIONAL LOBBY, INC, 750 7TH ST., SE WASHINGTON DC 20003		84,724.01	84,281.67
JOHN R. GEIGER, SUITE 506 1660 L ST., NW WASHINGTON DC 20036	GOULDS PUMPS, INC	500.00	
MORTON A. GELLER, 100 FEDERAL ST., BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
CLAIRE M. GEOGHEGAN, 415 2ND ST., NE WASHINGTON DC 20002	AD HOC COMM FOR COMPETITIVE TELECOMMUNICATIONS	7,807.73	
GEORGE W. GEPHART, 6104 MAYWOOD AVENUE BALTIMORE MD 21209	BALTIMORE GAS & ELECTRIC CO		
GETTY OIL COMPANY, 3810 WILSHIRE BLVD. LOS ANGELES CA 90010			36,869.14
WAYNE GIBBENS, 1919 PENNSYLVANIA AVE., NW, #503 WASHINGTON DC 20006	MID-CONTINENT OIL & GAS ASSN	7,960.00	105.25
CLAUDE R. GLAZE, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	400.00	400.00
ELMER G. GLESKE, 1629 K ST., NW, #400 WASHINGTON DC 20006	FLIGHT SAFETY INTL INC		
JERE W. GLOVER, SUITE 1201 1001 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL FOR INDUSTRIAL INNOVATION	1,000.00	119.13
Do	SERVICE STATION DEALERS OF AMERICA	2,538.18	262.20
GNAU, CARTER, JACOBSEN & ASSOC., INC., 1777 F STREET, NW WASHINGTON DC 20006	AMYRCON CORPORATION		
Do	CAC ASSOCIATES		
Do	GRAND TRAVERSE DEVELOPMENT, INC		
Do	MOVE DETROIT FORWARD FUND		
Do	POTTER INSTRUMENT CO., INC		
Do	RJK CONSTRUCTION COMPANY		
Do	SANDERS CORPORATION		
Do	URBAN REVITALIZATION, INC		
GODFREY ASSOC, INC, SUITE S-501 918 16TH ST., NW WASHINGTON DC 20006			
HORACE D. GODFREY, 918 16TH ST., NW, SUITE S-501 WASHINGTON DC 20006	GODFREY ASSOC, INC		
NEIL B. GOLDSTEIN, 228 E. 45TH ST. NEW YORK NY 10017	SIERRA CLUB	1,560.00	2,346.01
ROBERT F. GOODWIN, 1850 K ST., NW, SUITE 275 WASHINGTON DC 20006	MEREDITH CORP	40.00	33.00
BETH GORDON, SUITE 1016 1800 K STREET, NW WASHINGTON DC 20006	AIR PRODUCTS & CHEMICALS, INC		
RUTH P. GRAVES, SUITE 500 600 MARYLAND AVE., SW WASHINGTON DC 20024	READING IS FUNDAMENTAL, INC	60.00	11.00
ROBERT K. GRAY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY AND COMPANY (FOR: MOTOROLA)		
Do	GRAY AND COMPANY (FOR: NATIONAL COALITION FOR A FREE CUBA)		
Do	GRAY AND COMPANY (FOR: NICHOLAS SALGO)		
EDWARD M. GREEN, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
KATHLENE H. GREEN, SUITE 225 2550 M STREET, NW WASHINGTON DC 20037	CONGOLEUM CORP	210.00	184.16
WAYNE GREEN, 80 PINE ST. PETERBOROUGH NH 03458	73 INC		
JEROME GROSSMAN, 11 BEACON ST. BOSTON MA 02108	COUNCIL FOR A LIVABLE WORLD	6,355.97	
TIMOTHY M. HAAKE, BIRCH, HORTON, BITTNER & MONROE 1140 CONNECTICUT AVE., NW, #1100 WASHINGTON DC 20036	JIM JONES, GOV'T RESEARCH & DEVELOPMENT CORP		
Do	TEAMSTERS LOCAL 959		
Do	WIEN AIR ALASKA		
DONALD M. HAINES, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES		
MARTIN HALEY COMPANIES, 1015 15TH ST., NW WASHINGTON DC 20005	AMERICAN ENERGY INC		
Do	CALIFORNIA FEDERAL SAVINGS & LOAN ASSN		
Do	CENTRAL TEXAS GRAIN PRODUCTS MARKETING COOPERATIVE		
Do	GRAIN PRODUCTS ALCOHOL COOPERATIVES		
Do	HIGH PLAINS GRAIN PRODUCTS COOPERATIVE		
Do	NORTH PLAINS GRAIN PRODUCTS COOPERATIVE		
Do	NORTHWEST TEXAS GRAIN PRODUCTS COOPERATIVE		
HARRY L. HALL, SUITE S-520 1120 20TH ST., NW WASHINGTON DC 20036	NATIONAL MULTIPLE SCLEROSIS SOCIETY	4,500.00	
WILLIAM F. HALL, 144 HARRISON ST., IW OAK PARK, ILL 60304	WILLIAM HALL & ASSOCIATES, INC		
AMY R. HAMMER, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION		742.06
HANDGUN CONTROL, INC., 810 18TH ST., NW WASHINGTON DC 20006		815,299.00	356,443.00
GEORGE J. HANKS JR , 12TH FL. 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		
PETER J. HAPWORTH, 1511 K ST., NW WASHINGTON DC 20005	SUGAR ASSOCIATION, INC	500.00	
HARBISON FORD, INC., ROUTE 1 MORRISVILLE PA 19067			
RALPH HARDING, SUITE 717 WATERGATE 2600 VIRGINIA AVENUE, NW WASHINGTON DC 20037	AMPCO FOODS, INC		
JEFF R. HART, SUITE 340 1210 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC	1,875.00	
ARTHUR W. HARTMANN, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN		
GARY R. HATTAL, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
KATHRYN JOANN HAWES, SUITE 702 818 ROEDER RD. SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
JOHN R. HEISSE II , SUITE 900 1828 L STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF DEMOLITION CONTRACTORS	127.50	6.83
STEVEN B. HELLEM, NEDA/CAAP 605 14TH STREET, NW WASHINGTON DC 20005	E. BRUCE HARRISON COMPANY, INC		
SCOTT HEMPLING, ROOM 401 1300 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	900.00	56.70
JOHN B. HENDERSON, SUITE 1100 1090 VERMONT AVE., NW WASHINGTON DC 20005	TEXTRON, INC	1,990.00	295.00
THOMAS M. HENNESSY, 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	GETTY OIL COMPANY	5,222.00	219.06
HERCULES INC, 910 MARKET ST. WILMINGTON DE 19899			13,617.00
LAWRENCE R. HERMAN, 600 PENNSYLVANIA AVENUE, SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC	2,402.89	
E. JOSEPH HILLINGS, 1627 K STREET, NW, #200 WASHINGTON DC 20006	FLUOR CORPORATION	10,000.00	2,586.00
HIMES & KETCHEY, P.A., 100 TWIGGS STREET 301 FOUNDERS LIFE BUILDING TAMPA FL 33602	PHH GROUP, INC	3,000.00	365.59
J.D. HITTLE, 3137 S. 14TH ST. ARLINGTON VA	VOUGHT CORP	3,000.00	345.70
LAWRENCE S. HOFFHEIMER, SUITE 520 1120 20TH STREET, NW WASHINGTON DC 20037	BRAZOS RIVER HARBOR NAVIGATION DISTRICT	7,600.00	265.00
Do	NATIONAL MULTIPLE SCLEROSIS SOCIETY	5,100.00	14.00
ELMO R. HOFFMAN, 57 W. PINE ST., #101 ORLANDO FL 32801	CRAMER, HOFFMAN & HABER (FOR: GLOBAL EXPLORATION & DEVELOPMENT CORPORATION)		1,349.98
LOIS HOLWERDA - HOYT, SUITE 104 499 SOUTH CAPITOL STREET, NW, WASHINGTON DC 20003	AMERICAN OSTEOPATHIC ASSN	1,500.00	
JOHN F. HORTY, 1000 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	NATIONAL COUNCIL OF COMMUNITY HOSPITALS		
HOSPITAL ASSOCIATION OF NEW YORK STATE, 15 COMPUTER DRIVE WEST ALBANY NY 12205		699.00	699.00
BETTY HUDSON, 1627 K STREET, NW, #200 WASHINGTON DC 20006	FLUOR CORPORATION	5,000.00	1,729.00
HUDSON, LEFTWICH & DAVENPORT, SUITE 806 1101 15TH ST., NW WASHINGTON DC 20005	CITY OF DETROIT		
ROY M. HUFFINGTON, FIRST INTERNATIONAL PLAZA P.O. BOX 4455 HOUSTON TX 77210	ROY M. HUFFINGTON, INC		901.50
HUGHES HUBBARD & REED, SUITE 300 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	PFIZER, INC		
GREGORY A. HUMPHREY, 11 DUPONT CIRCLE, NW WASHINGTON DC 20036	AMERICAN FED OF TEACHERS	11,648.34	248.00
ROBERT R. HUMPHREYS, 1120 20TH STREET,N.W., S-520 WASHINGTON DC 20036	ARTHRITIS FOUNDATION	4,050.00	32.00
Do	HELEN KELLER NATIONAL CENTER	1,700.00	7.00
A. TRUMAN HUNT JR , MISSISSIPPI PETROLEUM COUNCIL P.O. BOX 42 JACKSON MS 39205	AMERICAN PETROLEUM INST		
DAVID A. HUNT, 1815 NORTH FORT MEYER DRIVE ARLINGTON VA 22209	AIR CONDITIONING & REFRIGERATION INSTITUTE	4,000.00	1,000.00
FREDERICK D. HUNT JR , 1800 M ST., NW SUITE 1030N WASHINGTON DC 20036	SOCIETY OF PROFESSIONAL BENEFIT ADMINISTRATORS		
ROBERT BRUCE HUNTER, 1801 N. MOORE STREET ARLINGTON VA 22209	AMERICAN ASSN OF SCHOOL ADMINISTRATORS		
ISABEL E. HYDE, 1800 K STREET, NW WASHINGTON DC 20006	GOODYEAR TIRE AND RUBBER CO	1,750.00	
INDEPENDENT BANKERS ASSOCIATION OF AMERICA, 1625 MASSACHUSETTS AVE., NW, #202 WASHINGTON DC 20036		78,509.00	33,124.28
JOHN H. INGRAM, NICKERSON-INGRAM & ASSOCIATES, INC 1150 17TH STREET, NW, #607 WASHINGTON DC 20036	MASSACHUSETTS BAY TRANSPORTATION AUTHORITY	17,803.51	932.66
INSTITUTE OF FOREIGN BANKERS, SUITE 303 EAST, RM. 23 200 PARK AVE. NEW YORK NY 10017		4,000.00	4,000.00
INTERNATIONAL BROTHERHOOD OF PAINTERS & ALLIED TRADES, 1750 NEW YORK AVE., NW WASHINGTON DC 20006			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
INTERNATIONAL UNION OF OPERATING ENGINEERS, 1125 17TH ST., NW WASHINGTON DC 20036			
JOHN ISAACS, 100 MARYLAND AVE., NE WASHINGTON DC 20002	COUNCIL FOR A LIVABLE WORLD	16,000.00	1,227.38
IVINS, PHILLIPS & BARKER, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	J.P. STEVENS & COMPANY, INC.	6,658.89	
BENJAMIN R. JACKSON, 1607 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20009	NORMAN D. SHUTLER	2,500.00	
CLARENCE L. JAMES JR., SUITE 505 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)	1,500.00	
JAPANESE AMERICAN CITIZENS LEAGUE, 1765 SUTTER STREET SAN FRANCISCO CA 94118			
HERBERT N. JASPER, 415 2ND ST., NE WASHINGTON DC 20002	AD HOC COMM FOR COMPETITIVE TELECOMMUNICATIONS	22,884.61	
PHILIP F. JEHLE, 1150 CONNECTICUT AVE., NW, #310 WASHINGTON DC 20036	SMITHKLINE BECKMAN CORP	1,500.00	375.00
KEMPTON B. JENKINS, SUITE 702 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ARMCO	600.00	363.08
WALTER W. JOHN, RM. 1414 SOUTH BUILDING USDA WASHINGTON DC 20250	ORGANIZATION OF PROFESSIONAL EMPLOYEES OF USDA	756.00	
RONALD P. JOHNSEN, SUITE 303 1625 EYE ST., NW WASHINGTON DC 20006	COLUMBIA GAS SYSTEM SERVICE CORP	175.00	279.56
CALVIN P. JOHNSON, HOFFHEIMER & JOHNSON 1120 20TH STREET, NW, #520 WASHINGTON DC 20036	COMPUTER SCIENCES CORPORATION	18,000.00	424.00
DOUGLAS JOHNSON, SUITE 402 419 7TH STREET, NW WASHINGTON DC 20004	NATIONAL RIGHT TO LIFE COMMITTEE, INC.	5,000.00	332.54
EDWARD JOHNSON, 1920 N STREET, NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
H. BRADLEY JOHNSON, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JOINT COUNCIL ON INTL CHILDRENS SERVICES FROM N.A., C/O WACAP P.O. BOX 2009 PORT ANGELES WA 98362			
JOINT MARITIME CONGRESS, 444 N. CAPITOL ST. WASHINGTON DC 20001		19,744.63	19,744.63
BEVERLY E. JONES, 2501 M ST., NW SUITE 380 WASHINGTON DC 20037	ASHLAND OIL, INC.		
Do	SISK, FOLEY, HULTIN & DRIVER (FOR: MAY CO)		
Do	TOSCO CORPORATION		
ROY C. JONES, 499 S. CAPITOL STREET, #101 WASHINGTON DC 20002	MORAL MAJORITY, INC.		
JONES, DAY, REAVIS & POGUE, 1735 I ST., NW WASHINGTON DC 20006	AMERICAN GREETINGS CORPORATION	993.00	23.14
Do	CITIES SERVICE CO		
Do	FOOD POLICY CENTER		
Do	MISSISSIPPI CHEMICAL CORP	2,610.00	93.11
DAVID W. JOYNER, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
ARDON B. JUDD JR , 1100 CONNECTICUT AVE., NW, #310 WASHINGTON DC 20036	DRESSER INDUSTRIES, INC.		
HANS KAEHLER, P.O. BOX 118 COLD SPRING HARBOR NY 11724	HANS KAEHLER		
H. RICHARD KAHLER, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO.		
LAUREL B. KAMEN, SUITE 702 1700 K STREET, NW WASHINGTON DC 20006	AMERICAN EXPRESS CO.		
KAYE, SCHOLER, FIERMAN, HAYS & HANDLER, 1575 I ST., NW SUITE 1150 WASHINGTON DC 20005	CHRIS CRAFT INDUSTRIES, INC.		
Do	DOW CHEMICAL COMPANY		
Do	ELSEVIER SCIENTIFIC PUBLISHERS	2,425.00	275.00
ROBERT J. KEEFE, 1625 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	KEEFE COMPANY (FOR: AMERICAN FAMILY LIFE ASSURANCE CO)	2,500.00	
Do	THE KEEFE CO. (FOR: CORDAGE INSTITUTE)	6,100.00	
Do	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)	3,500.00	
VICKI R. KEENAN, 1620 EYE ST. NW, SUITE 703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
ROBERT C. KEENEY, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	927.34	35.99
PAUL J. KELLEY, 2727 NORTH CENTRAL AVE. PHOENIX AZ 85004	U-HAUL INTL, INC		
KEMPER INVESTORS LIFE INSURANCE CO, 120 SOUTH LASALLE STREET CHICAGO IL 60603			1,821.08
FRANCES ANN KENKEL, SUITE 340 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC.	1,750.00	
WILLIAM F. KENNEDY, 3125 EASTON TURNPIKE BLDG. WS-23 FAIRFIELD CT 06431	GENERAL ELECTRIC CO		
VYTAUTAS KERBELIS, 69 COTTAGE ST. BAR HARBOR ME 04609	ARAS		
PAUL A. KIEFER, KIEFER & MORRISON 1341 G ST., NW, #602 WASHINGTON DC 20005	AMERICAN FUR INDUSTRY, INC; FUR CONSERVATION INST OF AMER	7,127.25	1,231.52
WILLIAM S. KIES, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
KILGORE & KILGORE, INC, 1800 FIRST NATIONAL BANK BLDG. DALLAS TX 75202	DEMINEX U.S. OIL CO	2,718.00	20,182.79
Do	TEXASGULF, INC.		20,111.41
PETER C. KIRBY, 1901 PENNSYLVANIA AVE.,N.W. WASHINGTON DC 20006	WILDERNESS SOCIETY	1,893.39	76.00
KIRKLAND & ELLIS, 1776 K ST., NW WASHINGTON DC 20006	AMERICAN NEWSPAPER PUBLISHERS ASSN	276.00	
DONALD R. KIRTLEY, 910 MARKET ST. WILMINGTON DE 19899	HERCULES INC.		
RALPH W. KITTLE, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO.	5,000.00	5,665.82
JAMES E. KNEALE, 2335 SOUTH MEADE ST. ARLINGTON VA 22202	LOCKHEED CORPORATION	260.00	160.39
PETER KNIGHT, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,875.00	263.86
KEITH R. KNOBLOCK, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
C. EUGENE KNODER, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY		
ROBERT L. KNOUS JR. SUITE A-201 1410 GRANT STREET DENVER CO 80203	COLORADO SKI COUNTRY USA		
LEONARD THOMAS KOCH, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORPORATION	2,750.00	72.00
JEANNE P. KOWALSKY, SUITE 500 1828 L ST., NW WASHINGTON DC 20036	SOUTHERN PACIFIC COMMUNICATIONS COMPANY	3,400.00	177.57
KRIVIT & KRIVIT, P.C. 101 DUDDINGTON PLACE, SE WASHINGTON DC 20003	CITY OF CAMDEN - OFFICE OF THE MAYOR		
BRUCE C. LADD JR., 1776 K STREET, NW WASHINGTON DC 20006	MOTOROLA, INC	16,500.00	16.00
ERIC T. LAITY, 1800 FIRST NATIONAL BANK BLDG. DALLAS TX 75202	DEMINEX U.S. OIL CO	7,500.00	
Do	TEXASGULF, INC.	7,500.00	
C. P. LAMBOS, 29 BROADWAY NEW YORK NY 10006	NEW YORK SHIPPING ASSN., INC.		160.00
THOMAS LAMOTHE, 1525 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	PUBLIC INTEREST ECONOMICS FOUNDATION	189.00	
LANE & EDSON, SUITE 400 SOUTH 1800 M ST., NW WASHINGTON DC 20036	NATIONAL LEASED HOUSING ASSN	450.00	
LANIER & COMPANY, INC., SUITE 501 1625 K ST., NW WASHINGTON DC 20006	SHELLFISH INSTITUTE OF NORTH AMERICA	9,000.00	6,900.00
R. JOSH LANIER, 1625 K STREET, NW, #501 WASHINGTON DC 20006	LANIER & COMPANY, INC. (FOR: SHELLFISH INSTITUTE OF NORTH AMERICA)	4,500.00	
WAYNE R. LAPIERRE JR , 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER.	1,125.00	652.50
LATHAM, WATKINS, & HILLS, SUITE 1200 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	COMMONWEALTH OF PUERTO RICO		
DENNIS LAVALLEE, 1016 20TH ST., NW WASHINGTON DC 20036	NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS	500.00	108.25
LEAGUE OF CALIFORNIA MILK PRODUCERS, 1225 8TH ST. SACRAMENTO CA 95814			4,819.65
DAVID A. LEFEVE, 1100 CONNECTICUT AVE., NW SUITE 200 WASHINGTON DC 20036	MERRILL LYNCH & CO., INC.		
DAVID A. LEFF, 444 NORTH CAPITOL WASHINGTON DC 20001	JOINT MARITIME CONGRESS	1,802.70	
LEIGHTON CONKLIN LEMOV JACOBS & BUCKLEY, SUITE 800 2033 M ST., NW WASHINGTON DC 20036	GREATER BOSTON REAL ESTATE BOARD		
Do	MUTUAL SAVINGS CENTRAL FUND, INC.	15,000.00	75.00
Do	SAVINGS BANKS ASSN. OF MASSACHUSETTS	8,000.00	150.00
DONNA LENHOFF, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
KAYE CONNIFF LEONARD, SUITE 510 1090 VERMONT AVE., NW WASHINGTON DC 20005	POTLATCH CORPORATION	130.90	
ROBERT LESMEISTER, 2801 E. OAKLAND PARK BLVD. FT. LAUDERDALE FL 33306	NATIONAL ASSN OF FEDERALLY LICENSED FIREARMS DEALERS		
LEVA HAWES SYMINGTON MARTIN & OPPENHEIMER, SUITE 1001 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	AMERICAN ELECTRONICS ASSN	1,200.00	
Do	BUSINESS ROUNDTABLE	1,285.00	
Do	SONY CORPORATION OF AMERICA	10,671.25	7,905.99
S.R. LEVERING, 100 MARYLAND AVENUE, N.E. WASHINGTON DC 20002	U.S. COMMITTEE FOR THE OCEANS		17.00
KENNETH S. LEVINE, SUITE 220 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	JOSEPH SEAGRAM & SONS, INC.	896.25	
ROGER N. LEVY, 600 PENNSYLVANIA AVENUE, SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC.	3,365.39	
JUDITH LICHTMAN, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
ROSS W. LILLARD, 2100 CHARTERBANK CENTER KANSAS CITY MO 64105	STINSON, MAG & FIZZELL (FOR: FARMLAND INDUSTRIES, INC)		
LILLICK MCHOSE & CHARLES, 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	JOHNSON SCANSTAR		763.72
Do	KAISER STEEL CORP	13,891.00	245.90
RICHARD A. LILLQUIST, SUITE 500 1090 VERMONT AVE., NW WASHINGTON DC 20005	FLEXIBLE PACKAGING ASSOCIATION		
RON M. LINTON, SUITE 200 1015 18TH ST., NW WASHINGTON DC 20036	DENVER TECHNOLOGICAL CENTER	4,302.00	
LINTON, MIELDS, REISLER & COTTONE, LTD., SUITE 200 1015 18TH ST., NW WASHINGTON DC 20036	AMBASSADOR BRIDGE CO.	3,000.00	
Do	COUNCIL OF POLLUTION CONTROL FINANCING AGENCIES	3,000.00	
Do	LAKE SUPERIOR DISTRICT POWER CO	371.00	
Do	MADISON GAS & ELECTRIC CO	824.00	
Do	METROPOLITAN SANITARY DISTRICT OF GREATER CHICAGO	4,560.00	
Do	NATIONAL ASSN OF URBAN FLOOD MANAGEMENT AGENCIES	1,800.00	
Do	NORTHERN STATES POWER CO	1,144.00	
Do	OREGON DEPT OF TRANSPORTATION	3,000.00	
Do	STATE OF IL, DEPT OF TRANS, DIV OF WATER RES	2,028.00	
Do	STATE OF IL, DEPT OF TRANSPORTATION	5,475.00	98.53
Do	SUPERIOR WATER, LIGHT & POWER CO	222.00	
Do	WISCONSIN ELECTRIC POWER CO.	4,200.00	64.00
Do	WISCONSIN POWER & LIGHT CO.	1,547.00	
Do	WISCONSIN PUBLIC SERVICE CORP	1,595.00	
ROBERT W. LONG, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	60.00	2.60
LORD, DAY & LORD, 1120 20TH ST., NW WASHINGTON DC 20036	CARGILL LEASING CORPORATION		
Do	CARGILL, INC.		
Do	CONTINENTAL GRAIN COMPANY	2,361.96	
CHARLES M. LOVELESS, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES, AFL-CIO	7,819.56	421.60
MATTHEW A. LOW, 1607 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20009	NORMAN D. SHUTLER	2,500.00	
CHARLES EMMET LUCEY, MCDERMOTT, WILL & EMERY, 1850 K ST., NW #500 WASHINGTON DC 20006	CATHOLIC PRESS ASSN		
WILLIAM F. LUDLAM SR , P.O. BOX 5282 VIRGINIA BEACH VA 23455	ARBA LICENSEES ASSN		309.80

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
SYLVESTER LUKIS, SUITE 200 1320 19TH STREET, NW WASHINGTON DC 20036	CRAMER, HOFFMAN & HABER, P.C. (FOR: CANAVERAL PORT AUTHORITY)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: CITY OF MIAMI)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: DADE COUNTY)		
Do	CRAMER, HOFFMAN & HABER, ORLANDO, P.A. (FOR: GLOBAL EXP. & DEV. CORP.)		
Do	CRAMER, HOFFMAN & HABER, P.C. (FOR: HOBBS CONSTRUCTION & DEVELOPMENT CO., INC.).		
M.A.N. TRUCK AND BUS CORPORATION, 201 S. COLLEGE STREET CHARLOTTE NC 28244			
SAMUEL A. MABRY, 1800 K ST., NW WASHINGTON DC 20006	HERCULES INC.	3,300.00	1,314.00
MARION M. MACRAE, 1800 K ST., NW, #920 WASHINGTON DC 20006	BANKAMERICA CORPORATION		
MANATT, PHELPS, ROTHENBERG & TUNNEY, SUITE 200 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN PACIFIC INTERNATIONAL, INC.		
Do	CSL ENERGY CONTROLS, INC.		
Do	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS		
Do	LUZ INTERNATIONAL LTD.		
Do	MID ATLANTIC NEPHROLOGY CENTER, LTD		
Do	NATIONAL INVESTMENT DEVELOPMENT CORPORATION		
Do	NATIONAL RESTAURANT ASSN		
Do	TEXAS AIR CORPORATION		
FREDERICK MANN, 4847 SOUTH HIGH SCHOOL ROAD INDIANAPOLIS IN 46241	PARENT ADVOCATE LOBBY, INC.		
MANUFACTURED HOUSING INST, 1745 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202		1,712.50	
MILTON C. MAPES, SUITE 409 110 MARYLAND AVE., NE WASHINGTON DC 20002	NATIONAL PEACE ACADEMY CAMPAIGN		
R. V. MARIANI, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	3,000.00	3,000.00
THOMAS P. MARINIS JR., 3418 FIRST CITY TOWER HOUSTON TX 77002	VINSON & ELKINS (FOR: GALVESTON WHARVES OF THE CITY OF GALVESTON, TEXAS).		
Do	VINSON & ELKINS (FOR: GUADALUPE BLANCO RIVER AUTHORITY)		
Do	MONTGOMERY COUNTY INDUSTRIAL DEVELOPMENT CORP		
PATRICIA MARKEY, SUITE 505 1899 L STREET, NW WASHINGTON DC 20036	UNITED DISTRIBUTION COMPANIES	1,542.00	112.00
PATRICIA MARKS, SUITE 1110 1411 K STREET, NW WASHINGTON DC 20005	NATIONAL WOMEN'S POLITICAL CAUCUS	3,000.00	38.35
CHARLES D. MATTHEWS, SUITE 700 1050 17TH ST., NW WASHINGTON DC 20036	NATIONAL OCEAN INDUSTRIES ASSN.	2,500.00	232.21
HERBERT S. MATTHEWS, BOX 72 MECHANICSVILLE MD 20659	MARTIN-MARIETTA AEROSPACE	7,475.00	66.96
K. C. MCALPIN, 2028 P STREET, NW, #100 WASHINGTON DC 20036	FAIR CONGRESSIONAL TASK FORCE, INC.	8,250.00	56.01
MCCLURE & TROTTER, SUITE 600 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CIGAR ASSOCIATION OF AMERICA, INC.		
MARIA S. MCCREA, SUITE 211 1825 CONNECTICUT AVE., NW WASHINGTON DC 20009	NATIONAL ASSN OF ARAB AMERICANS	1,187.00	400.00
E. T. MCDONALD, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	3,000.00	3,000.00
DARRYL D. MCEWEN, 901 N. WASHINGTON ST. ALEXANDRIA VA 22134	SOCIETY OF AMERICAN FLORISTS & ORNAMENTAL HORTICULTURISTS	2,500.00	
PHIL A. MCKEANEY, 11 DUPONT CIRCLE, NW WASHINGTON DC 20036	AMERICAN FED OF TEACHERS	6,882.00	192.00
MICHAEL R. MCLEOD, DAVIS & MCLEOD 499 SOUTH CAPITOL ST., SW WASHINGTON DC 20003	AMERICAN ASSN OF CROP INSURERS	312.50	
Do	CHICAGO BOARD OF TRADE	4,812.50	46.39
Do	FLORIDA SUGAR CANE LEAGUE, INC		
Do	LEAF TOBACCO EXPORTERS ASSN	156.25	
Do	NATIONAL CATTLEMEN'S ASSN		
Do	OLD REPUBLIC COMPANIES		
Do	RENEWABLE FUELS ASSOCIATION		
Do	SOCIETY OF AMERICAN FLORISTS		
Do	UNITED EGG PRODUCERS	62.50	
JANE PIERSON MCMICHAEL, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	11,296.32	33,887.37
FRANCIS X. MEANEY, SUITE 1025 1015 15TH ST., NW WASHINGTON DC 20005	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: GOLDMAN SACHS & CO).		
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: NORTHERN ENERGY CORPORATION).		
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: REFUSE FUELS, INC.)		
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: SCA SERVICES)		
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY, AND POPEO (FOR: SECURITIES INDUSTRY ASSN).	400.00	
NANINE MEIKLEJOHN, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	9,493.74	130.75
MERRILL LYNCH & CO., INC., SUITE 906 1828 L STREET, NW WASHINGTON DC 20036			1,800.00
SHARON L. MESSINGER, 7980 GALLOWS COURT VIENNA VA 22180	BOEING COMPUTER SERVICES		
METZGER, SHADYAC & SCHWARZ, ONE FARRAGUT SQUARE SOUTH WASHINGTON DC 20006	MELEX USA, INC.		
ANDRICE J. MICHAELS, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
LAURIE L. MICHEL, 1629 K STREET, N.W. WASHINGTON DC 20006	NABISCO BRANDS, INC.		
MILLER & CHEVALIER, CHARTERED, 655 15TH ST., NW WASHINGTON DC 20005	HERCULES INC.	300.00	
Do	INVESTORS DIVERSIFIED SERVICES, INC.	1,800.00	
JOSEPH S. MILLER, 19 3RD ST., NE WASHINGTON DC 20002	O & C COUNTIES ASSOCIATION		
Do	PORT OF PORTLAND		
Do	WESTERN FOREST INDUSTRIES ASSOCIATION	3,000.00	65.00
LINDA B. MILLER, 2550 M ST., NW SUITE 450 WASHINGTON DC 20037	VOLUNTEER TRUSTEES OF NOT-FOR-PROFIT HOSPITALS	5,000.00	30.50
MILLER, HAMILTON, SNIDER & ODOM, P.O. BOX 46 MOBILE AL 36601	THORNTON, FARISH & GAUNTT		527.77
CHARLES A. MONFORT, SUITE 1101 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	UNION OF CONCERNED SCIENTISTS	1,104.17	350.95
MICHAEL MONRONEY, SUITE 2700 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC.	1,000.00	
JOHN C. MONSUL, 923 RIVA RIDGE DRIVE GREAT FALLS VA 22066			
J. MICHAEL MORGAN, SUITE 802 2000 L STREET, NW WASHINGTON DC 20036	POPHAM, HAIK ET AL. (FOR: AMAX, INC.)		
Do	POPHAM, HAIK ET AL. (FOR: ROCKY MOUNTAIN ENERGY CO.)		
GERALD A. MORRIS, 11 DUPONT CIRCLE WASHINGTON DC 20036	AMERICAN FEDERATION OF TEACHERS/AFL-CIO	9,215.40	120.00
MORRISON & FOERSTER, 1920 N STREET, N.W. WASHINGTON DC 20036	REEF CORPORATION (FOR: EAGLE MANAGEMENT TRUST)	12,334.25	284.89
MUDGE ROSE GUTHRIE & ALEXANDER, 2121 K ST., NW WASHINGTON DC 20037	BASIN ELECTRIC POWER COOPERATIVE		
JAMES MULAR, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
PATRICIA MUNOZ, 323 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	AMERICAN RIVERS CONSERVATION COUNCIL		
JEANNE MARIE MURPHY, 1625 MASSACHUSETTS AVE., N.W. # 202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSOCIATION OF AMERICA	7,500.00	20.50
K. R. MURPHY, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	GULF OIL CORPORATION	1,000.00	
KEITH MURPHY, KEMP, KLEIN, ENDELMEN & BEER 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP.		15.00
RICHARD E. MURPHY, 2020 K ST., NW, #200 WASHINGTON DC 20006	SERVICE EMPLOYEES INTL UNION, AFL-CIO	1,000.00	101.00
MURRAY & SCHEER, SUITE 695 2550 M ST., NW WASHINGTON DC 20037	FEDERAL EXPRESS		
ROSEMARY GRIFFIN MURRAY, SUITE 901 1660 L ST., NW WASHINGTON DC 20036	PAN AMERICAN WORLD AIRWAYS, INC.	542.00	586.10
GARY D. MYERS, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	1,500.00	
NATA, SUITE 1200 1000 CONNECTICUT AVE., NW WASHINGTON DC 20006			
NATIONAL ABORTION RIGHTS ACTION LEAGUE, 1424 K ST., NW WASHINGTON DC 20005		6,192.34	
NATIONAL ASSN OF HOME BUILDERS OF THE U.S., 15TH & M STS., NW WASHINGTON DC 20005		44,300.06	89,609.00
NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS, 1016 20TH ST., NW WASHINGTON DC 20036		1,472.71	1,472.71
NATIONAL ASSN OF RAILROAD PASSENGERS, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003		39,216.75	26,885.87
NATIONAL ASSN OF REALTORS, 777 14TH ST., NW WASHINGTON DC 20005			47,382.39
NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES, 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036		55.27	4,937.29
NATIONAL BROILER COUNCIL, 1155 15TH ST., NW WASHINGTON DC 20005		1,750.00	1,750.00
NATIONAL COAL CONSUMERS ALLIANCE, SUITE 800 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006		526.00	526.00
NATIONAL COALITION OF TELECOMMUNICATIONS USERS & PROVIDERS, SUITE 108 115 D STREET, SE WASHINGTON DC 20003.		15,000.00	15,599.02
NATIONAL COMM FOR A HUMAN LIFE AMENDMENT, INC, SUITE 400 1707 L ST., NW WASHINGTON DC 20036		104,456.00	7,270.00
NATIONAL COMM FOR CITIZENS IN EDUCATION, 410 WILDE LAKE VILLAGE GREEN COLUMBIA MD 21044			
NATIONAL COMMUNITY ACTION FOUNDATION, INC., 2101 L STREET, N.W. SUITE 906 WASHINGTON DC 20037		50,486.00	37,462.00
NATIONAL COUNSEL ASSOCS, INC, 421 NEW JERSEY AVE., SE WASHINGTON DC 20003	GENEVA PACIFIC CORP.	1,715.00	
Do	HEUBLEIN, INC.	30,800.00	1,741.52
Do	SOUTHERN RAILWAY SYSTEM	21,270.00	1,333.52
Do	TOSCO	4,500.00	1,240.21
NATIONAL EDUCATION ASSN, 1201 16TH ST., NW WASHINGTON DC 20036		19,245.45	19,245.45
NATIONAL EMPLOYEE BENEFITS INST, SUITE 303 2550 M ST., NW WASHINGTON DC 20037		562.50	1,536.21
NATIONAL FAMILY FARM COALITION, 1151 MASSACHUSETTS AVE., NW WASHINGTON DC 20005			
NATIONAL FAMILY PLANNING & REPRODUCTIVE HEALTH ASSN, INC, 1110 VERMONT AVENUE, N.W. SUITE 950 WASHINGTON DC 20005.		47,675.00	2,264.00
NATIONAL FEDERATION OF COMMUNITY DEVELOPMENT CREDIT UNIONS, SUITE 1804 16 COURT STREET BROOKLYN NY 11201.			
NATIONAL FEDERATION OF LICENSED PRACTICAL NURSES, P.O. BOX 11407 214 SOUTH DR. DURHAM NC 27703		2,870.00	2,870.00
NATIONAL LEASED HOUSING ASSN. SUITE 400 SOUTH 1800 M ST., NW WASHINGTON DC 20036		450.00	450.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
NATIONAL MILITARY WIVES ASSN., INC., 2666 MILITARY RD. ARLINGTON VA 22207		6,941.00	218.07
NATIONAL PEACE ACADEMY CAMPAIGN, SUITE 409 110 MARYLAND AVE., NE WASHINGTON DC 20002		71,063.94	80,921.54
NATIONAL REHABILITATION ASSN. 633 S. WASHINGTON ST. ALEXANDRIA VA 223L4			4,500.00
NATIONAL RIFLE ASSOCIATION OF AMERICA, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036		163,358.00	116,788.00
NATIONAL RIGHT TO LIFE COMMITTEE, INC., SUITE 402 419 7TH ST., NW WASHINGTON DC 20004	NATIONAL RIGHT TO LIFE COMMITTEE, INC.	511,944.00	60,750.00
NATIONAL RURAL DEVELOPMENT & FINANCE CORP., SUITE 360 1300 19TH STREET, NW WASHINGTON DC 20036			2,500.00
NATIONAL RURAL HOUSING COALITION, 1016 16TH STREET, NW, #8G WASHINGTON DC 20036		6,766.00	14,200.51
NATIONAL TAXPAYERS UNION, 325 PENNSYLVANIA AVE., SE WASHINGTON DC 20003		10,723.25	8,425.00
NATIONAL TOUR BROKERS ASSOCIATION, INC., 120 KENTUCKY AVE. LEXINGTON KY 40502		22,270.00	22,270.00
NATIONAL TURKEY FEDERATION, RESTON INTERNATIONAL CENTER SUITE 302 RESTON VA 22091			311.75
NEILL & COMPANY, INC, SUITE 410 1100 17TH STREET, NW WASHINGTON DC 20036	GOVERNMENT OF EL SALVADOR		
KIMBERLY ANN NEILSEN, 2626 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVES ASSN	1,625.00	231.04
E. COLETTE NELSON, SUITE 540 8401 CORPORATE DRIVE LANDOVER MD 20785	AMERICAN SUBCONTRACTORS ASSN, INC	1,200.00	
GAYLORD NELSON, 1901 PENNSYLVANIA AVE., N.W. WASHINGTON DC 20006	WILDERNESS SOCIETY	403.12	
PETER M. NELSON, SUITE 920 1800 K STREET, NW WASHINGTON DC 20006	BANKAMERICA CORPORATION		23.48
E. JOHN NEUMANN, SUITE 820 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	BALTIMORE GAS & ELECTRIC CO.	1,941.79	562.38
NEW YORK SHIPPING ASSN, 80 BROAD ST. NEW YORK NY 10004			500.00
WILLIAM W. NICKERSON, SUITE 607 1150 17TH ST., NW WASHINGTON DC 20036	MASSACHUSETTS BAY TRANSIT AUTHORITY		
NONPROFIT MAILERS FEDERATION, SUITE 405 2550 M STREET, NW WASHINGTON DC 20037		6,500.00	5,614.77
M. KATHRYN NORDSTROM, SUITE 725 1575 EYE ST., NW WASHINGTON DC 20005	PACIFIC SEAFOOD PROCESSORS ASSN	3,750.00	24.00
J. HALLOCK NORTHCOTT, 1101 15TH ST., NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO.	2,000.00	
NORTHEAST UTILITIES SERVICE CO, SELDEN ST. BERLIN CT 06037			2,312.64
EDWARD M. NORTON JR., 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY		
JAMES NORTON, 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY	190.58	38.65
MICHAEL NOVELLI, 3012 CAMBRIDGE PLACE, NW WASHINGTON DC 20007	PACIFIC POTOMAC SERVICES		
DAVID D. O'BRIEN, O'BRIEN FIERCE & EBERLE, INC. 1828 L STREET, NW, #201 WASHINGTON DC 20036	UTILITY GROUP	14,490.00	60.00
LAWRENCE J. O'BRIEN JR., 1607 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20009	AMERICAN GLOBAL LINES, INC.	6,000.00	
Do	AT-SEA INCINERATION, INC.	6,000.00	
Do	NEW YORK CITY PARTNERSHIP	6,000.00	
TERRENCE M. O'CONNELL II , SUITE 505 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)	6,200.00	
JAMES W. O'DONNELL, 1601 CONNECTICUT AVENUE, NW WASHINGTON DC 20009	AMERICAN HEALTH PLANNING ASSOCIATION	1,875.00	65.00
O'KEEFE, ASHENDEN & LYONS, ONE FIRST NATIONAL PLAZA - SUITE 5100 CHICAGO IL 60603	AMERICAN INVSCO CORPORATION		
O'MELVENY & MYERS, 1800 M ST., NW WASHINGTON DC 20036	LOCKHEED CORPORATION	17,161.91	
O'NEAL & CLAASSEN, CHTD., SUITE 952 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	COMMODITY EXCHANGE, INC.	1,050.00	
Do	INTERNATIONAL PRECIOUS METALS CORP	1,050.00	
Do	NATIONAL AIR TANKERS ASSN.	5,000.00	
Do	NATIONAL REA TELEPHONE ASSN.		
O'NEILL AND HAASE, P.C., SUITE 1110 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	CHICAGO BOARD OF TRADE CLEARING CORP		
Do	HOLLY CORP		
Do	SANTERELLI AND GIMER		
MARY E. OAKES, 1800 K ST., NW WASHINGTON DC 20006	HERCULES INC.	3,975.00	49.73
NEIL H. OFFEN, 1730 M ST., NW WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION	1,000.00	238.83
OGILVY AND MATHER PUBLIC RELATIONS, SUITE 320 1901 L STREET, NW WASHINGTON DC 20036			
NANCY J. OLSON, 1025 CONNECTICUT AVE., NW, #214 WASHINGTON DC 20036	MANVILLE CORPORATION		
PHILIP C. ONSTAD, 500 WEST PUTNAM AVE. GREENWICH CT 06830	CONTROL DATA CORPORATION	50.00	548.72
CHARLES J. ORASIN, 810 18TH ST., NW WASHINGTON DC 20006	HANDGUN CONTROL, INC.	5,775.00	
MICHEL ORBAN, 1700 K ST., NW WASHINGTON DC 20006	AMERICAN EXPRESS CO.		
ORGANIZATION OF PROFESSIONAL EMPLOYEES OF USDA, RM. 1414 S. BUILDING U.S. DEPT OF AGRICULTURE WASHINGTON DC 20250.		1,632.63	1,155.86
ELVIRA J. ORLY, 1701 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	GETTY OIL COMPANY	3,158.00	453.21
JOSE A. ORTIZ-DALIOT, SUITE 410 1522 K STREET, NW WASHINGTON DC 20005	HOUSE OF REPRESENTATIVES - P.R.	3,000.00	85.00
LAW OFFICES OF JOSE ORTIZ-DALIOT, SUITE 410 1522 K ST., NW WASHINGTON DC 20005	PUERTO RICO MAYORS ASSN	4,500.00	110.00
GERI PALAST, SUITE 200 2020 K STREET, NW WASHINGTON DC 20006	SERVICE EMPLOYEES INTL UNION, AFL-CIO, CLC	5,000.00	207.50
GERARD PAUL PANARO, WEBSTER & CHAMBERLAIN 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	RETAIL BAKERS ASSN	2,525.00	
PARENTS ADVOCATE LOBBY, INC, 4847 S. HIGHT SCHOOL ROAD INDIANAPOLIS IN 46241			
JUDY E. PARK, 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	10,160.00	
ROBERT D. PARK, 2028 P STREET, NW WASHINGTON DC 20036	FAIR CONGRESSIONAL TASK FORCE, INC.	3,000.00	52.71
SARA LYNN PARKER, 1319 F. ST., NW SUITE 500 WASHINGTON DC 20004	FOOD RESEARCH & ACTION CENTER		
CARL F. PAUL, 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	BURCH & ASSOCIATES, P.C. (FOR: M.A.N. TRUCK & BUS CORP)		
PAUL WEISS RIFKIND WHARTON & GARRISON, 1714 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NEW YORK STATE TAX COMMISSION		
PAUL, HASTINGS, JANOFSKY & WALKER, 6TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AM GENERAL, INC.	1,475.00	
PEABODY, LAMBERT & MEYERS, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	MICHIGAN KNIFE CO	410.00	15.00
Do	NATIONAL MASS RETAILING INSTITUTE	1,800.00	17.00
Do	OPPOSE	765.00	40.25
Do	SEA & PINES, INC.	300.00	30.00
Do	GUARDIAN AD LITEM, AIR CRASH DISASTER NEAR SAIGON		
RONALD W PEARSON, 103 W. CEDAR STREET ALEXANDRIA VA 22301	CONSERVATIVES AGAINST LIBERAL LEGISLATION	1,500.00	
HUMBERTO R. PENA, 1155 15TH ST., NW WASHINGTON DC 20005	BRISTOL-MYERS CO	1,000.00	
DONALD PENNY, SUITE 250 2020 K ST., NW WASHINGTON DC 20006	WARNER COMMUNICATIONS INC.	5,000.00	3,978.08
PERITO, DUERK, CARLSON & PINCO, P.C., 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN COLLEGE OF NEUROPSYCHOPHARMACOLOGY	182.50	
A. HAROLD PETERSON, 715 CARGILL BLDG. MINNEAPOLIS MN 55402	NATIONAL R.E.A. TELEPHONE ASSN	1,500.00	413.78
STUART F. PIERSON, VERNER, LIIPFERT, BERNHARD, & MCPHERSON 1660 L ST., NW, #1100 WASHINGTON DC 20036	PAN AM, ET AL		
DOUG PIKE, 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY	311.85	47.85
DANIEL J. PILIERO II , 1750 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	AD HOC COMMITTEE FOR RESPONSIBLE TAX POLICY	4,500.00	1,650.00
SUMNER PINGREE, 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY	122.83	10.00
PLAINTIFFS' ANTITRUST LIAISON SOCIETY, SUITE 708 1776 K STREET, NW WASHINGTON DC 20006		9,000.00	10,777.41
ROBERT PLETT ASSOCIATES, 1745 JEFF-DAVIS HIGHWAY, #404 ARLINGTON VA 22202	ROBERT PLETT ASSOCIATES		
MICHAEL PODHORZER, SUITE 401 1300 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	250.00	68.00
MICHAEL A. POLING, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
POPULATION RESOURCE CENTER, INC, 622 THIRD AVE. NEW YORK NY 10017		3,353.00	11,363.00
POWELL GOLDSTEIN FRAZER & MURPHY, SUITE 1050 1110 VERMONT AVE., NW WASHINGTON DC 20005	GOVERNMENT OF NICARAGUA	5,000.00	
JANET POWER, 1620 I ST., NW WASHINGTON DC 20006	VISA USA, INC.		
PRATHER SEEGER DOOLITTLE & FARMER, 1101 16TH ST., NW WASHINGTON DC 20036	BANKER'S ASSN FOR FOREIGN TRADE	10,000.00	205.00
BEVERLY HINES PRINCE, 1620 EYE STREET N.W. WASHINGTON DC 20006	VISA USA, INC.		
JERRY C. PRITCHETT, SUITE 750 5530 WISCONSIN AVE., NW WASHINGTON DC 20015	MECHANICAL CONTRACTORS ASSN OF AMER, INC.		
PRO/LIFE CONGRESSIONAL DISTRICT 11, P.O. BOX 727 SAN CARLOS CA 94070		114.75	696.33
PROTECT THE INNOCENT, INC., 451 SOUTH INDIANA STREET MOORESVILLE IN 46158		1,290.00	
QUINTANA REFINERY COMPANY, P.O. BOX 3331 HOUSTON TX 77001			
RADNOR CORPORATION, P.O. BOX 1308 JUPITER FL 33458			13,828.56
LANI HUMMEL RALEIGH, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORP	5,000.00	150.05
CRAIG J. RANCOURT, SUITE 503 1825 K ST., NW WASHINGTON DC 20006	AMERICAN ASSN OF CLASSIFIED SCHOOL EMPLOYEES	5,042.97	5,042.97
HOWARD W. RANDOLPH JR , 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
ROBERT A. RAPOZA, SUITE 8G 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL RURAL HOUSING COALITION	7,499.96	
MAGDA RATAJSKI, P.O. BOX 1808 WASHINGTON DC 20013	NORFOLK SOUTHERN CORPORATION	1,000.00	
G. DAVID RAVENCRAFT, SUITE 507 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASHLAND OIL, INC.	2,000.00	
READING IS FUNDAMENTAL, INC., 600 MARYLAND AVE.,SW RM 500 WASHINGTON DC 20560			83.74
JOHN DANIEL REAVES, 910 16TH STREET, NW WASHINGTON DC 20006	PHARMACEUTICAL MANUFACTURERS ASSN	4,516.66	401.98
JANET S. REED, SUITE 501 100 MARYLAND AVE., SE WASHINGTON DC 20002	PARALYSIS CURE RESEARCH FOUNDATION		
PAULINE B. REEPING, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	NEW YORK SHIPPING ASSN, INC.		
JOSEPH M. REES, SUITE 505 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	DELTA DENTAL PLANS ASSOCIATION	1,500.00	83.50
Do	KEEFE COMPANY (FOR: YOUNG DRUG PRODUCTS)		
REID & PRIEST, 1111 19TH ST., NW WASHINGTON DC 20036	B. ALTMAN & CO.	8,735.00	102.31
Do	AMERICAN EXPRESS COMPANY	3,250.00	121.06
Do	CSX CORP	1,350.00	
Do	FRED T. FRANZIA, JOHN G. FRANZIA & JOSEPH S. FRANZIA		
Do	KAMEHAMEH SCHOOLS/BERNICE P. BISHOP ESTATE	7,825.00	
MARK REIHL, 5201 AUTH WAY RM 510 CAMP SPRINGS MD 20746	PFIZER, INC.		
WOLFGANG REINECKE, SUITE 840, LOCK BOX 340 PLAZA OF THE AMERICAS, NORTH TOWER DALLAS TX 75201	SEAFARERS INTERNATIONAL UNION	3,000.00	214.24
NOOLEY REINHEARDT, NOOLEY REINHEARDT & ASSOC. P.O. BOX 23190 WASHINGTON DC 20024	DEMINEX U.S. OIL COMPANY	37,125.00	
	RURAL BUILDERS COUNCIL OF CALIFORNIA		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
GEORGE E. RENAULT, 2108 YALE DRIVE ALEXANDRIA VA 22307	MANUFACTURED HOUSING INSTITUTE		
RENDON COMPANY, 1321 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003		47,620.00	3,762.94
RENEWABLE FUELS ASSOCIATION, 499 S. CAPITOL STREET, S.W. # 420 WASHINGTON DC 20003		1,792.86	27,524.71
RESERVE OFFICERS ASSN OF THE US, 1 CONSTITUTION AVE., NE WASHINGTON DC 20002	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	3,000.00	3,000.00
K. O. RICHARDSON, 815 16TH ST., NW WASHINGTON DC 20006	LEAR SIEGLER, INC.		
RUSSELL W. RICHARDSON, 201 GRAYSON COURT SUN CITY CENTER FL 33570	NATIONAL BROILER COUNCIL	750.00	
KERRI RIDENOUR, 1155 15TH STREET, NW WASHINGTON DC 20005	NATIONAL TAXPAYERS UNION	3,125.00	
LEONARD I. RIPPA, 325 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	AMERICAN EXPRESS CO.		
STEVEN M. ROBERTS, 1700 K STREET, N.W. WASHINGTON DC 20006	WILDERNESS SOCIETY		
TOM ROBINSON, SUITE 321 419 6TH ST. JUNEAU AK 99801	CONSOLIDATED RAIL CORPORATION		
HOWARD W. ROBISON, 10 WEST SIDE DRIVE REHOBOTH BEACH DE 19971	PAN AMERICAN WORLD AIRWAYS, INC.		
ROGERS & WELLS, 1737 H STREET, NW WASHINGTON DC 20006	BACARDI CORPORATION	29,865.00	766.88
ROGERS HOGE & HILLS, SUITE 301 1111 19TH STREET, NW WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP.		
LEE ROGERS, 3000 TOWN CENTER SOUTHFIELD MI 48075	HAUCK & ASSOCIATES, INC (FOR: HEARING INDUSTRIES ASSN)		
CAROLE M. ROGIN, 1800 M STREET, NW, #1030 WASHINGTON DC 20036	PFIZER, INC.	200.00	379.67
BURT ROSEN, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CITIZEN/LABOR ENERGY COALITION		
EDWIN ROTHSCHILD, 2000 P ST., NW, #310 WASHINGTON DC 20036	JOINT MARITIME CONGRESS	3,028.20	
GLORIA CATANEO RUDMAN, SUITE 801 444 N. CAPITOL ST., NW WASHINGTON DC 20001	ORKIN EXTERMINATING CO.		
ROBERT M. RUSSELL, 2170 PIEDMONT RD., NE ATLANTA GA 30324	AMERICAN ASSN OF BIOANALYSTS/INTL SOC OF CLINICAL LAB TECHS		123.50
J. T. RUTHERFORD & ASSOCIATES, INC., SUITE 514 1660 L ST., NW WASHINGTON DC 20036	AMERICAN COLLEGE OF RADIOLOGY		101.20
Do	AMERICAN OPTOMETRIC ASSN		110.30
Do	LIBERTY LOBBY, INC.		
VINCENT J. RYAN, 300 INDEPENDENCE AVENUE, SE WASHINGTON DC 20003	NATIONAL ASSN OF ARAB AMERICANS	3,000.00	425.00
DAVID J. SADD, 1825 CONNECTICUT AVE., NW WASHINGTON DC 20009	WILDERNESS SOCIETY	757.02	23.40
V. ALARIC SAMPLE JR., 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	NATIONAL TREASURY EMPLOYEES UNION	7,061.25	
WILLIAM SAMUEL, 1730 K ST., NW SUITE 1101 WASHINGTON DC 20006	FAIR CONGRESSIONAL TASK FORCE, INC.	3,675.00	214.20
LINDA SAMUELSON, 2028 P STREET, NW, #100 WASHINGTON DC 20036	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN	300.00	
PETER G. SANDLUND, 1725 EYE ST., NW, #315 WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	3,135.00	35.00
MARK L. SCHAFFER, ASHCRAFT & GEREL 2000 L STREET, NW, #700 WASHINGTON DC 20036	INTERNATIONAL ASSN OF FIRE FIGHTERS	11,657.88	
HAROLD A. SCHAITBERGER, 1750 NEW YORK AVE. WASHINGTON DC 20006	WASHINGTON INDEPENDENT WRITERS, INC.		
RONALD A. SCHECHTER, GOLDFARB, SINGER & AUSTERN, 918 16TH ST., NW WASHINGTON DC 20006	WASTE MANAGEMENT, INC.		
JACK J. SCHRAMM, SUITE 607 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	DOMESTIC PETROLEUM COUNCIL, INC.		
MARSHA SCHRAMM, 1101 CONNECTICUT AVE., NW, #406 WASHINGTON DC 20036	GAS APPLIANCE MFGRS ASSN, INC.		90.00
STANLEY W. SCHROEDER, 1901 N. FT. MYER DRIVE ARLINGTON VA 22209	PUBLIC CITIZEN, INC.	2,000.00	
WILLIAM B. SCHULTZ, SUITE 700 2000 P ST., NW WASHINGTON DC 20036	PIASECKI AIRCRAFT CORPORATION	763.13	284.34
SCHWABE, WILLIAMSON, WYATT, MOORE & ROBERTS, SUITE 302 1000 POTOMAC ST., NW WASHINGTON DC 20007	COALITION FOR LEGAL SERVICES	9,999.96	601.32
BARI SCHWARTZ, 1625 K STREET, NW WASHINGTON DC 20006	TOSCO CORPORATION	10,000.00	
HARRY K. SCHWARTZ, 1800 M ST., NW SUITE 400 SOUTH WASHINGTON DC 20036	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
STEVE AARON SCHWARTZ, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	NATIONAL ASSN OF REALTORS	1,062.50	60.12
SALLY SCIACCA, 777 14TH STREET, NW WASHINGTON DC 20005	POPHAM, HAIK ET AL. (FOR NEWCOMB SECURITIES CO)		
CHARLES M. SEEGER III, SUITE 200 2000 L STREET, NW WASHINGTON DC 20036	AMERICAN AGRICULTURE MOVEMENT, INC.	4,500.00	
DAVID SENTER, 100 MARYLAND AVENUE, NE, SUITE 500A, BOX 69 WASHINGTON DC 20002	FAIR CONGRESSIONAL TASK FORCE, INC.	4,999.98	103.51
GEOFFREY SERRALL, 2028 P STREET, NW, #100 WASHINGTON DC 20036	SUGAR ASSOCIATION, INC.		
SARAH SETTON, 1511 K ST., NW WASHINGTON DC 20005	MONSANTO CO.	400.00	82.86
LLOYD D. SHAND, 1101 17TH ST., NW WASHINGTON DC 20036	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
JAMES E. SHAW, SUITE 511 815 16TH ST., NW WASHINGTON DC 20006	BANKAMERICA CORPORATION	428.97	2,105.23
KAREN DOLMATCH SHAW, SUITE 920 1800 K ST., NW WASHINGTON DC 20006	FARMERS FOR FAIRNESS		
SHAW PITTMAN POTTS & TROWBRIDGE, 1800 M ST., NW, #900-S WASHINGTON DC 20036	AMORY HOUGHTON, SR., ET AL.		2,463.11
SHEARMAN & STERLING, 153 EAST 53RD ST. NEW YORK NY 10005	REPUBLICANS ABROAD		
LOIS BURKE SHEPARD, 8602 HIDDEN HILL LANE POTOMAC MD 20854	A.E. STALEY MFGR CO	3,000.00	271.61
DALE SHERWIN, 1735 I ST., NW, #717 WASHINGTON DC 20006	ALABAMA FARM BUREAU FEDERATION		
Do	HANDGUN CONTROL, INC.	7,820.00	
NELSON T. SHIELDS, 810 18TH ST., NW WASHINGTON DC 20006	ATLANTIC CONTAINER LINE		
SHORT, KLEIN & KARAS, P.C., SUITE 303 1101 13TH STREET, NW WASHINGTON DC 20007	CLAYTON MFRG CO.	4,000.00	2,500.00
NORMAN D. SHUTLER, 1607 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20006		212,052.03	212,052.03
SIERRA CLUB, 530 BUSH ST. SAN FRANCISCO CA 94108	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	11,528.28	281.94
STEPHEN SILBIGER, 1625 L ST., NW WASHINGTON DC 20036	JACQUES BOREL		
SILVERSTEIN & MULLENS, 1776 K ST., NW WASHINGTON DC 20006	WILDERNESS SOCIETY	40.43	3.90
JON SIMMS, 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006			
J. R. SIMPLOT CO, P.O. BOX 27, BOISE ID 83707	FIRST MISSISSIPPI CORPORATION	2,000.00	
WILLIAM G. SIMPSON, SUITE 424 1155 15TH STREET, NW WASHINGTON DC 20005	FIRST MISSISSIPPI NATIONAL BANK	1,000.00	
Do	MISSISSIPPI POWER & LIGHT COMPANY	2,000.00	
Do	J.R. SCRIBNER ENTERPRISES	2,000.00	
Do	STATE OF MISSISSIPPI	3,000.00	
Do	NATIONAL PUBLIC RADIO		
MARGARET SIMS, 2025 M STREET, NW WASHINGTON DC 20036	SOAP & DETERGENT ASSN.		
ROBERT C. SINGER, 475 PARK AVE., SO. AT 32ND ST. NEW YORK NY 10016	HEFFERNAN & MOSEMAN	2,800.00	
RICHARD L. SINNOTT & CO, SUITE 306 2021 K ST., NW WASHINGTON DC 20006	RICHARD L. SINNOTT & CO.	34,437.50	17,339.18
Do	ASHLAND OIL, INC.		
SISK, FOLEY, HULTIN & DRIVER, 2501 M ST., NW SUITE 380 WASHINGTON DC 20037	MAY CO.		
Do	TOSCO CORPORATION	994.50	20.00
Do	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	8,986.00	
STEPHEN L. SKARDON JR , 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN FED OF GOVERNMENT EMPLOYEES, LOCAL 1812	708.00	
BETH SUSAN SLAVET, ROOM 164 1776 PENNSYLVANIA AVE., NW WASHINGTON DC 20547	AMERICAN EXPRESS CO.		
HUGH H. SMITH, 1700 K ST., #707 WASHINGTON DC 20036	UNITED DISTRIBUTION CO.		
ROBERT N. SMITH, SUITE 210 255 EAST BROWN ST. BIRMINGHAM MI 48011	JOURNAL COMPANY		
STEVEN S. SNIDER, SUITE 600 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006		231.00	231.00
SOCIETY FOR NUTRITION EDUCATION, 1736 FRANKLIN STREET OAKLAND CA 94612	PUBLIC SERVICE ELECTRIC & GAS CO.		
WILLIAM L. SOLLEE, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY	3,453.15	125.69
TERRY SOPHER, 1901 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FISHERMENS COMMITTEE		
PHILIP P. SOUTH, 1100 MAINE AVENUE, SW WASHINGTON DC 20024	FLUOR CORPORATION	10,000.00	3,293.00
CHARLES E. SOUTHWICK, 1627 K STREET, NW, #200 WASHINGTON DC 20006	PUBLIC SECURITIES ASSN.		
SQUIRE, SANDERS & DEMPSEY, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	NATIONAL CONSTRUCTORS ASSN.		
SQUIRES & FOOTE, 1000 POTOMAC STREET, NW WASHINGTON DC 20007	MANUFACTURED HOUSING INSTITUTE	750.00	75.52
LOIS STARKEY, 156 DUDDINGTON PLACE, SE WASHINGTON DC 20013	NATIONAL COMPUTER GRAPHICS ASSN.		
ROBERT H. STEEL, 8401 ARLINGTON BLVD. FAIRFAX VA 22031	BOEING COMPANY	1,115.35	719.13
WILLIAM N. STEELE, 1700 NORTH MOORE ST. ROSSLYN VA 22209	UNITED SERVICES AUTOMOBILE ASSN.		
WILLIAM P. STEPONKUS, STEPONKUS & ASSOCIATES 815 CONNECTICUT AVE., NW, #810 WASHINGTON DC 20006	AMERICAN WOMEN'S CLERGY ASSN.		
IMAGENE STEWART, 214 P ST., NW WASHINGTON DC 20001	FOOD RESEARCH & ACTION CENTER		
JACK MARK STOLIER, SUITE 500 1319 F STREET, NW WASHINGTON DC 20004	INTERNATIONAL MILITARY CLUB EXECUTIVES' ASSN.		
RICHARD BOYLE STOREY, 455-B CARLISLE DR. HERNDON VA 22070	PARENT ADVOCATE, INC.		
ROS STOVALL, 2346 S. LYNHURST DRIVE, #E101 INDIANAPOLIS IN 46241	INSTITUTE FOR PUBLIC REPRESENTATION	100.00	
KAREN PELTZ STRAUSS, 600 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	CAST NORTH AMERICA LTD.		
RICHARD H. STREETER, 1729 H STREET, NW WASHINGTON DC 20006	HOUSTON NATURAL GAS CORP.		
GEORGE W. STRONG, 1211 HYDE PARK HOUSTON TX 77006	NORTHEAST UTILITIES SERVICE CO.	1,295.70	1,016.94
EUGENE F. STURGEON, 182 CRATER LANE KENSINGTON CT 06037	ARMCO INC.	1,521.00	219.00
J. MITCHELL SUMMERS, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	PLANTIFF CLASS, CORRUGATED CONT. ANTI-TRUST LIT.		415.36
STEPHEN D. SUSMAN, SUSMAN, GODFREY & MCGOWAN 1200 MILAM, SUITE 900 HOUSTON TX 77002	COUNCIL OF INDUSTRIAL BOILER OWNERS		
SUTHERLAND ASBILL & BRENNAN, 1666 K ST., NW WASHINGTON DC 20006	HOLLYWOOD, INC.		
Do	INDUSTRIAL OIL CONSUMERS GROUP		
Do	LOYAL TRUST		
Do	PROCESS GAS CONSUMERS GROUP		
Do	PHARMACEUTICAL MANUFACTURERS ASSN.		
IRVING W. SWANSON, 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	5,000.00	1,107.26
DONALD R. SWEITZER, 815 16TH ST., NW WASHINGTON DC 20006	NATIONAL ASSN FOR HOSPITAL DEVELOPMENT		
SWIDLER, BERLIN & STRELOW, CHTD., 1000 THOMAS JEFFERSON STREET, NW, WASHINGTON DC 20007	UNITED STATES AUTOMOBILE ASSN.	715.00	18.00
DANIEL J. SWILLINGER, 920 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL FAMILY PLANNING AND REPRODUCTIVE HEALTH ASSOC., INC	1,038.00	
SCOTT R. SWIRLING, SUITE 950 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	FAIR CONGRESSIONAL TASK FORCE	450.00	
MARY LOU TANTON, 2028 P STREET, NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
WILLIAM M. TARTIKOFF, 1775 K ST., NW WASHINGTON DC 20006			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
LLOYD V. TEMME, 1260 21ST STREET, NW WASHINGTON DC 20005	LLOYD V. TEMME		
TEXASGULF, INC., HIGH RIDGE PARK STAMFORD CT 06904			2,894.69
MESHALL THOMAS, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
THOMPSON & MITCHELL, SUITE 3400 ONE MERCANTILE CENTER ST. LOUIS MO 63101	CROWN LIFE INSURANCE CO	51,820.00	6,179.89
CHARLES P. THOMPSON, P.O. BOX 21666 PHOENIX AZ 85036	ARIZONA PUBLIC SERVICE COMPANY	1,000.00	317.19
VICKI THOMPSON, SUITE 517 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SAN DIEGO GAS & ELECTRIC CO	600.00	71.20
ROBERT N. THOMSON, ONE LANDMARK SQ. STAMFORD CT 06901	MOORE MCCORMACK RESOURCES, INC		275.43
JAMES L. THORNE, P.O. BOX 2511 HOUSTON TX 77001	TENNESSEE GAS TRANSMISSION CO		
GRACE F. THORPE, P.O. BOX 1517 TAHLEQUAH OK 74464			
GIL THURM, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	
TIETZ & O'CONNELL, 107 WEST JEFFERSON STREET ROCKVILLE MD 20850	Y & M STEEL CONTRACTORS, INC		
MICHAEL L. TINER, 1775 K ST., NW WASHINGTON DC 20006	UNITED FOOD & COMMERCIAL WORKERS INTL UNION	10,500.00	894.51
RON TIPTON, 1901 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	WILDERNESS SOCIETY	1,695.64	37.25
DAVID G. TODD, 1025 CONNECTICUT AVE., NW, #507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
WILLIAM D. TOOHEY, 1899 L ST., NW, #600 WASHINGTON DC 20036	TRAVEL INDUSTRY ASSOCIATION OF AMERICA		
JOSEPH P. TRAINOR, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	3,000.00	708.65
TRANSAFRICA, 545 8TH STREET, SE, #200 WASHINGTON DC 20003		28,128.00	40,711.35
TRAVEL INDUSTRY ASSOCIATION OF AMERICA, 1899 L ST., NW WASHINGTON DC 20036			
ROBERT C TROUP, 730 SMITH RIDGE RD NEW CANAAN CT 06840			
THOMAS TRUAX, 1401 21ST STREET SACRAMENTO CA 95814	AMERICAN HEALTH CARE ASSN	3,000.00	
TUCKER & BROWN, SUITE 1330 WESTERN FEDERAL SAVINGS BLDG. 718 17TH STREET DENVER CO 80202	MANVILLE CORP		
Do	PETRO-LEWIS CORPORATION		
Do	REGIONAL TRANSPORTATION AUTHORITY	500.00	
WILLIAM A. TURNAGE, 1901 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	WILDERNESS SOCIETY	127.02	20.00
U.S. COMMITTEE FOR THE OCEANS, 100 MARYLAND AVE., NE WASHINGTON DC 20002			17.00
CHARLES K. UNGER, SUITE 601 307 YOAKUM PARKWAY ALEXANDRIA VA 22304	NATIONAL ASSN OF STEVEDORES	2,750.00	230.00
UNITED FOOD & COMMERCIAL WORKERS INTL UNION, 1775 K ST., NW WASHINGTON DC 20006		136,431.41	47,082.85
JOHN A. VANCE, 1050 17TH ST., NW, #1180 WASHINGTON DC 20036	PACIFIC GAS & ELECTRIC CO	3,862.00	2,206.55
JOHN P. VENNERS, 1899 L ST., NW, #1250 WASHINGTON DC 20036	VENNERS & CO (FOR: KOCH INDUSTRIES)		
VERNER, LIIPFERT, BERNHARD & MCPHERSON, 1660 L ST., NW WASHINGTON DC 20036	SEMICONDUCTOR INDUSTRY ASSOCIATION	6,353.00	
JOHN C. VICKERMAN, 2121 O STREET, NW 2021 K STREET, NW WASHINGTON DC 20037	INTERNATIONAL CONFERENCE INDUSTRY ASSN		
BRENDA R. VIEHE-NAESS, 1025 CONNECTICUT AVE., NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
RUDOLPH A. VIGNONE, 1800 K ST., NW, #800 WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER CO	3,500.00	
RON VLASKAMP, 323 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	AMERICAN RIVERS CONSERVATION COUNCIL		
VOLUME FOOTWEAR RETAILERS OF AMERICA, 1319 F ST., NW WASHINGTON DC 20004			
ABE J. VORON, 6204 WHITE OAK LANE TAMARAC FL 33319	NATIONAL RADIO BROADCASTERS ASSOCIATION	1,975.00	2,800.00
WALD, HARKRADER & ROSS, 1300 19TH ST., NW WASHINGTON DC 20036	AMERICAN PAPER INSTITUTE		
Do	LIFELINE SYSTEMS, INC		
MARTIN A. WALL, 1025 VERMONT AVENUE, NW, #800 WASHINGTON DC 20005	AMERICAN OSTEOPATHIC HOSPITAL ASSOCIATION		2,033.00
ROGER W. WALLACE, FIRST INTERNATIONAL PLAZA P.O. BOX 4455 HOUSTON TX 77210	ROY M. HUFFINGTON, INC		8,754.94
CHARLES S. WALSH, FLEISCHMEN & WALSH 1725 N ST., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC		
JAMES WANKO, 901 N. WASHINGTON ST. ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS & ORNAMENTAL HORTICULTURISTS		
GEORGE B. WATTS, 1155 15TH ST., NW WASHINGTON DC 20005	NATIONAL BROILER COUNCIL	1,000.00	
RAYMOND J. WEATHERLY, 2733 CARTER FARM COURT ALEXANDRIA VA 22306	MANUFACTURED HOUSING INST	962.50	147.48
GEOFFREY WEBB, 530 7TH STREET, SE WASHINGTON DC 20003	FRIENDS OF THE EARTH	810.00	
PAUL WECKSTEIN, SUITE 510 236 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20002	CENTER FOR LAW AND EDUCATION, INC	117.39	
LEE J. WEDDIG, SUITE 700 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL FISHERIES INST		4,000.00
JACK R. WEHRLY, 1800 M ST., NW SUITE 710 SOUTH WASHINGTON DC 20036	DOW CORNING CORPORATION		
ARTHUR E. WEISBERG, SUITE 675 NORTH 1200 18TH ST, NW WASHINGTON DC 20036	DORSEY & WHITNEY		
WELLFORD, WEGMAN, KRULWICH, GOLD & HOFF, 1015 18TH STREET, NW, #802 WASHINGTON DC 20036	CANADIAN EMBASSY	650.00	
Do	COUPON BOND TAX COMMITTEE		
Do	DEPARTMENT OF NATURAL RESOURCES, PROVINCE OF MANITOBA	4,700.00	
Do	FIRST NATIONAL BANK IN HARVEY		
THOMAS F. WENNING, 1825 SAMUEL MORSE DRIVE RESTON VA 22090	NATIONAL ASSN OF RETAIL GROCERS OF THE U.S.		
SHIRLEY H. WESTER, 1601 CONNECTICUT AVENUE, NW WASHINGTON DC 20009	AMERICAN HEALTH PLANNING ASSOCIATION	1,250.00	56.80
WESTERN ORGANIZATION OF RESOURCE COUNCILS, 317 PENNSYLVANIA AVE., SE WASHINGTON DC 20003		12,635.00	1,652.92
LAURIE A. WESTLEY, 1411 K STREET, NW, #1100 WASHINGTON DC 20005	NATIONAL WOMEN'S POLITICAL CAUCUS	3,544.77	42.60
STEPHEN M. WHEELER, 530 7TH STREET, SE WASHINGTON DC 20003	FRIENDS OF THE EARTH	1,230.00	
CLEM WHITE, 1023 GREENE STREET AUGUSTA GA 30901	DSM, NORTH AMERICA, INC., ET AL		
SUNNY L. WHITE, 1100 MAINE AVENUE, SW WASHINGTON DC 20024	FISHERMENS COMMITTEE		
BRYAN K. WHITEHEAD, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
WICKWIRE, LEWIS, GOLDMARK, & SCHOOR, 500 MAYNARD BLDG. SEATTLE WA 98104	PUBIC HEALTH HOSPITAL PRESERVATION & DEVELOPMENT AUTHORITY	2,299.00	1,497.27
WILKINSON, CRAGUN & BARKER, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS	77.00	223.50
Do	INDEPENDENT DATA COMMUNICATIONS MANUFACTURERS ASSOCIATION	874.50	156.48
Do	STATE OF HAWAII, DEPT OF REGULATORY AGENCIES		
RALPH E. WILLHAM, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTL ASSN	8,977.50	
WILLIAMS & CONNOLLY, 839 17TH ST., NW WASHINGTON DC 20006	COUNCIL OF STATE HOSPITAL FINANCE AUTHORITIES	371.25	
Do	TWENTIETH CENTURY-FOX FILM CORP	33.75	
WILLIAMS & JENSEN, P.C., 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN PHYSICAL THERAPY ASSN		
Do	THOMAS L. ASHLEY, P.C	200.00	
Do	BURGER KING CORP	612.50	98.47
Do	CENTURY 21 REAL ESTATE CORP	2,702.50	354.57
Do	CIGNA	75.96	728.64
Do	COMM. FOR THE IMPROVE. OF THE TAX LAWS ON ANNUITY TAXATION	1,383.00	177.24
Do	COMMITTEE FOR EMPLOYMENT OPPORTUNITIES	2,050.00	236.32
Do	COMPETITIVE TELECOMMUNICATION COALITION		
Do	CONSOLIDATED FOODS CORP		315.08
Do	ESTEE LAUDER, INC	1,725.00	177.24
Do	FEDERATION FOR AMERICAN IMMIGRATION REFORM		413.56
Do	FIRST BOSTON CORP	1,212.50	177.24
Do	GENERAL ELECTRIC CREDIT CORP	5,825.00	590.78
Do	HIGHER EDUATION ASSISTANCE FOUNDATION	20.00	591.00
Do	HOUSTON ENDOWMENT, INC		315.08
Do	IU INTERNATIONAL MANAGEMENT CORP	4,293.50	669.56
Do	KELLOGG COMPANY	1,937.50	177.24
Do	KRAUSE MILLING CO	285.00	78.77
Do	MUSTANG FUEL CORPORATION	3,217.50	472.64
Do	NATIONAL ASSN OF WATER COS	1,485.00	216.62
Do	NATIONAL CABLE TELEVISION ASSN	750.00	78.77
Do	NATIONAL SOFT DRINK ASSN		
Do	NATIONWIDE INSURANCE COMPANIES		98.47
Do	OLYMPIA & YORK DEVELOPMENTS LTD		
Do	OLYMPIA & YORK EQUITY CORP		
Do	PARALYZED VETERANS OF AMERICA	367.00	59.08
Do	PFIZER, INC		177.24
Do	PROTECTIVE CORPORATION	45.00	7.88
Do	RECORDING INDUSTRY OF AMERICA, INC	2,950.00	334.77
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Do	SOUTHERN RAILWAY SYSTEM		
Do	SOUTHLAND ROYALTY CO	1,067.00	78.77
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BARRY WILLIAMS, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	5,123.44	
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DANIEL R. WRIGHT, 540 MADISON AVENUE NEW YORK NY 10022	BARON/CANNING & COMPANY, INC (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN).		
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BARNABY W. ZALL, 2028 P ST.,NW WASHINGTON DC 20036	FAIR CONGRESSIONAL TASK FORCE, INC	7,302.24	71.00
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13TH CONGRESSIONAL DISTRICT ACTION COMM, 986 VICAR LANE SAN JOSE CA 95117		15.00	103.75
13TH PRO-LIFE CONGRESSIONAL DISTRICT ACTION COMMITTEE, 6308 MIDNIGHT PASS RD. SARASOTA FL 33581			
5TH PRO-LIFE CONG DISTRICT ACTION COMM (FL), C/O MR. JOHN KELLEY 1120 MICHIGAN BLVD. DUNEDIN FL 33528		150.00	131.69

EXTENSIONS OF REMARKS

A CASE AGAINST PROTECTIONISM AND FOR A MORE COMPETITIVE AMERICA

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. FRENZEL. Mr. Speaker, on January 20, Ed Spencer, chairman of Honeywell, Inc., delivered a paper on United States-Japan Trade and Investment Issues to the governing board of the Electronics Industry Association.

Mr. Spencer surveys the Japanese competition and the Japanese market in part I of his paper, and in part II he examines actions which threaten exports-embargoes, restrictions reciprocity legislation, and local content legislation—and suggests instead actions to protect import threatened industries and 12 specific measures to encourage U.S. foreign trade and investment.

The paper is must reading for those interested in foreign investment and export expansion. It is too long for full reproduction here, but I will furnish it on request. The section dealing with specific measures to encourage trade expansion follows:

TWELVE POSITIVE MEASURES TO ENCOURAGE U.S. FOREIGN TRADE AND INVESTMENT

There are a number of positive measures industry and government can and should take together to expand our foreign trade and investment. The Reagan Administration and Congress have taken some such steps, but much remains to be done to stimulate both exports and foreign investments, the latter in turn stimulating more exports as well as earning interest and dividends. This list is not all-inclusive, but indicates where action can begin.

1. *Fiscal and monetary policy.*—Nothing is more important to the economic health of our industry than fiscal policies that encourage saving and investment and monetary policies that assure long-term, non-inflationary growth. Recent steps to increase cash flow in some industries by speeding depreciation schedules, to improve tax credits for investments, to stimulate investment in new venture businesses by reducing capital-gains taxes, and to lower income taxes are very positive and over a long time period will increase the productivity and competitiveness of American industry. The 25-percent tax credit for an increase in qualifying R&D expenses is also a positive step, but should be expanded to include all R&D, or at least to permit a higher incremental portion of R&D to qualify for the credit. Also, the credit should become permanent, and not be allowed to expire in 1985. The suspension of IRS regulations on the allocation of R&D expenses to foreign source income should also be made permanent.

I won't comment on the massive Federal deficit, except to observe that it must be reduced. If not, industrial demands for credit in an expanding economy will compete with government borrowing, signaling higher interest rates and an early return of inflation.

2. *Industrial policy.*—We have been criticized for the absence of a national industrial policy and the Japanese praised for having one that builds future industrial strengths, rather than protecting non-competitive and out-of-date industries. The Japanese, incidentally also handle the latter very well and are already talking about what to do with displaced auto workers when Toyota, Nissan, and Honda are no longer internationally competitive. There are in the United States a rising number of proposals for some type of government-funded Reconstruction Finance Corporation or sectoral approach to channel low cost funds to target industries, or to industries in economically depressed areas.

The complexity and diversity of our political system may make the selection of such target industries impossible on a national basis. It might be done within states, and indeed is being tried in some. There are opportunities within the Federal R&D budget to help specific industries, and funds to help industry retrain displaced workers are of some value.

The best industrial policy, however, is to let the market decide which industries expand and which contract. This in turn will work best in a political climate which provides a fiscal and monetary policy that encourages productive investment.

3. *Federal Research and Development.*—5.6 percent of the federal budget is for research and development, the largest part going to the Department of Defense, National Institutes of Health, NASA, the Department of Energy (for nuclear related R&D) and the National Science Foundation. The administration's proposals to increase funding to universities through the NSF is a good sign, as that budget has shown no real growth over the past four years. There is a body of thought which is urging the federal government to set long-range goals and strategies for the nation's future, and then to target R&D for all agencies to accomplish these objectives in broad terms, rather than negotiating R&D on an annual basis through countless line items in the budget. While such a proposal may be politically difficult to achieve, it should be discussed and pushed.

4. *The Role of U.S. Government Contracts.*—The federal government has played a major role in industrial development, with substantial fall-out from government contracts benefiting related products subsequently sold in the private sector. Here are a few notable examples:

"Commercial aircraft which got a start with air mail contracts and benefited from military aviation needs.

"Synthetic automobile tires, which got their start in the government-sponsored synthetic rubber industry in the early 1940's.

"Commercial radar (plus its impact ranging from television transmission to microwave ovens).

"Lasers.

"Semiconductors, in which funding from the Department of Defense in the early 1960s accelerated the formation of a major new industry.

"Computers, an industry which grew out of government contracts in the 1940s."

A word about the Department of Defense's VHSIC program. VHSIC, of course, stands for Very High Speed Integrated Circuits. The program was initiated to jump the state-of-the-art of military integrated circuits by several years to a new generation. The rationale for the program developed when industry did not respond with its own funding for R&D in low-volume custom circuits needed in defense products. This has been called one of the most important DOD technology programs, and the Defense Science Board has rated it as the number one DOD technology program, even ahead of stealth technology, which is number two. The first phrase of the VHSIC program will end in 1984 with the early production of VHSIC circuits. Plans are already under way to incorporate these circuits in DOD programs in 1985 and beyond.

VHSIC is having an impact on the integrated circuit industry. Although a few semiconductor manufacturers opposed the program, it has stimulated the IC Industry to accelerate programs in finer-geometry integrated circuits with related systems benefits to the defense industry; in parallel, the use of these circuits in commercial markets has been accelerated. One criticism of the VHSIC contracts is that they were several years too late.

More federal funding of VHSIC-type programs in basic technologies affecting the future of our electronics industry will be essential to stay ahead in those technologies that are too far ahead of commercial feasibility to attract commercial funding.

5. *Industry Cooperation.*—Two recent examples illustrate how industry cooperation can further the objective of strengthening American ability to compete in international semiconductor and computer markets.

First, the Semiconductor Industries Association created the Semiconductor Research Consortium. The goal is to increase private-sector support for those university research programs that have the greatest potential for strengthening the U.S. semiconductor technology base in light of the Japanese challenge. SRC has a fulltime director (Larry Sumney) and a Board of Directors (chairman Erich Block of IBM). There are about 30 members, whose contributions are based on their integrated circuit use and/or sales. The director and the Board will distribute the fund in response to proposals from universities and will initiate new areas of research most needed by U.S. industry. Incidentally, many electronics companies are also independently funding microelectronic and computer studies in universities, quite apart from the SRC.

Second, a group of U.S. semiconductor and computer companies under the leadership of Control Data Corporation has established the Microelectronic and Computer Technology Corporation. There will be a small headquarters with a full-time chief executive officer. Each of the participating

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

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companies will be part of one or more research programs in areas such as computer-aided design, and manufacturing, software, packaging, and new computer architectures. The objective is to provide a mechanism for industry to conduct joint long-term research with special attention to areas that have been targeted by the Japanese. The research will be conducted by personnel of MCC and results will be available for licensing. Development of this research into competitive products will be carried on outside of MCC by the individual participants. This is similar to a limited partnership for R&D in which companies combine to form a vehicle that performs the R&D at arm's length and licenses the results to avoid antitrust problems.

6. U.S. Antitrust Considerations.—U.S. corporations are falling behind foreign competition in many areas today, largely because much of the competition comes not from individual foreign corporations but from consortium-like groups, if not outright cartels, of cooperating corporations aided by their national governments.

Under existing U.S. law, corporations in similar lines of business can't cooperate with one another without running the risk of violating the U.S. antitrust laws. If U.S. industry is to improve its global competitive position, some of our traditional antitrust principles need modification so that our free competition can survive in a form that is consistent with the requirements of today's world economy. Here are some suggestions:

A. In the area of research and development, individual U.S. companies face many projects too large and costly for them to handle alone, but they are reluctant to engage in cooperative joint R&D efforts with other companies because of antitrust risk. Some reduction of these risks came with the publication of the Justice Department's liberalized guidelines in 1980 recommending the issuance of "business letters" to specific joint ventures, indicating that the Justice Department had no intention to attack those ventures on antitrust grounds. However, since such letters are merely statements of present enforcement intentions and are not binding for the future, nor are they any protection against private antitrust suits, serious uncertainties and risks remain. The law should be modified to grant binding antitrust exemption, applicable to government as well as to private suits, for approved R&D joint ventures. Such exemptions would enable U.S. companies to combine complementary resources and skills to accelerate innovation and avoid duplication of effort.

B. In the area of production, there is a clear need in certain declining U.S. industries, such as steel, for combinations, rationalization of production and other forms of cooperation in order that they may once again compete in the world market. Such cooperative measures are now risky because of inherent antitrust complications. There is an existing exception to allow the merger of "failing" companies, but too many uncertainties remain. Legislation is needed to provide some official identification of the critical industries and to establish definite antitrust exemptions for the appropriate mergers, consolidations, transfers, rationalization and other cooperative action between companies within these industries.

C. In the area of marketing, there has long been a need for joint efforts to achieve economies in the administration of the complex export function as a way to encourage U.S. exports. A long step was taken in the enactment of the Export Trading Company Act of 1982, which enables companies to join together in handling export matters with less risk of antitrust violation. It provides for the formation of foreign-style trading companies to perform various marketing functions, shipping services, custom brokerage and insurance services for their shareholding companies and third parties. The law also enables certain banks to participate in the capitalization and financing of the trading companies. Each such trading company will have to be certified by the Secretary of Commerce and approved by the Attorney General in conformity with stated guidelines. There are still some uncertainties under the new law, but it is a step in the right direction.

7. U.S. Export Licensing and Controls.—None of us wants to help strengthen Soviet military capability, but considerable damage can be done to the position of U.S. industry in international trade by the too frequent and ill-conceived use of the U.S. export-control laws as a political weapon. The recent use of these laws to stop shipments of products and technology for the Siberian pipeline clearly illustrates this problem, but there are other examples.

Damage can also be done when restrictions are tightened—for example, recently tightened limits on the export of microprocessor-based products, which are not observed by European and Japanese competitors or included in parallel COCOM restrictions.

Here are some of the effects:

a. The U.S. economy is damaged by the resulting reduction in exports.

b. U.S. industry loses the profits on the banned business and often must absorb the loss of prior expense and investment related to the barred transactions.

c. The experience inevitably casts doubt on the reliability of the United States as a trading partner.

d. The possibility of such changes in regulations increases the uncertainty inherent in export-control enforcement, which in turn impedes and delays the negotiation of other agreements.

e. Enforcement of the rulings may compel foreign subsidiaries of U.S. corporations to violate their host country's laws, policies and customs.

f. The resulting restrictions on U.S. industry help foreign competition get established, improve their technologies and take more business, now and in the future, away from U.S. industry.

g. The enforcement may cause considerable harm to the interests of friendly nations.

h. The target nations, and sometimes even friendly nations, may be provoked into retaliatory action against the United States.

Experience has shown that the target country usually manages to find alternate sources for the embargoed products, services and technology. Rhodesia survived years of trade restrictions. South Africa built a military capability in spite of arms embargoes from the U.S. and Europe. The Soviet Union found alternate sources for grain and pipelaying machinery.

Embargoes and export license restrictions can only be effective if universally agreed to and applied by all producing nations.

Here are some suggestions for making our U.S. export licenses and controls more effective:

a. Consult in advance with other producing countries on embargoes and changes in license regulations. And then implement only if there is substantial agreement on the restrictions by all producing countries. Export license controls without OCOM support will not work.

b. Apply U.S. export-licensing regulations consistently, and make the procedures for approvals transparent and quick.

c. Limit to one agency, the Department of Commerce, final licensing authority. DoD license approval should be required only for truly strategic items and those in turn should be coordinated with COCOM before being put on the DoD approval list. In addition, many licensing requirements to non-Communist countries can and should be eliminated.

d. Don't use embargoes and licenses for short-term political purposes.

8. Export-Import Bank.—Under the Carter Administration, Exim's direct lending authority rose from $2.9 billion in fiscal year 1978 to $5.4 billion in fiscal year 1981. In terms of the proportion of total exports supported by government-backed financing, the U.S. in 1980 supported 5.7 percent of its exports with this financing. Comparable figures for government subsidized financing by other countries were: Japan, 44.3 percent; U.K., 39.0 percent; France, 27.2 percent; and Germany, 7.5 percent.

As part of its 1981 budget reduction program, the Reagan administration identified the Exim Bank as a business sector program that could be cut. The proposal was from $5.9 billion in the Carter budget to $3.9 billion in the first Reagan budget. The director of OMB was the main proponent of this cut. It was opposed unsuccessfully within the Administration by the Secretary of Commerce and the U.S. Trade Representative. Congress restored part of the proposed Administration cut and set a limit of $4.4 billion of direct lending authority in fiscal year 1982. It continues to operate at that level in fiscal year 1983 under the continuing resolution, although the Administration has been seeking a $3.8 billion limit.

Exim's loan-guarantee program currently has a limit of $9 billion. Changes in the loan-guarantee limit have generally followed the direct lending authority, although it has been less controversial. A substantial increase in export guarantees, as well as independent and direct lending authority, would be a positive step to support increased exports.

As far as interest rates are concerned, Exim has far less freedom than government-backed export financing institutions in other countries. The result is that when export-credit charges become a means of subsidizing export sales, Exim interest charges become noncompetitive. Attempts by the Reagan Administration to get minimum interest rates on export financing are a step in the right direction, but more needs to be done and promptly.

A suggested three-part program to increase the role of the Export Import Bank in helping U.S. exporters might be as follows:

a. Continue the effort to get minimum interest-rate agreements by Finance and Treasury ministries in other major exporting countries so as to remove subsidized interest as a competitive factor in export markets.

b. Gradually expand the lending authority of the Exim Bank so that it becomes a major source of export financing rather than a last resort.

c. Gradually expand the loan-guarantee limit.

9. DISC, ISC and ESC.—DISC (Domestic International Sales Corporation) legislation has provided cash-flow benefits for U.S. exporters by deferring some federal income tax on export sales. DISC, however, has been attacked by other countries as a form of export subsidy in violation of the GATT agreement. DISC benefits have also been subject to changes in accordance with congressional mood on fiscal policy and in 1982 were reduced.

Congress and the Trade Representative are now looking for alternatives consistent with GATT that would help stimulate small firms to more aggressive exporting. One such alternative is an International Sales Corporation (ISC) which would be incorporated abroad and would act as a sales arm for an exporting company. Another is an Export Sales Corporation (ESC), which would perform a similar function from a foreign place of incorporation where local taxes on profits would be paid. If DISC is to be replaced, an alternative must be found that is consistent with GATT rules and provides the equivalent flow benefits.

10. OPIC.—A federally backed insurance against political expropriation is available under OPIC (Overseas Private Investment Corporation). The Reagan administration has been aggressively pushing this disaster insurance as an export stimulator, with positive results.

11. Trade Fairs and Exhibitions.—The U.S. Department of Commerce has long had the responsibility for participating as a nation in international trade fairs and for establishing special U.S. exhibitions in other countries. Unfortunately, budget limitations have restricted this activity, to the detriment of smaller U.S. firms and companies newly trying to establish export activities. This activity needs to be expanded.

12. Equal National Treatment.—A major responsibility of the U.S. Trade Representative's office should be to search out and publicize countries and regulations that treat U.S. and other foreign firms differently from domestic firms with regard to making investments, having ownership, establishing branches or offering services. The United States is among the most open countries of all in offering foreign firms all the same advantages, rights, legal protection and access to government markets that domestic companies are permitted.

We should insist on the same from other countries, and in particular, advanced industrial countries whose companies are aggressively pursuing business opportunities in the United States. We have no MITIs, FIRAs or Ministries of Industry to limit or control foreign investments in our country, nor do we want such bureaucratic limitations on investments that create jobs and expand markets. We should insist on the same from Japan, Canada and France—in the cases cited—and be prepared to negotiate bilaterally and hard to get such equal national treatment for our investments in those countries. The only exception should be for national strategic reasons, where control of certain technologies in domestic hands is desirable.●

PRIVATE SECTOR SOLUTION FOR SOCIAL SECURITY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. HUBBARD. Mr. Speaker, I have received an excellent letter from my constituent, Tom Waldrop, a 28-year-old realtor in Mayfield, Ky., with regard to the ongoing efforts to restore social security's financial solvency.

Tom recommends that we look at the private sector, specifically an IRA-like account in lieu of automatic inclusion into social security, as a possible solution to cure the system's problems. I receive many letters from young people such as Tom Waldrop who are concerned that they will never receive the benefits from a financially unsafe retirement system. Tom's comments are worthy of consideration, and his letter follows:

MAYFIELD, KY.,
December 15, 1982.

Congressman CARROLL HUBBARD,
Rayburn House Office Building,
Washington, D.C.

DEAR CARROLL: Enclosed you will find a reproduction of an article published this morning in the Louisville Courier Journal by Mr. James J. Kilpatrick. I enclose the article because it states far more succinctly than I, the only plausible solution to the Social Security disaster.

Each day, the news accounts are dominated by efforts of Congress, the Administration, and the Presidential Commission to save the present system, to which I respond, "Don't Save It For Me." Being 28 years old, I cannot forsee any way that I will see any return on my annual Social Security contribution. In the four years since I started my IRA, I have wished that the mandatory Social Security contribution could go into my personal retirement plan, but until now, that wish was too good to be true.

As a Realtor, I depend on lending institutions to finance property for clients and my own investments. Mr. Kilpatrick doesn't even mention the enormous impact these jumbo savings accounts would make on the capital base of our nation's Banks and Savings and Loans. I recall several "bail out" bills making their way around Capitol Hill for this beleagered industry. How convenient to kill the proverbial two birds with this one stone.

In response to this letter, I would like your honest opinion. Is it too much to ask of 535 professional lawmakers with limitless staff and resources to arrive at the same conclusion as a Western Kentuckian with only a B.S. in Economics?

Social Security can no longer survive demographically in its present form seems to be an accepted fact. The shape of federally mandated retirement programs is yet to be determined. Please consider the options available in the private sector, the stakes are too high to risk another system like the present.

Sincerely,

TOM WALDROP.●

VOA BROADCASTS IMPORTANT FOR NATIONAL SECURITY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. KEMP. Mr. Speaker, the Voice of America is one of the most important and cost effective national security programs we have today. Americans have difficulty realizing the powerful impact truthful radio broadcasts can have, since we are never without multiple sources of news. But for struggling peoples under tyrannical regimes these radio broadcasts can break the information darkness that surrounds their day-to-day lives.

Radio, and not television or newspapers, is the principle source of information abroad. For instance, there are 10 times more shortwave radio sets in Soviet Russia than in America. The Voice of America now presents an objective and balanced presentation of news to a weekly audience of approximately 100 million people worldwide.

The operations of the Voice of America reflect American democratic principles in action—the free flow of information and ideas that inform other peoples on international events and help build trust between them and the American people. The more we can build that trust, the better our chances to weaken the will toward war that is such a tragic part of 20th century history.

I want to recommend to my colleagues this superb article by Ken Tomlinson, the new director of the Voice of America. Mr. Tomlinson makes a brilliant case for expanding our international broadcasts and outlines the need to modernize the Voice of America's broadcasting equipment. The most outstanding aspect of this article, however, is Mr. Tomlinson's ability to transcend our old ideological labels while proving to be a forceful advocate for American prestige around the globe. He certainly has my support and I urge my colleagues to help advance democracy by giving him their support as well.

[From the Washington Post, Feb. 20, 1983]

AMERICA'S STIFLED VOICE

(By Kenneth Y. Tomlinson)

Shortly before the Senate confirmed me as director of the Voice of America, I was approached separately by two political figures concerned about what we were going to do to VOA. One, a Democrat, was worried that we might be preparing to turn the institution into the propaganda voice of the right. The other, a Republican, feared we would not be tough enough to change VOA's alleged '50s-liberal slant.

The two represented exactly opposite attitudes toward the VOA, but, as each conversation developed, I found the two agreed on one important point. Both confessed that when abroad they listen to the BBC—not

VOA. Each declared the BBC's programming was far more informative, far more relevant.

Without question, the director of the Voice of America faces an extraordinarily difficult job. Within this institution are Foreign Service diplomats who frequently want to keep the broadcast lid on, VOA journalists who often want to blow the lid off and representatives of 42 separate language services, a number of which have a rich tradition of old-world guerrilla warfare. A fact often overlooked in articles about VOA is the managerial task involved in working with groups where interests are so widely separated. But the real challenge facing the new leadership at VOA is not to come up with a new scheme for running a radio station like a city council. *The real challenge is to reverse the years of official neglect that constitutes the real source of problems at VOA.*

This neglect has deprived us of credibility in strategic portions of the world where the use of old transmitting equipment means that our voice barely can be heard. Equally important, it has resulted in public affairs programming that conservatives and liberals alike recognize as often dull and irrelevant.

The solution to VOA programming inadequacies is really quite simple. The Voice of America should reflect the voices of America.

The principle is an extension of the philosophy on which this nation was founded. The founders believed that a great body of people, when exposed to a diversity of information and opinion, could decide for themselves—and do it well. That is precisely what we propose to do in broadcasting to the people of the world. Our news at the top of the hour is competitive with any international broadcast organizaiton. In VOA editorials we crisply identify and reflect the views of the U.S. government. But in current affairs programming VOA has never succeeded in reflecting the voices of the nation's opinion leaders on the important issues of the day.

Ironically, it will take greater resources to reflect opinions across the political spectrum. It is far easier and less expensive to produce in-house commentaries than it is to break outside our institution to reflect American viewpoints. But we are going to do this in the months ahead.

Whether those voices will be heard, however, is another issue.

In recent days a cable crossed my desk from an important capital in the Arab world. An American diplomat reported Radio Moscow's signal is loud and clear—as are the radio voices of numerous other nations large and small. The United States is not among them. VOA's signal is weak and often difficult to receive.

Anyone who wants to can come down to our studios at the base of Capitol Hill and see us broadcasting to the world using vintage 1950s equipment worthy of a broadcast museum. At a key relay station, we are actually using transmitter equipment captured from the Nazis at the end of World War II. So ancient are our facilities that we must maintain a machine shop to fabricate parts because they are no longer made by commercial dealers. The reminders of what this means abound:

In recent weeks, broadcasters from China and India came to tour our headquarters facility. I can only describe their reaction as one of shock. As one put it, "How can the world's most advanced nation be using some of the world's most backward equipment?"

In the last decade the number of high-power, short-wave transmitters worldwide has increased eightfold. During the same period, the VOA has added a number of languages and broadcast hours, but its technical capabilities have remained practically unchanged.

The Soviet Union spends more to jam Western broadcasts coming into the Soviet Union than we allocate for the entire VOA worldwide budget.

There is a bottom line to all this, of course. Listen to the words of a letter we received in recent weeks from Iran: "It bewilders me why a country whose astronauts can easily speak to Earth from outer space is not able to transmit her own voice across the world."

This administration is committed to a technological modernization program that would restore strength to the Voice of America.●

VOTING TAX CREDIT

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. SEIBERLING. Mr. Speaker, today I am reintroducing legislation, by request, which would amend the Internal Revenue Code of 1954 to provide a $30 refundable tax credit to taxpayers who vote in a Federal general elections.

The concept of a voting tax credit is the brainchild of Mr. Frank Martino, president of the International Chemical Workers Union. It proposes a voting tax credit as a method to get more Americans out to vote in Federal elections. According to the ICWU, the credit is "designed to provide an incentive for all Americans, rich and poor alike, to exercise their franchise as responsible citizens of our country."

Mr. Speaker, the low percentage of voter turnout in Federal elections has become a deplorable situation in this country. Apathy on the part of eligible voters has soared, and lately we have seen trends which indicate that many Americans do not vote simply because they are frustrated with politicians. More and more Americans seem to believe that their vote is not really important any more.

The extent of voter alienation is apparent in statistics released by the Census Bureau. These figures are disheartening as well as alarming. In the 1968 Presidential election, there was a 60.9 percent voter turnout. In the 1972 election, after 18-year-olds got the vote, voter turnout dropped to 55.6 percent. And in the latest Presidential election, only 53.2 percent of the American population eligible to vote participated. The figures are even more alarming for off-year elections. In 1970 there was a 43.5-percent turnout compared to 35.5 percent in 1978—with a population increase of 21 percent.

The nationwide decline in voting should be of serious concern to anyone who believes in democracy. One of our basic freedoms as American citizens is to choose our public officials through the election process. Then if we are not satisfied with those in office, we can make changes by exercising our right to vote. Those who cite disillusionment or disgust with the system as their reason for not casting a ballot are simply perpetuating the situation they dislike. We cannot stand back. It is time for all Americans to realize that our votes do count, and we must do something to encourage eligible voters to participate.

The voting tax credit is one way to encourage eligible voters to take the time to vote. Taxpayers who vote in a Federal general election—or the equivalent thereto—will receive the credit—$60 for a joint return—by attaching their ballot stub to their Federal income tax return. In those States where a ballot stub is not used, a stamp or other document which is evidence of voting will be issued.

Critics of a voting tax credit argue that increased voter turnout does not guarantee an improvement in the quality of legislators being elected. Certainly there is some merit to that argument, but we have to examine the overall picture. We all have to work for improved voter turnout, but we also have to help educate voters so that they can cast a responsible vote.

I think we owe it to the country to give this proposal our attention.●

POETS ON A COFFEE BREAK

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. DELLUMS. Mr. Speaker, I am pleased to call to the attention of my colleagues the following poem which was forwarded to me by its author, a constituent of mine, Mr. Thomas Dunphy.

POETS ON A COFFEE-BREAK

The poets of America
Have gone on a coffee-break
Sitting on Congressional decisions
About MX-missiles.
We smile, for the nonce,
For we are dreamers
Dreaming of a world
Of Peace
Remembering John Lennon today
On the second anniversary
Of his death
And hoping our pens and inspirations
Will not meet such tragic oblivion
On the end of MX missiles.
And today we affirm life
Love and the pursuit of happiness
We have delved into the endless
Beauty of humanity
And we would rather sing
Of its glories
Then mourn its passing, like John's.

Yes, we poets are on prolonged coffee-break
Holding onto our inspirations like the
Dove of peace his olive branch
And waiting our opportunity
To return to work with joy!●

TAX RELIEF FOR RENTERS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. BIAGGI. Mr. Speaker, today I am introducing a bill to provide major new tax relief for some 28.6 million Americans who rent their homes.

Under my bill, renters would be allowed for the first time to deduct from their Federal taxes that portion of their rent which is used to pay State and local property taxes. Current law permits only landlords or homeowners to take the property tax deduction.

Nationwide, 20 to 25 percent of a person's rent goes toward the payment of property taxes. Furthermore, renters often pay a higher rate of property tax than homeowners because many apartment buildings are considered to be commercial property.

The current tax deduction law clearly favors homeowners over renters. My bill is aimed at correcting this tax inequity. It is based on the premise that taxpayers with the same taxable incomes should be taxed the same.

According to the 1980 U.S. Census of Housing, 28,591,179 or 35.6 percent of homes are renter-occupied and 51,787,104 or 64.4 percent are owner-occupied. In eight States, rental units comprise more than 40 percent of all housing units.

This bill would be of special significance to New York City and other major urban areas, where renters far outnumber homeowners. In New York City, 76.6 percent of all housing units are rentals. In San Francisco, the figure is 66.3 percent, in Washington, D.C. 64.5 percent, in Boston 70.8 percent and in Chicago 47.9 percent.

Over the last decade, tenants have paid an increasing percentage of their income toward rent. Presently, more than 50 percent of tenants pay in excess of 25 percent of their income toward rent. Because tenants are in a significantly lower income bracket than homeowners, they are in desperate need of relief. In 1977, over 56 percent of tenants had incomes of less than $10,000 compared ot 30 percent for homeowners.

Mr. Speaker, home renters have absorbed the cost of inequitable property taxes for too long. Therefore, I would urge that this bill receive prompt and favorable consideration.

Mr. Speaker, at this time, I would like to submit a breakdown of the percentage of rental units by States.

RENTAL UNITS BY STATE

	Total units	Rentals (percent)
Alabama	1,341,302	29.9
Alaska	131,463	41.7
Arizona	956,717	31.7
Arkansas	815,664	29.5
California	8,630,198	44.1
Colorado	1,061,249	35.5
Connecticut	1,093,678	36.1
Delaware	207,081	30.9
District of Columbia	253,143	64.5
Florida	3,741,356	31.7
Georgia	1,872,089	35.0
Hawaii	294,052	48.3
Idaho	324,107	28.0
Illinois	4,042,744	37.4
Indiana	1,926,978	28.3
Iowa	1,052,847	28.2
Kansas	872,239	29.8
Kentucky	1,263,565	30.0
Louisiana	1,411,113	34.5
Maine	395,184	29.1
Maryland	1,460,635	38.0
Massachusetts	2,032,717	42.5
Michigan	3,195,015	27.3
Minnesota	1,445,616	28.3
Mississippi	827,169	28.9
Missouri	1,793,720	30.4
Montana	283,742	31.4
Nebraska	571,400	31.6
Nevada	304,327	40.4
New Hampshire	323,493	32.4
New Jersey	2,548,594	38.0
New Mexico	440,575	31.9
New York	6,339,762	51.4
North Carolina	2,040,562	31.6
North Dakota	227,664	31.3
Ohio	3,833,706	31.6
Oklahoma	1,118,532	29.3
Oregon	991,593	34.9
Pennsylvania	4,220,520	30.1
Rhode Island	338,590	41.2
South Carolina	1,029,981	29.8
South Dakota	242,523	30.7
Tennessee	1,618,361	31.4
Texas	4,928,965	35.7
Utah	448,603	29.3
Vermont	178,325	31.3
Virginia	1,862,854	34.4
Washington	1,539,681	34.3
West Virginia	686,311	26.4
Wisconsin	1,652,354	31.8
Wyoming	165,624	30.8

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INTERNATIONAL FLOWS OF DATA

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. WIRTH. Mr. Speaker, I have occasionally brought the issue of international flows of data to the attention of the House. While this is something of an esoteric area, it is of enormous importance to U.S. companies doing business abroad.

If the United States is serious about expanding opportunities for international commerce, the impact of restrictions on information flows will have to receive more attention from our Government.

Recently, Mr. Harry Freeman of the American Express Co. addressed a conference on "New Directions in U.S. Foreign Policy" here in Washington, D.C. His remarks are, I think, a cogent expression of the issues involved in international data flows.

I do not agree with all that Mr. Freeman says. But his remarks are an important contribution to our understanding of this issue, and I commend them to your attention.

A TRADE APPROACH TO INTERNATIONAL COMMUNICATIONS

(By Harry L. Freeman)

I am delighted to be a participant in these two days of talks on new directions in U.S. foreign policy. Telecommunications and information may seem to pale when compared with some other topics at the conference. But I believe this sometimes arcane pair of subjects should be a serious focus of U.S. foreign policy in general and of trade policy in particular. And my remarks today are to that end.

There is a disturbing trend—the growth in barriers to the flow of information across national borders—or transborder data flows. I believe these barriers should be viewed in a trade context. Further, I think it is possible to develop a trade approach that is responsive to the diverse, and even conflicting, needs of differing sectors and differing societies.

One of the crucial economic issues today for the U.S.—and many other developed countries—is productivity and competitiveness at home and abroad. At the heart of business and its competitiveness is how business uses communications.

International businesses have come to depend on computer-communications technologies for the rapid transmission of information. Companies from all countries rely on these systems for the coordination of production and marketing; for planning, accounting and financial management; for inventory control and sales coordination; for the communication of complex engineering and design computations; and for servicing both customers and suppliers on a global basis.

American Express, my company, is typical. We are a major user of communications for the delivery of financial and information services. All of our principal businesses—insurance payment systems, asset management, international banking and securities—could not function without rapid, reliable global communications. In 1981, for example, American Express on-line systems:

Processed 310 million American Express Card transactions;

Authorized daily 250,000 Card transactions from throughout the world within an average response time of 5 seconds;

Processed more than 350 million American Express Travelers Cheques sold by more than 100,000 banks and other selling outlets around the world;

Completed 56 million insurance premiums and claim transactions;

Automatically executed approximately $10 billion a day in international banking transactions; and

Responded instantaneously to 500,000 daily messages directing high-speed trading in securities, commodity futures, bonds, Treasury bills and a host of other items.

These systems support 17,000 on-line terminals within the company, 5,700 American Express point-of-sale terminals in the U.S. and abroad, and over 50 direct links to approximately 30,000 terminals at airlines and department stores. American Express is steadily interconnecting many of these networks and terminals into a single corporate data network.

Please forgive the commercial. It is, however, a testament to the variety of computer-communications needs of modern business. At American Express we rely on every form of communications media, from private leased line to public data network, from microwave to satellite transmission, and,

soon, optical fiber. The cost of developing, operating and maintaining our information processing systems, including data and voice communications, exceeds several hundred million dollars annually. And we are not atypical.

Communications provides the life support systems for our company—and, I can attest, for most other international businesses.

Obviously, telecommunications and information technologies have become essential to international production and international trade.

This brings me to a second point: telecommunications and information are especially vital for the most dynamic sector of the U.S. economy—the service sector. One of the important trends we see today is the steady and dramatic shift of the U.S. and other developed economies from an industrial base largely dominated by manufacturing to one heavily reliant on services. In the U.S., services have come to represent 67 percent of economic output and 72 percent of employment. According to OECD statistics, services accounted for more than half of gross domestic product in 13 developed countries.

In international trade, services are a bright spot. World service exports during the past decade expanded at an average annual rate of 17 percent. In 1980, service exports from France increased by 28 percent to $51 billion; from Britain, by 16.5 percent to nearly $50 billion; and from Japan, by 33 percent to $26 billion. According to a study of the International Trade Commission, services will amount to $135 billion in the U.S. current account in 1982, a 52 percent increase over 1980.

Clearly, communications and the closely tied information industry are emerging as major factors in this growth. OECD statistics show that between 1960 and 1977 exports of information services, which are so dependent on communications, rose annually by 25 percent in Japan, 19 percent in West Germany, 16 percent in Canada, 12 percent in France and the United States, and 11 percent in Britain.

Through applications of computers and communications, the world has seen a virtual explosion of business innovation, productivity and trade. Trade has particularly advanced through new forms of communications, better communications infrastructures and greater transparency of service across national borders.

Were I to stop here, the prognosis for the decade would appear rosy indeed. On the other side of the coin, however, I see a disquieting picture.

As growth in world trade as a whole and world trade in goods in particular have grown stagnant and even declined, the communications industry is emerging as a strategic sector in many countries. In this environment, communications is becoming an instrument of nationalism and protectionism. The new protectionism does not receive the same public attention as steel, autos, agriculture, pipeline technology and semiconductors. But its consequences are just as disruptive and possibly even more far-reaching. The new protectionism takes the form of invisible barriers to the international flow of electronic information, the transborder data flows that I mentioned earlier.

Countries have quite rightly come to view information as fundamental to a secure economic future. They are understandably anxious about questions of sovereignty, jurisdiction, confidentiality and the cultural consequences of unconstrained international information exchange. But in the 1980s, the motivation for national information policies appears to be more openly economic. Countries are seeking to promote domestic processing and technologically advanced information industries by discouraging the flow of data across national borders. And telecommunications authorities are becoming the instruments of these policies.

Restrictions on the activities of international users more often than not resemble classic non-tariff trade barriers:

Discriminatory pricing of data transmission services for international users;

Local content laws requiring the processing of data within the country of origin, as a condition of the user's transmission requirements;

Mandated use of national data networks;

Outright denial of certain types of circuits; and

Restrictions on the use of leased lines that deny the user the ability to offer competitive services.

Particularly dangerous are the emerging policies which provide the basis for customs duties and value-added taxes on classes of information.

To some countries, tariff and non-tariff barriers may seem justified from a short-term national perspective. Moreover, because of its dominant role in international communications and information markets, it may also appear that the U.S. is the only party interested in liberalizing the flow of information.

Such a view overlooks the fact that impeding the flow of information, like other trade barriers, damages all national interests. A protected market raises costs, decreases efficiency and lowers technical quality for domestic companies and local citizens. It reduces the competitiveness of other domestic industries in which communications and information have become a major factor. And it endangers a country's own suppliers who may suffer from retaliatory measures when exporting to foreign markets—markets such as the U.S., where, I strongly regret to say, strong signs of protectionism are also growing.

Few remedies exist against arbitrary and discriminatory actions of another country. The principle of "free flow of information" when applied to business is too often simply that—a principle, without teeth and without force in international law. In the United States, some argue that the Federal Communications Commission has the authority to consider the openness of foreign markets when granting licenses to foreign applicants; however, it rarely exercises such authority.

So, we have a rapidly emerging foreign policy issue. What, then, can be done to improve the communications environment in the 1980s?

For one thing, discussion, at such meetings as this one, helps.

Second, business and government must work together on telecommunications policy. New and beneficial signs of liberalization are beginning to appear. Britain, for example, is liberalizing telecommunications and turning to the market to foster a competitive and healthy national information industry.

Third, in the U.S., liberalization of telecommunications is also moving apace. In liberalizing telecommunications, however, recognition of the international context of decisions should be taken into account. Communications is a cooperative effort, in which the differing structures of national policy must receive consideration.

Finally, the international flow of commercial data is moving rapidly from being a communications issue to becoming a trade issue. As a trade issue, it should be subject to international trade negotiations and a system of internationally agreed trade rules.

I urge, therefore, that services, including communications and information services, be dealt with by the GATT, and that the GATT launch a work program on these issues. While the communique of the GATT Ministerial in November received mixed reviews, its three paragraphs on services may prove an historic economic milestone. Out of those intensive negotiations, trade ministers agreed to examine service issues at a national level and to exchange information on services through the GATT.

The objective is to determine by 1984 whether an international agreement on services is desirable and, if so, how to proceed. It marks the first time the GATT has formally taken up the question of services and, in the calculus of international trade issues, that constitutes a clear step forward.

How could the GATT address communications and information services? There are a number of ways:

One approach would be to expand existing GATT codes on government procurement, standards and subsidies to cover these two industries.

Yet another approach would be a separate code or agreement on trade in telecommunications and information.

But the approach which we think most promising is to address telecommunications and information as a part of a comprehensive approach to trade in services. GATT provides a remedy for any restriction on services that has the effect of impairing concessions on trade in goods. While the application of GATT to services has not been tested, discriminatory treatment of information flows would appear to be illegal in any case where discrimination would affect the sale of goods in a foreign market. Clearly, communication and information serve as integral support mechanisms for international trade in goods. Moreover, banking, insurance, shipping, and other services fundamental to the export of goods could not function without unrestricted information flows.

In addition, GATT codes also contain references to services used in the production of goods. These are criteria which could easily apply to data processing and software.

Let me hasten to say, the work needed to develop internationally accepted rules and remedies in the communications sector will take many years at both national and international levels. But the work should begin now. And that work in my view, should begin with the GATT. Other international organizations, such as the OECD, are already involved.

In the interim, we believe the U.S. should take steps to integrate communications and information with evolving trade policy.

We also need changes in U.S. communications legislation which we understand are under development in both the House and Senate. This legislation should provide guidance for negotiations or regulatory decisions and remedies for situations of trade discrimination. It should also give telecommunications and information higher-level policy attention in the trade context.

I want to underscore here and now that strict bilateral or sectoral reciprocity in communications and information, as in other areas of trade, would be a significant and dangerous departure from the uncondi-

tional most-favored-nation principle that the United States has followed since the formation of GATT.

We are optimistic that out of the principles and process of a trade approach will come the recognition that liberalization of trade in communications and information products and services will provide the same benefits as liberalization of trade in goods, that liberalization in these areas will, in fact, expand trade in goods as well as services, and that liberalization will prepare the way for future communications and information exports now in embryonic stages of development in every industrialized country.●

A CONGRESSIONAL WHITE PAPER; HILTON HEAD ISLAND BOARD OF REALTORS

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. HARTNETT. Mr. Speaker, I would like to share with my colleagues in the House a congressional white paper prepared by the Hilton Head Island, S.C., Board of Realtors. The paper addresses issues which the board of realtors believes to be of national economic importance. As you know, the housing industry has been hard hit by the recession. I trust their statement will be of great interest to the Congress.

The material follows:

A CONGRESSIONAL WHITE PAPER; HILTON HEAD ISLAND BOARD OF REALTORS

The Hilton Head Island Board of Realtors respectfully submits this Congressional White Paper in an attempt to accentuate it's support for issues which it feels are important to economic prosperity in our area of the Lowcountry of South Carolina.

Government spending, the size of the Federal Deficit and Tax Policies—especially those that induce savings and investment are of primary concern to the Hilton Head Island Board. The Board acknowledges and commends the progress that Congress has shown in the past year in beginning to restrain Federal deficit spending and hopes more strides for continued improvement will be made in this area. The Board advocates the need to curb the Federal deficit so that interest rates can stabilize. It is our desire that if Congress considers another balanced budget/tax limitation constitutional amendment as it did last year, that they avoid a situation in which taxes would be arbitrarily raised to balance the budget rather than pursuing the moderation or restraint of spending. In the area of budget restraint, it is our opinion that the entitlements programs and the defense budget should be scrutinized. It is also our opinion that future projected spending be kept at a minimum. We see no room for recovery if deficits remain high.

In the area of taxes, the Hilton Head Island Board opposes any change in the home or second home mortgage interest deductions. This would cause negative and adverse effects on real estate investment and/or would be highly detrimental to the National economy and especially those communities which are now heavily dependent upon the second home industry, as is Hilton Head Island. Communities with economies similar to Hilton Head Island are highly dependent on tourism. If the second home industry is impaired by the termination of mortgage interest deductions, unemployment and business failures surely will increase in those areas. The building industry is just beginning to lead the U.S. economy out of its slump and the second home industry is a very important part of this recovery. The proposed changes in the mortgage interest deduction would certainly hinder this recovery.

The Board urges Congress to consider changes in laws that would encourage pension investment in mortgages. It believes that this is an important alternative source of housing capital and should be explored. This activity in mortgages should prove beneficial to both pensions and the housing industry.

The Board is in agreement with the Administration's proposed Federal Land Sales on a selected basis and urges that the proceeds from the sales be earmarked for reducing the Federal Debt.

The Board also favors the continued support for Federal Flood Insurance for seashore oriented development, such development to be carried out with strong environmental considerations. It is the Board's resolve that the Federal Flood Insurance Program be given support by Congress to encourage future development. Also, it is our belief that as a result of our special environmental relationship, that in order to maintain a reasonable level of economic growth in our area and similar areas, Federal funding for the construction and maintenance of seawalls is mandatory.

The necessity for the maintenance of the extraodinary beauty and quality of environment of the Lowcountry is widely accepted. Just as widely accepted is the fact that the special requirements of reducing the impact of even existing economic activity in such a delicate area is generally beyond the jurisdictional and financial means of most communities. Therefore, we, the Hilton Head Island Board of Realtors, feel that the development of the Lowcountry requires Federal assistance for water and sewer projects so that the personal and economic health of our citizens may be guaranteed.

A solution to the budget problems of the Social Security System is necessary for a healthy economy, as well as for the continued flow of retirement and other Social Security benefits. Both tax and benefit revisions are needed, but those must not fall unfairly on any single group. We do not feel that self employed men and women should suffer under an increase of $450.00 in higher taxes next year, while corporate and other employees will pay no additional taxes under the proposed Social Security Tax Plan. The Board opposes this unfair treatment of the self-employed as we support equal sacrifice for a solvent Social Security program.

It is the Board's belief that increased industrial productivity is essential to the well being of the American Economy. We advocate a cooperative and coordinated effort between Federal, State and Local government, business, industry and labor so that economic development will provide our nation and individual communities a solid tax base, jobs, and a healthy environment for people to live and work in. In addressing this matter, a center for business, government and labor studies should be created to act as a consultant on issues that impact on these sectors individually and as a group. It is our feeling that such a center could be profit oriented and become self-supporting after a few years of existence. Its impact could more than pay for itself. In conjunction with the above center, an indepth study of the American Economy supported by the Private and Public sector should be carried out to, among other considerations, measure the effects of supply side economics on the economy and chart a path for future economic growth and stability.

The Hilton Head Island Board of Realtors wishes to continue to work with the elected representatives of South Carolina and advocates a liaison between those officials and the Board.

This report is respectfully submitted by RPAC representatives and the Hilton Head Island Board of Realtors.●

JOSEPH PETRONELLA: AN EXTRAORDINARY POLICEMAN

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. KEMP. Mr. Speaker, without question, police have one of the most difficult and demanding jobs in our society. Within that profession, the undercover cop is a particularly rare and dedicated individual.

Western New York is privileged to claim one of the most outstanding undercover police officers in the United States. He is Joseph A. Petronella, now assistant chief of the Narcotics Enforcement and Intelligence Bureau of the Erie County Sheriff's Department.

During his 10-year career in law enforcement, Joseph Petronella has made more than 1,000 arrests and he has a 99-percent conviction record. A pioneer in the art of disguise, he has received numerous commendations for utilizing innovative and effective techniques that have been instrumental in apprehending criminals.

Noted authorities in law enforcement have stated that Mr. Petronella is very possibly the best undercover narcotics officer in the country.

While Joseph Petronella's identity must remain concealed, his tremendous accomplishments should and must be recognized.

Last December, the Buffalo News published an article praising Joseph Petronella's achievements. I hope my colleagues will read this article with the knowledge that our communities are safer places because of policemen such as Joseph Petronella:

[From the Buffalo News, Dec. 19, 1982]

PETRONELLA TO DON A NEW ROLE—MASTER OF DISGUISE PROMOTED

(By Anthony Cardinale)

Detective Sgt. Joseph A. Petronella, who has made more than 1,000 arrests during his 10-year career as an undercover lawman, has been promoted to assistant chief of the

Narcotics Enforcement and Intelligence Bureau by Sheriff Kenneth J. Braun.

He will assist the narcotics chief, Captain Santo Costantino, but will continue his undercover work on the street, Sheriff Braun said. He is about to embark on a new type undercover investigation, the sheriff added.

Coinciding with the announcement was the release this weekend of the fall issue of the Empire State Sheriff magazine featuring a cover story on Sgt. Petronella headlined, "Under the Cover of Many Different Faces."

The promotion and the article recognize an undercover career that has brought renown to the Erie County Sheriff's Department across the state for its imaginative "sting" operations to infiltrate the drug market and burglary rings.

"As far as I'm concerned," Sheriff Braun said, "Joe is the equivalent of a Congressional Medal of Honor winner in civilian service. He's a brave and very smart police officer. In my 34 years in law enforcement, he's the best I've seen. No one else can do what he can do, but pretty soon we're going to use him in a new technique on the street."

Capt. Peter Scaccia, chief of investigative services, said he has worked closely with Sgt. Petronella and is looking forward to "a very innovative technique we are in the process of formulating" for combating street crime.

"Joe has arrested over 1,000 suspects in his career," Capt. Scaccia said. "He has a 99 percent conviction ratio. When he gets them, he gets them."

The undercover lawman has been able to survive a decade of undercover work in the same county "because of his ability to change his appearance effectively and realistically" and because he is "a natural actor," according to the story in the magazine published by the New York State Sheriffs Association Institute.

Calling Sgt. Petronella "very possibly the best domestic undercover narcotics officer in the United States," the Empire State Sheriff said the "gutters and alleys" haven't given him the glamour of the Serpicos in real life and movie fiction. "The closest Joe has been to big-time media is an appearance with Sheriff Braun on 'Good Morning America,'" it added.

But Joseph Petronella has made big headlines in Western New York since his first big "sting" operation, in which he infiltrated the food-stamp black market after the Blizzard of '77. Two years later, he was promoted to criminal deputy, and in 1980 he was named a detective sergeant.

The 15 major "sting" operations—in which an undercover man masquerades as a criminal while a team of agents photographs and taperecords the illegal transactions—have come in such quick succession that many people have asked how he can avoid running into the same street criminals a second time.

The answer, he says, is that he often does cross paths with convicted defendants. Not only has he deftly avoided the ones who might have recognized him, but he actually has dealt with and arrested some criminals a second time.

After the food stamp investigation there followed a series of primarily drug-related probes starting with Operation Scatter, in Kenmore and Town of Tonawanda, and Operation Delaware, in which a pound of cocaine was confiscated.

Then came Operation Siamese, in the twin Tonawandas; Operation Bittersweet, near Sweet Home High School; Operation Pied Piper, near Southside High School; Operation Needle, near the methadone center at Buffalo General Hospital; Operation Rock in Black Rock and Riverside, and Operation Polar Bear in North Buffalo.

Next came Operation Market near the Broadway Market, Operation Operation at Erie County Medical Center, which centered on the thefts of hospital property; Operation Stripcaine, on the Elmwood strip; and Operation Grasshopper, in which youths on bicycles sold pot at Burgard High School.

More recently, Sgt. Petronella spearheaded Operation Pac Man, arresting drug dealers and other criminals hanging around video arcade rooms.

Honored with a public service medal from the New York State Bar Association in 1981, Sgt. Petronella used the $500 award to establish a scholarship fund for a high school student wishing to study criminal justice in college.

The first award was given to a Riverside High School graduate last June, and now the scholarships also have been opened to law enforcement officers wishing to further their education. A foundation to administer the Joseph A. Petronella Scholarship has been formed by several friends under the leadership of businessman Robert Rich Jr.●

HONORING DR. JOHN J. COLLINS ON HIS RETIREMENT

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. THOMAS of California. Mr. Speaker, I would like to commend to my colleagues the long and distinguished career in education of Dr. John J. Collins, president of Bakersfield College, who is retiring this month after 25 years with the college.

It gives me particular pleasure to honor John Collins today, because he is a close friend and former colleague whom I have known since I first came to Bakersfield College as an instructor in 1965. I have always held John Collins in the higher regard, and I am proud to have been associated with him.

This respect is shared among community college presidents throughout California and indeed, the Nation. In a State which boasts the finest community college education system in the Nation, Dr. Collins has helped to make Baskerfield College one of the top community colleges, not only in California, but in the United States.

Dr. Collins was an instructor and coach at Bakersfield College when the school—finally—received its own campus in 1955. Except for a tenure as president of Moorpark College from 1961 to 1966, Dr. Collins has served the students of Bakersfield College continuously since then.

He has been a leader and an innovator on behalf of Bakersfield College. Dr. Collins helped to plan and establish two learning centers which have brought the college to the community in Delano and downtown Bakersfield. He has helped to bring computers into the classroom, establishing a new high technology curriculum and computers to aid in teaching the more traditional disciplines.

Under Dr. Collins' direction, Bakersfield College has become more accessible to the community and more responsive to the training needs of local industry and business, but it has also maintained its national standing among the more traditional curricula. Many of the learning programs at Bakersfield College have served as models for other colleges throughout the Nation. As a charter member of the League for Innovation in the Community College, the school shares its methods with educators around the country. Dr. Collins had a role in forming this forward-looking body.

All of these achievements speak well for John Collins' abilities as an administrator, but they are grounded in his experience and dedication as a teacher of students. John Collins spent 41 years in education, and everything he has accomplished has sprung from his dedication to learning.

In addition, Dr. Collins has served his community as a member of the board of directors of the United Way and Red Cross chapters. He also interrupted a budding teaching career in 1941 to serve as an infantry company commander in the Pacific theater during World War II.

I am delighted for this opportunity to honor Dr. Collins before this body. I wish him well as he leaves Bakersfield College. He has been an outstanding educator and a good friend, and the college will miss him. He has earned his retirement many times over.●

CONGRESSMAN TONY P. HALL TESTIFIES ON CONVENTIONAL ARMS TRANSFER LIMITATIONS LEGISLATION

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. HALL of Ohio. Mr. Speaker, on February 23, 1983, I had the honor of testifying before the House Foreign Affairs Committee's Subcommittee on International Security and Scientific Affairs on the issue of conventional arms transfer limitations.

For the benefit of my colleagues, the text of my remarks follows:

CONVENTIONAL ARMS TRANSFER LIMITATIONS

Mr. Chairman, I am honored to have the opportunity to appear before this Subcommittee today to discuss the issue of conventional arms transfer limitations. The Subcommittee on International Security and Scientific Affairs, under your leadership, Mr. Chairman, deserves to be commended

for the efforts it has made over several years to focus attention on this serious international issue.

My interest in conventional arms transfer policies was stimulated in part by the Falkland Islands conflict last year. I was deeply concerned that a country like Argentina could acquire the sophisticated military equipment capable of challenging—and almost defeating—the British navy. Ironically, over $200 million worth of this equipment was sold by Great Britain itself to Argentina.

My study and research of conventional arms transfers led me to introduce H. Con. Res. 415 on September 29, 1982. In November and December of last year I contacted over 125 individuals and organizations to stimulate interest in the legislation in preparation for this 98th Congress. The positive and enthusiastic response I received has encouraged my efforts this year with the reintroduction of the conventional arms transfer limitations measure as H.J. Res. 128.

Most of the discussion about arms limitation has focused on the important issue of nuclear arms control. The nuclear freeze legislation has succeeded in stimulating national and international debate on the prospects of nuclear war, and led to broad citizen involvement in one of the most critical issues facing all of humanity.

It is my hope that similar attention can now be directed to another challenge of arms limitation: the alarming escalation of global conventional arms sales. The hearings scheduled by this Subcommittee on the issue are a significant part of this process.

It is worthwhile to recall that while there have been no deaths since World War II as a result of the use of nuclear weapons, between 12 and 15 million people have been killed in wars and conflicts involving conventional weapons.

Currently, the world spends $22 on military purposes for every $1 it spends on development aid to poor countries. According to the U.N. Center for Disarmament, the money required to provide adequate food, water, education, health and housing for everyone in the world has been estimated at about $18.5 billion per year. The world spends this much on arms every two weeks. In the developing world, ten times more is spent on arms than on health, education, and welfare combined.

According to the Congressional Research Service, between 1978 and 1981 conventional arms transfer agreements between developing nations and arms supplying nations totaled $120.6 billion. During this period, the Soviet Union was the developing world's leading individual arms supplier, with arms agreements with developing countries totaling $33.2 billion. Third World arms deals on the part of the United States trailed at $30.7 billion.

The most interesting statistic for conventional arms agreements for these four years is the $45.5 billion worth of agreements with developing nations by free world nations other than the United States. Our Western Allies, such as France, the United Kingdom, West Germany, and Italy actually have the largest share of the conventional arms market.

Particularly alarming is the fact that the world's leading arms developers are now exporting their most advanced weapons with little or no time lapse between introduction into their own arsenals and transfer abroad. Among the examples of this are the transfers of advanced French Mirage fighters and Exocet missiles, Soviet T-72 tanks, and United States F-15 and F-16 fighters and Phoenix and Sidewinder missiles.

Weapons and warfare have been an ongoing element of the human experience. Clearly, it is unrealistic to expect that all arms transfers can be stopped or that swords will be beaten into plowshares around the globe.

Nevertheless, I do believe that there are specific, practical steps that the United States can take to rein in the runaway conventional arms race. The stituation becomes hopeless only if we refuse to act.

The legislation I have introduced, H.J. Res. 128, calls for a four-point program to achieve conventional arms transfer limitations. It prescribes a simultaneous multitrack approach to conventional arms restraint. Permit me to briefly outline the four tracks recommended in H.J. Res. 128.

RESUMPTION OF THE CAT TALKS WITH THE SOVIET UNION

The first point of my resolution is that the United States and the Soviet Union should immediately begin negotiations to resume the Conventional Arms Transfer (CAT) talks. It is my contention that we should commence discussions with the Russians to provide for the formal resumption of the talks initiated by the Carter Administration in 1977.

A possible first step might be to establish a bilateral working group to consider the means of moving forward with renewed CAT talks. I make this recommendation fully aware of the traditional difficulties of finding common ground for any arms-related agreement between the superpowers.

Observers and participants have cited several reasons for U.S. difficulties with the CAT talks of 1977 and 1978. Some contend that the internal clash between the Arms Control and Disarmament Agency and State Department perspectives on the talks was the principal factor. Others point to the restraining impact of improved relations with the People's Republic of China. Yet a consensus seems to be that a significant element was the failure of the Carter Administration to pursue parallel discussions about conventional arms limitations with the Western arms suppliers.

In my opinion, the problems that led to the lack of success of the first CAT talks are not insurmountable. Indeed, the CAT experience under the Carter Administration provides a valuable guide for a renewed effort with the Soviet Union.

First, the CAT talks proceeded further than most observers ever thought possible. Genuine progress seemed to have been made prior to the fourth round of negotiations. Second, the talks showed that there might be room for some reasonably specific restraints on certain classes of weapons, such as those useful to terrorists. Third, the Soviet Union did not flatly reject the American proposal to discuss specific regional guidelines. This particularly was a most encouraging development.

The most important reason for a continued United States-Soviet dialogue is that regional arms races are most often a direct result of competition between our two countries. The attempt to win friends or to compete through proxies has been a dangerous and destabilizing dimension of superpower competition. Such local conflicts carry with them the potential for eventual direct involvement of the United States and the Soviet Union. It is therefore in both countries' interests to discuss the conventional arms competition between them in the Third World.

The CAT talks offered hope that progress could be made on conventional arms transfer limitations between the United States and the Soviet Union. The United States should take the initiative in attempting to get these talks back on track. Let us demonstrate to the world our willingness to restrain and set rules for the conventional arms competition both nations are supporting in the developing world.

CONVENTIONAL ARMS TRANSFER LIMITATION DISCUSSIONS WITH THE FREE WORLD ARMS SUPPLYING NATIONS

The second point of my resolution is that the United States should immediately begin discussions with the free world arms supplying nations to limit conventional arms transfers to developing nations and to establish qualitative guidelines for conventional arms transfers. While bilateral talks between the Soviets and the United States are necessary if long-term progress on arms restraint is to be realized, the most immediate goal should be to encourage multilateral initiatives. As I mentioned in discussing the CAT talks, these bilateral talks might have been helped if simultaneous arms limitation discussions with our Western allies had been in progress.

It is important to re-emphasize that the major Western suppliers combined deliver a majority of the weapons traded in the international market. Moreover, they are more often in direct competition with each other than are Eastern and Western suppliers. It makes sense for some coordination to take place among the Western suppliers, since a joint effort on their part would limit the ability of the Western-oriented arms recipients to "shop" elsewhere.

Initially, this free world arms suppliers track might proceed without formal agreements in order to accustom the participants to a new coordinating mechanism. This might then lead to more formal agreements at a later stage.

Developing channels of communication on conventional arms restraint among the Western allies would be especially valuable during times of crises. For example, a consultative mechanism would have been most useful during the Falkland Islands crisis.

While there is bound to continue to be competition among the free world suppliers, it would be beneficial if an effort could be pursued to develop a market-sharing approach. Such an approach could begin by acknowledging French and British interests, for example, in continued production of certain weapons systems. Thus, French supersonic aircraft and helicopters and some types of British missiles or surface ships could be given assurances of adequate export outlets. It is in the interests of the Western alliance to bring important suppliers into the restraint framework and to reenforce common security interests.

Discussions among the free world suppliers should aim to establish criteria for what will be sold and where it will be sold. Qualitative restraints on certain classes of equipment should be a primary initial goal. An example here might be advanced missiles of the caliber of the French Exocet.

In addition, agreements should be sought with respect to not introducing certain sophisticated weapons into regions of the world where those weapons presently are not available. A reasonable goal might be a consensus on the part of the Western arms sellers not to sell advanced supersonic fighter aircraft to regions like South America and sub-Saharan Africa.

The Western or free world track poses some of the greatest challenges to conventional arms restraint, but at the same time, offers the hope of some of the greatest rewards. Moreover, cooperation on the arms selling issue could lead to cooperation on other vital issues affecting the alliance.

DISCUSSIONS BETWEEN THE ARMS BUYERS AND THE ARMS SELLERS—THE GENEVA TRACK

The third point of my resolution is that the United States should immediately, through the Committee on Disarmament in Geneva or through some other appropriate international forum, begin conventional arms transfer discussions between nations selling conventional weapons and nations purchasing such weapons to limit such arms transfers.

This third track focuses upon the Committee on Disarmament at Geneva, more formally called the Conference of the Committee on Disarmament, which was created in 1962 as a multilateral forum for negotiations on disarmament. It reports to and is instructed by the U.N. General Assembly. Its membership includes nations of both Eastern and Western blocs, as well as a number of non-aligned nations. This multilateral forum has been the site of discussions on general disarmament, nuclear testing, demilitarization of the seabeds, chemical and biological weapons, and humanitarian laws. Several advantages might be derived from a dialogue in such a body.

First, a better understanding of the legitimate defense requirements of developing nations could be a primary target. It is important that this sensitivity be considered and addressed.

Second, some initial gains might be achieved by focusing on weapons useful to terrorists. This focus might defuse the more volatile aspects of such a dialogue by concentrating on common problems.

Third, such a forum might be able to discuss the outlines for an internationally recognized code of principles regarding legitimate arms transfer practices. This approach could be modeled after discussions of internationally recognized standards of human rights.

Fourth, such a forum might begin to serve as a vehicle for differentiating among various regional interests and concerns. This, in turn, could serve as an impetus for initiatives within the existing regional organizations, such as the Organization of American States.

It is imperative to initiate a supplier/recipient track for conventional arms transfer limitation talks. The Committee on Disarmament offers a pre-existing forum with which members of the international community have had some experience. In addition, it offers the advantage of not being closely identified with U.S. interests.

SELECTIVE SELF-RESTRAINT

The resolution finally calls upon the United States to reaffirm a commitment to the self-restraint it has demonstrated with respect to selective conventional arms transfers to developing nations and a commitment to qualitative guidelines for conventional arms transfers. I refer to this approach as the self-restraint track.

I want to emphasize that this is not a call for unilateral abandonment of conventional arms agreements with the Third World. Rather, it urges the Administration in selective cases to follow a common-sense policy of refraining from transfering sophisticated weapons to certain countries. Examples of this policy were cited in the Congressional Research Service report "Changing Perspectives on U.S. Arms Transfer Policy" which was prepared for this Subcommittee in 1981. The report mentioned the Carter Administration's turndowns of the F-5E aircraft for Guatemala, the A-7 for Pakistan, the F-4 for Taiwan, the F-4G for Iran, and F-16's for Turkey.

Used carefully, a measure of self-restraint can signal continued willingness to engage in negotiations. Such restraints also may encourage reciprocal action by other suppliers—creating tacit multilateral agreements in those cases where explicit negotiations are not possible. We engaged in such restraint with the Russians during both the Korean and Vietnamese conflicts.

At the very least, selective self-restraint can play an important, if limited, part in the initial stages of a larger effort to encourage conventional arms control and also allow a nation to refuse to transfer weapons on grounds of principle. Human rights, economic development, and other general principles supported by the United States are vital threads in the fabric of U.S. diplomacy.

There also is the less esoteric consideration of the potential adverse impact of overseas sales of sophisticated U.S. equipment on our own military supplies. The C.R.S. report for this Subcommittee called attention to the issue of an aggressive arms sale policy resulting in a draw-down of U.S. service inventories. That report cited the example of the impact of F-16 aircraft sales to non-NATO countries. I would urge this Subcommittee to pursue the draw-down issue further with Administration officials and to solicit the comments of the appropriate Pentagon personnel.

The Administration should be encouraged by Congress to continue selective self-restraint and to continue to observe qualitatitve guidelines with respect to the levels of sophistication of the weapons transferred. The United States should resist the temptation to unilaterally up the ante in regional balances of power. Inevitably, the balance of power will be restored, but at a higher and more potentially explosive level.

SUMMARY

The legislation I have introduced, H.J. Res. 128, is intended to offer a concerted, broad-based conventional arms transfer limitation effort on several tracks. The multitrack approach recognizes the complexity of the international arms transfer network. Regional differences, bloc competition, economic considerations, and security needs are but a few of the factors which make conventional arms restraint difficult to accommodate within just one negotiating framework or track.

I believe it is essential for the Congress at this juncture to urge the Administration to develop a coherent and visible conventional arms transfer limitation strategy. Further, the Administration should immediately begin multitrack discussions that will lead to both informal and formal agreements and guidelines with respect to conventional arms sales.

In order to facilitate Congressional oversight of this endeavor, H.J. Res. 128 requires the President to report to Congress every six months on the actions taken by the United States in accordance with the resolution and the progress being made toward achievement of the objectives expressed in this resolution. The report envisioned by this legislation would be a most useful and valuable document concerning the global efforts at conventional arms transfer limitations. I would hope that it could serve as the basis for Congressional and other initiatives on the issues relating to conventional arms transfers.

In conclusion, I would like to again thank the Subcommittee for holding this hearing and for providing leadership on this issue. I am grateful for the attention the Subcommittee has given to H.J. Res. 128, and I hope that this legislation will receive favorable consideration by the Subcommittee.

It is my hope that H.J. Res. 128 will be a catalyst for further efforts concerning conventional arms transfer limitations. My objective in introducing this legislation is to stimulate debate and interest, and encourage the active involvement of those who are in a position both to influence and to direct the conventional arms transfer policies of this country.

The issues relating to conventional arms transfers will not be resolved in this Congress. We can, however, begin the processes through which these issues can be addressed. I look forward to working with this Subcommittee on these efforts.●

LITHUANIAN INDEPENDENCE DAY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 17, 1983

● Mr. RINALDO. Mr. Speaker, I rise today to bring to the attention of the House of Representatives the 65th anniversary of Lithuanian independence. Born in the ravages of World War I, the Lithuanian nation had a brief but noble existence. For 24 years their democratic institutions and climate of intellectual vigor stood in marked contrast to the Gulag of their Soviet neighbors to the east.

This brief freedom was short lived. In 1940 over 300,000 Soviet troops invaded and illegally annexed the independent Lithuanian nation. Little did anyone know that this action portended a future and equally cruel Soviet expansion into other nations of Eastern Europe.

While we in the United States have refused to legitimize the Soviet annexation of Lithuania by not recognizing this status, the people of Lithuania must live with the hard reality of Soviet domination. Most of the 3½ million people in Lithuania are devout Catholics who face systematic harassment and obstruction of their right to practice their religion freely. The Kremlin continues to deny them religious freedom and cruelly suppresses and denies Lithuanian ethnic and cultural development.

Lithuanian is a small nation composed of hard working and industrious people. Many of its sons and daughters have come to live in my district in New Jersey where they are admired and respected members of the community. The history of the land which they left reaches back nearly 1,000 years. It has not always been a happy

history, for most of that time it was dominated by foreign powers. Nevertheless, the Lithuanian people have remained strong in spirit and successfully fought off efforts to replace their culture with that of their conquerers. For that reason, they are especially well prepared to withstand the continuous efforts by the Soviets to eradicate their national identity.

Mr. Speaker, I know that I am not alone when I say that our prayers and hopes lie with the Lithuanian people whose courage under domination is an inspiration to us all. Our prayers must be matched by vigilance in our actions to pressure the Soviets to exhibit respect for human rights and liberties in their policy toward all the oppressed nations of the Soviet empire.●

ARMS CONTROL AND FORCE MODERNIZATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to submit my Foreign Affairs newsletter for February 1983 for inclusion in the CONGRESSIONAL RECORD:

ARMS CONTROL AND FORCE MODERNIZATION

The prevention of war and the control of arms are the most important issues of our time. These paramount tasks require a strong commitment to maintain sufficient strength so that we can protect our interests and deter aggression. Peace and security must also be preserved by a strong commitment to secure the agreement of potential adversaries to verifiable cuts in military forces. There are no serious voices today who would deny that both these tasks must be undertaken.

Our record in arms control in the recent past is cause for concern. We have not completed an arms control agreement with the Soviet Union since 1976. For the first time since the administration of President Dwight Eisenhower, we are not engaged in negotiating a comprehensive test ban treaty. We have not ratified the second strategic arms limitation treaty, and we are now trying to renegotiate the peaceful nuclear explosions treaty and the threshold test ban treaty. We have just removed the head of the Arms Control and Disarmament Agency and are engaged at the moment in a fight over its direction. Most disturbing is that we have given the impression of building up our defenses pell-mell while delaying arms control. The rationale behind the buildup included the goal of negotiating mutual cuts in military forces from a position of strength, but the buildup has been pursued with an urgency and a momentum which has, as a practical matter, pushed that goal into the background.

The need to modernize our strategic forces is genuine. A few statistics tell a large part of the story. Seventy-five percent of our nuclear warheads are on weapons which are aged 15 years or more, while 75% of Soviet warheads are on weapons which are aged five years or less. In the decade of the 1970's, the Soviets deployed four new submarine types, two new submarine-launched missile types, and three new intercontinental ballistic missile types, while we deployed new types in none of these categories (though we expanded our arsenal of warheads at a faster rate).

Arms control and force modernization should be seen as equal partners, not competitors, in the drive to achieve peace and security. An example which makes the point is the anti-ballistic missile treaty, a pact under which both superpowers agreed not to build more than a small number of anti-ballistic missiles. The agreement was a successful piece of defense planning in that it made large investments in a new military technology unnecessary. There are other instances where we can see with hindsight that problems could have been avoided by an arms control agreement. If the American negotiating team had been allowed to follow the advice of its chief negotiator during talks on the first strategic arms limitation treaty, there would now be a ban against the arming of missiles with more than one independently targetable warhead ("MIRVing"). We had an advantage at that time in the appropriate technology, but the Soviets now have the advantage because they have larger missiles and can put more warheads on each one. It is this MIRVing which has made our land-based missiles theoretically vulnerable. Problems like this do not have to be solved if they are avoided.

If arms control is to play a key role in defense planning, certain conditions have to be met. First, the organization of government must reflect the equal partnership of arms control and force modernization. This has not been the case in recent months. In the President's first budget, there was no money for the resumption of negotiations, but there was $1,600 billion for a five-year military buildup. Important positions in the Arms Control and Disarmament Agency were left unfilled, and it took until November of 1981 for the formulation of proposals to control intermediate-range arms, and another six months for the formulation of proposals to control strategic arms. Arms control must be brought in as a concern in defense planning at the start. Once programs to develop weapons are almost complete, it is hard for arms controllers to do any more than formalize the upper limits on planned deployment.

The second condition is that arms controllers need to have criteria for deciding which weapons they most want to control. A freeze on all warheads, missiles, and other delivery systems is a desirable goal, if it is done by both sides in a situation of strategic parity and if it is verifiable. But it does not give us a way to distinguish among weapons. This is why I support efforts to give special emphasis to destabilizing weapons. Nuclear weapons which threaten a first strike to either side seem to be the most destabilizing because it is the existence of these weapons that tempts a preemptive strike, or the adoption of a launch-on-warning strategy which leaves the retaliatory response to the computers.

Third, the commitment to increase our armed strength and the commitment to pursue arms control need to be under firm political control. Decisions on defense must not be taken autonomously, with a momentum of their own. Leading defense planners have testified in Congress that they have not had adequate guidance from political authorities. If this guidance is not provided, the perception grows that the arms race is out of control. Without the active intervention of political leaders, this momentum cannot be halted. Arms control needs political support from the highest levels of our government.

There are great difficulties in educating political leaders to play this sort of role. The details of defense planning are complex, and these are disguised in almost impenetrable jargon. However, we can take encouragement from the large number of people who familiarize themselves with much of this detail. There is a startling contrast with a few years ago in the number of participants knowledgeable in the public discussion of these topics. This in turn has caused the political leadership to get more involved. The debate in Congress is more informed than it used to be. If this interest and this educational process can be maintained, we may yet be able to give arms control the importance it deserves in national security policy.●

GEORGE P. MILLER

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 27, 1983

● Mr. FUQUA. Mr. Speaker, I am deeply honored to pay tribute to our former colleague, the Honorable George P. Miller of California, one of my distinguished predecessors as chairman of the Committee on Science and Technology.

George P. Miller served in this House for almost three decades, having been elected first in 1944. He was chairman of our committee, then known as the Committee on Science and Astronautics, for more than 10 years, from the fall of 1961 until he left Congress in January 1973.

Chairman Miller was a dedicated and effective spokesman for America's space program. He was a charter member of the Science and Astronautics Committee which was created as part of the Nation's response to the Soviet space program. From the time he became chairman in 1961 until he retired, his leadership helped to guide a massive scientific and engineering effort which proved to the world that American ingenuity and determination would more than meet the Soviet challenge. Some of the most spectacular achievements of the space program were accomplished during his chairmanship, the most remarkable being the landing of American astronauts on the Moon. It will come as no surprise to my colleagues when I say that I believe our national space program deserves our continued enthusiastic support, and if George P. Miller were here today he would surely urge a more vigorous space program.

One of the few Members of Congress who was a graduate engineer, George P. Miller seldom missed an opportunity to remind his lawyer colleagues in this Chamber that, "You guys think in circles. I am one of the few guys

around here who has been trained to think in straight lines." That comment was characteristic of a man who was serious about his work, but who never took himself seriously.

He never lost the common touch. Nor could he ever forget those who were left behind by our economic system. He experienced some hard times himself and often told how during the Great Depression of the 1930's he had worked as a street-sweeper in his hometown of Alameda, Calif.

One of the highlights of Mr. Miller's life was his service as an officer in the field artillery during World War I when he was involved in active combat on the European front. It provided him with special insight and deep respect for our brave men in the military services.

During his service in the Congress he acquired a reputation for honesty, sincerity, and friendliness while always evidencing the best traits of an older statesman—maturity, sensitivity, diligence, and wisdom.

Perhaps his fine sense of humor, his optimistic spirit, and his selflessness which he expressed in his sympathy for the common man all contributed to his long life, for he lived 91 years and so many of them were spent helping his fellow man.

George P. Miller was a credit to this House, a distinguished committee chairman, and a dedicated citizen of our great Nation. I am proud to say he was my friend, and I am grateful for his stewardship of the Science Committee in its formative years. He has passed on to all of us who have served on the committee since then a legacy of dedication and excellence. We are grateful for his example and his contributions.

I offer my sincere condolences to his loved ones.●

HOLOCAUST MEMORIAL

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

●Mr. AuCoin. Mr. Speaker, yesterday I had the opportunity to listen to Mark Talisman, vice chairman of the U.S. Holocaust Memorial Council, present his organization's budget request for fiscal year 1984.

There is nothing I need add to what Mark said yesterday as to why there should be a Holocaust Memorial. I commend and endorse the work of the council. While it may be slightly unusual to insert a budget request statement in the Record, I believe that, in this particular case, it is something that all of us should be aware of and support.

STATEMENT OF MARK TALISMAN, VICE CHAIRMAN, U.S. HOLOCAUST MEMORIAL COUNCIL, BEFORE THE HOUSE COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES, ON THE 1984 BUDGET FOR THE U.S. HOLOCAUST MEMORIAL COUNCIL.

This spring will mark the 40th anniversary of the Warsaw Ghetto Uprising—one of the many, yet all too few, examples of heroism and martyrdom in the Holocaust period. In the Warsaw Ghetto, thousands of unarmed Jews held out against the Nazi war machine longer than did the entire armies of some European nations. Under P.L. 96-388, the Council will encourage Days of Remembrance Commemorative Ceremonies in 50 state capitals, as well as many other cities, and conduct the national ceremony in Washington, D.C. during the week of Days of Remembrance April 10. We will welcome to our Washington ceremony more than 10,000 Jewish survivors of the Holocaust who will convene here, as the American Gathering of Jewish Holocaust Survivors, not to petition their government, but to give thanks to the United States for liberating the death camps and offering sanctuary and citizenship to several hundred thousand of their numbers.

Fifty years ago this January, Adolf Hitler came to power with a pseudo-messianic vision of the one thousand year Reich, the total domination of western civilization, and a so-called pure-blooded, aryan race to be achieved through genocidal policies and practices. The Third Reich was destroyed within a dozen years, primarily because America entered the war. Even so, Hitler accomplished the most horrible of his primary goals, slaughtering of two-thirds of the Jews of occupied Europe, six million in all. As our Chairman, Elie Wiesel, wrote in his report of the President's Commission on the Holocaust, "not every victim of the Holocaust was a Jew, but every Jew was a victim."

In the several thousand years of recorded history only a handful of events have been so great or so evil as to change civilization for all time to follow. The Holocaust was such an event. It well may have been, if you will, the Flood of our millennium. No human response to such a catastrophe can be very adequate. Yet the passage of four decades since this awesome tragedy allows us now to begin to institutionalize remembrance of those events and the lessons from them. Thus it was in wisdom that Congress unanimously passed P.L. 96-388. We must never forget, and today the urgency of our task grows with ever-quickening pace, especially for the only living witnesses of the event—the survivors and the members of the liberating armies, the average age of whom is now in the sixties.

Occasionally we are asked, why build a living museum memorial to the Holocaust in the Nation's Capital, adjacent to the Mall which is consecrated to American values? The answers, which underlie the Congressional mandate, are many. First, perhaps, Hitler declared war on America's values and ultimately was stopped by our determination to preserve western civilization at an enormous cost in American lives and materials. Second, America is the home of the most allied liberators in the free world and the most Jewish survivors other than the State of Israel. Third, such lessons as the moral, economic and national security costs of anti-Semitism, racial discord and prejudice, appeasement of oppressors, and military unpreparedness still remain to be learned. And all of these lessons are ever central to the problems of governing the leading democracy of the world in a period that presents greater perils to human survival than even Hitler threatened in the pre-nuclear age. As distinguished from genocidal acts on the one hand, and World War II on the other, the Holocaust represented a governmental policy to purge from the human society an entire "race," i.e., all human beings with Jewish blood in their veins, regardless of their economic, political, religious or military views or circumstances. But the consequences for all free societies, and the lessons to be learned by participants and by-standers alike, can and must be generalized. In this respect it is especially fitting that a living educational museum/memorial to the Holocaust be established in the Capital of the free world.

To plan and implement this endeavor is an unprecedented task, calling forth the best efforts of skilled professionals and consultants working as a uniquely structured interdisciplinary team. In the first two years the Council, aided by a very small staff, established a pattern for the annual Days of Remembrance ceremonies, convened at the State Department an historic, International Liberators Conference, and worked with a number of historians and educators to frame the major issues and themes for the museum exhibits.

As this the third year began, the Council expanded its executive leadership and the tempo of professional planning increased dramatically. A comprehensive and detailed outline for museum planning has been adopted by the Council and a dedicated museum planning team is at work. Planning for the educational foundation and archival activities that will be integral to this living museum plan is now being sketched out. Finally, this spring will mark the inauguration of a national development campaign to raise the private funds necessary to design and build the museum memorial.

Fiscal Year 1984 will be a critical year because we will be making the transition from preliminary planning to final planning and the beginning of implementation. If, for example, we cannot during the coming year flesh out in minute detail the components of a full-scale information retrieval center, then our Museum will have no computer services when it is built. Similarly, if, by the end of 1984, we have not taken the fundamental steps toward a complete museum design for interior and exterior spaces alike, then it will be impossible even to begin to solicit and review bids for construction.

The move from preliminary planning to final planning and implementation will require three categories of major increases in funding: new full-time professional and support staff; a considerably expanded use of professional consultants; and substantially increased travel for the establishment of professional working relationships between the Council staff and related United States and foreign agencies and institutions.

It must be understood that Fiscal Year 1984 will find the United States Holocaust Memorial Council aggressively engaged in its major fundraising drive for approximately $75,000,000 to construct and endow the on-going life of a U.S. Holocaust Museum and Education Foundation. Thus, the Federal appropriations for the Council's budget in the coming year represent essential seed money for what will be a national undertaking of unparalleled proportions.

We are happy to report that the Council and its staff already have drawn up detailed plans and timetables for all activities up to

and including the construction, staffing and opening of the U.S. Holocaust Memorial Museum. We have every confidence that this project will unite the Federal government and broad sectors of the American people in what is one of the most worthy undertakings of our generation.●

WE LOVE LUCI

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. PICKLE. Mr. Speaker, a delightful event will be held at the Governor's Mansion in Austin, Tex., this coming April 14. Texas Governor and Mrs. Mark White will help culminate the "We Love Luci" project, honoring Luci Baines Johnson, the youngest daughter of our beloved former President and Lady Bird Johnson. A $50,000 goal has been set by the sponsors to endow the Luci Baines Johnson Chair in the University of Texas School of Nursing. And under a unique agreement in this, the university's centennial year, the University of Texas Board of Regents is embellishing this endowment and all others with matching funds.

This event is not only a way to celebrate one of the Nation's foremost nursing schools, but to pay tribute to one of our country's outstanding citizens.

Luci Johnson could have sat back and have been satisfied with wearing the label of "former President's daughter." But she has taken her family's love of public service in many creative directions. For several years, she has focused her activities in health education. She once chaired the University of Texas School of Nursing Development Board and currently serves on the National League of Nursing Board of Review, which helps accredit all nursing programs in our country. She is also a member of the Boston University School of Medicine Board of Review.

Many of us know Luci as the president of the nationwide group, Volunteers for Vision, which seeks to discover visually disadvantaged children for treatment.

You would think Luci's time is consumed with these pursuits of health care improvements. But she is also a full-time mother of four children and takes her family duties so seriously that you will often find her on field trips with her children and raising money for school activities. She also guides her children in Bible studies.

At the same time Luci's feet are planted firmly on the ground in the business world. She is vice president of the family's communications and real estate company and serves as chairman of the board of an Austin bank.●

NUCLEAR DISARMAMENT—NO PLACE FOR AMATEURS

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MRAZEK. Mr. Speaker, while it is not in the province of this body to confirm Presidential nominations, nonetheless it is incumbent upon all of us to take a stand on the madness of the nuclear arms race and its threat to the future of human achievement.

The other body soon will be asked to cast a vote of confirmation on the nomination of Kenneth Adelman as Director of the Arms Control and Disarmament Agency. Certainly, there is reason to question Mr. Adelman's suitability for the post in light of his performance before the Senate Foreign Relations Committee and his general qualifications for the job.

In the past 2 years, the American people have sent out a clarion call to their leaders on the subject of arms control. The Reagan administration has chosen largely to ignore the sentiments expressed in town forums and elections across the land, apparently feeling that it holds a monopoly on intelligent arms control strategy. I also do not doubt that sentiment exists within the White House that the people will "return to their senses" in the near future, and that the fervor for nuclear disarmament constitutes no more than a fad. Like hula hoops, disco, and deely bobbers, this too shall pass.

As has been the case with a variety of subjects in the past 2 years, the administration once again is patronizing the intelligence and commitment of the American people. I have no doubt that we have yet to see the full fury of the people unleased on the subject of serious, efficacious arms negotiations. The nuclear threat is with us for all time—only our determination to keep the genie bottled can save us.

The administration's likelihood to succeed on arms control suffers with the nomination of Mr. Adelman to accomplish this sensitive task. The President has made the nomination a matter of personal prestige, and it may be that the other body will acquiesce to pressure and approve the nomination, despite the recommendation of rejection delivered by the Foreign Relations Committee.

But approval of Mr. Adelman's nomination should not translate into cause for optimism by the American people on the subject of arms control. In recent weeks, radio station WGSM has provided listeners in my district with a pair of succinct, thoughtful editorials on the subjects of Mr. Adelman's nomination and arms control. I would like to share these thoughts with my colleagues today, and urge an expeditious consideration of the matter of arms control in the coming days in this body.

The WGSM editorials follow:

NUCLEAR DISARMAMENT—NO PLACE FOR AMATEURS

You might not be familiar with the name Kenneth Adelman, but he could well hold your life in his hands. Adelman is President Reagan's nominee for arms control chief, the man who will negotiate life or death agreements with the Russians. He will be dealing with weaponry that can obliterate the human race.

Two weeks ago he appeared before the Senate Foreign Relations Committee for confirmation hearings. When asked if he thought a nuclear war could be limited, not exactly an unimportant question, the fate of mankind might rest on the answer, Mr. Adelman replied, "I have no thoughts in that area." When asked whether the Soviet Union was violating terms of the Salt II treaty, Mr. Adelman said, "I am not knowledgeable at all." When asked if the U.S. would seek ratification of Soviet/American treaties to limit underground nuclear testing, Adelman said he hadn't talked to the experts and would be very reluctant to give a date for any decision.

Adelman was rushed back to the Senate last week with a consultant at his side and answered all the questions he didn't answer previously. But this is not the position for a cram course candidate. The trouble with all this is that Adelman is supposed to be the expert. Until now, the chief negotiator for the U.S. in disarmament talks has been a truly bipartisan type appointment, usually a person of great knowledge, stature, background and judgment.

President Reagan fired Eugene Rostow from this position a few weeks ago. The reason was significant—Rostow, it was said, sought arms control too zealously. In other words, Rostow wasn't just going through the motions. To fire him made friends and foes alike feel that Ronald Reagan doesn't want disarmament or arms control. To nominate an obscure, uninformed, inexperienced person for this most vital position not only emphasizes Mr. Reagan's lack of enthusiasm for peaceful solutions but is downright dangerous.

MISSILES DO NOT DEFEND—THEY DESTROY

Currently, we're hearing a lot about the defense budget. In truth, there is no more defense in the defense budget—it's a military budget. Once, the money we spent for the military was largely defensive unless we were involved in war.

To defend means to shield, to protect, as coastal artillery might defend a shoreline sinking hostile ships so they could not do damage to our nation, or an anti-aircraft gun could shoot down a bomber to prevent it from dropping bombs on us. That's when the defense budget really bought defense.

Now the nature of warfare has changed. Our so-called defense budget is spent on missiles and bombers. There are offensive weapons. They can be used on a first strike or retaliatory basis but if used, they cannot prevent anyone from attacking us. Their purpose is to kill huge numbers of people, whether they are used by the Soviet Union or United States. With nuclear warheads on them, they can annihilate entire civilizations, all life as we know it.

The hope, of course, is that such weapons will deter an attack but if that attack

comes, no one will be defended. Since there is no defense, the difference between calling it the defense budget and calling it the military budget is more than just one of words. We should stop calling it the defense budget because it gives us a false security. It makes it easier to forge ahead toward the unthinkable. What we are talking about in this nation right now is spending nearly one third of every dollar the federal government takes in and giving it to the military. When that military budget is spent, we will be no safer than we are now. We will not be defended any more than we are now—quite the opposite. We will be that much closer to confrontation.

Only a scaling down, a sincere, enthusiastic, flexible policy toward disarmament and arms control is a viable defense in the 1980's. Record military expenditures by the Soviet Union and the United States take us in the wrong direction. Now, while there is still time to reason, discuss, and persuade is probably the time for citizens to inform their representatives that bigger military budgets are not the way to peace, that the only true defense lies in the opposite direction.●

CONGRESS MUST REPEAL THE "MILK TAX"

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. KEMP. Mr. Speaker, on February 17 I joined several hundred farmers in my congressional district at a meeting called by Mr. Bob Engel of Shamel Mills to discuss the disastrous impact the "milk tax" will have on the dairy farmer and the farm economy in general. Also participating in this very interesting and productive meeting were New York State Assemblyman Bill Paxon, New York State Senator Bill Stachowski, Erie County Executive Ed Rutkowski, Erie County Legislators Mary Lou Rath and Tom Reynolds, as well as representatives of Senators AL D'AMATO and DANIEL PATRICK MOYNIHAN.

All the participants in this meeting agree that the dairy industry is suffering from a serious—and expensive—surplus production. Total milk production has risen from 122.5 billion pounds in 1979 to 134.3 billion pounds in 1982, a 9.6 percent increase. At the same time, commercial use of dairy products has risen only 1.4 percent. The result is a net Government removal of over 10 percent of U.S. dairy production from the market, at a cost to the taxpayer of over $2 billion.

But while these costs are troubling, the costs of staying in business to the dairyman are even more so. Support prices have remained steady since October 1980; but the large surplus has reduced the actual market price paid to producers below the support level. These declining real prices, coupled with the rising cost of production, have reduced the average dairyman's return on labor, management, and investment and have forced some dairy farmers to "live off the depreciation."

We all agreed that something must be done to correct the imbalance of production and consumption in the dairy industry. But we also agreed—emphatically—that the milk tax is not the solution. This assessment will cost the average New York State dairy farmer $4,000 per year—a total revenue loss of $55 million annually to New York State dairymen. Yet while the dairy farmer receives a lower price for his milk, the consumer continues to pay the same high price for dairy products. In addition, the milk tax will actually increase dairy production as farmers struggle to maintain their income while receiving a lower price for their production. Therefore the milk tax fails to address the two central problems in the dairy industry—overproduction and underconsumption.

While failing to address the underlying causes of the dairy surplus, the milk tax will "succeed" in one tragic way—by forcing young, highly leveraged family farmers out of business. The Government must not assume the responsibility of keeping every farmer in business—like all small enterprises, the family farm is a high risk operation. But neither should the Government unfairly burden the family farmer by imposing a tax on his efficiency and productivity. That is why the milk tax must be repealed. Congress gave permission for the dairy tax to be imposed, and it is the responsibility of Congress to revoke this permission. I commend my colleagues Senator AL D'AMATO and Congressman STEVE GUNDERSON for their leadership on this issue, and I urge all my colleagues to cosponsor the legislation they have introduced to repeal the dairy assessment. I ask that all the farmers who will be hurt by the milk tax to write your representative and ask for his cosponsorship and support for these important bills.

Many of my colleagues may not realize that New York State is the Nation's third largest dairy producing State. We have 14,000 dairy farms, that provide a stable economic base for hundreds of upstate communities, many of them in my 31st Congressional District. The family farmer is a hardworking entrepreneur struggling to stay afloat in an economic climate that often punishes him for being a productive and efficient businessman. The New York State Farm Bureau, under the able leadership of Dick Maguire, has formulated some very worthwhile recommendations for a 1983 dairy promotion program; an increase in the FDA's minimum standards for fluid milk to assure a better tasting product; and a short-term reduction in the dairy price support coupled with a long-term "trigger" that will allow the dairy industry to effectively respond to the signals provided by the market. I hope my colleagues will consider these proposals as we tackle the issues facing the dairy community.

The dairy tax must be repealed. Congress must take responsible action to correct the distorted signals the Government has given the dairy industry; but we must not penalize the farmer for responding efficiently and productively to those signals. Mr. Speaker, in all my years of Congress I have never met finer people, more industrious and patriotic families nor more courteous constituents. I am honored to represent them and I believe this issue goes to the heart of what is troubling our Nation today, and that is every time someone thinks up a tax it further discourages production, free enterprise, and the incentive system so integral to our American family value system. I offer this editorial from the Buffalo News as a concise, well-reasoned argument against the milk tax. I hope my colleagues will join me in fighting for its repeal.

MUDDLED MILK LEVY

The October rise in milk production in both Western New York and the state as a whole gives credence to the complaints of many dairy producers that the new 50-cent per hundredweight federal tax on milk production, far from relieving mountainous government dairy surpluses, will only make them worse.

The "milk tax" on all U.S. dairy farmers was voted by Congress earlier this year to reduce costs of the dairy-support program. It called for an initial 50-cent levy beginning Dec. 1 to be deducted from federal price-support payments, and an additional 50-cent assessment next April if milk surpluses remain high.

Dairy leaders have protested that the federal levy will do nothing to lower consumer prices, but will take money out of farmers' pockets at a time when their costs are still rising. In the view of these critics, the net effect will be to spur farmers to offset their losses by stepping up production.

That seems to be the pattern now emerging in anticipation of next month's exaction. According to the New York Crop Reporting Service, statewide milk production during October was the highest on record for that month and 2 percent above October 1981.

Secretary of Agriculture John R. Block last month voiced his own lukewarm view toward the congressionally-mandated assessments. Noting that dairy surpluses are still increasing and now are valued at $3.1 billion, Secretary Block said of the tax: "I don't think it's a very good solution, but it is my obligation to administer it."

While farmers may eventually reduce their output, he noted, the immediate outlook is for still larger dairy surpluses that add to government costs while doing nothing to relieve consumer prices.

Dairy leaders in the Northeast stress that the growing surpluses are largely the product of Midwestern and California dairymen. Because they are close to markets, New Yorkers produce much closer to demand.

Instead of approving the 50-cent levy, Congress would have done better to reduce current price-support levels in an effort to

bring down prices and stimulate consumer purchases of dairy products. The trifling overall savings that the new milk tax can achieve in the federal budget are likely to be greatly offset by storage costs for growing surpluses in government warehouses.

One possible solution for the milk muddle advanced by some quarters is the adoption of a two-price support program. Under this approach, the government would pay one price for milk produced within a specified quota, and a much lower price for production beyond that quota. In any case, no one is apt to be helped by the pending milk-tax device—not farmers, not consumers and not a government drowning in surpluses.●

EXPORTING CLUSTER BOMBS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. SEIBERLING. Mr. Speaker, I am today reintroducing legislation to prohibit the sale, credit sale, or grant transfer of cluster bombs and cluster artillery shells to any country by the United States.

Cluster bombs are basically large canisters filled with submunitions. When a fuse in the nose of the canister detonates, the canister opens, spewing the "bomblets" over a wide area. Some of the bomblets, slightly larger than golf balls, explode on contact with the ground. Some hit the ground and bounce back into the air before exploding. Others may have delayed action fuses, detonating hours or days after deployment, making the area where they lie extremely hazardous to anyone who passes through it.

While most cluster bombs are designed to be used against hardened military positions or lightly armored vehicles, there is nothing to prevent the bombs from being used against personnel or, accidentally, against civilians in a battle area. It doesn't take much imagination to figure out what happens to a human body that gets in the way of a weapon detonating with sufficient force to penetrate light armor.

Cluster bombs are not precision weapons. A recent publication by the Stockholm International Peace Research Institute (SIPRI) notes, "A cluster bomb * * * can be used only as an area weapon—and even in areas far to the rear of the battle zone where civilians are more likely to be affected. Added to this is the fact that the bomblets of a cluster bomb are in many cases fitted with unrealiable delayed-action fuses and may thus remain a long-term hazard."

I am deeply concerned by our emphasis on weapons sales as a means of promoting U.S. national security interests. I am not sure what benefits U.S. weapons bring to a subsistence farmer in Africa or Latin America. Nor can the massive export of U.S. weapons perpetuate repressive regimes that have lost the support of a majority of their people. It is ironic that Khomeini's Iran has been using U.S.-made tanks and F-4's and F-14's to attack Iraq. These weapons did not keep the Shah in power, and are now being used, in part, to help export the Ayatollah's revolution.

I am not suggesting a wholesale cutoff of U.S. military sales. However, I think the time has come for the United States to stop exporting weapons like cluster bombs, which have such devastating effect on innocent civilians who have the misfortune of being in a battle area. Accordingly, my bill would expressly prohibit the United States from selling, or guaranteeing the sale of cluster bombs and fragmentation artillery shells. The bill would also suspend the delivery of any such weapons which may be "in the pipeline," and would also prohibit the export of any data or information relating to the design or manufacture of cluster bombs or any components of cluster bombs. The sole exception to the prohibition is for components, such as fuses, which are not designed primarily for use in cluster bombs. However, the power of the President to waive the restrictions in specific cases, as provided in existing law, will not be impaired by this bill.

The Washington Post asked in a July 21, 1982 editorial, "if a particular weapon is so liable to misuse, why ship it in the first place?" The cluster bomb invites serious abuses and accidental deployments. It is time for the United States to stand up and say that we will no longer provide these weapons to the armies of the world.●

PROJECT INDEPENDENCE—TO STRENGTHEN LOCAL GOVERNMENT

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. PASHAYAN. Mr. Speaker, responsible elected officials at the county, city, and special district levels in this Nation often complain, with considerable justification, that Federal and State governments frequently impose upon them fiscal and discretionary restraints that stifle the efforts of those local governments in dealing effectively with their unique problems.

On February 1, 1983, the board of supervisors of Tulare County, Calif., in the 17th Congressional District approved at the suggestion of Supervisor John R. Conway a resolution dealing with this issue and suggesting strategies on how it can be addressed.

I submit this resolution in its entirety to remind us all of the problems faced by local government.

RESOLUTION NO. 83-116—BEFORE THE BOARD OF SUPERVISORS, COUNTY OF TULARE, STATE OF CALIFORNIA

In the Matter of Support of Project Independence, a Proposal to Strengthen Local Government in California.

Whereas, the conditions and circumstances under which American local government must function today are perilous and difficult; and

Whereas, the issue now is whether the counties and other local agencies of this land, great and small, shall have the means to survive—in the interest of their own people, and in the interest of their states and the nation at large; and

Whereas, American government is today faced with a severe fiscal squeeze that begins at the federal level and proceeds straight to the smallest counties and townships; and

Whereas, the era of unlimited federal aid and government services to address society's ills will inevitably come to an end against the backdrop of ferocious and uncontrollable fiscal pressures of entitlement programs and federal pensions, massive defense buildup, deep tax cuts, and fast-mounting interest charges on the national debt; and

Whereas, the State of California and her local agencies, lacking the financial cushion to fill the gaps left by withdrawn federal aid, must innovate new and resourceful approaches to the problems of everyday life in our neighborhoods, counties and communities; and

Whereas, counties and other local agencies must now step beyond past expectations of local government—as a service caretaker for roads, fire protection, jails, code enforcement—working with business, other governments, and neighborhoods to plan for and safeguard the well-being of our citizens; and

Whereas, if federal and state governments are unable or unwilling to aid their counties and cities with cash, then they must grant us freedom, legal and financial, to plot our own survival unmanacled by their mandates;

Now, therefore, be it resolved,

That the Tulare County Board of Supervisors does hereby declare its support for Project Independence, a proposal to strengthen local government in California, and hereby calls for a fundamental guarantee of the following rights and liberties:

That local governments shall be guaranteed a stable source of revenue along with the flexibility, upon voter approval, to increase or decrease revenues to meet local needs;

That California counties shall have authority, under duly adopted local charters, to manage our administrative and fiscal affairs in the most effective and efficient manner possible, notwithstanding the edicts of state and federal bureaucrats and regulators;

That the Legislature and the Congress shall stop imposing, and start repealing, burdensome spending and program mandates on local governments;

That counties shall aggressively pursue new full-fledged partnerships with business, other governments and neighborhoods to assure that essential services are available to Californians at the least possible cost.

The foregoing was adopted upon motion of Supervisor Conway, seconded by Supervisor Mangine, at an official meeting of the Board of Supervisors held February 1, 1983, by the following vote:

Ayes: Supervisors Gould, Conway, Mangine, Swiney, and Webb.
Noes: None.
Abstain: None.
Absent: None.●

SOCIAL SECURITY REFORM

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. OTTINGER. Mr. Speaker, the Ways and Means Committee is considering a number of changes designed to insure the solvency of the social security system. These are based largely on the recommendations of the National Commission on Social Security Reform. I would like to share my views on how we can best resolve the financial problems of social security with my colleagues.

STATEMENT OF HON. RICHARD L. OTTINGER ON SOCIAL SECURITY REFORM PROPOSALS

Mr. Chairman, I'm pleased to have an opportunity to share some of my views with you on how we can best resolve the financial problems of the Social Security program.

The National Commission on Social Security Reform has put together a pragmatic package of recommendations to resolve the Social Security financing problems, recognizing the wide divergence of opinion in Congress and with the Administration on how funding deficiencies should be met. I'm grateful that this package doesn't rely exclusively on benefit cuts as the Reagan Administration proposed in May, 1981. That plan would have reduced Social Security benefits by more than $81 billion from 1981 to 1986 and much more in future years. In light of the Administration's clear preference for benefit cuts as a solution to the problems of Social Security, I feel the Commission members did the best they could to put together a balanced package. There are still glaring inadequacies, however, that should be addressed by the Ways and Means Committee and Congress.

At this point, what we need is a plan to meet the short-term financing problems through the 1980's. From 1990 to 2015, the system should again be in comfortable balance as the lower birth rates of the Depression years will decrease the number of eligible retirees and those born in the "baby boom" after World War II will swell the workforce and pay into the system. What will happen in the long-term is impossible to know. Any structural changes or cuts in benefits in order to deal with a problem that may well not exist would be unwise and premature in my view.

BACKGROUND

It's important to point out that the problems and choices we are facing now are not due to flaws in the basic Social Security system, but are the result of the poor state of the economy over the past several years. The Reform Commission accepted this view when it agreed not to change the fundamental structure or undermine the principles of Social Security. It considered, but rejected, proposals to transform Social Security into a voluntary system, pay benefits exclusively according to an individual's contributions, or tie old age payments to financial need.

In 1977, we enacted substantial increases in the payroll tax, and made adjustments in benefit levels. At that time, we believed these changes would be sufficient to keep the system solvent into the next century. I supported this legislation only because of the urgent need to ensure the viability of the system.

Unfortunately, economic conditions—particularly under this Administration—have been much worse than anyone expected even 5 years ago. Higher than expected unemployment resulted in a drop in payroll tax receipts and in more unemployed older workers who were forced to start collecting Social Security earlier than they might have otherwise. In addition, inflation was much higher than Congress anticipated at the time of the 1977 tax increase. Social Security expenditures have exceeded revenues, producing the deficit and the crisis we presently face. If the economy were healthy, we wouldn't be forced to make the hard choices we're confronted with now.

GENERAL REVENUES

Since the well-being of Social Security is tied so closely to the overall state of the economy, and since benefits are not tied strictly to contributions, I believe it makes sense to fund part of the program with general revenues. These are derived from broad-based sources and the burden wouldn't fall disproportionately on low and middle income workers as the regressive Social Security tax does now. I've pushed this idea for a long time as have many senior citizen groups and others. Even the National Federation of Independent Businessmen recently stated, "The utilization of general revenues in proper proportions is appropriate."

The previous chairman of the Social Security Subcommittee, Rep. James Burke, proposed funding Social Security: One-third from employees, one-third from employers, and one-third from general revenues. I support this plan which was contemplated when the original Social Security Act was enacted in 1935. General revenues could be used in other ways. President Carter proposed a more modest, countercyclical plan: when unemployment is high (over 6 percent) general revenues would replace the "lost" Social Security taxes. Another possibility would be to fund the Medicare and Disability programs from general revenues leaving the Social Security tax for retirement benefits.

The Reform Commission added general revenues in several ways, either directly or by requiring the expenditure of general revenues through an offsetting tax cut. Many have called this a "back door" approach. Why not accept the principal of general revenues for Social Security and make this a permanent feature? This would underscore our intent to ensure that Social Security will be viable well into the future.

RECOMMENDATIONS OF THE COMMISSION

As with most compromises, there are parts I support, and others I do not. First, I'd like to briefly mention the recommendations that I support.

Social Security was proposed to be removed from the Federal budget. Social Security funds are kept separate from other government funds and cannot be spent for any purpose other than Social Security. Including Social Security in the budget improperly subjects Social Security to pressures to reduce the federal deficit.

The compromise provides for the investment of Social Security trust funds so as to ensure that funds not needed to pay current beneficiaries are earning the best rate possible. This is long overdue. Also, adding two public members to the Social Security Board of Trustees is properly designed to increase public confidence in the integrity of the trust funds.

Social Security is proposed to be credited for uncashed Social Security checks, which presently are charged against the Social Security trust funds. Although not mentioned in the Commission's report, I think we need to look into more aggressive ways to prevent Social Security checks worth millions of dollars from being issued to deceased individuals—either fraudulently or inadvertently.

The bonus for delayed retirement is proposed to be increased. It is far better to provide incentives for workers to delay their retirement and collecting benefits than to reduce benefits for those who choose—or are forced—to retire at 65 or earlier as the Reagan Administration advocates. Increasing these incentives complements our efforts to eliminate mandatory retirement and to encourage individuals to develop additional sources of retirement income.

The Commission properly recommended a few improvements in the Social Security treatment of certain categories of women. This issue really deserves more attention. Our present system is grossly unfair—it was set up when men were largely the breadwinners and women stayed home and were expected to receive benefits as wives or widows. As a result, the work effort of most married women is discouraged by providing essentially no additional benefits in return for their taxes. Some improvements were recommended by the Commission but I hope this whole issue will receive careful attention as soon as possible.

Five proposals of the package need additional work before they are acceptable to me.

1. Taxing social security benefits

The Commission has recommended that one-half of Social Security benefits be considered as taxable income for federal income tax purposes for taxpayers with adjusted gross incomes exceeding $20,000 for single persons or $25,000 for married couples. This tax revenue would be credited to the Social Security trust funds. According to the Commission, about 10% of the Social Security recipients—those more able to pay—would be required to pay higher taxes as a result of this change.

I've never supported taxing Social Security benefits. In 1980, I introduced a sense of the Congress resolution providing that Social Security benefits would not be taxed; this resolution was enacted by a wide margin. In addition, this provision unfairly penalizes those who saved to supplement their Social Security—we certainly don't want to discourage this saving. Finally, if it is to be, the change is not phased in slowly as any change should be.

At this point, however, it seems clear that some taxing mechanism will be included in the final plan. The one recommended by the Commission seriously discriminates against married people. Therefore, I hope that this Committee will consider a different threshold; $20,000 for an individual and only $25,000 for a couple isn't fair and is destructive to marriages.

2. Participation of nonprofits and State and local government workers

The Commission has recommended requiring participation of employees of all non-profit organizations and prohibiting further state and local government withdrawals from Social Security. I'd go farther

than this. Social Security is a program with a national purpose and should be all-inclusive. Some say there may be some Constitutional problems involved with bringing in presently exempt state and local government workers, but I think this is without substance.

3. Raising the self-employment tax

The Commission recommends raising the Social Security tax rates paid by self-employed persons to 100 percent of the combined employer-employee rate, but permitting them to deduct for income tax purposes one-half of the taxes they pay. This is regressive. The burden of the increased tax falls most heavily on low-income self-employed. The percentage of increase in Social Security tax would be uniform across all income groups, but tax deductions would be worth more to higher-income individuals. Tax deductions always favor high-income groups. I would prefer to make this a tax credit or find another way to resolve this clear inequity.

4. Accelerating the payroll tax increases

I'm concerned that increasing the regressive payroll tax will have an adverse impact on the low and middle-income workers and further damage the economy. These increases could be a real disincentive for hiring additional people, which in turn affects both Social Security and general revenue collections. Substituting general revenues would be much more equitable, as I earlier indicated, and I am pleased that this has been at least partially effected by the tax credit for further increases in employee taxes.

5. Bringing new Federal employees into social security

The Commission recommended extending Social Security coverage to all newly-hired federal employees as of January 1, 1984, and the establishment of a separate supplemental plan similar to plans in private industry for those workers on top of Social Security. This seems to be the most controversial part of the whole package.

First, let me say, that I support universal Social Security coverage, but only if it is done in such a way as not to prejudice federal employee benefits. Social Security represents this nation's basic commitment to its elderly—everyone should participate. I'd like all workers to be covered. Because 80% of federal workers are eligible for Social Security when they reach 65, by reason of non-federal employment, I believe it makes sense to provide for Social Security coverage of the remaining 20%.

I cannot support coverage of federal employees, however, unless absolute assurances are provided:

1. that all pension rights of current civil service workers are protected at no additional cost to these workers; and

2. a supplemental plan is simultaneously adopted which provides new federal employees with retirement benefits comparable to that of other public employees and those in the private sector. It's not fair to expect workers to accept a plan the details of which have not been disclosed, particularly in light of this Administration's callous attitude toward Federal workers.

The new supplemental plan should be designed so that when combined with Social Security it will supply as good protection as the present civil service system does alone. Good pension benefits are one of the most important incentives for joining the federal government; we need this to continue to attact qualified people to federal service.

Representative Pepper has suggested postponing the implementation of this provision for a year (until January 1, 1985) in order to give Congress time to work out this supplemental pension plan. I would support this if more time is needed in order to meet the conditions I've set out above.

It was a stupid omission to exclude Members of Congress from Social Security from the outset and the Commission should have so provided. Congress should rectify this inequity as part of this package.

COLA DELAY IS UNACCEPTABLE

I strongly object to the six months delay in providing the cost of living adjustment (COLA) which will cost the average recipient $120 in 1983. While a one-time delay is preferable to even more serious permanent benefit cuts, I feel the Ways and Means Committee should look for other ways to save this money.

For many the COLA is money they can ill afford to lose. A study done in 1982 by Data Resources Inc. found that the COLA cut proposed last year would have thrown an additional 1.2 million elderly into poverty by 1985 and 2.1 million by 1990. This cut will be especially devastating in conjunction with the cuts already enacted in Medicare, food stamps, low-income energy assistance, housing assistance and other federal programs to help the poor.

Finally, I'd like to add that I'm extremely disturbed that the proposed delay in the Social Security COLA is being used to justify similar delays in other retirement benefits and in the food stamp benefit adjustment. A recent New York Times editorial stated, "How many Americans—who pay 50¢ for a diet soda at a lunch counter—could manage on an average benefit that comes out to about 45¢ for a whole meal?" Not many. This delay would be unconscionable.

In conclusion, I hope this Committee will consider the points I've raised. While it is essential to ensure that the Social Security fund is adequately financed to ensure payment of benefits, the Commission's recommendations propose some very inequitable measure which the Committee and Congress should address.●

CAMPAIGN FINANCE REFORM

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. WIRTH. Mr. Speaker, I commend to you and our colleagues the following editorial on the need for campaign finance reform, written by Mark Shields, the Washington Post, February 25, 1983.

As a long time proponent of campaign finance reform, I believe that we must move speedily on this issue, before the public's confidence in this institution is completely destroyed by the events Mr. Shields very correctly warns cannot be far off.

THE COMING CAMPAIGN SCANDAL

An unconditional prediction: a new federal campaign finance law—one that imposes severe limits on all political action committees and provides for some form of public financing of congressional elections—will be enacted within the next 24 months. While a majority in Congress and the president now almost surely oppose any such law, their resistance will be overwhelmed by future public events. A major political money scandal will be uncovered that will guarantee passage of the laws.

All congresses respond to crisis. The criminal excesses of Watergate, particularly in the illegal raising and spending of campaign funds, probably made full disclosure and public funding of presidential campaigns inevitable. We and Congress will learn, sooner rather than later, of another (probably more than one) major political money scandal. Once again, promising careers will be ruined, prison sentences will be handed out and Congress will pass and the president will sign a tough new campaign finance law.

Able and committed politicians in both parties see the problem clearly. Bob Teeter, the Republican pollster whose 1976 strategy brought President Ford from a deficit of 16 million votes to within an eyelash of victory in 11 weeks, is worried by the rivers of campaign money now drowning American politics: "It's just like 1972," he says. "There's too much money around not to have a scandal." Missouri Democratic Sen. Tom Eagleton, who has been winning statewide races since 1960, argues that contemporary political fund-raising is "a national scandal" that "is taking place every day." New York Rep. Barber Conable, the ranking Republican on the House Ways and Means Committee, sees the ever-growing public perception of scandal in present fund-raising practices as producing more pressure for public financing of elections. Conable, who refuses campaign contributions of more than $50, compares the existing system of candidates' dunning all who represent interests before the House for contributions to his days in private law practice, when judges running for reelection raised their compaign budgets by "putting the arm on all of us lawyers who appeared before their court."

Public financing will not be entirely unwelcome. Most candidates would, if given the alternative, choose root canal work over asking anyone for money. Most of the current resistance to public financing comes from the Republicans, many of whom, after telling us there is no connection between contributions and a congressman's vote, then remind us that "there is no free lunch," that every program has a price tag. Apparently altruism only applies to contributions by political action committees. But it will probably make little difference what anyone argues, because a major scandal will end the debate and move the previous question.●

RULES OF PROCEDURE AND STATEMENT OF POLICY ON PRIVATE IMMIGRATION BILLS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MAZZOLI. Mr. Speaker, today I would like to bring to our colleagues attention the new Rules of Procedure and Statement of Policy on private immigration bills which were adopted by the Subcommittee on Immigration, Refugees, and International Law. These rules and policy will guide the subcommittee in scheduling private

bills as well as making determinations on their merit.

I insert into the RECORD, at this point, a letter describing the rules sent jointly by the subcommittee's able ranking member and myself to our colleagues and the rules themselves.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, D.C., March 2, 1983.

DEAR COLLEAGUE: On February 9, 1983, the Subcommittee on Immigration, Refugees, and International Law unanimously adopted its Rules of Procedure governing consideration of private immigration bills. These Rules were ratified by the full Judicary Committee on February 15, 1983.

At its February 9 meeting, the Subcommittee also adopted a Statement of Policy and Procedures setting forth general precedents and procedures for the handling of Subcommittee business—particularly the category of business called "private immigration bills."

The Subcommittee would like to take this opportunity to acquaint you with the Rules and Policy which will govern Subcommittee consideration of private bills in the Ninety-eighth Congress. The Rules and Statement are enclosed.

I. NATURE OF THE PRIVATE BILL

A private immigration bill is an effort to provide extraordinary relief to an alien—one who is not a U.S. citizen or permanent resident. The private immigration bill seeks to legislate an exception to the general immigration laws of the United States.

The Subcommittee examines each private bill carefully to determine whether there is sufficient equity to make an exception to the law. Often hearings are held to develop the facts further.

Introduction of a private immigration bill does not alone, under House procedures, stay the deportation of any alien. Stays are possible but only after the case has been examined and action taken by the Subcommittee at a regular meeting. No action to intervene in a pending deportation will be taken by the Chairman of the Subcommittee prior to a Subcommittee hearing.

II. RULES OF PROCEDURE AND STATEMENT OF POLICY

The Subcommittee Rules and Statement of Policy guide the consideration and processing of private bills. We urge you to review these materials. They will help you and your staff handle the inevitable requests and inquiries which will come during the Ninety-eighth Congress.

The Subcommittee rarely takes any legislative action on a private bill where an administrative remedy under the existing Immigration and Nationality Act is available and has not been pursued to exhaustion.

And, while the Subcommittee is not bound by precedent—its action in earlier Congresses—it rarely deviates from precedent when handling private immigration bills.

A private bill commences with a letter from the Member to the Chairman of the Subcommittee outlining the facts of the case. The Subcommittee recommends that you and your staff develop the facts fully before offering the private bill. Our experience is that a fully documented file serves the best interests of the beneficiary, but it also protects the Members from embarrassment in the event the beneficiary has omitted certain salient facts in the initial review.

We offer the assistance of our able Subcommittee staff in providing you and your office people advice on all aspects of your immigration casework. Call us at 5-5727 at your pleasure. Sometimes a call saves a lot of extra—and futile—work in your shop.

We appreciate your taking the time to review the Subcommittee's Rules and Statement of Policy.

Sincerely,

ROMANO L. MAZZOLI,
Chairman, Subcommittee on Immigration, Refugees, and International Law.
DANIEL E. LUNGREN,
Ranking Minority Member, Subcommittee on Immigration, Refugees, and International Law.

Enclosure.

RULES OF PROCEDURE AND STATEMENT OF POLICY

RULES OF PROCEDURE

1. The introduction of a private bill does not stay the deportation of aliens illegally in the United States or who have overstayed the terms of their visa. The Committee shall not intervene in any such deportation proceedings and it will not address any communications to the Attorney General to request stays of deportation on behalf of beneficiaries of private bills, except as indicated in Rule 4.

2. No bill shall be scheduled until all administrative remedies are exhausted, including suspension of deportation, asylum, and labor certification.

3. The Subcommittee shall not take any further action on legislation which has been tabled by the full Committee.

4. The Subcommittee shall entertain consideration of a request for a departmental report upon receipt of a letter from the author of the bill. In the case of beneficiaries who are in the United States, a determination on the request shall be subject to debate at a formal meeting of the Subcommittee and only those cases designed to prevent extreme hardship to the beneficiary or a U.S. citizen will merit a request for a report. The Immigration and Naturalization Service may honor a request for a report by staying deportation until final action is taken on the legislation.

5. A quorum of the Subcommittee shall consist of two Members for the purpose of holding hearings on private bills.

6. Testimony at private bill hearings shall not be received from any person other than the author of the private bill. All requests to testify shall be addressed in writing to the Chairman of the Subcommittee.

7. No private bill shall be considered where court proceedings are pending.

8. Action on legislation shall not be deferred on more than one occasion due to nonappearance of the author.

9. The Subcommittee shall await receipt of departmental reports before taking final action on any legislation.

10. All requests for consideration of a private bill shall commence with a letter directed to the Chairman of the Subcommittee outlining relevant facts of the case and attaching thereto all pertinent data. The following shall be submitted in triplicate:

(a) Date and place of birth of all beneficiaries. Address and telephone number in the United States.

(b) Dates of all entries (legal and illegal) and departures from the United States and type of visas for admission. Consulate where the beneficiary obtained a visa for entry to the U.S.; or where the beneficiary shall seek a visa.

(c) Status of any proceedings with the INS and whether any nonimmigrant or immigrant petitions have been filed on the beneficary's behalf.

(d) Name, address, and telephone number of intersted parties in the U.S.

(e) Names, address, dates and places of birth of all close relatives in the U.S. and abroad.

(f) Occupations, recent employment record and salary of beneficiaries.

(g) Copies of all communications to and from INS or the State Department.

The information above represents the minimum requirements for Subcommittee consideration. Pertinent data about the case and an explanation of the extreme hardship to the beneficiary or U.S. citizen must also accompany a request for processing of the private bill.

11. Requests for consideration of a bill shall be accompanied by a statement by the beneficiary that he or she desires the relief sought by the bill and waiving the Freedom of Information Act and Privacy Act.

12. A notice of meeting date shall be sent to the authors of all legislation which is scheduled.

STATEMENT OF POLICY

On February 9, 1983 the Subcommittee adopted as an addendum to its Rules of Procedure a Statement of Policy on private immigration bills which is set forth below.

The Subcommittee on Immigration, Refugees, and International Law has jurisdiction over all aspects of immigration law. In considering private immigration bills, the Subcommittee reviews cases which are of such an extraordinary nature that an exception to the law is needed. In fairness to those immigrants who are awaiting legal immigration, it is the policy of the Subcommittee generally to act favorably on only those private bills which meet certain precedents.

This policy statement will set forth the types of legislation which fall within the general parameters of favorable action and the criteria for reviewing certain categories of bills.

A. ADOPTION

Existing law provides for the immigration of foreign born adopted children if the adoption takes place while the child is under the age of 16 and (1) the child is an "orphan" as defined by immigration law or (2) the child has resided with the adoptive parents two years. Those cases where the Subcommittee has favorable precedents are when the child is of a young age and there has been a long-standing parent-child relationship. In support of any private bill relating to adoption, the following must accompany the request for Subcommittee action:

(1) Home-study on the home of the prospective parents.

(2) Evidence of support of child—cancelled checks, letters, clothing.

(3) Statement detailing ages and occupation of natural parents and brothers and sisters.

(4) Communications with the Immigration and Naturalization Service regarding applicable U.S. adoption laws.

B. DOCTORS AND NURSES

The Immigration and Nationality Act provides for the admission of foreign medical graduates if the doctor or nurse has passed certain exams required prior to seeking immigration. A doctor must pass the Visa Qualifying Exam which is given extensively throughout the world and a nurse must pass the Commission on Graduate Foreign Nurses Exam.

Any alien seeking immigration must also have a job offer certified by the Department of Labor indicating there will be no displacement of U.S. labor.

In the past several years, the Subcommittee has experienced a deluge of bills introduced on behalf of foreign medical graduates. The legislative history relating to this group indicates many doctors enter the United States as non-immigrants with the clear intention of remaining permanently. Legislation enacted in 1976 and 1977 sought to tighten the law requiring the return of such doctors to their home country; and recent legislation in 1981 generously grandfathered certain doctors for admission as permanent residence because of their length of time in the U.S. It is the Subcommittee's opinion the 1981 amendments to the Immigration and Nationality Act was the final chapter in a long and arduous struggle to provide equity to certain foreign medical graduates.

The Subcommittee is also dismayed to find that doctors who are beneficiaries of private laws often swiftly seek more lucrative employment upon gaining permanent residence, thereby leaving medically underserved areas without any medical assistance. Because of these experiences, the Subcommittee intends to look with very little favor on doctor bills. Further, if a bill on behalf of a doctor or nurse is pursued, the following is required before scheduling will occur:

(1) Passage of the Visa Qualifying Exam for doctors, and the Commission on Graduate Foreign Nurses Exam for nurses.

(2) Residence by the doctor or the nurse in a health manpower shortage area, or a recommendation by a U.S. Government Agency indicating the doctor or nurse's services are needed. It is the Subcommittee's desire that the beneficiary show substantial community ties over a long period of time. Extensive periods of residence would give the Subcommittee some assurance there is every likelihood the doctor or nurse would maintain residence in the area and provide medical services.

(3) Waiver of the two-year foreign residence requirement (this applies to all exchange visitors).

Legislation approved by the Subcommittee on behalf of doctors shall provide for suspension of deportation during an interim period while a doctor is serving in a community and permit adjustment of status to permanent residence upon completion of the designated time period.

C. DRUGS AND CRIMINAL ACTIVITY

The Subcommittee has few precedents for waiving grounds of exclusion relating to criminal activity. In the event such a bill is pursued, the following documents where available will be required:

(1) Complete transcript of court proceedings relating to the conviction.

(2) All other records relating to offenses, including state, and local police records.

(3) Waiver and Privacy Act and Freedom of Information Act by the beneficiary.

(4) An affidavit (notarized) from the beneficiary describing his criminal record in full.

It is the intent of the Subcommittee that all available information be submitted to the Subcommittee. The Subcommittee will conduct its own investigation with appropriate government agencies.

It is also the Subcommittee's desire to review testimony and affidavits relating to the beneficiary's behavoir after any criminal offense. Such information is helpful in making a determination as to whether legislation will serve the best interests of the community. In this regard, letters of reference, bank records, and employment records are particularly helpful.

D. MEDICAL CASES

The Subcommittee shall be reluctant to schedule bills on behalf of persons who enter the United States on nonimmigrant visas or who are paroled for the purpose of seeking medical treatment. This type of visa is available to accommodate persons seeking advanced medical treatment which may be available only in the United States.

Many cases have come to the attention of the Subcommittee where the medical visa is used to enter the U.S., and shortly thereafter, the person seeks permanent immigration. This type of activity undermines the intent of the medical visa; and flagrant abuses may seriously jeopardize its availability for those whose only recource is treatment in the United States.

The Subcommittee's reluctance to schedule such bills is based on the premise that persons may seek all available medical assistance while in the United States, but upon completion of any medical treatment the purpose of the visa expires and the alien must return home.

E. DEFERRED ACTION CASES

The Subcommittee shall be reluctant to schedule any bills on behalf of aliens who are in "deferred" status. It is the Subcommittee's understanding that the Immigration and Naturalization Service reserves the conferral of such status to cases of a particularly compelling nature. In view of INS action in this regard, the Subcommittee does not see any need for legislative action.

F. INVESTORS

Recent public legislation enacted on behalf of investors provided relief for persons who were able to establish their qualification for a nonpreference visa prior to June 1978.

The Subcommittee has studied the many cases relating to investors and has found many beneficiaries did not sufficiently acquaint themselves with the law prior to making an investment and operated under illusions with respect to qualifying for immigration.

It is the Subcommittee' opinion that most investors who entered the United States after the June 1978 date were aware that immigrant visas would not be available in the forseeable future, and there are no precedents for enactment of a private law solely based on a person's investment in the United States.

In the event a Member wishes to pursue this type of bill, the following is required: tax records, contracts, bank statements, and other pertinent information relating to the investment.

G. WAIVER OF EXCLUSIONS

1. Health—

All bills waiving the grounds of exclusion for mental or physical infirmities will require the posting of a bond. The Subcommittees notes there are few precedents for cases in this category. In order to obtain the best possible information, the Subcommittee will require all medical records as well as information from the state and/or federal government concerning possible public charge aspects of the case.

2. Draft Dodgers—

There are few precedents for favorable action on behalf of draft dodgers, and it shall be the Subcommittee's policy to continue to view such bills unsympathetically.

3. Fraud—

The Subcommittee has been extremely reluctant to act favorably on cases involving visa fraud, and it shall be the policy of the Subcommittee to adhere closely to precedents in this category.

H. NATURALIZATION

The Subcommittee shall require any bill relating to expediting naturalization be accompanied by evidence indicating such action would be in the national interest, as opposed to personal gain. There are few precedents for favorable action on bills waiving any naturalization requirements or granting posthumous or honorary citizenship. It is the Subcommittee's intent generally to view unfavorably legislation in this area and notes more appropriate mechanisms for rewarding individuals may be in the form of honoraria, medals, awards, statues, etc. The Subcommittee also notes there are few instances of favorable action on behalf of individuals who renounce U.S. citizenship, and the policy of the Subcommittee shall be to adhere to precedents in this category.

I. BILLS TABLED IN A PREVIOUS CONGRESS

Commenting on requests for reconsideration of legislation, Thomas Jefferson noted the right of reconsideration is not "a right to waste the time of the House in repeated agitations of the same question, so that it shall never know when a question is done with * * *"

The Subcommittee has been confronted with an increasing number of requests for reconsideration of private bills which have been tabled by the full Committee in previous Congresses. It has been the experience of the Subcommittee that each bill is given sufficient review during the meetings of the Subcommittee and the authors are afforded ample time to present the merits of the case. Repetitious consideration of these cases operates to the detriment of other private bills which are pending and reflects poorly on the integrity of the private bill process. For these reasons, the Subcommittee will be reluctant to reverse or reconsider its prior action absent new evidence or information that was not available or could not have been obtained by the author at the time of actual consideration by the Subcommittee.

PROCEDURE FOR HANDLING PRIVATE BILLS

Processing of private immigration bills is guided by the Subcommittee Rules of Procedure. Upon request for consideration of a private bill, the Subcommittee shall determine whether departmental reports will be requested.

The request for a report shall be addressed to the Attorney General and the Secretary of State by the Committee, at the request of the Subcommittee. In the event the person is in the United States, Rule 4 of the Subcommittee Rules of Procedure applies. That Rule states in part: ". . . the request shall be subject to debate at a formal meeting of the Subcommittee and only those cases designed to prevent extreme hardship to the beneficiary or a U.S. citizen will merit a request for a report."

If the Subcommittee has requested a report on behalf of a person in the United States, the Immigration and Naturalization Service may honor the request for a report by staying deportation until the reports are received and the full Committee acts on the bill. When a bill is adversely reported to the full Committee, and the Committee tables the bill, a stay of deportation expires. In

cases where legislation is favorably reported to the full Committee, the stay of deportation is in effect until the bill completes the legislative process.

The author is notified at such time as a report from the Executive Branch is requested and copies of the reports are forwarded to the author upon receipt.

When a bill is ready for consideration by the Subcommittee, the appropriate documentation is reviewed and an agenda prepared for a meeting of the Subcommittee.

The authors of the legislation and the Subcommittee Members are notified of the date of a hearing on private immigration bills. If adverse action is taken by the Subcommittee at the first hearing on the legislation, the author is given two weeks to submit additional material which may have a bearing on the case; or if the author requests an opportunity to be heard on the legislation, such a request shall be in writing to the Chairman of the Subcommittee within two weeks of Subcommittee notice.

Adversely acted upon legislation shall be forwarded to the full Committee within two weeks, unless the author has addressed a communication to the Chairman of the Subcommittee.

In the case of final action where a bill was adversely acted upon on two occasions, the legislation shall be ordered reported directly to the Committee with an adverse recommendation. Any bill tabled by the full Judiciary Committee shall not be scheduled again by the Subcommittee.

When favorable action is taken, the bill is ordered reported favorably to the full Committee. The author is requested to submit a statement for inclusion in the Committee report to the House on his bill as soon as the legislation is reported from the full Committee.●

PUBLIC CITIZEN RAISES RED HERRING

HON. NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. D'AMOURS. Mr. Speaker, while accusing opponents of interest and dividend withholding of engaging in gross distortions and shameless preying upon the fears of the elderly, Public Citizen's Congress Watch has reduced the level of debate on this issue to a new low by issuing a statistically indefensible study of bank support for opponents of withholding. Public Citizen has engaged in the same type of gross distortions which it accuses its opponents of making.

The Public Citizen study fails even the most rudimentary rules of scientific analysis by failing to include any type of a control group. While listing bank support for opponents of withholding, the study does not include any data on bank support for supporters of withholding. Had such data been included it would undoubtedly have shown little or no statistically significant relationship between a Representative's or Senator's position on interest and dividend withholding and support from banking groups.

While the study shows, for example, that the average House opponent of withholding received $2,438 in the last election, it fails to note that the most prominent House supporter of withholding received over four times that amount—$11,000—even though that Representative had an easy election race and won with over 83 percent of the vote. Similarly, while the average Senate opponent of withholding received $7,881 the study fails to note that the most prominent Senate supporter of withholding received even more—$9,000—and won with 64 percent of the vote. It is clear that there is no direct relationship between bank support and a Representative's or Senator's position on the withholding issue.

Public Citizen is unwilling to recognize the fact that it is on the wrong side of a genuine, grassroots consumer issue. In its desperation to rationalize its position on this issue Public Citizen has issued a disingenuous and indefensible study which would fail Statistics 101. Public Citizen does little to contribute to the public debate on this issue by raising a point which is in reality a red herring.●

TRANSIT AMENDMENT TO EMERGENCY JOBS BILL

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. HOWARD. Mr. Speaker, I testified before the Rules Committee today to request that the rule on the Emergency Supplemental Appropriations Act for fiscal year 1983 permit me to offer an amendment to restore mass transit funding to the levels proposed in the bipartisan jobs package agreed to by the House leadership and the administration.

The text of my statement before the Rules Committee follows:

STATEMENT OF HON. JAMES J. HOWARD, BEFORE THE COMMITTEE ON RULES, MARCH 2, 1983

Thank you, Mr. Chairman. I appreciate having the opportunity to appear before you today.

When the House considers the Emergency Supplemental Appropriations Act for fiscal year 1983, it is my intent to offer an amendment to the provision in the bill which provides additional funding for mass transportation. My purpose in testifying here today is to respectfully request that the rule on the bill make it in order for me to offer my amendment, and that it waive all points of order against such amendment.

Mr. Chairman, let me start by directing your attention to the provision which appears on page 7, line 20, of the committee print of the bill. This provision provides an additional $110 million for mass transportation for fiscal year 1983.

Of the $110 million, $44 million is for interstate transfer projects. The committee report earmarks these funds for the following areas:

	Millions
Boston	$20.0
Northeast Illinois	10.0
Oregon	1.9
Sacramento	8.0
Twin Cities, Minn	4.1
Total	44.0

The remaining $66 million is for urban discretionary grants. The committee report earmarks these funds for the following areas:

	Millions
Dade County, Fla	$33.8
Hartford, Conn	6.0
Long Island, N.Y	15.0
Philadelphia, Pa	7.2
Detroit, Mich	3.5
Hillsdale, Mich	.5
Total	66.0

I have two major problems with this provision.

First, the entire $110 million is earmarked for specific projects. The Secretary of Transportation would not have any discretion with respect to any of the funds, even though other projects might be more worthy or might create more jobs. Only eleven localities in the United States would benefit from this provision.

And second, the $110 million provided in this appropriation bill is far less than the $400 million which was included in the bipartisan jobs proposal supported by the President and the Democratic leadership. Mr. Chairman, as you know, this administration has not been a strong supporter of the mass transit program, and I certainly can find no justification for reducing the level of funding it has proposed.

I, therefore, intend to offer an amendment to the Emergency Supplemental Appropriations Act which would restore the $400 million in transit funding along the lines in the bipartisan proposal.

My amendment, a copy of which is attached, is a substitute for the provision in the appropriations bill. It is quite simple and would do two things.

First, it would provide an additional $171 million for section 3 capital grants. These grants would be available at the discretion of the Secretary for capital improvements to mass transit systems.

I do not intend to earmark any of these funds. All $171 million would be available at the discretion of the Secretary. All communities would be eligible to apply for a grant. I might note, however, that the Surface Transportation Assistance Act of 1982 requires the Secretary of Transportation to emphasize projects that are labor intensive and that can begin construction or manufacturing within the shortest possible time. This is certainly consistent with our effort to create jobs.

The second part of my amendment would have the effect of disapproving the President's deferral of $229 million in mass transit capital funding.

The Surface Transportation Assistance Act of 1982 provided contract authority of $779 million for fiscal year 1983 to be funded from the newly established mass transit account of the highway trust fund. This funding was to be distributed to both urban and nonurban areas in accordance with a new block grant formula and was to be available for capital expenditures only.

Mr. Chairman, less than 1 month after the President signed this historic piece of legislation, the administration took action to defer $229 million or nearly one-third of the authorized funds.

Frankly, this came as a shock to many of us who fought so hard to provide a reasonable and stable base of support for public transportation.

I think it is safe to say that we are still numbed by the speed and the extent to which the administration has abandoned the basic commitments to public transportation contained in the new act—a bill they fought doggedly to see passed, a bill the President signed into law with great fanfare, and a bill whose key provisions they now propose to disregard only 1 month after enactment.

Mr. Chairman, my amendment would see to it that the full $779 million in authorized gas tax funds would be made available as soon as possible. Not to do so will:

Frustrate our ability to step up vital capital improvements;

Restrain productivity;

Perpetuate the past pattern of deferred investment in basic facilities; and

Greatly reduce the job-creating potential of this new source of funds.

These funds will be made available to both urban and nonurban areas. Attached to my statement is a copy of the Federal Register notice making the initial apportionments for fiscal year 1983. If my amendment is adopted, each State or locality will receive an additional amount equal to roughly one-half of what it received under the initial apportionment.

If you look at the first page of the attachment, you will see, for example, that Tucson, Ariz., would receive one-half of its initial apportionment of $1,248,000. This would roughly amount to an additional $624,000. Likewise, the State of Arizona would receive about $67,000, or one-half of its initial apportionment of $134,000, for the nonurbanized portions of the State.

The total price tag on my amendment is $400 million, the same amount envisioned in the bipartisan jobs proposal. But this needs some explanation. Only $171 million of the $400 million is actually new budget authority. The remaining $229 million has already been provided in the Surface Transportation Assistance Act of 1982 and, thus, would not be new budget authority. But, I repeat, to make this $229 million available will require disapproval of the President's deferral.

As I mentioned previously, my amendment is a substitute for the provision in the appropriations bill. Thus, the $171 million in new budget authority in my amendment is only $61 million more than the $110 million in the appropriations bill.

In summary, Mr. Chairman, I request that you make my amendment in order under the rule on the Emergency Supplemental Appropriations Act and that all points of order against my amendment be waived.

Unlike the provision in the appropriations bill, my amendment does not earmark the funds for 10 or 11 cities.

Instead, $229 million—or more than half the money—would be distributed among all States and urbanized areas. You can tell roughly how much any area would receive by looking at the attachment and multiplying the amount it received under the initial apportionment by one-half.

In addition, the remaining $171 million would be available at the discretion of the Secretary. All areas of the country would be eligible to apply for these funds.

Mr. Chairman, this concludes my statement. I am available for any questions which you might have.

AMENDMENT TO THE COMMITTEE PRINT DATED FEBRUARY 25, 1983, OFFERED BY MR. HOWARD

Page 7, strike out line 20 and all that follows through line 2 on page 8 (relating to mass transportation) and insert in lieu thereof the following:

TO SPEED UP IMPROVEMENT OF MASS TRANSPORTATION

To accelerate the construction, modernization and improvement of urban mass transportation systems, to increase the mobility of the urban work force which will result in productive jobs, an additional amount of $171,000,000, to remain available until expended, for "Urban discretionary grants", to be obligated at the discretion of the Secretary of Transportation in accordance with section 3 of the Urban Mass Transportation Act of 1964.

The Congress disapproves the proposed deferral of budget authority in the amount of $229,000,000 for the Mass Transportation Capital Fund (deferral numbered D83-59), as set forth in the President's special message which was transmitted to the Congress on February 1, 1983. This disapproval shall be effective on the date of enactment of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

FISCAL YEAR 1983 PRELIMINARY APPORTIONMENT OF THE FUND MADE AVAILABLE FROM THE MASS TRANSIT ACCOUNT OF THE HIGHWAY TRUST FUND AS PROVIDED UNDER THE FEDERAL PUBLIC TRANSPORTATION ACT OF 1982

[Total funds apportioned are 65 percent of the fiscal year 1983 level; in thousands of dollars]

State/urbanized area	Proposed obligation level
Alabama:	
Birmingham	1,152
Mobile	457
Montgomery	318
Huntsville	213
Tuscaloosa	156
Anniston	104
Gadsden	96
Florence	102
Decatur	76
Dothan	66
Auburn	64
Nonurbanized	354
State total	3,158
Arizona:	
Phoenix	2,203
Tucson	1,248
Yuma	104
Nonurbanized	134
State total	3,689
Arkansas:	
Little Rock-North Little Rock	536
Fort Smith, Ark.-Okla.	128
Pine Bluff	115
Fayetteville, Springdale	84
Nonurbanized	286
State total	1,149
California:	
Los Angeles-Long Beach	29,184
San Francisco-Oakland	20,505
San Diego	4,830
San Jose	4,202
Sacramento	2,094
Riverside-San Bernardino	1,450
Oxnard-Ventura-Thousand Oaks	647
Fresno	1,069
Bakersfield	489
Stockton	454
Modesto	380
Santa Barbara	351
Santa Rosa	278
Santa Cruz	199
Seaside-Monterey	257
Antioch	201
Salinas	246
Simi Valley	175
Fairfield	127
Palm Springs	90
Yuba City	118
Napa	133
Visalia	112
Santa Maria	113
Lancaster	81
Hemet	97
Redding	74
Chico	92
Nonurbanized	648
State total	68,696
Colorado:	
Denver	3,754
Colorado Springs	559
Pueblo	214
Boulder	195
Fort Collins	146
Greeley	141
Grand Junction	94
Nonurbanized	145
State total	5,248
Connecticut:	
Connecticut Rail	2,486
Hartford	1,561
Bridgeport	819
New Haven	965
Stamford	348
Waterbury	301
New London-Norwich	227
New Britain	276
Norwalk	201
Danbury	140
Bristol	137
Meriden	111
Nonurbanized	132
State total	7,704
Delaware:	
Wilmington, Del.-N.J.	933
Nonurbanized	38
State total	971
Florida:	
Miami	4,685
Fort Lauderdale	1,909
St. Petersburg	1,628
Jacksonville	1,448
Orlando	889
Tampa	1,029
West Palm Beach	1,031
Sarasota-Bradenton	469
Pensacola	337
Melbourne-Cocoa	209
Daytona Beach	273
Fort Myers	216
Tallahassee	196
Lakeland	176
Gainesville	183
Fort Walton Beach	128
Panama City	117
Winter Haven	114
Fort Pierce	102
Naples	73
Ocala	73
Nonurbanized	386
State total	15,671
Georgia:	
Atlanta	5,177
Augusta	375
Columbus	476
Savannah	285
Macon	237
Albany	133
Athens	98
Warner Robins	93
Rome	74
Nonurbanized	476
State total	7,424

FISCAL YEAR 1983 PRELIMINARY APPORTIONMENT OF THE FUND MADE AVAILABLE FROM THE MASS TRANSIT ACCOUNT OF THE HIGHWAY TRUST FUND AS PROVIDED UNDER THE FEDERAL PUBLIC TRANSPORTATION ACT OF 1982—Continued

[Total funds apportioned are 65 percent of the fiscal year 1983 level; in thousands of dollars]

State/urbanized area	Proposed obligation level
Idaho:	
Boise City	247
Pocatello	96
Nonurbanized	126
State total	469
Illinois:	
Chicago, Ill-Northwestern, Ind.	40,926
Davenport-Rock Island-Mobile	583
Peoria	529
Rockford	437
Joliet	322
Aurora-Elgin	301
Springfield	248
Champaign-Urbana	280
Decatur	202
Elgin	224
Alton	149
Bloomington-Normal	197
Round Lake Beach	104
Kankakee	131
Danville	97
Nonurbanized	542
State total	45,272
Indiana:	
Indianapolis	1,723
Fort Wayne	619
South Bend, Ind.-Mich.	493
Evansville	365
Muncie	184
Lafayette-West Lafayette	204
Elkhart-Goshen	143
Anderson	127
Terre Haute	138
Bloomington	143
Kokamo	132
Nonurbanized	480
State total	4,751
Iowa:	
Des Moines	605
Cedar Rapids	244
Waterloo	172
Sioux City, Ind.	151
Dubuque, Iowa-Nebr.-Ill.	134
Iowa City	103
Nonurbanized	329
State total	1,738
Kansas:	
Wichita	651
Topeka	223
Lawrence	108
Nonurbanized	251
State total	1,233
Kentucky:	
Louisville, Ky.-Ind.	2,073
Lexington	385
Owensboro	139
Nonurbanized	404
State total	3,001
Louisiana:	
New Orleans	3,479
Baton Rouge	552
Shreveport	571
Lake Charles	189
Lafayette	219
Monroe	178
Alexandria	147
Houma	96
Nonurbanized	333
State total	5,764
Maine:	
Portland	174
Lewiston-Auburn	90
Bangor	76
Nonurbanized	146
State total	486
Maryland:	
Baltimore	5,877
Hagerstown	111
Annapolis	114
Cumberland	95
Nonurbanized	179
State total	6,376
Massachusetts:	
Boston	15,419
Springfield-Chicopee-Holyoke, Mass.-Conn.	1,203
Worcester	601
Lawrence-Haverhill, Mass-N.H.	327
Brockton	373
Lowell	318
Fall River, Mass-R.I.	321
New Bedford	317
Fitchburg-Leominster	109
Pittsfield	83
Taunton	67
Nonurbanized	215
State total	19,353
Michigan:	
Detroit	9,983
Grand Rapids	418
Flint	653
Lansing	331
Ann Arbor	491
Kalamazoo	272
Saginaw	310
Muskegon-Muskegon Heights	178
Jackson	149
Battle Creek	126
Bay City	145
Benton Harbor	105
Port Huron	108
Nonurbanized	579
State total	13,848
Minnesota:	
Minneapolis-St. Paul	4,433
Duluth-Superior, Minn.-Wis.	177
Rochester	129
St. Cloud	114
Nonurbanized	336
State total	5,189
Mississippi:	
Jackson	368
Biloxi-Gulfport	271
Pascagoula-Moss Point	94
Hattiesburg	83
Nonurbanized	321
State total	1,137
Missouri:	
St. Louis, Mo.-Il.	4,709
Kansas City, Mo.-Kans.	2,108
Springfield	243
St. Joseph, Mo.-Kans.	131
Columbia	101
Joplin	79
Nonurbanized	382
State total	7,753
Montana:	
Billings	158
Great Falls	139
Missoula	104
Nonurbanized	96
State total	497
Nebraska:	
Omaha, Nebr.-Iowa	1,440
Lincoln	359
Nonurbanized	156
State total	1,955
Nevada:	
Las Vegas	488
Reno	302
Nonurbanized	34
State total	824
New Hampshire:	
Portsmouth-Dover-Rochester	131
Manchester	201
Nashua	138
Nonurbanized	104
State total	574
New Jersey:	
Trenton, N.J.-Pa.	1,485
Atlantic City	248
Vineland-Millville	106
Nonurbanized	178
State total	2,017
New Mexico:	
Albuquerque	931
Las Cruces	92
Santa Fe	80
Nonurbanized	129
State total	1,232
New York:	
New York, N.Y.-NE-NU	116,739
Buffalo	2,436
Rochester	1,698
Albany-Schenectady-Troy	1,395
Syracuse	1,172
Binghamton	318
Utica	267
Poughkeepsie	223
Elmira	138
Newburgh	101
Glens Fall	81
Nonurbanized	626
State total	125,194
North Carolina:	
Charlotte	886
Fayetteville	335
Raleigh	427
Winston-Salem	270
Greensboro	322
Durham	287
Gastonia	160
Asheville	146
High Point	152
Wilmington	124
Jacksonville	102
Concord	103
Burlington	104
Hickory	86
Goldsboro	81
Nonurbanized	644
State total	4,229
North Dakota:	
Fargo-Morehead, N. Dak.-Minn.	197
Bismarck-Mandan	108
Grand Forks	114
Nonurbanized	79
State total	498
Ohio:	
Cleveland	5,726
Cincinnati	2,768
Columbus	2,088
Dayton	2,737
Akron	1,067
Toledo, Ohio-Mich.	1,378
Youngstown-Warren	651
Canton	564
Lorain-Elyria	211
Hamilton	199
Middletown	142
Springfield	196
Mansfield	126
Steubenville-Weirton, Ohio-W. Va.	128
Lima	127
Newark	85
Nonurbanized	709
State total	18,902
Oklahoma:	
Oklahoma City	919
Tulsa	835
Lawton	160
Enid	77
Nonurbanized	292
State total	2,283

FISCAL YEAR 1983 PRELIMINARY APPORTIONMENT OF THE FUND MADE AVAILABLE FROM THE MASS TRANSIT ACCOUNT OF THE HIGHWAY TRUST FUND AS PROVIDED UNDER THE FEDERAL PUBLIC TRANSPORTATION ACT OF 1982—Continued

[Total funds apportioned are 65 percent of the fiscal year 1983 level; in thousands of dollars]

State/urbanized area	Proposed obligation level
Oregon:	
Portland, Oreg.-Wash	3,237
Eugene	393
Salem	273
Medford	97
Nonurbanized	227
State total	4,227
Pennsylvania:	
Philadelphia, Pa.-N.J	24,571
Pittsburgh	7,274
Scranton-Wilkes-Barre	876
Allentown-Easton-Bethlehem, Pa.-N.J	1,386
Harrisburg	531
Erie	431
Reading	402
Lancaster	302
York	266
Johnstown	179
Altoona	168
Monessen	105
Williamsport	117
State College	125
Sharon	102
Nonurbanized	781
State total	37,616
Rhode Island:	
Providence-Pawtucket, R.I.-Mass	3,184
Newport	95
Nonurbanized	26
State total	3,305
South Carolina:	
Charleston	308
Columbia	311
Greenville	219
Spartanburg	148
Florence	83
Anderson	79
Rock Hill	74
Nonurbanized	321
State total	1,543
South Dakota:	
Sioux Falls	152
Rapid City	88
Nonurbanized	92
State total	332
Tennessee:	
Memphis, Tenn.-Miss	2,350
Nashville-Davidson	1,082
Chattanooga	576
Knoxville	578
Kingsport	118
Johnson City	114
Clarksville	116
Bristol, Tenn.-Va	72
Jackson	74
Nonurbanized	416
State total	5,496
Texas:	
Dallas-Fort Worth	4,286
Houston	4,086
San Antonio	3,187
El Paso	1,120
Austin	804
Corpus Christi	430
Lubbock	299
McAllen-Pharr-Edinburg	311
Amarillo	254
Waco	193
Beaumont	192
Port Arthur	171
Texas City-La Marque	141
Odessa	189
Abilene	143
Laredo	263
Wichita Falls	160
Brownsville	198
Killeen	162
Bryan-College Station	137
San Angelo	128
Tyler	129
Midland	125
Longview	102
Harlingen-San Benito	107
Texarkana, Tex.-Ark	98
Galveston	111
Sherman-Denison	80
Temple	73
Victoria	101
Nonurbanized area	848
State total	18,628
Utah:	
Salt Lake City	2,127
Ogden	194
Provo-Orem	310
Nonurbanized	68
State total	2,699
Vermont:	
Burlington	121
Nonurbanized	72
State total	193
Virginia:	
Norfolk-Portsmouth	1,642
Richmond	1,245
Newport News-Hampton	600
Roanoke	310
Petersburg-Colonial Heights	175
Lynchburg	127
Charlottesville	128
Danville	91
Nonurbanized	383
State total	4,701
Washington:	
Seattle-Everett	5,542
Tacoma	935
Spokane	624
Richland-Kennewick	180
Yakima	158
Olympia	109
Bremerton	109
Longview, Wash.-Oreg	89
Bellingham	88
Nonurbanized	251
State total	8,085
West Virginia:	
Huntington-Ashland, W. Va.-Ohio-Ky	346
Charleston	291
Wheeling	210
Parkersburg	138
Nonurbanized	257
State total	1,242
Wisconsin:	
Milwaukee	3,670
Madison	938
Green Bay	230
Appleton	305
Racine	280
Kenosha	222
Eau Claire	118
La Crosse	133
Sheboygan	119
Wausau	93
Oshkosh	116
Janesville	97
Beloit-Wis.-Ill	90
Nonurbanized	394
State total	6,805
Wyoming:	
Casper	123
Cheyenne	106
Nonurbanized	59
State total	288
Alaska:	
Anchorage	242
Nonurbanized	38
State total	280
Hawaii:	
Honolulu	2,939
Kailua-Kaneohe	237
Nonurbanized	46
State total	3,222
Washington, D.C., Maryland-Virginia	14,045
State total	14,045
Puerto Rico:	
San Juan	3,523
Ponce	546
Caguas	329
Mayaguez	232
Vega Baja-Manati	170
Arecibo	141
Aguadilla	122
Nonurbanized	246
State total	5,309
American Samoa:	
Nonurbanized	5
State total	5
Guam:	
Nonurbanized	3
State total	3
Virgin Islands:	
Nonurbanized	16
State total	16
Available for immediate obligation	506,343
Reserved obligation	272,657
Total	779,000

TIMES BEACH, MO.

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. PAUL. Mr. Speaker, the dioxin contamination of Times Beach, Mo., is unfortunate and I share the feelings of the people in that town who are afraid and anxious about the ailments they may suffer because of the indiscriminate disposal of toxic waste within their community.

We are all aware that the EPA has agreed to buy the entire town for some $34 million. It appears that under these circumstances—the Federal Government paying for the damages—that the Federal Government is partially responsible.

It also appears that most of the dioxin dumping in the area was done by an individual, a Mr. Richard Bliss, a waste hauler who serviced the area. We should also keep in mind that dioxin was not well researched 10 years ago, and the EPA was newly born with no regulations for the use of dioxin on the books.

And all these facts takes us back to the central question, or what should

be the central question: Who is at fault here? The city of Times Beach, Mo., contracted the work done on the roads by choosing Mr. Bliss. According to commonsense, both Mr. Bliss and the city of Times Beach contributed to the contamination of the properties of the citizens in that town. It is they who should be held accountable for this action.

If we as a legislative body continue to ignore accountability in incidents such as this, we will be giving a license for States and municipalities to be reckless in their administrative duties because uncle sugar will bail them out in the end.

This incident appears to be the largest disaster involving toxic chemicals, secondary to Love Canal. It should be pointed out that the property now known as Love Canal was originally purchased from Hooker Chemical Co., which had used the area as a chemical dump and had specified in their sales contract to the purchasers, which happened to be the local school board, that residential properties should not be constructed in the area. How many citizens and legislators are aware of these facts? Again, the taxpayer was asked to bailout this community because of the reckless decisionmaking of a local government.

I have long been a dissenter to many policies of the Federal Government, especially when it comes to financing boondoggles and granting subsidies to corporate interests. It appears that we are now in the business of subsidizing stupidity as well.●

THE 1983 CONGRESSIONAL CALL TO CONSCIENCE

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. FORD of Michigan. Mr. Speaker, it is indeed a great privilege to join in the 1983 Congressional Call to Conscience. At this time, I would like to remind my distinguished colleagues of the plight of the noted Ukrainian writer, Mykola Danylovych Rudenko, who has been serving a 12-year sentence in a corrective labor colony in the Mordovian complex in the Soviet Union since 1977. The innerstrength and profound courage of Rudenko is never ending. He serves as a model for all of us here today who join together in affirming our conviction to insuring human rights for all mankind.

Rudenko's life is filled with a series of great accomplishments. As an active member of the Communist Party he fought in World War II where he received a serious spinal injury. After the war, he began his literary career by publishing collections of his poetry and later was appointed chief editor of the Kiev literary journal, DNIPRO. Ultimately, he was elected secretary of the party organization of the Writer's Union of Ukraine. Rudenko's later poems and essays began to reflect his subtle protests of the Soviet lifestyle. As a writer in the Soviet Union, he became increasingly aware of the limits to his freedom of speech. His writings caused him severe reprisals by the Soviet authorities. His protest became more evident as he began writing letters to the Central Committee of the Communist Party of Ukraine (CCCPU) outlining his philosophy on ways to improve the social and economic conditions in the Ukraine. After disapproval of Rudenko's writing, the Soviet authorities expelled him from the party and forbade him to publish any more of his literary work. In 1976 he was expelled from the Union of Writers for behavior incompatible with membership. It was at this point in Rudenko's life that he became actively involved in his quest to obtain improvements in human rights. He joined the Moscow chapter of Amnesty International and is most noted for his founding of the Ukrainian Public Group to Promote Observance of the Helsinki Accords. In 1977, Rudenko was arrested and sentenced to 7 years of strict labor followed by 5 years of internal exile. The Soviet authorities charged him with anti-Soviet agitation and propaganda.

As Rudenko continues to serve his sentence, a matter that remains of great concern to me is the state of his health. There are reports that his health has deteriorated considerably during his imprisonment because of the spinal injury he received during the war. Despite his condition, Rudenko is required to work long hours making cords for electric irons. This work, which involves keeping the body in one position and bending the spinal cord, is quite dangerous to his physical condition. Recently, his handicap was reclassified to a lesser degree of severity requiring him to work even longer hours. The authorities are planning punitive measures against him, because of his refusal to comply with this latest command.

It is no secret that the conditions in these labor camps are grueling and the prisoners receive inadequate nourishment and medical care. When Rudenko's wife, Raisa, visited her husband in 1980, he was so ill that he was unable to stand. She, too, was arrested and is currently serving a sentence because she attempted to smuggle some of her husband's writing out of prison.

Mr. Speaker, I am outraged by these reports on Rudenko's condition. He has not committed any crime and to subject him to such inhumane torture is yet another example of the flagrant disregard for human rights by the Soviet Government. We must continue to remind the Soviet officials of the terms of the Helsinki accords on human rights which they signed in 1975. The plight of Rudenko, and other prisoners, will not be forgotten by the free nations of the world. We must continue to speak out against Soviet aggression and their denial of basic human rights.

Mr. Speaker, I am proud to report that the Helsinki Commission has again nominated Mykola Rudenko and seven others for the Nobel Peace Prize. I can think of no greater honor for this man. Mr. Speaker, I am most grateful for this opportunity today to pay tribute to Mr. Rudenko. He is truly an inspiration to all of us in the free world that continue our fight for human rights.●

PEOPLES BANK CHIEF ANNOUNCES RETIREMENT

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. SHELBY. Mr. Speaker, I would like to pay tribute and honor to Mr. B. Frank Wilson, who will be retiring in June from the duties as board chairman and chief executive officer of Peoples Bank in Selma, Ala.

Not many people achieve the measure of admiration and respect that Frank has enjoyed in his past 47 years of service with the bank. He earned that admiration and respect because he genuinely cared about the people he served and about the welfare and growth of his community.

Following is a wonderful article written by Jeanette Berryman of the Selma Times-Journal staff about Mr. Wilson's retirement announcement that I would like to share with my colleagues in the House.

PEOPLES BANK CHIEF ANNOUNCES RETIREMENT

(By Jeanette Berryman)

"I hate to say goodbye, but that's what it is," Peoples Bank board chairman and chief executive officer B. Frank Wilson told stockholders as he announced his impending retirement Tuesday night.

But Wilson, seated under a "Happy Birthday" banner at the Selma Convention Center, was caught by surprise when the annual stockholders' meeting became a belated birthday celebration and tribute for the man who worked his way from runner to board chairman.

The festivities followed a business session in which Dr. Clyde Cox Jr. was added to the bank's board of directors and a 100 percent stock dividend was declared.

Wilson smiled broadly as bank employees recounted his 47 years at Peoples Bank. Seven employees clad in green-and-white bank jackets and caps sang choruses to Wilson as other officers gave a history of Wilson's rise in the growing bank.

Schuster Siegel, senior vice president, said Wilson came to the bank in 1936 after working as a soda jerk at Swift's Drug Store. He

was a runner, and one of seven employees. A few years later, Wilson was named head teller and married Margaret Elebash.

As Siegel's story came to 1942, the year the Wilson's first son was born, Ben Wilson, who now lives in California, made a surprise appearance. A few minutes later, Wilson was surprised again to see son Joe Wilson and his wife, Kay, join the party. They live in Vermont.

As Peoples Bank grew from 12 to 49 employees, Wilson worked as bookkeeper, assistant cashier, cashier, vice president and executive vice president. He became the fifth president of Peoples Bank in 1971.

During the next 10 years, the bank's assets grew from $37 million to $93 million, Siegel said. The board chose to remain home-owned, with no affiliation to any holding company.

"When we say people make the difference, we mean it because of you," bank president Dick Morthland told Wilson. "We are now the strongest financial institution in this section."

Wilson's retirement is effective June 30. In the meantime, Morthland said, the Wilsons will enjoy a week-long cruise of the Caribbean, then represent the bank at a meeting in Bermuda.

Morthland also presented Wilson with a gobbler and pair of turkey hens hand-carved by Selma artist Dennis Bushey as the bank's retirement gift.

"I can't say how much I appreciate this," said an overwhelmed Wilson to the 300-plus dinner crowd. "I knew nothing of this. My birthday was Saturday, and I thought maybe I'd get a birthday cake."

During the business session, Morthland said he believes the local economy has "turned the corner" from last year's lows.

Wilson said the new stock dividend is the ninth time since 1933 that the bank has declared a dividend or stock split. One share purchased in 1933 would be 166 shares today, he said.

Cox, a surgeon, was elected to the board at the recommendation of the bank's directors.

"The board is proud to have Clyde nominated," Wilson said. "He is not only a skilled surgeon, but also a Christian gentleman and an astute businessman."

As one can see, the city of Selma has truly been fortunate to have a man such as Frank Wilson as a community leader. His influence and past decisions in the financial arena will be felt for generations to come in the city's history.

It takes a man of a certain outstanding caliber to devote 47 years of his life to one profession. He has assisted so many people through the years and I know will be missed by those who have worked with him.

I am honored to be able to share this tribute about B. Frank Wilson with my colleagues in the House of Representatives. All of us need to salute outstanding Americans like B. Frank Wilson, who believe in our free, democratic ideals and represent the true meaning of hard work and success.●

BLACK HISTORY MONTH

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. RODINO. Mr. Speaker, Black History Month, celebrated during February, has just ended. Once again it served as an important time for all Americans to focus attention on the countless accomplishments of black Americans from the beginning of our Republic. Despite the years of slavery, injustice, and discrimination through which black people suffered, they endured and with unswerving courage and tenacity have made significant progress toward becoming part of America's mainstream.

I think most Americans are aware of the contributions of many black Americans in major fields of endeavor. Crispus Attucks fought in our Revolution for Freedom from Great Britain. Frederick Douglass and Harriet Tubman led in the fight for emancipation. George Washington Carver and Booker T. Washington are noted names in education and science. More recently, black Americans have made outstanding contributions to our cultural and artistic life and to the high quality of American amateur and professional sports.

And we must certainly single out Dr. Martin Luther King, Jr., who stirred the conscience of Americans and inspired the movement that brought about adoption of long overdue laws and actions to guarantee civil rights, equal opportunity, and an end to discrimination.

What has impressed me, beyond national commemorations such as the fine presentations on public television, are the myriad local exhibits and events calling attention to the many lesser known but outstanding and talented black Americans and the rich cultural heritage our black citizens have brought us.

In my State of New Jersey, a special conference on Black Historical Scholarship and the Black Historian was held on February 19 at Rutgers University's Paul Robeson Campus Center in Newark. Supported by a grant from the New Jersey Committee for the Humanities, the conference was also sponsored by black study programs at Jersey City State College, Trenton State College, Rutgers University, Seton Hall University, Essex County College and the New York Public Library; the Newark branch of the NAACP; the New Jersey Federation of Colored Women's Clubs; and the New Jersey Historical Commission.

I am particularly proud of the fine and varied series of exhibits and events presented by the Newark Museum during Black History Month. On view was an exhibit on "Black American Landmarks: Interpreters of History", a Smithsonian traveling exhibition which focused on 76 sites selected as national historic landmarks for their significance in black American history. Another exhibition, originated in the Newark Museum, was of over 80 textiles celebrating events of local and international significance in 26 African countries. "Art in African Living", in the Permanent African Gallery, featured traditional objects of sub-Saharan Africa including household items, representations of the spirit world, ritual objects and articles of clothing and adornment.

The museum's schedule of concerts, lectures and films was dazzling, with programs including gospel music, jazz, African dance, song and drumming. A family heritage workshop was conducted the day before the highlight of the month on February 20—Alex Haley's first appearance as a lecturer in Newark.

Mr. Speaker, this year's Black History Month was a time of celebration and of learning. But it was also a time to reflect on the enduring need to continue the struggle to achieve full equality and opportunity and freedom from discrimination for our black citizens.●

THE FRENCH NUCLEAR FORCE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MICHEL. Mr. Speaker, among the most cynical of Soviet ploys when it comes to the question of nuclear disarmament is its insistence on counting French and British nuclear weapons in negotiation aimed at reducing Intermediate-Range Nuclear Forces (INF) in Europe. As Claude Cheysson, Foreign Minister of France, has pointed out, the French force is not a threat to Soviet security. The French are a sovereign nation and have chosen to build their own independent nuclear force for their own national purposes. To suggest this force—and the British force—should be counted in negotiations involving Soviet SS-20's aimed at Europe is, as Mr. Cheysson pointed out, a "disastrous" idea.

At this point I wish to include in the RECORD, "French Defense Policy and the U.S." by Claude Cheysson, Foreign Minister—France, in the Wall Street Journal, Friday, February 25, 1983.

FRENCH DEFENSE POLICY AND THE U.S.

(By Claude Cheysson)

The present debate on defense issues may have far-reaching consequences for the West. If unhappily it were to compound misunderstandings and embitter mutual criticism, the discussion might unsettle public opinion, introduce profound divisions

between the U.S. and the European countries and weaken security all around.

However, an examination of the difficult problems that defense poses for all our democratic societies may, if we approach it with a clear mind and make an effort to understand each other, lead to a stronger alliance and greater confidence in the future.

France has its own views on these problems. These have been clearly stated by my country's successive governments since the presidency of Charles de Gaulle, and I think it is useful at a crucial time to make these known to the American public.

Despite major changes on the international scene over the past 34 years, none of the reasons that made the Atlantic Alliance necessary have lost their value. As then, the peoples of Western Europe and those of North America are linked by the same concept of society, the same respect for man, his freedom and his rights. As then, the future of the U.S. is irrevocably linked to that of our European countries. As then, the European countries cannot by themselves secure the defense of their "space." As then, the presence in close proximity of powerful Warsaw Pact armies and the Soviet nuclear forces gives rise to a link of security across the Atlantic.

This link implies that any idea of aggression against the European countries should be made impossible and senseless through the prospect of response by American nuclear weapons. The allies of NATO's integrated command have structured this concept of deterrence into the "flexible response," that is, a series of graduated responses. It is their responsibility not to allow any doubt to emerge with regard to deterrence in its entirety.

The Soviet Union deployed the SS-20s with the express purpose of dividing and compartmentalizing the rationale of deterence. These arms cannot reach the heart of the alliance, the U.S., yet have the capacity to destroy in the space of a few moments all the means of retaliation of Europe itself. The objective is clear: to destroy the first components of the flexible response so that the sole remaining threat is that of strategic arms, which are the most feared, with the hope that this threat will not be used.

TRYING TO UNDO THE LINK

In political terms this means that an attempt is being made to undo the transatlantic link and to separate the defense of Europe from that of the U.S. The aim is to decouple the ultimate means of deterrence from those of the defense of the "European glacis."

Thus, doubt as to the credibility of American deterrence is surreptitiously creeping into the picture. In some quarters in Europe—fewer than they are said to be—there is a vague and growing feeling that American protection is uncertain and that uncertain protection is more dangerous than no protection at all. So Europeans are coming to feel more frightened of the arms you are sending to Europe to protect them than of the arms buildup in the East.

This malaise is difficult to understand in the U.S. It is wrongly perceived as a sign of relinquishment, of giving up, and many Americans are being tempted by the idea of pulling back. Reacting this way would consummate the very thing that must be avoided. The remedy therefore lies in greater deterrence backed by American strength and in dispelling all doubt regarding it.

The malaise I have described here does not affect France because French defense has remained national and independent and because public opinion has thus not been aroused by the installation of foreign nuclear arms on our soil. Nor has public opinion been subject to the key question of the credibility of the Allies determination.

France acquired its national nuclear force 20 years ago. It has provided for and will maintain it at the minimum level necessary to make any power understand that France's capacity to respond is greater than the stake our country represents. This policy is understood and approved by all the French people and by all the political forces in the majority and in the opposition. The effort therefore continues and will be pursued so we can remain at this level; the decision to build a seventh nuclear submarine, an end-of-the-century generation submarine, and the determination to perfect our nuclear arsenal have been accepted without much opposition. Contrary to what is happening in other countries in Europe, no one in France thinks that strengthening defense could draw an attack on our soil. And no one would understand that this policy might be thought disturbing to the countries of Eastern Europe.

Our independence does not imply isolation. Our future is linked to that of our neighbors. European construction is a precondition of our future. That process of construction is being pursued with peoples who must remain free in their thinking and in their policies. They must not be affected by outside threats. They must feel protected and secure. But they are not thus protected by us. Adequate to guarantee our vital interests, our nuclear arms are not now intended—nor will they be in the future—to insure the protection of the entire European zone of the Atlantic Alliance. Nor may they be used to this end, since we retain exclusive control over them. The guarantee of European territories that do not have nuclear weapons therefore can come only from the integrated command of NATO, that is to say, in fact, the U.S. For this reason, maintaining the American nuclear deterrent and continually modernizing it insofar as this is necessary are in our view essential.

Allies and yet independent, sole masters of our deterrent force yet standing solidly with the U.S., with our neighbors and with our European partner—what do we advocate in the present situation?

(1) In the first place, the importance of the U.S.'s world responsibilities does not permit it to adopt a posture of minimal deterrence that would protect only American territory. Such a posture would also reduce the function of deterrence and thereby render highly dangerous the undisputed imbalance in the European part of the alliance that does not have nuclear arms capable of reaching the Soviet Union.

(2) You should give your allies and your adversaries the assurance that you will not resign yourself to this lesser role. This is why proposals for a nuclear freeze, however well-intentioned they may be, seem to us dangerous for they could appear to many to be a first step toward withdrawal.

(3) With even greater reason we find the insistence sometimes voiced in the U.S. on a commitment to on-first-use of nuclear weapons to be profoundly destructive to the ties of solidarity in defense, and thus to your own security. Certainly, given your position, one can understand your concern not to make everything depend on a premature and massive use of nuclear arms. But, as Mr. Mitterrand said on Jan. 20 before the Bundestag, "The nuclear weapon, the instrument of deterrence, whether one likes it or deplores it, remains the guarantee of peace." This important truth is entirely understood in France. It is understood in Europe much more than you think.

(4) The credibility of deterrence could be affected by the nature of Soviet overarmament. So the balance must be reestablished. Deployment of medium-range missiles should be sought at the lowest possible level. Zero level would be ideal. Is it still attainable? If the Geneva negotiations on Intermediate-Range Nuclear Forces (INF) fail, we believe that NATO will have no other recourse than to go ahead with the decision taken in 1979 to modernize U.S. nuclear forces in Europe.

(5) Counting the French and British nuclear forces in the negotiations would permit the Soviets to justify keeping 162 SS-20s (or 486 warheads) targeted on Europe before any American arms were allowed. The fallacy of this reasoning is evident.

THE UNITY OF THE ALLIES

Who, moreover, could believe or even suggest that the French force is a threat to the security of the Soviet Union? Let's not forget that in addition to the SS-20s, 9,000 nuclear warheads carried on strategic rockets and bombers can reach French territory. The Soviet claim to include our forces in the count has no strategic foundation.

In acceding to the Soviet request, the U.S. would be giving up the notion of restoring the continuity of deterrence that was broken by the introduction of the SS-20s. This task, as we have seen, cannot in any way be accomplished by the French and British forces. In yielding, the U.S. would leave the Federal Republic of Germany and the other nonnuclear states of Europe without adequate protection. In point of fact, for our European partners, the inclusion of third-party forces in the Geneva calculations would be a disastrous piece of deception.

Lastly, the U.S. would be putting itself in a weak position for demanding a balance, for it would be acknowledging the acceptability of having a quantity of missiles lower than that of the Soviets by a number at least equal to that of the French and British missiles.

Too often the Soviets consider themselves a threatened country, encircled by hostile states. This justifies in their eyes their determination to obtain a greater degree of security than other states.

Establishing trustful and cooperative relations between the West and the Soviet Union, which my government wishes to see and to which it is ready to contribute, depends on the Soviet Union being brought around to a more normal and less excessive vision of its own security needs.

Such a readjustment is possible. It can take place only through the unity of the Allies, through their common determination and first and foremost through the determination of the United States.●

MAKING DISASTER ASSISTANCE EQUITABLE

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. GEJDENSON. Mr. Speaker, today I am introducing a bill to repeal

the credit elsewhere test for use in determining who is eligible for low-interest Federal disaster loans. My bill also would place a cap on the level of interest that could be charged for these loans.

The modest savings achieved through charging higher interest rates on Federal disaster aid do not, in my opinion, justify the suffering they inflict on disaster victims and the delay they cause in recovery.

Recent events in Connecticut prove my point.

A CASE STUDY

In June of 1982, the State of Connecticut suffered the worst floods in nearly a century. The disaster took the lives of 10 residents and caused an estimated $289 million in damages. Dozens of bridges, homes, and businesses were washed away by water from bursting dams and heavy rains. Because of the storm's severity, the President declared the State a major disaster area.

What ensued after the disaster declaration is a case study on why Federal disaster assistance laws should be changed.

There was a general impression following the declaration that the Federal Government would be awarding low-interest loans to anyone who qualified for disaster assistance. What most eligible residents did not know was that the current administration, as part of its 1981 budget cuts, had changed the law to incorporate a "credit elsewhere test." In other words, low-interest loans are no longer awarded to those individuals or businesses who can obtain credit elsewhere.

Many businessowners and homeowners were outraged to learn that they were ineligible for low-interest Federal loans because they had maintained good credit standing. Instead of loans at 8 percent, they were offered Federal assistance at the prime rate of 16 percent. Many of these residents felt cheated by promises of Federal assistance and punished by having remained creditworthy.

At Senator CHRIS DODD's and my request, the General Accounting Office conducted a study that in part examined the effectiveness of the credit elsewhere test. Of the 1,103 loan applications approved by the Small Business Administration, 34 percent—329 home loans and 39 business loans—were at the high rate. Because of this higher rate, the GAO estimated that the test would save $224,000 during the first year. This savings represents less than 2 percent of the total amount loaned to businesses and individuals in Connecticut.

The savings to the Federal Government are further reduced after taking into account the fact that interest payments may be deducted from Federal income tax. In addition, the GAO calculated that it took the SBA staff an additional 368 hours to process the 1,100 applications using the credit elsewhere test.

I do not believe that these projected savings justify the credit elsewhere test. My bill would repeal the test and require that the interest rate charged for disaster loans be set at one-half of the market rate of Government securities, plus 1 percent for administrative costs. A cap would be placed at 8 percent for both home and business loans.

This legislation would prevent the problems we experienced in Connecticut from occurring in other States and provide more equitable assistance to all victims of natural disasters. I urge my colleagues to support this measure.●

THEY MAY BE RIGHT

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. LIVINGSTON. Mr. Speaker, contrary to claims by its opponents, the Economic Recovery Tax Act of 1981 has led to payment of more, not less, taxes by Americans in the highest tax brackets. If there was ever any serious doubt about the fairness of the President's 25-percent cut in tax rates for every single taxpayer, there should be none now. By the same token, the recent tax revenue figures confirm that the tax cuts can help solve the problem of budget deficits, as reduced tax rates encourage upper bracket taxpayers to invest in productive enterprises, not tax shelters.

I would like to draw my colleagues' attention to the recent article analyzing the fiscal 1982 revenue statistics, and I ask unanimous consent that it be printed in the RECORD.

The article follows:

[From Forbes Magazine, Feb. 14, 1983]

FACT AND COMMENT II—THEY MAY BE RIGHT

(By M. S. Forbes, Jr., Deputy Editor-in-Chief)

Two years ago supply-side economists assured us that cuts in income tax rates would pay for themselves. Collections from the highest brackets would go up at once, and revenues from the other brackets would increase within 24 months. These economists cited the Mellon tax reductions of the 1920's and the Kennedy cuts of the early 1960's; in both cases revenues increased and the proportion paid by the top brackets rose substantially.

Events seem to have proven the supply-siders wrong.

Or have they?

People who must make estimated income tax payments each quarter to the IRS are generally in the higher brackets. David Stockman's Budget Office estimated that collections from this category of taxpayers would fall from $77 billion in fiscal 1981 to about $72 billion in 1982. The Reagan tax-cut bill of 1981 had just been passed, and the top tax rate was being slashed from 70 percent to 50 percent.

The fiscal 1982 results are in. The take from this category was $85 billion, 10 percent more than the year before. The proportion of U.S. income tax payments from this group was 29 percent, up from 27 percent.

If the tax reductions enacted in 1981 had been made effective at once (only the maximum rate was brought down in one step), instead of being staggered over 2½ years, David Stockman's revenues would have been beefier. British Prime Minister Margaret Thatcher put in smaller, but immediate, income tax reductions in 1979, and Britain's income tax revenues, despite a recession more painful than our own, went up, confounding treasury officials.

Too bad the Administration has forgotten that, if you let people keep a little more of each additional dollar they earn, everyone, including the tax collector, comes out ahead.●

GOVERNMENT REFORM LEGISLATION INTRODUCED

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. YOUNG of Florida. Mr. Speaker, since the birth of our Nation, the success or our democracy has depended on the ability of the Federal Government to respond to the needs of its people. Unfortunately, as the Nation's population has grown, so has the size and bureacracy of its Government. We must never lose sight of the kind of government envisioned by our forefathers—one operated by its citizenry and attuned to their needs. In an effort to promote those goals, I am introducing legislation aimed at making the Government more responsive.

The first measure will guarantee the public's right to know how its money is being spent. By closing a loophole in the Freedom of Information Act, this legislation would require public disclosure by recipients of Federal grants as well as Federal agencies. The American people provide the funds to run our Government, and I believe they are entitled to a full accounting of how those funds are spent.

Two additional bills I am introducing would allow a one-House veto of rules and regulations established by Federal agencies. They would mandate 4 weeks' notice before holding hearings on new regulations and a 60-day comment period on proposed rule. Increasingly, Congress has passed legislation which delegates broad regulatory powers to the Federal agencies responsible for administering the laws. This, of course, leads to government by executive decision rather than by representative assembly. My proposal would mean an increased opportunity for many Americans to organize effective responses to the seeming flood of Federal regulations.

Finally, I am also introducing legislation requiring the Federal Government to make public annual consolidated financial statements using the accrual method of accounting. Currently, the Federal Government has no precise idea how it stands financially because it does not compile consolidated financial statements. This bill would establish an accurate annual accounting of our financial situation and allow us to intelligently establish funding priorities.

We need to continue to improve our Government and work together to solve its problems. I urge my congressional colleagues to join me in supporting these legislative proposals in the 98th Congress so that the Government can operate more effectively and continue to respond to the people it serves.●

FEDERAL BUDGET AND ITS DEFICITS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. PHILIP M. CRANE. Mr. Speaker, the current topical discussion of the Federal budget and its deficits has led to whispers about tax increases. Tax indexing—the linking of income tax rate brackets and the personal exemption to the cost of living—is being targeted for repeal. I introduced the first tax indexation bill in the House of Representatives on May 13, 1974—H.R. 14738, the Cost of Living Adjustment Act, and every year since then I have reintroduced the measure. In 1981 indexing was part of our economic recovery plan. Its enactment is critical to the overall success of the President's program.

Tax-indexing provisions constitute genuine and fundamental reform of our Tax Code. They are the only enduring parts of the Internal Revenue Code that provide the greatest benefit to the taxpayer. Repealing the provisions would reimpose the hidden tax of inflation on us all, but would be felt most by those with incomes under $10,000. No other legislative battle is more important to the taxpayer right now than preserving the indexing provisions of current law.

Martin Feldstein's excellent article on the subject appeared in the Wall Street Journal on March 1, 1983. I include it in the RECORD at this point in the hopes that it will shed light on this very crucial matter. I commend the article to my colleagues' attention:

[From the Wall Street Journal, Mar. 1, 1983]

WHY TAX INDEXING MUST NOT BE REPEALED

(By Martin Feldstein)

The most important legislative battle this year will be the attempt to repeal the indexing of the personal income tax that is now scheduled to begin in 1985. Although tax indexing may seem at first to be a rather technical tax matter, it actually holds the key to controlling the future growth of government spending and to preventing a resurgence of spiraling inflation. the long-term success or failure of Ronald Reagan's economic program is likely to hinge more on retaining tax indexing than on any other piece of legislation.

In practice, an indexed tax system prevents inflation from pushing individuals into higher tax brackets and increasing the share of income taken in taxes. This is achieved by increasing each of the bracket points by the rate of inflation during the previous year. For example, in 1984 the 18% tax bracket will include income between $16,000 and $20,200. If consumer prices rise by 5% in the year ending Oct. 1, 1984, the 18% tax bracket for 1985 would be adjusted to the range from $16,800 to $21,210. Indexing would also raise the personal exemption from $1,000 to $1,050.

The repeal of indexing would mean that bracket creep would raise taxes higher and higher, permitting Congress to finance ever greater amounts of government spending without having to vote explicitly for any increase in tax rates. The repeal of indexing would permit Congress to reduce the budget deficit over time without any cuts in government spending by just waiting while tax receipts grow and grow.

TAXES WOULD BE HIGHER

Even with inflation declining gradually over the next few years as the administration forecasts, the repeal of indexation would raise tax revenue by $17 billion in 1986, $30 billion in 1987, $44 billion in 1988 and ever higher amounts in later years. A $44 billion tax increase in 1988 would mean that the repeal of indexing had raised taxes by more than 10%. And after a decade of inflation at just 4% a year, taxes without indexing would be 25% higher than if indexing is retained.

Of course, a higher rate of inflation would mean more bracket creep and thus a bigger tax increase each year. If inflation averaged 6.5% for the next five years, the extra tax revenue in 1988 would be about $80 billion instead of $44 billion. And a replay of the inflation experience of the Carter years—with inflation rising from 6.5% in 1985 to 13.5% in 1988—would raise tax receipts by about $120 billion more in 1988 if the tax system is not indexed.

The repeal of indexing would thus give Congress a strong incentive to pursue inflationary policies. With indexing gone, spiraling inflation would generate a surge of tax revenues that could finance greater government spending while permitting Congress the political luxury of voting occasional "tax cuts" that actually failed to offset inflation but provided a framework for further income redistribution.

Many financial investors and others would interpret the repeal of indexing as an indication that inflation would soon be on the rise. This change in the expected rate of inflation would raise interest rates, especially long-term interest rates on bonds and mortgages. Higher interest rates could threaten the recovery in housing and other interest-sensitive sectors and possibly bring the incipient recovery in the economy as a whole to a premature end.

Those who want to repeal indexing frequently wrap themselves in the cloak of fiscal responsibility and argue that "with the large budget deficits that we now face, we cannot afford an indexed tax system." What they should say is that the large budget deficits in future years mean that we must either cut spending or raise taxes or both. The administration's budget calls for a balanced package of spending cuts and revenue increases, including a standby tax equal to 1% of GNP that will go into effect in October 1985 unless very rapid economic growth between now and then has reduced the deficit to less than 2.5% of GNP.

If tax revenue must be raised, the repeal of indexing isn't a satisfactory substitute for an explicit tax increase. Because the repeal of indexing is a hidden way of increasing taxes, it removes the pressure to choose between spending cuts and more taxes. And unlike voting an explicit tax increase, repealing indexing doesn't provide a fixed amount of additional tax revenue but starts a money machine that will squeeze more and more money from taxpayers in the years ahead. The repeal of indexing is politically tempting to many in Congress because it increases revenue without explicitly increasing taxes. But it is the very opposite of responsible budgeting.

A common alternative rationale for repealing indexing is given by those who mistakenly believe that the combination of indexed benefits and indexed taxes inevitably produces budget deficits because "indexing raises benefits but reduces taxes." This argument is wrong because it misrepresents what indexing is all about. The indexing of benefits means that benefits just keep pace with inflation. The indexing of tax rates means that tax receipts don't rise faster than inflation through bracket creep. With complete indexing, inflation doesn't alter the real value of either benefits or taxes and therefore doesn't increase or decrease the real value of the deficit.

There are finally those who claim that they don't want to repeal indexing but just to postpone it for a year or two to help shrink the budget deficit. In reality, postponing indexing would have relatively little effect on future budget deficits. Slipping the starting date for indexing to 1986 would only raise an extra $12 billion in 1988. It is hard to avoid the suspicion that those who advocate postponement believe that if indexing is postponed once, it will be postponed again and again until it is eventually repealed. It is critically important to start indexing on schedule in 1985 because once the American taxpayers experience indexing it will be here to stay.

If indexing were repealed, the resulting tax increases would be relatively greatest for the lowest income taxpayers. It is the lowest income taxpayer who benefits most from the indexing of the $1,000 personal exemption and the $3,400 zero bracket amount. In addition, since the tax brackets are narrower at lower incomes, bracket creep is more severe. Eliminating indexing would cause the 1985 tax liability of those with incomes under $10,000 to rise by more than 9% while the tax liability of those with incomes over $100,000 would rise by less than 2%.

The liberals who want to repeal indexing are unconcerned about this increase in the tax burden on low-income taxpayers. They know that the vast increase in tax revenue that would result from de-indexing would permit Congress to vote further tax cuts for these lower income groups that would more than offset the effect of bracket creep on their tax liabilities. Tax reform would thus be deflected from a proper concern about incentives and simplification and would be fo-

cused instead on annual debates about egalitarian redistribution.

NO NATURAL CONSTITUENCY

The current congressional discussion about the repeal of indexing is counterproductive in several ways. By raising the possibility that indexing might be repealed, it increases the risk of high inflation in future years and thereby keeps current long-term interest rates higher than they should be. By focusing attention on the indexing issue, Congress avoids facing the difficult decisions about the control of spending and about the explicit tax changes that must eventually be made as part of this year's budget process.

Unfortunately, despite the critical importance of the indexing issue, it doesn't generate much pressure on Congress from individuals or from representative groups. While proposed policies that would affect a segment of the population often induce intensive lobbying activity, a major subject like indexing that influences the entire economy doesn't have a natural constituency. There is therefore the danger that Congress won't recognize how important indexing is to the public both now and in the future.

President Reagan strongly supports indexing as a central feature of his tax program. He has said clearly that he will veto any legislation that would repeal indexing or postpone its starting date. The president believes that an unindexed tax system is fundamentally dishonest. The repeal of indexing would eliminate political accountability and encourage wasteful government spending. It would make greater inflation an aid to politicians and an extra burden to taxpayers. It would initiate a continuous battle over the distribution of the tax burden.

The indexing of the personal income tax is the most fundamental and far-reaching aspect of Ronald Reagan's tax program. It must not be repealed.●

TRIBUTE TO J. DUDLEY DIGGES

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. DYSON. Mr. Speaker, it was with great sadness that I recently learned of the death of one of the highly respected residents of Maryland. J. Dudley Digges, who died on February 25 at his home in La Plata at the age of 71, was, from 1969 to 1982, a prominent judge on the highest tribunal in the State of Maryland, the court of appeals.

Judge Digges' tenure on the appellate court was marked by compassion, dedication and intelligence. His job confronted him with many challenges and he rose to all of them.

Before beginning his term on the appellate court, he served for 20 years as a judge of the seventh judicial circuit, which includes Charles County, Calvert County, Prince Georges County and my home county, St. Marys.

It was this region's fascinating mixture of rural and urban populations that provided Judge Digges with the diverse experience which made him unique among the judges of the court of appeals. As a result of his extensive experience as a trial judge and his vast knowledge of constitutional law, Judge Digges won the immediate and unanimous respect of the other judges on the court of appeals.

His leadership qualities which we all admired so much were best illustrated in his firm handling of the Spiro Agnew case. Digges is most widely remembered for writing the opinion disbarring the former Vice President and Governor of Maryland after Agnew pleaded no contest to charges of income tax evasion.

Judge Marvin Smith, another judge of Maryland's Court of Appeals and one of Judge Digges' very close friends, described Judge Digges to me as "one of the most solidly grounded members of the legal profession in Maryland."

"He was good at anything he did. It was always done thoroughly and promptly," Judge Smith said, recalling his friend's reputation on the appellate court. "Everybody recognized that this was a guy of outstanding ability."

Judge Digges, a former president of the State bar association, played a leading role in changing and improving the organization of the association. He helped turn the bar association from a small legal-social group into the well-organized system for sanctions that it represents today.

Judge Robert Murphy, chief judge of the Maryland Court of Appeals, called Judge Digges "a man of the greatest intellectual depth." In recognition of Judge Digges' accomplishments and contributions, Maryland Gov. Harry Hughes ordered that the flags on the State house and the court of appeals in Annapolis be flown at half staff.

Judge Digges was a lifelong resident of La Plata. He graduated from La Plata High School, St. John's College in Annapolis and the University of Maryland Law School. In 1936, he set up a private practice in Upper Marlboro with former U.S. Representative Lansdale G. Sasscer. During World War II, he served in the Army Judge Advocate General's Corps.

Judge Digges retired from Maryland's highest court early last year at the mandatory retirement age of 70 after participating in some of the most important legal decisions in Maryland history.

After he retired, he was appointed by Governor Hughes to head the Maryland Heritage Committee, which is organizing next year's observance of the 350th anniversary of the founding of Maryland. He was also chairman of the Court of Appeals Rules Committee and a former president of the Southern Maryland Society.

Judge Digges received honorary doctorates of law from the University of Maryland and St. Mary's College of Maryland.

Mr. Speaker, I am proud to have known Dudley Digges. I ask you to join me in paying tribute to a man who made invaluable contributions to the Maryland legal system and everyone who is a part of that system. Judge Digges set an example that other appellate judges will be proud to follow.

I know I speak for all Marylanders in extending my sympathy to Judge Digges' sister, Mrs. Calvin Harrington Jr. of Cambridge, Md., and his two brothers, W. Mitchell Diggs Jr., and Edward S. Diggs, both of La Plata.

The principles which guided Judge Digges in life will continue to characterize Maryland's legal system, a perpetual monument to this great man.●

A COST-EFFECTIVE SOLUTION TO ONE NATO PROBLEM

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. ROTH. Mr. Speaker, last April, I was privileged to attend a ceremony in Bonn, Germany, at which the U.S. Ambassador, Arthur Burns, and the German Foreign Minister, Hans-Dieter Genscher, signed a historic document—the United States-German Agreement on Wartime Host Nation Support (WHNS). Under the terms of this agreement, the United States reaffirms its commitment to a 10-division D-Day force in NATO's central region; in return, Germany is committed to providing essential goods and services to U.S. forces in wartime from the German civilian sector and to creating a 93,000-man force of Bundeswehr reservists, dedicated to the support of U.S. forces fighting in Germany.

By this means, one of NATO's most difficult problems can be resolved.

By 1978, most military analysts had come to recognize that the rapid Warsaw Pact buildup dictated increases in NATO's conventional forces in the central region. Without these increases, NATO could not achieve the minimum force levels essential to a successful conventional defense; without them, it was clear, the only remaining means for defending NATO would be nuclear—either tactical or strategic systems, or both.

Faced with this situation, in 1978, the NATO heads of state agreed to the long-term defense program (LTDP). Under its provisions, the U.S. was, and is, committed to providing a 10-division D-Day force, an increase of 3 divisions over our previous commitment. Our commitment for tactical aircraft on D-Day was increased commensurately. That augmentation of our

early-deploying force represents our share of the total NATO conventional buildup.

Honoring that increased commitment—particularly its ground forces component—confronted the United States with a serious dilemma. To reinforce NATO with three additional divisions within the same period of time as previously required, we had to: first, increase our strategic airlift, or second, increase our forward stationed active forces, or third, plan to commit our forces to combat without necessary support. All of these alternatives are undesirable; increasing our airlift capability is terribly expensive; increasing our peacetime overseas strength is neither politically nor economically practicable; going without essential support—openly forgoing the ability to engage successfully in sustained combat—drastically curtails the deterrent effects of our NATO commitment and forces us to resort to a defense based on nuclear weapons when deterrents fail us.

In 1980, seeking a way out of this dilemma, the United States proposed to its NATO allies a transatlantic bargain, under which we would increase our early-deploying combat forces, without essential support, provided the allies made that support available to us. Our allies responded favorably to that offer.

Since we have entered into WHNS agreements with the United Kingdom, Belgium, the Netherlands, and Luxembourg under which each of those powers guarantees to provide from its civil sector, essential goods and services to U.S. forces in wartime. These four agreements relieve us from the need to deploy some 50,000 U.S. military personnel to NATO in times of tension or crisis.

Because of Germany's unique geographic situation—the NATO-Pact boundary is along the German frontier and many of our initial support requirements are likely to lie in combat areas—the United States-German WHNS Agreement was different in some respects from the other agreements. Like the others, this agreement called for the Germans to furnish us with goods and services from their civil sector. But it went far beyond the normal arrangement by incorporating a unique provision under which the German Government agreed to create an organized military force of some 93,000 Bundeswehr reservists, dedicated to the support of U.S. ground and air forces in wartime. In combination, these actions to which the Germans have committed themselves will obviate our need to deploy more than 150,000 U.S. support troops to NATO in times of crisis and tension.

Through these several agreements, the United States has been enabled, without increasing our previous strategic lift capabilities, to deliver sustainable conventional forces in the numbers to which our Nation has committed itself to NATO.

As is usual, under the terms of these agreements, all goods and services from the civil sector are provided on a reimbursable basis. Since they are to be furnished only in wartime, this form of support entails no peacetime costs.

But the German Bundeswehr Reserve units do have peacetime costs—capital outlays for equipment and facilities; recurring costs for salaries, maintenance, and training. Since the Germans are providing a service—the support of U.S. forces—to meet what, in accordance with NATO practice, is a U.S. national responsibility, we would normally be expected to bear all of the costs for the 93,000 reservists. But the United States-German WHNS Agreement departs from the norm by having Germany share these costs with us. Under the provisions of our agreement, the Germans will bear approximately 50 percent of the capital costs and about 60 percent of the recurring costs.

Pursuant to our agreement, the German Government already has assigned personnel to this program and has set aside nearly $18 million to pay its share of the 1983 costs for implementation. We anticipate that the German contribution will be doubled in 1984, as more units come into being.

The Germans have furnished all facilities needed for scheduled 1983 activations; the United States will provide facilities for activations in 1984. NATO infrastructure funding will be requested for any future activations for which suitable facilities are not available from existing assets.

The continuing resolution authority (CRA) does not include funds for the U.S. share of implementation costs during 1983. Indeed, the report of the conferees directs the Department of Defense not to proceed with the WHNS program.

I would like to comment upon the arguments against funding this program, which were advanced by Members of Congress during last year's debates on the budget and the CRA. Some Members who oppose this program have also expressed their belief that our NATO allies must be required to assume a larger share of the defense burden than they have done until now. Ironically, the WHNS program is one measure that would cause the Germans to do more than heretofore.

Some Members have argued that we should not provide equipment for German reserve unit until all U.S. reserve units have been fully equipped. This argument is doubly flawed. First and more importantly, the German reserve units will be available to support U.S. units within 2 to 3 days after both countries determine that support is needed. U.S. reserve units cannot be mobilized and deployed to Europe in time to provide the needed support, even if sufficient strategic airlift were available. We are not dealing with equivalent alternatives here, only the German reservist are able to meet the support requirements of our combat forces. Second, since the equipment to be procured by the United States includes only essential items which cannot be mobilized from the German civilian sector, it constitutes a very small part of the equipment involved in the total program; the effect upon our own reserve components or applying it to this program is almost negligible.

The CRA conferees indicated that this WHNS program should be treated as a part of the foreign military aid budget. That would be most inappropriate, for under the United States-German agreement, we will retain title to all equipment which we procure for use by Bundeswehr reservists in support of U.S. forces in Europe. The United States could not retain title to this equipment if it were transferred through a foreign military sales program. But beyond that technical problem, I am troubled by the notion, implicit in the conference report, that this is foreign aid. It is not the Germans whom we aid by this program—it is the United States. We are not dealing with foreign aid here; instead we seek to provide our own soldiers and airmen with the support they must have to survive and succeed in combat.

Our failure to fund this program runs counter to our efforts to further the military revitalization and political cohesion of NATO. There is general agreement here that both we and our allies need to do much more to strengthen NATO. We do not advance that policy by forcing, through lack of appropriations, unilateral withdrawal by the United States from an agreement which has been carefully tailored to strengthen deterrence and improve NATO's conventional defense capability.

The President's fiscal year 1984 budget request includes $41 million to pay the U.S. share of costs associated with implementing the WHNS program in that year. I understand that the Department of Defense intends, in a supplemental appropriations request for fiscal year 1983, to seek authority to begin implementing this vital program now.

I urge your support for the wartime host nation support program which will enable the United States to fulfill a critical international obligation, and also, far more important to all Americans, to provide the means for sustaining our forward deployed and reinforcing troops in the event of a NATO war.●

CHILD-CARE ASSISTANCE ACT OF 1983

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. ROYBAL. Mr. Speaker, today I am pleased to introduce the Child-Care Assistance Act of 1983. This measure is a companion to S. 4, which has been introduced in the Senate by my good friend Senator ALAN CRANSTON.

The number of working families faced with a lack of adequate child-care facilities is rapidly growing. Single parents and working mothers, especially those with low incomes, are finding it increasingly difficult to insure that their children are properly supervised. Since 1977, the estimated numbers of working mothers of children under 18 and working mothers of children under age 6 have increased by almost 20 percent—from 50.7 percent to 59 percent and from 40.9 percent to 50 percent, respectively. In just the last 2 years, the number of children under the age of 6 whose mothers are in the work force has risen from 7.5 million to 8.5 million—an increase of more than 13 percent.

Moreover, demographic data indicate that these increases will continue. It has been projected that by the year 1990, there will be 11.5 million children under the age of 6 and 17.2 million children between the ages of 6 and 13 whose mothers will be working. That represents an increase of almost 7 million children from the current 22 million children under age 13 with mothers in the work force.

The data also indicate a wide disparity between the number of children with working mothers and the number of available child-care slots. The Department of Health and Human Services, in reports issued in 1980 and 1981, indicated that there were some 900,000 center-based and 5.2 million family-based day-care places available. That is roughly 6 million places for 22 million children under the age of 13.

Obviously, the problem is multifold. There is a severe lack of centers available and those that are open tend to be filled. In addition, many families are unable to afford these services. As a result, many school age and even preschool age children are left at home for several hours a day without supervision. This is accompanied by an alarming increase in school vandalism, juvenile alcoholism, and a variety of other disruptive and criminal activities. As for younger children, studies have shown that the years from birth to age 6 are crucial in a child's development. Children should be afforded the most positive environment possible to enhance their personal and social progress in all areas. Making qualified and accessible child-care services available to all families will obviously be of immediate benefit to these children. But such a system would also have a huge impact on our country as a whole, in terms of insuring well-adjusted and productive members of our society. When the costs of leaving these children alone is compared to the benefits of providing proper supervision, I think we can all agree that it is a price we can well afford to pay.

Equally serious is the case of a family that does not have access to day care services, but chooses not to leave their children alone and unsupervised. This can encompass a number of situations: Either both parents must work to insure the economic stability of the family, or it is a single-parent household, but whatever the case they do not intend to leave their children unsupervised for the length of time employment would demand. An increased availability of affordable child-care centers will give these parents an opportunity both to seek employment and to work full time. Certainly, this can only strengthen the family unit, as well as reduce public assistance costs.

That is the purpose of this measure—to promote the availability and diversity of quality child-care services for all children and families who need such services. My bill would provide assistance to the States to expend the existing supply of child-care services, improve the quality of and coordination among child-care programs, and generally foster increased coordination of programs at the local, State, and Federal levels. Grants would be available to States, under the terms specified in this act, to carry out these activities and to make additional resources available to help families find and meet the costs of child care. The bill is also designed to provide mechanisms to facilitate an assessment of the extent of the need for child-care services throughout the Nation, both an initial assessment within the next few years and continuing assessments periodically thereafter.

Additionally, and fundamentally, this bill is aimed at strengthening the functions of families by seeking to assure that parents are not forced by lack of available programs or financial resources to place a child in an undesirable care facility or arrangement. It is in the national interest that we implement such a policy. I urge my colleagues to study the situation and my proposal, and to join with me in support of such action.●

RIGHT DIRECTION IN EL SALVADOR

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. LAGOMARSINO. Mr. Speaker, I would like to share with my colleagues the following correspondence expressing the views and recommendations of the American Chamber of Commerce of El Salvador:

EL SALVADOR 1983: IN THE RIGHT DIRECTION

"Human rights", "land reforms", "military oppression", "oligarchies", "military advisors", "Vietnamization", "extreme left", "extreme right", "dialogue", etc., are some of the emotional terms that partisan internal politics and pressure groups have manipulated to confuse the American people and Congress so that the reality about El Salvador has been lost. The real issue at stake is whether the U.S. will, for obvious national interest, develop a position of commitment that will insure the future of democracy and the private enterprise system in El Salvador; or will the U.S. position and policy permit another Nicaragua to occur and thereby progressively lose the entire Caribbean Basin and Mexico to Castroism.

The American Chamber of Commerce of El Salvador urges that this commitment be evidenced by increased economic and military assistance to El Salvador to save the economy and to counteract the international communist attack. Failure to support El Salvador would again demonstrate that the U.S. is incapable of defending the principles of democracy against a determined and programed international communist aggression.

We also urge Congress to embrace the investment and trade package of the CBI as a program designed to eliminate the regional economic environment which has stymied political, social and economic progress.

In dealing with the question of El Salvador it is essential to recall March 28, 1982 when we witnessed one of the most incredible voter turnouts ever in the history of democratic elections. This election was even more astonishing since the people had to expose themselves to the threat of loss of life in order to exercise their right as defined in Article 21 of the United Nations Human Rights charter, which states: "The will of the people is the base of the authority of public power."

In March 1982 the Frente Democrático Revolucionario (FDR), which has always used violence and terror as a means to obtain power or promote change, created the hostile political and security environment which they then used as an excuse for not participating in the elections. The FDR's decision to stay with the GUNS and not the BALLOTS confirmed their disregard for the Human Rights of those that did decide to participate and vote.

The election result is the testimony of over 80 percent of the Salvadorean voters who spoke to the world with one clear message: We do not support the FDR movement. The U.S. cannot ignore this fact and have a reasonable policy toward El Salvador or, for that matter, towards any other developing democracy of the world. The U.S. must identify with this one event over any other to establish the cornerstone of its commitment to El Salvador.

The above facts must be kept in mind when analyzing the pressure by some elements in the United States to force the people of El Salvador into a dialogue with the FDR to reach a political solution. This position under the present realities must be discarded for it is in direct contradiction to the voice and spirit of the March 28 elections, and could give the FDR a role in the government which they have been unwilling to earn through the democratic process. Those arguing "dialogue" still have not recognized nor accepted the FDR for what it represents.

In our presentation to the Congress last year before the elections we said:

"The principal misunderstanding concerns the opinion surrounding the make-up and strength of the FDR. The basic controversy about the FDR regarding their strength or weakness is a matter of opinion. The opinion that because of their terrorist activities the FDR represents some major group of Salvadorean is accepted by certain sectors out of hand, while the true majority of Salvadoreans, the church, the government, the unions, the military and the private sector, which support elections and reject the FDR, are conveniently ignored. The FDR, as documented, is an umbrella political front for the international sponsored marxist-leninist terrorist groups. They have intelligently incorporated renegades from the social and Chistrian Democrats to give it appeal within the western world. They have not, by fact or history, won any popular internal support for their cause. They portray support by trying to capitalize on and usurp the popular movement of the late 70's, which sought change in the "old system", but did not seek communism as the "new system". Any support they had within that popular movement disintegrated. When the extreme left leadership made public its marxist-leninist ideology and the social reforms were implemented by the government. As social outcasts, not only for their ideology but also for their violence, they retreated to the hills and resorted to hit and run terrorism, while being idolized as Robin Hoods by the media."

This analysis has not changed and within the country the FDR is still viewed as a band of traitors to the principles of democracy and private initiative. Reasons for their continued existence can be summarized into six major points:

1. Continued arms and logistic support from the international communists with the help of Nicaragua as a bridge from Cuba.

2. Ability to draft youths (mostly under 18), drifters and common criminals who do not necessarily support their cause but join for the obvious adventurism, theft, etc., associated with outlaw bands, and those forced to cooperate through terror.

3. Ability to con and use mistaken idealists who believe they will have a voice in some future government, but who will be obviously discarded as the Nicaraguan example clearly shows.

4. Ability to continue to receive support and recognition from interest groups and political leaders which only view the faults of the present government and do not look at the final objective of the FDR which is clearly communism for El Salvador.

5. The publicity they receive when they destroy the economy by means of violence, making them look powerful and numerous.

6. The use of well-orchestrated propaganda machine available to them within the U.S., to create misinformation throughout the world.

The fourth point is of particular importance for the people of the U.S. to help correct. It is most ironical and contradictory that some human rights activists, certain religious groups and political leaders provide propaganda and political support to the FDR by charging the abuses committed by a few undisciplined elements to the entire government and military, which are publicly committed to the correction of their faults and to democracy. While not ignoring this fact, the daily destruction of public and private property caused by the FDR clearly affects all Salvadoreans' livelihood, their right to work, to move freely about their country, and to enjoy such basic necessities as electricity, water, medicines, education and food. By ignoring the above violations committed by the FDR, makes these religious, human rights and political groups collaborators in providing justification for treason instead of helping develop the necessary democratic solution.

The unmistakable conclusion from the analysis of the March 28 results and the nature of the FDR is that the U.S. Government must support the existing legally and democratically elected representatives of the people of El Salvador and encourage the further development of their democratic process.

The U.S. and its congress must make a clear and public rejection of the FDR principles as antidemocratic and anti-U.S. The U.S. must insist that the FDR reject terrorism and seek acceptance through the democratic process. With these political steps taken then it is very feasible to expect the Salvadoreans to be able to participate in a true dialogue for the conditional surrender of the FDR, providing guarantees of life and future participation in the society. The conditional surrender of the FDR must be urged to bring to an end the unnecessary death and suffering they are imposing on the Salvadorean people.

The focus on land reform as a condition for continued U.S. aid to El Salvador must be carefully put into context not only for El Salvador's case but for the signal we are sending to our other Latin American friends. The land reform, the nationalization of the banking system, and the state control of the sales and marketing of El Salvador's major and traditional exports were in the late 1970's political steps to defuse an explosive social condition. The blueprints for these reforms were based upon a set of circumstances that existed at that time but which with the evolution of the past few years, including the successful implementation of the key purposes of the reforms and especially the demonstration of March 28 elections, do not continue and now have placed the U.S. ironically in defense of a highly socialist program not compatible with U.S. principles. The Salvadorean government continues to consolidate the reform program. The real threat to its progress is from the Marxist-Leninists through their open and declared war on the national economy and their continued undermining of the security and well-being of the rural communities. In spite of the "Scared Cow" image imposed on the reforms, U.S. policy makers must reassess them in the context of reality in El Salvador of 1983 and not El Salvador of 1978 when they were supported by the Carter Administration. Within the land reform movement, if anything is necessary at this moment, it is to guarantee the people of El Salvador the basic human right of ownership of private property and to do so *without reversing* the rights of ownership to the new land reform beneficiaries. Flexibility is required to give the reforms the opportunity they need to become adaptable, realistic and productive under the present set of circumstances.

A reform rarely emphasized, but yet the most important, is the democratic pluralism being developed within El Salvador. This has been one of the principal goals of American Foreign policy towards El Salvador, and while it has demonstrated growing pain, its existence is evidence of political progress.

Economically, El Salvador can not support all the task before it alone. History shows that El Salvador has never been an aid burden on the people of the United States. Aid, even now, is considered by the people of this country as short term help. El Salvador's record as the most productive country in the region with the least natural resources will be reconfirmed once peace is established and the CBI is implemented. But very serious and long lasting problems at a much higher price in lives, immigration problems and aid will face the U.S. in the neighboring countries if this specific economy, a benchmark for the hemisphere, is allowed to collapse. The aid given to El Salvador, even though limited, in the last couple of years has accomplished a great deal. The economy daily being damaged by the FDR is still providing jobs and the private enterprise system has demonstrated endurance. Political pluralism, a freely legally elected government and widespread social awareness all have emerged to alleviate the anarchy and turmoil which plagued El Salvador before a U.S. began providing assistance. Much more assistance is needed to improve the economy, to discourage the marxist-leninist and to bring the needed social development through jobs, until the benefits derived from the CBI trade package can materialize.

When summarizing about El Salvador, one should remember the worlds of Oliver Wendell Holmes: "The great thing in this world is not so much where we are, but in what direction we are moving."

El Salvador is moving in the right direction and progress depends on our ability to support it in stopping those who have declared themselves against our values. Our political, economical and military support will insure that El Salvador's developing and fragile democracy will strengthen, bring the economic and social progress that these people are willing to work for. If our support is stopped or even short of their needs, then El Salvador will fall into Castro's hands. Then what cost will that bring to the U.S.A. in near future and what will our "bottom line" look like before the world?

THE PEOPLE'S PARADISE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. FIELDS. Mr. Speaker, some form of socialism/communism is dominant in many nations and every conti-

nent. The idea of socialism is especially attractive to intellectuals who are able to maintain a comfortable distance from actual socialist practices.

Though socialism is a god that fails continuously, and causes more human suffering and tragedy than any idea or practice in history, there are those who stubbornly cling to its high-minded idealism. They religously close up their eyes to the reality that the socialist promise of instant utopia brings only the tyranny of a real dystopia.

It is for them that the following glimpse of reality is provided.

[From the Washington Times, Jan. 20, 1983]

ERASING A PEOPLE'S HISTORY

(By Albert Wass)

Bulldozers roar and old brick houses crumble under the pounding of the giant wreckers in the outskirts of the ancient Hungarian city of Kolozsvár in Transylvania—now a part of Communist Romania. Six-century-old hand-carved stone portals proudly showing the name of the builder and the year the house was built fall into dust. Dictator Ceausescu's regime does not tolerate historic landmarks. The Hungarian past must go.

In 1382 the commander of Kolozsvára, the Fort of Kolozs, a wise man by the name of András Pethö, moved 32 Hungarian families from his Maros valley estate to rich bottom land next to the fort to raise vegetables, poultry and hogs. He gave them about 1,000 acres of land and built a village which was named in the 15th century by German merchants "Hoch-stadt" (High Town), changed to suit the Hungarian tongue into Hóstát.

Over the centuries, the hard-working people of the settlement fed the growing town with vegetables, fruits, milk, and poultry. As Kolozsvár became the cultural and administrative center of Eastern Hungary, they established their own landmarks there and engraved their deeds into history. After six centuries of honest and frugal labor, the new and intolerant regime of Romanian dictator Ceausescu decided to remove them from the face of the earth as an affronting landmark of Transylvania's Hungarian past.

Though their lands were taken by the state in 1946, the sturdy farmers held on to their way of life, turning their small back yards into intensively cultivated gardens. Nevertheless, the heavy hand of the rulers fell upon them anyhow.

There was no place for Hungarians in Romania, and no place for independent workers under the communist system. Block by block, the famous old Hostat was demolished to yield space for apartment houses built for the thousands of "first class" citizens, Romanians, moved into the newly acquired province from the East with the purpose of changing the Hungarian character of this ancient city.

The people of Hostat were loaded into trucks, like cattle, and dumped somewhere in old-romania, where language as well as culture was foreign to them. Those who tried to resist were beaten and sent to forced labor camps. In their new environments, the Hungarians were strangers and destitute. Old-age pensions were refused under the pretext that they were not laborers but "capitalists" who owned their own land. Many died of hunger and cold. Others took their own lives as an escape.

In the first week of December 1982, a full 600 years after their forefathers established themselves on the land with the purpose of feeding the city of Kolozsvar—known today as Clug—the last 16 families of once-prosperous Hostat were dragged out of their homes, loaded into trucks and driven away.

According to an eyewitness, there was an old man among them named Sandor Bognar, who begged Romanian police sergeant to allow him one last favor. In his yard stood an old stone monument with the inscription:

"Here Stood King Mathias The Just And Swapped Jokes With The Humble Owner Of This Home Ambrus Bognar, Anno Domini 1468."

The old man wanted to take that old stone with him, wherever he had to go.

The sergeant rudely refused his request and kicked him in the groin. The old man fell, but got up and reached for an axe. He was shot to death, his body thrown in the truck midst his horrified family and driven away. But not too far, just some 15 miles to the top of the Felek ridge. There the truck stopped and the Bognar family was ordered off into knee-deep snow. They were left there with the old man's body, in the middle of nowhere, to die.

Officially nobody seems to know what happened to them. But the rumor is that some good people from one of the nearby villages took them in and hid them from the police. But this is only hearsay, of course. Nevertheless, the fact is that in one of the abandoned old cemeteries up there on the slope of the Felek there is a new grave with a strange stone laid flat over it.

On the top it says "Here Rests Old Sandor." Nothing more. But on the bottom, hidden from sight, there is supposed to be more. Something about a king who swapped jokes with simple peasants, back in the olden days, when socialism was not yet invented.●

REPEAL WITHHOLDING TAX ON INTEREST NOT DIVIDENDS

HON. C. ROBIN BRITT

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. BRITT. Mr. Speaker, Congressman BILL HEFNER and I are introducing legislation that would repeal the withholding of taxes on interest by banking institutions but would not repeal the existing law providing for withholding of taxes on dividends. After careful study, I have concluded that the interest withholding provision creates an undue burden, especially on the small saver and the elderly. Additionally, it creates an administrative nightmare for banks, savings and loans, and credit unions.

Much of the initial revenue from the withholding measure comes from the Government's use of taxpayers' money—roughly one-half in fiscal year 1984. This is especially unfair to those who will receive refunds at the end of the year. Although there are exemption provisions to cure this problem, filing an exemption is an unfamiliar, complicated, and uncertain process and many, especially the elderly, will not pursue this procedure.

At the same time, given the size of the Federal deficits, we must be hesitant to adopt measures that reduce revenues. For this reason, the bill introduced today, unlike other bills to repeal the withholding provisions enacted by the last Congress, would not repeal the withholding of taxes on dividends. Dividend withholding poses fewer inequities. Dividend withholding is much easier to administer and that provision has much less impact on the elderly and those with limited income. Preserving the dividend withholding provision would save the Federal Government roughly $8 billion between 1983 and 1987. Dividend withholding accounted for roughly 40 percent of the revenues projected from the combined withholding on interest and dividends.

Efforts to repeal both interest and dividend withholding are gaining momentum in Congress. The bill we have introduced today strikes a new balance between fairness and preservation of revenues. It is a more fiscally responsible measure.●

SUPPORT OF THE CONSUMER DEBTOR BANKRUPTCY AMEND- MENTS ACT OF 1983

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. GRAY. Mr. Speaker, I am pleased to join my colleague, the Honorable MIKE SYNAR, and others, in introducing the Consumer Debtor Bankruptcy Amendments Act of 1983. This legislation, which is important to working people in this country who depend on unsecured credit at reasonable rates, would amend certain provisions of the Federal Bankruptcy Code which have had the unintended effect of making it more difficult for the average consumer to find and afford consumer loans. This is badly needed legislation that will benefit both consumers and creditors.

Mr. Speaker, since their inception, our Nation's bankruptcy laws have signaled a compassion for honest debtors who, often for reasons beyond their control, are unable to meet their debts. At times, the loss of employment or other unexpected misfortunes can make the repayment of consumer loans impossible for the most well-intentioned borrower, and a discharge in straight bankruptcy under chapter 7 of the Bankruptcy Code has traditionally provided such a borrower an opportunity for a fresh start. This fresh-start concept has been one of the hall-

marks of our bankruptcy system, and it has worked well for over a century, allowing individuals to reorder their lives when faced with a burden of debt which they could not repay.

In 1978, the Congress considered and approved a series of beneficial changes to the Bankruptcy Code designed, in large part, to strengthen and refine the basic protections offered to consumer debtors. Many of these changes were specifically designed to increase the protections available to individuals who, due to no fault of their own, could not afford to meet all of their debts and needed a fresh start. Most of these changes were, and still are, needed. But I also believe that in several instances the Congress may have created unintended incentives for individuals to invoke the protections of straight bankruptcy where other options may be available.

Mr. Speaker, it is obvious that most debtors who seek a discharge of their financial obligations under chapter 7 have little prospect of paying any reasonable portion of their debts. A consumer debtor's continuing obligation to support himself and his family frequently exhausts his available income, and the debtor will often not have sufficient current or future discretionary income left after satisfying these basic living expenses. No purpose is served by continuing to burden such debtors with legal obligations they simply cannot satisfy. On the other hand, there are a substantial percentage of debtors who are not financially incapacitated at the time of filing bankruptcy, and for whom a discharge in bankruptcy constitutes a headstart rather than a fresh start. It is the increasing chapter 7 filings of these debtors that are causing problems for the credit industry and, indirectly, problems for unsecured debtors who are already finding it more difficult to secure consumer credit.

This problem is particularly acute for the young, and minority, and low-income borrowers who may not enjoy the advantages of owning their own home or other collateral necessary to secure a consumer loan. As losses from unnecessary bankruptcies—estimated by some to be between $1.5 and $1.6 billion annually—cause lenders to tighten eligibility standards, renters and others without substantial collateral will find it is increasingly difficult to obtain credit at reasonable rates. Clearly, this was not the intent of the 1978 reforms.

These concerns, Mr. Speaker, were extensively documented in hearings last year before the House Judiciary Subcommittee on Monopolies and Commercial Law, and I know that they are shared by a number of my colleagues. The Consumer Debtor Bankruptcy Amendments Act builds upon that record as well as the recommendations of the National Bankruptcy Commission by incorporating a series of reforms intended to correct the problems which I have described, while preserving the integrity and purpose of the Federal bankruptcy system. The legislation also builds upon and improves on last year's consumer bankruptcy reform bill, H.R. 4786, which, among its provisions, contained the so-called future-income-threshold test.

Under the terms of the future-income-test provisions, a creditor and others in a bankruptcy proceeding were permitted to raise the issue of whether, given his likely future income, a consumer debtor was properly seeking relief under chapter 7's straight bankruptcy provisions or whether resort to the payment rearrangement provisions of chapter 13 was more appropriate. Although these provisions were intended only as a means of preventing abuses of chapter 7 procedures, some feared that the future-income test would afford creditors an opportunity to harass consumer debtors. It was argued that it would have allowed creditors to determine whether in fact a debtor could discharge his debts and get a fresh start. The consumer debtor bankruptcy legislation eliminates these future-income provisions so that there can be no question regarding potential creditor abuse. Under the bill being introduced today, only the bankruptcy judge would be able to move to abstain from or dismiss a chapter 7 proceeding, where to permit it to continue would constitute an abuse of the Bankruptcy Code. Creditor involvement in that process is eliminated.

Mr. Speaker, the consumer debtor bankruptcy bill makes a number of other needed reforms to our bankruptcy laws. It would enhance the Congress ability to oversee the bankruptcy system by providing for the collection of important statistical information; it would create standards for court confirmation of repayment plans; and it would eliminate costly and unnecessary bankruptcy procedures. In addition, the legislation would address the many pressing problems faced by our farmers during grain-elevator-bankruptcy proceedings.

I am pleased to join my colleagues, the Honorable MIKE SYNAR, BARNEY FRANK, GILLIS LONG, BUTLER DERRICK, DICK GEPHARDT, VIC FAZIO, BILL MCCOLLUM, TRENT LOTT, HAL DAUB, HAL SAWYER, and BILL EMERSON, in introducing this legislation. This is an important bill that is badly needed by both creditors and consumer debtors. I hope it will be given swift and favorable consideration in the Congress.●

SELECTION OF BISHOP JOSEPH F. MAGUIRE OF SPRINGFIELD, MASS., AS RECIPIENT OF THE JOHN F. KENNEDY AWARD BY THE ST. PATRICK'S DAY PARADE COMMITTEE OF HOLYOKE, MASS.

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. CONTE. Mr. Speaker, I come before my colleagues today to share my thoughts on the recent selection of Bishop Joseph F. Maguire of the diocese of Springfield as the 1983 recipient of the John F. Kennedy Award by the St. Patrick's Day Parade Committee of Holyoke. The coveted award is presented each year to an American of Irish descent "whose life and career have made an indelible and noble impact upon society."

Bishop Maguire was installed as prelate of Springfield on November 4, 1977 as leader of a diocese that includes most of my First Congressional District. He is a nationally recognized spiritual leader and holds a number of prestigious positions in the church. They include national spiritual adviser of the Holy Name Society and trustee of the National Shrine of the Immaculate Conception in Washington, D.C.

The admiration and respect that I have for Bishop Maguire was instilled in me when I first read the address he gave on the day of his installation. He said, "We must root out from our hearts injustice, prejudice, and discrimination." He has proven over the past 5½ years as bishop of Springfield, that he practices what he preaches. All of us should learn from his words of wisdom and from his living witness of kindness, understanding and inspiration.

It is evident that his spirituality is an inborn instinct, for by nature, he is a very humble man with a great sensitivity to people in need. He is delighted to be called to visit the sick and he was eager to assist in the establishment of the soup kitchens in Springfield and Holyoke.

Bishop Maguire is a gentle man and relishes the opportunity to be with children. In church, he often pauses on his way to the altar to pat a child on the head or to pay a compliment to the child. He is a very friendly man with an attractive personality and gets along easily with strangers because of his warm smile and natural, homey attitude. His lifelong involvement with sports, both as participant and observer, epitomizes much; he enjoys playing as much as winning; he thrills at the process regardless of the outcome. As a fan, he cheers for an underdog and is jubilant in another's victory. Whoever

wins, the game is important because of the people he meets there.

All who know him rejoice at this honor given to Bishop Maguire. The conferring of the John F. Kennedy Award says publicly what so many feel—it is good to give praise to this man of God who is a man of the people.●

MBFR: THE WESTERN PROPOSAL

HON. WM. S. BROOMFIELD, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. BROOMFIELD. Mr. Speaker, hardly a day passes in which the Soviet Union fails to charge the United States with foot-dragging in the arms control arena. Such unfounded allegations are often picked up by Western journalists without critical commentary. This leaves many American readers with the impression that the Soviet position is accurate. I believe we must set the record straight on this crucial subject.

As all of you know, in 1973, the United States was instrumental in initiating the ongoing Mutual and Balanced Force Reductions talks (MBFR) in central Europe. These talks involve the 12 members of NATO and 7 Warsaw Pact countries.

The nations of the West rightly believe that the seemingly endless buildup by the East of a wide variety of arms in central Europe must be addressed and, hopefully, reduced. The West's goal is to attempt to reduce tensions with the Soviets and its allies through a reduction in ground forces and the establishment of manpower parity at lower levels.

The key issue which has to be addressed is the significant Eastern superiority in ground forces. This imbalance has been a major destabilizing factor in the military situation between East and West for a number of years. The elimination of this imbalance would reduce the risk of war in Europe.

Lest we forget, it was the Warsaw Pact, not NATO, which initially upset the balance of forces in central Europe. Over the years, the pact deployed 57 divisions and a total of about 960,000 ground force personnel. This level dwarfs NATO's 25 divisions and 800,000 men. The buildup gives the East a superiority of 160,000 men which the Warsaw Pact claims is rough parity in manpower.

Since 1973, the West has presented many proposals to the Warsaw Pact. As of this date, no troop cuts have been made. On June 10, 1982, the President announced a new NATO initiative to seek common collective ceilings in the reductions area. The latest Western proposal calls for a single comprehensive agreement. Under that agreement, all direct participants, with major military formations in central Europe, would assume contractual obligations to undertake ground force reductions. These cuts in strength levels would continue to a common ceiling on each side of about 700,000 ground personnel and 900,000 ground and air force personnel combined. Reductions would be accomplished in four fully verifiable stages within 7 years. A detailed program of verification and inspection was appropriately included as a prerequisite to an agreement of this nature.

One of the critical points of disagreement between the parties is the large discrepancy between the two sides' figures on Eastern manpower. A difference in manpower can turn the tide in a conflict. Another factor is that Warsaw Pact divisions are equipped with more tanks and artillery than comparable Western units.

Quite properly, the West has insisted on a resolution of this troop data problem as the basis for an agreement on the size of reductions needed to reach parity. NATO has full confidence in Western force figures and continues to insist that an agreement be based on agreed data. It is widely known that the initial troop strength data submitted by the Warsaw Pact was contrived to understate the Warsaw Pact's actual troop levels. Although the West has offered several detailed proposals to resolve the discrepancy, the East has refused to budge.

The second area of difficulty is that the West believes that reductions be accompanied by thorough inspections and monitoring. These would help insure verification of, and future compliance with, the agreements. The Warsaw Pact has difficulties with many aspects of the verification process.

Considering the lack of good faith which the Pact has displayed on the troop strength levels, and the East's reluctance to accept the concept of permanent onsite inspection measures, I can understand why the West's efforts to bring about troop reductions have been unsuccessful. Let those who question NATO's intentions take a look at the record and at the facts.

It is the Soviets and their allies who should be charged with foot-dragging over arms control. Most importantly, when the Soviets have a military advantage, as they do in conventional troop and arms strength in central Europe, they are apt to prolong that advantage. That is why they have indeed frozen MBFR negotiations for more than a decade and why they prefer a freeze on strategic weapons today. They are the ones who have launched a new round of nuclear weapons deployments. They are the ones whose basic philosophy preaches world revolution and Communist domination, and they are the ones who made a mockery of the Helsinki accords.

I am certain that many of my colleagues in Congress will join me in saying that the Kremlin has little respect for agreements of any kind. Let the negotiator beware.●

LEADER OF YWCA

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to take this opportunity to congratulate Gay Dickerson, executive director of the YWCA of White Plains and Central Westchester County, N.Y., on the occasion of her retirement.

Gay has made an immeasurable contribution to the work of the YWCA since becoming executive director in 1966. She presided over the Y's movement from a small house with a membership in the hundred's to a modern facility with a membership in the thousand's. In addition, the Y achieved broader representation throughout the county.

During Ms. Dickerson's tenure, the YWCA developed many valuable programs to aid various groups in need of special services. Handicapped people are able to lead full lives with the Y's swimming and social programs. Senior citizens find vital social contact in the summer weekend program. An outreach program helps disadvantaged young women, and a residence facility built in the early 1970's provides needed housing for 168 young women. Finally, to provide help urgently needed by today's women in the job market, the Y sponsors a VISTA counseling service, free of charge for those unable to pay.

Despite the financial crises which plague nonprofit organizations, especially in this time of recession, the YWCA has remained solvent, due in large part to the able leadership of Gay Dickerson. Ms. Dickerson's dedication to the vital work of the YWCA enabled the organization to carry out its programs smoothly and effectively, providing enormous benefits to the community. While her leadership will be sorely missed, the people of Westchester can rest assured that, thanks to Ms. Dickerson, the YWCA has a stable and secure future.●

THE UNITED STATES AND THE WORLD'S DEBT PROBLEM

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. LIVINGSTON. Mr. Speaker, many of us are concerned about the pending proposal by the administration to increase the resources of the International Monetary Fund. In the course of my study of this most important issue, I have found several informative newspaper articles and columns, which I have inserted into the RECORD recently.

Today I would like to recommend to my colleagues and the American people an article written by Treasury Secretary Donald Regan, which addresses the major criticisms of the proposal. I believe that each of us would do well to carefully consider both his concise explanation of the international financial system and his persuasive answers to the specific questions that we receive from our constituents.

I appreciate President Reagan's concerted effort to bring this message to all of us, and I again recommend to all Secretary Regan's February 8, 1983, article in the Wall Street Journal, which follows:

THE UNITED STATES AND THE WORLD'S DEBT PROBLEM

(By Donald T. Regan)

International negotiations for an increase in the resources of the International Monetary Fund (IMF) are nearing completion and final decisions are expected at the Feb. 10-11 IMF Interim Committee meeting in Washington. The administration will soon send a request to Congress providing for the American share of that increase.

Why is it so important that those resources be increased? The answer lies in the importance to the U.S. economy of a sound world economy and financial system. The answer also lies in the central role of the IMF in resolving current economic problems.

The major strains in the international financial system which emerged in 1982 had their roots in the rising inflationary pressures in the late 1960s, the twin oil shocks of the 1970s, and policy responses that attempted to avoid adjustment to new economic realities. Many governments sought to maintain real incomes and employment in uncompetitive industries by subsidies rather than pursue policies to counter inflationary pressures and reallocate resources to reflect new competitive conditions. The results of these policies were higher inflation, slower real economic growth, and large balance of payments deficits and external financial requirements.

'WRENCHING DIFFICULTIES'

The bulk of the external financing was provided through private markets—largely commercial banks—and was heavily concentrated on the developing countries. During 1982, however, financial markets began to recognize that the inflationary environment of the 1970s was changing and that inflation expectations were undergoing a dramatic shift. Therefore, levels of debt which had previously been considered manageable are now viewed as high in real terms and large in the face of weak export prices and slow world economic growth.

The nature of these difficulties has been known for some time. In addressing the annual meeting of the World Bank and the IMF a year and a half ago, I said that, "The United States is deeply aware of the wrenching difficulties facing many of the countries . . ., and we are conscious of our responsibilities for shaping and supporting the efforts of the Fund and the World Bank."

But with our own country just beginning to come out of a serious recession, there is a very natural tendency to feel that "other nations' problems are other nations' problems." It is tempting to conclude: The countries with the big debts and the banks got themselves into this mess; let them get themselves out.

For the sake of discussion, what would happen if the U.S. did, in fact, adopt a "hand-off" attitude toward the international debt problems?

The American economy functions within an increasingly interdependent world economy. Exports of goods and services as a share of U.S. gross national product doubled between 1970 and 1979, accounting for about 12% of GNP. At present, roughly 20% of all goods produced in the U.S. and 40% of our agricultural production go into export. We no longer live—if we ever did—in a world where adversity in the economy of a foreign country will not impact on the United States.

This year, if lenders were to pull back sharply in the absence of any interest or action on the part of the major industrial countries, new lending could begin to dry up. Trade would consequently have to be reduced to match the new lower level of external financing. For the United States, growth would be about one percentage point less than we're expecting, and our trade deficit would grow very rapidly due to the loss of $12 billion or so in exports to the developing world. Lost jobs in vital export sectors would compound our recovery efforts.

And what if the debtor nations cannot service their debts? If interest payments to U.S. banks are more than 90 days late, the banks stop accruing them on their books, they suffer reduced profits and bear the costs of continued funding of the loan. Provisions may have to be made for loss, and as loans are actually written off, the capital of the bank is reduced. In that case the creditors banks' capital/asset ratios would shrink. American banks would then have to take measures to restore their capital/asset ratios. Banks would be forced to make fewer loans to all borrowers, domestic and foreign. Auto loans in Cincinnati, housing loans in Dallas, capital expansion loans in California—all would be affected.

And this phenomenon wouldn't be limited to us. Banks in Europe, Japan and elsewhere would be forced to curtail their own domestic lending.

The real goal here is to assure that those nations with large external debts adjust without resort to draconian measures that would create chaos for them and financial instability for everyone else.

Helping nations make that essential adjustment is part of the role of the IMF. The IMF was founded to promote a sound financial framework for the world economy and is at the center of international efforts to deal with current economic and financial problems. The resources of the IMF are available to provide temporary balance of payments financing in support of the efforts of members to restore their external positions to a sustainable basis. The economic policy conditions associated with use of IMF resources are designed to ensure that a country establishes the basis for sustainable domestic economic growth as well as a sustainable external payments position.

The IMF is indeed a fund—a revolving fund to which each member is obligated to provide its currency to the IMF to finance drawings by other countries facing balance of payments needs; each country in turn has a right to draw upon the IMF in case of balance of payments need. The U.S. subscription fo IMF resources has been used many times over the years. In turn the United States is the second largest user of the entire membership! The U.S. drew upon IMF resources 18 times in the 1960s, six times in the 1970s, most recently in 1978, for a total of about $6.5 billion.

The re-emegence of large balance of payments financing needs and growing debt problems has led to a sharp resurgence in requests for IMF financing and it is clear that the IMF's liquidity position will be under serious strain in the near future.

Based on a U.S. initiative, agreement has been reached in principle by the major industrialized nations to establish a contingency borrowing arrangement which could be used to deal with threats to the stability of the system. The existing General Arrangement to Borrow (GAB) in the IMF is being increased to about $19 billion. In addition we are also negotiating an increase in IMF quotas in the range of 40% to 50% which would bring the total quotas up to about $93 billion to $100 billion. The U.S. share of the increase, for both the GAB and quotas, would be $7.5 billion to $8.0 billion.

I have already had some discussions with members of Congress about the coming request for congressional authorization. Several serious and legitimate concerns have been raised.

First, we are asked: Why are we "bailing out the banks"? Didn't they make all those foreign loans with their eyes open? While it makes a snappy headline to say that the fund wants more money to "bail out the banks," the facts are otherwise. The IMF provides assistance to nations which have balance of payments difficulties. It doesn't loan to banks—big or small. It lends to nations—only. But by lending to nations, the IMF serves as a catalyst for continued private lending. In the past few years, for each $1 in IMF financing, the banks have provided roughly $4 in net new financing, Hardly a bailout.

SOUND WORLD ECONOMY NEEDED

The second concern often heard is: Why is the administration urging such a large expenditure of money when it is pushing so hard for a curtailment of domestic spending?

When the U.S. increases its commitment to the IMF, a "line of credit" is established which the fund may draw upon, if needed, in conjunction with commitments provided by other nations. As our line of credit is used, the U.S. receives a corresponding increase in liquid international monetary reserve assets which earn interest. Consequently, our increase in "quotas" doesn't affect budget outlays or the budget deficit, although transfers to and from the U.S. and the IMF affect Treasury borrowing requirements.

Finally, some have asked if we aren't throwing good money after bad unless the borrowing nations have economic growth which will provide the wherewithall to repay.

It is essential that the debtor nations move into a period of economic growth. But the soundness and prosperity of each of the national economies is inextricably linked. It isn't possible to get growth at home unless we have a sound world economy. We are supporting a system of interim funding during a period of transition where nations move away from a "borrowing binge" and onto a firm foundation of sound economic policy and stable growth. That is a difficult process. But the world economy simply must go through it.

It is crucially important to the debtor nations and to our economic interests—to U.S. economic activity, jobs, production and investment—that these problems be dealt with in a constructive and orderly way, and the United States cannot escape playing a leading role in that effort. An effective strategy is in place, and welcome progress is being made. But the strategy will not succeed unattended. The IMF is a central element of the solution, and it is essential that we and others act to assure that it has adequate resources to perform that central role.●

AMERICANISM ESSAY WINNERS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. LEHMAN of Florida. Mr. Speaker, I would like to bring to the attention of my colleagues the two prize-winning essays written by two students at Sabal Palm Elementary School in North Miami Beach, Fla.

The grand prize winner is Elaine Goldenberg of the sixth grade, and the runnerup is Gary Seligman, a fifth grader. This annual contest is important in getting our young people to reflect on what our great country has to offer, and I am pleased to have provided two flags to Sabal Palm Elementary School to be presented to the essay contest winners.

I extend my sincere congratulations to Elaine and Gary on their excellent essays.

Their prize-winning entries, written as letters to the President, follow:

SABAL PALM ELEMENTARY SCHOOL,
North Miami Beach, Fla.

DEAR MR. PRESIDENT: I love my country. I guess one reason I love it is because I was born here, and have lived here all my life. Everybody has a certain amount of patriotism.

There are other very good reasons, of course. America is, and always has been, a model democracy that the rest of the world follows. The initiative and ingenuity of its people have made our lives better. This country has courage and foresight.

America is the great melting pot. Many people from other countries have come here, forsaking their homeland for the promise of America whose streets are "paved with gold." Here they can be the person they want to be.

We have our faults, everyone does, but I wouldn't live anywhere else.

Sincerely yours,

ELAINE GOLDENBERG,
Grade 6, Mrs. Sherg's class.

SABAL PALM ELEMENTARY SCHOOL,
North Miami Beach, Fla.,
February 2, 1983.

DEAR MR. PRESIDENT: I love my country because I can do things I couldn't do in other countries, like speak out against our government, give my views and opinions, and various other things.

Through the 206-year history of our country, we have fought wars, passed laws, and established organizations to protect our freedom.

Freedom and equality are what this country thrives on. They are also essentials in every person's life—America is one of only a few countries where your rights demand your freedom to do and say what you think is right.

Probably in the near future we will have to fight for our freedom, but if we band together and carry out our duties as good citizens, we will not need to fear!

Sincerely,

GARY SELIGMAN,
Grade 5, Mr. Monday's class.●

THE NEW AMERICAN GOLD COINS

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. PAUL. Mr. Speaker, when it delivered its report to the Congress, the U.S. Gold Commission recommended that Congress enact legislation to resume the minting of gold coins, which ended in 1933. The Commission wrote:

We favor Treasury issue of gold bullion coins of specified weights, and without dollar denomination or legal tender status, to be manufactured from its existing stock of gold and to be sold at a small mark-up over the market value of the gold content, and recommend that the coins shall be exempt from capital gains taxes and that the coins shall be exempt from sales taxes.

I have introduced the "American Eagle Gold Coin Act of 1983," H.R. 1663, which provides for the minting of two coins bearing the same design, but each containing a different weight of gold: One ounce and one-half ounce.

The coins would be denominated by weight only, just as the first American gold coins were. The first U.S. gold coin, the $5 half eagle, bore no dollar denomination from 1795 to 1806. The early $10 eagles carried no dollar denominations until 1838. The new American Gold Eagles would wisely continue this same practice.

The design of the new American Eagle would be the figure of "Walking Liberty" from the 1908 St. Gaudens' double eagle on the obverse, and on the reverse, the heraldic eagle of the Great Seal of the United States.

As official coins of the United States, the new American Eagles would not be sold as the gold medallions minted under the American Arts Medallions Act are, but exchanged for other official currencies of the United States through the banking system. Just as with Federal Reserve notes and the present clad coinage, there would be no tax imposed on the exchange of such coins. The new gold coins would be acceptable in the settlement of private debts, just like any other official money, but unlike other moneys, the coins would not be acceptable in payment of any Federal taxes, duties, or dues.

The coins could be minted from the Treasury's own stock of gold, up to a maximum of 10 million ounces, and any owner of gold bullion or foreign gold coins would be able to deliver them to a mint of the United States and receive in exchange an equal weight of American Eagles.

Under Article I, section 8 of the Constitution, the Congress is given power "to coin money." The meaning of this phrase is clear, but Congress has been ignoring it for the past 70 years, ever since it delegated power to the Federal Reserve System to print money and create credit ex nihilo. For those 70 years we have had the worst depression, inflations, unemployment, recessions, bankruptcy, and interest rates in our history. Nothing we suffered with an imperfect gold standard during the 19th century can compare to the damage our economy has sustained under the management of the Federal Reserve.

The authors of the Constitution wrote article 1, section 8 precisely for the purpose of outlawing the type of monetary system we now have.

When the Founding Fathers wrote the Constitution in the summer of 1787, they had fresh in their minds the debacle of the paper money printed and issued by the Continental Congress during the Revolutionary War. The paper notes, "Continentals" as they were called, eventually fell to virtually zero percent of their original value because they were not redeemable in either silver or gold. They were "greenbacks," and were the first of three major experiments with "greenbacks" that this Nation has conducted. The Continental greenback failed miserably, giving rise to the popular phrase "not worth a Continental."

Consequently, when the Constitutional Convention met in 1787, the opposition to paper money was strong. George Mason, a delegate from Virginia, stated that he had a "mortal hatred to paper money." Delegate Oliver Ellsworth from Connecticut thought the Convention "a favorable moment to shut and bar the door against paper money." James Wilson, a delegate from Pennsylvania, argued that "It will have a more salutary influence on the credit of the United

States to remove the possibility of paper money." Delegate Pierce Butler from South Carolina pointed out that paper was not a legal tender in any country of Europe and that it ought not be made one in the United States. Mr. John Langdon of New Hampshire said that he would rather reject the whole Constitution than allow the Federal Government the power to issue paper money. On the final vote on the issue, nine States opposed granting the Federal Government power to issue paper money, and only two favored granting such power.

The framers of the Constitution made their intention clear by the use of the word "coin" rather than the word "print," or the phrase "emit bills of credit." Thomas M. Cooley's "Principles of Constitutional Law" elaborates on this point:

To coin money is to stamp pieces of metal for use as a medium of exchange in commerce according to fixed standards of value.

In his explanation of the constitutional provisions on money, James Madison, in Federalist No. 44, referred to the

Pestilent effects of paper money on the necessary confidence between man and man, on the necessary confidence in the public councils, on the industry and morals of the people, and on the character of republican government.

His intention, and the intention of the other Founders, was to avoid precisely the sort of paper money system that has prevailed for the past 10 years.

This intention was well understood throughout the 19th century, and was denied only when the Supreme Court found it expedient to do so. For example, Daniel Webster wrote:

If we understand, by currency, the legal money of the country, and that which constitutes a lawful tender for debts, and is the statute measure of value, then undoubtedly, nothing is included but gold and silver. Most unquestionably, *there is no legal tender, and there can be no legal tender in this country under the authority of this government or any other, but gold and silver,* either the coinage of our mints or foreign coins at rates regulated by Congress. *This is a constitutional principles, perfectly plain and of the very highest importance.* The states are expressly prohibited from making anything but gold and silver a tender in payment of debts, and although no such expressed prohibition is appplied to Congress, yet as Congress has no power granted to it in this respect but to coin money and to regulate the value of foreign coins, *it clearly has no power to substitute paper or anything else* for coin as a tender in payment of debts in a discharge of contracts. . .

The legal tender, therefore, the constitutional standard of value, is established and cannot be overthrown. *To overthrow it would shake the whole system.* (Emphasis added.)

In 1832, the Select Committee on Coins of the House of Representatives reported to the Congress that:

The enlightened founders of our Constitution obviously contemplated that our currency should be composed of gold and silver coin . . . . The obvious intent and meaning of these special grants and restrictions [in the Constitution] was to secure permanently to the people of the United States a gold or silver currency, and to delegate to Congress every necessary authority to accomplish or perpetuate that beneficial institution.

The select committee states its conclusion that:

The losses and deprivation inflicted by experiments with paper currency, especially during the Revolution; the knowledge that similar attempts in other countries . . . were equally delusive, unsuccessful, and injurious; had likely produced the conviction [in the minds of the framers of the Constitution] that gold and silver alone could be relied upon as safe and effective money.

Twelve years later, in 1844, the House Committee of Ways and Means concluded that:

The framers of the Constitution intended to avoid the paper money system. Especially did they intend to prevent Government paper from circulating as money, as had been practiced during the Revolutionary War. The mischiefs of the various expedients that had been made were fresh in the public mind, and were said to have disgusted the respectable part of America . . . The framers [of the Constitution] . . . designed to prevent the adoption of the paper system under any pretext or for any purpose whatsoever; and if it had not been supposed that such object was effectively secured, in all probability the rejection of the Constitution might have followed.

Later in the century, Justice Stephen Field presciently wrote in the case *Julliard* against *Greenman* (1884):

There have been times within the memory of all of us when the legal tender notes of the United States were not exchangeable for more than half of the nominal value. The possibility of such depreciation will always attend paper money. This inborn infirmity, no mere legislative declaration can cure. If Congress has the power to make the [paper] notes legal tender and to pass as money or its equivalent why should not a sufficient amount be issued to pay the bonds of the United States as they mature? Why pay interest on the millions of dollars of bonds now due when Congress can in one day make the money to pay the principal; and why should there be any restraint upon unlimited appropriations by the government for all imaginary schemes of public improvement if the printing press can furnish the money that is needed for them?

Justice Field foresaw exactly what would happen in the 20th century when the Federal Government has used the printing press—and the computer—as the means of financing all sorts of "imaginary schemes of public improvement."

Under the Constitution, Congress has power to coin money, not print money substitutes. Such money is to be gold and silver coin, nothing else. It is significant that this power of coining money is mentioned in the same sentence in the Constitution as the power to "fix the standards of weights and measures," for the framers regarded money as a weight of metal and a measure of value. Roger Sherman, a delegate to the Constitutional Convention, wrote that:

If what is used as a medium of exchange is fluctuation in its value, it is no better than unjust weights and measures . . . which are condemned by the Laws of God and man . . .

For decades now, but especially for the past 10 years, we have had a medium of exchange, the Federal Reserve note, which is "fluctuating in its value" and therefore "no better than unjust weights and measures * * * which are condemned by the Laws of God and man." With the issuance of new gold coins by the Treasury, the Federal Reserve's monopoly on money will be challenged. H.R. 1663 represents a major step toward the eventual replacement of our present irredeemable paper money system with a gold based system.

NO JUSTIFICATION FOR NATURAL GAS DEREGULATION

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MURTHA. Mr. Speaker, the Reagan administration is trying to add billions of dollars to consumers' home heating bills, and I say their efforts should be rejected firmly and strongly by Congress.

The natural gas deregulation plan sent to Capitol Hill this week would mean the following:

First. The home heating bill of every natural gas consumer would take a strong jump upward; probably stronger than the extra $13 to $20 billion the Northeast-Midwest Coalition estimates homeowners had to pay this winter because of back-door deregulation attempts;

Second. More businesses will be strapped by high energy costs, a factor that is forcing many industries in the Northeast and Midwest to shut down, and that resulted in a coalition estimate in some 300,000 jobs lost this winter;

Third. A major drag will be added to economic recovery; high energy prices helped produce this recession, now that prices are beginning to moderate and some recovery is in evidence, it is no time to head in the opposite direction; and

Fourth. At the very time when we have near record high unemployment throughout the country, this plan would take extra money out of the pocket of unemployed families. At my office hours, I meet each week with individuals who must make a choice between eating or heating the house. That whole situation is unacceptable, and would be made more so with this deregulation.

The 1978 legislation was carefully crafted to preserve a balance between the need to increase prices to lessen a natural gas shortage, plus protection for the consumer. Where changes are now necessary in the law, let us make them in the same spirit. I am not saying the law cannot be improved to benefit all parties, I am saying that deregulation will not benefit all groups, and that is not the way to go.

In Pennsylvania, in 1981, some 26,035 consumers had their natural gas service terminated because of an inability to pay their bills; from 1978 to 1981, the average statewide residential natural gas bill rose from $264 to $600; thus while a typical Pennsylvanian's income rose only 30 percent in the last 4 years, the cost of his natural gas bill was rising 127 percent. And all those figures were before the increase of this winter.

To raise prices drastically higher by deregulation in the face of those numbers is sheer folly. Deregulation deserves to be rejected. The consumer and the unemployed deserve to be protected. The public deserves the protection that only Congress can provide by rejecting natural gas deregulation. Rejection of this plan is a goal I will be working for very strongly.●

PERSONAL EXPLANATION

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. BOUCHER. Mr. Speaker, I regret that, because of a long-scheduled speaking engagement in my district, I was unavoidably absent during two rollcall votes concerning the Emergency Mathematics and Science Education Act. Had I been present, I would have voted for House Resolution 109, the rule providing for consideration of H.R. 1310, and I would have voted against the amendment offered by Mr. SENSENBRENNER striking the national teaching scholarship program.●

UNITED STATES LOSING GROUND IN COMPUTER EDUCATION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. BROWN of California. Mr. Speaker, as addressed in H.R. 1310, the Emergency Math and Science Education Act, it is imperative that the Federal Government make a firm commitment to support math and science education. By failing to graduate enough students with advanced computer capabilities, the United States may lose its world lead in computer technology. The following Wall Street Journal article, January 14, 1983, illustrates how the Federal Government must act promptly to bring our schools into the so-called Information Age.

The article follows:

UNIVERSITIES IN UNITED STATES ARE LOSING GROUND IN COMPUTER EDUCATION

(By Carolyn Phillips)

URBANA, ILL.—It hadn't seemed like an impossible dream. After two years at Eastern Illinos University in Charleston, David Gerdes decided to transfer to the University of Illinois here to study computer engineering. He had the science and math courses that the University of Illinois requires for admission. He had good grades from Eastern—almost a B average. He has A's in all his computer-programming classes.

But with qualifications considerably better than average, 20-year-old Mr. Gerdes can't get into computer engineering at Illinois. There isn't room.

Even though overall enrollment is dwindling; U.S. colleges and universities can't accommodate the hordes who want computer education. Good students are denied admission as many schools cap enrollments at levels that already strain teaching staffs and overtax facilities. In fact, some educators say that to guarantee quality instruction, they would have to reduce current enrollments in computer courses by 25%. Meanwhile, employers lament that only 50,000 graduates were available last year to fill more than 115,000 computer-related jobs.

"This country could blow what is a terrific lead in computer technology by failing to graduate enough people with the capability to maintain it," warns Robert G. Gillespie, the vice provost for computing at the University of Washington in Seattle. But without money to augment inadequate facilities and increase staff sizes and salaries, recession-whipped schools will continue to produce insufficient numbers of computer-trained graduates and will fail to effectively introduce the computer as a learning tool in nonquantitative disciplines.

AWKWARD CHOICES

The conditions force would-be students of computer sciences or computer engineering to make some awkward choices. Mr. Gerdes, for instance, is enrolled in the college of arts and sciences at Illinois and is trying to raise his 3.9 grade-point average to 4.2, the current cutoff on the five-point scale for the admission of transfer students into the engineering program. James N. Snyder, the head of computer science at Illinois, calls 4.2 "ridiculously high" as an entrance requirement. The required grade for general admission to Illinois is 3.25.

Mr. Gerdes's chances for admission to engineering at Illinois "are probably diminishing instead of increasing," says Gary R. Engelgau, the director of admissions and records. By the time Mr. Gerdes attains a 4.2, if he ever does, the cutoff point could be pushed higher, as thousands more students continue to compete for the limited number of places. "You have to be a genius to get in," says Mr. Gerdes.

Life on the inside makes other demands—including patience. During peak periods, as at many institutions, students wait hours to use a computer terminal for sometimes just a few minutes. They also stand in long lines to talk to a professor or a teaching assistant about computer assignments. One of the biggest computer-education headaches is that classes fill up so fast students can't always get into the courses they need to graduate; as a result, a traditional four-year term often takes an extra term or two for some students to complete.

Teaching overcrowded classes is no more fun than taking them. "Clearly, the ideal situation would be for me to have two students come to my office and have tea or sherry and talk things over," says C. L. Liu, a professor of computer science at Illinois. Instead of tea for two, Mr. Liu has 200 to teach. He does concede, however, that such a large group isn't necessarily a bad thing. "I think I am able to have some dialogue with large classes. I prepare better for them. I psych up a lot more, and I'm more animated."

WATERED-DOWN EDUCATION

Mark Ardis, an assistant professor at Illinois, taught 18 students in a software-engineering course the first time the class was offered a few semesters ago. The second time the course was offered, 42 students took it. Mr. Ardis recently saw registration figures for the third offering of the class—126 students signed up. "There isn't much change in my presentation of material, whether I'm talking to 10 or 120," Mr. Ardis says. "What changes is the work done by the students. With a smaller group, I assign work I will look at and take an active role in grading. But with so many students, I will now give out assignments that only graduate teaching assistants will see." He adds: "I think you water down the education when enrollment goes up."

The Accreditation Board for Engineering and Technology thinks so, too; it granted 31 percent fewer six-year accreditations this school year than last to academic programs in engineering. The board looks at a number of factors—faculty, laboratory facilities, financing and others—in determining whether a program is accredited for six years, three years or not at all.

The University of Illinois has maintained accreditation for its engineering programs. "But we do see a deterioration in quality in a general sense," says Edward Ernst, the school's associate head of electrical engineering. "Faculty overload is the big problem. But we also aren't able to keep up with the equipment we need for general instruction in engineering, especially in the computer areas. It's a matter of having twice the number of students with no additional resources."

Throughout the country, educators marvel at how quickly student use of computer facilities expands to fill available capacity. "It's like the Santa Monica Freeway—expected to handle traffic for 20 years and overrun in one," says Joel Moses, the head of electrical engineering and computer science at Massachusetts Institute of Technology. Robert Knight, the manager of Stanford University's LOTS (low-overhead time-sharing) computer facility, says, "You'd probably be hard pressed to find a school that is keeping up with student demand for computing capacity. To meet that demand you'd have to spend extraordinary sums of money."

Extraordinary sums of money are being spent on university computer use—$1.3 billion a year, from the most recent estimates. "But more than half of that is for administrative purposes, not instruction or research," says Mr. Gillespie at the University of Washington. The amount spent on academic computer work translates into about $20 per student per year, only one-third the

$60 per student that was recommended in a 1967 report by the president's Science Advisory Council.

Even at the best schools, under-investment in computers for instruction results in penny-pinching compromise. At Stanford, Mr. Knight says, "We're probably a little bit behind the times in terms of whiz-bang hardware," because the computer facility there just bought a second machine identical to the model it bought in 1976. Sticking with the same machines meant the facility could use the same software and staff—two areas where costs are much higher than hardware costs. Although the purchase doubled the capacity of Stanford's LOTS facility, Stanford's vice provost Gerald Lieberman says student use increased accordingly. Mr. Lieberman projects LOTS will have to double capacity again—adding two more machines—in three years, if not sooner.

Most schools tolerate a certain degree of antiquation in the machines they use in general computer-center facilities, citing capacity as the more important concern. (Specific academic departments may buy more modern machines for exclusive research or academic use.) But many schools question whether the limited capabilities of yesteryear's computers are adequate, even for instruction. "We have to give students a sense of what the field is like today, not what it was like 10 years ago," says Kenneth W. Kennedy Jr., professor mathematical sciences at Rice University in Houston.

Providing sheer capacity (enough terminals, enough computer power) constitutes challenge enough for computer-center staffs as they serve the needs of traditional student users—business, science and engineering majors for whom the computer is often the subject of study. But many blanch at the thought of having to provide adequate facilities for all other students, too—students in literature, theater, history, religion, sociology and other disciplines who could use the computer, not for manipulating numbers, but for processing information. Educators see that as the next crest, an innovation in education termed a revolution by some. "But unless something changes drastically, the nation's best universities won't take part in this revolution," says Douglas Van Houweling, the vice provost for computing and planning at Carnegie-Mellon University in Pittsburgh.

Still, the most pressing problem in computer education is not machine obsolescence or lack of capacity or under-use of computers in nontraditional areas. The toughest problem remains the computer manpower shortage. Because of the short supply, industry offers high salaries that entice students with two-year, four-year or master's degrees into the workplace. So few students continue for the doctoral degree that the pool of people qualified to teach computer courses is drying up.

An American Association of Engineering Societies survey shows that computer-science and computer-engineering departments report a 17 percent vacancy rate—at a time when the 9 percent vacancy of engineering-faculty positions is considered a crisis. Jack Geils, a project director at the association, says that almost two-thirds of the vacancies in the computer-related departments date from a year ago or longer. Mr. Ernst of the University of Illinois adds: "More money alone to hire more faculty in computer science wouldn't help. We can't find anybody."

SALARY DISPARITY

Only about 250 people a year complete doctoral degrees in computer sciences, and that number has been decreasing 6 percent to 8 percent annually, says John Hamblen, a University of Missouri professor on leave to the National Bureau of Standards. In the competition for those graduates, universities lose the salary bid. "A person with a two-year degree can get a programming job for $20,000 to $22,000 a year in industry," estimates Andrew Molnar, a project director at the National Science Foundation. "A person with an eight-year Ph.D. might make $20,000 to $21,000 a year as an assistant professor."

The drawing card that universities once had—an ambiance conducive to scholarly thinking and research—is deteriorating in computer disciplines. Illinois assistant professor Mark Ardis says, "It's hard to stay at a university when there are offers from industry at two or three times your salary and better research equipment, too. And besides teaching and trying to do research here, I advise about 85 students. For the first few weeks of the semester, there is a student outside my door every minute of the day. No one gives tenure for advising students." Mr. Kennedy at Rice warns, "You can't let faculty get buried or they will leave."

Aware that it has been eating its own seed corn, industry has moved to remedy part of the manpower problem in colleges and universities. The American Electronics Association and some of its members—most notably Hewlett-Packard Co. of Palo Alto, Calif.—have developed a fellowship program designed not only to increase the number of doctoral students in computer sciences and electrical engineering but also to encourage the students to take teaching jobs after graduation. (The program waives part of the cost of a doctorate if the graduate takes a university faculty position after receiving a degree and waives the whole cost if the position is held more than three years.)

"We know if we don't make an investment in the development of engineers, then we won't have an industry, at least not one that's competitive internationally," says Patricia Hill Hubbard, president of the American Electronics Association's Electronics Education Foundation. She adds: "We also know that we're already late. We should have been doing this five or six years age."

FELLOWSHIP PROGRAMS

A number of companies—Xerox, Standard Oil of Indiana, Control Data and others—have introduced fellowship programs, faculty research programs, equipment grants and other means of helping higher education train high-technology workers. Many schools are watching closely a joint venture between International Business Machines Co. and Carnegie-Mellon that will result in each student and staff member at the institution having a computer work station.

Colleges and universities are also beginning to see the necessity of increased support of computer education from within. "They see that a good computing facility is similar to a library. It's something without which a university can't exist," says John G. Kemeny, a professor of mathematics and former president at Dartmouth College in Hanover, N.H. The University of California system attacked the faculty-salary problem directly by raising engineering, business- and management-faculty salaries across the board: 20% for assistant professors, 10% for associate professors and 5% for full professors.

In time, predicts John Hamblen of Missouri, the manpower shortage will work itself out—to a certain extent. he believes that as industry is saturated with two-year-degree holders—as is happening now—more students will go on for the four-year degree. He worries, however, that the process won't correct the doctorate shortage for a long while.

But Mr. Gillespie at the University of Washington questions whether colleges and universities, even with industry help and the factor of time will effectively absorb changes the computer is bringing to education, without some sort of national agenda. "The computer affects the foundations of American education in a way that means we should reexamine how we provide that education." Mr. Gillespie says. "We're floundering right now because there's a need for the federal government to provide resources and information policies. That lack of direction on a national level has us standing at the edge of a cliff."●

LEGISLATION TO GIVE FEDERAL RETIREES A CHANCE TO ELECT OR CHANGE SURVIVOR BENEFITS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. LEHMAN. Mr. Speaker, last Congress, I introduced legislation to give a second chance to Federal retirees who did not elect survivor benefits at the time of their retirement. I also sponsored a bill to give Federal retirees, who elected survivor benefits, a 1-year opportunity to modify their election. The response that our office received to both of these bills was very positive. I am, therefore, today reintroducing comprehensive new legislation which provides for both of these changes.

Under current law, a Federal employee must make his survivor benefit decision at the time of retirement, or if not married at that time, must decide if he or she wants survivor benefits within 1-year from the date of a marriage that occurs after retirement. My legislation would give those Federal retirees, who did not elect survivor benefits, a year from the date of the bill's enactment or date of retirement to elect a survivor benefit. This bill provides for the repayment of the necessary funds to the Federal Government.

Our office has also received correspondence from many retirees who elected survivor benefits in accordance with current law, but whose financial situation has changed. These retirees are no longer satisfied with the survivor benefit decisions that in most cases were made many years ago, and they are now very worried about the security of their loved ones. My bill would give these Federal retirees a single 1 year opportunity to increase, but not to revoke or lower, their survivor benefits.

In order to guarantee that Federal employees and retirees would be in-

formed of these changes, the bill stipulates that the Office of Personnel Management would have to notify all affected employees and retirees of these changes.

During this time of increasing financial pressure on our Federal retirees, passage of this legislation would, with little cost to our Government, give us an opportunity to help our deserving retirees. There is widespread interest in and support for this legislation among our Federal retirees, and I am hopeful that Congress will consider and pass this legislation during the 98th Congress.●

THE DEMOCRATS LEARN A NEW LANGUAGE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MICHEL. Mr. Speaker, it would seem that the Democratic Party is taking language lessons and learning—however falteringly—to speak the political language of Ronald Reagan. That, at least, seems to be the substance of a report in the Christian Science Monitor. We have prominent Democrats saying things like:

> If you don't make the pie bigger, nobody's going to have a piece . . . we can't go back to the Great Society approach . . . we've got to grow ourselves out of unemployment . . . we (the Democrats) made too many bargains with interest groups . . .

It sounds almost like one of candidate Ronald Reagan's campaign speeches back in 1980. Republicans had better beware. The Democrats may at last have awakened to the fact that their kind of politics and economics needs what one prominent Democrat calls the Reagan rhetoric.

At this time I wish to insert in the RECORD, "Return of Old Democratic Wisdom—in Modified Form" from the Christian Science Monitor, Tuesday, February 22, 1983.

[From the Christian Science Monitor, Feb. 22, 1983]

RETURN OF OLD DEMOCRATIC WISDOM—IN MODIFIED FORM—NEW AGENDA: CREATE JOBS, CONTROL BENEFITS SPENDING, SPUR INVESTMENT

(By Julia Malone)

WASHINGTON.—If a favorite tie or dress goes out of style, hold on to it, the saying goes. Eventually the fashion will come back.

And so it appears with the Democratic Party, which only two years ago was wringing its hands over a disastrous loss of both the White House and the Senate. Democratic ideas, many of which dated from the New Deal, suddenly looked dowdy.

But already Democrats have pulled their old ideas out of the closet again. The party made a comeback during last fall's election with its most traditional themes, social security and jobs. Now it's claiming a victory in persuading President Reagan, the man who trounced them in 1980, to back a federal jobs bill that has a decidedly Democratic look.

In more than a dozen interviews with House and Senate members and officials of two "think tanks" formed to revitalize the party, Democrats conveyed a new mood of self-confidence.

At President Reagan's midterm, many Democrats on Capitol Hill are still reexamining their party's basic tenets and trying to devise new solutions to the nation's economic problems. But for others, the past two years of recession have served mainly to prove that Democrats were right in the first place.

"In 1981 the feeling was one of despair, a feeling that we really had to change everything around," says Rep. James M. Shannon of Massachusetts. "That's past."

The "search for new ideas" in the party has been oversold, he adds. "It's been approached as if it's a treasure hunt where you say, 'Eureka! Here it is.' That's not going to happen."

"We wasted an awful lot of time waiting for lightning to strike," says Sen. Christopher J. Dodd of Connecticut of the idea search. He argues that Democratic ideas are more successful today, but not because Democrats have changed. "The hard facts of life have settled in at the White House," he says. "So Democratic ideas are beginning to emerge draped in Reagan rhetoric."

The freshman Connecticut senator sees one benefit from the two years of questioning the party's values. "Maybe if we hadn't gone through that, maybe we would not have come to realize that some of those principles are good," he says. "Finally we realize that government must play a role in the economic life and social fabric of the nation."

But the experience of the last two years has not left Democrats where it found them. An effort to redefine the party is still under way. "It has started to catch on," says a Democratic staffer. "It's not going to dominate the party in the next two years. But it's where the party is going."

The new direction is away from the "politics of redistribution" of the wealth, established by President Lyndon B. Johnson's Great Society, and toward investment in economic growth and opportunity, says the staffer. He echoes a sizeable minority on Capitol Hill.

That movement will soon be overshadowed by Democratic candidates for president, who will be dominating the political arena by next summer. But it will have some effect even in presidential politics, since one candidate, Colorado Sen. Gary Hart, has been among the congressional Democrats seeking a new direction for the party.

"There's a new agenda for Democrats," holds Ted Van Dyk, president of the Center for National Policy, one of the think tanks set up in 1981 to invigorate the party. He lists as top priority control of the federal government benefits, including social security, as well as "stable" military growth, a tax policy "that stimulates growth and investment" in the private sector, and better government-labor-business cooperation.

As an adviser to Vice-President Hubert H. Humphrey, Mr. Van Dyk witnessed the birth of the Great Society, which once dominated the Democratic agenda. "It used to be based on an ever-growing American pie, LBJ's 'endless cornucopia,'" he says. "All you had to do is have a good idea and there would be enough money to pay for it."

"LBJ candidly told us, "We'll make small beginnings, but nobody will ever turn these [federal benefit programs] back,'" recalls Van Dyk.

"We found we made too many bargains with interest groups," he says. Now that the cornucopia has been depleted, he suggests that Democrats want to control the growth of entitlements, such as social security and medical payments, which go to the middle- and upper-income persons as well as to the poor.

"I think there is a consensus," he says. "It takes the Democrats to address entitlements, as it took Nixon to go to China."

Summing up the past decade of party differences, Rep. Paul Simon of Illinois, author of "The Once and Future Democrats," concedes the need for change. "There was a tendency for Republicans to say, 'We've got to work on making the pie bigger.' And for Democrats to say, 'We've got to distribute the pieces of pie equitably.'"

"The Republicans forgot the equitable side," he says, so that even though General Motors Corporation won tax incentives, the company didn't expand, because "if there's no demand for cars, GM doesn't do that."

As for the Democrats, "We have paid a great deal of attention to equity, but we forgot that if you don't talk about making the pie bigger, ultimately nobody is going to have a piece of that pie."

One of the chief proponents of making the economic "pie" grow, Rep. Timothy E. Wirth of Colorado, maintains he sees a "fundamental change among new [Democratic] members" of Congress. Mr. Wirth, a leader of the group nicknamed the "Atari Democrats" (after the manufacturer of computer games), is trying to push the party to look ahead and develop new industry with new technologies.

The Colorado lawmaker led a task force on economic policy for the Democratic caucus in the House that issued a set of proposals last year for long-term economic reforms.

With continuing high unemployment, Wirth concedes, the focus is now on the immediate problems. "When you're in the midst of a very deep recession, what do you do?" He says. "You focus on the people who are hungry, who are running out of employment benefits, or whose health-care benefits are gone. That's just fundamentally Democratic that those things have to be done."

But Wirth moves quickly to the long-range view. "On the second level, we've got to grow ourselves out of unemployment." He cites the need for new jobs for young workers entering the market, adding, "In the meantime, we need to try and get focused on retraining for displaced workers, recognizing first that great numbers of them are just not going to go back to their jobs."

He sees hope in new technologies, which he says go beyond electronics to include better ways to burn coal, new ways to make ceramics, and biotechnology.

"Even in a time of recession . . . there are investments we have to make for ourselves and the future of our country," he says. "We can't sit still." He says he hopes to convince the House Budget Committee, of which he is a member, to add federal money for research, for equipment for university laboratories, and for paying more to develop science, math, and engineering university faculty.

Such ideas have brought some criticism, especially from labor unions. "There's a tension between the pro-efficiency and [pro-] productivity" Democrats and those who are

"pro-equity," says Rep. Barney Frank of Massachusetts. Several Democrats say they worry that the new "efficiency" Democrats might be ignoring the traditional allies of the party in urban centers, including the elderly, minorities, and labor.

"People are always threatened by change," says Wirth, although he concedes, "We may be a little too far out front."

"I think what Tim [Wirth] is trying to do is provide some intellectual direction," says Rep. Vic Fazio of California, a new Democrat on the House Budget Committee. "In the long run, we're going to have to have new industry. We have to give the country hope that we have alternatives to providing for these people with public funds."

Newly elected Democrat Sen. Frank Lautenberg of New Jersey goes even further. "Unless there is some kind of new initiative, Democrats run the risk of not being able to capture the roses in '84 because there are obvious signs of recovery," he says. "So unless there are some new ideas and new initiatives, it's possible there will be a change in sentiment in favor of the President."

A self-made millionaire and son of immigrant parents, Senator Lautenberg built up a huge computer business before going into politics. He has been arguing for years that Democrats need more of a business perspective.

Despite his electronics background, he says he disagrees that "high technology is the salvation for all of our economic sins." His argument is that no matter what the industry, "Unless you have a profitable business environment, we're not going to have the jobs."

Sen. Max Baucus of Montana sounds a similar theme. "Democrats realize that if we're going to solve our economic difficulties, we can't go back to the Great Society approach," he says, noting that members of his party are spending "more time listening to the problems of businessmen."

One of those listeners, Sen. George J. Mitchell of Maine, says he has been visiting manufacturers in his state who tell him low demand for products keeps them from growing. "I think our plans should be growth-oriented," he says.

So far, there are many proposals, but no actual Democratic plan, and some say there never will be, at least until the party is united under a Democratic president. But after the rethinking of the past two years, Sen. David Pryor of Arkansas says the party has emerged "tougher, leaner," and more "fiscally responsible."

"It made us assess ourselves so that we do not repeat our past mistakes," he says.●

REMEMBERING YURI ORLOV

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. CARR. Mr. Speaker, in 1975, the Government of the U.S.S.R. agreed to the Helsinki Final Act, which committed the signatories to abide by human rights standards. Yuri Orlov, a Soviet research physicist, created the first "Helsinki Watch" group, to monitor his government's compliance with the Helsinki accords. On February 10, 1977, Yuri Orlov was arrested and sentenced to a 7-year sentence.

To commemorate the sixth anniversary of Yuri Orlov's arrest, John B. Oakes wrote the enclosed editorial which appeared in the New York Times. Mr. Oakes is a member of the U.S. Helsinki Watch, a group of concerned American citizens who monitor compliance with the Helsinki accords and support Helsinki monitors in Eastern Europe.

I would like to take this opportunity to commend the editorial to my colleagues in the Congress, and urge you to contact the Embassy of the U.S.S.R. on Yuri Orlov's behalf. In the words of Mr. Oakes:

* * * the Soviet Union must somehow realize that, much as it would like to forget him, he and his colleagues are not forgotten by the civilized world.

[From the New York Times, Feb. 10, 1983]

ORLOV'S CRIME

(By John B. Oakes)

(John B. Oakes, a member of the U.S. Citizens' Committee To Monitor the Helsinki Accords (Helsinki Watch), is the former Senior Editor of the New York Times.)

The letter is not out of Kafka's imagination, or Arthur Koestler's. It was written in Moscow on Jan. 8, 1983. It comes from Orlov's wife.

"Yura's situation is terrible," it begins. "Yura is completely deprived of correspondence rights. The last two letters from him were dated Oct. 18.

"At the beginning of December, I sent an inquiry [to the Perm labor camp administration]: 'Inform me of the reason for the absence of letters from my husband Orlov for the month of November.' Answer: 'The quota of letters for the month of November has been entirely used up.' I wrote again: 'The letters have not been received by me. Inform me as to what address the letters for November were sent.' Answer: 'The administration does not give out information concerning the questions submitted.' I wrote again. 'Why have there been no letters for December?' No answer. I discovered an anonymous letter in my mailbox: 'Your husband is located in Perm Prison' [as distinct from the labor camp].

"Something is going on, but what? I get a feeling of terrible, terrible defenselessness—you can't do anything to help a person who is perishing, who is being annihilated, not allowed to write, deprived of his visits, kept in cold and hunger. The uncertainty is just torture.

"He was forced to perform unbearably hard labor: knitting metal netting by hand. This work is usually done on automatic machines. They have prepared reprisals against him in spite of his health. The criminal Tarasenko, who has already murdered two people, has threatened Orlov that he would cut off his nose and ears.

"If there is yet another prison sentence, Yuri will never get out of there. This year will be the most difficult and decisive. The regime is taking a path of increased brutality. I am at my wit's end; I don't know what to do."

Who is Orlov? What was his crime?

On Feb. 10, 1977, a half-dozen uniformed agents burst into a Moscow apartment and placed a brilliant 52-year-old research physicist named Yuri F. Orlov under arrest.

Since then, Orlov has never been free: 15 months in a Moscow jail awaiting trial; then in a "strict regime" labor camp on the border of Siberia, where he is now nearing the end of his seven-year term, nearly half of it in special-punishment cells where the routine is even harsher than in the camp. Due for release next year (unless, as now seems likely, his sentence is prolonged), he still is condemned to an additional five years in internal exile.

Orlov's alleged crime? "Anti-Soviet agitation and propaganda."

Orlov's real crime? Belief in the word of his own Government and the courage to act upon that belief.

When Leonid I. Brezhnev, Gerald R. Ford and the top leaders of 33 other governments signed the Helsinki Final Act on Aug. 1, 1975, they pledged "respect" for human rights. Each signatory guaranteed to its citizens the freedom to monitor its own (and others') compliance with the human rights provisions of the Helsinki accords. What other meaning could the document have in confirming "the right of the individual to know and act upon his rights and duties" in "the field of human rights and fundamental freedoms"—spelled out as covering "freedom of thought, conscience, religion or belief" and expansion of freedom of movement, contacts and information?

From the moment that he organized in Moscow the world's first Helsinki Watch group (the predecessor of others in Eastern and Western Europe and the United States), Orlov was a doomed man. In the nine months between its formation and his arrest, the Moscow Watch committee, of which he was chairman, issued 19 detailed reports on human rights violations in the Soviet Union. Orlov was tried—not for making false allegations but for circulating true ones.

Orlov is not alone. Some 50 of the 75 Helsinki Watch members throughout the Soviet Union are now in jail or exile. The Moscow committee, reduced to three old and ill individuals, is inactive. Virtually the entire Ukrainian contingent is in prison.

The 35 nations that signed the Helsinki accords are now meeting in Madrid, in a protracted review session that has been going on spasmodically for the past two years. The Soviet Union refuses to recognize that its persecution of the Helsinki Watch monitors is not only a repudiation of its word but a rejection of the entire Helsinki process, which it insists it wants to continue and expand.

Today, on the sixth anniversary of Orlov's arrest, the Soviet Union must somehow realize that, much as it would like to forget him, he and his colleagues are not forgotten by the civilized world.●

REPEAL TAX WITHHOLDING PROVISIONS ON INTEREST AND DIVIDENDS

HON. W. G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. HEFNER. Mr. Speaker, rarely has any subject generated such a large volume of mail now flooding Capitol Hill as the campaign to repeal the tax withholding provisions on interest and dividends. Our people are outraged

that the Government should deprive them of the use of the little bit of interest they earn on small savings accounts, and they are demanding that Congress correct what they believe to be a gross inequity.

Since it is the small saver who is primarily burdened with the loss of income and administrative expenses which financial institutions will pass on to them, my colleague, ROBIN BRITT and I are introducing legislation which will repeal the withholding provisions that apply to interest from savings deposits.

Under this legislation, the withholding of taxes from dividends would go into effect as scheduled in July of 1983. Some 40 percent of the revenues expected to be gained under the Tax Equity and Fiscal Responsibility Act will accrue from dividends. Therefore, we can achieve fiscal responsibility by adding approximately $8 billion to the Treasury between 1983 and 1987 and still give the small saver a break.

The elderly are particularly distraught about this withholding issue. This is understandable, and even though they are exempt under TEFRA, they are overwhelmed with the burden and complexity of filling out the forms and the process by which they receive the exemption.

By repealing the withholding provisions on interest earned on savings, we can send a signal to the small saver that the Federal Government still encourages savings and that people will not be penalized for doing so. By retaining the withholding on dividends and with the provisions in TEFRA for tighter reporting requirements, the Treasury can capture most of the lost revenue that would be gained through the combined withholding on interest and dividends.

I commend the bill to my colleagues for consideration.●

A GROWING CONSENSUS: IT IS TIME TO NEGOTIATE IN EL SALVADOR

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. BARNES. Mr. Speaker, this morning's Washington Post carried an excellent lead editorial urging talks in El Salvador. The Post said:

> The doubters fear the bottom is dropping out. They urge an effort to save the American investment by promoting negotiations, talks, "dialogue." They are right. . . . President Reagan pledged, in his recent American Legion speech, "to explore all possibilities for reconciliation and peace in Central America." It is a tall order, and he has yet to deliver on it.

The Post is hardly alone in calling for a political settlement in El Salvador through means including negotiations. Most of our country's major newspapers—including the Christian Science Monitor, the Los Angeles Times, the New York Times, and the Miami Herald—have endorsed a political route to a settlement in El Salvador in recent editorials.

These and other editorials reflect a growing domestic and international consensus. As chairman of the Subcommittee on Western Hemisphere Affairs, I have had occasion to meet with and hear testimony from a great many of our country's Latin America experts, and they are virtually unanimous that a political settlement is the only way out for us in El Salvador. In the same capacity, I have also traveled frequently and widely throughout the region, and it is unquestionably the opinion of our democratic friends there that we should be seeking a political settlement of the war.

No one is arguing that we should pull out, or cut and run, or whatever the administration's current rhetoric accuses us of wanting. What they do argue is that our strategy for involvement is fundamentally flawed. Our friends in Latin America want us to work constructively for a stable, democratic El Salvador, an outcome that cannot be achieved with our current policy. They do not want us to go down with a rapidly sinking ship.

Mr. Speaker, I include at this point a sampling of recent editorials on this subject:

[From the Washington Post, Mar. 2, 1983]

MORE AID FOR EL SALVADOR?

More aid for El Salvador, as the Reagan administration requests? Of course. It is an $80-million-a-year war—that's the amount sent last year and sought next year. This year, the foreign aid bill collapsed, leaving El Salvador short $60 million. Not to pony it up would probably finish off the government. Is that what the Congress wants or is ready to take the responsibility for?

The trouble is that the administration and its critics are drawing divergent conclusions from the condition that has launched this latest argument, the sagging of the Salvadoran war effort. The administration would bull through its program of financing the war (while sending more advisers), trying to edge forward reforms and human rights, and cosponsoring the local government's plan to draw the opposition into its electoral scheme. The doubters fear the bottom is dropping out. They urge an effort to save the American investment by promoting negotiations, talks, "dialogue."

They are right. The administration equates talks with letting the guerrillas "shoot their way into power." But a little perspective is in order. The generals who are now on top shot their way in. Granted, at American prodding they have devolved uncertain power on a body elected since. If full power had actually been taken by the body elected a year ago, the administration would have had fits, since a feudal party won. The point of government-guerrilla talks, their State Department advocates say, is not to distribute power arbitrarily but to shape democratic political processes. It's certainly risky. Increasingly, it looks like the only alternative.

Secretary of State George Shultz's attitude is puzzling. He was questioned in the Senate on the calls for dialogue emanating from Salvador's acting archbishop and from Pope John Paul II, whose visit to Salvador next Sunday is eagerly anticipated by partisans of reconciliation. Mr. Shultz replied with a reference to "churchmen who want to see Soviet influence in El Salvador improved." Separately, he was asked if the United States would actively oppose government-guerrilla negotiations even if the Salvadoran government were interested. "I wouldn't think it would be a good idea," the secretary said.

President Reagan pledged, in his recent American Legion speech, "to explore all possibilities for reconciliation and peace in Central America." It is a tall order, and he has yet to deliver on it.

[From the Washington Post, Feb. 7, 1983]

THE WAR IN EL SALVADOR

The military news in El Salvador is the guerrillas' capture and holding for two days of Berlin, population 35,000, a city in an interior province remote from their strongholds near the Honduran border. Most American observers have reacted cautiously, aware perhaps of the exaggerated response to the communists' Tet offensive in Vietnam. Still, Berlin was a serious embarrassment to the government. The guerrillas, relying on ambushes, sabotage and intimidation, do not seem to be near a country-wide military victory. Nor is there evidence that they have developed a mass following. But their pressure is constant and perhaps growing, and neither in San Salvador nor in Washington are the authorities certain what to do.

Some of the Salvadoran government's problems are familiar: Nicaragua continues to augment the guerrillas locally obtained arms. The Reagan administration has not gotten from Congress all the military aid it has sought. Other problems arise directly within El Salvador.

The Salvadoran armed forces had a year, 1982, to use their new American aid and training to turn the corner, and did not. They have been slow to adopt the aggressive, small-unit patrols their American advisers feel are best suited to routing guerrillas. The Americans favor reform, but now say the armed forces have been "distracted" by politics (pushing land reform) and political infighting. Others note that Salvadoran commanders, uncertain of their troops, have preferred the safer tactic of large-unit sweeps, and that the government has been spread thin by having to defend economic targets.

Some officers have political associations on the feudal right. One of them, much admired by the Americans for his military record, Col. Sigfredo Ochoa, last month challenged the reform-minded chief of staff in what Georgetown University's Robert Leiken aptly calls an episode pitting "the Americans' darling against their right-hand man."

There is a sense of a new turning point. The Americans nervously ask for "a more dynamic approach" by the Salvadorans and the transfer of American advisers from training to brigade-level operations. Mr. Leiken suggests that anti-communist military groups in El Salvador, Guatemala, Honduras and the Nicaraguan opposition may join and launch their own combined regional offensive.

No doubt there is room for military improvement. But steps that give greater sway to the military foes of domestic reform, and that threaten to bring outsiders more directly into the struggle, are self-defeating. A time of frustration is the right moment to renew a search for a political solution on the middle ground.

[From the Christian Science Monitor, Feb. 17, 1983]

WHEN TO STOP IN EL SALVADOR

Once again the US Congress is being asked to increase military and economic aid for El Salvador. The administration would also like to increase the number of American military advisers there charged with trying to improve the performance of the Salvadoran Army. Lawmakers are properly concerned that the US military effort in El Salvador is not succeeding and that the only way out of the dilemma lies in a negotiated settlement.

Not only Democrats are worried. "We need to find some framework for talks with the guerrillas," says Republican Senator Nancy Kassebaum. "We've always said a political solution is the only viable solution, but we're being pushed into a military solution."

To the American people, too, the scenario in that tiny Central American country is uncomfortably reminiscent of Vietnam: Leftist guerrillas try to overthrow an authoritarian government. The US steps in to provide aid and advisers. The army begins to improve but still has not learned how to cope with guerrilla hit-and-run tactics. The guerrillas grow bolder. The US says the army needs more time and training—and American help.

Where does the cycle stop? It seems that the situation to be faced up to is that the war is stalemated. Some 18,000 Salvadoran soldiers are still unable to put down 4,000 guerrillas. Earlier this month 500 guerrillas carried out their boldest operation to date, briefly seizing Berlin, a town of 35,000 people. They were forced to retreat once the army arrived, but they scored a propaganda victory. Efforts continue to get the Salvadorean troops to use small, crack patrols instead of launching massive attacks, in the face of which the guerrillas simply fade into the countryside. But the Salvadoran military is said to be bitterly divided and lacking in leadership drive.

Meantime, it has come to light that during the guerrilla retreat from Berlin American advisers were on helicopters controlling the army operation; one of the Green Berets was hit by gunfire. There are rules barring US advisers from engaging in combat operations. The incident may be an isolated one, as the administration claims. But legislators cannot be blamed for drawing parallels to Vietnam.

Then there is the difficult issue of human rights. The administration has certified some progress, including a decline in the number of deaths by "political violence" and plans for a presidential election next year. Yet the record leaves much to be desired.

Despite these concerns, no one would suggest that Congress cut off American aid altogether. Certainly the United States wishes to continue pushing military, political, and economic reforms in El Salvador, however difficult it is to do so in the midst of a civil war. Yet it is a question whether additional aid—an extra $35 million—will appreciably alter the situation or simply pave the way for more and more increases. Holding the aid budget at its present level might keep the pressure on the Salvadoran government to make faster changes in military strategy and improve its handling of human rights questions.

More fundamentally, if the judgment of Congress is that the war is in effect at an impasse, the time has come to press for the nonmilitary solution that is Washington's nominal goal. Even some high-level voices within the US State Department are urging this course; Spain, Venezuela, and others have been approached as possible mediators. President Reagan remains opposed to negotiations before the guerrillas agree to lay down their arms, but the risk is that the longer negotiations are delayed the worse the situation might become for the government side.

It is hard to fault the advice of those who say the sides in the three-year-old civil war should be encouraged to sit down and talk.

[From the Los Angeles Times, Feb. 27, 1983]

PROGRESS IN EL SALVADOR?

There is no surprise in the Reagan Administration's decision to continue military aid to El Salvador after certifying to Congress last week that the government there is making progress in protecting human rights.

President Reagan said two months ago on his trip to Latin America that the certification would be forthcoming. In the last two years, the White House has given little credence to criticism of Administration policy in El Salvador. Reagan appears determined to stand firm against what he sees as Soviet-inspired aggression in Central America.

Congress attached the certification provision to the legislation authorizing military aid to El Salvador two years ago. The President must report every six months that El Salvador's civilian-military government is curbing abuses of the civilian population by its security forces and pushing badly needed social changes in El Salvador—including a U.S.-backed land-reform program.

That law is up for renewal in October, and some members of Congress want tougher certification provisions. They believe that a more liberal 98th Congress would agree to amendments under which Congress could override a White House decision to continue military aid to a government that Congress found unacceptable. On a recent visit to Central America, Rep. Stephen J. Solarz (D-N.Y.) suggested that a new law could be written tying future aid to El Salvador's willingness to open peace talks with the leftist guerrillas who have been fighting to overthrow the government since 1979.

We think that it is wrong for Congress to put broad limits on a President's authority to conduct foreign policy. But leaders in El Salvador cannot avoid taking Solarz' idea seriously. Unless there is real movement toward peace, there may be no stopping the Solarz proposal—or something like it.

While there has been some progress in El Salvador in the last two years, it may have been too little, coming too late. The political and military situation in that small, strife-torn nation may have deteriorated to the point that no real progress can be made until the fighting stops. That is why we have argued for negotiations between the Salvadoran government and the rebel forces of the Farabundo Marti National Liberation Front, and why we still believe that bargaining is the best way out of the stalemate.

The liberation front is a broad coalition that ranges from moderate civilians to Marxist guerrillas. Serious negotiations could, at the very least, draw the moderate elements of the front away from their armed allies and into a coalition with the current government. They might even persuade the guerrillas to give up their war against the government, which neither side is now able to win.

The ultra-right in El Salvador refuses even to consider negotiations. Some of its most radical members doubt the need for social reforms, and have contemplated rejecting U.S. aid in order to finish the civil war as quickly and brutally as they see fit. The recent political dispute between a key military commander and Defense Minister Jose Guillermo Garcia was, for the Reagan Administration, an embarrassing illustration of how divided and erratic its Salvadoran allies can be.

There have been other, less publicized, indications that things are not going well in El Salvador.

Battlefield reports indicate that the civil war is a standoff. Rebel forces can coordinate action over wide areas and disrupt El Salvador's infrastructure and fragile economy almost at will. Security-force casualties are much higher than is normally acceptable in a guerrilla war, and the Salvadoran army has begun to forcibly recruit young men to meet its manpower needs.

Even more troubling from a U.S. view was the recent decision by the rightist-dominated Constituent Assembly to remove moderate judges handling the trials of security-force members accused of murdering six U.S. citizens in El Salvador and to replace them with right-wing jurists.

Government decisions like those continue to cast doubt on the Reagan Administration's assertions that progress is being made in El Salvador. The Administration must demand more of the Salvadoran government, not only for the sake of peace and stability in Latin America but also to forestall another sortie by Congress into foreign policy.

[From the New York Times, Feb. 6, 1983]

THE UNWAGED WAR IN SALVADOR

Although the news is of real war, and shrewdly timed guerrilla thrusts, what should mainly concern Americans in El Salvador is the unwaged war: a political campaign to end this inconclusive struggle.

Grabbing a provincial city for three days was a psychological boost for an outnumbered guerrilla army; the Reagan Administration concedes as much. But this was no Civil War Gettysburg. The town of Berlin was promptly retaken, confirming again that the leftist insurgents are still challengers, not conquerors.

The offensive's real damage was political. Presumably it impressed, or at least intimidated, new sectors of the Salvadoran population and produced a new impulse to flee. And you could almost sense a new doubt spreading in Washington, which has been betting all along that an American-aided army, even if it cannot win, could at hold out indefinitely against the guerrilla challenge. After Berlin, these calculations are less certain.

The offensive was cunningly timed to coincide with the Reagan Administration's ritual certification to Congress of what nobody really believes: that Salvador's Government is "making progress" on political and economic reforms, and taking steps to punish the killers of civilians, including six Americans. Obviously chastened, State Department officials even conceded that Amer-

ica's policy signals to Salvador have been, at best, confused.

Few Americans want to see El Salvador turn into a Marxist tyranny; on that, surely, there is no confusion. Nor is there a clamor for saintliness by a troubled regime caught up in a savage civil war that is itself rooted in a half-century of oppression.

But a troubled partner is one thing, a barbarous one something else. The mixed signals sent to El Salvador arise from the failure to draw this distinction. And more than morality is at stake; the barbarity has been as damaging to the Government's cause as any guerrilla strike.

What is nonetheless striking in El Salvador is that so many remain willing to fight for a decent, elective government. If the guerrillas can win only psychological victories, it is in part because they have not earned the massive popular support they claim.

What should also be remembered, however, is that the opposition is not monolithic or wholly Leninist. There are democrats on both sides of the barricades. Somehow bringing them together ought always to be the central purpose of the United States' patronage.

Merely denying victory to the insurgents and counting on military stalemate is half a policy. Offering the opposition a genuine share of political power is the card that no one seems to be playing.

It should be played precisely because neither side can be sure of winning, because the insurgents must fear wider American intervention, because the Government should fear American weariness and because Venezuela and Mexico, among others, stand ready to help negotiate a way out. Fighting the military battle makes no sense without a plausible political strategy.

[From the New York Times, Feb. 19, 1983]

IF WAR'S HELL, WHAT'S THE ALTERNATIVE?

Though he meant to sound tough and steady, Secretary of State Shultz sounded testy in telling Congress why he opposed negotiations to end El Salvador's civil war. He accused the guerrillas of "creating hell," trying to "shoot their way" into power and causing the violence. Buzzwords aside, that's a pretty good definition of a civil war.

No one faction has a monopoly on making life hell in El Salvador. It wasn't guerrillas who killed four American churchwomen and two American labor officials; the accused wore our side's army uniforms, and none have been punished. And for the most part, it isn't guerrillas who routinely drag civilians from their homes to be tortured or killed.

The insurgents hope to shoot their way into power and they should be resisted, not only with force but also with demonstrations that there are more humane alternatives. Similar insurgents succeeded in nearby Nicaragua when a cruel and corrupt regime fell of its own dead weight. It ought to be the aim of American diplomacy to prevent that happening in El Salvador, if still possible. The signs there now point to a battlefield standoff, which might provide some openings for a brokered peace that restores order and protects pluralism.

Just that idea was reported to be percolating in the State Department, but Mr. Shultz denies it. He denies it so vehemently that more than the merits of one or another proposal seem to disturb him. Surely he does not mean there's no conceivable way to transform the battle into political competition.

In Nicaragua, alas, the United States never got around to talking seriously with the leftist Sandinists until the last moments before their military victory. In return for support to their newborn regime, it exacted promises of early elections and a free press, which gave some small space to a democratic opposition to their authoritarian junta. Nicaragua today is certainly no advertisement for trusting leftists; but America's diehard support of the Somoza dictatorship was no precedent for siding with regimes of terror.

Given the military standoff in El Salvador, and the presence of democrats as well as authoritarians on both sides of the barricades, there may still be room to bargain. Of course the State Department should be thinking about negotiations among the Salvadoran factions; that is its job.

[From the Miami Herald, Jan. 25, 1983]

CHECK ON SALVADOR

As expected, the Reagan Administration certified to Congress the other day that "progress" is being made on several fronts in El Salvador. Continued U.S. military aid to El Salvador hinges upon that certification, which the law requires semi-annually, and which the Reagan Administration issues routinely.

Among the areas in which some undefined "progress" is required are improved government success in controlling the Salvadoran military and in protecting human rights. Congress surely will find much to debate about contentions of progress in El Salvador.

Was the recent rebellion by a regional Salvadoran army commander, Lt. Col. Sigifredo Ochoa Perez, "progress," for example? That episode showed that even the Salvadoran military is split between rival rightists and centrists. Is that "progress"?

Last fall a Salvadoran judge dismissed charges against a Salvadoran soldier accused of the Jan. 3, 1981, machine-gun murder of two American land-reform experts and a Salvadoran union leader. Even U.S. Ambassador to El Salvador Deane Hinton, a Reagan Administration appointee, flatly said the soldier was "the guy who ordered the murder." Mr. Hinton should know; it was his investigators, not Salvadorans, who accumulated the evidence.

Was dismissing those charges "progress?" Has there been any real progress since late October, when Mr. Hinton threatened to cut off U.S. aid if real, as opposed to mere cosmetic, progress were not made soon? Has real progress been made since Nov. 1, when he pronounced that nation's legal system "rotten?" Is there progress even yet on the battlefront, after the largest leftist offensive in two years?

Rep. Stephen J. Solarz, a Brooklyn Democrat, suggests giving Congress the power to veto Administration certifications of progress in El Salvador. That makes sense. It would put pressure on the Administration to be honest, and thus encourage it to push for real progress there.

Mr. Solarz also suggests that future U.S. military aid to El Salvador should be made conditional upon the willingness of El Salvador's government to enter negotiations with the left without preconditions. This idea has considerable merit as well.

Such a step would give leverage to moderate Salvadoran leaders in their continuing power struggle with extreme rightists, Mr. Solarz believes. Evidence supports his view. Rightist efforts to repeal forward steps, such as land reform, have been blunted by fear that U.S. military aid would be lost. Making such aid conditional upon willingness to negotiate would provide a similar incentive to negotiate.

The leftists frequently have stated their willingness to negotiate. After a new moderate coalition gained a narrow majority in El Salvador's Constituent Assembly last November, a spokesman for the moderates hinted willingness to seek a dialog with the left aimed at ending the three-year-old civil war. If U.S. aid were conditioned upon pursuing the idea, the moderates would be strengthened in that direction. Not to do so is to yield to the extreme right.

Negotiations are nothing to fear; both sides must agree before any result is produced. Negotiations are desirable not because the armed left is virtuous or represents a majority. They are desirable because the armed left exists; because it continues to destroy the nation; because it does hold some legitimate grievances; and because negotiations are the best hope for peace.

As it reflects upon the "progress" to date in El Salvador, Congress should weigh Mr. Solarz's suggestions carefully.●

SANTA ANA UNIFIED SCHOOL DISTRICT'S "SUCCESS DAY" 1983

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. PATTERSON. Mr. Speaker, on May 18, 1983, the Santa Ana Unified School District, the Santa Ana Educators Association, and South Coast Plaza Village will be cosponsoring their third annual "Success Day." The purpose of this event is to encourage students in the district onto greater achievement. Former students and community leaders will participate in the festivities, and their message is clear: We made it, and with determination, hard work, and academic achievement, so can current students.

Mr. Speaker, success has many definitions, and for each of us, it has a unique meaning. The American Heritage Dictionary of the English Language defines success as "the achievement of something desired, planned, or attempted; the gaining of fame or prosperity." Ralph Waldo Emerson said: "There is no way to success in our art but to take off your coat, grind paint, and work like a digger on the railroad, all day and every day." Christopher Morley wrote that "there is only one success—to be able to spend your life—in your own way." My favorite expression of success is "to laugh often and love much; to win the respect of intelligent persons and the affection of children; to earn the approbation of honest critics and endure the betrayal of false friends; to appreciate beauty; to find the best in others; to give of one's self; to leave the world a bit better, whether by a healthy child, a garden patch, or a redeemed social condition; to have played and laughed with enthusiasm and sang with exulta-

tion; to know even one life has breathed easier because you have lived—this is to have succeeded."

Mr. Speaker, the future of the United States depends upon the investment we make in the education of our youth. Each student has the potential to contribute to that future. Just as Santa Ana's more famous graduates—actress Diane Keaton, professional football player Isaac Curtis, and space-lab astronaut Gerald Carr—have succeeded in their chosen fields, so can today's Santa Ana students define and achieve success.

As the former mayor of Santa Ana and now its Representative in Congress, I am well aware of the potential for growth that exists in this community's youth. I join with my fellow colleagues in the House to salute the efforts of the organizing committee, the parents, the teachers, and the administrators in seeking excellence for our students.

Mr. Speaker, let each of us remember that success is individually determined. As Santa Ana's "Success Day" begins, let us renew our commitment to the fundamental values present throughout American history. Values that have enabled our country to reach its position of greatness among nations.●

VOTE ON AMERICAN CONSERVATION CORPS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. WALGREN. Mr. Speaker, I regret that due to other official duties I was not present to vote on H.R. 999, the legislation approved by the House on Monday to establish an American Conservation Corps to provide conservation jobs for unemployed youth on public and Indian lands. Had I been present, I would have voted aye.

I was pleased to see the bill pass with wide bipartisan support. Unemployment among our teenagers is at the highest rates ever recorded, and some action is desperately needed by this summer. All the projects in the bill, from conservation of forests, fish and wildlife to energy conservation, are worthwhile and deserving of our support. It is my hope that the Senate will quickly agree to these provisions so we can begin to put our young people to work.●

WISCONSIN AUTHOR CHUCK STODDARD RAISES THE RIGHT QUESTIONS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. OBEY. Mr. Speaker, in determining the paths that a country must follow, it is more important to ask the right questions than it is to provide the right answers. Unless the right questions are asked, the right answers are never forthcoming.

A recent book, written by a Wisconsin constitutent, Charles H. Stoddard and published by Macmillan, titled "Looking Forward: Planning America's Future," does raise the right questions. It also provides some fresh ideas that can contribute to the national debate over the future direction of our domestic and international policies.

Chuck Stoddard's book is neither a blueprint nor ideologically slanted. It tackles tough social and political problems with ingenuity and imagination. Whether or not one agrees or disagrees with Chuck Stoddard's answers, the process of arriving at the right answers is advanced immeasurably by his very thoughtful book.

Stoddard's work reflects a wide background of experience in administrative assignments, including President Kennedy's Director of the Bureau of Land Management, Chairman of the U.S. Army Corps of Engineers Environmental Advisory Board, as well as staff service on State and Federal legislative committees.

Testimony to the quality of the author's study is evident in the following excerpts from reviews of his book:

" 'Looking Forward' is an exciting and challenging volume writen by a true idealist and humanitarian. . . . If humanity adopted only a tiny fraction of the beautiful ideas in this volume, the next century would be a time filled with hope and confidence."—Robert F. Drinan, S.J., Former member of the House of Representatives, Massachusetts.

"To act, one needs understanding of change. Stoddard's intelligence, experience, and courage gives us the best blueprint yet on understanding and acting to create a positive future."—Huey D. Johnson, Secretary for Resources, State of California.

"Stoddard has produced a blueprint for the new political and economic institutions that will be needed to help us live with what we have. A tired two-party system needs some new ideas. 'Looking Forward' provides plenty."—Former Congressman Henry S. Reuss.

"Thoughtful, timely, practical—with optimistic hope for better tomorrows."—Frederick Wallick, Editor, UAW Washington Report.

"The progressive ethic of Charles Stoddard's 'Conserver Society' is needed nowhere more urgently than in food and agriculture . . . he embraces the human resources of the farmers and their families in the same caring concern that he shows for the land and water and natural things."—Robert G. Lewis, former chief economist of the National Farmers Union.

" 'Looking Forward' provides focus for the renewed environmental movement that will emerge from the defensive battles of today. Students desiring responsible roles in that environmental offensive should read Stoddard—a thoughtful writer with long experience in public service."—Henry P. Caulfield, Professor of Political Science, Colorado State University.●

PROPOSED CONSTITUTIONAL AMENDMENT

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. SHUMWAY. Mr. Speaker, today I am proposing an amendment to the Constitution of the United States which designates English as the official language of the United States.

I share the view of many Americans that English must remain our only national language, and that the Federal Government should not encourage the use of others. I firmly believe that the linguistic minority groups in our Nation must learn English if they are to become fully integrated into American society. It is time for the Federal Government to stop sending conflicting signals to the non-English-speaking people in America. The United States has, for example, laws which on the one hand require a bilingual ballot for those who do not read English, and naturalization laws, on the other hand, which state that a person must "read, write and speak English in ordinary usage" to become a U.S. citizen.

This resolution, identical to House Joint Resolution 442 introduced in the 97th Congress by the Honorable Robert Dornan, will stop the use of the bilingual ballot, will allow the instruction in English in non-English languages for the purpose of making students proficient in English, and will end the use of foreign languages in subject-matter instruction.

It is important to note that this resolution does not seek to discourage the use of any language for religious or ceremonial purposes, for domestic use, or for the preservation of ancestral cultures, nor does the bill affect the teaching of foreign languages to American students.

The text of the bill is as follows:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid as a part of the Constitution if ratified by the legislatures of three-fourths of the several States:

ARTICLE —

SECTION 1. The English language shall be the official language of the United States.

SEC. 2. Neither the United States nor any State shall require, by law, ordinance, regulation, order, decree, program, or policy, the

use in the United States of any language other than English.

SEC. 3. This article shall not prohibit any law, ordinance, regulation, order, decree, program, or policy requiring educational instruction in a language other than English for the purpose of making students who use a language other than English proficient in English.

SEC. 4. The Congress and the States may enforce this article by appropriate legislation.●

SUBCOMMITTEE ON HUMAN SERVICES EXAMINES ADMINISTRATION FISCAL YEAR 1984 AND IMPACT ON OLDER AMERICANS ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. BIAGGI. Mr. Speaker, on February 23 and again on March 1, I conducted hearings of the Subcommittee on Human Services to examine the largely negative impact of the Reagan administration's fiscal year 1984 budget on the programs and services under the Older Americans Act.

The February 23 hearing focused on all titles of the act except for title IV, while the March 1 hearing focused exclusively on the title IV program which provides funds for research training and demonstration programs.

As a result of these hearings I today call for a full restoration of the $56 million funds which are proposed to be cut as part of the fiscal year 1984 budget request of the President. I take particular exception to a proposed $32 million cut in the vital congregate and home delivered meals programs also known as title III C of the act. I am also strongly opposed to the 77 percent cut proposed for research and training under the act which must be restored if we are to maintain our commitment to our senior citizens.

At this point in the RECORD I wish to submit my opening statements at each of the two hearings and hope my colleagues will join in opposing these unwarranted cuts in such a worthwhile program.

The statements follow:

THE OLDER AMERICANS ACT AND THE PRESIDENT'S FISCAL YEAR 1984 BUDGET REQUEST

I am pleased to convene this first hearing for 1983 of the Subcommittee on Human Services. Our topic today is the administration's fiscal year 1984 budget proposal and its impact on the programs and services provided by the Older Americans Act.

I approach this subject with a profound personal interest. There are few Members of the House who have worked harder or longer than I on behalf of the Older Americans Act, on this Committee or on the Education and Labor Committee, which has direct legislative responsibility for the act. On the basis of this experience, I am deeply concerned about the administration's budget and what it will mean to the future of the act.

I consider what has been proposed to be an unwarranted attack on the Older Americans Act and the millions of senior citizens who benefit—oft-times daily—from the services provided under the act.

I am opposed to the administration budget on two specific grounds. First, I am opposed to the overall reduction of some $56 million recommended in the budget which includes a $32 million slash in the vitally important nutrition programs. The second is the substantive legislative changes which accompany the budget proposal. The transfer of title V from the Department of Labor to the Administration on Aging is of special concern to us. The other legislative change being offered—even though rejected by Congress in the past—would transfer the U.S. Department of Agriculture Commodity Food Program into the Administration of Aging. We would like these issues to be addressed as well as other aspects of this proposal.

I consider these and any other legislative changes which may be part of this budget to be inappropriate proposals 1 year before scheduled reauthorization by Congress. There are few Federal programs which are monitored more carefully than the Older Americans Act. This committee alone has conducted several dozen hearings on the act in our 6-year history. The standing committees in both the House and Senate have done likewise over the years. This means that when legislative changes are made during reauthorization—they have had the benefit of review by Congress as well as by the aging network as well as the seniors receiving services and employment under the act.

As a result of this regular review, the reauthorizations of the Older Americans Act which have occurred during its 16-year history have been successful and have produced positive results. The administration budget seeks to usurp this traditional role of Congress and I stand totally opposed to any legislative alteration of the act before reauthorization.

It is my hope that Assistant Secretary Hardy can shed some light and dispel some of the confusion surrounding the administration's budget. In particular, has a bill been drafted reflecting the legislative changes which are being advocated? If not, why not? I have some specific questions which I hope will be addressed.

"Why—after President Reagan in December of last year signed into law a bill increasing funds for the nutrition programs—is the administration proposing to slash funds by some $32 million in these same programs for the fiscal year which begins in October? One of the reasons given is that certain management improvements should make up the difference. Does this include any form of 'means testing' or 'sliding scale fees' for participants—something which would violate existing prohibitions in the act?

"With respect to the title V employment program—it was last September when Congress overwhelmingly voted to override the Presidential veto of the supplemental appropriations bill. One of the main reasons for this action was the $27 million in funds for title V which the administration wanted to abolish. Now, just 6 months later, the administration is again proposing radical changes for this program—including terminating funds for the eight national aging organizations which currently administer three quarters of the program. Why are these changes being proposed?"

I am also concerned that separate funding for a variety of services under title III-B of the act might not be continued under this budget. It is essential that we continue to move toward the goal of increased coordination of the various services and programs within the act. Title III-B has been the glue which has held the programs together at the State and local level—and the services provided with III-B funds are those services deemed by State and area agencies on aging to be most needed for their seniors. Congress in 1981 specifically moved away from mandating services under III-B and increased local discretion. The administration's position regarding title III-B needs to be clarified to insure that the intent of the 1981 amendments will continue to be carried out.

I would also hope that the administration will be able to provide a justification for their proposed cut of some $2 million in funds needed to operate the 57 State agencies on aging in this Nation.

I view this hearing as vital to the future of the Older Americans Act. I will maintain my position that 1983 is not the year to reauthorize the Older Americans Act—it is scheduled by law for 1984 and that should not be changed. Therefore, any efforts to accomplish a "backdoor reauthorization" should be rejected by Congress. A budget proposal should concentrate on funding levels—not massive program changes. The funding levels provided for the Older Americans Act does not even constitute the equivalent of a "freeze." A $56 million reduction below last year's levels is much more drastic a reduction than a freeze would represent.

We have invited representatives from all major aging organizations which are involved on a day to day basis with the programs and services under the Older Americans Act. This includes representatives from all eight national contractors of title V. We want to learn their assessment of the budget proposal and what impact it will have on their ability to provide services. I look forward to all the testimonies this afternoon.

TITLE IV—OLDER AMERICANS ACT AND THE BUDGET CUTS

The Subcommittee on Human Services convenes its second hearing in less than 1 week to examine the administration's fiscal year 1984 budget and its impact on programs and services funded by the Older Americans Act.

Our sole focus today is on title IV of the act which provides funds for research, training, and a variety of discretionary programs and projects. The fiscal year 1984 budget request for title IV would reduce funds from the current $22.1 million to $5 million. I contend that a 77 percent cut will cripple this important program and will have a corresponding adverse effect on the rest of the Older Americans Act. I pledge today to work with others on this committee and elsewhere in Congress to get these funds restored at least to fiscal year 1983 levels.

We have invited the Commissioner on Aging, Dr. Lennie-Marie Tolliver, to present the administration's rationale for these latest radical cuts for title IV which has already been cut by some 60 percent in the past 2 years. The administration has offered as one justification their contention that the Older Americans Act is a service program not a research and training program. I challenge the premise that title IV and the rest of the Older Americans Act are two sep-

arate entities. The essential missions of title IV are to conduct research aimed at improving services; to train persons who can better serve the elderly; and to fund projects to demonstrate newer and better methods of providing services. This to me establishes title IV as a vital—as compared to a missing—link in the Older Americans Act.

Consider the fact that both the congregate and national home delivered meals programs which today are title III C1 and 2 of the Older Americans Act were outgrowths of demonstration projects funded by title IV. Consider the fact that more than 220 colleges and universities in this Nation have received funds from title IV, have developed training programs, and have produced professionals in the field of aging. Consider that in an AoA-commissioned survey of some 1,000 students who received degrees in gerontology from schools receiving title IV—82 percent of those employed went to work in programs helping senior citizens.

My point here is that title IV is being victimized unfairly by the budget cutting zealots of this administration. It represents misguided economics when one considers the actual and potential return of the investment from title IV dollars. One cannot overlook the demographics of our society. The 65 and over population is growing at a rate of 1400 persons per day. The growth rate is fastest among those 75 and over. We need to be developing and implementing new policies in response to our rapidly aging population. Title IV is one of the few Federal programs which can provide the funds to conduct the necessary research, training and demonstrations to help us develop a better national aging policy.

Common sense—and elementary mathematics both conclude that it is impossible to maintain programs and services provided under a $22 million budget with a $5 million budget. The question becomes—who gets reduced—who gets terminated—what worthwhile area will suffer. These are questions we want to have answered today.

The reductions and eliminations will have to come from critically important areas. Let me read some examples of projects which were funded with title IV funds as recently as fiscal year 1982 which could be reduced or eliminated:

Health promotion with the elderly;
Increasing effectiveness of services to minority elderly;
Training for volunteerism with the elderly;
Clinical training in aging and mental health;
Home care;
Congregate housing: how to make it work;
Developing an index of elder abuse;
Rural day care; and
Legal services—ombudsman services.

I would be naive to say that title IV is not without its flaws. I have addressed them in various times during my 14 years in Congress—I have developed amendments to better target certain title IV funds in areas such as mental health. I remain convinced that some previous recipients of title IV funds may have contributed to the demise of the program by failing to properly disseminate the products of their research. However, it is one thing to "fine tune" a program to make it better—it is something entirely different to perform radical surgery on a program without regard to whether or not it survives. I contend that a cut of the magnitude proposed in the administration's budget is more the latter than the former.

As I indicated in last week's hearing—1983 is not the year to reauthorize the Older Americans Act. It is scheduled by law for 1984. I stand prepared to work with the administration to develop meaningful amendments to enhance the act. I do not stand entrenched on title IV. There are changes which can and should be made—there is a need for improved accountability and better dissemination. However, I am opposed to reauthorizing as part of this budget process whether it be through legislative changes or by cutting a budget by 77 percent and expecting the program to survive.

The witnesses we have today represent some of the most distinguished people in the field of aging—all of whom have direct and first-hand knowledge of the value of title IV. I look forward to hearing all of the witnesses today and hope that we can maintain our commitment to the elderly of this Nation.●

ESTONIAN INDEPENDENCE DAY

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. ADDABBO. Mr. Speaker, February 24 marked the 65th anniversary of Estonian independence.

Estonia retains its rich cultural background and heritage, despite its suffering under the yoke of Soviet oppression. Each day, Estonians are denied their basic freedoms, are kept from using their native language, and from identifying their distinct ethnic roots. The Estonian language has only secondary status in the Republic's schools, and youngsters there are being taught to discard their heritage and adopt the identity of the "new Soviet man."

Estonian Independence Day is not commemorated with the celebrations that we enjoy. We Americans acknowledge the diversity of our heritage but rejoice in our common nationhood. We are encouraged to retain and be proud of our roots. The Soviets are trying to make Estonia culturally homogeneous.

Estonia has been occupied since 1940. This and other Baltic nations cannot praise their freedoms. Estonians are being denied their fundamental right of self-determination and live under foreign rule.

The Soviet Union has colonized and has tried to Russify Estonia. We must praise the strength the Estonians have displayed thus far in preserving their traditions, which are under constant attack. Their freedom of speech, religion, and press is all but nonexistent, yet they persevere. Let us express our support for the Estonians in their quest to become truly independent.●

LARKSPUR, CALIF. 75TH BIRTHDAY

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mrs. BOXER. Mr. Speaker, on March 5, 1983, Larkspur, Calif. will celebrate 75 years as an incorporated city.

Larkspur has maintained its small town character.

Its old downtown core has been deemed significant by the National Register of Historic Places and is listed on the National Register because it has retained the ambience of a typical California small town between 1900 and 1930. Its architecture has a mix of styles that convey the feeling of the past.

Growth and progress have been gentle to Larkspur. Remodeling and new construction have respected the past and retained the historic feeling of the community. In the commercial downtown area, 72 percent of the buildings, built between 1880 and 1930, still remain.

The city has maintained a natural character, expanding on both sides of the Corte Madera Creek which flows into the bay, into the redwood canyons, and up the oak-studded slopes of Mountain Tamalpais. Active citizen groups have influenced city planning to keep this natural setting and old town character. Purchase by the city of open space lands has preserved the natural backdrop of the city so that the view looking south along the main street of town is visually the same as at the turn of the century.

The town boasts one of the last ark communities existing along the creek; one of the few mobile home parks in the county; a major commercial flower grower in the heart of downtown; redwood groves, open space trails to Mountain Tamalpais, creekside bike paths as well as the Larkspur Ferry Terminal.

At 75 years of age, Larkspur is an interesting mix of people, businesses, and natural elements. Larkspur is still typical of a small California town, yet is just 12 miles north of the Golden Gate Bridge.●

COST BENEFITS FOR THE POSTAL SERVICE AND AMTRAK

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. LELAND. Mr. Speaker, today I would like to introduce a legislative proposal expressing the sense of this Congress that the Postal Service

should conduct a study of the potential for accruing cost benefits for both the Postal Service and Amtrak, by increasing the amount of mail presently transported on Amtrak.

As you are aware, the Postal Service is projecting a deficit for the coming year. Their budget difficulties are only heightened by the budgetary policies of this administration. It seems particularly appropriate at this time to mandate the conduct of a study which could result in a tremendous savings for the Postal Service as well as additional revenues for the financially beleaguered Amtrak.

The proposed study would serve the best interests of both the Postal Service and the postal customer as it would explore ways on which the Postal Service could transport mail more efficiently, at a savings which could be passed on to the consumer. The provisions of the study include; an analysis of the volume of mail currently transported via Amtrak, an identification of the most expedient Amtrak routes for the transportation of the mails, an assessment of the equipment available for the transportation of mail and the potential for added equipment. In every category, an estimation of the cost for providing this service would be made, which, combined, would provide the Congress with a well-documented figure as to the savings likely to be realized by both the Postal Service and Amtrak.

As of late there has been mounting concern over the effects of the Postal Service's financial difficulties. Already the nonprofit mailers are suffering from the increases in their mailing rates. The consumer is apprehensive about the threat of higher postal rates and reductions in services ranging from the closing of thousands of small post offices to the cessation of Saturday delivery. I believe this proposed study is a most responsible step toward investigating the most efficient means by which these difficulties can be alleviated and the ways in which the Postal Service can better serve the public.●

TAX TREATMENT OF RETIREMENT COMMUNITIES

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MADIGAN. Mr. Speaker, I am pleased to introduce today a measure designed to provide residents of nonprofit residential retirement communities relief from unfair treatment under Federal tax laws. Residential retirement communities such as Westminster Village in Bloomington, Ill., provide individuals of retirement age with an opportunity for independent living, immediate access to medical care, companionship, and guaranteed lifetime residency.

The legal relationship between the retirement community and the residents is unique. Upon entrance to the community, a new resident pays what is described as a "life occupancy fee" which entitles the resident to occupy his apartment for life so long as the resident is able to live independently and without assistance. Under the terms of the agreement occupancy cannot be terminated by the community even though the resident becomes insolvent and unable to pay monthly fees. Thus while legal title to the resident's apartment remains in the community, the resident holds many of the rights and privileges of ownership.

Each resident is required to pay the real estate taxes attributable to his apartment. However, because they do not hold legal title to their apartments, the IRS has not allowed them to deduct the taxes from their income. The legislation I am introducing today will allow lifetime residents of nonprofit residential retirement communities to deduct from their income the real estate taxes paid by them attributable to the apartment they occupy.●

IRISH-AMERICAN CITIZENSHIP AWARDS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. RODINO. Mr. Speaker, on Friday night, March 4, a dear friend of mine will be honored by the Independent Irish Society at a dinner in West Orange, N.J.

John J. Brown is presently the legislative director of the International Union of Operating Engineers, AFL-CIO here in Washington. Prior to that he served as an organizer and business representative of IUOE Local Union No. 68 and as secretary-treasurer of the New Jersey State AFL-CIO. In addition to his impressive career in the labor movement, John has built a distinguished reputation for his activities with Irish-American causes. He was the president of the Independent Irish Society from 1973-75, treasurer of the St. Patrick's Day Parade Committee from 1973 until 1976, and was the general chairman of the 1976 Irish Festival held at the Garden State Arts Center.

The Independent Irish Society presents a yearly award to outstanding individuals. This year John will be one of the recipients of this award, the Irish-American citizenship award. The other award will be given to Helena Sharkey, of West Orange, who is an employee of the Essex County Clerk's Office and was the first woman ever to serve as grand marshal of the West Orange St. Patrick's Day Parade.

I am very proud of these two individuals, and offer my sincere congradulations to both of them on this special occasion.●

ROSS PEROT: COMPUTER COMMANDO

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. FIELDS. Mr. Speaker, Nick Timmesch has recently published in the Saturday Evening Post a remarkable article about an even more remarkable individual: Ross Perot.

Ross Perot is a man of singular character, courage, and decency. Ross Perot is an American in love with his country. And of course, Ross Perot is a Texan.

I strongly recommend the article to all my colleagues.

ROSS PEROT: COMPUTER COMMANDO

(By Nick Thimmesch)

Ross Perot's name is a household word for any American who believes in initiative, hard work, traditional values and love of country. Ross Perot stuck to these basic beliefs in his pursuit of success and what he fervently and unashamedly regards as the American dream. He is no phony. Even his detractors admit Perot's patriotism and sense of purpose are real.

His convictions, and a gumption and toughness forged in his East Texas upbringing, fired him to:

Build a $500-million-a-year computer-service business out of a $1,000 investment after he became impatient in the role of IBM's star computer salesman.

Direct a commando team that penetrated deep into Khomeini's Iran early in 1979 and, in a daring operation, rescued two of Perot's executives from a prison housing 12,000 inmates and got them out of the country.

Head a citizens' committee waging war on drugs, successfully persuading the Texas legislature to pass six tough antidrug laws, thus startling many cynical political observers in the Lone Star state.

Now, as Americans fret over the persistence of a high unemployment rate (it has been rising since 1970), with some people quite anxious over the need for job creation, it is encouraging to experience the confidence of a man such as Ross Perot.

The 10.8 percent unemployment rate marking the closing weeks of 1982 is the saddest part of America's economic decline of the past decade. It caused doomsayers to cry for massive spending by the federal government to create "public" jobs, meaning more bureaucracy and, ultimately, greater frustration.

Liberal and leftist organizations demanded a return to "make-work" programs operated during the '30s depression—a revival of WPA and the Civilian Conservation Corps, to name two. Other political voices cried for protectionist trade barriers or pork-barrel programs for their special interests.

Ross Perot just shakes his head over this sort of panic. He knows the U.S. has a tough challenge to rebuild and restructure its

economy, but with a conviction as strong as that which he feels for his country, he is convinced that government programs cannot be the prime remedy.

"Job creation must come from the highly productive private sector," he said in his cherry-paneled offices at Economic Data Systems, the Dallas company he founded. "When you try to create jobs in the public sector, you wind up adding to the tax burden, and this slows the economy.

"Make-work jobs weaken a country. They are to be avoided. By going big into public-sector jobs, you develop a situation where nonproductive people must be supported by productive people."

But he doesn't see the reconstruction of highways and bridges as a "make-work" program. The Reagan administration pushed Congress to raise the gasoline tax five cents a gallon so that a large-scale repair and construction project for deteriorating roads and bridges could begin. As Congress limped home for Christmas vacation last December, it was weary from the filibuster it had endured on the gas-tax bill. But it finally approved spending $5.5 billion from the additional tax for work that promises to employ 320,000 people.

"Bad highways and bridges are a drain on our economy," Perot says, "and it is vital that they are rebuilt. The gasoline tax is an indirect form of a toll road. The road user pays through this tax. I don't have a better idea for raising the money needed for this vital work, so until one comes along, I'll have to go along with it. There's not enough money in general revenue to pay for the rebuilding."

Perot believes it is a businessman's responsibility to run his company in such a way that it grows and creates new jobs. He is serious about this just as serious as he was when he decided to recruit volunteers from his own staff to help go rescue his imprisoned executives in Iran.

"A businessman has a duty to his employees, his company and his country." Perot says. "He must make that company successful, so it can add necessary jobs and broaden the nation's tax base. That's how private companies help the government cover its functions. Business and jobs build the nation's economy and create prosperity.

"It is a businessman's job to make a product that is wanted and sells in the marketplace. It must be sold aggressively. Now, all this may not sound interesting to some people who say, 'ho-hum,' but the truth is that there are no short cuts to creating jobs—no magic. It is fundamental business practice and imagination that creates jobs."

Perot's success in business, particularly the burgeoning computer field, is one of the spectacular stories of our time. In 1957, when he was 27, he became a computer salesman for IBM. He quickly blitzed the sales force and sold so many orders that IBM had to impose a yearly quota on the commissions an individual salesman could make.

Perot says that he exceeded his entire year's quota for 1962 only 19 days into that year, and that left him impatient and frustrated. So instead of sitting around thinking about golf or a larger home or a new car, Perot, on his own initiative, developed the idea of "facilities management," meaning a service the IBM could offer companies unfamiliar with setting up and operating computer systems. But IBM turned down his idea.

The decision didn't cause Perot to fall into a funk. He regards such "failures" as being like skinned knees, "painful but superficial." He quit IBM, took $1,000 from his modest savings and founded EDS, a one-man corporation.

Perot is five-foot-six, and his hair is as close-cropped as it was when he was a naval cadet at Annapolis. He can appear stern. Perot doesn't complain, explains only what he has to and doesn't flinch. Bullets could crease his eyebrows and he probably wouldn't blink.

So at age 32, he marched into the offices of executives and told them they should let him and the staff he was recruiting enter their premises, set up data-processing departments and operate them. In effect, Perot, the mighty mite of Texas, was telling these executives, most of whom were not knowledgeable in this emerging, bewildering world of high technology, "Let us take this headache away, and we'll run your data processing cheaper and more efficiently than you can."

Perot's determination and conviction won him business. By 1968, when he made his company public (and became a temporary billionaire in the process), he was employing 303 people. Today, it's 12,000, and he's still hiring.

"Capitalism works," he says, "it's better than any other system. Our company is strong and growing, and we put our financial resources into expansion.

"We mostly hire young people out of college, and their training is more and more specialized. We made it our highest priority to hire Vietnam veterans before that war was even over. We have several thousand of them now. If you go across the top of my company, you will find many Vietnam veterans, and they are among the finest executives in the computer industry."

So at a time when most executives are deep into cost-cutting measures and dreading the chore of laying off employees, Perot thinks about the new people needed to service the new business EDS is developing. In the past five years alone, EDS has increased its net income by 178 percent, its total revenue 242 percent.

EDS is no longer a spectacular new entrepreneurial success. In 20 years, it has become a mature company, and Perot was intelligent enough to realize it couldn't always be a one-man show. In 1979, he turned over much of his authority to Morton H. Meyerson, now EDS president, and oversees his company (he owns 53 percent of the stock) from the board chairman's position.

"We are in a highly competitive industry," Perot says. "We are constantly providing new computer service for our customers. We are currently developing software for the home-computer market. You know how that market is growing. That means more jobs."

The man really means it; he is not putting out rhetoric for the Tuesday luncheon of a civic club. Perot's record shows he does what he thinks is right and will take punishment for his action if need be.

Just before Christmas 1969, Perot chartered two 707s, loaded them full of Christmas dinners and went to Vietnam in hopes of serving this wonderful cargo to American prisoners of war in Hanoi. When that mission failed, he was scoffed at and made fun of.

The penalty came four months later when, in a single day, Perot lost $450 million as EDS stock plunged—an apparent reflection of a loss of confidence in the company run by the "Lone Star Santa Claus," as one headline called him.

That didn't shake him. Less than a year later, he was on Wall Street, pumping money into a brokerage firm in trouble, saving it (in a civic way, perhaps, because his rescue averted a panic).

Perot became an authentic legend because of another rescue operation, the one he directed in early 1979 in order to free his executives, held for an incredible bail of $12.5 million. He had recruited a 15-man "commando squad" from his own company and got an ex-Green Beret Colonel, Arthur "Bull" Simons, to direct the mission.

Perot used a forged passport to enter Iran and, luckily, arrived at the prison when an American State Department official was there inquiring about Perot's executives. Prison authorities thought Perot was also a U.S. official, so they let him go to the cell. The faces of his two men nearly turned sheet-white when they saw their boss.

He told them quietly that he was arranging a prison riot, that they should wait until the cell doors were open and the guards gone and then come to a car at a given location.

It all worked. The riot broke out, 12,000 prisoners ran out, and Perot's men escaped to the Turkish border. The success was due to the daring of Perot's commando team and to the rather large amounts of money Perot spread around to willing Iranians.

"De Toqueville said America is great because Americans are good," says Perot, reflecting on that success. "Patriotism is not some mindless flag-waving jingoism, as critics charge. Patriotism is doing what our people did on that mission. It is love of country.

"When the Carter administration tried to rescue the hostages and had that tragic failure, the same people who went with us to Iran came to me at 8:30 a.m. that morning and volunteered to go back if they could rescue those left in the desert. That shows the goodness of Americans—just marvelous.

"Our team was asked to consult with the federal government before that effort. But we had a strong difference of opinion with some of the military and with White House staffers. There was a lack of direction and go-go spirit at the White House. And Carter was so indecisive. In a situation like that, you put the right crew together and let them go. Let them size it up and minimize the casualties and carry out their mission. You don't treat them like robots."

Perot prefers "love of country" to the term, "patriotism." Supersalesman that he is, he is also shy and doesn't like being called a "patriot." He actually has a logic worked out about "love of country."

"It is important for people to have this feeling," he says, "so that they can continue to enjoy living in a self-governing country where people can make changes to fit the current need.

"You know, the Mormon Church requires its young people to give one year of service, and it's called a mission. Well, I endorse that, and our government should have the same requirement: Every young American should go on a mission of service to his or her country.

"At some time in your life, you should give a year or two to your country. I wouldn't call it 'conscription.' I would call it 'Service to Country.' Every 18-year-old could work on jobs like conservation projects, hospital service or helping older people. It would have to have substance and be well organized.

"That young person would come out with an understanding of service, of being less

selfish and of people. Finally, that young person would have worked around government and would therefore know what it can do and what its limitations are. That youngster would not be part of a future group urging the government to do everything. When we look to government to solve all our problems, government tends to spend huge amounts of money, and then it fails. The War on Poverty is a perfect example.

"The United States can be anything it wants to be. But we must teach our children that the freedom we take for granted can be fragile. We must teach that they have obligations to their country, that the country is not a magic box to serve them.

"We now expect life to be so extraordinarily good to us that we must be paid $20 an hour for a job that you could train a monkey to do—or we think the world is being unfair. The real lesson is that, if you give a lot to the world, the world will give a lot to you.

"I was taught this at home, at school and at the Naval Academy. I was taught that there is no other country like ours in all civilization. We were painstakingly taught the Declaration of Independence, the Constitution, the Bill of Rights. It is no accident that Texas children, taught about their state, are proud of it and their country.

"Communist children are taught communism and to love their country. They know more about their countries than our children do about ours today. It's no contest when a Russian or a Chinaman is having a dialogue with one of us—they have the encyclopedic knowledge of their country.

"This is partly because we've been through 25 years of fads in education—new math, new alphabet, new style of reading—whatever some professor could come up with. Out of that, we produced a generation of children who can't figure, can't read, can't spell.

"I am a great believer in creativity and innovation, but these people went wild with fads and trends. And our children have shied away from hard subjects. They want political history and art history and this and that, but they don't want anything hard, and they certainly don't want engineering.

"You walk into an engineering school today and you think you are in the Orient. Those aren't Japanese-Americans in those classes—those are Japanese, and they are flooding our schools. We've got to change that; we've got to get discipline and hard courses back for our children.

"The typical Russian student has an awesome amount of math. Our future economy is based on a technology requiring more math and discipline. We do our young people a disservice by encouraging them to take the easy path."

It was Perot's concern about young people taking the path to drugs that caused him to accept in 1979 then-Governor William Clements' request to head the state's antidrug program. Perot had already spoken out many times against drugs, using church and civic meetings for his pulpit.

Once appointed, Perot mustered some 700,000 volunteers—including parents, teachers and students—to join his antidrug crusade. The state PTA led this legion. And Perot showed the world once more that he meant business.

Instead of issuing the usual committee report and platitude-laden statements, Perot had hard-hitting speeches, did a cram course on drug abuse and financed a full-blown campaign against drugs out of his own pocket.

Finally, he came up with a legislative program, vigorously solicited the legislature and warned that the "drug lobby" would fight him and the "Texas War on Drugs."

By spring 1981, Perot had persuaded the legislature to pass a series of laws to stop the sale and flow of illicit drugs in Texas. Soon after, physicians were complaining that Perot made them run the risk of criminality, and some legislators griped that Perot ran roughshod over them. Whatever, today there are no tougher antidrug laws in the U.S. than those in Texas.

Ross Perot's real first name is "Henry," and he was born the son of a cotton broker in Texarkana, Texas, June 27, 1930. He was a newspaper carrier boy, broke in horses for his father, became an Eagle Scout and president of the student council at Junior College. In 1949, he got himself an appointment to the U.S. Naval Academy. He served eight years in the Navy, four of those years on an aircraft carrier. Somehow, he wound up as his ship's official greeter and one day met an IBM executive who was touring the ship.

Soon thereafter, Perot decided the Navy was too slow for him, so he resigned and joined IBM in 1957. By now, he had a strong interest in philosophy and, while he was out in the daily sales grind, mused over thoughts of the great. One was Henry David Thoreau, whose declaration, "The mass of men lead lives of quiet desperation," stuck in Perot's mind as he worked the Dallas business beat for IBM.

So on his 32nd birthday, Perot left IBM and incorporated EDS. Dallas, with its large banking and insurance industry, was a prime market for the computer services he offered. Perot plunged into his new work with a fervor that could only match that of a fundamentalist preacher. He hired young men who would adhere to his dress code: dark, conservative suits, white shirts, single-color ties, no beards or mustaches were allowed. They became known as the "warrior saints" of the "Dallas Crusader."

It is ironic that Perot's business boomed because of one of the great accomplishments of President Lyndon B. Johnson's "Great Society," the Medicaid and Medicare systems. These huge federal payment programs begged for computer services, and Perot's EDS supplied them.

EDS was so highly regarded by Wall Street that, when Perot went public with his company in 1968, he immediately became worth $1.5 billion on paper. The enormous publicity that gathered round him in those years caused him to draw inward and reflect even more on the meaning of life and his beliefs in God, country, his family and himself.

The media made him a star in sometimes unflattering terms. He was variously called "America's first welfare billionaire" . . . "The commando leader of the free enterprise system" . . . "A Promethean Patriot" . . . "Texas Titan" . . . and "Right-Wing Yippie."

"I ignore any kidding about my love of country," Perot says. "My interest in this country is deep, complex and very well thought out. Simply put, we just can't take from our country, we must also give. It is easy to criticize the dirty river. It's a challenge to clean it up.

"The media likes to deal in personalities. It sells newspapers and magazines and makes television. Right now, the media is going big on dramatic stories about a single person who is out of work. But that one person's plight doesn't have anything to do with the big picture. It is human, touching and heart rending. Therefore, it produces, on television, an audience share, ratings and higher advertising rates.

"I only wish that it became good business for the entertainment industry to go patriotic. The current trend in schools and elsewhere to feel apologetic for teaching the people the values of our country might change. Maybe even television comedians, with all their influence, might show some love of country."

Ross Perot really means what he says. In the top floor office suite at EDS, there hangs an authentic Gilbert Stuart painting of George Washington. He enthusiastically tells you about it. There is a "Spirit of '76" painting by Willard—the real McCoy. There is a bronze casting of Remington's "Bronco Buster"—the genuine article. There are Norman Rockwell signed paintings; Iwo Jima miniatures; an oil painting of an American POW in a North Vietnamese prison; and a photo of released POWs with the signatures of all those thanking Perot for his help in freeing them.

Perot is the man who gave each of the 52 hostages held in Khomeini's Iran an American flag he flew all 442 days they were held captive. Perot is the man who worked as hard as anyone did to settle the dispute over the "V"-shaped memorial to the Vietnam veterans so that a proper tribute would also be presented to them along with the controversial piece of sculpture in Washington.

More important than any of this, of course, is Perot's undying love of country and his unwavering belief that Americans will eventually be able to work out their problems.

"It's immature to think that the U.S. economy is going down, as some do today," he says of the doomsayers. "This is a country where people can *change* things. We have control over our destiny. You can't beat that!"

Then he looks you straight in the eye and declares: "The love of our country is very fundamental to the success of our great country. That's what every last one of us must keep in mind."●

MERIT PAY REFORM ACT OF 1983

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. WOLF. Mr. Speaker, I am introducing legislation today to reform the current merit pay system as implemented under title 5 of the United States Code.

At present, Congress is being asked to consider many varied and far-reaching proposals which could impact on the civil service system. These are new initiatives. There are civil servants, though, who have been faced with an inequitable pay system and structure of increases since the imposition of the Civil Service Reform Act of 1978. These are the midlevel managers in grades 13 to 15 under merit pay. I feel it is imperative that we address the problems faced by these individuals.

Grades 13 through 15 are comprised of the Federal Government's senior managers and supervisors. These people are the backbone of the Federal Government. The success of government programs, the ability to keep government expenses down, and the implementation of important policies are among the responsibilities of this group of Federal employees who manage the work force.

Under the current merit pay system, however, these individuals receive only one-half of the comparability increase; no within grade increase; a merit pay increase, the size of which varies considerably based on the size of the "pool" of funds available, and a possible incentive award. During the first 3 years of this system, many of these managers have fallen sharply behind in pay increases compared to what their General Schedule counterparts and the employees they supervise have received. This represents an oversight and inequity which cannot be justified. In the interest of good government and in an effort to insure that the quality of government management does not deteriorate, I am submitting a 5-year experimental merit pay reform measure for supervisors and managers. The purpose of this legislation is to encourage and recognize high levels of performance, cut government costs, and increase the morale and productivity of employees affected by the merit pay system.

I believe it is important to set up this reform bill on an experimental basis. Under the Civil Service Reform Act of 1978, the idea of merit pay was conceived and subsequently implemented. In theory, I believe the concept was good; however, in practice, it has not worked and I do not believe that it can work. In drafting this legislation, I am convinced that this is the most equitable approach we can take in promoting merit at the crucial management levels of government. If we are wrong, I believe an experiment will bear this out. The Federal managers, under my bill, will not be forever wedded to a system that does not attain the goals it is designed to achieve.

The experiment will establish a standardized five-point system ranging from unsuccessful, marginally successful, to fully successful, highly successful, and outstanding. Those who rate fully successful or better will receive full comparability increases—a benefit which is standard in the General Schedule regardless of performance level—and within grade increases. Those failing to perform at these levels would receive neither of these increases.

At the beginning of each performance appraisal period, critical elements and standards—job description responsibilities—will be established between supervisors of employees covered by this system and the employees. I feel this is a necessary first step in removing some of the aspects of the performance appraisal system which have plagued its effectiveness.

Those performing at levels above the fully successful level will qualify to receive performance awards relative to their rating in this five-point scale. Regulations governing the levels, critical elements, and standards to be used in this assessment of performance and subsequent award will be prescribed by OPM. A performance award could not exceed 20 percent of base salary.

Currently, a merit pay employee receiving the maximum incentive award of $25,000 has the opportunity for an award which is 40 percent of base pay. I believe this figure should be brought down to a more reasonable level.

An agency's funding for performance awards could not exceed 1½ percent of total base salaries in the agency for those covered under this program—this figure reflects the current practices used in regulations made by the OPM in determining appropriate levels of agencies' awards.

Quality step increases are eliminated and funds which otherwise would have been provided under current merit pay and General Schedule pay systems would be redirected into the performance award funding mentioned above.

Innovative ideas and helpful suggestions in improving government's productivity and efficiency are oftentimes generated by these top supervisors and managers. Awards programs already in existence for merit pay and General Schedule employees designed to recognize and acknowledge this type of achievement would be continued.

I want to reiterate the most important feature of this legislation and how it differs from the current merit pay and General Schedule. I believe the critical feature of this bill is its ability to withhold comparability increases and within-grade increases for employees not performing in a fully successful manner. I believe this is an important first step in insuring a quality government work force which is motivated by strong management policies and performance practices.

MERIT PAY REFORM LEGISLATION

SECTION-BY-SECTION ANALYSIS

Title: Merit Pay Reform Experiment of 1983.

Second section, Amendments to Chapter 54 of Title 5, U.S. Code.

This section replaces the former Merit Pay System with a five year experimental performance recognition system for improving the performance of key supervisory and managerial personnel in Grades 13 through 15 of the General Schedule.

Under the former Merit Pay System, supervisory and non-supervisory management officials in Grade 13 through 15 of the General Schedule were eligible for base pay increases and cash awards based on performance. In addition, they received one-half of the annual comparability adjustment without regard to their performance. The new Merit Pay Reform system will cover only supervisors and managers with supervisory responsibility. It will continue to tie base pay increases to performance. Within grade increases and the annual comparability adjustment will be granted only for fully successful performance or better.

For less than fully successful performance, however, no within grade increases or annual comparability adjustment will be granted. Performance recognition and other incentive awards for special acts or achievements may be granted to recognize on-the-job performance or inventions, suggestions and other improvements to the Federal service. In no event, however, will agency funding for performance recognition awards exceed 1½ percent of the total base salaries of the supervisors and managers covered by this program.

At the end of the five-year period, a decision to continue or stop this experimental program will be made by Congress based on agency recommendations.

Section 5401. Sets forth the purpose of the Merit Pay Reform system. It shall provide performance-based pay recognition for high quality supervisory and managerial performance. Less than fully successful performers, however, will receive no pay increases. Within available funds, continuing training is to be provided to supervisors and managers to improve the accuracy and effectiveness of the Merit Pay Reform system.

Section 5402. Defines the coverage of the system. Any GS-13 through 15 employee who supervises at least one professional level employee will be included in the system. Office of Personnel Management classification standards for supervisors and managers will be used to provide coverage guidance instead of the current practice of using the labor relations definition of supervisor and management official codified in 5 U.S.C. 7103.

Section 5403. Establishes uniform performance rating levels for simplicity and equity. Ratings will be based on a 5-point scale ranging from unsuccessful, marginally successful to fully successful, highly successful, and outstanding.

In accordance with this 5-point scale, comparability increases and within grade increases would be granted only to those with a fully successful rating or better. For those rated below fully successful, no comparability increase or within grade increase would be provided.

At no time could such an award exceed 20 percent of basic pay. Such an award would not affect the base pay of an individual—rather it would be a lump sum payment.

Awards provided under Chapter 45 of Title 5 for inventions, helpful suggestions, achievements, and other special acts would be retained for these mid-level supervisors as well.

Funding for performance awards would not exceed 1½ percent of total base salaries of the agencies' supervisors and managers covered by this program.

Section 5404. Each year, OPM, in consultation with the agencies, shall submit a report on the operation of the experiment to the President and Congress evaluating the effectiveness of the Merit Pay Reform system.

Section 5405. This section outlines technical and conforming amendments.

Under the Merit Pay Reform experiment, supervisors of employees covered by this system will be required to discuss the critical elements and standards used to appraise

the performance of covered employees prior to the start of the appraisal period.

A five-level appraisal system is established. In addition, there will be no forced ratings distribution under the experiment.

This section delegates authority to OPM to issue implementing regulations and to prescribe any reporting requirements needed to set up and operate this experiment.

At the end of the 5-year experiment, within 60 days of the issuance of OPM's final report on the project, Congress must adopt a concurrent resolution to disapprove the continuation of the program.●

MIT JOINS CHORUS FOR PEACE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. STARK. Mr. Speaker, tomorrow members of my alma mater, the Massachusetts Institute of Technology, will present to this body an open letter signed by at least 3,228 members of the MIT community urging a halt to and reversal of the insane nuclear arms race.

This letter is important not only because it signals a broad and expanding awareness of the nuclear peril that threatens this world, but because it comes from an institution that holds a ranking position in the community of science and technology. The list of signatories is impressive and notable, and it includes a broad base of faculty, staff, and students who normally do not make concerted political statements.

Those who signed this letter urging a bilateral, mutually verifiable freeze along with a reduction of existing nuclear stockpiles, include the provost, 3 former presidents of MIT—two of whom were former presidential science advisers—4 academic deans, 15 institute professors, 4 Nobel laureates, 33 holders of endowed chairs, and, perhaps most impressive, all 11 scientists and engineers who are known to have participated in the development of the first atomic bombs at Los Alamos national laboratory 40 years ago, and who are now on the MIT faculty or professors emeriti.

The threat of a worldwide nuclear holocaust was in its embryonic stages when I graduated from MIT in 1953. It has since escalated into a terrifying reality, and never before has it been more important to ask whether we will continue down the road of nuclear escalation and possible human extermination, or whether we will say this insanity must come to a halt.

The nuclear freeze movement supported by millions of people and endorsed at the ballot box by several States last November, including my own of California, is not an effort to cripple America's defenses or expose this country to a blind and unverifiable agreement with the Soviets. As I have said to this body before, our people do not want to sacrifice our Nation's safety, but they also do not want to be incinerated so some Dr. Strangelove theorist can test his belief that nuclear war is winnable. It is not, and the list of those Americans who understand that grows daily.

Last year, the 97th Congress, by the slimmest of margins, rejected a nuclear freeze resolution that would have made great strides toward disassembling this structure of fear that holds America's future hostage. This year, the nuclear freeze resolution, which I have cosponsored, will once again come before Congress. The chorus of support for that resolution has grown louder, and now MIT has added its credible and informative voice to the chorus. I hope my colleagues will join me tomorrow in receiving the MIT letter and welcoming this mighty institution's support for peace over war.●

AMERICAN CONSERVATION CORPS ACT OF 1983

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MARKEY. Mr. Speaker, I would like to congratulate my colleagues on passing H.R. 999, the American Conservation Corps Act of 1983. The bill passed the House with a bipartisan vote of 301-97, with 187 cosponsors. This legislation will provide meaningful work and educational benefits for our Nation's young adults.

Participants in the American conservation program would receive academic credit from educational institutions whenever possible as well as training, skill certification, and placement services. This program will be one cost-effective way to offer our country's youth jobs and aid them with proper experience for future employment. Priority consideration will be afforded those individuals who are socially, economically, and educationally disadvantaged.

With unemployment among youth at a record high, this bill gives them a glimmer of hope in a time of economic gloom. I thank my colleagues on the Interior Committee and especially Mr. UDALL of Arizona and Mr. SEIBERLING of Ohio for their fine efforts in passing this bill.●

THE SCIENCE ESTABLISHMENT FLUNKS

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. PEASE. Mr. Speaker, although I intend to vote for H.R. 1310, the Emergency Math and Science Education Act, I wanted to take this opportunity to place in the RECORD an article that appeared in the October 8, 1982, issue of the Wall Street Journal, which puts the current support for science education by the research community in proper perspective.

As a former member of the House Science and Technology Subcommittee on Science, Research and Technology, I am painfully familiar with the chronic neglect of science education by the research-dominated National Science Foundation. During the yearly NSF authorization process, I and my subcommittee colleagues worked to carve out a more substantial financial commitment to science education by NSF. Each year, we face the same foot-dragging and a diminishing share of the total NSF budget for science education.

As a Member of Congress with a particular interest in the Federal budget process—having prepared an alternative budget to President Reagan's in 1981 with a smaller deficit than the President's—I would like to note in supporting H.R. 1310 that the same objectives in this legislation could have been achieved without the increase in Federal spending if the university science and engineering community had cooperated within NSF to commit resources to science education prior to its cause celèbre status.

THE SCIENCE ESTABLISHMENT FLUNKS

(By Rustum Roy)

It has become fashionable—within the space of less than six months—for prominent leaders among scientists to be concerned with science education as distinct from research. On all sides we hear of the desperate straits of science education among the general American populace.

By and large, especially in relation to the developed nations, I believe that the U.S. citizenry and its leadership are indeed below the average elsewhere in a balanced understanding of science and technology and their impact on society. However, the main response of the science community to this situation is an appeal to government and to industry for more money. But nonscientist, politically astute observers detect a peculiar inconsistency in all this recently acquired concern for science education by this community.

How can it be, they reason, that the university science and engineering community should find itself in such desperate straits, when the Reagan administration has been relatively kind to science budgets? For two or three decades, science was well funded; indeed, the seeds of this problem were planted during the plush years of science's

growth. Surely money is not the only problem. Is it not in the values and priorities of the scientists themselves?

Have they shown a concern for the education in science of the general public? After all, the Public Understanding of Science program was judged by the science community itself for many years to be worth one-tenth of 1% of the budget of one agency (NSF) and zero in all others. Even the Reagan elimination of the National Science Foundation's science education directorate amounted to only 6% to 7% of the total NSF budget.

If, the critics argue, the science and engineering community felt so strongly about any of these aspects of science education, they could easily have shifted resources during the many fat years of science funding to establish the levels of activity that are their new targets.

In the 15 years that the total budget for academic research was growing steeply, the *percentage* of the NSF budget allocated to all science education had dropped from near 50% to nearer 5%. For all those—in Congress and the agency—partly responsible for this change to rediscover education is indeed a turnabout. For them to make the charge that this was due to the "unimaginative" nature of NSF's science education program is ingenous, to put it mildly.

I believe there is a most instructive lesson in our history of handling science education, and unless and until we in the science establishment radically change our own values (heal ourselves), we will be unfit and unable to mount a meaningful campaign to eradicate technological illiteracy and re-integrate science into the education of all Americans.

The lesson I draw from the facts about our neglect of science education of the general population is that the vast majority of the scientists who have made policy for this nation for the last two decades—as professors, deans, presidents, chairpersons or members of National Academy committees or the National Science Board—did not have any philosophical rationale for or against "science education" for the nonscientist. Most simply didn't think about it or care.

The wholeness of the educational fabric of a technologically advanced culture, from a citizen able to appreciate and criticize technology and science, to the support of esoteric astrophysics Ph.D.s, was not manifest in the science community's reductionist world view. "More money for research" was the single goal of most scientists and science-policymakers. And when it came to money for science education, even of scientists, it was a very poor relation indeed compared to more money for research.

Therefore, it is my opinion that giving a little ($100 million) more money for science education of the general public cannot possibly do any good if it is given through this same community. Its gut-level attitudes simply cannot change that fast. Perhaps a Solomonic test would be to ask NSF, NIH and the rest, in a zero-based budget exercise, to see what percentage they would be willing to give up out of research budgets for science education. The government should then match that amount with additional money for science education within that agency. This would provide a mind-focusing exercise and a cathartic self-healing via repentance for both the science community and the nation.

To improve a very bad situation, I believe the executive or the Congress can move fast via a different program in a different agency, and one which has an excellent antecedent. I note first that it is genuinely in line with the concept of the new (or old) federalism. A new initiative on nationwide technological literacy could be modeled on former Assistant Secretary of Commerce Herbert Hollomon's invention: the State Technical Services Act (STSA).

I propose that an analogous State Science Education Act (SSEA) be enacted with two components. One will provide (on the basis of a formula incorporating the number of school students, high-school graduates, two-year technical graduates and college degrees) a grant to be matched on a three-federal-dollars to one-state-dollar basis, for state-run programs designed to eradicate technological illiteracy and upgrade science education for the non-specialist at every level.

The second part, somewhat along the lines of the STSA, would provide federal grants with an even higher matching ratio to consortia, regional associations and national groups, for programs agreed upon as being of value to any group of states.

Such programs might involve, for example, development of course content and teaching materials for print or TV. Using block-funding mechanisms, perhaps a five-person federal bureaucracy could run the whole office out of the Commerce Department. Moreover, by having 50 states run the SSEA program, we would move the action away from the research-oriented Washington bureaucracy, toward the level of government that in any case has the responsibility for much of science and general education.

Due to the shortage of science teachers nationwide, the only mechanism for rapid improvement of the national posture is through the volunteer route. The vast majority of our school districts could find in local industry, community college or university, scientists and engineers who would give up several hours a week to teach science at the local school and help in other local cable TV, newspaper or other community programs. Such volunteer contributions would count as matching money in kind, to qualify for extra state grants. Moreover, this scheme would not disturb the basic structure of the existing science teachers' employment, while permitting a gradual expansion of the personnel capable of explaining and interpreting technology in the context of society.

The bottom line comes down to this: In an era of fixed intellectual and financial resources, can the high science research community be entrusted with the science education of the American people?●

IDAHO BUSINESSMAN HONORED BY TIME MAGAZINE

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. HANSEN of Idaho. Mr. Speaker, in these times of economic troubles it is heartwarming to see recognition of successful business practices combined with responsible service to the community. Idaho is proud to have a native son, Tom Smith, so honored by Time magazine's 1983 Quality Auto Dealer Award. The news announcement follows:

TIME MAGAZINE HONORS BLACKFOOT AUTO DEALER

LAS VEGAS, NV.—Time Magazine has named Tom B. Smith, president of Blackfoot Motor Supply Company, Inc., an Oldsmobile, Buick, Pontiac, GMC, AMC, Jeep and Renault dealership in Blackfoot, Idaho, as a recipient of the 1983 Time Magazine Quality Dealer Award (TMQDA). His selection was announced by Michael M. Carey, director of the TMQDA Program for Time at the National Automobile Dealers Association (NADA) Convention in Las Vegas on February 12th. Smith and the other recipients were honored at the opening business meeting of the NADA Convention which this year was attended by over 5,000 people involved in the automotive industry.

Smith, whose dealership is located at 369 W. Bridge Street in Blackfoot, is one of only 62 dealers in the entire nation nominated for the Time honor.

The TMQDA Program is sponsored by Time in cooperation with the NADA. Each year it honors outstanding new car dealers in America for "exceptional performance in their dealerships combined with distinguished community service." The recipients are chosen by a panel of judges from the University of Michigan Graduate School of Business Administration.

A native of Pocatello, Smith began his automotive career in 1945 as assistant manager of his family's dealership, Blackfoot Motor Company. The following year, upon the death of his father, he became president of the company.

Involved in automotive industry affairs, Mr. Smith was nominated for the Time award by the Idaho Automobile Dealers Association. A member of NADA, he served on the NADA 20 Group, is past president of the Blackfoot Auto Dealers Association and has served on several factory dealer councils.

Active in community affairs, Mr. Smith is past president of the Chamber of Commerce and Rotary Club, a former director of the United Way, the Boy Scouts Council and a member of the Masonic Lodge, Idaho Falls Country Club and the Elks Lodge. In addition, he annually supplies a car for the Idaho State University Gold Club.

Smith and his wife, Doris, have three children and live in Blackfoot.●

THE NATURAL GAS CONSUMER REGULATORY REFORM AMENDMENTS OF 1983

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. CORCORAN. Mr. Speaker, for the benefit of our colleagues, I would like to insert in the RECORD summary information about the Natural Gas Consumer Regulatory Reform Amendments of 1983, the administration's comprehensive natural gas reform legislation that I introduced with several cosponsors earlier today.

SUMMARY OF NATURAL GAS CONSUMER REGULATORY REFORM LEGISLATION

Consumer protection through elimination of automatic pass through of price increases by pipelines (PGA adjustments).

Gas price increases above inflation may not be passed through automatically by pipelines.

Process requires full public proceeding with appropriate standards.

Ceiling price for most gas becomes lesser of NGPA price or "average" new free market price ("gas cap").

Indefinite price escalators limited by "gas cap".

Free the parties to negotiate new contracts with incentives to do so at low prices.

All new and renegotiated contracts deregulated.

Either party may market-out on any contract not renegotiated by January 1, 1985.

Eliminate disincentives for use of low cost gas.

Increase competition through contract carriage at incentive rates.

Take-or-pay contracts may be reduced to 70 percent by purchaser.

Eliminate Fuel Use Act and incremental pricing.

(1) As of date of enactment, any new contract may be signed and may operate by its terms.

(2) Any contract may be renegotiated and may operate by its new terms.

(3) The volume-weighted average of the price for natural gas in all contracts under (1) and (2), for the most recent month with available data, is called the "gas cap."

(4) Pending renegotiation, prices for all gas (except Section 107) are the lower of the Natural Gas Policy Act (NGPA) price ceiling or the "gas cap."

(5) On January 1, 1985, for any contract that has not been renegotiated, either party may exercise a "market-out" (abrogate the contract). In that event, purchaser must carry gas for seller to any other purchaser at an incentive rate.

(6) All gas is decontrolled from the nonprice regulations of the Natural Gas Act (NGA) and the NGPA on January 1, 1985, or on renegotiation, if sooner.

(7) Section 122, which gives the President or Congress the power to reimpose controls, is repealed.

(8) Immediately repeal Fuel Use Act (forbidding some uses of natural gas) and Incremental Pricing.

(9) All buyers have equal access to offshore and interstate gas.

(10) Latest "gas cap" is considered a federally-approved rate for area rate clauses.

(11) Purchasers may reduce all "take-or-pay" contracts to 70 percent of deliverability (conservation exception for associated gas).

(12) If option is exercised, seller can resell elsewhere the amount of gas reduced. In that event, the buyer must transport the gas at an incentive rate.

(13) Option to reduce taxes expires on January 1, 1986.

(14) All escalator clauses of all types in pre-enactment contracts are limited by the "gas cap." This limitation continues until January 1, 1986.

(15) Through January 1, 1986, an interstate pipeline may not immediately pass-through purchased gas costs above its last pre-enactment level plus inflation. Any additional cost must be specifically approved by FERC after a public proceeding with appropriate standards.

(16) FERC, on application, can require a pipeline with available capacity to carry gas under contract between producer and purchaser at an incentive rate.

(17) No pipeline may take gas from its own production or from an affiliate at a rate higher than its rate of take for any less expensive gas.

(18) A ceiling is placed on the currently deregulated gas (Section 107—deep gas) until or unless the "gas cap" rises above the ceiling. Tight sands gas is capped at the maximum allowable price on the date of enactment.

EXECUTIVE SUMMARY—ANALYSIS OF NATURAL GAS CONSUMER REGULATORY REFORM LEGISLATION

BACKGROUND

If the wellhead price of natural gas were not regulated, market forces would affect natural gas prices as they do all other unregulated commodities. When deliverable supplies were high, as they are today, the price would fall; when deliverable supplies were reduced, the price would increase. If the price of the principal competing fuel (oil) were to drop, the price of natural gas also would drop in order to maintain a competitive position in the marketplace.

But the domestic gas market has been distorted by existing law. The Natural Gas Policy Act of 1978 (NGPA) currently is causing natural gas prices to rise despite an oversupply of deliverable gas, declining oil prices, and a low rate of inflation.

PROPOSAL

The legislative proposal provides a transition to a free market for natural gas that both protects consumers from the effects of market distortions on prices during the transition and provides strong incentives for producers and purchasers to renegotiate contracts to minimize costs. Key differences from the NGPA include the following:

Consumers are protected through a moratorium on automatic Purchased Gas Adjustment (PGA) increases above the level of inflation, with other increases requiring a full public proceeding by the Federal Energy Regulatory Commission (FERC).

All new and renegotiated contracts are deregulated, with the volume-weighted average price of these new contracts becoming a cap on prices that can be charged under old regulated contracts. Pipelines may reduce take-or-pay contract volumes to 70 percent.

On January 1, 1985, either party may opt out of any old (pre-enactment) contract, and transportation of gas from producers to new buyers is guaranteed.

MAJOR ASSUMPTIONS OF THE ANALYSIS

Oil price assumptions are critical to any analysis of natural gas pricing policies because the fuels substitute for and compete with each other over a broad range of uses. This analysis uses in its reference cases those oil prices developed for the fiscal year 1984 budget. These prices are relatively flat in real terms ranging from about $31 to $32 over the 1983-90 time period. A low oil price sensitivity case was run at the $23-to-$24-per-barrel level in real terms through 1985, with growth at 1 percent in each year through 1990.

Other key assumptions include the following:

GNP growth at 1.7 percent in 1983 with a recovery peaking in 1984-85 (4.5 percent). The average annual growth rate for the rest of the decade is 3.4 percent.

Excess deliverability of natural gas in 1982 averaging about 1.4 trillion cubic feet.

Conservative estimates of the number of producer/pipeline contract renegotiations before January 1, 1985.

RESULTS OF THE ANALYSIS.

Under current law, prices are projected to continue on a steady upward path, reflecting both the changes in mix (depleting supplies of old, low-priced gas and additions of more expensive gas) and some subsidization of drilling for more expensive gas. As prices currently are approaching market-clearing levels, the analysis does not show a sudden price increase when partial decontrol takes effect in 1985. But just what will happen to gas prices in 1985 will be strongly influenced by oil prices.

Under a low oil price scenario, prices under current law continue to rise until after the partial deregulation in 1985, as certain contract provisions cause the price ceilings under the NGPA to continue to act as floors that rise with the rate of inflation.

The legislative proposal shows a much different pattern in the near term. Under base case price assumptions, the average price of gas shows a decrease in the first year of 10 cents to 30 cents per thousand cubic feet. This is about 20 cents to 40 cents below projected NGPA prices. Prices under the proposal remain below those under current law (NGPA), with both rising to about 10 percent above 1982 prices by 1985, assuming no PGA restrictions as a worst case. If FERC disallows some purchased gas cost increases until 1986, residential prices will not rise by the full 10 percent.

Under a low oil price scenario, residential prices should drop by about 30 cents to 60 cents in the first year, about 40 cents to 70 cents below NGPA projections, and should remain well below 1982 levels until 1985. After 1985, the difference between current law and the proposal is very small, as low prices do not offer substantial incentives or subsidies to drill for expensive gas.

In terms of economic efficiency, the legislative proposal shows sizable gains as resources flow to their most efficient uses in a competitive market rather than to the less efficient uses caused by a distorted market. Under the base case oil price assumptions, the legislative proposal provides net national economic benefits over the period that are in the range of at least $1 billion to $2 billion. Such benefits to the economy also are very sensitive to oil prices; when oil prices increase, the free market will cause low-cost gas to be produced first—unlike the current situation with its distorted incentives to produce high-cost deep gas because of its deregulated status. Using the higher oil prices expected in the analysis of 1 year ago, economic efficiency gains are in the range of $25 billion.●

WILLIAM POTOKA, "GOOD WILL AMBASSADOR"

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. GAYDOS. Mr. Speaker, on March 12 the residents of a community, whose very name conjures up the picture of small-town America, will gather to honor a man who has earned the title: Ambassador of Good Will.

The community is Mount Pleasant, Pa., and the gentleman singled out for recognition by Lodge 868, Benevolent and Protective Order of Elks, is its mayor—William Potoka, "Citizen of the Year."

It is expected more than 250 of Mayor Potoka's friends, neighbors and Brother Elks, will convene to pay tribute to the many civic services he has performed as a member and as an elected official of the community.

Mayor Potoka's present office, one which he has held for 14 years, is merely one of several positions he has held in Mount Pleasant. He has been a school director, serving as president of the last Mount Pleasant School Board and the first of the new Mount Pleasant Area jointure.

He has been a director of the Mount Pleasant Chamber of Commerce, chairman of the Bicentennial Committee and the leader of a citizen's group that organized a "Welcome Home" celebration for a town resident who had been an Iranian hostage.

Mayor Potoka also headed a committee to restore the community's tribute to veterans, a statue of a World War I "Doughboy" destroyed in an automobile accident in 1981. He is an avid supporter of programs for the youth and the elderly and last Christmas instituted a "Reach Out and Touch Someone" program to provide food baskets for the unemployed.

He is prone to "go on the road" to extol the advantages of living and working in Mount Pleasant, appearing on the banquet circuit as a speaker and in movies and video tapes.

In the interim, he somehow finds time to be the husband of his wife for the past 41 years, Florence Testa, the father of their children and the grandfather to five of their offspring. He also continues to run the business he built from a service station to the repair and rennovation of tractor-trailer trucks.

Mr. Speaker, I consider it a privilege to join the people of Mount Pleasant in honoring their "Ambassador of Good Will," Mayor William Potoka and express to him on behalf of my colleagues in the Congress of the United States our sincere admiration of his many years of dedicated service to the residents of his community.●

RICK VOORHIES

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. APPLEGATE. Mr. Speaker, several days ago, our friend and colleague, the gentleman from Kentucky, Mr. HAROLD ROGERS, related to this House an incident of heroism that involved a constituent of his, Mr. Roy Wesley, who was pulled from a burning truck by Mr. Rick Voorhies, who happens to be a constituent of mine. I would like to take this opportunity to publicly commend Mr. Voorhies on his courageous efforts that may well have saved a human life.

It is rare, indeed, that we hear of such human-sacrificing acts. It is only fitting, therefore, that we recognize the people involved and thank them for their concern for fellow man.

Again, on behalf of this body, I congratulate Rick Voorhies on his courage and a job well done.●

CONSUMER DEBTOR BANKRUPTCY AMENDMENTS ACT

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. SYNAR. Mr. Speaker, today I am introducing legislation to curb unnecessary bankruptcies without denying bankruptcy relief to consumers who need the "fresh start" the bankruptcy system is designed to provide.

Personal bankruptcies have risen dramatically since the Bankruptcy Code became effective on October 1, 1979. Three years later bankruptcies continue to run at an annual rate of about 450,000, or 200 percent of the rate for the 12 years prior to enactment of the code. This rise is inexplicable, even when coupled with high interest rates, inflation, unemployment and increased public awareness of bankruptcy from lawyer advertising.

Economic conditions cannot account for the many debtors who have been counseled to discharge all of their debt in a straight chapter 7 bankruptcy when they might easily have completed repayment of such debts in a court supervised chapter 13 program.

Some experts believe that as much as $1 billion of the $6 billion scheduled in bankruptcy annually is unnecessarily discharged and can be paid by debtors without hardship. This $1 billion is being paid by other consumers through higher prices and limitations on credit availability.

There is a virtual consensus that help is needed. The only question is how. The legislation I am introducing today presents a firm middle ground between the two approaches already introduced in the 98th Congress: H.R. 1147 by Congressman PETER RODINO and H.R. 1169 by Congresswoman MARILYN LLOYD BOUQUARD. Both are good bills that address important problems facing the consumer credit industry; I believe my bill is a sound compromise that addresses these problems thoroughly while protecting the vast majority of consumer debtors who need and deserve bankruptcy relief. I am pleased that my Judiciary Committee colleagues Congressmen BARNEY FRANK, HAL SAWYER, and BILL MCCOLLUM have joined with me today as cosponsors, along with Congressmen GILLIS LONG, BUTLER DERRICK, DICK GEPHARDT, BILL GRAY, VIC FAZIO, TRENT LOTT, BILL EMERSON, and HAL DAUB.

Our legislation builds upon a hearing record formed in the 97th Congress. In 1981 a consumer bankruptcy reform bill was introduced which contained several provisions to modify the bankruptcy process. It contained a provision which would have allowed a creditor to challenge the eligibility of a consumer debtor to take chapter 7 relief based on an ability to pay test. I did not cosponsor that measure, believing another approach could curb unnecessary bankruptcies while better protecting the rights of deserving debtors.

Our legislation achieves this goal by following the suggestions of the final report of the National Bankruptcy Commission that consumer debtors seeking bankruptcy relief be counseled as to their options before selecting a chapter 7 straight bankruptcy or a chapter 13 repayment plan. I am keenly aware of the importance of credit in the daily lives of millions of consumers and believe that counseling debtors may prevent their jeopardizing their future ability to obtain credit. As the National Bankruptcy Commission, among others, has noted, debtors often find themselves in a straight bankruptcy without being aware of the repayment alternative.

Mr. Speaker, our bill also grants a court the authority, on its own motion and only on its own motion, to abstain from or dismiss a chapter 7 proceeding where to permit it to continue would constitute an abuse of the Bankruptcy Code. When this was first brought to my attention I was shocked to learn that courts cannot now stop a bankruptcy proceeding even when the judge is convinced the relief sought is unnecessary. This provision is an alternative to the highly criticized threshold test or future income test contained in other legislation. Our intention is to protect consumer debtors from routine harassment which some feared could result from the threshold test, which gave creditors a formal procedure by which to challenge chapter 7 proceedings, while at the same time helping to curb abuse of chapter 7 relief.

Our bill gives creditors no formal procedure. Rather, the court alone decides. If a creditor does seek to raise the issue at any point in the proceeding, the bankruptcy judge is under no obligation to hear or consider the creditor's motion or petition. It may be dismissed without comment or consideration and the creditor has no right to appeal. Therefore, the creditor has no means of bringing any pressure on the judge to exercise his discretion and no means of putting any pressure on the debtor not to pursue a chapter 7 straight bankruptcy. Further, creditors who do seek to harass debtors by filing superfluous motions or petitions would be subject to all the

sanctions now available to a judge to deal with creditor harassment, including citations for contempt of court.

Additionally, this bill would strengthen congressional oversight of the bankruptcy system by providing for the collection of statistical data to enable the Congress to better measure the effectiveness of the Bankruptcy Code. During the 97th Congress we experienced a great deal of uncertainty over the facts of the matter during our debate. I am hopeful this data will help future Congresses insure that the Bankruptcy Code is responsive to national needs.

Other principal provisions of this bill address the problems of "loading up" by some debtors in anticipation of bankruptcy, create standards for courts to follow in confirming repayment plans, abolish the discharge hearing, and eliminate other costly and cumbersome procedures which prevent the efficient handling of bankruptcy cases. Congressman RODINO's bill addresses the "loading up" and confirmation standards problems.

And finally, our bill addresses the special and unique problems of farmers caused by the court's inability to move quickly to distribute crops to farmers who have merely stored grain in grain elevators without transferring title to the grain elevator operator. Our bill imposes a 120-day time limit on the bankruptcy judge to determine grain ownership; requires bankruptcy courts to accept valid warehouse receipts and scale tickets as proof of ownership; provides that all holders of valid warehouse receipts shall share in the distribution of assets and those not holding receipts shall share in the second tier distribution; and allows farmers to demand reclamation of crops up to 20 days after the filing of the bankruptcy petition and requires that written requests for reclamation which are denied by the court shall be secured with a lien.

The 97th Congress provided sound legislative history for many of these proposals. On March 23 and 25, 1982, hearings were held by the House Judiciary Committee Subcommittee on Monopolies and Commercial Law focusing on unnecessary discharge of debts. On April 23, 1982, hearings were held focusing on reaffirmation, discharge hearings and the desirability of a bankruptcy judge convening the meeting of the creditors. In June of 1982, further hearings were held focusing on the avoidance of liens on household goods and the dischargeability of debts incurred within 90 days before taking bankruptcy. These hearings provide the foundation for the legislation that we are introducing today.

Mr. Speaker, I am confident this bill will provide the vehicle to curb abuses of the bankruptcy system without injuring deserving debtors and denying the "fresh start" that so many need. I know that Congressman RODINO, author of H.R. 1147 and chairman of both the full Judiciary Committee and the Subcommittee on Monopolies and Commercial Law, shares my interest in enacting needed remedial legislation. I look forward to working with him and other members of our committee toward solving these problems.●

UKRAINIAN INDEPENDENCE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MOAKLEY. Mr. Speaker, history illustrates for us the struggle and perseverance of those suppressed people who have sought to be free of the tyrannic and repressive rule imposed on them. Perhaps one of the best examples of such a longstanding and desired fight for freedom is in the 50 million Ukrainians, held hostage as a nation, within the Union of Soviet Socialist Republics. Therefore, it is with a deep sense of concern and admiration for these people that I address the Congress today on the necessity of Ukrainian independence.

The fall of Russian czardom in the spring of 1917 was the starting point for the Ukrainian national revolution which saw the establishment of a Ukrainian National Republic on November 20 of that year. On January 22, 1919, all people of Ukrainian ethnicity were united into one sovereign state of the Ukraine. Pledging a commitment to live in peace and friendship with all neighbors of the Ukraine, the nation enjoyed 3 years of free existence before succumbing to the expansive and imperialist forces of the Soviet Union.

The years following Soviet annexation have been hard and harsh ones for the Ukrainian people. Through deportations, executions, collectivization, and starvation, millions of innocent men, women, and children have lost their lives as their Communist overlords have attempted to tighten their grip on the country. Today, 45 percent of the political prisoners in the Soviet Union are Ukrainians although in total, the people of the Ukraine account for only 20 percent of the total population. The people of the Ukrainian S.S.R. suffer untold hardship and national persecution, famine holocausts, suppression of Ukrainian culture, religious persecution, economic exploitation, the wanton destruction of the Ukrainian Orthodox and Catholic Churches, and numerous violations of national and human rights. Most admirable and encouraging is the fact that, despite these deliberate attempts to destroy the Ukrainian people, their spirit of freedom, lust for liberty, and sense of national pride is as strong as it was 65 years ago when they declared their independence. Such fervent desires and feelings express for us today the emotions and wishes our Founding Fathers had 200 years ago. As we were helped in achieving our goals and wants, should not we recognize and help those others who thirst and long for freedom?

The attempts for independence within other Soviet bloc countries show that the artificially forged unity of the Communist bloc is vulnerable to the smoldering desires of nationalism. As a nation concerned with human rights, it should be our obligation to monitor the events and occurrences within the Ukraine so as to exert pressure on the Soviet Union while revitalizing and supporting those who have the courage to dissent. And it should be our new goal to push for and promote the principles of freedom in those countries like the Ukraine where the desire for them is there but government repression stands in their way. The determination and perseverance, the suffering, and the sacrifice of the Ukrainian people have been great; let it not be in vain.●

WOMEN'S HISTORY WEEK

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to take this opportunity to voice my support for House Joint Resolution 70. This resolution as introduced by my colleague, BARBARA MIKULSKI of Maryland, calls on President Reagan to declare the week of March 6, 1983 as "Women's History Week."

The history of our great Nation is no less the history of American women. The contributions made by American women are notable, as part of an historical record, while providing role models that are worthy of imitation.

As this great Nation of ours has experienced good times and bad times, American women because of their sacrifices and contributions deserve as much recognition as a heartfelt nation can offer.

Mr. Speaker, I urge all my colleagues to join Ms. MIKULSKI and me in requesting President Reagan to declare the week of March 6, 1983 as "Women's History Week."●

THE INTRODUCTION OF LEGISLATION TO ENCOURAGE RESEARCH AND DEVELOPMENT IN THE UNITED STATES

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. HEFTEL of Hawaii. Mr. Speaker, today I am joined by 21 of my colleagues on the House Ways and Means Committee in introducing an important bill to permanently rectify a provision of the Internal Revenue Code that discourages research and development activities in the United States. This legislation will also bring our Tax Code into line with the international treatment of domestic research and development expenses, and will help to restore our competitive position in the international marketplace.

In 1977 the Internal Revenue Service promulgated regulation 1.861-8, under which a complex formula must be used to allocate to foreign-source income a portion of overhead and other expenses associated with research and development activities conducted in the United States. This allocation process thus precludes U.S. companies from deducting this allocated share of research and development expenses from their taxable U.S. source income. However, this procedure effectively denies any deduction for this portion of the company's research and development expenses, as no foreign country recognizes deductions against its income or other taxes for research and development activities conducted outside its national boundaries.

Regulation 1.861-8 thus imposes a substantial additional economic cost on the performance of research and development activities in the United States. The effect of this regulation is to deny U.S. corporations a full deduction against U.S. income for purely domestic research and development expenses. In other words, this regulation acts as a significant incentive for U.S. companies to shift their research and development activities to foreign countries. No matter what the tax arguments may be for this allocation methodology, we clearly should not be encouraging the exportation of our most valuable resource, research and development, in these or in any economic times.

Mr. Speaker, in 1981 we recognized the problems created for U.S. research and development by this regulation when we enacted a provision in the Economic Recovery Tax Act to impose a 2-year moratorium on the allocation requirements of section 1.861-8 of the Income Tax Regulations. This moratorium is scheduled to expire on December 31, 1983. Therefore, the time is upon us to take permanent action to resolve this problem once and for all.

The bill I have introduced will require that expenses related to research and development activities conducted in the United States be allocated to U.S. source income. Thus, there will be no question as to how deductions for research and development expenses should be treated for U.S. income tax purposes. Moreover, this legislation goes far beyond a simple extension of the existing moratorium and provides a permanent solution to this problem.

In 1981, we also required the Treasury Department to conduct a thorough study of the implications of this tax treatment of domestic research and development expenses. This study was to have been completed in February of 1982. It still has not been transmitted to Congress for our review.

It is clearly up to Congress to take action on this critical problem. We are not going to get guidance from the administration or the Treasury Department, as is indicated by the inordinate delays experienced in the development of the study that we required in the 1981 Tax Act. Last month the 1-year anniversary of the due date for this study came and went, and still we have not seen the study.

In the meantime, the U.S. companies affected by this regulation decided to take action on their own and commissioned Arthur Andersen & Co. to conduct a similar study of major research and development spenders in the United States. Among other things, this study, which was released in January of this year, found that the United States is the only Nation in the world requiring the allocation of domestic research and development expenses to foreign-source income. In fact, many other developed countries are working hard to attract and stimulate research and development activities within their borders. Moreover, U.S. company research and development investment is growing faster in foreign markets than in the United States, and many of the companies responding to the survey indicated that regulation 1.861-8 is a significant factor in their decisions to locate research and development activities abroad.

Mr. Speaker, when we export research and development, we not only export jobs; we also export our national productivity and only serve to further weaken our competitive standing in the international marketplace. If we are going to return this Nation to its status as a vital producer of goods that the world needs, then research and development must lead the way.

As if we needed proof of the importance of research and development to our national economy, Japan, our favorite example and scapegoat of late, provides a greater number of research and development incentives to industry and individuals than any other country. Where at one time "Made in Japan" was synonymous with poor quality and cheap imitations of U.S. goods, Japan now leads the world in developing and producing high-quality, innovative, high-technology products that Americans and citizens of other nations are lining up to purchase.

It is time this Government and this country recognized the important steps that must be taken to restore industrial productivity and to regain our position in the industrialized world. Enacting a permanent solution to the problem created by regulation 1.861-8 is but one of the steps that we should be taking to realize these vital goals, but it is a very important step. We must move quickly to eliminate this significant disincentive to domestic research and development activities once and for all.●

MEDAL OF HONOR PROPOSED FOR ERNEST L. WRENTMORE

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. SHUMWAY. Mr. Speaker, today I am introducing legislation to authorize the President of the United States, in the name of Congress, to award the Medal of Honor to Ernest L. Wrentmore of Penn Valley, Calif.

Mr. Wrentmore, at the age of 13, was the youngest man to have served in the American Expeditionary Forces in France during World War I. Even at such a young age, Mr. Wrentmore exhibited great bravery and valor during his tour of duty. While serving with the Expeditionary Forces in France, he was gassed and wounded while carrying messages across a bullet-swept field to another unit of U.S. troops, thus allowing his company to advance. His commanding officer, Maj. E. C. Allworth, cited Mr. Wrentmore's entire tour of combat as "above and beyond the call of duty."

Mr. Wrentmore was awarded a battle star citation in October 1918 as well as the Purple Heart in May 1933 by the War Department for his heroic actions in World War I. He also received an appointment to study at West Point Military Academy and a recommendation for the Distinguished Service Cross by his commanding officer, Major Allworth.

Due to a fire which destroyed the headquarters of Mr. Wrentmore's company and all recommendations and paperwork regarding his tour of service, Mr. Wrentmore did not receive the proper recognition for his distinguished service. I feel that Congress should seize the opportunity to show

our Nation's appreciation, no matter how belated, for the extraordinary valor and courage demonstrated by Mr. Wrentmore during World War I. Mr. Wrentmore should not be denied any longer the recognition he deserves.

The text of the bill is as follows:

Notwithstanding any provision of section 3744 of title 10, United States Code, the President of the United States is authorized to award, in the name of Congress, the Medal of Honor to Ernest L. Wrentmore, formerly a private, Company I, Sixtieth Regiment, United States Infantry, in recognition of his great courage on October 14, 1918, when he was dispatched by his company commander to carry messages across a bullet-swept field to another unit of our troops, thus permitting his company to advance.●

CHRONICLING THE GROWTH OF SEESSEL'S SUPERMARKETS

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. FORD of Tennessee. Mr. Speaker, Mr. Speaker, it is with great pleasure that I rise today to draw the attention of my fellow colleagues in the Congress to the outstanding accomplishments of a Memphis based, family owned grocery store chain. Today, Seessel's Supermarkets mark the beginning of 125 years of business and service to our community.

In Memphis, Seessel's has become a household word representing the highest standards in retail merchandising. Since 1858, the Seessel family has operated the type of quality, innovative business which has become the hallmark of this country's true success stories.

I would like to share with you the following article which appeared in the Memphis Commercial Appeal on February 27, 1983, chronicling the growth of Seessel's Supermarkets along with the history of the city of Memphis.

The article follows:

SEESSEL'S CELEBRATING CHAIN OF 125 YEARS

(By Emmett Maum)

What began 125 years ago as a downtown butcher shop owned by a German immigrant has evolved into a grocery store chain with seven locations. Some services have changed, others have been added, but through it all a Seessel has lead the way.

Founder Henry Seessel opened The Central Market on Main in 1858. On Wednesday his family's fifth generation will start a celebration that will last the rest of the year.

Seessel's Supermarkets, a privately owned company, is one of the oldest firms in the Mid-South. The chain has introduced several innovations in the Memphis market, said Arthur N. Seessel III, 44, company president. They include:

Selling frozen foods and generic foods.

Air-conditioning grocery stores.

Scanning at checkout counters.

Providing a playground for children whose parents were shopping at the store on Union. The playground existed in the 1950s.

Delivering groceries "in a big way." The service ended in 1962.

Being the first of larger food stores to charge groceries, and it still has credit accounts with some customers.

Its executive positions have passed through five generations and present executives hope their children will enter into the business. The president's brother, Jerry, 41, is executive vice president, and their cousin, Richard, 35, is vice president of food services. Arthur N. Seessel Jr., who retired five years ago at age 65, and his brother, Sam Seessel, who retired three years ago at 63, are cochairmen.

Sales volume has more than doubled since 1980, said the company president. During that period, Seessel's doubled the size of its store at Poplar and Perkins and opened stores at Quince and Ridgeway roads, and in Southaven.

This year Seessel's may construct its largest supermarket—a 40,000-square-foot store at Germantown Road and Farmington Road in Germantown.

If built, it will be the dominant store in a shopping center planned by Memphis-based Malone & Hyde, Inc., one of the nation's leading food distributors, said Seessel. Plans for the store were approved by the Germantown Design and Review Committee, and will be presented to the Germantown mayor and Board of Aldermen.

Because the chain is privately held, Seessel did not reveal sales and profits. "Our profit margin is in the neighborhood of 1 percent, about average for the supermarket industry," he said. Seessel's and other supermarket chains get their net income from the sales volume, rather than a big margin.

Seessel's retains the same basic attitude it had 125 years ago, he said.

"Our attitude is that we are Memphians. We like Memphis and its people and enjoy serving them. And want to continue to benefit the community and those with whom we work. We feel service, quality and good prices equal values. That creed was passed on by Seessel's predecessors, and will go to the next generation of Seessels involved in the business."

That attitude, coupled with its "family of employes," has been responsible for Seessel's continued success, Arthur N. Seessel III said. "Employes make a business. You can build the finest facilities, but without good employes the company won't succeed too well."

Seessel's philosophy is to do something constructive that will have an impact on the community, he said. It attempts to include company employes, "by far our greatest asset," said Seessel. Seessel's Supermarkets believes in business, civic and cultural contributions, he said.

Arthur N. Seessel III has a son and a daughter; Jerry Seessel, a son and two daughters, and Richard Seessel, a son. They would like to see as many of their children as possible join the firm later. Seessel's has refuted periodic rumors that it would sell out to others. Malone & Hyde, owner of Giant Foods of America and Pic-Pac Food Stores, and developer of and supplier to Big Star Stores, has been most prominently mentioned as a possible buyer.

"We buy our groceries from Malone & Hyde, an excellent firm. We think highly of J. R. Hyde III, its chairman and president. However, we have no intention of selling to Malone & Hyde or anyone else," Arthur Seessel III said.

The chain kicked off its 125th anniversary celebration last Sunday with a party for its 635 employes, half of whom are part-time workers, at the White Station High School Auditorium. The event gave employes a peek into special events that the city's oldest grocery chain has in store for its birthday.

They were told the company will bankroll an annual $5,000 four-year college scholarship for a Seessel's employe or dependent. A 10 per cent discount on grocery purchases will be given to employes working for the chain 10 years or more. Ninety employes—or 30 per cent of full-time workers—have been with Seessel's a decade or more.

Poster and memorabilia contests are scheduled in March. Theme of the poster competition for students in grades 4-6 and 7-9 will be "The Supermarket of the Future." The contest has been approved by city, county and many private schools, said Seessel. The poster contest is designed to encourage students to combine factual information with their creative concepts about the future, and to apply the ideas to an institution they know—the family supermarket. The other aim is to expose the public to children's visualization of one aspect of the future. Grand prize for each division will be an Atari video computer system.

Of the memorabilia contest, Seessel says, "Search your attic, drag out your scrapbook, as your grandmother. Seessel's wants to find interesting material related to our history of the grocery business in Memphis. We are looking for items dating from the opening of our original Main store in 1858 to the opening of our Union store in 1941."

Competition will be in four categories—advertising, documents, merchandising and grocery products and/or packaging. The grand prize for the best overall entry from any category will be a $500 gift certificate from Seessel's.

In March a multimedia advertising campaign will start, focusing on the anniversary.

The company's founder moved and changed the names of his businesses frequently. Nine years after starting his meat shop Henry Seessel opened A. Seessel and Sons, a stall in the City Market in Old Market Square. Two years later, he started A. Seessel and Sons Dry Goods. In 1872—during the decade that saw yellow fever ravage Memphis and bankrupt the city—Henry Seessel opened his second store called The Central Market.

The Memphis Appeal, a forerunner of The Commercial Appeal, chronicled that opening: "At No. 72 Jefferson, corner of Third, opposite the European Hotel, not far from the theater, and in full view of the Exposition Building, stands the new Central Market, owned by H. Seessel Sr., the great butcher of Memphis. It will be opened tomorrow (Oct. 14, 1872) with a great display of the finest beef, mutton, hog and venison in the state. The Central Market will be found very convenient to all that part of town lying between Poplar and Beale Street markets."

In 1900, The Central Market moved to 15 South Second, and the name changed to Arthur N. Seessel's Market. In 1917, it moved to 18 North Second. In that move, Arthur N. Seessel incorporated the best of Clarence Saunders' ideas into his store. Saunders' self-service Piggly Wiggly stores

were forerunners of the modern supermarket. The concept's enormous popularity made Saunders a multimillionaire until he lost his fortune in a stock battle on Wall Street.

During those days, Seessel's used a horse-drawn wagon for deliveries, and in years afterward used early vintage trucks.

In 1926, Seessel's Market, including a bakery, opened at 1117 Union. The firm says it remained the only Mid-South grocery store offering a bakery department until the 1950s. Seessel's started a store at 1761 Union in 1941. A supermarket opened in 1962 at Poplar and Perkins. In 1969, Seessel's Bakery opened in Whitehaven, along with its third supermarket. A Raleigh store was established in 1972, one in Germantown in 1975, the Quince and Ridgeway store in Balmoral in 1979, and one in Southaven last year.●

IDES OF MARCH FOR THE UNEMPLOYED

HON. ED BETHUNE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. BETHUNE. Mr. Speaker, in Rome the oracles warned Julius Ceasar of the Ides of March. Four weeks ago, the administration and the Department of Labor warned the House leadership and Appropriation Committee that money for unemployment benefits would be depleted by March 15, 1983, and requested an urgent supplemental. Nevertheless, instead of working expeditiously, the House leadership chose to sit on the administration's request and pursue other political goals.

As you know, Mr. Speaker, the Congress is poised to consider a so-called jobs bill. Several weeks ago we expected a bipartisan employment initiative but it has been retooled and now is no longer clear cut. Who suffers from the delay? The unemployed who hope for new job opportunities. But, Mr. Speaker, there is a second group of victims—the people who are depending on their unemployment benefit checks. Why? Because the House leadership held up the President's request for unemployment benefit funding so that it could later be included in the jobs bill to make this bill more palatable.

This delay was premeditated and borders on blackmail. Playing political games at the expense of the unemployed is inexcusable. I have written a letter to Chairman WHITTEN of the House Appropriations Committee requesting that supplemental unemployment appropriations be considered quickly and separately. I am sure the Senate would welcome this responsible action. Hopefully, the Ides of March will not be a woeful day for the unemployed.●

HEALTH INSURANCE FOR THE UNEMPLOYED AND THEIR FAMILIES

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. WALGREN. Mr. Speaker, all the jobs and emergency assistance legislation for the unemployed unfortunately seem to ignore one of the most tragic consequences of this economic depression—the brutal fact that millions of Americans are deprived of basic health care because they lose their group coverage when they lose their jobs.

Today I am introducing legislation to establish both an emergency program and a permanent program providing health insurance at affordable rates for up to 18 months after an individual loses his or her job. This bill is the House companion to S. 307 introduced by Senator DONALD RIEGLE of Michigan.

There is a desperate need for quick action in this area. At a recent hearing before the Health and Environment Subcommittee on which I serve, Congressional Budget Office Director Alice Rivlin testified that of the 12 million Americans out of work, 7.4 million had been laid off. Including dependents, this leaves some 10.7 million persons lacking health insurance coverage because of job loss. More are losing coverage every day.

This is a tragedy for both the unemployed workers and their families and the entire health care system in America.

Even though many private company health plans offer conversion options for unemployed workers, the premiums—usually about $200 a month—are out of reach for the worker who must also pay his mortgage, heat a home, and feed a family on an average $700-a-month unemployment check. These workers face two unacceptable options—either delaying and neglecting needed health care or losing their homes and life savings to huge medical bills.

There can be no more tragic a comment on us as a society than the fact that in the State with the highest unemployment, where 400,000 workers lost their health insurance, the infant mortality rate rose for the first time since World War II. Study after study shows that increased unemployment means increased deaths from heart disease, cirrhosis of the liver, and other stress-linked disorders.

Unemployment tremendously strains our health care system. Because unemployed workers postpone treatment until conditions need major, expensive attention, they turn to hospital emergency rooms for treatment. Most cannot pay for this care and the hospital must absorb the cost, adding about $30 a day to the cost for other insured patients.

The Public Health Hospital in Mobile, Ala., has recently shut its door on weekends to everyone because it can no longer afford to treat uninsured patients. Dr. Richard Thompkins of the Seattle Public Health Hospital testified before our Health Subcommittee that "economic realities soon may force us to either turn away people who desperately need our help . . . or close our doors permanently." He warned that we are moving closer to an "unequal two-tiered health care system"—one for those who can pay and another for the elderly, the poor, and the uninsured unemployed.

Mr. Speaker, I believe we are a far better and more decent society than one which would tolerate such a system. My bill establishes a combined Federal, State, and private effort to provide a permanent program of up to 18 months of health insurance coverage for those who are laid off because of economic conditions in the future. In addition, this bill establishes a temporary program to provide up to a year of coverage for those currently unemployed.

This is a modest program—voluntary for the worker and requiring some financial contribution on his part. Yet it is an affordable contribution for someone collecting unemployment and would entitle the unemployed worker and his family to the Federal minimum standard for benefits which would be comparable to those offered under medicare, including comprehensive medical and hospital protection.

The permanent program consists of two parts. First, all employers must continue health insurance coverage for their unemployed workers—under existing payment ratios—for at least 6 months following an involuntary severance. In addition, the employer must participate in a State insurance pool which would provide another year of protection. In the pool, the worker would pay 20 percent of the premium cost—about $20 to $30 a month for family coverage. Workers would be eligible either for pool insurance coverage for up to 12 months after their own coverage expires or for 60 days after they become gainfully employed, whichever comes first. An employed worker would be eligible to participate in this program only if the individual were not eligible for other health insurance protection, such as spousal or paternal insurance, medicare, or medicaid.

The State insurance pools would be regulated by the States, not by the Federal Government. In order to provide additional financing during periods of sustained high unemployment, the legislation provides for Federal contributions to State pools when the

national unemployment rate exceeds 7.5 percent and the State's unemployment rate is 110 percent of the national rate for the previous 6 months.

The emergency insurance program would cover those who have been laid off since June 1, 1981, and who are not eligible for the permanent program. Under this program, the Secretary of Health and Human Services would enroll all eligible individuals on an expedited basis. All individuals eligible for participation in this program would receive benefits equal to the Federal minimum medicare benefits and would pay no more than 20 percent of the premium.

As soon as an insurance pool is established within the unemployed person's State, the administration of the program would shift to the State pool. The individual would continue to pay 20 percent of the insurance premium and, unlike the long-term program, the Federal Government would contribute the remaining 80 percent. The temporary program would be completely phased out as soon as the permanent program is in place.

Mr. Speaker, I favor this approach because it creates no new major Federal programs and utilizes the existing private sector mechanisms for dealing with this critical problem. Because the permanent program is financed by a large number of active employers and employees and benefits a strictly limited population, the cost promises to be manageable.

I am pleased that we have begun to hold hearings on this problem, and am hopeful that the Congress will act quickly before there is further damage and suffering.●

PROMOTING PUBLIC UNDERSTANDING OF SCIENCE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MINETA. Mr. Speaker, if we are to reach to the roots of the problem of scientific and technological literacy in America, we must focus on those methods readily available which are both efficient and cost effective. One of these methods is public television programing, which is now available to well over 90 percent of the U.S. population. The public understanding of science program (PUOS) at the National Science Foundation is vital to accomplishing this goal. The language of H.R. 1310, the Emergency Mathematics and Science Education Act, establishes a renewed priority for such programs. In the past, the PUOS has been responsible for programs such as "Nova" and "3-2-1 Contact", the science series for 8- to 12-year-olds.

But while both these programs have attracted wide audiences, they have been unable to secure significant financial support through corporate underwriting. Less than one-fifth of the cost of "Nova" is financed by underwriters; thus, without funding from the PUOS, over four-fifths of the $5 million program must be financed by local public television stations. For "3-2-1 Contact," there is a similar story. Only a single underwriter was available for the first series and there is no underwriting money for the second series, now in production.

The public television station in San Jose, Calif.—KTEH—has faced exactly the same problem in its effort to produce two promising new public television programs, a weekly series "Tommorrow/Today" and 2-hour special entitled "A Quarter Century in Space," designed to air nationwide in conjunction with the 25th anniversary of the creation of NASA next fall. "Tommorrow/Today" was originally produced as a local 13 part series and carried on public television stations in 23 markets. The staff of the Institute of Electrical & Electronic Engineers (IEEE) magazine Spectrum serves as consultants and the IEEE's board has formally endorsed the program and its fundraising initiatives. Unfortunately, after an 18-month effort, the corporate underwriting necessary to produce a new series for nationwide distribution is unavailable. Yet this is exactly the kind of program which could significantly increase our understanding of new technological developments and their impact on our society. The first program of the series addressed ultrasound, medical imaging systems that substitute for X-rays; the history of microelectronics from the transistor to today's tiny silicon integrated circuits, and recombinant DNA. Other programs focused on subjects ranging from computer crime and solar cells to regulations which encourage dumping rather than recycling of hazardous chemicals.

"A Quarter Century in Space" is also being developed in conjunction with the IEEE Spectrum staff. And, like "Tomorrow/Today," it has been unable to attract corporate underwriting. Since it is timed to coincide with the NASA anniversary next fall, it will probably not be produced at all unless corporate support can be found within the next month.

The value of this kind of programing is not limited to viewers at home. Both "Nova" and "3-2-1 Contact" have been widely used in our elementary and secondary schools. With sufficient funding, WNET in New York will join KTEH to develop the instructional packages for in-school use of both programs.

With a revitalized public understanding of science program, programing like this has a renewed chance of actually getting on the air rather than simply gathering dust on the shelves as at present.●

THE DEMOCRATS' CAMPAIGN RHETORIC

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 1983

● Mr. MARTIN of North Carolina. Mr. Speaker, already, four Democrats have declared their candidacies for President, almost 2 years before the election. With the long campaign and an endless river of rhetoric stretching out before us, we would do well to remember these words of Oliver Goldsmith: "The true use of speech is not so much to express our wants as to conceal them." Political speeches in particular must be read with care to find the gulf that divides profession from practice.

Thus, Mr. Mondale told us last week in announcing his candidacy how much he cares about the downtrodden and the unemployed. But he supports domestic content legislation, which would protect jobs of auto workers by taking away the jobs of people in shipping, trade, and other industries, including farming if it triggers a real trade war; and would also force consumers to pay higher auto prices. The Congressional Budget Office has estimated that this legislation would result in a net loss of 66,000 jobs and would raise car prices by an estimated $333 per vehicle. Is that pro-jobs and pro-consumer?

He also talked about the vital importance of education. That is just great; but he refuses to support competency testing for teachers, which would go a long way toward improving the quality of instruction in the Nation's classrooms and the quality of learning.

Jimmy Carter's Vice President confidently declared, "I know how to defend this country." It must be a top-secret plan. All we know about it is that he calls for cutting defense spending, which has had to be accelerated by President Reagan largely because of the neglect of the Carter-Mondale administration. Presumably, we will be stronger and more secure with less. He says he stands behind the Camp David accords, one of President Carter's major achievements, but he denounces President Reagan's Middle East peace plan of last September, which is completely consistent with the accords.

Mr. Mondale was the Vice President of an administration that became synonymous with retreat abroad, inflation and rising taxes at home, and disarray everywhere. He ought to be the candidate of the amnesiacs * * * lest we forget.

I wish to insert in the RECORD a critique of the economic policy paper published by the House Democratic Caucus last autumn. It, too, is an interesting example of political rhetoric. I, for one, intend to make it very clear to the voters during the next 2 years which party, by deeds and not words, is the true friend of the poor, the jobless, the elderly, and of peace.

[From the Washington Times, Nov. 1, 1982]

DEMOCRATS AND THE ECONOMY: AMBITION SEARCHING FOR IDEAS

(By Spencer Warren)

Democratic candidates across the country have found a fertile source of campaign positions in a recent publication of the House Democratic Caucus: Rebuilding the Road to Opportunity: A Democratic Direction for the 1980s. It consists of task force reports on the economy and six other issues. If, as many expect, the Democrats score major gains tomorrow, the economy report in particular will likely serve as the Democratic alternative in the next Congress and as a policy catalogue for the party's presidential aspirants.

Unfortunately, the citizen searching for persuasive alternatives to Reaganomics will not find them here. Nor would he expect to, after reading Caucus Chairman Rep. Gillis W. Long's preface to the reports. Rep. Long, D-La., asked the task forces to "develop from the many philosophies and interests in our party, general consensus positions on the most important national issues." Now, it follows that policies designed to appeal to the "general consensus" will amount to little more than bland nostrums, chosen not on merit, but to avoid giving offense. And that is exactly what the Democrats deliver.

Of course, these cliches and panaceas must be dressed in garb suitable to the ambitions of a great party, one trying to shed its 1980 appearance of being shopworn and out-of-date by conveying a new image of imagination and vitality. Thus, public works spending becomes "Rebuilding the public infrastructure." More social welfare spending is "human investment." And further government interference in the marketplace is the "politics of cooperation," as opposed to the present "politics of confrontation."

The Democrates prescribe a cure for our steady economic decline in terms that paraphrase countless statements of President Reagan, Rep. Kemp and other supply-siders. Thus, "Investment is the key to future economic growth," which is the "cornerstone" of progress. The party's task is "to rekindle the entrepreneurial spirit in America, to encourage the investment and risk taking—in private industry and in the public sector." (The latter is a contradiction—there is no risk where the government has an unlimited resource in taxpayers' dollars; this is one of the Democrats' few new ideas.)

President Reagan was elected on his pledge to stimulate economic growth by reinvigorating investment in the private sector. How do the Democrats now propose to restore the economy's long term capacity to produce? Poking through their lofty phrases, one finally discovers the answer: By increasing government spending. Because they know this would raise too many eyebrows, they call it "investment."

The economy task force, headed by Rep. Timothy E. Wirth, D.-Col., abounds in new plans for extending government direction of the economy. Washington will help "restructure and revitalize our basic manufacturing industries", "expand our high technology growth industries"; "invest in long-term basic research" and "disseminate the benefits of new technologies" (the moribund Synthetic Fuels Corporation comes to mind).

The government will also increase aid to education; renovate the "public infrastructure"; manage the transition of workers from manufacturing to high technology industries; and it will have a new bureaucracy, the "Economic Cooperation Council" for "gathering the facts" and "anticipating problems." All this will restore "the pioneer spirit."

These Democrats have little to say about how they will finance their ambitious ideas to save our country. Budget and tax policy do not interest them very much, occupying only several paragraphs of the report. One of the few statements, on public infrastructure investment, tells us. "The question of how best to finance these programs will have to be resolved in the future." The Democrats' estimates from the Congressional Budget Office amount to $35 to 40 billion a year.

Yet they also say they believe a balanced budget is "very important" and that we must "control federal spending." But one can search page after page of the report without finding a clue as to what, if any programs they would cut, except, perhaps, defense. About all we are told is that "decisions must be made in our spending priorities" and "we must strengthen our congressional budget process and constantly review existing government spending and tax programs."

Thus, the bold new "Direction for the 1980's" will require either a huge tax increase or will result in even worse deficits than those now projected. The Democrats' answer to the crisis of private investment is more government spending. Behind the rhetorical mask of investment and productivity lies a policy of more of the same; a policy whose professed aim is to reduce unemployment and inflation, but whose past short term successes led in the long run to higher unemployment and inflation—and the election of President Reagan.

Are the Democrats the party of the workingman and the hard pressed middle class, as they claim to be? Of the elderly? Are they the party of compassion? In pondering the gulf between their rhetoric and their policies, we should take note of Gibbon's comment on Caesar. "By declaring himself the protector of the people, he had subverted the constitution of his country."●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 3, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 4

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, focusing on nuclear energy programs (other than breeder reactor programs).
SD-366

Joint Economic
To hold hearings on the employment-unemployment situation for the month of February.
SD-628

10:00 a.m.
Finance
To hold hearings on the administration's federalism proposals.
SD-215

Judiciary
To hold hearings on S. 216, proposed Federal Anti-Tampering Act.
SD-226

2:00 p.m.
Appropriations
*Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Economic Regulatory Administration, Energy Information Administration, and the Office of Hearings and Appeals, all of the Department of Energy.
SD-192

MARCH 7

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Education.
SD-116

9:00 a.m.
*Judiciary
Constitution Subcommittee
To resume hearings on the legal ramifications of constitutional amendment proposals, including Senate Joint Resolution 3, with the specific goal of reversing the Supreme Court's decision in Roe against Wade, relating to the right to abortion.
SD-226

9:30 a.m.
*Energy and Natural Resources
To hold oversight hearings on the implementation of the Energy Emergency Preparedness Act (Public Law 97-229).
SD-366

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1983 for the U.S. Representative to the United Nations, and voluntary contributions to international organizations and programs of the United Nations.
SD-192

Budget
To resume hearings in preparation for reporting the first concurrent resolution on the fiscal year 1984 Congressional Budget.
SD-608

Judiciary
Immigration and Refugee Policy Subcommittee
To resume hearings on S. 529, to revise and reform the Nation's immigration laws.
SR-418

2:00 p.m.
*Appropriations
Business meeting, to consider proposed legislation appropriating funds for job assistance programs, committee report to the Budget Committee, and budget deferrals of the Economic Development Administration of the Department of Commerce, and the Department of Agriculture.
SD-192

MARCH 8

8:30 a.m.
Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To hold hearings to review the President's budget request for fiscal year 1984 for the Department of Energy's conservation and supply programs.
SD-366

9:30 a.m.
Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Department of Housing and Urban Development.
SD-538

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold closed hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SR-253

Energy and Natural Resources
Energy Conservation and Supply Subcommittee
To hold hearings on S. 589, authorizing funds for fiscal year 1984 for capital improvement projects on Guam.
SD-366

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Export-Import Bank of the United States.
S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Railway Association, and Conrail.
SD-138

Environment and Public Works
Environmental Pollution Subcommittee
To hold hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Foreign Relations
To hold hearings on the Treaty of Friendship with Tuvalu (Ex. W, 96th Cong., 1st sess.), Treaty of Friendship with the Republic of Kiribati (Ex. A, 96th Cong., 2d sess.), Treaty with Cook Islands on Friendship and Delimitation of the Maritime Boundary (Ex. P, 96th Cong., 2d sess.), and the Treaty with New Zealand on the Delimitation of the Maritime Boundary between the United States and Tokelau (Treaty Doc. 97-5).
SD-419

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on the proposed Education for Economic Security Act, and to review math and science education programs in elementary and secondary schools.
SD-430

Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

Joint Economic
To resume hearings to examine the impact of the President's new federalism program on State and local government.
2212 Rayburn Building

11:30 a.m.
Veterans Affairs
To hold hearings to receive legislative recommendations for fiscal year 1984 from the Veterans of Foreign Wars.
SR-325

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Holocaust Memorial Council, and the National Endowment for the Arts.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy research and environment programs of the Department of Energy.
SD-192

Foreign Relations
African Affairs Subcommittee
To hold hearings on United States/African relations.
SD-419

Small Business
To hold oversight hearings on the implementation of the Federal minority business development program of the Small Business Administration.
SR-428A

Select on Intelligence
Budget Authorization Subcommittee
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

MARCH 9

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for elementary and secondary education, education block grant, and impact aid.
SD-116

9:00 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 607, authorizing funds for fiscal years 1984 and 1985 for the Federal Communications Commission.
SR-232A

9:30 a.m.
Agriculture, Nutrition, and Forestry
Soil and Water Conservation Subcommittee
To hold hearings on proposed legislation providing for soil and water conservation programs.
SR-328A

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SR-253

Energy and Natural Resources
To hold hearings on S. 615, providing for a free market to establish long-term incentives to produce and market ample natural gas supplies at a reasonable cost, and related measures, including S. 60, S. 239, S. 291, S. 293, and S. 370.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To hold closed hearings to investigate alleged involvement of organized crime and mismanagement of funds in the hotel and restaurant workers union (HEREIU).
SD-342

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings to review the current status of the multilateral development banks of the Department of the Treasury.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Architectural and Transportation Barriers Compliance Board, and the Office of the Inspector General and the Office of the Secretary, Department of Transportation.
SD-138

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To continue hearings on proposed legislation authorizing funds for programs of the Department of Housing and Urban Development.
SD-538

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Foreign Relations
To hold hearings on proposed authorizations for the Department of State, and the U.S. Arms Control and Disarmament Agency.
SD-419

Judiciary
Security and Terrorism Subcommittee
To hold oversight hearings on the U.S. Attorney General's domestic security investigative guidelines.
SD-226

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue hearings on the proposed Education for Economic Security Act, and to review math and science education programs in elementary and secondary schools.
SD-430

Veterans' Affairs
To hold hearings on proposed legislation providing for veterans' health care services.
SR-418

1:30 p.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Science Foundation.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Park Service of the Department of the Interior.
SD-192

Foreign Relations
European Affairs Subcommittee
To hold hearings on U.S./European relations.
SD-419

Judiciary
To hold hearings on pending nominations.
SD-226

Small Business
Business meeting, to mark up S. 499, to require the usage of tax-exempt financing in connection with the Small Business Administration's section 503 Certified Development Company program.
SR-428A

MARCH 10

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for vocational and adult education, education for the handicapped, and rehabilitation services and handicapped research.
SD-116

9:00 a.m.
Commerce, Science, and Transportation
To resume hearings on proposed legislation authorizing funds for fiscal year 1984 for the National Oceanic and Atmospheric Administration, Department of Commerce, focusing on fisheries programs.
SR-253

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings to receive testimony from the Secretary of Commerce on the overall budget for the Department of Commerce, and on proposed budget estimates for fiscal year 1984 for general administration, Economic Development Administration, International Trade Administration, U.S. Travel and Tourism Administration, Patent and Trademark Office, National Telecommunications and Information Administration, National Bureau of Standards, Minority Business Development Administration, Economic and Statistical Analysis, and the Bureau of the Census.
S-146, Capitol

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To continue hearings on proposed legislation authorizing funds for programs of the Department of Housing and Urban Development.
SD-538

Energy and Natural Resources
To continue hearings on S. 615, providing for a free market to establish long-term incentives to produce and market ample natural gas supplies at a reasonable cost, and related measures, including S. 60, S. 239, S. 291, S. 293, and S. 370.
SD-366

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisidiction.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Veterans' Administration.
SD-124

Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume hearings on automobile safety, focusing on occupant protection.
SD-562

Environment and Public Works
Environmental Pollution Subcommittee
To continue hearings on S. 431, authorizing funds for fiscal years 1983 through 1987 for clean water programs, and S. 432, extending the 1984 compliance date for certain requirements of the Clean Water Act.
SD-406

Judiciary
Separation of Powers Subcommittee
To hold closed hearings on the Taiwan Communique.
SD-226

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings on problems occurring from the manufacture and distribution of imitation controlled substances, known as look-alike drugs.
SD-628

Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Geological Survey of the Department of the Interior.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Energy Regulatory Commission of the Department of Energy, and the Nuclear Regulatory Commission.
SD-192

Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal years 1984 and 1985 for the Nuclear Regulatory Commission.
SD-406

MARCH 11

9:00 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To continue hearings on automobile safety, focusing on the role of Government and industry in bringing improved car safety technology to the marketplace.
SR-253

9:30 a.m.
*Energy and Natural Resources
To continue hearings on S. 615, providing for a free market to establish long-term incentives to produce and market ample natural gas supplies at a reasonable cost, and related measures, including S. 60, S. 239, S. 291, S. 293, and S. 370.
SD-106

10:00 a.m.
Finance
To hold hearings to examine certain tax preferences for banks, credit unions, savings and loan associations, and other financial services.
SD-215

Select on Intelligence
Budget Authorization Subcommittee
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

MARCH 12

9:30 a.m.
Energy and Natural Resources
To continue hearings on S. 615, providing for a free market to establish long term incentives to produce and market ample natural gas supplies at a reasonable cost, and related measures, including S. 60, S. 239, S. 291, S. 293, and S. 370.
SD-366

MARCH 14

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for student financial assistance, student loan insurance, higher and continuing education, higher education facilities loan and insurance, and educational research and training activities overseas.
SD-116

9:00 a.m.
Commerce, Science, and Transportation
To resume hearings on proposed legislation authorizing funds for fiscal year 1984 for the National Oceanic and Atmospheric Administration, Department of Commerce, focusing on weather and satellite programs.
SR-253

10:00 a.m.
Energy and Natural Resources
To hold hearings on S. 267, to facilitate the development of interstate coal pipeline distribution systems by granting the Federal power of eminent domain to those interstate pipelines which are determined to be in the national interest.
SD-366

1:30 p.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1984 for Amtrak.
SR-253

Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To hold hearings on S. 41, to extend the revenue sharing program for local governments through fiscal year 1986, and S. 525, to require that installment payments of revenue sharing allocations be paid at the beginning of each quarter.
SD-215

MARCH 15

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institute of Education, education statistics, bilingual education, and libraries, all of the Department of Education.
S-126, Capitol

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for the National Aeronautics and Space Administration.
SR-253

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, focusing on conservation and renewable energy programs.
SD-366

Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 336, to revise prohibitions against persons guilty of criminal offenses holding specified offices or positions, and clarifying the jurisdiction of the Department of Labor relating to the detection of and investigation of criminal violations relating to ERISA.
SD-430

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Interstate Commerce Commission.
SD-138

Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

10:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Commodity Credit Corporation, Foreign Agricultural Service (including Public Law 480), Office of International Cooperation and Development, Department of Agriculture.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior, and the Department of Energy.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for departmental administration of the Department of Energy.
SD-192

MARCH 16

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for college housing loans, special institutions, Howard University, departmental management (salaries and expenses) Office for Civil Rights, and Office of the Inspector General, all of the Department of Education.
SD-116

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Terrence M. Scanlon, of the District of Columbia, to be a commissioner of the Consumer Product Safety Commission.
SR-253

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of the U.S. Trade Representative, Securities and Exchange Commission, and the U.S. Arms Control and Disarmament Agency.
S-146, Capitol

Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To resume hearings on S. 397, S. 407, and S. 434, bills to improve the enforcement of export administration laws.
SD-538

Commerce, Science, and Transportation
To hold hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Civil Aeronautics Board.
SD-138

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Veterans' Affairs
To hold hearings on proposed legislation providing educational assistance for certain members of the Armed Forces.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Capital Planning Commission, and the Navajo and Hopi Indian Relocation Commission.
SD-192

MARCH 17

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the

Railroad Retirement Board, ACTION (domestic program), Corporation for Public Broadcasting, National Commission on Libraries and Information Science, and the Soldiers' and Airmen's Home.
SD-116

9:00 a.m.
Energy and Natural Resources
Energy and Mineral Resources Subcommittee
To hold oversight hearings on the status of the strategic petroleum reserve.
SD-366

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to receive legislative recommendations for fiscal year 1984 from AMVETS and the Blinded Veterans Association.
334 Cannon Building

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and the National Agriculture Library, Department of Agriculture.
SD-124

Commerce, Science, and Transportation
To continue hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Railroad Administration of the Department of Transportation, and the National Railroad Passenger Corporation (Amtrak).
SD-138

Select on Intelligence
Budget Authorization Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Surface Mining of the Department of the Interior, and the Advisory Council on Historic Preservation.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for atomic energy defense activities of the Department of Energy.
SD-192

MARCH 18

8:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Oceanic and Atmospheric Administration of the Department of Commerce, Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

9:30 a.m.
Commerce, Science, and Transportation
To continue hearings on proposed legislation authorizing funds for the Federal Trade Commission.
SR-253

10:00 a.m.
Judiciary
Agency Administration Subcommittee
To hold oversight hearings on the indemnification of and contributions to Government contractors.
SD-226

MARCH 21

9:30 a.m.
Labor and Human Resources
Handicapped Subcommittee
To resume hearings on proposed legislation authorizing funds for programs of the Rehabilitation Act of 1973.
SD-430

Labor and Human Resources
Labor Subcommittee
To hold hearings on the current health and future prospects of defined benefit pension plans under the Employee Retirement Income Security Act.
SD-562

10:00 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, focusing on fossil energy programs.
SD-366

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Appalachian Regional Commission, and the Tennessee Valley Authority.
SD-192

MARCH 22

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Mediation and Conciliation Service, National Labor Relations Board, National Mediation Board, Occupational Safety and Health Review Commission, Federal Mine Safety and Health Review Commission, and the President's Commission on Ethical Problems in Medicine.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Economic Research Service, Statistical Research Service, and the World Agricultural Outlook Board, Department of Agriculture.
SD-124

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Highway Administration, Department of Transportation.
SD-138

Labor and Human Resources
Aging, Family, and Human Services Subcommittee
To hold hearings on the broken family, focusing on its effects on children.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Land Management of the Department of the Interior.
SD-138

MARCH 23

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies
To hold hearings to receive testimony from the U.S. Attorney General on the overall budget for the Department of Justice, and on proposed budget estimates for fiscal year 1984 for general legal activities, Antitrust Division, general administration, Executive Office for U.S. Attorneys, U.S. Marshals Service, and the Office of Justice Assistance, Research and Statistics.
S-146, Capitol

Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Education of the Handicapped Act.
SD-430

Small Business
To hold hearings on umbrella contracting procedures and their impact on small business.
SR-428A

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Panama Canal Commission, and the St. Lawrence Seaway Development Corporation of the Department of Transportation.
SD-138

Select on Intelligence
Budget Authorization Subcommittee
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Pennsylvania Avenue Development Corporation, and the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

2:30 p.m.
Veterans Affairs
To hold hearings on proposed legislation providing for judicial review of certain decisions made by the Veterans Administration.
SR-418

MARCH 24

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Governmental and Public Affairs, Office of the General Counsel, Office of the Inspector General, Office of the Secretary, and departmental administration, Department of Agriculture.
SD-138

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Legal Services Corporation, U.S. Information Agency, and the Equal Employment Opportunity Commission.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

Labor and Human Resources
Aging, Family, and Human Services Subcommittee
To continue hearings on the broken family, focusing on its effect on adults.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy conservation programs of the Department of Energy.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 4

8:30 a.m.
Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Health and Human Services.
SD-116

APRIL 5

8:30 a.m.
Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health, both of the Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Food and Nutrition Service, and the Human Nutrition Information Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed estimates for fiscal year 1984 for the Minerals Management Service, and the Institute of Museum Services.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 6

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed estimates for fiscal year 1984 for the Social Security Administration, and refugee programs, Department of Health and Human Services.
SD-116

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to radiation, and other related matters.
SR-418

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 7

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Health Care Financing Administration, Department of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Farmers Home Administration, Federal Crop Insurance Corporation, Office of Rural Development Policy, and the Rural Electrification Administration, Department of Agriculture.
SD-138

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Bureau of Investigation, Drug Enforcement Administration, drug task forces, Immigration and Naturalization Service, and the Federal prison system.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Environmental Protection Agency.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Forest Service of the Department of Agriculture.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for energy and water development programs.
SD-192

APRIL 8

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Human Development Services, Department of Health and Human Services.
SD-116

APRIL 11

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health, Department of Health and Human Services.
SD-116

APRIL 12

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the National Institutes of Health,

Department of Health and Human Services.
SD-116

8:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Food and Drug Administration, Department of Health and Human Services, the Farm Credit Administration, and the Commodity Futures Trading Commission.
SD-138

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Aviation Administration, Department of Transportation.
SD-192

Select on Intelligence
Closed business meeting, to mark up proposed legislation authorizing funds for fiscal year 1984 for the intelligence community.
S-407, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

APRIL 13

8:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Inspector General, Office for Civil Rights, policy research programs, and departmental management (salaries and expenses).
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Judiciary, Commission on Security and Cooperation in Europe, and the Commission on Civil Rights.
S-146, Capitol

Finance
To hold hearings on S. 544, to promote economic revitalization and facilitate expansion of economic opportunities in the Caribbean Basin region.
SD-215

10:00 a.m.
Veterans Affairs
Business meeting, to consider proposed legislation providing for certain veterans' health care services, proposed legislation providing educational assistance for certain members of the Armed Forces, and proposed legislation providing for judicial review of certain decisions made by the Veterans' Administration.
SR-418

APRIL 14

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for the Bureau of Indian Affairs of the Department of the Interior.
SD-192

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Centers for Disease Control, Department of Health and Human Services.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Science Foundation.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Urban Mass Transportation Administration, Department of Transportation.
SD-192

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue oversight hearings on the implementation of vocational education programs.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Endowment for the Humanities, and the Office of Federal Inspector, Alaska Natural Gas Transportation System.
SD-192

APRIL 15

8:30 a.m.
Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Alcohol, Drug Abuse, and Mental Health Administration, Department of Health and Human Services.
SD-116

APRIL 19

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Indian Health Service of the Department of Health and Human Services, and the Office of Indian Education.
SD-192

APRIL 20

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Judiciary, U.S. International Trade Commission, and the Federal Maritime Administration.
S-146, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for fossil energy research and development programs of the Department of Energy.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Commerce, Justice, State, The Judiciary, and related agencies.
S-146, Capitol

APRIL 21

9:30 a.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To resume hearings on the President's budget request for fiscal year 1984 for the Department of Energy's research and development programs, receiving testimony from public witnesses on energy research, conservation and renewable energy, nuclear energy, and nuclear waste activities.
SD-366

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of State, and certain international organizations.
S-146, Capitol

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To continue oversight hearings on the implementation of bilingual education programs by the Department of Education.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the U.S. Fish and Wildlife Service of the Department of the Interior.
SD-192

APRIL 25

2:00 p.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192

APRIL 26

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of the Interior.
SD-138

APRIL 27

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for transportation related programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Land and Water Conservation Fund.
SD-192

APRIL 28

8:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Department of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Federal Emergency Management Agency, and the Neighborhood Reinvestment Corporation.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the strategic petroleum reserve, and the naval petroleum reserves, Department of Energy.
SD-138

APRIL 29

8:30 a.m.
*Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 2

8:30 a.m.
*Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 3

8:30 a.m.
*Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs of the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1984 for territorial affairs.
SD-138

MAY 5

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Office of Revenue Sharing (New York City loan program), Federal Home Loan Bank Board, and the National Credit Union Administration.
SD-124

MAY 12

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for the Department of Housing and Urban Development.
SD-124

MAY 18

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-418

2:00 p.m.
Veterans' Affairs
To continue oversight hearings to review adverse health effects from exposure to agent orange, and other related matters.
SR-418

MAY 23

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

MAY 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1984 for certain programs under the subcommittee's jurisdiction.
SD-124

JUNE 8

10:00 a.m.
Veterans' Affairs
To hold hearings on proposed legislation providing for certain veterans' compensation.
SR-418

JUNE 15

10:00 a.m.
Veterans' Affairs
To hold oversight hearings to review certain health care and other services provided Vietnam veterans.
SR-418

JUNE 22

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on certain health care services for veterans.
SR-418

JUNE 29

10:00 a.m.
Veterans' Affairs
Business meeting, to consider proposed legislation providing for certain veterans' compensation.
SR-418

CANCELLATIONS

MARCH 3

9:30 a.m.
Special on Aging
To hold hearings on the future of Medicare.
SD-628

MARCH 16

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S. 564, to establish the U.S. Academy of Peace.
SD-430

APRIL 12

10:00 a.m.
Labor and Human Resources
Aging, Family, and Human Services Subcommittee
To hold oversight hearings on the implementation of the domestic volunteer services program.
SD-430

APRIL 13

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on the implementation of vocational education programs.
SD-430

APRIL 19

10:00 a.m.
Labor and Human Resources
Aging, Family, and Human Services Subcommittee
To hold hearings on proposed legislation authorizing funds for adoption services.
SD-430

APRIL 20

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold oversight hearings on the implementation of bilingual education programs by the Department of Education.
SD-430

APRIL 26

10:00 a.m.
Labor and Human Resources
Aging, Family, and Human Services Subcommittee
To hold hearings on proposed legislation authorizing funds for child abuse prevention and treatment programs.
SD-430

JULY 20

10:00 a.m.
Veterans Affairs
To hold oversight hearings on the role of management in implementing automated data processing systems at multiple VA hospital sites.
SR-418

SENATE—*Thursday, March 3, 1983*

(Legislative day of Wednesday, February 23, 1983)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. Our opening prayer this morning will be offered by the Rev. Richard C. Halverson, Jr., son of the Senate Chaplain.

PRAYER

The Rev. Richard C. Halverson, Jr., Arlington, Va., offered the following prayer:

Our Father which art in Heaven, as the grateful son of one who serves this Senate and with the conviction that everything we accomplish here rests ultimately upon the foundation of the family, I pray You will turn the hearts of the parents in this place to their children and the hearts of the children to their parents. For You have taught that where our heart is, there will be our treasure also.

We ask this favor in the name of Jesus Christ who, far from making it on His own, chose rather to identify himself summarily as the Son of God, the Son of Man. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. STEVENS. Mr. President, I ask unanimous consent that the Journal of the proceedings of the Senate to date be approved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, it is my understanding that at 12 noon, the Senate will go into executive session for the purpose of considering the Executive Calendar Order No. 3, the amendment to the 1972 protocol to the 1982 convention concerning international expositions and that treaty will be considered under a 20-minute time limitation. Is that correct?

The PRESIDENT pro tempore. The Senator is correct.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order and the special orders for Senators BYRD, SARBANES, PELL, BIDEN, and myself, there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, in which Senators may make speeches therein for not more than 3 minutes each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(Mr. WARNER assumed the chair).

SENATE SCHEDULE

Mr. STEVENS. Mr. President, after the disposition of the treaty that is already scheduled, the Senate will be asked to consider nominations on the calendar that have been cleared for floor action. We do expect rollcall votes today.

When the Senate adjourns today to reconvene Monday, March 7, by order of the Senate, debate will occur on the Montreal Protocol Aviation Treaty and the nomination of Lewis Arthur Tambs to be Ambassador to Colombia. Votes on these two items will occur on Tuesday.

The Senate may also be expected to take up the supplemental/jobs bill during the course of next week. It will be marked up in the Appropriations Committee starting tomorrow morning.

There are a number of other items that will need to receive consideration prior to the Easter recess. The majority leader has announced that he wishes to complete the supplemental jobs bill, the social security reform bill, and the budget resolution before recessing for Easter. I believe all Senators must be on notice that during consideration of any of those items, there may be a late night, and Saturday sessions are possible. There will be no normal schedule in the evenings.

Mr. President, there may be late nights each night that any of those three items is on the floor, because we are committed to ccmpleting action on those three if at all possible prior to the time for the Easter recess.

REOPENING ALASKA LANDS TO HUNTING

Mr. STEVENS. Mr. President, I would like to take just a moment to discuss a matter of great importance to Alaska. Senator MURKOWSKI and I have introduced Senate bill 49, which would reclassify 12 million acres of national park in Alaska to national park preserve. The only difference between national parks and national park preserves is that hunting under State law is permitted in national park preserves.

The purpose of this bill is to restore to hunting, lands that were closed by the Alaska National Interest Lands Conservation Act of 1980. There are those who do not understand the issues involved in this bill. I would like to take just a moment of the Senate to clarify the situation.

This bill is of great concern to a large number of Alaskans and to hunters all over the country. ANILCA closed over 24 million acres of Alaska land to sports hunting or hunting under Alaska law. Those areas had historically been prime hunting areas. When ANILCA was passed, however, subsistence hunting was allowed to continue in the new national parks in Alaska.

Subsistence hunting is not defined by need but rather by where a person lives. What this means is that the person in Glenallen may hunt in one of the new national parks, but a person residing in Anchorage or Fairbanks would be denied that same privilege. The inequity has understandably made many Alaskans extremely upset.

But the issue is also one of national concern. Many hunting organizations viewed the Alaska lands bill as a statement by Congress opposing hunting. Their reaction is understandable. We closed millions of acres of prime hunting grounds to hunting under Alaska law without any good reason.

I say without any good reason because, as I said before, hunting is taking place. Subsistence hunters are allowed to hunt on these park lands. They must hunt on these park lands, because there is no other meat supply. The areas that our bill would open are literally miles from any tourist spot. Use by hunters would not conflict with the use of the park by others.

Hunting does not pose a threat to the wildlife populations. To the contrary. The Alaska fishing and wildlife agencies keep a constant watch on wildlife populations to insure that they are able to maintain the species and to have the normal rate of reproduction. Hunting is required in many of the areas of our State to bring about proper wildlife management and balance.

It is not often that Congress is presented legislation in which it is clear that the benefits of the bill far out-

weigh negative aspects of it. Our bill is such a bill. By reopening these lands to hunting, by recognizing the interests of sportsmen in Alaska and across the country, we literally will not harm anyone but will right a wrong that was done when ANILCA was passed.

Recently, a number of publications around the country have come out in support of our bill. I ask unanimous consent that these editorials that are representative of the support in the country be printed in the RECORD at this point. I call specific attention to an editorial in favor of our bill that appeared in the San Francisco Chronicle; another one that appeared in the American Hunter magazine; and another that was printed in the Dallas Morning News.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the San Francisco Chronicle, Feb. 14, 1983]

EDITORIAL: HUNTING IN ALASKA'S WILDS

Alaska's congressional delegation is pushing for enactment of legislation that will open up 12 million acres in the rugged remoteness of this spectacular state's national parks to hunting and trapping. At first impression, this is the kind of thing that invokes the indrawn breath of exasperation and displeasure that is standard reaction to any increased killing of wild animals. Closer inspection, however, demonstrates considerable validity to the Alaskans' action.

It is important to note that the change would affect only remote areas which were traditionally hunted until withdrawn by the Carter administration in 1978, and are still being hunted by natives of this wild region for subsistence purposes. The Alaska lands act, which became law in 1980, established more than 43 million acres of new national parks and monuments, 24 million of which were closed to sport hunting. Hunting is not permitted in national parks, but is allowed in park preserves. The legislation introduced by Senators Ted Stevens and Frank Murkowski and Representative Don Young would change the designation of the acreage in question to allow hunting.

Murkowski, a vigorous, articulate senator with clear devotion to the special qualities that his state has in abundance, emphasizes that the measure will allow Alaska to manage the wildlife resources there "for the benefit of the species and use by Alaska's hunters." How does it benefit a species to allow it to become possible prey to the hunter's rifle and the trapper's snare?

Well, pro-hunting groups maintain that hunters are active and dependable conservationists who practice their sport in compliance with state regulations and do not impair the wildlife resource. They are not like those dreadful ivory pirates who kill elephants in Africa for outlaw profits. The International Association of Fish and Wildlife Agencies, which is an association of state government wildlife agencies, maintains that hunting is "an absolute necessity for the proper management and well-being of many wildlife populations."

Sportsmen's license fees and excise taxes on sporting equipment provide the financial base for conservation programs, habitat acquisition, research and other wildlife programs throughout the United States—to the tune of $500 million a year.

What this legislation does is to preserve hunting patterns that have been traditional in Alaska. As Congressman Young put it: "We are doing nothing new here, only trying to put back in the rights of people to hunt where they have always."

In a state like Alaska, where it takes an accomplished and dedicated outdoorsman to get out to the hunting grounds, that can hardly be a great transgression. And because the hunting season does not begin until the fall, there will be little conflict between hunters and other recreational users like backpackers who tend to visit the areas in the summer.

This legislation will affect only 35 percent of the current national parklands in Alaska. The remaining 20 million acres will be closed to sport hunting. So this is no carte blanche for men and women with guns and traps. There will still be an outright ban in many sections of the state. And an important way of life that supports realistic conservation in this state will be preserved. That would seem solid reason to look on what the Alaskan delegation is doing with a sympathetic eye.

[From the American Hunter, February 1983]

EDITORIAL

Three years ago, American hunters and trappers suffered a major setback when Congress passed the Alaska National Interest Lands Conservation Act of 1980. This act designated some 25 million acres of federally owned game lands as national parks or monuments and closed them to hunting and trapping.

This year, American sportsmen could win back hunting rights on almost half the lands locked away back in 1980. Proposed legislation that would reopen nearly 12 million acres of prime big game habitat is to be introduced during the 98th Congress. Called the Alaska National Hunting Bill, the legislation will be introduced in the Senate by two Alaska Republicans—Assistant Majority Leader Ted Stevens and Sen. Frank Murkowski—and in the House by Rep. Don Young (R-Alaska). Committee action on the bill is expected in March and April.

If the bill is signed into law, hunting would again be allowed in some of the key big game regions in the state. Hunting is allowed in national park preserves but not in national parks or national monuments, so the single purpose of the Alaska National Hunting Bill is to reclassify these game-rich areas as national park preserves.

The Wildlife Legislative Fund of America (WLFA) is spearheading lobbying and media efforts in support of the bill, but the bill has won widespread backing from other important hunting and conservation organizations. Along with the NRA, the Foundation for North American Wild Sheep, Game Conservation International, The International Association of Fish and Wildlife Agencies, Fur Takers of America, and Mzuri Safari are working to win public and congressional support of the Alaska National Hunting Bill.

But even with the endorsement of these national lobbying groups, the bill probably won't pass unless it has *your* support. Many hunters may never be able to afford a big game hunt in Alaska and may believe, therefore, that this bill has no immediate effect on them or their hunting rights. But the consequences of this legislation extend well beyond the reopening of several Alaska game lands.

In effect, when a congressman votes on the Alaska National Hunting Bill, he will be saying "yes" or "no" to sport hunting in the United States. A "yes" vote will be an endorsement of sport hunting as a valuable recreational activity and wildlife management tool. A "no" vote will be a slap in the face to America's 20 million hunters and will set a dangerous precedent for the future.

As Daniel M. Galbreath, WLFA Board Chairman, has put it, "The outcome (of the bill) will determine the status of hunters in Congress for at least the next decade and will be a factor in every hunting-related bill that comes before Congress, and state legislatures, thereafter."

It's easy to see that the Alaska National Hunting Bill may be the most important hunting-related legislation in decades. A victory for the anti-hunters will no doubt strengthen their crusade to wipe out hunting and trapping.

But if sportsmen band together now, we can win back some of what has been lost to the anti-hunters, and we can ensure that in the future our voices will be heard above theirs.

You can help protect your right to continue to hunt by writing your senators and representatives. Urge them to vote "yes" on the Alaska National Hunting Bill. If you don't know your congressmen's names, just call or write NRA's Institute for Legislative Action. We'll let you know the outcome of the vote in a future issue.

[From Petersens' Hunting, December 1982]

EDITORIAL

Since many of our editorials seem to deal with "doom and gloom" subjects, once in a while it is nice to be able to relate a little good news. And such appears to be the case with legislation that has been introduced in the Senate and House of Representatives by the Alaska Congressional delegation.

The net effect of this legislation would be to open up approximately 12 million acres in remote areas of Alaska's national parks to sport hunting. This legislation would affect only remote areas, which traditionally were hunted until the Carter administration's infamous "land grab" of 1978. These lands are still hunted today, but only for subsistence purposes.

As we can all too well remember, the Alaska lands act became law in 1980, establishing more than 43 million acres of new national parks and monuments in Alaska, 24 million acres of which were closed to sport hunting. This, by the way was in addition to about 7.5 million acres of parks and monuments that existed prior to 1980. Sport hunting is not permitted in national parks and monuments, but is permitted in national park preserves.

The legislation introduced by Senators Ted Stevens and Frank Murkowski as S. 2836 and by Congressman Don Young as H.R. 6977 would change the designation of about 12 million acres from park to park preserve.

"We're not suggesting opening areas such as old McKinley Park, where hunting has not been permitted for years and the number of visitors is high," Stevens said. "We foresee little or no conflict between hunters and other recreational users. Most backpackers and other non-hunters visit these areas in the summer, whereas most hunting does not begin until the fall."

Murkowski said the bill would not allow any other use of the proposed park pre-

serves or make any changes in the protection granted to the remaining park lands. "Today's action affects 35 percent of the current national park lands in Alaska. The remaining 20 million acres will continue to be closed to sport hunting," he said. "This bill would enable the state of Alaska to manage the wildlife resources for the benefit of the species and use by Alaska's hunters."

A companion bill to both the House and Senate measures would compensate sport-hunting guides for loss of income as a result of hunting restrictions imposed in the Alaska lands act. At last count, nearly 100 guides were hurt by the federal designation of lands as non-hunting areas.

The limitations on hunting in Alaska, according to Senator Stevens, were motivated by two factors: "Anti-hunting sentiment, and a belief that park visitation and sport hunting are two uses which conflict." Stevens says very few backpackers and other non-hunting visitors ever venture into remote Alaska. "It is patently inequitable that a handful of visitors to these parks are effectively granted the exclusive right to use vast, multimillion-acre areas purportedly set aside for the benefit of all Americans."

While both the Senate and House bills have been referred to committee, the acreages to be reopened as specified in the present bills are: Katmai—brown bear, moose, caribou, lynx, beaver, wolf, and wolverine; Gate of the Arctic—Dall sheep, grizzly bear, moose, caribou, wolf, wolverine, marten, and lynx; Lake Clark—moose, caribou, Dall sheep, and brown (Kodiak) bear; Wrangell-Saint Elias—Dall sheep, moose, grizzly bear, mountain goat, bison, lynx, beaver, wolf, and wolverine; Denali—Dall sheep, grizzly bear, moose, black bear, caribou, beaver, wolverine, wolf, mink, marten, and lynx; Kenai Fjords—mountain goat, black bear, and brown bear; Glacier Bay—mountain goat and brown bear; Aniakchak—brown bear and moose.

While legislation such as this is certainly needed, we hunters are not assured of its passage unless all of us in the lower 48 states become active and get involved quickly. Congress will certainly be subject to a lot of heavy lobbying from the anti-hunting interests. We muct not continue to remain along the sidelines. We much let our Representatives and Senators know that we support the moving of these bills out of committee and passage by the full Congress. Thousands of letters are needed immediately! In addition, the Wildlife Legislative Fund of America (WLFA) is organizing a million-dollar national lobbying campaign in support of this legislation. Contributions should be sent to the WLFA National Headquarters, 50 W. Broad St., Columbus, OH 43215.

[From the Dallas Morning News, Feb. 14, 1983]

HUNTING BILL MORE THAN PERSONAL

(By Andy Anderson)

For some, the attempt to restore hunting privileges on millions of acres of Alaskan wilderness is very real and very personal.

But for the majority, the fight will be symbolic.

Those from the "lower 48" who hunt or would like to hunt Alaska, and those Alaskans who make their living from hunting, know that the bills being introduced in the U.S. House and Senate will affect them personally. Personally, for many, means in the pocketbook.

Others, who may never set foot in Alaska but hunt or have hunting and pro-firearms sympathies, realize that the anti-hunting forces consider the Carter administration's Alaska Lands Act of 1980 one of their greatest victories.

Thus, the 1983 "Alaska National Hunting Bill"—it is H.R. 900 but not yet introduced in the Senate—may be the most significant hunting issue since Daniel Boone's era. It is certainly one that hunters will want to watch and about which they'll want to communicate with their U.S. senators and representatives.

"I want to emphasize that this bill we are introducing provides for hunting and trapping only—no drilling, mining, timber cutting or access roads," said Senator Frank Murkowski, who with Senator Ted Stevens and Congressman Don Young (all of Alaska) is introducing the bill. "The bill must be clear. If it comes out with amendments on it, it is not going to go anywhere. We will advise our colleagues to kill it on the floor."

Murkowski, touring Dallas, Houston and other points drumming up support for the bill, is being accompanied by a representative of the Wildlife Legislative Fund of America, a strong sportsmen's lobbying organization. The bill, the senator points out, opens no new territory in Alaska, but would restore some 12 million acres of the 25 million declared off-limits to hunting and trapping by the sweeping act in 1980. Technically, it would convert the acreage from "parks," in which there is no hunting, to "park preserves," where hunting is permitted.

"At the time of the 1980 act, I was not in the Senate," Murkowski said. "But committee members (he is on the Energy and Natural Resources Committee) indicate to me that the intention was to restore hunting to much of the land that the D-2 bill (Carter administration) set aside as National Parks.

"But late in the session with the entire bill in danger (all of the land would have reverted to non-wilderness status had Congress adjourned without taking some action) and time running out, it was decided that more amendments would kill it.

"We came back with the bill to restore hunting on some of the land last year, but again time ran out. This is the very same bill.

As Murkowski points out, hunting and fishing have never ceased in the areas that the 1980 Act put into National Park sanctuaries. Subsistence hunting is allowed. Contrary to popular belief, subsistence recipients are certified by the size of the towns and villages in which they live, not by native origin.

"The point is that hunting is not being managed properly, if at all. These areas are under the National Park Service now, and they don't have the expertise or personnel to manage and regulate the hunting in them.

"The point we want to make," Murkowski continued, "is that by opening up 12 million acres of the 25 million that was open prior to 1980, we can better manage the fish and game. It will take some of the pressure from surrounding areas that are getting too much pressure and distribute it more equally. We think there are sound biological reasons for this type of legislation."

The senator points out that in an area one-fifth the size of the lower United States, there are 32 million acres exempt from any hunting. In all the rest of the United States, there are but 30 million acres exempt from hunting.

The sponsors, anticipating the attacks from environmentalists and the anti-hunting forces, are stressing that hunting in Alaska is not an environmental issue and conflicts only slightly with other outdoor activities, including backpacking. The sites designated in the bill are remote and many miles from visitor centers and hiking trails.

"And the major hunting seasons in Alaska do not begin until the fall, when the bulk of the tourist season is over," Murkowski said.

Alaskans, who with state forces have done a far better and more balanced job of game and fish management since statehood than the U.S. did before, generally approve the restoration of the hunting areas. Numerous outfitters, guides and resorters were put out of business by the 1980 ban.

The battle won't be easy. It is a symbolic issue with anti-hunters. Danial M. Galbreath, board chairman of the Wildlife Legislative Fund of America, has no doubt about what it all means.

"Closing some of the best hunting and trapping land in the world for no rational purpose stands as a permanent monument to the success of the antihunting movement. It bitterly rankles sportsmen in every corner of the country, most of whom will never set foot in Alaska. Reopening the areas to hunting and trapping is of interest to American sportsmen universally."

There are many in Dallas and North Texas who were properly rankled by the measure in 1980 and who have not rested in their efforts to repeal all or part of the measure.

They, as individuals and as members of hunting and conservation organizations, will be writing, calling and wiring their elected representatives in Washington.

Murkowski hopes many more Texans will join them.

Mr. STEVENS. Mr. President, I intend to offer similar comments about this bill at later times.

I yield to the distinguished President pro tempore.

Mr. THURMOND. Mr. President, I thank the distinguished Senator from Alaska.

THE INDEX OF LEADING ECONOMIC INDICATORS

Mr. THURMOND. Mr. President, there is some particularly good news circulating around Washington this morning about the economy: The long recession, which has robbed so many Americans of their jobs and dreams, is apparently over.

The "Index of Leading Economic Indicators," the gage most economists use in determining the health of our economy, showed its strongest 1-month gain in the last 33 years. Public and private economists hailed the new statistics as a firm indication that our economy is improving and that the recession is at an end.

Mr. President, this is undeniable evidence that President Reagan's economic recovery program is working. When we embarked on the project of strengthening the economy 2 years ago, we knew that real and lasting recovery would take time. Problems still remain, such as unemployment, but

the "Index of Leading Economic Indicators" shows that there is indeed light at the end of the tunnel.

I commend the President for hanging tough in his fight to turn the economy around. I know that he remains committed to further lowering of interest rates and the Federal deficit and insuring that the recovery is sustained.

An article in this morning's edition of the Washington Times provides more information about the recovery, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Mar. 3, 1983]

ECONOMIC RECOVERY SEEN STRONGER THAN EXPECTED

The recession is over, the government and analysts agree.

The Commerce Department's Index of Leading Economic Indicators surged 3.6 percent in January, the strongest one-month gain in nearly 33 years, spurring government officials and private economists to proclaim with an air of certainty that the economy is on the mend.

President Reagan called the news "a bright green light for recovery (and) compelling new evidence that the economy is rapidly gaining strength."

And Martin Feldstein, chairman of the President's Council of Economic Advisers, said that the report "confirms that January was the turning point."

In terms of overall economic performance, Feldstein called January one of the strongest months in the past decade.

In other favorable economic news:

The Dow Jones Average placed the stock market at a record high of 1,135.06.

Sales of new homes in January increased 10 percent from December (Story on page 4B).

Consumer confidence, a highly reliable indicator of future economic events registered a solid gain in February (Story on page 5B).

The value of new construction contracts, while declining slightly in January, remained close to the three-year high reported a month earlier (Story on page 4B).

The index of leading indicators, which tends to predict future movements in the economy, increased 3.6 percent to 146.3 percent of its 1967 average, the Commerce Department reported.

In addition, the coincident index, a measure of the current state of the economy, also turned upward, by 0.6 percent in January following a 0.2 percent decline in the December.

The index of leading indicators is an average of 10 separate economic reports including length of the average workweek, new manufacturing orders, money supply and stock prices.

In interpreting the report, Commerce Secretary Malcolm Baldrige cautioned that the size of the increase should not be taken "as a sign of a coming economic boom."

Nearly one fourth of the overall rise in the leading index was caused by M2—the money supply as measured by currency and checking account balances—which increased by 2.3 percent in January. Most of the M2 bulge was the result of recently introduced new money market accounts at banks and savings and loan associations.

Analysts also attributed much of the January increase to unusually mild weather that month.

Nevertheless, most economists were encouraged that improvement in the index was broad based with only one of the 10 components—orders for new plant and equipment—showing a decline.

Even if the numbers project a stronger signal than is actually justified, "still it is a healthy increase," said Donald Straszheim, senior vice president of Wharton Econometric Forecasting Associates in Philadelphia.

He added, "Any doubts that the economy will continue to turn upward have been erased by the prospect of lower oil prices."

David Ernst, vice president of Evans Economics Inc. in Washington, said, "The recession is over and recovery has definitely begun."

But he cautioned that the strength of the recovery had moderated in January and warned against expecting a "full-fledged boom."

Donald Maude, a senior economist for Merrill Lynch, Pierce, Fenner & Smith, the New York brokerage house, said the report gives no indication of the strength of the upturn now in progress.

Official government forecasts call for a weak-to-moderate economic recovery with unemployment remaining high throughout 1983. But lately, a number of economists in and out of government have said the economic expansion will be more robust than originally anticipated.

Mr. STEVENS. Mr. President, if there is any time remaining, we yield it back.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

The distinguished acting Republican leader characteristically offered me more time, and I am grateful to him. I think I will have sufficient time.

I have 15 minutes, I believe, do I not, as a special order?

The PRESIDING OFFICER. In addition to the leadership time, there is a special order for the Senator from West Virginia.

Mr. BYRD. Mr. President, I ask for recognition on my order. I reserve such time from my standing order as I may need in addition to the 15 minutes, and I shall yield back the remainder.

RECOGNITION OF SENATOR BYRD

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia (Mr. BYRD) is recognized.

ARMS SALES TO THIRD WORLD COUNTRIES

Mr. BYRD. Mr. President, fiscal year 1982 marked the first full year of the administration's conventional arms transfer policy. During this period, the United States sold 21.5 billion dollars' worth of arms abroad, of which $15 billion was sold to countries other than NATO, Japan, New Zealand, and Australia. The administration has established new records in arms sales abroad in terms of dollar volume, levels of sophistication of weapons being transferred, and the customers gaining access to high-technology arms. During the same period of time, the Soviet Union transferred an estimated $9 billion in arms to so-called developing nations.

Judging from the administration's preliminary estimates for arms sales during fiscal year 1984, it appears that next year also will set records for the transfer of U.S. arms abroad. The fiscal year 1984 request for foreign military sales credits and grant military aid will amount to $600 million more than current levels.

The staff of the Senate Democratic Policy Committee has completed a study of the administration's arms sale policy. Included in that analysis is a case study of the F-16 program. This case study of the F-16 discusses several serious problems associated with a policy which is aimed at transferring top-of-the-line U.S. military equipment to countries who may not share common security goals with our own Government.

The case study focuses particularly on the sale of 40 F-16's to Pakistan. The administration justified the sale of F-16's and a sophisticated air defense system to Pakistan on the gounds of the Soviet threat, particularly the threat emanating from Afghanistan. Yet, 80 percent of Pakistan's army is located at, or near the Indian border, where it also maintains its air bases. Continuing Pakistani research on nuclear weapons development contravenes official U.S. policy, and raises questions about the sale of an aircraft that can be used as a nuclear delivery platform, such as the F-16.

The security of U.S. equipment is a concern which should be shared by all in our Government. The Pentagon shares this security concern, particularly as it relates to the F-16 sales to Pakistan. Last November, a dispute erupted between the United States and Pakistani Governments over the avionics configuration of the F-16's Pakistan had purchased. The Pakistanis believed they were purchasing the standard U.S. Air Force F-16 and refused delivery of the first six when they found out they would not receive state-of-the-art electronic equipment for detecting enemy ground and airborne radar. The New York Times reported on November 30, 1982, that U.S. Air Force officials "did not want to provide the advanced equipment because of the need to protect its security."

However, the administration overruled these objections and agreed to provide the most sophisticated version of the F-16 to Pakistan. This turn of events precipitated concern on the part of the Congress that the original FMS notification submitted by the administration did not indicate that Pakistan would receive state-of-the-art U.S. avionics equipment.

In addition, the Congress approved the Pakistan sale on the basis that the bulk of the $1.1 billion in financing would be provided by Saudi Arabia. However, on November 30, 1982, the administration submitted a reprogramming notice to the Congress for FMS credits in the amount of $150 million for Pakistan. Of that amount, $120 million was to be used for payments on the six F-16's due in Pakistan in mid-December.

Because the Saudis were not forthcoming in financing the first six F-16's, their participation in the funding of the program has been called into question. Since it is apparent that Pakistan will not be able to repay the FMS loans made available for the F-16 program due to its already burgeoning debt, the burden may and will likely fall on the U.S. taxpayer.

Finally, the delivery of the first six F-16's on an accelerated basis resulted in a diversion from Dutch and Belgian inventories in order to repay the United States for the six delivered from our inventory. Since the administration has agreed to an accelerated delivery schedule for the entire Pakistan program, further diversions are likely.

The F-16 case study also discusses the fact that the sales require that uniformed armed services personnel and private American contractors be sent to recipient countries to provide technical support and assistance because the purchasers do not have the skilled manpower to service this equipment themselves. There is also reason to believe that private contractors are hiring technicians away from the U.S. Air Force to assist in supporting these overseas sales. Therefore, our own military is not recouping the cost of the extensive training these technicians must receive. This may impact upon the ability of the Air Force to maintain a sufficiently skilled manpower base to service our own defense requirements. The administration has not reported to the Congress the full impact of these practices on our own combat readiness.

Mr. President, before we approve the administration's request for arms sales during fiscal year 1984, I am convinced that it is time for Congress to devote close scrutiny to this program. We must ask ourselves whether the sales of our top-of-the-line equipment to developing countries serves to enhance or jeopardize basic U.S. defense and security interests. We must question seriously the effects of such major increases in taxpayer-financed lending for foreign government arms purchases on future liabilities being incurred by the U.S. Government, particularly as they relate to the already onerous debt burdens of many developing countries.

For these reasons, the distinguished ranking member of the Committee on Foreign Relations (Mr. PELL) and the distinguished Senators from Delaware (Mr. BIDEN) and Maryland (Mr. SARBANES) will be joining me to introduce a series of amendments to the Arms Export Control Act aimed at remedying these problems.

Mr. President, we urge our colleagues to give careful attention to this study. We believe it serves as a sound basis for a more intensive congressional scrutiny of our arms sale policy.

In conclusion, I want to express my personal appreciation to the three distinguished members of the Committee on Foreign Relations (Mr. PELL, Mr. BIDEN, and Mr. SARBANES) for their participation in the release of this study.

I ask unanimous consent that the F-16 case study be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

F-16 SALES ABROAD: A CASE STUDY

(By Kevin Nealer and Dick McCall)

The Reagan Administration's $21.5 billion foreign military sales program for FY 1982 is the largest arms transfer package in U.S. history. It sets new records for total dollar volumes, kinds of customers receiving weapons, and levels of sophistication of defense materials being sold. In light of the Falkland Islands War, even Great Britain is rethinking its arms sale practices, having sold Argentina $200 million in military hardware prior to the outbreak of the conflict.

Administration spokesmen continue to stress the commitment to a growing and aggressive U.S. arms sales policy. Despite the lessons of the Falklands and recent Mideast fighting, they still hold fast to the so-called Nixon (Guam) Doctrine: that U.S. surrogates with high technology weapons will police our interests in the developing world.

The centerpiece for the Administration's policy in the Third World appears to be the F-16, the ultimate stamp of approval for developing country customers. The U.S. Air Force's highly advanced fighter is one of the most maneuverable, versatile tactical aircraft in the world today. Its sophisticated fly-by-wire flight controls, high "g" cockpit, and powerful afterburning turbofan engine incorporate the latest electronic and engineering advances. It can carry nuclear or conventional air-to-surface ordnance, and can utilize the all-aspect AIM-9L "Sidewinder" missile for air-to-air combat superiority. The F-16 may soon be equipped with even more sophisticated conventional weapons and defense systems.

The Carter Administration first introduced the sale of F-16s abroad on a restrict basis, limited to select NATO countries, Israel, and Egypt. Now the Reagan Administration has added Pakistan, Venezuela, and South Korea to the list of buyers. Of these, only the Korean sale will follow a normal delivery schedule. The other sales are to be made on an accelerated basis, contrary to the timetable that USAF officials have described in testimony and planning documents as being necessary to avoid critical U.S. inventory shortages. Democratic Policy Committee staff review of unclassified Air Force internal documents reveals the following:

OVER-EXTENDED MARKETING

In June of 1981, the former Director of Political-Military Affairs of the State Department, Richard Burt, wrote to Richard Adams, Vice President of General Dynamics (GD), to solicit information on the availability of F-16s for increasing export marketing. Adams responded that aircraft could be provided on an accelerated basis of 24 months. This contradicted the USAF Master Plan projection of 42 months lead time. However, Adams emphasized the 24-month lead time delivery schedule could be met only if the government agreed "to accept pre-contract costs and obligations incurred by General Dynamics and its subcontractors." DOD memos verify that this General Dynamics proposal "allows [the] contractor to obligate U.S. funds in anticipation of an FMS agreement (which violates Public Law)." Under the Arms Export Control Act, major arms transfers and extension of FMS credits cannot occur until the Congress determines that a given sale should not be disapproved.

Moreover, Air Force readiness projections warn that "the historical record says there will be impacts" on U.S. forces, despite GD assurances to the contrary. Because "GD is competing with Northrop's F-5G [F-20] for a portion of the potential export market," DOD analysts caution that General Dynamics is getting ahead of itself in committing to an accelerated production schedule which it cannot sustain without cutbacks to the U.S. and NATO inventories. (Note: DOD and State Department officials have engaged in aggressive marketing of a plane never designed for general export. State's program has been undertaken without reference to established USAF inventory requirements, of the FX export program option.)

U.S. INVENTORY DEPLETION

General Dynamics and DOD delivery schedules document the draw-down on service inventories. From the second quarter of 1982 to the last quarter of 1984, 40 aircraft will be diverted from the USAF for Egypt alone. Six planes have already been diverted from NATO purchasers for Pakistan, and others must follow to fill that contract for a total of forty F-16s. Current projections do not take into account future sales proposals which may include Indonesia, the Philippines, Jordan, and others. Nor do they anticipate the effect of sales of the "J79" export model of the F-16. Those planes incorporate a less powerful engine, but will necessitate pulling standard F-16 fuselages off the production line and out of projected inventories. DOD planners report that FMS programs to date "have required the diversion of USAF production aircraft and logistic assets at the expense of USAF readiness." Continued acceleration of the F-16 sales program can only result in a further deterioration of USAF readiness.

The FMS-induced shortage goes beyond the problem of diversion of completed F-16s from our own inventories and those of our allies. The crucial areas of maintenance and

support also have been affected by the FMS program. Accelerated sales have reduced already low parts inventories, especially for systems with long lead times. The avionics packages, ejection seats, F-100 engine spares, and engine accessories cannot be acquired on an accelerated basis from subcontractors due to their complexity and the limited production capabilities. Air Force and DOD reports document the fact that "diversion of USAF spares will have a particularly dramatic impact on our F-16 support posture" leaving the Air Force "critically short of spare parts to support our own peacetime and wartime commitments."

USAF program reports describe the Venezuela sale as "a contractual and administrative nightmare." They note that the only source of spares will be USAF inventories, and that such "borrowing" will be "costly and difficult to manage". They also point out that the "drastic acceleration" of the Pakistan sale "has had, and will continue to have, significant impact on USAF management activity and support."

Only 67 percent of the nearly 470 USAF F-16s were operational during the first part of 1982. Air Force spokesmen acknowledge that 1983 readiness will be even lower as parts and maintenance support are spread thinner. The full impact has not been reported to Congress, as required by the Arms Export Control Act.

MANPOWER DRAIN

As costly and debilitating as aircraft and spare part diversions have been, a greater threat to U.S. force structure may result from the manpower drain caused by the need for technically trained personnel to support the FMS program abroad. Air Force staffing justifications describe the "extensive training" of some two years which is necessary to bring the skills of maintenance personnel to a competent level in the complex and essential jobs of providing logistical support for the F-16s. Advanced avionics such as communications, navigation, radar, and weapons systems require skilled electronic technicians with "comprehensive training plus operating experience" to assure combat readiness and absolute reliability. But Air Force officials acknowledge serious retention problems in these categories of specialists, placing the service in the position of being unable to comply with DOD Directive 1130.2 which requires "self sufficiency in maintaining and operating new systems" within twelve months of introduction. Former Air Force Secretary Hans Mark was blunt about this problem when he told the Wall Street Journal that "Airplanes don't fly because we don't have maintenance people."

Congressional action to provide special reenlistment bonuses for key technical positions within the armed services has improved the trend line, but 1981 figures reveal that only about one-third of the new technicians sign up for a second tour. Moreover, Air Force officials are concerned that General Dynamics incentive bonuses may be an attractive lure for Air Force-trained technicians, thereby undercutting the congressionally-initiated bonus system.

DOD officials point to the accelerating FMS program as the principle cause of this manpower drain. They warn that sales to developing countries that have little technical infrastructure create a demand for skilled personnel which private contractors satisfy by hiring away new USAF specialists. In fact, Air Force internal assessments of the foreign sales programs describe "heavy dependence" on private contractors. For the Egyptian sale alone, 130 technicians will be needed. General Dynamics has told DOD officials that part of that force will be made up of personnel acquired from Air Force ranks. One DOD report concludes that "GD will undoubtedly backfill the vacant flightline personnel positions with recruits from the USAF with F-16 experience. The faster the pace of the F-16 FMS case, the faster the F-16 base maintenance capability will be degraded."

As a result of the F-16 FMS sales program, the Air Force finds its manpower needs compromised in several ways. Most importantly, the USAF ability to maintain our own force capability is reduced because some Air Force technicians must be sent overseas to train and assist private contractors and locals in servicing foreign-owned aircraft: this at the expense of U.S. readiness. In addition, government investment in new trainees is not being recouped and attempts to build a corps of experienced personnel are frustrated when private contractors hire away recruits for services which the government must then rent back at the contractors' price, causing "turmoil in the USAF personnel system."

Finally, the service loses control over uniformed personnel. An independent study conducted for DOD warns that "continuing reliance on civilian technicians means that maintenance skills are not being successfully transferred from the producers to the ultimate users of the systems" i.e., the USAF. Moreover, the study points out that "the Military Departments do not have statutory authority to compel [contractors] to perform any function in support of forces engaged in conflict." This poses a danger to U.S. military capability during wartime.

Along with endangering U.S. readiness, F-16 sales to developing countries raise special problems. A recent Congressional Research Service White Paper characterized the sale of high-technology weapons systems as "increas(ing) the likelihood of the Soviet Union obtaining them, or information about them, and performing reverse engineering or developing counter-measures." This is especially true of the F-16s and the advanced missile systems which they will carry. Our experience in Iran where news reports allege that the Soviets gained access to F-14s and the U.S. air-to-air Phoenix missile is the most recent example of the compromise of U.S. technology vital to our ability to maintain a qualitative edge over the Soviets.

The security risk is particularly evident when the purchasers do not share U.S. goals or perceptions of the security threat. For example, the Administration has justified the sale of F-16s and a sophisticated air defense system to Pakistan on the grounds of the Soviet threat, particularly the threat emanating from Afghanistan. Yet 80 percent of Pakistan's army is located at, or near the Indian border, where it also maintains its air bases. Continuing Pakistani research on nuclear weapons development contravenes official U.S. policy, and raises questions about the sale of an aircraft that can be used as a nuclear delivery platform, such as the F-16.

The Pentagon shares the security concern associated with the F-16 sales to Pakistan. On November 29, 1982, a dispute erupted between the U.S. and Pakistani governments over the avionics configuration of the F-16s Pakistan had purchased. The Pakistanis believed they were purchasing the standard U.S. Air Force F-16, and refused delivery of the first six when they found out they would not receive state-of-the-art electronic equipment for detecting enemy ground and airborne radar. The New York Times reported on November 30, 1982, that U.S. Air Force officials "did not want to provide the advanced equipment because of the need to protect its security. The Pakistanis were being offered a less advanced system."

However, the Administration overruled these USAF objections and agreed to provide the most sophisticated version of the F-16 to Pakistan. This turn of events precipitated concern on the part of the Congress that the original FMS notification submitted by the Administration did not indicate that Pakistan would receive state-of-the-art U.S. avionics equipment.

Venezuela is another example of potential differences between the U.S. and a recipient as to perception of security threats. Venezuela is embroiled in border disputes with Colombia and Guyana. Its declaration of a role as "regional protector" following announcement of the purchase of F-16s represents a quantum leap in the regional arms race beyond the capabilities of the MiG-23s in Cuba which U.S. officials used to justify the sale. The net effect of sales such as these is a diminution of U.S. combat readiness in favor of building foreign arsenals over which we do not have control, and which may harm our own security and that of the region.

THE PAKISTAN SALE

In many ways, the sale of 40 F-16s to Pakistan is the classic example of an arms sale "gone wrong." The elements are as follows:

First, the Congress approved the sale on the basis that the bulk of the $1.1 billion in financing would be provided by Saudi Arabia. However, on November 30, 1982, the Administration submitted a reprogramming notice to the Congress for FMS credits in the amount of $150 million for Pakistan. Of that amount, $120 million was to be used for payments on the six F-16s due in Pakistan in mid-December. In the reprogramming request, the Administration did not state from what country, or countries, FMS credits would be reallocated.

Because the Saudis were not forthcoming in financing the first six F-16s, their participation in future funding of the program has been called into question. Since it is apparent that Pakistan will not be able to repay the FMS loans made available for the F-16 program due to its already burgeoning external debt, the burden may fall on the U.S. taxpayer. Potential U.S. taxpayer exposure for the Pakistan program could be $1.1 billion.

Second, the delivery of the first six F-16s on an accelerated basis resulted in a diversion from Dutch and Belgian inventories in order to repay the United States for the six delivered from our inventory. Since the Administration has agreed to an accelerated delivery schedule for the entire Pakistan program, further diversions are likely.

Third, in light of the growing manpower problems in the USAF to service our own F-16 requirements, the Congress should be concerned over the issue of U.S. technical support for the Pakistan program.

Fourth, despite the Administration's justification of the sale on the basis of the Soviet threat to Pakistan, it should be obvious that President Zia remains concerned primarily about the traditional rivalry with India. Recent news accounts alleging that the Indian military may be considering the option of a preemptive strike against Pakistan's nuclear facilities reinforces the view

that the long standing enmity dominates the perceptions of both countries.

Fifth, the fact that the USAF was concerned over providing state-of-the-art avionics equipment to Pakistan for fear it would be compromised, only to have these concerns brushed aside by the Administration, should not be taken lightly. Legitimate Pentagon concerns were overridden by an Administration which determined the necessity to make a "symbolic gesture" to Pakistan—a gesture which may prove to be contrary to U.S. interests.

And finally, from the very beginning, Pakistan dictated the nature of the F-16 program for that country. It dictated the time of delivery, terms of the sale, the financing arrangements, and the kind of equipment which was to be provided. Every essential element of a legal contract was dictated by the Pakistan government.

CONCLUSIONS

The proliferating sales of top-of-the-line U.S. military technology to developing countries raise many issues even beyond those discussed in this study of the F-16 program. Arms sales are an important tool of foreign policy. However, they are tools which require discrimination on the part of the United States as a supplier. Bending to foreign demands before meeting our own legitimate security requirements only jeopardizes the national consensus which now exists regarding defense spending. As the fighting last summer in Lebanon between Israeli and Syrian forces demonstrated, the U.S. maintains as significant qualitative edge over some quantitative advantages enjoyed by the Soviet Union in their weapons systems. Yet the Administration has allowed itself to be maneuvered into a position of jeopardizing this qualitative edge by succumbing to the demands of Third World countries such as Pakistan.

The political advantage the Administration perceives in allowing a country such as Pakistan to dictate the nature of the technology we make available has to be weighed against what should be paramount in U.S. arms policy—the protection of this technology against compromise. The F-16s being provided Pakistan contain state-of-the-art U.S. Air Force technology. Soviet AWACS and fighter interceptor capabilities are hampered by the current lack of this technology. If a decision is made to provide the Pakistanis with either the AIM-9L or AIM-9M air-to-air missile for their F-16s, the Soviets would have an even greater incentive to obtain technology we are making available to President Zia's government. The AIM-9L and the more sophisticated AIM-9M, now being developed, have an all-aspect capability. In other words, interceptor aircraft do not need to maneuver behind a hostile aircraft to score a kill. The Soviets have not yet been able to develop this capability which is vital to offsetting larger numbers of enemy aircraft.

The Soviets have been careful as to which weapons systems, particularly aircraft, they make available for export. An advanced Soviet export fighter is the MiG-23 Flogger, which is of 1967 vintage. However, the export version contains less sophisticated avionics equipment than those MiG-23s in the Soviet inventory. The more sophisticated Soviet fighters are not available for export at this time.

It is ironic that an Administration which has pressed our NATO allies to control the types and flow of high technology items to the Soviet Union would engage in an aggressive arms export policy which put top-of-the-line U.S. military equipment advances at risk. Earlier this year, the Senate Governmental Affairs Permanent Subcommittee on Investigations issued a report warning that the Soviet Union dedicated "substantial resources to highly focused attempts to secure American technology and was increasingly adept at acquiring this technology."

The pressure the Administration has exerted on our allies regarding the technology transfer issue has placed additional strains on the alliance. However, the Administration's credibility in this matter is strained considerably when it pursues a policy resulting in the global proliferation of high technology military equipment, such as the F-16s, over which we lose direct control once it is sold to another country.

Along with the Administration's aggressive policy of transferring high technology weapons into the Third World, there also has emerged a new arms sale lexicon. In the case of the AWACS sale to Saudi Arabia it became a "litmus test" of our relationship with that country. And as the Pakistanis maintain, the F-16 sale to their country is a "symbolic gesture." Neither the "litmus test" nor the "symbolic gesture" are criteria to be found in the Arms Export Control Act. Yet this terminology used to justify high-technology sales to countries such as Pakistan and Saudi Arabia is irrefutable evidence of a policy which is clearly "the tail wagging the dog." Recipient countries are now dictating the terms of major U.S. arms sales. Meeting U.S. defense requirements and protecting the qualitative edge we enjoy over our major adversary in the world—the Soviet Union—should be the paramount national security concern of our government. However, in the name of "litmus tests" and "symbolic gestures" the Administration has placed this technological edge in jeopardy. What concerns our military personnel above all else is having to face a potential enemy that has comparable avionics and missile capabilities to our own. They know the potential enemy has an edge in numbers which can be offset only by superior U.S. technology and the qualitative advantage it confers.

It is incumbent upon the Congress to reevaluate completely our arms sale practices and the legal underpinnings which support them in light of the developments outlined in this study. The reevaluation would, of necessity, involve review of the present adequacy of procedures contained in the Arms Export Control Act which has historically defined congressional involvement in this critical area of foreign policy.

Mr. BYRD. Mr. President, I reserve the remainder of my time.

I see that Senators PELL, BIDEN, and SARBANES are in the Chamber. I yield the floor, but I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I support the distinguished Democratic leader and express my agreement with the arguments he has put forth, the points he has made.

I wish to express my deep concern over our administration's conventional arms transfer policy. I do so because this administration's arms sales policy is excessive and contradicts this Nation's historical commitment to restraint in the arms trade; 50 years ago, the exploding growth in the arms trade and the rise of militarism in Europe generated a widespread criticism in this country similar to today's public concern over the proliferation of nuclear weapons.

Following the "Report on the Munitions Industry," or the Nye commission report as it was more popularly known, Congress responded in 1935 with a bipartisan effort which led to the enactment of the first in a series of major laws regulating military transfers.

World War II and the period of reconstruction saw the emergence of a policy designed to strengthen U.S. security by providing our close allies with weapons sufficient to combat aggression and protect our shared interests. Gradually, as the economic condition of our allies improved, grants under the military assistance program—MAP—were replaced by sales for the same carefully limited purpose.

In 1968, Congress passed the Foreign Military Sales Act in order to provide a framework for weapons transfers as a policy instrument. That legislation discouraged U.S. sales to countries demonstrating a poor record of promoting democratic traditions. The new law also restricted weapons transfers solely to purposes of self-defense and denied sales to countries where scarce resources were better directed toward economic development.

Unfortunately, despite these constraints, the United States became caught up in the global arms spiral that resulted in a quadrupling of the world's dollar volume of arms trade between 1965 and 1975. But once again the Congress acted in a spirit of concern. In a bipartisan effort to restrict the trend and to make arms transfers an integrated part of overall U.S. foreign policy, Congress enacted the Arms Export Control Act of 1976. As that title clearly, states, the act represented a change in emphasis from sales to control. In the new law's opening paragraphs, Congress directed that:

It shall be the policy of the United States to exert leadership in the world community to bring about arrangements for reducing the international trade in implements of war and to lessen the danger of outbreak of regional conflict and the burdens of armaments. United States programs for, or procedures governing the export, sale, and grant of defense articles and defense services to foreign countries and international organizations shall be administered in a manner which will carry out this policy.

To achieve that goal, the Arms Export Control Act provided for major changes in the way arms sales were to be determined. In particular, the act established extensive reporting requirements to reflect the strong congressional desire for increased participation in the formulation of military assistance sales policies and programs.

In addition, the act directed that the executive branch weigh certain issues in making any transfer. These included consideration of the following:

Possible third-party transfers and the associated risks;

A recipient country's policy relating to terrorism;

A recipient country's record in human rights;

The ability of the recipient country to shoulder the significant financial costs of such arms transfers from the United States.

Regrettably, in its push to sell an increasing number of our most sophisticated weapons to a growing list of developing countries, the current administration has cast aside the historical American commitment to restraint. Indeed, as the study compiled by the staff of the Democratic Policy Committee points out, the tenets of the Reagan administration's policy directly conflict with the guidelines established in the Arms Export Control Act. Specifically, an aggressive program of arms sale promotion undermines the guiding principle that the United States should exert leadership in the world community to bring about arrangements for reducing the international trade in the implements of war. In application, the administration's policy has undermined the act in the following ways:

By discarding previous guidelines in favor of a wholly flexible, case-by-case determination for each proposed sale. This has led to inconsistencies in a program where the only predictable elements are steady increases in both the quality and quantity of weapons sold.

By depleting U.S. service inventories, and those of our allies, through accelerated sales of high-technology items to Third World customers.

By jeopardizing the pool of trained technicians available to the U.S. Armed Forces by creating conditions under which private contractors hire service personnel to provide support for weapons systems transferred abroad.

By ignoring the relationship between conventional arms transfers and nuclear proliferation, as in the case of Pakistan.

By failing to fulfill the mandate of Congress that the United States exercise leadership in seeking multilateral controls on global arms trade.

And by exposing the American taxpayer to billions of dollars in potential future bailouts for Third World countries which have purchased lavishly expensive weapons but which may be unable to meet payments on already onerous debt burdens.

Mr. President, I congratulate the distinguished Democratic leader for having commissioned this study. I think the release comes at a particularly opportune time, and I join him in pressing for legislative remedies to get the United States back into the business of arms control. rather than in the business of arms proliferation.

Mr. SARBANES. Mr. President, I am pleased to join the distinguished minority leader and the ranking member of the Foreign Relations Committee, the Senator from Rhode Island (Mr. PELL), and my committee colleague, the Senator from Delaware (Mr. BIDEN) in addressing this issue, which has been of longstanding concern to many of us, both inside this body and outside, and in pointing out the dangers inherent in the administration's arms sales policy.

It is clear, I believe, that the President's program has gone far beyond the intent of the Arms Exports Control Act of 1976. The President has characterized his program as flexible, but I think it would be more accurate to describe it as an aggressive policy of arms sales promotion around the world, particularly with respect to the developing nations, a policy with uncertain and unpredictable consequences for U.S. security and foreign policy.

I want to look at this policy for a moment in broad terms. I have been increasingly concerned by what has appeared to be a trend but is now obviously a focused policy of this administration to militarize our foreign policy.

Recent testimony before the Foreign Relations Committee on the administration's budget submission indicated that the administration is continuing to increase significantly the military assistance portion of the international security assistance programs.

I will take a moment or two to talk specifically about that part—the military assistance portion of the international security program. That does not touch on the cash arms sales taking place, which represent a much larger amount, somewhere in the range now of $15 billion.

I wish to look for a moment, though, at the more limited area of the security assistance programs where the United States provides assistance through the Federal budget to other nations both in the military and in the economic area.

In fiscal 1981, the security assistance programs in total were $5.3 billion, of which $3.2 billion were military—FMS sales, MAP, (the military grant program) and IMET (military education and training program).

In fiscal 1982, the first budget of this administration, the figure for security assistance jumped from $5.3 billion to $7.2 billion, of which $4.1 billion was military.

In fiscal 1983, the administration sought to go to $8.8 billion, of which $5.9 billion would have been military. In acting on this request Congress in the continuing resolution for fiscal 1983 provided $7.8 billion for all of the programs, of which $5.1 billion was for the military programs. The fiscal 1984 request of the administration has now jumped from that $7.8 billion figure appropriated by Congress in the continuing resolution to $9.2 billion (an 18-percent increase) of which $6.2 billion will be military.

So between fiscal 1982 and fiscal 1984, the administration has expanded the program by $2 billion, and all of that is on the military side. These figures are summarized in the following table:

U.S. SECURITY ASSISTANCE PROGRAM

[In billions of dollars]

	Fiscal year				
	1981 (actual)	1982 (actual)	1983 (request)	1983 (continuing resolution)	1984 (request)
Military [1]	3.2	4.1	5.9	5.1	6.2
Economic	2.1	3.1	2.9	2.7	3.0
Total	5.3	7.2	8.8	7.8	9.2

[1] Includes FMS sales, MAP, IMET.

In addition to this sharp increase in the military components of our security assistance program, the administration has now begun to include a great many more nations in the MAP, which is a grant program. In fact, the increase in the amount for that program is 157 percent from last year's continuing resolution to the request for this year. Of course, this only underscores the point made by both of my colleagues that the financial burden we are throwing on many countries by our arms policy is creating a serious economic problem, raising the question of whether they will able to repay the loans.

In effect, the administration is now acknowledging that increasing problem by moving to shift the program from loans to grants. This trend counters the concerted effort, in part at the direction of Congress, to reduce the number of countries receiving military grants; an effort which had succeeded in reducing that number to just a handful.

The administration in the budget submitted for this year proposes to give grant military aid to more than 20 countries.

Within the security assistance requests in the budget, the administration request for fiscal 1984 represents a 21-percent increase over the amount appropriated for the current fiscal year in the foreign military sales, military grant and IMET programs.

This request for a 21-percent increase comes at a time when Congress is forced by the economic circumstances confronting this country to deal with a budget which on the domestic side provides for cuts or hardly any increases, and with respect to our own defense budget calls for a 15-per-

cent increase. I might note that the question of whether a 15-percent increase is called for in our own defense budget is now an issue of much debate in Congress.

That issue, which has drawn so much attention and comment, should be contrasted with the fact that in the foreign military sales and grant programs, the administration is asking for an increase of 21-percent, almost half again as much of a percentage increase.

I am not sure this is fully appreciated. But the fact of the matter is as we deal here with these difficult budget questions—the amount by which our own defense budget should increase, the amount by which the domestic budget should be cut—we should recall that the administration is asking for a 21-percent increase with respect to military assistance programs for other countries.

The administration's request for development assistance reflects only a 4-percent increase while the request for economic support aid reflects an 11-percent increase. While both exceed what is being done with respect to many domestic programs the contract with the 21-percent increase in foreign military aid is sharp.

In short, all of the items in the administrations budget requests, taking them all across the board—the domestic programs, our own defense budget, our efforts to provide development assistance abroad, our efforts to provide economic assistance abroad—the item that most looms out of proportion is the proposed 21.2 percent increase in the military assistance programs, with respect to other countries.

This is a dramatic demonstration of the shift in our policy abroad toward military assistance and away from economic support, one of the problems discussed in this very fine staff study by the Democratic Policy Committee.

Further, I am deeply concerned that the administration has not been able to articulate a strong rationale for this fundamental and accelerating shift in policy that places a greater share of our resources in military aid abroad, nor has the administration offered a rationale for allowing such an enormous increase in this component of the budget at the same time that we face restraint and austerity with respect to the other parts of the budget.

Mr. President, there is one point I particularly want to note. When the F-16 sale to Pakistan was considered, in our minority report on that sale questions were raised about the transfer of top-of-the-line U.S. technology to countries where the security of that equipment could be compromised. The distinguished minority leader was touched on this point, and it is contained in the current report. I think it is an extremely important point. We enjoy a technological advantage in advanced weapons systems, and should that technology be compromised by gaining access to this equipment and by reverse engineering it obviously allows others to develop countermeasures to deal effectively with our systems. It is a matter which should and must be of very deep concern.

Mr. President, the legislation that is being prepared for introduction by those participating in this discussion addresses many of the concerns which have been outlined well in the staff study. These steps would include congressional approval for all major arms sales over $200 million. The number of those sales has jumped in a disturbing fashion in the last several years, and we really have a situation in which U.S. arms sales policy appears to be out of control.

This is a very important issue, with very serious implications for our foreign policy, and our national security policy. Clearly it is relevant to the whole debate over priorities which is now dividing the country, and I frankly find it difficult to understand how the administration can be seeking increases in the military assistance programs significantly in excess of the increases they are seeking in our own defense budget, leaving aside the contrast between the increases they are seeking in those military assistance programs with what they are doing to a whole range of domestic programs in this country, programs vital to the health and the education and the well-being of our people.

I want to commend the minority leader for the leadership he has taken with respect to this issue, acknowledge the contribution of those who prepared the staff report, and say that I hope this will begin to focus attention on an issue which certainly deserves action by this Congress and the country.

I yield the floor and reserve the balance of my time.

RECOGNITION OF SENATOR BIDEN

The PRESIDING OFFICER (Mr. PRESSLER). Under the previous order, the Senator from Delaware is recognized for not to exceed 15 minutes.

THE FINANCIAL IMPLICATIONS OF THE ADMINISTRATION'S FOREIGN MILITARY SALES PROGRAM

Mr. BIDEN. Mr. President, let me begin by apologizing for my voice. I have had difficulty speaking this morning, which gave a number of my colleagues a sense of solace but I will attempt to speak very briefly to the issue that the Democratic leader and the Democratic leader of the Foreign Relations Committee have addressed from a slightly different perspective.

Let me say at the outset that I would like to associate myself with the remarks made by my three colleagues who have spoken on the subject already and I would like to compliment highly the Democratic Policy Committee for what I believe to be one of the best reports I have been associated with in a long time. It was a piece of good work and scholarship and I commend it to my colleagues.

I also would like to thank the members of the Foreign Relations Committee staff, particularly John Ritch, for the efforts and expertise he has brought to bear in helping me particularly both to understand and to become associated with this issue.

Mr. President, my colleagues have pointed out the need to return to an arms export policy of restraint rather than one of proliferation as has been the case under this administration. Let me address, if I may, another dimension of the administration's program which demonstrates a cavalier disregard for the American taxpayer.

The administration's arms proliferation policy has failed to take into account the financial impact of unrestrained arms sales on the economies of the developing countries, not merely our economy.

In our joint statement, we raised the issue of the impact of these sales on the already burgeoning debt problems of Third World countries. For example, Pakistan alone spends 29 percent of its budget on debt service. Yet, we have sold them $1.1 billion worth of F-16's and associated support services. At the time this sale was sent to Congress, we were assured that our good friend Saudi Arabia would provide the bulk of the financing. Yet, when it came time for the first six F-16's to be delivered to Pakistan, the administration had to reprogram—that is a fancy word for "come up with money"—had to reprogram $120 million in U.S. funds to pay for the aircraft. In other words, the Saudis were going to come up with the money for the Pakistanis, since they do not have the money, but then in order to make our sale to the Pakistanis go through, we had to go into the American Treasury in effect to pay for the sale we were about to make to the Pakistanis, and to the tune of $120 million.

Since it should be obvious to everyone that there is not any way Pakistan can repay these loans, at least nothing that I am aware of in terms of the future and immediate economic future of Pakistan—I wish them well, but the fact of the matter is they, like many Third World countries, have been very badly damaged by the state of the world economy and their economy was already in trouble before the world went into a recession—the American taxpayer likely, in my view, could be stuck with a $1.1 billion bailout if the

Saudi performance thus far is any gage of what we can expect from them. Obviously the Saudis can change their tune. If we take a look at oil prices today I do not imagine that the Saudis are going to find it easy, particularly if the oil price continues to drop, to pick up the $1.1 billion tab to pay to the United States for aircraft we are transporting and selling to Pakistan.

Other countries are already in default on foreign military sales loans, and further rescheduling of payments is anticipated.

For those in the public at large who will read this statement or be aware of it, "rescheduling" is another way for us to say that American taxpayers, we the people who pay the taxes, may ultimately have to pay for this.

Turkey, for example, has not paid its foreign military sales debts since 1978. I am not suggesting that Turkey is a bad country or that Turkey is trying to bilk us. I merely want to point out Turkey is incapable, because of her serious economic situation, to carry the burden of their obligations. There have been four reschedulings of over $400 million in loans to that nation since 1978.

According to the General Accounting Office, U.S. officials have admitted that Turkey's debt service payments will climb after 1983 and will create continuing difficulties for that country in its ability to repay us and its other creditors. Despite these facts, the administration is seeking a near doubling of U.S. military assistance to Turkey for fiscal year 1984.

According to the GAO, there are 12 other countries on the FMS danger list, in addition to Turkey.

Yet, while FMS loans are increasing under this administration, the FMS guaranty reserve fund, for which Congress provides appropriations to cover potential loan defaults is now at a new low. OMB officials admit that the available reserves may go below the statutory trigger of $750 million later this year. As a matter of fact, OMB projects that a total of $785 million is expected to be paid out of these FMS reserves for fiscal years 1984 through 1987 to cover projected loan reschedulings.

If we were operating a bank, and the bank examiners came in and examined many of these FMS loans, they would declare that these loans, in fact, were in default and they would declare that they are bad loans and not likely to be repaid, and we would, as bankers be required to respond accordingly.

But we are not faced with that realization, that coming up against the truth like that such as a commercial banker would be. The administration plans to continue the policy, which we are able to do under the law, of bailing out these FMS reserves for fiscal years 1984 through 1987 to cover these projected loan reschedulings.

In addition, a request for appropriations of $250 million will be required for fiscal year 1988 to cover projected defaults during that year. Despite this fact, the administration has not—I emphasize "has not"—sought appropriations to increase the reserve, thereby confronting the Congress with the possibility of an emergency request to keep the fund in compliance with the statutory trigger. I think it is time we alert the American taxpayers to the fact that they may find themselves called upon to cover the costs of arms purchased by developing nations around the world. It is a bitter irony that we should be called upon by this administration to pay the costs of these loans while domestic loan programs for higher education, small business, and a host of other important domestic needs are being cut by this administration.

I have been impressed with the fact that we spend a great deal of the Senate's time debating the relative merits of particular weapons systems to be procured for our own Armed Forces. I think it is appropriate and necessary that we do so. However, I want to suggest that we should apply the same criteria to the kinds of equipment that we sell—not merely that we purchase for ourselves, but that we sell abroad. In particular, we ought to weigh the contribution that foreign military sales make to our own defense and security, and that we must consider the real costs of these sales. I do not believe the administration has given even the remotest consideration to these issues in pursuing its current policy. The 1984 budget request offers little hope of improvement.

Therefore, it is incumbent upon the Congress to address these issues and develop the necessary remedies to a policy which is obviously out of control. That is why I join my distinguished colleagues in recommending the Policy Committee's study to you as making an important contribution to the critical issue of arms sales abroad.

In conclusion, Mr. President, it really comes down, basically, to a truth-in-lending policy. I think if the administration feels these arms transfers are so vital and so important to our security interests that it should come right up front and acknowledge the low probability of repayment.

We spend here, I say to my friend from West Virginia, hours and hours debating about students who do not pay back loans of $2,000 and should we have ever given it to them in the first place; was it reasonable to expect that they would pay it back? We offer that as a justification for curtailing a program to allow people access to higher education. We argue and argue about that.

Why can we not have the same sense of forthrightness and honesty about the loans we make to the other countries? It may be, but I doubt it, personally, that American security is so involved in arms transfer policies that we conclude, (a) that it is necessary to transfer x millions of dollars' worth of arms to that country and, (b) to acknowledge that the American taxpayers are going to pay for that. If that is the case, let us face it directly.

If we do not face this problem now, we are going to be facing it 2, 3, 4, and 5 years down the road and the ticket price is going to be awfully high. We are going to be faced with little alternative but to raise the dollars and the American public is, once again, going to think, "What in God's name was that Congress doing while all of this was happening? Why didn't they know?"

One of the purposes of the report that the Democratic leader has introduced today and the legislation that will follow is that we are putting the American public and our colleagues on notice: The bill is going to have to be paid. We had better look at any future commitments and we had better be prepared to ante up for commitments already made. People should know that.

I thank my colleagues for yielding me this time. I hope the remainder of colleagues look very closely at what is at issue.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I thank my colleagues, Messrs. PELL, SARBANES, and BIDEN for their statements, for the salient points that they have made, and for joining with me in this endeavor.

I think, in summation, what the report is saying is that we are transferring top-of-the-line items, in many instances, to countries that do not have the technicians and the capabilities of dealing with that kind of equipment.

Second, we are draining off our own reserves and the reserves of our allies, and in doing so we are selling ourselves short. We are not contributing to stability in the other parts of the world and we are not contributing to our own national security.

As Mr. SARBANES, Mr. PELL, and Mr. BIDEN each pointed out, in the final analysis the American taxpayers are going to pay the bill on many of the loans that are made. I think it is time for the American people to know this. I think Mr. BIDEN and Mr. SARBANES were both right in their references to the debates that are occurring with regard to our own defense spending and the domestic programs that are being cut in America and yet the fact that there is this hemorrhage of arms flow, in many instances to underdeveloped countries, which the taxpayers of America eventually will have to pay. I

think these are important points and I compliment those Senators, and Senator PELL, on the study that they have given to this subject.

I compliment the Democratic Policy Committee staff, under the leadership of Mr. Liberatore, which has put this report together. I hope it will be read by our colleagues and by the press.

Mr. President, I previously had asked unanimous consent, and it had been granted, that a portion of the report which dealt with "F-16 Sales Abroad: A Case Study" be printed in the RECORD. I ask unanimous consent, instead, that the entire report be printed in the RECORD. I express the hope that our colleagues will read it carefully.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

AN UNCONVENTIONAL ARMS POLICY: SELLING OURSELVES SHORT

UNITED STATES SENATE,
DEMOCRATIC POLICY COMMITTEE.

In the first full year of the Reagan Administration's promotional arms policy, the United States sold $21.5 billion worth of arms worldwide. These sales have set records for total dollar volume, levels of sophistication, and the kinds of customers involved. There is some evidence that these sales of high technology weapons could be creating serious draw-downs on United States armed forces inventories, while increasing the risk that sensitive technologies will be compromised and used against us or our allies. At the same time, their policies are undermining the ability of developing countries to deal with their growing debt burden and encouraging a new militarism in their foreign policy.

This report was initiated by Richard McCall, Deputy Staff Director and foreign policy professional for the Senate Democratic Policy Committee, and prepared principally by Kevin Nealer. It discloses the dimensions of these problems, and recommends congressional approval of major sales, along with increased oversight of arms policy formulation. It calls for recognition of the economic consequences of sales for recipients and suppliers, and for negotiations to limit sales, beginning with NATO allies. While these recommendations are not the official position of the Democratic Policy Committee, we hope they will serve as a starting point for a dialog on this issue. I encourage you to read and consider this important study.

ROBERT C. BYRD,
Senate Democratic Leader.

EXECUTIVE SUMMARY

Arms transfers play a critical role in the conduct of U.S. foreign policy. Historically, the utilization of this policy tool often has been marked by controversy between the executive and legislative branches of government. As a consequence, the role of Congress in the decision-making process governing arms transfers abroad has been institutionalized through bipartisan legislation reaching back over forty years. The most recent congressional initiative in this area is the Arms Export Control Act of 1976 which established policy guidelines aimed at creating a regime of restraint and selectivity.

However, the transfer of conventional arms through the foreign military sales (FMS) program of the U.S. government and through commercial channels (requiring the issuance of export licenses by the executive branch) has reached major proportions under the current Administration. The Administration's $21.5 billion program of arms sales has departed from the criteria established in the Arms Export Control Act, setting a new and possibly dangerous direction for U.S. policy which could be detrimental to our own security interests.

The Administration's approach ignores the lessons of recent events in the South Atlantic, the Persian Gulf, and the Middle East by encouraging an increasing number of developing countries to acquire sophisticated weapons systems. There also is a body of evidence that American munitions manufacturers are, in many instances, whetting the appetites of Third World nations for our most advanced weapons, and that acquiring these weapons has become a status symbol in nearly all regions of the world.

The Administration's arms transfer policy is built on two related misconceptions:

The global increase in the arms trade is seen through the lens of bipolar world politics as another opportunity for U.S.-Soviet competition. This view ignores the reality of a growing market in which the U.S. and the U.S.S.R. lead a long list of competing suppliers, particularly our Western European allies.

Arms sales are pictured as guaranteeing influence and extending U.S. security abroad. U.S. experience, with Iran and others argues against this theory, as does the Soviet record of failure with such major customers as China, Egypt, Indonesia, Iraq, and Sudan. While sales to NATO and other close allies who share a common security concern can enhance U.S. interests, arms transfers to the Third World do not create automatically such shared interests. This is particularly true when the perceptions of the threat on the part of the seller and recipient are not congruent. The transfer of forty F-16s to Pakistan is a case in point.

The tenets of the Administration policy directly conflict with the guidelines established in the Arms Export Control Act. Specifically, an aggressive program of arms sale promotion undermines the guiding principle that the U.S. should "exert leadership in the world community to bring about arrangements for reducing the international trade in implements of war." In application, the Administration's policy has undermined the Act in the following ways:

By discarding previous guidelines in favor of a wholly "flexible, case-by-case" determination for each proposed sale. This has led to inconsistencies and a program where the only predictable elements are increases in both the quality and quantity of weapons sold.

By depleting U.S. service inventories through accelerated sales of high technology items to Third World customers.

By reducing the pool of trained technicians available to U.S. armed forces, due to private contractors who may be hiring service personnel away to support foreign sales.

By ignoring the relationship between conventional arms transfers and nuclear proliferation.

By failing to fulfill the mandate issued by Congress for the U.S. to exercise leadership in seeking multilateral controls on global arms trade.

By exposing the American taxpayer to billions of dollars in potential future "bailouts" for Third World countries with whom we have signed arms transfer agreements and whose ability to meet payments on already onerous debt burdens is in doubt.

EFFECTS OF THE ADMINISTRATION POLICY ON DEVELOPING COUNTRIES

The new policy of arms promotion abroad affects developing country recipients in three ways:

The level of sophistication of arms being transferred is increasing dramatically, raising the danger of regional arms races and increasing the risk that U.S. technology will be compromised or used against us or our allies.

The inability of developing countries to absorb high-cost, sophisticated military hardware, undermining economic growth and siphoning precious material and human resources away from the already burgeoning social needs of their populations.

The quantity and quality of weapons being transferred to developing countries has the potential for creating greater instability and increasing the likelihood that the recipients will respond to political problems with military solutions.

RECOMMENDATIONS

There are several responses possible within the context of the Arms Export Control Act. The procedures for congressional involvement in arms transfer policy require changes along the following lines:

1. The sales of major weapons systems should require affirmative congressional approval. This would serve to strengthen the current veto process.

2. Congress must participate in the long-term planning and policymaking objectives of the Arms Export Control Act, assuring that legitimate security and developmental needs of Third World buyers are met within the bounds of U.S. policy and economic realities. This would include automatic submission to the Congress of Defense Requirement Surveys since it appears many arms requests flow from these studies.

3. The Administration should heed the admonition in the Arms Export Control Act by seeking negotiations to impose multilateral restraint over the transfer of arms around the world. The first step should be consultations with NATO and other allies to review markets, the levels of sophistication of arms being transferred, and the impact these sales may have on regional stability.

INTRODUCTION

First in Western Europe and now in the U.S., concern over nuclear arms proliferation has caught the public imagination. Hundreds of thousands took that concern into the streets of Amsterdam, Bonn, and New York. Public pressure brought the issue to the floor of the United Nations, the U.S. Congress, State legislatures, and even town councils. It forced the Reagan Administration to begin promised arms reduction talks with the Soviets. The broad spectrum of public interest and the sense of urgency shown by so many led to fundamental change in Administration policy.[1] If good faith is maintained on both sides, this change could translate into meaningful controls and an eventual reduction of nuclear weapons stockpiles.

But the threats to peace and international security are not posed by nuclear weapons alone. Few believe that a regional conflict would start with an exchange of nuclear salvos, and many experts reject the massive surprise attack as a likely scenario for a su-

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Footnotes at end of article.

perpower showdown. Instead, the greatest threat is portrayed as a local brushfire war that expands to nuclear conflagration. Wherever it originates, the kindling for such a nuclear fire is likely to be conventional weapons. As the level of sophistication and destructive potential of these weapons has increased, so has availability. The recent tragedies of war in the South Atlantic and Middle East demonstrate that the introduction of high technology nonnuclear weapons into Third World arsenals has challenged our assumptions about conventional warfare.[2] A new generation of laser, camera, and radar guided "smart" missiles, high performance aircraft, and battlefield rocketry increases instability and the likelihood of conflict in those parts of the world already dangerously close to the flashpoint.[3]

Against this background the Reagan Administration has announced its intention to embark on the most ambitious promotion of arms sales in U.S. history. It has rejected previous guidelines and, in derogation of statutes and established practice, set out to make the trade in conventional weapons the centerpiece of its foreign policy management.[4] While conventional arms transfers can make an important contribution as a tool of foreign policy, their role has long been subordinate to notions of promoting security and the national interest in a well-crafted policy framework. In abolishing criteria are moving to a "flexible" approach to transfers, the Administration has ushered in a new era in the history of the arms race. This program has prompted Senator Proxmire to observe that the Reagan foreign policy "more than [that of] any Administration in American history, is based on a single strategic factor: arms sales. . . . We will now sell arms to anyone, anywhere, for any reason."[5]

The effort here will be to provide an overview of this policy and what it means for global security. We will need to look at the legacy of U.S. arms export policy, recent trends, underlying assumptions of this Administration, and the direction in which its policies are moving us, and others.

I. A COMMITMENT TO RESTRAINT

A. The legislative response

Fifty years ago, the growth in the arms trade and the rise of militarism in Europe generated popular criticism of weapons proliferation similar to the reaction to nuclear issues today. The 1934 publication of Engelbrecht and Hanighen's *Merchants of Death*[6] helped focus attention on the need for statutory guidelines for U.S. arms transfers. Following the work of the Nye Commission, Congress responded in 1935 with a bipartisan effort, addressing this issue by enacting the first in a series of major laws regulating military transfers.[7] World War II and the period of reconstruction saw the emergence of a policy designed to strengthen U.S. security by providing our close allies with weapons sufficient to combat aggression and protect our shared interests. As time went on and the economic conditions of our allies improved, the Military Assistance Program (MAP) grants were replaced by sales, and the European arms industry began to recover and expand. In 1968, Congress passed the Foreign Military Sales Act[8] to provide a framework for weapons transfers as a policy instrument. The legislation discouraged sales to countries demonstrating a poor record of promoting democratic traditions,[9] restricted weapons transfers to self-defense use only,[10] and denied arms sales to countries where scarce resources were better directed toward economic development.[11]

Despite these constraints, the U.S. became caught up in the global arms spiral that saw a quadrupling of the world's dollar volume of arms trade between 1965 and 1975.[12] The culmination of a bipartisan congressional effort to cope with that trend and make arms transfers an integrated part of overall foreign policy came in the Arms Export Control Act of 1976 (AECA).[13] As the title indicates, the Act represented a change in emphasis from sales to control. In the opening paragraphs, Congress directed that:

"It shall be the policy of the United States to exert leadership in the world community to bring about arrangements for reducing the international trade in implements of war and to lessen the danger of outbreak of regional conflict and the burdens of armaments. United States programs for or procedures governing the export, sale, and grant of defense articles and defense services to foreign countries and international organizations shall be administered in a manner which will carry out this policy."[14]

To achieve that goal, the Act provides for major changes in the way sales are to be determined.

In particular, the AECA established extensive reporting requirements which the legislative history tells us were included because of the "strong desire to provide for increased congressional participation in the formulation of military assistance sales policies and programs."[15]

In addition, the Act mandates that the Administration weigh certain issues in making any transfer. These include consideration of:

Possible third party transfers and the associated security risks;

Recipient country's policy relating to terrorists;

Recipient's exclusionary policies which would discriminate against U.S. nationals on the basis of race, religion, national origin, or sex; and,

Recipient's record on human rights.

This policy guidance, in conjunction with the information requirements and the emphasis on government-to-government sales, was designed to guarantee a stronger congressional role in the arms transfer process. To assure that objective, the Act includes provision for congressional vetos of major sales.[16] While it has not yet been invoked and remains politically contentious, the legislative veto has proven a useful tool in shaping arms transfer policy.[17]

B. The Carter criteria

In an effort to supplement the policy guidance of the AECA, President Carter set forth a list of objectives for arms export policy. In his statement of May 19, 1977, Carter announced that arms transfer would continue to be an important element of U.S. policy, but would be regarded as "exceptional." Transfers which promoted U.S. security and that of our close allies would continue unchanged; NATO countries, Japan, Australia, and New Zealand were exempted from the new criteria. But sales to other parts of the world would come under special scrutiny and, for any new sales, "the burden of persuasion will be on those who favor a particular arms sale, rather than those who oppose it.[18] This standard was to respect traditional security arrangements while reflecting a new caution in transfer involving less-developed countries (LDCs).

Specifics of the Carter policy were aptly summarized in the 1981 Congressional Research Service (CRS) report to the House Committee on Foreign Affairs entitled "Changing Perspectives on U.S. Arms Transfer Policy."[19] The main points included reduction in the dollar volume of Foreign Military Sales (FMS) and MAP programs, with qualitative restrictions on weapons transfers. This meant a prohibition on introduction of new technologies into a region, development of export-only systems, or sales of systems not yet operationally deployed with U.S. forces. It also entailed tight restrictions on coproduction agreements and third party transfer of U.S. weapons. U.S. embassies would require prior approval from the State Department before assisting U.S. arms firms in marketing overseas.

Obviously ambitious, the Carter plan was unable to live up to many of the expectations it engendered. The CRS 1981 report concludes that the Carter Administration failed to make arms transfers an "exceptional" tool of foreign policy. Almost $40 billion in new arms agreements with LDCs were made during the Carter years. The Carter approach to unilateral restraint came at a time when Soviet and Western European suppliers were increasing their market shares. Moreover, the uneven application of restrictions gave rise to uncertainties about U.S. arms export policy. Exceptions to the qualitative guidelines included agreements for coproduction, and introduction of the FX as an export model fighter to fill the performance gap between the F-5E and the first-line F-15 and F-16 aircraft.

But the Carter guidelines represented a serious Executive initiative in attempting to restrain sales and bring them into the mainstream of foreign policy. The CRS report notes that:

"The Carter arms transfer policy established a more precise and systematic decisionmaking process and more specific guidelines for those in the arms sales chain. . . . This framework increased the prospect that significant proposed sales would have to go through a rigorous review."[20]

The report continued by noting that the requirement for State Department approval prior to sales promotions,

". . . increased the prospect that foreign policy makers could and *would* be able to evaluate the potential ramifications for American policy interests *before* being confronted with a formal request for a sale resulting in premature promotional actions by U.S. arms sellers."[21]

Defense analyst Andrew Pierre characterized the effect of the Carter policy in writing that it "provided a framework for an important aspect of American foreign relations."[22]

This review process led to over $1 billion in refused requests during the Carter presidency, affecting more than sixty countries. Many of these rejections prevented acquisition of inapposite high technology weapons by LDCs. The CRS report cites refusals of requests by Guatemala for F-5Es, Pakistan for A-7s, Taiwan for F-4s, and Iran for F-4Gs, as instances in which purchases of equivalent systems from alternate suppliers were not made. But the absence of multilateral controls did result in alternate purchases following U.S. refusals of aircraft sales to Argentina, Ecuador, and India. In each of those cases, a European-built product was substituted, giving weight to arguments for allied cooperation in restrictions of the market.

While Carter did begin to follow through on the AECA mandate for multilateral con-

trol talks, he failed to seek participation of suppliers other than the Soviets. These conventional arms talks (CAT) collapsed after a year as a result of what participants described as "deteriorating U.S./Soviet relations, a volatile Middle East, and an increasingly difficult political situation for the Carter Administration at home, along with bureaucratic confusion, personal rivalries, and tactical errors."[23] It was questionable whether such talks could have produced any meaningful agreement when France and the other major producers were not parties to the process.

The legacy of the Carter arms transfer policy is then a melange of successes and failures. By offering "an institutionalized framework in which hard policy decisions can be made,"[24] the Carter program moved toward integrating arms sales into the fabric of foreign policy management. Perhaps a greater commitment to multilateral controls and the requisite political will would have done more to lend predictability and credence to weapons export policy and the conduct of foreign affairs as a whole.

Despite valid criticism that Carter "stepped in front of a moving train" on arms control, his Administration did offer "a set of criteria designed to insure that a grant or sale of defense articles will be in the national interests of the United States,"[25] as envisioned by the AECA. The importance of such guidelines becomes clear when looking at recent trends and the current policy.

II. THE CURRENT CRISIS

A. Trends and methods examined

An understanding of the current Administration's policies and where they may be leading requires a look at recent developments and the assumptions derived from them. The facts are sometimes hard to come by, but an accurate reading of the situation is essential to any judgment about the direction of U.S. arms export policy.

In considering statistics on U.S. arms transfers, several caveats should be kept in mind. First, arms transfers and support services have several different forms. Most important are the FMS program sales, including loans and direct credits. These are complemented by private commercial sales, training programs (chiefly, IMET), MAP grants, leasing and use of military equipment and facilities, the excess defense articles program (EDA) and other formal and informal arrangement.[26] This last catch-all category includes programs that do not appear in conventional accountings of sales and support costs. Like some private sales and classified programs, these costs are elusive. Moreover, the costs of the FMS program itself may be understated with respect to administrative expenses and potential liabilities.[27]

Second, comparisons between U.S. exports and those of other countries also suffer form creative accounting practices which skew totals. One proposal would distill the costs of "nonlethal" supports (e.g., training and military construction) out of U.S. arms transfer totals.[28] The Administration has endorsed this device, along with the practice of comparing U.S. and Soviet transactions in isolation. Many analysts criticize this approach as disingenuous, insisting that the more accurate accounting would juxtapose Western allied transfers with those of the Eastern bloc.[29] Comparisons also suffer from "loss in translation" problems in evaluating data from other countries. Predictable barriers of secrecy and the difficulties of valuing goods and services from planned economies confound East/West comparisons. The Director of the Defense Security Assistance Agency has testified that, in Eastern bloc countries, "the whole financial structure can be artificial . . . the whole matter of pricing the equipment."[30] These murky waters have spawned very different estimates of the market.

The Administration's comparisons announced by Under Secretary Buckley at an August 2, 1982, press conference are but the latest expression of the controversy.[31] They rekindle the debate over reliance on numbers of weapons transfers as against dollar volume in measuring market shares. The Department of State report upon which Mr. Buckley's remarks were based notes that, "Each [method] has shortcomings and neither is a true measure of military capability."[32] However, the Congressional Research Service's updated analysis recognizes that "the basic utility of the dollar value of arms transfer agreements is in indicating *long-range trends* in sales activity by arms suppliers."[33] This CRS report draws upon the same sources as were available to the State Department, and combines dollar totals with a tally of systems transfers to provide a balanced view. Several important trends emerge from this latest CRS study, and other public sources.

In the first full year of its promotional arms sale policy (FY 1982), the Reagan Administration sold an all-time high of $21.5 billion worth of arms worldwide. This is more than double the previous year's total, and well above the amount the State Department had indicated to Congress at the beginning of FY 1982.

The U.S. and Western European allies continue to dominate the world arms trade in many categories of weapons systems and in total dollar volume of sales values and deliveries.[34]

Arms deliveries to Third World countries from all sources are increasing geometrically, from more than $7 billion in 1974 to more than $23 billion in 1981.[35]

Soviet arms sales are now at record levels, and Soviet transfers to the Third World accounted for about one-quarter of all arms agreements with that market in 1981.[36]

Non-traditional LDC purchasers have entered the high technology market and world arsenals are growing both in quantity and quality. Supersonic aircraft and new families of missiles are becoming standard equipment in LDC weapons inventories.[37]

B. The Reagan assumptions

The Reagan Administration has drawn some alarming conclusions from these trends. It has inflicted its bipolar view of global politics on the facts of increased arms sales and declared another arena for U.S./Soviet competition. By viewing regional problems through an East/West optic, there is a likelihood that the Administration has misread and misrepresented the potential dangers of unbridled trade in sophisticated weapons.[38]

In testimony before the Senate Foreign Relations Committee, Under Secretary of State James Buckley relied on controversial Administration totals in concluding the Soviet arms deliveries to the Third World for the period 1977 to 1980 exceeded U.S. shipments by 20%.[39] Figures from the 1981 CRS report and other sources substantiate an *increase* in Soviet deliveries of only 14%; $23.6 billion for the U.S., as against $26.9 billion for the Soviets.[40] More importantly, the CRS analysis points out that U.S. arms *agreements* with the Third World for that period exceed Soviet deals by over $3 billion.[41] (Agreements can be a better gauge of trends, since they represent commitments for future deliveries.) The State Department Special Report released by Mr. Buckley acknowledges that U.S. sales to LDCs exceeded Soviet transfers by "roughly two to one" in total dollar volume for the entire sample period.[42] The new CRS study confirms that between 1974 and 1981, "the U.S. made Third World sales in nominal terms that exceeded those of the U.S.S.R. by about $9.1 billion."[43]

The CRS report of August 1982 places these figures in perspective, recognizing the limitations of dollar estimates and systems counting. It criticizes the Administration practice of excluding $15.5 billion in FMS construction cost between FY 1974 and FY 1981, and sounds a note of caution about Administration methodology that led Mr. Buckley to say the Soviets were "clearly" in first place.[44] While the U.S. "has not matched the Soviets in terms of sheer numbers delivered in the recent four-year period," the study warns that those numbers do not "provide any indication of the capabilities of the recipient nations" because they cannot show levels of sophistication of weapons or quality of training received.[45] As one observer notes, the advent of the Reagan policy is "less evident in the costs of the arms the new Administration transferred than in their sophistication and the list of buyers."[46]

Of equal significance are the CRS conclusions concerning the role of other suppliers in the market. An economic analysis of the arms market shows it to be a fairly strict oligopoly, with high barriers to entry for the production of advanced systems, and a global clientele. The system is very much demand-driven.[47] Leading producers are the U.S., U.S.S.R., France, and other Western European countries. A recent report in the *Congressional Quarterly* noted that, "The nation that fills a void when the U.S. refuses a sale is just as likely to be U.S. allies, France or Britain"[48] as the Soviet Union. The 1982 CRS study shows that Western European exporting countries led in deliveries to the Latin American market in more categories of systems than did the U.S. or the U.S.S.R. It concluded that "(T)he major Western European suppliers have become, in the recent period, serious competitors for arms markets in every region of the Third World. . . ."[49]

Proportionally more Western European production is geared to export than is the case for either the U.S. or the U.S.S.R. France, the third largest arms producer, exports more than one-third of its production, while the U.S. and U.S.S.R. each export less than one quarter of their production.[50] While the Soviets enjoy a strong and growing market share, it no longer makes sense to cast the arms sale competition as a U.S./Soviet horse race. The Administration's insistence on that characterization ignores the other competitors and presumes that, in a larger sense, there can be a winner.

This win/lose approach is predicted on a second misconception about arms transfers: that they guarantee influence and control over the recipients. The hard lessons of recent history provide evidence for the opposite conclusion, and show the Administration's concern over "who's on first" in volume of sales to be a mistake in emphasis. The Falklands crisis found the British confronted by Argentine forces equipped with British weapons systems. That bitter irony prompted one cartoonist to depict British soldiers peering into the sky and asking, "Is

it one of ours . . . or one of ours?" The U.K. sold Argentina warships and electronics valued at $200 million over the past three years, according to a recent Washington Post article by Anthony Sampson, author of "The Arms Bazaar."[51] Sampson notes that one-fourth of the Excocet missile components are manufactured in Britain.

Whitehall's sense of embarrassment was well understood in Washington and Moscow. The U.S. has seen two of the largest infusions of its arms in the past decade—purchases by Iran and Vietnam—fail to reinforce U.S. interests or prevent regional instability. Even in the case of Israel, the U.S. learned that it exports control and the ability to influence end use along with U.S. weapons.[52] Constraints on spare parts and extra ordnance shipments are post facto remedies at best, and seldom used. Neither device offers any guarantees of behavior acceptable to the U.S.

As costly and painful as these lessons have been for the U.S., the Soviet record is even worse. With the exception of the captive clients of the Warsaw Pact, virtually every major Soviet arms customer since World War II has bitten the hand that feeds it. China, Egypt, Somalia, and the Sudan have turned their backs on the Soviets, and the policy interests which their arms transfers were supposed to secure. So too, Indonesia, Ghana, Guinea, Iraq, and India have moved away from Moscow's infuence, taking their Soviet-made weapons with them.[53]

President Ford's national security advisor, Lt. General Brent Scowcroft, argues that the issue is more complicated than influence. If you mean we are buying influence by selling arms . . . the answer is clearly no."[54] The AWACS sale offers a recent example of this dilemma, where U.S. interest and influence are not necessarily enhanced by the transfer, but would be vitiated by a refusal. Former Deputy Director of the Arms Control and Disarmament Agency (ACDA), Barry Blechman, noted that "(t)his Administration exaggerates tremendously the influence arms sales bring. It's really negative. Turning down a sale hurts your influence."[55] The "negative influence" also applies to the leverage a sale is supposed to bestow on the seller once it is made. The practical effect is that the buyer, not the seller, garners greater leverage from a completed sale, because buyers can raise questions about the supplier's reliability as an ally and source. This provides even a small purchaser with some power over the oligopoly, since political pressure can be brought to bear to play suppliers off against one another. As the Center for Defense Information observed, "The good will generated by an arms sale, if any, may only last until the next request for weapons comes along."[56]

The most important point to be made is that arms transfers are not, of themselves, the cement of influence by sellers over buyers. Common interests and shared perception of security may be enhanced by sales, as is surely the case among NATO allies. Where those shared goals and policies are not already in place, weapons transfers can create shifting dependencies and "negative" leverage. And there is nothing to suggest that they change the local perception of local conflicts; that a border dispute or factional rivalry assumes an East/West dimension for the recipients. U.S. interests are not necessarily aggrandized, nor security concerns shared, when U.S. weapons systems move abroad.

Moreover, it is unhelpful to translate comparative market standing into relative defense strength, as if contrasting the U.S. domestic arsenal with that of the U.S.S.R. The CRS report points up this direction in Administration policy; a harkening back to the Nixon (Guam) Doctrine that nations with U.S. weapons are surrogates, projecting U.S. influence.[57] Under Secretary Buckley mirrored that thinking in testifying that:

"The marginal U.S. dollar loaned under FMS to the Turkish Army or to the Thai or Pakistan Air Force is a dollar that we otherwise would have to spend outright on our own forces to do a job that the Turks and Thais and Pakistanis can do better and at less cost."[58]

While the dollars are fungible, policy interests and ideologies may not be. U.S. supremacy in arms sales to LDCs is no more a guarantor that U.S. security is being served than was the case when the Romans hired and equipped mercenaries to guard the outposts of their empire. A strong U.S. market posture only means a larger relative share for U.S. arms manufacturers in a market where each new sale by the competing supplier nations diminishes their ability to control events in the buyers' part of the world. These transfers of sophisticated arms are giving Third World regimes options which had been the exclusive currency of the more technologically advanced countries. As with any currency, its proliferation debases its value—and the influence it supposedly represents.

III. THE REAGAN ADMINISTRATION POLICY IN APPLICATION

We've seen that current arms transfer policy is built on two related assumptions: (a) the conventional weapons market is another species of U.S./Soviet arms race in which the U.S. is behind; and (b) arms sales mean influence. Carrying these assumptions into the execution of its polices, the Reagan Administration has discarded established tenets of restraint in U.S. arm transfers, and the dictates of statute. These have been supplanted by a policy without guidelines, where the only predictable outcome is an increase in quality and quantity of sales.

A. Exit the AECA

The Reagan Administration policy has been explained through two vehicles. The first expression came in the Presidential Policy Directive of July 8, 1981. Beyond that document, there has been a series of statements and testimony by Under Secretary Buckley and other Administration spokesmen which sheds light on the Directive. These sources clarify the Administration's position on the objectives announced by Congress in the Arms Export Control Act.

The CRS 1981 report concludes that, "(t)he President Directive of July 8, 1981, does not present a balanced and comprehensive reflection of the policy directions of the AECA."[59] In fact, the Directive and follow-up statements raise serious doubts about the Administration's compliance with the letter and spirit of the Act. Reviewing the most important areas, the following inconsistencies emerge:

1. Promotion, Not Control

The thrust of the AECA is to provide a framework for arms transfer policy and controls. Section 1 of the Act requires that U.S. policy aim at "reducing the international trade in implements of war."[60] The Reagan Directive announces the Administration's intention to "enhance United States defense production capabilities and efficiencies." Similarly, National Security Advisor William Clark, in a May, 1982 speech to the Georgetown Center for Strategic and International Studies remarked that, "Not only does security assistance offer a cost-effective way of enhancing our secuity worldwide, but it also strenthens our economy in general and our defense production base in particular."[61] The CRS 1981 Report notes that:

"(T)he Act does not suggest that arms sales should serve as a positive force in maintaining a strong American defense industry. This notion is somewhat contrary to the balanced objectives expressed in the AECA which recognize legitimate national security needs for arms transfers while also promoting controls and restraints so that the sales do not accelerate out of control, fueled by domestic financial factors."[62]

In the name of promoting the interests of U.S. manfacturers and serving their arguments for economies of scale, the Administration has set its course in opposition to Congress and its efforts at control. Arguments that filling the LDC demand reduces unit costs and benefits the domestic economy are both questionable ecomonics and dangerous in the implications they hold for the growth in LDC sales.[63] Such arguments fail to acknowledge that export orders are uncertain and vary greatly from year to year, making it difficult to depend on economies of scale from foreign purchases when the cost effectiveness of new weapons production is being judged. Also, the available evidence suggests that the reduction in unit cost that results from foeign orders does not provide extraordinary savings to the government in the case of most systems being produced for the domestic market.[64] Certainly marginal economies should not justify a policy of weapons proliferation inimical to U.S. interests, and an unwillingness by the Administration to comport with the basic direction of the Act should not be excused by any economic rationale.

2. Failure of Leadership: The Obligation to Negotiate

The Act specifies that "it shall be the U.S. policy to exert leadership in the world community" in limiting arms transfers. Further, it was the sense of Congress that the President should "seek to initiate multilateral discussions" and "work actively with all nations to check and control the international sale and distribution of conventional weapons of death and destruction."[65] The Reagan Administration has abdicated this leadership role. Mr. Buckley testified that he would "remain prepared to examine ways" to achieve arms control, but would not "go it alone." This mirrors the Policy Directive language that the U.S. will "retain a genuine interest" in the proposals of others.

Neither the language of the Act nor its legislative history contains a call for unilateral restraints. To the contrary, the President is obliged to seek cooperative arrangements that would lead to controls. This is not a passive posture. It requires that the President exercise traditional U.S. leadership rather than a wait-and-see approach. The law calls upon the President for something more than being receptive to another country's initiatives.

3. No Place for Human Rights

Section 301 of the AECA amends Section 502B of the Foreign Assistance Act and declares the policy of the U.S. to be to "promote and encourage increased respect for fundamental human rights and freedoms."[66] It specifically prohibits security assistance to any country "engaged in consistent patterns of gross violations of inter-

nationally recognized human rights." The State Department is unable to quantify arms sale refusals made on human rights grounds in either the Carter or Reagan Administration, but the difference in directions is clear.[67] This Administration has supported lifting arms sales prohibitions against the regimes in Argentina and Pakistan, and has increased military assistance to El Salvador and Guatemala.[68]

Beyond these actions, the Administration has sent an unmistakable message around the world that human rights issues are of less concern in current decisions on proposed arms sales. There is no mention whatsoever of human rights—either directly or by implication—in the Presidential Directive on arms sales. In his remarks before the Foreign Relations Committee, Mr. Buckley enumerated the Administration's priorities on arms sales, noting the statutory obligation to consider human rights.[69] But Administration statements elsewhere raise doubts about his commitment to those principles.[70]

4. Feeding Nuclear Proliferation

Section 305 of the Act amends Section 669 of the Foreign Assistance Act,[71] linking conventional weapons transfers to the recipient country's policies on developing nuclear weapons. The Glenn/Symington amendments banned security assistance to countries engaged in the production of nuclear material outside of international controls. That restriction has not inhibited the Reagan Administration's sale of forty F-16 aircraft and support systems to Pakistan, though it was unable to obtain firm assurance that Pakistan has stopped nuclear weapons development. Likewise, the Administration has permitted Brazil to purchase fuel from other suppliers without requiring penalties in its contract with the U.S. and has allowed a token military training program in that country.[72] Computerized process controls were sold to Argentina for use in unsafeguarded reprocessing operations, while U.S. brokers have been permitted to assist South Africa in circumventing the U.S. embargo of fuel to that country.[73] The signal to these recipients and others is a lack of U.S. interest in nuclear proliferation among LDCs.

5. Jeopardizing U.S. Service Inventories

The AECA also restricts sales which "could have significant adverse effect on the combat readiness of the Armed Forces of the United States" to an "absolute minimum." Section 21(i)(1) requires that the President report and justify any such proposed transfers to appropriate committees of the Senate and to the House. This portion of the Act reflects the long-standing U.S. policy against draw-downs on scarce items in the domestic inventories for the sake of exports. Despite lip service to this objective, the Reagan Administration practice appears to be at variance with it.

The Administration has disregarded the advice of its own experts in promoting high technology sales. Lt. General Kelly Burke, (USAF Deputy Chief of Staff for Research, Development, and Acquisition) testified in March, 1981 before the Senate Armed Services Committee that proposed sales of F-16s would not undercut U.S. needs "providing the sales are negotiated with the normal lead time requirements. . . . Specifically, a forty-two month lead time is required."[74] Later, Under Secretary Buckley told the House Foreign Affairs Committee that those same sales of the most advanced fighter plane in the world would be carried out on an accelerated basis.

Air Force internal documents substantiate the effect of these accelerated sales. They note that the sales "will have a particularly dramatic impact on our F-16 support posture," compromising already low parts inventories and the Administration's goal of preparedness.[75] Those sources also criticize the effect of the sales on production planning. Thus far, accelerated transfers have resulted in preempting delivery of six aircraft to Belgium and the Netherlands in an effort to cover U.S. inventory shortages.

Departure from its own timetable raises questions about the Administration's ability to assess and meet the needs of U.S. and NATO forces. Despite the recognized uncertainties surrounding the F-16 sales, the Administration has not reported their impact and has continued to make *pro forma* guarantees which contradict documented Air Force findings.[76] A special case study on the F-16 appears as Appendix C of this report.

B. Inconsistency institutionalized

Beyond the legal requirements and policy directions established by the AECA, the Administration has signalled confusion and unpredictability in implementing a policy without guidelines. The Presidential Directive recites a litany of goals to be pursued, but reveals more about its basic policies by what it omits. The Center for Defense information observes that the Administration has departed from prior practice by:

Abolishing the "ceiling" on the total dollar value of U.S. arms transfers authorized each year;

Dropping the prohibition on developing a weapon system solely for export;

Dropping the prohibition against introducing a newly developed, advanced weapon system creating a significantly higher combat capability in a region;

Dropping the prohibition against making foreign sales prior to operational deployment with U.S. forces; and

Rescinding Carter's so-called "leprosy letter" which instructed U.S. overseas officials not to assist private American businessmen seeking to promote arms sales.[77]

Statements made to support this approach rely heavily on one word: "flexibility". The Reagan Directive and testimony by Administration officials repeatedly call for flexibility and a "case-by-case" review of arms transfers.[78] A recent *Congressional Quarterly* report characterized this elusive standard by noting that:

"The Reagan policy contains no guidelines. Instead, all foreign requests to buy U.S. arms are to be examined 'case-by-case'. . . . In essence, if another nation is deemed to need the weapon in question, and the sale is thought to serve U.S. interests, the sale is to be made."[79]

Consistency was the much-advertised yardstick by which the incoming Reagan Administration measured the deficiencies of Carter foreign policy. That same measure applied to the totally subjective "flexible" Administration approach to arms transfers leaves this Administration far more open to criticism than its predecessor. Even *Aviation Week* has seen fit to register concern about this trend noting that "the Reagan guidelines are more a repeal of Carter human rights doctrinarism [sic] than the adoption of a new policy."[80] Without meaningful guidelines, the only predictable aspect of the Reagan program is growth—in sheer numbers of sales and, more importantly, in sophistication of the weapons systems sold.

C. Discarding fiscal restraint

Recent General Accounting Office (GAO) studies raise questions about irregularities in the FMS program, and suggest a need for caution in assessing the extent of U.S. economic commitments. In particular, a recent GAO report cites DOD for "inaccurate and incomplete estimates" of administrative costs.[81] This has occurred when the Defense Security Assistance Agency (DSAA) "directed the military services to exclude certain valid costs from their budget submissions." With "no assurance that the 3% surcharge" is covering administrative costs and DOD failure to "make an adequate and meaningful analysis" of those costs, GAO found that:

"Although GAO could not determine the total amount by which the military sales appropriations are subsidizing the foreign military sales program, the amount is known to be in the millions of dollars."

This has led GAO attorneys to issue an opinion which characterized DSAA practices as "legally improper" under the Arms Export Control Act.[82]

Of much greater importance is the liability exposure created by the FMS loan program. GAO has identified thirteen countries as being in default on interest payments.[83] This increase, up from two defaults in 1978, occurs as the reserve fund to cover such shortages has declined from $1.71 billion in 1980 to the present level of $860 million. Several countries unable to service their past debt are nonetheless objects of Administration requests for additional loans (e.g., Sudan and El Salvador). The absence of meaningful eligibility standards also generates concern as this indebtedness mounts. The manager of the Treasury's Federal Financing Bank (FFB) which oversees the guaranteed loans told the *Washington Post* that:

"I don't believe there are any requirements that the President or anyone find a country creditworthy. If the Department of Defense comes to us and says it will guarantee a loan, there's no reason for us to say no."[84]

This paractice is in conflict with the basic requirement of the Act that sales be "to friendly countries having sufficient wealth to maintain and equip their own military forces at adequate strength, or to assume progressively larger shares of the cost."

While some debts are being rescheduled, the Administration is seeking to have repayment of $950 million for FY 1983 forgiven through the direct credit program. That proposal includes loan forgiveness of $50 million for Sudan, adding it to the list of countries qualifying for what is essentially grant assistance. The Administration also proposed including 19 additional countries to the concessional repayment plan for FY 1983.

Congress has mandated that guaranteed loans at near market rates of interest continue as the primary vehicle for financing military assistance. But current practices lead critics to conclude that FMS loans are being used to fill the void left by MAP grants, which are being phased out. Administration proposals for new concessional FMS loans give added weight to these charges. So too, reliance on "cash flow" financing, which permits countries to incur obligations on U.S. arms purchases without sufficient reserves, undermines the FMS program. The effect is to paint an unrealistic picture of FMS obligations and create the potential that liabilities ultimately may

fall on the U.S. Treasury, undercutting the economic advantages these sales are supposed to confer on the U.S. economy.

IV. A MORE DANGEROUS WORLD

The effect of the Administration's arms policy can best be understood by looking at its regional application, projecting current trends through key recipients and neighboring countries. The Middle East is by far the largest recipient of all arms transfers,[85] but other areas with a history of instability are seeing tensions increase as regional arsenals grow. Africa, the Caribbean, and South Asia offer revealing case studies.

Such examples need to be prefaced by a few general observations on LDC weapons transfers. First, the current volume of transfers to the Third World is, of itself, a highly destabilizing force. The recent Iran/Iraq war is a graphic example of the scope and character of a regional dispute exacerbated by the presence of large amounts of sophisticated hardware on both sides. The introduction of high technology weapons into a region can contribute substantially to localized arms races, raising the likelihood that political problems will be answered by military solutions. William E. Jackson (former executive director of the General Advisory Committee on Arms Control and Disarmament) cautions that, by introducing high-tech arms, "Far from preventing war, you may be increasing its severity or making it more likely by making a country confident enough to push its interests. Once the political fabric is torn suficiently, war breaks out."[86] Of course the rivalries and tensions exist with or without advanced weapons systems, but the availability of those weapons raises the level of conflict and the extent of destruction.

Second, there is the related issue of qualitative increases in LDC weapons purchases. A review of delivery dates for LDC arms transfers reveals that the gap between state-of-the-art systems and LDC acquisitions has closed dramatically in recent years.[87] In an article in *Foreign Affairs Quarterly,* Andrew Pierre observed:

"Prior to the 1970s most arms sales (especially to the developing countries) were the surplus and obsolete weapons of the major powers, which they wanted to eliminate from their inventories (often as military assistance grants) so as to make room for new, more advanced weapons. Even in the early 1960s the aircraft transferred to the developing world more often than not were ten year old F-86 and Soviet MiG-17 fighters. . . ."[88]

Developing countries are no longer interested in hand-me-downs. Sophisticated weapons have become as much a status symbol as a national airline, with the added advantage of satisfying real and perceived security needs.

Increased sophistication of LDC arsenals is consonant with the announced goals of the Reagan program. Under Secretary Buckley has said:

"What we do expect to see, as our policy is applied, is a qualitative shift in the kinds of countries with which we will be concluding sales. They will include a large number of developing countries . . . with which we will want to develop a cooperative relationship. . . ."[89]

This statement and others confer legitimacy on what has elsewhere been viewed as a potentially dangerous increase in coproduction agreements with non-NATO countries, whereby LDCs acquire technical information to manufacture advanced weapons through licensing and joint venture agreements.[90] Coproduction is the most problematic aspect of increased LDC weapons sophistication, with the net result of losses to the U.S. on three fronts: (a) more sophisticated weapons in the hands of LDCs with a concomitant reduction in U.S. influence and security; (b) the attenuating of U.S. technological advances through their acquisition by LDCs; and (c) the loss of U.S. jobs and creation of an LDC competitive base. Why these disadvantages are being institutionalized in U.S. policy is difficult to understand, beyond recognizing the boost they provide to the short-term earnings of arms manufacturers.[91]

Finally, LDC arms acquisitions must be viewed against the backdrop of the recipients' economies. With LDCs buying arms at an estimated average increase in value of 25% per year, the opportunity costs to many struggling economies are formidable.[92] Each new weapons system bought can translate into social services and developmental goals forgone.[93] A recent Wall Street Journal article points out that African arms imports are eleven times the level of a decade ago, and Latin American purchases have increased by 608%.[94] Such policies receive a tacit blessing from an Administration which offered an FY 1983 foreign assistance budget request for a 44% increase in defense spending, as against an 8% increase in developmental aid.[95]

The prevailing attitude in the Administration is that the very poverty of most LDCs would act as an effective control on their arms spending. Under Secretary Buckley has said that:

"The enormous cost of modern weapons and the state of the world economy provide their own restraints on the capacity and appetite of would-be purchasers."[96]

Reliance on this economic braking system does not seem realistic, given that the Administration has encouraged greater LDC borrowing through debt forgiveness, rescheduling subsidies, "cash flow financing", and proposals for a new concessional loan window. Moreover, the military regimes that rule or exert strong influence over most LDCs have a vested interest in allocating substantial portions of their national budgets for defense purchases. Without due regard for the absorptive capacities of the recipients, the Administration's vigorous arms sale policy is helping to drive LDCs even deeper into debt.[97] Turning to regional profiles, we can see the effects of U.S. policies and those of other suppliers.

A. Sub-Saharan Africa

While the Middle East is by far the largest regional recipient of arms transfers, Sub-Saharan Africa is the fastest growing market.[98] The region is the product of colonial rule, from which some of its countries have only recently emerged. Despite some oil and mineral resources, Africa remains one of the least developed areas in the world. Economic instability and poverty are leitmotifs of African politics. So too is tribalism, a divisive feature that continues to complicate emergence of national identities. More recent sources of conflict which thread through regional issues have been the different external threats from Soviet adventurism and an isolated, powerful South Africa.

The Soviets have dominated the African arms market, with France and the U.S. following at a distance.[99] This clear lead has done little to assure Soviet hegemony in the region, as noted in Section II. While they maintain strong client relations with several states, the Soviets have failed to develop a more conventional economic and diplomatic presence.[100] The Soviet-backed Cuban forces in Angola are regarded with suspicion and concern in neighboring countries. Cuban troops in the Congo cause anxiety in Gabon, which depends upon Brazzaville's cooperation to transport strategic minerals to their markets. Most important, Soviet arms shipments to Libya have destabilized the Sahel and all of Africa, resulting in open warfare in Chad and disturbances in Sudan. The list of Soviet customers includes Angola, Equatorial Guinea, Ethiopia, Guinea, Guinea-Bissau, Mali, Mozambique, Sudan, and Uganda.[101] In the period 1974-1981, the Soviets have sent some 4,885 pieces of artillery, 1,555 tanks, and 340 supersonic aircraft to the region, along with other hardware and advisory support.[102]

The Allied share of this market has been far more modest, but still significant.[103] Western European transfers tend to follow colonial lines, with Francophobe African nations relying on the French, and former English colonies continuing military ties with Britain. The U.S. has sought to create special relationships to facilitate plans for Rapid Deployment Force capacity through the region. To that end, the Administration has proposed $165 million in FMS credits for Sudan, Kenya, and Somalia. This is part of an increased arms transfer program which anticipates a quadrupling of FMS credits from the 1981 totals of $126 million to proposed 1983 levels of $474 million.[104] As mentioned earlier, forgiveness of indebtedness incurred by Sudan and new low interest loans for six other African countries are part of this package. A parallel increase in U.S. commercial sales is predicted, from 1981 exports of less than $6 million to the region, to a 1983 estimate of $17 million.[105] The increase in volume of U.S., Western European, and Soviet arms transfers has been accompanied by qualitative increases. Few African arsenals will boast of the most sophisticated weapons systems, but recent trends show the region to be one step away from latest-generation acquisitions.[106]

This occurs against a backdrop of growing instability, largely caused by the endemic problems discussed above, but interpreted by the major powers as having East/West dimensions. Continued fighting in the Horn is a prime example. The Soviets are supporting Ethiopian leader Mengitsu in his efforts to destabilize the regime of Somali President Siad Barre, who receives U.S. backing. Factional groups in both countries create internal friction and complicate the picture. The U.S. faces the dilemma of supporting the Somali government without encouraging further incursions into Ethiopia based on Somalia's irredentist claims in the region. Another layer of complexity results from Somalia's long-time rivalry with neighboring Kenya, which is also a U.S. customer and ally. The recent coup attempt in Kenya emphasizes the uncertainty of the political situation in that country, and the persistence of tribal rivalries.[107] Factionalism and tribalism also threaten the new regime in Zimbabwe[108] and play a role in the frustrated efforts to reach a settlement in Namibia.[109]

Perhaps most important, growing domestic strife and the enmity of Black African states makes the position of Africa's largest military power, South Africa, more untenable. Friction with the border countries of Botswana, Lesotho, and Swaziland portends future violence. A Reagan Administration initiative seeking to remove prohibitions against sales of nonlethal equipment to

South African police raises questions about U.S. policies there.

The continuing upheaval throughout the region and the relatively low level of arms sophistication suggest the need for restraint by suppliers. But the quantity and quality of weapons transfers to Africa are increasing and the opportunity for imposing those controls is slipping away.

B. The Caribbean[110]

The Caribbean region, like Africa, has not been a traditional customer for sophisticated weapons. But, as in Africas, that situation is changing rapidly as the major powers introduce more arms with greater destructive potential.

The Caribbean islands and littoral states of Central and South America are politically diverse. Some of the islands remain protectorates (Guadeloupe, Virgin Islands, Puerto Rico). Others are sovereign, and retain small police *cum* military establishments which play a part in internal politics, but do not exercise a major defense role in the region (Jamaica, Barbados, Dominican Republic). The obvious exceptions are Cuba and a new regional *bete noir*, Grenada. Soviet military shipments to Cuba have increased to their highest levels since 1962,[111] and the construction of a military installation and a large airport on Grenada contribute to regional uncertainties.

Traditional border disputes among Central American neighbors continue, especially between Guatemala and Belize, Honduras and Nicaragua. But more important to the area are pervasive economic and social problems, including land reform movements and the demands for more pluralistic societies.[112] A provocative government in Nicaragua and continued Cuban intervention feed those fears. Border disputes also disrupt relations on the South American coast, where oil-rich Venezuela claims 65% of Guyana.[113] Tensions beteeen Venezuela and Colombia over illegal immigration and maritime boundaries also continue to grow.[114]

The major arms supplying nations have begun to capitalize on the demand generated by this instability. The French have concluded sales agreements with Nicaragua of $13 million worth of helicopters, missile-firing patrol boats, air-to-ground missiles, and rocket launchers.[115] This move occurs as the U.S. Administration is seeking additional arms assistance for El Salvador, including more helicopters and support services. Recent Soviet shipments to Cuba include MiG-23 aircraft, which the Administration perceives as helping to raise the regional ante.

The U.S. has interpreted regional developments, especially the growing Cuban presence on Grenada, as sufficient provocation to contract with Venezuela for the sale of twenty-four F-16 fighters, at a total cost of $615.3 million. This agreement undermines Paragraph 9 of the Declaration of Ayacucho of 1974, in which Venezuela joined with seven other Andean nations to seek to limit the introduction of offensive weapons into the region.[116] The proposed sale brought a formal protest from Guyana, and Colombia's president-elect has also expressed concern.[117] It remains to be seen whether the sale itself and Venezuelan statements proclaiming a role as regional protector will seriously damage strong U.S. ties with Colombia, including cooperation in controlling illicit drug traffic.

In the wake of the Venezuelan agreement, Peru made overtures concerning the F-16/J79; another species of export fighter which resembles the F-16, but has a more modest power plant. State Department officials privately expressed doubt about Peru's ability to finance such a purchase, and about the effect the sale would have on that country's development. As could be predicted, the F-16 sale to Venezuela has served to "break the tacit threshold on sophisticated weapons in Latin America", and make it "more difficult for Washington to turn down other nations which request the F-1."[118]

Administration spokesmen have championed the Venezuelan sale as protecting an important oil-supplying friend without overburdening its economy. A joint statement by Assistant Secretaries of State Enders and Burt recites Administation concern about the Cuban threat and again offers the argument that the sale would have gone to another supplier if the U.S. had not reacted first.[119] But former Under Secretary of State Matthew Nimetz told the Senate Foreign Relations Committee that "If Cuba gets into fighting people by air, the U.S. is going to be involved; we are not going to count on Venezuela to have an air war with Cuba."[120] Given the proximity to the U.S. and the level of conflict that an air war would represent, Nimetz's thesis seems well founded.

More important, the Administration's "us or them" posture begs the question of whether or not such weapons should be sold by anyone. Professor Pierre has underscored both the need and the opportunity for arms limitations in the whole of Latin America:

"The potential for conflict with Latin America appears to have increased in recent years, underscoring the significance of the need for restraint. The rising cost of arms and of efforts to modernize the armed forces provides another incentive. Moreover, the establishment of some qualitative ceilings on the type of arms that might be introduced into the region may be feasible, given the still relatively low level of military technology in the inventories. Latin America would also be an especially appropriate region for consultation among the suppliers. No nation has a dominant share of the arms market that it would be asked to give up. The essentially commercial competition that exists at present among the suppliers could therefore be regulated so as to ensure that political objectives, such as regional stability, are best met."[121]

Since the publication of Pierre's book earlier this year, the arithmetic of sales to the region has altered, making localized and global arms restraint policies more critical, if serious confrontations are to be avoided.

C. South Asia

In contrast to Africa and the Caribbean, the Asian subcontinent has been a major arms recipient since World War II. The U.S. provided a large volume of surplus weapons to Pakistan and lesser amounts to India as part of its post-war communist containment policy. Between 1954 and 1965, the U.S. gave $674 million in military grant assistance to Pakistan, and $95 million to India.[122] These U.S. transfers accounted for some 80% of Pakistan's armaments during that period and made the country into a "serious military power."[123] The buildup led to an arms race with India, and eventually contributed to three regional wars. The 1965 fighting over Kashmir resulted in U.S. curtailment of arms transfers to both countries. While sales later resumed, a restrictive policy remained in effect until 1975.

When Soviet troops invaded Afghanistan in December of 1979, the Carter Administration sought to accelerate security assistance to Pakistan and rebuild relations which had further deteriorated in November of that year when radicals burned the U.S. embassy in Islamabad, killing several American employees. But uncertainty about the depth of U.S. commitment led General Zia ul-Haq to reject a $400 million assistance offer as "peanuts."[124] His reticence was traceable to the fact that Carter earlier had invoked the Symington amendment denying military assistance when it became clear that Pakistan was developing a nuclear weapons capability. Nonetheless, the Carter Administration managed to rekindle bilateral security discussions with the Pakistani regime.

The Reagan Administration advanced those discussions and took them in a new direction. The result was an agreement to sell Pakistan an integrated air defense system which includes forty F-16 fighters at a cost of more than $1 billion. It generally is agreed that the purchase is supported by financing from Saudi Arabia, since Pakistan would not be able to undertake such a commitment alone. The State Department estimates Pakistan's GNP for 1981 to have been about $24.5 billion. Its balance of trade deficit runs nearly two to one: $4.7 billion of imports versus $2.4 billion in exports.[125] A recent *Wall Street Journal* article notes that the sale represents a serious burden on a Pakistani economy where 20 percent of the country's budget is spent in servicing existing debt. The article also points up the opportunity cost to a developing country such as Pakistan, where the annual per capita income is below $250.[126] More than three-quarters of the population is illiterate, and two-thirds in mud houses. In a country where only one village in five has electricity, the Secretary for Economic Affairs complains of the drain that manning and servicing F-16s will have on the small pool of educated young men.[127] Pakistan currently spends more than ten times as much on defense as on all social services combined, and Pakistani officials admit that such a misallocation is unresponsive to the felt needs of their people and creates the potential for internal problems.[128]

But the Pakistanis are unable to register any discontent at the ballot box. The Zia government promised elections within ninety days after seizing power five years ago.[129] Instead, Zia's predecessor, Zulfiqar Ali Bhutto, was executed and Zia's opponents charge that 2300 political prisoners were jailed.[130] General Zia gives no indications that elections will occur any time soon, and U.S. officials privately admit no orderly transfer of power is likely in the foreseeable future. These facts cast doubt on Reagan Administration claims that the F-16 sales will provide leverage on human rights issues, and suggest parallels with the failed U.S. policies in Iran.

More importantly, the events within Pakistan challenge the notion that U.S. arms shipments will create a relationship which will encourage Zia's government to forego its research on nuclear weapons. To date, this Administration has not made serious efforts to discourage continued Pakistani research along these lines, short of signaling U.S. disapproval of a nuclear detonation by Pakistan. The sale of aircraft which, with very minor alterations, are themselves capable of delivering a nuclear warhead is hardly tailored to achieve restraint.

Reagan Administration policies with respect to South Asia follow in the tradition of misunderstanding that has characterized the U.S. approach to security needs to the region since World War II.[131] While U.S.

policy makers have focused on the Soviet threat, both India and Pakistan are obsessed with regional issues and a pervasive mutual distrust. Time and resources have permitted India to emerge as the dominant area power, with nearly four-to-one air superiority and a domestic defense industry which employs 250,000.[132] But India has had difficulty coming to terms with its new leadership role. Old hostilities and suspicions still shape its policies. The announcement of the Pakistan sale prompted India to buy Mirage 2000s from France and begin negotiations with the Soviets for new MiGs to add to its existing inventories of French, Soviet, British, and Indian-built fighters.[133] Prime Minister Gandhi's visit to Washington was the occasion for President Reagan to offer an olive branch for U.S./India relations in the incongruous form of a proposed $1 billion artillery sale.[134] This development places the U.S. back in the uncomfortable position it was in before 1965—supplying arms to both parties.

Administration spokesmen point to the 85,000 Soviet troops caught in the Vietnam-style guerrilla war in Afghanistan as the real threat to regional security. But some U.S. officials and area observers admit that a major Soviet threat to the region is unlikely. The Pakistani government seems to share that perception; or at least to be less concerned about the possibility of a confrontation with the Soviets than with traditional rivalries. This is evident from the fact that approximately 80% of Pakistan's army is concentrated along the border with India. Pakistani air bases are also established in the east, rather than along its borders with the Soviet Union and Afghanistan. Thus, it seems more likely that current policies will feed old tensions and generate new instability in a region where a delicate equilibrium might otherwise prevail.

V. RETROSPECT AND RECOMMENDATIONS

We have seen that the transfers of sophisticated weapons to Third World countries have increased markely over the past decade. The result of these qualitative and quantitative changes is that LDCs now have unparalleled political and military options. Recently, such options have been exercised in the South Atlantic and Middle East. The potential for more and even greater instability exists in other parts of the world, and we have reviewed some regions which are shaping up as grim "coming attractions." In the face of these challenges, U.S. policy has departed from the congressional mandate of restraint. In its stead, the Reagan program of arms promotion abandons guidelines to pursue a U.S./Soviet arms sale race, where LDC buyers become surrogates for the sellers, policing seller interests with high technology weapons. Developmental goals and concern for regional stability are minimized by this policy which purports to "deal with the world as it is, rather than as we would like it to be." [135]

But "the world as it is" turns out to be a complicated, multi-polar place; a product of divers economic and political conditions. As General Wallace Nutting (Commander-in-Chief, U.S. Southern Command) noted in his testimony on El Salvador, "conditions, not communists," cause instability. Pursuit of successful foreign policy demands attention "on all fronts simultaneously: economic, political, social, and military." [136] While competition from a belligerent and powerful Soviet Union must be a central theme in U.S. relations with the developing world, there is every reason to believe that U.S. interests are poorly served when that competition is expressed in large transfers of sophisticated weapons. That course can result in a lessening of U.S. influence and freedom of action, regional instability, and misallocation of recipient country resources. It may also compromise U.S. security needs through drawdowns on scarce items in our service inventory and an increased risk of reverse engineering and countermeasure development.[137]

The alternative is to require that arms transfers be assigned a realistic role in the conduct of our foreign policy. This means recognizing the very important contribution they make as one element of a balanced approach to the security and developmental needs of key recipients, and of whole regions. It also demands that some basic multilateral restraints be applied to the trade in sophisticated weapons to developing countries, so that the collective security of suppliers and recipients will not be undermined further by competition for the market. The Arms Export Control Act provides the U.S. with a framework for initiatives on both fronts.

A. The Congressional role

The Congress determined it would play a larger role in the formulation of arms transfer policy when it passed the AECA. The legislative history noted that "Too often in the past decisions have been made with respect to security assistance without the knowledge or concurrence of Congress."[138] To "insure congressional oversight of arms transfers," the AECA incorporated requirements for annual estimates (Sec. 25), expanded quarterly reports (Sec. 36(a)), and reporting on important offers to sell (Sec. 36(b)). The 36(b) reports of major sales incorporate a notice period of thirty days. An additional twenty day informal notice prior to such submissions was agreed upon as a "tickler" system for important sales. Subsequent amendments consolidated and expanded the Sec. 25 reports, along lines envisioned by Senator Javits in amendments he had proposed.[139] Other changes have made defense requirements surveys (Sec. 26) and price and availability requests (Sec. 28) accessible to Congress.

Despite better information, it is apparent that Congress has not become a full partner to the process. Informal reviews of 36(b) submissions show that many of these sales were not included in the quarterly estimates required by Sec. 28 as price and availability requests. Most omissions seem to be uncontroversial and not prejudicial to the congressional role. But breaches of the formal and informal notice process weaken congressional oversight and the opportunity to participate in comprehensive planning. Moreover, they create the risk of an AWACS scenario in which, as Senator Robert C. Byrd noted, "a simple survey of Saudi defense requirements escalated into a major foreign policy issue for the United States without a great deal of high level attention along the way." [140]

Congress may also find that DOD and the Administration have created a "Catch 22" situation for the legislative branch through the use of the "cash flow" method of financing. This permits credits to be extended to countries which have only enough monies to meet current fiscal year cash requirements of a sale, rather than the usual demand that they set aside the total cost of the purchase at the time the order is placed. By permitting this practice, GAO warns that Congress has allowed the Defense Department to make "a deeper commitment without congressional approval for future support." [141] Congress may one day soon find itself obligated to make sales to countries when such transfers may run counter to U.S. interests.

More fundamentally, the information that Congress receives does not lend itself to use in long-term planning.[142] Staff members of the responsible committees argue that sales are presented in isolation, and Congress is asked to approve without knowing the context of the transfer. This differs dramatically from the extensive justifications which accompany bilateral and multilateral development programs. Those programs use a country plan approach to report and evaluate all aspects of recipient economies. U.S. aid levels are reviewed in terms of genuine needs and participation by other countries and international organizations.

While additional data on arms sales are available to Congress under the extended reporting provisions of Sec. 36(b), that clause has seldom been invoked, and does not include full economic analysis. Likewise, the Sec. 25 report has not been adequate for economic planning. The economic considerations embodied in Sec. 35, which would declare ineligible a country diverting development resources to "unnecessary military expenditures", have never been called into play.

The solution may be as simple as requiring that the Departments of State and Defense share with the appropriate committees the products of the military/economic reviews undertaken at the mission level. The 1978 amendments to the AECA requiring that the Administration share defense requirement surveys with the concerned committees have met with DOD resistance on the single instance when invoked: a request relating to El Salvador. Accordingly, the surveys have no systematic role in the congressional review process.[143] It may be desirable that country reports be provided through the vehicle of the regional subcommittees, in some established way. Certainly an "economic impact statement" of some kind would be a small burden; no more onerous than the one AID and IDCA now carry on developmental programs. And it would allow for a programmatic, informed approach to FMS and commercial license proposals.

Consideration should also be given to charging one staff member on each committee with responsibility for LDC arms export policies and for following the programs more carefully than is now done. The size of the programs and the security issues at stake clearly justify some full-time attention, and long-term congressional participation.

Finally, Congress would guarantee a more positive role for itself by requiring that major sales be approved, rather than relying on a resolution of disapproval, as is now the case. Senator Robert C. Byrd recommended this approach in 1977 for sales in excess of $200 million for any one country.[144] The effect would be to involve Congress in important country policy decisions without intruding into the more routine transactions that are properly left within the jurisdiction of the Executive agencies. Again, this would help to assure continuity and a longer view of U.S. policies.

B. U.S. leadership

The AECA obligation to seek multilateral controls should become an urgent priority. If the Administration genuinely is "prepared to examine ways" to control the spread of high technology conventional

weapons, the time is now. The failure of the 1977 CAT meetings with the Soviets offers some important lessons, and suggests alternatives which are more likely to meet with success.

The first step necessarily would be multilateral discussions with NATO members. Those who participated in the original CAT meetings urge that Western producers come to terms with a program for restraint and market sharing before trying to reach consensus with the Soviets.[145] Professor Pierre concurs, noting that:

"It is remarkable, in fact, that systematic foreign policy consultations among the major Western powers on developments in the Third World do not already take place, given the importance to the First World countries of what happens in some of the more volatile parts of the world."[146]

The issue has become too important to allow the objection that such discussions are beyond the ambit of European security and thus exceed the NATO mandate. The current competition among allied producers undercuts shared policy goals and prevents a unified approach. Allied nations share many objectives in other regions. That common ground ought to be explored as part of the existing collective security arrangement.

The economic interests of Western countries will, of course, be the barrier to a consensus on restraint; especially among European nations whose economies rely more on exports. But market division along geographic or product lines could offer solutions that would be economically attractive to the producers. Experiments with regional cooperative schemes may lead to an acceptable formula for the global market.

Only when the Allies can agree among themselves on a program of restraint will a serious approach to the Soviets be possible. Professor Pierre characterizes this step as an attempt to establish "rules of the game."[147] There is no doubt that the Soviets see negotiations as an opportunity to limit Western transfers and garner a better market position. But the Soviets share Western interests in limiting the number of sophisticated weapons and the diffusion of influence that occurs. Those interests might find expression in a willingness to abide by regional restrictions on categories of high technology weapons. We have seen that Africa and the Caribbean may be good starting points for this restrictive treatment.

Other channels for pursuing restraint have been suggested. The Palme Commission recommends regional agreements and supplier/recipient guidelines for conventional transfers.[148] Here again, a unified allied approach may offer the best chance of success in achieving enforceable agreements. But the suggestion that recipients be included in the process is important, and becomes more so as LDCs develop their own arms production capabilities. An orderly system for meeting their security needs in appropriate ways requires developing country participation and commitment. The U.S. has the choice of encouraging this process, or hoping to ride out the storm of growing instability that is gathering.

FOOTNOTES

[1] John Steinbruner, "Fears of War, Programs for Peace," *The Brookings Review*, Fall, 1982, p. 6.

[2] Stanley Hoffman, "Three Falkland Lessons," *New York Times*, May 7 1982; Charles Mohr, "New Wars Show the Power of Military Basics," *New York Times*, June 18, 1982; Drew Middleton, "In Falkland Fighting, Harrier Jump-Jet and Exocet Missiles Won New Regard," *New York Times*, June 19, 1982; Letter to the Editor by Admiral Stansfield Turner, *New York Times*, June 20, 1982; "Lebanon, Falklands: Tests in High-Tech War," *U.S. News & World Report*, August 16, 1982.

[3] Lt. Co. G. H. Turley, "Time of Change in Modern Warfare," *Marine Corps Gazette*, December, 1974; Leslie Wayne, "High Tech Companies Cash in or Today's Computer Battlefields," *New York Times*, June 20, 1982; "Killer Electronic Weaponry," *Business Week*, September 20, 1982, p. 74.

[4] Michael R. Gordon, "Competition with the Soviet Union Drives Reagan's Arms Sales Policy," *National Journal*, May 16, 1981, p. 868.

[5] Press Release issued by Senator William Proxmire, November 6, 1981.

[6] H. C. Engelbrecht and F. C. Hanighen, *Merchants of Death* (New York; Dodd, Mead & Co., 1934); See also Anthony Sampson, *The Arms Bazaar* (New York; Viking Press, 1977), p. 66 *et seq.*

[7] Report on the Munitions Industry, S. Rep. No. 3, 74th Cong., 1st Sess. (1935).

[8] Foreign Military Sales Act, 83 Stat. 1320 (1968) (current version renamed at 22 U.S.C. 2751 (1978)).

[9] *Id.*, ch. 1, Sec. 1.

[10] *Id.*, ch. 1, Sec. 4

[11] *Id.*, ch. 3, Sec. 35.

[12] Stockholm International Peace Research Institute (SIPRI), *Yearbook 1981*, (London: Taylor & Francis Ltd., 1981), Table pp. 186-187.

[13] International Security Assistance and Arms Export Control Act of 1976, 22 U.S.C. 2751 and other sections of the former FMSA.

[14] *Id.*, at Sec. 2751 (FMSA Sec. 1).

[15] Committee Comment, 94th Cong., 2d. Sess. (1976); *U.S. Code Cong. & Ad. News*, p. 1387.

[16] 22 U.S.C. 2751(b)(1), (Sec. 36(b)).

[17] An analysis and history of the AECA legislative veto is contained in "The Legislative Veto and U.S. Arms Sales," an unpublished CRS White Paper by Dr. Richard Grimmett (September 24, 1979). The broader issue of the constitutionality of the legislative veto is treated in John B. Henry's "The Legislative Veto: In Search of Constitutional Limits," 16 *Harv. J. Legis.* 735 (1979). The Supreme Court is scheduled to deal with this issue in two cases to be considered in the coming term: *Chadha v. Immigration & Naturalization Serv.*, 634 F.2d 408 (9th Cir. 1980); *Consumer Energy Council of America v. Federal Energy Regulatory Commission*, 673 F.2d 425 (D.C. Cir. 1982). Both cases deal with the issue of one house legislative vetoes.

[18] Statement by President Carter on Conventional Arms Transfer Policy, May 19, 1977, 1 *Pub. Papers* 931-932 (1977).

[19] Congressional Research Service Report (hereinafter "CRS 1981 Report") prepared for the Subcommittee on International Security and Scientific Affairs, House Committee on Foreign Affairs, 97th Cong., 1st Sess., "Changing Perspectives on U.S. Arms Transfer Policy," (Comm. Print, Sept. 25, 1981), p. 11.

[20] *Id.*, p. 29.

[21] *Id.*, p. 29.

[22] Andrew J. Pierre, The *Global Politics of Arms Sales*, (Princeton: Princeton University Press for the Council on Foreign Relations, 1982), p. 59.

[23] B.M. Blechman, J.E. Nolan, A. Pratt, "Pushing Arms," *Foreign Policy*, No. 46 (Spring 1982), pp. 138-154.

[24] CRS 1981 Report, p. 31.

[25] Committee Comment, 94th Cong., 2d. Sess. (1976); *U.S. Code Cong. & Ad. News*, p. 1388.

[26] For a more complete description of programs and costs, see the Congressional Presentation of Security Assistance Programs for FY 1983, Summary.

[27] See p. 30, infra, "Discarding Fiscal Restraint."

[28] Press Release issued by Senator Charles Percy, summarizing Administration report for 1978-1980 arms transfers, February 1, 1982.

[29] Richard Wittle, "Special Report on Arms Sales: Part I," *Congressional Quarterly*, April 3, 1982, p. 723 (inset).

[30] Hearings on Conventional Arms Sales before the Senate Committee on Foreign Relations (hereinafter "Senate Hearings"), 97th Cong., 1st Sess. (July 28, 1981), p. 22 (statement by Lt. Gen. Ernest Graves, Director, DSAA). While Graves' remarks concern Soviet arms values, similar difficulties obtain in making estimates for other suppliers, including France. See Andrew Pierre's comments in *Global Politics*, footnote 45, p. 321.

[31] "Soviet Union is the World's Largest Arms Peddler, U.S. Asserts," *Washington Post* (AP), August 3, 1982. Buckley's remarks are contained in a State Department Press Release dated August 2, 1982.

[32] Department of State Special Report No. 102, "Conventional Arms Transfers in the Third World, 1972-81," August, 1982, p. 7.

[33] Congressional Research Service (CRS) Report, updating information in the CRS 1981 Report and presented as "Trends in Conventional Arms Transfers to the Third World by Major Supplier, 1974-1981" (herein after "CRS Update (1982)" or "CRS 1982 Report"), unpublished CRS White Paper by Dr. Richard F. Grimmett (August 12, 1982). See Tables 1-7, pp. 13-23. Portions of this report appear as Appendix A.

[34] CRS Update (1982), Tables 2 (p. 16), and 3 (p. 19).

[35] *Id.*, p. 16.

[36] *Id.*, p. 13.

[37] This typology is drawn from "U.S. Arms Transfers to the Third World: The Implications of Sophistication," an unpublished Congressional Research Service White Paper prepared by Caleb Rossiter of the Foreign Affairs and National Defense Division of CRS. An Excerpt from Prof. Rossiter's analysis is attached as Appendix B.

[38] Michael Harrison's article in *Foreign Policy*, No. 43 (Summer 1981), p. 3, entitled "Reagan's World," offers a thoughtful overview of the Administration's preoccupation with the U.S./Soviet dimension of foreign policy.

[39] Senate Hearings, p. 10.

[40] CRS 1981 Report, Table 2, p. 15.

[41] CRS 1981 Report, Table 1, p. 13.

[42] Department of State Press Release (not numbered), August 2, 1982, p. 3.

[43] CRS Update (1982), p. 8.

[44] "Soviet Union is the World's Largest Arms Peddler, U.S. Asserts," *Washington Post*, August 3, 1982.

[45] CRS Update (1982), p. 12.

[46] "Arms Sales: Part 1," *Congressional Quarterly*, April 3, 1982, p. 720.

[47] Pierre, *Global Politics*, p. 131.

[48] "Arms Sales: Part 1," *Congressional Quarterly*, April 3, 1982, p. 723.

[49] CRS Update (1982), p. 11.

[50] Congressional Research Service analysis places U.S. exports at less than 24% of total arms production while the U.K. exports about 26%, France over 30%, and Italy 31%. In *Global Politics of Arms Sales*, Andrew Pierre puts the French total at 41% in 1980 (p. 85). Pierre notes the difficulty of assessing Soviet percentages, but acknowledges that export pressure is lower (p. 80). CRS sources estimate Soviet exports to be about 18% of total production. CRS calculations are based on five year averages derived from Arms Control and Disarmament Agency (ACDA) figures and other unclassified sources.

[51] Anthony Sampson, "The Lethal Ironies of Arms Sales," *Washington Post*, June 21, 1982.

[52] Dan Morgan, "Israel the Customer, and America, the Armorer, Sway Each Other," *Washington Post*, July 21, 1982, in which Secretary of Defense Casper Weinberger is quoted as saying the U.S. has "no control" over Israel.

[53] Pierre, *Global Politics*, p. 81.

[54] Remarks before the American Enterprise Institute Forum (No. 56), September 9, 1981, rpt., p. 23.

[55] Barry M. Blechman, quoted in "Arms Sales: Part 1," *Congressional Quarterly*, April 3, 1982, p. 722.

[56] "U.S. Weapons Exports Headed for Record Level," *The Defense Monitor*, Vol. XI, No. 3 (1982), p. 8. Prepared by the Center for Defense Information.

[57] CRS 1981 Report, p. 44.

[58] Senate Hearings, p. 8.

[59] CRS 1981 Report, p. 39.

[60] 22 U.S.C. 2751.

[61] Speech by William P. Clark, "National Security Strategy," delivered to the Georgetown Center for Strategic and International Studies, Georgetown University, May 21, 1982, rpt., p. 10.

[62] CRS 1981 Report, p. 42.

[63] Statement by Walter R. Edgington, International Committee, National Security Industrial Association, included in Senate Hearing, p 88. See also Mr. Edgington's response to question by Senator Percy, p. 99, acknowledging the primacy of national security concerns in making foreign sales.

[64] Congressional Budget Office Staff Working Paper of May 24, 1976 which concludes that "For the current mix of sales the study estimates that only fifty percent of foreign military sales result in cost savings to the U.S.," Summary, p. "x". Follow-up discussions with CBO officials confirm that the savings from foreign sales are "not of a dramatic nature."

[65] 22 U.S.C. 2751.

[66] 22 U.S.C. 2304.

[67] Cf. "Arms Sales," *Congressional Quarterly*, October 29, 1977, p. 2319; Congressional Research Service Report No. 81-257, "Human Rights in U.S. Foreign Relations," December 10, 1981; "Overhaul U.S. Policy on Human Rights?," *U.S. News & World Report*, March 2, 1981, p. 49.

[68] "Arms Sales: Part II," *Congressional Quarterly*, April 10, 1982, p. 802.

[69] Senate Hearings, p. 6.

[70] In a May 21, 1981, address (reprinted as Department of State Current Policy 279), Under Secretary Buckley referred to "undercutting, the capabilities of strategically located nations" as a species of the "Self-inflicted injuries" of the Carter policy. See also William Clark's speech to Georgetown University, May 21, 1982, making no mention of human rights considerations.

[71] 22 U.S.C. 229.

[72] "Envoy Asks and Senate Acts to Ease Ban on Aid to Brazil," *Congressional Quarterly*, June 5, 1982, p. 1341.

[73] "The Administration's Record in Nonproliferation Matters," unpublished report by Lynn Weiss, Minority Staff Director, Senate Subcommittee on Energy, Nuclear Proliferation and Government Process of the Committee on Government Affairs.

[74] Written response by Lt. Gen. Kelly Burke (USAF) to questions from the Senate Armed Services Committee in March, 1981.

[75] Walter Mossberg, "Administration Split Over Who Gets F16 First," *Wall Street Journal*, June 23, 1981.

[76] Section 206 of the AECA amends Section 21 of the Foreign Military Sales Act (22 U.S.C. 2761 (h)(i)) to require a written statement accompanying any proposal to sell defense articles or services which "could have a significant adverse effect" on U.S. service inventories. Authorities report that no such statement has ever been submitted by this Administration. The 36(b) submissions contain boilerplate assurances that sales will not harm materially U.S. readiness. Likewise, no detailed reports under Sec. 812 of the DOD Appropriations Act of 1976 (Pub. L. 94-106) have been submitted by this Administration.

[77] Defense Monitor, p. 3.

[78] Presidential Policy Directive of July 8, 1981, 17 *Weekly Comp. of Pres. Doc.* 727-729 (July 13, 1981); Senate Hearings, p. 8 (remarks of Mr. Buckley) and p. 38 (remarks of Mr. West, responding to Senator Glenn).

[79] "Arms Sales: Part II," *Congressional Quarterly*, April 10, 1982, p. 797.

[80] William H. Gregory, "Controlling Military Sales", *Aviation Week and Space Technology*, June 29, 1981, p. 11.

[81] Report by the Comptroller General of the United States, "Improvment Still Needed in Recouping Administrative Costs of Foreign Military Sales," AFMD-82-10, (February 2, 1982).

[82] *Id.*, Appendix II, P. 16.

[83] Report by the General Accounting Office, "U.S. Securuty and Military Assistance: Programs and Related Activities," GAO/ID-82-40, June 1, 1982.

[84] Dan Morgan, "13 Arms Buyers in Default on interest to U.S.," *Washington Post*, July 12, 1982.

[85] Pierre, *Global Politics*, p. 133. Table 3 shows that seven of the world's ten largest arms importers are Middle Eastern countries. Pierre avers that this region accounted for 50% of developing world weapons transfers in 1980, p. 134.

[86] William E. Jackson, Jr., as quoted in "Arms Sales: Part I, " *Congressional Quarterly*, April 3, 1982, p. 724.

[87] See Stockholm International Peace Research International Institute (SIPRI) *Arms Trade Registers* (Cambridge: M.I.T. Press, 1974), giving listings of national defense stockpiles with acquisition dates of inventoried items. A review of these dates gives some indication of the compression which has occurred, with developing countries acquiring more state-of-the-art equipment.

[88] Andre J. Pierre, "Arms Sales: The New Diplomacy," *Foreign Affairs Quarterly*, Vol. 60, No. 2 (Winter 1981/1982), p. 267.

[89] Senate Hearings, p. 12.

[90] CRS 1981 Report, p. 52.

[91] George Wilson, "Egypt as Warplane Maker," *Washington Post*, October 5, 1982. The article reports that co-production agreements with Egypt for FX fighters are "an administration objective."

[92] Pierre, *Global Politics*, p. 131, citing SIPRI Yearbook, 1979.

[93] How Much Does a Soldier Cost?" *South*, July, 1982, p. 8.

[94] June Kronholz, "Taking Up Arms," *Wall Street Journal*, June 29, 1982.

[95] Defense Monitor, p. 6.

[96] Senate Hearings, p. 12.

[97] Brandt Commission, *North-South: A Program for Survival*, (London: Pan Books, 1980), pp. 120–122.

[98] Pierre, *Global Politics*, p. 255. This is true despite the constraints of Sec. 33 of the AECA, restraining sales to the region.

[99] CRS Update (1982), Table 7, p. 23.

[100] Henry Bienen, "Perspectives on Soviet Intervention in Africa," *Political Science Quarterly*, Vol. 95. No. 1 (Spring, 1980), p. 40.

[101] Pierre, *Global Politics*, p. 257.

[102] CFR Update (1982), Table 7. p. 23.

[103] *Id.*

[104] Unpublished CRS White Paper, "Increasing U.S. Military Involvement in Africa," by Prof. Caleb Rossiter, June 16, 1982, p. 3.

[105] *Id.*, p. 5.

[106] Unpublished CRS White Paper, "Arms Transfers: Implications of Sophistication" by C. Rossiter, July 26, 1982, p. 7.

[107] "Kenya Foils Air Force Coup Attempt," *Washington Post* (AFP), August 1, 1982.

[108] "Mugabe Blames Opposition Party for Kidnapping," *Washington Post*, July 30, 1982.

[109] Joseph Lelyveld, "Inside Namibia," *New York Times Magazine*, August 1, 1982, p. 12.

[110] As used here, "Caribbean" includes the islands and the coastal countries of Central and Latin American bordering the Caribbean Sea.

[111] Jozef Goldblat and Victor Millan, "Militarization and Arms Control in Latin American," rpt. from SIPRI *Yearbook 1982*, p. 398.

[112] An overview of economic challenges to the region and the Reagan Administration response is available in "The Caribbean Basin Initiative," by Messrs. Feinberg and Newfarmer in the Senate Democratic Policy Committee's collection *From Gunboats to Diplomacy* (June 19, 1982), p. 206.

[113] CRS 1981 Report, p. 62.

[114] *Id.*

[115] "French Arms Go to Nicaragua," *New York Times* (AP), July 13, 1982; Christopher Dickey, "Nicaragua Says It Seeks Soviet, French Planes," *Washington Post*, July 29, 1982.

[116] 1974 Declaration of Ayacucho, December 9, 1974, Peru, Bolivia, Panama, Venezuela, Colombia, Argentina, Ecuador, and Chile; reported in *El Peruano*, No. 10105, December 10, 1974.

[117] CRS 1981 Report, p. 62.

[118] Pierre, *Global Politics*, p. 246.

[119] Department of State Current Policy No. 349, "Arms Transfers to Latin American," October 22, 1981.

[120] Unpublished Hearings before the Senate Committee on Foreign Relations, July 28, 1981, quoted in CRS 1981 Report, p. 65.

[121] Pierre, *Global Politics*, p. 254.

[122] CRS 1981 Report, Table, p. 71.

[123] Stephen Cohen, "US Weapons and South Asia: A Policy Analysis," *Pacific Affairs*, Vol. 49, No. 1 (Spring 1976), p. 49.

[124] Pierre, *Global Politics*, p. 223.

[125] June Kronholz, "Taking Up Arms," *Wall Street Journal*, June 29, 1982.

[126] See also CRS 1981 Report, p. 78.

[127] "Taking Up Arms," sidebar.

[128] *Id.*, comments of Secretary of Economic Affairs Ejaz Niak.

[129] Stuart Auerbach, "Zia Has No Election Plans," *Washington Post*, July 11, 1982.

[130] *Id.*

[131] Cohen, "US Weapons and South Asia," p. 55.

[132] Pierre, *Global Politics*, p. 222.

[133] *Id.*

[134] Richard Halloran, "$1 Billion Sale of Artillery to India Appears Likely," *New York Times*, July 29, 1982.

[135] Presidential Policy Directive of July 8, 1981, 17 *Weekly Comp. of Pres. Doc.* 727-729 (July 13, 1981).

[136] Unpublished Hearings before the Senate Committee on Foreign Relations, August 2, 1982.

[137] Rossiter, "Implications of Sophistication," p. 9.

[138] Committee Comment, 94th Cong., 2d Sess. (1976), *U.S. Code Cong. & Ad. News*, p. 1387.

[139] "Arms Sales: Part II," *Congressional Quarterly*, April 10, 1982, p. 798.

[140] 127 Cong. Rec. S11,756 (daily ed. Oct. 21, 1981) (remarks by Senator Robert C. Byrd).

[141] Report by the Comptroller General of the United States, "U.S. Security Assistance: Programs and Related Activities," GAO/ID-82- 40, June 1, 1982, p. 71.

[142] S. Scott Morrison's "The Arms Export Control Act: An Evaluation of the Role of Congress in Policing Arms Sales," *Stanford Journal of International Studies*, Vol. 14 (Spring 1979), p. 105 offers a litany of reasons for the limits on congressional participation. See p. 166 ff. See also Foreign Affairs Committee Print, *Congress and Foreign Policy Series, No. 7*, "Executive-Legislative Consultation on U.S. Arms Sales," (December 1982)

[143] In his 1977 address on "The Senate and Arms Sales," Senator Robert C. Byrd described the need for closer cooperation between the Senate and DOD on arms sales information. While several of his recommendations have become law, the institutional role of defense requirements surveys established in Sec. 26 (by Pub. L. 95-384) has been frustrated, and cannot provide the picture of current and potential recipient needs which Senator Byrd recognized as crucial to fulfilling Congress's responsibility. See 126 *Cong. Rec.* 32843 (1977).

[144] *Id.*

[145] B.M. Blechman, J.E. Nolan, A. Pratt, "Pushing Arms," *Foreign Policy*, No 46 (Spring 1982), p. 151.

[146] Pierre, *Global Politics*, p. 297.

[147] *Id.*, p. 301.

[148] "Vance vs. the Arms Race," *Christian Science Monitor*, August 3, 1982.

APPENDIX A—TRENDS IN CONVENTIONAL ARMS TRANSFERS TO THE THIRD WORLD BY MAJOR SUPPLIER, 1974–81

(By Richard F. Grimmett)

TABLE 1.—ARMS TRANSFER AGREEMENTS WITH THE 3D WORLD, BY SUPPLIER [1]

[In millions of current U.S. dollars]

	1974	1975	1976 [2]	1977	1978	1979	1980	1981
Total	20,263	20,550	24,393	25,134	21,416	28,631	43,803	26,728
Non-Communist	13,323	16,120	16,578	14,454	17,526	18,321	27,533	12,828
Of which:								
United States	8,723	9,990	12,468	6,439	7,486	8,901	9,463	4,868
France	2,060	2,630	1,040	3,140	1,950	4,350	8,680	1,215
United Kingdom	750	940	600	1,415	3,860	1,270	2,170	1,460
West Germany	620	630	730	1,200	2,520	900	770	1,150
Italy	410	1,040	360	980	1,390	340	2,870	370
Other free world	760	890	1,380	1,280	320	2,560	3,580	3,765

TABLE 1.—ARMS TRANSFER AGREEMENTS WITH THE 3D WORLD, BY SUPPLIER [1]—Continued

[In millions of current U.S. dollars]

	1974	1975	1976 [2]	1977	1978	1979	1980	1981
Communist	6,940	4,430	7,815	10,680	3,890	10,310	16,270	13,900
Of which:								
U.S.S.R	5,970	3,670	6,600	9,750	2,920	8,880	14,770	6,630
Other Communist	970	760	1,215	930	970	1,430	1,500	7,270
Dollar inflation index (1974=100) [3]	100	109	117	125	134	144	160	181

[1] U.S. data are for fiscal year given (and cover the period from July 1, 1973, through Sept. 30, 1981). Foreign data are for the calendar year given. Statistics shown for foreign countries are based upon estimated selling prices. All prices given include the values of weapons, spare parts, construction, all associated services, military assistance, and training programs. U.S. commercial sales contract values are excluded, as are values of the military assistance service funded account (MASF) which provided grant funding for South Vietnam, Laos, Philippines, Thailand, and South Korea. MASF for fiscal year 1974 was $840,000,000; for fiscal year 1975 $544,000,000. Related grant transfers to South Korea and Thailand, also excluded, were $11,000,000 in fiscal year 1979; $132,000,000 in fiscal year 1980; and $100,000,000 for fiscal year 1981. All data are current as of Jan. 1, 1982, and reflect termination of all sales contracts. The value of Iranian contracts canceled but not included in the U.S. data above are as follows: Fiscal year 1974 ($390,000,000); fiscal year 1975 ($1,157,000,000); fiscal year 1976 and transitional quarter ($236,000,000; fiscal year 1977 ($2,953,000,000); fiscal year 1978 ($1,673,000,000); fiscal year 1979 ($6,000,000); fiscal year 1980 (0); fiscal year 1981 (0). 3d World category excludes Warsaw Pact nations, NATO nations, Europe, Japan, Australia, and New Zealand.
[2] U.S. data for fiscal year 1976 includes the transitional quarter (fiscal year 197T).
[3] Based on Department of Defense price deflator (minus pension funds).

Source: U.S. Government.

TABLE 1A.—ARMS TRANSFER AGREEMENTS VALUES AVERAGES, TO 3D WORLD BY SUPPLIER, 1974–77 [1]

[In millions of current U.S. dollars]

	1974	1975	1976 [2]	1977	Average (1974–77)
Total	20,263	20,550	24,393	25,134	22,585.00
Non-Communist	13,323	16,120	16,578	14,454	15,118.75
Of which:					
United States	8,723	9,990	12,468	6,439	9,405.00
France	2,060	2,630	1,040	3,140	2,217.50
United Kingdom	750	940	600	1,415	926.25
West Germany	620	630	730	1,200	795.00
Italy	410	1,040	360	980	697.50
Other free world	760	890	1,380	1,280	1,077.50
Communist	6,940	4,430	7,815	10,680	7,466.25
Of which:					
U.S.S.R	5,970	3,670	6,600	9,750	6,497.50
Other Communist	970	760	1,215	930	968.75
Dollar inflation index (1974=100) [3]	100	109	117	125	

[1] U.S. data are for fiscal year given (and cover the period from July 1, 1973, through Sept. 30, 1977). Foreign data are for the calendar year given. Statistics shown for foreign countries are based upon estimated selling prices. All prices given include the values of weapons, spare parts, construction, all associated services, military assistance, and training programs. U.S. commercial sales contract values are excluded, as are values of the military assistance service funded account (MASF) which provided grant funding for South Vietnam, Laos, Philippines, Thailand, and South Korea. MASF for fiscal year 1974 was $840,000,000; for fiscal year 1975 $544,000,000. All data are current as of Jan. 1, 1982, and reflect termination of all sales contracts. The value of Iranian contracts canceled but not included in the U.S. data above are as follows: fiscal year 1974 ($390,000,000); fiscal year 1975 ($1,157,000,000); fiscal year 1976 and transitional quarter ($236,000,000); fiscal year 1977 ($2,953,000,000). 3d World category excludes Warsaw Pact nations, NATO nations, Europe, Japan, Australia, and New Zealand.
[2] U.S. data for fiscal year 1976 includes the transitional quarter (fiscal year 197T).
[3] Based on Department of Defense price deflator (minus pension funds).

Source: U.S. Government.

TABLE 1B.—ARMS TRANSFER AGREEMENTS VALUES AVERAGES, TO 3D WORLD BY SUPPLIER, 1978–81 [1]

[In millions of current U.S. dollars]

	1978	1979	1980	1981	Average (1978–81)
Total	21,416	28,631	43,803	26,723	30,144.50
Non-Communist	17,526	18,321	27,533	12.828	19,052.00
Of which:					
United States	7,486	8,901	9,463	4,868	7,679.50
France	1,950	4,350	8,680	1,215	4,048.75
United Kingdom	3,860	1,270	2,170	1,460	2,190.00
West Germany	2,520	900	770	1,150	1,335.00
Italy	1,390	340	2,870	370	1,242.50
Other free world	320	2,560	3,580	3,765	2,556.25
Communist	3,890	10,310	16,270	13,900	11,092.50
Of which:					
U.S.S.R	2,920	8,880	14,770	6,630	8,300.00
Other Communist	970	1,430	1,500	7,270	2,792.50
Dollar inflation index (1974=100) [2]	134	144	160	181	

[1] U.S. data are for fiscal year given (and cover the period from Oct. 1, 1977, through Sept. 30, 1981). Foreign data are for the calendar year given. Statistics shown for foreign countries are based upon estimated selling prices. All prices given include the values of weapons, spare parts, construction, all associated services, military assistance and training programs. U.S. commercial sales contract values are excluded, as are values of the military assistance service funded account (MSAF) which provided grant funding for Thailand and South Korea. Related grant transfers to South Korea and Thailand, also excluded, were $11,000,000 in fiscal year 1979; $132,000,000 in fiscal year 1980; and $100,000,000 for fiscal year 1981. All data are current as of Jan. 1, 1982, and reflect termination of all sales contracts. The value of Iranian contracts canceled but not included in the U.S. data above are as follows: Fiscal year 1978 ($1,673,000,000); fiscal year 1979 ($6,000,000); fiscal year 1980 (0); fiscal year 1981 (0). 3d World category excludes Warsaw Pact nations, NATO nations, Europe, Japan, Australia, and New Zealand.
[2] Based on Department of Defense price deflator (minus pension funds).

Source: U.S. Government.

TABLE 2.—ARMS DELIVERIES TO THE 3D WORLD, BY SUPPLIERS [1]

[In millions of current U.S. dollars]

	1974	1975	1976 [2]	1977	1978	1979	1980	1981
Total	7,263	8,044	11,916	15,392	18,912	21,923	21,179	23,414
Non-Communist	4,343	5,014	7,666	9,652	11,702	11,733	12,379	14,234
Of which:								
United States	2,793	3,084	4,646	5,932	6,382	6,463	5,079	6,144
France	480	480	960	1,010	1,700	1,360	2,780	3,670
United Kingdom	450	400	530	725	1,030	770	1,600	1,200
West Germany	180	270	520	620	660	740	960	910
Italy	130	190	190	350	700	615	600	800
Other free world	310	590	820	1,015	1,230	1,785	1,360	1,510
Communist	2,920	3,030	4,250	5,740	7,210	10,190	8,800	9,180
Of which:								
U.S.S.R.	2,530	2,400	3,400	5,000	6,230	9,180	7,480	7,160
Other Communist	390	630	850	740	980	1,010	1,320	2,020
Dollar inflation index (1974=100) [3]	100	109	117	125	134	144	160	181

[1] U.S. data are for fiscal year given (and cover the period from July 1, 1973, through Sept. 30, 1981). Foreign data are for the calendar year given. Statistics shown for foreign countries are based on estimated selling prices. All prices given include the values of weapons, spare parts, construction, all associated services, military assistance, and training programs. U.S. commercial sales contract values are excluded, as are values of the military assistance service funded account (MASF) which provided grant funding for South Vietnam, Laos, Philippines, Thailand, and South Korea. MASF deliveries values for fiscal year 1974 were $1,159,000,000; for fiscal year 1975 $1,125,000,000. Related grant transfers to South Korea and Thailand, also excluded, were $11,000,000 in fiscal year 1979; $10,000,000 in fiscal year 1980 and $100,000,000 in fiscal year 1981. All data are current as of Jan. 1, 1982. 3D World category excludes Warsaw Pact nations, NATO nations, Europe, Japan, Australia, and New Zealand.

[2] U.S. data for fiscal year 1976 include the transitional quarter (fiscal year 197T).

[3] Based on Department of Defense price deflator (minus pension funds).

Source: U.S. Government.

TABLE 2A.—ARMS DELIVERIES VALUES AVERAGES TO 3D WORLD BY SUPPLIER, 1974–77 [1]

[In millions of current U.S. dollars]

	1974	1975	1976 [2]	1977	Average (1974–77)
Total	7,263	8,044	11,916	15,392	10,653.75
Non-Communist	4,343	5,014	7,666	9,652	6,668.75
Of which:					
United States	2,793	3,084	4,646	5,932	4,113.75
France	480	480	960	1,010	732.50
United Kingdom	450	400	530	725	526.25
West Germany	180	270	520	620	397.50
Italy	130	190	190	350	215.00
Other free world	310	590	820	1,015	683.75
Communist	2,920	3,030	4,250	5,740	3,985.00
Of which:					
U.S.S.R.	2,530	2,400	3,400	5,000	3,332.50
Other Communist	390	630	850	740	652.50
Dollar inflation index (1974=100) [3]	100	109	117	125	

[1] U.S. data are for fiscal year given (and cover the period from July 1, 1973 through Sept. 30, 1977). Foreign data are for the calendar year given. Statistics shown for foreign countries are based upon estimated selling prices. All prices given include the values of weapons, spare parts, construction, all associated services, military assistance and training programs. U.S. commercial sales contract values are excluded, as are values of the military assistance service funded account (MASF) which provided grant funding for South Vietnam, Laos, Philippines, Thailand, and South Korea. MASF for fiscal year 1974 was $840,000,000; for fiscal year 1975 $544,000,000. All data are current as of Jan. 1, 1982, and reflect termination of all sales contracts. 3d World category excludes Warsaw Pact nations, NATO nations, Europe, Japan, Australia, and New Zealand.

[2] U.S. data for fiscal year 1976 includes the transitional quarter (fiscal year 197T).

[3] Based on Department of Defense price deflator (minus pension funds).

Source: U.S. Government.

TABLE 2B.—ARMS DELIVERIES VALUES AVERAGES TO 3D WORLD BY SUPPLIER, 1978–81 [1]

[In millions of current U.S. dollars]

	1978	1979	1980	1981	Average (1978–81)
Total	18,912	21,923	21,179	23,414	21,357.00
Non-Communist	11,702	11,733	12,379	14,234	12,512.00
Of which:					
United States	6,382	6,463	5,079	6,144	6,017.00
France	1,700	1,360	2,780	3,670	2,377.50
United Kingdom	1,030	770	1,600	1,200	1,150.00
West Germany	660	740	960	910	817.50
Italy	700	615	600	800	678.75
Other free world	1,230	1,785	1,360	1,510	1,471.25
Communist	7,210	10,190	8,800	9,180	8,845.00
Of which:					
U.S.S.R.	6,230	9,180	7,480	7,160	7,512.50
Other Communist	980	1,010	1,320	2,020	1,332.50
Dollar inflation index (1974=100) [2]	134	144	160	181	

[1] U.S. data are for fiscal year given (and cover the period from Oct. 1, 1977, through Sept. 30, 1981). Foreign data are for the calendar year given. Statistics shown for foreign countries are based upon estimated selling prices. All prices given include the values of weapons, spare parts, construction, all associated services, military assistance, and training programs. U.S. commercial sales contract values are excluded, as are values of the military assistance service funded account (MASF) which provided grant funding for Thailand, and South Korea. Related grant transfers to South Korea and Thailand, also excluded, were $11,000,000 in fiscal year 1979; $132,000,000 in fiscal year 1980; and $100,000,000 for fiscal year 1981. All data are current as of Jan. 1, 1982, and reflect termination of all sales contracts. 3d World category excludes Warsaw Pact nations, NATO nations, Europe, Japan, Australia, and New Zealand.

[2] Based on Department of Defense price deflator (minus pension funds).

Source: U.S. Government.

TABLE 3.—NUMBERS OF WEAPONS DELIVERED BY MAJOR SUPPLIERS TO THE THIRD WORLD [1]

Weapons category	United States	U.S.S.R.	Major Western European [2]
1974–77			
Tanks and self-propelled guns	3,881	4,595	1,215
Artillery	3,123	7,375	1,260
APC's and armored cars	6,853	5,245	1,470
Major surface combatants	61	12	19
Minor surface combatants	144	58	189
Submarines	13	9	14
Supersonic combat aircraft	822	1,280	215
Subsonic combat aircraft	510	230	35
Other aircraft	938	170	490
Helicopters	463	305	890
Guided missile boats	0	32	8
Surface-to-air missiles (SAM's)	2,450	14,345	1,755
1978–81			
Tanks and self-propelled guns	2,375	5,635	510
Artillery	2,783	7,000	1,145
APC's and armored cars	5,658	6,810	3,230
Major surface combatants	23	28	43
Minor surface combatants	33	110	93
Submarines	1	6	8
Supersonic combat aircraft	500	1,795	240
Subsonic combat aircraft	149	190	75
Other aircraft	330	300	410
Helicopters	172	845	715
Guided missile boats	0	42	21
Surface-to-air missiles (SAM's)	4,995	5,665	585
1974–81			
Tanks and self-propelled guns	6,256	10,230	1,725
Artillery	5,906	14,375	2,405
APC's and armored cars	12,511	12,055	4,700
Major surface combatants	84	40	62
Minor surface combatants	177	168	282
Submarines	14	15	22
Supersonic combat aircraft	1,322	3,075	455
Subsonic combat aircraft	659	420	110
Other aircraft	1,268	470	900
Helicopters	635	1,150	1,605
Guided missile boats	0	74	29
Surface-to-air missiles (SAM's)	7,445	20,010	2,340

[1] Third World category excludes Warsaw Pact nations, NATO nations, Europe, Japan, Australia, and New Zealand. U.S. data are for fiscal years given (and cover the period from July 1, 1973, through Sept. 30, 1981). Foreign data are for calendar years given.
[2] Major Western European includes France, United Kingdom, West Germany, and Italy totals as an aggregate figure.
Source: U.S. Government.

TABLE 4.—NUMBERS OF WEAPONS DELIVERED BY MAJOR SUPPLIERS TO EAST ASIA AND THE PACIFIC [1]

Weapons category	United States	U.S.S.R.	Major Western European [2]
1974–77			
Tanks and self-propelled guns	543	275	30
Artillery	1,904	120	75
APC's and armored cars	1,101	95	20
Major surface combatants	31	0	1
Minor surface combatants	88	0	0
Submarines	2	4	0
Supersonic combat aircraft	236	15	0
Subsonic combat aircraft	106	0	0
Other aircraft	449	105	110
Helicopters	106	40	75
Guided missile boats	0	0	0
Surface-to-air missiles (SAM's)	185	0	15
1978–81			
Tanks and self-propelled guns	714	640	50
Artillery	870	475	115
APC's and armored cars	870	355	230
Major surface combatants	14	7	0
Minor surface combatants	25	44	16
Submarines	0	0	2
Supersonic combat aircraft	218	240	0
Subsonic combat aircraft	118	55	10
Other aircraft	67	100	80
Helicopters	150	130	115
Guided missile boats	0	8	3
Surface-to-air missiles (SAM's)	1,078	175	0
1974–81			
Tanks and self-propelled guns	1,257	915	80
Artillery	2,774	595	190
APC's and armored cars	1,971	450	250
Major surface combatants	45	7	1
Minor surface combatants	113	44	16
Submarines	2	4	2
Supersonic combat aircraft	454	255	0
Subsonic combat aircraft	224	55	10
Other aircraft	516	205	190
Helicopters	256	170	190
Guided missile boats	0	8	3
Surface-to-air missiles (SAM's)	1,263	175	15

[1] Excludes Japan, Australia, and New Zealand. U.S. data are for fiscal years given (and cover the period from July 1, 1973, through Sept. 30, 1981). Foreign data are for calendar years given.
[2] Major Western European includes France, United Kingdom, West Germany, and Italy totals as an aggregate figure.
Source: U.S. Government.

TABLE 5.—NUMBERS OF WEAPONS DELIVERED BY MAJOR SUPPLIERS TO NEAR EAST AND SOUTH ASIA [1]

Weapons category	United States	U.S.S.R.	Major Western European [2]
1974–77			
Tanks and self-propelled guns	3,168	3,230	1,020
Artillery	725	4,195	665
APC's and armored cars	5,426	3,955	1,065
Major surface combatants	4	10	14
Minor surface combatants	26	15	88
Submarines	0	5	3
Supersonic combat aircraft	559	1,000	115
Subsonic combat aircraft	262	150	15
Other aircraft	345	25	135
Helicopters	282	180	685
Guided missile boats	0	27	3
Surface-to-air missiles (SAM's)	2,265	12,680	1,540
1978–81			
Tanks and self-propelled guns	1,656	4,155	390
Artillery	940	4,065	730
APC's and armored cars	4,731	5,125	1,950
Major surface combatants	4	16	7
Minor surface combatants	6	10	28
Submarines	1	3	2
Supersonic combat aircraft	270	1,310	205
Subsonic combat aircraft	19	85	30
Other aircraft	128	90	175
Helicopters	7	575	390
Guided missile boats	0	23	17
Surface-to-air missiles (SAM's)	3,917	4,170	510
1974–81			
Tanks and self-propelled guns	4,824	7,385	1,410
Artillery	1,665	8,260	1,395
APC's and armored cars	10,157	9,080	3,015
Major surface combatants	8	26	21
Minor surface combatants	32	25	116
Submarines	1	8	5
Supersonic combat aircraft	829	2,310	320
Subsonic combat aircraft	281	235	45
Other aircraft	473	115	310
Helicopters	289	755	1,075
Guided missile boats	0	50	20
Surface-to-air missiles (SAM's)	6,182	16,850	2,050

[1] U.S. data are for fiscal years given (and cover the period from July 1, 1973, through Sept. 30, 1981). Foreign data are for calendar years given.
[2] Major Western European includes France, United Kingdom, West Germany, and Italy totals as an aggregate figure.
Source: U.S. Government.

TABLE 6.—NUMBERS OF WEAPONS DELIVERED BY MAJOR SUPPLIERS TO LATIN AMERICA [1]

Weapons category	United States	U.S.S.R.	Major Western European [2]
1974–77			
Tanks and self-propelled guns	136	305	110
Artillery	275	215	165
APC's and armored cars	293	55	120
Major surface combatants	26	0	2
Minor surface combatants	30	17	55
Submarines	11	0	11
Supersonic combat aircraft	18	85	35
Subsonic combat aircraft	142	5	10
Other aircraft	142	15	95
Helicopters	69	45	40
Guided missile boats	0	3	5
Surface-to-air missiles (SAM's)	0	565	95
1978–81			
Tanks and self-propelled guns	5	70	30
Artillery	917	420	130
APC's and armored cars	14	175	210
Major surface combatants	5	1	21
Minor surface combatants	2	21	29
Submarines	0	3	4
Supersonic combat aircraft	0	85	30
Subsonic combat aircraft	12	0	5
Other aircraft	97	55	65
Helicopters	15	30	115
Guided missile boats	0	7	0
Surface-to-air missiles (SAM's)	0	245	70
1974–81			
Tanks and self-propelled guns	141	375	140
Artillery	1,192	635	295
APC's and armored cars	307	230	330
Major surface combatants	31	1	23

TABLE 6.—NUMBERS OF WEAPONS DELIVERED BY MAJOR SUPPLIERS TO LATIN AMERICA [1]—Continued

Weapons category	United States	U.S.S.R.	Major Western European [2]
Minor surface combatants	32	38	84
Submarines	11	3	15
Supersonic combat aircraft	18	170	65
Subsonic combat aircraft	154	5	15
Other aircraft	239	70	160
Helicopters	84	75	155
Guided missile boats	0	10	5
Surface-to-air missiles (SAM's)	0	810	165

[1] Excludes Canada. U.S. data are for fiscal years given (and cover the period from July 1, 1973, through Sept. 30, 1981). Foreign data are for calendar years given.
[2] Major Western European includes France, United Kingdom, West Germany, and Italy totals as an aggregate figure.
Source: U.S. Government.

TABLE 7.—NUMBERS OF WEAPONS DELIVERED BY MAJOR SUPPLIERS TO AFRICA (SUB-SAHARAN) [1]

Weapons category	United States	U.S.S.R.	Major Western European [2]
1974–77			
Tanks and self-propelled guns	34	785	55
Artillery	219	2,845	355
APC's and armored cars	33	1,145	265
Major surface combatants	0	2	2
Minor surface combatants	0	26	46
Submarines	0	0	0
Supersonic combat aircraft	9	180	65
Subsonic combat aircraft	0	75	10
Other aircraft	2	25	150
Helicopters	6	40	90
Guided missile boats	0	2	0
Surface-to-air missiles (SAM's)	0	1,100	105
1978–81			
Tanks and self-propelled guns	0	770	40
Artillery	56	2,040	170
APC's and armored cars	43	1,155	840
Major surface combatants	0	4	15
Minor surface combatants	0	35	20
Submarines	0	0	0
Supersonic combat aircraft	12	160	5
Subsonic combat aircraft	0	50	30
Other aircraft	38	55	90
Helicopters	0	110	95
Guided missile boats	0	4	1
Surface-to-air missiles (SAM's)	0	1,075	5
1974–81			
Tanks and self-propelled guns	34	1,555	95
Artillery	275	4,885	525
APC's and armored cars	76	2,300	1,105
Major surface combatants	0	6	17
Minor surface combatants	0	61	66
Submarines	0	0	0
Supersonic combat aircraft	21	340	70
Subsonic combat aircraft	0	125	40
Other aircraft	40	80	240
Helicopters	6	150	185
Guided missile boats	0	6	1
Surface-to-air missiles (SAM's)	0	2,175	110

[1] U.S. data are for fiscal years given (and cover the period from July 1, 1973, through Sept. 30, 1981). Foreign data are for calendar years given.
[2] Major Western European includes France, United Kingdom, West Germany, and Italy totals as an aggregate figure.
Source: U.S. Government.

DESCRIPTION OF ITEMS COUNTED IN WEAPONS CATEGORIES, 1974–1981

Tanks and Self-propelled Guns: Light, medium and heavy tanks; Self-propelled artillery; Self-propelled assault guns.

Artillery: Field and air defense artillery, mortars, rocket launchers, and recoilless rifles—100 mm. and over; FROG launchers—100 mm. and over.

Armored Personnel Carrier (APCs) and Armored Cars: Personnel carriers, armored and amphibious; Armored infantry fighting vehicles; Armored reconnaissance and command vehicles.

Major Surface Combatants: Aircraft carriers, cruisers, destroyers, frigates.

Minor Surface Combatants: Minesweepers, subchasers, motor torpedo boats; Patrol craft, motor gunboats.

Submarines: All submarines, including midget submarines.

Guided Missile Patrol Boats: All boats in this class.

Supersonic Combat Aircraft: All fighters and bombers designed to function operationally at speeds above Mach 1.

Subsonic Combat Aircraft: All fighters and bombers, including propeller driven, designed to function operationally at speeds below Mach 1.

Other Aircraft: All other fixed-wing aircraft, including trainers, transports, reconnaissance aircraft, and communications/utility aircraft.

Helicopters: All helicopters, including combat and transport.

Surface-to-air Missiles (SAMs): All air defense missiles, excluding those which are shoulder-fired.

NATIONS IN REGIONS IDENTIFIED IN ARMS DELIVERY TABLES AND CHARTS

East Asia and Pacific: Australia; Brunei; Burma; China; Fiji; French Polynesia; Gilbert Islands; Hong Kong; Indonesia; Japan; Kampuchea (Cambodia); North Korea; North Vietnam; Laos; Macao; Malaysia; Nauru; New Caledonia; New Hebrides; New Zealand; Norfolk Islands; Papua New Guinea; Philippines; Pitcairn; Singapore; Solomon Islands; South Korea; South Vietnam; Taiwan; Thailand; Western Somoa.

Near East and South Asia: Afghanistan; Algeria; Bahrain; Bangladesh; Egypt; India; Iran; Iraq; Israel; Jordan; Kuwait; Lebanon; Libya; Morocco; Nepal; North Yemen (Sana); Oman; Pakistan; Qatar; Saudi Arabia; South Yemen (Aden); Sri Lanka; Syria; Tunisia; United Arab Emirates.

Europe: Albania; Austria; Bulgaria; Belgium; Canada; Czechoslovakia; Cyprus; Denmark; Finland; France; Germany, Democratic Republic; Germany, Federal Republic; Greece; Hungary; Iceland; Ireland; Italy; Liechtenstein; Luxembourg; Malta; Netherlands; Norway; Poland; Portugal; Romania; Spain; Sweden; Switzerland; Turkey; United Kingdom; U.S.S.R.; Yugoslavia.

Africa (Sub-Saharan): Angola; Benin; Botswana; Burundi; Cameroon; Cape Verde; Central African Empire/Republic; Chad; Congo; Djibouti; Equatorial Guinea; Ethiopia; Gabon; Gambia; Ghana; Guinea; Guinea-Bissau; Ivory Coast; Kenya; Lesotho; Liberia; Madagascar; Malawi; Mali; Mauritania; Mauritius; Mozambique; Niger; Nigeria; Reunion; Rwanda; Senegal; Seychelles; Sierra Leone; Somalia; South Africa; St. Helena; Sudan; Swaziland; Tanzania; Togo; Uganda; Upper Volta; Zaire; Zanbia; Zimbabwe.

Latin America: Antigua; Argentina; Bahamas; Barbados; Belize; Bermuda; Bolivia; Brazil; British Virgin Islands; Cayman Islands; Chile; Colombia; Costa Rica; Cuba; Dominica; Dominican Republic; Ecuador; El Salvador; Falkland Islands; French Guiana; Grenada; Guadeloupe; Guatemala; Guyana; Haiti; Honduras; Jamaica; Martinique; Mexico; Monteserrat; Netherlands Antilles; Nicaragua; Panama; Paraguay; Peru; St. Christ-Nevis; St. Lucia; St. Pierre and Miquelon; St. Vincent; Suriname; Trinidad-Tobago; Turks and Caicos; Uruguay; Venezuela.

APPENDIX B—U.S. ARMS TRANSFERS TO THE THIRD WORLD: THE IMPLICATIONS OF SOPHISTICATION

(By Caleb S. Rossiter)

IMPLICATIONS FOR U.S. SECURITY INTERESTS

The implications of sophisticated arms transfers are discussed under four headings: regional stability; Soviet reverse engineering and countermeasure capabilities; recipient threat to NATO countries; and levels of U.S. training and maintenance personnel.

REGIONAL STABILITY

Third World conflicts are not only destructive and costly to the participants, but they also can damage U.S. economic and security interests. Some have the potential to place the United States and the Soviet Union in direct confrontation as supporters of the participants. For these and other reasons, the U.S. has adopted a policy of considering the impact of its arms transfers on regional stability.

Assessments of the potential role of sophisticated arms in preserving regional stability can only be made on a case-by-case basis. No general rule appears to arise from recent history. In some cases, possession of sophisticated arms may encourage a country to carry out military operations which it may have otherwise foregone. The scope of Israel's operations and goals in its invasion of Lebanon and Argentina's seizure of the Falklands/Malvinas may have been influenced by the possession of sophisticated weapons. In other cases, possession of sophisticated arms may serve, as U.S. policy intends, to deter a potential adversary. American transfers to South Korea would seem to be a successful case of such deterrence. Finally, the primary motives for some transfers of sophisticated arms may be to bolster U.S. security and political relationships and the recipient's prestige rather than to enhance actual combat capability. However, the purchase of sophisticated arms may in itself create a threat to the internal stability of poorer countries by retarding their economic growth.

If a conflict does occur, however, the presence of sophisticated weapons may tend to make it more destructive and costly than would have otherwise been the case. The high costs of reconstruction in Lebanon and of replacing British and Argentinian equipment lost or damaged in the South Atlantic are recent examples of this tendency. The longer range of the new weapons also tends to extend the battlefield from the front lines into populated rear areas.

SOVIET REVERSE ENGINEERING AND COUNTERMEASURE CAPABILITY

By observing a weapon in action or by obtaining damaged or undamaged versions of it, technologically advanced countries may be able to perform "reverse engineering"—that is, deduce its construction and build a similar weapon. Alternately, they may be able to devise effective counter-measures to the weapon.

Israel's recent successes against MIG fighters and SAM sites in its Lebanese operations were attributable in part to countermeasures developed from observations of these weapons in the 1973 Arab-Israeli war. The Soviet Union has also demonstrated strong reverse engineering and countermeasure capabilities. Some technical analysts feel that Soviet engineers used the U.S. Hawk, Franco-German Roland, and British Rapier surface-to-air missiles, respectively, as their "goal models" in developing the SAM-6, SAM-8, and SAM-13. Exporting sophisticated U.S. weapons increases the likelihood of the Soviet Union obtaining them, or information about them, and performing reverse engineering or developing counter-measures.

THREAT TO NATO COUNTRIES

As noted above, there are a large and increasing number of countries in possession of weapons which could seriously threaten NATO operations. Most Middle Eastern, South American and Asian countries are included in this group. However, the suppliers of these weapons are often NATO countries themselves, and most Third World recipients rely on their suppliers for long-term training and maintenance assistance and resupply during a conflict.

Some analysts argue that this dependence tends to lessen the chances of a recipient using its armed forces offensively against the wishes of NATO countries or against NATO countries themselves. However, Iran's apparent ability to obtain spare parts from other countries for its U.S. equipment and reports of major discrepancies in Saudi Arabian weapons inventories illustrate a particular problem. Once NATO countries export spare parts and weapons, covert re-export—banned by most arms transfer agreements—may be difficult to control. As more Third World countries become co-producers of weapons with NATO countries or establish independent arms manufacturing capability, the ability of the NATO countries to discourage their Third World customers from offensive operations may be a significantly weakened.

LEVELS OF U.S. TRAINING AND MAINTENANCE PERSONNEL

Sophisticated weapons require longer and more intensive training and maintenance activities on the part of the supplier than other weapons. In most cases in the Third World, a sale of sophisticated weapons implies a strong and on-going relationship between the supplying and receiving governments. The number of U.S. personnel operating overseas in support of weapons transfers has been rising recently, and much of this rise can be traced to sophisticated weapons.

According to recent Defense Department reports, 7,640 U.S. Government and contract personnel are implementing U.S. military sales in-country, 25 percent more than there were two years ago. Saudi Arabia accounts for 60 percent of these personnel. Over 1,000 more Defense Department personnel are in-country as managers of arms transfer programs. In addition, a substantial portion of U.S. military training of foreign soldiers—both in the United States and in-country with Mobile Training Teams—under the International Military Education and Training (IMET) and FMS programs is related to transfers of U.S. weapons.

It can be argued that high levels of U.S. personnel are in American interests because recipients may find it difficult to use them to carry out offensive operations without the cooperation of the U.S. Government. However, it should be noted that there are substantial risks involved in high levels of personnel. The presence of a U.S. contingent may serve as an unintended "trip-wire" for the involvement of the United States in a regional conflict. In the event of an attack on the recipient of U.S. arms, the United States may be forced into a choice of cooperation or non-cooperation with the recipient in directly supporting military operations. For diplomatic reasons, such a choice may be difficult and costly. Finally, the United States may find itself the primary

supplier of contending forces in a conflict, a situation in which the choice of cooperation and non-cooperation would be even more difficult.

THE CONGRESSIONAL ROLE IN SOPHISTICATED ARMS TRANSFERS

This paper has raised a number of issues which should be considered when decisions are being made on the transfer of sophisticated U.S. arms. Congress is an integral part of such decisions at present. It authorizes FMS credit financing and debt forgiveness annually, and has the authority to veto major administration transfer recommendations, although the President may void a veto on national security grounds. Some in Congress, however, feel that involvement in arms transfer decisions comes at too late a date in the process of negotiation between the Administration and the potential recipient.

The Administration is required by a number of sections of the Arms Export Control Act to provide Congress with advance notification of inquiries of and negotiations with foreign countries which could lead to a formal letter of offer. For example, Section 25 requires projections of potential offers for the upcoming fiscal year; section 28 requires a listing of countries which have inquired about the price and availability of specific items during a fiscal quarter; and section 36(a) requires a quarterly projection of all likely upcoming offers, which is published in the Congressional Record with reference to the region, rather than the country, in which a major sale may occur.

In some cases, though, advance notification does not occur, and Congress is unable to express an opinion to the Administration on a potential transfer until the proposal is made public with the transmittal of a 36(b) report to Congress. At this point, Congressional resistance to a proposal may be more damaging to foreign policy interests than it might have been while the proposal was still informal, classified and unpublicized. Nonetheless, Congress has thirty calendar days in which to pass a concurrent resolution of disapproval of a proposed arms sale.

An informal notification mechanism has evolved over the past few years, through which the Administration informs the Senate Foreign Relations and House Foreign Affairs committees of the contents of 36(b) reports at least 20 days prior to their formal transmittal. While this mechanism has somewhat alleviated the problem of late notification on particular sales, it still appears that it is difficult for Congress to oversee U.S. arms transfer programs and their implications on a world-wide and regional basis.

APPENDIX C—F-16 SALES ABROAD: A CASE STUDY

(By Kevin Nealer and Dick McCall)

The Reagan Administration's $21.5 billion foreign military sales program for FY 1982 is the largest arms transfer package in U.S. history. It sets new records for total dollar volumes, kinds of customers receiving weapons, and levels of sophistication of defense materials being sold. In light of the Falkland Islands War, even Great Britain is rethinking its arms sale practices, having sold Argentina $200 million in military hardware prior to the outbreak of the conflict.

Administration spokesmen continue to stress the commitment to a growing and aggressive U.S. arms sales policy. Despite the lessons of the Falklands and recent Mideast fighting, they still hold fast to the so-called Nixon (Guam) Doctrine: that U.S. surrogates with high-technology weapons will police our interests in the developing world.

The centerpiece for the Administration's policy in the Third World appears to be the F-16, the ultimate stamp of approval for developing country customers. The U.S. Air Force's highly advanced fighter is one of the most maneuverable, versatile tactical aircraft in the world today. Its sophisticated fly-by-wire flight controls, high "g" cockpit, and powerful afterburning turbofan engine incorporate the latest electronic and engineering advances. It can carry nuclear or conventional air-to-surface ordnance, and can utilize the all-aspect AIM-9L "Sidewinder" missile for air-to-air combat superiority. The F-16 may soon be equipped with even more sophisticated conventional weapons and defense systems.

The Carter Administration first introduced the sale of F-16s abroad on a restricted basis, limited to select NATO countries, Israel, and Egypt. Now the Reagan Administration has added Pakistan, Venezuela, and South Korea to the list of buyers. Of these, only the Korean sale will follow a normal delivery schedule. The other sales are to be made on an accelerated basis, contrary to the timetable that USAF officials have described in testimony and planning documents as being necessary to avoid critical U.S. inventory shortages. Democratic Policy Committee staff review of unclassified Air Force internal documents reveals the following:

OVER-EXTENDING MARKETING

In June of 1981, the former Director of Political-Military Affairs of the State Department, Richard Burt, wrote to Richard Adams, Vice President of General Dynamics (GD), to solicit information on the availability of F-16s for increasing export marketing. Adams responded that aircraft could be provided on an accelerated basis of 24 months. This contradicted the USAF Master Plan projection of 42 months lead time. However, Adams emphasized the 24-month lead time delivery schedule could be met only if the government agreed "to accept pre-contract costs and obligations incurred by General Dynamics and its subcontractors." DOD memos verify that this General Dynamics proposal "allows [the] contractor to obligate U.S. funds in anticipation of an FMS agreement (which violates Public Law)." Under the Arms Export Control Act, major arms transfers and extension of FMS credits cannot occur until the Congress determines that a given sale should not be disapproved.

Moreover, Air Force readiness projections warn that "the historical record says there will be impacts" on U.S. forces, despite GD assurances to the contrary. Because "GD is competing with Northrop's F-5G [F-20] for a portion of the potential export market," DOD analysts caution that General Dynamics is getting ahead of itself in committing to an accelerated production schedule which it cannot sustain without cutbacks to the U.S. and NATO inventories. (Note: DOD and State Department officials have engaged in aggressive marketing of a plane never designed for general export. State's program has been undertaken without reference to establish USAF inventory requirements, or the FX export program option.)

U.S. INVENTORY DEPLETION

General Dynamics and DOD delivery schedules document the draw-down on service inventories. From the second quarter of 1982 to the last quarter of 1984, 40 aircraft will be diverted from the USAF for Egypt alone. Six planes have already been diverted from NATO purchasers for Pakistan, and others must follow to fill that contract for a total of forty F-16s. Current projections do not take into account future sales proposals which may include Indonesia, the Philippines, Jordan, and others. Nor do they anticipate the effect of sales of the "J79" export model of the F-16. Those planes incorporate a less powerful engine, but will necessitate pulling standard F-16 fuselages off the production line and out of projected inventories. DOD planners report that FMS programs to date "have required the diversion of USAF production aircraft and logistic assets at the expense of USAF readiness." Continued acceleration of the F-16 sales program can only result in a further deterioration of USAF readiness.

The FMS-induced shortage goes beyond the problem of diversion of completed F-16s from our own inventories and those of our allies. The crucial areas of maintenance and support also have been affected by the FMS program. Accelerated sales have reduced already low parts inventories, especially for systems with long lead times. The avionics packages, ejection seats, F100 engine spares, and engine accessories cannot be acquired on an accelerated basis from subcontractors due to their complexity and the limited production capabilities. Air Force and DOD reports document the fact that "diversion of USAF spares will have a particularly dramatic impact on our F-16 support posture" leaving the Air Force "critically short of spare parts to support our own peacetime and wartime commitments."

USAF program reports describe the Venezuela sale as a "a contractual and administrative nightmare." They note that the only source of spares will be USAF inventories, and that such "borrowing" will be "costly and difficult to manage". They also point out that the "drastic acceleration" of the Pakistan sale "has had, and will continue to have, significant impact on USAF management activity and support."

Only 67 percent of the nearly 470 USAF F-16s were operational during the first part of 1982. Air Force spokesmen acknowledge that 1983 readiness will be even lower as parts and maintenance support are spread thinner. The full impact has not been reported to Congress, as required by the Arms Export Control Act.

MANPOWER DRAIN

As costly and debilitating as aircraft and spare part diversions have been, a greater threat to U.S. force structure may result from the manpower drain caused by the need for technically trained personnel to support the FMS program abroad. Air Force staffing justifications describe the "extensive training" of some two years which is necessary to bring the skills of maintenance personnel to a competent level in the complex and essential jobs of providing logistical support for the F-16s. Advanced avionics such as communications, navigation, radar, and weapons systems require skilled electronic technicians with "comprehensive training plus operating experience" to assure combat readiness and absolute reliability. But Air Force officials acknowledge serious retention problems in these categories of specialists, placing the service in the position of being unable to comply with DOD Directive 1130.2 which requires "self sufficiency in maintaining and operating new systems" within twelve months of introduction. Former Air Force Secretary

Hans Mark was blunt about this problem when he told The Wall Street Journal that "Airplanes don't fly because we don't have maintenance people."

Congressional action to provide special reenlistment bonuses for key technical positions within the armed services has improved the trend line, but 1981 figures reveal that only about one-third of the new technicians sign up for a second tour. Moreover, Air Force officials are concerned that General Dynamics incentive bonuses may be an attractive lure for Air Force-trained technicians, thereby undercutting the congressionally-initiated bonus system.

DOD officials point to the accelerating FMS program as the principle cause of this manpower drain. They warn that sales to developing countries that have little technical infrastructure create a demand for skilled personnel which private contractors satisfy by hiring away new USAF specialists. In fact, Air Force internal assessments of the foreign sales programs describe "heavy dependence" on private contractors. For the Egyptian sale alone, 130 technicians will be needed. General Dynamics has told DOD officials that part of that force will be made up of personnel acquired from Air Force ranks. One DOD report concludes that "GD will undoubtedly backfill the vacant flightline personnel positions with recruits from the USAF with F-16 experience. The faster the pace of the F-16 FMS case, the faster the F-16 base maintenance capability will be degraded."

As a result of the F-16 FMS sales program, the Air Force finds its manpower needs compromised in several ways. Most importantly, the USAF ability to maintain our own force capability is reduced because some Air Force technicians must be sent overseas to train and assist private contractors and locals in servicing foreign-owned aircraft: this at the expense of U.S. readiness. In addition, government investment in new trainees is not being recouped and attempts to build a corps of experienced personnel are frustrated when private contractors hire away recruits for services which the government must then rent back at the contractors' price, causing "turmoil in the USAF personnel system."

Finally, the service loses control over uniformed personnel. An independent study conducted for DOD warns that "continuing reliance on civilian technicians means that maintenance skills are not being successfully transferred from the producers to the ultimate users of the systems" i.e., the USAF. Moreover, the study points out that "the Military Departments do not have statutory authority to compel [contractors] to perform any function in support of forces engaged in conflict." This poses a danger to U.S. military capability during wartime.

SECURITY CONCERNS

Along with endangering U.S. readiness, F-16 sales to developing countries raise special problems. A recent Congressional Research Service White Paper characterized the sale of high-technology weapons systems as "increas[ing] the likelihood of the Soviet Union obtaining them, or information about them, and performing reverse engineering or developing counter-measures." This is especially true of the F-16s and the advanced missile systems which they will carry. Our experience in Iran where news reports allege that the Soviets gained access to F-14s and the U.S. air-to-air Phoenix missile is the most recent example of the compromise of U.S. technology vital to our ability to maintain a qualitative edge over the Soviets.

The security risk is particularly evident when the purchasers do not share U.S. goals or perceptions of the security threat. For example, the Administration has justified the sale of F-16s and a sophisticated air defense system to Pakistan on the grounds of the Soviet threat, particularly the threat emanating from Afghanistan. Yet 80 percent of Pakistan's army is located at, or near the Indian border, where is also maintains its air bases. Continuing Pakistani research on nuclear weapons development contravenes official U.S. policy, and raises questions about the sale of an aircraft that can be used as a nuclear delivery platform, such as the F-16.

The Pentagon shares the security concern associated with the F-16 sales to Pakistan. On November 29, 1982, a dispute erupted between the U.S. and Pakistani governments over the avionics configuration of the F-16s Pakistan had purchased. The Pakistanis believed they were purchasing the standard U.S. Air Force F-16, and refused delivery of the first six when they found out they would not receive state-of-the-art electronic equipment for detecting enemy ground and airborne radar. *The New York Times* reported on November 30, 1982, that U.S. Air Force officials "dis not want to provide the advanced equipment because of the need to protect its security. The Pakistanis were being offered a less advanced system."

However, the Administration overruled these USAF objections and agreed to provide the most sophisticated version of the F-16 to Pakistan. This turn of events precipitated concern on the part of the Congress that the original FMS notification submitted by the Administration did not indicate that Pakistan would receive state-of-the-art U.S. avionics equipment.

Venezuela is another example of potential differences between the U.S. and a recipient as to perception of security threats. Venezuela is embroiled in border disputes with Columbia and Guyana. Its declaration of a role as "regional protector" following announcement of the purchase of F-16s represents a quantum leap in the regional arms race beyond the capabilities of the MIG-23s in Cuba which U.S. officials used to justify the sale. The net effect of sales such as these is a diminution of U.S. combat readiness in favor of building foreign arsenals over which we do not have control, and which may harm our own security and that of the region.

THE PAKISTAN SALE

In many ways, the sale of 40 F-16s to Pakistan is the classic example of an arms sale "gone wrong." The elements are as follows:

First, the Congress approved the sale on the basis that the bulk of the $1.1 billion in financing would be provided by Saudi Arabia. However, on November 30, 1982, the Administration submitted a reprogramming notice to the Congress for FMS credits in the amount of $150 million for Pakistan. Of that amount, $120 million was to be used for payments on the six F-16s due in Pakistan in mid-December. In that reprogramming request, the Administration did not state from what country, or countries, FMS credits would be reallocated.

Because the Saudis were not forthcoming in financing the first six F-16s, their participation in future funding of the program has been called into question. Since it is apparent that Pakistan will not be able to repay the FMS loans made available for the F-16 program due to its already burgeoning external debt, the burden may fall on the U.S. taxpayer. Potential U.S. taxpayer exposure for the Pakistan program could be $1.1 billion.

Second, the delivery of the first six F-16s on an accelerated basis resulted in a diversion from Dutch and Belgian inventories in order to repay the United States for the six delivered from our inventory. Since the Administration has agreed to an accelerated delivery schedule for the entire Pakistan program, further diversions are likely.

Third, in light of the growing manpower problems in the USAF to service our own F-16 requirements, the Congress should be concerned over the issue of U.S. technical support for the Pakistan program.

Fourth, despite the Administration's justification of the sale on the basis of the Soviet threat to Pakistan, it should be obvious that President Zia remains concerned primarily about the traditional rivalry with India. Recent news accounts alleging that the Indian military may be considering the option of a preemptive strike against Pakistan's nuclear facilities reinforces the view that the long standing enmity dominates the perceptions of both countries.

Fifth, the fact that the USAF was concerned over providing state-of-the-art avionics equipment to Pakistan for fear it would be compromised, only to have these concerns brushed aside by the Administration, should not be taken lightly. Legitimate Pentagon concerns were overridden by an Administration which determined the necessity to make a "symbolic gesture" to Pakistan—a gesture which may prove to be contrary to U.S. interests.

And finally, from the very beginning, Pakistan dictated the nature of the F-16 program for that country. It dictated the time of delivery, terms of the sale, the financing arrangements, and the kind of equipment which was to be provided. Every essential element of a legal contract was dictated by the Pakistan government.

CONCLUSIONS

The proliferating sales of top-of-the-line U.S. military technology to developing countries raise many issues even beyond those discussed in this study of the F-16 program. Arms sales are an important tool of foreign policy. However, they are tools which require discrimination on the part of the United States as a supplier. Bending to foreign demands before meeting our own legitimate security requirements only jeopardizes the national consensus which now exists regarding defense spending. As the fighting last summer in Lebanon between Israeli and Syrian forces demonstrated, the U.S. maintains a significant qualitative edge over some quantitative advantages enjoyed by the Soviet Union in their weapons systems. Yet the Administration has allowed itself to be maneuvered into a position of jeopardizing this qualitative edge by succumbing to the demands of Third World countries such as Pakistan.

The political advantage the Administration perceives in allowing a country such as Pakistan to dictate the nature of the technology we make available has to be weighed against what should be paramount in U.S. arms policy—the protection of this technology against compromise. The F-16s being provided Pakistan contain state-of-the-art U.S. Air Force technology. Soviet AWACS and fighter interceptor capabilities are hampered by the current lack of this technology. If a decision is made to provide the Pakistanis with either the AIM-9L or AIM-9M air-to-air missile for their F-16s, the Soviets

would have an even greater incentive to obtain technology we are making available to President Zia's government. The AIM 9L and the more sophisticated AIM-9M, now being developed, have an all-aspect capability. In other words, interceptor aircraft do not need to maneuver behind a hostile aircraft to score a kill. The Soviets have not yet been able to develop this capability which is vital to offsetting larger numbers of enemy aircraft.

The Soviets have been careful as to which weapons systems, particularly aircraft, they make available for export. An advanced Soviet export fighter is the MiG-23 Flogger, which is of 1967 vintage. However, the export version contains less sophisticated avionics equipment than those MiG-23s in the Soviet inventory. The more sophisticated Soviet fighters are not available for export at this time.

It is ironic that an Administration which has pressed our NATO allies to control the types and flow of high technology items to the Soviet Union would engage in an aggressive arms export policy which puts top-of-the-line U.S. military equipment advances at risk. Earlier this year, the Senate Governmental Affairs Permanent Subcommittee on Investigations issued a report warning that the Soviet Union dedicated "substantial resources to highly focused attempts to secure American technology and was increasingly adept at acquiring this technology."

The pressure the Administration has exerted on our allies regarding the technology transfer issue has placed additional strains on the alliance. However, the Administration's credibility in this matter is strained considerably when it pursues a policy resulting in the global proliferation of high technology military equipment, such as the F-16s, over which we lose direct control once it is sold to another country.

Along with the Administration's aggressive policy of transferring high technology weapons into the Third World, there also has emerged a new arms sale lexicon. In the case of the AWACS sale to Saudi Arabia it became a "litmus test" of our relationship with that country. And as the Pakistanis maintain, the F-16 sale to their country is a "symbolic gesture." Neither the "litmus test" nor the "symbolic gesture" are criteria to be found in the Arms Export Control Act. Yet this terminology used to justify high-technology sales to countries such as Pakistan and Saudi Arabia is irrefutable evidence of a policy which is clearly "the tail wagging the dog." Recipient countries are now dictating the terms of major U.S. arms sales. Meeting U.S. defense requirements and protecting the qualitative edge we enjoy over our major adversary in the world—the Soviet Union—should be the paramount national security concern of our government. However, in the name of "litmus tests" and "symbolic gestures" the Administration has placed this technological edge in jeopardy. What concerns our military personnel above all else is having to face a potential enemy that has comparable avionics and missile capabilities to our own. They know the potential enemy has an edge in numbers which can be offset only by superior U.S. technology and the qualitative advantage it confers.

It is incumbent upon the Congress to reevaluate completely our arms sale practices and the legal underpinnings which support them in light of the developments outlined in this study. The reevaluation would, of necessity, involve review of the present adequacy of procedures contained in the Arms Export Control Act, which has historically defined congressional involvement in this critical area of foreign policy.

Mr. BYRD. Again, I thank our colleagues, Mr. SARBANES, Mr. BIDEN, and Mr. PELL. This is not the last we will hear about this, I am sure.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 12 noon, during which Senators may speak for 3 minutes each.

The Senator from Arizona.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that my 3 minutes may be expanded to twice that length of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

TACTICAL WARFARE

Mr. GOLDWATER. Mr. President, I would like to call my colleague's attention to the cover story in this week's Time magazine. It is entitled "The Winds of Reform" and it is one of the most remarkable articles I have ever read. It is remarkable not for its subject matter on "military reform"—for there is precious little in the article that has not already been published in other, less distinguished journals—but rather it is remarkable for what it implies about Time magazine and our system of government.

Over the years, few institutions have better served this Nation than has the "free press." It is perhaps the essential ingredient of a democracy. But there appears to be a growing trend in this country, among even the more reputable publications as well as the major networks, toward seeking out the one-sided, sensational story at the expense of the balanced and intellectually honest presentation. The implications of this trend are alarming.

Now, this would not be a matter of any great concern if it were not for this disturbing fact: We are becoming increasingly a nation whose thinking is shaped almost entirely by powerful media figures and influential journals—none of whom bear any real accountability to the public.

Such considerable influence should not be faulted where facts are reported accurately and both sides of a controversy are fairly presented. Under such circumstances, the public is faithfully served. But where accuracy and objectivity are sacrificed for the sake of sensationalism, and where editorial opinions are allowed to masquerade as news, the public is shamefully deceived. Under these circumstances, only the selfish purposes of those who perpetrate the deceit are served. In my opinion, the cover story in this week's Time magazine is such a story.

The story is rife with factual errors. It is obvious that little or no effort was made to verify any of the factual assertions made by the authors. Consider the following examples:

First, the article says that the Navy is budgeting for only six new ships this year. The truth is that the Navy has budgeted for 14 new ships in 1983 and 17 in 1984.

Second, the article says that three M-60-A3 tanks may be purchased for the price of one M-1. The truth is that an M-60-A3 costs about $1.3 million each while the M-1 costs $1.8 million per tank.

Third, the article alleges that high technology has made our modern fighters unreliable. In fact, in 1982 the full mission capable (FMC) rate of the Air Force's most sophisticated fighter, the F-15, actually exceeded the FMC rate of the least sophisticated fighter, the F-5. The rates were: F-15, 64.6; and F-5, 62.3.

Even more numerous than the factual errors were the unsubstantiated assertions of the authors. Some of these were quite remarkable. For instance, the article claimed:

First, "The availability rate of the battle-ready fighters will decline in the next 5 years." Yet not a shred of evidence was offered to back up this statement. The truth is that, for the Navy alone, there has been a 16-percent increase in combat aircraft readiness rates since 1980 and the trend is predicted to continue upward over the next 5 years. The Air Force is predicting rates even higher than the Navy's.

Second, the article stated that the Pentagon promotes program managers "for pushing a major project to completion, whatever the price." Not a single example was offered to support this insulting statement. Yet to refute this allegation, there are numerous examples from the past 2 years of program managers who were in fact relieved because of cost problems in their programs.

There were also examples of misleading or perhaps downright dishonest implications. Consider these two:

First, the article implied that the Viper antitank missile had once been expected to penetrate the frontal armor of modern Soviet tanks. It said, "Worse yet, the scaled-down warhead could no longer penetrate the frontal armor of modern battle tanks nor stop Soviet tanks head-on." The truth is that the Viper was never expected to penetrate the frontal armor of modern Soviet tanks. It was designed to penetrate the frontal armor of older Soviet tanks such as the T-62. The specifications required it be able to penetrate 14 inches of steel—in fact, it will penetrate 19 inches.

Second, using a familiar and very deceptive comparison of constant dollars and out-year dollars the article stated that the cost of the F/A-18 had tripled. In fact if one compares the current cost for the F/A-18 and the development estimate in constant dollars, the costs are: Development estimate, in 1975 dollars; $9.9 million per aircraft; and current estimate, in 1975 dollars; $10.28 million per aircraft.

That represents less than 5 percent real growth in the unit cost of the aircraft.

Finally, the authors were apparently given license to express their personal opinions as if they were making statements of uncontested fact. For example:

First, "* * * clear thinking like Boyd's was rare in the Air Force bureaucracy."

Second, "Most important, the Joint Chiefs of Staff must be reformed."

Third, "Indeed, weapons often seem to dictate strategy, rather than the reverse."

These are just a few of the many journalistic flaws which pervade the article. It is inexcusable that a magazine that enjoys the credibility that Time does should tolerate this sort of shoddy journalism. It may be troublesome to insure that all facts are scrupulously verified, but a journal concerned about its professional standards will demand it. It may be an additional burden to insure that editorial comments are confined to editorial pages, but a reputable journal will accept nothing less.

Mr. President, it is my opinion that Time magazine was seduced. They listened unquestioningly to the arguments of a small but vocal minority, decided they had the makings of a sensational story, then published that story without the slightest effort to verify the facts or balance what is a strikingly unbalanced presentation.

It is worth noting that the so-called reformist themes which dominated the Time story are not new themes. They are concepts which have been thoroughly debated in various committees of Congress and, almost without exception, have been rejected. But the authors of "The Winds of Reform" write about these ideas with such beguiling freshness, resurrecting such long-discredited statements as the 3-to-1 cost ratio of the M-1 tank to M-60-A3, that one would think they have just uncovered the great scandal of the 1980's. It is, in fact, nothing more than "hype".

Time was quick to embrace the predictions of a young Pentagon analyst, Chuck Spinney, who appeared last week before the Armed Services Committee. Mr. Spinney's work represents a rather severe indictment of the previous administration's ability to accurately predict weapons costs. But Time found unworthy of mention the fact that there is now hard evidence—not merely an analyst's projection—that the efforts of this administration to control Pentagon cost growth have been successful. Consider these two facts: The total cost growth among the Army's 13 major weapons programs from December 1981 to December 1982 was less than one-half of 1 percent. For the Air Force the total costs actually declined six-tenths of 1 percent. It is also worth noting that the Washington Post, hardly a supporter of this administration's defense efforts, found the Spinney hearing so unremarkable it was relegated to page 5.

Mr. President, the effects of an article like this are easy to predict. A large segment of the public will accept at face value the factual errors, unsubstantiated assertions, and blatant editorial opinions that appear throughout this article. They will be outraged by what they read and we will hear about it here in Congress.

I am afraid, Mr. President, that we have neither the time for the resources to fully undo the damage that is done by an article such as this. Some of my colleagues, I suspect, may find it easier to join with the critics who bask in the favor of the press, rather than resist these repeated efforts to discredit our armed services.

We in Congress have available to us all the information necessary to weigh the alternatives and reach the right conclusions. But I wonder whether we will decide objectively and wisely if the public—to whom we are accountable—is goaded by a press which places a greater premium on sensationalism than on balanced reporting?

Perhaps, ultimately the question is this: Who really governs this Nation, the elected representatives of the people or the unelected media figures and journalists upon whom the public relies for information? I, for one, am beginning to wonder.

Mr. STEVENS. Will the Senator yield, Mr. President?

Mr. GOLDWATER. Yes.

Mr. STEVENS. Mr. President, I thank the distinguished Senator from Arizona for taking the time to make this statement. As chairman of the appropriations subcommittee dealing with defense, I can say we have already been barraged with inquiries about the accuracy of this Time article that the Senator from Arizona has mentioned. I would say that my good friend, with his many years' experience in the defense field and being internationally known for his devotion to accuracy and the truth, has done us all a service. I ask my friend if he would consent to having that statement he just made reproduced so we can send it out from the Defense Committee to those people who inquire about that Time article. Would the Senator give us that permission?

Mr. GOLDWATER. I would be very honored if the Senator would ask for that. I thank my friend from Alaska, who puts so much time and effort into our defense needs.

Mr. President, this is a very, very serious matter with me. I am a great defender of the freedom of the press, but I am becoming increasingly offended by a press that violates the sanctity under which they operate under our Constitution.

One only has to listen to the nightly television shows, the weekly television shows, and read some of our newspapers to understand that there must be a dedicated group among these individuals who are working against our form of government and particularly the need to defend this country.

I will have more to say on this in the future because it is something that bothers me. As a man who is growing older, I do not intend to keep my mouth shut about it.

I thank the Chair.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

SECRETARY WATT SHOULD REVERSE HIS PRELIMINARY DECISION ON KUWAIT

Mr. BRADLEY. Mr. President, I rise to urge Secretary James Watt to reverse his preliminary decision that the Government of Kuwait may invest in mineral leases on the public lands of the United States. A careful examination of the legislative history of the Mineral Leasing Act of 1920 clearly shows that the Secretary's preliminary decision is directly contrary to both the letter and intent of that act.

Section 1 of the Mineral Leasing Act, 30 U.S.C. § 181, provides that:

> [C]itizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not by stock ownership, stock holding, or stock control, own any interest in any lease acquired under the provisions of this Act.

In other words, a citizen of a foreign country may not own an interest in a mineral lease on U.S. public lands if the foreign government denies "similar or like privileges" to citizens of the United States regarding investment in the minerals of that foreign country. This provision has become known as the reciprocity provision.

On December 29, 1982, Secretary Watt rendered a preliminary decision that Kuwait is a reciprocal nation

under the 1920 act. He rendered that decision despite the fact that mineral development within Kuwait is limited to the Kuwait Oil Co., which is 100 percent owned by the Government of Kuwait. There is absolutely no opportunity for an American citizen or corporation to invest in mineral development within Kuwait.

On January 21, Secretary Watt formally suspended the preliminary decision on the grounds that "it has come to our attention that additional information may exist which should be considered before a final decision is rendered." I am unaware of any additional information, but I urge the Secretary to take this opportunity to reconsider the legality of the preliminary decision that Kuwait is reciprocal.

At a February 2 hearing before the Committee on Energy and Natural Resources, I asked Secretary Watt how he could conceivably find Kuwait to be reciprocal under the provisions of the 1920 act. He replied that the 1920 act has been interpreted for many years to mean only that a foreign government may not discriminate between its own citizens and American citizens. In other words, if a foreign government nationalized its minerals industry, it could be said to be granting "similar or like privileges"—that is, no privileges—to both its own citizens and American citizens.

Secretary Watt himself described this interpretation as the "contorted reasoning of a lawyer." I could not agree more. Unfortunately, Secretary Watt's own Solicitor appears to have adopted it. A February 2, 1982, memorandum to the Secretary from his Associate Solicitor for Energy and Resources states that:

> If a country imposes national treatment of its mineral industry or a portion thereof, and does not discriminate against United States holdings, the [1974] Deputy Solicitor's memorandum concluded that such treatment might not be a denial of "like or similar" privileges. . . . While we have not reanalyzed that memorandum in detail, we have no reason to doubt its continuing validity. At your request, we will review that memorandum. Memorandum at 10.

I suggest that the Secretary direct his Solicitor to review the 1974 memorandum. More importantly, I strongly urge the Secretary to review the legislative history of the 1920 act.

The 1920 act was debated and passed in the immediate aftermath of World War I. As a result, Congress was sharply aware of the importance of access to oil, and was anxious to protect domestic sources from foreign control. The bill reported by the Senate Committee on Public Lands prohibited an alien from owning an interest in a lease issued under the act. The chairman of the Committee, Senator Smoot, explained that, "the control of oil produced in this country is of such great importance that the committee decided that some legislation must be had in order to give that control to our government." 58 CONGRESSIONAL RECORD 4160 (1919) (remarks of Senator Smoot).

However, concern was expressed on the Senate floor that an absolute ban on alien ownership might provoke retaliatory legislation by other countries.

> Americans have oil fields in Mexico, in Colombia, in Cuba, in Panama, and in many other countries. We should proceed with the utmost caution in legislating now to establish no precedent that could be utilized justly by other nations to make a drive against the possessions and ownership of Americans in other countries, and I am afraid that this legislation, unless it is very carefully drawn and very carefully phrased, will be seized upon as an excuse, particularly by Mexico, to confiscate the holdings of Americans in that Republic. Id. at 4161 (remarks of Senator King).

Because of this concern, the Senate adopted a compromise provision on the floor. Aliens would be allowed to own an interest in U.S. mineral leases, but the President would be authorized to take over and operate such leases, and the Secretary of the Interior would be authorized to require that the products of such leases be sold for consumption within the United States. Id. at 4160, 4171. As amended, the bill passed the Senate and was referred to the House Committee on Public Lands.

The House committee felt that the Senate provision did not sufficiently protect against the possibility of retaliation. The committee replaced the Senate provision with the reciprocity provision that eventually became law, and gave the following explanation in its report:

> The House amendment . . . seeks to avoid retaliatory action against American investors in foreign countries and provides that no citizen of any foreign country shall, by stock ownership, stock holdings, or stock control, own any interest in any lease acquired under the provisions of this act where such foreign country, by its laws, customs, or regulations, denies similar or like privileges to citizens or corporations of this country. The main argument for the Senate draft was that foreign control of domestic corporations operating a lease under the act would result in large exportations of oil, coal, and other minerals covered by the act, and thereby deplete the domestic supply. Under the House reciprocal clause above mentioned it is obvious that the citizens of the United States could largely offset such a result by their own operations in foreign countries, or, if an acute situation ever developed, a general embargo against exportation would be a sufficient remedy. H.R. Rep. No. 398, 66th Cong., 1st Sess. 11.

Clearly, the House committee was saying to foreign governments, "we'll allow you to invest in our minerals if you allow us to invest in your minerals."

On the House floor, the reciprocity provision was explained in unmistakable terms.

> The House provision provides [for] . . . a reciprocal arrangement by which any foreign country, where Americans are permitted to the full extent in the way of production, the same privilege shall be granted to the nationals of those countries in this country. 58 Cong. Rec. at 7514 (remarks of Rep. Elston).
>
> [T]he bill says that a citizen of a country that does not permit mineral ownership by an American citizen cannot own stock in a corporation of the United States that applies for a lease. *Id.* at 7528 (remarks of Rep. Raker).

In conference, the House reciprocity provision was accepted. The conference report was then adopted by both Houses without further debate.

There can be no doubt that Congress did not intend to allow investment in U.S. minerals by a foreign government, such as Kuwait, that provides no opportunity for American investment in its minerals. I urge Secretary Watt to reverse his preliminary decision that Kuwait may invest in mineral leases on the public lands of the United States. If the Secretary believes that the law should be changed, I invite him to suggest legislation. In the meantime, he should enforce the law.

THE 30TH INFANTRY DIVISION

Mr. THURMOND. Mr. President, I rise to call to the attention of the Senate, a prestigious award recently conferred upon the 30th Infantry Division, better known as the Old Hickory Division. The division, named in honor of Andrew Jackson was recently awarded the Resistance Memorial Cross of the Netherlands. This award is a tribute to the men of the National Guard from South Carolina, North Carolina, Georgia, and Tennessee who comprised the 30th Infantry Division.

I know many men and members of their families from my State who served with honor and distinction when they were called to active duty as well as those returning after the war to civilian life.

Much is owed to the Old Hickory Division, and their families for their sacrifices and lasting contributions on behalf of this Nation and free men everywhere.

The 30th Infantry Division was activated in August 1917 at Camp Sevier, S.C., and was composed of National Guard units from North and South Carolina and Tennessee. The division served overseas during World War I, distinguishing itself in the Somme offensive by breaking through the famed impregnable Hindenburg line and in the battles of La Selle, St. Mihiel, and in the Meuse-Argonne. After World War I the 30th Division was deactivated from Federal service and reverted back to its National Guard role in its respective States.

On September 16, 1940, the 30th Infantry Division was one of the first

four National Guard divisions called to active duty. Composed of the National Guards of North and South Carolina, Tennessee, and Georgia, the division was inducted into Federal service at Fort Jackson, S.C. The division, with its sectional and National Guard character was soon flooded with an influx of selectees, Reserve officers, Regular Army personnel, and OCS graduates from all sections of the country. The infantry division at that time consisted of the 117th Infantry Regiment, 119th Infantry Regiment, 120th Infantry Regiment, 30th Reconnaissance Troop, 105th Engineer Battalion and attached was the 823d Tank Destroyer Battalion, 743d Tank Battalion, and the 531st Antiaircraft Artillery (AW) Battalion. The division's artillery consisted of the 113th Field Artillery Battalion, the 118th Field Artillery Battalion, 197th Field Artillery Battalion, and the 203d Field Artillery Battalion in addition to the 30th Quartermaster Company, 730th Ordnance Company, 30th Signal Company, and the 105th Medical Battalion.

After training for several years at Fort Jackson, S.C.; Camp Blanding, Fla.; Camp Forrest, Tenn.; and Camp Atterbury, Ind., the division went overseas in February 1944 under the command of Maj. Gen. Leland S. Hobbs, a classmate of General Eisenhower and Gen. Omar Bradley. After being trained and prepared for the greatest invasion of all time, the 30th Infantry Division went into France on the 10th of June (D plus 4) and was immediately committed to action against the German Army, participating in the liberation of France, receiving the Croix de Guerre with Palm in 1958.

The division participated in five major campaigns, receiving five battle stars. Its 2d Battalion, 120th Infantry, plus attached units, became known as the Lost Battalion of World War II when, on August 8–14, 1944, surrounded by elements of the German Army, including Hitler's elite 1st SS Division on Hill 314 in Mortain, France, it refused to surrender and held out until relieved. In the battle of Mortain the 30th Division took something out of the German Army which it never regained. Three top German generals, Jodl, Keitel, and Von Kesselring, interviewed after the war, stated that the Mortain engagement was one of the critical operations leading to the defeat of Germany and that the 30th Infantry Division was considered the best fighting division in the European Theater, a fact corroborated by our own American military historians, as evidenced by the "S.L.A. Marshall Letter."

The division spearheaded the Allied breakout from Normandy at St. Lo and was the first American force to enter and liberate Belgium, receiving the Belgian Fouragere, first in Holland with the encirclement of Aachen and first to cross the Rhine River.

During the Battle of the Bulge the 30th again faced the reorganized Hitler's elite 1st SS Division. During the great Ardennes offensive in the winter of 1944–45 the 30th Infantry Division defeated this elite German division so badly that it never returned to combat. Our Assistant Division Commander, Gen. William K. Harrison's task force blocked General Von Rundstedt in his attempt to split the American and Allied forces.

During combat, the 30th was known as the workhorse of the Western Front, so named by Correspondent Wes Gallagher. It was also known as Roosevelt's SS Troops so named by the German high command because of the consistent vigor and pressure it brought to bear on the German Army.

On March 23, 1945, the 30th made an assault crossing of the Rhine River and pursued the enemy across Germany, mopping up enemy pockets of resistance until contact was made with the Russians at Magdeburg on the Elbe River. After a short occupation period the 30th was returned to the United States, arriving home August 19, 1945.

Two additional tributes expressing the commendations of commanders in the field, a part of its glorious history, were in a letter from Lt. Gen. William H. Simpson, the 9th Army Commander, on March 15, to General Hobbs:

It was a distinct pleasure for me last October when I learned that the 30th Infantry Division was being assigned to the Ninth Army, a pleasure all the more keenly felt because of the fact of my previous association as one-time commander of the Division. I have been happy to share with you the pride of accomplishment that has characterized the history of your Division since the initiation of operations on the Continent.

The operation just concluded again furnished your Division with an opportunity to distinguish itself. I scarcely need point out that this opportunity was accepted and completely exploited by the Division, thereby adding another glowing chapter to the record.

Particularly gratifying to me was the surprise which was achieved in your crossing the Roer River at an unsuitable site, and the ingenuity with which your organization overcame the difficulties of building up a bridgehead despite meager access and egress roads. Your expeditious clearing of the Hambach Forest and the firm protection which you furnished the Army right flank, materially assisted the Army to successfully execute the maneuver by which the enemy was turned out of his positions and driven to retreat across his own line of communication.

It was characteristic of your Division that, with the original mission accomplished, you were ready and waiting to execute another mission—that of further securing the Army's right flank and facilitating the capture of the key strongpoint of Neuss.

It is with great personal pleasure that I acknowledge the splendid job performed by the 30th Infantry Division and express my commendation of the individual contribution made by every officer and man.

Maj. Gen. Raymond S. McLain, the XIX Corps commander, in forwarding General Simpson's letter, noted the division's "thorough and rapid action by which the blow never lost its momentum and the enemy moves to check the advance were overrun before they got underway."

Final tribute to the work of the 30th had previously been paid by the four States from which the division had entered Federal service in 1940 and by Gen. Jacob L. Devers, Commanding General of Army Ground Forces. The Governors of Georgia, North and South Carolina, and Tennessee joined in proclaiming October 30 "Old Hickory Day" within their States, and marked the occasion with appropriate ceremonies at the State capitals and with a special radio program. General Devers, in a letter to the 30th's commanding general dated September 21, stated:

The inactivation of the 30th Infantry Division brings to a close a brilliant chapter in American history. The officers and men of the Old Hickory Division, which was formed from National Guard units of North Carolina, South Carolina, Georgia, and Tennessee, have maintained the highest standards of our infantry from the federalization of the unit on September 16, 1940 to the present.

Your Division landed in France in June, 1944 and during the rest of the war performed, often spectacularly, in an efficient, destructive manner. After spearheading the memorable St. Lo breakthrough, your troops were called upon to repel the German attempt to split the American First and Third Armies at Avranches. In one of the most destructive battles of the war, the 30th crushed the enemy assault and held open the vital corridor to the south.

At Aachen, through Belgium, Holland and on into Germany, you continued the offense. As a result of the terrific mauling you gave to some of the Wehrmacht's best troops, the enemy dubbed you "Roosevelt's SS Troops." The final weeks of the war found your men engaged in the drive which encircles the Ruhr and bagged thousands of German prisoners.

Your Division is now being inactivated, but many of your men must remain in the service, while the national security demands their retention. Until they can be released, I am sure they will continue to carry out their assignments with loyalty and vigor.

The 30th has fought courageously and relentlessly, in keeping with the finest traditions of our country. I am proud of that, on behalf of your fellow countrymen, I have this opportunity to commend your officers and men for their devotion and self-sacrifice in the victory over tyranny."

After deactivation, the 30th Infantry Division Association continued in existence and the 30th Armored Division became the National Guard of Tennessee and the 30th Infantry Brigade became the National Guard of North Carolina.

Many 30th men remained on active duty, including the former Assistant Division Commander, Brig. Gen. Wil-

liam K. Harrison, Jr., who, as Lt. Gen. William K. Harrison, Jr., was the chief United Nations peace negotiator at Panmunjom when the treaty ending the Korean war was signed. The Honorable Ralph E. Becker deserves high praise as a former member of the division for his diligent advocacy on behalf of the Old Hickory Division.

Mr. President, I ask unanimous consent that a copy of the Royal Netherlands Decree, Awards Ceremony Agenda, and the letter from Col. S.L.A. Marshall be included in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ROYAL DECREE OF 29 December 1980, Number 104

We Beatrix, By the Grace of God, Queen of The Netherlands, Princess of Orange-Nassau, Etc., Etc., Etc.,

Upon the recommendation of Our Minister of Internal Affairs, Directorate General of Civil Service, Department Cabinet Affairs, of 23 December 1980, No. BK8/Uss17; together in the name of Our Ministers of Defense; of Culture, Recreation and Social Work;

Considering, that it is desireable to introduce a decoration on the occasion of the 35th anniversary of the liberation for those who participated in the resistance during the Second World War against the occupation of the Territory of the Kingdom;

Have Consented and Authorized:

ARTICLE 1.

A medal of decoration is introduced that shall carry the name of Resistance Memorial Cross.

ARTICLE 2.

1. The Resistance Memorial Cross is awarded to:

a. Each who belonged to a recognized resistance group as named in the Royal Decree of 5 September 1944 Stb. E62 or another recognized resistance group known to the Extraordinary Pensions Council or the 1940-1945 Foundation.

b. Each who, according to a decree of the Extraordinary Pensions Council, is or would be recognized as a participant in the resistance in the sense of the Extraordinary Pensions Act of 1940-1945, irrespective of whether he/she enjoys or does not enjoy a pension by virtue of this act.

c. Each who has been recognized to have spent time under arms in conformity with the application of the Amendment to the Statute on the Legal Status of Servicemen in Resistance (Act of 20 January 1976, Stb. 19)

d. The servicemen who belonged to The Netherlands Forces of the Interior in occupied territory (in pursuance to Article 2, Paragraph 5 of the Amendment to the Statute on the Legal Status of Servicemen in the Resistance).

e. Each who has participated in manifest actions of resistance against the enemy in the judgement of the concerned committee, as intended by Article 4, during the Second World War in East Asia on Japanese occupied territory or Japanese territory.

f. Each who can also be considered a participant in the resistance according to the judgement of the committee as intended in Article 4, but not falling under the provisions of a through * * *.

2. The award will not be made to those whose conduct during the occupation of the Kingdom is considered, from the point of view of The Netherlands as a nation, to have been dishonorable.

ARTICLE 3.

The award can be made posthumously.

ARTICLE 4.

The award takes place under the responsibility of a committee considered representative of the former resistance, of which the composition and working procedures are determined by a ministerial decree of Our Ministers of Internal Affairs, of Defense, and of Culture, Recreation and Social Work.

ARTICLE 5.

The shape of the decoration, as referred to by Article 1, and the related ribbon will, upon further consideration, be determined by us.

ARTICLE 6.

1. It is permitted to the recipient to wear by itself either the Cross or the ribbon.

2. It it permitted, for those who are eligible to wear the Resistance Memorial Resistance Cross, to wear a miniature model of the Cross.

3. The Cross or ribbon may be worn on a military uniform.

With the award of the Resistance Memorial Cross, the recipient receives a certificate in the designated name.

This decree goes into effect on 31 December 1980. Our Ministers of Internal Affairs, of Defense, and of Culture, Recreation and Social Work are, each in his own capacity, responsible for the execution of this decree that will be placed in the official registry and whereof copies will be sent to the Chancellor of The Netherlands' Order.

Lage Vuursche, 29 December 1980,
BEATRIX.

The Minister of Home Affairs,
H. WIEGEL.

AGENDA FOR THE PRESENTATION OF THE NETHERLANDS' RESISTANCE MEDALS, OCTOBER 1, 1982, DAV HEADQUARTERS, WASHINGTON, D.C.

Welcoming remarks and introduction of DAV staff and dignitaries—by National Commander Galian

Denvel D. Adams—National Adjutant

Norman B. Hartnett—National Director of Services and Staff of National Service and Legislative Hdqts and National Headquarters

Dr. J. H. Lubbers, Netherlands Ambassador to the United States

Mr. G. H. J. M. Peijnenburg, Secretary-General Ministry of Defense

Secretary of the Army, John O. Marsh, Jr.

Director of Army Staff Lt. Gen. James Lee

Mr. Michael Barry—State Department

Commander Galian will introduce Mr. van Lanschot who will give a brief background on the Resistance Medal before presenting same to the following:

Maj. Gen. Jack H. King and Sgt. Maj. Bobby J. Fletcher, 104th Division (Training)

Brig. Gen. James D. Smith Major, 82d Airborne Division

Brig. Gen. William M. Ingram and Sgt. 1st Class Carl Marlowe, 30th Infantry Brigade

Brig. Gen. Patrick W. Harrison and Sgt. 1st Class James L. Taylor, 30th Armored Brigade

Col. (P) William H. Harrison and Sgt. Maj. Jack L. Siggers, 101st Airborne Division (Air Assault)

Col. Phillip Mallory and Sgt. Maj. Earl D. Ferguson, 2d Armored Division

The Netherlands Resistance Medal will also be given to the following Associations:

Mr. Lawrence Cabot, The 2nd Armored Division Association, c/o J. Ramsey Reese, Inc., 555 White Plains Road, Tarrytown, NY 10591.

Mr. Ken Danielson and General William A. Knowlton, 7th Armored Division Association, 4307 Palm Springs Drive, East Point, GA 30344.

Lt. Col. Saul Solow and Lt. Colonel John B. Carbin, 30th Infantry Division Association, 13645 Whippet Way, East, Del Ray Beach, FL 33445.

Mr. James V. Rodier, Chairman, WDC Chapter, 82nd Airborne Division Association, 1806 Beulah Road, Vienna, VA 22180.

Lt. General Harry W. O. Kinnard, 101st Airborne Division Association, c/o George M. Rosie, P.O. Box 101 AB, Court Station, Kalamazoo, MI 49005.

Mr. Howard S. Bedney, National Timberwolf Association, 104th Infantry Division, 721 Byron Avenue, Franklin Square, NY 11010.

Mr. Frank P. Juliano, Allied Airborne Association, 117 Willow St., Staten Island, NY 10306.

Mrs. S. Tipton Randolph, World War II Glider Pilots Association, 136 W. Main Street, Freehold, NJ 07728.

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16 MARCH 1946.

DEAR GENERAL HOBBS: Now that I am leaving the service, I thought it might be well to give you the following information for whatever satisfaction you might derive therefrom.

I was historian of the ETO. Toward the end of last fall, for the purpose of breaking the log-jam of paper concerning division presidential unit citations, General Eisenhower instructed me to draw up a rating sheet on the divisions. This entailed in the actual processing that we had to go over the total work of all the more experienced divisions, infantry and armor, and report back to him which divisions were considered had performed the most efficient and consistent battle service. We so did, and we named certain infantry divisons in the first category and same with armor, and we placed others in a second category and yet others in a third. The 30th was among five divisions in the first category.

However, we picked the 30th Division No. 1 on the list of first category divisions. It was the combined judgment of the approximately 35 historical officers who had worked on the records and in the field that the 30th had merited this distinction. It was our finding that the 30th had been outstanding in three operations and that we could consistently recommend it for citation on any one of these three occasions. It was further found that it had in no single instance performed discreditably or weakly when considered against the averages of the Theatre and that in no single operation had it carried less than its share of the burden or looked bad when compared with the forces on its flanks. We were especially impressed with the fact that it had consistently achieved results without undue wastage of its men. I do not know whether further honors will come to the 30th. I hope they do. For we had to keep looking at the balance of things always and we felt that the 30th was the outstanding infantry division of the ETO.

Respectfully yours,

/s/S.L.A. MARSHALL.

Colonel S.L.A. Marshall, GSC, Historian of ETO.

U.S.S.R. MAY OPEN CIVILIAN A-PLANTS TO U.N. TEAMS

Mr. PROXMIRE. Mr. President, on February 15 Bernard Nossiter reported for the New York Times that the Soviet Union may open civilian atomic plants to United Nations teams. Nossiter reports that specialists warn this does not mean they will permit onsite verification of nuclear arms agreement. But, Mr. President, this could be a vital step in the right direction. I ask unanimous consent that the article by Mr. Nossiter in the New York Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 15, 1983]

SOVIET MAY OPEN CIVILIAN A-PLANTS TO U.N. TEAMS

(By Bernard D. Nossiter)

UNITED NATIONS, N.Y., Feb. 11.—In a move that could have a major impact on arms agreements, the Soviet Union has said it wants to start talks this spring on opening some Soviet civilian nuclear plants to United Nations inspectors.

Moscow's move was announced in Vienna by the International Atomic Energy Agency, a United Nations body. The agency's Director General, Hans Blix of Sweden, said negotiations would begin in May or June "on a safeguards agreement with the agency."

Disarmament specialists here said this was the first time Moscow had taken a step toward allowing foreign monitors inside Soviet borders. They would be restricted to nuclear plants with peaceful uses.

But the experts said the precedent could ultimately lead to a Soviet willingness to permit on-site inspection of weapons in an accord with the United States. The United States has for years said arms agreements are best verified on the ground. The Soviet Union has insisted that ground monitoring is a breach of sovereignty.

Moscow's decision was foreshadowed last June when Foreign Minister Andrei A. Gromyko told a special United Nations session on disarmament that the Soviet Union was willing to open some plants to the nuclear agency. He made clear that only some civilian plants would be subject to inspection, and the latest Soviet message reiterates this.

Three nations that produce nuclear weapons, the United States, Britain and France, have already signed agreements with the Vienna-based agency. At first glance this seems redundant. The agency's inspection is designed largely to insure against cheating by nations that have agreed by treaty not to produce nuclear weapons. The monitors examine plants to determine whether any plutonium, which can be used for arms, has been hidden or diverted.

The United States said publicly that it would welcome inspection of some civilian plants by the agency to encourage more nations to sign the treaty against the spread of nuclear arms and to assure them that they would not lose any commercial advantage by opening up their installations.

Experts, however, said this was a secondary motive. The primary reason was the hope that the Soviet Union would some day follow suit. This, it was reasoned, could be the opening wedge that might eventually lead to on-site verification of arms accords. From the agency's standpoint, inspection of plants in a country that produces nuclear weapons has a practical use. Officials said the agency learns about the advanced technology and is better able to examine installations in nations that have foresworn nuclear arms.

The Soviet negotiations this spring are expected to center on which plants the agency will examine and on how to insure that Moscow does not have to accept unwanted inspectors. The experts could not predict how long the talks would take, but they seemed confident they would end in agreement.

One specialist suggested that it would be a relatively modest step from agreeing to agency monitors for selected plants to accepting agency inspection of the amount of plutonium produced. But limiting plutonium production is not an issue in any Soviet-American talks now.

The specialists warned that Soviet willingness to permit inspection of some civilian plants, no matter how inportant, was still a long way from accepting on-site verification of arms agreements. That would entail Moscow's permitting outsiders to look at its production and deployment of weapons.

PRESIDENT REAGAN'S NATURAL GAS DECONTROL PROPOSAL

Mr. MITCHELL. Mr. President, I commend President Reagan for his initiative in proposing a plan to deal with a serious national problem: The unintended effects on the natural gas pricing structure that have resulted from the combination of the 1978 price control law and the subsequent boom-and-bust in oil prices.

No one could have anticipated such a price roller coaster when the natural gas-pricing bill was enacted 4 years ago. But the unanticipated did, in fact, occur, and consumers today are faced with the situation that natural gas prices continue to rise, even in the face of general stability and decline in other energy costs.

I have not yet reviewed in detail every element of the President's program. It is a complex proposal designed to minimize disruption to supplies and prices during a transition period before price controls finally expire. The discovery and delivery of natural gas—and the existing price structure—must deal with both developers and pipelines. It has necessarily been a complex price control effort, and has resulted in unintended price differentials which do nothing to enhance efficiency or rational planning in the energy market.

I intend to review the proposal in detail, therefore, before making a final decision on its component parts or its overall impact. It is entirely possible that Congress will act to change some elements and modify others.

I am particularly concerned about the failure to include in the proposal provisions for a windfall profit tax or assistance to low-income families who may be hard hit if prices rise even more as a result of this proposal. But, as the President himself has said, the proposal does not represent the final word, nor does it contain all the answers. Like President Reagan, I doubt that any one proposal could contain all the answers.

But because this energy source is so vital to millions of American consumers and companies, it is clearly time that a serious effort is launched to rationalize its pricing structure and to introduce the element of predictability into those gas prices, an element without which neither households nor companies can budget.

I recognize that to certain regions which are particularly dependent on natural gas for energy, any proposal to change the current situation presents them with the dangers of the unknowable future. But in this instance, it seems to me that the disadvantages and hardships of the known present are at least as serious as the future danger of another major disruption in energy prices.

Any proposal in this area was bound to be controversial, and that has turned out to be the case, as we all know. It is particularly commendable, therefore, that President Reagan chose to disregard the inevitable criticism and to take the initiative of proposing a plan.

Our Nation has suffered from much unpredictable energy price surges in the past decade, and from the interaction of those price changes with our efforts to shield consumers from their worst effects. The continuing congressional effort in the low-income energy assistance program remains a primary tool with which the very poor have been aided to overcome the immediate threat of price surges. Congress has maintained that program in place and it has served our people well. The pricing structures that have been imposed on various energy sources have, necessarily, been complex and difficult to administer. And those carefully balanced proposals have, naturally, been vulnerable to distortions from sudden price swings.

Price surges that made natural gas exploration more attractive have induced the investment of millions of dollars in deep-well drilling. Those efforts have made a major contribution to the overall energy supply future of the country, as these new sources were tapped.

At the same time, in a market where the price of gas' major competing fuel, oil, is falling, the costs of those deeply drilled wells become far more onerous than in a climate of rising prices. And the industry itself has made substantial changes in its operating methods to respond to the threats of supply dis-

ruptions and price instability over the past several years.

None of these actions were intended to result in the unsatisfactory and irrational price outcomes that the consuming public now confronts. Consumers are naturally disturbed that in a time of stable and declining energy prices, the cost of their natural gas is rising. But consumers, along with the industry and the Congress, must recognize that the situation we face today is the outcome of forces and events that could not have been anticipated; they are not the result of some conspiracy or plot. The industry must acknowledge that consumer anger is justifiable. And the Congress should recognize that cooperative work and rational alternative proposals are the best way to overcome the problem, not out-of-hand rejection of the only plan that has been proposed.

This will undoubtedly be one of the most controversial debates the Congress will face this session. I believe we should acknowledge the President's leadership in presenting us with a proposal, and work to make that debate constructive, rather than acrimonious.

CHICAGO'S SALUTE TO BABIES

Mr. PERCY. Mr. President, recently some distressing and saddening statistics were brought to my attention which I wanted to share with my Senate colleagues. Despite all the gains we have made in this country, we still experience high rates of infant illness and death.

More than 250,000 babies are born each year with physical or mental damage. Another 500,000 pregnancies end in miscarriage or stillbirths. About 1.2 million infants, children, and adults are hospitalized annually for treatment of birth defects. And some 60,000 Americans die every year as a result of birth defects.

In urban areas, such as Chicago, there is a concentration of these problems. The infant mortality rate, for example, is 20.6 in Chicago for every 1,000 live births, far higher than the national rate of 11.7.

Mr. President, while I am saddened by these figures, I am equally encouraged by efforts around the country to respond to these problems. In particular, the Metropolitan Chicago chapter of the March of Dimes will stage a Salute to Babies banquet on April 7 to focus attention on the health of the Nation's children. Their goal is to gather together the resources needed to develop new and better programs which will reduce infant illness and death.

Specifically, the private funds raised by the Salute will be used to expand and extend perinatal health care, intensify efforts to assure total health care for infants during their first year of life, particularly in high risk or underserved areas, and to promote activities that will insure the orderly growth and development of all children as they mature.

These efforts will include education at all levels, from potential and expectant parents to parents and families, health workers in all fields and the general public; service through funding of pilot projects and development of prenatal infant intensive care units; and last, research to prevent preterm births, low birth weight, and specific birth defects.

All those associated with the Salute are to be commended, but none more so than the general chairman, Dr. Effie O. Ellis, a renowned advocate for the improvement of maternal and infant health care and the quality of family life.

Dr. Ellis, a graduate of Spellman College in Atlanta, Ga., has served as chief of the department of pediatrics at the University of Illinois Medical School and Center. She held the coveted residency in pediatrics at Massachusetts General Hospital. She was the first black woman to be named a teaching fellow of the Harvard Medical School where she made significant contributions to the speciality of pediatrics. Johns Hopkins School of Medicine awarded Dr. Ellis a fellowship in cardiology where she distinguished herself for research and treatment of the blue baby syndrome with Dr. Helen Taussig. Today, newborn babies rarely die from that birth defect.

Dr. Ellis has also served as director of medical education at Provident Hospital in Baltimore, Md.

Public service has played a large part in her long career. Dr. Ellis served as director of maternal and child health for the State of Ohio. On the Federal level, she has served as the medical director for the U.S. Children's Bureau, region 5, and as the regional commissioner for the social rehabilitation service.

In 1970, President Nixon appointed Dr. Ellis to the White House Conference on Children and the White House Conference on Nutrition. Most recently, in Illinois, Governor Jim Thompson chose her for his Task Force on Children and Youth.

Active in the March of Dimes for many years, Dr. Ellis served as the consultant to the March's Birth Defects Foundation and helped launch the parenting education program which was introduced in 22 States across the Nation.

Mr. President, the Chicago Salute to Babies promises to be a most successful event and I am proud to highlight it here on the floor of the Senate, along with the fine work of the Metropolitan Chicago chapter of the March of Dimes Birth Defects Foundation.

LEARNING FROM "THE WINDS OF WAR"

Mr. PROXMIRE. Mr. President, recently 140 million Americans watched the 18-hour presentation "The Winds of War." This television series is an adaptation of Herman Wouk's best-selling novel of the same name. Although a number of historical events during World War II are depicted, the persecution of the Jews is one of the dominating concerns of both the series and its author, who is a devout Orthodox Jew.

In one particularly horrifying scene, black-costumed Nazi special-action squads herd dozens of Russian Jews into a large grave, where they are shot. This is only one of the numerous methods of massacre which occurred during the time of Adolph Hitler. Ultimately, 6 million people lost their lives, a frightful number still difficult to imagine.

Although the television series could not possibly portray the enormous magnitude of this crime, it served an important purpose. Once again, millions of Americans were reminded of the torture and human destruction the Jews were forced to endure. Once again, millions of Americans were also convinced that the nations of the world must take immediate steps to prevent future instances of such atrocities.

Mr. President, over 80 nations have taken an important first step by ratifying the Genocide Convention. They are on record as opposing the elimination of a national, racial, ethnical, or religious group. They are also on record as declaring this act an international crime. Although the United States has signed this treaty, I am sorry to say that we have yet to ratify it. As a nation which has advocated basic human rights for over 200 years, the United States can only strengthen its position by ratifying this treaty. Therefore, I strongly urge my colleagues to ratify the Genocide Convention without further delay.

MESSAGE FROM THE HOUSE

At 10:41 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that pursuant to the provisions of 2 United States Code 123b, the Speaker appoints as members of the Committee on the House Recording Studio the following members: Mr. ROSE, Mrs. BOGGS, and Mr. BADHAM.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 999. An act to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes.

HOUSE BILL REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 999. An act to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JEPSEN, from the Joint Economic Committee:

Special Report entitled "The 1983 Joint Economic Report" (Rept. No. 98-15).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment:

S. 96. A bill to establish the Lee Metcalf Wilderness and Management Area in the State of Montana, and for other purposes (Rept. No. 98-16).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations:

Morton I. Abramowitz, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Career Minister, for the rank of Ambassador during the tenure of his service as the Representative of the United States for Mutual and Balanced Force Reductions Negotiations.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Morton I. Abramowitz
Post: U.S. Representative to MBFR
Contributions, amount, date, donee.
1. Self, None.
2. Spouse, $50, 1981, George Mitchell; $75, 1982, Marie Ridder; $100, 1982, Michael Barnes.
3. Children and Spouses: Names: Sheppie G. Abramowitz (wife); Michael Abramowitz (son); Rachel Abramowitz (daughter).

Manfred Eimer, of Maryland, to be an Assistant Director of the United States Arms Control and Disarmament Agency.

(The above nominations were reported from the Committee on Foreign Relations with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. ROTH, from the Committee on Governmental Affairs:

Barbara Jean Mahone, of New York, to be a Member of the Federal Labor Relations Authority for a term of five years expiring July 29, 1987; and

John Carl Miller, of Ohio, to be General Counsel of the Federal Labor Relations Authority for a term of five years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PERCY (by request):

S. 659. A bill to authorize the Board for International Broadcasting to provide Federal funding for radio broadcasting to Cuba; to the Committee on Foreign Relations.

S. 660. A bill to authorize appropriations for fiscal years 1984 and 1985 for the Department of State; to the Committee on Foreign Relations.

By Mr. GARN:

S. 661. A bill for the relief of Braun Green; to the Committee on the Judiciary.

By Mr. ARMSTRONG:

S. 662. A bill to provide for confirmation of the repayment contract of the Dallas Creek participating project of the Upper Colorado storage project; to the Committee on Energy and Natural Resources.

By Mr. ARMSTRONG (for himself, Mr. LUGAR, Mr. HATCH, Mr. BAUCUS, Mr. BUMPERS, Mrs. HAWKINS, Mr. ZORINSKY, Mr. CHAFEE, Mr. McCLURE, Mr. HART, Mr. NICKLES, Mr. PRESSLER, Mr. LEVIN, Mrs. KASSEBAUM, Mr. KASTEN, Mr. GRASSLEY, Mr. HATFIELD, Mr. JEPSEN, Mr. WARNER, Mr. QUAYLE, and Mr. DOMENICI):

S. 663. A bill to prohibit the payment of certain agriculture incentives to persons who produce certain agricultural commodities on highly erodible land; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SIMPSON (by request):

S. 664. A bill to amend title 38, United States Code, to extend the authority of the Administrator of Veterans' Affairs to provide certain contract hospital care and medical services in Puerto Rico, the Virgin Islands, and other territories; to the Committee on Veterans' Affairs.

S. 665. A bill to amend title 38, United States Code, to terminate the authority of the Administrator of Veterans' Affairs to make advance payments of education and subsistence allowances, and for other purposes; to the Committee on Veterans' Affairs.

S. 666. A bill to amend title 38, United States Code, to repeal the authority for eligible veterans and eligible spouses to pursue correspondence training, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SIMPSON:

S. 667. A bill to enhance the benefits available under the contributory education program and to eliminate the termination date for the GI bill education program, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KENNEDY (for himself, Mr. BIDEN, Mr. THURMOND, Mr. LAXALT, Mr. BAUCUS, Mr. HATCH, Mr. ABDNOR, Mrs. HAWKINS, Mr. LEAHY, Mr. COHEN, Mr. D'AMATO, Mr. CHILES, Mr. GLENN, Mr. SPECTER, Mr. HUDDLESTON, Mr. LUGAR, Mr. DeCONCINI, Mr. ZORINSKY, Mr. MOYNIHAN, Mr. METZENBAUM, Mr. SASSER, Mr. SIMPSON, and Mr. STEVENS):

S. 668. A bill to reform Federal criminal sentencing procedures; to the Committee on the Judiciary.

By Mr. HATFIELD (for himself, Mr. PACKWOOD, Mr. GORTON, Mr. JACKSON, Mr. BAUCUS, Mr. MELCHER, and Mr. McCLURE):

S. 669. A bill to authorize the construction of a project for navigation at the Bonneville lock and dam, Oregon and Washington; to the Committee on Environment and Public Works.

By Mr. PELL (for himself and Mr. STAFFORD):

S. 670. A bill to establish a New England Regional Power Planning and Distribution Authority, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCLURE (for himself and Mr. DeCONCINI):

S. 671. A bill to authorize a national program to encourage dam safety; to the Committee on Environment and Public Works.

By Mr. McCLURE (for himself, Mr. GOLDWATER, and Mr. WALLOP):

S. 672. A bill to amend the Reclamation Safety of Dams Act of 1978 to authorize additional appropriations, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCLURE:

S. 673. A bill to amend the Internal Revenue Code of 1954 to provide for the establishment of, and the credit against tax for contributions to, individual housing accounts; to the Committee on Finance.

By Mr. SPECTER:

S. 674. A bill to authorize implementation of a project for flood damage prevention at Milton, Pa.; to the Committee on Environment and Public Works.

By Mr. TOWER (by request):

S. 675. A bill to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. SASSER (for himself, Mr. TSONGAS, Mr. PRYOR, Mr. RIEGLE, Mr. RANDOLPH, Mr. FORD, and Mr. BAUCUS):

S. 676. A bill to provide for capital assistance to State and local governments; to the Committee on Finance.

By Mr. HEFLIN:

S. 677. A bill to amend the Federal Rules of Civil Procedure with respect to the examination of prospective jurors; to the Committee on the Judiciary.

By Mr. QUAYLE (for himself and Mr. LEVIN):

S. 678. A bill making emergency supplemental appropriations for the fiscal year 1983; to the Committee on Appropriations.

By Mr. PERCY:

S. 679. A bill to establish a program to provide funds to States for the purpose of job opportunities and business stimulation, and for other purposes; to the Committee on Governmental Affairs.

By Mr. SARBANES (for himself and Mr. MATHIAS):

S. 680. A bill entitled the Gladys Noon Spellman Parkway; to the Committee on Energy and Natural Resources.

By Mr. EXON:

S. 681. A bill to authorize the Secretary of the Interior to engage in a feasibility study of water resource development and for other purposes in the Central Platte Valley, Nebr.; to the Committee on Energy and Natural Resources.

By Mr. BUMPERS:

S. 682. A bill to amend the Agricultural Act of 1949 to modify the acreage base to be used for a farm under the acreage limitation programs for the 1983 crops of wheat, feed grains, and rice; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BUMPERS (for himself and Mr. PRYOR):

S. 683. A bill to modify the special payment-in-kind land conservation program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ABDNOR (for himself and Mr. MOYNIHAN):

S. 684. A bill to authorize an ongoing program of water resources research; to the Committee on Environment and Public Works.

By Mr. QUAYLE:

S. 685. A bill to provide savings in the Federal Employees Compensation Act, and for other purposes; to the Committee on Labor and Human Resources.

S. 686. A bill to amend the Age Discrimination in Employment Act of 1967 to eliminate the upper age limitation of 70 years of age, to make procedural reforms, and reinstate the tenured faculty exemption, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HEINZ (for himself, Mr. DIXON, Mr. BYRD, Mr. SPECTER, Mr. PERCY, Mr. LEVIN, Mr. RIEGLE, Mr. RANDOLPH, Mr. SARBANES, Mr. PELL, and Mr. GLENN):

S. 687. A bill to amend the Federal Supplemental Compensation Act of 1982 to increase the number of weeks of compensation; to the Committee on Finance.

By Mr. HATFIELD:

S. 688. A bill to provide that, unless the Government of El Salvador actively participates in negotiations with all major parties to the conflict which are willing to participate unconditionally in negotiations for the purpose of achieving a cease fire and an equitable political solution to hostilities, U.S. military support for El Salvador shall be terminated, with military assistance funds to be transferred for use for development and humanitarian assistance; to the Committee on Foreign Relations.

By Mr. HEINZ:

S. 689. A bill entitled the Natural Gas Policy Act Amendments of 1983; to the Committee on Energy and Natural Resources.

By Mrs. HAWKINS:

S.J. Res. 47. Joint resolution authorizing and requesting the President to proclaim "National Disabled Veterans Week"; to the Committee on the Judiciary.

By Mr. MCCLURE (for himself and Mr. MATTINGLY):

S.J. Res. 48. Joint resolution to amend the Constitution of the United States to limit budget outlays for a fiscal year to not more than 20 per centum of gross national product for such fiscal year; to the Committee on the Judiciary.

By Mr. PERCY (for himself, Mr. PELL, Mr. BYRD, Mr. DOMENICI, Mr. PRESSLER, Mr. HOLLINGS, Mr. LUGAR, Mr. INOUYE, Mr. JACKSON, Mr. DODD, Mr. SARBANES, Mr. PROXMIRE, Mr. ZORINSKY, Mr. CHAFEE, Mr. BOSCHWITZ, Mr. HUDDLESTON, Mr. MOYNIHAN, Mr. CHILES, Mr. BIDEN, Mr. DIXON, Mr. LEVIN, Mr. HART, Mr. KENNEDY, Mr. SASSER, Mr. DANFORTH, Mr. COHEN, Mr. MATHIAS, Mr. MITCHELL, and Mr. STEVENS):

S.J. Res. 49. Joint resolution to authorize and request the President to proclaim the week of April 10-16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising"; to the Committee on the Judiciary.

By Mr. LEVIN (for himself, Mr. BAUCUS, Mr. CHAFEE, Mr. GLENN, Mrs. HAWKINS, Mr. HOLLINGS, Mr. RIEGLE, and Mr. ZORINSKY):

S.J. Res. 50. Joint resolution designating the week beginning September 25, 1983, as "National Adult Day Care Center Week"; to the Committee on the Judiciary.

By Mr. DOLE (for himself and Mr. MOYNIHAN):

S.J. Res. 51. Joint resolution designating May 21, 1983, as "Andrei Sakharov Day"; to the Committee on the Judiciary.

By Mr. QUAYLE (for himself, Mr. INOUYE, Mr. HATCH, Mr. SPECTER, Mr. D'AMATO, Mr. WEICKER, Mr. HOLLINGS, Mr. BAUCUS, Mr. KENNEDY, Mr. BURDICK, Mr. RIEGLE, Mr. COCHRAN, Mr. DECONCINI, Mr. STENNIS, Mr. STEVENS, Mr. ANDREWS, Mr. LUGAR, Mr. STAFFORD, Mrs. HAWKINS, Mr. RANDOLPH, Mr. METZENBAUM, and Mr. DODD):

S.J. Res. 52. Joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. STEVENS (for Mr. THURMOND) (for himself, Mr. STEVENS and Mr. LAXALT):

S. Res. 79. Resolution to commend the value of the Health Fair Program; considered and agreed to.

By Mr. BYRD:

S. Res. 80. Resolution to amend rule XV to provide a procedure to require that amendments to a bill or resolution be germane after a vote by three fifths of all Senators; to the Committee on Rules and Administration.

By Mr. STEVENS (for Mr. BAKER) (for himself and Mr. BYRD):

S. Res. 81 Resolution to direct the Senate Legal Counsel to represent Senator MOYNIHAN and Senator D'AMATO in the case of *Municipal Electric Utilities Association of New York State* v *Ronald W. Reagan, et al.* Civil Action No. 83-0595; considered and agreed to.

By Mr. MOYNIHAN (for himself and Mr. HART):

S. Con. Res. 13. Concurrent resolution to achieve economic growth through coordination of monetary and fiscal policy; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PERCY (by request):

S. 659. A bill to authorize the Board for International Broadcasting to provide Federal funding for radio broadcasting to Cuba; to the Committee on Foreign Relations.

RADIO BROADCASTING TO CUBA ACT

Mr. PERCY. Mr. President, by request, I introduce for appropriate reference a bill to provide Federal funding for radio broadcasting to Cuba.

This legislation has been requested by the Department of State and I am introducing the proposed legislation in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a legislative analysis, and the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated February 24, 1983, requesting this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 659

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Radio Broadcasting to Cuba Act".

DECLARATION OF ADDITIONAL PURPOSES

SEC. 2. Section 2 of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2871) is amended—

(1) by inserting "(a)" immediately after "Sec. 2."; and

(2) by adding at the end of the section the following:

"(b) The Congress further finds and declares—

"(1) that, consonant with the policy set out in subsections (a) (1) and (2), radio broadcasting to Cuba may be effective in furthering the open communication of accurate information and ideas to the people of Cuba, in particular information about Cuba; and

"(2) that such broadcasting to Cuba, operated in a manner not inconsistent with the broad foreign policy of the United States and in accordance with high professional standards, would be in the national interest."

ADDITIONAL FUNCTIONS OF THE BOARD

SEC. 3. Section 4 of the Board for International Broadcasting Act of 1973 (22 U.S.C 2873) is amended by adding at the end thereof the following:

"(c) In order to further carry out the purposes set forth in section 2 of this Act, the Board is authorized to provide for the open communication of information and ideas through the use of radio broadcasting to Cuba. The Board may carry out this subsection by means of grants, leases or contracts (subject to the availability of appropriations), or such other means as the Board determines will most effectively carry out the purposes set forth in section 2. With respect to grants to or leases or contracts with a separate entity or other means of carrying out broadcasting to Cuba, the Board shall have the same authorities as those detailed in subsection (a) of this section.

"(d) Radio broadcasting to Cuba under this Act shall serve as a consistently reliable

and authoritative source of accurate, objective and comprehensive news.

"(e) Any broadcasting to Cuba in accordance with subsections (c) and (d) on the AM band (535 kHz to 1605 kHz), other than that conducted by means of leasing time on commercial or non-commercial educational radio broadcasting stations, shall be limited to the frequency used by the Voice of America for its broadcasts from the facilities located at Marathon, Florida. In the event that broadcasting is conducted on the frequency used by the Voice of America, the Voice of America broadcasting facilities located at Marathon, Florida, may also be used for the purposes of this Act."

ASSISTANCE FROM OTHER GOVERNMENT AGENCIES

SEC. 4. The Board for International Broadcasting Act of 1973 is amended by adding at the end thereof the following:

"ASSISTANCE FROM OTHER GOVERNMENT AGENCIES

"SEC. 12. In order to assist the Board in carrying out the purposes set forth in section 2 of this Act, any agency or instrumentality of the United States may sell, loan, lease, or grant property (including interests therein) and may perform administrative and technical support and services at the request of the Board. Support and services shall be provided on a reimbursable basis, which reimbursement shall be credited to the appropriation from which the property, support, or service was derived."

MERGER OF BOARDS OF DIRECTORS

SEC. 5. (a) Section 11 of the Board for International Broadcasting Act of 1973 is amended by adding at the end thereof the following:

"(c) No grant may be made under this Act to Radio Broadcasting to Cuba, Incorporated, or any other corporation established to provide radio broadcasting to Cuba, unless such corporation provides in its certificate of incorporation that—

"(1) the Board of Directors of such corporation shall consist of the members of the Board for International Broadcasting and no other members; and

"(2) such Board of Directors shall make all major policy determinations governing the operation of such corporation and shall appoint and fix the compensation of such managerial officers and employees of such corporation as it deems necessary to carry out the purposes of this Act.

Compliance with the requirements of this subsection shall not be construed to make such corporation a Federal agency or instrumentality."

(b) The section heading for Section 11 of the Board for International Broadcasting Act of 1973 is amended to read as follows: "MERGER OF BOARDS OF DIRECTORS".

U.S. DEPARTMENT OF STATE,
Washington, D.C., February 24, 1983.

Hon. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: I have the honor to submit for the consideration of the Congress a bill that would authorize the Board for International Broadcasting to provide federal funding for radio broadcasting to Cuba.

I urge that the Congress give this proposal its early and favorable consideration.

The Office of Management and Budget has advised that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

POWELL A. MOORE,
Assistant Secretary for Congressional Relations.

LEGISLATIVE ANALYSIS: RADIO BROADCASTING TO CUBA ACT

BACKGROUND

On September 22, 1981, the President issued Executive Order 12323 creating the Presidential Commission on Broadcasting to Cuba. The Commission's Final Report strongly urged the early establishment of radio broadcasting to Cuba, to provide the people of Cuba with a source of accurate and objective information, particularly about Cuba. The Commission recommended that such broadcasting be conducted along the same lines as Radio Free Europe and Radio Liberty. During the last session of Congress, the Administration sent to the Congress proposed legislation authorizing funding for radio broadcasting to Cuba. H.R. 5427, as amended, passed the House on August 10, 1982 and, as further amended, was favorably reported by the Senate Foreign Relations Committee on September 9, 1982; however, one bill was never voted on by the full Senate.

This legislation, which amends the Board for International Braodcasting Act of 1973, 22 U.S.C. 2871 et seq., is in several respects similar to H.R. 5427. It authorizes the Board for International Broadcasting to provide for federally funded broadcasting to Cuba, in much the same way that the Board now oversees federal grants to Radio Free Europe and Radio Liberty.

DETAILED ANALYSIS BY SECTION

Section 2

Section 2 contains the congressional findings and policy statement with respect to radio broadcasting to Cuba. It declares that the policy already enunciated in Section 2 of the Board for International Broadcasting Act of 1973, 22 U.S.C. 2871—promoting open communication of information and ideas and supporting the right to receive such information and ideas through any media and regardless of frontiers—may be furthered by radio broadcasting to Cuba. Subparagraph (b)(2) links such broadcasting, operated in accordance with high professional standards and not inconsistently with U.S. foreign policy, to the national interest in general.

Section 3

Section 3, amending the authority under which the Board for International Broadcasting now makes and supervises grants to Radio Free Europe and Radio Liberty, 22 U.S.C. 2873, establishes the basic authority for the Board for International Broadcasting to provide for radio broadcasting to Cuba. Subsection (c) incorporates the relevant authorities the Board for International Broadcasting already possesses with respect to Radio Free Europe and Radio Liberty, and in general allows broad flexibility to the Board to provide for broadcasting to Cuba through grants, leases, contracts or other means the Board deems appropriate.

Subsection (e), however, limits any broadcasting on the AM band (535 kHz to 1605 kHz) to the leasing of time from other stations or to the frequency now used by the Voice of America for its broadcasts from Marathon, Florida. In the event that the latter option is used, it is contemplated that the Board for International Broadcasting will consult with the U.S. Information Agency in determining an appropriate allocation of time between broadcasting to Cuba under this Act and the broadcasts of the Voice of America. This subsection (e) was included to respond to concerns of broadcasters over possible increased Cuban interference on the present commercial portion of the AM band.

Subsection (d) provides that, in accordance with the distinguished tradition of Radio Free Europe and Radio Liberty, radio broadcasting to Cuba shall serve as a consistently reliable source of accurate and objective information.

Section 4

Section 4 adds a new Section 12 to the Board for International Broadcasting Act to provide specific authority for the Board to receive, on a reimbursable basis, a wide range of assistance from other other government agencies, including making property and support services available. Reimbursement in amounts appropriate for such interagency transfers would be credited to appropriations available for use by the agency furnishing the assistance.

Section 5

Section 5 amends Section 11 of the Board for International Broadcasting Act of 1973, 22 U.S.C. 2880, to make its substance applicable to broadcasting to Cuba. Section 11, added in 1982 by Section 403 of P.L. 97-241, requires that in order for RFE/RL, Incorporated (Radio Free Europe/Radio Liberty) to receive federal support under the Act, its Board of Directors must consist, only of the members of the Board for International Broadcasting. Section 11 also requires that the Board have actual control over the operations and management of RFE/RL, Incorporated and specifies that the requirements of that section are not to be construed to render RFE/RL, Incorporated a Federal agency or instrumentality. Section 5 of the Radio Broadcasting to Cuba Act applies these provisions of Section 11 of the Board for International Broadcasting Act to any corporation similar to RFE/RL, Incorporated (such as the already-existing but nonoperational Radio Broadcasting to Cuba, Incorporated) to which the Board for International Broadcasting might provide support under this Act for purposes of broadcasting to Cuba.

By Mr. PERCY (by request):

S. 660. A bill to authorize appropriations for fiscal years 1984 and 1985 for the Department of State; to the Committee on Foreign Relations.

DEPARTMENT OF STATE AUTHORIZATION ACT, FISCAL YEARS 1984 AND 1985

Mr. PERCY. Mr. President, by request, I introduce for appropriate reference a bill authorizing appropriations for fiscal years 1984 and 1985 for the Department of State.

This legislation has been requested by the State Department and I am introducing the proposed legislation in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis, and the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated March 1 requesting this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 660

Be it enacted by the Senate and House of representatives of the United States of America in Congress assembled,

TITLE I—DEPARTMENT OF STATE

SHORT TITLE

SEC. 101. This title may be cited as the "Department of State Authorization Act, Fiscal Years 1984 and 1985."

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 102. The following amounts are authorized to be appropriated for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and other purposes authorized by law:

(1) For "Administration of Foreign Affairs," $1,473,713,000 for the fiscal year 1984 and $1,574,520,000 for the fiscal year 1985.

(2) For "International Organizations and Conferences," $602,343,000 for the fiscal year 1984 and $645,978,000 for the fiscal year 1985.

(3) For "International Commissions," $23,207,000 for the fiscal year 1984 and $27,329,000 for the fiscal year 1985.

(4) For "Migration and Refugee Assistance and Other Activities," $346,200,000 for the fiscal year 1984 and $328,100,000 for the fiscal year 1985.

WORLD INTELLECTUAL PROPERTY ORGANIZATION

SEC. 103. Subsection (b) of P.L. 92-511 (22 U.S.C. 269f) is amended to read as follows: "(b) Such sums as may be required for the payment by the United States of its proportionate share of the expenses of said international bureau for any year after 1981 as determined under Article 16 (4) of the Paris Convention for the Protection of Industrial Property, as revised."

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING (CIPA)

SEC. 104. P.L. 94-37 (89 Stat. 216) is amended by deleting the words "in the Middle East" after "peacekeeping forces."

ALLOCATION AUTHORITY

SEC. 105. Section 8 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680) is amended to read as follows: "The Secretary of State may allocate or transfer to any department, agency, or independent establishment of the United States Government, with the consent of the head thereof, any funds appropriated to the Department of State, for direct expenditure by such department, agency or independent establishment for the purposes for which the funds were appropriated in accordance with authority granted in this Act or under authority governing the activities of the agencies of the United States Government to which such funds are allocated or transferred."

ELIMINATION AND MODIFICATION OF REPORTS

SEC. 106. The following provisions of the following acts are repealed or modified:

(a) Section 126(c) of P.L. 95-426 (22 U.S.C. 2691 note; 92 Stat. 972).

(b) Section 405(b) of P.L. 95-426 (22 U.S.C. 1048 note; 92 Stat. 979).

(c) Section 12(d) of P.L. 96-8 (22 U.S.C. 3311 note; 93 Stat. 20).

(d) Section 4 of P.L. 96-110 (22 U.S.C. 2601 note; 93 Stat. 844).

(e) Section 109(a)(7) of P.L. 95-105 (22 U.S.C. 2384 note; 91 Stat. 847).

(f) Section 411 of the International Development Cooperation Act of 1979, P.L. 96-53 (22 U.S.C. 3511; 93 Stat. 376).

(g) Section 703(f) of P.L. 96-465 (22 U.S.C. 4023; 94 Stat. 2100).

(h) Section 503(b) of P.L. 95-426 (22 U.S.C. 2656 (c); 92 Stat. 983).

(i) Section 156 of the Clean Air Act as amended, P.L. 85-177 (42 U.S.C. 7456; 91 Stat. 729) is amended by striking out "and shall report to the Congress periodically on efforts to arrive at such agreements" in the last sentence.

(j) Subsection 204(b)(4) of the Fishery Conservation and Management Act of 1976, P.L. 94-265 (16 U.S.C. 1824(4)(c); 90 Stat. 342-45) is amended by striking out "; and" after subparagraph (B), substituting a period, and striking subparagraph (C).

(k) Section 412(b)(1)(B) of the Immigration and Nationality Act as amended (8 U.S.C. 1522(b)(1)(B) is amended by striking out the first sentence, and by striking out "after such study" in the second sentence.

DEPARTMENT OF STATE,
Washington, D.C., March 1, 1983.

DEAR MR. PRESIDENT: In accordance with Section 15 of the Act of August 1, 1956, as amended (22 U.S.C. 2680), there is transmitted herewith proposed legislation to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during the fiscal years 1984 and 1985 and for other purposes contained in this bill.

The primary purpose of the bill is to provide authorization of appropriations for (1) "Administration of Foreign Affairs," which supports the operation of the United States diplomatic and consular posts abroad and the Department of State in the United States; (2) "International Organizations and Conferences," which includes contributions to meet obligations pursuant to treaties, conventions or specific acts of Congress; (3) "International Commissions," which enables the United States to fulfill treaty and other international obligations; (4) "Migration and Refugee Assistance and other Activities," which funds various refugee assistance programs, including the United States annual contribution to the International Committee of the Red Cross, and which covers Bilateral Science and Technology Agreements. In addition, this bill would eliminate or modify certain requirements for the Department of State reports to Congress which have either been fulfilled or are unnecessary. A section-by-section analysis further explaining the proposed legislation is also enclosed.

The Department has been informed by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

POWELL A. MOORE,
Assistant Secretary,
for Congressional Relations.

Enclosures:
1. Proposed Legislation.
2. Section-by-Section Analysis.

SECTION-BY-SECTION ANALYSIS

SEC. 101—SHORT TITLE

This title may be cited as the "Department of State Authorization Act, Fiscal Years 1984 and 1985."

SEC. 102—AUTHORIZATION OF APPROPRIATIONS

Subsection (a)—This subsection provides an authorization of appropriations for the Department of State in accordance with the provisions of Section 15(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680) as amended. This proposed Act authorizes funds to be appropriated under this legislation for the fiscal years 1984 and 1985 by category.

Category (1)—Authorizes appropriations under the heading "Administration of Foreign Affairs" for fiscal years 1984 and 1985. This catergory provides the necessary funds for the salaries, expenses and allowances of the officers and employees of the Department, both in the United States and abroad. It includes funds for executive direction and policy formulation, conduct of diplomatic relations with international organizations, domestic public information activities, central program services, and administrative and staff activities. This category also provides for representational expenses in accordance with Section 905 of the Foreign Service Act of 1980. Further, it provides funds for such activities as the acquisition, operation and maintenance of office space and living quarters for American staff abroad; funds for relief and repartriation loans to United States citizens abroad and for other emergencies of the Department; a buying power maintenance appropriation; and payments to the Foreign Service Retirement and Disability Fund and the American Institute in Taiwan.

Category (2)—Authorizes appropriations for fiscal years 1984 and 1985 under the heading "International Organizations and Conferences". This category provides the necessary funds for United States contributions of its assessed share of the expenses of the United Nations and other international organizations of which the United States is a member. In addition, provision is made for funding of official United States Government participation in regularly scheduled or planned multilateral intergovernmental conferences, meetings and related activities, and for contributions to international peacekeeping activities in accordance with international multilateral agreements.

Category (3)—Authorizes appropriations for fiscal years 1984 and 1985 under the heading "International Commissions." This category provides funds necessary to enable the United States to meet its obligations as a participant in international commissions and includes expenses of the American Sections (U.S. and Canada), the International Boundary and Water Commission (U.S. and Mexico) and the International Fisheries Commissions.

Category (4)—Authorizes appropriations for fiscal years 1984 and 1985 under the heading "Migration and Refugee Assistance and Other Activities." This category primarily enables the Secretary of State to provide assistance to migrants and refugees, both on a multilateral basis, through contributions to organizations such as the Intergovernmental Committee for Migration and the United Nations High Commissioner for Refugees, as authorized by law. In addition, provision is made for U.S. Bilateral Science and Technology Agreements.

SEC. 103—WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO)

At the meetings of the Governing Bodies of WIPO in Geneva, Switzerland, November 16-24, 1981, action was taken by the Assembly of the Paris Union to increase the percentage contribution of Class I countries such as the United States from 4.50 percent to 4.57 percent.

Subsection (b) of P.L. 511 (22 U.S.C. 269f) currently limits the United States annual contribution to the Paris Union for the Protection of Industrial Property of the World Intellectual Property Organization to a maximum of 4.5 percent of the total expenses apportioned among member countries.

This amendment eliminates the legal limitation of 4.5 percent now placed on the United States contribution to the Paris Union so that the United States can continue to participate fully as a member of the Paris Union.

SEC. 104—CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING (CIPA)

Public Law 94-37 authorizes the Department of State to pay U.S. assessments for U.N. peacekeeping forces in the Middle East. However, it is possible that future U.N. peacekeeping forces may have to be established in other areas of the world. This amendment will make it possible for the United States to respond quickly to each peacekeeping effort without the time-consuming necessity of seeking special legislative authority.

SEC. 105—ALLOCATION AUTHORITY

This amendment would provide general authority for the Secretary of State to allocate or transfer funds to other Federal Government Agencies for the performance of work otherwise authorized by law and for the purposes for which funds are appropriated, when those agencies can execute the activities more efficiently than the Department itself.

Currently, the Department requires a specific provision in an appropriation act or other law to make such an allocation or transfer. In the absence of such a specific provision, a significant additional administrative burden has resulted for the Department and the cooperating agencies. This amendment is solely to expedite the public business. Funds so allocated or transferred will only be used for the purposes for which appropriated. In addition, the amendment would provide expenditure authority like that under Section 632(a) of the Foreign Assistance Act.

SEC. 106—ELIMINATION AND MODIFICATION OF REPORTS

(a) Deletes the legislative requirement to transmit annual reports to Congress for three years, beginning January 20, 1979, on domestic travel restrictions being imposed by the U.S. Government on citizens of other countries and vice versa, and efforts to eliminate these restrictions, because the requirement has been fulfilled.

(b) Deletes the legislative requirement to transmit a report to Congress on orientation and language training programs for family members of U.S. Government employees assigned abroad, because the requirement has been fulfilled.

(c) Deletes the legislation requirement to transmit a report to Congress every six months during the two years beginning on April 10, 1979, describing and reviewing economic relations between the United States and Taiwan, because the requirement has been fulfilled.

(d) Deletes the legislative requirement to transmit to Congress within 60 days of November 13, 1979, a report showing the estimated total costs to the U.S. Government during FY '80 and FY '81 of domestic and foreign assistance to refugees under all programs of the U.S. Government and the estimated costs of such programs to state and local governments, because the requirement has been fulfilled.

(e) Deletes the legislative requirement to transmit to Congress by January 31, 1978, a report on the Office of the Assistant Secretary for Human Rights and Humanitarian Affairs, including the current mandate and operations and proposals for reorganization that would strengthen human rights in U.S. foreign policy, because the requirement has been fulfilled.

(f) Deletes the requirement for a complete and detailed report of the Institute for Scientific and Technical Cooperation's operations. Since the ISTC has never been funded, it has never been established. No report is therefore possible, and this requirement should be eliminated.

(g) Deletes an annual report by five agencies (State, USIA, AID, Agriculture and Commerce) on the status of professional development in the Foreign Service. The reports require substantial preparatory effort. Because other mechanisms exist for interagency coordination, the reporting requirement provides little benefit or information for the management of the five agencies. No congressional interest has been elicited from previous reports.

(h) Deletes the requirement for the President to report annually in international science and technology activities, which is largely duplicated in the international affairs section of the President's Annual Science and Technology Report to the Congress required by the National Science and Technology Policy, Organization, and Priorities Act of 1976.

(i) Deletes the requirement to report periodically on efforts to arrive at international agreements to develop standards and regulations which protect the stratosphere. If and when such international agreements are reached, they will be reported to the Congress under other legislation.

(j) Deletes the requirement that every vessel application for fishery permits be sent to three Congressional committees. The information supplied by this requirement is not in a useful form; the same information, when needed, is readily retrievable from the Commerce computer system. Since the costs of labor, duplication, and mailing required to comply with this law are high, the requirement should be eliminated.

(k) Deletes the requirement to transmit to Congress no later than March 1, 1981, a study of which agency is best able to administer the refugee resettlement program, since the requirement has been fulfilled.

By Mr. ARMSTRONG:

S. 662. A bill to provide for confirmation of the repayment contract of the Dallas Creek participating project of the Upper Colorado storage project; to the Committee on Energy and Natural Resources.

REPAYMENT CONTRACT OF DALLAS CREEK PROJECT

● Mr. ARMSTRONG. Mr. President, in 1968, Congress authorized the construction of the Dallas Creek project, Colorado River Basin Project Act, Public Law 90-537. In November 1976, the definite plan report for the project was completed. The repayment contract was approved in late 1976 at an election of the residents of the Tri-County Water Conservancy District, the contracting and marketing local governmental agency for the project. In January 1977, the contract was signed by the Department of Interior and the Conservancy District. In September 1977, the Commissioner of Reclamation authorized the start of construction.

Thus, final designs and specifications for stage I were not completed until mid-1979.

Due to dam safety design considerations prompted by the Teton Dam failure, the Bureau of Reclamation decided to proceed with construction in two phases. Invitations for bids on the first phase were not issued until August 1979. In turn, a contract was not awarded to the successful bidder until December 1979, the Bureau having obtained an extension of time from the bidders for the awarding of the contract. As soon as the contract was awarded, the contractor commenced work on the first phase and has proceeded on schedule to date. Construction on the first phase is scheduled for completion later in 1981.

At the time the repayment contract was signed, the estimated costs allocable to municipal and industrial water supply were $27,966,000 based on January 1976 prices and the interest rate provided for fiscal year 1976. As of June 1981, the Bureau of Reclamation estimates that the costs allocable to municipal and industrial water supply will be approximately $69 million. Approximately 60 percent of the increase from $28 million to $69 million has resulted from increases in construction costs caused by design changes, state of the art considerations, dam safety considerations, and added instrumentation, all of which were unanticipated at the time the repayment contract was negotiated. The remaining 40 percent of the cost increase is attributable to inflation.

The repayment contract does not obligate the Conservancy District to renegotiate, or make any other adjustments in its contractual obligation should the costs allocable to municipal and industrial water supply exceed $38 million. To the contrary, the $38 million figure is an absolute ceiling.

This provision stands in marked contrast to the terms of all other repayment contracts, which typically provide for ceilings that must be increased to cover the costs allocable to municipal and industrial water supply should such costs prove to be in excess of those contemplated at the time of the execution of a contract. The lack of this renegotiation provision in the repayment contract executed by the Conservancy District indicates, and

the record reflects, that the matter of a renegotiation provision was specifically discussed during the contract negotiations. The Federal Government agreed with the Conservancy District's position during the negotiations that there should be no renegotiation clause in the repayment contract, the $38 million being a fixed amount. This clearly indicates that the United States has obligated itself, pursuant to a binding contractural agreement, to complete the construction of the Dallas Creek project and provide the 28,100 acre-feet of municipal and industrial water supply therefrom at a cost to the conservancy district not exceeding the $38 million ceiling provided for in the repayment contract.

It would not benefit the Federal Government or the affected water users to halt construction of the project. Stage I of the project is nearing completion, and the overall project is 50 percent completed. Contracts have been consummated for the sale of all the project water. Municipal and industrial needs, including future energy development, are dependent on water from the storage project.

For these reasons, Mr. President, I am today introducing a bill to reaffirm the terms of the original contract. This measure would neither add to nor detract from the bargain struck between local water users and the Federal Government; it would, however, preserve the specific legal content of that bargain and eliminate the confusion and speculation that has surrounded it for several years now.

My bill is identical to the one I introduced in the last Congress; it was reported to the full Senate by the Energy and Natural Resources Committee by a large margin, which I take as an indication of its reasonableness. I am hopeful that we will be able to solve this problem in the current session and I would commend this measure to the attention of my colleagues.●

By Mr. ARMSTRONG (for himself, Mr. LUGAR, Mr. HATCH, Mr. BAUCUS, Mr. BUMPERS, Mrs. HAWKINS, Mr. ZORINSKY, Mr. CHAFEE, Mr. MCCLURE, Mr. HART, Mr. NICKLES, Mr. PRESSLER, Mr. LEVIN, Mrs. KASSEBAUM, Mr. KASTEN, Mr. GRASSLEY, Mr. HATFIELD, Mr. JEPSEN, Mr. WARNER, and Mr. QUAYLE):

S. 663. A bill to prohibit the payment of certain agriculture incentives to persons who produce certain agricultural commodities on highly erodible land; to the Committee on Agriculture, Nutrition, and Forestry.

PROHIBITING PAYMENTS FOR COMMODITIES PRODUCED ON HIGHLY ERODIBLE LAND

● Mr. ARMSTRONG. Mr. President, I am introducing a measure designed to lessen the growing threat of another dust bowl like the one that severely damaged our agriculture system in the 1930's. It seems hard to believe that we would fail to take the steps necessary to avoid such severe erosion, especially in light of dramatically increased knowledge and technology that enables us to conserve our soil better than ever before.

But we are losing more topsoil to wind and water erosion today than at any time in the 1930's. The Soil Conservation Service of the Department of Agriculture estimates that we are losing more than 5 billion tons of our best crop-producing topsoil each year. Some 40,000 tons of this topsoil floats down the Mississippi River every hour, hour after hour, day after day, week after week, month after month, year after year.

National Association of Conservation Districts, executive vice president Neil Sampson, in the excellent book "Farmland or Wasteland," estimates that every day 26 square miles of American topsoil wash and blow away. For each acre of corn an Iowa farmer grows each year, up to 15 tons of topsoil are lost; for each acre of wheat, up to 20 tons of soil will vanish.

In spite of the overwhelming surpluses of many agricultural commodities, surpluses which are choking our system, depressing prices, and making it increasingly difficult for farmers to eke out a living, the plows continue to add more land to our already over-expanded base. And increasingly, the plows are turning under the kind of land that should be left alone: Fragile grasslands, highly erodible land that is simply not suitable to sustained cultivation. In many areas of the arid West, the natural cover of sod that took centuries to develop is destroyed in hours, and the damage is virtually permanent and irreversible.

Incredible as it seems, the Federal Government is encouraging this plowing. At a time when we are already producing so much food that we cannot give away some of these surpluses, we are encouraging the additional plowing that expands production. Our price support system was intended to insure that our farmers could make a living, while assuring consumers of a stable price for food products. But the same system is encouraging this destructive plowing because it gives no consideration to the importance of conservation.

The first Chief of the U.S. Soil Conservation Service, Hugh Hammond Bennett, made it clear that:

> Conservation is possible only if we use every acre according to its capability, and treat every acre according to its need. You can't farm a flat Indiana field like you would a rolling Georgia slope, or a Vermont mountainside like a Texas river bottom. It's that simple, and that complex.

Government price supports, crop insurance, disaster payments, farm storage facility loans, and other incentives being made available to all crops grown on this newly plowed, marginal land amounts to using the Public Treasury to destroy our soil resources. I am not arguing here for any major reforms in that price support system, though good arguments can be made. I am simply arguing that this system should not encourage new plowing of bad farmland that will add to our erosion problem.

The bill I am introducing will not stop erosion. It will not end all plowing of bad lands. And it will not solve the economic problem confronting our Nation's farmers. But it will get the Government out of the business of subsidizing soil erosion. I do not believe Government should tell farmers what they can and cannot do on their own land. But I do believe that we should stop asking the taxpayers to support a practice clearly not in the best interests of the United States.

This bill is very simple. It uses existing definitions for highly erodible land, written long ago by the Soil Conservation Service. These are classifications already understood by the Nation's farmers and conservation officers, and they are readily accepted because they were based on a local decisionmaking process in the first place, when most of the Nation's private lands were classified.

The bill provides simply that if a farmer plows land that has not been farmed during the last 10 years, and it is classified as highly erodible land, he cannot be eligible for Government assistance for crops grown on that land. Recognizing that all lands are not the same, I know that there are certain areas—though not very many—where such land can be carefully cultivated without causing severe soil erosion. In such areas, the local soil conservation district could monitor the situation and determine that the bill does not apply if a soil conservation system can solve the problem. In the highly erodible classes of land addressed by this bill, there are few such instances. But where they exist, the local conservation districts can make appropriate exceptions to deal with them. There are nearly 3,000 conservation districts, one in almost every county in the United States. They are established by State law, and they are made up entirely of local people who understand local problems.

This bill will stop the payment of price supports, FmHA loans, farm storage facility loans, disaster payments, and crop insurance for crops grown on newly plowed highly erodible land. This legislation is supported by nearly every farm and conservation group in America, as well as the administration, and has received a great deal of favorable attention.

Mr. President, I first introduced a measure similar to this bill as an

amendment to the 1981 farm bill. I said at that time that we were creating the conditions under which another dust bowl could occur, and that we needed to act to stop subsidizing such erosion before it was too late. It is not too late, but we are losing valuable time and valuable topsoil. While my bill was pending in the Agriculture Committee during the 97th Congress, more than 100,000 acres of fragile lands were put to the plow in my State of Colorado alone, bringing the total of such highly erodible lands which have already been plowed in Colorado to nearly 5 million.

The measure pending before the Agriculture Committee was, at first, a very limited bill. It applied to lands west of 100th meridian, which roughly bisects Dodge City, Kans. But a number of organizations involved in early discussions made it clear that this is a national problem, not a Western one. The administration, the Farm Bureau, the National Association of Conservation Districts, and a number of others told me that the bill should apply to the entire country. This improved version does, because the problem we seek to correct is national.

Nationwide, more than 40 million acres of these fragile lands have been plowed under—nearly 10 percent of our entire farm base. But there are another 250 million acres of marginal lands waiting to be plowed. If all these acres, representing half again as much as our entire cultivated land base, were plowed, our farm system and a great deal of the world's food supply could be severely damaged.

The American farmer is by far the world's most productive. Each one of them produces enough food for himself and 78 other people. Our agriculture system has produced for many years the world's most abundant, low-cost food supply. The system generates about 20 percent of the Nation's gross national product and employs, directly or indirectly, over 20 percent of the labor force—23 million people. More people work in American agriculture, and the industries that depend on it, than in any other industry in this country, or anywhere in the world. We cannot afford Government policies that encourage erosion of this critical asset.

We must remember that despite all man's accomplishments, we owe our very existence to a thin layer of topsoil and the fact that it sometimes rains. It is long past time to stop encouraging the destruction of that topsoil. I ask unanimous consent that the bill, and some supporting material, be included in the RECORD at this point, and I urge speedy adoption. In the race for the soil and against time, literally, we are losing ground.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 663

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) For purposes of this section—

(1) the term "agricultural commodity" means any agricultural commodity normally produced by annual tilling of the soil, including one-trip planters; and

(2) the term "highly erodible land" means land classified by the Soil Conservation Service of the Department of Agriculture as class IVe, VIe, VII, or VIII land under the Land Capability Classification systems as in effect on the date of enactment of this bill. The land capability class for a field shall be that determined to be the "predominant" class under regulations issued by the Secretary of Agriculture.

(b) Except as provided in subsection (c) and notwithstanding any other provision of law, following the enactment of this Act any person who produces an agricultural commodity on highly erodible land shall be ineligible for—

(1) any type of price support assistance on such commodity made available under the Agricultural Act of 1949 (7 USC 1421 et seq), the Commodity Credit Corporation Charter Act (15 USC 714 et seq), or any other Act;

(2) a loan for the construction or purchase of a facility for the storage of such commodity made under section 4 of the Commodity Credit Corporation Charter Act (15 USC 714b(h));

(3) crop insurance for such commodity under the Federal Crop Insurance Act (7 USC 1501 et seq);

(4) a disaster payment for such commodity made under the Agricultural Act of 1949 (7 USC 1421 et seq); or

(5) a new loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 USC 1921 et seq) or any other provision of law administered by the Farmers Home Administration, if the Secretary determines that such loan will be used for a purpose which will contribute to excessive erosion of highly erodible land.

(c) Subsection (b) shall not apply to—

(1) any agricultural commodity planted by a person to produce any of the 1973 through 1982 crops of agricultural commodities;

(2) any agricultural commodity planted by a person before the date of enactment of this Act;

(3) any agricultural commodity planted by a person during any crop year beginning before such date;

(4) any loan described in subsection (b) made before such date; or

(5) any agricultural commodity produced using a conservation system which has been approved by a soil conservation district, which is based on technical standards set forth in the Soil Conservation Service technical guide for that Soil Conservation District. In areas where no soil conservation district exists the Secretary shall determine the adequacy of a conservation system.

IMPACT OF THE ARMSTRONG SODBUSTER BILL

The potential effects of the sodbuster bill are best analyzed by considering the amount of land which could be brought under cultivation during the next few years, and how erodible that land would be. This information, when compared with the amount of highly erodible land already under cultivation in the same parts of the country gives a clear picture of the devastating effects of continued plowing on our nation's agricultural system.

First, it is important to note that only 10% of the 413 million acres of land currently being cultivated fall into land capability classes IVe, VIe, VII, and VIII, which are regarded as highly erodible. However, these lands result in 23% of the nation's erosion. The average erosion rate on all cultivated cropland is about five tons per acre per year. But the average for class IVe land is 10 tons per acre, for class VIe 18 tons, for class VII more than 30 tons! So cultivating such land is almost certain to cause severe erosion and often has damaging effects on neighboring land, too.

The Department of Agriculture estimates that as many as 248 million acres of land not currently under cultivation fall into land capability classes IVe, VIe, VII, and VIII. The vast majority of these acres are privately owned and could be plowed any time, though only 20 million acres could be cultivated with a suitable conservation system that would prevent severe erosion. The sodbuster bill would allow for the exemption of those acres, but stop payments from encouraging the other 230 million to be plowed.

Of these 248 million acres of highly erodible land with potential for conversion to cropland, most lies in the Mountain states, the Northern and Southern Plains. Particularly vulnerable, according to USDA, are Montana, Wyoming, Colorado, Nebraska, South Dakota, California, New Mexico, Arizona, Texas and Oklahoma. It is these acres that the sodbuster bill would affect—highly erodible land that is not suitable to cultivation and could add millions of tons of topsoil to our already serious erosion problems. And when added to the 41 million acres of this highly erodible land already under cultivation, it could under drought conditions create the worst dust bowl in our nation's history.

Attached is a chart showing the areas of the nation where sodbusting presents the greatest danger. The first column shows the amount of highly erodible land already under cultivation. The sodbuster amendment would not affect this land. The second column shows the amount of land with potential for conversion that is highly erodible. If we encourage the plowing of these fragile lands, together with the fragile acreage already plowed, the resulting erosion could threaten the long-term economic viability of our nation's agricultural system.

Also attached is a map highlighting the states where this legislation is most needed to avoid catastrophic erosion. The sodbuster amendment probably won't stop all of these acres from being converted to cropland, but it would at least stop the government from encouraging the conversion. It makes no sense to pay speculators to add land which is simply not suitable for cultivation to our already over-expanded farm base. If this bill is not passed now, another full year of plowing will occur before Congress has time to act again.

HIGHLY-ERODIBLE CROPLAND IN THE UNITED STATES
(CLASSES 4e, 6e, 7, AND 8)

[In thousands of acres]

State	Already plowed acres*	Potential new acres
Alabama	379	5,548
Arkansas	93	4,200
Arizona	36	10,706
California	1,100	11,755
Connecticut	22	13
Colorado	4,732	16,133

HIGHLY-ERODIBLE CROPLAND IN THE UNITED STATES (CLASSES 4e, 6e, 7, AND 8)—Continued

[In thousands of acres]

State	Already plowed acres*	Potential new acres
Delaware	13	0
Florida	161	156
Georgia	367	5,600
Hawaii	14	378
Iowa	1,722	1,687
Idaho	1,123	3,563
Illinois	1,267	1,873
Indiana	683	1,542
Kansas	2,872	9,002
Kentucky	824	4,126
Louisiana	0	2,259
Massachusetts	7	11
Maryland	181	411
Maine	54	293
Michigan	421	1,022
Minnesota	559	1,431
Mississippi	602	3,550
Missouri	1,099	3,032
Montana	1,743	20,984
Nebraska	3,745	16,089
Nevada	94	372
New Hampshire	20	90
New Jersey	59	77
New Mexico	567	14,999
New York	459	1,946
North Carolina	339	3,480
North Dakota	1,833	4,171
Ohio	606	3,132
Oklahoma	1,652	10,721
Oregon	552	9,061
Pennsylvania	780	2,155
Puerto Rico	130	262
South Carolina	106	1,447
South Dakota	1,696	10,222
Tennessee	748	4,168
Texas	2,573	25,078
Utah	265	1,861
Vermont	109	732
Virginia	481	3,854
Washington	1,432	6,480
Wisconsin	1,387	3,049
West Virginia	285	2,609
Wyoming	812	13,077
Total	40,804	248,407

*Sodbuster bill does to affect these lands already under cultivation, but would affect lands in the second column.

Source: U.S. Department of Agriculture.

ADMINISTRATION SUPPORT FOR THE ARMSTRONG SODBUSTER BILL

(Excerpt from an address by Richard D. Siegel, Deputy Assistant Secretary of Agriculture for Natural Resources and Environment, at the District Operations Forum, National Association of Conservation District Annual Convention, New Orleans, Louisiana, February 9, 1983)

We do have a legitimate Federal role in conservation. We don't want to add regulations to farm programs, but we also do not want these programs to be part of the soil and water resource problem. When a particular farm program can be linked to a resource problem, when it would advance conservation to add certain carefully limited conservation requirements to these farm programs, and where the farm community involved is ready to accept these requirements, then this Administration is ready to consider them. * * * The plow-out of grassland in Colorado is a graphic illustration of how a Federal price support, in this case for wheat, has led directly to exploitation of fragile soil. The wheat price support program never asks the farmer how much new cropland he will plow and on what kind of soil. Senator Armstrong's remedy, and he is no radical socialist, is to make those farmers who would plow up fragile soil either live with a conservation plan on that fragile soil or forego their price supports and other farm benefits. * * *

The Administration supported Senator Armstrong's bill last December and intends to continue supporting it because it is aimed at a specific soil abuse for which farm programs have some responsibility. Moreover, the Western farm community supports it. The farm community sees that there is a direct connection between the degradation of fragile soil and the wheat price supports that are freely available for this kind of activity. And so this farm community is ready to accept this cross-compliance. The Armstrong bill, after all, came about from their own grass-roots response. The Colorado folks came to Washington, to their Senator, with this problem. The Colorado Cattlemen's Association and the Colorado Farm Bureau Federation both supported the bill, along with the Colorado Association of Soil Conservation Districts. Even the normally conservative American Farm Bureau Federation supported the bill, with a modification to apply it to fragile soil nationwide. We in Washington did not go to the farm community bearing a heavy-handed compulsory conservation scheme for each and every farmer. The farm community came to Washington. This is the crucial difference. * * * If the Armstrong bill is "cross-compliance," then it's the type of cross-compliance that is fair and reasonable to farmers, that is aimed at specific results and that does not intrude on any farmers except those that want to participate in a Government farm program and are putting soil and water at risk in a clearly defined way."●

● Mr. PRESSLER. Mr. President, today I am joining Senator ARMSTRONG from Colorado in introducing legislation to eliminate the economic incentive for farmers to break up certain highly erodible land. The so-called sodbuster bill will make Government price supports, crop insurance, disaster payments, FmHA loans, and farm storage facility loans unavailable for crops grown on newly plowed fragile lands. The amendment will not apply to land that has been plowed or land where erosion is not a problem. The legislation was approved by the Senate last year as an amendment to the fiscal year 1983 agriculture appropriations bill, but was unfortunately deleted in the House-Senate conference committee.

This measure does not prohibit farmers from plowing their land, but does prohibit Government subsidization for breaking up land in four highly erodible land capability classifications. This would allow farmers and USDA to direct their efforts to reclaim land that is currently being damaged by erosion. The Federal Government must not encourage the plowing of land that is vulnerable to erosion.

With grain surpluses at record levels and USDA encouraging farmers to divert farmland both through cash and grain payments, it is contradictory to encourage farmers to break up new land. Increased acreage planted in grain on these highly erodible lands will only incease grain production and soil erosion. Most of this rangeland converted to marginal farmland may produce wheat for a time. However, erosion quickly destroys the land for years to come. Topsoil, America's most valuable natural resource, must be protected.

In my State of South Dakota, last year 8.5 million acres of land were eroding at an unacceptable rate. Much of this erosion is occurring on land that should never have been broken. Between July 1, 1974, and June 30, 1982, almost 1 million acres of native grassland was converted to farmland in South Dakota alone. While much of this land is not fragile and susceptible to erosion, many acres are. In summary, almost 2 million of the 12 million total acres of vulnerable grassland in South Dakota have been broken. To an extent, this has been done to earn a short-term profit and with the support of USDA programs. Without Federal programs, there would be less incentive to farm these marginal lands.

To illustrate the erosion problem of this fragile land, nationwide only 10 percent of the land now under cultivation is in the highly vulnerable category, but it accounts for one-fourth of the soil lost to erosion every year. Farmers are having great economic difficulties, but continued Federal support to plow these lands will only hurt farmers in the long run. It is irresponsible to allow Federal support to grow crops on these lands.

Mr. President, I urge my colleagues to join me in support of this legislation and to work for early consideration of this measure.●

At the request of Mr. BYRD the following statement was ordered printed:

● Mr. HART. Mr. President, I am pleased to join my distinguished colleague from the State of Colorado, Senator ARMSTRONG, in cosponsoring the so-called sodbuster legislation. When enacted, this legislation will become an instrumental part of our efforts to effectively address the very real and threatening problem of soil erosion in this country. When enacted, this legislation will prohibit price and other Federal crop supports on lands which have not been cultivated for agricultural purposes in the past 10 years.

This legislation is a needed step toward addressing one of the most severe and devastating problems facing America's farm productivity in Colorado and throughout the Midwestern farm belt. Soil erosion is on the increase and threatens the very structure of the agricultural industry in this country, the industry that is and will remain the cornerstone of the American economy.

The intent of this measure is sound. The facts have been gathered. In Colorado alone, more than 450,000 acres of fragile grassland have been plowed in the past 3 years, more acreage than that destroyed in Colorado during the Dust Bowl years. Once plowed, this land is extremely vulnerable to wind and water erosion and, in most instances, proves to be only marginally productive cropland. The Colorado As-

sociation of Soil Conservation Districts has estimated soil erosion is above acceptable limits on more than 4.5 million acres of Colorado cropland and 488,000 acres of rangelands. The problem is most acute in areas that lack vegetative cover because of plowing.

It is imperative that we curtail indiscriminate plowing of Colorado and other Western range and grasslands. Prime agricultural lands are a limited and diminishing resource which, if improperly managed, threaten to disrupt both the fundamental tenets of the farm economy and this country's position as a leading world agricultural producer. When enacted, this legislation will provide us with an additional tool to enhance our efforts at preventing soil erosion and encouraging progressive and effective land conservation techniques. In short, this legislation will discourage the indiscriminate plowing of marginal lands by speculators and others whose primary motivations are not farming.

But, Mr. President, we must be careful not to expect this or any other piece of legislation, wise as it is, to be viewed as the cure-all for erosion problems across the country. We must continue to support established soil conservation efforts in all 50 States and turn back attempts to reduce the Federal commitment in this area. For the third consecutive year, this administration has sent us budget recommendations which propose significant cuts in soil and water conservation programs. This proposal, if adopted, would drop the Soil Conservation Service's funding far below that which is necessary to prevent further deterioration of our natural resource base. In its place, this administration urges farmers to voluntarily implement prudent conservation measures on their farms. Unfortunately for all of us, this attitude overlooks the fact that conservation practices cost money and require Federal assistance where possible. Today's farm economy is in a tailspin unequalled since the 1930's. Current conditions on the farm and the lack of cash flow on many farms within my own State prevent farmers from voluntarily adopting necessary conservation measures.

Mr. President, much of America's farm productivity today has been achieved by replacing natural methods of building soil fertility with artificial methods. Crop rotations that included soil-building grasses and legumes every third year or so were a common feature of agriculture years ago. Today, rotations are used on only a small percentage of our farms. The primary reason these rotation systems have been abandoned has been the availability of cheap fuel and fertilizers. The message to our farmers was clear: "Land is simply too valuable to waste one-third of it growing hay and green manure—you can buy cheaper nitrogen in a bag." Today, that nitrogen is not as cheap. But because of continuing economic pressure to maximize production on each acre of land, most farmers are hooked into the system that demands its use. As bills and debt have become harder and harder to meet, the farmer has had less and less incentive to do anything but maximize production.

Mr. President, soil and water conservation are public goods, benefitting all Americans. Any sincere discussion of reindustrializing America must incorporate efforts to conserve, improve and revitalize agricultural lands. Without a committed effort to improve the condition of our soil and water, other attempts to hold down inflation, improve the quality of our defense and rebuild America's economic strength can be only temporary.

It is imperative that we look to the land that sustained us. We must move quickly to implement this and other legislation establishing preventive and curative measures to address the decline in soil productivity that threatens every State. Farmers cannot be expected to do the job alone. Nor can efforts by States, such as that in Iowa, or counties, such as that in Weld County, Colo., get the job done satisfactorily. The Federal Government has a vital role in this effort and we must continue to adequately fund Federal conservation programs on an annual basis.

This country cannot afford the consequences of continuing to ignore soil and water conservation measures. This Congress must take the steps necessary to begin addressing the problem of soil erosion, thereby ensuring the long-term viability of our agricultural industry and the farmers that depend upon it. It is time that Congress and the administration acknowledge that our strength in this country rests as much on the sustained productivity of our soil as on our ability to amass the largest defense arsenal in the world.

I intend to work with Senator ARMSTRONG and other cosponsors to see this legislation gets the prompt consideration it is due and I encourage all Senators to join us in this effort.●

By Mr. SIMPSON:

S. 667. A bill to enhance the benefits available under the contributory education program and to eliminate the termination date for the GI bill education program, and for other purposes; to the Committee on Veterans' Affairs.

GI BILL EDUCATION PROGRAMS

● Mr. SIMPSON. Mr. President, I am today introducing a bill which is designed to enhance the benefits available under the current contributory education program administered by the Veterans' Administration, to eliminate the termination date for the GI bill education program, and for other purposes, to be known as the proposed Veterans' Administration Education Amendments of 1983. I ask unanimous consent that this bill be printed in the RECORD. This proposed legislation is designed to fine-tune the current contributory post-Vietnam-era educational assistance program, known as VEAP with kickers, or ultra-VEAP. Contrary to some rather negative early public comment ultra-VEAP is currently doing a very good job of attracting high-quality enlistees to the Army's combat arms. The Army is not the only service authorized to use ultra-VEAP, but is the only one which has used this attractive recruiting option. The program has the advantage of allowing the Army to pay a bonus for enlisting or reenlisting, but assuring that the bonus money goes for educational expenses only. According to a recent study, these same young men and women who enlist to receive bonuses in the form of educational benefits are of a higher intelligence category than might otherwise be attracted for a cost-effective expenditure of its dollars, the Army has found ultra-VEAP to be a highly satisfactory recruitment device. The Army would not like to see it repealed. Senator ARMSTRONG's new GI bill which he sincerely embraced during the 97th Congress, proposed to repeal ultra-VEAP and leave the Army with no competitive advantage for attracting high quality enlistees. I do feel that instead of designing a program to improve recruitment for the services, that proposal would instead create a new recruitment problem for the Army in particular.

The improvements to ultra-VEAP contained in my proposed legislation are as follows:

First, increase the matching contribution from DOD from $2 to $3. Since 1977 when VEAP was enacted, the basic educational benefit paid to a serviceperson has been $2 from the VA or DOD for every $1 the servicemember contributed. The maximum amount available for an education after an enlistment is $8,100. Many veterans use their educational benefits to study for a college degree. I propose that the matching amount contributed by DOD be raised to $3. Thus, $10,300 would be available for a veterans' education upon separation. We all are well aware that the cost of a college education moves upward annually, so assuredly this modest raise in the basic benefit for our servicemembers' educations is warranted.

Second, to pay interest on the servicemember's contribution. Currently, the servicemember's contribution to VEAP does not earn any interest. During recent times when even savings accounts have been paying relatively high interest rates, making monthly

contributions to VEAP has represented a very inadequate way to save money year after year, and this has actually provided a disincentive to participate in the program. I propose to allow the serviceperson's contribution, a maximum of $2,700 by the end of an enlistment, to earn interest from the time it is deposited until the veteran starts his formal schooling for a period up to 7 years after separation from the service, the rate of interest would be determined by the Secretary of the Treasury based on the current market rate. Again, it is difficult to argue against removing such a disincentive to participate in a program as the lack of being able to receive interest earning on savings.

According to CBO estimates, these two changes would cost approximately $5 million in 1984, and about $130 million in 1995 when the program would be fully in effect. If the costs are indexed to inflation, they are estimated to be about $330 million. (That compares to over $2 billion by the same 1995 date for the Armstrong bill's costs indexed, "with kickers.") For a modest cost, a significant additional achievement might be expected of my proposal: The Army should experience a doubling in the number of its high-quality VEAP participants. This improvement in VEAP is designed to assist the Army in keeping its competitive edge during coming times when we all are aware that competition for 18 and 19 year olds will only intensify among the services, educational institutions, and the labor market.

This proposed legislation has three other provisions which are without added cost consequences for VEAP:

First, change the name of the program to "Servicepersons' Account for Veterans' Education" (SAVE). VEAP unfortunately and unfairly began with a negative image, as I previously mentioned, and I feel it would benefit from a new program title which focuses on the added benefit of earned interest on the individual's investment.

Second, allow the rate of educational benefit payout to be determined by the VA Administrator when necessary. At present, VEAP participants who wish to complete a 2-year master's program, for example, have difficulty having their benefits paid out in 2 years instead of 3. Clearly, that is a frustration we can easily remove.

Third, remove the December 31, 1989, termination date on the Vietnam-era GI bill. When VEAP was passed, Congress legislated the end of the last GI bill benefits. As a result, some career servicepersons who enlisted before 1977, and who wish to remain in the services, will lose their GI bill eligibility. The termination date is a source of great and very real concern for them. Many feel that Congress has not been equitable toward them. Some will leave the service in order to use their benefits, to the services' detriment. DOD has testified repeatedly in favor of this proposed repeal of the 1989 termination date. All of the services would feel disposed to pay the additional expenses to be required in 1990, in order to remove this source of irritation, and loss of incentive in some of their most valued personnel.

This proposed legislation would become effective October 1, 1983.

I urge all of my colleagues to consider the excellent provisions of this modest and relatively inexpensive item of proposed legislation. It seems to me to be highly appropriate for the occasion—fair and adequate.●

By Mr. KENNEDY (for himself, Mr. BIDEN, Mr. THURMOND, Mr. LAXALT, Mr. BAUCUS, Mr. HATCH, Mr. ABDNOR, Mrs. HAWKINS, Mr. LEAHY, Mr. COHEN, Mr. D'AMATO, Mr. CHILES, Mr. GLENN, Mr. SPECTER, Mr. HUDDLESTON, Mr. LUGAR, Mr. DECONCINI, Mr. ZORINSKY, Mr. MOYNIHAN, Mr. METZENBAUM, Mr. SASSER, Mr. SIMPSON, and Mr. STEVENS.

S. 668. A bill to reform Federal criminal sentencing procedures; to the Committee on the Judiciary.

SENTENCING REFORM ACT OF 1983

Mr. KENNEDY. Mr. President, I am pleased to join Senators BIDEN, THURMOND, LAXALT, BAUCUS, HATCH, ABDNOR, HAWKINS, LEAHY, COHEN, D'AMATO, CHILES, GLENN, SPECTER, HUDDLESTON, LUGAR, DECONCINI, ZORINSKY, MOYNIHAN, METZENBAUM, SASSER, SIMPSON, and STEVENS in introducing the Sentencing Reform Act of 1983. This legislation revises Federal sentencing procedures to achieve a rationality, uniformity, and fairness that does not exist in the current system.

This sentencing reform proposal has a long history of strong bipartisan support in the Senate. In 1978, this legislation passed the Senate unanimously as part of the comprehensive Criminal Code legislation. In the 96th Congress, it was reported unanimously by the Senate Judiciary Committee. Last fall, sentencing reform passed the Senate 95 to 1, as part of S. 2572. The 97th Congress ended before the House-Senate conference reached agreement on sentencing reform. But I received assurances from the distinguished chairman of the House Judiciary Committee, Mr. RODINO, that the House committee will act early this year to report sentencing reform legislation.

Federal criminal sentencing is in desperate need of reform. Under current procedures, judges mete out an unjustifiably wide range of sentences to offenders convicted of similar crimes. One offender may receive a sentence of probation, while another—convicted of the very same crime and possessing a comparable criminal history—may be sentenced to a lengthy term of imprisonment. In one well-known study conducted in 1974, 50 Federal district court judges from the Second Circuit were given 20 identical files based on actual cases and were asked what sentence they would impose on each defendant. The sentencing disparities were astonishing. Mr. President, I ask unanimous consent that the results of the study be printed in the RECORD at the conclusion of my statement (appendix A).

In one extortion case, for example, the range of sentence varied from 20 years imprisonment and a $65,000 fine to 3 years imprisonment and no fine.

Sentencing disparities are the direct result of the unfettered discretion the law confers on those judges and correctional authorities responsible for imposing and implementing criminal sentences. This sweeping discretion flows from the lack of any meaningful statutory guidelines or review procedures to which courts and parole boards might look for guidance. Even where offenders are sentenced to similar terms of imprisonment for similar offenses, their time actually served may differ widely. One may be sentenced to a relatively short term and be released after serving most of the sentence while the other may be sentenced to a relatively long term and be denied parole indefinitely.

Mr. President, the current system is actually a nonsystem. It is unfair to the defendant, the victim, and society. It defeats the reasonable expectation of the public that a reasonable penalty will be imposed at the time of the defendant's conviction, and that a reasonable sentence actually will be served.

The reforms needed to achieve a workable, rational sentencing system are neither too complicated to legislate nor too difficult to implement. The legislation which I introduce today clearly articulates the purposes of sentencing, establishes a Sentencing Commission to develop guidelines for sentencing, abolishes parole, and provides for appellate review of sentences which are outside the guidelines.

The bill sets our four generally accepted purposes of sentencing—deterrence; protection of the public; assurance of just punishment; and, in non-jail cases, rehabilitation. The guidelines created by the Sentencing Commission will take into consideration factors such as the purposes of sentencing, the characteristics of the offender, and the aggravating or mitigating circumstances of the offense.

In a given case, a judge will be expected to impose a sentence within the range established in the guidelines. If the judge believes that the guideline range is inappropriate in a particular case, he may impose a sentence above or below the range, provided that he

explains his reasons for doing so. If an offender is sentenced below the range specified in the guidelines, the Government may seek appellate review of the sentence. If an offender is sentenced above the range, the offender may seek appeal. These overdue reforms will insure greater uniformity and fairness in sentencing, while retaining necessary judicial flexibility. Most important, the gross disparities in sentencing that are so pervasive in current law will be significantly reduced.

This new approach will also end the use of indeterminate sentences. In such cases in the past, a convicted bank robber could be sentenced anywhere from a term of probation to 25 years in prison; a rapist could be sentenced anywhere from probation to life imprisonment. Under this bill, determinate sentences, announced at the outset, will tell the offender and society the actual prison time that will be served.

With fixed sentences, the current system of parole release will be eliminated. The sentence a defendant gets is the sentence he must serve. Both society and defendants favor the elimination of parole. Too often, it is an arbitrary device for arbitrarily keeping an offender in jail.

Mr. President, I ask unanimous consent that a more detailed analysis of the bill (appendix B) be printed in the RECORD at the conclusion of my statement.

This sentencing reform proposal enjoys the strong support of the administration. The Attorney General's Task Force on Violent Crime endorsed it in its final report of August 17, 1981. The administration's commitment to sentencing reform recently was reaffirmed in Attorney General Smith's testimony before the Senate Judiciary Committee on the subject of organized crime.

Federal sentencing reform is long overdue. During the several years that this proposal has been pending in Congress, it has served as a model for sentencing reform at the State and local level. I look forward to early action on sentencing reform by both the Senate and the House of Representatives.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this title may be cited as the "Sentencing Reform Act of 1983".

SEC. 2. (a) Title 18 of the United States Code is amended by—

(1) redesignating sections 3577, 3578, 3579, 3580, 3611, 3612, 3615, 3617, 3618, 3619, 3620, and 3656 as sections 3661, 3662, 3663, 3664, 3665, 3666, 3667, 3668, 3669, 3670, 3671, and 3672 of a new chapter 232 of title 18 of the United States Code, respectively;

(2) repealing chapters 227, 229, and 231 and substituting the following new chapters:

"CHAPTER 227—SENTENCES

"Subchapter
"A. General Provisions 3551
"B. Probation 3561
"C. Fines 3571
"D. Imprisonment 3581

"SUBCHAPTER A—GENERAL PROVISIONS

"Sec.
"3551. Authorized sentences.
"3552. Presentence reports.
"3553. Imposition of a sentence.
"3554. Order of criminal forfeiture.
"3555. Order of notice to victims.
"3556. Order of restitution.
"3557. Review of a sentence.
"3558. Implementation of a sentence.
"3559. Sentencing classification of offenses.

"SUBCHAPTER A—GENERAL PROVISIONS

"§ 3551. Authorized sentences

"(a) IN GENERAL.—Except as otherwise specifically provided, a defendant who has been found guilty of an offense described in any Federal statute, other than an Act of Congress applicable exclusively in the District of Columbia or the Uniform Code of Military Justice, shall be sentenced in accordance with the provisions of this chapter so as to achieve the purposes set forth in subparagraphs (A) through (D) of section 3553(a)(2) to the extent that they are applicable in light of all the circumstances of the case.

"(b) INDIVIDUALS.—An individual found guilty of an offense shall be sentenced, in accordance with the provisions of section 3553, to—

"(1) a term of probation as authorized by subchapter B;

"(2) a fine as authorized by subchapter C; or

"(3) a term of imprisonment is authorized by subchapter D.

A sentence to pay a fine may be imposed in addition to any other sentence. A sanction authorized by section 3554, 3555, or 3556 may be imposed in addition to the sentence required by this subsection.

"(c) ORGANIZATIONS.—An organization found guilty of an offense shall be sentenced, in accordance with the provisions of section 3553, to—

"(1) a term of probation as authorized by subchapter B; or

"(2) a fine as authorized by subchapter C.

A sentence to pay a fine may be imposed in addition to a sentence to probation. A sanction authorized by section 3554, 3555, or 3556 may be imposed in addition to the sentence required by this subsection.

"§ 3552. Presentence reports

"(a) PRESENTENCE INVESTIGATION AND REPORT BY PROBATION OFFICER.—A United States probation officer shall, pursuant to the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure, make a presentence investigation of a defendant, and shall, before the imposition of sentence, report the results of the investigation to the court.

"(b) PRESENTENCE STUDY AND REPORT BY BUREAU OF PRISONS.—If the court, before or after its receipt of a report specified in subsection (a) or (c), desires more information than is otherwise available to it as a basis for determining the sentence to be imposed on a defendant found guilty of a felony, it may order that the defendant, for the purpose of a study, be committed to the custody of the Bureau of Prisons for a period of not more than sixty days. The order shall specify the additional information that the court needs before determining the sentence to be imposed. Such an order shall be treated for administrative purposes as a provisional sentence of imprisonment for the maximum term authorized by section 3581(b) for the offense committed. The Bureau shall conduct a complete study of the defendant during such period, inquiring into such matters as are specified by the court and any other matters that it believes are pertinent to the factors set forth in section 3553(a). The period of commitment may, in the discretion of the court, be extended for an additional period of not more than sixty days. By the expiration of the period of commitment, or by the expiration of any extension granted by the court, the United States Marshal shall return the defendant to the court for final sentencing, and the Bureau shall provide the court with a written report of the pertinent results of the study, and make to the court whatever recommendations the Bureau believes will be helpful to a proper resolution of the case. The report shall include recommendations of the Bureau concerning the guidelines and policy statements, promulgated by the Sentencing Commission pursuant to 28 U.S.C. 994(a), that it believes are applicable to the defendant's case. After receiving the report and the recommendations, the court shall proceed finally to sentence the defendant in accordance with the sentencing alternatives and procedures available under this chapter.

"(c) PRESENTENCE EXAMINATION AND REPORT BY PSYCHIATRIC OR PSYCHOLOGICAL EXAMINERS.—If the court, before or after its receipt of a report specified in subsection (a) or (b) desires more information than is otherwise available to it as a basis for determining the mental condition of the defendant, it may order that the defendant undergo a phychiatric or psychological examination and that the court be provided with a written report of the results of the examination pursuant to the provisions of section 4247.

"(d) DISCLOSURE OF PRESENTENCE REPORTS.—The court shall assure that a report filed pursuant to this section is disclosed to the defendant, the counsel for the defendant, and the attorney for the government in a timely manner, pursuant to the provisions of Rule 32(c) of the Federal Rules of Criminal Procedure.

"§ 3553. Imposition of a sentence

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A SENTENCE.—The court, in determining the particular sentence to be imposed, shall consider—

"(1) the nature and circumstances of the offense and the history and characteristics of the defendant;

"(2) the need for the sentence imposed—

"(A) to reflect the seriousness of the offense, to promote respect for law, and to provide just punishment for the offense;

"(B) to afford adequate deterrence to criminal conduct;

"(C) to protect the public from further crimes of the defendant; and

"(D) to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner;

"(3) the kinds of sentences available;

"(4) the kinds of sentence and the sentencing range established for the applicable

category of offense committed by the applicable category of defendant as set forth in the guidelines that are issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1) and that are in effect on the date the defendant is sentenced;

"(5) any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2) that is in effect on the date the defendant is sentenced; and

"(6) the need to avoid unwarranted sentence disparities among defendants with similar records who have been found guilty of similar conduct.

"(b) APPLICATION OF GUIDELINES IN IMPOSING A SENTENCE.—The court shall impose a sentence of the kind, and within the range, referred to in subsection (a)(4) unless the court finds that an aggravating or mitigating circumstance exists that was not adequately taken into consideration by the Sentencing Commission in formulating the guidelines and that should result in a sentence different from that described.

"(c) STATEMENT OF REASONS FOR IMPOSING A SENTENCE.—The court, at the time of sentencing, shall state in open court the reasons for its imposition of the particular sentence, and, if the sentence—

"(1) is of the kind, and within the range, described in subsection (a)(4), the reason for imposing a sentence at a particular point within the range; or

"(2) is not of the kind, or is outside the range, described in subsection (a)(4), the specific reason for the imposition of a sentence different from that described.

If the sentence does not include an order of restitution, the court shall include in the statement the reason therefor. The clerk of the court shall provide a transcription of the court's statement of reasons to the Probation System, and, if the sentence includes a term of imprisonment, to the Bureau of Prisons.

"(d) PRESENTENCE PROCEDURE FOR AN ORDER OF NOTICE.—Prior to imposing an order of notice pursuant to section 3555, the court shall give notice to the defendant and the government that it is considering imposing such an order. Upon motion of the defendant or the government, or on its own motion, the court shall—

"(1) permit the defendant and the government to submit affidavits and written memoranda addressing matters relevant to the imposition of such an order;

"(2) afford counsel an opportunity in open court to address orally the appropriateness of the imposition of such an order; and

"(3) include in its statement of reasons pursuant to subsection (c) specific reasons underlying its determinations regarding the nature of such an order.

Upon motion of the defendant or the government, or on its own motion, the court may in its discretion employ any additional procedures that it concludes will not unduly complicate or prolong the sentencing process.

"§ 3554. Order of criminal forfeiture

The court, in imposing a sentence on a defendant who has been found guilty of an offense described in section 1962 of this title or in title II or III of the Comprehensive Drug Abuse Prevention and Control Act of 1970 shall order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant forfeit property to the United States in accordance with the provisions of section 1963 of this title or section 413 of the Comprehensive Drug Abuse and Control Act of 1970.

"§ 3555. Order of notice to victims

"The court, in imposing a sentence on a defendant who has been found guilty of an offense involving fraud or other intentionally deceptive practices, may order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant give reasonable notice and explanation of the conviction, in such form as the court may approve, to the victims of the offense. The notice may be ordered to be given by mail, by advertising in designated areas or through designated media, or by other appropriate means. In determining whether to require the defendant to give such notice, the court shall consider the factors set forth in section 3553(a) to the extent that they are applicable and shall consider the cost involved in giving the notice as it relates to the loss caused by the offense, and shall not require the defendant to bear the costs of notice in excess of $20,000.

"§ 3556. Order of restitution

"The court, in imposing a sentence on a defendant who has been found guilty of an offense under this title, or an offense under section 902 (h), (i), (j), or (n) of the Federal Aviation Act of 1958 (49 U.S.C. 1472), may order, in addition to the sentence that is imposed pursuant to the provisions of section 3551, that the defendant make restitution to any victim of the offense in accordance with the provisions of sections 3663 and 3664.

"§ 3557. Review of a sentence

"The review of a sentence imposed pursuant to section 3551 is governed by the provisions of sections 3742.

"§ 3558. Implementation of a sentence

"The implementation of a sentence imposed pursuant to section 3551 is governed by the provisions of chapter 229.

"§ 3559. Sentencing classification of offenses

"(a) CLASSIFICATION.—An offense that is not specifically classified by a letter grade in the section defining it, is classified—

"(1) if the maximum term of imprisonment authorized is—

"(A) life imprisonment, or if the maximum penalty is death, as a Class A felony;

"(B) twenty years or more, as a Class B felony;

"(C) less than twenty years but ten or more years, as a Class C felony;

"(D) less than ten years but five or more years, as a Class D felony;

"(E) less than five years but more than one year, as a Class E felony;

"(F) one year or less but more than six months, as a Class A misdemeanor;

"(G) six months or less but more than thirty days, as a Class B misdemeanor;

"(H) thirty days or less but more than five days, as a Class C misdemeanor; or

"(I) five days or less, or if no imprisonment is authorized, as an infraction.

"(b) EFFECT OF CLASSIFICATION.—An offense classified under subsection (a) carries all the incidents assigned to the applicable letter designation except that the maximum fine that may be imposed is the fine authorized by the statute describing the offense, or by this chapter, whichever is the greater.

"SUBCHAPTER B—PROBATION

"Sec.
"3561. Sentence of probation.
"3562. Imposition of a sentence of probation.
"3563. Conditions of probation.
"3564. Running of a term of probation.
"3565. Revocation of probation.
"3566. Implementation of a sentence of probation.

"SUBCHAPTER B—PROBATION

"§ 3561. Sentence of probation

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to a term of probation unless—

"(1) the offense is a Class A felony;

"(2) the offense is an offense for which probation has been expressly precluded; or

"(3) the defendant is sentenced at the same time to a term of imprisonment for the same or a different offense.

"(b) AUTHORIZED TERMS.—The authorized terms of probation are—

"(1) for a felony, not less than one nor more than five years;

"(2) for a misdemeanor, not more than two years; and

"(3) for an infraction, not more than one year.

"§ 3562. Imposition of a sentence of probation

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A TERM OF PROBATION.—The court, in determining whether to impose a term of probation, and, if a term of probation is to be imposed, in determining the length of the term and the conditions of probation, shall consider the factors set forth in section 3553(a) to the extent that they are applicable.

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence of probation can subsequently be—

"(1) modified or revoked pursuant to the provisions of section 3564 or 3565;

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"§ 3563. Conditions of probation

"(a) MANDATORY CONDITIONS.—The court shall provide, as an explicit condition of a sentence of probation—

"(1) for a felony, a misdemeanor, or an infraction, that the defendant not commit another federal, State, or local crime during the term of probation; and

"(2) for a felony, that the defendant also abide by at least one condition set forth in subsection (b)(2), (b)(3), or (b)(13).

"(b) DISCRETIONARY CONDITIONS.—The court may provide, as further conditions of a sentence of probation, to the extent that such conditions are reasonably related to the factors set forth in section 3553 (a)(1) and (a)(2) and to the extent that such conditions involve only such deprivations of liberty or property as are reasonably necessary for the purposes indicated in section 3553(a)(2), that the defendant—

"(1) support his dependents and meet other family responsibilities;

"(2) pay a fine imposed pursuant to the provisions of subchapter C;

"(3) make restitution to a victim of the offense pursuant to the provisions of section 3556;

"(4) give to the victims of the offense the notice ordered pursuant to the provisions of section 3555;

"(5) work conscientiously at suitable employment or pursue conscientiously a course of study or vocational training that will equip him for suitable employment;

"(6) refrain, in the case of an individual, from engaging in a specified occupation, business, or profession bearing a reasonably direct relationship to the conduct constitut-

ing the offense, or engage in such a specified occupation, business, or profession only to a stated degree or under stated circumstances;

"(7) refrain from frequenting specified kinds of places or from associating unnecessarily with specified persons;

"(8) refrain from excessive use of alcohol, or any use of a narcotic drug or other controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802), without a prescription by a licensed medical practitioner;

"(9) refrain from possessing a firearm, destructive device, or other dangerous weapon;

"(10) undergo available medical, psychiatric, or psychological treatment, including treatment for drug or alcohol dependency, as specified by the court, and remain in a specified institution if required for that purpose;

"(11) remain in the custody of the Bureau of Prisons during nights, weekends, or other intervals of time, totaling no more than the lesser of one year or the term of imprisonment authorized for the offense in section 3581(b), during the first year of the term of probation;

"(12) reside at, or participate in the program of, a community correction facility for all or part of the term of probation;

"(13) work in community service as directed by the court;

"(14) reside in a specified place or area, or refrain from residing in a specified place or area;

"(15) remain within the jurisdiction of the court, unless granted permission to leave by the court or a probation officer;

"(16) report to a probation officer as directed by the court or the probation officer;

"(17) permit a probation officer to visit him at his home or elsewhere as specified by the court;

"(18) answer inquiries by a probation officer and notify the probation officer promptly of any change in address or employment;

"(19) notify the probation officer promptly if arrested or questioned by a law enforcement officer; or

"(20) satisfy such other conditions as the court may impose.

"(c) MODIFICATION OF CONDITIONS.—The court may, after a hearing, modify, reduce, or enlarge the conditions of a sentence of probation at any time prior to the expiration or termination of the term of probation, pursuant to the provisions applicable to the initial setting of the conditions of probation.

"(d) WRITTEN STATEMENT OF CONDITIONS.—The court shall direct that the probation officer provide the defendant with a written statement that sets forth all the conditions to which the sentence is subject, and that is sufficiently clear and specific to serve as a guide for the defendant's conduct and for such supervision as is required.

"§ 3564. Running of a term of probation

"(a) COMMENCEMENT.—A term of probation commences on the day that the sentence of probation is imposed, unless otherwise ordered by the court.

"(b) CONCURRENCE WITH OTHER SENTENCES.—Multiple terms of probation, whether imposed at the same time or at different times, run concurrently with each other. A term of probation runs concurrently with any federal, State, or local term of probation, or supervised release, or parole for another offense to which the defendant is subject or becomes subject during the term of probation, except that it does not run during any period in which the defendant is imprisoned, other than during limited intervals as a condition of probation or supervised release, in connection with a conviction for a federal, State, or local crime.

"(c) EARLY TERMINATION.—The court, after considering the factors set forth in section 3553(a) to the extent that they are applicable, may terminate a term of probation previously ordered and discharge the defendant at any time in the case of a misdemeanor or an infraction or at any time after the expiration of one year of probation in the case of a felony, if it is satisfied that such action is warranted by the conduct of the defendant and the interest of justice.

"(d) EXTENSION.—The court may, after a hearing, extend a term of probation, if less than the maximum authorized term was previously imposed, at any time prior to the expiration or termination of the term of probation, pursuant to the provisions applicable to the initial setting of the term of probation.

"(e) SUBJECT TO REVOCATION.—A sentence of probation remains conditional and subject to revocation until its expiration or termination.

"§ 3565. Revocation of probation

"(a) CONTINUATION OR REVOCATION.—If the defendant violates a condition of probation at any time prior to the expiration or termination of the term of probation, the court may, after a hearing pursuant to Rule 32.1 of the Federal Rules of Criminal Procedure, and after considering the factors set forth in section 3553(a) to the extent that they are applicable—

"(1) continue him on probation, with or without extending the term or modifying or enlarging the conditions; or

"(2) revoke the sentence of probation and impose any other sentence that was available under subchapter A at the time of the initial sentencing.

"(b) DELAYED REVOCATION.—The power of the court to revoke a sentence of probation for violation of a condition of probation, and to impose another sentence, extends beyond the expiration of the term of probation for any period reasonably necessary for the adjudication of matters arising before its expiration if, prior to its expiration, a warrant or summons has been issued on the basis of an allegation of such a violation.

"§ 3566. Implementation of a sentence of probation

"The implementation of a sentence of probation is governed by the provisions of subchapter A of chapter 229.

"SUBCHAPTER C—FINES

"Sec.
"3571. Sentence of fine.
"3572. Imposition of a sentence of fine.
"3573. Modification or remission of fine.
"3574. Implementation of a sentence of fine.

"SUBCHAPTER C—FINES

"§ 3571. Sentence of fine

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to pay a fine.

"(b) AUTHORIZED FINES.—Except as otherwise provided, the authorized fines are—

"(1) if the defendant is an individual—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $250,000;

"(B) for any other misdemeanor, not more than $25,000; and

"(C) for an infraction, not more than $1,000; and

"(2) if the defendant is an organization—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $500,000;

"(B) for any other misdemeanor, not more than $100,000; and

"(C) for an infraction, not more than $10,000.

"§ 3572. Imposition of a sentence of fine

"(a) FACTORS TO BE CONSIDERED IN IMPOSING FINE.—The court, in determining whether to impose a fine, and, if a fine is to be imposed, in determining the amount of the fine, the time for payment, and the method of payment, shall consider—

"(1) the factors set forth in section 3553(a), to the extent they are applicable, including, with regard to the characteristics of the defendant under section 3553(a), the ability of the defendant to pay the fine in view of the defendant's income, earning capacity, and financial resources and, if the defendant is an organization, the size of the organization;

"(2) the nature of the burden that payment of the fine will impose on the defendant, and on any person who is financially dependent upon the defendant;

"(3) any restitution or reparation made by the defendant to the victim of the offense, and any obligation imposed upon the defendant to make such restitution or reparation to the victim of the offense;

"(4) if the defendant is an organization, any measure taken by the organization to discipline its employees or agents responsible for the offense or to insure against a recurrence of such an offense; and

"(5) any other pertinent equitable consideration.

"(b) LIMIT ON AGGREGATE OF MULTIPLE FINES.—Except as otherwise expressly provided, the aggregate of fines that a court may impose on a defendant at the same time for different offenses that arise from a common scheme or plan, and that do not cause separable or distinguishable kinds of harm or damage, is twice the amount imposable for the most serious offense.

"(c) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to pay a fine can subsequently be—

"(1) modified or remitted pursuant to the provisions of section 3573;

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"(d) TIME AND METHOD OF PAYMENT.—At the time a defendant is sentenced to pay a fine, the court may provide for the payment to be made within a specified period of time or in specified installments. If no such provision is made a part of the sentence, payment is due immediately.

"(e) ALTERNATIVE SENTENCE PRECLUDED.—At the time a defendant is sentenced to pay a fine, the court may not impose an alternative sentence to be served in the event that the fine is not paid.

"(f) INDIVIDUAL RESPONSIBILITY FOR PAYMENT.—If a fine is imposed on an organization, it is the duty of each individual authorized to make disbursement of the assets of the organization to pay the fine from assets of the organization. If a fine is imposed on an agent or shareholder of an organization, the fine shall not be paid, directly or indirectly, out of the assets of the or-

ganization, unless the court finds that such payment is expressly permissible under applicable State law.

"§ 3573. Modification or remission of fine

"(a) PETITION FOR MODIFICATION OR REMISSION.—A defendant who has been sentenced to pay a fine, and who—

"(1) has paid part but not all thereof, and concerning whom the circumstances no longer exist that warranted the imposition of the fine in the amount imposed or payment by the time or method specified, may petition the court for—

"(A) an extension of the time for payment;

"(B) a modification in the method of payment; or

"(C) a remission of all or part of the unpaid portion; or

"(2) has thereafter voluntarily made restitution or reparation to the victim of the offense, may petition the court for a remission of the unpaid portion of the fine in an amount not exceeding the amount of such restitution or reparation.

"(b) ORDER OF MODIFICATION OR REMISSION.—If, after the filing of a petition as provided in subsection (a), the court finds that the circumstances warrant relief, the court may enter an appropriate order.

"§ 3574. Implementation of a sentence of fine

"The implementation of a sentence to pay a fine is governed by the provisions of subchapter B of chapter 229.

"SUBCHAPTER D—IMPRISONMENT

"Sec.
"3581. Sentence of imprisonment.
"3582. Imposition of a sentence of imprisonment.
"3583. Inclusion of a term of supervised release after imprisonment.
"3584. Multiple sentences of imprisonment.
"3585. Calculation of a term of imprisonment.
"3586. Implementation of a sentence of imprisonment.

"SUBCHAPTER D—IMPRISONMENT

"§ 3581. Sentence of imprisonment

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to a term of imprisonment.

"(b) AUTHORIZED TERMS.—The authorized terms of imprisonment are—

"(1) for a Class A felony, the duration of the defendant's life or any period of time;

"(2) for a Class B felony, not more than twenty-five years;

"(3) for a Class C felony, not more than twelve years;

"(4) for a Class D felony, not more than six years;

"(5) for a Class E felony, not more than three years;

"(6) for a Class A misdemeanor, not more than one year;

"(7) for a Class B misdemeanor, not more than six months;

"(8) for a Class C misdemeanor, not more than thirty days; and

"(9) for an infraction, not more than five days.

"§ 3582. Imposition of a sentence of imprisonment

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A TERM OF IMPRISONMENT.—The court, in determining whether to impose a term of imprisonment, and, if a term of imprisonment is to be imposed, in determining the length of the term, shall consider the factors set forth in section 3553(a) to the extent that they are applicable, recognizing that imprisonment is not an appropriate means of promoting correction and rehabilitation. In determining whether to make a recommendation concerning the type of prison facility appropriate for the defendant, the court shall consider any pertinent policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2).

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to imprisonment can subsequently be—

"(1) modified pursuant to the provisions of subsection (c);

"(2) corrected pursuant to the provisions of rule 35 and section 3742; or

"(3) appealed and modified, if outside the guideline range, pursuant to the provisions of section 3742;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"(c) MODIFICATION OF AN IMPOSED TERM OF IMPRISONMENT.—The court may not modify a term of imprisonment once it has been imposed except that—

"(1) in any case—

"(A) the court, upon motion of the Director of the Bureau of Prisons, may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if it finds that extraordinary and compelling reasons warrant such a reduction and that such a reduction is consistent with applicable policy statements issued by the Sentencing Commission; and

"(B) the court may modify an imposed term of imprisonment to the extent otherwise expressly permitted by statute or by Rule 35 of the Federal Rules of Criminal Procedure;

"(2) in the case of a defendant who has been sentenced to a term of imprisonment in excess of six years, the court, upon motion of the defendant or the Director of the Bureau of Prisons, may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if it finds that extraordinary and compelling reasons require such a reduction and that such a reduction is consistent with applicable policy statements issued by the Sentencing Commission; but the court may consider only two such motions with respect to a particular defendant, one, after the defendant has served at least six years of his sentence, and a second, after the defendant has served at least the maximum term of imprisonment specified in the applicable guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1); and

"(3) in the case of a defendant who has been sentenced to a term of imprisonment based on a sentencing range that has subsequently been lowered by the Sentencing Commission pursuant to 28 U.S.C. 994(n), upon motion of the defendant or the Director of Bureau of Prisons, or on its own motion, the court may reduce the term of imprisonment, after considering the factors set forth in section 3553(a) to the extent that they are applicable, if such a reduction is consistent with applicable policy statements issued by the Sentencing Commission.

"(d) INCLUSION OF AN ORDER TO LIMIT CRIMINAL ASSOCIATION OF ORGANIZED CRIME AND DRUG OFFENDERS.—The court, in imposing a sentence to a term of imprisonment upon a defendant convicted of a felony set forth in chapter 95 (racketeering) or 96 (racketeer influenced and corrupt organizations) of this title or in the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 801 et seq.), or at any time thereafter upon motion by the Director of the Bureau of Prisons or a United States attorney, may include as a part of the sentence an order that requires that the defendant not associate or communicate with a specified person, other than his attorney, upon a showing of probable cause to believe that association or communication with such person is for the purpose of enabling the defendant to control, manage, direct, finance, or otherwise participate in an illegal enterprise.

"§ 3583. Inclusion of a term of supervised release after imprisonment

"(a) IN GENERAL.—The court, in imposing a sentence to a term of imprisonment for a felony or a misdemeanor, may include as a part of the sentence a requirement that the defendant be placed on a term of supervised release after imprisonment.

"(b) AUTHORIZED TERMS OF SUPERVISED RELEASE.—The authorized terms of supervised release are—

"(1) for a Class A or Class B felony, not more than three years;

"(2) for a Class C or Class D felony, not more than two years; and

"(3) for a Class E felony, or for a misdemeanor, not more than one year.

"(c) FACTORS TO BE CONSIDERED IN INCLUDING A TERM OF SUPERVISED RELEASE.—The court, in determining whether to include a term of supervised release, and, if a term of supervised release is to be included, in determining the length of the term and the conditions of supervised release, shall consider the factors set forth in section 3553(a)(1), (a)(2)(B), (a)(2)(D), (a)(4), (a)(5), and (a)(6).

"(d) CONDITIONS OF SUPERVISED RELEASE.—The court shall order, as an explicit condition of supervised release, that the defendant not commit another Federal, State, or local crime during the term of supervision. The court may order, as a further condition of supervised release, to the extent that such condition—

"(1) is reasonably related to the factors set forth in section 3553(a)(1), (a)(2)(B), and (a)(2)(D);

"(2) involves no greater deprivation of liberty than is reasonably necessary for the purposes set forth in section 3553(a)(2)(B) and (a)(2)(D); and

"(3) is consistent with any pertinent policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a);

any condition set forth as a discretionary condition of probation in section 3563(b)(1) through (b)(10) and (b)(12) through (b)(19), and any other condition it considers to be appropriate. If an alien defendant is subject to deportation, the court may provide, as a condition of supervised release, that he be deported and remain outside the United States, and may order that he be delivered to a duly authorized immigration official for such deportation.

"(e) MODIFICATION OF TERM OR CONDITIONS.—The court may, after considering the factors set forth in section 3553(a)(1), (a)(2)(B), (a)(2)(D), (a)(4), (a)(5), and (a)(6)—

"(1) terminate a term of supervised release previously ordered and discharge the person released at any time after the expiration of one year of supervised release, if it is satisfied that such action is warranted by the conduct of the person released and the interest of justice; or

"(2) after a hearing, extend a term of supervised release if less than the maximum authorized term was previously imposed,

and may modify, reduce, or enlarge the conditions of supervised release, at any time prior to the expiration or termination of the term of supervised release, pursuant to the provisions applicable to the initial setting of the term and conditions of post-release supervision.

"(f) WRITTEN STATEMENT OF CONDITIONS.—The court shall direct that the probation officer provide the defendant with a written statement that sets forth all the conditions to which the term of supervised release is subject, and that is sufficiently clear and specific to serve as a guide for the defendant's conduct and for such supervision as is required.

"§ 3584. Multiple sentences of imprisonment

"(a) IMPOSITION OF CONCURRENT OR CONSECUTIVE TERMS.—If multiple terms of imprisonment are imposed on a defendant at the same time, or if a term of imprisonment is imposed on a defendant who is already subject to an undischarged term of imprisonment, the terms may run concurrently or consecutively, except that the terms may not run consecutively for an attempt and for another offense that was the sole objective of the attempt. Multiple terms of imprisonment imposed at the same time run concurrently unless the court orders or the statute mandates that the terms are to run consecutively. Multiple terms of imprisonment imposed at different times run consecutively unless the court orders that the terms are to run concurrently.

"(b) FACTORS TO BE CONSIDERED IN IMPOSING CONCURRENT OR CONSECUTIVE TERMS.—The court, in determining whether the terms imposed are to be ordered to run concurrently or consecutively, shall consider, as to each offense for which a term of imprisonment is being imposed, the factors set forth in section 3553(a).

"(c) TREATMENT OF MULTIPLE SENTENCES AS AN AGGREGATE.—Multiple terms of imprisonment ordered to run consecutively or concurrently shall be treated for administrative purposes as a single, aggregate term of imprisonment.

"§ 3585. Calculation of a term of imprisonment

"(a) COMMENCEMENT OF SENTENCE.—A sentence to a term of imprisonment commences on the date the defendant is received in custody awaiting transportation to, or arrives voluntarily to commence service of sentence at, the official detention facility at which the sentence is to be served.

"(b) CREDIT FOR PRIOR CUSTODY.—A defendant shall be given credit toward the service of a term of imprisonment for any time he has spent in official detention prior to the date the sentence commences—

"(1) as a result of the offense for which the sentence was imposed; or

"(2) as a result of any other charge for which the defendant was arrested after the commission of the offense for which the sentence was imposed;

that has not been credited against another sentence.

"§ 3586. Implementation of a sentence of imprisonment

"The implementation of a sentence of imprisonment is governed by the provisions of subchapter C of chapter 229 and, if the sentence includes a term of supervised release, by the provisions of subchapter A of chapter 229.

"CHAPTER 229—POSTSENTENCE ADMINISTRATION

"Subchapter
"A. Probation 3601
"B. Fines 3611
"C. Imprisonment 3621

"SUBCHAPTER A—PROBATION

"Sec.
"3601. Supervision of probation.
"3602. Appointment of probation officers.
"3603. Duties of probation officers.
"3604. Transportation of a probationer.
"3605. Transfer of jurisdiction over a probationer.
"3606. Arrest and return of a probationer.
"3607. Special probation and expungement procedures for drug possessor.

"SUBCHAPTER A—PROBATION

"§ 3601. Supervision of probation

"A person who has been sentenced to probation pursuant to the provisions of subchapter B of chapter 227, or placed on probation pursuant to the provisions of chapter 403, or placed on supervised release pursuant to the provisions of section 3583, shall, during the term imposed, be supervised by a probation officer to the degree warranted by the conditions specified by the sentencing court.

"§ 3602. Appointment of probation officers

"(a) APPOINTMENT.—A district court of the United States shall appoint qualified persons to serve, with or without compensation, as probation officers within the jurisdiction and under the direction of the court making the appointment. The court may, for cause, remove a probation officer appointed to serve with compensation, and may, in its discretion, remove a probation officer appointed to serve without compensation.

"(b) RECORD OF APPOINTMENT.—The order of appointment shall be entered on the records of the court, a copy of the order shall be delivered to the officer appointed, and a copy shall be sent to the Director of the Administrative Office of the United States Courts.

"(c) CHIEF PROBATION OFFICER.—If the court appoints more than one probation officer, one may be designated by the court as chief probation officer and shall direct the work of all probation officers serving in the judicial district.

"§ 3603. Duties of probation officers

"A probation officer shall—

"(a) instruct a probationer or a person on supervised release, who is under his supervision as to the conditions specified by the sentencing court, and provide him with a written statement clearly setting forth all such conditions;

"(b) keep informed, to the degree required by the conditions specified by the sentencing court, as to the conduct and condition of a probationer or a person on supervised release, who is under his supervision, and report his conduct and condition to the sentencing court;

"(c) use all suitable methods, not inconsistent with the conditions specified by the court, to aid a probationer or a person on supervised release who is under his supervision, and to bring about improvements in his conduct and condition;

"(d) be responsible for the supervision of any probationer or a person on supervised release who is known to be within the judicial district;

"(e) keep a record of his work, and make such reports to the Director of the Administrative Office of the United States Courts as the Director may require;

"(f) upon request of the Attorney General or his designee, supervise and furnish information about a person within the custody of the Attorney General while on work release, furlough, or other authorized release from his regular place of confinement, or while in prerelease custody pursuant to the provisions of section 3624(c); and

"(g) perform any other duty that the court may designate.

"§ 3604. Transportation of a probationer

"A court, after imposing a sentence of probation, may direct a United States marshal to furnish the probationer with—

"(a) transportation to the place to which he is required to proceed as a condition of his probation; and

"(b) money, not to exceed such amount as the Attorney General may prescribe, for subsistence expenses while traveling to his destination.

"§ 3605. Transfer of jurisdiction over a probationer

"A court, after imposing a sentence, may transfer jurisdiction over a probationer or person on supervised release to the district court for any other district to which the person is required to proceed as a condition of his probation or release, or is permitted to proceed, with the concurrence of such court. A later transfer of jurisdiction may be made in the same manner. A court to which jurisdiction is transferred under this section is authorized to exercise all powers over the probationer or releasee that are permitted by this subchapter or subchapter B or D of chapter 227.

"§ 3606. Arrest and return of a probationer

"If there is probable cause to believe that a probationer or a person on supervised release has violated a condition of his probation or release, he may be arrested, and, upon arrest, shall be taken without unnecessary delay before the court having jurisdiction over him.

"§ 3607. Special probation and expungement procedures for drug possessors

"(a) PRE-JUDGMENT PROBATION.—If a person found guilty of an offense described in section 404 of the Controlled Substances Act (21 U.S.C. 844)—

"(1) has not, prior to the commission of such offense, been convicted of violating a federal or State law relating to controlled substances; and

"(2) has not previously been the subject of a disposition under this subsection;

the court may, with the consent of such person, place him on probation for a term of not more than one year without entering a judgment of conviction. At any time before the expiration of the term of probation, if the person has not violated a condition of his probation, the court may, without entering a judgment of conviction, dismiss the proceedings against the person and discharge him from probation. At the expiration of the term of probation, if the person has not violated a condition of his probation the court shall, without entering a judgment of conviction, dismiss the proceedings against the person and discharge him from probation. If the person violates a condition of his probation, the court shall proceed in accordance with the provisions of section 3565.

"(b) RECORD OF DISPOSITION.—A nonpublic record of a disposition under subsection (a), or a conviction that is the subject of an expungement order under subsection (c), shall be retained by the Department of Justice solely for the purpose of use by the courts in determining in any subsequent proceeding whether a person qualifies for the disposition provided in subsection (a) or the ex-

pungement provided in subsection (c). A disposition under subsection (a), or a conviction that is the subject of an expungement order under subsection (c), shall not be considered a conviction for the purpose of a disqualification or a disability imposed by law upon conviction of a crime, or for any other purpose.

"(c) EXPUNGEMENT OF RECORD OF DISPOSITION.—If the case against a person found guilty of an offense under section 404 of the Controlled Substances Act (21 U.S.C. 844) is the subject of a disposition under subsection (a), and the person was less than twenty-one years old at the time of the offense, the court shall enter an expungement order upon the application of such person. The expungement order shall direct that there be expunged from all official records, except the nonpublic records referred to in subsection (b), all references to his arrest for the offense, the institution of criminal proceedings against him, and the results thereof. The effect of the order shall be to restore such person, in the contemplation of the law, to the status he occupied before such arrest or institution of criminal proceedings. A person concerning whom such an order has been entered shall not be held thereafter under any provision of law to be guilty of perjury, false swearing, or making a false statement by reason of his failure to recite or acknowledge such arrests or institution of criminal proceedings, or the results thereof, in response to an inquiry made of him for any purpose.

"SUBCHAPTER B—FINES

"Sec.
"3611. Payment of a fine.
"3612. Collection of an unpaid fine.
"3613. Lien provisions for satisfaction of an unpaid fine.

"SUBCHAPTER B—FINES

"§ 3611. Payment of a fine

"A person who has been sentenced to pay a fine pursuant to the provisions of subchapter C of chapter 227 shall pay the fine immediately, or by the time and method specified by the sentencing court, to the clerk of the court. The clerk shall forward the payment to the United States Treasury.

"§ 3612. Collection of an unpaid fine

"(a) CERTIFICATION OF IMPOSITION.—If a fine is imposed, the sentencing court shall promptly certify to the Attorney General—
"(1) the name of the person fined;
"(2) his last known address;
"(3) the docket number of the case;
"(4) the amount of the fine imposed;
"(5) the time and method of payment specified by the court;
"(6) the nature of any modification or remission of the fine; and
"(7) the amount of the fine that is due and unpaid.

The court shall thereafter promptly certify to the Attorney General the amount of any subsequent payment that the court may receive with respect to, and the nature of any subsequent remission or modification of, a fine concerning which certification has previously been issued.

"(b) RESPONSIBILITY FOR COLLECTION.—The Attorney General shall be responsible for collection of an unpaid fine concerning which a certification has been issued as provided in subsection (a). An order of restitution, pursuant to section 3556, does not create any right of action against the United States by the person to whom restitution is ordered to be paid.

"§ 3613. Lien provisions for satisfaction of an unpaid fine

"(a) LIEN.—A fine imposed pursuant to the provisions of subchapter C of chapter 227 is a lien in favor of the United States upon all property belonging to the person fined. The lien arises at the time of the entry of the judgment and continues until the liability is satisfied, remitted, or set aside, or until it becomes unenforceable pursuant to the provisions of subsection (b). On application of the person fined, the Attorney General shall—

"(1) issue a certificate of release, as described in section 6325 of the Internal Revenue Code of 1954, of any lien imposed pursuant to this section, upon his acceptance of a bond described in section 6325(a)(2) of the Internal Revenue Code of 1954; or

"(2) issue a certificate of discharge, as described in section 6325 of the Internal Revenue Code of 1954, of any part of the person's property subject to a lien imposed pursuant to this section, upon his determination that the fair market value of that part of such property remaining subject to and available to satisfy the lien is at least three times the amount of the fine.

"(b) EXPIRATION OF LIEN.—A lien becomes unenforceable and liability to pay a fine expires—

"(1) twenty years after the entry of the judgment; or

"(2) upon the death of the individual fined.

The period set forth in paragraph (1) may be extended, prior to its expiration, by a written agreement between the person fined and the Attorney General. The running of the period set forth in paragraph (1) is suspended during any interval for which the running of the period of limitations for collection of a tax would be suspended pursuant to section 6503(b), 6503(c), 6503(f), or 7508(a)(1)(I) of the Internal Revenue Code of 1954 (26 U.S.C. 6503(b), 6503(c), 6503(g), or 7508(a)(1)(I)), or section 513 of the Act of October 17, 1940, 54 Stat. 1190.

"(c) APPLICATION OF OTHER LIEN PROVISIONS.—The provisions of sections 6323, other than 6323(f)(4), 6331 through 6343, 6901, 7402, 7403, 7405, 7423 through 7426, 7505(a), 7506, 7508, 7602 through 7605, 7622, 7701, and 7805 of the Internal Revenue Code of 1954 (26 U.S.C. 6323, 6331 through 6343, 6901, 7402, 7403, 7405, 7423 through 7426, 7505(a), 7506, 7508, 7602 through 7605, 7609, 7610, 7622, 7701, and 7805) and of section 513 of the Act of October 17, 1940, 54 Stat. 1190, apply to a fine and to the lien imposed by subsection (a) as if the liability of the person fined were for an internal revenue tax assessment, except to the extent that the application of such statutes is modified by regulations issued by the Attorney General to accord with differences in the nature of the liabilities. For the purposes of this subsection, references in the preceding sections of the Internal Revenue Code of 1954 to 'the Secretary' shall be construed to mean 'the Attorney General,' and references in those sections to 'tax' shall be construed to mean 'fine.'

"(d) EFFECT OF NOTICE OF LIEN.—A notice of the lien imposed by subsection (a) shall be considered a notice of lien for taxes payable to the United States for the purposes of any State or local law providing for the filing of a notice of a tax lien. The registration, recording, docketing, or indexing, in accordance with 28 U.S.C. 1962, of the judgment under which a fine is imposed shall be considered for all purposes as the filing prescribed by section 6323(f)(1)(A) of the Internal Revenue Code of 1954 (26 U.S.C. 6323(f)(1)(A)) and by subsection (c).

"SUBCHAPTER C—IMPRISONMENT

"Sec.
"3621. Imprisonment of a convicted person.
"3622. Temporary release of a prisoner.
"3623. Transfer of a prisoner to state authority.
"3624. Release of a prisoner.
"3625. Inapplicability of the Administrative Procedure Act.

"SUBCHAPTER C—IMPRISONMENT

"§ 3621. Imprisonment of a convicted person

"(a) COMMITMENT TO CUSTODY OF BUREAU OF PRISONS.—A person who has been sentenced to a term of imprisonment pursuant to the provisions of subchapter D of chapter 227 shall be committed to the custody of the Bureau of Prisons until the expiration of the term imposed, or until earlier released for satisfactory behavior pursuant to the provisions of section 3624.

"(b) PLACE OF IMPRISONMENT.—The Bureau of Prisons shall designate the place of the prisoner's imprisonment. The Bureau may designate any available penal or correctional facility that meets minimum standards of health and habitability established by the Bureau, whether maintained by the federal government or otherwise and whether within or without the judicial district in which the person was convicted, that the Bureau determines to be appropriate and suitable, considering—

"(1) the resources of the facility contemplated;

"(2) the nature and circumstances of the offense;

"(3) the history and characteristics of the prisoner;

"(4) any statement by the court that imposed the sentence—

"(A) concerning the purposes for which the sentence to imprisonment was determined to be warranted; or

"(B) recommending a type of penal or correctional facility as appropriate; and

"(5) any pertinent policy statement issued by the Sentencing Commission pursuant to section 994(a)(2) of title 28.

The Bureau may at any time, having regard for the same matters, direct the transfer of a prisoner from one penal or correctional facility to another.

"(c) DELIVERY OF ORDER OF COMMITMENT.—When a prisoner, pursuant to a court order, is placed in the custody of a person in charge of a penal or correctional facility, a copy of the order shall be delivered to such person as evidence of this authority to hold the prisoner, and the original order, with the return endorsed thereon, shall be returned to the court that issued it.

"(d) DELIVERY OF PRISONER FOR COURT APPEARANCES.—The United States Marshal shall, without charge, bring a prisoner into court or return him to a prison facility on order of a court of the United States or on written request of an attorney for the government.

"§ 3622. Temporary release of a prisoner

"The Bureau of Prisons may release a prisoner from the place of his imprisonment for a limited period, if such release appears to be consistent with the purposes for which the sentence was imposed and any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2), if such release otherwise appears to be consistent with the public interest and if there is reasonable cause to believe that the prisoner will honor the trust to be imposed in

him, by authorizing him, under prescribed conditions, to—

"(a) visit a designated place for a period not to exceed thirty days, and then return to the same or another facility, for the purpose of—

"(1) visiting a relative who is dying;

"(2) attending a funeral of a relative;

"(3) obtaining medical treatment not otherwise available;

"(4) contacting a prospective employer;

"(5) establishing or reestablishing family or community ties; or

"(6) engaging in any other significant activity consistent with the public interest;

"(b) participate in a training or educational program in the community while continuing in official detention at the prison facility; or

"(c) work at paid employment in the community while continuing in official detention at the penal or correctional facility if—

"(1) the rates of pay and other conditions of employment will not be less than those paid or provided for work of a similar nature in the community; and

"(2) the prisoner agrees to pay to the Bureau such costs incident to his official detention as the Bureau finds appropriate and reasonable under all the circumstances, such costs to be collected by the Bureau and deposited in the Treasury to the credit of the appropriation available for such costs at the time such collections are made.

"§ 3623. Transfer of a prisoner to state authority

"The Director of the Bureau of Prisons shall order that a prisoner who has been charged in an indictment or information with, or convicted of, a State felony, be transferred to an official detention facility within such State prior to his release from a federal prison facility if—

"(1) the transfer has been requested by the Governor or other executive authority of the State;

"(2) the State has presented to the Director a certified copy of the indictment, information, or judgment of conviction; and

"(3) the Director finds that the transfer would be in the public interest.

If more than one request is presented with respect to a prisoner, the Director shall determine which request should receive preference. The expenses of such transfer shall be borne by the State requesting the transfer.

"§ 3624. Release of a prisoner

"(a) DATE OF RELEASE.—A prisoner shall be released by the Bureau of Prisons on the date of the expiration of his term of imprisonment, less any time credited toward the service of his sentence as provided in subsection (b). If the date for a prisoner's release falls on a Saturday, a Sunday, or a legal holiday at the place of confinement, the prisoner may be released by the Bureau on the last preceding weekday.

"(b) CREDIT TOWARD SERVICE OF SENTENCE FOR SATISFACTORY BEHAVIOR.—A prisoner who is serving a term of imprisonment of more than one year, other than a term of imprisonment for the duration of his life, shall receive credit toward the service of his sentence, beyond the time served, of thirty-six days at the end of each year of his term of imprisonment, beginning after the first year of the term, unless the Bureau of Prisons determines that, during that year, he has not satisfactorily complied with such institutional disciplinary regulations as have been approved by the Attorney General and issued to the prisoner. If the Bureau determines that, during that year, the prisoner has not satisfactorily complied with such institutional regulations, he shall receive no such credit toward service of his sentence or shall receive such lesser credit as the Bureau determines to be appropriate. The Bureau's determination shall be made within fifteen days after the end of each year of the sentence. Such credit toward service of sentence vests at the time that it is received. Credit that has vested may not later be withdrawn, and credit that has not been earned may not later be granted.

"(c) PRE-RELEASE CUSTODY.—The Bureau of Prisons shall, to the extent practicable, assure that a prisoner serving a term of imprisonment spends a reasonable part, not to exceed six months, of the last ten percent of the term to be served under conditions that will afford the prisoner a reasonable opportunity to adjust to and prepare for his reentry into the community. The United States Probation System shall, to the extent practicable, offer assistance to a prisoner during such pre-release custody.

"(d) ALLOTMENT OF CLOTHING, FUNDS, AND TRANSPORTATION.—Upon the release of a prisoner on the expiration of his term of imprisonment, the Bureau of Prisons shall furnish him with—

"(1) suitable clothing;

"(2) an amount of money, not more than $500, determined by the Director to be consistent with the needs of the offender and the public interest, unless the Director determines that the financial position of the offender is such that no sum should be furnished; and

"(3) transportation to the place of his conviction, to his bona fide residence within the United States, or to such other place within the United States as may be authorized by the Director.

"(e) SUPERVISION AFTER RELEASE.—A prisoner whose sentence includes a term of supervised release after imprisonment shall be released by the Bureau of Prisons to the supervision of a probation officer who shall, during the term imposed, supervise the person released to the degree warranted by the conditions specified by the sentencing court. The term of supervised release commences on the day the person is released from imprisonment. The term runs concurrently with any federal, State, or local term of probation or supervised release or parole for another offense to which the person is subject or becomes subject during the term of supervised release, except that it does not run during any period in which the person is imprisoned, other than during limited intervals as a condition of probation or supervised release, in connection with a conviction for a federal, State, or local crime.

"§ 3625. Inapplicability of the Administrative Procedure Act

"The provisions of sections 554 and 555 and 701 through 706 of title 5, United States Code, do not apply to the making of any determination, decision, or order under this subchapter."; and

(3) adding the following new section at the end of chapter 232:

"§ 3673. Definitions for sentencing provisions

"As used in chapters 227 and 229—

"(a) 'found guilty' includes acceptance by a court of a plea of guilty or nolo contendere;

"(b) 'commission of an offense' includes the attempted commission of an offense, the consummation of an offense, and any immediate flight after the commission of an offense; and

"(c) 'law enforcement officer' means a public servant authorized by law or by a government agency to engage in or supervise the prevention, detection, investigation, or prosecution of an offense."; and

(4) adding the following caption and sectional analysis at the beginning of new chapter 232:

"CHAPTER 232—MISCELLANEOUS SENTENCING PROVISIONS

"Sec.
"3661. Use of information for sentencing.
"3662. Conviction records.
"3663. Order of restitution.
"3664. Procedure for issuing order of restitution.
"3665. Firearms possessed by convicted felons.
"3666. Bribe moneys.
"3667. Liquors and related property; definitions.
"3668. Remission or mitigation of forfeitures under liquor laws; possession pending trial.
"3669. Conveyance carrying liquor.
"3670. Disposition of conveyances seized for violation of the Indian liquor laws.
"3671. Vessels carrying explosives and steerage passengers.
"3672. Duties of Director of Administrative Office of the United States Courts.
"3673. Definitions for sentencing provisions.".

(b) The chapter analysis of Part II of title 18, United States Code, is amended by striking out the items relating to chapters 227, 229, and 231, and inserting in lieu thereof the following:

"Sec.
"227. Sentences 3551
"229. Post-Sentence Administration .. 3601
"231. Repealed .....
"232. Miscellaneous Sentencing Provisions ..... 3661".

SEC. 3. (a) Chapter 235 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 3742. Review of a sentence

"(a) APPEAL BY A DEFENDANT.—A defendant may file a notice of appeal in the district court for review of an otherwise final sentence if the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a); or

"(3) was imposed for a felony or a class A misdemeanor and is greater than—

"(A) the sentence specified in the applicable sentencing guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1), to the extent that the sentence includes a greater fine or term of imprisonment or term of supervised release than the maximum established in the guideline, or includes a more limiting condition of probation or supervised release under section 3563 (b)(6) or (b)(11) than the maximum established in the guideline; and

"(B) the sentence, if any, specified in a plea agreement under Rule 11 (e)(1)(B) or (e)(1)(C) of the Federal Rules of Criminal Procedure.

"(b) APPEAL BY THE GOVERNMENT.—The government may file a notice of appeal in the district court for review of an otherwise final sentence if the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines

issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a); or

"(3) was imposed for a felony or a Class A misdemeanor and is less than—

"(A) the sentence specified in the applicable sentencing guideline issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1), to the extent that the sentence includes a lesser fine or term of imprisonment or term of supervised release than the minimum established in the guideline, or includes a less limiting condition of probation or supervised release under section 3563 (b)(6) or (b)(11) than the minimum established in the guideline; and

"(B) the sentence, if any, specified in a plea agreement under Rule 11 (e)(1)(B) or (e)(1)(C) of the Federal Rules of Criminal Procedure;

and the Attorney General or the Solicitor General personally approves the filing of the notice of appeal.

"(c) RECORD ON REVIEW.—If a notice of appeal is filed in the district court pursuant to subsection (a) or (b), the clerk shall certify to the court of appeals—

"(1) that portion of the record in the case that is designated as pertinent by either of the parties;

"(2) the presentence report; and

"(3) the information submitted during the sentencing proceeding.

"(d) CONSIDERATION.—Upon review of the record, the court of appeals shall determine whether the sentence—

"(1) was imposed in violation of law;

"(2) was imposed as a result of an incorrect application of the sentencing guidelines; or

"(3) is outside the range of the applicable sentencing guideline, and is unreasonable, having regard for—

"(A) the factors to be considered in imposing a sentence, as set forth in chapter 227 of this title; and

"(B) the reasons for the imposition of the particular sentence, as stated by the district court pursuant to the provisions of section 3553(c).

The court of appeals shall give due regard to the opportunity of the district court to judge the credibility of the witnesses, and shall accept the findings of fact of the district court unless they are clearly erroneous.

"(e) DECISION AND DISPOSITION.—If the court of appeals determines that the sentence—

"(1) was imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, it shall—

"(A) remand the case for further sentencing proceedings; or

"(B) correct the sentence;

"(2) is outside the range of the applicable sentencing guideline and is unreasonable, it shall state specific reasons for its conclusions and—

"(A) if it determines that the sentence is too high and the appeal has been filed under subsection (a), it shall set aside the sentence and—

"(i) remand the case for imposition of a lesser sentence;

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a lesser sentence;

"(B) if it determines that the sentence is too low and the appeal has been filed under subsection (b), it shall set aside the sentence and—

"(i) remand the case for imposition of a greater sentence;

"(ii) remand the case for further sentencing proceedings; or

"(iii) impose a greater sentence; or

"(3) was not imposed in violation of law or imposed as a result of an incorrect application of the sentencing guidelines, and is not unreasonable, it shall affirm the sentence.".

(b) The sectional analysis of chapter 235 of title 18, United States Code, is amended by adding the following new item after the item relating to section 3741:

"3742. Review of a sentence.".

SEC. 4. Chapter 403 of title 18, United States Code, is amended as follows:

(a) Section 5037 is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by striking out subsections (a) and (b) and inserting the following new subsections in lieu thereof:

"(a) If the court finds a juvenile to be a juvenile delinquent, the court shall hold a disposition hearing concerning the appropriate disposition no later than twenty court days after the juvenile delinquency hearing unless the court has ordered further study pursuant to subsection (e). After the disposition hearing, and after considering any pertinent policy statements promulgated by the Sentencing Commission pursuant to 28 U.S.C. 994, the court may suspend the findings of juvenile delinquency, enter an order of restitution pursuant to section 3556, place him on probation, or commit him to official detention. With respect to release or detention pending an appeal or a petition for a writ of certiorari after disposition, the court shall proceed pursuant to the provisions of chapter 207.

"(b) The term for which probation may be ordered for a juvenile found to be a juvenile delinquent may not extend—

"(1) in the case of a juvenile who is less than seventeen years old, beyond the lesser of—

"(A) the date when the juvenile becomes twenty-one years old; or

"(B) the maximum term that would be authorized by section 3561(b) if the juvenile had been tried and convicted as an adult; or

"(2) in the case of a juvenile who is between seventeen and twenty-one years old, beyond the lesser of—

"(A) three years; or

"(B) the maximum term that would be authorized by section 3561(b) if the juvenile had been tried and convicted as an adult.

The provisions dealing with probation set forth in sections 3563, 3564, and 3565 are applicable to an order placing a juvenile on probation.

"(c) The term for which official detention may be ordered for a juvenile found to be a juvenile delinquent may not extend—

"(1) in the case of a juvenile who is less than seventeen years old, beyond the lesser of—

"(A) the date when the juvenile becomes twenty-one years old; or

"(B) the maximum term of imprisonment that would be authorized by section 3581(b) if the juvenile had been tried and convicted as an adult; or

"(2) in the case of a juvenile who is between seventeen and twenty-one years old—

"(A) who is convicted as an adult would be convicted of a Class A, B, or C felony, beyond five years; or

"(B) in any other case beyond the lesser of—

"(i) three years; or

"(ii) the maximum term of imprisonment that would be authorized by section 3581(b) if the juvenile had been tried and convicted as an adult.".

(b) Section 5041 is repealed.

(c) Section 5042 is amended by—

(1) striking out "parole or" each place it appears in the caption and text; and

(2) striking out "parolee or".

(d) The sectional analysis is amended by striking out the items relating to sections 5041 and 5042 and inserting in lieu thereof the following:

"5041. Repealed.

"5042. Revocation of probation.".

SEC. 5. The Federal Rules of Criminal Procedure are amended as follows:

(a) Rule 32 is amended—

(1) by deleting subdivision (a)(1) and inserting in lieu thereof the following:

"(1) IMPOSITION OF SENTENCE.—Sentence shall be imposed without unnecessary delay, but the court may, upon a motion that is jointly filed by the defendant and by the attorney for the government and that asserts a factor important to the sentencing determination is not capable of being resolved at that time, postpone the imposition of sentence for a reasonable time until the factor is capable of being resolved. Prior to the sentencing hearing, the court shall provide the counsel for the defendant and the attorney for the government with notice of the probation officer's determination, pursuant to the provisions of subdivision (c)(2)(B), of the sentencing classifications and sentencing guideline range believed to be applicable to the case. At the sentencing hearing, the court shall afford the counsel for the defendant and the attorney for the government an opportunity to comment upon the probation officer's determination and on other matters relating to the appropriate sentence. Before imposing sentence, the court shall also afford counsel for the defendant an opportunity to speak on behalf of the defendant and shall address the defendant personally and ask him if he wishes to make a statement in his own behalf and to present any information in mitigation of the sentence. The attorney for the government shall have an equivalent opportunity to speak to the court. Upon a motion that is jointly filed by the defendant and by the attorney for the government, the court may hear in camera such a statement by the defendant, counsel for the defendant, or the attorney for the government.";

(2) by adding after the words "right to appeal" in the first sentence of subdivision (a)(2) the words "from the conviction, of his right, if any, to obtain review of the sentence,";

(3) by deleting "right of appeal" in the second sentence of subdivision (a)(2) and inserting in lieu thereof "right to appeal or right to obtain review";

(4) by amending the first sentence of subdivision (c)(1) to read as follows:

"A probation officer shall make a presentence investigation and report to the court before the imposition of sentence unless the court finds that there is in the record information sufficient to enable the meaningful exercise of sentencing authority pursuant to 18 U.S.C. 3553, and the court explains this finding on the record.";

"(5) by amending subdivision (c)(2) to read as follows:

"(2) REPORT.—The report of the presentence investigation shall contain—

"(A) information about the history and characteristics of the defendant, including his prior criminal record, if any, his financial condition, and any circumstances affecting his behavior that may be helpful in imposing sentence or in the correctional treatment of the defendant;

"(B) the classification of the offense and of the defendant under the categories established by the Sentencing Commission pursuant to section 994(a) of title 28, that the probation officer believes to be applicable to the defendant's case; the kinds of sentence and the sentencing range suggested for such a category of offense committed by such a category of defendant as set forth in the guidelines issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(1); and an explanation by the probation officer of any factors that may indicate that a sentence of a different kind or of a different length than one within the applicable guideline would be more appropriate under all the circumstances;

"(C) any pertinent policy statement issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a)(2);

"(D) information concerning any harm, including financial, social, psychological, and physical harm, done to or loss suffered by any victim of the offense; and

"(E) any other information that may aid the court in sentencing, including the restitution needs of any victim of the offense.".

(6) in subdivision (c)(3)(A), by deleting "exclusive of any recommendations as to sentence" and inserting in lieu thereof ", including the information required by subdivision (c)(2) but not including any final recommendation as to sentence,";

(7) by deleting "or the Youth Correction Division of the Board of Parole pursuant to 18 U.S.C. 4208(b), 4252, 5010(e)" in subdivision (c)(3)(B) and inserting in lieu thereof "pursuant to 18 U.S.C. 3552(b)"; and

(8) by deleting "or imposition of sentence is suspended;" in subdivision (d) and inserting in lieu thereof a comma.

(b) Rule 35 is amended to read as follows:

"Rule 35. Correction of Sentence

"(a) CORRECTION OF A SENTENCE ON REMAND.—The court shall correct a sentence that is determined on appeal under 18 U.S.C. 3742 to have been imposed in violation of law, to have been imposed as a result of an incorrect application of the sentencing guidelines, or to be unreasonable, upon remand of the case to the court—

"(1) for imposition of a sentence in accord with the findings of the court of appeals; or

"(2) for further sentencing proceedings if, after such proceedings, the court determines that the original sentence was incorrect.

"(b) CORRECTION OF SENTENCE FOR CHANGED CIRCUMSTANCES.—The court, on motion of the government, may within one year after the imposition of sentence, lower a sentence to reflect a defendant's subsequent, substantial assistance in the investigation or prosecution of another person who has committed an offense, to the extent that such assistance is a factor in applicable guidelines or policy statements issued by the Sentencing Commission pursuant to 28 U.S.C. 994(a).".

(c) Rule 38 is amended—

(1) by amending the caption to read: "Stay of Execution" and deleting "(a) STAY OF EXECUTION.";

(2) by deleting subdivisions (b) and (c);

(3) by redesignating subdivisions (a)(1) through (a)(4) as subdivisions (a) through (d), respectively;

(4) in subdivision (a), by adding "from the conviction or sentence" after "is taken";

(5) in the first sentence of subdivision (b), by adding "from the conviction or sentence" after "is taken";

(6) by deleting "or a fine and costs" in the first sentence of subdivision (c);

(7) by deleting "and costs" in the second sentence of subdivision (c);

(8) by amending subdivision (d) to read as follows:

"(d) PROBATION.—A sentence of probation may be stayed if an appeal from the conviction or sentence is taken. If the sentence is stayed, the court shall fix the terms of the stay."; and

(9) by adding new subdivisions (e) and (f) as follows:

"(e) CRIMINAL FORFEITURE, NOTICE TO VICTIMS, AND RESTITUTION.—A sanction imposed as part of the sentence pursuant to 18 U.S.C. 3554, 3555, or 3556 may, if an appeal of the conviction or sentence is taken, be stayed by the district court or by the court of appeals upon such terms as the court finds appropriate. The court may issue such orders as may be reasonably necessary to ensure compliance with the sanction upon disposition of the appeal, including the entering of a restraining order or an injunction, or requiring a deposit in whole or in part of the monetary amount involved into the registry of the district court or execution of a performance bond.

"(f) DISABILITIES.—A civil or employment disability arising under a Federal statute by reason of the defendant's conviction or sentence, may, if an appeal is taken, be stayed by the district court or by the court of appeals upon such terms as the court finds appropriate. The court may enter a restraining order or an injunction, or take any other action that may be reasonably necessary to protect the interest represented by the disability pending disposition of the appeal.".

(d) Rule 40 is amended by deleting "3653" in subdivision (d)(1) and inserting in lieu thereof "3605".

(e) Rule 54 is amended—

(1) by amending the definition of "Petty offense" in subdivision (c) to read as follows: " 'Petty offense' means a class B or C misdemeanor or an infraction."; and

(2) by adding a new definition as follows: " 'Grade' includes the issue whether, for the purposes of section 3571 (Sentence of Fine), a misdemeanor resulted in the loss of human life.".

(f) The Table of Rules that precedes Rule 1 is amended as follows:

(1) The item relating to Rule 35 is amended by deleting the words "or Reduction";

(2) The item relating to Rule 38 is amended to read as follows:

"38. Stay of Execution.
"(a) Death.
"(b) Imprisonment.
"(c) Fine.
"(d) Probation.
"(e) Criminal forfeiture, notice to victims, and restitution.
"(f) Disabilities.".

SEC. 6. The Rules of Procedure for the Trial of Misdemeanors Before United States Magistrates are amended as follows:

(a) Rule 1 is amended by deleting "(including petty offenses)".

(b) Rule 9 is amended by deleting "as defined in title 18, U.S.C., § 1(3)".

(c) A new Rule 12 is added at the end thereof to read as follows:

"Rule 12. Definitions

"As used in these rules—

"(1) 'minor offense' means a misdemeanor or an infraction;

"(2) 'petty offense' means a Class B or C misdemeanor or an infraction.".

(d) The Table of Rules that precedes Rule 1 is amended by adding at the end thereof the following new item:

"12. Definitions".

SEC. 7. (a) Title 28 of the United States Code is amended by adding the following new chapter after chapter 57:

"CHAPTER 58—UNITED STATES SENTENCING COMMISSION

"Sec.
"991. United States Sentencing Commission; Establishment and Purpose.
"992. Terms of Office; Compensation.
"993. Powers and Duties of Chairman.
"994. Duties of the Commission.
"995. Powers of the Commission.
"996. Director and Staff.
"997. Annual Report.
"998. Definitions.

"§ 991. United States Sentencing Commission; establishment and purpose

"(a) There is established as an independent commission in the judicial branch of the United States a United States Sentencing Commission which shall consist of seven voting members and one nonvoting member. The President, after consultation with representatives of judges, prosecuting attorneys, defense attorneys, law enforcement officials, senior citizens, victims of crime, and others interested in the criminal justice process, shall appoint the voting members of the Commission, by and with the advice and consent of the Senate, one of whom shall be appointed, by and with the advice and consent of the Senate, as the Chairman. Not more than four of the members of the Commission shall be members of the same political party. The Attorney General, or his designee, shall be an ex officio, nonvoting member of the Commission. The Chairman and members of the Commission shall be subject to removal from the Commission by the President only for neglect of duty or malfeasance in office or for other good cause shown.

"(b) The purposes of the United States Sentencing Commission are to—

"(1) establish sentencing policies and practices for the federal criminal justice system that—

"(A) assure the meeting of the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code;

"(B) provide certainty and fairness in meeting the purposes of sentencing, avoiding unwarranted sentencing disparities among defendants with similar records who have been found guilty of similar criminal conduct while maintaining sufficient flexibility to permit individualized sentences when warranted by mitigating or aggravating factors not taken into account in the establishment of general sentencing practices;

"(C) reflect, to the extent practicable, advancement in knowledge of human behavior as it relates to the criminal justice process; and

"(2) develop means of measuring the degree to which the sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code.

"§ 992. Terms of office; compensation

"(a) The voting members of the United States Sentencing Commission shall be appointed for six-year terms, except that the initial terms of the first members of the Commission shall be staggered so that—

"(1) two members, including the chairman, serve terms of six years;

"(2) three members serve terms of four years; and

"(3) two members serve terms of two years.

"(b) No voting member may serve more than two full terms. A voting member appointed to fill a vacancy that occurs before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(c) Each voting member of the Commission shall be compensated during the term of office as a member of the Commission at the rate at which judges of the United States courts of appeals are compensated. A Federal judge may serve as a member of the Commission without resigning his appointment as a Federal judge.

"§ 993. Powers and duties of Chairman

"The Chairman shall—

"(a) call and preside at meetings of the Commission; and

"(b) direct—

"(1) the preparation of requests for appropriations for the Commission; and

"(2) the use of funds made available to the Commission.

"§ 994. Duties of the Commission

"(a) The Commission, by affirmative vote of at least four members of the Commission, and pursuant to its rules and regulations and consistent with all pertinent provisions of this title and title 18, United States Code, shall promulgate and distribute to all courts of the United States and to the United States Probation System—

"(1) guidelines, as described in this section, for use of a sentencing court in determining the sentence to be imposed in a criminal case, including—

"(A) a determination whether to impose a sentence to probation, a fine, or a term of imprisonment;

"(B) a determination as to the appropriate amount of a fine or the appropriate length of a term of probation or a term of imprisonment;

"(C) a determination whether a sentence to a term of imprisonment should include a requirement that the defendant be placed on a term of supervised release after imprisonment, and, if so, the appropriate length of such a term; and

"(D) a determination whether multiple sentences to terms of imprisonment should be ordered to run concurrently or consecutively;

"(2) general policy statements regarding application of the guidelines or any other aspect of sentencing or sentence implementation that in the view of the Commission would further the purposes set forth in section 3553(a)(2) of title 18, United States Code, including the appropriate use of—

"(A) the sanctions set forth in sections 3554, 3555, and 3556 of title 18;

"(B) the conditions of probation and supervised release set forth in sections 3563(b) and 3583(d) of title 18;

"(C) the sentence modification provisions set forth in sections 3563(c), 3573, and 3582(c) of title 18;

"(D) the authority granted under rule 11(e)(2) of the Federal Rules of Criminal Procedure to accept or reject a plea agreement entered into pursuant to rule 11(e)(1); and

"(E) the temporary release provisions set forth in section 3622 of title 18, and the prerelease custody provisions set forth in section 3624(c) of title 18; and

"(3) guidelines or general policy statements regarding appropriate use of the probation revocation provisions set forth in section 3565 of title 18, and the provisions for modification of the term or conditions of probation or supervised release set forth in sections 3563(c), 3564(d), and 3583(e) of title 18.

"(b) The Commission, in the guidelines promulgated pursuant to subsection (a)(1), shall, for each category of offense involving each category of defendant, establish a sentencing range that is consistent with all pertinent provisions of title 18, United States Code. If a sentence specified by the guidelines includes a term of imprisonment, the maximum of the range established for such a term shall not exceed the minimum of that range by more than 25 percent.

"(c) The Commission, in establishing categories of offenses for use in the guidelines and policy statements governing the imposition of sentences of probation, a fine, or imprisonment, governing the imposition of other authorized sanctions, governing the size of a fine or the length of a term of probation, imprisonment, or supervised release, and governing the conditions of probation, supervised release, or imprisonment, shall consider whether the following matters, among others, have any relevance to the nature, extent, place of service, or other incidents of an appropriate sentence, and shall take them into account only to the extent that they do have relevance—

"(1) the grade of the offense;

"(2) the circumstances under which the offense was committed which mitigate or aggravate the seriousness of the offense;

"(3) the nature and degree of the harm caused by the offense, including whether it involved property, irreplaceable property, a person, a number of persons, or a breach of public trust;

"(4) the community view of the gravity of the offense;

"(5) the public concern generated by the offense;

"(6) the deterrent effect a particular sentence may have on the commission of the offense by others; and

"(7) the current incidence of the offense in the community and in the nation as a whole.

"(d) The Commission in establishing categories of defendants for use in the guidelines and policy statements governing the imposition of sentences of probation, a fine, or imprisonment, governing the imposition of other authorized sanctions, governing the size of a fine or the length of a term of probation, imprisonment, or supervised release, and governing the conditions of probation, supervised release, or imprisonment, shall consider whether the following matters, among others, with respect to a defendant, have any relevance to the nature, extent, place of service, or other incidents of an appropriate sentence, and shall take them into account only to the extent that they do have relevance—

"(1) age;

"(2) education;

"(3) vocational skills;

"(4) mental and emotional condition to the extent that such condition mitigates the defendant's culpability or to the extent that such condition is otherwise plainly relevant;

"(5) physical condition, including drug dependence;

"(6) previous employment record;

"(7) family ties and responsibilities;

"(8) community ties;

"(9) role in the offense;

"(10) criminal history; and

"(11) degree of dependence upon criminal activity for a livelihood.

The Commission shall assure that the guidelines and policy statements are entirely neutral as to the race, sex, national origin, creed, and socioeconomic status of offenders.

"(e) The Commission shall assure that the guidelines and policy statements, in recommending a term of imprisonment or length of a term of imprisonment, reflect the general inappropriateness of considering the education, vocational skills, employment record, family ties and responsibilities, and community ties of the defendant.

"(f) The Commission, in promulgating guidelines pursuant to subsection (a)(1), shall promote the purposes set forth in section 991(b)(1), with particular attention to the requirements of subsection 991(b)(1)(B) for providing certainty and fairness in sentencing and reducing unwarranted sentence disparities.

"(g) The Commission, in the course of promulgating guidelines pursuant to subsection (a)(1) to meet the purposes of sentencing as set forth in section 3553(a)(2) of title 18, United States Code, shall review the nature and capacity of the penal, correctional, and other facilities and services available, and shall make recommendations concerning any change or expansion in the nature or capacity of such facilities and services that might become necessary as a result of the guidelines promulgated pursuant to the provisions of this chapter.

"(h) The Commission shall assure that the guidelines will specify a sentence to a term of imprisonment at or near the maximum term authorized by section 3581(b) of title 18, United States Code, for categories of defendants in which the defendant is eighteen years old or older and—

"(1) has been convicted of a felony that is—

"(A) a crime of violence; or

"(B) an offense described in section 841, 952(a), 955, or 959 of title 21, United States Code; and

"(2) has previously been convicted of two or more prior felonies, each of which is—

"(A) a crime of violence; or

"(B) an offense described in section 841, 952(a), 955, or 959 of title 21, United States Code.

"(i) The Commission shall assure that the guidelines will specify a sentence to a substantial term of imprisonment for categories of defendants in which the defendant—

"(1) has a history of two or more prior Federal or State felony convictions for offenses committed on different occasions;

"(2) committed the offense as part of a pattern of criminal conduct from which he derived a substantial portion of his income;

"(3) committed the offense in furtherance of a conspiracy with three or more persons engaging in a pattern of racketeering activity in which the defendant participated in a managerial or supervisory capacity;

"(4) committed a crime of violence that constitutes a felony while on release pending trial, sentence, or appeal from a Federal, State, or local felony for which he was ultimately convicted; or

"(5) committed a felony that is set forth in section 401 or 1010 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 841 and 960), and that involved trafficking in a substantial quantity of a controlled substance.

"(j) The Commission shall insure that the guidelines reflect the general appropriateness of imposing a sentence other than imprisonment in many cases in which the defendant is a first offender who has not been

convicted of a crime of violence or an otherwise serious offense, and the general appropriateness of imposing a term of imprisonment on a person convicted of a crime of violence that results in serious bodily injury.

"(j) The Commission shall insure that the guidelines reflect the inappropriateness of imposing a sentence to a term of imprisonment for the purpose of rehabilitating the defendant or providing the defendant with needed educational or vocational training, medical care, or other correctional treatment.

"(k) The Commission shall insure that the guidelines promulgated pursuant to subsection (a)(1) reflect—

"(1) the appropriateness of imposing an incremental penalty for each offense in a case in which a defendant is convicted of—

"(A) multiple offenses committed in the same course of conduct that result in the exercise of ancillary jurisdiction over one or more of the offenses; and

"(B) multiple offenses committed at different times, including those cases in which the subsequent offense is a violation of section 3146 (Penalty for failure to appear) or is committed while the person is released pursuant to the provisions of section 3147 (Penalty for an offense committed while on release) of title 18; and

"(2) the general inappropriateness of imposing consecutive terms of imprisonment for an offense of conspiring to commit an offense or soliciting commission of an offense and for an offense that was the sole object of the conspiracy or solicitation.

"(l) The Commission shall insure that the guidelines reflect the fact that, in many cases current sentences do not accurately reflect the seriousness of the offense. This will require that, as a starting point in its development of the initial sets of guidelines for particular categories of cases, the Commission ascertain the average sentences imposed in such categories of cases prior to the creation of the Commission, and in cases involving sentences to terms of imprisonment, the length of such terms actually served. The Commission shall not be bound by such average sentences, and shall independently develop a sentencing range that is consistent with the provisions of this section and with the purposes of sentencing described in section 3553(a)(2) of title 18, United States Code.

"(m) The Commission periodically shall review and revise, in consideration of comments and data coming to its attention, the guidelines promulgated pursuant to the provisions of this section. In fulfilling its duties and in exercising its powers, the Commission shall consult with authorities on, and individual and institutional representatives of, various aspects of the Federal criminal justice system. The United States Probation System, the Bureau of Prisons, the Judicial Conference of the United States, the Criminal Division of the United States Department of Justice, and a representative of the Federal Public Defenders shall submit to the Commission any observations, comments, or questions pertinent to the work of the Commission whenever it believes such communication would be useful, and shall, at least annually, submit to the Commission a written report commenting on the operation of the Commission's guidelines, suggesting changes in the guidelines that appear to be warranted, and otherwise assessing the Commission's work.

"(n) The Commission, at or after the beginning of a regular session of Congress but not later than the first day of May, shall report to the Congress any amendments of the guidelines promulgated pursuant to subsection (a)(1), and a report of the reasons therefor, and the amended guidelines shall take effect one hundred and eighty days after the Commission reports them, except to the extent the effective date is enlarged or the guidelines are disapproved or modified by Act of Congress.

"(o) The Commission and the Bureau of Prisons shall submit to Congress an analysis and recommendations concerning maximum utilization of resources to deal effectively with the Federal prison population. Such report shall be based upon consideration of a variety of alternatives, including—

"(1) modernization of existing facilities;

"(2) inmate classification and periodic review of such classification for use in placing inmates in the least restrictive facility necessary to ensure adequate security; and

"(3) use of existing Federal facilities, such as those currently within military jurisdiction.

"(p) The Commission shall evaluate the impact of the sentencing guidelines on prosecutorial discretion, plea bargaining, disparities in sentencing, and the use of incarceration, and shall, by affirmative vote of a majority of the voting members of the Commission, issue a report of its findings to all appropriate courts, the Department of Justice, and the Congress.

"(q) The Commission, within three years of the date of enactment of the Sentencing Reform Act of 1982, and thereafter whenever it finds it advisable, shall recommend to the Congress that it raise or lower the grades, or otherwise modify the maximum penalties, of those offenses for which such an adjustment appears appropriate.

"(r) The Commission shall give due consideration to any petition filed by a defendant requesting modification of the guidelines utilized in the sentencing of such defendant, on the basis of changed circumstances unrelated to the defendant, including changes in—

"(1) the community view of the gravity of the offense;

"(2) the public concern generated by the offense; and

"(3) the deterrent effect particular sentences may have on the commission of the offense by others.

Within one hundred and eighty days of the filing of such petition the Commission shall provide written notice to the defendant whether or not it has approved the petition. If the petition is disapproved the written notice shall contain the reasons for such disapproval. The Commission shall submit to the Congress at least annually an analysis of such written notices.

"(s) The Commission, in promulgating general policy statements regarding the sentencing modification provisions in section 3582(c)(2) of title 18, shall describe what should be considered extraordinary and compelling reasons for sentence reduction, including the criteria to be applied and a list of specific examples. Rehabilitation of the defendant alone shall not be considered an extraordinary and compelling reason.

"(t) If the Commission reduces the term of imprisonment recommended in the guidelines applicable to a particular offense or category of offenses, it shall specify by what amount the sentences of prisoners serving terms of imprisonment that are outside the applicable guideline ranges for the offense may be reduced in order to carry out the purpose of the reduction.

"(u) The Commission shall ensure that the general policy statements promulgated pursuant to subsection (a)(2) include a policy limiting consecutive terms of imprisonment for an offense involving a violation of a general prohibition and for an offense involving a violation of a specific prohibition encompassed within the general prohibition.

"(v) The appropriate judge or officer shall submit to the Commission in connection with each sentence imposed a written report of the sentence, the offense for which it is imposed, the age, race, and sex of the offender, information regarding factors made relevant by the guidelines, and such other information as the Commission finds appropriate. The Commission shall submit to Congress at least annually an analysis of these reports and any recommendation for legislation that the Commission concludes is warranted by that analysis.

"(w) The provisions of section 553 of title 5, relating to publication in the Federal Register and public hearing procedure, shall apply to the promulgation of guidelines pursuant to this section.

"§ 995. Powers of the Commission

"(a) The Commission, by vote of a majority of the members present and voting, shall have the power to—

"(1) establish general policies and promulgate such rules and regulations for the Commission as are necessary to carry out the purposes of this chapter;

"(2) appoint and fix the salary and duties of the Staff Director of the Sentencing Commission, who shall serve at the discretion of the Commission and who shall be compensated at a rate not to exceed the highest rate now or hereafter prescribed for grade 18 of the General Schedule pay rates (5 U.S.C. 5332);

"(3) deny, revise, or ratify any request for regular, supplemental, or deficiency appropriations prior to any submission of such request to the Office of Management and Budget by the Chairman;

"(4) procure for the Commission temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code;

"(5) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefor;

"(6) without regard to section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), enter into and perform such contracts, leases, cooperative agreements, and other transactions as may be necessary in the conduct of the functions of the Commission, with any public agency, or with any person, firm, association, corporation, educational institution, or nonprofit organization;

"(7) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes of the United States (31 U.S.C. 655(b));

"(8) request such information, data, and reports from any federal agency or judicial officer as the Commission may from time to time require and as may be produced consistent with other law;

"(9) monitor the performance of probation officers with regard to sentencing recommendations, including application of the Sentencing Commission guidelines and policy statements;

"(10) issue instructions to probation officers concerning the application of Commission guidelines and policy statements;

"(11) arrange with the head of any other federal agency for the performance by such agency of any function of the Commission, with or without reimbursement;

"(12) establish a research and development program within the Commission for the purpose of—

"(A) serving as a clearinghouse and information center for the collection, preparation, and dissemination of information on federal sentencing practices;

"(B) assisting and serving in a consulting capacity to federal courts, departments, and agencies in the development, maintenance, and coordination of sound sentencing practices;

"(13) collect systematically the data obtained from studies, research, and the empirical experience of public and private agencies concerning the sentencing process;

"(14) publish data concerning the sentencing process;

"(15) collect systematically and disseminate information concerning sentences actually imposed, and the relationship of such sentences to the factors set forth in section 3553(a) of title 18, United States Code;

"(16) collect systematically and disseminate information regarding effectiveness of sentences imposed;

"(17) devise and conduct, in various geographical locations, seminars and workshops providing continuing studies for persons engaged in the sentencing field;

"(18) devise and conduct periodic training programs of instruction in sentencing techniques for judicial and probation personnel and other persons connected with the sentencing process;

"(19) study the feasibility of developing guidelines for the disposition of juvenile delinquents;

"(20) make recommendations to Congress concerning modification or enactment of statutes relating to sentencing, penal, and correctional matters that the Commission finds to be necessary and advisable to carry out an effective, humane, and rational sentencing policy;

"(21) hold hearings and call witnesses that might assist the Commission in the exercise of its powers or duties; and

"(22) perform such other functions as are required to permit federal courts to meet their responsibilities under section 3553(a) of title 18, United States Code, and to permit others involved in the federal criminal justice system to meet their related responsibilities.

"(b) The Commission shall have such other powers and duties and shall perform such other functions as may be necessary to carry out the purposes of this chapter, and may delegate to any member or designated person such powers as may be appropriate other than the power to establish general policy statements and guidelines pursuant to section 994(a) (1) and (2), the issuance of general policies and promulgation of rules and regulations pursuant to subsection (a)(1) of this section, and the decisions as to the factors to be considered in establishment of categories of offenses and offenders pursuant to section 994(b). The Commission shall coordinate its activities under subsections (a)(9), (a)(10), (a)(11), (a)(12), (a)(13), (a)(14), (a)(15), (a)(16), (a)(17), and (a)(18), to the extent practicable, with any related activities of the Administrative Office of the United States Courts and the Federal Judicial Center for the purpose of avoiding unnecessary duplication.

"(c) Upon the request of the Commission, each federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information available to the greatest practicable extent to the Commission in the execution of its functions.

"(d) A simple majority of the membership then serving shall constitute a quorum for the conduct of business. Other than for the promulgation of guidelines and policy statements pursuant to section 994, the Commission may exercise its powers and fulfill its duties by the vote of a simple majority of the members present.

"(e) Except as otherwise provided by law, the Commission shall maintain and make available for public inspection a record of the final vote of each member of any action taken by it.

"§ 996. Director and staff

"(a) The Staff Director shall supervise the activities of persons employed by the Commission and perform other duties assigned to him by the Commission.

"(b) The Staff Director shall, subject to the approval of the Commission, appoint such officers and employees as are necessary in the execution of the functions of the Commission. The officers and employees of the Commission shall be exempt from the provisions of part III of title 5, United States Code, except the following chapters: 81 (Compensation for Work Injuries), 83 (Retirement), 85 (Unemployment Compensation), 87 (Life Insurance), 89 (Health Insurance), and 91 (Conflicts of Interest).

"§ 997. Annual report

"The Commission shall report annually to the Judicial Conference of the United States, the Congress, and the President of the United States on the activities of the Commission.

"§ 998. Definitions

"As used in this chapter—

"(a) 'Commission' means the United States Sentencing Commission;

"(b) 'Commissioner' means a member of the United States Sentencing Commission;

"(c) 'guidelines' means the guidelines promulgated by the Commission pursuant to section 994(a) of this title; and

"(d) 'rules and regulations' means rules and regulations promulgated by the Commission pursuant to section 995 of this title.".

(b) The chapter analysis of part III of title 28, United States Code, is amended by adding after the item relating to chapter 57 the following new item:

"58. United States Sentencing Commission ..... 991".

REPEALERS

SEC. 8. (a) The following provisions of title 18, United States Code, are repealed:

(1) section 1;

(2) chapter 309;

(3) chapter 311;

(4) chapter 314;

(5) sections 4281, 4283, and 4284; and

(6) chapter 402.

(b) The item relating to section 1 in the sectional analysis of chapter 1 of title 18, United States Code, is amended to read: "1. Repealed.".

(c) The chapter analysis of part III of title 18, United States Code, is amended by amending the items relating to—

(1) chapters 309 and 311 to read as follows:

"309. Repealed.

"311. Repealed.";

and

(2) chapter 314 to read as follows:

"314. Repealed.".

(d) The sectional analysis of chapter 315 of title 18, United States Code, is amended by amending the items relating to—

(1) section 4281 to read:

"4281. Repealed.";

and

(2) sections 4283 and 4284 to read as follows:

"4283. Repealed.

"4284. Repealed.".

(e) The item relating to chapter 402 in the chapter analysis of Part IV of title 18, United States Code, is amended to read as follows:

"402. Repealed.".

SEC. 9. (a) Sections 404(b) and 409 of the Controlled Substances Act (21 U.S.C. 844(b) and 849) are repealed.

(b) Section 404(a) of the Controlled Substances Act (21 U.S.C. 844(a)) is amended by deleting the designation "(a)" at the beginning of the subsection.

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 10. The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended as follows:

(a) The second sentence of section 212(a)(9) (8 U.S.C. 1182(a)(9)) is amended to read: "An alien who would be excludable because of the conviction of an offense for which the sentence actually imposed did not exceed a term of imprisonment in excess of six months, or who would be excludable as one who admits the commission of an offense for which a sentence not to exceed one year's imprisonment might have been imposed on him, may be granted a visa and admitted to the United States if otherwise admissible: *Provided*, That the alien has committed only one such offense, or admits the commission of acts which constitute the essential elements of only one such offense.".

(b) Section 242(h) (8 U.S.C. 1252(h)) is amended by adding "supervised release," after "parole,".

SEC. 11. Section 4 of the Act of September 28, 1962 (16 U.S.C. 460k-3) is amended by deleting "petty offense (18 U.S.C. 1)" and substituting "misdemeanor".

SEC. 12. Section 9 of the Act of October 8, 1964 (16 U.S.C. 460n-8) is amended—

(a) in the first paragraph, by deleting "commissioner" each place it appears and substituting "magistrate"; and

(b) in the second paragraph, by amending the first sentence to read: "The functions of the magistrate shall include the trial and sentencing of persons charged with the commission of misdemeanors and infractions as defined in section 3581 of title 18, United States Code."

SEC. 13. Title 18 of the United States Code is amended as follows:

(a) Section 924(a) is amended by deleting ", and shall become eligible for parole as the Board of Parole shall determine".

(b) Section 1161 is amended by deleting "3618" and inserting in lieu thereof "3669".

(c) Section 1761(a) is amended by adding ", supervised release," after "parole".

(d) Section 1963 is amended—

(1) in subsection (a), by deleting "(1) any interest he has acquired" and all through the end of the subsection and substituting "the property described in section 3554 in accord with the provisions of that section."; and

(2) by repealing subsections (b) and (c).

(e) Section 3006A is amended—

(1) in subsections (a)(1) and (b), by deleting "misdemeanor (other than a petty offense as defined in section 1 of this title)" each place it appears and substituting "Class A misdemeanor"; and

(2) in subsections (a)(3) and (g), deleting "subject to revocation of parole," each place it appears.

(f) Section 3156(b)(2) is amended by deleting "petty offense as described in section 1(3) of this title" and substituting "Class B or C misdemeanor or an infraction".

(g) Section 3172(2) is amended by deleting "petty offense as defined in section 1(3) of this title" and substituting "Class B or C misdemeanor or an infraction".

(h) Section 3401 is amended—

(1) by repealing subsection (g); and

(2) in subsection (h), by deleting "petty offense case" and substituting "Class B or C misdemeanor case, or infraction case,".

(i)(1) Section 3664(a) (formerly section 3580(a)) is amended by deleting "3579" and substituting "3663".

(2) Section 3670 (formerly section 3619) is amended by deleting "3617" and "3618" and substituting "3668" and "3669", respectively.

(j) Section 4004 is amended by deleting "record clerks, and parole officers" and substituting "and record clerks".

(k) Chapter 306 is amended as follows:

(1) Section 4101 is amended—

(A) in subsection (f), by adding ", including a term of supervised release pursuant to section 3583" after "supervision"; and

(B) in subsection (g), by deleting "to a penalty of imprisonment the execution of which is suspended and" and substituting "under which", and by deleting "the suspended" and substituting "a".

(2) Section 4105(c) is amended—

(A) in paragraph (1), by deleting "for good time" the second place it appears and substituting "toward service of sentence for satisfactory behavior";

(B) in paragraphs (1) and (2), by deleting "section 4161" and substituting "section 3624(b)";

(C) in paragraph (1), by deleting "section 4164" and substituting "section 3624(a)";

(D) by repealing paragraph (3); and

(E) by amending paragraph (4) to read as follows:

"(4) Credit toward service of sentence may be withheld as provided in section 3624(b) of this title.".

(3) Section 4106 is amended—

(A) in subsection (a), by deleting "Parole Commission" and substituting "Probation System";

(B) by amending subsection (b) to read as follows:

"(b) An offender transferred to the United States to serve a sentence of imprisonment shall be released pursuant to section 3624(a) of this title after serving the period of time specified in the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994(a)(1). He shall be released to serve a term of supervised release for any term specified in the applicable guideline. The provisions of section 3742 of this title apply to a sentence under this subsection, and the United States court of appeals for the district in which the offender is imprisoned or under supervision after transfer to the United States has jurisdiction to review the sentence as though it had been imposed by the United States district court."; and

(C) by repealing subsection (c).

(4) Section 4108(a) is amended by adding ", including any term of imprisonment or term of supervised release specified in the applicable sentencing guideline promulgated pursuant to 28 U.S.C. 994(a)(1)," after "consequences thereof".

(l) Section 4321 is amended by deleting "parole or".

(m) Section 4351(b) is amended by deleting "Parole Board" and substituting "Sentencing Commission".

(n) Section 5002 is amended by deleting "Board of Parole, the Chairman of the Youth Division," and substituting "United States Sentencing Commission,".

SEC. 14. The Controlled Substances Act (21 U.S.C. 801 et seq.) is amended as follows:

(a) Section 401 (21 U.S.C. 841) is amended—

(1) in subsection (b)(1)(A), by deleting the last sentence;

(2) in subsection (b)(1)(B), by deleting the last sentence;

(3) in subsection (b)(2), by deleting the last sentence;

(4) in subsection (b)(4), by deleting "subsections (a) and (b) of", and by adding "and section 3607 of title 18, United States Code" after "404";

(5) in subsection (b)(5), by deleting the last sentence; and

(6) by repealing subsection (c).

(b) Section 405 (21 U.S.C. 845) is amended—

(1) in subsection (a), by deleting "(1)" the second place it appears, and by deleting ", and (2) at least twice any special parole term authorized by section 401(b), for a first offense involving the same controlled substance and schedule"; and

(2) in subsection (b), by deleting "(1)" the second place it appears, and by deleting ", and (2) at least three times any special parole term authorized by section 401(b), for a second or subsequent offense involving the same controlled substance and schedule".

(c) Section 408(c) (21 U.S.C. 848(c)) is amended by deleting "and section 4202 of title 18 of the United States Code".

SEC. 15. The Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.) is amended as follows:

(a) Section 1010 (21 U.S.C. 960) is amended—

(1) in subsection (b)(1), by deleting the last sentence;

(2) in subsection (b)(2), by deleting the last sentence; and

(b) Section 1012(a) (21 U.S.C. 962(a)) is amended by deleting the last sentence.

SEC. 16. Section 114(b) of title 23, United States Code, is amended by adding ", supervised release," after "parole".

SEC. 17. Section 5871 of the Internal Revenue Code of 1954 (26 U.S.C. 5871) is amended by deleting ", and shall become eligible for parole as the Board of Parole shall determine".

SEC. 18. Title 28 of the United States Code is amended as follows:

(a) Section 509 is amended—

(1) in paragraph (3), by deleting "; and" and substituting a period; and

(2) by repealing paragraph (4).

(b) Section 591(a) is amended by deleting "petty offense" and substituting "Class B or C misdemeanor or an infraction".

(c) Section 2901 is amended—

(1) in subsection (e), by deleting "section" and substituting "section 3581"; and

(2) in subsection (g)(3), by adding ", supervised release," after "parole", and by adding "supervised release," after "parole,".

SEC. 19. Section 504(a) of the Labor Management Reporting and Disclosure Act of 1959 (29 U.S.C. 504(a)) and section 411(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(a)) are amended—

(a) by deleting "Board of Parole of the United States Department of Justice" and substituting "if the offense is a Federal offense, the sentencing judge or, if the offense is a State or local offense, on motion of the attorney for the government, the district court of the United States for the district in which the offense was committed";

(b) by adding ", pursuant to sentencing guidelines and policy statements issued pursuant to 28 U.S.C. 994(a),";

(c) by deleting "Board" and "Board's" and substituting "court" and "court's", respectively; and

(d) by deleting "an administrative" and substituting "a".

SEC. 20. Section 411(c)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1111(c)(3)) is amended by adding "or supervised release" after "parole".

SEC. 21. Section 454(b) of the Comprehensive Employment and Training Act of 1973, as added by section 2 of the Act of October 27, 1978 (29 U.S.C. 927(b)), is amended by deleting "or parole" the first place it appears and substituting ", parole, or supervised release".

SEC. 22. The Public Health Service Act (42 U.S.C. et seq.) is amended as follows:

(a) Section 341(a) (42 U.S.C. 257(a)) is amended by deleting "or convicted of offenses against the United States and sentenced to treatment" and "addicts who are committed to the custody of the Attorney General pursuant to provisions of the Federal Youth Corrections Act (chapter 402 of title 18 of the United States Code),".

(b) Section 343(d) (42 U.S.C. 259(d)) is amended by adding "or supervised release" after "parole".

SEC. 23. Section 11507 of title 49, United States Code, is amended by adding ", supervised release," after "parole".

SEC. 24. Section 10(b)(7) of the Military Selective Service Act (50 U.S.C. App. 460(b)(7)) is amended by deleting "parole" and substituting "release".

EFFECTIVE DATE

SEC. 25. (a)(1) This title shall take effect on the first day of the first calendar month beginning twenty-four months after the date of enactment, except that—

(A) the repeal of chapter 402 of title 18, United States Code, shall take effect on the date of enactment; and

(B)(i) chapter 58 of title 28, United States Code, shall take effect on the date of enactment of this Act or October 1, 1982, whichever occurs later, and the United States Sentencing Commission shall submit the initial sentencing guidelines promulgated pursuant to section 994(a)(1) of title 28 to the Congress within eighteen months of the effective date of the chapter; and

(ii) the sentencing guidelines promulgated pursuant to section 994(a)(1), and the provisions of sections 3581, 3583, and 3624 of title 18, United States Code, shall not go into effect until the day after—

(a) the United States Sentencing Commission has submitted the initial set of sentencing guidelines to the Congress pursuant to subparagraph (B)(i), along with a report stating the reasons for the Commission's recommendations;

(b) the General Accounting Office has undertaken a study of the guidelines, and their potential impact in comparison with the operation of the existing sentencing and parole release system, and has, within three months of the submission of the guidelines,

reported to the Congress the results of its study; and

(c) the Congress has had six months after the date described in subclause (a) in which to examine the guidelines and consider the reports.

(2) For the purposes of section 992(a) of title 28, the terms of the first members of the United States Sentencing Commission shall not begin to run until the sentencing guidelines go into effect pursuant to paragraph (1)(B)(ii).

"(b)(1) The following provisions of law in effect on the day before the effective date of this Act shall remain in effect for five years after the effective date as to an individual convicted of an offense or adjudicated to be a juvenile delinquent before the effective date and as to a term of imprisonment during the period described in subsection (a)(1)(B):

(A) Chapter 311 of title 18, United States Code.

(B) Chapter 309 of title 18, United States Code.

(C) Sections 4254 through 4255 of title 18, United States Code.

(D) Sections 5041 and 5042 of title 18, United States Code.

(E) Sections 5017 through 5020 of title 18, United States Code, as to a sentence imposed before the date of enactment.

(F) The maximum term of imprisonment in effect on the effective date for an offense committed before the effective date.

(G) Any other law relating to a violation of a condition of release or to arrest authority with regard to a person who violates a condition of release.

(2) Notwithstanding the provisions of section 4202 of title 18, United States Code, as in effect on the day before the effective date of this Act, the term of office of a Commissioner who is in office on the effective date is extended to the end of the five-year period after the effective date of this Act.

(3) The United States Parole Commission shall set a release date, for an individual who will be in its jurisdiction the day before the expiration of five years after the effective date of this Act, that is the earliest date that applies to the prisoner under the applicable parole guideline. A release date set pursuant to this paragraph shall be set early enough to permit consideration of an appeal of the release date, in accordance with Parole Commission procedures, before the expiration of five years following the effective date of this Act.

(4) Notwithstanding the other provisions of this subsection, all laws in effect on the day before the effective date of this Act pertaining to an individual who is—

(A) released pursuant to a provision listed in paragraph (1); and

(B)(i) subject to supervision on the day before the expiration of the five-year period following the effective date of this Act; or

(ii) released on a date set pursuant to paragraph (3);

including laws pertaining to terms and conditions of release, revocation of release, provision of counsel, and payment of transportation costs, shall remain in effect as to that individual until the expiration of his sentence, except that the district court shall determine, in accord with the Federal Rules of Criminal Procedure, whether release should be revoked or the conditions of release amended for violation of a condition of release.

(5) Notwithstanding the provisions of section 991 of title 28, United States Code, and sections 4351 and 5002 of title 18, United States Code, the Chairman of the United States Parole Commission or his designee shall be a member of the National Institute of Corrections, and the Chairman of the United States Parole Commission shall be a member of the Advisory Corrections Council and a nonvoting member of the United States Sentencing Commission, ex officio, until the expiration of the five-year period following the effective date of this Act. Notwithstanding the provisions of section 4351 of title 18, during that five-year period the National Institute of Corrections shall have seventeen members, including seven ex officio members.

REVIEW BY CONGRESS

SEC. 26. (a)(1) Four years after the sentencing guidelines promulgated pursuant to section 994(a)(1), and the provisions of sections 3581, 3583, and 3624 of title 18, United States Code, go into effect, the General Accounting Office shall undertake a study of the guidelines in order to determine their impact and compare the guideline system with the operation of the previous sentencing and parole release system, and, within six months of the undertaking of such study, report to the Congress the results of its study.

(2) Within one month of the start of the study required under subsection (a), the United States Sentencing Commission shall submit a report to the General Accounting Office detailing the operation of the sentencing guideline system and discussing any problems with the system or reforms needed.

(b) The Congress shall review the study submitted pursuant to subsection (a) in order to determine—

(1) whether the sentencing guideline system has been effective;

(2) whether any changes should be made in the sentencing guideline system; and

(3) whether the parole system should be reinstated in some form and the life of the Parole Commission extended.

SECOND CIRCUIT SENTENCING STUDY

[20 cases]

	Most severe sentence	6th most severe sentence	12th most severe sentence	Median sentence	12th least severe sentence	6th least severe sentence	Least severe sentence	Number of sentences ranked
Case 1—Extorionate credit transaction; income tax violations.	20 yr pris; $65,000	15 yr pris; $50,000	15 yr pris	10 yr pris; $50,000	8 yr pris; $20,000	5 yr pris; 3 yr prob; $10,000.	3 yr pris	45
Case 2—Bank robbery	18 yr pris; $5,000	15 yr pris	15 yr pris [(a)(2)]	10 yr pris	7.5 yr pris [(a)(2)]	5 yr pris	5 yr pris	48
Case 3—Sale of heroin	10 yr pris; 5 yr prob	6 yr pris; 5 yr prob	5 yr pris; 5 yr prob	5 yr pris; 3 yr prob	3 yr pris; 3 yr prob	3 yr pris; 3 yr prob	1 yr pris; 5 yr prob	46
Case 4—Theft and possession of stolen goods	7.5 yr pris	5 yr pris	4 yr pris	3 yr pris	3 yr pris	2 yr pris	4 yr prob	45
Case 5—Possession of barbiturates with intent to sell	5 yr pris; 3 yr prob	3 yr pris; 3 yr prob	3 yr pris; 3 yr prob	2 yr pris; 3yr prob	1.5 yr pris; 3 yr prob	5 yr prob; $500	2 yr prob	42
Case 6—Filing false income tax returns	3 yr pris; $5,000	3 yr pris; $5,000	2 yr pris; $5,000	1 yr pris; $5,000	6 mo pris; 2.5 yr prob; $3,000.	6 mo pris; $5,000	3 mo pris; $5,000	48
Case 7—Possession of heroin	2 yr pris	2 yr pris	1.5 yr pris	1 yr pris	6 mo pris; 18 mos prob.	3 mo pris	1 yr prob	39
Case 8—Mail fraud	YCA indet	YCA indet	6 mo pris; 5 yr prob [§ 4209].	5 mo pris; 5 yr prob [§ 4209].	2 mo pris; 2 yr prob [§ 4209].	3 yr prob	1 yr prob	41
Case 9—Eluding examination and inspection by immigration officers; illegal entry after deporation.	3 yr pris	6 mos pris; 2 yr unsup prob.	6 mo pris	3 mo pris; 21 mo unsup prob.	1 mo pris; 2 yr unsup prob.	2 yr unsup prob	Susp if leave U.S.	49
Case 10—Postal embezzlement	1 yr pris	6 mo pris; 1 yr prob	3 mo pris; 27 mo prob.	2 mo pris; 1 yr prob	3 yr prob	2 yr prob	1 yr prob	48
Case 11—Bribery	6 mo pris; 6 mo prob; $5,000.	6 mo pris; $2,500	2 mo pris; 22 mo prob; $5,000.	1 mo pris; 11 mo prob; $5,000.	2 yr prob; $7,500	$7,500; 2 yr unsup prob.	$2,500	43
Case 12—Possession of unregistered firearm	1 yr pris	6 mo pris; 3 yr prob	3 mo pris; 21 mo prob.	1 mo pris; 11 mo prob.	2 yr prob	1 yr prob	6 mo prob	44
Case 13—Possession of counterfeit currency	1.5 yr pris	6 mo pris; 2 yr prob	6 mo pris; 18 mo prob.	5 yr prob	2 yr prob	2 yr prob	2 yr prob	48
Case 14—Altering a forged U.S. Treasury check	YCA indet	YCA indet	1 yr pris	4 yr prob	2 yr prob	2 yr prob	1 yr prob	39
Case 15—Operating an illegal gambling business	1 yr pris; $3,000	6 mo pris; 3 yr prob; $10,000.	3 mo pris; 2 yr prob; $5,000.	3 yr prob; $10,000	2 yr prob; $5,000	2 yr prob; $1,000	1 yr prob; $1,000	45
Case 16—Bank embezzlement	YCA indet	5 yr prob	3 yr prob	3 yr prob	2 yr prob	2 yr prob	2 yr unsup prob	42
Case 17—Interstate transportation of stolen securities	3 yr pris	6 mo pris; 4.5 yr prob	6 mo pris	3 yr prob	3 yr prob	2 yr prob	1 yr prob	46
Case 18—Mail theft	6 mo pris; 18 mo prob.	5 yr prob	3 yr prob; $100	3 yr prob	2 yr prob	2 yr prob	1 yr prob	48
Case 19—Conspiracy to commit securities fraud	2 yr pris; $2,500	6 mo pris; 2 yr prob	3 mo pris; 33 mo prob; $7,500.	2 yr prob; $15,000	2 yr prob; $400	1 yr prob; $7,500	$2,500	47
Case 20—Perjury	1 yr pris; $1,000	3 mos pris; $1,000	3 yrs prob; $1,000	2 yrs prob; $500	1 yr prob; $1,500	1 yr prob; $500	$1,000	48

Note.—References to "(a)(2)" signify a sentence pursuant to former 18 U.S.C. § 4208(a)(2); under which the defendant is given an indeterminate sentence and is eligible for parole at any time determined by the Board of Parole. References to "§ 4209" signify a sentence pursuant to former 18 U.S.C. § 4209, under which young adult offenders (under age 26) are given specialized treatment. References to "YCA indet." signify an indeterminate sentence for young offenders under age 22 pursuant to 18 U.S.C. § 5010.

THE SENTENCING REFORM ACT OF 1983—SUMMARY AND ANALYSIS

The bill completely revises current law as to the purposes of sentencing, the process by which the judge determines the appropriate sentence in a particular case, and review of sentence to assure its legality and reasonableness.

A. LEGISLATIVE PRESCRIBED PURPOSES

The bill gives legislative recognition for the first time to the appropriate purposes of sentencing. The stated purposes specifically include assurance of just punishment, deterrence of criminal conduct by others, protection of the public, and rehabilitation. (Proposed 18 U.S.C. 3553(a)(2).)

B. THE SENTENCING PROCESS

Judges are directed to sentence with the above purposes in mind, pursuant to guidelines established by a Sentencing Commission.

1. The Sentencing Commission

The Sentencing Commission is to be an independent agency in the judicial branch consisting of seven voting members appointed by the President with advice and consent of the Senate and one ex-officio, non-voting member, the Attorney General. The Commission is directed to draft guidelines for use by Federal judges, taking into consideration all offender and offense characteristics that appear relevant to the specified purposes of sentencing. For each Federal offense, the guidelines will be expected to specify a variety of appropriate sentencing ranges, depending upon different combinations of offender and offense characteristics. Development of the guidelines is subject to the public hearing process of the Administrative Procedure Act. The initial guidelines, and all subsequent modifications, are to be transmitted by the Commission to the Congress for review and possible modification. Absent Congressional rejection of the guidelines, they will be officially promulgated. (Proposed chapter 58 of Title 28, U.S.C.)

In a few areas (involving, e.g., recidivists, organized crime offenders, first offenders) the bill provides general legislatable guidance to the Commission as to the kind of sentence and degree of severity that would seem to be appropriate for inclusion in the guidelines. These provisions are intended to accord some direction to the Commission without so circumscribing its consideration of occasional countervailing factors as to prove unduly rigid. The provisions are limited to subject areas that otherwise would be considered likely candidates for legislatively directed mandatory sentences to imprisonment, or legislatively directed presumptions in favor of probation.

2. The guidelines

For each Federal offense, the guidelines will specify a variety of appropriate sentencing ranges—encompassing imprisonment, fines, and probation—depending upon the particular history and characteristics of the defendant in the case and the particular circumstances under which the offense is committed. Each offense, therefore, may have a dozen or so sentencing ranges specified, only one of which will fit a given case. (Proposed 28 U.S.C. 994 (a).)

3. Judicial application of the guidelines

After a sentencing hearing, a judge will determine the particular guideline range that is applicable to the offender and the offense. He will then be expected to sentence within the narrow range specified. The judge may, however, sentence above or below the specified guideline range in unusual circumstances, but must give specific reasons for such a sentence.

C. SENTENCING OPTIONS

1. Probation

Probation is cast by the bill as a penalty in itself, rather than as a deferred penalty. A judge is required to impose as a condition of probation in a felony case a condition that the defendant pay a fine or make restitution to the victim or that he engage in community service. The judge is required, for every crime, to impose a prohibition against the defendant's committing another crime during the probationary period. A variety of potentially useful discretionary conditions of probation (including undertaking vocational training or undergoing medical or psychiatric treatment) are set forth in the bill for the consideration of the Sentencing Commission and the judges. (Proposed subchapter B of chapter 227 of Title 18, U.S.C.)

2. Fines

The maximum fine levels under the bill are dramatically increased. The maximums specified for felonies are up to a quarter of a million dollars for an individual defendant, and up to half a million dollars for an organizational defendant, although the actual amount imposed is to be predicated upon the defendant's ability to pay as well as upon the gravity of the offense and related considerations. (Proposed subchapter C of chapter 227 of Title 18 U.S.C.) Lien procedures, like those in the tax laws, are provided to assure an effective means of collecting imposed fines. (Proposed subchapter B of chapter 229 of Title 18 U.S.C.)

3. Imprisonment

The bill makes a major change in sentences to imprisonment. It moves to a determinate system, abolishing early release on parole and providing for the first time that the sentence announced by the sentencing judge will be for almost all cases the sentence actually served by the defendant (except for a potential 10 percent credit for "good time"). Such sentences will not need to involve the artificially lengthy terms that are imposed today in the expectation that they will be shortened later by parole authorities. Although early release on parole is abolished, in a case in which a judge believes that a defendant should be supervised for a period after the expiration of his term of imprisonment, he may order a term of post-release supervision. (Proposed subchapter D of chapter 227 of Title 18 U.S.C.)

Terms of imprisonment ordinarily will not be subject to later adjustment. However, an exception is made in the case of an unusually long term of imprisonment. A defendant serving a term of imprisonment longer than six years will be entitled after six years to petition the sentencing judge for reexamination of the sentence, and the judge will be empowered to reduce the sentence upon a finding of the existence of extraordinary and compelling reasons and a finding of compatibility of such a reduction with Sentencing Commission standards. A defendant sentenced to an unusually long sentence that is above the applicable guideline will be able to obtain a second review, for which the same standards will apply, after he has served the maximum time specified in the applicable guideline. (Proposed 18 U.S.C. 3582 (c).)

4. Collateral sentencing orders

In addition to the penalties traditionally applicable, a court is empowered by the bill to order a convicted defendant found guilty of an offense causing bodily injury, or property damage or loss, to make direct restitution to the victim of the offense, even if a term of imprisonment is also imposed. (Proposed 18 U.S.C. 3556.) This is not possible under current law. A court is further empowered to order a defendant convicted of a fraud (a situation in which an appropriate amount of restitution might be difficult to ascertain in an ordinary sentencing hearing) to give notice of the conviction to the victims of the offense (who may not be known to anyone other than the defendant) in order to facilitate their bringing of whatever private recovery actions might prove to be appropriate. (Proposed 18 U.S.C. 3555.)

D. REVIEW PROCESS

The bill contains an appellate process to review sentence propriety in questionable cases. By incorporating the appeal procedures into the general structure of the guideline sentencing system, the amendments assure that the extremes of sentencing that most deserve review may be called to the attention of an appellate court, without overburdening the court with a flood of challenges to sentences well within the bounds of what would generally be considered reasonable under all of the circumstances. The defendant is permitted to appeal a term of imprisonment, a restrictive condition of probation, or a fine, that falls above the range specified in the applicable guideline, and to appeal a restitution order or a notice order. Recognizing that sentence disparity reaches in two directions, the bill also permits the government, on behalf of the public, to seek review of a sentence that falls below the applicable guideline range in a case in which the Attorney General approves the filing of such an appeal. In both situations, the question on appeal is whether the sentence imposed is, under the circumstance, "clearly unreasonable". (Proposed 18 U.S.C. 3742.)

SENTENCING REFORM LEGISLATION

Mr. BIDEN. Mr. President, I am this morning cosponsoring sentencing reform legislation introduced by the Senator from Massachusetts (Mr. KENNEDY).

Mr. President, the bill we are introducing today is not new. It is the product of many years of work by the Senate Judiciary Committee and the Senate approved the bill by an overwhelming vote of 95 to 1 in the last Congress. The substantial progress we made toward final enactment of a bill in the last Congress makes this one of the most important pieces of criminal law legislation before us in this Congress.

A recent Washington Post editorial, February 28, 1983, stressed the need for the bill. It stated:

One burglar comes before Judge A, who doesn't think crimes against property are serious and who believes that rehabilitation is the goal of sentencing. He puts the offender on probation and orders psychiatric treatment and job training. A second burglar of similar background comes before Judge B, who takes the crime very seriously and believes that judges must penalize wrongdoing, protect the community by incapacitating the miscreant, and set an example for other would-be burglars. Sentence: Eight to 12 years.

Rightly dismayed by such results, certain States, Maryland among them, have begun to adjust criminal sentencing procedures to reduce sentence disparity while leaving judges some discretion. Congress has wrestled with this question as part of an effort to revise the entire Federal criminal code. But the revision has been stalled for so long that legislators have begun to think of salvaging some sections by considering them separately. Members of the House and Senate Judiciary Committees tried to fashion a separate bill on sentencing guidelines in the lame-duck session. Time ran out, but the bipartisan leadership of both committees agreed to consider a bill early in this session.

The purpose is to provide objective guidelines to assist judges in sentencing. In the Maryland experiment, for example, a manual has been prepared that assigns points to offenses based on the seriousness of the crime and gives points to offenders based on such things as prior record and bail or parole status. The judge then cross-indexes these points to find the range of sentences best suited to that offender for that crime.

The bill before Congress would simply authorize a commission to establish guidelines. But many questions remain to be settled: Should the commission consists of judges or a varied group chosen by the President? Should judges be required, or just urged, to follow the guidelines? If discretion is allowed, should a defendant be able to appeal a sentence greater than the maximum in the guidelines? Should prosecutors be able to appeal sentences below the minimum? Should parole be abolished, and if so, should mandatory minimums be low? What should be done if the increased imposition of mandatory minimum sentences overcrowds prisons? Should corrections officials then be authorized to release nonviolent offenders early?

These are hard questions, but compromises on each were considered by Federal legislators last December. The Judiciary Committees have a full plate this session: Bankruptcy courts, immigration reform, and help for the Supreme Court are priority items. Sentencing legislation belongs on that list. If the progress made during the last hours of the 97th Congress is any indication, the job can be done.

At the end of the last Congress we spent many hours in an effort to answer those questions. In fact, we also made substantial progress in most of the major areas in which the members of the House Judiciary Committee saw a need for change in the bill. I believe that had we processed legislation earlier in the Congress, we could have reached final agreements with the Members of the House and sentencing reform legislation would be law today, assuming the President did not veto it as he did the crime bill.

While there may be some debate and need for compromise on certain provisions of the bill, it is clear that sentencing reform legislation is long overdue. We have the information we need to make needed changes in the law. For example:

We know that incarceration for rehabilitation does not work. Jails do not cure so imprisonment until a prisoner has been "cured" is a waste of resources. Instead, the severity of a punishment should be directly related to the seriousness of the crime—a punishment which fits the crime is a fair sentence.

We know that different judges too often impose different sentences for the same crime. As the Post editorial points out, we must provide greater direction to judges to prevent such disparity.

We know that our present parole system, while it fulfills important goals including reducing sentence disparity and relieving prison overcrowding, nevertheless has resulted in actual prison sentences which are too often much shorter than the sentence imposed. Under a fair and rational system the sentence imposed should be fair and correct and served in full.

Finally, we know that prison is a more appropriate and effective punishment for some offenders than for others. Those repeat or career offenders commit a significant portion of all violent crimes. Dr. Marvin Wolfgang documented the existence of this group in a study which began in 1945 and which found that 6 percent of the group studied committed 70 percent of the total number of serious crimes committed by the entire group in that study.

Subsequent studies by the Rand Corp. in California and others in other cities found a hard core of about 10 percent of the criminal population were responsible for up to 50 percent of these type of offenses.

The bill we are introducing today had its origins in legislation introduced over a decade ago. It has been carefully drafted to insure that it addresses these and other changes which we know are urgently needed.

In the last Congress the Democratic Task Force on Crime included sentencing reform legislation in the National Security and Violent Crime Control Act of 1981 (S. 1455) which had the unanimous support of my Democratic colleagues.

The sentencing provisions of that bill were subsequently incorporated into consensus bipartisan legislation which subsequently passed the Senate by an overwhelming vote of 95 to 1.

As a result of the substantial progress we made in negotiating our differences with the House, Chairman RODINO gave us his assurance that he would process sentencing reform legislation early in this Congress.

I urge my colleagues to consider this legislation at the earliest possible date so we can continue to progress from where we were at the end of the last Congress, and see legislation enacted into law in this Congress.

Mr. President, we have made significant progress, and I believe the time is ripe again because we have the full assurance from the chairman of the House Judiciary Committee that he will process this legislation early.

Mr. President, once again, I sincerely hope that my colleagues will look closely at this bill. I can assure you as the ranking minority member of the Judiciary Committee, and on behalf of the Judiciary Committee chairman, Senator THURMOND, that we will process this legislation rapidly. It is nothing new. We have been around the horn for a number of years on this legislation. I hope we can move on it quickly.

Also, I hope that the chairman of the House Judiciary Committee will be able to move as expeditiously as I know he would like to.

Mr. THURMOND. Mr. President, I am pleased to join today with the senior Senator from Massachusetts (Mr. KENNEDY), the ranking minority member of the Committee on the Judiciary (Mr. BIDEN), the distinguished chairman of the Subcommittee on Criminal Laws (Mr. LAXALT), and others on a major legislative initiative to rationalize the Federal criminal justice sentencing system.

Mr. President, this bill is virtually identical to the sentencing provisions of S. 2572—the Violent Crime and Drug Enforcement Improvements Act of 1982—which passed the Senate on September 30, 1982, by a vote of 95 to 1. It was desirable to make a few minor or technical changes, particularly to conform the measure to the recently enacted Victim-Witness Protection Act.

Briefly, Mr. President, this measure seeks to make fundamental changes in the Federal sentencing system to enhance accomplishing the basic purposes of sentencing.

The major features of this bill include for the first time setting forth the purposes of sentencing and changing the sentencing system to a determinative system, with no parole and with limited good time credits. A seven-member sentencing commission would be responsible for promulgating sentencing guidelines, subject to review by the Congress, for courts to use in determining an appropriate sentence. The court must explain on the trial record the basis for passing sentences which are outside of guidelines. The Government may appeal a sentence which is more lenient than the applicable guideline, and the defendant may appeal a sentence more severe than the applicable guideline. So-called safety-net provisions are included to provide, after service of a specified portion of the sentence, an opportunity for review and modification of a

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long sentence in unusual circumstances.

Mr. President, I believe we have an opportunity this Congress—with the cooperation of Congressman RODINO and FISH, chairman and ranking member of the House Committee on the Judiciary, respectively, and the administration—to accomplish the long-sought-after goals of this legislation to improve Federal sentencing. I anticipate that the Senate Judiciary Subcommittee on Criminal Laws, chaired by Senator LAXALT, will plan and execute expeditious hearings on the bill so that we may approach the subject again with the ideas and observations of the experts and other interested groups concerned with the subject of criminal justice and corrections policy. After due deliberation, I sincerely hope we can successfully proceed with this important bill.

By Mr. HATFIELD (for himself, Mr. PACKWOOD, Mr. GORTON, Mr. JACKSON, Mr. BAUCUS, Mr. MELCHER, and Mr. MCCLURE):

S. 669. A bill to authorize the construction of the project for navigation at the Bonneville lock and dam, Oregon and Washington; to the Committee on Environment and Public Works.

NAVIGATION PROJECT AT BONNEVILLE LOCK AND DAM

● Mr. HATFIELD. Mr. President, today, along with Senators PACKWOOD, MELCHER, BAUCUS, GORTON, and JACKSON, I am introducing a bill which would authorize the construction of a replacement lock at Bonneville Dam on the Columbia River. This may be one of the most straightforward pieces of legislation introduced in this session of Congress.

The current lock was built in 1938, and without any substantial rehabilitation for 20 years, it is the prime bottleneck on the entire Columbia River system. Under current conditions, barge traffic must split up into smaller sections to traverse this lock, causing unneeded delays and increased costs. A new lock could save shippers $2.50 per ton, substantially improving their market position in the world market.

The Columbia/Snake River system moves nearly 3.2 billion tons of waterborne cargo each year, including wheat, forest products, sand, gravel, and other bulk commodities that are moved more efficiently and economically on the river than by truck or rail. Any significant increase in this volume is severely hampered by the tieup at Bonneville lock. Oregon and Washington are extremely dependent on international trade, and particularly on dry-bulk commodities such as wheat. Nearly 25 percent of all U.S. exports of grain pass down the Columbia River system. Nearly $1.6 billion worth of cargo passed through the Bonneville lock in 1981. Estimates indicate that for every billion dollars of export, 23,700 jobs are created. Construction of this new lock should vastly improve our ability to move cargo and significantly increase exports.

Construction must begin soon, as the Corps of Engineers' projection is that the lock will be unable to handle any additional traffic above the 13 million tons that should be reached soon after 1988. This project will take some time to complete, so time is of the essence.

Mr. President, a new Bonneville lock has the support of the Northwest delegation and would be a great boon to the entire region. I have worked with my colleagues for a number of years to get this construction project underway. The corps has studied, studied, and restudied the benefits and feasibility of the project. Each time they have supported the construction. The $167,000,000 spent on this project should generate $500,000,000 in private investment in the Pacific Northwest at a time we are desperate for new employment opportunities. If the committee fails to act promptly, I am prepared to use any available avenue to see that the project moves forward. It is my hope that Congress will see fit to authorize this project in the very near future.●

● Mr. PACKWOOD. Mr. President, I am delighted to join with my colleague from Oregon, Senator HATFIELD, in reintroducing a bill we first introduced in 1979: a bill to authorize construction of a new lock at Bonneville Dam on the Columbia River between Oregon and Washington.

The existing lock at Bonneville Dam is inadequate and in need of replacement. It is the lock closest to the mouth of the Columbia River, bears the most traffic, yet is the smallest lock on the entire Columbia/Snake River system. Consequently, the bottleneck created by the inadequate size of the lock greatly hampers the flow of interstate commerce along the Columbia/Snake River system.

Completed in January 1938, the existing lock is 76 feet wide and 500 feet long. The U.S. Corps of Engineers has estimated its maximum commercial shipping capacity to be 13 million tons per year. Each of the upstream locks currents has an estimated capacity of over 30 million tons per year, more than twice the capacity of the Bonneville lock.

In addition to its size limitations, the existing lock at Bonneville has hazardous entrances for both upstream and downstream traffic. Due to the extraordinary difficulty of entering the lock from the east, river pilots have dubbed the entrance "the gut." In April 1982 I had the opportunity to enter "the gut" aboard the river tugboat the *Oregon*. The east end of the north lock wall is scarred from many collisions by barge tows, attesting to the danger of the entrance. While the skill of the tugboat captains is impressive, it is only a matter of time before serious loss of life and/or property occurs on this stretch of the river.

The new lock, while eliminating the extremely hazardous conditions, would decrease the average time to go through the lock time-in-system from 12.7 hours to 1.9 hours. If we share the goal of increasing exports to the Pacific rim nations, we must maintain the viability of the Columbia/Snake River system by making the system of locks as efficient as possible. This river system represents a vital link between the Midwest and the Pacific coast.

Two factors have changed since Senator HATFIELD and I originally introduced the legislation in 1979. The severity of the problem and the cost of the solution have increased. The new lock needs to be built now. Delays in the construction of the new lock will only result in deterioration of the condition of the existing lock and an increase in the replacement cost.●

By Mr. PELL (for himself and Mr. STAFFORD):

S. 670. A bill to establish a New England Regional Power Planning and Distribution Authority, and for other purposes; to the Committee on Energy and Natural Resources.

NEW ENGLAND REGIONAL POWER PLANNING AND DISTRIBUTION ACT OF 1983

● Mr. PELL. Mr. President, I am pleased to introduce legislation today which authorizes the establishment of a power planning and distribution authority for the six-State New England region.

The bill I propose today would establish a power authority for the six-State region with specific responsibilities to develop a long-range energy plan for New England, provide for the maximum development of the region's indigeneous resources, including conservation, and to coordinate the importation of hydropower, natural gas and other energy sources from Canada.

Similar to other Federal power authorities, the New England Power Authority would have the ability to raise capital through the sale of reserve bonds. These funds could then be used for the development of indigeneous resources, conservation activities and the importation of Canadian energy resources.

In addition, the legislation required the General Accounting Office to study all energy development and conservation financing options for the authority and to evaluate recommendations regarding the voluntary transfer of utility rate regulation to regional/multi-States authorities. This legislation with the exception of the review of regional utility regulation and financing options for the authority is similar to the provisions of S. 957, in-

troduced by Senator CHAFEE and me early in the 97th Congress.

The importance of this legislative initiative in the 98th Congress despite the recent reduction of OPEC oil prices has not diminished. Since the oil disruption of 1972-73, the cost and reliability of energy supplies for New England remain two of the most critical problems for the region. Both factors are clearly principal impediments to efforts to encourage sustained economic growth in the New England region.

New England, despite vigorous energy conservation efforts, remains 80 percent dependent on oil as the prime energy source. This compares to a nationwide oil dependence of approximately 50 percent. In addition, 85 percent of the petroleum consumed in the region is imported with a significant percentage of this supply coming from the Persian Gulf states. This significant dependency has unfortunately subjected consumers in the New England region, including Rhode Island, to high energy prices—prices which, on the average, are 25 percent higher than those in the Nation as a whole.

It seems clear that it is in our national interest to help the New England region diversify its energy mix and reduce the use of imported oil. It is also in the regional interest to lower energy costs and make better use of indigenous energy supplies including wind, solar, conservation, low-head hydropower, and reasonably priced energy, particularly hydroelectric power imported from Canada.

The legislation I am introducing today is indeed timely as several associations, including the Northeast Public Power Association, the American Public Power Association, and the National Governors Association, have all expressed their support for the concept of regional power planning. Of considerable interest in this regard is the specific recommendation of the National Governors Association Electric Utility Task Force calling for Federal legislation authorizing voluntary multi-State agreements for regional power planning and regional regulation.

It is clear that considerable attention is now being focused on regional power planning and regulation. Such an authority would be extremely helpful for New England since we are one of the few regions which does not have a regional power planning authority such as the Bonneville Power Authority in the Northwest. Also, it would have minimal budgetary impact and would respond responsibly to the concerns of energy costs and supply reliability. I hope my colleagues will join in the support of this legislation.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. this Act may be cited as the "New England Regional Power Planning and Distribution Act of 1983".

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Sec. 601. Regional power planning and regulation study.

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the New England Region does not have an adequate coordinated and long-range plan for ascertaining and meeting the future energy service requirements of the Region;

(2) the limited existing and potential fuel resources which are indigenous to the Region do not provide the Region with long-term assurance of reasonably priced energy services; and

(3) it is in the national interest, and in the best interest of the New England Region to establish in the Region a regional energy service planning authority to plan for the energy needs of the Region and to insure, to the extent possible, that such needs can be met in an appropriate and cost-effective manner.

(b) It is the purpose of this Act to establish a New England Regional Power Planning Authority to systematically and periodically assess the long-term energy service requirements for the New England Region as a whole, to facilitate the appropriate regionwide use of existing electric power capacity, to provide financial assistance for the development, where necessary, of the additional sources of energy, including low-cost imported electric power, to maximize the efficient use of existing and potential energy resources available to the Region, and to encourage the adoption of energy conservation and efficiency measures and renewable energy programs to the extent such programs and measures are cost effective.

DEFINITIONS

SEC. 3. As used in this Act; the term—

(1) "Regional Authority" or "Authority" means the New England Regional Power Planning Authority.

(2) "Region" or "New England Region" means the area within the boundaries of the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.

(3) "Fund" means the New England Power Fund established under section 401.

TITLE I—ESTABLISHMENT OF AUTHORITY

ESTABLISHMENT AND COMPOSITION

SEC. 101. (a) There is hereby established within the Department of Energy a New England Regional Planning Authority to be under the supervision of a Board of Directors.

(b) The Board shall be composed of twelve members appointed by the President as follows:

(1) Two members of the Board shall be appointed by the President from among nominations made by the Governor of Maine.

(2) Two members of the Board shall be appointed by the President from among nominations made by the Governor of New Hampshire.

(3) Two members of the Board shall be appointed by the President from among nominations made by the Governor of Vermont.

(4) Two members of the Board shall be appointed by the President from among nominations made by the Governor of Massachusetts.

(5) Two members of the Board shall be appointed by the President from among nominations made by the Governor of Rhode Island.

(6) Two members of the Board shall be appointed by the President from among nominations made by the Governor of Connecticut.

Nominations made by the Governors of each State shall be made in accordance with any procedures and requirements established for such purposes under State law. Any vacancy in the Board shall be filled in the manner in which the original appointment was made.

(c)(1) Except as provided in paragraph (2), members shall be appointed for terms of four years.

(2) Of the members first appointed—

(A) three shall be appointed for a term of one year;

(B) three shall be appointed for a term of two years; and

(C) three shall be appointed for a term of three years.

as designated by the President at the time of appointment. Any member of the Board appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

(d) Members of the Board shall each be paid at a rate equal to the rate of basic pay payable for level IV of the Executive Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Board. While away from their homes or regular places of business in the performance of services for the Board, members shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Govern-

ment service are allowed expenses under section 5703 of title 5 of the United States Code.

(e) Seven members of the Board shall constitute a quorum but a lesser number may hold hearings.

(f) The Chairman of the Board shall be elected by the members of the Board and shall serve for a term of two years.

LOCATION

SEC. 102. The principal offices of the authority shall be in the New England Region.

OFFICERS AND EMPLOYEES

SEC. 103. (a) The Board shall have an Executive Director who shall be appointed by the Board and who shall be paid at a rate not to exceed the rate of basic pay payable for level IV of the Executive Schedule. The duties and authorities of the Executive Director shall be prescribed by the Board. The Executive Director shall serve as a voting member of the Board in the case of any vote by the Board, which, but for the vote of the Executive Director, would be a tie vote.

(b) Subject to such rules as may be prescribed by the Board, the Executive Director may appoint and fix the pay of such personnel as he considers appropriate.

(c) Upon request of the Board, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Board to assist the Board in carrying out its duties under this Act.

EXPERTS AND CONSULTANTS

SEC. 104. Subject to such rules as may be prescribed by the Board, the Executive Director may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code.

GENERAL POWERS

SEC. 105. (a) The Executive Director is authorized to enter into and perform such contracts, leases, cooperative agreements, or other similar transactions with public agencies and private organizations and persons, and to make such payments as he may deem necessary or appropriate to carry out functions now or hereafter vested in him.

(b) The Executive Director may, on behalf of the Board, accept, use, and dispose of gifts or donations or services or property.

(c) The Regional Authority may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(d) The Administrator of General Services shall provide to the Regional Authority on a reimbursable basis such administrative support services as the Executive Director may request.

ANNUAL REPORT

SEC. 106. The Regional Authority shall file an annual report with the Congress respecting its operations.

TITLE II—REGIONAL PLANNING

REGIONAL ENERGY SERVICE PLAN

SEC. 201. (a) As promptly as practicable after the date of enactment of this Act, and after undertaking the necessary studies and investigations, the Regional Authority shall prepare, adopt, and publish a regional energy service plan for the New England Region. The plan shall be reviewed by the Regional Authority not less frequently than every five years and amended by the Authority from time to time as may be appropriate.

(b) Prior to the adoption of the plan or any amendment thereto, the Regional Authority shall hold a public hearing in each State within the Region which the Authority determines may be affected by the proposed action of the Authority. Such hearings shall be subject to such procedures as the Regional Authority deems necessary to insure full and complete public participation and participation by State and local authorities.

(c) The plan shall include—

(1) an energy power demand forecast for the Region;

(2) a forecast of the additional power resources, if any, estimated to be necessary to meet the projected demand;

(3) a system for determining priorities among the various alternative resources which may be available to meet energy power demand within the Region;

(4) an analysis of reserve and reliability requirements affecting electric power use and availability in the Region;

(5) guidelines respecting the rates to be applicable to the sale of power by the Authority under title III of this Act; and

(6) such other elements as the Regional Authority deems appropriate.

The plan shall emphasize conservation, recycling of municipal waste, and the development of renewable resources where cost effective and environmentally sound. The plan shall be consistent with applicable Federal energy policies, including the policies set forth in the National Energy Conservation Policy Act, the Public Utility Regulatory Policies Act of 1978, and other Federal legislation respecting the use, conservation, and development of domestic energy resources.

(d) Following adoption of the plan, action of the Authority under title III shall be consistent with the plan and any amendment thereto.

TITLE III—PURCHASE AND SALE OF GAS OR ELECTRIC POWER

PURCHASE OF GAS AND ELECTRIC POWER

SEC. 301. (a) The Executive Director of the Regional Authority is authorized to purchase from any person or authority, for purposes of resale under this Act, gas or electric power generated from imported hydroelectric facilities located in Canada or from utilities or power authorities located in other parts of the nation. Such purchases shall be consistent with this Act, with the plan adopted under title II, and with the provisions of an applicable treaty between the United States and Canada. All purchases made by the New England Power Authority shall be subject to an expedited process of approval by the Secretary of Energy under the Presidential Permit Process.

(b) For purposes of assisting in the construction of new hydroelectric capacity in Canada which will be available to the Regional Authority for purposes of resale under this title, the Regional Authority for purposes of resale under this title, the Regional Authority is authorized to enter into long-term contracts for the purchase of power from such new capacity and to commit, and make available in advance, funds to private and public persons, including foreign governmental and nongovernmental entities.

(c) No contract or other arrangement may be entered into by the Regional Authority respecting the acquisition of any power until such time as the regional plan has been adopted pursuant to title II and a treaty has been adopted by both the United States and Canada respecting the purchase by the Authority of gas or electric energy generated in Canada.

(d) International energy purchases in place as of the date of enactment of this Act shall be reviewed by the Regional Authority as part of the regional energy development plan and a treaty adopted between the United States and Canada protecting existing contracts.

SALE OF ELECTRIC POWER

SEC. 302. (a) The Authority is authorized to offer to sell, and to sell, power acquired as provided in section 301 to electric utilities for resale for use within the Region. Such sales may be made only to persons engaged in the business of selling electric power.

(b) No power may be sold by the Regional Authority under this Act to any person unless the Regional Authority determines that such sale is consistent with the plan adopted under title II and that the purposes, sales, and other operations of such person are consistent with such plan.

(c)(1) The Regional Authority shall establish, and periodically review and revise, rates for the sale of power under this Act. Such rates shall be consistent with the guidelines established in the plan prepared under title II.

(2) Rates established under this section shall become effective only upon confirmation and approval by the Federal Energy Regulatory Commission upon a finding by the Commission that such rates are adequate to cover the Authority's total system costs and amortize any obligations incurred under section 301 and produce such additional revenues as may be required to pay when due the principal of, premiums, discounts, and expenses in connection with the issuance of and interest of all bonds issued and outstanding pursuant to this Act, and amounts required to establish and maintain reserve and other funds and accounts established in connection therewith.

(d) In establishing rates under this section, the Regional Authority shall—

(1) provide public notice in an appropriate manner of the proposed rates and the date schedule for the hearing referred to in paragraph (2); and

(2) conduct a public hearing respecting the proposed rates at which interested parties are afforded an opportunity to submit oral and written data, views, and arguments and a reasonable opportunity for cross-examination and for refutation or rebuttal of material submitted by other persons.

The decision of the Authority respecting any rates established under this section shall be based upon the record of such hearing and shall include a full and complete statement of the basis and reasons for such decision.

TITLE IV—FINANCING AUTHORITY

FUND

SEC. 401. (a) There is hereby established in the Treasury of the United States a New England Power Fund. The Fund shall consist of—

BONDS

(1) all receipts, collections, and recoveries of the Authority from all sources, and

(2) all proceeds derived from the sale of bonds by the Authority.

(b) Amounts credited to the Fund shall be available, as provided in appropriations Act, for any purpose necessary or appropriate to carry out any duty or authority of the Authority, including—

(1) the development of a New England Regional Energy Power Plan in accordance with title II of this Act;

(2) the purchase and marketing of power including the advance payment of amounts pursuant to contracts entered into under section 301 providing for the construction of hydroelectric facilities in Canada, all or a part of the electric energy from which will be available to the Authority; and

(3) paying the interest, premiums, discounts, and expenses associated with the issuance of bonds under this title and paying the principal amount of such bonds when due.

(c)(1) If the Regional Authority determines that moneys in the Fund are in excess of current needs, it may request the investment of such amounts as it deems advisable by the Secretary of the Treasury in direct, general obligations of, or obligations guaranteed as to both principal and interest by, the United States of America.

(2) With the approval of the Secretary of the Treasury, the Regional Authority may deposit moneys of the Fund in any Federal Reserve bank or other depository for funds of the United States of America, or in such other banks and financial institutions and under such terms and conditions as the Regional Authority and the Secretary of the Treasury may mutually agree.

SEC. 402. (a) The Regional Authority is authorized to issue and sell to the public from time to time in the name of and for and on behalf of the Authority, bonds, notes, and other evidences of indebtedness (referred to in this Act as "bonds") to assist in carrying out the duties and responsibilities of the Authority. Such bonds shall be in such forms and denominations, bear such maturities, and be subject to such terms and conditions as may be prescribed by the Secretary of the Treasury taking into account terms and conditions prevailing in the market for similar bonds, the term of the contract for the financing of which the bonds are issued, and the financing practices of the utility industry. Refunding provisions may be prescribed by the Regional Authority. Such bonds shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities, plus an amount in the judgment of the Secretary of the Treasury to provide for a rate comparable to the rates prevailing in the market for similar bonds.

(b) The Secretary of the Treasury shall purchase forthwith any bonds issued by the Regional Authority under this Act and for that purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the bonds issued by the Regional Authority under this Act. The Secretary of the Treasury may, at any time, sell any of the bonds acquired by him under this Act. All redemptions, purchases, and sales by the Secretary of the Treasury of such bonds shall be treated as public debt transactions of the United States.

(c)(1) The principal of, premiums (if any), and interest on bonds issued by the Authority shall be payable solely from the net proceeds of the Authority.

(2) No bond, and no contract, obligation, or other action of the Regional Authority shall be construed as an obligation secured by the full faith and credit of the United States.

TITLE V—GENERAL PROVISIONS

RELATIONSHIP TO STATE LAW

SEC. 501. Nothing in this Act shall preempt the authority of any State or local authority to establish or enforce any rate for the sale of electric power (other than a rate established by the Regional Authority under title III and approved by the Federal Energy Regulatory Commission) or to exercise any other authority under State or local law respecting the construction or operation of any facility for the generation or transmission of electric energy, respecting the purchase or sale of electric energy, or respecting the financial or organizational aspects of electric utilities and other persons engaged in the generation, transmission, or distribution of electric power.

ACCOUNTS AND AUDITS

SEC. 502. The Executive Director of the Regional Authority shall, subject to the requirements of the Federal Power Act, keep complete and accurate accounts of all operations of the Authority, including all funds expended and received in connection with the purchase and sale of electric power under this Act.

OPTIONS TO BOND OPTIONS

SEC. 503. The General Accounting Office shall review and recommend alternative financing options for the New England Power Authority in addition to the bond options provided in this Act. In making its recommendations, the General Accounting Office shall focus on financing options that will ensure the New England Power Authority success in its efforts to raise funds for power exchanges and encourage indigenious renewable energy development and conservation.

TITLE VI—REGIONAL POWER PLANNING AND REGULATORY STUDY

REGIONAL POWER PLANNING AND REGULATION STUDY

SEC. 601. (a) The General Accounting Office is authorized and directed to conduct a study of the economic impact of Federal legislation—

(1) allowing States to enter voluntarily into multi-State agreements not subject to congressional approval for regional power planning and regional regulation and granting such States authority for the development of—

(A) electricity demand and supply forecasts;

(B) reliability and reserve requirements;

(C) increased power pooling and interconnections; and

(D) electricity import and export agreements; and

(2) increasing regional electric regulatory authority and reducing the current authority of the Federal Energy Regulatory Commission by—

(A) shifting FERC jurisdiction over intrastate wholesale transactions to individual States or to regional regulatory bodies, at the option of the State or States involved; and

(B) shifting FERC jurisdiction over interstate wholesale transactions to regional regulatory bodies where they exist and desire such authority.●

By Mr. McCLURE (for himself and Mr. DECONCINI):

S. 671. A bill to authorize a national program to encourage dam safety; to the Committee on Environment and Public Works.

DAM SAFETY ACT OF 1983

● Mr. McCLURE. Mr. President, I am today introducing legislation that was passed by the Senate during the 95th Congress, was considered favorably in the Committee on Environment and Public Works during the 96th Congress, but has yet to become law. This failure stems from the inability of Congress to enact comprehensive water resources legislation since 1976.

This bill authorizes an ongoing program to assist the States in developing and implementing dam safety programs. The language is nearly identical to what the Senate has passed previously. Essentially, this bill creates an opportunity for the Federal Government to assist the States in developing effective, continuing dam safety programs. In return, the States must meet certain basic criteria, such as preconstruction safety reviews and inspections every 2 years.

I recognize that modest changes in the bill could prove helpful. For example, this bill adds new sections 9 and 10 to the basic dam safety law. These sections may no longer be as necessary as they were at the time of the original passage of this bill. Yet a discussion of this insurance and Federal assistance in upgrading the safety of dams must be a vital component in any discussion of this issue. And I remain convinced that the basic components of the bill are sound, necessary, and essential.

The Federal Government, through the Army Corps of Engineers has recently inspected 9,000 dams for safety. The corps estimates that 33 percent of these dams are unsafe in varying degrees. Much of this corps activity was subcontracted to the States, which carried out the work. But the authority for this program expired at the end of fiscal year 1982. A need exists to continue such a program. This bill achieves that goal, transferring the basic responsibility to the States.

It is appropriate to transfer this responsibility to the States. But it also is appropriate to provide Federal assistance to the States in carrying out this important work.

Mr. President, I believe this bill offers a responsible approach to a difficult challenge. I ask unanimous consent that a copy of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 671

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 92-367 (86 Stat. 506) is amended as follows:

(a) SIZE OF DAMS.—Section 1 is amended by deleting the final sentence.

(b) RIGHT OF ENTRY.—Section 2 is amended (a) by inserting "(a)" immediately after the words "the Chief of Engineers shall

carry out a national program of inspection of dams for the purpose of protecting human life and property.", and by striking the "and" after "inspection" and striking the period after "property" and inserting the following: "and (5) dams located within a State having an approved program under section 8 of this Act." and (b) by adding at the end thereof the following new subsection:

"(b) In order to carry out the purposes of this Act, the Secretary, or his authorized, representative, upon presenting appropriate credentials to the owner, operator, or agent in charge is authorized—

"(1) to enter without delay and at reasonable times any damsite, structure, appurtenance, or any work area, or other area used in connection with operation of the dam; and

"(2) to inspect and investigate during regular working hours and at other reasonable times, and within reasonable limits and in a reasonable manner, any such damsite and all pertinent conditions, structures, machinery, apparatus, devices, equipment, and materials therein or thereon; and to require any owner, operator, agent or employee, or designer, contractor or builder, to provide information regarding the design, construction, operation, and maintenance of the same; and to have access to any records, blueprints, plans or other pertinent documents pertaining to the design, construction, operation, and maintenance of the same.

"(c) Except as to cases the court considers of greater importance, any judicial proceedings involving this Act before a district court of the United States, and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.".

(c) CONTRACTOR LIABILITY.—Section 6 is amended by inserting a new paragraph (2) as follows, and by renumbering paragraph (2) as paragraph (3):

"(2) to create any liability for agents or contractors for damages caused by such action or failure to act in excess of the amount of the contract entered into pursuant to the Act;".

(d) STATE ASSISTANCE PROGRAM.—Following section 6, add the following new sections:

"SEC. 7. There is authorized to be appropriated to the Secretary of the Army, acting through the Chief of Engineers (hereafter in this Act referred to as the 'Secretary'), $15,000,000 for each of the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987. Sums appropriated under this section shall be distributed annually among those States on the following basis: One-third equally among those States that have established dam safety programs approved under the terms of section 8 of this Act, and two-thirds in proportion to the number of dams located in each State that has an established dam safety program under the terms of section 8 of this Act to the number of dams in all States with such approved programs. In no event shall funds distributed to any State under this section exceed 50 per centum of the reasonable cost of implementing an approved dam safety program in such State.

"SEC. 8. (a) In order to encourage the establishment and maintenance of effective programs intended to assure dam safety to protect human life and property, the Secretary shall provide assistance under the terms of section 7 of this Act to any State that establishes and maintains a dam safety program which is approved under this section. In evaluating a State's dam safety program, under the terms of subsections (b) and (c) of this section, the Secretary shall determine that such program includes the following:

"(1) a procedure, whereby, prior to any construction, the plans for any dam will be reviewed to provide reasonable assurance of the safety and integrity of such dam over its intended life;

"(2) a procedure to determine, during and following construction and prior to operation of each dam built in the State, that such dam has been conducted and will be operated in a safe and reasonable manner;

"(3) a procedure to inspect every dam within such State at least once every two years;

"(4) a procedure for more detailed and frequent safety inspections, if warranted;

"(5) the State has or can be expected to have authority to require those changes or modifications in a dam, or its operation, necessary to assure the dam's safety;

"(6) the State has or can be expected to develop a system of emergency procedures that would be utilized in the event a dam fails or for which failure is imminent together with an identification for those dams where failure could be reasonably expected to endanger human life, of the maximum area that could be inundated in the event of the failure of such dam, as well as identification of those necessary public facilities that would be affected by such inundation;

"(7) the State has or can be expected to have the authority to assure that any repairs or other changes needed to maintain the integrity of any dam will be undertaken by the dam's owner, or other responsible party; and

"(8) the State has or can be expected to have authority and necessary funds to make immediate repairs or other changes to, or removal of, a dam in order to protect human life and property, and if the owner does not take action, to take appropriate action as expeditiously as possible.

"(b) Any program which is submitted to the Secretary under the authority of this section shall be deemed approved one hundred and twenty days following its receipt by the Secretary unless the Secretary determines that such program fails to reasonably meet the requirements of subsection (a) of this section. If the Secretary determines such a program cannot be approved, he shall immediately notify such State in writing, together with his reasons and those changes needed to enable such plan to be approved.

"(c) Utilizing the expertise of the Board established under section 11 of this Act, the Secretary shall review periodically the implementation and effectiveness of approved State dam safety programs. In the event the Board finds that a State program under this Act has proven inadequate to reasonably protect human life and property, and the Secretary agrees, the Secretary shall revoke approval of such State program and withhold assistance under the terms of section 7 of this Act until State program has been reapproved.

"SEC. 9. (a) In order to assure that owners of dams will be able to obtain liability insurance at reasonable rates, and to protect persons located downriver of dams, the Secretary, or the head of any agency of the United States designated by the Secretary, shall provide to any insurer, subject to conditions established by regulation, reinsurance or gurantees of any insurance provided to the owner of a dam to protect such owner from liabilities incurred in the event of the failure of such dam. Reinsurance or guarantess provided under this section shall reimburse an insurer for those liabilities in excess of an amount agreed upon between the Secretary, or his designee, and the insurer.

"(b) Any reinsurance or gurantees provided under this section shall be available only in a State which has an approved dam safety program under the terms of section 8 of this Act.

"(c) Agreements on reinsurance or guarantees under this section shall provide that the failure of the owner of any dam to carry out expeditiously any modification or procedure required by a State under the terms of its dam safety program shall result in the cancellation of any reinsurance or guarantee provided by the Secretary, or his designee.

"(d) There is authorized to be appropriated such sums as may be necessary to carry out this section.

"(e) Not later than eighteen months after enactment of the Dam Safety Act of 1983, the Secretary and the Secretary of the Treasury shall report jointly to the Congress with an analysis of the effects of this section, together with any recommendations for a more comprehensive dam safety insurance program to assure the availability of insurance to owners of dams inspected under a State program approval under section 8 of this Act, in an effort to lessen or eliminate the need for any disaster assistance in the event of the failure of such a dam.

"SEC. 10. There is authorized to be appropriated and remain available the sum of $20,000,000 to be placed in a revolving fund by the Secretary, such funds to be available for loans, on terms established by the Secretary, to any owner for any dam required to make repairs, to replace, or to make other safety improvements in such dam under any safety program approved under section 8 of this Act, if such owner can demonstrate to the Secretary that other funds are not reasonably available, and such owner agrees to repay such funds at a rate of interest on terms agreed to with the Secretary.

"SEC. 11. (a) There is authorized to be established a Federal Dam Safety Review Board (hereinafter referred to as the 'Board'), which shall be responsible for reviewing the procedures and standards utilized in the design and safety analysis of dams constructed and operated under authority of the United States, and to monitor State implementation of this Act. The Board is authorized to hire necessary staff and shall review as expeditiously as possible the plans and specifications on all dams specifically authorized by Congress prior to initiation of construction of such dam, and file an advisory report on the safety of such dam with the appropriate agency, the appropriate State, and the Congress. The Board is authorized to utilize the expertise of other agencies of the United States and to enter into contracts for necessary studies to carry out the requirements for this section. There is authorized to be appropriated to the Board such sums as may be necessary to carry out this section.

"(b) The Board shall consist of nine members selected for their expertise in dam safety, including one representative each from the Department of the Army, the Department of the Interior, the Tennessee

Valley Authority, and the Department of Agriculture, plus five members, appointed by the President for periods of five years, on a rotating basis, who are not employees of the United States. At least two members of the Board shall be employees of the States having an approved program under section 8 of this Act. The Chairman of the Board shall be selected from among those members who are not employees of the United States.

"SEC. 12. The head of any agency of the United States that owns or operates a dam, or proposes to construct a dam in any State, shall, when requested by such State, consult fully with such State on the design and safety of such dam and allow officials of such State to participate with officials of such agency in all safety inspections of such dam.

"SEC. 13. The Secretary shall, at the request of any State that has or intends to develop a dam safety program under section 8 of this Act, provide training for State dam safety inspectors. There is authorized to be appropriated to carry out this section $1,000,000 for the fiscal year ending September 30, 1984, and $500,000 during each of fiscal years ending September 30, 1985, September 30, 1986, and September 30, 1987.

"SEC. 14. The Secretary, in cooperation with the National Bureau of Standards, shall undertake a program of research in order to develop improved techniques and equipment for rapid and effective dam inspection, together with devices for the continued monitoring of dams for safety purposes. The Secretary shall provide for State participation in such research and periodically advise all States of the results of such research. There is authorized to be appropriated to carry out this section $1,000,000 for each of the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987.

"SEC. 15. The Secretary is authorized to maintain and periodically publish updated information on the inventory of dams authorized in section 5 of this Act.".

REPORTING OF DAM SAFETY

SEC. 2. Any report that is submitted to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary of the Army, acting through the Chief of Engineers, or the Secretary of Agriculture, acting under Public Law 83-566, as amended, which proposes construction of a water impoundment facility, shall include information on the possibility of failure of such facility due to geologic or design factors, the potential impact of the failure of such facility, and information on the design features that would prevent, lessen, or mitigate such possibility of failure or the impact of failure.

SHORT TITLE

SEC. 3. This Act shall be known as the "Dam Safety Act of 1983".●

By Mr. McCLURE (for himself, Mr. GOLDWATER, and Mr. WALLOP):

S. 672. A bill to amend the Reclamation Safety of Dams Act of 1978 to authorize additional appropriations, and for other purposes; to the Committee on Energy and Natural Resources.

SAFETY OF DAMS PROGRAM

● Mr. McCLURE. Mr. President, the legislation I am introducing today for myself, Mr. GOLDWATER, and Mr. WALLOP, authorizes additional funding for the Bureau of Reclamation safety of dams program and is identical to the last Congress S. 956, as reported on August 19, 1982, by the Committee on Energy and Natural Resources.

My colleagues will recall that a companion measure, H.R. 3208, passed the House on April 29, 1982. Unfortunately, the Senate did not consider either measure prior to adjournment of the 97th Congress.

I believe that it would be helpful to my colleagues and the public to include in the RECORD at this point an excerpt from the committee report (S. Rept. 97-533) that accompanied S. 956 when it was reported by the committee. This should help place the legislation in perspective in relation to the current safety of dams program at the Bureau of Reclamation and will furnish additional information to the Senate.

BACKGROUND AND NEED

The Act of November 2, 1978 (Public Law 95-578) authorized the appropriation of $100 million to the Secretary of the Interior for purposes of a safety of dams program for the Bureau of Reclamation and established the parameters under which the Secretary was authorized to construct, operate, and maintain new or modified features at existing Federal reclamation dams for safety of dams purposes. Recent events of the time (the Rapid City, South Dakota flood and the failure of the Bureau's Teton Dam in Idaho) had focused concern upon the hazards presented by floods and the failure of dams or related structures.

Traditionally, the Bureau of Reclamation had maintained a formal program of inspection under its Examination of Existing Structures Program of the facilities related to the 333 reservoir impoundments under the Bureau's jurisdiction. Major modifications of dams for safety purposes had been authorized by Congress on a case-by-case basis; each project considered in a separate authorizing bill. The 1978 Safety of Dams Act provided the Secretary with permanent authority to undertake safety of dams modifications rather than having to come to the Congress for each project. However, the Act was specific that the funds were to be used only for safety purposes and not for providing additional water storage capacity or the development of benefits above those provided by the original structures. Costs of the program which resulted from age and normal deterioration of structures or from nonperformance of reasonable and normal maintenance were to be treated as project costs and reimbursable by project participants in accordance with existing law.

Since initiation of the program, estimated costs of dam safety activities have increased as a result of inflation and also the discovery of additional safety problems which need to be addressed. During the hearings on S. 956, the Administration testified that in addition to the thirteen dams identified at the outset of the program in 1978, an additional thirty-five dams have been identified as needing safety related work. The current authorization of $100 million is inadequate to fund the additional work which is estimated to cost in excess of $500 million. An increase in the authorization for the program of an additional $550 million will permit dam safety activities at the newly identified projects as well as allow for the increase in costs due to inflation.

Mr. President, the major thrust of this measure is to increase the amount authorized to be appropriated for implementing the Reclamation Safety of Dams Act of 1978. This act has proven to be a most workable and viable means of correcting unsafe conditions at many of the older structures built by the Department of the Interior's Bureau of Reclamation. The program is directed to those structures at which the Secretary has determined—and subsequently reported to the Congress—first, that an unsafe condition exists, and second, that this condition could not have been foreseen at the time the dam was designed. Generally, these conditions derive from two causes, the first of which is hydrologic and the second seismic in nature.

The problem most frequently occurring is one that arises from inadequate spillway capacity. This in turn stems from an underestimation on the part of the designers of the magnitude of flood runoff which might be expected. Longer study of, and greater experience with, flood flow forecasting now show that many of the older spillways are incapable of handling flood crests. Without adequate spillway capacity, the entire structure is threatened with catastrophic failure, resulting not only in potential loss of life and property downstream, but in the loss of a very valuable piece of Federal property—the dam itself. The effect of this legislation, Mr. President, would be to authorize flood protection for Federal property, and to avoid the failure of a Federal dam with its ensuing liability for damages.

In like manner, advances in the study of seismic factors sometimes disclose that a particular structure is in danger from earthquakes. Where these conditions are found to exist, the Federal Reclamation Safety of Dams Act provides that the Secretary of the Interior may proceed with dispatch to propose corrective measures at Federal expense. The original sum authorized to be appropriated for this program has been substantially exhausted, yet there remains a sizable backlog of repair work to be undertaken.

Mr. President, the philosophical basis underlying the existing law is that the United States, having designed and constructed a dam which it now finds poses a major threat to the lives and property of its citizens, shall proceed with the utmost expediency to eliminate the dangers which threaten its citizens and property, and that the United States shall accomplish these corrective works at public expense.

Responsibility for the safe condition of its property goes hand-in-hand with ownership of that property. Any at-

tempt to avoid that responsibility and change the law is an affront to fair play, commonsense, and the basic precepts of English common law, which provide that property owners must assume responsibility for the operation and conduct of their property.

Mr. President, the 1978 Safety of Dams Act was premised on the acknowledgement of the culpability of the Federal Government for inadequacies of design and any resulting damages due to failure of the structure. The act had four basic objectives: To protect the lives and property of our citizens by preventing dam failures; to protect the investment of the Federal Government in the dams and related structures; to prevent dam failure and the ensuing liability of the Federal Government for damages; and to assure the ability of the projects to continue to perform, to meet contractual relationships, and to provide revenues to the Treasury.

We need only look at the failure of Teton Dam in my home State of Idaho to grasp the importance of these goals. As many of my distinguished colleagues will recall, Teton Dam was completed by the Bureau of Reclamation in November of 1975. On June 5, 1976, it failed, causing 11 deaths, disrupting the lives of thousands, and costing the Federal Government over $350 million in damage claims. As a result, the Federal Government is now denied the revenues from a 20-megawatt powerplant, as well as the revenues and the social and economic benefits accruing from irrigation of 150,000 acres. We are also $79 million out of pocket for the construction of Teton Dam and powerhouse.

Mr. President, I ask unanimous consent that the text of the measure, and a list compiled by the Bureau of Reclamation of the structures where safety work pursuant to the Safety of Dams Act of 1978 is underway or contemplated be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 672

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Reclamation Safety of Dams Act of 1978 (92 Stat. 2471, 43 U.S.C. 506, et seq.) is amended as follows:

(1) In section 2, following "modifications" insert "or replacement".

(2) In section 4, wherever the word "modification" appears insert thereafter "replacement".

(3) In section 5, (a) in the first sentence after "$100,000,000" delete the comma and insert, "and, effective October 1, 1983, not to exceed an additional $550,000,000,"; change "construction to modify an existing dam" to read "construction to modify or replace an existing dam"; and delete the period at the end of the proviso by inserting a colon and the following additional proviso: Provided further, That such obligation may be made prior to the expiration of such sixty days in any case in which the respective committee of jurisdiction in the House of Representatives and the Senate approve an earlier date and notifies the Secretary in writing, of such approval." and (b) in the second and third sentences wherever the words "modification or modifications" appear insert thereafter "or replacement".

(4) Following section 11, insert the following new section 12:

"SEC. 12. Included within the scope of this Act are Fish Lake, Four Mile, Ochoco, Savage Rapids Diversion and Warm Springs Dams, Oregon; Como Dam, Montana; Little Wood River Dam, Idaho; Twin Buttes Dam, Texas; Foss Dam, Oklahoma and related facilities: Provided, That the cost of foundation treatment, drainage, and instrumentation work planned or underway at Twin Buttes Dam, Texas, and Foss Dam, Oklahoma, shall be nonreimbursable and nonreturnable under Federal reclamation laws.".

PRELIMINARY RESULTS OF DAM SAFETY INVESTIGATION WORK BUREAU OF RECLAMATION

[Dollars in millions]

State/dam	Description of modification	Estimated cost
Distribution of Initial Safety of Dams Act Appropriation Ceiling		
Arizona: Stewart Mountain Dam	Modify spillway	$8.9
California:		
East Park Dam	do	6.9
Stony Gorge Dam	do	4.9
Idaho:		
Black Canyon Dam	Construct auxiliary spillway	5.4
Island Park Dam	Raise crest, rehabilitate outlet, and modify spillway	5.7
Montana:		
Gibson Dam	Structural modification to withstand overtopping	3.3
Lake Sherburne Dam	Raise dam crest	4.5
Willow Creek Dam	Modify spillway	5.6
Nevada: Lahontan Dam	Rehabilitate spillway and outlet works	6.7
South Dakota: Deerfield Dam	Raise crest and modify spillway	8.5
Utah: Hyrum Dam	Construct auxiliary spillway	9.5
Wyoming: Jackson Lake Dam	Stabilize embankments	6.8
Modification reports and preconstruction planning		52.7
Subtotal		129.4
Anticipated Future Work To Be Performed Under the Safety of Dams Act		
Arizona:		
Bartlett Dam and Horseshoe Dam	Structural modification will be minor on Bartlett Dam and Horseshoe Dam will be eliminated if Cliff Dam is constructed	
Horse Mesa Dam and Mormon Flat Dam	Structural modification will be minor if Theodore Roosevelt Dam is modified or replaced	
Theodore Roosevelt Dam	Foundation treatment, spillway modification	
Total for Salt River Project (SRP)		350.0
Arizona-California:		
Parker Dam	Replace structural components in the spillway bridges	.5
Senator Wash Dam	Seepage control modification	1.0
California		
Bradbury Dam	Embankment stability modification	10.0
Casitas Dam	do	10.0
Folsom Dam	Inflow design flood (IDF) and seismic modification	10.0
Friant Dam	Replace portions of the top of dam and protect dike and abutment for IDF	2.5
Glen Anne Dam	Rehabilitate asphalt lining and underdrain, repair slides on upstream face	1.5
Lake Tahoe Dam	Rehabilitate spillway structure	3.0
O'Neill Dam	Embankment stability modification	5.0
San Luis Dam	do	20.0
Shasta Dam	Grout contraction joints in dam	.5
Trinity Dam	Possible modification to left abutment slide to prevent blocking or plugging of spillway	1.0
Colorado:		
Fruitgrowers Dam	Spillway replacement	6.0
Olympus Dam	Construct emergency spillway and possibly modify existing spillway	10.0
Idaho: Soldiers Meadow Dam	Rehabilitate spillway and modify embankment for IDF and seepage	2.5
New Mexico: Navajo Dam	Embankment stability	1.0
Nevada: Rye Patch Dam	Foundation/embankment stability modification	4.0
North Dakota:		
Heart Butte Dam	Inflow design flood modification	5.0
Jamestown Dam	do	10.0
Oklahoma:		
Altus Dam	Structural modification	.8
Arbuckle Dam	Inflow design flood modification	2.5
Foss Dam	do	2.5

PRELIMINARY RESULTS OF DAM SAFETY INVESTIGATION WORK BUREAU OF RECLAMATION—Continued

[Dollars in millions]

State/dam	Description of modification	Estimated cost
Oregon:		
Cold Springs Dam	Modify seepage control system. Replace or modify spillway	2.8
Owyhee Dam	Repair top 75 feet of arch	.5
South Dakota: Pactola Dam	Spillway/embankment modification to pass the IDF	15.5
Texas: Twin Buttes Dam	Inflow design flood modification	5.5
Utah:		
Joes Valley Dam	Provide additional spillway structure	3.0
Newton Dam	Inflow design flood and seismic modification	5.5
Washington: Bumping Lake Dam	Modify spillway structure and correct foundation seepage	3.0
Wyoming:		
Bid Sandy Dam	Rehabilitate spillway structure wall and floor slabs. Extend grout curtain adjacent to spillway	3.0
Guernsey Dam	Rehabilitate spillway walls and floor	2.4
Subtotal		500.5
Safety of Dams Work Resulting From Possible Amendments to the Reclamation Safety of Dams Act		
Idaho: Little Wood River Dam	Stability analysis is underway	
Montana: Como Dam	do	
Oregon:		
Fish Lake Dam	Modify spillway and grout tunnel	3.0
Fourmile Lake Dam	Stability analysis is underway	
Ochoco Dam	Rehabilitate spillway and seepage control	2.5
Savage Rapids Diversion Dam	Stability analysis is underway	
Warm Springs Dam	do	
Texas: Twin Buttes Dam	Seepage control	5.5
Subtotal		11.0
Estimated total required for safety of dams modification work		640.9

By Mr. McCLURE:

S. 673. A bill to amend the Internal Revenue Code of 1954 to provide for the establishment of, and the credit against tax for contributions to, individual housing accounts; to the Committee on Finance.

THE NEST EGG ACT

● Mr. McCLURE. Mr. President, I am proud today to introduce a major piece of legislation designed to aid our housing industry and give the American people an incentive to save.

For many years the United States has had the lowest rate of savings and investment in the Western World. As a consequence, every other major Western nation has a better employment record, and a faster rate of growth of real wage and fringe benefits, than the United States. It is also quite clear that our extremely low rate of savings and the closely related problem of lagging productivity is as serious a threat as any facing the economic well-being of our Nation.

Our tax laws have seriously penalized saving and investment. Our goal should be a break for small savers, which allows Americans to set aside savings for future needs while, at the same time, increase the savings rate in order to provide additional investment for capital formation.

Only recently have we seen an upswing in our Nation's savings rate. For the past 5 years it has decreased to the point where it is one of the lowest in the free world. Nowhere do we find more built-in disincentives to save.

Looking at it logically, the American taxpayer usually pays his taxes before ever seeing the paycheck. After that is done, he manages to save a little money for a rainy day in an account that pays a little interest. Then the Government comes back for its pound of flesh and taxes the interest that's earned. Hence, another disincentive to save; now, the worker feels compelled to go out and spend more than he has. In doing so, he incurs a little interest debt for having spent more than he has, and he is rewarded by our tax structure with a deduction on the interest. The result, of course, is that powerful incentive to spend more than we have, rather than save some of what we make.

For many years our tax system has encouraged consumption by penalizing savings. Access to money through credit cards, charge accounts, and other forms of consumer credit has eased over the years, and it has reduced the need to save up for major purchases. Clearly, a more equitable taxation of income is necessary for any improvement in our productivity.

I feel strongly that the housing industry will not benefit in the long run from any short-term influx of Government money. We must decrese the burden of government and give all Americans incentives to save and invest.

The United States League of Savings Associations indicates that 42 million Americans, the crest of the postwar baby boom, will reach the age of 30 in the 1980's, 10 million more than in the seventies. To insure a viable housing industry there must be an adequate supply of capital in the market to finance the expansion that will go along with this population explosion. Recently, a general shortage of savings in the economy meant that home mortgage lending was only able to claim 15 percent of the available capital pool. This is the lowest level since 1970 and far below the traditional 25 percent.

The legislation that I am introducing today establishes a savings account similar to the popular individual retirement account (IRA). The nest egg account would be used for a down payment on a house. It is extremely difficult for young people today to accumulate enough money for a down payment. Our society incorrectly stresses the merits of spend now and save later while our tax structure has become increasingly opposed to savings. This legislation is designed to give all who do not own a house the opportunity and incentive to save and plan for the future.

The bill I am introducing provides a major incentive for potential homebuyers currently shutout of the American dream. The President's Commission on Housing identified the inability of potential homebuyers to accumulate enough capital for a downpayment as a major problem associated with the housing industry. High housing prices invariably means high down payments. Many households across the country qualify for a mortgage, but are shutout of the American dream by an inability to accumulate enough downpayment money.

My bill breaks down these barriers and allows a potential homebuyer to deposit up to $1,500—$3,000 on a joint return—in a nest egg account. This contribution forms the basis for a 25-percent tax credit.

A cornerstone in President Reagan's program for recovery is to increase savings. The Economic Recovery Tax Act stressed the need for saving and investment, but did not go far enough. The tax exempt all-savers certificate was a disappointment and did very little for the housing industry. The universal individual retirement accounts have been very popular and successful, supplying our capital markets with billions of dollars of long-term money. Home mortgage lending is supported nearly exclusively by personal savings. The IRA program has

helped, but it is the obligation of the Congress to continue to promote a greater flow of savings.

I strongly urge my colleagues to cosponsor this important piece of legislation, and I ask unanimous consent that a copy of the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 673

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable against tax) is amended by inserting after section 44H the following new section:

"SEC. 441. CONTRIBUTIONS TO INDIVIDUAL HOUSING ACCOUNTS.

"(a) CREDIT ALLOWED.—In the case of an individual who has never owned a principal residence (within the meaning of section 1034) by himself or with one or more other individuals, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 percent of the sum of the amounts paid in cash or the fair market value of stocks, bonds, or other securities, readily tradable on an established securities market, during the taxable year by such individual to an individual housing account.

"(b) LIMITATIONS.—

"(1) MAXIMUM ANNUAL CREDIT.—The amount allowable as a credit under subsection (a) to an individual for any taxable year may not exceed $1,500 ($3,000 in the case of married individual filing a joint return).

"(2) MINIMUM DEPOSIT PERIOD.—Any amount paid into an individual housing account which is paid or distributed out of the account less than 12 months after it was paid into the account shall be treated as if it were not contributed. For purposes of this paragraph, any amount paid or distributed out of such an account shall be treated as having been distributed out of the most recently contributed amounts.

"(3) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the tax imposed by this chapter for the taxable year, reduced by the sum of the credits allowable under a section of this subpart having a lower number or letter designation than this section, other than the credits allowable by sections 31, 39, and 43.

"(4) STOCK, ETC., TO BE VALUED ON TRANSFER DATE.—The fair market value of stock, bonds, and other securities is to be determined as of the date on which it is transferred to the account, or, if the transfer occurs on a Saturday, Sunday, or other public legal holiday, on the last preceding day on which it could have been traded.

"(c) DEFINITION AND SPECIAL RULES.—For purposes of this section, the term 'individual housing account' means a trust created or organized in the United States for the exclusive benefit of an individual, or in the case of a married individual, for the exclusive benefit of the individual and his spouse jointly, but only if the written governing instrument creating the trust meets the following requirements:

"(1) No contribution will be accepted unless it is in cash or in stocks, bonds, or other securities readily tradeable on an established exchange, and contributions will not be accepted for the taxable year in excess of $1,500 on behalf of any individual ($3,000 in the case of a trust for an individual and his spouse).

"(2) The trustee is a bank (as defined in section 401(d)(1)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which that person will administer the trust will be consistent with the requirements of this section.

"(3) No part of the trust assets will be invested in life insurance contracts.

"(4) The interest of the individual in the balance in his account is nonforfeitable.

"(5) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(6) The entire interest of an individual or married couple for whose benefit the trust is maintained will be distributed to him, or them, not later than 120 months after the date on which the first contribution is made to the trust.

"(7) The assets of the trust shall be invested in accordance with the directions of the individual contributing to the trust, but, if more than one individual makes contributions to the trust the consent of all such individuals shall be required with respect to such direction.

"(d) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, if any amount is paid or distributed out of an individual housing account for any purpose other than the purchase of a principal residence, then the tax under this chapter for the taxable year shall be increased by an amount equal to 25 percent of the amount so paid or distributed. The basis of any person in such an account is zero.

"(2) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—Paragraph (1) does not apply to the distribution of any contribution paid during a taxable year to an individual housing account to the extent that such contribution exceeds the amount allowable under subsection (b)(1) if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year,

"(B) no credit is allowed under subsection (a) with respect to such excess contribution, and

"(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the individual for the taxable year in which it is received.

"(3) TRANSFER OF ACCOUNT INCIDENT TO DIVORCE.—The transfer of an individual's interest in an individual housing account to his former spouse under a divorce decree or under a written instrument incident to a divorce is not to be considered a taxable transfer made by such individual notwithstanding any other provision of this subtitle, and such interest, at the time of the transfer, is to be treated as an individual housing account of the spouse, and not of such individual. After the transfer, the account is to be treated, for purposes of this subtitle, as maintained for the benefit of the spouse.

"(4) AMOUNTS NOT MEETING MINIMUM DEPOSIT PERIOD REQUIREMENT.—Paragraph (1) does not apply to any amount to which subsection (b)(2) applies.

"(e) TAX TREATMENT OF ACCOUNTS.—

"(1) EXEMPTION FROM TAX.—Any individual housing account is exempt from taxation under this subtitle unless such account has ceased to be an individual housing account by reason of paragraph (2) or (3). Notwithstanding the preceding sentence, any such account is subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc., organizations).

"(2) LOSS OF EXEMPTION OF ACCOUNT WHERE INDIVIDUAL ENGAGES IN PROHIBITED TRANSACTION.—

"(A) IN GENERAL.—If, during any taxable year of the individual for whose benefit an individual housing account is established, that individual engages in any transaction prohibited by section 4975 with respect to the account, the account ceases to be an individual housing account as of the first day of that taxable year. For purposes of this subparagraph the individual for whose benefit any account was established is treated as the creator of the account.

"(B) ACCOUNT TREATED AS DISTRIBUTING ALL ITS ASSETS.—In any case in which any account ceases to be an individual housing account by reason of subparagraph (A) on the first day of any taxable year, paragraph (1) of subsection (d) applies as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

"(3) EFFECT OF PLEDGING ACCOUNT AS SECURITY.—If, during any taxable year, the individual for whose benefit an individual housing account is established uses the account or any portion thereof as security for a loan, the portion so used is treated as distributed to that individual.

"(f) ADDITIONAL TAX ON CERTAIN AMOUNTS INCLUDED IN GROSS INCOME.—

"(1) DISTRIBUTION NOT USED TO PURCHASE RESIDENCE.—If a distribution from an individual housing account to an individual for whose benefit such account was established is made, and not used in connection with the purchase of a principal residence for such individual, the tax liability of such individual under this chapter for the taxable year in which such distribution is received shall be increased by an amount equal to 10 percent of the amount of the distribution which is includable in his gross income for such taxable year.

"(2) DISQUALIFICATION CASES.—If an amount is includable in the gross income of an individual for a taxable year under subsection (e), his tax under this chapter for such taxable year shall be increased by an amount equal to 10 percent of such amount required to be included in his gross income.

"(3) DISABILITY CASES.—Paragraphs (1) and (2) do not apply if the payment or distribution is attributable to the taxpayer becoming disabled within the meaning of section 72(m)(7).

"(g) COMMUNITY PROPERTY LAWS.—This section shall be applied without regard to any community property laws.

"(h) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 401(d)(1)) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which he will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an individual housing account described in subsection (c). For purposes of this title, in the case of

a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(i) REPORTS.—The trustee of an individual housing account shall make such reports regarding such account to the Secretary and to the individual for whom the account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations.

"(j) REDUCTION OF BASIS.—The basis of any residence acquired with funds withdrawn from an individual housing account shall be reduced by an amount equal to the amount of expenditures made in connection with the acquisition of the residence out of such funds.".

(b) Section 4973 of such Code (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, certain individual retirement annuities, and certain retirement bonds) is amended—

(1) by inserting "individual housing accounts," after "individual retirement accounts," in the caption of such section,

(2) by redesignating paragraphs (2) and (3) of subsection (a) as paragraphs (3) and (4), respectively, and by inserting after paragraph (1) the following:

"(2) an individual housing account (within the meaning of section 441(c)),", and

(3) by adding at the end thereof the following new subsection:

"(d) EXCESS CONTRIBUTIONS TO INDIVIDUAL HOUSING ACCOUNTS.—For purposes of this section, in the case of an individual housing account, the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the account exceeds the amount allowable under section 441(b)(1) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the individual housing account and a distribution to which section 441(d)(2) applies shall be treated as an amount not contributed.".

(c) Section 4975 of such Code (relating to prohibited transactions) is amended—

(1) by adding at the end of subsection (c) the following new paragraph:

"(4) SPECIAL RULE FOR INDIVIDUAL HOUSING ACCOUNTS.— An individual for whose benefit an individual housing account is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be an individual housing account by reason of the application of section 44I(e)(2)(A) or if section 44I(e)(3) applies to such account.", and

(2) by inserting "or an individual housing account described in section 44I(c)" in subsection (e)(1) after "described in section 428(a)".

(d)(1) Subsection (b) of section 6401 of such Code (relating to amounts treated as overpayments) is amended—

(A) by striking out "and 43 (relating to earned income credit)", and inserting in lieu thereof the following: "43 (relating to earned income credit), and 44I (relating to contributions to individual housing accounts)", and

(B) by striking out "sections 31, 39, and 43" and inserting in lieu thereof the following: "sections 31, 39, 43, and 44I".

(2) Paragraph (2) of section 55 of such Code (defining regular tax) is amended by striking out "and 43" and inserting in lieu thereof ", 143, and 44I".

(3) Paragraph (4) of section 6201(a) (relating to erroneous credit under section 39 or 43) is amended—

(A) by striking out "section 39 or 43" in the caption and inserting in lieu thereof the following: "section 39, 43, or 44I)", and

(B) by striking out "or section 43 (relating to earned income)," and inserting in lieu thereof the following: ", section 43 (relating to earned income), or section 44I (relating to contributions to individual housing accounts),".

(4) Section 6513 of such Code (relating to time return deemed filed and tax considered paid) is amended by adding at the end thereof the following new subsection:

"(f) INDIVIDUAL HOUSING ACCOUNT CREDIT CONSIDERED PAID.—For purposes of section 6511, the taxpayer shall be considered as paying an amount of tax on the last day prescribed by law for payment of the tax (determined without regard to any extension of time and without regard to any election to pay the tax in installments) equal to so much of the credit allowed by section 44I (relating to individual housing account credit) as is treated under section 6401(b) as an overpayment of tax.".

(5) Subsection (d) of section 6611 of such Code is amended by striking out the caption and inserting in lieu thereof the following:

"(d) ADVANCE PAYMENT OF TAX, PAYMENT OF ESTIMATED TAX, CREDIT FOR INCOME TAX WITHHOLDING, AND INDIVIDUAL HOUSING ACCOUNT CREDIT.—".

(e) Section 6693 of such Code (relating to failure to provide reports on individual retirement accounts or annuities) is amended—

(1) by striking out the period and inserting in lieu thereof a comma and by inserting "or individual housing accounts" after "annuities" in the caption of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 44I(i) to file a report regarding an individual housing account at the time and in the manner required by such section shall pay a penalty of $10 for each failure unless it is shown that such failure is due to reasonable cause.".

(f) Section 1016(a) of such Code (relating to adjustments by striking out "and" at the end of paragraph (24), by striking out the period at the end of paragraph (25) and inserting in lieu thereof "; and", and by inserting after paragraph (25) the following new paragraph:

"(26) in the case of residence the acquisition of which was made in whole or in part with funds from an individual housing account, to the extent provided in section 44I (j);".

(g) Subsection (b) of section 121 of such Code (relating to limitations) is amended by adding at the end thereof the following new paragraph:

"(4) Reduction of exclusion for housing savings amount.—The $125,000 amount in paragraph (1) shall be reduced by any amount paid or distributed out of an individual housing account of the taxpayer which was not included in gross income of the taxpayer for the year in which it was paid or distributed to the taxpayer (one-half of such amount in the case of a separate return by a married individual).".

(h) Subsection (b) of section 6396 of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by striking out "and 44H" and inserting in lieu thereof "44H, and 44I".

(i) (1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 44H the following:

"Sec. 44I. Contributions to individual housing accounts.".

(2) The table of sections for chapter 43 of such Code is amended by striking out the item relating to section 4973 and inserting in lieu thereof the following:

"Sec. 4973. Tax on excess contributions to individual retirement accounts, individual housing accounts, certain 403(b) contracts, certain individual retirement annuities, and certain retirement bonds.".

(3) The table of sections for subchapter 8 of chapter 68 of such Code is amended by striking out the item relating to section 6693 and inserting in lieu thereof the following:

"Sec. 6693. Failure to provide reports on individual retirement accounts or annuities or individual housing accounts.".

(j) The amendments made by this section apply to taxable years beginning after December 31, 1982.●

By Mr. SPECTER:

S. 674. A bill to authorize implementation of a project for flood damage prevention at Milton, Pa.; to the Committee on Environment and Public Works.

MILTON FLOOD CONTROL PROJECT

Mr. SPECTER. Mr. President, I rise today to introduce legislation that would authorize the construction of a flood damage prevention project for the Borough of Milton in Northumberland County, Pa.

Located along the west branch of the Susquehanna River, the Milton area has a variety of structural flaws that make it prone to flooding. In 1972, for example, tropical storm Agnes ravaged a large portion of the Susquehanna River Basin, causing millions of damages to Milton and various other population centers. Without this badly needed flood control project, Milton will continue to exist under the threat of severe destruction from future storms.

I recently introduced legislation that would authorize flood control projects in Wyoming Valley in Luzerne County, Harrisburg, and Lock Haven, Pa. Clearly, the devastation resulting from past flooding demonstrates a critical need for flood damage protection at Milton as well. Now is the time to proceed on these important public works programs, given current economic conditions and the need for infrastructure improvements.

The Army Corps of Engineers estimates the cost of the Milton project to be $87 million. The possibilty of future destruction from flooding and the capability of providing valuable jobs to

this region make the Milton project important to central Pennsylvania.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 674

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to implement a project for flood damage prevention at Milton, Northumberland County, Pennsylvania, on the West Branch of the Susquehanna River, substantially in accordance with the report of the Corps of Engineers entitled "Local Flood Protection Study at Milton, Pennsylvania" dated July 13, 1977, at an estimated cost of $87,000,000.

SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. TOWER (for himself and Mr. JACKSON) (by request):

S. 675. A bill to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes; to the Committee on Armed Services.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1984

Mr. TOWER. Mr. President, by request, for myself and the senior Senator from Washington (Mr. JACKSON) I introduce for appropriate reference a bill to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Department of Defense Authorization Act, 1984."

TITLE I—PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS, ARMY

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft, missiles, weapons and tracked combat vehicles, and ammunition and for other procurement for the Army as follows:

For aircraft, $3,472,100,000.

For missiles, $3,088,500,000.

For weapons and tracked combat vehicles, $4,934,416,000.

For ammunition, $2,334,189,000.

For other procurement, $5,362,870,000.

AUTHORIZATION OF APPROPRIATIONS, NAVY AND MARINE CORPS

SEC. 102. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft, weapons (including missiles and torpedoes), shipbuilding and conversion, and other procurement for the Navy as follows:

For aircraft, $11,127,300,000.

For weapons (including missiles and torpedoes), $4,028,600,000.

For shipbuilding and conversion, $12,698,800,000.

For other procurement, $5,001,838,000.

(b) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons) in the amount of $1,852,049,000.

AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

SEC. 103. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft and missiles and for other procurement for the Air Force as follows:

For aircraft, $22,707,190,000.

For missiles, $8,570,834,000.

For other procurement, $7,626,302,000.

(b) Of the funds authorized to be appropriated in this section for aircraft for the Air Force, the sum of $112,100,000 is available only for contribution by the United States as its share of the cost for fiscal year 1984 of acquisition by the North Atlantic Treaty Organization of the Airborne Warning and Control System (AWACS).

AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

SEC. 104. Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement by the Defense Agencies in the amount of $1,082,791,000.

AUTHORIZATION OF APPROPRIATIONS, DEFENSE PRODUCTION ACT PURCHASES

SEC. 105. Funds are hereby authorized to be appropriated for fiscal year 1984 for purchases or commitments to purchase metals, minerals, or other materials by the Department of Defense pursuant to section 303 of the Defense Production Act of 1950, as amended (50 U.S.C. App. § 2093) in the amount of $200,000,000.

CERTAIN AUTHORITY PROVIDED THE SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

SEC. 106. Effective on October 1, 1983, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100) is amended by striking out "fiscal year 1983" both places it appears and inserting in lieu thereof "fiscal year 1984".

SECURE COMMUNICATIONS EQUIPMENT AND A SPECIAL CLASSIFIED PROGRAM

SEC. 107. The Secretary of Defense is authorized to procure secure telephone communication systems, including equipment and related items, during fiscal year 1984 for the Department of Defense and other government agencies and entities to support a national program to provide secure telephone service. Of the funds authorized to be appropriated pursuant to this title, not more than $60,000,000 may be used to provide secure telephone equipment and related items to the Department of Defense and other government agencies and entities in support of such a national program. Equipment provided to government agencies and entities outside the Department of Defense under the authority of this section and such related services as may be necessary may be furnished by the Secretary of Defense with or without reimbursement. In addition, of the funds authorized to be appropriated pursuant to this Act, not more than $220,000,000 is authorized for a special classified program.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for the use of the Armed Forces for research, development, test, and evaluation, in amounts as follows:

For the Army, $4,793,674,000.

For the Navy (including the Marine Corps), $8,182,419,000.

For the Air Force, $13,652,273,000.

For the Defense Agencies, $2,996,900,000, of which $56,800,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1984 such additional sums as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

TITLE III—OPERATION AND MAINTENANCE

SEC. 301. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

For the Army, $17,867,800,000.

For the Navy, $23,225,600,000.

For the Marine Corps, $1,575,900,000.

For the Air Force, $18,999,100,000.

For the Defense Agencies, $6,871,900,000.

For the Army Reserve, $662,800,000.

For the Naval Reserve, $693,000,000.

For the Marine Corps Reserve, $53,629,000.

For the Air Force Reserve, $815,000,000.

For the Army National Guard, $1,135,000,000.

For the Air National Guard, $1,824,700,000.

For the National Board for the Promotion of Rifle Practice, $899,000.

For Defense Claims, $222,900,000.

For the Court of Military Appeals, $3,372,000.

(b) There are authorized to be appropriated for fiscal year 1984, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a);

(2) for unbudgeted increases in fuel costs; and

(3) for increases as the result of inflation in the cost of activities authorized by subsection (a).

AUTHORIZATION OF APPROPRIATIONS FOR ASSISTANCE FOR 1984 GAMES OF THE XXIII OLYMPIAD

SEC. 302. (a) Notwithstanding any other provision of law, the Secretary of Defense is authorized—

(1) to provide logistical support and personnel services to the 1984 Games of the XXIII Olympiad;

(2) to lend and provide equipment in support of the 1984 Games of the XXIII Olympiad; and

(3) to provide such other services in support of the 1984 Games of the XXIII Olympiad as the Secretary may consider advisable.

(b) There is authorized to be appropriated to the Department of Defense for fiscal year 1984 an amount not to exceed $50,000,000 for the purpose of carrying out subsection (a). Except for funds used for pay and non-travel-related allowances for members of the Armed Forces, other than members of the Reserve components thereof called or ordered to active duty to provide support for the XXIII Olympiad, no funds may be obligated for such purpose unless specifically appropriated for such purpose. The costs for pay and non-travel-related allowances of members of the Armed Forces, other than members of the Reserve components thereof called or ordered to active duty to provide support for the XXIII Olympiad, may not be charged to appropriations made pursuant to this authorization.

TITLE IV—ACTIVE FORCES

SEC. 401. The Armed Forces are authorized strengths for active duty personnel as of September 30, 1984, as follows:

(1) The Army, 782,600.

(2) The Navy, 572,200.

(3) The Marine Corps, 197,300.

(4) The Air Force, 612,600.

TITLE V—RESERVE FORCES

AUTHORIZATION OF AVERAGE STRENGTHS FOR SELECTED RESERVE

SEC. 501. For fiscal year 1984 the Selected Reserve of the reserve components of the Armed Forces shall be programmed to attain average strengths of not less than the following:

(1) The Army National Guard of the United States, 418,400.

(2) The Army Reserve, 270,700.

(3) The Naval Reserve, 112,600.

(4) The Marine Corps Reserve, 40,300.

(5) The Air National Guard of the United States, 103,400.

(6) The Air Force Reserve, 68,600.

(7) The Coast Guard Reserve, 12,000.

(b) The average strength prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

SEC. 502. Within the average strengths prescribed in section 501, the reserve components of the Armed Forces are authorized, as of September 30, 1984, the following number of Reserves to be serving on full-time active duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 18,630.

(2) The Army Reserve, 10,664.

(3) The Naval Reserve, 13,846.

(4) The Marine Corps Reserve, 801.

(5) The Air National Guard of the United States, 5,915.

(6) The Air Force Reserve, 517.

(b) Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 percent of the total end strengths prescribed.

INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS

SEC. 503. The columns under the headings "Army", and "Marine Corps" in the table in section 524(a) of title 10, United States Code, are amended to read as follows:

"Army	Marine Corps
1,577	95
793	48
291	23".

TITLE VI—CIVILIAN PERSONNEL

AUTHORIZATION OF END STRENGTH

SEC. 601. (a) The Department of Defense is authorized a strength in civilian personnel, as of September 30, 1984, of 1,072,174.

(b) The strength for civilian personnel prescribed in subsection (a) shall be apportioned among the Department of the Army, the Department of the Navy, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within sixty days after the date of enactment of this Act on the manner in which the initial allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c)(1) In computing the strength for civilian personnel, there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program.

(2) Personnel employed under a part-time career employment program established by section 3402 of title 5, United States Code, shall be counted as prescribed in section 3404 of that title. Personnel employed in an overseas area on a part-time basis under a nonpermanent local-hire appointment who are dependents accompanying a Federal civilian employee or a member of a uniformed service on official assignment or tour of duty shall also be counted as prescribed by section 3404 of that title.

(3) Whenever a function, power or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense, or from another department or agency within the Department of Defense, the civilian personnel end-strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, the Secretary of Defense may authorize the employment of civilian personnel in excess of the number authorized by subsection (a), but such additional number may not exceed 2 percent of the total number of civilian personnel authorized for the Department of Defense by subsection (a). The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under this subsection.

TITLE VII—MILITARY TRAINING STUDENT LOADS

AUTHORIZATION OF TRAINING STUDENT LOADS

SEC. 701. (a) For fiscal year 1984, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 71,817.

(2) The Navy, 66,911.

(3) The Marine Corps, 21,105.

(4) The Air Force, 49,007.

(5) The Army National Guard of the United States, 21,105.

(6) The Army Reserve, 12,724.

(7) The Naval Reserve, 2,886.

(8) The Marine Corps Reserve, 3,223.

(9) The Air National Guard of the United States, 2,845.

(10) The Air Force Reserve, 1,705.

(b) The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the reserve components authorized in subsection (a) for fiscal year 1984 shall be adjusted consistent with the manpower strengths authorized in titles IV, V, and VI of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense shall prescribe.

TITLE VIII—GENERAL PROVISIONS

REPEAL OF PROHIBITION AGAINST CONSOLIDATING FUNCTIONS OF THE MILITARY TRANSPORTATION COMMANDS

SEC. 801. Section 1110 of the Department of Defense Authorization Act, 1983, (Public Law 97-252; 96 Stat. 747), is repealed.

AUTHORIZATION TO PROVIDE RECIPROCAL COMMUNICATIONS SUPPORT OR RELATED SUPPLIES AND SERVICES

SEC. 802. (a) Chapter 147 of title 10, United States Code, is amended by inserting after section 2482, the following new section:

"§ 2483. Reciprocal communications support or related supplies and services

"The Secretary of Defense may, subject to the concurrence of the Secretary of State, enter into agreements with the Government of any friendly foreign country or international organization under which the United States agrees to provide communications support or related supplies and services to such country or international organization in return for the reciprocal provision of an equivalent value of communications support or related supplies and services by such country or international organization.".

(b) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2482 the following new item:

"2483. Reciprocal communications support and related supplies and services.".

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, D.C., February 28, 1983.

Hon. GEORGE BUSH,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT. There is forwarded herewith legislation, "To authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, and for other purposes."

In accordance with the Congressional Budget Act of 1974, we are also submitting herewith, as separate legislation, a similar request for authorization of appropriations for fiscal year 1985.

These proposals are part of the Department of Defense legislative program for the 98th Congress and the Office of Management and Budget advises that enactment of these proposals would be in accord with the program of the President.

Title I provides procurement authorization for the military departments and the Defense Agencies and for the United States share of the cost of the acquisition of the Airborne Early Warning and Control System by the North Atlantic Treaty Organization in amounts equal to the budget authority included in the President's budget for fiscal year 1984. It contains a provision that extends for fiscal year 1984 the authority to waive certain costs and to assume certain liability in connection with the NATO AWACS program. It also contains a provision authorizing the Department to provide secure voice communications systems and related items throughout the Government on either a reimbursable or non-reimbursable basis and authorizes the appropriation of funds for a special classified program.

Title II provides for the authorization of each of the research, development, test, and evaluation appropriations for the military departments and the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1984. The authorization contains a provision that authorizes the appropriation of funds that are necessary to cover increased pay costs and other employee benefits to preclude the necessity of submitting a request for a supplemental authorization for such non-discretionary personnel costs.

Title III provides for authorization of the operation and maintenance appropriations of the military departments and the Defense Agencies in amounts equal to the budget authority included in the President's budget for fiscal year 1984. The authorization contains a provision that authorizes the appropriation of funds that are necessary to cover increased pay costs, unbudgeted increases in fuel costs, and inflation in the cost of activities covered by title III. Title III also contains a provision that authorizes the Department of Defense to provide support to the 1984 Games of the XXIII Olympiad to be held in Los Angeles.

Title IV prescribes the end strengths for active duty personnel in each component of the armed forces as required by section 138(c)(1) of title 10, United States Code, in the numbers provided for by the budget authority and appropriations requested for these components for fiscal year 1984.

Title V provides for average strengths of the Selected Reserve of each reserve component of the armed forces as required by section 138(b) of title 10, United States Code, in the numbers provided for by the budget authority and appropriations requested for the Department of Defense in the President's budget for fiscal year 1984. Title V also prescribes the end strengths for reserve component members on full-time active duty for the purpose of administering the reserve forces and provides for an increase in the number of certain commissioned officers who may be serving on active duty in support of the reserve components.

Title VI provides for civilian personnel end strengths for each component of the Department of Defense as required by section 138(c)(2) of title 10, United States Code, in the numbers provided for by the budget authority in appropriations requested for the Department of Defense in the President's budget for fiscal year 1984.

Title VII provides for the average military training student loans as required by section 138(d)(1) of title 10, United States Code, in the numbers provided for this purpose in the President's budget for fiscal year 1984.

Title VIII consists of two general provisions. Section 801 repeals section 1110 of the Department of Defense Authorization Act, 1983, which prohibits the consolidation of the military transportation commands. Section 802 amends title 10, United States Code, by adding a new section, 2483, which authorizes the Department to furnish reciprocal communications support or related supplies and services.

Sincerely,

WILLIAM H. TAFT IV.

By Mr. SASSER (for himself, Mr. TSONGAS, Mr. PRYOR, Mr. RIEGLE, Mr. RANDOLPH, Mr. FORD, and Mr. BAUCUS):

S. 676. A bill to provide for capital assistance to State and local governments; to the Committee on Finance.

CAPITAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

● Mr. SASSER. Mr. President, I am today introducing the Capital Assistance Revenue Sharing Act of 1983. I am introducing this legislation with the cosponsorship of my distinguished colleagues, Senator TSONGAS, Senator PRYOR, Senator RIEGLE, Senator RANDOLPH, Senator FORD, and Senator BAUCUS.

The purpose of this legislation is as clear as the needs it addresses: Federal funding for virtually immediate, back-to-work public works projects of State and local governments and the establishment of an ongoing program in which the Federal Government entitles State and local governments to assistance for their capital improvement needs by using the framework for assistance outlined in the general revenue-sharing program.

The bill would provide $3 billion annually for State and local governments. One-third of the funds would go to State governments and the remaining two-thirds to local governments. An additional half-billion dollars would be set aside to meet project requests for smaller communities that would not be eligible for funds under the regular formulae for distribution.

S. 676 also spells out just what the funds could be used for—roads, bridges, sewerage facilities, fire safety facilities, law enforcement facilities, and other essential public works activities.

While the bill has a projected life of 2 years, it is my hope that the success of this concept will make it a regular feature of Federal budgetary policy.

There are more than enough reasons to justify the establishment of this form of revenue sharing. Let me focus on what I believe are the four major arguments in its behalf.

First, it would create jobs more quickly than any other public works-jobs program under consideration. The capital budgets of State and local governments have declined dramatically in recent years, and in many cases the types of projects deferred are projects in which planning has been completed, designs approved; and bid specifications drawn. Once the Capital Assistance Revenue Sharing Act is approved and signed into law, funds would start flowing almost immediately, while State and local governments let bids and awarded contracts, and jobs could be created within 90 days in some cases. Every other public works-jobs program involves a much longer lead-time.

There is no accurate way to estimate the number of jobs which this legislation would create, but the impact of its immediacy will augment whatever number of jobs S. 676 would create.

Second, there is an urgent need for a permanent program of capital improvement assistance because of the condition of our Nation's basic infrastructure.

Our highways, public buildings, bridges, and waterworks are crumbling and tumbling and leaking at such rates as to demand definition as a national disaster.

Mayors, town council members, State legislators, county commissioners, and Governors have alluded to this impending disaster time and time again before the Governmental Affairs Subcommittee on Intergovernmental Relations during the past 6

years I have served on that panel as we strove to assay the fiscal needs and wants of State and local governments.

The hard numbers which define the actual infrastructure needs are so huge that they defy comprehension. For instance, in a recent report, the Associated General Contractors of America estimated public construction needs in the United States at $909.9 billion. This estimate can be put in some perspective when you consider that the $909.9 billion exceeds the amount—roughly $891 billion—it took to run the entire U.S. Government from its inception in 1789 under George Washington through the first fiscal year of the Government under President Dwight Eisenhower.

Several months ago, a national newsmagazine had a feature article on U.S. infrastructure needs, headlining the cost at $2.5 trillion.

These estimates, as well as others highlighted in different reports on our infrastructure needs, have certainly helped to focus attention on a critical problem that has been largely overlooked during the past decade. As with all problems which confront our society, this one did not go away simply because most of us chose to overlook it.

Now, of course, the problen is basking in attention. Both the administration and the Congress have focused on it through different legislative initiatives. Much of the impetus behind this activity stems from the appalling level of unemployment in our country and the realization that the construction and rehabilitation of public facilities means jobs.

We need to be concerned about jobs, of course, but we must look farther down the road, having learned a lesson from the past. Infrastructure needs will never cease, no matter what the rate of unemployment is. Streets, sewers, water treatment and pollution control facilities, mass transit, airports, and public buildings will always need replacement, repair, or rehabilitation.

If ever there was a proper time to set in place a program of Federal aid targeted to infrastructure needs, it is now. Now, when there is high recognition of both the need for, and the potential benefits of infrastructure improvements.

Third, there comes the question: Why use the relative simplicity of the revenue-sharing model as the framework for program of capital improvement assistance, which implies complexity?

The answer is that general revenue sharing works, and it works well. In fact, no program of Federal aid works so well. Less than 1 percent of the total cost of the program goes for administration and overhead—I might add, parenthetically, that if the same were true of all Federal programs, we might not have such a ballooning Federal budget deficit.

Created with broad, bipartisan backing in 1972, the program has been especially helpful to the Nation's local governments. Many local governments can count general revenue sharing as the only program under which they receive any Federal grant assistance.

I have no doubt that both the Senate and the House will give their overwhelming approval to the extension of general revenue sharing when the program comes up for reauthorization in the 98th Congress.

If there has been a problem with general revenue sharing, it is that economic conditions in our Nation have not allowed it to work as well as it could have worked.

When it was launched, the widespread hope and assumption among those who supported general revenue sharing was that it would be an ample and additional source of Federal funding to help meet some of the fiscal needs of State and local governments. The first general revenue sharing law stipulated that the funds be used for the "priority expenditures" of State and local governments, that is, for "ordinary and necessary maintenance and operating expenses for public safety, environmental protection, public transportation, health, recreation, libraries, social services for the poor or aged, and financial administration."

Clearly, it was the intention of the framers of this program that the funds be targeted primarily for the infrastructure needs of State and local governments.

Yet, a recession in 1973 and 1974 drained the revenues of State and local governments, causing them to postpone "priority expenditures" in capital improvements. Every government activity became, in effect, a "priority activity" and when the program was reauthorized in 1976 it became more like the virtual "no strings attached" program we have today.

The Capital Assistance Revenue Sharing Act would reimplement the text and spirit of the original general revenue sharing law, targeting the use of these funds to needed capital improvements. Not only would local governments receive general revenue sharing funds through the extension of the current GRS Act, they would also have capital assistance funds under a CARS Act—funds that would help to chip away at the enormous, nationwide infrastructure needs of our cities and counties and towns.

Then, in the future, even in the worst case economic conditions, infrastructure improvements and rehabilitation would be guaranteed. By guaranteeing such activity, the Federal Government will allow local governments the flexibility to target true priority expenditures in capital improvements, to focus when necessary on the more labor-intensive projects. In this way, we will have a built-in jobs-creation program "on the shelf" at all times. There would be no lag time in implementing an emergency public works-jobs program as there is now and as there will be with all of the legislative initiatives before us now. The funds will be there because of the Capital Assistance Revenue Sharing Act.

Fourth, we have to move in the direction of such a program because the fiscal condition of our fragile intergovernmental network of Federal, State and local activities demands it.

When general revenue sharing was established as a Federal program, it was done so at a time and in an environment that generated optimism about fiscal conditions. The Federal Government, with its broad-based tax system, would only see its revenues grow and grow as the Nation prospered. State governments and local governments had narrower, more restrictive tax bases, so the redistribution of ample Federal revenues—in addition to existing Federal programs—would help to redress the balance. Or so the argument went.

What happened was that the Federal Government initiated billions of dollars' worth of tax cuts; prices for basic energy supplies increased exponentially, skewering all economic projections; and State and local governments, reeling from a recession, were hit with a wave of taxpayer resentment.

By the beginning of the 1980's, nearly every State in the Union had in place a constitutional tax limitation or spending limitation measure. In those States in which the State retains legislative options regarding local tax powers, local governments have suffered severely.

Federal aid to State and local governments, which expanded with certainty every year for a quarter of a century, leveled out in fiscal year 1980 and declined in the subsequent 3 fiscal years.

As a consequence of all of these developments, the Council of State Governments reported in September 1982 that:

> After a financially turbulent year that saw almost half the states raise broad-based taxes, many states are still financially unstable. The persistent recession, federal program changes and budget cuts, along with self-imposed tax and spending limitations continue to threaten many states' financial security.

Seven States ended their 1982 fiscal year with deficits, and according to a recent survey by the National Governors Association, 9 out of 41 States responding said they expected budget deficits at the conclusion of the current fiscal year for States on June 30.

And only 5 weeks ago, the American Federation of State, County and Municipal Employees released a lengthy

study which cataloged current reductions in Federal aid targeted for infrastructure improvement and physical capital investment; the report put the total loss for a 3-year period in Tennessee along at $1.148 billion.

Insofar as capital spending is concerned, what the States face is a fiscal catch-22, described by the Council of State Governments as a situation in which the credit ratings of State and local governments are falling because of poor fiscal conditions, at the very same time these fiscal conditions force State and local governments to borrow additional funds for capital improvements because these same poor fiscal conditions are straining their customary sources of revenue.

The administration reponse has been to increase the use of block grants to States in order to provide the States with greater flexibility in meeting program needs. While a help in some activities, the block grant approach overlooks the broad infrastructure needs of local governments.

The Capital Assistance Revenue Sharing Act would allow State and local governments which know and understand their own capital needs better than any Federal agency, the range and flexibility to address their own capital priorities.

In sum, I urge prompt and positive consideration of S. 676, for it addresses clearly and directly the immediate need for jobs; it focuses on both the short-term and long-range infrastructure needs in our country; it reinvigorates the spirit of the most successful Federal aid program ever developed, general revenue sharing, and it helps local governments and State governments shore up their fiscal footing in our Nation's intergovernmental fiscal network.

Mr. President, I ask that the text of S. 676 be included in the RECORD at this point along with a factsheet detailing the provisions of the Capital Assistance Revenue Sharing Act.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 676

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subtitle V of title 31, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 74—CAPITAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

"Sec. 7401. Congressional findings and declarations.
"Sec. 7402. Definitions.
"Sec. 7403. Payments out of the Trust Fund.
"Sec. 7404. Creation of Trust Fund; appropriations.
"Sec. 7405. Allocation among States.
"Sec. 7406. Entitlements of State governments.
"Sec. 7407. Entitlements of local governments.
"Sec. 7408. Discretionary Capital Assistance Trust Funds.
"Sec. 7409. Reports on use of funds; publication.
"Sec. 7410. Nondiscrimination provision.
"Sec. 7411. Miscellaneous provisions.
"Sec. 7412. Regulations.
"Sec. 7413. Termination.

"§ 7401. Congressional findings and declarations

"The Congress declares it is essential—

"(1) to provide unconditional capital fiscal assistance to State and local governments to assist them in meeting critical capital projects;

"(2) to undertake a national program of capital fiscal assistance that will help reduce unemployment and will help in the rebuilding of our Nation's infrastructure; and

"(3) to continue with the tradition of providing unconditional fiscal assistance to State and local governments that permits flexible local decisionmaking among our local governments about priority public service needs.

"§ 7402. Definitions

"In this chapter—

"(1) 'Secretary' means the Secretary of the Treasury.

"(2) 'Comptroller General' means the Comptroller General of the United States.

"(3) 'Trust Fund' means the State and Local Capital Assistance Trust Fund.

"(4) 'unit of local government' means—

"(A) the government of a county, municipality, township, or other unit of government below the State which is a unit of general government (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes), and

"(B) the recognized governing body of an Indian tribe or Alaskan Native Village which performs substantial governmental functions.

"(5) 'population' means resident population as determined by the Bureau of the Census for general statistical purposes.

"(6) 'personal income' means the income of individuals, as determined by the Department of Commerce for national income purposes.

"(7) 'township' includes equivalent subdivisions of government having different designations (such as 'towns'), and shall be determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes.

"(8) 'construction' means the erection of new structures and the acquisition and installation of initial equipment for such structure.

"(9) 'rehabilitation' means the alteration or modernization of an existing structure.

"(10) 'relative income factor' is an amount determined with respect to a State by dividing—

"(A) the per capita income of the United States, by

"(B) the per capita income of such State.

"(11) 'income' means the total money income received from all sources, as determined by the Bureau of the Census for general statistical purposes.

"(12) 'entitlement period' means—

"(A) the period beginning on January 1, 1983, and ending on September 30, 1983, and

"(B) each of the 1-year periods beginning on October 1 of 1983, 1984, and 1985.

"§ 7403. Payments out of the Trust Fund

"(a)(1) Except as otherwise provided in this chapter, the Secretary shall, for each entitlement period, pay out of the Trust Fund—

"(A) to each State government a total amount equal to the entitlement of such State government determined under section 7406 for such period, and

"(B) to each unit of local government, a total amount equal to the entitlement of such unit of government determined under section 7407.

"(2)(A) Payments made under paragraph (1) shall be made in quarterly installments and shall be paid no later than 5 days after the close of the quarter.

"(B) Payments made under paragraph (1) may be initially made on the basis of estimates.

"(C) Proper adjustment shall be made in the amount of any payment to a State government or a unit of local government to the extent that the payments previously made to such government under this chapter were in excess of, or less than, the amounts required to be paid.

"(D) The Secretary may reserve such percentage (not exceeding 0.5 percent) of the total entitlement payment for any entitlement period with respect to any State government and all units of local government within such State as he deems necessary to insure that there will be sufficient funds available to pay adjustments due after the final allocation of funds among such governments.

"(b)(1) Any funds paid to a State or to any unit of local government under this chapter may only be used for capital expenditures.

"(2) In this chapter, 'capital expenditure' means any expense incurred in the construction or rehabilitation of any public facility, including (but not limited to) any—

"(A) education facility;

"(B) energy facility;

"(C) fire safety facility;

"(D) health clinic or hospital;

"(E) law enforcement facility, jail, or prison;

"(F) recreation facility;

"(G) solid waste facility;

"(H) telecommunications facility;

"(I) highway, road, bridge, railroad, port, river, inland water, airport, pipeline, or mass transit facility;

"(J) facility for the storage, transportation, treatment, or distribution of water; or

"(K) waste water disposal facility.

"§ 7404. Creation of Trust Fund; appropriations

"(a)(1) There is hereby established within the Treasury of the United States a trust fund to be known as the 'State and Local Government Capital Fiscal Assistance Trust Fund'. The Trust Fund shall consist of such amounts as may be appropriated to it and deposited in it as provided in subsection (b) of this section. Except as provided in this chapter, amounts in the Trust Fund may be used only for the payments to State and local governments provided by this chapter.

"(2) The Secretary of the Treasury shall be the trustee of the Trust Fund and shall report to the Congress not later than March 1 of each year on the operation and status of the Trust Fund during the preceding fiscal year.

"(b) There is appropriated to the Trust Fund, out of amounts in the general fund of the Treasury attributable to the collections of the Federal individual income taxes not otherwise appropriated $3,000,000,000 for each entitlement period.

"(c) The Secretary shall from time to time transfer from the Trust Fund to the general fund of the Treasury any moneys in the Trust Fund which he determines will not be needed to make payments to State govern-

ments and units of local government under this chapter.

"§ 7405. Allocation among States

"(a) There shall be allocated to each State for each entitlement period, out of amounts appropriated under section 7404(b) of this title for that entitlement period, an amount which bears the same ratio to the amount appropriated under that section for that period as the amount allocable to that State under subsection (b) of this section bears to the sum of the amounts allocable to all States under subsection (b) of this section.

"(b)(1) For purposes of subsection (a) of this section, the amount allocable to a State under this subsection for any entitlement period is the amount which bears the same ratio to the amount appropriated under section 7404(b) for such period as—

"(A) the population of that State, multiplied by the relative income factor of that State, bears to

"(B) the sum of the products determined under subparagraph (A) for all States.

"§ 7406. Entitlements of State governments

"(A) The State government shall be entitled to receive 33⅓ percent of the amount allocated to that State for each entitlement period. The remaining portion of each State's allocation shall be allocated among the units of local government of that State as provided in section 7407.

"(b)(1) The entitlement of any State government for any entitlement period shall be reduced by the amount (if any) by which—

"(A) the average of the aggregate amounts transferred by the State government (out of its own sources) during such period and the preceding entitlement period to all units of local government in such State, is less than,

"(B) the similar aggregate amount for the one-year period beginning July 1, 1981.

For purposes of subparagraph (A), the amount of any reduction in the entitlement of a State government under this subsection, for subsequent years, be treated as an amount transferred by the State government (out of its own sources) during such period to units of local government in such States.

"(2) If the State government establishes to the satisfaction of the Secretary that since June 30, 1982, it has assumed responsibility for a category of expenditures which (before July 1, 1982) was the responsibility of local governments located in such State, then, under regulations prescribed by the Secretary, the aggregate amount taken into account under paragraph (1)(B) shall be reduced to the extent that increased State government spending (out of its own sources) for such category has replaced corresponding amounts which for the 1-year period beginning July 1, 1981, it transferred to units of local government.

"(3) If the Secretary has reason to believe that paragraph (1) requires a reduction in the entitlement of any State government for any entitlement period, he shall give reasonable notice and opportunity for hearing to the State. If, thereafter, he determines that paragraph (1) requires the reduction of such entitlement, he shall also determine the amount of such reduction and shall notify the Governor of such State of such determinations and shall withhold from subsequent payments to such State government under this subchapter an amount equal to such reduction.

"(4) An amount equal to the reduction in the entitlement of any State government which results from the application of this subsection shall be transferred from the Trust Fund to the general fund of the Treasury on the day on which such reduction becomes final.

"§ 7407. Entitlements of local governments

"(a) At least 66⅔ percent of the amount allocated to any State under section 7405 for any entitlement period shall be available for payments to units of local government of such State for such period.

"(b) Each unit of local government which is eligible to receive payments under this section for any entitlement period shall be entitled to receive the amount allocated to such unit of government for such period under subsection (c).

"(c)(1) Each unit of local government of a State shall be allocated that portion of the amount available for all units of local government of such State described in subsection (a) which bears the same relationship to the total of such available amount as the population of such unit of local government bears to the total population of such State.

"(2) For purposes of paragraph (1), the population of any county government shall be reduced by the population of any other unit of local government which is eligible to receive payments under this section for the entitlement period to the extent that the population of such other unit is included in the population of such county government.

"(d)(1) No unit of local government of any State shall receive—

"(A) more than 20 percent of the amount available for all units of local governments of such State described in subsection (a) for the entitlement period, or

"(B) less than 0.5 percent of such available amount.

"(2) The Secretary shall adjust the allocations made under subsection (c) in order to bring those allocations into compliance with the provisions of paragraph (1).

"(e) All units of local government shall be eligible to receive payments under this section for any entitlement period other than—

"(1) any municipality, township, Indian tribe, or Alaskan Native Village which has a population of less than 35,000.

"(2) any county government with a population of less than 10,000, and

"(3) any unit of local government which is allocated less than $10,000 under subsection (c) for such period.

"(f) If any county government is ineligible to receive payments under this section for the entitlement period, the amount allocated to such county government under subsection (c) for such period shall be added to the entitlement under section 7406 for such period for the State in which such county is located.

"(g) For purposes of this section, in any State in which any unit of local government (other than a county government) constitutes the next level of government below the State government level, such unit of government shall be treated as a county government with respect to that portion of the State's geographic area.

"§ 7408. Creation of Discretionary Capital Assistance Trust Fund; appropriations

"(a)(1) There is hereby established within the Treasury of the United States a trust fund to be known as the Discretionary Capital Assistance Trust Fund. This Trust Fund shall remain available without fiscal year limitation and shall consist of such amounts as may be appropriated to it and deposited in it as provided in subsection (b). The amounts in the Trust Fund may only be used for the payments to local governments provided by this section.

"(2) The Secretary of the Treasury shall be the trustee of the Discretionary Capital Assistance Trust Fund and shall report to the Congress not later than September 30 of each year on the operation of such Trust Fund during the preceding fiscal year.

"(b) There is appropriated to the Discretionary Capital Assistance Trust Fund, out of amounts in the general fund of the Treasury attributable to the collections of the Federal individual income taxes not otherwise appropriated—

"(1) for the period beginning January 1, 1983, and ending September 30, 1983, $500,000,000;

"(2) for the fiscal year beginning October 1, 1983, $500,000,000; and

"(3) for the fiscal year beginning October 1, 1984, $500,000,000.

"(c) The Secretary may pay out of the Discretionary Capital Assistance Trust Fund to any unit of local government eligible to receive payments under this section for the entitlement period any amount determined in accordance with regulations prescribed by the Secretary.

"(d) Any unit of local government which is not eligible to receive a payment under section 7407 for the entitlement period shall be eligible to receive a payment under this section for such entitlement period.

"§ 7409. Reports on use of funds; publication

"(a) Each State government and unit of local government which receives funds under this chapter shall, after the close of each entitlement period, submit a report to the Secretary setting forth the amounts and purposes for which funds received during such period have been spent or obligated. Such reports shall be in such form and detail and shall be submitted at such time as the Secretary may prescribe.

"(b) Each State government and unit of local government which expects to receive funds under this chapter for any entitlement period shall submit a report to the Secretary setting forth the amounts and purposes for which it plans to spend or obligate the funds which it expects to receive during such period. Such reports shall be in such form and detail as the Secretary may prescribe and shall be submitted at such time before the beginning of the entitlement period as the Secretary may prescribe.

"(c) Each State government and unit of local government shall have a copy of each report submitted by it under subsection (a) or (b) of this section published in a newspaper which is published within the State and has general circulation within the geographic area of that government. Each State government and unit of local government shall advise the news media of the publication of its reports pursuant to this subsection.

"§ 7410. Nondiscrimination provision

"(a) No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this chapter.

"(b) Whenever the Secretary determines that a State government or unit of local government has failed to comply with subsection (a) of this section or an applicable regulation, he shall notify the Governor of the State (or, in the case of a unit of local government, the Governor of the State in which such unit is located) of the noncompliance and shall request the Governor to secure compliance. If within a reasonable period of time the Governor fails or refuses

to secure compliance, the Secretary is authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964; or (3) to take such other action as may be provided by law.

"(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that a State government or unit of local government is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

"§ 7411. Miscellaneous provisions

"(a) In order to qualify for any payment under this chapter for any entitlement period, a State government or unit of local government must establish (in accordance with regulations prescribed by the Secretary, and, with respect to a unit of local government, after an opportunity for review and comment by the Governor of the State in which such unit is located) to the satisfaction of the Secretary that—

"(1) it will establish a trust fund in which it will deposit all payments it receives under this chapter;

"(2) it will use amounts in such trust fund (including any interest earned thereon while in such trust fund) during such reasonable period or periods as may be provided in such regulations;

"(3) it will—

"(A) use fiscal, accounting, and audit procedures which conform to guidelines established therefor by the Secretary (after consultation with the Comptroller General),

"(B) provide to the Secretary (and to the Comptroller General), on reasonable notice, access to, and the right to examine, such books, documents, papers, or records as the Secretary may reasonably require for purposes of reviewing compliance with this chapter (or, in the case of the Comptroller General, as the Comptroller General may reasonably require for purposes of reviewing compliance and operations under subsection (c)(2)), and

"(C) make such annual and interim reports to the Secretary as he may reasonably require;

"(4) all laborers and mechanics employed by contractors or subcontractors in the performance of work on any construction project, will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended, and that with respect to the labor standards specified in this paragraph the Secretary of Labor shall act in accordance with Reorganization Plan Numbered 14 of 1950 and section 2 of the Act of June 13, 1943 (48 Stat. 948, chapter 482; 40 U.S.C. 276c); and

"(5) individuals employed by it whose wages are paid in whole or in part out of its trust fund established under paragraph (1) will be paid wages which are not lower than the prevailing rates of pay for persons employed in similar public occupations by the same employer.

"(b) If the Secretary determines that a State government or unit of local government has failed to comply substantially with any provision of subsection (a) of this section or any regulations prescribed thereunder, after giving reasonable notice and opportunity for a hearing to the Governor of the State or the chief executive officer of the unit of local government, he shall notify the State government or unit of local government that if it fails to take corrective action within 60 days from the date of receipt of such notification further payments to it will be withheld for the remainder of the entitlement period and for any subsequent entitlement period until such time as the Secretary is satisfied that appropriate corrective action has been taken and that there will no longer be any failure to comply. Until he is satisfied, the Secretary shall make no further payments of such amounts.

"(c) (1) The Secretary shall provide for such accounting and auditing procedures, evaluations, and reviews as may be necessary to insure that the expenditures of funds received under this chapter by State governments and units of local government comply fully with the requirements of this chapter. The Secretary is authorized to accept an audit by a State of such expenditures of a State government or unit of local government if he determines that such audit and the audit procedures of the State are sufficiently reliable to enable him to carry out his duties under this chapter.

"(2) The Comptroller General of the United States shall make such reviews of the work as done by the Secretary, the State governments, and the units of local government as may be necessary for the Congress to evaluate compliance and operations under this chapter.

"(d)(1) Except as provided in regulations, the determination of allocations and entitlements for any entitlement period shall be made as of the first day of the third month immediately preceding the beginning of such period.

"(2)(A) Except as provided in subparagraph (B), the data used in making any determination under this chapter shall be the most recently available data provided by the Bureau of the Census or the Department of Commerce, as the case may be.

"(B) Where the Secretary determines that the data referred to in subparagraph (A) are not current enough or are not comprehensive enough to provide for equitable allocations, he may use such additional data (including data based on estimates) as the Secretary may prescribe under regulations.

"(e) For purposes of this chapter, the District of Columbia shall be treated both—

"(1) as a State (and any reference to the Governor of a State shall, in the case of the District of Columbia, be treated as a reference to the Mayor of the District of Columbia), and

"(2) as a county area which has no units of local government (other than itself) within the geographic area.

"§ 7412. Regulations

"(a) The Secretary shall prescribe such regulations as are necessary to carry out the provisions of this chapter.

"(b) The rulemaking provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any regulations prescribed under this chapter.

"§ 7413. Termination

All authorities under this chapter shall expire on September 30, 1985.".

(b) The table of chapters for subtitle V of such title is amended by adding at the end thereof the following new item:

"74. Capital Assistance to State and Local Governments ..... 7401".

(c) The Secretary of the Treasury shall prescribe the regulations required under section 7408(c) of such title within 90 days after the date of enactment of this Act.

THE CAPITAL ASSISTANCE REVENUE SHARING ACT OF 1983—FACTSHEET

The Capital Assistance Revenue Sharing (CARS) Act of 1983 is designed to establish an ongoing federal program of financial assistance to state and local governments for the purpose of helping state and local governments to meet the demand for new capital construction as well as infrastructure repair and rehabilitation.

In order to allow state and local governments maximum flexibility in making their own determinations as to what capital improvement projects to undertake, the Act reaches back to, and complements the 1972 general revenue sharing law and employs the GRS formulae for distribution of funds. State and local governments will, in effect, be given virtually "no-strings-attached" federal funds for capital improvements.

Specifically, the CARS Act will do the following:

Authorize, through entitlement, capital improvements assistance at a level of $3 billion annually, with states receiving one-third of the funds and local governments receiving two-thirds of the funds;

Distribute the funds primarily on the bases of formulae using population and income;

Set base and ceiling levels for funds that any one unit of local government could receive (no more than 20% and no less than 0.5% for any one unit of government from the total share for local governments within a state);

Define the types of capital improvements permitted with the use of the funds;

Set a cutoff population base in order to determine eligibility for funds (municipalities with a population of less than 35,000 and counties with a population of less than 10,000 will not be eligible);

Create a separate trust fund, authorized at $500 million annually and administered by the Department of Treasury, to fund needed capital improvement projects in local governments not eligible for other CARS funds because of population;

Respect certain, standard cross-cutting requirements with regard to auditing, civil rights, Davis-Bacon and other provisions; and

Contain a sunset provision terminating the Act at the end of Fiscal Year 1985.●

By Mr. HEFLIN:

S. 677. A bill to amend the Federal Rules of Civil Procedure with respect to the examination of prospective jurors; to the Committee on the Judiciary.

VOIR DIRE PROCEDURE

Mr. HEFLIN. Mr. President, I rise today to introduce a bill to amend the Federal Rules of Civil Procedure so to require the court to permit counsel to participate directly in the examination of prospective jurors in a civil case. This bill is similar to Senate bill 386, introduced by me earlier this session, which makes these changes in the Federal Rules of Criminal Procedure.

The reasons for these proposed changes are outlined in the statement I made on the introduction of Senate

bill 386, to which I would refer my colleagues.

Mr. President, I ask that the text of this bill be printed in the RECORD after my remarks.

Thank you, Mr. President.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 677

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Rule 47 (a) of the Federal Rules of Civil Procedure is amended to read as follows:

"(a) EXAMINATION OF JURORS.—The court shall permit the parties or their attorneys to conduct the oral examination of prospective jurors, and may, in addition to such examination, conduct its own examination. The court may impose such reasonable limitations as it deems proper with respect to the examination of prospective jurors by the parties or their attorneys, except that the defendant or his attorney and the attorney for the government may each request, and shall be granted not less than thirty minutes for such examination. In cases where there is more than one defendant, the court shall allow the attorneys for such defendants an additional ten minutes for each additional defendant.".

By Mr. QUAYLE (for himself and Mr. LEVIN):

S. 678. A bill making emergency supplemental appropriations for the fiscal year 1983; to the Committee on Appropriations.

JOBS BILL SHOULD PROVIDE JOBS

● Mr. QUAYLE. Mr. President, the emergency supplemental appropriations bill is being described as an anti-recession jobs bill by some—but I have grave doubts as to how many items in that bill deserve that label. I have expressed my concerns in a memorandum to Senator HATFIELD, chairman of the Appropriations Committee, and have suggested to him various steps that could be taken to insure that the bill really becomes what it has been labeled. A copy of that memorandum is attached to my statement.

The Appropriations Committee will mark up the bill on Monday, March 7 and it will therefore not be ready for Senate action until well into next week. I believe that the issues raised by this bill are of major importance and deserve reasoned consideration. That will not be possible, however, unless we deal with the immediate emergency that is facing us—the fact that the States will soon run out of money to pay unemployment compensation claims. Additional money must be made available by next Friday, March 11. I am therefore introducing with Senator CARL LEVIN an emergency supplemental appropriation bill that will only be sufficient to meet all the States' needs for unemployment compensation until the Easter recess. By enacting that bill immediately, we can both deal with the unemployment compensation crisis and give fair consideration to the complex issues involved in the jobs supplemental.

I ask unanimous consent that the text of my memorandum to Senator HATFIELD and the text of the bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON LABOR AND HUMAN RESOURCES,
Washington, D.C.

To: Senator MARK HATFIELD. Chairman, Senate Appropriations Committee.
From: DAN QUAYLE.
Date: March 2, 1983.

As you know, I am concerned that the Emergency Supplemental Appropriation Act actually be a constructive response to current high unemployment rates. It seems to me that any measure which promises to provide jobs as a countercyclical tool must be based on four principles:

First, it must provide a reasonable number of jobs in relationship to the proposed expenditure;

Second, it must provide those jobs during the current high unemployment period;

Third, it must concentrate jobs areas of high unemployment; and

Fourth, it must target those jobs on those hardest hit by unemployment.

It is, of course, difficult to assure compliance with these principles in the context of an appropriations bill. However, I believe that the very same conditions which justify an emergency bill require a non-traditional approach to that bill.

I therefore recommend that with respect to any appropriations account that is included in the emergency bill *because it is designed as a jobs response to the current recession,* the following provisos be added to the appropriations language:

1. No grant shall be made under the program unless the grantee certifies that funds will be used so that there will be at least one person year of direct employment for every $20,000 of funds received.

2. Funds shall be available for obligation until September 30, 1983 and for expenditure for no more than 18 months after date of obligation.

3. Funds shall be distributed so that at least 75% of the funds are distributed to States (in the case of State grant programs) or areas (in the case of direct grants to substate areas) in which the rate of unemployment for the last three months of 1982 was higher than the national average rate of unemployment.

4. No grant shall be made under the program unless 75% of the persons hired pursuant to the grant shall be certified by the local agency of the USES as unemployed and as having been unemployed for at least 15 weeks in the preceding six months.

The inclusion of such language would provide statutory safeguards that the maximum number of jobs be created, that they be created during the period when unemployment is projected to remain in the 10% range and that the jobs be targeted both to high unemployment areas and to those hardest hit by unemployment.

I believe it is important that these provisions be incorporated into the House passed bill either in the Appropriations Committee or on the floor. We are promising the American people a jobs bill and I fear that without such provisions the bill would fall short of the promises.

S. 678

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 1983;

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For an additional amount for "Advances to the Unemployment Trust Fund and Other Funds", $600,000,000 to remain available until September 30, 1984.●

By Mr. PERCY:

S. 679. A bill to establish a program to provide funds to States for the purpose of job opportunities and business stimulation, and for other purposes; to the Committee on Governmental Affairs.

JOB OPPORTUNITY AND BUSINESS STIMULATION

Mr. PERCY. Mr. President, it is my privilege to introduce today in the Senate a creative and sound approach to this Nation's unemployment problem, one which was developed and introduced in the House of Representatives by my distinguished Illinois colleague, Congresswoman LYNN MARTIN.

This legislation—H.R. 116 in the House—authorizes a new type of revenue-sharing program to be used by the States, with Governors as the key leaders in developing employment programs for the unemployed.

Our legislation provides for a 2-year program of grants to the States, with a yearly authorization of $3 billion. The funds would be allocated among the States according to a formula based one-third on population and two-thirds on wage and salary growth compared to the national average. All of the money will be under the jurisdiction of the Governor of each State. He or she will be directed to spend 50 percent of the money on qualifying employment projects in those counties of the State which have above average unemployment and below average per capita income, according to a formula spelled out in the bill. The other 50 percent can be spent in the rest of the State.

In all cases of funding, it is the Governor who determines what jobs programs will be undertaken. He must consult with the State job training coordinating council as established last year by the Job Training Partnership Act. The council is composed of business and labor representatives and of State and local officials. He must determine that the projects funded will contribute most to the creation of jobs for the unemployed in the State and, further, he is required to present an explanation of how these expenditures can be expected to increase jobs and why one particular use of funds to create jobs was chosen over another.

The funds may be used within the State for any program, project, or activity, the principal purpose of which is to increase the number of jobs available within a State or eligible county area. Some good examples of eligible activities are: Retraining dislocated workers; buying down mortgages; building industrial parks; loans or grants to businesses for equipment and modernization, et cetera. In effect, the money can be used for a host of job-creating activities similar to those funded through the UDAG, community development block grant, and EDA programs. The major difference, however, is that for the first time, all of these job stimulus activities can be considered as part of a statewide comprehensive strategy to increase employment. The other major benefit, as I see it, is that there is no limit to the creativity and initiative of the individual States in gearing job creation programs to their own unique needs.

Mr. President, I have been a supporter of general revenue sharing since I first cosponsored the first legislation for this purpose with HOWARD BAKER in 1967. Few Government programs, in my judgment, have worked as well. Within certain limits, also contained in my bill, the States are free to develop individualized responses to their own problems, unhampered by stringent categorical or formula requirements enacted by Congress to muster the necessary political support for passage. I believe that this revenue-sharing concept can be applied as well to our search for solutions to this Nation's critical unemployment problems.

Illinois problems are not the same as those in Arkansas. Within my State, Danville's problems are not the same as Quincy's. Local areas are unique in their talents, resources, employment base, and needs. Therefore, I feel that to the greatest extent possible, their response to local problems should be allowed to be unique as well.

Several times in my remarks, I have mentioned limits, and I would like to make clear what they are. Funds received under the bill cannot be used as a means of fiscal substitution, to provide social services, to displace another employed worker, or to reduce taxes. It also contains provisions similar to those in the revenue sharing and community development block grant programs to provide for public participation in the development of programs.

Mr. President, I ask unanimous consent that two tables be printed in the RECORD at the conclusion of my remarks: The first, a list of the anticipated State allocations pursuant to this legislation, and the second, a list of the allocations within the State of Illinois to counties most seriously affected by unemployment.

The situation in my State has brought us almost to the point of despair. Simply stated, and using January 1983 preliminary data, this is the bad news:

Unemployment rate

City	*Percent*
Chicago	12.7
Danville	23.6
Decatur	20.2
East St. Louis	13.6
Joliet	22.5
Kankakee	21.2
Moline	21.1
Peoria	19.5
Quincy	19.1
Rockford	25.5
Rock Island	18.9
Springfield	11.3

Our statewide unemployment rate in Illinois is 13.5 percent and, in all cases, the rate everywhere within the State is running far in excess of the national average.

I know that many different solutions have been proposed to meet our immediate unemployment problems. I add my own to expand the debate and bring to the table for discussion what I believe to be a very creative and easily implemented proposal. I commend Mrs. MARTIN for her thoughtfulness and diligence in the development of this proposal, and look forward to working with her, as well as with my Senate colleagues, on its behalf.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

STATE AREA ALLOCATIONS

	Percent of U.S. population	State area allocation based upon population	State income growth factor	Eligible States' income growth factor as percent of U.S. income growth factor	1—(D)	Population (1981)	Relative economic indicator	Each eligible State's share of funds allotted for income growth	State area allocation on basis of income growth	Total State area allocation
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
New England:										
Connecticut	0.014	13,860,000	0.181	0.586	0.414	3,134,000	1,297,476	0.021	41,580,000	55,440,000
Maine	.005	4,950,000	.259	.838	.162	1,133,000	183,546	.003	5,940,000	10,890,000
Massachusetts	.025	24,750,000	.155	.502	.498	5,773,000	2,874,954	.046	91,080,000	115,830,000
New Hampshire	.004	3,960,000	.535							3,960,000
Rhode Island	.004	3,960,000	.088	.285	.715	953,000	681,395	.011	21,780,000	25,740,000
Vermont	.002	1,980,000	.259	.838	.162	516,000	83,592	.001	1,980,000	3,960,000
Mideast:										
Delaware	.003	2,970,000	.196	.634	.366	598,000	218,868	.003	5,940,000	8,910,000
District of Columbia	.003	2,970,000	(.160)							2,970,000
Maryland	.019	18,810,000	.259	.838	.162	4,263,000	690,606	.011	21,780,000	40,590,000
New Jersey	.032	31,680,000	.165	.534	.466	7,404,000	3,450,264	.055	108,900,000	140,580,000
New York	.077	76,230,000	.012	.039	.961	17,602,000	16,915,522	.269	532,620,000	608,850,000
Pennsylvania	.052	51,480,000	.103	.333	.667	11,871,000	7,917,957	.126	249,480,000	300,960,000
Great Lakes:										
Illinois	.050	49,500,000	.093	.301	.699	11,462,000	8,011,938	.127	251,460,000	300,960,000
Indiana	.024	23,760,000	.116	.375	.625	5,468,000	3,417,500	.054	106,920,000	130,680,000
Michigan	.040	39,600,000	.108	.349	.651	9,204,000	5,991,804	.095	188,100,000	227,700,000
Ohio	.047	46,530,000	.089	.288	.712	10,781,000	7,676,072	.122	241,560,000	288,090,000
Wisconsin	.021	20,790,000	.229	.741	.259	4,742,000	1,228,178	.019	37,620,000	58,410,000
Plains:										
Iowa	.013	12,870,000	.284	.919	.081	2,899,000	234,819	.004	7,920,000	20,790,000
Kansas	.010	9,900,000	.425							9,900,000
Minnesota	.018	17,820,000	.335							17,820,000
Missouri	.022	21,780,000	.181	.586	.414	4,941,000	2,045,574	.033	65,340,000	87,120,000
Nebraska	.007	6,930,000	.335							6,930,000
North Dakota	.003	2,970,000	.700							2,970,000
South Dakota	.003	2,970,000	.365							2,970,000
Southeast:										
Alabama	.017	16,830,000	.366							16,830,000
Arkansas	.010	9,900,000	.493							9,900,000
Florida	.044	43,560,000	.730							43,560,000
Georgia	.024	23,760,000	.442							23,760,000
Kentucky	.016	15,840,000	.352							15,840,000
Louisiana	.019	18,810,000	.738							18,810,000
Mississippi	.011	10,890,000	.459							10,890,000
North Carolina	.026	25,740,000	.361							25,740,000
South Carolina	.014	13,860,000	.463							13,860,000
Tennessee	.020	19,800,000	.416							19,800,000

STATE AREA ALLOCATIONS—Continued

	Percent of U.S. population	State area allocation based upon population	State income growth factor	Eligible States' income growth factor as percent of U.S. income growth factor	1—(D)	Population (1981)	Relative economic indicator	Each eligible State's share of funds allotted for income growth	State area allocation on basis of income growth	Total State area allocation
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
Virginia	.024	23,760,000	.428							23,760,000
West Virginia	.008	7,920,000	.373							7,920,000
Southwest:										
Arizona	.012	11,880,000	.903							11,880,000
New Mexico	.006	5,940,000	.708							5,940,000
Oklahoma	.013	12,870,000	.807							12,870,000
Texas	.064	63,360,000	.942							63,360,000
Rocky Mountain:										
Colorado	.013	12,870,000	.909							12,870,000
Idaho	.004	3,960,000	.642							3,960,000
Montana	.003	2,970,000	.487							2,970,000
Utah	.007	6,930,000	.724							6,930,000
Wyoming	.002	1,980,000	1.467							1,980,000
Far West:										
California	.105	103,950,000	.422							103,950,000
Nevada	.004	3,960,000	.917							3,960,000
Oregon	.012	11,880,000	.421							11,880,000
Washington	.018	17,820,000	.496							17,820,000
Alaska	.002	1,980,000	.832							1,980,000
Hawaii	.004	3,960,000	.318							3,960,000

By Mr. SARBANES (for himself and Mr. MATHIAS):

S. 680. A bill entitled the "Gladys Noon Spellman Parkway"; to the Committee on Energy and Natural Resources.

GLADYS NOON SPELLMAN PARKWAY

Mr. SARBANES. Mr. President, I am introducing legislation today with my colleague from Maryland, Senator CHARLES MCC. MATHIAS, JR., to provide a fitting tribute to Gladys Noon Spellman, one of Maryland's most distinguished citizens. Congresswoman Gladys Spellman spent a lifetime dedicated to public service, and her years in the House of Representatives are remembered for her record of achievement and her great respect for the democratic process. She touched many lives, and this legislation pays tribute to her achievements by renaming the Baltimore-Washington Parkway in her honor.

Designation of the parkway would be an appropriate monument to a great legislator. Gladys Spellman was first elected to the U.S. House of Representatives in 1974; and with the spirit of boundless enthusiasm which characterized all of her activities, she set about the process of upgrading the Baltimore-Washington Parkway, which was then in a state of disrepair and ran through the center of Maryland's Fifth District. She guided legislation through the House Appropriations Committee, which provided funds for repairing and resurfacing the parkway. Knowing the importance of this regional transportation asset to visitors to the Nation's Capital, as well as her own constituents, she held a series of meetings to expedite planning and construction. The repaving was completed in 1976.

These efforts to improve the parkway were just a small part of her activities on behalf of regional transportation programs. She was an early and strong supporter of the regional Metrorail system, both as a member of the Prince George's County Council and later as a Member of Congress. Gladys Spellman believed in government and knew how to make government at all levels work in a spirit of cooperation and mutual concern.

In the 1982 session of the Maryland General Assembly in Annapolis, that body passed a joint resolution which requested the Maryland Department of Transportation to rename that portion of the Baltimore-Washington Parkway under the jurisdiction of the State "The Gladys Noon Spellman Parkway." The resolution further urged the U.S. Congress to pass legislation designating the Federal portion of the highway. Those of you who have driven the highway in the last 6 months should have noticed that the State has already complied with the general assembly's directions.

The fine parkway between Baltimore and Washington, the gateway to both cities and a vital transportation link, is already a monument to the unique abilities of a great legislator and the dedication and work of Gladys Spellman. Designation of the parkway as the Gladys Noon Spellman Parkway would make this tribute a permanent reality.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 680

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that Gladys Noon Spellman, elected to four terms in the House of Representatives from the State of Maryland, should be afforded recognition not only for her personal efforts in upgrading one of the Capital region's most important transportation corridors, but more broadly for the dedication, commitment, and concern she expended on behalf of the people of Maryland. The quality of her service to the public exemplifies the high ideals and principles she held paramount.

SEC. 2. The parkway, under the jurisdiction of the Secretary of the Interior, in the State of Maryland known as the Baltimore-Washington Parkway, shall hereafter be known as and designated as the, "Gladys Noon Spellman Parkway." Any reference in any sign, law, map, regulation, document, record, or other paper of the United States to such parkway shall be held to be a reference to the "Gladys Noon Spellman Parkway" and any future signs, regulations, records, maps, or other documents of the United States referring to this parkway shall bear the name "Gladys Noon Spellman Parkway." The Secretary of the Interior shall, before October 1, 1983, replace the existing signs for such parkway with appropriate signs designating the parkway as the "Gladys Noon Spellman Parkway."

SEC. 3. The Secretary of the Interior is authorized and directed in cooperation with the State of Maryland, to design and erect a suitable location adjacent to the Gladys Noon Spellman Parkway an appropriate marker commemorating the outstanding contributions of Gladys Noon Spellman.

SEC. 4. Effective October 1, 1983, there are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

By Mr. EXON:

S. 681. A bill to authorize the Secretary of the Interior to engage in a feasibility study of water resources development and for other purposes in the Central Platte Valley, Nebr.; to the Committee on Energy and Natural Resources.

PRAIRIE BEND FEASIBILITY STUDY

Mr. EXON. Mr. President, the legislation which I am introducing today would authorize a 4-year study to examine the potential for irrigation of up to 70,000 acres utilizing water from the Platte River and stabilization of ground water levels over an area of about 136,000 acres. The study, and I emphasize that it is precisely that, a

study, would also examine the potential for outdoor recreation and the enhancement of habitat for waterfowl including the sandhill crane and the endangered whooping crane.

This measure was introduced in the 97th Congress, and was included in S. 2443, which passed the Senate on October 1, 1982. This bill was amended by the House and returned to the Senate as H.R. 5536, on December 18, 1982. The bill, however, was not acted upon before the 97th Congress had adjourned. It is evident that support exists for this study in both the House and the Senate.

Mr. President, this study is important in assisting the State of Nebraska to determine an appropriate response to the critical water needs of the Central Platte Valley. Preliminary investigations have indicated that, due to declining groundwater problems and increasing energy costs to operate irrigation systems, the area of the Central Platte Valley will be forced to revert to dryland farming over the next 25 to 35 years.

The authorization of this feasibility study will provide the State of Nebraska with information to determine whether a multipurpose project will best address the problems of this area of my State. The maintenance of a reliable irrigation economy, flood protection, maintenance of the wildlife habitat for migratory birds including the sandhill and whooping cranes in addition to streamflow regulation, improved groundwater quality, and energy savings, are among the issues to be addressed.

In addition, this study should closely examine the feasibility of alternatives to the development of a multipurpose project such as the use of groundwater, which may make it unnecessary to divert surface water from the Platte River.

Mr. President, I am hopeful that, with authorization of the study, the Bureau and the local natural resource districts cooperating on this appraisal, will fully examine the impact of proposed diversions from the Platte River. Water is a scarce commodity, and litigation and controversy has escalated in recent years over the withdrawal of excessive or unreasonable amounts of surface waters. The Prairie Bend study should focus considerable attention on the average annual flow of the Platte and consider diversions which support a reasonable groundwater recharge.

The study has the strong support of the State and the Central Platte Natural Resource District has expressed a willingness to share costs on this study through both financial assistance and in-kind services amounting to nearly 40 percent of the estimated cost.

I would urge the Senate's support for this measure, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 681

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized to engage in a feasibility study for the Prairie Bend unit, Pick-Sloan Missouri River Basin program, located in Dawson, Buffalo, and Hall Counties in Nebraska for irrigation, stabilization of ground-water levels, enhancement of water quality, small community and rural domestic water supplies, management of fish and wildlife habitat, public outdoor recreation, flood control, and other purposes determined to be appropriate. Such feasibility study shall include a detailed report on any effects the proposed project may have on wildlife habitat, including habitat of the sandhill crane and the endangered whooping crane. Before funds are expended for the feasibility study, the State of Nebraska, or other non-Federal entity, shall agree to participate in the study and to share in the cost of the study. The non-Federal share of the costs may be partly or wholly in the form of services directly related to the conduct of the study.

By Mr. BUMPERS:

S. 682. A bill to amend the Agricultural Act of 1949 to modify the acreage base to be used for a farm under the acreage limitation programs for the 1983 crops of wheat, feed grains, and rice; to the Committee on Agricultuve, Nutrition, and Forestry.

FARM ACREAGE BASE STANDARDS

● Mr. BUMPERS. Mr. President, last year when we passed the Omnibus Reconciliation Act of 1982, we froze the farm acreage base at 1982 calculation levels for the 1983 crops of wheat, feed grains, and rice for those producers who wish to participate under the Federal programs for these crops. I think that this was a mistake, and today I am offering legislation to restore the acreage base standards set out in the 1981 Farm Act.

Under the Agriculture and Food Act of 1981 (Public Law 97-98), producers were eligible to establish their acreage base every year before entering a Federal limitation program for their program crop, by proving either the acreage planted on the farm to the particular crop for harvest in the crop year immediately preceding the year for which the determination was to be made or, at the discretion of the Secretary, the average acreage planted in the particular crop for harvest in the 2 crop years immediately preceding the year for which the determination was to be made. The 1981 act also removed the last vestiges of the allotment system for rice, and made available Federal program benefits to all rice producers as of the 1982 crop year.

In my State of Arkansas, as in many other States, the patterns of row crop agriculture have undergone considerable changes in the last few years and will possibly evolve further in the coming years. Wheat production has become increasingly important to Arkansas, with harvested acreage jumping from 865,000 acres in 1980 to over 1,760,000 acres in 1982 and representing production of 68,640,000 bushels in 1982, up from 32,870,000 in 1980.

We have also experienced an expansion of production of rice in Arkansas, especially in the northeast section of the State. With the opening of the program for 1982, many new rice farmers went to tremendous expense, sometimes $100,000 per farm, in readying their fields for rice production by leveling the land, installing wells and irrigation systems, and building levees. Once a farm has undergone this type of conversion it would be prohibitively costly to return to any other type of production.

Farmers entering into these new areas of production, and who took the standards in the 1981 farm bill at face value, were caught in a catch-22 situation when Congress passed last year's reconciliation bill, which included the freezing of acreage bases at 1982 levels for 1983. Under the freeze, farmers who grew a program crop except cotton under a Federal program in 1982 would have the same base for 1983. Those producers who grew outside of the program in 1982 would have to use the average base of the 1980-81 crop years. Although the freezing of the farm acreage base was intended to discourage expansion in the production of wheat, feed grains, and rice by prohibiting producers from increasing their base, and to protect traditional producers from new production, I believe that it is having an unintended effect and that we should reinstate the acreage base determinations specified in the 1981 Agriculture and Food Act.

As the law now is applied, rice producers in northeast Arkansas, who only began growing rice in 1982, are forced to grow outside of the Federal limitation program, including PIK, because they have no base. Even farmers who grew outside of the program in 1981, but who planned to establish a base for 1983, find themselves with little or no base. This is true even though these producers wish to participate in the Federal program, and it is the objective of the Government to limit agricultural production by using the announced limitation and PIK program. Farmers forced outside of Federal programs must boost production as a quasi-replacement for Federal support.

Wheat producers are faced with essentially the same dilemma. Since wheat production is relatively new, going back to an average of the 1980-81 acreage base will usually include 1 or 2 years in which the producer did not grow any wheat. By not taking

into consideration the 1982 crop year, many Arkansas wheat growers are being forced to grow outside the Federal limitation program. Both the wheat and rice farmer do not have the option of establishing bases for crops previously grown, either because the cost of converting the land was too high to revert, or 1 year of the formula would include the newly produced crop, or, as is frequently the case with wheat, the crop was a double crop and there was no other production.

Mr. President, my bill will bring us back to standards set in the 1981 Agriculture and Food Act for determining the acreage base for our farmers. I urge the Senate Agriculture Committee to act quickly and favorably on this bill.

I ask unanimous consent that the text of this bill be printed in the RECORD immediately following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Section 107B(e)(2) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(e)(2)), as amended by section 122(3) of the Omnibus Budget Reconciliation Act of 1982, is amended by striking out the sixth sentence.

(b) Section 105B(e)(2) of the Agricultural Act of 1949 (7 U.S.C. 1444d(e)(2)), as amended by section 124(3) of the Omnibus Budget Reconciliation Act of 1982, is amended by striking out the seventh sentence.

(c) Section 101(i)(5)(A) of the Agricultural Act of 1949 (7 U.S.C. 1441(i)(5)(A)), as amended by section 125 (3) of the Omnibus Budget Reconciliation Act of 1982, is amended by striking out the tenth sentence.●

By Mr. BUMPERS (for himself and Mr. PRYOR):

S. 683. A bill to modify the special payment-in-kind land conservation program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

PAYMENT-IN-KIND AMENDMENTS ACT OF 1983

● Mr. BUMPERS. Mr. President, like many of my colleagues, I welcomed the announcement by the USDA of a massive payment-in-kind program that promised to raise the prices our farmers were receiving for their commodities while, at the same time, allowing the Government to unburden itself of tremendous stocks that were costly to store and which weighed heavily over our commodity markets. Farmers in Arkansas were as enthusiastic as any in the country and potential participation was high. Even those who were not totally sold on the PIK program were as philosophical as David Hillman, Arkansas County Farm Bureau president, in noting that "when you are falling off a cliff, you're not picky about the branches you grab for."

Yet, as the PIK program began to take more definite shape, it became apparent that the USDA was conveniently overlooking a significant segment of our farmers—those who double-crop. Although double-cropping is not peculiar to any one section of our Nation, it is of particular importance to those States in the so-called Sun Belt, including its ever-increasing importance to my State of Arkansas.

By far, the most common system of double-cropping in my State is the production of winter wheat followed by soybeans. In 1982, 1,760,000, acres in Arkansas were planted in wheat and 80 percent, or 1,410,000, of these acres were followed by soybeans. This double-cropping has evolved into a necessary part of agriculture production in Arkansas, and a similar trend is being experienced throughout the South.

Under the PIK program as proposed, each farm is designated as having one base. When a farmer enters the PIK program he must set aside a certain percentage of this base, which is to be put into conservation use. However, double-croppers, in effect, can have two bases covering the same acreage, and, like all farmers, they count on both crops in their total farm plan. Yet, according to USDA, once acreage has been put into conservation use, it must remain in conservation use until the following crop year. For double-croppers interested in enrolling their wheat acreage in the PIK program this means they must continue the wheat set-aside acreage in conservation use until the following crop year. For double-croppers interested in enrolling their wheat acreage in the PIK program this means they must continue the wheat set-aside acreage in conservation use through the period of soybean production. Farmers will be compensated at the rate of 95 percent of their established yield in wheat PIK commodities for enrolling in the wheat program, but will receive nothing for the set-aside continued through the soybean production season. Many farmers are faced with the decision of laying aside a possible 50 percent of their soybeans simply to gain the PIK benefits on their wheat.

This is especially difficult for farmers in States such as Arkansas where soybeans represent the No. 1 money crop. Three times as many acres are devoted to soybeans in Arkansas as are devoted to rice, the next leading crop. All of this has had the effect of discouraging participation in the PIK program by our double-croppers at a time when acreage reduction is most needed and when our farmers are most eager to enroll in the PIK program. The situation is the same for all double-cropping where at least one program crop is involved.

My bill would equitably address the current penalty in the PIK plan for double-cropping. Farmers forced to set aside acreage through both crop production seasons will be compensated for the loss in the second crop by receiving additional PIK commodities of the program crop, above the amount allowed in the regular PIK program. This not only will make double-croppers whole and encourage participation in the PIK program, it will also allow that acreage put into conservation use to stay out of production. Those farmers with established bases for both crops will be able to use their base acreage figure to establish their compensation. Those farmers without established bases may, nonetheless, prove their history of double-cropping for 2 of the last 3 years through any reasonable evidence.

Another area of serious concern to our farmers is the quality of grain or cotton that they will receive in their PIK payment. Those farmers receiving PIK commodities are guaranteed to be paid in commodities representing a base grade or, for some, the historical area quality. If there is not enough of the particular commodity of the base quality, lower quality commodities may be substituted. To compensate for the lower quality, the PIK payment will be adjusted in quantity.

The problem arises in the determination for quantity adjustment. My bill would mandate that adjustments must be based on average price projections for the 1983 crop year instead of using comparative loan amounts with discounts or historical price data. although the loan amounts for No. 4 rice may only be slightly lower than No. 2 rice, the marketing reality for No. 4 rice may prevent producers from receiving little more than sacrificial prices. Producers receiving No. 2 rice would fare much better although the results were intended to be roughly parallel after basing the adjustments on loan comparisons.

By using 1983 price projections we can equitably devise quantity adjustments and alleviate much of the fear felt by our participating producers very concerned over the possibility of receiving poor quality commodities. Another important provision in the bill would require USDA to review the average price projections made for the particular crop year and to establish a procedure of reimbursement to farmers who were shorted in quantity adjustments, using the final average marketing price for comparison.

Mr. President, both of these issues—double cropping and quality of grain or cotton—must be dealt with if we expect the PIK program to be effective in meeting the needs of farmers in Arkansas and other States. I urge the Senate Agriculture Committee to give quick and favorable consideration to this bill.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Payment-in-Kind Amendments Act of 1983".

DEFINITIONS

SEC. 2. As used in this Act—

(1) the term "double cropping" means the practice of harvesting two agricultural commodities from the same acreage during different seasons of the same year;

(2) the term "payment-in-kind program" means a program under which the Secretary pays a producer with a quantity of an agricultural commodity to divert farm acreage from the production of an agricultural commodity and devote such acreage to conservation uses; and

(3) the term "secretary" means the Secretary of Agriculture.

DOUBLE CROPPING

SEC. 3. (a) If the Secretary establishes a payment-in-kind program and, as a condition of eligibility for payment under such program, prohibits a producer who practices double cropping from harvesting both commodities normally planted on the same acreage on the farm, the Secretary shall increase the amount of payments under such program to compensate such producer for the reduction of both commodities.

(b)(1) In order to be eligible for increased payments under subsection (a), a producer must establish that the producer practiced double cropping in at least two of the three crop years preceding the first crop year to which the payment-in-kind program applies and, but for the operation of such program, would have practiced double cropping during the current crop year.

(2) In administering this section, the Secretary shall accept any reasonable evidence of double cropping submitted by a producer, including established bases.

QUANTITY ADJUSTMENTS

SEC. 4. (a) If the Secretary establishes a payment-in-kind program for a year and adjusts the quantity of commodities provided under such program to reflect variations in the quality of such commodities, the Secretary shall base such adjustment on projected prices for such commodities for such year.

(b) If the Secretary adjusts the quantity of commodities provided under a payment-in-kind program for a year under subsection (a), within sixty days after the end of such year, the Secretary shall—

(1) determine whether actual prices for such commodities for such year were lower than projected prices for such commodities for such year; and

(2) if the Secretary determines that actual prices were lower than projected prices under clause (1), provide payments to participating producers to compensate such producers for the difference between actual and projected prices for such commodities for such year.●

By Mr. ABDNOR (for himself and Mr. MOYNIHAN):

S. 684. A bill to authorize an ongoing program of water resources research; to the Committee on Environment and Public Works.

WATER RESOURCES RESEARCH

● Mr. ABDNOR. Mr. President, I am pleased to introduce, together with Senator MOYNIHAN, the ranking minority member of the Subcommittee on Water Resources, legislation that is essentially identical to S. 2494, which passed the Senate during the 97th Congress. That bill, which was designed to augment the Federal water resources research program, failed to be considered by the House of Representatives.

Despite that failure, the Congress appropriated $14.1 million to continue a water research program for the current fiscal year. Such work, I am convinced, carries broad support within the Congress. Yet it deserves to be evaluated with care by the authorizing committees, not simply perpetuated through last minute action on an appropriations act.

The bill I am introducing today was originally a portion of S. 1095, as reported by the Committee on Environment and Public Works in 1981. Therefore, this bill can be viewed as companion legislation to another facet of that bill, the National Water Resources Planning Act of 1983, which I intend to introduce soon.

Earlier this week, the Committee on Environment and Public Works endorsed continued Federal spending in both of these areas in our recommendation to the Budget Committee for fiscal year 1984 spending.

Specifically, the bill I am introducing today authorizes a total of $8,100,000 yearly for allocation among the water resources institutes located in each State, plus another $13,000,000 in matching research grants open to qualified groups.

During the 97th Congress, numerous public witnesses before the Committee on Environment and Public Works testified in favor of a continued Federal water research program. Testimony before our Subcommittee on Water Resources has shown that any cutoff of research funds will produce serious problems for the existing network of State water resources institutes. If some of the research institutes are to be phased out—with the States assuming a larger role—this must occur over several years. If it occurred precipitously, serious disruptions in a national program of water research would result.

It is clear to me that our universities should continue to serve as the primary focus of these research activities. Each State should have its own institute to deal with State-specific water problems.

A major issue in past discussions has been a specific set-aside for saline water research. In an effort to provide as much flexibility as possible, this bill removes the specific set-aside for saline research.

My introduction of this proposal does not mean that I no longer recognize the need for fiscal restraint by our Government. We must ask for a greater financial commitment from non-Federal sources for programs such as this, as well as others. But we must, at the same time, create reasonable tools that will permit evolution in the programs to occur.

Mr. President, this is a sound bill, one that should become law. To assist my colleagues, I ask unanimous consent that a copy of the bill be printed at this point in the RECORD, together with excerpts from the report of the Committee on Environment and Public Works on this proposal in the 97th Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be cited as the "Water Resources Research Act of 1983."

SEC. 2. The Congress finds and declares that—

(a) the existence of an adequate supply of water of good quality for the production of materials and energy for the Nation's needs and for the efficient use of the Nation's energy and water resources is essential to national economic stability and growth, and to the well-being of the people;

(b) there is an increasing threat of impairment to the quantity and quality of surface and ground-water resources;

(c) the Nation's capabilities for technological assessment and planning and for policy formulation for water resources must be strengthened at the Federal, State, and local governmental levels;

(d) there should be a continuing national investment in water and related research and technology commensurate with growing national needs;

(e) it is necessary to provide for the research and development of technology for the conversion of saline and other impaired waters to a quality suitable for municipal, industrial, agricultural, recreational, and other beneficial uses; and

(f) the pool of scientists, engineers, and technicians trained in fields related to water resources constitutes an invaluable natural resource which should be increased, fully utilized, and regularly replenished.

SEC. 3. It is the purpose of this Act to assist the Nation and the States in augmenting their water resources science and technology as a way to—

(a) assure supplies of water, sufficient in quantity and quality, to meet the Nation's expanding needs for the production of food, materials, and energy;

(b) identify and find practical solutions to the Nation's water and water resources related problems, particularly those problems related to impaired water quality;

(c) promote the interest of State and local governments as well as private industry in research and the development of technology that will reclaim waste water and to convert saline and other impaired waters to waters suitable for municipal, industrial, agricul-

tural, recreational, and other beneficial uses; and

(d) coordinate more effectively the Nation's water resources research programs.

SEC. 4. (a) The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized and directed to assist the work of any water resources research and technology institute, center, or equivalent agency (hereinafter referred to as the "institute") established in the States in accordance with the terms of subsection (f) of this section.

(b) Each designated institute shall—

(1) have responsibility for planning, conducting, and/or arranging for competent research in relation to water resources, including investigations and experiments of either a basic or practical nature, or both; to promote the dissemination and application of the results of these efforts; and to provide for the training of scientists and engineers through such research, investigations, and experiments, and

(2) cooperate closely with other colleges and universities in the State that have demonstrated capabilities for research, information dissemination, and graduate training in order to develop a statewide program designed to resolve State and regional water and related land problems. Such institute shall also cooperate closely with regional consortia, as may be designated by the Secretary to increase the effectiveness of the institutes and for the purpose of regional coordination.

(c) Prior to the receipt each fiscal year of funds authorized by subsection (e) of this section, each institute shall submit to the Secretary for his approval a water research program that includes assurances, satisfactory to the Secretary, that such program was developed in close consultation and collaboration with the director of that State's department of water resources, or similar agency, and other leading water resources officials with the State, including interested members of the public. The program described in the preceding sentence shall include plans to promote research, training, information dissemination, and other activities meeting the needs of the State and Nation, and encourage regional cooperation among institutes in research into areas of water management, development, and conservation that have a regional or national character.

(d) From the sums appropriated pursuant to subsection (e) of this section, the Secretary shall make grants to each designed institute to be matched on a basis of no less than one non-Federal dollar for every Federal dollar during the fiscal years ending September 30, 1984, and September 30, 1985, one and one-half non-Federal dollars for each Federal dollar during the fiscal years ending September 30, 1986, and September 30, 1987, and two non-Federal dollars for each Federal dollar during the fiscal year ending September 30, 1988.

(e) There is hereby authorized to be appropriated to the Secretary for the purpose of carrying out this section the sum of $8,100,000 during each of the fiscal years ending September 30, 1984, through September 30, 1988.

(f) For the purposes of this section, an institute may be established at one college or university in each State, which was established in accordance with the Act approved July 2, 1862 (12 Stat. 503; 7 U.S.C. 301ff), entitled "An Act donating public lands to the several States and territories which may provide colleges for the benefit of agriculture and the mechanic arts" or some other institution designated by act of the legislature of the state concerned: *Provided,* That (1) if there is more than one such college or university in a State established in accordance with said Act of July 2, 1862, funds under this section shall, in the absence of a designation to the contrary by act of the legislature of the State, be paid to the one such college or university designated by the Governor of the State to receive the same, subject to the Secretary's determination that such college or university has or may reasonably be expected to have the capability of doing effective work under this title; (2) two or more States may cooperate in the designation of a single institute or regional institute, in which event the sums otherwise allocated to institutes in each of the cooperating States shall be paid to such regional institute.

SEC. 5. (a)(1) In addition to the grants authorized by section 4 of this Act, the Secretary is authorized to make grants, on a dollar-for-dollar matching basis, to the institutes established pursuant to section 4 of this Act, as well as other qualified educational institutions, private foundations, private firms, individuals, and agencies of local or State government for research concerning any aspect of a water-related problem which the Secretary may deem to be in the national interest, including the operation of test facilities.

(2) In cases where the Secretary determines, according to criteria established by him, that research under this section is of a basic nature which would not otherwise be undertaken, the Secretary may approve grants under this section on a matching requirement other than that specified in paragraph (1) of this subsection.

(b) Each application for a grant pursuant to this section shall state the nature of the project to be undertaken, the period during which it will be pursued, the qualifications of the personnel who will direct and conduct it, the importance of the project to the Nation as well as to the region and State concerned, its relation to other known research projects previously or currently being pursued, and the extent to which it will provide an opportunity for the training of water resources scientists. No grant shall be made under this section except for a project approved by the Secretary, and all grants shall be made upon the basis of the merit of the project and the need for the knowledge it is expected to produce when completed.

(c) The sum of $23,000,000 is authorized to be appropriated to the Secretary for the purposes of grants under this section, as well as for administration of grants under this section and grants to the institutes under section 4 of this Act for each of the fiscal years ending September 30, 1984, through September 30, 1988.

SEC. 6. The type of research to be undertaken under the authority of section 5 of this Act and to be encouraged by the institutes established under section 4 of this Act shall include, without being limited to:

(a) Aspects of the hydrologic cycle;

(b) Supply and demand for water;

(c) Demineralization of saline and other impaired waters;

(d) Conservation and best use of available supplies of water and methods of increasing such supplies;

(e) Water reuse;

(f) Depletion and degradation of ground water supplies;

(g) Improvements in the productivity of water when used for agricultural and commercial purposes;

(h) The economic, legal, engineering, social, recreational, biological, geographic, ecological, and other aspects of water problems;

(i) Scientific information dissemination activities, including identifying, assembling, and interpreting the results of scientific and engineering research on water resources problems; and

(j) Providing means for improved communication of research results, having due regard for the varying conditions and needs for the respective States and regions.

SEC. 7. Notwithstanding any other provision of law, the Secretary shall be governed by the provisions of sections 9 and 10 of the Federal Nonnuclear Energy, Research and Development Act of 1974 (Public Law 93-577; 88 Stat. 1887, 1891; 42 U.S.C. 5908-5909) with respect to patent policy and to the definition of title to, and licensing of inventions made or conceived in the course of, or under any contract or grant pursuant to this title; *Provided, however,* That subsections (l) and (n) of section 9 of such Act shall not apply to this Act: and *Provided further,* That, subject to the patent policy of section 498, all research or development contracted for, sponsored, cosponsored, or authorized under authority of this title, shall be provided in such manner that all information, data, and know-how, regardless of their nature of mediums, resulting from such research and develpment will (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be usefully available for practice by the general public.

SEC. 8. (a) Public Law 95-467 is repealed.

(b) Rules and regulations issued, prior to the date of enactment of this Act, under the authority of Public Law 95-467 shall remain in full force and effect under this Act until superseded by new rules and regulations promulgated under this Act.

GENERAL STATEMENT

S. 2494, as introduced and reported, seeks to encourage a more active partnership between the Federal Government and non-Federal water resources researchers, one that is centered at the university community. This legislation will encourage investigations of basic scientific issues that may have a regional character or application, rather than fulfilling a specific need of a Federal agency.

The Federal Government annually spends several billions of dollars to construct traditional water resources projects—dams, levees, sewage treatment plants, and river and harbor channels. According to a report of the Water Resources Research Review Committee of the National Research Council, the entire Federal Government spends only 4 percent, or $380 million, for water resources research, development, demonstration, and technology transfer. Less than half of the "research" money goes to true research. And nearly all of the research that is undertaken is mission oriented within various Federal agencies and departments.

More basic scientific research, together with research into regional problems—both encouraged by this legislation—do not fit neatly into any Federal water research effort outside this bill.

Under current law, a program similar to the one authorized by S. 2494 is operated by

the Office of Water Research and Technology (OWRT) within the Department of the Interior. OWRT helps to finance water research institutes established at 54 land-grant colleges, provides matching grants to individual researchers, and conducts its own research, development, testing, and demonstration programs, particularly in desalting technology. OWRT also maintains a clearinghouse of data and technical literature on water research. These authorities, funded recently at about $33 million yearly, come from the Water Research and Development Act of 1978 (Public Law 95-467).

The Administration's budget for fiscal year 1983, however, proposes that no funds be made available for any of the water research programs authorized by the 1978 Act. In the Committee's judgment, basic and applied water research, beyond the requirements of regulatory programs or mission oriented agencies, is needed and cost-effective.

Therefore, S. 2494 repeals that 1978 authorization, replacing it with a more focused approach centered on the 54 state institutes. In addition, the bill provides competitive matching grants to individuals and organizations to study specific water problems. The total annual authorization is $22.1 million.

The strength of the institutes is their location within the university community, a location where a multitude of disciplines can be concentrated on water problems, offering new and innovative approaches. This approach also disperses funds among institutes in every state, assuring the widest possible geographic search for information—from new drip irrigation techniques in the desert Southwest to lake-cycle research in the Northeast.

Yet the Committee recognizes the need to augment the strength of some of this state-based research work on water. The bill gradually requires an increased non-Federal contribution, and requires that a portion of that contribution be made in cash. Thus, those states and those universities that are less seriously committed to an effective water research program may be forced to drop out of the program.

S. 2494 also encourages greater regional cooperation among the water institutes, as well as among the states. While the States are effective participants in the national effort to improve the utilization of our water resources, their value could be increased in some cases when they work together to manage their water resources on a regional basis.

For example, in phasing-out the Federal operation of the existing OWRT desalting facilities, the Secretary of the Interior is encouraged under this bill to transfer these facilities to the control of individual state institutes, or a regional consortium of institutes, which would then operate them. Thus, the expertise would not be lost, with emphasis on a new regional non-Federal approach. These facilities, of course, would be eligible for matching funds under this Act.

This bill also authorizes a general water research matching grant program that is available to scientific experts, both individuals or groups. Through a competitive approach, the Committee expects the Secretary of the Interior to define and direct funds to the Nation's most pressing water research needs.

In implementing the new approaches in this legislation, the Secretary of the Interior should review the "Federal Water Resources Research: A Review of the Proposed Five-Year Program Plan," prepared last year by the Water Resources Research Review Committee of the Commission on Natural Resources, National Research Council. In addition, the Secretary is invited to return to the Congress with proposals for a more effective and coordinated plan for water resources research. This would enable Congress to examine the program in preparation for possible legislation once this new five-year law would expire.

Under present law, there is separate funding for the basic water research program and the program focused on saline water problems. This legislation combines funding to assure greater flexibility in selecting those research proposals that have the highest priority. Improvements in deasalting technology may offer an opportunity for improving the quality of water pumped from underground aquifers for use in households, industry, and agriculture. The bill does not amend the existing authority pursuant to Public Law 95-84 and Public Law 96-457 to construct demonstration desalination plants.

SECTION-BY-SECTION ANALYSIS

Section 1 of the bill declares that the bill shall be cited as the "Water Resources Research Act of 1982."

Section 2 states a number of Congressional findings relating to the national interest in water resources research. This section describes the existing problems with water resources utilization, expecially the impairment of the quality of both surface and ground-water resources, and its consequent effect on available water supply. This section also defines the need to strengthen the skills and research capabilities of technical personnel related to water resource needs throughout the nation.

Section 3 declares that the purpose of the bill is to augment basic water resource research and to direct such research toward practical solutions of our nation's water problems.

Section 4 establishes a modified approach to the Federal support of the various water research institutes located at 54 land-grant colleges in every state as well as the District of Columbia and three territories. The section encourages a greater non-Federal financial commitment to each research institute.

The present program of grants to the institutes requires no specific cash contribution by the non-Federal sponsor, and establishes a maximum level of funding per institute.

S. 2494 makes two changes in that approach. During the initial two years, Federal funds must be matched on a one-to-one basis with non-Federal funds. In fiscal years 1985 and 1986, the non-Federal match increases to three-to-two; in fiscal year 1987, the match would be two non-Federal dollars to each Federal dollar. The non-Federal share for each institute need not to be entirely in cash, but can be partially contributed in-kind.

The bill also authorizes the Department of the Interior to distribute $8,100,000 among the research institutes during each of five fiscal years. If all institutes continue to participate, each of 54 institutes would receive $150,000 annually. If several institutes should decide not to participate, due to the increasingly strict non-Federal requirements, the $8,100,000 would be available to be distributed equally (and matched) among fewer institutes. Thus, there is the possibility that more than $150,000 yearly would be available to each institute, permitting the program to keep up with inflation.

The grants to the institutes can be made only after an institute submits a water research program, which contains assurances that the program was developed in close coordination with that State's department of water resources. This section also contains technical language to require that institutes be established only at a land-grant university or some other institution designated by act of the state legislature. There can be only one institute in a state.

Section 5 authorizes $13,000,000 annually for specific water research project grants on a wide variety of water problems listed in Section 6. These grants will be available to any qualified individual or group. This includes, but is not limited to: State institutes, other universities, private or public corporations, river basin commissions, and foundations. The Secretary will award these research grants on a competitive basis. They must be matched on a one-to-one basis by non-Federal funds. In the case of basic research, which might otherwise not be undertaken, the Secretary of the Interior may adjust the matching requirement, as appropriate, to a higher Federal share. For the purposes of this section, basic research is that which is undertaken for the purpose of increasing knowledge or understanding of a subject without specifying the use of the results.

Section 6 specifies the type of research, from the basic hydrologic processes to conservation and reuse, that will be eligible for a section 5 research grant and which the section 4 institute programs should encourage. Work to disseminate or interpret scientific information is another important activity eligible for funding under this section.

Section 7 requires that information developed by water resources investigators under a grant authorized by section 4 or 5 be available to the general public.

Section 8 repeals the Water Research and Development Act of 1978 (Public Law 95-467), which expires at the end of fiscal year 1982.●

By Mr. QUAYLE:

S. 685. A bill to provide savings in the Federal Employees Compensation Act, and for other purposes; to the Committee on Labor and Human Resources.

FEDERAL EMPLOYEES COMPENSATION AMENDMENTS ACT

● Mr. QUAYLE. Mr. President, I am today introducing a bill to amend the Federal Employees Compensation Act (FECA), the Government's worker's compensation system for its own civilian employees. FECA provides compensation-wage replacement income, medical benefits, and death benefits to survivors for job-related injuries and death.

This bill is based on a measure which I introduced during the 97th Congress. As in my earlier bill, these two amendments will provide savings in the administration of the act, first, by elimination of the continuation-of-pay provision, and second, in changing the method by which the cost-of-living adjustment is computed. It seems to me that these changes make eminent sense today as they did in 1981 and

continue to be worthy of our consideration.

I introduce this bill today to give my colleagues and other interested persons an opportunity to study it. I am also requesting both the administration and the Congressional Budget Office to provide a cost estimate of the proposal. I shall briefly describe the two amendments and give the rationale for the proposal:

Continuation-of-pay allows a Federal employee who is injured on the job to receive his full wages while his disability claim is under adjudication. The employee may receive his wages for up to 45 days. The Federal system payments are made without any adjudication that the claim is a meritorious one. Since the continuation-of-pay provision was enacted in 1974, the number of claims submitted has risen dramatically. In 1976, 70,000 employees received continuation of pay without any reduction in the regular claims load of 40,000 claims. By 1977, the GAO reported that claims had risen by over 70 percent in the aggregate. By fiscal year 1980, over three-quarters of a billion dollars in compensation and medical payments were made to Federal civilian employees. This amazing increase in the amount of money expended has occurred during a time when safety efforts in Federal workplaces have increased, and the size of the civilian Federal work force has remained relatively constant.

The second amendment to the Federal Employees Compensation Act would change the formula by which cost-of-living adjustments are computed. Cash compensation to long-term beneficiaries of the Federal employees compensation program is currently indexed to the Consumer Price Index while Federal wages increase at a much slower rate. From 1974 to 1980, compensation payments increased by 90 percent while salary levels increased by 60 percent. As a result, compensation becomes an ever higher percentage of pay with the inevitable effect that the injured employee has even less incentive to return to work.

This bill changes the formula to limit automatic compensation increases to an amount consistent with the pay adjustments made to general schedule employees or to changes in the Consumer Price Indexed, whichever is less, so as not only to save on payments but also to preserve work incentives.

The need for these changes is great. In these times of economic stringency we cannot afford to permit this inequity in FECA to be continued.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1)(A) section 8118 of title 5, United States Code, is amended to read as follows:

§ 8118. Election to use annual or sick leave

"An employee may use annual or sick leave to his credit at the time the disability begins, but his compensation for disability shall not begin, and the time periods specified by section 8117 of this title shall not begin to run, until the use of the annual or sick leave ends."

(B) The analysis for chapter 81 of such title is amended by striking out the item relating to section 8118 and inserting in lieu thereof the following new item:

"8118. Election to use annual or sick leave."

(2) Section 8145 of title 5, United States Code, is amended—

(A) by inserting "(a)" before "The", and

(B) by adding at the end thereof the following new subsection:

"(b) In order to insure the prompt determination of claims for eligibility under this subchapter, the Secretary may, with the consent of a Federal agency, use employees of such agency to make any initial determination under section 8124(a) of this title, subject to review under section 8124(b) or 8128 of this title.".

(3) The amendments made by this subsection shall apply to individuals who become disabled as a result of injuries occurring after September 30, 1981.

(b)(1) Subsection (a) of section 8146a of title 5, United States Code, is amended to read as follows:

"(a) Compensation payable on account of disability or death which occurred more than one year before March 1 of each year shall be annually increased on that date by an amount equal to the lesser of—

"(1) the amount determined by the Secretary of Labor to represent the percent change in the price index published for December of the preceding year over the price index published for the December of the year prior to the preceding year, adjusted to the nearest one-tenth of 1 per centum, or

"(2) the amount determined by the Secretary of Labor to represent the overall percentage adjustment in the rates of pay under the General Schedule which took effect under section 5305 of this title for the first applicable pay period commencing on or after October 1 of the preceding calendar year.".

(2) The amendment made by this subsection shall apply with respect to adjustments made on or after the date of the enactment of this Act.●

By Mr. QUAYLE:

S. 686. A bill to amend the Age Discrimination in Employment Act of 1967 to eliminate the upper age limitation of 70 years of age, to make procedural reforms, and reinstate the tenured faculty exemption, and for other purposes; to the Committee on Labor and Human Resources.

AGE DISCRIMINATION IN EMPLOYMENT AMENDMENTS OF 1983

● Mr. QUAYLE. Mr. President, today, I am introducing the Age Discrimination in Employment Amendments of 1983. This is identical to the bill I introduced during the last Congress to amend the age Discrimination in Employment Act of 1967. My bill eliminates the upper age limitation of 70 years of age, makes procedural reforms, and reinstates the tenured faculty exemption.

There are, and will be, other bills to deal with this issue. I have met with others and discussed various approaches to amending the ADEA. I have decided that there is still a need to reintroduce my proposal, which is drafted on the premise that all issues should be put on the table so that when the committee and the Congress decide to act, it will be after a full attaining of the issue.

My bill has three major purposes: The first is to remove the current 70-year cap on the protections afforded by the Age Discrimination in Employment Act; the second is to make procedural reforms in the enforcement provisions of the act to make it more consistent with other employment discrimination statutes; and the third is to restore the exemption from the ban on mandatory retirement for tenured faculty members, which expired last year, on July 1, 1982.

LIFTING THE AGE 70 CAP

Under present law, protection against age discrimination is limited to individuals age 40 to 69. My bill removes the upper age restriction to include all individuals over the age of 69. This amendment is premised on the right of older workers to continue working, if they are able and willing to do so, and is supported by the fact that conditions which once justified encouraging early retirement of older workers are changing. Demographic projections indicate that we will have an increasingly older work force, while at the same time an increasing number of jobs do not require great physical stress and take place in an office setting. Increasing opportunities for older workers is thus not only a matter of equity for the workers but also makes commonsense in terms of labor market changes. It also has the potential of providing relief for the hard-pressed social security system.

Over the coming decades, the age distribution of our population will be shifting dramatically. The absolute number of older people in our society will increase and both the public and private sectors will need to pay more attention to the concerns of older workers. While the percentage of older Americans will not change from the current level for the balance of this century, the number of older workers is likely to increase dramatically in the early years of the 21st century.

This change in the structure of the available work force will have great implications for older workers. In the past, the great influx of younger workers created enormous pressure to remove older workers from the labor force. In the future, the demographics

will work in favor of retaining older workers and labor market needs will require their utilization. Yet, few trends in the 20th century have been more pronounced than the decline in the labor force participation rates of older persons.

The participation rates of older workers—especially men—have been declining at an alarming rate for the past 20 years. The labor force participation rate for men age 65 and over has dropped from 34 percent in 1960 to less than 20 percent in 1981. For men age 55 to 64, the rate has dropped 15 percent over the last 20 years. The participation rate for women over age 65 has always been and still remains very low. In contrast, recently there has been an increase in the number of women age 55 to 64 entering the labor force.

These statistics and trends have been available for many years and have been stated countless times in testimony before Congress and in studies presented by the Department of Labor.

With an increasingly older population, greater attention will be given to Federal policies which intentionally or unintentionally restrict participation in the work force by older Americans. We must encourage more flexible arrangements for continued work. Removal of the 70 year age cap is a necessary step in encouraging continued labor force participation of older workers.

Also, I believe, as a matter of principle, that no American should be forced to retire at a set age without regard to physical or mental condition. Ability, not age, should be the guiding criteria in developing a retirement policy. Recent surveys show that 9 out of 10 Americans oppose, as I do, forced retirement because of age. An individual who desires to continue working should be permitted to do so, if capable.

During the last Congress, it was suggested that we should prohibit age discrimination against employees over age 69 with respect to mandatory retirement but not with respect to hiring and promotion. However, I believe that the act should be amended to prohibit age discrimination in all areas of employment policy for individuals over the age of 69.

How can we prohibit age discrimination in some areas of employment policy and permit it in others? How can we protect an individual from age discrimination by prohibiting mandatory retirement and, yet, permit age discrimination against another individual, the same age, who is seeking work? This confusing situation would only lead to lengthy litigation that would be an additional burden on the courts. My bill amends the ADEA to prohibit arbitrary discrimination on the basis of age in all areas of employment policy, including hiring, firing, and promotions.

I do not wish to suggest that the aging process does not affect an individual's capabilities. For this reason I would like to emphasize that "arbitrary" is a key word in the legislative history of the act. In 1965, Willard Wirtz, as the Secretary of Labor, presented the findings of a study on the evidence of age discrimination in our society, which subsequently led to enactment of the ADEA. Secretary Wirtz carefully distinguished between arbitrary discrimination where there is no factual basis for assumptions about the effect of age on an individual's ability to do a job and those cases where there is in fact a demonstrable relationship between age and ability to perform a job. For this reason, the ADEA permits exemptions to the prohibitions of the act which are based on reasonable factors other than age and bona fide occupational qualifications. These provisions will continue to enable employers to take necessary personnel actions in those cases where age does affect an individual's ability to perform a job.

REVISING THE ENFORCEMENT PROCEDURES

I believe that what is appropriate as an individual's remedy for discrimination on account of race or sex or national origin is also appropriate for discrimination based on age. That is why I have revised the enforcement procedure so as to eliminate the jury trial and liquidated damage provisions taken from the Fair Labor Standards Act and replaced them with equitable relief provisions as found in other antidiscrimination statutes.

The current enforcement provisions of the ADEA are modeled on those of the Fair Labor Standards Act—the Federal minimum wage law—which are geared to enabling plaintiffs to recover the wages that they have been underpaid, that is, to get a money judgment. In such actions for money damages, the right to a jury trial is, of course, appropriate and even constitutionally required. But the purpose of an antidiscrimination statute, such as the ADEA, is not to collect money damages; it is to change the nature of employment practices. Therefore, the remedies in antidiscrimination laws—most importantly title VII of the Civil Rights Act—are geared to equitable relief, to orders for future compliance for which back pay may be an appropriate auxiliary remedy. Such actions are not appropriate for jury trial.

These amendments are particularly necessary because of the legislative history of the act and its implementation. Prior to Reorganization Plan No. 1 of 1978, the ADEA was administered by the Department of Labor, which also administers the FLSA. There was, therefore, at least some logic in having similar enforcement for the two statutes. But the reorganization plan transferred administration of ADEA to the Equal Employment Opportunities Commission and the same logic that supported the transfer dictates the revision of the enforcement procedures.

Like title VII, the emphasis in the ADEA is on voluntary compliance through informal methods of conciliation, conference, and persuasion. Liquidated damages encourage complainants to litigate and discourage informal resolution of lawsuits.

RESTORING THE TENURED FACULTY EXEMPTION

When the ADEA was amended in 1978 to extend the protections of the act from age 65 to age 70, a temporary exemption for tenured faculty was provided so that such faculty could continue to be retired at age 65. At that time, the rationale given for the exemption of tenured faculty was that for the foreseeable future the number of available positions would be closely related to the number of retirements, thereby making it difficult to employ younger professors. The exemption expired last year, on July 1, 1982. However, the situation is the same today as it was in 1978 and will continue to be a problem in the foreseeable future.

The tenure system presents a unique case among professions because it is a contract which insures that faculty members are guaranteed employment and acquire academic freedom—the freedom to think, study, teach, and write without fear of reprisal. This guarantee is granted in exchange for a set retirement date. If we do not restore this exemption colleges and universities will be faced with a choice between two very undesirable options.

If mandatory retirement for tenured faculty is eliminated, colleges and universities could elect to keep the tenure system as it now functions essentially intact. The result would be that individuals would have the assurance of continued employment, for life—with harmful effects on education, on the advancement of new faculty members, and on the academic enterprise as a whole. Another alternative would be to eliminate tenure, or substantially alter it, perhaps by introducing periodic reviews of competence—with chilling effects on academic freedom and consequently, on teaching, faculty morale, and the advancement of knowledge.

A stipulated mandatory retirement age has the important advantage of allowing institutions to achieve the positive benefits which tenure provides while simultaneously assuring some regular degree of turnover. It also permits far more humane conclusions to careers than would otherwise occur if senior faculty members had to be told by their colleagues when they were no longer fit to teach. Tenure is an effective device to assure academic vitality, but it probably will not endure in the

absence of a mandatory retirement age.

I ask unanimous consent that the text of the bill be inserted at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 686

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Age Discrimination in Employment Amendments of 1983".

SEC. 2. (a)(1) Section 7(b) of the Age Discrimination in Employment Act of 1967 is amended to read as follows:

"(b)(1) The provisions of this Act shall be enforced in accordance with the provisions of this subsection and subsection (c) of this section.

"(2) The Commission shall, upon receiving a complaint or as a result of investigations, attempt to eliminate the discriminatory practice or practices alleged, and to affect voluntary compliance with the requirements of this Act through informal methods of conciliation, conference, and persuasion.

"(3) Any person claiming to be aggrieved by an act prohibited under section 4 of this Act or the Commission may bring a civil action for such equitable relief as will carry out the purposes of this Act. If the court finds that the respondent has engaged in or is engaging in acts prohibited under section 4 of this Act charged in the complaint, the court may enjoin the respondent from engaging in acts prohibited under section 4 of this Act, and order such equitable relief as may be appropriate, which may include reinstatement or hiring of employees, with or without back pay (payable by the employer, employment agency, or labor organization, as the case may be, responsible for the acts prohibited under section 4 of this Act).

"(4) The right of any person to bring or maintain such action shall terminate upon the commencement of an action by the Commission to enforce the right of such employee under this Act.".

(2) Section 11 of such Act is amended by adding at the end thereof the following:

"(j) The term 'Commission' means the Equal Employment Opportunity Commission.".

(b) Section 7(c) of such Act is amended to read as follows:

"(c) Each United States district court subject to the jurisdiction of the United States shall have jurisdiction of actions brought in such court under this Act. Such an action may be brought in any judicial district in the State in which the prohibied acts are alleged to have been committed, in the judicial district in which the employment records relevant to such practice are maintained and administered, or in the judicial district in which the aggrieved person would have worked but for the alleged prohibited acts, but if the respondent is not found within any such district, such an action may be brought within the judicial district in which the respondent has his principal office. For purposes of sections 1404 and 1406 of title 28 of the United States Code, the judicial district in which the respondent has his principal office shall in all cases be considered a district in which the action might have been brought.".

SEC. 3. Section 12(a) of the Age Discrimination in Employment Act of 1967 is amended by striking out "but less than 70 years of age".

SEC. 4. (a) Section 12(c)(1) of the Age Discrimination in Employment Act of 1967 is amended by striking out "but not 70 years of age".

(b) Section 12 of such Act is amended by adding after subsection (c) the following new subsection:

"(d) Nothing in this Act shall be construed to prohibit compulsory retirement of any employee who has attained 65 years of age, and who is serving under a contract of unlimited tenure (or similar arrangement providing for unlimited tenure) at an institution of higher education (as defined by section 1201(a) of the Higher Education Act of 1965).".

SEC. 5. The amendments made by section 2 of this Act shall take effect with respect to civil actions brought after the date of enactment of this Act. The amendment made by section 3 of this Act shall take effect on January 1, 1983, or six months after the date of enactment of this Act, whichever is later. The amendment made by section 4 of this Act shall take effect on July 1, 1982.●

By Mr. HEINZ (for himself, Mr. DIXON, Mr. BYRD, Mr. SPECTER, Mr. PERCY, Mr. LEVIN, Mr. RIEGLE, Mr. RANDOLPH, Mr. SARBANES, Mr. PELL, and Mr. GLENN):

S. 687. A bill to amend the Federal Supplemental Compensation Act of 1982 to increase the number of weeks of compensation; to the Committee on Finance.

ADDITIONAL UNEMPLOYMENT COMPENSATION

● Mr. HEINZ. Mr. President, today I am introducing legislation to provide as many as 65 additional weeks of unemployment benefits to workers who, having lost their jobs during this recession through no fault of their own, are compelled to continue to rely on Federal unemployment compensation payments as their principal source of income. The additional weeks of Federal supplemental compensation are weighted according to the degree of severity of the insured unemployment rate in a State.

The Department of Labor estimates that the existing Federal supplemental compensation program will have assisted over 2 million claimants before it automatically terminates on March 31 of this year. Under the existing program, five levels of benefit duration are provided:

First, 16 weeks of FSC in States with an insured unemployment rate (IUR) of 6 percent or above (13 States):

Second, 14 weeks of benefits in States with less than a 6-percent IUR if a State was eligible for extended benefits anytime between June 1, 1982, and January 6, 1983 (24 States);

Third, 12 weeks of benefits in States with less than a 6-percent IUR, but at least 4.5 percent or if the State becomes eligible for extended benefits after January 6, 1983 (one State);

Fourth, 10 weeks of benefits in States where the IUR is below 4.5 percent but not below 3.5 percent (eight States); and,

Fifth, 8 weeks of benefits in all other States (six States).

To render a simpler description of the existing program, individual entitlements for total unemployment benefits range from 34 weeks of benefits in States with the lowest rates of unemployment to 55 weeks of benefits in States with the highest levels of insured unemployment.

Mr. President, my legislation would expand the number of weeks of Federal supplemental compensation available under the existing program. In short, individual entitlements for total unemployment benefits would, under this bill, range from 36 weeks of benefits in States with the lowest rates of unemployment to 65 weeks of benefits in States with the highest levels of insured unemployment.

Specifically, this bill would continue the existing five tiers of benefit levels according to the following new schedule:

First, 26 weeks of FSC in States with an IUR above 6 percent;

Second, 22 weeks of FSC in States where the IUR is below 6 percent and the State was previously eligible for extended benefits;

Third, 18 weeks of FSC in States with an IUR between 4.5 percent and 6 percent or if the State triggers onto extended benefits;

Fourth, 14 weeks of benefits in States where the IUR is between 3.5 percent and 4.5 percent; and,

Fifth, 10 weeks of benefits in all other States.

In addition, this legislation would extend the existing FSC program for an additional 6 months, through the end of this fiscal year.

Mr. President, this legislation addresses a clear emergency. Over 2 million American citizens, with long work histories, are simply unable to find a job. These Americans want nothing more than to return to work, but employment opportunities are limited. Unless additional weeks of unemployment benefits are provided to them, they will have no other source of income to tide them over until they can find a job. Overall, as counted by conventional measures not recording those discouraged workers who have given up looking for work, more than 11 million Americans are unemployed. Most of our unemployed receive benefits for only a relatively short time before finding another job; but, in certain regions, and in certain industries, the unemployment experience of many Americans has been prolonged agony.

The President is not incorrect when he asserts that the economy is "on the mend." The national unemployment rate for January was down 10.4 percent, down from 10.8 percent in January. That is welcome news. However, the economy is not mending in all

States at the same pace. In fact, in my home State of Pennsylvania, the unemployment rate went up in January by a full percentage point, to 13.6 percent.

Even the most optimistic projections foresee unemployment remaining above 8 percent nationally through 1984. It is critical that we pursue jobs creation to stimulate employment. It is heartening that the President has endorsed a jobs bill. It is important that we lower the budget deficit to keep interest rates low to sustain recovery. It is equally critical that the Federal Government provide a safety net for those individuals who have been particularly hard hit by the recession, and for whom employment initiatives will be too little and too late.

Mr. President, I would remind my colleagues that under Presidents Nixon and Ford this Government provided 65 weeks of unemployment compensation to unemployed individuals with long histories of work force participation. During those years, unemployment was far less severe than it is today. In addition, recoveries from those economic downturns were predicted to be much more vigorous than the recovery predicted from this recession.

I urge my colleagues to endorse this modest proposal to assist our unemployed neighbors, and will be pleased to consider any modifications to this legislation which would improve it.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.●

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 687

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 602(e) of the Federal Supplemental Compensation Act of 1982 is amended—

(1) in paragraph (2)(A)(i), by striking out "65 per centum of";

(2) in paragraph (2)(A)(ii), by striking out "a" and inserting in lieu thereof "10";

(3) in paragraph (2)(B)(i), by striking out "by substituting '16' for '8' " and inserting in lieu thereof "by substituting '26' for '10' ";

(4) in paragraph (2)(B)(ii), by striking out "by substituting '14' for '8' " and inserting in lieu thereof "by substituting '22' for '10' ";

(5) in paragraph (2)(B)(iii), by striking out "by substituting '12' for '8' " and inserting in lieu thereof "by substituting '18' for '10' ";

(6) in paragraph (2)(B)(iv), by striking out "by substituting '10' for '8' " and inserting in lieu thereof "by substituting '14' for '10' "; and

(7) by striking out paragraph (3).

(b)(1) Section 602(f)(2) of such Act is amended by striking out "March 31, 1983" and inserting in lieu thereof "September 30, 1983".

(2) Section 605(2) of such Act is amended by striking out "April 1, 1983" and inserting in lieu thereof "October 1, 1983".

(c)(1) Section 602(b) of such Act is amended in the matter following paragraph (2) by inserting "most recently" before "exhausted his rights".

(2) Section 602(d)(3) of such Act is amended by inserting "for any benefit year" after "compensation payable".

(d) The amendments made by subsections (a), (b), and (c) shall apply to Federal supplemental compensation payable for weeks beginning on or after the date of the enactment of this Act. In the case of any eligible individual to whom any Federal supplemental compensation was payable for any week beginning prior to such date of enactment and who exhausted his rights to such compensation (by reason of the payment of all the amount in his Federal supplemental compensation account) prior to the first week beginning on or after such date of enactment, such individual's eligibility for additional weeks of compensation by reason of the amendments made by this section shall not be limited or terminated by reason of any even, or failure to meet any requirement of law relating to eligibility for unemployment compensation, occurring after the date of such exhaustion of rights and prior to the date of the enactment of this Act (and such weeks shall not be counted for purposes of determining the expiration of the two years following the end of his benefit year for purposes of section 602(b) of the Federal Supplemental Compensation Act of 1982).

(e) The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which he has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by this Act. Notwithstanding any other provision of law, if any State fails or refuses, within the three-week period beginning on the date the Secretary of Labor proposes such a modification to such State, to enter into such a modification of such agreement, the Secretary of Labor shall terminate such agreement effective with the end of the last week which ends on or before such three-week period.

● Mr. SPECTER. Mr. President, I am pleased to join with my colleague, Senator HEINZ, in offering legislation that would extend Federal supplemental unemployment benefits an additional 10 weeks for those workers who have exhausted all assistance.

More than 700,000 Pennsylvanians remain jobless. Our home State suffers from the second greatest number of unemployed in the Nation. It would be unconscionable for us to ignore the desperate plight of these thousands of individuals who have become unemployed through no fault of their own and who continue in their search for new jobs—but find none.

The Congress has embarked on a formidable effort to provide productive jobs for the women and men who are unemployed. I am hopeful that we will move quickly to enact an effective emergency jobs package. Meanwhile, we must continue to give relief to those Americans who will expend all compensation payments due them. To that end, I earlier introduced legislation with Senator LEVIN to extend the current benefits program an additional 6 months. This bill will supplement that legislation.

Those individuals who will be eligible for these additional 10 weeks have earned them. Unemployment compensation is not a dole; it is an insurance fund, into which these workers contributed during the many months and years of their employment. The beneficiaries of this program both need and deserve this assistance; it is our responsibility to provide it.

Granted, extending the duration of unemployment compensation benefits will not put all of these people back to work; nonetheless, extending benefits will ease the burden of joblessness and instill some certainty in their very cloudy future. The Department of Labor estimates that 2 million individuals will benefit from the current supplemental benefits program; each week more people are losing their eligibility and exhausting these payments.

Now is the time to allay these fears. Now is the time to insure that assistance will be provided during this transitional period for those who have suffered the longest. I am confident the legislation we introduce will help fill this need.●

● Mr. LEVIN. Mr. President, I am pleased to be a cosponsor of the legislation introduced today by Senators HEINZ and DIXON to extend the current Federal supplemental compensation program through September 30, the end of the fiscal year, and to increase the number of weeks of benefits for which individuals are eligible.

For my State of Michigan, which has an unemployment rate of 15.5 percent and is now into its 39th consecutive month of double digit unemployment, this legislation is an essential response to a dire need. Failure to pass this legislation would mean that after March 31, the maximum number of weeks of unemployment benefits in Michigan would drop from 55 to 39. I have already introduced legislation, cosponsored by Senators SPECTER, HEINZ, and DIXON, among others, which would extend the current FSC program through September 30. With an average of 14,000 people exhausting their first 39 weeks of benefits each month in Michigan, termination of the FSC program on March 31 would take away from the long-term unemployed the life preserver which has put food on their tables and lessened the anxiety in their hearts. We cannot allow this to happen.

This legislation would also increase the maximum weeks of unemployment benefits from 55 weeks to 65 weeks.

For Michigan this means that the 4,000 people who on an average are exhausting all their unemployment benefits each week would receive additional assistance. This is both a step forward at the same time that it is not unprecedented. It is not a departure from the past because for a time in the 1970's individuals were eligible for 65 weeks of unemployment benefits, even with an unemployment rate which was significantly below what it was today. But it is also a step forward because it is now reasonable to think that this legislation has a chance of being approved by the Congress when this session of the Congress began, and we introduced legislation to extend the FSC program, I had serious doubts as to whether it would be possible to do anything more than extend the current program beyond March 31.

Since then, however, the House Ways and Means Committee has approved similar legislation providing up to 63 weeks of benefits and it appears likely that it will pass the full House as well. This is a good indication that people throughout the country are becoming aware of what people in Michigan and Pennsylvania and Illinois have known all along—the economy is sick and we had better care adequately for its victims until it gets better. This legislation would not do the whole job by itself, but it is important for the country and essential for those among the unemployed who are on the doorstep of despair.●

● Mr. DIXON. Mr. President, I am pleased to join my good friend and colleague, JOHN HEINZ, in cosponsoring this bill, which will extend the current Federal supplemental compensation program through the end of this fiscal year. In addition, it will provide 10 more weeks of benefits in States with the highest rate of unemployment, thereby increasing the total number of weeks available to 65 in some States.

The bill will also add 8 weeks to States currently eligible for 14 weeks, of a total of 22; 6 weeks will be added to those States currently eligible for 12, for a total of 18 weeks; 4 more weeks for States currently paying 10, for a total of 14; and 2 more weeks for those States qualifying for 8, for a total of 10 weeks.

The eligibility criteria are identical to the FSC program as it was most recently extended, last December, based on a State's insured unemployment rate. Currently, 17 States will receive the maximum number of weeks, based on an insured rate above 6 percent. They are: Alabama, Alaska, Arkansas, Idaho, Illinois, Kentucky, Michigan, Mississippi, Montana, Ohio, Oregon, Pennsylvania, Rhode Island, Vermont, Washington, West Virginia, and Wisconsin.

I joined Senator LEVIN as a cosponsor of the simple extension of the FSC program last month. I believe that at a bare minimum, that is what needs to be done, which I so stated on January 27. However, that bill does not address the issue of over 2 million people who have or will have exhausted all benefits by March 31, 1983.

There is a precedent for this 65-week maximum, as I have pointed out before. I think it merits repeating.

In 1975, under President Gerald Ford, the FSC program was extended to provide a maximum of 65 weeks of coverage under all levels of unemployment benefits. The unemployment rate when this was done was 8.8 percent.

In 1974, again, under President Ford, with a national unemployment level of 7.1 percent, a total of 52 weeks of coverage was available, 26 of which were federally paid benefits, which is the maximum that the most beleaguered States would receive under this bill.

This is a bipartisan effort to address what we all realize is a problem that will not go away.

The administration's projections for the remainder of the year are for unemployment rates to continue over 10 percent. They are saying recovery is beginning, and I certainly hope it is, but unemployment will be the last to improve; 12 million workers will not believe the economy is recovering until they are working again—providing for their families again—seeing a ray of hope again.

We have a basic responsibility to see that the basic needs of individuals are met. I am encouraged that the administration has finally joined many of us in support of an extension of this program beyond the expiration date of March 31, but it is really not enough.

What will we say to the more than 2 million people who have or will have exhausted all benefits by March 31—3 weeks from today—when they have nowhere else to turn? Two million people who have worked and contributed to their communities before they lost their jobs?

A few weeks ago, the Chicago Tribune published a full page article entitled, "From the Middle Class to the Soup Kitchen." The article points out that the people that are taking advantage of meal-sites and food pantries created by charitable organizations are not street people, but people who used to work and care for themselves. The increases are startling.

In Aurora, Ill., with a county unemployment rate of 12.6 percent—60th out of 102 counties in our State—they are now serving 120 to 140 people. Last July, 20 people took their meals there.

About 2 years ago, in DuPage County, there were 16 food pantries. Now, with an unemployment rate of only 8.4 percent, one of the lowest in the State, there are 30.

These people are classified as the "new poor." They are proud people and do not like to come to these places for handouts. But they do, because they cannot afford to buy food. A substantial portion are Vietnam veterans.

The U.S. Conference of Mayors reports that 60 percent of the 55 cities surveyed cannot meet the need for emergency food and shelter.

We have to provide the means for these unfortunate workers and their families to meet their basic needs. Our proposal for this extension of benefits will help them to do so.

In a few days we will be considering legislation which will put some of our people back to work. We cannot help them all. That is the reality of the situation. But we can see that a large number of the jobless, while they are looking for work, can continue to receive unemployment benefits.

We cannot ignore 12 million people. We cannot turn a deaf ear on their cries for help.

The pain is real. The need, dire. Our responsibility is clear, and our agenda, vast.●

By Mr. HATFIELD:

S. 688. A bill to provide that, unless the Government of El Salvador actively participates in negotiations with all major parties to the conflict which are willing to participate unconditionally in negotiations for the purpose of achieving a cease-fire and an equitable political solution to hostilities, U.S. military support of El Salvador shall be terminated, with military assistance funds to be transferred for use for development and humanitarian assistance; to the Committee on Foreign Relations.

AID TO EL SALVADOR

Mr. HATFIELD. Mr. President, today, along with Congressman JIM LEACH in the House of Representatives, I am introducing legislation conditioning military aid to El Salvador on participation of the Government of El Salvador in negotiations with all parties to the conflict.

Blame for the continuing violence rests not only with the guerrillas, but also with the Government which, as the State Department acknowledges, shares responsibility for massive human rights violations. We believe the troubles in Central America, although exacerbated by others, are primarily rooted in poverty, landlessness, illiteracy, social injustice, and historic denial of political representation. One does not have to sympathize with radical or revolutionary remedies to recognize that social and economic problems exist and must be addressed foremost if a humane, democratic way of life can be assured in the region. These objectives cannot be met, and this process cannot go forward, until and unless peace is attained.

Because of the blame which rests with all sides in this conflict, the continuing military stalemate, the finan-

cial cost to American taxpayers of underwriting a war to which there appears to be no end in sight, and the need to prevent any possibility of a military victory in the long term by the guerrillas, we urge the administration to give renewed consideration to a course of political negotiation and reconciliation in El Salvador. We do not propose to dictate the framework within which such a dialog should occur. Such negotiations could be one component of a broader multinational or regional plan. Many of our important allies in Central America and elsewhere have been urging negotiation and offering to assist in constructive ways. Their willingness to help us should be embraced.

A willingness on the part of the Government to sit down at the negotiating table and talk does not obligate it to accept unrealistic proposals from its opponents. Secretary of State Shultz testified recently that the United States would never support negotiations which would allow the insurgents to shoot their way into the Government. We agree. However, the Salvadoran Government can make its absolute commitment to a democratic process known more effectively at the bargaining table than it can on the battlefield. The flow of arms from outside sources and other forms of support for the insurgency can also be dealt with in the context of negotiations. Representatives of the insurgency have been calling for unconditional talks for some time now. It is time to test their sincerity.

This legislation will condition the provision of further military aid to the Government of El Salvador on the basis of whether the Government is actively engaged in good faith in a negotiation process. If the Government is unwilling to do so, all military advisors will be withdrawn and U.S. military assistance will be immediately transferred into humanitarian and development aid for El Salvador. The transfer of military aid into other forms of assistance stems from our desire to avoid sending a signal to the people of that country that we are prepared to abandon them. Rather, we simply seek to encourage the Government of El Salvador to find a peaceful solution to the war and to strengthen the hand of moderates in the Salvadoran Government who favor a negotiated settlement but lack sufficient political support to challenge those who prefer a prolonged war with the insurgents. The legislation, of course, places the Government of El Salvador under no obligation to negotiate if the opposition is unwilling to do so without prior conditions. Therefore, our bill requires that good faith be shown not only by the Salvadoran Government, but also by the opposition.

The purpose of this legislation is to signal to the Government of El Salvador that the people of the United States are unwilling to continue the seemingly endless war without an active effort of El Salvador's Government to end the violence. We believe a negotiated settlement is the only rational solution to the conflict.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 688

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 1 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 620F. UNITED STATES MILITARY SUPPORT FOR EL SALVADOR.—(a) United States military support for El Salvador may not be provided after the end of the 180-day period beginning on the date of enactment of this section unless the President transmits to the Congress, at the end of that 180-day period, a report stating that the President has determined that—

"(1) the Government of El Salvador is actively engaged in good faith in a negotiation process (A) whose purpose is to achieve a cease-fire and an equitable political solution to hostilities, and (B) which involves all major parties to the conflict in El Salvador which are willing to participate unconditionally in such a negotiation process; or

"(2) the Government of El Salvador cannot proceed with such a negotiation process because the Revolutionary Democratic Front (FDR) and the Farabundo Marti National Liberation Front (FMNL) are not willing to participate unconditionally.

In making the determination required by this subsection, the President shall consult with the Congress.

"(b) If United States military support for El Salvador is terminated pursuant to this section, any unobligated funds allocated for El Salvador under chapter 2 or 5 of part II of this Act shall be—

"(1) transferred under section 610 for use for development assistance projects in El Salvador under chapter 1 of part I of this Act or for assistance under section 495I of this Act for persons displaced by the strife in El Salvador; or

"(2) deposited in the Treasury as miscellaneous receipts.

"(c) As used in this section, the term 'United States military support for El Salvador' means—

"(1) the obligating of funds for assistance for El Salvador under chapter 2 or 5 of part II of this Act, and the issuing of letters of offer, extending of credits, or issuing of guarantees for El Salvador under the Arms Export Control Act;

"(2) the assigning or detailing to El Salvador of members of the United States Armed Forces to perform defense services under this Act or the Arms Export Control Act, to conduct international military education and training under chapter 5 of part II of this Act, or to perform international military assistance and sales management functions under section 515 of this Act; and

"(3) any other assigning or detailing to El Salvador, or other introduction into El Salvador, of members of the United States Armed Forces (other than members of the Armed Forces responsible for security at the United States Embassy in El Salvador), except that this paragraph does not prohibit the introduction of United States Armed Forces into El Salvador in order (A) to meet a clear and present danger of hostile attack upon the United States, or (B) to meet a clear and present danger to, and to provide essential and immediate evacuation of, citizens of the United States.".

By Mr. HEINZ:

S. 689. A bill entitled the "Natural Gas Policy Act Amendments of 1983"; to the Committee on Energy and Natural Resources.

NATURAL GAS POLICY ACT AMENDMENTS OF 1983

● Mr. HEINZ. Mr. President, today I am introducing the Natural Gas Policy Act Amendments of 1983. Its enactment would provide immediate price relief to all natural gas consumers, providing an average annual savings for each residential consumer of at least $200, a nationwide total annual savings of $25 billion.

In no way is it an oversimplification to state that many Pennsylvanians and people across our Nation will be faced with the choice of heating or eating this year.

The citizens of my home State and many others know only too well that gas prices have outstripped both their income earning capabilities and that these crippling price increases have affected other goods and services.

Consider that between 1978 and 1981, the income of a Pennsylvania manufacturing employee increased by 30 percent while his natural gas bill increase by 127 percent.

Consider that between September of 1978 and September of 1982, the gas rates charged by the six pipelines serving Pennsylvania increased by an average of 175.6 percent while the Consumer Price Index was growing by 47.2 percent.

Consider that between 1978 and 1982, gas prices charged to residential consumers in the city of Philadelphia increased by in excess of 94 percent and in the city of Pittsburgh by in excess of 86 percent.

As I said earlier, many Pennsylvanians will be faced with the choice of heating or eating this year.

Over 350,000 Pennsylvania families fall below 125 percent of the poverty level, the financial dividing line for most Federal assistance programs. That line is $5,016 per year, or $418 per month in disposable income. After spending money for rent, the gas bill, the nonheating electric utility bill, and food, the average family of three below the poverty level will find itself $33 in debt.

Just as bad is that plight of the single elderly Pennsylvanian totally dependent on a maximum supplementary security income payment of $317.60 per month. After paying his or her natural gas bill, this elderly Penn-

sylvanian will be left with only $39 a week for all other living expenses. I intend to schedule hearings before the Senate Aging Committee which I chair to further investigate the severity of these price increases on this Nation's elderly citizens.

On a nationwide basis, natural gas prices continue to rise by an average annualized rate of approximately 25.3 percent. In many parts of our Nation, this increase more nearly approaches a level of 40 to 50 percent. This has occurred despite the sizable present surplus of deliverable gas.

The facts I have just stated make it imperative that this Congress move expeditiously to take action to provide our country's citizens with the relief they urgently need from excessive and unjustified gas cost increases.

After very long and arduous deliberations in the 92d, 93d, and 94th Congresses, the 95th Congress passed and the President signed the Natural Gas Policy Act of 1978 NGPA. Fundamental to the NGPA was a balanced approach to the twin objectives of consumer price protection and adequate price incentives for vigorous domestic gas supply development. In these respects, the NGPA established an incentive price for new gas supplies with the ultimate decontrol of most of that gas by January 1, 1985. Further, NGPA retained controls on old gas both to assure consumers the price benefits of that gas and to provide additional incentives to producers for new gas exploration. We enacted NGPA in 1978 pursuant to the best wisdom and political climate prevailing at that time.

Since 1978, however, a series of conditions have arisen which we could not have anticipated then, but which now combine to require our action once again in this most controversial and complex area. Some of these events were internal to the very premise and construction of the NGPA while others were external to the NGPA.

For example, the NGPA did not anticipate dramatic increases in oil prices, or the FERC's self-enforced abdication of its traditional consumer protection role. Moreover, NGPA did not anticipate the magnitude to which interstate pipelines and gas producers would seek to increase gas prices by their contracts now and at the time of decontrol of new gas in 1985. High take-or-pay and indefinite price clauses in those contracts are causing gas prices to the consumer to be higher than necessary, creating grave consequences for consumers and the gas industry alike in 1985 if not restrained.

The events have been compounded by certain internal characteristics of NGPA. The NGPA category pricing mechanisms have proven to be highly inflexible and one way—up. Wellhead prices responsive to retail market conditions have been virtually impossible to achieve even at this time when supply is clearly in excess of demand. Moreover, by providing interstate pipeline companies with a so-called guaranteed passthrough of their purchased gas costs, NGPA itself greatly reduced the institutional incentive of those companies to drive hard bargains with the gas producers and to control reasonably their purchased gas costs.

I, of course, am hardly the first person to notice or point out these inadequacies in the legal and institutional framework surrounding gas prices. Indeed, many of us have already addressed in some fashion most of the concerns I am expressing today. And, I believe it is fair to say that almost all gas consumers, utilities, pipelines, and producers agree that "something" must be done. The real question is what? The purpose of the bill I am introducing today is to answer that question.

First, my legislation will continue all existing controls on old gas while retaining the schedule for the decontrol of new gas mandated by the NGPA. This strategy protects the consumer from increases in the price of old gas, which constitutes more than 40 percent of supply, while providing incentives necessary for secure, long-term gas supplies.

Second, my legislation will further nullify indefinite price escalators in existing and future gas contracts; limit take or pay provisions in existing contracts to 50 percent; and mandate the existence of market out provisions in all contracts for gas to interstate pipelines after 1977 with appropriate transportation provisions.

These provisions will provide access to low-cost gas, currently denied to consumers by abusive contract provisions and will serve to eliminate nonmarket related increases.

Third, this legislation, in order to put an end to abusive pipeline purchasing practices, requires the implementation of stringent pipeline accountability standards outlined in sections 4 and 5 of the Natural Gas Act. Also, a penalty would be established which requires pipeline companies to pay interest on refunds of any excess rate collections charged customers at 3 percentage points above the prevailing prime rate.

Fourth, consumer protection will be further enhanced through a series of technical amendments relating to determining the Btu content of natural gas, clarifying that contract authority is a necessary precondition for the collection of NGPA ceiling prices, and reaffirming that NGPA ceiling prices cannot be exceeded either by noncost based production-related allowances or by pipelines providing other below value services to producers while also paying NGPA price.

These and other features of my legislation—described in detail in the section-by-section analysis that follows—will achieve upon enactment a $25 billion savings for gas consumers. Again, this equates to no less than a $200 annual saving for residential gas consumers.

In sum, I have introduced legislation today which achieves consumer price and supply protection and provides a permanent and comprehensive, and above all, workable solution to the serious problems confronting gas consumers and the gas industry today, and I urge my colleagues careful study and support.

Mr. President, I ask unanimous consent that the bill and a summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Short Title; Table of Contents:

(a) SHORT TITLE.—This Act may be cited as the "Natural Gas Policy Act Amendments of 1983."

(b) TABLE OF CONTENTS.—

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Sec. 203. Amendments to Title III of the Natural Gas Policy Act of 1978.

Sec. 204. Amendments to section 601 of the Natural Gas Policy Act of 1978.

TITLE I—FINDINGS AND PURPOSES

SEC. 101. The Congress finds and declares that—

(1) Natural gas is a fuel widely used in residential, industrial and commercial applications and significantly affects interstate commerce;

(2) There presently exists a surplus of deliverable natural gas;

(3) Natural gas prices are currently above market-clearing levels in many markets;

(4) Wellhead prices of natural gas are not responding promptly to retail market conditions;

(5) Take-or-pay clauses in wellhead gas purchase contracts are causing gas pipeline companies to incur substantial payment penalties and to purchase a mix of higher cost supplies than otherwise necessary;

(6) Indefinite price escalation clauses in wellhead gas purchase contracts steadily increase gas prices with little or no relationship to retail market conditions and are likely to increase prices significantly above market-determined prices if not controlled;

(7) Take-or-pay and indefinite price escalation clauses are causing or will cause results contrary to the public interest;

(8) Natural gas companies, as defined by the Natural Gas Act of 1938, have inadequate incentive to control purchased gas

costs in view of section 601(c)(2) of the Natural Gas Policy Act of 1978;

(9) Gas producers and pipeline companies are unlikely to renegotiate their gas purchase contracts to resolve the problems extant today in the natural gas industry; and

(10) Urgent legislative action is necessary to achieve wellhead gas prices responsive to retail market conditions.

SEC. 102. The purposes of this Act are to—

(1) Provide mechanisms for a smooth transition to the ultimate decontrol of certain wellhead natural gas prices;

(2) Assure that natural gas companies are held accountable, through federal regulation, for all costs incurred by such companies, including purchased gas costs;

(3) Provide technical amendments to the Natural Gas Policy Act of 1978;

(4) Nullify certain gas purchase contract provisions which inhibit the free flow of market signals between consumers and producers of natural gas;

(5) Provide in certain wellhead gas purchase contracts market-out clauses to permit price adjustments in response to market conditions;

(6) Assure gas supply security to interstate markets;

(7) Assure that natural gas of marketable quality is received in return for maximum lawful prices; and,

(8) Exercise the power of Congress to the maximum extent to regulate interstate commerce in the public interest.

TITLE II—AMENDMENT TO THE NATURAL GAS POLICY ACT OF 1978

SEC. 201. Section 2 of the Natural Gas Policy Act of 1978 is amended—

(1) by inserting at the end of section 2(30), the following: "For purposes of determining the number of Btu's per unit volume of natural gas, the Btu content of one cubic foot of natural gas shall be the number of Btu's produced by the combustion, at constant pressure, of the amount of gas which would occupy a volume of one cubic foot at a temperature of sixty degrees Fahrenheit, saturated with water vapor and under a pressure equivalent to that of thirty inches of mercury at thirty-two degrees Fahrenheit, and under standard gravitational force (980.665 centimeters per second squared) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air and when the water formed by combustion is condensed to the liquid state; provided, however, that a different method for determining Btu's may be used whenever any contract for the first sale of natural gas expressly and specifically by its plain language so provides."; and

(2) by adding at the end thereof the following:

"(38) DEFINITE PRICE PROVISION.—The term "definite price provision" means any provision in a contract for the first sale of natural gas that establishes a specific unit price, which is known or predictable with certainty at any present and future time during the duration of the contract, for natural gas sold under such contract.

"(39) INDEFINITE PRICE PROVISION.—The term "indefinite price provision" means any provision in a contract for the first sale of natural gas, other than a definite price provision, which establishes a price for natural gas sold under such contract.

"(40) MARKET-OUT PROVISION.—The term "market-out provision" means a provision in a contract for the first sale of natural gas which permits either party in its sole discretion on thirty days notice to require the other party to accept a price different from the prevailing contract price as the contract price.

"(41) TAKE-OR-PAY PROVISION.—The term "take-or-pay provision" means a provision in a contract for the first sale of natural gas which obligates the purchaser to take delivery of or to pay for an indicated percentage of natural gas under such contract.".

SEC. 202. Title I of the Natural Gas Policy Act of 1978 is amended—

(1) by adding at the end of paragraph 101(b)(9) the following: "The price under any contract in effect on November 8, 1978, shall remain the price after November 8, 1978, unless the contract expressly and specifically by its plain language authorizes prices established by Congress, in which case any price not in excess of the applicable maximum lawful price may apply.";

(2) by adding after subsection 101(b) the following:

"(c) REPEAL OF ANNUAL INFLATION ADJUSTMENT FACTORS.—Upon the date of enactment of this Act, the annual inflation adjustment factor, as defined in subsection 101(a) and applied in sections 102, 103, 104, 105, 106, 107, 108 and 109, shall cease to apply.

"(d) COVERAGE OF CEILING PRICES.—

"(1) GENERAL RULE.—The applicable maximum lawful price for any first sale of natural gas shall be deemed to include all costs necessary to, or associated with, the delivery of marketable natural gas to the purchaser.

"(2) SELLER ALLOWANCE OR ADJUSTMENT.—To the extent that the seller incurs costs necessary to deliver natural gas of marketable quality to the purchaser and such costs deprive the seller of the opportunity to earn a just and reasonable return within the applicable maximum lawful price, the Commission may exercise its authority pursuant to sections 110 and 502(c) to provide an allowance or adjustment to the maximum lawful price which will permit the seller to earn a just and reasonable return.

"(3) PURCHASER ADJUSTMENT.—The Commission shall reduce any applicable maximum lawful price by the value of any consideration of any kind which the purchaser provides to the seller in addition to the applicable maximum lawful price. Such reduction shall include, but not be limited to, the value to the seller of any free or below-value transportation of liquid or liquefiable hydrocarbons provided by the purchaser.".

SEC. 203. Title III of the Natural Gas Policy Act of 1978 is amended—

(1) by deleting "." at the end of paragraph 311(a)(1) and inserting the following: "; provided, however, that the just and reasonable rate shall be no less than $0.05 per million Btu's and that all revenues received by the interstate pipeline in excess of $0.05 per million Btu's shall be credited back to the customers of such pipeline."; and

(2) by adding at the end thereof the following:

"SEC. 316. FIRST SALE CONTRACTS AND PROVISIONS THEREOF—

"(a) INDEFINITE PRICE PROVISIONS.—Indefinite price provisions in all contracts for the first sale of natural gas are null and void as contrary to public policy.

"(b) MARKET-OUT PROVISIONS.—All contracts for the first sale of natural gas enumerated in subsections 121(a) (1) and (2), 121(b) and (c) are deemed by operation of law to include a market-out provision.

"(1) EXERCISE BY PURCHASER.—The exercise of a market-out provision by the purchaser shall authorize the seller to seek an alternative purchaser. At the conclusion of the thirty day notice period, the seller shall either accept as the contract price the price offered by the purchaser or offer to the purchaser a right of first refusal at the price which the seller has negotiated with an alternative purchaser.

"(2) EXERCISE BY SELLER.—The exercise of a market-out provision by the seller shall require the seller to offer to the purchaser a right of first refusal at the price which the seller has negotiated with an alternative purchaser.

"(3) TRANSPORTATION SERVICE AND RATES.—Any pipeline purchaser which declines an offer made pursuant to any right of first refusal required by this subsection shall transport the natural gas involved on a best efforts basis on behalf of the seller. The rate charged for such transportation service shall be the rate agreed to by the seller and the pipeline purchaser or, if no rate is agreed to, the rate established by the appropriate State or Federal regulatory authority; provided, however, that no State or Federal regulatory authority may establish a rate less than $0.05 per million Btu's plus the cost of such transportation and that all revenues received by a pipeline purchaser in excess of $0.05 per million Btu's shall be credited back to the customers of such pipeline.

"(c) TAKE-OR-PAY PROVISIONS.—Take-or-pay provisions in all contracts for the first sale of natural gas in effect on the date of enactment of this Act shall be deemed by operation of law to be limited to fifty percent.

"(d) RIGHTS OF PURCHASER TO CONTEST.—Any provision of any contract for the first sale of natural gas which has the effect of restricting the right of the purchaser to contest in any manner the rights and obligations of the parties to such contract shall be null and void as contrary to public policy.

"(e) ACCESS TO CONTRACTS.—All contracts and ancillary agreements for the first sale of natural gas shall be filed with the Commission and made available by the Commission to the public in an orderly manner within sixty days after the later of the date of enactment of this Act or the execution of the contract.

"(f) COORDINATION WITH EXISTING CONTRACTUAL PROVISIONS.—Any provision of any contract for the first sale of natural gas which would affect the rights and obligations of the parties to such contract as a consequence of this section shall be null and void as contrary to public policy to the extent such provision is inconsistent with this section or would cause termination of the contract.

"(g) CONTRACT INTERPRETATION.—On petition by any party to a contract for the first sale of natural gas or by any local distribution company affected by such contract, the Commission shall have jurisdiction to resolve any matter concerning the rights and obligations of the parties or any other matters involving the interpretation of contract language.".

SEC. 204. Section 601 of the Natural Gas Policy Act of 1978 is amended to add the following:

"(d) EFFECTIVENESS OF NATURAL GAS ACT.—Notwithstanding any other provision of law, the authority of the Commission pursuant to sections 4 and 5 of the Natural Gas Act shall be in full force and effect with respect to natural gas companies, as defined in such Act, including, without limitation, purchased gas costs incurred by natural gas companies.

"(e) RATE INCREASE DISINCENTIVE.—

"(1) PURPOSE.—The purpose of this subsection is to establish a mechanism to discourage natural gas companies, as defined in the Natural Gas Act, from making repetitive or excessive rate increase filings.

"(2) COMMISSION RULE.—Within ninety days after the date of enactment of this Act, the Commission shall promulgate a final rule which establishes the interest rate at which refunds shall be paid by natural gas companies on any collections made by such companies in excess of rates approved by final order of the Commission.

"(3) MINIMUM INTEREST RATE.—The interest rate established by the Commission pursuant to this subsection shall be no less than three percentage points above the prime interest rate prevailing during the period of any collections subject to refund made by any natural gas company.

"(f) TARIFF STUDY.—Within one year after the date of enactment of this Act, the Commission shall undertake and complete a comprehensive study of minimum bill and related provisions in interstate pipeline tariffs. The study shall—

"(1) include analyses of the effects of such provisions on the responsiveness of wellhead gas prices to retail market conditions, the rates charged customers of interstate pipelines, the ability of local distribution companies to secure varied sources of gas supply, and the present and future financing of existing and new interstate pipelines;

"(2) include analysis of the necessity for such provisions; and

"(3) be undertaken with opportunities for written and verbal comments of interested parties.

Pursuant to the Natural Gas Act, the Commission may, as appropriate, require the revision of minimum bill and related provisions in interstate pipeline tariffs. Nothing in this subsection shall preclude the Commission from ordering appropriate revisions to interstate pipeline tariffs during the pendency, or after the completion, of the study required by this subsection.".

HIGHLIGHTS OF NATURAL GAS POLICY ACT AMENDMENTS OF 1983

SUBSTANTIAL GAS PRICE REDUCTIONS UPON ENACTMENT

Immediate price reductions upon enactment totaling some $25 billion

Average savings per residential customer approximately $200

Additional price reductions clear, but amount dependent upon supply/demand factors in gas markets and mix of interstate pipeline supplies

CLEAR, PERMANENT AND COMPREHENSIVE RESOLUTION OF CONTRACTS PROBLEMS

Indefinite price escalation provisions nullified and prohibited now and forever

Take-or-pay provisions in existing contracts limited to 50 percent

Market-out provisions mandated in all contracts for gas to be decontrolled in 1985 and 1987

No formula or "capping" mechanism of uncertain consequence

SUPPLY STABILITY AND INCENTIVES FOR VIGOROUS DOMESTIC GAS EXPLORATION

Maintains Natural Gas Policy Act phased decontrol schedule for new gas and also maintains NGPA authority of Congress or President to reimpose price controls

No "old" gas decontrol

PIPELINE ACCOUNTABILITY AND OVERSIGHT

Reassertion of pipeline regulation under the Natural Gas Act, including reasonableness review of purchased gas costs

Rate increase disincentive to discourage repetitive or excessive pipeline rate filings

Economic incentive for pipelines to render transportation service

Mandate FERC review of pipeline minimum bill and related provisions

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SECTION-BY-SECTION ANALYSIS OF NATURAL GAS POLICY ACT AMENDMENTS OF 1983

TITLE I—FINDINGS AND PURPOSES

Section 101.—Ten separate Congressional findings and declarations are set forth in section 101. These are based upon testimony presented to the Congress in hearings held over the past year, responses to Congressional inquiries submitted by gas producers, pipeline companies, utilities and consumers, and numerous studies and analyses produced by governmental bodies and private parties on natural gas issues. The findings and declarations are largely self-explanatory.

Section 102.—This section sets forth eight purposes of the bill. These too are largely self-explanatory and evolve from the findings and declarations in section 101.

The specific language of section 101 and 102 was carefully chosen to leave no doubt as to the urgent need for legislative action and, in light of judicial precedent, to assure that the bill generally and its contract measures in particular will withstand any constitutionally based legal challenge.

TITLE II—AMENDMENTS TO THE NATURAL GAS POLICY ACT OF 1978

This title consists of four sections, each amending a different component of the Natural Gas Policy Act of 1978 (NGPA), but in a wholly interrelated fashion. The overall objectives of this title are to:

(a) Clarify certain sections of NGPA to provide for Federal Energy Regulatory Commission (FERC or Commission) implementation of NGPA in a manner more consistent with the original intent of Congress in that Act;

(b) Resolve certain problems with respect to the terms of gas sales contracts to assure that demand signals for natural gas can be efficiently transmitted through the gas marketing chain to the wellhead;

(c) Provide permanent, comprehensive contractual and pipeline regulatory mechanisms to facilitate the responsiveness of wellhead gas prices to retail market conditions;

(d) Hold natural gas companies, as defined in the Natural Gas Act (NGA), accountable to their customers and gas consumers for their gas acquisition practices and prices; and,

(e) Accomplish such other matters as described further herein.

As important as what the bill intends to do, is what it does not intend to do. It does not, for example, intend to decontrol "old" gas prices or to encourage FERC to raise prices for old gas in any manner. It also does not intend to upset or revise the NGPA schedule for phased decontrol of certain new gas supplies nor the NGPA authority of Congress or the President to reimpose price controls. Moreover, it does not establish new rigid wellhead pricing formulae or mechanisms which have proven to be ineffective consumer protection measures by the NGPA itself.

Section 201.—This section amends the NGPA definitional section in two respects. First, it adds to the NGPA definition of "Btu" a specific measurement technique for determining the Btu content of natural gas. The technique prescribed is the so-called "saturated" or "wet" basis measurement which has been the generally accepted industry standard for decades. This measurement standard was revised by FERC to achieve a so-called "dry" basis for Btu measurement. This dramatic shift by FERC has been estimated to raise wellhead gas prices nationwide by about 1.8 percent. The FERC regulation is being litigated in court, but, in the meantime, consumers are paying the higher prices premised on a dry Btu measurement. The amendatory language specifically requires a "wet" Btu measurement, but allows for a different measurement technique whenever the contract for the first sale of gas expressly and specifically by its plain language provides for such a different technique. Thus, the generally accepted industry standard is maintained, but parties to the gas sales contract are permitted to deviate from that standard to the extent their contract so provides.

Second, this section adds four new definitions to the NGPA definitional section. In new paragraph (38), "definite price provision" is defined to mean any provision in a contract for the first sale of natural gas that establishes a specific unit price, which is known or predictable with certainty at any present and future time during the contract duration, for gas sold under a contract. The key factor here is that the unit contract price must be a specifically determinable amount at any time during the term of the contract. A certain, predictable unit price is paramount. In new paragraph (39), "indefinite price provision," is then defined as any provision of a contract other than a definite price provision which establishes the price under the contract.

New paragraph (40) defines a "market-out provision" as a provision in a first sale contract which permits either party in its sole discretion on thirty days notice to require the other party to accept a price different from the prevailing contract price as the new contract price. The key components of this definition are that the market-out provision may be exercised in the sole, unfettered discretion of either party upon thirty days notice.

Lastly, new paragraph (41) defines "take-or-pay provision" to mean a provision in a first sale contract that obligates the purchaser to take delivery of or to pay for an indicated percentage of gas under the contract.

Of course, as in NGPA, the new definitions, (38)-(41), are not complete absent their implementation in a later section (section 203) of this bill. Thus, these definitions must be read in connection with section 203 of the bill and are described with further detail there.

Section 202.—This section amends Title I of NGPA in several respects. The first of these amendments (Section 202 (1)) supplements NGPA Section 101(b)(9) and clarifies the standing of area rate clauses in contracts for the first sale of natural gas. The essential role of this amendment is to resolve a dispute FERC has been unable to resolve since it arose in January, 1979. Under this amendment "area rate clauses" will not entitle the producer/seller of natural gas to receive the applicable NGPA ceiling price unless the plain language of the contract for the sale authorizes prices established by Congress. For the most part, this amendment will affect contracts covering "old" gas, given that most "new" gas contracts contain the contract authority required.

Second, Section 202(2) amends Title I to add a subsection 101(c) which repeals the

annual inflation adjustment factor prescribed in the NGPA for all vintages of gas, including stripper well and tight sands gas. The amendment does not, however, modify that part of NGPA which authorizes real (noninflationary) increases in ceiling price levels. The obvious difference between these two NGPA-based automatic ceiling price increasing mechanisms is that inflation-based increases are "indefinite price escalators" (which are outlawed by Section 203(2) of this bill), and real increases in field prices are prescribed at a stated amount in NGPA (either at one percent or four percent above the stated ceiling price), depending on the vintage of the gas well.

Third, Section 202(2) amends Title I of NGPA by adding a new subsection 101(d). This new subsection begins with a general rule that ceiling prices are deemed to include all costs necessary to the delivery of marketable natural gas. Paragraph (2) of the new subsection then describes the NGPA mechanism whereby sellers are allowed to charge prices in excess of ceiling prices where such higher prices are justified by cost-based "production-related expenditures." Thus, it allows FERC to permit the seller to collect a price in excess of the applicable ceiling price if such higher price is necessary to allow the seller to earn a just and resonable return on its investment. In addition, paragraph (3) of new subsection 101(d) specifies the treatment of liquids and liquefiables transportation service rendered by gas pipelines on behalf of gas producer-sellers. Under this paragraph, the value of any transportation service rendered by a pipeline on behalf of a seller is applied as a reduction in the ceiling price applicable to the gas sold to the pipeline. Accordingly, paragraph (3) ends the practice whereby pipelines provide free or low-cost transportation service on non-gaseous hydrocarbons owned by sellers (and produced jointly with methane or natural gas) but which are removed and sold by the producer at points remote from the production site.

Section 203.—This section amends NGPA Title III in several respects. First, a phrase is added at the end of existing NGPA paragraph 311(a)(1), relating to the just and reasonable rates which interstate pipelines may charge for certain transportation services rendered by them. The existing law as implemented is inadequate because it fails to provide a sufficient economic incentive to encourage the interstate pipeline companies to provide transportation service. The amendatory language establishes a transportation rate of no less than $0.05 per million Btu's, which is generally recognized as an amount necessary to provide sufficient financial incentive to transport gas. The amendment also requires, however, that the pipeline rendering transportation service can not retain any revenues received for such service in excess of $0.05. The revenues, if any, in excess of $0.05 must be flowed back to the customers of the pipeline through the traditional FERC procedures.

The second major amendment to NGPA Title III made by this section is the addition of a new section 316, which contains numerous provisions relating to the so-called contracts problems and inability of NGPA established prices to reflect retail market conditions. Subsection 316(a) relates to indefinite price provisions. These provisions are likely to cause wellhead prices in 1985 vastly in excess of prices which would prevail if market forces were operative. Further, such provisions have, at the least, anticompetitive implications and act to ratchet inexorably gas prices upward only. Thus, subsection 315(a) nullifies and voids indefinite price provisions in all, existing and future, contracts for the first sale of natural gas as contrary to public policy.

Section 316(b) provides that a market-out provision shall be deemed by operation of law to be in all contracts for the first sale of natural gas enumerated in subsections 121(a) (1) and (2), 121(b) and (c) of the NGPA. This includes only contracts for gas which will be deregulated under the NGPA. Certain intrastate contracts are not, however, included by subsection 316(b) because a record which establishes the necessity for a market-out in such contracts does not presently exist. The market-out may be exercised by either the seller or purchaser on thirty days notice. A right of first refusal by the purchaser is required, and best efforts transportation of the seller's gas is also required in the event that the right of first refusal is not exercised. The rates for transportation of the seller's gas are, with some self-explanatory variation, set in accordance with the previously described amendment to NGPA paragraph 311(a)(1). It is fully anticipated that this provision will result in a substantial reduction in gas prices given current market conditions.

Subsection 316(c) provides that the percentage factor applicable to take-or-pay provisions in all existing contracts will be limited to fifty percent. This limitation is not based upon reserves or deliverability as specified in any particular contract, but, instead limits to fifty percent whatever higher percentage factor may be stated in a given contract. The language does not apply to contracts entered into after the date of enactment, since it would not be advisable to restrict a pipeline purchaser's flexibility to agree to a higher take-or-pay provision in return for a lower sales price. The reasonableness of any pipeline's exercise either of its right to reduce its take-or-pay obligation to the fifty percent level or of its flexibility to agree to higher take-or-pay percentage in post-enactment contracts would, of course, be subject to FERC review pursuant to section 601(d) added by this Act. It is expected that subsection 316(c) will permit pipeline companies to achieve substantial reductions in gas prices both by permitting a change in the mix of higher and lower cost supplies pipelines take at any given time and by avoiding prepayments under existing high take-or-pay provisions.

Subsection 316(d) provides that a purchaser of gas in any "first sale" transaction would acquire the right to contest the "rights and obligations" of the seller in a gas sales contract. The effect of the subsection is to nullify as "contrary to public policy" any arrangement whereby a first sale purchaser of gas has conveyed to the seller its right to oppose or object to the seller's assertions with respect to prices to be paid or any other aspect of the gas sales transaction.

Subsection 316(e) clarifies FERC's mandate to be the respository of all first sale contracts and ancillary agreements. This subsection requires the filing of such agreements within 60 days after the execution thereof (or date of enactment, in the case of older agreements) and is not intended to enlarge FERC's information gathering authority. In accordance with section 4 of the Natural Gas Act and Section 315 of NGPA, FERC now possesses authority to secure such agreements. This authority, however, has not been exercised on a consistent basis since the enactment of NGPA in 1978.

Subsection 316(f) is a "savings clause" which provides that any contract provisions which would negate the effect of these amendments would be rendered null and void "as contrary to public policy." The effect of this amendment would be to disqualify any contract provisions which were "triggered" by these new amendments and which, absent Section 316(f), would create rights and obligations inconsistent with any of the amendments in this bill.

Finally, subsection 316(g) clarifies FERC's authority to interpret the terms of contracts covering first sales of natural gas. This amendment would confer jurisdiction on FERC to resolve any dispute involving the interpretation of contract provisions. Accordingly, a single forum (FERC) would be available to interested parties to resolve on a uniform, nationwide basis any disputes between first sale purchases and sellers regarding such matters as the amount or price to be paid for gas under applicable contracts.

Section 204.—This is the "pipeline accountability" amendment which is the concluding amendment of the bill. Section 204 clarifies the relationship between NGPA and the Natural Gas Act of 1938 insofar as the regulation of "natural gas companies" is concerned. In a new NGPA subsection 601(d), section 204 provides that sections 4 and 5 of the Natural Gas Act are expressly applicable to companies regulated under that Act. Among other things, this amendment would require prudent pipeline purchasing practices and would clarify FERC's authority to review pipeline "purchased gas costs" under the well understood just and reasonable standard.

Two new FERC mandates are also provided in Section 204. First, section 204 adds a new subsection 601(e) in NGPA which requires a "rate increase disincentive." In accordance with this subsection, pipelines would be discouraged from filing excessive and/or repetitive rate increases. To achieve this, FERC is required to promulgate a rule which fixes the interest rate paid on refunds on pipeline overcharges at a rate not less then the prime rate plus three percentage points.

Second, new subsection 601(f) requires FERC to undertake and complete a "tariff study" within one year of the date of enactment of the subsection. In this study, FERC would examine "minimum bill and related provisions" in interstate pipeline tariffs and would analyze the effects of such provisions on the "responsiveness of wellhead gas prices to retail market conditions, the rates charged customers of interstate pipelines," and other market related factors. This amendment would not expand FERC's jurisdiction, but would require early attention to pipeline contracting practices in which minimum bill arrangement are prevalent.●

By Mrs. HAWKINS:

S.J. Res. 47. Joint resolution authorizing and requesting the President to proclaim "National Disabled Veterans Week"; to the Committee on the Judiciary.

NATIONAL DISABLED VETERANS WEEK

● Mrs. HAWKINS. Mr. President, today I am introducing a joint resolution to establish the week of November 6, 1983, as "National Disabled Veterans Week."

Mr. President, honor must go to the brave. For the love of country—and

for the love of all Americans—these brave people made so many sacrifices: Physical, emotional, psychological—and are left with an indelible memory of their time that is at once deeper and more painful than our own. We must remind them that their sufferings and sacrifices will not go unremembered or unknown. To be forgotten or ignored by one's countrymen is unbearable. In the words of Edward G. Galian, national commander of the Disabled American Veterans;

When veterans return from wars, their feelings of being unable to share their experience with anyone are intense. So many piercingly strong emotions, and they're all bottled up inside.

After World War II, people were ready to listen to vets like me. They'd at least try to understand, even if they couldn't. They'd give us an opportunity to try to explain what we were feeling, even if we couldn't. It didn't make the pain go away, but it eased the loneliness bit by bit.

I suspect the transition to peacetime, civilian life was tougher for veterans of the Korean War. And I know it was more difficult for those who came home from the Vietnam War. Few wanted to listen to these veterans. Few wanted to understand. Few seemed ready to say, "Welcome home, you've done a good job for your country."

It's natural for a veteran to feel isolated, angry, alone, alienated, and very different from everyone else when he or she first comes home.

Mr. President, we have 2,300,000 disabled veterans in this country—and millions more whose scars are not so evident. We in Congress must, in our own way, fight for the rights of those who, at the risk of their own lives, fought to keep something alive for us. They deserve not only our honor but also our compassion and our concern. I, for one, will continue to support the veterans population in any way that I can—especially in the areas of health care and just compensation. A National Disabled Veterans Week is a week-long expression of appreciation for their lifelong sacrifice and gratitude for their greatness of heart.

And so, Mr. President, I ask that in this way we honor the brave American veterans—battle scarred but good soldiers all—who had the spirit to fight, the strength to win, and, most important, the courage to live.●

By Mr. McCLURE (for himself and Mr. MATTINGLY):

S.J. Res. 48. Joint resolution to amend the Constitution of the United States to limit budget outlays for a fiscal year to not more than 20 per centum of gross national product for such fiscal year; to the Committee on the Judiciary.

FEDERAL GOVERNMENT SPENDING RESPONSIBILITY

● Mr. McCLURE. Mr. President, last year this body passed the proposed constitutional amendment to balance the budget. I strongly supported that measure and felt it would go a long way to restoring fiscal responsibility to our Government. However, as with any compromise, there were imperfections. We can all agree that it is imperative that the Federal Government adopt and stick to a policy of spending no more than it takes in as revenue. The means of accomplishing this goal is under constant scrutiny. I feel, as many of my colleagues do, that the temptation to raise taxes is too great in the balance the budget amendment. There is no doubt that the best way to go about balancing our budget is to focus on decreasing the role of the Federal Government in our economy.

There are those who tell us that we are undertaxed, that the American public pays less than other countries do. But that is one of the unique aspects of the American way—that we are not like other countries. We are free people, and we cherish our freedom. We do not like the idea of government taking away from us, as a matter of right, more than half of all we make, and that is what government at every level is doing today.

Mr. President, sometimes individual examples are more persuasive than abstract principle. When leisure becomes more rewarding to a laboring person than does the aftertax reward of their labor, they choose leisure. They are not stupid. The sawmill worker in northern Idaho suddenly was sick every other Friday afternoon. Naturally his employer doubted whether this was fact. They called him and said "Hank, we noticed that you were sick every other Friday afternoon and we don't believe it." And he said, "Well, you are right. The first Friday afternoon I was sick. I could hardly get home and into bed. I was in bed all weekend, I could hardly get back to work on Monday morning, but when I got my check for that week it was only a few dollars less than if I had worked on Friday afternoon. And, frankly, my Friday afternoon is worth more than that to me."

Not a lazy American worker, a smart American doing what our system tells him to do, and that is to choose leisure as more rewarding to him than the aftertax rewards of labor.

That is what this amendment is all about, to try to get spending back down to the limits where Americans begin to see that the rewards of labor are more important to them than the rewards of leisure. We will never attain that in our system as long as the burden of taxation continues to rise. As important as the proposed constitutional amendment to balance the budget was, it did not do all of the job that needs to be done because spending can continue to rise under the amendment. Senator MATTINGLY and I warned this body of this but at the time we felt that altering it then would have gone further to guarantee its defeat than its passage.

At that time we vowed to bring the issue up again. My views have not changed on this subject. Government spending is bleeding our Nation dry. Those on both sides of the aisle see this and should address it. The American people delivered a clear message in November 1980. They are tired of wasted tax dollars, they are tired of inefficient agencies, and they know that deficits are strangling our economy and their livelihood.

If we look back to the 1950's and 1960's when Federal spending took a smaller share of our economy, we were much more productive. In the 1960's Federal spending was about 18 percent of our gross national product. During this period our economy, as it is measured by GNP, grew 6.72 percent. In the 1970's, during Congress freewheeling spending spree, Federal spending as a percentage of GNP was 21 percent, and at the same time our inflation rate was above 7 percent and the growth of our economy was only 3 percent. There is no doubt that as Federal spending consumes more and more of our economy we are less productive and we turn to inflationary policies to make up the difference. During the 1980's we have seen double-digit inflation, drastically high interest rates and a stagnant economy. Last year even with the hard work of the Appropriations Committee, Federal spending surpassed 24 percent of GNP. This year this figure will surpass 25 percent, thus further choking the productive side of our economy. On the tax side, this administration has a record of success that any administration would be proud of. Even before the Economic Recovery Tax Act of 1981 is fully implemented the Federal Government's share of taxes has been reduced from 21 percent of GNP in fiscal 1981 to an estimated 18.3 percent in fiscal year 1983. The end result in this economic confusion is a deficit that, according to administration sources, could surpass 6.5 percent of GNP.

During the last 80 years, population has tripled, prices have increased 7 times, but the outstanding Government debt has increased 500 times. We must realize that money expenditures do not solve social problems. This body has conducted the world's longest experiment in this and we have failed. More money spent on a bad idea will not make that idea good.

The proposal we have today will go a long way to reaffirm valid financial standards. By reducing the Federal Governments' share of GNP by 1 percent a year until it is back down to productive levels of 20 percent we will go a long way to restore responsibility to government. This was a promise Ronald Reagan made to the American people and I intend to do everything I can to help him accomplish it. It

should be very clear to us that the American people feel that modern government is out of control. They are correct. This year we can fully expect to spend over $100 billion on interest payments on our debt alone.

The time is now to draw the line and give the American people exactly what they want and what the economy needs: A budget that is balanced by taking the foot of the nect of the economy.

I ask all of my colleagues to join me in support of this important measure, and I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 48

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"Section 1. In exercising its powers under article 1 of the Constitution and in particular its powers to lay and collect taxes, duties imposts, and excises and to enact laws making appropriations, the Congress shall assure that the total outlays of the Government during any fiscal year (except for repayment of debt) do not exceed on amount equal to the greater of—

" '(a) the difference between—

" '(b) an amount which bears the same relationship to the gross national product of the United States at the close of such fiscal year as outlays for the preceeding fiscal year bear to the gross national product of the United States at the close of such preceeding fiscal year, and

" '(2) an amount which is equal to 1 per centum of gross national product for such fiscal year, and

" '(b) 20 per centum of the gross national product for such fiscal year.

"Section 2. In case of national emergency or war, the limit may be exceeded but all expenditures in excess of the greater of the limitations listed in Section 1 of this Act must be approved by a concurrent resolution agreed to by a rollcall vote of three-fourths of all the members of each House of Congress. The limitation may be exceeded only in that fiscal year in which such a vote was taken."●

By Mr. PERCY (for himself, Mr. PELL, Mr. BYRD, Mr. DOMENICI, Mr. PRESSLER, Mr. HOLLINGS, Mr. LUGAR, Mr. INOUYE, Mr. JACKSON, Mr. DODD, Mr. SARBANES, Mr. PROXMIRE, Mr. ZORINSKY, Mr. CHAFEE, Mr. BOSCHWITZ, Mr. HUDDLESTON, Mr. MOYNIHAN, Mr. CHILES, Mr. BIDEN, Mr. DIXON, Mr. LEVIN, Mr. HART, Mr. KENNEDY, Mr. SASSER, Mr. DANFORTH, Mr. COHEN, Mr. MATHIAS, Mr. MITCHELL, and Mr. STEVENS):

S.J. Res. 49. Joint resolution to authorize and request the President to proclaim the week of April 10–16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising"; to the Committee on the Judiciary.

WEEK OF REMEMBRANCE FOR THE 40TH ANNIVERSARY OF THE WARSAW GHETTO UPRISING

Mr. PERCY. Mr. President, Senator PELL and I are today introducing a Senate joint resolution commemorating the 40th anniversary of the Warsaw ghetto uprising. I am confident that a companion resolution will be introduced shortly in the House. This will be the first commemoration in the Congress since 1973 of an event that had profound impact then and still has tremendous meaning today.

In 1939, the Nazis placed restrictions on the Jews of Warsaw. By 1940, the Jews were confined to a walled ghetto. Disease, overcrowding and starvation afflicted them. The Jews of the ghetto attempted to continue their lives by organizing classes to educate their children and by allocating food and other necessities to those who desperately required attention. Jewish poets and authors continuing their writings, and these are among the most poignant pieces of writing of any generation.

At the end, in April 1943, only 70,000 Jews remained inside the ghetto walls. Though they were tremendously out numbered and faced insurmountable odds, they battled the Nazis for nearly a month before the ghetto was razed completely.

The right to freely practice one's religion and the right to freely emigrate are granted to Americans but denied to so many, including Soviet Jews. So in commemorating the Warsaw ghetto uprising, we remember that we must work tirelessly on behalf of all who are oppressed or imprisoned. By their strength and faith, the Jews of the Warsaw ghetto became symbols for their time and for ours.

We ask our colleagues to join in cosponsoring this resolution authorizing and requesting the President to proclaim the week of April 10–16, 1983, as a week of remembrance for the 40th anniversary of the Warsaw ghetto uprising. This week will coincide with activities planned by the American Gathering of Jewish Holocaust Survivors, including commemorations of Jewish resistance to Nazism and programs reinforcing the need for the continuous struggle against anti-Semitism.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 49

Whereas of the more than 400,000 Jews whom the Nazis had imprisoned in the Warsaw Ghetto, only 70,000 remained in April, 1943;

Whereas most of the others had been sent to their deaths in extermination camps by the Nazis;

Whereas the surviving Jews of Warsaw had no hopes of waging successful battle against their tyrannical foes;

Whereas the valiant Jewish freedom fighters of the Warsaw Ghetto, despite the insurmountable odds, fought the Nazis and held their ground for nearly a month;

Whereas by their dramatic and heroic courage, they provided inspiration to all people who revere liberty and a warning to all oppressors;

Whereas remembering those who fought and died so valiantly serves to honor their memory and to renew the determination of the peoples of the free world to oppose tyranny and oppression wherever it occurs; and

Whereas in April of 1983, the American Gathering of Jewish Holocaust Survivors will sponsor commemorations of Jewish resistance to Nazism and will organize programs to reinforce the need for the continuous struggle against anti-Semitism: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of American in Congress assembled, That (a) the week of April 10–16, 1983, is hereby marked in commemoration of the fortieth anniversary of the uprising against the Nazi occupation forces by the besieged and outnumbered Jews of the Warsaw Ghetto who, by their courage and heroism, showed the world for all time that the forces of freedom and liberty cannot long be suppressed by the forces of tyranny, and, by their valor and their faith, gave urgency to the creation of the free State of Israel.

(b) The President is authorized and requested to issue a proclamation designating the week of April 10–16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising," and calling upon the people of the United States to observe the week of remembrance with appropriate ceremonies and activities.

Mr. PELL. Mr. President, I am delighted to join my distinguished colleague, Senator PERCY, in sponsoring this resolution to designate the week of April 10–16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising." The history of World War II is replete with stories of courage. However, that of the Polish Jews who courageously rebelled against their Nazi oppressors stands out because it is a story of a people's fight not only for freedom but also for dignity and honor.

Until the Nazi invasion in 1939, Jewish cultural and religious life thrived in Poland. In fact, Warsaw had once been known as the center of Eastern European Jewry. After the invasion, Jews found their freedom sharply curtailed by restrictions established by the Nazis and by 1940, more than 400,000 Polish Jews had been walled into a ghetto in Warsaw. Starvation, disease, and deportation to the death camps took the lives of many of the inhabitants of this ghetto. In April

1943, the 70,000 or so that remained heroically engaged the German soldiers in battle. Armed with homemade weapons and knowing full well that they had no hope of success, these inhabitants of the Warsaw ghetto struggled for nearly a month against the Nazi soldiers. When the rebellion was over and the area was razed, some 40,000 Jews had been slaughtered. It is fitting and proper that we honor these people whose struggle is a testament to the indestructible spirit of liberty by commemorating the 40th anniversary of the uprising this April.

● Mr. DOLE. Mr. President, I would like to express my full support for the resolution authorizing the President to designate April 10-16, 1983, As "A National Week of Remembrance To Commemorate the 40th Anniversary of the Warsaw Ghetto Uprising."

From late 1939 to 1943, it seemed to many of us that the lights had gone out over all of Europe. Resistance to Fascist conquests in Europe appeared futile and unorganized. The few defeats that the Nazis had suffered up until 1943, such as Stalingrad and El Alemain, were on the periphery of the Third Reich. And then, in the largest single instance of unified resistance by a conquered people that the Nazis had ever before experienced, 40,000 Jews of the Warsaw ghetto launched their life-or-death struggle for liberation. It took 44 days for the Wehrmacht and SS units, armed with tanks and artillery, to overcome resistance that relied mainly on primitive firearms and Molotov cocktails. Some 13,000 brave defenders died in the carnage, thousands more were summarily shipped off to Treblinka. On May 16, 1943, Gen. Jurgen Stroop, commander of this genocidal operation, announced that "there was a Jewish section in Warsaw, but it no longer exists."

In 1953, the United Committee to Commemorate the 10th Anniversary of the Warsaw Ghetto Uprising published a compendium of several documents relating to this historic event. I would like to briefly quote from that publication:

> To the very last drop of their blood, until the last of the heroes fell in battle, the ghetto defenders fought for their human dignity, for the honor and survival of their people, and for the liberation of mankind from the curse of Fascism. . . . The uprising made an invaluable contribution towards the strengthening of the struggle against the German Nazis and the ultimate victory over the bloodiest enemy of mankind, a contribution that will be remembered for all time.

I commend the Foreign Relations Committee and my colleagues, Senator PERCY and Senator PELL for introducing this resolution. I am pleased to support it, and I urge my colleagues in the Senate to do the same.●

By Mr. LEVIN (for himself, Mr. BAUCUS, Mr. CHAFEE, Mr. GLENN, Mrs. HAWKINS, Mr. HOLLINGS, Mr. RIEGLE, and Mr. ZORINSKY):

S.J. Res. 50. Joint resolution designating the week beginning September 25, 1983, as "National Adult Day Care Center Week"; to the Committee on the Judiciary.

NATIONAL ADULT DAY CARE CENTER WEEK

● Mr. LEVIN. Mr. President, today I am reintroducing a joint resolution to establish the week of September 25, 1983, as "National Adult Day Care Center Week." I am pleased to have Senators BAUCUS, CHAFEE, GLENN, HAWKINS, HOLLINGS, RIEGLE, and ZORINSKY as cosponsors of the joint resolution.

There are approximately 800 adult day-care centers operating in the Nation today, providing valuable support services to our senior citizens. These centers are designed to serve elderly persons who need some professional attention but do not require round-the-clock treatment. Professional nurses, dieticians, and therapists offer medical testing and referrals, nutrition education, and physical therapy to the elderly, which reduces the need for long-term hospitalizations or nursing care. Adult day-care centers allow senior citizens to remain in their homes, with their families, while at the same time giving them an opportunity to meet with peers and be socially active.

Mr. President, adult day-care centers save the Federal Government money by both reducing the need for hospitalizations and full-time nursing care. But more importantly, they allow the elderly to maintain the independence and self-esteem which is often lacking in institutional settings. I urge my colleagues to support this joint resolution, which will draw attention to the services and the potential of adult day-care centers.●

By Mr. DOLE (for himself and Mr. MOYNIHAN):

S.J. Res. 51. Joint resolution designating May 21, 1983, as "Andrei Sakharov Day"; to the Committee on the Judiciary.

ANDREI SAKHAROV DAY

● Mr. DOLE. Mr. President, the Senator from Kansas and the Senator from New York (Mr. MOYNIHAN) join in introducing a joint resolution that would designate May 21, 1983, as "Andrei Sakharov Day" in the United States, and which would call upon the entire world to recognize one of the distinguished figures of our age. It is a great pleasure and honor for me to offer this legislation today as a testament to Dr. Sakharov, whose high standards and ideals have come to symbolize through his actions modern man's commitment to human rights, basic decency, and freedom.

The name of Andrei Sakharov is familiar to all of us gathered here. The peoples of all the world owe a great debt of gratitude to this Nobel laureate and internationally recognized physicist for his scientific achievements, and for his noble and selfless contributions to the cause of world peace and human rights. As a result of his efforts, which have not been appreciated by the Soviet Union, Dr. Sakharov will celebrate his 62d birthday as a virtual exile in the city of Gorky, to which he has been illegally confined by the Soviet Government since January 1980.

But even under conditions of isolation and harassment by Soviet authorities, Andrei Sakharov has continued to speak out for human rights and world peace, for humane treatment of Soviet Prisoners of Conscience, and for full compliance, by all signatory states, with the provisions of the Helsinki Final Act and the United Nations Declaration of Human Rights.

Mr. President, it is fitting that our Nation, and all nations that hold peace and freedom dear, honor Andrei Sakharov in an appropriate manner on his 62d birthday. My distinguished colleagues in the House of Representatives, Congressman JACK KEMP and Congressman STEPHEN SOLARZ, today are introducing this joint resolution in the House, and it is my hope that it will be speedily passed by the Congress and acted upon by the President. I urge my colleagues to join me in support of this legislation and I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 51

Whereas Andrei Sakharov has earned the admiration and gratitude of all the peoples of the world for his tireless and courageous efforts to secure basic human freedoms for the peoples of the Soviet Union, including those rights and freedoms proclaimed and guaranteed in the Final Act of the Conference on Security and Cooperation in Europe signed at Helsinki, August 1, 1975; and

Whereas Andrei Sakharov has been awarded the Nobel Prize for Peace for "his love of truth and strong belief in the inviolability of human beings . . . his courageous defense of the human spirit . . . " and a life that has made him "the conscience of mankind"; and

Whereas Andrei Sakharov, in direct consequence of his tireless work for world peace and human rights, has been illegally confined by the government of the Union of Soviet Socialist Republics to the remote city of Gorky, where, on May 21, 1983, he will spend his sixty-second birthday in almost total isolation; and

Whereas even under conditions of isolation and harassment by Soviet authorities, Andrei Sakharov has continued to speak with eloquence and great moral force for the causes of human rights and world peace, for amnesty for all prisoners of conscience, and for full compliance by all signatory states with the provisions of the Helsinki Final Act and the United Nations Universal

Declaration of Human Rights; Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That May 21, 1983 is designated "National Andrei Sakharov Day" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities, and be it

Further resolved, That the President of the United States is authorized and requested to call upon all nations of the world to designate May 21, 1983, as "National Andrei Sakharov Day" within their respective nations, and be it

Further resolved, That the President of the United States is authorized and requested to urge the Government of the Union of Soviet Socialist Republics to permit Andrei Sakharov and his wife, Elena Bonner, freely to choose their place of residence; and be it

Further resolved, That the President of the United States is authorized and requested to direct the American delegation to the United Nations to introduce a resolution in the General Assembly calling upon that body to designate May 21, 1983, as "International Andrei Sakharov Day," to be observed by the United Nations with appropriate ceremonies and activities.●

By Mr. QUAYLE (for himself, Mr. INOUYE, Mr. HATCH, Mr. SPECTER, Mr. D'AMATO, Mr. WEICKER, Mr. HOLLINGS, Mr. BAUCUS, Mr. KENNEDY, Mr. BURDICK, Mr. RIEGLE, Mr. COCHRAN, Mr. DECONCINI, Mr. STENNIS, Mr. STEVENS, Mr. ANDREWS, Mr. LUGAR, Mr. STAFFORD, Mrs. HAWKINS, Mr. RANDOLPH, Mr. METZENBAUM, and Mr. DODD):

Senate Joint Resolution 52. A joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week"; to the Committee on the Judiciary.

NATIONAL MENTAL HEALTH WEEK

● Mr. QUAYLE. Mr. President, on behalf of a number of our colleagues and myself, I am introducing a joint resolution to authorize the President to issue a proclamation designating the week of April 10-16, 1983, as "National Mental Health Week."

The resolution is designed to focus national attention on the problem of mental illness, and the promise of mental wellness.

The cost of excessive stress and mental disorders to our society is immense—both in terms of human suffering and socioeconomic consequences. Stress and mental illness cost this Nation an estimated $65 billion annually, and are one of the leading factors in our Nation's productivity decline and rising health costs.

Regrettably, fear and misunderstanding of mental illness still pervade the Nation. It is estimated that in one out of every three American families there is a member with some type of mental illness, as much as 20 percent of our population is in need of some form of mental health services at any time.

Persons with mental disorders have been shown to be higher users of medical and surgical services, especially if their mental illness goes untreated. Up to 80 percent of all diseases are psychosomatic or stress-related, and mental disabilities account for 30 percent of all hospital admissions. In fact, more than 25 percent of elderly persons diagnosed as senile actually have a diagnosable, treatable, and often reversible mental disorder.

Mental illness is a very treatable disability. Recovery from psychiatric problems is not only possible, but probable. About two-thirds of all mentally ill patients show significant signs of recovery with their initial treatment, and of these, half will never need treatment again. For those 3 to 4 million individuals who suffer from severe and chronic mental illness, it is essential that we retain ongoing supportive services. These services, along with the ministrations of countless dedicated families, provide the emotional support, treatment, education, and care that is so important to these individuals.

Treating the mentally ill is proven to save money. Mental health treatment provides a very effective cost containment tool because treatment results in reduced utilization of more costly hospital, medical, and surgical services. A recent study by the National Institute of Mental Health found that utilization of medical and surgical services dropped anywhere from 5 to 85 percent following psychiatric care. A Washington, D.C., health maintenance organization found that patients receiving needed mental health counseling reduced their nonpsychiatric physician usage by 31 percent and reduced lab tests and X-rays by 30 percent.

Mental health treatment and research is carried out by a wide range of qualified health professionals: Psychiatrists, psychologists, social workers, nurses, physical and occupational therapists, and mental health counselors. These dedicated workers perform in a variety of settings which include private psychiatric hospitals, general and community hospitals, nursing homes, alcoholism and drug treatment facilities, State and VA hospitals, community mental health centers and clinics, physicians' offices, and business and industrial work settings. Recognition should also be extended to the families of the mentally disabled who, in the face of overwhelming emotional and financial distress, provide the needed care and support for our Nation's mentally ill.

This resolution is sponsored by the following groups: American Psychiatric Association; American Psychological Association; National Mental Health Association; National Association of Counties; American Medical Association; American Hospital Association; American Nurses Association; Center for Science in the Public Interest; American Mental Health Counselors Association; Association for the Advancement of Psychology; National Association of State Mental Health Directors; National Association of Community Mental Health Centers; American Academy of Child Psychiatry; National Association of Social Workers; National Association of Private Psychiatric Hospitals; and the National Alliance for the Mentally Ill.

I am being joined in the introduction of this resolution by Senators INOUYE, HATCH, SPECTER, D'AMATO, WEICKER, HOLLINGS, BAUCUS, KENNEDY, BURDICK, RIEGLE, COCHRAN, DECONCINI, STENNIS, STEVENS, ANDREWS, LUGAR, STAFFORD, HAWKINS, RANDOLPH, METZENBAUM, and DODD.●

ADDITIONAL COSPONSORS

S. 27

At the request of Mr. MOYNIHAN, the name of the Senator from Michigan (Mr. RIEGLE) was added as a cosponsor of S. 27, a bill to provide for the conservation, rehabilitation, and improvement of natural and cultural resources located on public or Indian lands, and for other purposes.

S. 44

At the request of Mr. KASTEN, the name of the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 44, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 137

At the request of Mr. ROTH, the names of the Senator from North Dakota (Mr. BURDICK), the Senator from Georgia (Mr. NUNN), and the Senator from Missouri (Mr. EAGLETON) were added as cosponsors of S. 137, a bill to amend the Internal Revenue Code of 1954 to continue to allow mortgage bonds to be issued.

S. 307

At the request of Mr. RIEGLE, the name of the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 307, a bill to provide for continuation of health insurance for workers who lose such insurance by reason of unemployment.

S. 314

At the request of Mr. GOLDWATER, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 314, a bill to encourage inflight emergency care aboard aircraft by requiring the placement of emergency equipment, supplies, and drugs aboard aircraft and by relieving appropriate persons of liability for the provision and use of such

emergency equipment, supplies, and drugs.

S. 445

At the request of Mr. DOLE, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 445, a bill to amend title 11, United States Code, and for other purposes.

S. 476

At the request of Mr. LEVIN, the name of the Senator from Illinois (Mr. DIXON) was added as a cosponsor of S. 476, a bill to amend title II of the Social Security Act to require a finding of medical improvement when disability benefits are terminated, to provide for a review and right to personal appearance prior to termination of disability benefits, to provide for uniform standards in determining disability, to provide continued payment of disability benefits during the appeals process, and for other purposes.

S. 518

At the request of Mr. CHAFEE, the name of the Senator from Arkansas (Mr. BUMPERS) was added as a cosponsor of S. 518, a bill to establish a program of grants administered by the Environmental Protection Agency for the purpose of aiding State and local programs of pollution abatement and control.

S. 525

At the request of Mr. HEINZ, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from Tennessee (Mr. SASSER) were added as cosponsors of S. 525, a bill to require that installment payments of revenue sharing allocations be paid at the beginning of each quarter.

S. 571

At the request of Mr. ROTH, the name of the Senator from North Dakota (Mr. ANDREWS) was added as a cosponsor of S. 571, a bill to amend the Federal Property and Administrative Services Act of 1949 to make Federal surplus property more accessible to local emergency preparedness and volunteer firefighting organizations and to authorize and direct the Federal Emergency Management Agency to recommend available Federal surplus to the Administrator of the General Services Administration, and for other purposes.

S. 572

At the request of Mr. DODD, the name of the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 572, a bill to provide emergency assistance for children.

S. 586

At the request of Mr. HEINZ, the names of the Senator from Vermont (Mr. STAFFORD), the Senator from Washington (Mr. GORTON), the Senator from Hawaii (Mr. INOUYE), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 586, a bill to direct the Secretary of Housing and Urban Development to undertake a program to demonstrate the feasibility of funding neighborhood development activities by providing Federal matching funds to private nonprofit neighborhood organizations on the basis of the voluntary contributions to such organizations from individuals, businesses, and religious institutions in their neighborhoods.

S. 599

At the request of Mr. LEVIN, the names of the Senator from Mississippi (Mr. STENNIS), the Senator from Idaho (Mr. SYMMS), the Senator from Florida (Mr. CHILES), the Senator from Oregon (Mr. HATFIELD), and the Senator from Louisiana (Mr. JOHNSTON) were added as cosponsors of S. 599, a bill to provide that the amount of unnegotiated social security checks shall be returned to the social security trust funds.

S. 646

At the request of Mr. DOLE, the name of the Senator from Nevada (Mr. LAXALT) was added as a cosponsor of S. 646, a bill to amend title 18, United States Code, for the purpose of providing authority to the Attorney General to prosecute acts obstructing the flow of commerce, and for other purposes.

S. 656

At the request of Mr. RIEGLE, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 656, a bill to provide that no interest shall be charged on loans to State unemployment funds in the case of States which enact certain State unemployment compensation provsions, and to revise the criteria applicable to the cap on FUTA tax credit reductions.

S. 669

At the request of Mr. HATFIELD, the name of the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of S. 669, a bill to authorize the construction of a project for navigation at the Bonneville lock and dam, Oregon and Washington.

SENATE JOINT RESOLUTION 28

At the request of Mr. TSONGAS, the names of the Senator from Wisconsin (Mr. PROXMIRE), and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of Senate Joint Resolution 28, a joint resolution calling for immediate negotiations for a ban on weapons of any kind in space.

SENATE JOINT RESOLUTION 35

At the request of Mr. HUDDLESTON, the names of the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. DURENBERGER), the Senator from North Dakota (Mr. BURDICK), the Senator from New Mexico (Mr. DOMENICI), the Senator from North Dakota (Mr. ANDREWS), the Senator from Kentucky (Mr. FORD), the Senator from Mississippi (Mr. STENNIS), and the Senator from Pennsylvania (Mr. HEINZ) were added as cosponsors of Senate Joint Resolution 35, a joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week."

SENATE CONCURRENT RESOLUTION 13—RELATING TO ECONOMIC GROWTH

Mr. MOYNIHAN (for himself and Mr. HART) submitted the following concurrent resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. CON. RES. 13

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that, in order to ensure healthy and sustained economic recovery, the Federal Reserve System shall manage monetary policy to accommodate the growth in the nation's nominal Gross National Product required to achieve real economic growth comparable to the average rate for the first eight quarters of previous post-war recoveries. This average rate shall be calculated on the basis of recoveries beginning in 1954, 1958, 1961, 1971 and 1975.

● Mr. MOYNIHAN. Mr. President, the Nation's economy stands poised at a crossroads. The President's program delineates one course. According to the administration's own forecasts, published in the President's budget for fiscal year 1984, its program will produce the slowest economic recovery in the postwar era.

The Nation's gross national product, which has registered no real growth over the last 4-year period, would expand at an average real annual rate of only 2.75 percent over 1983 and 1984. This amounts to little better than half the real growth which has characterized the typical postwar recovery. This slow growth program will leave 12 million Americans unemployed this year, and some 11,300,000 Americans jobless next year. Once again, I quote from the administration's own forecasts.

There is an alternative. We must agree that the central goal of national economic policy is a robust and sustained economic growth, and we must coordinate both fiscal and monetary policy to produce real growth at least comparable to previous postwar recoveries.

We can do it, and we can start today. Today, Senator HART and I rise to introduce a sense of the Congress resolution directing the Federal Reserve System to manage monetary policy to accommodate the growth in the Nation's nominal gross national product sufficient to produce real growth comparable to previous postwar recoveries.

Resolved, That it is the sense of the Congress that, in order to ensure healthy and sustained economic recovery, the Federal Reserve System shall manage monetary policy to accommodate the growth in the

nation's nominal Gross National Product required to achieve real economic growth comparable to the average rate for the first eight quarters of previous post-war recoveries. This average rate shall be calculated on the basis of recoveries beginning in 1954, 1958, 1961, 1971, and 1975.

I have studied the record of postwar recoveries. Since World War II, the United States has experienced seven business cycles—seven recessions and seven recoveries. Two of the seven recoveries can be considered anomolous. The recovery beginning in the first quarter of 1950 coincided with the expansion of Korean war spending, and produced an anomolously robust recovery nearly 75-percent stronger than any other. Similarly, the recovery beginning July 1980 was the briefest in our history, and registered real growth gains more than 75-percent weaker than any other since the war. Therefore, I excluded these two anomolies from my calculation of a typical postwar recovery. The recoveries beginning in the third quarter of 1954, the second quarter of 1958, the first quarter of 1961, the first quarter of 1971, and the second quarter of 1975 all registered real annual growth gains of between 5 percent and 5.8 percent for the first 2 years of recovery. The average annual real growth rate for these recoveries came to 5.4 percent. That is the real growth rate for a typical postwar recovery, and this resolution will direct the Federal Reserve to target this historical growth path in its conduct of monetary policy.

Senator HART and I have chosen this approach for one, very simple reason. We do not believe that an economic recovery, so-called, that leaves 9.9 percent of the work force jobless 2 years after the trough of a recession—as would the administration's policies, by its own forecast—is acceptable. Moreover, the source of many of our current economic problems, and the single most crucial element in the economic depression we are just now coming out of, has been the basic clash of monetary and fiscal policy. This can go on no longer. We can coordinate these policies if we specify what the goal of that coordination shall be. This is what we have done. We have specified healthy economic growth, within the range of recent historical experience, as the goal and set about to coordinate fiscal and monetary policy to achieve it.

We have chosen an instrument which can work. The Federal reserve is fully capable of targeting nominal GNP growth, in order to achieve a specified real growth rate. There are profound economic reasons, then, for selecting a nominal GNP target. Kenneth Arrow, the distinguished economist and winner of the 1972 Nobel Prize in Economic Science, said recently in U.S. News & World Report:

> The real target of monetary policy ought not to be money supply growth in isolation but growth of the Gross National Product.

Similarly, the President's Council of Economic Advisers wrote in the 1983 Economic Report of the President:

> The principle of targeting money growth rates is not an end in itself, but only a means of achieving control of nominal GNP.

And again, from this year's Economic Report of the President:

> One possible way to avoid (alternating periods of high inflation and economic recession) is to use the observed behavior of nominal GNP to guide a gradual recalibration of monetary growth targets.

The President's Council of Economic Advisers concluded by observing that:

> Basing the recalibration of monetary targets on nominal GNP is consistent with the basic principle of pursuing a stable monetary policy.

There are reasons why Nobel Laureate Arrow and the President's Council of Economic Advisers believe that nominal GNP targeting is an appropriate technique for monetary policy. The chief reason is that there is a very close and very stable relationship between the total credit in the Nation's economy and the Nation's nominal gross national product. The Federal Reserve does not publish a total credit aggregate, but it does publish a close proxy, the so-called L aggregate. This includes M_3—which is M_1's sum of currency, demand deposits, traveler's checks and other checkable deposits, and M_2's overnight repurchase agreements and Eurodollars, general purpose money market fund balances, and savings and small time deposits, plus from M_3 proper, large time deposits, term repurchase agreements, and institution-only money market fund balances—and to this adds other liquid assets. The L aggregate can be compared with nominal GNP, and the relationship becomes quite apparent:

[in billions of dollars]

	Nominal GNP	L aggregate
1970	992.7	816.5
1971	1077.6	903.2
1972	1185.9	1023.6
1973	1326.4	1143.8
1974	1434.2	1249.8
1975	1549.2	1376.6
1976	1718.0	1531.4
1977	1918.3	1724.3
1978	2163.0	1938.9
1979	2417.8	2153.9
1980	2633.1	2370.4
1981	2937.7	2642.6

We know that it can be done: The Federal Reserve can target nominal GNP, to achieve a certain specified real growth rate. And we know why—to what end—we would have them do so: To achieve sustained economic growth, comparable to a typical postwar recovery. The question which remains is, what would be the consequences of doing so.

Let us begin with some of the consequences if we do not do so. We have reviewed the slow growth, high unemployment forecasts of the administration under its current policies. But even these forecasts may be optimistic. It seems certain that we will get some recovery. But will it last, even at the tepid rate forecast by the administration? Perhaps not, and tragically so. The fact is that the real prime rate, and all real long-term interest rates, remains in the region of 6 percent. The historical norm for real long-term interest rates is between 2 percent and 3 percent. I must tell you that there simply is no instance in American economic history of a sustained recovery in an interest rate atmosphere of 5 or 6 percent, in real terms.

And let us consider what sectors of the economy could sustain the recovery under current policy conditions. There are four possible candidates. The first is business investment. But the capacity utilization rate for manufacturing remains below 60 percent, and few businesses will invest when so much idle capacity is available. In real terms, business investment declined 8 percent last year; the Commerce Department is forecasting an additional 5 percent drop this year. The second possible source of a sustained recovery is the export sector. Last year, we recorded the largest merchandise trade deficit in the Nation's history, some $42.7 billion. Martin Feldstein, the President's chief economic adviser, recently forecast that the 1983 trade deficit will be in the range of $75 billion. In the words of the Federal Reserve's recent Monetary Report to Congress, the export sector "will continue to be a drag on U.S. economic activity." The third source of sustained recovery is consumer spending. Here, the Federal Reserve observes that consumers may well "pursue cautious strategies." That is the Reserve's own cautious way of saying that consumer demand may well remain soft this year. At the very least, consumer demand will be highly sensitive to interest rates. If interest rates climb again, consumer spending will decline—and with it, the recovery. And the likelihood of a rise in interest rates is considerable under current policy, given that Federal borrowing will absorb some 50 percent of all available credit in the markets this year, according to the Office of Management and Budget. Certainly, in this context interest rates will rise unless the Federal Reserve insures sufficient credit to avert crowding out private borrowers—which is another way of saying sufficient credit to insure strong economic growth.

This brings us to the last source of economic stimulus—Government spending. The Federal Government will be a significant source of recovery and stimulus—that is, the deficit will be large. But surely we cannot depend

only on the deficit to sustain a recovery. And just as surely, we cannot hope to increase the likelihood of a more robust and sustained recovery by increasing the deficit. Such a course would only drive interest rates even higher, as Federal borrowing to finance the deficit crowded out private borrowers.

No, it is certain that fiscal policy cannot carry the entire burden of economic recovery. Nor can we leave this recovery hostage to the current policies that can only promise the most tepid and slow recovery in 40 years. Instead, we must choose sustained and vigorous growth, and do it by an established means. That is what we offer today in this resolution.

We know it can work. In early February, with the assistance of the staff of the Joint Economic Committee, I asked Data Resources Inc., one of the Nation's preeminent econometric forecasting firms, to simulate the consequences for the Nation's economy of this resolution. I assumed that no action taken today could have any significant impact before July of this year, so I asked Data Resources, Inc. (DRI) to target 5.4 percent real economic growth—the postwar recovery average—for eight quarters beginning this July. I also offered the necessary fiscal policy assumptions, including:

Five percent average annual real growth in defense spending (over 5 years);

The Social Security Commission recommendations;

Moderate restraint in the growth rate of other nonmeans tested entitlements, amounting to $13 billion in spending reductions over 5 years;

Current services in discretionary spending programs, meaning neither real growth nor real reductions in funding for discretionary domestic programs; and

A 4-year delay in the indexation of income tax rates.

I asked DRI to simulate the monetary policy required to achieve the 5.4 percent annual real growth, given these fiscal policy assumptions. In short, I asked whether fiscal policy could be coordinated with monetary policy in such a way as to produce the targeted growth.

DRI reported yes, it certainly could. Some of the results:

Unemployment would fall to 7.6 percent by 1985, instead of the 8.9 percent projected by the Administration under its program. That would mean that 1,400,000 fewer Americans would be jobless in 1985 under this Resolution than under the Administration's program by its own forecasts.

Personal income would be $208 billion greater, or 6.6 percent higher, in 1985 under this Resolution than under the Administration's programs.

Corporate profits by 1985 would be 28.6 percent greater, which comes to $66 billion more, under this Resolution than under the Administration's forecasts for its own program.

There is an inflation cost. The annual inflation rate under this resolution would average 5.5 percent for the years 1983-85, as against the average annual inflation rate of 4.7 percent forecast for those years by the administration. I believe that this Nation is prepared to pay a cost of 0.8 percentage point greater inflation a year over the next 3 years to see high growth, rising personal incomes, rising corporate profits, and sharply declining unemployment.

I ask unanimous consent that a table summarizing the results of the DRI simulation of the economy under our resolution, versus the administration's forecasts for its own program be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

STATE OF THE U.S. ECONOMY: ECONOMIC FORECASTS, ADMINISTRATION PROGRAM VERSUS MONETARY RESOLUTION

	1983	1984	1985	1986	1987	1988
GNP (billions):						
Resolution [1]	$3,281	$3,675	$4,093	$4,524	$5,005	$5,572
Administration [2]	$3,262	$3,566	$3,890	$4,232	$4,599	$4,995
Real GNP (1972):						
Resolution	$1,508	$1,598	$1,676	$1,743	$1,812	$1,885
Administration	$1,496	$1,555	$1,617	$1,682	$1,742	$1,819
Real GNP, rate of change year to year (percent):						
Resolution	2.2	6.0	4.9	4.0	4.0	4.0
Administration	1.4	3.9	4.0	4.0	4.0	4.0
Unemployment rate (percent):						
Resolution	10.6	9.0	7.6	6.9	6.4	6.0
Administration	10.7	9.9	8.9	8.1	7.3	6.5
Unemployed (millions):						
Resolution	11.9	10.3	8.9	8.2	7.7	7.4
Administration	12.0	11.3	10.3	9.6	8.8	7.9
CPI (percent change):						
Resolution	4.9	5.5	6.0	6.1	6.3	6.8
Administration	4.9	4.6	4.6	4.6	4.5	4.5
Personal income (billions):						
Resolution	$2,752	$3,047	$3,350	$3,680	$4,040	$4,438
Administration	$2,727	$2,935	$3,142	$3,377	$3,661	$3,956
Corporate profits (billions):						
Resolution	$199	$254	$312	$354	$410	$471
Administration	$177	$206	$246	$296	$316	$329
91-day T bills (percent):						
Resolution	7.1	6.4	6.9	6.4	5.2	NA
Administration	8.0	7.9	7.4	6.8	6.5	6.1
M_1 (percent change):						
Resolution	7.3	6.7	5.9	5.2	5.6	6.1
Administration [3]						
M_2 (percent change):						
Resolution	9.6	11.6	11.8	10.0	10.3	11.2
Administration [4]						
Prime Rate (percent):						
Resolution	10.2	9.7	9.8	9.4	8.0	6.3
Administration	NA	NA	NA	NA	NA	NA
Housing starts (millions):						
Resolution	1.51	1.86	2.09	2.15	2.24	2.44
Administration	1.50	NA	NA	NA	NA	NA
Auto sales (millions):						
Resolution	9.0	10.7	11.5	12.1	12.8	13.4
Administration	NA	NA	NA	NA	NA	NA

[1] Forecast by Data Resources, Inc., Feb. 18, 1983, assuming real growth path under monetary policy resolution (5.4 percent average annual real growth, 8 quarters from July 1983 to July 1985).
[2] Forecast under administration program, "Budget of the United States Government," fiscal year 1984, pp. 2–9 to 2–10.
[3] "The administration's economic program includes support for a policy of gradual reduction in the rate of money growth. . . ." ("Economic Report of the President," p. 139).
[4] "The administration's budget documents say nothing about the assumed behavior of monetary policy." (CBO, "Analysis of the President's Budgetary Proposals," p. 16).

STATE OF THE U.S. ECONOMY: THREE-YEAR COMPARISON (1983-1985), ADMINISTRATION PROGRAM VERSUS MONETARY RESOLUTION

GNP: By 1985, GNP will be $203 billion, or 5.2%, larger under the monetary resolution than under the Administration program.

By 1988, GNP is projected to be $577 billion, or 11.6% larger under the monetary resolution than under the Administration program.

Real GNP: For 1983-1985, real GNP will grow at an average annual rate (year-to-year) of 3.1% under the Administration program; under the monetary policy resolution real GNP is projected to grow at a 4.4% average annual rate, or 41% faster.

Unemployment Rate: For 1983-1985, the unemployment rate will average 9.1% under the monetary resolution, falling to 7.6% in 1985; the unemployment rate under the Administration program will average 9.8%, or 8.5% greater, falling to only 8.9% in 1985.

For the six years 1983-1988, unemployment is projected to average 7.75% under the monetary policy resolution; unemployment for those years is projected to average 8.6%, or 10.6% greater, under the Administration program

Unemployed: The years 1983-1985 will produce an annual average of 11,200,000 Americans unemployed under the Administration program, 840,000 more a year than the annual average of 10,360,000 unemployed under the monetary resolution.

In 1985, the Administration projects 10,300,000 unemployed Americans, or 1,400,000 more than the 8,900,000 unemployed forecast by DRI under the monetary resolution.

CPI: For 1983-1985, the Administration projects an average annual inflation rate of 4.7% under its program, or 0.8 percentage-points lower than the 5.5% average annual inflation rate forecast by DRI under the monetary resolution.

Income: By 1985, personal income will be $208 billion, or 6.6% greater under the monetary resolution than under the Administration program.

By 1988, DRI projects personal income to be $482 billion, or 12.2% larger under the monetary resolution than the Administration projects under its program.

Profits: By 1985, corporate profits will be $66 billion, or 28.6%, larger under the monetary resolution than under the Administration program.

By 1988, DRI projects corporate profits to be $142 billion greater, or 43.2% more, under the monetary resolution than the Administration projects under its program.

Mr. MOYNIHAN. Mr. President, one final note. DRI also projected the implications of high sustained growth, as achieved under this resolution, on our budgetary dilemma. We discovered an obvious fact: much of the so-called structural deficit becomes cyclical—that is, disappears—if we returned to the growth rates which have characterized previous postwar recoveries. As growth accelerates, incomes and profits rise significantly—and Federal revenues increase. At the same time, outlays for unemployment compensation, food stamps, and other welfare programs decline with the rising living standards achieved under this resolution. According to the DRI analysis, this coordination of fiscal and monetary policy would reduce the deficit over the next 5 years by $270 billion more than would the administration's program. The deficits would become manageable. While CBO estimates that the administration's program will produce a deficit of $177 billion in fiscal year 1985, DRI estimates that the fiscal and monetary policies coordinated under this resolution would reduce this deficit to $146 billion.

In fiscal year 1986, the administration's deficit of $147 billion is reduced by $26 billion to $121 billion, under our fiscal and monetary assumptions. By fiscal year 1988, for which the Congressional Budget Office forecasts a $159 billion deficit under the administration's program, DRI estimates that our program would produce a deficit of only $15 billion.

Moreover, the strong growth under this resolution would significantly reduce the share of the Nation's gross national product accounted for by Federal spending and the Federal deficit. Federal spending as a share of GNP would decline from 24.1 percent in fiscal year 1984 to 21.6 percent in fiscal year 1988—while CBO estimates that the administration's program would reduce the share of Federal spending in GNP from 24 to 23.2 percent.

At this point, I ask unanimous consent that a table summarizing the budgetary forecasts under our resolution, versus the administration's proposals, be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DATA RESOURCES INC. BUDGET PROJECTIONS

	Fiscal year—									
	1984		1985		1986		1987		1988	
	Administration [1]	Resolution [2]	Administration	Resolution	Administration	Resolution	Administration	Resolution	Administration	Resolution
Monetary resolution:										
Outlays	841	886	905	966	973	1,045	1,044	1,122	1,113	1,206
Revenues	665	701	728	820	826	924	884	1,040	954	1,191
Deficit	176	185	177	146	147	121	160	82	159	15
Budget categories as percentage of GNP:										
Outlays	24	24.1	23.7	23.6	23.5	23.1	23.4	22.4	23.2	21.6
Revenues	19	19.1	19.1	20.0	19.9	20.5	19.8	20.8	19.9	21.4
Deficit	5	5.0	4.6	3.6	3.6	2.7	3.6	1.6	3.3	.2

[1] CBO reestimates of administration budget.
[2] DRI budget estimates under Moynihan resolution, national income accounts basis.

Note.—Assumptions:
Administration/CBO: 7 percent average annual real defense growth (over 5 years); Social Security Commission recommendations; $74 billion entitlement cuts (over 5 years); $61 billion discretionary program cuts (over 5 years); interest cost reductions from reduced deficits in the range of $30 billion (over 5 years); contingency tax increase program; tax on health insurance premiums.
Real GNP growth rates of 2.1 percent (1983), 4.7 percent (1984), 4.1 percent (1985), 3.7 percent (1986), 3.5 percent (1987), 3.5 percent (1988).
Unemployment rates of 10.6 percent (1983), 9.8 percent (1984), 9.0 percent (1985), 8.4 percent (1986), 8.0 percent (1987), 7.5 percent (1988).
CPI increases of 3.8 percent (1983), 4.6 percent (1984), 4.7 percent (1985), 4.1 percent (1986), 3.9 percent (1987), 3.7 percent (1988).
Monetary resolution: 5 percent average annual real defense growth (over 5 years); Social Security Commission recommendations; $13 billion entitlement cuts (over 5 years); current services in discretionary programs (no real growth or real cuts); interest cost reduction from reduced deficits and declining interest rates exceeding $120 billion over 5 years); 4-year delay for tax-indexing.
Real GNP growth rates of 2.2 percent (1983), 6.0 percent (1984), 4.9 percent (1985), 4.0 percent (1986), 4.0 percent (1987), 4.0 percent (1988).
Unemployment rates of 10.6 percent (1983), 9.0 percent (1984), 7.6 percent (1985), 6.9 percent (1986), 6.4 percent (1987), 6.0 percent (1988).
CPI increases of 4.9 percent (1983), 5.5 percent (1984), 6.0 percent (1985), 6.1 percent (1986), 6.3 percent (1987), 6.8 percent (1988).

Mr. MOYNIHAN. Mr. President, last year, with Senators JIM SASSER and DONALD RIEGLE, I offered an alternate budgetary program based on a new coordination of fiscal and monetary policy. I had characterized the administration's program of wildly expansionary deficits and stringently tight money growth as a policy at war with itself. I warned that this policy would produce the unprecedented combination of severe contraction and high sustained interest rates. And I offered an alternative, based on revising the Federal Reserve's money growth targets coupled with several measures of fiscal restraint. Had this policy been adopted, the Nation would have avoided the disastrous second dip of this finally passing recession, and recovery could have begun last June or July. We did manage, with the cooperation of Senator DOMENICI, to append a statement on the coordination of fiscal and monetary policy to the budget resolution. The Reserve did finally attend to this sense of the Congress state-

ment in August and October, easing monetary policy in ways which have at last ended this terrible economic decline, the worst since the Great Depression.

Now we can move beyond a halt to an economic decline, and do our best to insure healthy and vigorous growth. The need is all around us. The means are at hand, with this resolution. The results are as certain as any in economics. I urge the adoption of this resolution, for the health and wealth of this great country's economy and people.●

● Mr. HART. Mr. President, for the past 2 years, this administration has tried to achieve economic growth with only one tool: fiscal policy. This led to almost no growth or anemic growth at best.

At the same time, the Federal Reserve Board has conducted a very conservative monetary policy that has made growth nearly impossible. As a result, at a time when we most need to expand the economic pie, it keeps shrinking.

The resolution Senator MOYNIHAN and I are introducing calls on the Federal Reserve Board to manage monetary policy so as to achieve the average real growth rate of previous postwar recoveries. It is based on the experience of those recoveries that economic growth requires an accommodative monetary policy. It makes high economic growth, once again, the primary economic priority of the United States.

The danger of failing to move toward an accommodative monetary policy at this time is clear: the recovery which most economists believe is now beginning could quickly founder and we could sink into a third recession in as many years.

It is time for a strong, affirmative statement that all our economic policies—monetary and fiscal—will be directed toward high economic growth. This is essential for the health of our changing economy and for the health of the world economy. A move by our Government toward a more accommodative monetary policy would alleviate the growing debt problem of developing countries and would give a needed boost to the economies of our allies.

The benefits from higher growth are striking:

The Moynihan-Hart proposal would give us a GNP of $577 billion by 1988, 11.6 percent higher than the current administration projections.

Putting monetary policy back on a growth path would put 1,400,000 more people back to work by 1988 than the administration plan.

Personal income and corporate profits would also be higher.

There would be substantial recovery in housing and autos.

Growth also makes a substantial contribution to reducing the size of the deficit in future years if we also need to take a number of other initiatives to contain spending and increase revenues to keep the deficit under control. For instance, the combination of higher growth under Moynihan-Hart and a delay in the implementation of indexing brings the 1988 deficit down to $15 billion.

The program does contain one cost: Under Moynihan-Hart plan, the Consumer Price Index would rise from 6.1 percent in 1982 to 6.8 percent in 1988. This assumption is based on oil price estimates that came before the recent tumble in world oil prices—the 1988 results would look better if they were based on today's estimates.

However, we still need to develop a program to control inflation. The past 2 years are a stark reminder of the costs of fighting inflation with a deep recession. The country has lost hundreds of billions of dollars, millions of people have been thrown out of work, and investments in our future have been delayed, cut back or cancelled.

The controls of the Nixon years proved to be costly in a quite different way and are an unacceptable solution. What we need is a policy or more likely a combination of policies that will continue to wind down inflation and prepare us for any future price shocks.●

SENATE RESOLUTION 80—TO AMEND THE STANDING RULES OF THE SENATE

Mr. BYRD submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 80

Resolved, That Rule XV of the Standing Rules of the Senate is amended—

(1) by inserting after "Motions" in the caption a semicolon and the following: "GERMANENESS";

(2) by adding at the end thereof the following new paragraph:

"6. (a) At any time during the consideration of a bill or resolution, it shall twice be in order during a calendar day to move that no amendment, other than the reported committee amendments, which is not germane or relevant to the subject matter of the bill or resolution, or to the subject matter of an amendment proposed by the committee which reported the bill or resolution, shall thereafter be in order. The motion shall be privileged and shall be decided after one hour of debate, to be equally divided and controlled by the Majority Leader and the Minority Leader or their designees.

"(b) If a motion made under subparagraph (a) is agreed to by an affirmative vote of three-fifths of the Senators duly chosen and sworn, then any floor amendment not already agreed to (except amendments proposed by the committee which reported the bill or resolution) which is not germane or relevant to the subject matter of the bill or resolution, or the subject matter of an amendment proposed by the committee which reported the bill or resolution, shall not be in order.

"(c) When a motion made under subparagraph (a) has been agreed to as provided in subparagraph (b) with respect to a bill or resolution, points of order with respect to questions of germaneness or relevancy of amendments shall be decided without debate, except that the Presiding Officer may entertain debate for his own guidance prior to ruling on the point of order. Appeals from the decision of the Presiding Officer on such points of order shall be decided without debate.

"(d) Whenever an appeal is taken from a decision of the Presiding Officer on the question of germaneness of an amendment, the vote necessary to overturn the decision of the Presiding Officer or hold the amendment germane or relevant shall be three-fifths of all Senators duly chosen and sworn."

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, as chairman of the Senate Committee on Agriculture, Nutrition, and Forestry, I wish to announce that a confirmation hearing on the nomination of John J. Franke Jr., has been scheduled on Monday, March 7. Mr. Franke has been nominated for the position of Assistant Secretary of Agriculture for Administration.

The hearing will begin at 1:30 p.m. in room 328-A, Russell.

Anyone wishing further information should contact Denise Alexander of the Agriculture Committee staff at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, March 3, at 10 a.m., to consider agriculture export legislation and S. 17, Domestic Commodity Distribution and Food Assistance Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FRANKLIN ROOSEVELT BECAME PRESIDENT OF THE UNITED STATES 50 YEARS AGO

● Mr. RANDOLPH. Mr. President, Friday, March 4, marks the 50th anniversary of the inauguration of Franklin D. Roosevelt as 32d President of the United States.

It was the beginning of the New Deal era, one of the most dramatic and dynamic periods in American history. The New Deal created jobs; it put millions of Americans back to work rebuilding a shattered, depres-

sion-ridden nation. Roosevelt's leadership brought hope where there was despair; it brought work where there was unwanted idleness; it brought unity and purpose where there was chaos and confusion.

I was sworn in as a freshman Member of Congress just 5 days after the inauguration. I am the only Member of Congress who participated in that series of legislative and social reforms.

Millions of words will be written and spoken about the New Deal era, and scholars of the future will spend endless hours of historical analysis in attempts to determine the factors which led to America's admirable recovery from the economic depths.

It is necessary, I feel that we consider not only the statistical evidence but the principles and personalities involved. An individual most qualified to comment on Roosevelt—the individual—and his leadership ability is Washington attorney, James Rowe, who served as a White House assistant during those critical early years of the New Deal administration.

Mr. Rowe recently recalled his personal remembrance of Roosevelt on the occasion of the 50th anniversary of the 1932 election. His eloquent words are most appropriate for Friday's significant occasion.

Mr. President, I ask that remarks by James Rowe be placed in the RECORD.

The remarks follow:

"FDR—THE BOSS"

(By James Rowe)

. . . When you have contemplated the thousands upon thousands of pages, the scores of authors whose single theme has been Roosevelt it is rather humbling to realize that no one now has much of anything to add. He is now best left to the historians who are of course far from speaking their final judgment.

But what one does miss most in these books about the great events, about his leadership, his political skill, his idealism is what some of you present here today most vividly remember as his most human quality—that utterly incredible charm. Perhaps you will forgive me, then, if I dwell not at all today on his towering importance to the saving first of his country, and then of the Free World. I would instead like to recall for a few moments what it was like, when we were all very young, to have worked for such a man. If it is true that no man finds his heroes after he is 30, it was my great good fortune to come to the White House staff at the age of 28.

The New Deal took place in a simpler time for America. But the problems were not less serious than those of today. After all, FDR led the Nation through the two most serious crises we have faced since the Civil War. One was the worst depression the Nation has ever gone through, and the other was the greatest war we have ever been in, World War II. In both of these he was the unmatched leader, and in both he was a most successful leader.

I'm sure that most of you who have come fairly recently to Washington and to watch the White House, the Hill, and the Government would have difficulty in recognizing the White House, the Government, and the city of those days.

The White House during the depression was quite small. In 1939 there were 45 people, including stenographers, on the staff. A handfull were on other payrolls—Adolf Berle in the State Department, Tom Corcoran in the RFC, Ben Cohen in the Department of the Interior, and others.

In 1944, during the greatest war in the history of mankind, the White House staff had 47 direct employees and 145 detailed from other agencies, a total of 192.

In contrast President Reagan's White House staff consists of 1,569—eight times as many as FDR had during World War II.

The Reagan staff has 184 senior officials earning more than $50,000 a year. Indeed the President's wife today has a larger staff than FDR had during the depression.

FDR wanted no more people on his staff than he could deal with personally. His assistants could not have assistants of their own. I remember asking FDR for an assistant because I felt grossly overworked. His reply was that if I needed an assistant I was not doing the job he wanted me to do. He felt that a large staff would shield the President from reality, would make trouble, make work, cut off the nation from the President and the President from the nation.

Of course, Reagan is not the only sinner, but merely the latest one. Every President after Roosevelt has said he would cut the staff drastically and every President from Truman to Reagan has added personnel to the staff. I do not know why and I do not think any of them did. I suppose it is because they did not trust the Executive Branch and preferred to handle the work in the White House instead of in the Departments.

There were three secretaries in the White House—a press secretary, an appointments secretary, and a secretary who did almost everything else. There were also three or four administrative assistants, the so-called "assistants with a passion for anonymity," a phrase taken from the description of the staff of the British War Cabinet in World War I. I was one of those. My friends would have some quarrel about my desire for anonymity but the rule was enforced. I really do not remember ever leaking anything to a newspaper man while I was in the White House. I do remember going in one day to see the President about some minor matter. He said "Didn't I read in some column in the Star that you were at a cocktail party yesterday?" I said, "Yes, Sir, I was at that party." And he said, "If I read this too often, you will need another job." I may say this cut down my cocktail party going considerably.

The President believed he could control the government in two ways—by controlling the budget—the money—and by controlling the personnel—the people. Therefore he moved the Budget Bureau out of the Treasury and into the Executive Office of the President where it still is. In my day, he and I handled all the Presidential appointments to political office, I did the spade work and he did the deciding. He also had an administrative assistant who controlled the work of the Civil Service Commission and handled the other personnel matters. He thought these were the only two tools he needed—budget and personnel control—money and people.

There was no Council of Economic Advisers, there was no Domestic Council, there was no National Security Council, except to the extent that he himself was his own National Security Council.

I do know he spent some time every day reading the State Department cables. I do not know who selected them for him, someone in the State Department. I once suggested to Rudolph Forster that I would like to read them and Forster merely smiled kindly, and said no. Rudolph Forster was the chief civil servant at the White House. He had been there since Teddy Roosevelt who was his hero and on a slow day he would be perfectly willing to discuss all the Presidents between Teddy and Franklin. I remember him as a wise old man.

Every document going to the President and coming back from the President had to go through his hands. He was an extremely competent man and he held the White House up almost by himself, as Grace Tully can testify. He rarely made a mistake. I do recall he once made one that affected me. In those days I had to clear every political appointment with the Democratic Senators from the appointee's home state. I once asked him to hold one up involving the state of New York until I cleared it. Rudolph slipped and the papers went to the Hill without clearance. The two Senators were soon on the phone yelling bloody murder, I said "Mr. Forster, you've gotten me in a lot of trouble by sending that appointment down." He smiled benignly and said, "Young man, you would be terrified if you knew how little I care." This was of course the long view of history and Rudolph Forster had it.

Another informal bastion of power resided in the office of FDR's personal secretaries, Missy LeHand and Grace Tully. Those two were invaluable to the New Dealers because they were considerably more liberal than the secretaries who controlled the front door of the President's office. They came from Virginia and shared some of the conservative political bias of the Virginians of those days. When we could not get in the front door—which was often—I, and a number of others such as Tommy Corcoran and Ben Cohen, went through the back door and Missy or Grace would let us in to see the Boss—unless one or the other said, "Don't try to see him today—his Dutch is up." He really did not object to having this extra channel. The Roosevelt Administration, which always looked quite chaotic on the surface, but which was well and effectively run by the President, could not have functioned without Grace or Missy. And he always had a number of other channels open to him.

He held two press conferences a week—998 in all—always around his desk in the Oval Office with about 50 to 150 reporters, depending on the events. Radio was not allowed.

At these he was like a bull fighter chased by the bulls. You could ask as many questions as you thought proper. He enjoyed the give-and-take as did the reporters, almost all of whom were his ardent admirers. He continually attacked their bosses, the Publishers, which probably endeared him to the reporters more than ever.

Like all Presidents, he was angry about leaks to the press, but most of those which were successfully traced back, where traced to him—he told somebody or other who then told a newspaper man.

He enjoyed every minute of those press conferences. Almost always there was no preparation other than a minute or two ahead of time with Steve Early, his Press Secretary.

He was a most astute politician. There has been no one better, in his sense of political timing, and in the way he handled the Senate and the House. He certainly did not make as many telephone calls as Lyndon Johnson did but he came close to it. In my day he saw a large number of Senators and Congressmen—on the record and off the record—every day. He often smelled out trouble before it began. After one disastrous attempt, he never used a formal Hill lobbyist. But he did tell me and others to go up on the Hill and wander around.

He never lost a battle on the Hill until the Supreme Court packing plan in 1937. He really had won that fight because Chief Justice Charles Evans Hughes and Senator Burton Wheeler, his two most effective opponents, had cleverly got two of the extreme conservative justices to retire and that gave him two liberal appointments. I don't know why he pressed on after that when he had already won except that he was always full of confidence, and had, until then, never lost a legislative battle in all the years since his inaugural in 1933.

He did run into some political trouble in the bi-elections of 1938. He and the New Dealers decided to purge several recalcitrant senators and congressman who had been giving him constant trouble. But they tried their purge on the spur of the moment, without enough campaign money and without very good candidates to oppose the incumbents. This did leave some scars. For instance he went after Senator Walter George of Georgia, later Chairman of the Foreign Relations Committee. George won reelection handily. Some time later when some of the Senators were sitting around discussing Roosevelt's maneuvering, one of them said, "Roosevelt is his own worst enemy." "Not while I'm alive he isn't," said George.

But in general, Roosevelt's relations with the Congress were "a day in the country" compared to those of his successors and his predecessors.

This was not an accident. He kept a careful and sensitive watch on the Congress. I remember he once refused to appoint a brilliant and controversial man to an important position because he knew it would start a real fight in the Senate. He said to me, "We're getting close to a war. I'll need the Senate during that war and particularly after, and I do not propose to make the mistake of my old boss, Woodrow Wilson, who antagonized the Senate and therefore lost the battle for the League of Nations."

His political genius, I think, was never to get too far ahead of the American people. He was from birth an internationalist but he knew the country was not. After World War I, it was strongly isolationist. He had once moved too far ahead of the people in his famous 1937 quarantine speech in Chicago when he suggested, as he watched the rise of the dictators, Hitler and Mussolini, that the United States should quarantine them in terms of goods and help. The isolationist outcry was so strong that he moved cautiously thereafter.

The City of Washington was, until the war, and despite the churning energy of the New Deal, a sleepy town. The White House gates were kept open, and the government servants and anyone else strolled through them on their way to and from work until early 1940. There was little security in those days as I remember. In the White House lobby, just outside the President's office, there were always one or two quiet anonymous secret service agents sitting with a small flock of reporters who were waiting to see who would come out of the President's office so they could be interviewed. There were of course a small number of secret service agents elsewhere.

At the far end of the lobby was a chair behind a desk where sat the well-loved Pat McKenna, the Receptionist. He received all visitors, known or unknown. I remember crossing near Pat's desk one day when he was talking to a very distinguished looking old man with a flowing white beard. "I am sorry, God," I heard Pat say, "but the President is in a sudden urgent meeting and he cannot see you. If he had only known you were coming, he would have been available," "Can you get me in to see him next week, Pat?" God asked. "I really have something important to tell him that he should know." Pat said "God, I'm sure I can arrange to get you in next week," The old man with the flowing beard—who for all I know could have been God—happily left.

In those days, the three secretaries had limousines but the administrative assistants could not reach that pinnacle of splendor. When I was sent on an errand by the President, I took my own car and I paid for my own gas or for the taxi if I used one. I parked my car right outside the President's office. It was a battered old convertible with the top falling apart until someone delicately suggested it was in such complete disrepair I ought to keep it somewhere else, which I did. There was, of course, no such elegance in my day as the White House Mess. We ate our lunch in the nearby beaneries.

Even the young today must have heard of the famous Roosevelt charm. It was indeed there. The staff, everyone of us, worshiped him, basically I believe, because of the way he treated us. He would turn that charm on everyone who ran across him whether he saw them several times a day or hardly ever. It is true he could be somewhat tough occasionally behind a closed door and I have seen him somewhat cross but never really angry toward any of his staff.

The Roosevelt charm radiated out from the office across Washington and across the country. His sense of leadership—of how to be President—was, I think, the main reason why the young flocked in large numbers to Washington in those perilous days of the Depression and later of the War. He was, as you know, a man of hope, he was willing to try anything. If an experiment failed he would try something else. "The country," said Roosevelt in 1932, "needs . . . bold, persistent experimentation. . . . Take a method and try it: if it fails, admit it frankly and try another. But above all, try something. The millions who are in want will not stand by silently while the things that satisfy their needs are within easy reach." One of the relatively young, Rex Tugwell, was quoted as saying "We shall roll up our sleeves and make America over." This caused a great outcry in the press, in Wall Street, and business. It was perhaps a foolish thing for him to have said but in our hearts we all believed it.

With the possible exception of the Founding Fathers, there was never before and certainly has not been since, the excitement, the intellectuality, the excellence or the sense of accomplishment, that existed in the New Deal. It is remembered by the hundreds, even thousands, of young men and women who flocked to Washington to serve under Franklin Roosevelt.

The words of Justice Oliver Wendell Holmes of the Supreme Court, when speaking of his Civil War comrades in a speech delivered on Memorial Day 1884, also apply to the New Dealers—"Through our great good fortune, in our youth our hearts were touched with fire."

There is a new book about Roosevelt called "FDR—1882-1945" by Joe Alsop. The last paragraph of this very good book reads in part:

"Even more than the feeling that there were giants in the land, I now feel nostalgia for the absolute confidence in the American future which was the necessary foundation of this total absence of doubt. Hope was in fact Franklin Roosevelt's greatest gift to his fellow Americans. Partly he gave us hope by his deeds, when he came to office in a time that seemed utterly devoid of hope. But even more, he gave us hope because all could see that he himself felt not the slightest doubt about the future at any time in his years as President. Defeats there might be (though they were rare) on this bill or that in Congress. Fearful military misfortunes there were, with Pearl Harbor itself the most notable and hard to comprehend. Grounds for even a slight temporary loss of hope there never were, however—at any rate in the President's mind; and somehow, his mind formed the minds of the overwhelming majority of other Americans who watched him in action in those years of hope."●

MEALS ON WHEELS

● Mr. ARMSTRONG. Mr. President, in difficult economic times like these, the morning paper brings reports of hardship and the evening news is a litany of despair. At a time when good news in hard to come by, a story of wholesome human action solving problems is most welcome. I have such a story to tell today, and it concerns the Meals on Wheels program in Englewood and Littleton, Colo.

Fourteen years ago, Virginia Baker had been feeding her mother and father lunch most days. They invited some of their elderly friends to eat with them and, before long, Mrs. Baker was regularly serving lunch and providing friendly social contact to 12 people. This woman's thoughtfulness and generosity filled an obvious need in the community, for the popularity of her lunches continued to grow. Soon, the local Presbyterian Church loaned their kitchens for meal preparation and other neighbors helped deliver lunches to elderly people who were more or less housebound.

Eight years ago, the program was such a success that it rented permanent facilities from the Littleton Housing Authority at the Bradley House, an apartment complex for seniors. This Meals on Wheels program now feeds lunch to 85 seniors a day—some in the comfort of their own homes, and more than 20 in the community dining room at the Bradley House. The meals are well balanced, appetizing, and nourishing. A typical recent lunch consisted of baked chicken, mashed potatoes with gravy, mixed vegetables, bread and butter, and dessert. Arrangements can be made for

diabetics and others with special dietary needs.

This program, Mr. President, grew out of a simple neighborhood concern for those who were less fortunate or less active and, though larger, it is still the same today—neighbors helping neighbors in the friendly way they always have. "That's all they need is a good neighbor who cares and shares," says Jan Andrus, who took over the Meals on Wheels program from Mrs. Baker in 1981.

The entire program is run without a penny of Federal or State assistance. These hot and wholesome meals are offered almost at cost to those who can pay—and most seniors want to—and free to those who cannot. All of their other expenses are made up from private contributions of money, time, and labor.

Volunteers for a program like this have not been hard to find, and 90 volunteer-hours a week have become commonplace. The Beta Sigma Phi sorority and the Englewood and Littleton Republican Women's Clubs are among the many who pitch in to serve the lunches at the Bradley House and run the nine different routes delivering the meals to homes and visiting with the elderly. "Sometimes, if you're 80 years old, and have never been patted on the shoulder, or kissed on the cheek, it can make you very sad and lonely. Company is as nourishing to the mind as food is to the body and sometimes more so," Mrs. Andrus says. Hearing this, no one could doubt her sincerity when she adds warmly, "I have a good time doing this job * * * it's so important."

These daily visits, in addition to providing company, can also be a lifesaver in case of mishaps or medical problems, so it is really two programs at once. Many elderly people can remain in the comfort of their own homes longer if they can eat well and be assured of regular visits. In fact, our 1979 study found it gave them an average of 6 more years independence before needing the extra attention of a nursing home—and who could put a price on 6 years of independence?

I wanted to take this time to draw the attention of my colleagues to this neighborly effort, Mr. President, because I think it is an example of the goodwill and generosity of ordinary people who see a problem and work together in practical and effective ways to solve it. It is a good news story, if you like, but it is not unique to Denver. All around the country, other people are solving other problems in other ways—quietly and without fanfare—just because that is what good neighbors do. You will not read about them in the morning paper or hear about them on the evening news, but they go on about their business of caring about others in their own quiet way.

I should like to have printed in the RECORD, Mr. President, something Mrs. Andrus shared with me. It is called Beatitudes for Friends of the Aged, by Esther Mary Walker, and says a great deal about how one group of Coloradans cares for another.

The writing follows:

BEATITUDES FOR FRIENDS OF THE AGED

(By Esther Mary Walker)

Blessed are they who understand
My faltering step and palsied hand.
Blessed are they who know that my ears today
Must strain to catch the things they say.
Blessed are they who seem to know
That my eyes are dim and my wits are slow.
Blessed are they who looked away
When coffee spilled at table today.
Blessed are they with a cheery smile
Who stop to chat for a little while.
Blessed are they who never say,
"You've told that story twice today."
Blessed are they who know the ways
To bring back memories of yesterdays.
Blessed are they who make it known
That I'm loved, respected and not alone.
Blessed are they who know I'm at a loss
To find the strength to carry the Cross.
Blessed are they who ease the days
On my journey Home in loving ways.●

THE CERAMIC EXAMPLE

● Mr. TSONGAS. Mr. President, I commend to my colleagues a February 17 Washington Post article by Hobart Rowen. The article is relevant to a bill I recently introduced, S. 428, titled the "Economically Strategic Industrial Research and Development Act." When I introduced that bill, I had printed in the RECORD an article on the Japanese challenge in ceramic materials. Mr. Rowen's piece succinctly summarizes the problem, and I want to share his insights with my colleagues.

Mr. President, I ask that the text of Mr. Rowen's article be printed in the RECORD.

The article referred to follows:

THE CERAMIC EXAMPLE

(By Hobart Rowen)

About 15 years ago, a British scientific journal published the first article that anyone can remember about an exciting new idea: automobile engines, the article reported, could be made out of ceramic material instead of metal. Such lightweight, thermal-efficient ceramic engines would have stunning advantages, especially a 30 percent reduction in fuel consumption. And the engine itself would practically never wear out.

No one in the West—certainly no one in Great Britain—considered this more than a pipe dream. But—you guessed it—the article on ceramic engines came to the attention of the Japanese government and Japanese businessmen, who carefully scan all technical literature published everywhere.

The potential for ceramics was only one phase of $460 million in R&D money the Japanese government committed for a 10-year exploration of new industrial materials, biotechnology, and so-called "new function elements" in electronics.

So it happened that a few weeks ago on a visit to Japan to study how these new high-tech programs are coming along, Commerce Under-Secretary Lionel H. Olmer drove the world's first car with a ceramic engine on the grounds of the KYOCERA Corp. (Kyoto Ceramics).

"It's an experimental model and it idles sort of rough—but it works, that's the main point," Olmer told me.

KYOCERA already is commerically producing ceramic components for diesel engines. And Olmer says in a report on his trip, "It is anticipated that ceramic parts—including turbine blades—will be usable in ships and aircraft, eventually."

The experimental ceramic engine is a good example of why Olmer argues that American manufacturers trying to compete with Japan are dealing with "a moving target." Merely slapping quotas on Japanese cars for a fourth year (as Tokyo, under pressure from U.S. trade ambassador Bill Brock, has just agreed to do) is a pitiful Band-Aid for Detroit, which simply seems unable to meet Japan's creative challenge.

Olmer says in his excellent report—a public document available from the Commerce Department—that Japan concentrates on high technology because there is a bigger bang to the buck: success in high tech makes all Japanese industries more competitive.

Any company, especially one in Great Britain—where, God knows, something is needed to stir the country out of an economic quagmire—could have pursued the idea of a ceramic automotive engine. But it was a Japanese company that pressed ahead, its instinct for innovation importantly supported by government direction and money.

But Olmer makes the point that it would be a mistake to attribute these successes just to governmental spoon-feeding. The truth is that entrepreneurial skills of private management, the dedication of a nonconfrontational labor force, and just plain common sense are also key factors.

Two examples Olmer cites:

Originally, an American company developed a kind of crane to life airplane fuselages off the assembly line and twirl them in midair while the assembly crew carefully listens for rattles. That's what the Japanese do—and American makers don't—in assembling F15 fighter aircraft. Predictable results: Japanese-made F15s don't rattle.

A recent "time and motion" study in the United States shows that, typically, about 75 percent of a woker's time is spent looking for the right tools and parts, and only 25 percent at the actual assigned task. The Japanese have reversed these percentages—tripling actual work time—by providing each worker with a simple plywood cart in which he neatly stores all of his tools and parts. He doesn't go off the shift until that is done.

What are the lessons here? The West has scoffed at the Japanese as imitators of Western technology. But Olmer quotes Edison's definition of genius—99 percent perspiration and one percent inspiration—to suggest that Japan's special creativity is "incremental improvement," which is just as important as "a blinding flash of insight."

The reality is that the Japanese have become either preeminent or equally eminent in many high-technology fields, including ceramics, carbon fibers, robotics, computers, semiconductors and machine tools. To a substantial degree, Japan has benefited from a transfer of technology from the West, and often has been more alert to the potential of an invention than the inventors.

Now, some of the transfers must go in the reverse direction. Just how this is to be worked out will have an important bearing on the economic development of the noncommunist world for the rest of the century.●

WHAT IS REALLY HAPPENING AT THE EPA?

● Mr. McCLURE. Mr. President, on February 20, the Washington Post ran a very important article written by a good friend of mine, Senator ALAN K. SIMPSON entitled, "EPA Is Doing Things Better."

Senator SIMPSON's article skillfully outlines the direction of the Environmental Protection Agency. He points out that many of the so-called environmentalists attacking the EPA have failed to look at the progress that has been made. The debate over the EPA, he says, closely resembles a pack of wolves high on emotion circling their prey.

He stated:

The administrator of EPA has the task of trying to enforce some of the most convoluted and ambiguous statutes and regs ever enacted. Almost every significant regulatory action she takes is challenged in court—by someone. Not only is she subject to the constant cross fire from the environmentalists but her actions are under a barrage of continuing judicial review. The fact that she is criticized does not mean that Anne Gorsuch is doing a miserable job.

He goes on to say that how easy it is for a lawmaker to gain the headlines of the local paper by subpenaing Anne Gorsuch. This is a wonderful game but it is not very productive.

Senator SIMPSON's comments provide an excellent insight to the politics surrounding the current debate.

Mr. President, I ask that the article by my distinguished colleague from Wyoming be printed in the RECORD:

The article follows:

[From the Washington Post, Feb. 20, 1983]

IN DEFENSE OF ANNE GORSUCH—EPA IS DOING THINGS BETTER

(By Alan K. Simpson)

Lord, here we go again! With the scent of the kill filling the flared and twitching nostrils of "the observers" in Washington, and with good old "high emotion" vaporizing all desire to seek reason and balance, the "pack" is circling in on the Environmental Protection Agency and its administrator, Anne Gorsuch. It reminds me of that old cartoon of the two buzzards in the tree, with one saying, "Patience, my ass. I'm going to kill something!"

I am not an apologist for Anne Gorsuch. She beautifully expresses her own thoughts in a very frank and candid manner—an interesting woman. Yes, I, too, have heard the same comments about her—that she is aloof, cold, tough as hell, arrogant, confrontational, sly—the full spectrum of adjectival abuse.

Have you ever seen a pack of coyotes? They are not the kind of warm and furry animals that you pat gently on the head and feed a dish of warm milk. They circle their prey—fired up and lathered by the chase—and then rip at the throat. They will polish off a lamb in pretty short order. Anne Gorsuch is not perceived as being a lamb—indeed not—and it may be that fact alone that has helped get the old juices flowing as the pack attempts to drag her agency to its knees.

What spurs this kind of attack? What fires and focuses all this energy? It may be that everything else is too dry or boring to bear. After all, legislating—ofter like administering—is just about the driest and sometimes dullest form of human endeavor. For it consists of research, reading, reviewing, meeting with fellow legislators, amending, searching, learning, growing, determining how to compromise an issue without compromising yourself, and in humility finding how to take a crumb when you can't get a loaf. It is not high drama.

But when all of that pent-up frustration born of boredom finds a chink in the boilerplate—then hallelujah, the chase is on! At the first mention of the word "shredder" the old eyeballs bulge and fangs come out. With all the gleeful licking of the chops going on, and now even a new "in" title ("Sewergate"), it is sometimes diffcult to inquire as to whether there is any reason or balance or fairness lurking in the organization being assaulted. Possibly we might consider taking a few moments for a presentation of "the other side."

The version of recent agency history that is currently fashionable is that the pre-Gorsuch EPA was a heady model of efficiency and fairness ("One of the most efficient and capable agencies of government," according to the New York Times). That is not the EPA I remember. I recall an EPA that was hopelessly behind schedule on the implementation of the major environmental laws, constantly mired in controversy and battles with the states and other branches of the federal government, and frequently accused of "anti-business bias" in the ideological interpretation of scientific evidence. It was an agency whose leadership was portrayed as being largely indifferent to the efficient management of the nation's resources.

Given our national fiscal situation, it was both necessary and inevitable that Anne Gorsuch would be asked to prune the EPA budget and subject agency activities to a more rigorous scrutiny than they had ever undergone before.

Perhaps some of the subsequent changes at EPA have been unwise. It is difficult to tell since there seems to be such a dearth of knowledgeable and disinterested analysis of what has really taken place. The hard-hitters in the Washington environmental community have been unremittingly hostile to Gorsuch since well before her confirmation and have always denounced in near hysterical tones virtually everything she has done. Most of Gorsuch's critics are simply so pinched and shriven with bias and partisanship that they would flunk a saliva test.

The administrator of EPA has the task of trying to enforce some of the most convoluted and ambiguous statutes and regs ever enacted. Almost every significant regulatory action she takes is challenged in court—by someone. Not only is she subject to the constant cross fire from the environmentalists, the business community and Congress, but her actions are under a barrage of continuing judicial review. The fact that she is widely criticized does not succinctly mean that Anne Gorsuch is doing a miserable job.

An interesting example is the criticism that EPA is now getting—from the environmentalists, of all people—for taking seriously the statutory deadlines for attainment of clean air standards. We now hear the extraordinary argument that these attainment dates really don't have anything to do with actual air quality—that the deadlines Congress fussed, struggled, and busted its fanny over a few years ago don't apply out there in the real world. I think Anne Gorsuch might be forgiven for having the impression that she just can't win regardless of what she does.

One of the delightful ways for a lawmaker to pick up a few headlines in the old hometown press is to subpoena Gorsuch before one of the many committees and subcommittees in this place, whose staff spend an inordinate amount of hours sniffing out subject matter that can get "the boss" on the tube. Just ran our a subpoena and have Anne Gorsuch haul up to the Hill, by pack mule train, about 750,000 documents having to do with, say, Superfund. It's a great and time-honored game. But is it always productive? I think not.

The theory here, when the fur begins to fly, is to get on the "right side." Which side is the right side? Quite naturally its the side that makes you a folk hero at home.

There is no question that the basic philosophy and style of this administrator is less pleasing and digestible to the environmental community than that of previous administrators. But I do labor under the longstanding illusion that a public official should be judged not on the basis of clamor or conflict but on the basis of certain results—in this case, environmental quality. The truth is that the health of the American people and the quality of their environment are getting better, not worse. The air and water may not be as clean as we wish, but they are eminently cleaner than they were, and show continuing improvement. Hazardous waste dumps are being cleaned up. No previous EPA administrator can boast of that fact.

It is not my purpose to defend all actions that Anne Gorsuch has taken as administrator of EPA. I've surely resisted some. I know I would have handled some matters quite differently had I been in her shoes—but who of us can object to fair and informed criticism of the record of any public official?

What I do not have much stomach for is the mindless antipathy, the raging harassment and assertions, the blatant lust for the "kill" that has been so evident recently.

Much has been made of the reduced budgets at EPA. This is seen by some thoughtful people as a lessening of the commitment to clean up our nation. Is it? What happened may be something that makes sense. Lawyers were fired and scientists were hired. Anne Gorsuch stated, "I don't need all that money for lawyers and litigants and bright stars and fancy writers and papers peddlers and white paper specialists. Just give me some 'grinders' who can sit down with the deputy, John Hernandez, and other scientists and crank out a list of the chemicals that cause difficulties for human beings. I want to know what they are, how they can be controlled, what we should be up to. Let's toss out the lawyers, and hire the scientists and get some rationalization about specific effect of chemicals," Makes sense.

I believe many of us have finally plugged our ears to the old siren song of Washington. The words and music went, "If we only had a good chunk more money and some more good people, we could do you a tremendous job." There aren't too many people left around here pumping out that guff any more or buying it. Many see clearly that we no longer need lengthy litigation, marvelous memorandums, ponderous tomes,

distinction piled upon distinction, and paralysis by analysis. Start walking the walk instead of talking the talk.

But others still don't agree. Seems every time we take a crack at a responsible amending or reauthorization of the Clean Air Act we get letters from constituent groups who have been wired up in a miasma of misrepresentation: "Lay off the Clean Air Act, Simpson, or we'll tear your shorts off!"

Recent public opinion polls clearly show that the American people want clean air and clean water and are willing to pay for it. I go for that. This does not mean that the public's willingness to pay should be translated into a willingness of the federal government to spend itself goofy on environmental programs. We can have a clean environment and reduced budgets if appropriations are expended wisely. That is what Anne Gorsuch's administrative efforts are about—the wise and thoughtful use of limited resources.

All federal agencies and departments are finding the going tough in these times of tremendous deficits. Should EPA be exempted from all economic constraints while our right to sensible environmental protection is already being maintained under current funding levels? None of EPA's harshest critics has shown that EPA has not continued to follow the law just as set out by Congress, nor can the critics show that the environment has been degraded, because just the opposite is true.

"Superfund" is a case in point. Under the stewardship of Anne Gorsuch, EPA has taken significant and effective actions to establish priorities to clean up some of the worst dump sites in the nation. Some will argue that litigation is preferable to any out-of-court settlements. But let us not forget that each case litigated costs the taxpayers hundreds of thousands of dollars while always delaying the actual cleanup. Out-of-court settlements are not intrinsically evil.

So, what the hell have they been doing over there? Well, EPA has been active in reducing the backlog of state implementation plans (plans required of the states before environmental protection strategies can be approved by EPA). This backlog has been reduced by 98 percent under Anne Gorsuch.

Through management streamlining, the requested budget reduction of 50 percent in 1982 has not prevented the EPA from proposing 14 effluent guidelines and promulgating 12 of those—when before this administration came on the scene only one was birthed after an investment of more than $100 million. For the very first time, EPA is on track with court-ordered deadlines. Is this not responsible action? One would think so.

The backlog of overdue decisions on chemical testing has been reduced by 25 percent. Backlogged applications for pesticide registrations have been reduced by 97 percent and use permit delays reduced by 83 percent. The backlog on grants and other resistance agreements has been reduced by 95 percent. The clogging of unresolved audits has dropped from 653 to 5 during the past 18 months. And if one examines the actual record, acid rain research levels have increased—contrary to the comments of the critics.

As chairman of the subcommittee on nuclear regulation, I observe EPA's Office of Radiation Programs. That office has accomplished much since Anne Gorsuch and John Hernandez took charge. It has really zeroed in on its mission of establishing environmental standards for a variety of activities in the nuclear field, many of which were hopelessly behind schedule and had, prior to Gorsuch's arrival, been but "pacing items" for the regulatory programs of other federal and state departments and agencies. This re-emphasis of ORP's mission might well be one of the most important achievements of EPA in the nuclear field.

EPA has also proposed standards for high-level waste repositories, an issue that the agency had been grappling with for an extraordinary period of time. These standards, once adopted, will be incorporated into the Department of Energy and the Nuclear Regulatory Commission high-level waste repository programs.

Final standards for inactive uranium mining and milling activities, which were recently promulgated by EPA, will allow DOE to move forward in its cleanup program for these inactive sites. Standards in numerous other areas related to the nuclear field have shown great progress since Gorsuch took over the shop, including standards for active uranium mill tailings sites that EPA in the past had failed to promulgate, even in the face of a statutory congressional mandate.

Because enforcement and implementation of clean air programs are two of the EPA's most important responsibilities, virtually no funding reductions have been proposed in those areas. Research support for national hazardous air emission standards has increased by $1.3 million to ensure their timely completion. The enforcement effort continues at the same funding levels as fiscal 1983, and EPA is maintaining its focus on the most significant violators, which include those tampering with auto pollution equipment and the large industrial polluters. The 17-percent reduction in state grants in this area is based on EPA's belief that improvements in federal and state operations will enable states to operate effectively with a reduction in the federal share of the total resource support.

Acid rain research will increase by $1.5 million to a total of $14 million. Total government-wide funding for acid rain will be $27.6 million, an increase of $4.3 million over the past fiscal year. Quality assurance efforts will get a $1.3 million injection.

There was an increase of nearly $1 million for improving toxic risk assessments. Total health effect studies will be funded at an increased level of $51 million, an increase felt necessary to continue to protect the health of American people.

The most diligently ignored factor in EPA's budget is the increase in funding for Superfund by 48 percent—and increases in resources for site cleanup by nearly 55 percent. If numbers alone are the game, then know that in 1982 EPA obligated 81 percent of all the funds appropriated in this program—including obligation of 90 percent of all waste-site cleanup funds. In 1984, EPA will be expanding the number of sites where response actions will be conducted.

The EPA budget proposals for 1984 deserve sensible analysis and not ridicule. The proposals for both 1982 and 1983 have resulted in environmental progress. Programs that were dormant are now productive. Savings of nearly $200 million over the 1981 appropriations are to be achieved while the EPA continues environmental progress through a series of actions: addressing a growing number of the most dangerous hazardous waste sites; improving management of our basic regulatory process in the EPA such as in the toxic new source performance standards, effluent guidelines and pesticides programs, and basic and essential regulatory reform efforts that have enabled the agency to implement statutory responsibilities in a much more sensible and effective manner.

We hear much about the acid rain issue—and should. We hear the EPA may be "stalling," prolonging research efforts as a means of reducing any chances for successful acid rain legislation. Yet there are (believe it or not!) professional scientists at EPA—career people—who survive all of the changes in administration throughout the years. The criticism leveled at EPA is a whack in the chops to these dedicated scientists and their objective work, as well as to many of the politically appointed administrators. The real truth is that Congress does need more information on acid rain—regardless of the lack of House action or the recent action taken by the Senate. EPA has been responding to this need for more information and will certainly continue to do so. Congress does need some more information on things like: the buffering capacity of different soils; the effects of oxidant catalysis; the role of long-range transport; the efficacy of different control strategies; and the effects of wind-blown alkaline dust on acid rain formation. EPA is not stalling on the acid rain issue. Instead, Congress is severely reined in by a lack of finite knowledge about the cause-and-effect relationships of different industrial control strategies. Congress should take the rap on inaction and stalling on acid rain, not EPA.

Notice, too, that when persons have expressed to Anne Gorsuch that something might be awry, or that sly trickery is afoot, or that the sneak thieves are in full flight or that the shredder has shorted out—or when they say Rita Lavelle shouldn't be working here, or that she should, or that Hugh Kaufman shouldn't be here, or that he should—all of those mumblings, memos and meanderings get turned over to the Department of Justice. It seems like a good place to report charges of wrongdoing. If things are really out of whack, it will come out in the wash.

And finally—isn't it interesting how "the observers" seem to foster preconceived notions about this administration and the environment? I would hope we might dispel one notion—that the protection of the environment and the public health and safety is solely in the domain of those of the other political faith. Check out the record of the Republican Senate and a Democratic House and review the number of environmentally responsible bills that have been passed by those bodies and praised by the President as he signed them into law—endangered species, barrier islands and nuclear waste legislation to mention but three.

Perhaps it would be well for us all—congresspersons, "the observers" and the public we serve to consider again the words of Edmund Burke: "Those who would carry the great public schemes must be proof against the most fatiguing delays, the most mortifying disappointments, the most shocking insults and worst of all—the presumptious judgment of the ignorant beyond their design."●

SIXTY-FIFTH ANNIVERSARY OF ESTONIA'S PROCLAMATION OF INDEPENDENCE

● Mr. LEVIN. Mr. President, last Thursday, on February 24, the Estonian Community of Detroit gathered to commemorate the 65th anniversary

of Estonia's Proclamation of Independence. Estonian-Americans all over the United States took time to reflect on the significance of the event, but also to bring attention to the fact that Estonians enjoyed independence for only a brief moment in history.

Mr. President, I sent a letter to the Estonian community in Detroit to be read at their gathering and ask unanimous consent that it be printed in the RECORD.

The letter follows:

FEBRUARY 27, 1983.

ESTONIAN COMMUNITY OF DETROIT,
c/o Mr. Raimond Tralla, Oak Park, Michigan.

DEAR FRIENDS: Once again you are gathering to commemorate the anniversary of the Proclamation of Independence of the Republic of Estonia.

It is now 65 years since that day, February 24, 1918, when the people of Estonia established an independent government. And, the people of Estonia enjoyed a period of peace and freedom but it was all too brief.

Forty-three years ago, in 1940, the Soviet Union occupied Estonia, and it, along with Lithuania and Latvia, became a captive nation. To this day, Estonia lives under the oppressive heel of the Soviet Union.

On this day, therefore, as on similar days every year, we pause to remember the past and its glorious history—to think of the present and how we can help our fellow human beings everywhere—and to dream of the future, when Estonia, and all captive nations will once again be free. The battle will not end until all such nations regain their sovereignty and independence.

In the meantime, I know that you will continue to be the watchdogs in this country of your culture, traditions and customs and continue to maintain your strong identification with your roots and your sense of community. America is enriched by your presence.

I am sorry that I cannot be with you today to personally express my thoughts to you. I wish you well in all your endeavors and look forward to a long association with you.

Sincerely,

CARL LEVIN.●

AID TO EL SALVADOR IS IMPERATIVE

● Mr. HELMS. Mr. President, yesterday the White House announced that Congress will be urged to supply an additional $60 million in aid to El Salvador for 1983. President Reagan is requesting this emergency military assistance to counter leftist guerrillas who continue to gain strength in that country. I believe that it is extremely important the El Salvador receive this aid as soon as possible. On Monday of this week, Deputy Assistant Secretary of State, Nestor Sanchez, said the army had less than a 30-day supply of ammunition. Furthermore, our own security is inescapably linked to the security of our allies and trading partners.

On the other side, the guerrillas continue to be well equipped both from Nicaragua and Cuba. I might point out that whereas the United States devotes 3 percent of its security assistance to Latin America, the Soviet Union spends 8 percent. United States inability—or unwillingness—to come to the aid of the Salvadoran Government will simply strengthen the Nicaraguan and Cuban position in the region.

Mr. President, the real issue is whether the United States will, for obvious national interest, develop a policy of commitment to ensure the future of democracy in El Salvador. Failure to grant El Salvador these additional funds would again demonstrate that the United States is not willing to defend the principles of democracy against a determined and programed international Communist aggression.

Mr. President, in dealing with El Salvador it is essential to recall March 28, 1982, when one of the highest voter turnouts ever in the history of democratic elections occurred. Despite death threats by the FDR guerrilla group, more than 80 percent of the Salvadoran voters went to the polls. The United States cannot ignore this remarkable exercise in democracy.

This should be kept in mind when analyzing the pressure by some elements in this country to force the people of El Salvador into a dialog with the FDR to reach a political solution. I am opposed to any negotiations of this nature. The FDR refused to participate in the last elections. Thus, negotiations would be in direct contradiction to the voice and spirit of the March 28 elections, and could give the FDR a role in the government which they have been unwilling to earn through the democratic process.

Those arguing for dialog still have not recognized nor accepted the FDR for what it is—or for what it represents. Neither by fact nor history have they won any popular internal support for their cause. The FDR has been able to survive partially due to the well-orchestrated propaganda machine available to them within the United States. The daily destruction of public and private property caused by the FDR clearly affects all Salvadorans' livelihood, their right to work, to move freely about their country, and to enjoy such basic necessities as medicine, education, and food. By ignoring the violations of human rights committed by the FDR, as well as other guerrilla groups, we provide justification for treason instead of helping develop the necessary democratic solution.

The unmistakable conclusion from the analysis of the March 28 results and the nature of the FDR is that our Government must support the existing legally and democratically elected representatives of the people of El Salvador. We must make it clear to our friends in that country that we reject the principles of the FDR as antidemocratic. We must insist that the FDR reject terrorism and seek acceptance through the democratic process. Only when these steps are taken will it be feasible to expect the Salvadorans to be able to participate in true negotiations for the conditional surrender of the FDR, providing guarantees of life and future participation in the society.

Mr. President, economically El Salvador cannot support itself. I am convinced that their record as the most productive country in the region with the least natural resources will be reaffirmed once peace is established. In the short term, though, they need our help. Aid to El Salvador in the past, though limited, has accomplished a great deal. Political pluralism, a legally elected government and widespread social awareness all have emerged to alleviate the anarchy and turmoil which plagued that country before the United States began providing assistance.

El Salvador is moving in the right direction and further progress depends on our ability to support it in stopping those who have declared themselves diametrically opposed to our values.

Mr. President, I urge the administration to act quickly on sending emergency military aid to our friends in El Salvador. This action is vital to the security of El Salvador, to the security of the United States and, indeed, to the entire hemisphere.●

THE NUCLEAR FREEZE

● Mr. TSONGAS. Mr. President, I commend to my colleagues a resolution issued by the American Physical Society, the main society of American physicists. Among the organization's members are some of the scientists who developed the first nuclear weapons, and many of those who now make such weapons in our national laboratories. The resolution was authored by five of this Nation's most distinguished scientists: Hans Bethe, Herbert York, Sidney Drell, Wolfgang Panofsky, and Marvin Goldberger.

This fall, millions of Americans voted for the nuclear freeze. The momentum of the freeze movement, and the seriousness of American concern for arms control, have made an impression on the prestigious professionals most involved in the technical aspects of our nuclear capability. These professionals have concluded that enough is enough, that efforts to bottle the nuclear genie need more of a sense of urgency. Their resolution calls upon the President and the Congress—together with their counterparts in the Soviet Union—to intensify efforts to reduce the risk of nuclear war by negotiating a verifiable arms control agreement; by inhibiting the further proliferation of nuclear weapons; by banning weapons testing, weapons in space, and tactical weap-

ons; and by ceasing to regard nuclear explosives as ordinary weapons of war.

Mr. President, I ask that the text of the resolution of the American Physical Society be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE AMERICAN PHYSICAL SOCIETY

Whereas nuclear war is an unprecedented threat to humanity;

Whereas the stockpile of nuclear weapons distributed around the globe contains the explosive power of more than one million Hiroshima bombs;

Whereas a general nuclear war would kill hundreds of millions of people;

Whereas the aftereffects of general nuclear war are certain to be catastrophic for the survivors and could destroy civilization;

Whereas any use of nuclear weapons, including use in so-called "limited wars," would bring with it substantial risk of escalation to general nuclear war;

Whereas thirty years of vigorous research and development have produced no serious prospect of effective defense against nuclear attack;

Whereas nuclear arsenals of the United States and the Soviet Union are more than adequate for deterrence;

Whereas the continuation of the nuclear arms race will not increase the security of either superpower;

Whereas the proliferation of nuclear weapons to additional countries, especially in areas of high tension, would substantially increase the risk of nuclear war;

Whereas there has been no progress for several years now toward achieving limitations and reductions in strategic arms, either through ratification of SALT II or the negotiations of a replacement for it;

Whereas negotiations intended to achieve a comprehensive nuclear test ban have been indefinitely adjourned; and

Whereas negotiations intended to prevent or inhibit the spread of nuclear warfare to outer space have been suspended;

Be it therefore resolved that The American Physical Society, through its elected Council, calls on the President and the Congress of the United States, and their counterparts in the Soviet Union and other countries which are similarly involved in these vital matters:

To intensify substantially, without preconditions and with a sense of urgency, efforts to achieve an equitable and verifiable agreement between the United States and the Soviet Union to limit Strategic Nuclear Arms and to reduce significantly the number of such weapons and delivery systems;

To conduct, in a similar spirit, negotiations to restrict the use and limit the deployment of battlefield and intermediate range nuclear weapons;

To resume negotiations to prevent the spread of nuclear weapons to outer space;

To take all practical measures to inhibit the further proliferation of nuclear weapons to additional countries;

To take all practical actions that would reduce the risk of nuclear war by accident or miscalculation;

To continue to observe all existing arms control agreements, as well as SALT II;

To avoid military doctrines and deployments that treat nuclear explosives as ordinary weapons of war; and

To initiate serious negotiations to ban the testing of nuclear weapons in all environments for all times as called for in the Nonproliferation Treaty.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of a proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notifications which have been received.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., March 1, 1983.

In reply refer to I-00099/83ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 83-20, concerning the Department of the Army's proposed Letter of Offer to Indonesia for defense articles and services estimated to cost $26 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL No. 83-20

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Indonesia.

(ii) Total Estimated value:

	Millions
Major defense equipment [1]	$24
Other	2
Total	26

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: One hundred fifty thousand 105mm cartridges without fuzes for howitzers.

(iv) Military department: Army (UCP).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: None.

(vii) Section 28 report: Included in report for quarter ending December 31, 1982.

(viii) Date report delivered to Congress: March 1, 1983.

POLICY JUSTIFICATION

INDONESIA—105MM CARTRIDGES

The Government of Indonesia has requested the purchase of one hundred fifty thousand 105mm cartridges without fuzes for howitzers at an estimated cost of $26 million.

This sale will contribute to the foreign policy objectives of the United States by helping to improve the security of a friendly and strategically important country in East Asia.

These cartridges will be used with the howitzers puchased to upgrade Indonesian artillery forces as the primary field artillery of the Indonesian Army.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the government-owned, contractor-operated Kansas Army Ammunition Plant of Parsons, Kansas.

Implementation of this sale will not require the assignment of any additional U.S. Government or contractor personnel to Indonesia.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., March 1, 1983.

In reply refer to I-00300/83ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 83-21, concerning the Department of the Navy's proposed Letter of Offer to Saudi Arabia for defense articles and services estimated to cost $31 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL No. 83-21

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Arms Export Control Act

(i) Prospective purchaser: Saudi Arabia.

(ii) Total estimated value:

	Millions
Major Defense Equipment [1]	$0
Other	31
Total	31

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: This case provides for an amendment adding $31 million to an existing agreement valued at $49 million for a total of $80 million worth of follow-on technical support for the Royal Saudi Naval Forces.

(iv) Military department: Navy (RAI, amendment 1).

(v) Sales Commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: None.

(vii) Section 28 report: Case not included in Section 28 report.

(viii) Date report delivered to Congress: March 1, 1983.

POLICY JUSTIFICATION

SAUDI ARABIA—FOLLOW-ON TECHNICAL SUPPORT

The Government of Saudi Arabia has requested an amendment adding $31 million to an existing agreement valued at $49 million worth of follow-on technical support for the Royal Saudi Naval Forces (RSNF).

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continued willingness of the United States to support the Saudi Arabian effort to improve the security of the country through modernization of its naval forces. In a regional context, enhancement of the defensive capabilities of Saudi Arabia will also contribute to overall Middle East security and stability.

The United States is assisting Saudi Arabia in enlarging and improving its naval force through the Saudi Naval Expansion Program (SNEP). This program began in 1972 and is scheduled to be completed in the mid 1980's. The SNEP includes the purchase of 29 ships and craft plus the supporting shore facilities, equipment, logistical support, and training. This sale will provide for the follow-on technical support essential to effective operations of the RSNF.

This sale of follow-on technical support will not introduce a new military capability into the region nor will it affect the basic military balance in the region.

The follow-on technical support will be provided by the U.S. Navy. There will be no prime contractor.

Implementation of this sale will not require the assignment of any additional U.S. Government or contractor personnel to Saudi Arabia.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

PRELIMINARY NOTIFICATION, PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification was received on March 1, 1983.

Interested Senators may inquire as to the details of this preliminary notification at the offices of the Committee on Foreign Relations, room SD-427.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., March 1, 1983.

In reply refer to: I-00415/83ct

Dr. HANS BINNENDIJK,
Professional Staff Member, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country tentatively estimated to cost in excess of $50 million.

Sincerely,

PHILIP C. GAST,
Director.●

HIGH-TECH—NO PANACEA

● Mr HUDDLESTON. Mr. President, during recent months we have been inundated with stories about the value of high technology to the U.S. economy. This economic revolution is claimed by some to be the salvation of our depressed economy and a certain cure for our excessive unemployment. As a result of this high-tech hype and the dazzling success stories from Silicon Valley, we have become partially blinded to the underlying economic realities we face.

High technology is vitally important to our national economy and we should aggressively promote its development, but it is not a panacea for the serious economic ills of America. In our scramble to assist these new industries, we must not lose sight of the value and necessity of our basic industries. These so-called "smokestack" industries—steel, automobiles, heavy manufacturing, and coal—have been the foundation of our economic strength and must continue to be for years to come.

The limitations of the new high-tech industries were clearly revealed in two recent articles in the Washington Post which dealt with the announcement, by Atari, to fire one-quarter—1,700—of its U.S. work force in order to shift production to Hong Kong and Taiwan.

One of the articles pointed out that this production shift:

follows the pattern of consumer electronics items such as watches and television

And went on to state that:

The announcement of the move and the large layoff is bound to raise questions about projections that jobs lost in the foundries and auto plants can be replaced easily by jobs in high technology industries and that high-tech industries can perserve the U.S. position in international trade.

Mr. President, I believe that our national economic policy must be a balanced one which recognizes the value and importance of basic industries as well as high-technology industries. Without such a balanced policy, I fear that we will tend to disregard the needs and concerns of the basic industries. As we all know, many of these industries currently are fighting to say alive and will require our long-term support and assistance. I, for one, am not ready to relinquish these industries to our foreign competition, especially at a time when we have almost 14 million Americans out of work.

I ask that both of the aforementioned Washington Post articles be printed in the RECORD.

The articles follow:

[From the Washington Post, Wednesday, Feb. 23, 1983]

ATARI TO FIRE 1,700, SHIFT PLANTS TO ASIA

(By Martha M. Hamilton)

Atari Inc., the video game and home computer manufacturer that has sometimes been used to symbolize America's employment future in high-technology jobs, said yesterday it will fire nearly a quarter of its U.S. work force in a shift of Atari's manufacturing operations overseas.

Atari said that 1,700 workers in California will lose their jobs as a result of the company's decision to shift production from Sunnyvale, Calif., to Hong Kong and Taiwan. The layoffs will be phased in from now to June or July with 600 workers out of a job yesterday.

The production move comes only weeks after Atari's parent, Warner Communications, reported lower-than-expected earnings for 1982 for its consumer electronics division.

Analysts said the production shift, which follows the pattern of consumer electronics items such as watches and television, results from economic pressures in the highly competitive home computer and video games industries. Atari said yesterday it is designed "to reduce escalating manufacturing costs"—such as labor, the value of the dollar and regulatory costs.

The announcement of the move and the large layoff is bound to raise questions about projections that jobs lost in the foundries and auto plants can be replaced easily by jobs in high technology industries and that high-tech industries can preserve the U.S. position in international trade.

"It clearly indicated that the high-tech firms are also moving abroad and that they are no guarantee for absorbing the nation's jobless," said Rudy Oswald, director of research for the AFL-CIO.

The value of high technology in America's future has been espoused by a group that has been dubbed the "Atari Democrats," who advocate shifting resources away from declining industries, such as steel and automobile manufacturing, into the high technology and service industries where growth is expected to occur.

President Reagan, too, echoed some of those sentiments in his State of the Union speech, earning for himself the label "Atari Republican"—a label likely to be revised as a result of yesterday's announcement.

Atari has said that financial consideration dictate that some of its production be moved abroad. "Our computer production costs will go down dramatically in 1983," John Cavalier, president of Atari's Home Computer division, is quoted in Electronic News, a trade publication.

Atari already manufactures some video games in Taiwan and in Limerick, Ireland.

Interviewed by that magazine at the Consumer Electronics Show, Cavalier noted that "there were no [Atari] computers manufactured offshore in 1982. There will be a significant percentage manufactured offshore in 1983." In fact, an Atari spokesman said yesterday, virtually all its home computers will be manufactured abroad.

[From the Washington Post, Sunday, Feb. 27, 1983]

FRAGILE FRONTIER

ATARI'S DEPARTURE ILLUSTRATES FLAWS IN HIGH-TECH JOB SOLUTION

(By Martha M. Hamilton)

Politically, Atari symbolized the notion that high-technology employment could replace jobs lost in the United States in basic industries—that gleaming factories in the Silicon Valley of California could absorb workers from the devastated industrial "rust bowl."

"Atari Democrats" was the label hung on Democrats who advocated more emphasis on developing jobs and international trade through high-technology industries. And when President Reagan touted the role of high-technology in America's future in his State of the Union address, he earned the label "Atari Republican."

As a result, the announcement last week by home-computer and video-game manufacturer Atari, a division of Warner Communications Inc., that it was firing a quarter of its U.S. workforce and shifting production overseas seemed an ironic blow to the notion that high-tech jobs might be waiting for laid-off automobile and steel workers.

But some economists and "Atari Democrats" disputed that conclusion and suggested that what happened to Atari reveals how misleading a simple, catchy phrase can be in a debate over a subject as complex as the nature of America's industrial future.

For one thing, but the time Atari decided to depart these shores and leave 1,700 workers behind, its video games and home computers were no longer high technology. So rapid is the evolution in consumer electronics that yesterday's "gee whiz" can be transformed quickly into today's "ho hum."

"What you see happening here is the industry is changing," said Max Donner, a research associate at the Harvard business school and a consultant to the American Electronics Association. "Some fields which have been clearly high technology have been shifting into mass market standard technology. * * * The technology of a typical $500 personal computer is, in the spectrum of time, no more sophisticated than an electronic watch or a hand-held calculator in 1975."

When such a change occurs manufacturing becomes "more cost driven than technologically driven," he noted. Manufacturers of virtually every consumer-electronics item, as well as manufacturers of textiles and a host of other items, have looked to overseas manufacturing as a way to reduce costs.

"As far as moving a labor-intensive manufacturing facility to the Far East, Atari is really a johnny-come-lately," said Harry Sello, head of a firm that specializes in establishing overseas operations, joint ventures and marketing plans for U.S. firms.

The manufacture of integrated circuits, which helped create today's electronics products, began moving to Taiwan, South Korea and Singapore about 15 years ago. Approximately 90 to 95 percent of the semiconductor industry's assembly work is done overseas, according to industry officials.

"That ended up creating a lot more jobs in the high-tech area in the U.S. because it expanded the markets for those products," Sello said. "It's been a striking growth. It kept the U.S. companies competitive and allowed them to grow."

The basic argument of those who see no reason for gloom in the Atari news is that it makes sense to allow industries that require low-level skills and in which labor costs play a major role to shift overseas. When U.S. firms move production abroad, they are able to keep their market share, which in turn allows more investment in research and development and permits American industry to keep moving toward industrial frontiers, according to advocates of such a view.

According to Donner, the Atari move is actually promising. "It's very encouraging that people are catching on to it as early as they are here, as opposed to with color television and electronic watches," he said. "By the time the color-television industry moved to a global manufacturing strategy with Zenith and RCA looking at manufacturing abroad, 85 percent of the other U.S. manufacturers had already gone out of business, and there weren't any jobs at all."

"We're seeing the creation of all sorts of companies that didn't exist 10 years ago and are now on the New York Stock Exchange," said Rep. Tim Wirth (D-Colo.), one of the most prominent of the so-called Atari Democrats.

The label "contains a couple of ramifications that are very unfortunate and very wrong," said Wirth, who said that the term suggests a narrow focus on electronics and implies such Democrats are writing off basic industries. Not true, said Wirth.

As jobs disappear, as they did last week in Sunnyvale, Calif., when Atari announced its move, other jobs are created. "There are kinds of other things going on in the economy which are very exciting and very challenging," he said. That "argues very strongly for continuing the development of the new frontiers of industry in this country. We do not live in a static economy," Wirth said.

Even so, assuming that jobs will continue to be produced at the shifting frontiers of high technology, there is the question of whether they will be produced in sufficient numbers and whether the workers looking for jobs will mesh with those available.

Electronics manufacturing is moving abroad, a shift created not just by lower labor costs but also because the relative strength of the dollar makes it cheaper to produce overseas, AFL-CIO research director Rudy Oswald noted. Other high-technology fields, such as bioengineering, employ relatively few, scientifically-trained workers.

"The number of high-technology jobs will be very small," Oswald said. "It certainly won't take care of 12 million unemployed, or even the 1.5 million annual net growth in the labor force in the next five years," he said.

"I think the fact that Atari is moving so many jobs overseas is good evidence of the reality that the choice is not between high-tech and smokestack industries," said Harvard economist Robert B. Reich. A prominent economic adviser to Democratic candidates, Reich said the move indicates that "the lowest skill ends in every industry are going to move abroad."

As a result, for competitive survival, he said, the United States must train its workers for what Reich calls "the highest value-added segments in all industries."

Eventually all the low-skilled, routine jobs in every industry will be shifted overseas, Reich said. "But in every industry some highly skilled jobs entailing precision engineering, or maintenance of sophisticated machines or custom design and fabrication" will remain, he said. "We need to move into those niches because those will be the industries of the future," he said. "Potentially there is a lot of employment."

Some low-skill workers will still find some jobs, Reich and others said. Donner said that estimates are that every high-technology job creates 3.4 to eight jobs in support industries. "They are in unglamorous things, such as custodial jobs, clerical work in accounting firms, legal services, trade and banking-related work," he said.

Jobs in such service industries, which already employ a large percentage of the workforce, will never be lost because they must be close to the customer, Reich noted. A McDonald's in Taiwan is no good to customers in Takoma Park. "Unfortunately, there is not a lot of future in those jobs in terms of advancement, job security and just real income," he said.

Many assembly-line workers and others in routine manufacturing jobs can be successfully trained for jobs that require a higher level of skills, he said.

Companies themselves will do the training required for the more skilled jobs, according to Reich. At least they will if they use the savings realized from moving manufacturing abroad to create a different kind of industry in the United States.

"The issue is not moving abroad," he said. "The central issue is whether they move into higher value-added industries."

Even if moves, such as Atari's, bode well for the future, they are painful for the displaced workers. "It is conspicuous by occurring at a time when the emphasis on jobs and unemployment is high," noted Sello.

"In the not-too-far-distand future, it [Atari's move] will create more jobs than have been eliminated in the U.S. by allowing Atari to regain its lost share of the video-game market," he said. But, he added, European and Japanese firms are moving their manufacturing to the same low-cost area. In the intense competition for the market, Atari's eventual success is far from assured.

"The critical question is not answered," Reich said. That question is, in effect, what happens next? "The same question could have been asked in 1940 or 1910 or 1890. Industrial movement is movement constantly to higher value-added production," he said. "Miraculously, if you do move in that direction, markets open up."

But he added, "The problem has been in the last 10 years that we haven't moved."●

THE VOCABULARY OF ARMS CONTROL: PART II

● Mr. PRESSLER. Mr. President, in the RECORD of February 22, 1983, I entered a brief glossary of arms control terms which are in common use but are, unfortunately, a source of common confusion. This is an unproductive situation, given the desire by the public to join in the extremely important discussion of strategic issues.

Mr. President, today, I am providing a further elaboration of strategic and arms control terms and concepts. By providing this vocabulary, I hope that we can reduce the current situation

where specialists speak not only passed each other but also passed the American public. This glossary will be updated and expanded from time to time.

GLOSSARY OF ARMS CONTROL TERMS

Aerospace Defense—All measures to intercept and destroy or otherwise neutralize hostile aircraft, missile and space vehicles in the atmosphere and beyond.

Airborne Warning and Control System (AWACS)—A system of airborne aircraft equipped with radar to detect and track enemy aircraft, and with data processing and communications capability to direct friendly fire at targets thus acquired.

Air Breathing—Using a power plant requiring the intake of air for combustion of its fuel, and therefore limited to operation within the Earth's atmosphere, as distinguished from rocket-propelled. Specifically said of bombers and cruise missiles, or jointly as the "air breathing" leg of the U.S. nuclear delivery system triad.

Air Defense—All measures, active and passive, taken to reduce or nullify the threat and effectiveness of an enemy air attack; targets may include missiles operating in the Earth's atmosphere.

Air Launched Ballistic Missile (ALBM)—A ballistic missile transported aloft by a carrier aircraft and launched from that aircraft in flight. A concept previously considered for MX deployment.

Air-Launched Cruise Missile (ALCM)—A cruise missile designed to be launched from an aircraft.

Anti-Ballistic Missile (ABM)—A defensive missile used to intercept and destroy or otherwise neutralize an attacking ballistic missile in the upper reaches of the atmosphere and beyond (endoatmosphere and exoatmosphere).

Antisubmarine Warfare—The conduct of air and naval operations related to the tracking and destruction of hostile submarines, or otherwise designed to limit the activities and neutralize the threat of enemy submarines; embraces both tactical and strategic operations.

Area Defense—Measures to protect a given geographical area from the threat of enemy attack, as distinguished from point defense. Specifically, area defenses established by anti-ballistic missile systems would offer protection to population centers, as opposed to weapon sites, usually by engaging attacking missiles in mid-course or earlier.

Area Target—A target covering a significant geographical area, such as a populated region or large military base.

Assured Destruction—(1) The capability of a nation's strategic nuclear forces to inflict damage at levels unacceptable to any aggressor(s), and of a reliability undiminished by a surprise attack executed against these forces; (2) conversely, the recognition by one nuclear power that, by using its strategic forces against another, it invites a response which credibly threatens unacceptable damage to itself.

Ballistic Missile—(1) a missile launched and sustained in flight by non-aerodynamic forces and following a natural trajectory after termination of propulsive force determined only by gravity and drag in the atmosphere; (2) specifically, an unmanned strategic nuclear delivery vehicle, including rocket boosters and one or more reentry vehicles, launched from land, sea or air.

Ballistic Missile Early Warning System—(BMEWS)—An electronic surveillance network of three stations designed to detect attacks by ballistic missiles and to alert authorities, as well as to communicate tracking information.

Bomber—An airplane specifically designed to carry and drop bombs or air-launched missiles, classified by U.S. ACDA by type in reference to combat operating range at design gross weight and bombload as follows:

Short-range: less than 3500 miles maximum.

Medium-range: 3500-6000 miles maximum.

Long-range: over 6000 miles maximum.

Circular Error Probably (CEP)—A measure of the accuracy of a strategic offensive deliver system, specifically the average distance by which a warhead may be expected to miss its aim point. Better understood as "circle of equal probability," CEP is the radius of a circle centered around an aim point, within which a given warhead has a 50% chance of falling.

Cooperative Measures—Measures taken by one side in order to enhance the other side's ability to verify compliance with the provisions of the agreement. Such measures can be voluntary or negotiated.

Countervalue—The employment of strategic air or missile forces to attack selected enemy population centers, industries, and resources and institutions which constitute the social fabric of the society.

Dense Pack Basing—A concept for reducing the vulnerability of land-based ballistic missiles by maximizing fraticide efforts of nuclear detonations (see vocabulary of February 22, 1983). This concept holds that by deploying missiles in close proximity to each other, the first detonation of an attacking nuclear weapon would destroy or disable other attacking nuclear warheads.

Early-Warning Radar—Defense system of radar installations situated for early detection and notification of the launch or approach of unknown weapons or carriers.

Electronic Jamming—The deliberate radiation, reradiation, or reflection of electromagnetic energy with the object of impairing the use of electronic devices, equipment, or systems (radar, surface-to-air missiles, interceptor aircraft) being used by an enemy.

Electron Magnetic Pulse (EMP)—A product of a nuclear explosion which has disabling effects upon electronic systems. EMP creates the need for appropriate hardening of any weapon system whose effectiveness might otherwise be nullified in the electronic environment of nuclear effects (e.g., bombers, warheads).

Enhanced Radiation—The effects of and the technology employed in that class of controlled-effects nuclear weapons designed to intensify nuclear radiation in the target area by attenuation blast and heat.

First Strike—Generally, the first offensive move of a war. Specifically, the launching of a coordinated strategic nuclear attack before the opponent has used any strategic weapons himself.

Although a first strike is not necessarily a disarming attack, in common usage, "first strike capability" implies the ability to sufficiently disarm an opponent so that retaliation is either foreclosed or limited to tolerable levels.

Fission Weapon—Nuclear warhead whose material is uranium or plutonium which is brought to a critical mass under pressure from a fuze detonation to create an explosion that produces blast, thermal radiation, and nuclear radiation. Yield per pound of fissionable material is equivalent to 8,000 lbs. TNT. Commonly known as atomic bomb.

Flexible Response—Refers to the strategic doctrine enunciating a military capability to respond to enemy aggression across the entire conflict spectrum. Specifically refers to a U.S. strategic doctrine of deterrence originating in the early 1960's and expressed in the current NATO strategy MC 14/3, supporting a credible U.S. capability to employ conventional and nuclear weapons in a response short of massive retaliation.

Fractionation—The division of the payload of a missile into several warheads. The use of a MIRV payload is an example of fractionation. The term "fractionation limits" is used to describe the Treaty limitations on the maximum number of reentry vehicles per missile.

Fusion Weapon—Nuclear warhead whose material is deuterium and tritium which is brought to a critical mass under heat from a primary fission reaction (thermonuclear) to create an explosion that produces blast, thermal radiation, and nuclear radiation. Yield per pound of fusion material is equivalent to 26,000 lbs. TNT. Commonly known as hydrogen bomb.

Global Ballistic Missile Defense-1 (GBMD-1)—A concept for the space-based deployment of a non-nuclear ABM defense. This proposal calls for the use of off-the-shelf technology to deploy a network of space-based missile interceptors which would attack Soviet ICBMs in their boost (initial) phase off light (also see: High Frontier).

Global Ballistic Missile Defense-2 (GBMD-2)—A follow-on to GBMD-1. This system would use more advanced technologies, perhaps including laser weapons, to attack ICBM warheads in their coast phase (the middle flight phase between boost and reentry) (also see: High Frontier).

Ground-Launched Cruise Missile—A cruise missile launched from ground installations or vehicles.

Hardening—Protection of a target, such as a weapon site or communications center, with concrete, earth, and other measures so as to withstand the effects of a nuclear attack. ICBM silos are examples of targets hardened to the greatest overpressure.

Hard-Site ICMB—One that is in a fixed site (silo) hardened for protection against the effects of a nuclear attack.

Hard Target—Any weapon site, command and control facility, production center, blast shelter or other strategic target which has been hardened for protection against the effects of nuclear attack.

Hard Target Kill Potential—Destructive capability of a nuclear weapon or force measured specifically in relation to hard targets. Such potential varies inversely with the overpressure of different targets.

Heavy Bomber—The term used in SALT II to describe those aircraft included in the aggregate limitations of the agreement. Heavy bombers consist of four categories of airplanes:

(a) current types are the B-52 and B-1 for the U.S. and the TU-95 (Bear) and Myasishchev (Vison) for the Soviets;

(b) future types of bombers which can carry out the mission of a heavy bomber in a manner similar or superior to that of the bombers listed above;

(c) types of bombers equipped for cruise missiles capable of a range in excess of 600 kilometers; and

(d) types of bombers equipped for ALBMs.

High Frontier—A new concept for ballistic missile defense using space-based weapon to be associated with plans for the utilization

of space for science and commerce (also see, Global Ballistic Missile Defense 1 and 2).

Intercontinental Ballistic Missile (ICBM)—Land-based, rocket-propelled vehicle capable of delivering a warhead through space to a target at ranges in excess of about 3,000 nautical miles.

ICBMs constitute one leg in the U.S. "triad" of present strategic nuclear delivery systems.

Launcher—A facility, mechanism, naval vessel, airborne carrier or other transporter designed to serve as the platform from which a strategic missile (or, in one case, bombs) may be ejected and/or propelled into a trajectory toward its target.

Because SALT II proposes to verifiably limit the number of deployed strategic delivery systems through attention to the numbers of launchers, they are of central concern: specifically, SLBM launching tubes in missile submarines, ICBM launching sites, ALCM carriers, and long-range bombers.

Launch-on-Warning—The triggering of retaliatory strikes upon notification that an enemy missile attack has been launched, but before any attacking warheads have reached their targets, avoiding the risk of pre-launch attrition to friendly strike forces.

Launch Weight—The weight of the fully loaded missile itself at the time of launch. This would include the aggregate weight of all booster stages, the post-boost vehicle (PBV), and the payload.

Light ICBM—Class of U.S. and Soviet ICBMs of lesser size and throw-weight than heavy ICBMs; specifically, U.S. Minuteman missiles and Soviet SS-11, 13, and 17 missiles. The inclusion of the Soviet SS-19 in this class has been a matter of contention (see heavy ICBM).

Look-Down/Shoot-Down—Airborne surveillance and tracking radar capability unique in its filtering process, which allows overhead airborne early warning and control aircraft to distinguish low-flying aircraft from the "ground clutter" of surface activity, combined with the communications and data-processing capabilities to direct the neutralization of such aircraft.

MX—Missile Experimental. Any weapons system which has the designation X is in its development stage. Once deployed, the X designation is replaced either by a number or a name, or it is simply removed. The MX missile currently under development by the Reagan Administration will be renamed the "Peacekeeper" missile, according to President Reagan.

Mobile ICBM Launcher—Equipment which launches an ICBM and which can move or be moved from one location to another. Mobile ICBM launchers could include ICBM launchers on wheeled vehicles, launchers on vehicles which travel on rails, and launchers which are moved among launch-points which might themselves be "hard" or "soft."

Mobile Missile—A ballistic missile which can be transported, either freely or within defined constraints, so as to vary points of launching, and counter enemy targeting of strategic offensive weapons. Specifically, any land-based ICBM or IRBM which is not deployed in a fixed site (silo). A variety of mobility modes have been considered, including the use underground trenches and alternate-site shelters. The Soviet SS-20 missile is currently operational in a mobile mode.

Modernization—The process of modifying a weapon system such that its characteristics or components are altered in order to improve the performance capabilities for that weapon system.

Multiple Aim Points (MPS)—A basing concept proposed by the Carter Administration for the MX missile. This deployment plan has also been called the "shell game" basing concept for it would involve the construction of more silos than missiles and would involve deceptive relocation of missiles from time to time.

Nuclear Proliferation—Refers to the expansion of nuclear capabilities. In most instances, the reference is to the spread of nuclear weapons to nations that at present lack nuclear capabilities. Such proliferation is also referred to as horizontal proliferation. Occasional reference is made to vertical proliferation, the growth of nuclear arsenals of the nuclear weapons states.

Nuclear Weapon—A bomb, missile warhead, or other deliverable ordnance item (as opposed to an experimental device) that explodes as a result of energy released from a fusion or fission reaction, or both.

Older Heavy Ballistic Missile Launcher—A heavy ballistic missile launcher for an ICBM of a type deployed before 1964.

The Soviet SS-7 and 8 have been included in this class. The U.S. Titan II is the only older heavy ballistic missile of current significance to SALT II.

Overkill—Destructive capabilities in excess of those which logically should be adequate to destroy specified targets and/or attain specific objectives.

Overpressure—The measure, expressed in pounds per square inch (psi), of the pressure created by nuclear blasts and, conversely, of a target's ability to withstand such blasts. Accordingly, it is a measure of the force demanded of a nuclear weapon in order to disable a given target, usually referring to a hard target.

Parity—A condition of equality between opposing strategic forces, made difficult to measure because of its qualitative, as well as quantitative, nature.

As a force structure standard, parity demands that capabilities of specific forces and weapon systems be approximately equal in effectiveness to enemy counterparts.

Passive Defense—Those measures intended to protect against the dangers of enemy attack which achieve their effectiveness not by acting on the attacking forces, but by securing or removing friendly forces or assets. In the case of a nuclear attack, passive defenses permit the ability to absorb an attack, through hardening and sheltering against the effects of a nuclear explosion.

Point Defense—Defensive measures designed and organized to defend a point target, such as a naval vessel or a fixed-site ICBM (as opposed to an area target).

Point defenses, including ABM, deployed in that role, characteristically engage a hostile target in the terminal stage of its approach.

Preventive War—War initiated in order to forestall an opponent's acquisition of military preponderance.

Rapid Reload—The ability of a missile launcher to reload and launch multiple missiles so as to conduct multiple strikes as part of the same attack.

Reaction Time—The amount of time permitted a defending or retaliatory force between the initiation of hostile action and the required response.

Research, Development, Test and Evaluation (RDT&E)—The full cycle of technical procedures and management decisions which creates a program for the acquisition of a new weapon (or other) system and brings that system up to the point of initial deployment.

Saturation Attack—The use of weapons in large numbers to overload enemy defenses and/or to blanket areas that contain known or suspected targets.

Sea-Launched Cruise Missile (SLCM)—A cruise missile launched from a submerged or surface ship.

Second-Strike—A retaliatory attack in response to a first strike. Also refers to the strategic doctrine which rejects pre-emptive or preventive attacks on a potential aggressor.

A second-strike capability of high confidence is the primary basis for U.S. and Soviet nuclear deterrence.

Silo—Hardened, underground facility for a fixed-site ballistic missile and its crew, designed to provide pre-launch protection and to serve as a launching platform. High-yield, precision nuclear weapons are required to destroy a silo construction.

Soft Target—Any target not protected against the blast, heat, and radiation produced by nuclear explosion. Generally refers to unprotected populated areas.

Strategic Defense—All measures, active and passive, taken to reduce the threat of strategic attack and to protect national and friendly assets from the hazards of general war. Included are ABM defenses, interceptor aircraft, warning systems and civil defense.

Strategic Missile—A missile system designed to deliver a nuclear warhead against strategic targets on enemy territory, whether launched from air, land, or sea.

Soviet strategic missiles are designated SS- or SS-N-; U.S. counterparts are Titan, Minuteman, Polaris, Poseidon, and Trident to come. Until the deployment of the U.S. ALCM, all strategic missiles will continue to be ballistic.

Strategic Offense—Forces and measures existing to mount a nuclear attack against enemy strategic targets, designed to destroy the enemy's war-making capacity.

Strategic Targets—Military or civilian targets, such as manufacturing centers, raw material sources, power systems, communication and transportation facilities, weapon stockpiles and strategic forces, whose destruction undermines the enemy's capacity and will to make war.

Submarine-Launched Ballistic Missile (SLBM)—A ballistic missile carried in and launched from a submarine, which affords mobility and concealment for a missile force.

SLBM's constitute one "leg" in the current U.S. triad of nuclear delivery systems. Current models are Polaris and Poseidon, with Trident in development. Soviet counterparts are SS-N-4, 5, 6, and 8, with SS-NX-17 and 18 still officially in development. Treaty definition should be consulted.

Tactical—Brought to bear at the level of localized battle areas in order to influence the course of hostilities by engaging enemy forces. General purpose forces are tactical in nature.

Throw-Weight—A measure of a ballistic missile's capacity to project a payload into a trajectory toward a target. Specifically, the maximum useful weight which has been flight tested on the boost stages of a given missile. Useful weight includes reentry vehicles, penetration aids, dispensing and release mechanisms, reentry shrouds, covers, and propulsion devices, along with their propellants.

Warhead—In a nuclear weapon system, such as a bomb or missile RV, that compo-

nent which houses the fuze and the explosive element to be delivered on target. A nuclear weapon, in its narrowest sense.

Weapon System—A distinct military weapon taken to include all integrated parts and all components essential for operational use of the weapon and successful direction of a payload to its target. In the case of a strategic weapon, the warhead(s), targeting and guidance systems, delivery vehicle and launch platform all comprise the system.●

(At the request of Mr. BYRD the following statement was ordered to be printed in the RECORD:)

THE STATE OF BLACK AMERICA

● Mr. GLENN. Mr. President, on January 19, 1983, the National Urban League released its eighth annual report entitled "The State of Black America, 1983." The report, a comprehensive assessment of the status of the Nation's largest minority, consists of eight major papers prepared by noted black scholars. These papers reveal many troubling statistics about life in black America. Some of the major findings were set forth in an article which appeared in the Washington Post. I ask that this article, "Blacks Worse Off Than A Year Ago * * *" be printed in the RECORD at the conclusion of my remarks.

Mr. John E. Jacob, president of the National Urban League, introduced the report at Howard University on behalf of the 72-year-old, nonprofit community service organization and its 118 affiliates. One of the principal concerns that Mr. Jacob expressed in his introductory remarks was that blacks should not be left out of the "inevitable restructuring" of the economy. I ask that Mr. Jacob's thoughtful remarks appear in the RECORD immediately following my remarks.

Mr. Jacob's concern is very real. Many jobs lost from our older industries will never return. As Mr. Jacob points out, blacks are concentrated in our older and more vulnerable industries and too often are the last hired and the first fired.

Thus, as we begin to prepare our Nation for the age of technology that has been thrust upon us, we must insure that blacks and minorities are not left out. It is imperative that they are trained for productive jobs and have the opportunity to acquire and develop new skills for the jobs of the future.

Mr. President, all Americans must share equally in the opportunity to learn and acquire these new skills so that everyone can fully compete for today's jobs, as well as for the jobs of tomorrow.

The articles follow:

REMARKS BY JOHN E. JACOB, PRESIDENT, NATIONAL URBAN LEAGUE, INC.

Today, the National Urban League releases its annual report on the State of Black America.

At the press conference releasing last year's report, I pointed out that we have been publishing this comprehensive analysis of the condition of black Americans since 1976. And I went on to say the following:

"Never in that time has the State of Black America been more vulnerable. Never in that time have black people so strongly felt themselves under siege. Never in that time have black economic and civil rights gains been under such powerful attack. Never in that time have so many black people been so alienated from their government."

That terrible situtation intensified over the past twelve months. The state of black Americans has become more desperate. The ranks of the black poor sharply increased. About half a million more adult blacks are jobless. Our unemployment rate is now 25 percent higher than it was at this time last year. Millions of poor people have been forced off the welfare rolls, off the food stamp rolls, off nutrition, school lunch and health programs.

Vital survival programs were slashed at the same time that the black economy was plunged even deeper into Depression. The result was to drive already disadvantaged people to the wall.

A year that started with savage cuts in poor people's programs ended with a riot in Miami. I do not want to imply a causal connection. But we must draw the obvious conclusion that intolerable living conditions, lack of opportunity, and perceived hostility breed an explosive anger that could erupt anywhere, anytime.

It is simply not true that we are all in the same boat—that the troubled national economy hurts everybody. Just about every measurement you care to choose—and there are a busload of statistics in this State of Black America report—show black people suffering disproportionately.

What's more, white Americans know that when the economy recovers their conditions will improve. But black people have no such assurances. We've always had double the white unemployment rate and triple the white poverty rate. We've never fully participated in post-recession recoveries. We are concentrated in the most vulnerable industries today, those that will never again employ as many people as in the past. Last hired, we are the first fired and the Administration's anti-affirmative action policies ensure we will be last rehired.

So a major question facing the nation in 1983 is whether the inevitable restructuring of the American economy will include black people. Will we get a fair share of the jobs, the education and the training opportunities, or will we be denied them as in the past and present? Will current economic and social policies change for the better, or will we contunue to be victimized by them?

Our nation's economic and social policies are like the runaway Soviet Cosmos satellite—fragmented, out of control, and dangerous.

Those policies were firmly rejected by the voters in 1982. But I see few signs that the Administration or the new Congress understand the rejection of those policies by the voters or the dangers those policies carry for this nation.

Instead, we still hear rumors of more cuts in already decimated programs that help people survive. There is still hand-wringing over the deficit without action to ring it into line by restoring tax cuts for the affluent and cancelling the Pentagon's blank check. And there is still the incredible belief that by passing a token job training program and a highway repair program that might create only 300,000 jobs we have done what is necessary to cut the unemployment rate.

Our elected representatives have to understand that the misery that stalks our land cannot be tolerated; the growing chasm between rich and poor, white and black, employed and unemployed, suburbs and cities, is a split that drains our society of vitality and hope.

Americans can't look at those unemployment figures, and say "that's tough." We can't look at the soup lines and say, "too bad." We can't look at the kids hanging out on street corners with no education, no jobs, and no future, and say, "it's their problem."

It is not their problem. It is our problem—and all of us must come together to help solve it.

That is why I am calling on Congress to launch a bipartisan program of national economic recovery, with special attention to the needs not only of the so-called New Poor, but also of the disadvantaged who have traditionally suffered discrimination and poverty.

I call on our elected representatives to declare a State of National Economic Emergency and to implement our call for a Universal Employment and Training system.

Such a system would guarantee jobs and training for all. It would combine public works, improved public services, partnership with the private sector, and a creative industrial policy.

These are extraordinary times. They demand extraordinary measures.

[From the Washington Post, Jan. 20, 1983]

BLACKS WORSE OFF THAN A YEAR AGO, URBAN LEAGUE STUDY FINDS

(By Spencer Rich)

Black Americans are worse off than they were a year ago and bearing "a disproportionate share of the hardships" from high unemployment and domestic spending cuts, the National Urban League said yesterday in its annual survey of the state of black America.

"Black America ended 1982 in worse shape than in 1981," said the report. "Two statistics are enough to tell the story. Black unemployment was 15.5 percent at the end of 1981. Black unemployment was 20 percent at the end of 1982."

The league called for a large new public-private jobs and training program aimed among other things at rebuilding "the decaying infrastructure of the nation." It also called for a halt to cuts in the food stamp, school lunch and other programs for the poor, plus more vigilant affirmative action and other civil rights enforcement.

Urban League President John E. Jacob, in an introduction, said 1982 "was not a good year, and of course, no year is, to be black and poor in America." The report placed much of the blame on the Reagan administration. Jacob also said the problems of blacks were not confined to the poor.

He deplored "what has happened to the black middle class, which is as it is in all societies, a bastion of strength and a source of motivation within black America." Only 30 percent of black U.S. families can be called middle class, compared with 56 percent of whites, and their position is "precarious," Jacob said, with few reserves to overcome "the bad years that are now upon them."

About one in three blacks lived below the official government proverty line, compared with one in 10 whites, the report said.

Some other major findings of the survey.

Blacks, now totaling 26.5 million, are to some extend migrating back to the South and also to the West, and there has been

some movement out of cities to suburbs, but they still cluster heavily in cities. This is especially true of the black poor.

The 30 percent of black families that were middle class or well-to-do in 1980 (defined as having an annual income over $20,000) were up from the comparable 27 percent in 1970 but down from the 32 percent in 1979.

About 42 percent of black hosueholds were female-headed in 1980, up from 30 percent in 1970. About 44 percent of black children under 18 lived in such families, double the 1970 figure.

Black unemployment was 20 percent in October 1982, and among teen-agers, 50 percent. Personal income was falling and living standards were declining, though largely among the 40 percent of families with the lowest incomes. Blacks generally earned about $59 for every $100 that whites earned from jobs.

Blacks got 17.5 percent of their total income in 1980 from transfer payments, such as welfare, up from 12.6 percent a decade earlier.

In March, 1981, only a third of black women 15 and over were married and living with husbands. Another third were never married, and the rest were separated, divorced or widowed. Half of female-headed households were poor, a slight improvement over 1969, and black women were the poorest of the major race-sex groups in society. But black women were moving significantly out of private household employment.

Blacks in 1977 owned 231,203 of the nation's 14.7 million businesses, mostly small businesses and sole proprietorships, and had $8 billion (2 percent) of the $4 trillion gross receipts received by all businesses.

Life expectancy for blacks in 1979 was 68.3 years to 74.4 years for whites; high unemployment and poverty tended to create depression and low self-esteem, resulting in high rates of alcoholism, drug abuse, suicide, mental illness, child-abuse and wife-abuse and crime. Five times as many black youths die from homicide per 100,000 population (42) as whites (8), and 46 percent of all people in prisons are blacks.

Blacks are 12 percent of total population, but make up 33 percent of the Army, and within the Army have a high proportion of combat roles, where they learn few skills marketable in civilian life.

In 1940 there were 45,000 black undergraduates in colleges, only 10 percent of them in non-black colleges.

By 1980, there were 926,700 and seventenths were in non-black colleges, but recent cuts in educational aid made further growth difficult, especially in private colleges.●

(At the request of Mr. BYRD the following statement was ordered to be printed in the RECORD:)

SALUTE TO COURT AIDES

● Mr. GLENN. Mr. President, with much enthusiasm, I congratulate two fellow Ohioans, Doris A. Dennison and Walter J. Kramer, who have devoted much of their lives to improving the legal system in my State. At a time when the value of devoted public service is too often ignored, it is refreshing to report that the Portage County Bar Association will acknowledge its appreciation on March 23, 1983, by presenting these two fine people with certificates of merit for outstanding service. Mrs. Dennison and Mr. Kramer have demonstrated unfailing patience and courtesy, devotion to duty and attentive service to both the public and to members of the Bench and Bar Association in Portage County.

Mrs. Dennison, presently the assignment commissioner for the Portage County Common Pleas Court, was selected for the position in 1972. She previously worked for 5 years as the Jury Commissioner and receptionist for the Court of Common Pleas and as 2 years as secretary to the 11th District Member of Congress from Ohio. Mrs. Dennison has also been active in local charity work, educational activities, Little League Baseball, and political campaigns. She and her husband, Robert, have three childre and are the proud grandparents of a grandson.

Mr. Kramer, currently administrator for the Portage County Juvenile Court, was chosen for his position in 1967 by the late Honorable Sam Summers. Mr. Kramer first joined the juvenile court as a probation officer in 1951 and then became chief probation officer in 1960. Prior to his work in juvenile court, Mr. Kramer served as a Kent City patrolman for 5 years and as a member of the U.S. Air Force for 4 years. He has long been active in the Fraternal Order of Police, the Kent Masonic Lodge, the Northeastern Ohio Youth Commission and the Ohio Court and Correctional Association. His community work has included area youth sports organizations, the Cub Scouts, the Kiwanis Club and others. He and Muriel, his wife of 44 years, reside in Kent, Ohio.

Again, I congratulate Mrs. Dennison and Mr. Kramer for their long and faithful service to the public interest. Their contributions have done much to improve the quality of life in Portage County.●

(At the request of Mr. BYRD the following statement was ordered to be printed in the RECORD:)

HIGH TECHNOLOGY IN AMERICA

● Mr. HART. Mr. President, I am pleased to join Senator TSONGAS and Senator STENNIS in introducing the High Technology Morrill Act. My hope is that this bill will do for high technology what the original Morrill Act of 1862 did for American agriculture—namely, make it the most highly productive and most globally competitive industry in the world.

America's economic strength has been built on being out front on the leading sectors of the time. We must act swiftly and boldly to insure that America retains its current position as the world's technological and service leader.

Like the original Morrill Act, this bill fuses the interests of industry, the education community and Government (both State and Federal) into a forward-looking national initiative—this time devoted to sharpening the competitive edge of America's knowledge-based industries which are facing a serious global challenge.

Specifically, the bill encourages partnerships nationwide between State government and industry to provide matching grants for higher education. The funds would be used primarily to upgrade curricula in science, engineering, and technology-related fields. The role of the Federal Government is limited to providing national direction and shared funding of the program.

In short, this is a bottom up approach—specific projects would be initiated by local industry in cooperation with education and State economic development agencies. Such joint project initiation by a corporation and campus appears to me the wisest and most effective way to proceed—it insures that programs respond to legitimate technological needs, it makes wise use of educational resources, and it satisfies economic development priorities.

Mr. President, this is truly a bill for America's future that is firmly ground in today's realities and challenges. The decentralized thrust of the bill and its incentives for partnership initiatives by industry, education and State governments should make it appealing to Members on both sides of the aisle.

My hope is that we in this body can put into place this year a legislative platform as creative and farsighted as Senator Morrill's platform over a century ago.●

ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, following the disposition of the resolution of ratification regarding the International Expositions Treaty, I ask unanimous consent that the Senate stay in executive session to consider the nomination of Margaret M. Heckler, to be Secretary of Health and Human Services.

Further, I ask unanimous consent that there be no more than 10 minutes, equally divided, on the nomination, to be divided between the chairman of the Finance Committee and the ranking minority member or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

EXECUTIVE SESSION—AMENDMENT TO THE 1972 PROTOCOL TO THE 1928 CONVENTION CONCERNING INTERNATIONAL EXPOSITIONS

The PRESIDING OFFICER. Under the previous order, the hour of 12 noon having arrived, the Senate will now go into executive session to consider the Amendment to the 1972 Protocol to the 1928 Convention Concerning International Expositions (Treaty Calendar No. 3).

Time for debate on the resolution of ratification shall be limited to 20 minutes, to be equally divided between and controlled by the chairman of the Foreign Relations Committee and the ranking minority member, or their designees, with the proviso that no understandings, reservations, conditions, declarations, and statements to the resolution be in order.

Mr. STEVENS. Mr. President, has a rollcall vote been ordered on this mattter?

The PRESIDING OFFICER. A rollcall vote has not been ordered.

Mr. STEVENS. Mr. President, I ask for the yeas and nays on the treaty.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Is the treaty now before the Senate?

The PRESIDING OFFICER. The treaty is before the Senate now.

Mr. STEVENS. I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

SHIPPING ACT OF 1983

Mr. STEVENS. Mr. President, as in legislative session, I ask unanimous consent that in the engrossment of S. 47, the enrolling clerk make the following change on page 85, between lines 17 and 18: At the beginning of my Amendment No. 468 to Senator THURMOND'S Amendment No. 467, the word "No" should be inserted prior to the words "Common carrier by water * * *."

Mr. BYRD. Mr. President, reserving the right to object—and I will not object—it is my understanding that nobody on this side objects, so I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I thank the distinguished Democratic leader. That is a technical error that occurred in the presentation. I appreciate his consideration.

HEALTH FAIR PROGRAM

Mr. STEVENS. Mr. President, as in legislative session, I send to the desk, on behalf of Senator THURMOND, Mr. LAXALT, and myself, a resolution, and I ask for its immediate consideration.

The PRESIDING OFFICER. Is it the intention of the acting majority leader that the time be charged against the time on the treaty?

Mr. STEVENS. Yes.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 79) to commend the value of the health fair program.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. THURMOND. Mr. President, I am today cosponsoring a sense of the Senate resolution in support of the health fair program.

This year, I once again have the distinct privilege of having Senators LAXALT and STEVENS join me as sponsors for the Annual Senate Health Fair, which began yesterday and ends tomorrow, March 4. This is a major free service to all our Senate employees and is made possible through an all-volunteer effort. Both this health fair and the one which occurs simultaneously on the House side will serve as the annual national kickoff event for health fairs that will be held nationwide during the month of April.

In addition to the three cosponsors on the Senate side, there are three cosponsors on the House side: Speaker THOMAS "TIP" O'NEILL, Congressman ALBERT GORE, and Congressman CHARLES RANGEL.

Health fairs represent a prime example of private sector initiatives because they provide valuable services to the community without any financial assistance from the Government. For example, last year's national health fairs involved over 100,000 volunteers who provided over three-quarter million volunteer hours to deliver health screening services to the public. These services were valued in excess of $100 million, and the associated health education and health promotion services were worth at least twice that amount. All of this was done as a cooperative effort of the corporate, media, and volunteer communities with little Government involvement and no Government money. The 1982 health fairs were made available to approximately 65 percent of the American people, and the 1983 program has been expanded to potentially reach 85 percent of our Nation's population.

Mr. President, these impressive accomplishments could not have been made without the assistance of many important organizations. In order to recognize particular contributions of these groups, and to officially kick off the 1983 national health fair program, a ceremoney will take place on Friday morning, March 4, in the caucus room of the Russell Senate Office Building. During this event, particular members of the corporate sector, media, volunteer community, and government will be recognized for the outstanding contributions they have made in promoting this worthwhile service. The representatives receiving awards will be: Mr. G. Elsy, president of the American Red Cross, for the volunteer community; Mr. Alan Neuharth, CEO and vice president of the Gannett Corp., for the media; Mr. Kenneth Derr, president of Chevron, USA, for the corporate sector; and Gen. John W. Vessey, Chairman of the Joint Chiefs of Staff, for the Government.

Dr. Timothy Johnson, editor of the Harvard Medical Newsletter and medical reporter on ABC's "Good Morning America," will emcee the ceremony, and the keynote address will be delivered by acting Secretary of Health and Human Services Thomas R. Donnelly, Jr.

Mr. President I should also like to pay tribute to Dr. John Brensike, a visionary individual who founded the National Health Screening Council for Volunteer Organizations (NHSCVO), a private nonprofit organization which assists communities in planning and implementing health fairs. I commend Dr. Brensike and the NHSCVO staff for the pioneer spirit and dedication which enabled them to institute health fairs and to insure their success over the years.

Mr. President, health, fairs serve to increase public awareness of the importance of health education, and these services often help detect situations in which preventive medical action is appropriate. While screening of this type is not intended to be a substitute for a complete physical examination by a personal physician, these tests can assist in educating individuals about potential health problems. For this reason, I believe that it is altogether fitting that the Senate give special recognition to the invaluable service that health fairs render to the public.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 79

Whereas the Health Fairs sponsored by the National Health Screening Council for Volunteer Organizations will provide hundreds of millions of dollars of health education and screening to citizens without charge throughout the United States;

Whereas major representatives of the corporate sector, community organizations, and the media have joined in sponsoring such fairs;

Whereas over 100,000 American citizens will donate their time in such fairs to help serve their fellow Americans;

Whereas many agencies of the executive branch of the Federal Government and many State and local government have contributed in-kind resources to this effort;

Whereas the entire Health Fair Program receives no government tax dollars and yet is the largest health education and health promotion program in the United States;

Whereas the Health Fair Program is an outstanding example of effective and efficient cooperative use of existing resources to provide needed community services; and

Whereas Members of Congress and employees of the legislative branch have the opportunity to participate in a Health Fair on March 2, and March 4, 1983, which inaugurates the Health Fair Program for the coming year: Now, therefore be it

Resolved, That the United States Senate commends those involved in the Health Fair Program, from the individual volunteer to the largest corporation, encourages others to become involved or expand their involvement in this program and similar programs, supports efforts to help maximize the availability of these valuable Health Fair services to all citizens, and urges persons throughout the nation to take advantage of the health education and screening services offered through the Health Fair program.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR CERTAIN ACTION DURING ADJOURNMENT OF THE SENATE

Mr. STEVENS. Mr. President, as in legislative session, I ask unanimous consent that the RECORD remain open today until 3 p.m. for the introduction of bills, resolutions, and the submission of statements.

I also ask unanimous consent that committees may have until 3 p.m. today to file reports.

I ask unanimous consent that committees may file reports tomorrow between 10 a.m. and 3 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. STEVENS. Mr. President, it is the intention of the joint leadership to ask for a rollcall vote on the pending treaty.

Following that, we will have a brief period for debate, if anyone seeks to debate the Heckler nomination.

Following the vote on the Heckler nomination, it would be the intention of the leadership to adjourn.

Has that order been entered?

The PRESIDING OFFICER. There is an order to adjourn.

Mr. STEVENS. What is the time for convening on Monday?

The PRESIDING OFFICER. 10:30 a.m.

Mr. STEVENS. Is there an order to proceed at that time to the Montreal Protocols?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT TO THE 1972 PROTOCOL TO THE 1928 CONVENTION CONCERNING INTERNATIONAL EXPOSITIONS

The PRESIDING OFFICER. The hour of 12 noon having arrived, the Senate will consider Executive Calendar No. 3, Amendment to the 1972 Protocol to the 1928 Convention Concerning International Expositions.

The clerk will state the resolution of ratification.

Executive Calendar Item No. 3, Amendment to the 1972 Protocol to the 1928 Convention Concerning International Expositions.

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of an Amendment to the Protocol of November 30, 1972 (TIAS 9948) to the Convention of Novmeber 22, 1928, Concerning International Expositions (TIAS 6548, 6549).

The Senate proceeded to consider the resolution of ratification.

Mr. PERCY. Mr. President, this resolution gives the Senate's advice and consent to the ratification of the Amendment to the 1972 Protocol to the 1928 Convention Concerning International Expositions—the first treaty to be acted upon by the Senate in the 98th Congress. The purpose of this amendment is to permit the United States and Spain to commemorate the discovery of the Americas in a two-site exposition in Chicago and Seville in 1992, and France to commemorate the French revolution in 1989.

Under the protocol, 10 years must elapse between universal expositions occuring in different countries, or 7 years in exceptional circumstances. The amendment will permit the American/Spanish expositions and the French exposition to be held only 3 years apart. The amendment is an acknowledgement that historic events do not necessarily occur in the intervals established for commemorative expositions by the Bureau of International Expositions (BIE). The BIE is the international body that governs world's fairs.

In order for the amendment to enter into force, four-fifths of the BIE's General Assembly must approve it. To date, 14 of the General Assembly's 45-member nations have done so. The United States, Spain, and France are working cooperatively to secure ratification of the amendment by June 15, when the BIE meets formally to register the exposition dates.

I am pleased to note that in transmitting the amendment to the Senate, the President expressed his strong support for it. He stated:

I strongly support the holding of a universal exposition to commemorate the discovery of the Americas and have previously designated Chicago as the site in the United States for that purpose. I recommend that the Senate give prompt consideration to the amendment and advice and consent to its acceptance.

Expeditious action by the Senate is, indeed, necessary so that the United States may exercise a leadership role in urging other nations to accept the amendment.

Mr. President, Chicago has previously hosted two major world expositions: The 1893 Columbian Exposition, where George Washington Gale Ferris introduced his famous wheel, and the 1933-34 Century of Progress. Both of Chicago's earlier fairs were cultural and diplomatic successes. Both were profitable.

Chicago fair organizers project that the 1992 exposition, titled the Age of Discovery, will create 100,000 jobs, draw approximately 60 million visitors, and leave Chicago with a new 500 acre lake front park and $3 billion in civic improvements. BIE officials characterized the Chicago effort as, "a textbook exercise that will set the standards for all nations that follow."

The unprecedented two-site exposition in Chicago and Seville is an innovative means to link the United States and Seville, the city from which Columbus set sail for the New World. This proposal was originally raised in meetings I had in Spain in November of last year with U.S. Ambassador Terrance Todman and Spanish fair organizers, including Enrique Perez-Hernandez, the Vice Chairman of the Spanish National Committee for the Celebration of the Fifth Centenniary of the Discovery of the Americas. In working with Spain on the proposal for the dual expositions, we offered cooperation, not confrontation. We agreed on a proposal that is in the interest of both nations. The world is big enough for two fairs.

Mr. President, on February 22, I chaired a Foreign Relations Committee hearing on this matter, and received testimony in support of the resolution from my good friend Tom Ayers, the chairman of the Chicago World's Fair 1992 Corp., William

Morris, Assistant Commerce Secretary for Trade Development, and Jayne Plank, Director, Office of Intergovernmental Affairs, Bureau of Public Affairs, Department of State. Following the hearing, the Foreign Relations Committee, by voice vote, favorably reported the amendment to the Senate for its advice and consent. I urge my colleagues to adopt this resolution.

Mr. President, I ask unanimous consent that the testimony before the Foreign Relations Committee of Tom Ayers, who has worked diligently and exercised great leadership on behalf of the Chicago World's Fair, be printed at this point in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF THOMAS G. AYERS

My name is Thomas G. Ayers. I am chairman and president of the Chicago World's Fair 1982 Corporation. Immediately prior to assuming this responsibility, I was Chairman and chief executive officer of Commonwealth Edison Company, the electric utility serving Chicago and northern Illinois. I am pleased to be given the opportunity today to encourage your support of the pending Treaty Document 98-1, Amendment to the 1972 Protocol to the 1928 Convention Concerning International Expositions.

This amendment, which will permit large, universal category expositions to be held less than seven years apart in exceptional cases, is the culmination of more than two and one-half years of planning and hard work by the 1992 Corporation to win both domestic and international approval for a universal class world's fair in Chicago.

Chicago '92 would be the first universal exposition in the Western Hemisphere since Expo '67 in Montreal—a lapse of 25 years. The last universal category fair in the world was in Osaka, Japan, in 1970. And, it will be almost 60 years since the American Midwest has had an opportunity to experience the tremendous cultural and educational benefits of a world's fair . . . not since Chicago's own "A Century of Progress" in 1933 and 1934.

The 1992 Corporation researched and submitted its application for Chicago '92 in August, 1981, to the U.S. Department of Commerce. The Commerce Department finished its review of Chicago's plans in November, 1981, and formally represented Chicago at the December meetings of the General Assembly of the Bureau of International Expositions in Paris. I should note that the B.I.E. already had been apprised of Chicago's intention to bid for a 1992 exposition as early as June, 1980.

In turn, the B.I.E. sent its Pre-Inquiry Team to visit Chicago in May of last year. Based on the team's recommendations, the B.I.E. voted on June 24 to grant Chicago a "provisional date reservation." On November 11, President Reagan officially designated Chicago as the country's choice to host a world's fair in 1992, and directed the Departments of Commerce and State to seek "date registration" for Chicago from the B.I.E. At its December meeting, the B.I.E. gave "final date reservation" to Chicago and to Seville, Spain, to host one universal category fair in 1992, to be split between the two sites.

An Amendment to the Protocol is needed at this time, because Paris, France, also was given a "final date reservation" for a universal category fair in 1989, to celebrate the bicentennial of the French Revolution, only three years prior to the Chicago-Seville exposition. Approval of these expositions was made at the December, 1982 meeting of the full B.I.E. General Assembly, without a single dissent.

In giving date reservations to the two expositions, the member countries effectively recognized the overriding international significance of both the bicentennial of the French Revolution and the Columbian quincentennial, and that historic events may not always fit into the time restrictions imposed by the existing B.I.E. Convention.

Nevertheless, it is imperative that the United States formally approve the Amendment as soon as possible, so that our country can then take the lead in urging those B.I.E. members who have not yet ratified the Amendment to do so. Prompt action, which would result in B.I.E. "date registration" this June, is important, if the 1992 Corporation is to stay on schedule and within budget in its planning for Chicago 1992.

Let me spend a few minutes to explain why the United States should be permitted to host the world in 1992, and some of the benefits accruing to us if we do.

To be called the "Age of Discovery," the Chicago 1992 exposition would celebrate six centuries of human invention and innovation—the 500 years since the discovery of the Americas by Christopher Columbus, and the century to come. Although the United States has hosted special category fairs, such as last year's Knoxville exposition and the planned New Orleans fair in 1984, these are only one-fifth to one-tenth the size and scope of the universal category exposition which we are planning.

At the center of America's heartland, Chicago is within one day's drive of one-quarter of the U.S. population. Based on our initial marketing studies, Americans will account for approximately 88 percent of thee 55-65 million visitors expected to attend Chicago 1992. In addition to the great manufacturing and industrial centers which lie within the Midwest, the region also is an enormously bountiful agricultural network.

Clearly, then, a fair in Chicago would allow this important Midwestern audience a unique opportunity to gain first-hand knowledge not only of how mankind's great discoveries have been achieved in the past, but also those which may be made during the next century in this country and around the world. It is hoped that one of the enduring consequences of this knowledge will be to inspire greater understanding and goodwill toward all nations. This is especially critical if the global challenges, such as poverty, malnutrition, education, and cultural development are to be met effectively in the century to come.

In this regard, Chicago 1992 hopes to attract exhibits from more than 75 foreign countries. International pavilions are to be constructed adjacent to three of the city's existing, world-renowned cultural institutions (the Shedd Aquarium, the Adler Planetarium and the Field Museum of Natural History), which are located on the site.

Chicago's experience with two previous world-class fairs—the only American city with these credentials—has given us an enormous boost to our fair planning. The 1992 fair marks the 100th anniversary of Chicago's first successful universal class fair—the 1893 "World's Columbian Exposition." Our second fair—"A Century of Progress" exposition—was held in 1933 and 1934 to mark the 100th anniversary of the city's beginnings. Both these fairs were not only enormous cultural successes, but they were financially sound despite the difficult economic times under which they were held, namely the monetary Panic of 1893 and the Great Depression.

These fairs demonstrate, then, Chicago's proven ability to host an exposition of truly global significance—to construct a site of unparalled natural and architectural beauty, to attract a large audience of both exhibitors and visitors, and to maintain financial integrity, despite uncertainties in the economy.

The Chicago '92 exposition is being organized by the not-for-profit Chicago World's Fair—1992 Corporation, a coalition of more than 50 leaders from the Chicago metropolitan area who represent many of the country's most prominent financial institutions, businesses, labor groups, and cultural organizations, along with state and local governments, news media, and civic and ethnic groups.

Chicago '92 has strong backing throughout the Chicago area and the entire Midwest. We have received more than $900,000 in cash contributions from private sources and, perhaps even more importantly, approximately $3 million in donated services, during the planning and approval phase. No federal, state or city money has been contributed.

In addition, government on every level, including Chicago's mayor and legislative council, the governor and legislative assembly of Illinois, and the U.S. Congressional delegation from Illinois have endorsed the project. The governors and U.S. Congressional delegations from all the states contiguous to Illinois also have expressed their support for the exposition, as have scores of businesses, community groups, environmental organizations and labor unions.

Midwestern residents certainly are solidly behind Chicago '92. In a sophisticated public opinion survey, 88 percent of the respondents said they were in favor of the idea of a Chicago World's Fair, while even higher percentages of Hispanics and Blacks interviewed—90 and 92 percent, respectively—were enthusiastic about having an exposition in Chicago.

Total revenues from Chicago '92 are estimated at $750 million in 1982 dollars, and are projected to modestly offset expenses, which are estimated at $743 million. Working capital for the exposition is expected to be generated through the sale of bonds, with permanent financing to be arranged following receipt of B.I.E. "date registration."

Benefits from the exposition to the local and national economy have been estimated as follows (in 1981 dollars): Additional business receipts of $1.85 billion, increased wages of $475 million, almost 100,000 jobs; 20,000 construction jobs, 15,000 jobs during the operation of the exposition—and, many of these will be entry-level positions suitable for teenagers and young adults, and estimated 60,000 additional jobs in fair-related businesses, taxable personal income of nearly $619 million, and immediate tax revenues of about $288 million.

The Chicago '92 site itself also will provide the long-lasting residual benefit of a new park of some 500 acres, adjoining Chicago's existing majestic lakefront park system. This new fair parkland may become the

future home of new or expanded cultural institutions, joining the three great museums I mentioned earlier at the south end of one of the most impressive cultural centers in the United States.

These are only some of the direct economic impacts—many others, such as related new business development, residual tourism enhancement, and so forth—are impossible to measure, and yet must surely be counted among the significant benefits of Chicago '92.

In addition to these tangible benefits, a final word should be said about the world's fair experience itself. For millions of Americans who otherwise might never travel overseas, Chicago '92 truly will be a "once-in-a-lifetime" opportunity to view the full spectrum of mankind's knowledge and artistry, right here in their own backyard. Such an experience surely stimulates the minds and imaginations, and especially the aspirations, of all who attend for years to come—an important legacy to succeeding generations of Americans, whose future will depend more heavily on their ideas and ideals, as natural resources become increasingly limited. Chicago '92, then, will be more than a six-month exposition, it will be a global watershed for humanity's dreams as we enter the 21st century.

And, too, as plans for Chicago '92 are publicized around the globe, especially in light of the many cooperative efforts which will be undertaken with our sister site in Seville, the spotlight of the world will focus on the United States as the showcase for the finest examples of six centuries of mankind's achievements during our Columbian "Age of Discovery" celebration.

In closing, I thank you again for allowing me to testify here today, and urge you to promptly recommend ratification of the Protocol Amendment.

Mr. STEVENS. Mr. President, I yield back all the time that remains on this side.

Mr. BYRD. Mr. President, I yield back the time on my side.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the resolution of ratification.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Arizona (Mr. GOLDWATER), the Senator from Kansas (Mrs. KASSEBAUM), the Senator from Maryland (Mr. MATHIAS), the Senator from Wyoming (Mr. WALLOP), the Senator from Connecticut (Mr. WEICKER), and the Senator from California (Mr. WILSON) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from New York (Mr. MOYNIHAN), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

The PRESIDING OFFICER. Are there any Senators in the Chamber wishing to vote or changing their vote.

The yeas and nays resulted—yeas 84, nays 0, as follows:

[Rollcall Vote No. 7 Ex.]

YEAS—84

Abdnor	Ford	Mitchell
Andrews	Garn	Murkowski
Armstrong	Gorton	Nickles
Baucus	Grassley	Nunn
Biden	Hatch	Packwood
Bingaman	Hatfield	Pell
Boren	Hawkins	Percy
Boschwitz	Hecht	Pressler
Bradley	Heflin	Proxmire
Burdick	Heinz	Pryor
Byrd	Helms	Quayle
Chafee	Huddleston	Riegle
Chiles	Humphrey	Roth
Cochran	Jackson	Rudman
Cohen	Jepsen	Sarbanes
Cranston	Johnston	Sasser
D'Amato	Kasten	Simpson
Danforth	Kennedy	Specter
DeConcini	Lautenberg	Stafford
Denton	Laxalt	Stennis
Dixon	Leahy	Stevens
Dodd	Levin	Symms
Dole	Lugar	Thurmond
Domenici	Matsunaga	Tower
Durenberger	Mattingly	Trible
Eagleton	McClure	Tsongas
East	Melcher	Warner
Exon	Metzenbaum	Zorinsky

NOT VOTING—16

Baker	Hollings	Randolph
Bentsen	Inouye	Wallop
Bumpers	Kassebaum	Weicker
Glenn	Long	Wilson
Goldwater	Mathias	
Hart	Moynihan	

The PRESIDING OFFICER. On this vote the yeas are 84, the nays are zero. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution of ratification was agreed to.

Mr. JACKSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NOMINATION OF MARGARET M. HECKLER, OF MASSACHUSETTS, TO BE SECRETARY OF HEALTH AND HUMAN SERVICES

Mr. STEVENS. Mr. President, we will now turn to the nomination of Margaret M. Heckler, of Massachusetts, to be Secretary of Health and Human Services.

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of Margaret M. Heckler, of Massachusetts, to be Secretary of Health and Human Services.

Mr. DOLE. Mr. President, on March 2, 1983, the Committee on Finance held an executive session on the nomination of Margaret M. Heckler to be Secretary of the Department of Health and Human Services. The committee unanimously reported this nomination.

As I am sure my colleagues are aware, Mrs. Heckler has served in the House of Representatives for over 16 years, and has proven herself to be a strong defender of the rights of our less fortunate citizens. We can be confident that Mrs. Heckler will earnestly represent the segment of our population served by the Department of Health and Human Services, within the constraints imposed by the current budget situation.

Mrs. Heckler has committed herself to keeping the lines of friendship, cooperation, and consultation open with the Congress, and has set forth two broad goals of particular interest. First, to have the Department focus more on long-range problems and long-range solutions. Our current experience with the crisis surrounding the financial solvency of the social security fund certainly argues for a long-range prospective, particularly with respect to the health financing programs.

Second, Mrs. Heckler has set for herself the goal of being a catalyst for caring in America, for the young, the elderly, the sick, the handicapped, and the needy. An important perspective for the administrator of an agency with responsibility for programs like AFDC, child support, medicaid, and disability.

Mr. President, I am pleased today to report the committee's recommendation of Mrs. Heckler, and ask that this nomination be confirmed.

Mr. KENNEDY. Mr. President, it is a privilege for me to support the nomination of my colleague from Massachusetts, Margaret Heckler, as Secretary of Health and Human Services.

Massachusetts takes well-deserved pride in our Commonwealth's long bipartisan tradition of public service to the Nation. Over the years, many distinguished men and women of our State have given unselfishly of themselves. By the sincerity of their commitment and the excellence of their achievement, they have made real and lasting contributions to the common good of our society, to the well-being of our citizens, and to the character of our country.

The Cabinet Department which Mrs. Heckler has been called to serve bears one of the highest public trusts, because it is the agency primarily concerned with the quality of life for all our people, not just the few who have wealth and privilege, but the many others who seek the enduring goals of economic progress and social justice

that have always been the hallmark of the American dream.

Mrs. Heckler and I served for 16 years together in the Congress. Although I have disagreed with her on a number of issues, I have always respected her ability. She will bring important strengths to her assignment as chief executive officer of the largest agency of the Federal Government.

She may have lost a congressional district last fall, but with her new responsibility she has gained a larger constituency—one that is now being asked to bear a heavy sacrifice in these hard economic times. Millions of Americans who depend so much on HHS will place their trust and hope in Mrs. Heckler—the elderly, the sick, the poor, the young, the handicapped, the disadvantaged, and all those who need our help the most.

More than any other Cabinet officer, Mrs. Heckler will be the guardian of the social safety net. I am confident that she will serve her new constituency with wisdom and understanding and meet her new responsibility with fairness and compassion—as her public trust, and ours, requires.

In sum, I believe that President Reagan has chosen a worthy successor to our colleague, Dick Schweiker. Margaret Heckler has been a credit to Massachusetts and to the Congress. I take pleasure in commending her to the Senate, and I urge her confirmation.

Mr. PACKWOOD. Mr. President, it had been my intention initially to vote for Peggy Heckler for Secretary of Health and Human Services. That would have been my intention until we had the confirmation hearing on her where four or five Senators on the Finance Committee quizzed her at some length about her views of overturning Supreme Court constitutional decisions by statute.

I ask unanimous consent that at the end of my remarks there appear pages 35 to 62 of the transcript of the Finance Committee hearings, where the questions and answers on this subject appeared.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PACKWOOD. Mr. President, the reason that I am so bothered—and the transcript will show it rather clearly—is that Peggy Heckler feels strongly on the subject of abortion. I respect her views on it; she is very, very strong in support of her position on pro-life and is opposed to the right of a woman to have a choice on abortion. She is so strong in that position that there is every indication in her answers to the questions that she would do anything, including urging the President to take action to overturn the Supreme Court in the case of Roe against Wade. Roe against Wade is the decision that gives a woman the right to a choice on the subject of abortion under a constitutional right to privacy.

Try as we might, Senator BAUCUS, Senator MITCHELL, Senator MOYNIHAN, and myself, could not budge Mrs. Heckler from the position that she appeared to have, namely that it was perfectly all right to overturn the Supreme Court in that fashion. Because of her intensity of feeling on the subject of abortion, I am afraid she would encourage the President to support the kind of action which so many of us oppose so strongly.

We indicated to her that this was not a new topic; it had been debated extensively on the Senate floor. In questioning her we attempted to draw her into the subject of statutorily overturning a Supreme Court decision on some issue other than abortion. We talked about prayer. We mentioned the fact that in the midfifties, there were efforts to overturn the Supreme Court in some of its Subversive Activities Control Board decisions; in the sixties there had been efforts to overturn apportionment decisions by statute. We were neither quizzing her about a new topic, nor about one that has not been extensively debated over a long period of time in Congress.

Again and again, returned to the subject of the danger of overturning Supreme Court decisions involving constitutional law by statute. Each time she returned to her position that she felt so strongly about the subject of abortion that she would be willing to use a statute to reverse the Supreme Court.

I admire Peggy Heckler—I will work with her. I am delighted that the President has appointed a woman; I hope he appoints more women to different Cabinet positions. However, I feel bound to vote against her. I feel sad about it. I like her. I will continue to work with her. I hope she can do a good job in this position. I think she can. But I hope she will not encourage the President or anyone else to try to reverse the Supreme Court in constitutional decisions by the passage of a statute by a sheer majority vote in the House and in the Senate.

EXHIBIT 1

Mrs. HECKLER. No. I was not familiar with Mr. Svahn. I had heard his testimony as a member of Congress on social security issues earlier. I was—in the discussions about whether or not I would accept this post and about the availability of this Cabinet post, discussions did include the suggestion that there was an Under Secretary under consideration who had been well known by many at the White House and would be suggested and nominated at the same time that I would be.

I met him prior to my making a decision on this Cabinet post, and I feel he has a very fine reputation and I think the White House and the President, who are those who know him best, have strong confidence in him. And I expect to have a very good working relationship with him.

But I also intend to be the Secretary of this Department.

Senator PRYOR. Thank you. My time has expired.

The CHAIRMAN. I would just say, I guess when you're out of town you would have a telephone.

[Laughter.]

Mrs. HECKLER. Yes. But I would not like to suggest there is any unease. I would expect a good working relationship here and will strive for it.

The CHAIRMAN. Senator Packwood.

Senator PACKWOOD. Peggy, you and I have known each other a good many years, and you are indeed a fighter. And you indicated earlier, while you would be a loyal member of the Administration, you had no hesitancy to fight within the Administration for your views.

Let us presume that the present court decisions on the snitch regulations are upheld at the Supreme Court level, indicating that HHS cannot impose the regulations they attempted to impose unless the law were then changed by Congress. What would be your advice to the President as to whether or not the law should be changed at that stage?

Mrs. HECKLER. Well, it is a little hard to forecast future events, and certainly we do not know what the courts will decide. I would not prejudge court action. I think the Court in its process will examine all facets of this, and arguments can be raised in the court process that will have great color and weight.

The fact of the matter is the President himself feels strongly about this issue, and I have discussed the issue with him. He has taken the position that the Department supports, and if he chooses to continue to pursue that course through a legislative approach suggesting a change in law, then my role would be to support that. The issue has been closed, really.

Senator PACKWOOD. What will your advice to him be at that stage, however, when he decides whether or not to come and seek a change in the law?

Mrs. HECKLER. The President knows my views on the subject and I understand his. And I have respect for those who take the other side of this issue. I understand their concerns, the concerns of families.

Senator PACKWOOD. At the moment the President has not taken a position on whether the law should be changed. His position is that the law allows HHS to do what they have done.

Mrs. HECKLER. Right.

Senator PACKWOOD. What I want to know, what your advice to him will be if the court decisions that are presently pending are upheld.

Mrs. HECKLER. My advice will depend upon the circumstances as they exist at the time the issue arises.

Senator PACKWOOD. All right, let's go to another subject. And here I am interested in your personal opinions, because you are well aware from having seen different Cabinets operate that some people rise and some people fall within the Cabinet, and some Cabinet Secretaries are tremendously successful, some others not.

And a great deal of it relates to the diligence with which the Cabinet Secretary will pursue his or her views. You are a lawyer.

Mrs. HECKLER. Yes.

Senator PACKWOOD. What do you legally think about the attempt to reverse the Supreme Court decision on abortion by statute?

Mrs. HECKLER. I have always voted for the Hyde amendment. I am pro-life. I sincerely believe in that position.

Senator PACKWOOD. That is not what I mean. Those are not reversals. What do you think of the effort to take away jurisdiction from the courts to decide the issues like abortion by statute?

Mrs. HECKLER. I feel that the issue—the Hyde amendment has to be finalized into permanent law.

Senator PACKWOOD. That is not the Hyde amendment.

Mrs. HECKLER. I know that, but I am saying that should be the first course.

Senator PACKWOOD. I want to know what you think personally about the efforts to reverse the Supreme Court's decision on abortion by passing a statute that says, henceforth the Supreme Court may not hear cases involving abortion.

Mrs. HECKLER. I feel that obviously the issue is one that is of such great magnitude and seriousness that it is one that I would discuss with the President and indeed debate with him and indeed consider with him. And I have to say, Senator, that regardless of whatever view I might hold, I would certainly carry forth on his view and pursue the stand that he takes.

Senator PACKWOOD. Well, I would hope so. I would hate to think we are going to have a Cabinet full of Secretaries that are going to go off willy-nilly in their own direction. What I am curious about is your personal view.

Mrs. HECKLER. My personal view is not as significant as the President's view, Senator.

Senator PACKWOOD. What is your personal view?

Mrs. HECKLER. I simply have felt that we need to solidify the progress made, and I happen to consider it progress, in stopping federal funding on abortion. And I feel and have felt for some time that going beyond that would not be timely because the issue has not been resolved with any finalization.

And now in the House, with the new rules, the riders to appropriation bills banning the use of federal funds for abortion, which was the Hyde amendment, will no longer be in order. So the first step will have to be banning this.

But I am personally very, very opposed to abortion, and I feel ultimately that that is my strongest stand on the issue. I have not prejudged all future issues.

Senator PACKWOOD. Let me ask you this, Peggy. My time is up but I will come back to it. Do you intend to answer my question about your personal view, personal view as to whether we should try to overturn the Supreme Court decision by a statute which prohibits their taking jurisdiction, whether it be abortion or school prayer or any other particular decision that involves what they call a constitutional right?

Mrs. HECKLER. I would say, Senator, that my positions are formulated very, very decisively on the issues that really have come before me more as a Member of the Congress. I have not faced those issues finally and have never quite determined ultimately that the door was totally closed.

But given my strong feelings about the right to life, I cannot imagine myself coming down on the other side of the issue.

Senator PACKWOOD. What does that mean?

[Laughter.]

Mrs. HECKLER. It means that when faced with a major question on the issue, my own strong convictions on the right to life will I think dominate my own thinking. Now, that does not close the door to consideration of a specific statute or specific events or specific wording, and indeed the total composite of a legislative package or a constitutional proposal.

Senator PACKWOOD. Might I have one last question, Mr. Chairman?

The CHAIRMAN. Yes.

Senator PACKWOOD. Let me just ask your general philosophy on the attempt to prohibit the Supreme Court from having jurisdiction over any particular constitutional case by the act of passing a statute that says they may no longer hear cases involving that subject. Forget abortion, forget prayer. What is your judicial philosophy about that legal approach?

Mrs. HECKLER. I would doubt very much that it would be effective. I do not think you can reverse a constitional provision with a statute.

Senator PACKWOOD. No, I hope you cannot. I hope you are right.

Mrs. HECKLER. As a lawyer, that is my immediate response.

But let me just say, Senator, I am in great support of really those steps taken by government which will advance in my judgment the right values, and I think that the steps have to be legally correct. At the same time, I will say that as a lawyer I do not agree with the *Roe* v. *Wade* decision and I feel that really that in my judgment and my interpretation, that was a decision that created out of whole cloth a new theory. And I have not the greatest admiration for the decision.

So that I would review any issue that related to that subject with that attitude in mind.

Senator PACKWOOD. Well, I would like to quote to you there Robert Bork's testimony on this very issue. He thinks *Roe* v. *Wade* was awful. He was the Solicitor General. The President appointed him to the Court of Appeals. But I thought his reasoning on this subject was extraordinary, after he went through eight or nine pages and concluded that *Roe* v. *Wade* said, namely that there could be an unconstitutional decision that is unconstitutional.

But you cannot have unconstitutional decisions of the Court, because the Constitution is what the Court says it is. Bork then came down in opposition to trying to change the Constitution by statute, because he said you do not cure a deformation of the Constitution with a greater deformation of the Constitution, which would be a legislative reversal of a Supreme Court decision.

I would hope that would be your legal opinion.

Mrs. HECKLER. Well, we have, as I understand it, 300 lawyers to enlighten my legal thinking at the Department, and certainly a general counsel of enormous stature. I feel that these are complex and serious issues, and I have given a great deal of thought to these issues, and feel very strongly that I have to say, Senator—and you and I have disagreed on this issue many times before—I think that the law must be observed and the Constitution must be honored.

At the same time, I also have deep respect for the right to life in this society and would hope to err not in the law or in public policy strategy in terms of dealing with that. But I do have that very, very strong commitment to this concept, and I would expect to honor that in my role.

The CHAIRMAN. Thank you, Mr. Chairman.

Senator Mitchell.

Senator MITCHELL. Thank you, Mr. Chairman.

And Mrs. Heckler, I join the other members of the Committee in welcoming you here today, and look forward to what I am confident will be your prompt approval and confirmation of your nomination.

Senator Packwood has raised a question of very, very great relevance and I think gravity today. I am not going to ask any more questions because he has asked you about it, but I would just make this point.

I am concerned that your earlier answer to one of his questions comes dangerously close to saying that the end may justify the means, when you said that because of your strong commitment to the right to life position you could not imagine coming down on the other side.

I respect that positon. It is obviously a deeply held one. There are many people in this country who have very strong feelings like yours and in opposition to abortion. But the fact of the matter is that there is an effort under way to really dislodge the solid system which we have had for 200 years of three branches of government, and that it is not just abortion. As Senator Packwood has pointed out, there are efforts to deprive the Supreme Court of jurisdiction to achieve indirectly what cannot be achieved directly, either through legislation or through enactment of a constitutional amendment.

And this is a very dangerous thing, Mrs. Heckler. It goes beyond just the issue of abortion and strikes at the very roots of our system of government. And I would urge you to study this with some care and caution, and to reflect upon the views that Senator Packwood has expressed, again not on this particular issue of abortion, but on the issue of whether or not Congress can by a simple majority deprive the Supreme Court of jurisdiction in an area in which the Congress is displeased by the Court's decision.

That in my judgment and my personal opinion is plainly unconstitutional. More than that, if carried forward in the manner which some are attempting to carry it forward, it will subvert the form of government which has served us so well for a couple of centuries.

It is a very serious matter and I would strongly urge you to review it, and particularly to review your response which indicated that because of your deep feelings on this one issue you cannot imagine coming down on the other side. No end justifies any means.

Mrs. HECKLER. I would not suggest that I would accept that philosophy, because I do not believe that the end justifies the means in any case. And I will say that I will ponder the issue very, very deeply, both as a lawyer and as a public servant, and I will not allow my private feelings to stand in the way of what I consider to be my judgment.

And I also intend to honor the law, and should this Congress pass laws with which I do not agree, I am only too familiar from sitting on your side of the aisle that indeed, that the Congress has always been thwarted by the lack of adherence to its will or its purpose in passing a law. And now that I find myself on the other side, I intend to honor that purpose as much as possible.

But I also would say that I want there to be no mistake about where I stand in terms of a commitment on the issue.

Senator MITCHELL. There is no question about that and that was not the thrust of Senator Packwood's question. It was in the method being attempted to achieve a particular objective, abortion being but one example and others exist in legislation pend-

ing in the Congress today, so-called Court-stripping bills.

That is the issue. It is not one's feelings on the issue of abortion.

Mrs. HECKLER. I understand totally and I understand your points as well and certainly will ponder them.

The CHAIRMAN. Senator Baucus?

Senator BAUCUS. Thank you, Mr. Chairman. Mrs. Heckler, I want to join Senator Pryor and others who served with you in the House in our previous incarnation and say to you how much we enjoyed serving with you then and wish you the very best of luck. Because as Senator Mitchell said, obviously, you will have a very difficult time riding herd and controlling the reins over a very large and very difficult department.

And certainly, if Mrs. Burford at EPA is having some difficulty with that agency, that would indicate to me that anyone who is nominated to be Secretary of HSS is going to have probably potentially more problems over an agency that is that much larger.

I, too, was struck, as I think Senator Packwood was and Senator Mitchell, with the response to Senator Packwood concerning attempts of Congress by statute to overturn Supreme Court decisions. The response struck me, in my view—and I am only one senator, but in my view it is clear that Congress cannot, by statute, overturn Supreme Court decisions on federal constitutional issues.

That is to say, Congress could not, by statute, abolish the First Amendment. That would certainly be ruled unconstitutional I think by the Supreme Court. But even more important, it would entirely obliterate the separation of powers as a basis for our form of government. And if Congress by statute can obliterate the First Amendment, abolish the First Amendment, the Congress, by statute, is abolishing the Constitution.

Mrs. HECKLER. Exactly.

Senator BAUCUS. And if that is the case, it seems to me we no longer have a constitutional form of government, but it is a rule by majority only by the whims, the instant whims, of the instance majority, and no longer the form of government that we hold so dear to us.

So with that in mind, and with your answers agreeing with what I have said thus far, how can you possibly say that you will think about and discuss with the administration statutes that would overturn or bills that were introduced in Congress, attempts by statute to overturn Supreme Court decisions?

Mrs. HECKLER. Well, I think there is a great difference between abolishing the First Amendment and having the issues that are raised in every court, every issue that is brought to the courts——

Senator BAUCUS. You think there is a difference; that is, that there are some Supreme Court decisions interpreting the Constitution that Congress can overturn by statute, and there are some other Supreme Court decisions interpreting the Constitution that Congress cannot overturn? What is the difference?

Mrs. HECKLER. What I am saying is that I see the sacredness of the declaration of rights, but my instinct at the moment is to say that while I would agree with the general premise that a legislative enactment cannot repeal a constitutional provision that is added to the Constitution or has that force, then I would have to look at the legal intricacies. And frankly, Senator, I have not reviewed these in terms of prospective issues before the Department and before the Congress relating to such basic questions as you have raised. I would have to ponder this and review my constitutional history, and indeed, look at these questions.

I have always been asked whether I supported this or that constitutional amendment and that was a different proposition. I am not sure of the scope of the legislative proposal that might be forthcoming, and whether or not they would be violative of the Constitution, and I would want to be refreshed and informed.

Senator BAUCUS. I am sorry, my time is running quickly here. I raised the question because to restore, to increase American confidence in government, I think it is important for the American people to believe that their public officials are going to abide by the rule of law. And certainly, the Constitution is paramount.

So I would encourage you and the others in the administration to keep that more firmly in mind than I think has been the case in the past because it would help, I think, restore some needed confidence.

Turning to another matter, Senator Chafee mentioned the cost of Medicare. He very correctly raised that issue. No one has disputed that the trust fund will, as you said, be in balance by, what, 1986 to 1987. In fact, by 1983, it will be about $200 billion out of balance, and a couple of years later, 1995, it will be about $400 billions out of balance.

The problem, many say, is even worse than the problems we presently face with Social Security. What do you intend to do about that? What advice do you have or what mechanism are you putting in place so that we can address that problem? and earlier on rather than later.

Mrs. HECKLER. Well, I would say, Senator, that indeed, the administration does have some proposals which will deal with the problem and, of course, the recommendations of the Bipartisan Commission on Social Security offers some hope for the short run. Our prospective payment proposal should, hopefully, provide a more effective cost incentive program and will be a saving.

But I will say that there is also in place an Advisory Council on Social Security which is working on the Bowen Council appointed by Secretary Shweiker and is presently devoting its time to this and will respond to the Department, which we have made available to the Congress immediately in July. We are going to look for long-term answers, and we feel that the prospective payment approach is the first step.

Senator BAUCUS. I appreciate that, and my time is up. But in my humble opinion, the prospective payment approach is not going to solve very much of the problem at all. And the problem is much, much more difficult than that.

Mrs. HECKLER. I would agree with you, Senator. I do not say that this is the magical answer, but I think it is a necessary and important structural change that is a good beginning. But much more has to be done and we have to look at this because it is a very serious and colossal problem.

Senator BAUCUS. Thank you.

The CHAIRMAN. Senator Chafee?

Senator CHAFEE. Thank you, Mr. Chairman. Mrs. Heckler, I would remind you that the line of question which Senator Packwood and Senator Mitchell and Senator Baucus were pursuing here is not a hypothetical line. We have these issues before us and had them in the last session and had them in the session before and undoubtedly will have them this session; namely, overruling constitutional decisions by legislative fiat, which deeply disturbs many of us. So I do hope that you will be able to give that some attention and further thought.

Have you given any thought to developing some kind of a proposal to deal with the issue of health benefits for the unemployed? I know you are new on the job and it is a massive undertaking, but I would be interested in any thoughts you have on that.

Mrs. HECKLER. Senator, I am not in the job yet, but it is a massive undertaking and I have been attempting to learn as much as possible about the Department in the last month. And this has been a very, very time-consuming task and will be very absorbing for sometime to come.

I will say that I am genuinely sympathetic to the need to find an answer, but totally unprepared to suggest one today. I will look at it in depth.

Senator CHAFEE. Well, I thank you. I would urge you to do so, and have your brain trust have that high on their agenda because it is a matter that deeply concerns me and I am sure it deeply concerns you as well.

Mrs. HECKLER. It does, indeed.

Senator CHAFEE. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Moynihan?

Senator MOYNIHAN. Mr. Chairman, lest I not be heard on the subject, may I just join my colleagues in their comments with respect to the issue of court stripping. And I think I can put it into perspective for you. You were not part of this debate which went on all last autumn here in the Senate.

The proposition, which some of us felt to be deeply unconstitutional; others felt, at very least, subversive of the American constitutional arrangements, was before the Congress and before the Senate. And there was a majority in favor of that matter, which would truly alarm many of us. And we had to go through "extended debate" and four motions on cloture before it was finally taken down.

And those of us who felt this to be so unconstitutional were concerned that we never heard a word from the Executive Branch in a matter which seemed to us clear, a matter about which Judge Bork, a distinguished scholar, a professor of law at Yale before the President appointed him to the Court of Appeals here, had no question in his mind. And we can have differences of opinions on many things but in defending the Constitution we have to be together.

Now, I think when you get a chance to look at this, I have a sense your instincts will come out exactly where ours were, but I would ask you to comment on that now.

Mrs. HECKLER. Senator, as you know, we live in two worlds. Or I did as a member of Congress. You have your Senate world in which you have your own agenda, a very absorbing and important one. We in the House were absorbed on other issues. Obviously, there are always two sides to every argument, and these each have their right to an advocate before the court.

I certainly will review your extensive debate on the subject and ponder it, and as I sat here I wondered what position Secretary Schweiker had taken on this, and now you have resolved that. No position, is that right?

Senator MOYNIHAN. No position.

Mrs. HECKLER. Well, I am thoroughly aware of the views of the members of this

committee and respect those views and will take them into consideration and certainly will pursue this subject.

Senator MOYNIHAN. Thank you. That is all we could ask of you.

The CHAIRMAN. Senator Pryor?

Senator PRYOR. I have no further questions, thank you.

The CHAIRMAN. Senator Packwood?

Senator PACKWOOD. Peggy, let me give you an example and, again, I want your personal opinion. I am trying to find out your personal opinion on this.

You have a kidnapping, a Lindbergh type situation. A suspect is caught. He says a few things to the police officer on the way to the police station. The trial is held, the defendant pleads self-incrimination and refuses to take the stand. The police officers take the stand and indicate what the person had said on the way to the police station. The defendant is convicted and sentenced to death.

The case goes to the Supreme Court and they reverse it on the grounds of violation of self-incrimination with respect to the police officers. They should not have been allowed to testify. The country is up in arms about this person whom they think ought to be hung or shot or however we execute people now. And a bill comes along to deny the Supreme Court the right to review cases involving self-incrimination. What would your position be?

Mrs. HECKLER. That is a very extensive situation that you have detailed, and I would like to say this, Senator. I am seeking to be confirmed by this body to head one of the most important and demanding departments in this government. I am preparing myself to handle their issues and their problems.

At this moment, I feel very relieved that I am not seeking a position on the court. [Laughter.]

I feel very strongly that I want to assure you that the law will be enforced, regardless of my personal views. The law, as it is expressed and enforced, will be honored by my department, and I can make that commitment to you.

As to pondering all of the hypothetical legal cases that could occur in any segment of this society, I frankly have been so immersed in human services and human development and Social Security and Medicare that really, I would have to reflect more thoughtfully and at a quieter, more peaceful moment than this.

Senator PACKWOOD. Well, then, Peggy, let me say this in conclusion. That, to me, is a discouraging answer. This is not a new subject. It is not a new subject just this week or this month. We went through this in the mid-fifties with some bills introduced by Senator Jenner to take away from the Supreme Court the right to hear cases involving subversives; to just take it away. We went through it in the mid-sixties on reapportionment when the court finally said after 150 years no longer can you have these gerrymander districts, and there were bills introduced in Congress to take away the court's jurisdiction.

And now we have got it on abortion, and I regard it as the most dangerous ploy to undermine our form of government that we can have. And to say you have not thought about it when you have been in the Congress for 16 years and we have had these issues amazes me.

Mrs. HECKLER. Senator, I did not say that I had not thought abut the bills on abortion. when you asked me about criminal rights and privileges and whether or not they will be——

Senator PACKWOOD. I am asking you about the issue that we have had now for 25 years of taking away the jurisdiction of the court by statute because of a particular passing passion led by a fury of contemporary Cotton Mathers who want to reverse a decision they do not like. That is not a new issue, and it is not going to go away.

Mrs. HECKLER. No, it is not a new issue and I think it deserves a great deal of attention. I think that the issues that relate to the abortion question have been some of the most divisive facing the Congress in all the years that I was there. And, indeed, I consistently, as I told you and as I think you well know, have voted in favor of the pro-life position.

I do not proclude any future judgment on constitutional questions based on the language of a proposal and its implications. But to say that we can never change any postion ever taken by a court, and that to deny the right of a Congress to express the will of the American people is a situation and a proposition that I am not about to embrace at this time.

Senator PACKWOOD. I was going to pursue the subject of a constitutional amendment which I regard as a legitimate way to try to change the Constitution. We are going to have a debate on that, and I will say to Senator Hatch's credit, he has restrained himself in the past on this issue. He has wanted to go the constitutional amendment route. I will oppose him on it. But it is a legitimate way to go, and the way our founders intended we should go.

I do not think in their wildest imagination they ever thought, when they set up the division of branches of government, that the United States Congress ought to have the right to take away from the Supreme Court the ultimate decision as to whether or not an act was constitutional.

The CHAIRMAN. Senator Baucus?

Senator BAUCUS. Mrs. Heckler, not to belabor the point but as you think about this hearing today and in particular, the issue raised by Senator Packwood and most of the rest on this panel today, let me tell you that when Robert Bork was before the Judiciary Committee in his confirmation hearing, he was asked this very question.

He did not hide behind the cloak of ambiguity, but instead stated forthrightly that he was very much opposed to any court stripping measure at all. He felt that so strongly he was willing to say that openly at his confirmation hearing, even though, as you have indicated and others have indicated, Robert Bork is very much opposed to the Roe versus Wade decision.

Mrs. HECKLER. I have great respect for Robert Bork. I also feel that there are valid arguments on the other side of the issue, and I really would not preclude my opportunity to look at those from the perspective of a member of—a Cabinet member and a representative of the Department of Health and Human Services and a representative of the President.

I would consider it essential to look at the other sides of these arguments, but I happen to have very little respect for the Roe versus Wade decision. I have read it extensively, I cannot follow its legal reasoning. I would agree with Robert Bork on that subject, and to think that the Congress of the United States is foreclosed from considering any other option in addressing what I consider to be a very poor judicial ruling is a proposition that I am not about to embrace at this point.

Senator BAUCUS. Well, I think all of us are surprised we have gotton into this so deeply. Senator Packwood indicated earlier——

Mrs. HECKLER. I am very surprised. [Laughter.]

The CHAIRMAN. No one told you it would be easy. [Laughter.]

Senator BAUCUS. Senator Packwood mentioned there are ways that Congress can address this issue. Senator Hatch has a constitutional amendment, and that is the process that our founding fathers provided. But I think, too, that our founding fathers in no way envisioned that Congress, by a whimsical majority, by statute, could overturn Supreme Court decisions.

So I hope you think very, very deeply about that because I think it is probably one of the most important matters that is going to come out of this hearing today.

Mrs. HECKLER. Well, I think that the issue is a very important one, and I also feel that those who have fought on the other side of it in the Congress have valid reasons for the positions they have taken.

And I think when a member of Congress, or when the Congress sees positions taken by the court that they think are very out of line with precedent or judicial reasoning, that should they necessarily be usurped from having any alternative approach. Obviously, the constitutional amendment is the usual approach, and that is a correct one. But to foreclose all other legal options—the drafting of a law, the impact of a statute, I think goes beyond a commitment that I would like to make today.

The CHAIRMAN. Thank you, Senator Baucus. Are there any other questions on HHS? [Laughter.]

Mrs. HECKLER. Are we back to HHS?

The Chairman. Yes. I do have some questions that we would like to have answered in writing; questions from Senator Packwood and Senator Heinz.

Mrs. HECKLER. Certainly.

The CHAIRMAN. And Senator Moynihan, and there may be others because a number of the members are in other hearings, as you know.

Mrs. HECKLER. Yes, I do understand.

Mr. PRESSLER. Mr. President, I rise today to commend the administration for its outstanding choice for the demanding position of Secretary of Health and Human Services, Mrs. Margaret Heckler, and I stongly support her nomination.

It has been my pleasure and privilege to know Peggy Heckler since my student days at Harvard University. Later in my political career I had the good fortune to cross paths with Mrs. Heckler in the U.S. House of Representatives. During that time, we became close personal friends and I was very pleased to work with her on issues affecting the rights of women in this country. During the 4 years I served with her, Peggy Heckler was a leading advocate on women's issues. She sponsored legislation to establish equitable treatment of women in obtaining financial credit. As each bill came to the floor, she led the way on women's rights.

At one point during our past friendship, I had the opportunity to visit Mrs. Heckler's congressional district in Massachusetts and I enjoyed meeting

many of her friends and supporters. My home State of South Dakota was able to reciprocate this hospitality when her daughter served as an intern in one of South Dakota's television stations. I have also been pleased to visit with Peggy and her husband John on a number of occasions in their home. Her family is very supportive of all her achievements, and I want to wish all the Hecklers the very best as Peggy assumes her new position.

This country is very fortunate to have a woman of Mrs. Heckler's caliber and experience. She will do an outstanding job, and I look forward to continuing our working relationship as she assumes her new duties.

Mr. JEPSEN. Mr. President, I commend Peggy Heckler for her steadfast, unfettered commitment, for her concern with respect to the sanctity of human life.

I should like to state further for the RECORD that the Supreme Court at one time, in the Dred Scott decision, indicated that black people were not humans and were just another form of property. They were wrong then. They were wrong in the Wade against Roe decision when they said that an unborn child is not a human being.

So I commend Margaret Heckler for her unfettered commitment and respect for the sanctity of human life.

Mr. THURMOND. Mr. President, I rise today to express my support for the nomination of former Congresswoman Margaret Heckler of Massachusetts to be Secretary of the Department of Health and Human Services.

Mrs. Heckler brings to her new job 16 years of Capitol Hill experience. She represented the 10th Congressional District of Massachusetts for eight consecutive terms. At the close of the 97th Congress, she was the ranking female Member of Congress and the 24th ranking Member of the House of Representatives. Additionally, she was the senior Republican member of the Joint Economic Committee, the Science and Technology Committee, and the House Committee on Veterans' Affairs. Secretary-designate Heckler also previously served on the House Committees on Banking and Currency, Agriculture, and Government Operations. She was a founder and steering committee member of the Textile Caucus. She also founded the Congresswoman's Caucus and cochaired the group.

Mrs. Heckler is an attractive, intelligent, energetic, and courageous lady who is well-qualified to serve the President and the Nation as Secretary of Health and Human Services. Her years of service have proven her to be innovative and possessed of those leadership qualities necessary to head one of the largest Cabinet agencies in the Federal Government.

Mr. President, Mrs. Heckler's extensive experience in the workings of Government will be of great value to her and to the Nation as she faces the new challenges before her. I am confident that she will be an asset to the President's Cabinet as well as the Department of Health and Human Services, and I certainly wish her well.

Mr. STEVENS. Mr. President, I yield back our time.

Mr. KENNEDY. Mr. President, I yield back our time.

The PRESIDING OFFICER. All time has been yielded back.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Margaret M. Heckler, to be Secretary of Health and Human Services? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Wyoming (Mr. WALLOP), the Senator from Connecticut (Mr. WEICKER), and the Senator from California (Mr. WILSON) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from New York (Mr. MOYNIHAN), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 82, nays 3, as follows:

[Rollcall Vote No. 8 Ex.]

YEAS—82

Abdnor	Byrd	Dodd
Andrews	Chafee	Dole
Armstrong	Chiles	Durenberger
Baucus	Cochran	Eagleton
Bentsen	Cohen	Exon
Biden	Cranston	Ford
Bingaman	D'Amato	Garn
Boren	Danforth	Gorton
Boschwitz	DeConcini	Grassley
Bradley	Denton	Hatch
Burdick	Dixon	Hatfield
Hawkins	Matsunaga	Rudman
Hecht	Mattingly	Sarbanes
Heflin	McClure	Sasser
Heinz	Melcher	Simpson
Huddleston	Metzenbaum	Specter
Humphrey	Mitchell	Stafford
Jackson	Murkowski	Stennis
Jepsen	Nickles	Stevens
Johnston	Nunn	Symms
Kassebaum	Pell	Thurmond
Kasten	Percy	Tower
Kennedy	Pressler	Trible
Lautenberg	Proxmire	Tsongas
Laxalt	Pryor	Warner
Leahy	Quayle	Zorinsky
Levin	Riegle	
Lugar	Roth	

NAYS—3

East	Helms	Packwood

NOT VOTING—15

Baker	Hart	Moynihan
Bumpers	Hollings	Randolph
Domenici	Inouye	Wallop
Glenn	Long	Weicker
Goldwater	Mathias	Wilson

So the nomination was confirmed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination of Mrs. Heckler.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE SCHEDULE NEXT WEEK

Mr. BYRD. Mr. President, is the acting Republican leader prepared to state for our colleagues who may be listening in on the squawk boxes whether or not there will be any more rollcall votes today and what the situation is on Monday?

Mr. STEVENS. Mr. President, I am delighted to respond to the Democratic leader's request.

There will be no further votes today. We will stand in adjournment until Monday, when we will take up the Montreal Protocols. If there is a rollcall vote ordered on that, it will take place on Tuesday. We then have another nomination to take up after the Montreal Protocols, and that is the nomination of Lewis Arthur Tambs to be Ambassador to Colombia. If there is a rollcall ordered on that, it will take place following the vote on the Montreal Protocols on Tuesday.

It is not contemplated that there will be any votes on Monday as we deliberate on the two matters in executive session. There will be votes, if ordered, on Tuesday. It is our intention to move as quickly as possible next week to the jobs bill and, following that, as the majority leader mentioned, we will try to take up the social security matter. And then following that we will take up the first concurrent budget resolution.

Mr. BYRD. I thank the distinguished Senator from Alaska, the acting Republican leader.

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HUMPHREY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

15-MINUTE RECESS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate stand in recess for 15 minutes.

There being no objection, the Senate, at 1:17 p.m., recessed until 1:32 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HUMPHREY).

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COAL AND THE 98TH CONGRESS: A LEGISLATIVE AGENDA

Mr. HEFLIN. Mr. President, I rise to address myself to some very important and related issues that will face the 98th Congress. Today, I only wish to discuss briefly the following legislative issues: coal, acid rain, inland waterways, coal port decongestion, and coal research and development.

COAL

We all recognize the important role that coal must play in meeting our future energy needs. For this reason, I want to bring to my colleagues' attention several legislative matters that the Senate will address this session affecting the future use of coal, both domestically and internationally,

The coal industry is in a depressed state, as is the general economy. While the national unemployment rate hovers just above 10 percent, unemployment in the coalfields is over 25 percent. United Mine Workers President Trumka stated before a House committee on February 9 that unemployment in his union stands at 32 percent, or over 45,000 UMW members. Therefore, any legislation we act on relative to coal should focus on returning miners to work in the near term and expanding the market potential in the long term.

ACID RAIN

Acid rain or acid deposition is difficult to discuss because of the highly charged emotions that it generates. Visions of fish and vegetation dying are conjured up by the media and the villain is allegedly sulfur dioxide emissions from coal-fired powerplants in the Midwest. The fact is, the scientific community is divided as to the actual cause of acid deposition. To impose rigid controls now on coal-fired powerplants—before we know if they are really the source of acid deposition—will cost thousands of additional miners their jobs and electric consumers billions of dollars. In a December 1982 study by the State of Kentucky Department of Energy entitled, "Economic Impacts of the Senate Acid Rain Bill," it is estimated that further controls on sulfur dioxide emissions could increase electrical cost by 32 percent and lead to the loss of 62,000 jobs.

Recognizing that we do have an acid deposition problem, I have endorsed and am cosponsoring the legislation introduced by Senator ROBERT BYRD (S. 454) on February 3, 1983. The Byrd bill accelerates the ongoing acid deposition study to a 1987 completion date. By then, we should certainly have enough facts to act decisively. This bill also provides a program to mitigate the harmful effects of acid deposition on certain bodies of water and forests. The bill further provides positive action, yet does not impose a controls program that will unnecessarily cripple an already depressed coal industry.

INLAND WATERWAYS

If coal is to play an increasing role in meeting our energy needs, we must have a transportation network to insure that coal gets from the mines to the ultimate user. Passage of the Staggers Rail Act of 1980 has put the Nation's Railroads in a healthy financial state. To augment rail transport, however, we must rebuild a network of aging locks and dams that are essential to water transport of coal. Coal is currently the largest single commodity moving on our inland waterways, accounting for nearly 30 percent of all tonnage transported. This is expected to increase to 50 percent by the turn of the century. For this increase to take place, however, there are some essential improvements that must occur at several key locks and dams, including the Oliver Lock on the Black Warrior River in my State of Alabama. For these improvements to occur, Congress must authorize funds now accumulating in the inland waterway trust fund. There is more than $100 million in this fund to begin necessary improvements. Action in 1983 would end a 5-year lapse in funding inland waterway improvements and begin the restoration of an essential link in our national transportation network.

COAL PORT IMPROVEMENT

It is essential for our ports to be dredged to a level to allow them to accommodate super colliers. Currently, no U.S. port can handle these large vessels, which are the wave of the future in the coal exporting business. Last year, we exported over 100 million tons of coal, a level which far exceeded our expectations of a few years ago and significantly aided our balance of trade. The extent to which we can increase these exports will significantly assist our allies in freeing themselves from the noose of OPEC. As with acid rain, Democratic leader BYRD has indicated his intent to take the lead in a legislative effort to alleviate our port problems. Again, I urge my colleagues to get behind his initiative.

COAL RESEARCH AND DEVELOPMENT

The administration has attempted to reduce the coal R&D budget to a level that represents "close out" funding only. The proposed fiscal year 1983 budget represented a 75-percent reduction over fiscal year 1982. Through the efforts of Senators BYRD, HUDDLESTON, FORD, and others, this funding level was increased to an acceptable level. We now find ourselves facing the same fight for fiscal year 1984.

If coal is the cornerstone of our future energy policy—as Energy Secretary Hodel has asked on numerous occasions—then should we not have a technology development program that will allow us to burn it more efficiently? The answer is, of course, yes. I look forward to working with other supporters of the coal R&D program to insure that the fiscal year 1984 funding level is again adequate to prepare for the future.

While there are other legislative issues such as coal pipelines, rail rate regulation, and Federal coal leasing that may be brought before the Senate this session, the ones discussed above will receive priority attention from me.

SUPPORT OF REPEALING THE INCREASE IN TRUCK USER FEES

Mr. HEFLIN. Mr. President, last December during the hectic days of the lameduck session, Congress hastily approved the Surface Transportation Act of 1982. Even though the intent of this bill was to repair our Nation's badly worn roads and bridges, I could not support its passage because it imposed further tax burdens on the American people. Furthermore, it was approved by Congress without careful scrutiny into the devastating effects it

would have on our Nation's trucking industry.

Before passage of the Surface Transportation Act the maximum use tax on the heaviest trucks was set at $240 per year. Under this bill, the heavy vehicle user fee is scheduled to eventually rise to $1,900. This is an almost 800-percent increase in truck taxes and clearly too burdensome for most truckers to bear. Furthermore, this is not the only tax increase truckers must pay. They must also bear the additional burden of an increase in the fuels tax and an increase in the excise tax on tires.

Small truckers will be particularly hard hit as a result of the increase in truck user fees. Many truckers in my home State of Alabama have expressed to me their inability to carry the additional burden of these taxes at a time when they are struggling merely to survive the current recession. Freight rates have not increased in several years while costs have skyrocketed. For the first half of 1982, freight carriers made only 71 cents for every $100 of gross revenues. It is unrealistic to believe that the higher user fees can be passed to the shipper through rate increases. This would only force shippers to look for alternative means of transporting their goods. Also, many truckers in my State own only one or two trucks and drive less than 25,000 miles per year. Nonetheless these truckers will be forced to pay the same user fees as the large commercial haulers.

We can all agree that our Nation's highways and bridges are badly in need of repair and reconstruction and I strongly support efforts to go forward with this work. However, under the present situation, we are asking too great a sacrifice of our Nation's truckers, which in many cases, will be forced out of business because of their inability to pay this tremendous increase in taxes.

In order to correct this inequitable situation, I am jointly sponsoring with Senator BOREN legislation to repeal the scheduled increases in the truck user fees. I believe this legislation is necessary if we are to insure a viable and healthy trucking industry. I strongly urge my colleagues to join me in supporting this important legislation. I ask unanimous consent that the attached letters appear in the RECORD following this statement. Thank you, Mr. President.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

KENNEDY, ALA.,
January 21, 1983.

DEAR SENATOR HEFLIN: I know it won't do any good to write this letter but maybe I can get my feelings out in the open. This deal of the highway use tax on trucks is going to kill us small working people. The 5 cents gas and fuel tax is bad enough but how on earth can a man make a living for his family and have to pay that kind of tax. My husband is a log hauler. They don't get any more for hauling now than they did four or five years ago. The tires, insurance, equipment and upkeep of those trucks are almost double now. If the use tax was going to have to go up, why such a jump from $210.00 per truck to $1600.00. That sure isn't going to help the economy any, in fact it's going to stop lots of jobs. If you know anyone that can help us please try to do so.

Yours truly,

MRS. EULIE TAYLOR.

AXIS, ALA.,
February 10, 1983.

Hon. HOWELL HEFLIN,
U.S. Senate, Washington, D.C.

DEAR SIR: We feel it is time for our voices to be heard concerning the additional federal taxes imposed on independent truckers. We feel it is unfair, as we're not even making the minimum wage after truck expenses, which I will itemize for you later.

The cost of everything is up—fuel seems to be coming down some, but not nearly enough—and the freight rates are so low, it is very hard to make a living. The price of fuel and permits is not consistent from one state to another.

This is a breakdown of cost of operation:

Truck payments	16,922.25
Ala. (IRP) base plate	1,117.86
Truck insurance	3,494.00
Fuel	25,544.41
Oil	501.69
Parts and repairs	4,073.31
Tires	1,385.16
Total	53,038.68
Tolls and permits	490.85
Highway use tax	407.84
Weight tickets	43.00
Complete check charges	591.50
Telephone—long-distance only	949.09
Payments on business loans	4,200.00
Daily allowance 20.00 day—food on the road	8,360.00
Total	15,042.28
Income for 1982	75,990.19
Expenses on truck	68,080.96
Difference	7,909.23

Out of what is left, we have to maintain our household, utilities, telephone, hospital insurance and food.

We feel it is unfair to pay the federal highway use tax and then have to pay the highway use tax to states like Ohio and ton mileage tax in states like Colorado and N.Y. This is double taxation and we have to pay it if we travel in those states. It would be easier if all the states had a uniform method to collect for taxes, license, and permits.

Note the amount paid in tolls. We feel it is wrong to have to pay all the other use taxes and still have to pay tolls in many of the states on interstate highways, such as Okla., Ill. and most all of the Northeastern states. This money can't be used on the highways, as their highways are in worse condition than states that don't charge tolls.

There needs to be a change in the tax structure and freight rates, so we can live with it and still make a living. I might add that both my husband and I drive our rig and barely make ends meet.

Hope we will be hearing from you soon.

Sincerely yours,

——— ———.

DEAR MR. HEFLIN: I am soliciting your help in getting some relief in our problems as Independent Truckers and/or-owner operators.

In Etowah County, the Gadsden, Ala., area, there are approximately three to four hundred independent truckers and owner-operators.

The recently passed legislation by the Congress and Senate to increase fuel tax by five cents per gallon, and the 800 percent road use tax increase will force the greater majority of all of us out of business. We were just barely hanging on before this Legislation was passed.

We as independents are furnishing and maintaining the expensive equipment. Loading, transporting and delivering the merchandise, for a lesser net profit than most company drivers make for just driving a company's vehicle. This is a matter of record.

The independents shut down in 1979 caused by very high rising fuel cost would have put us out of business then. But the Government came thru with a fuel surcharge that saved us then. However, the ICC later deregulated the industry and took away the surcharge and allowed the carriers to incorporate it in the rate. The carriers have now cut the rates far below what they were before the surcharge was added. This has allowed the carriers who belong to the AGA and use owner-operators to retain at least 80 percent of the fuel surcharge and they do not pay any highway use or fuel tax at all. Yet a lot of them have 500 to 1,000 trailers that are being pulled by owner-operators who pay all the taxes. On fuel and highway use, all state and local taxes on the equipment.

This allows carriers in this method of operation to derive approx. 40 percent of total revenues without any of the tax obligations afore mentioned.

We definitely must have some relief in this situation or we are all out of business and if this happens, the carriers will have to furnish all this equipment and I guarantee you if this happens, freight rates will increase 100 percent or more and will be passed on to the consumer.

Please consider our plight and try and help us in this fight for mere survival.

Sincerely,

ED MESSER.

STAR TRUCK PARTS,
Birmingham, Ala., January 27, 1983.

The Honorable HOWELL HEFLIN,
U.S. Senate, Washington, D.C.

DEAR SENATOR HEFLIN: This letter is written to ask your support for reducing the Federal Road Use Tax burden that has been placed on trucks and truckers. In dealing with truckers and truck owners on a daily basis, I am very familiar with their operations and business problems.

Most independent and small fleet operators (70 percent) do not control the rates that they receive for their services. Many regulated carriers in the Birmingham area do not own one single truck, yet they control rates and take high commissions from the revenue. Exempt haulers (logs, coal, produce, etc.) encounter the same problems with large paper mills, coal producers, and food brokers. The truck owner must pay all expenses and TAXES, yet cannot price his services. In a situation that is, at best, a break even business, there is no way that thousands of dollars more in taxes, per truck, can be paid.

This tax burden will put thousands of large and small operators out of business.

Please consider the following facts concerning trucks.

1. New truck sales are down 50 percent from 1979.

2. Over 8,000 Diesel Trucks were repossessed in Alabama in 1982.

3. 30 percent of the new truck dealers (large trucks) in Alabama have gone out of business in the last two years, with others to go out soon.

4. Truck load freight rates are at, or below, the rates charged in 1978.

5. The new Road Use Taxes for one year will be more than the combined profits of all regulated trucking companies for the past 3 years.

Please, your help is needed.

Sincerely,

JERALD BROOKS.

SYLACAUGA, ALA.

Senator HOWELL HEFLIN,
U.S. Senate,
Washington, D.C.

DEAR SIR: I am writing to voice my opinion on the Taxes imposed on the Truckers.

I, myself, work at Floyd & Beasley Transfer Co. Inc., and I know it's hard enough now days to make a profit without these added (Tax) cost. Many Companies have went at least Two Years without giving a Pay Raise, simply because they can't afford to. Other Companies such as McLean have sold out because of hard times in the Trucking Industry, others have entered Chapter 11 Bankruptcy. It is regrettable that this happened. That is why I am writing, because I am very concerned that if we don't do something about these Taxes that many more Companies such as Floyd & Beasley will be forced to sell or enter Chapter 11 Bankruptcy.

When things are this tough on large Companies then common sense will tell you that its twice as hard on the Independent Truckers.

What good are better Highways if there is no one to run them. I can't understand what good a Jobs Program is if it causes more job losses than it employs. I realize we need to create more jobs but, there has to be a better way to do so.

Sincerely,

JEFF MCGRADY.

ATHENS, ALA.

Senator HOWELL HEFLIN,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR: We are in full agreement that our roads and bridges are in dire need of repair, however, we do not feel the truckers should take the full brunt of this expense.

Gasoline prices have decreased so the additional 5¢ per gallon tax will not hurt the motorist. Diesel prices have not come down; therefore, the additional taxes would be a major expense on the truckers.

Rates on almost all commodities shipped on trucks are so low the truckers are having an extremely difficult time making expenses, which have continued to increase.

Raising taxes, such as the Highway Use Tax increase, and taxes on tires, trucks and other equipment necessary to move freight across this Country will make it impossible for the truckers to make any profit, much less a decent living.

Truckers are already paying each state very high taxes for running in them and these taxes have also increased recently.

Raising the weights trucks can carry can in no way compensate the truckers for these additional taxes. The customers order the weights they need and many loads are lighter than even present laws allow. We do need each State to have the same legal length and weight laws but this will not increase revenue enough to even start to compensate the trucker for these additional taxes.

If these taxes remain on the truckers, we will all be out of business and added to the high unemployment already in existence.

We realize all must pay taxes, but we now pay such high fuel taxes, plates and permit charges to each State. The roads and bridges could be new if all the money went for that.

Be fair to us, we are an important industry and necessity to the economy of this country. Putting us out of business is not a good solution to this problem.

If less money was given to Foreign Aid and instead used for the people in the United States, we could balance the budget and be more humane to our own people in need.

Charity does begin at home, and we all need "aid" here.

Thank you for your consideration in this matter.

Sincerely,

ROBERT and SANDIA RIDINGER.

GADSDEN, ALA.,
Feb. 7, 1983.

DEAR SIR: As a owner-operator in Trucking I wish to express my view to the user-fees that are being imposed.

I only drive 40,000 miles per year yet I will have to pay the same as the ones that drive 150,000 miles and some even more. I believe it is too much at a time when we are on the verge of collapse.

Any help you can render will be appreciated.

Yours Truly,

L. V. CLAYTON.

JANUARY 17, 1983.

Senator HOWELL HEFLIN,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR HEFLIN: I use approximately 25 truck owner-operators in my business and every one of them tell me that they will be parking their trucks the 31st of January and remained parked until something was done about these new taxes.

Please get a meeting and do all that you can to get the Surcharge or some type of extra revenue that goes direct to the trucker installed. If something is not done immediately to appease them, me and anyone else depending on the trucking will be without any business.

The estimated additional cost per truck at a minimum figure is:

Gasoline at .05 per gallon (average 4 miles per gallon)	$1,500
Tire tax (average weight, 125 No. per tire) at $.50 per lb. 1 set of tires per year, 18 at $62.50	1,125
Federal highway use tax—additional per truck	1,377
Total	4,002

Plus the additional excise tax on truck and trailer when purchased, in which the amount is a question mark.

Respectfully,

BILL TIDWELL.

P.S.—I believe the truckers would accept the gasoline tax if the other taxes were repealed.

Gadsden, Alabama, February 7, 1983.

Senator HOWELL HEFLIN,
U.S. Senate
Washington, D.C.

DEAR SENATOR HEFLIN: We, the independent truckers, think the fixed Highway Use Tax bill is unfair and too high.

There are thousands of people who make themselves a job with one truck or more. These owner-operators have gross incomes ranging from $25,000 per year to $100,000. The small income truck will pay the same tax. This will put the small business man without a job. This bill was suppose to create jobs not make unemployment.

Our revenue is down due to deregulation and competiton and our taxes are to be higher, this is hard for the independent contractor to understand. We are in favor to increase Highway Use Tax. Independent Truckers work on a percentage basis with no guarantee of monies. We think an increase at the fuel pumps would be more accurate on the way a truck is running his gross income. Even a percentage of the gross income would be fairer, an example of ½ percent up to 1 percent.

With deregulated rates and the sagging economy, freight rates have gone down considerable for the past 14 months. There is no room in the independent trucker's business for fixed taxes in today's profit and economy.

For general information the following is some of the problems the trucker is up against.

We are willing to do away with the surcharge and take our percentage of the gross. As all trucking companies are now interpreting this differently. The surcharge bill was originated to help the independent truckers to pay higher fuel cost. As of now, the large companies are keeping most of the surcharge.

With 100 percent to begin on gross revenue. The company divides 1.15 percent to roll out surcharge. The company pays to the contractor 12.5 cents as of February 10, per dispatched mile which does not equal to the money they are taking away from the independent trucker.

The company's expenses are made up of cargo and liability insurance. Maintaining offices to collect freight charges.

The owner-operators then have to pay their own workman's compensation. Our company deducts 4.3 percent workman's compensation. The owner-operator also pays his bobtail insurance and a portion of cargo insurance which ours amount to $20.00 per month.

All the other incurred charges that go to the independent contractor such as fuel, tires, repairs, payments on tractors and trailers, compensation insurance, hospital insurance, social security tax, income tax, apportioned tags which can cost as much as $1100.00, permits for each state and ad valorem tax.

A large portion of the tax to be collected from the Highway Use Bill will go to the railroads to bail them out of any financial strain. They are our biggest competion with low rates that certainly put a financial strain on the trucking industry.

We need help before we can pay higher taxes.

Yours truly,

BOBBY J. MCKEE
and 48 others.

DIRECTING SENATE LEGAL COUNSEL TO REPRESENT SENATOR MOYNIHAN AND SENATOR D'AMATO

Mr. STEVENS. Mr. President, I send a resolution to the desk on behalf of the distinguished Republican and Democratic leaders and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 81) to direct the Senate legal counsel to represent Senator MOYNIHAN and Senator D'AMATO in the case of Municipal Electric Utilities Association of New York State v. Ronald Reagan, et al.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

Mr. BYRD. No objection.

The Senate proceeded to consider the resolution.

Mr. STEVENS. Mr. President, this resolution is necessary in order that legal counsel may appear to represent the two Senators mentioned as defendants in an action brought against the Commission, all of its Commissioners, President Reagan, Representatives KEMP, CONABLE, NOWAK, and LAFALCE, as well as the two Senators mentioned.

The matter will be heard tomorrow in the Federal district court. That is the reason for the urgency.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 81) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 81

Whereas the case of *Municipal Electric Utilities Association of New York State* v. *Ronald W. Reagan, et al.*, Civil Action No. 83-0595, is pending in the United States District Court for the District of Columbia;

Whereas the complaint in this action names the Honorable Daniel Patrick Moynihan and the Honorable Alfonse M. D'Amato as parties defendants;

Whereas, pursuant to sections 703(a) and 704(a) of the Ethics in Government Act of 1978 (2 U.S.C. 288b(a) and 288c(a) (Supp. V 1981)), the Senate may direct its counsel to defend the Senate, its Members and officers, in civil actions relating to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Moynihan and Senator D'Amato in the case of *Municipal Electric Utilities Association of New York State* v. *Ronald W. Reagan, et al.*

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE ON MONDAY

Mr. STEVENS. Mr. President, I ask unanimous consent that, following the convening of the Senate on Monday, no resolutions come over under the rule, the call of the calendar be dispensed with, and the Journal of the proceedings be approved to date.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ADJOURNMENT TO 10:30 A.M. MONDAY, MARCH 7, 1983

Mr. STEVENS. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment.

The motion was agreed to; and, at 1:43 p.m., the Senate adjourned until Monday, March 7, 1983, at 10:30 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate March 3, 1983:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Margaret M. Heckler, of Massachusetts, to be Secretary of Health and Human Services.

HOUSE OF REPRESENTATIVES—*Thursday, March 3, 1983*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, keep us always in Your mercy and may Your grace remain with us. Protect all those who call upon You, even as we seek to support those who are in any need. Cause us to be aware of the concerns about us that we will bring healing and comfort and compassion to people everywhere. May Your spirit increase in us those good works that honor Your name and serve people everywhere. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. WALKER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 350, nays 19, answered "present" 4, not voting 60, as follows:

[Roll No. 15]

YEAS—350

Ackerman	Bethune	Burton (CA)
Addabbo	Bevill	Campbell
Akaka	Biaggi	Carney
Alexander	Biliraki s	Carr
Anderson	Bliley	Chandler
Andrews (NC)	Boehlert	Chappie
Andrews (TX)	Boggs	Cheney
Annunzio	Boland	Clarke
Anthony	Boner	Clinger
Archer	Bonior	Coats
Aspin	Bonker	Coelho
AuCoin	Borski	Coleman (MO)
Badham	Bosco	Coleman (TX)
Barnard	Boucher	Collins
Barnes	Bouquard	Conable
Bartlett	Boxer	Conte
Bateman	Breaux	Conyers
Bates	Britt	Cooper
Bedell	Broomfield	Corcoran
Beilenson	Brown (CA)	Courter
Bennett	Brown (CO)	Coyne
Bereuter	Broyhill	Craig
Berman	Bryant	Crane, Daniel
D'Amours	Jenkins	Pashayan
Daniel	Johnson	Patman
Dannemeyer	Jones (OK)	Patterson
Daschle	Kaptur	Paul
Daub	Kasich	Pease
Davis	Kastenmeier	Penny
de la Garza	Kazen	Pepper
Dellums	Kemp	Perkins
Derrick	Kennelly	Petri
DeWine	Kildee	Pickle
Dicks	Kindness	Price
Dingell	Kolter	Pritchard
Dixon	Kostmayer	Pursell
Dorgan	Kramer	Quillen
Downey	LaFalce	Rahall
Dreier	Lagomarsino	Rangel
Duncan	Lantos	Ratchford
Durbin	Latta	Ray
Dwyer	Leach	Regula
Dymally	Leath	Reid
Dyson	Lehman (CA)	Richardson
Early	Lehman (FL)	Rinaldo
Eckart	Leland	Robinson
Edwards (AL)	Lent	Rodino
Edwards (CA)	Levine	Roe
Edwards (OK)	Levitas	Rogers
English	Lewis (FL)	Rose
Erdreich	Lipinski	Rostenkowski
Erlenborn	Livingston	Roth
Fascell	Loeffler	Roukema
Feighan	Long (LA)	Rowland
Fiedler	Lott	Roybal
Fields	Lowry (WA)	Rudd
Fish	Lujan	Russo
Flippo	Luken	Sawyer
Florio	Lungren	Scheuer
Foglietta	Mack	Schneider
Foley	MacKay	Schulze
Ford (TN)	Markey	Schumer
Fowler	Marlenee	Seiberling
Frank	Marriott	Sensenbrenner
Franklin	Martin (NC)	Shannon
Frenzel	Matsui	Sharp
Frost	Mavroules	Shaw
Fuqua	Mazzoli	Shelby
Garcia	McCain	Shumway
Gaydos	McCandless	Shuster
Gephardt	McCloskey	Sikorski
Gingrich	McCollum	Siljander
Glickman	McCurdy	Simon
Gonzalez	McDade	Sisisky
Gore	McDonald	Skeen
Gradison	McEwen	Smith (FL)
Gray	McGrath	Smith (IA)
Green	McHugh	Smith (NE)
Gregg	McKernan	Smith (NJ)
Guarini	McNulty	Smith, Robert
Gunderson	Mica	Snowe
Hall (IN)	Mikulski	Snyder
Hall (OH)	Miller (CA)	Solarz
Hall, Ralph	Mineta	Spence
Hall, Sam	Minish	Spratt
Hamilton	Moakley	Staggers
Hammerschmidt	Molinari	Stark
Hance	Mollohan	Stenholm
Hansen (ID)	Montgomery	Stokes
Harrison	Moody	Stratton
Hartnett	Moore	Studds
Hatcher	Moorhead	Stump
Hefner	Morrison (CT)	Sundquist
Hertel	Mrazek	Swift
Hightower	Murphy	Synar
Hillis	Murtha	Tallon
Holt	Myers	Tauke
Hopkins	Natcher	Tauzin
Horton	Nelson	Taylor
Howard	Nichols	Thomas (CA)
Hoyer	Nielson	Thomas (GA)
Hubbard	O'Brien	Torres
Huckaby	Obey	Torricelli
Hughes	Owens	Towns
Hunter	Oxley	Traxler
Hutto	Packard	Udall
Hyde	Panetta	Valentine
Ireland	Parris	Vander Jagt
Vento	Whittaker	Wright
Volkmer	Whitten	Wyden
Vucanovich	Williams (OH)	Wylie
Watkins	Winn	Yates
Waxman	Wirth	Yatron
Weber	Wise	Young (MO)
Weiss	Wolf	Zablocki
Wheat	Wolpe	Zschau
Whitehurst	Wortley	

NAYS—19

Albosta	Gejdenson	Roemer
Burton (IN)	Goodling	Sabo
Clay	Harkin	Schroeder
Coughlin	Hiler	Solomon
Dickinson	Jacobs	Walker
Evans (IA)	Mitchell	
Forsythe	Roberts	

ANSWERED "PRESENT"—4

Levin	Ottinger
Oberstar	St Germain

NOT VOTING—60

Applegate	Hawkins	Oakar
Brooks	Heftel	Olin
Byron	Jeffords	Ortiz
Carper	Jones (NC)	Porter
Chappell	Jones (TN)	Ridge
Crane, Philip	Kogovsek	Ritter
Crockett	Lewis (CA)	Savage
Donnelly	Long (MD)	Skelton
Dowdy	Lowery (CA)	Slattery
Edgar	Lundine	Smith, Denny
Emerson	Madigan	Stangeland
Evans (IL)	Martin (IL)	Vandergriff
Fazio	Martin (NY)	Walgren
Ferraro	Martinez	Washington
Ford (MI)	McKinney	Weaver
Gekas	Michel	Whitley
Gibbons	Miller (OH)	Williams (MT)
Gilman	Morrison (WA)	Wilson
Gramm	Neal	Young (AK)
Hansen (UT)	Nowak	Young (FL)

□ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1572. An act to repeal section 311 of the Federal Public Transportation Act of 1982.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 37. Joint resolution providing that the week containing March 8, 1983, shall be designated as "Women's History Week."

RESIGNATION AS MEMBER OF SELECT COMMITTEE ON AGING

The SPEAKER laid before the House the following resignation as a

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

member of the Select Committee on Aging:

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 22, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, H-204, Capitol, Washington, D.C.

DEAR MR. SPEAKER: This is to inform you I hereby tender my resignation on the Select Committee on Aging.

Sincerely,

DANIEL E. LUNGREN,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

APPOINTMENT AS ADDITIONAL MEMBERS OF SELECT COMMITTEE ON AGING

The SPEAKER. Pursuant to clauses 6 (f) and (i) of rule X, and without objection, the Chair appoints as additional members of the Select Committee on Aging the following Members of the House:

Mr. RICHARDSON of New Mexico;
Mr. GEKAS of Pennsylvania;
Mr. SILJANDER of Michigan; and
Mr. SMITH of New Jersey.

There was no objection.

APPOINTMENT AS MEMBERS OF ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

The SPEAKER. Pursuant to the provisions of section 3(a), Public Law 86-380, the Chair appoints as members of the Advisory Commission on Intergovernmental Relations the following Members on the part of the House:

Mr. FRANK of Massachusetts;
Mr. WEISS of New York; and
Mr. WALKER of Pennsylvania.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT TOMORROW, FRIDAY, MARCH 4, 1983, TO FILE REPORT ON SOCIAL SECURITY ACT AMENDMENTS OF 1983

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means have until midnight tomorrow, March 4, 1983, to file its report on the Social Security Act Amendments of 1983.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair announces that he will recognize Members to make requests for committees to sit during the 5-minute rule only at certain times during the legislative day. While the precedents indicate that such requests when pending are not votes requiring the presence of a quorum, the Chair wishes to avoid the need for a call of the House pending such requests but at the same time to assure predictability as to when he will accord recognition. Therefore, the Speaker intends to set up the following guidelines:

First, as has been established by precedent, permission to sit shall require unanimous consent if the permission pertains to a day for which the program has not been announced. Thus, prior to the announcement of the legislative program for the following week, only one objection would be required to prevent a committee from sitting. Following the announcement by the majority leader, or his designee, of the program for the next week, the Chair would entertain requests for committees to sit during that following week and 10 objections would then be required. The Chair wants it to be clearly understood that the first available opportunity in the House following the announcement of the program is an appropriate time for considering requests pertaining to the following week if the announcement comes before the completion of all legislative business.

Second, the Chair will not entertain requests on days when all votes on legislative matters have been postponed to a later date; however, the chair will accept requests for committee hearings to be held later in the week if the request has the concurrence of the ranking minority member of the committee or subcommittee.

Third, on days when legislative business is to be conducted, and when rollcall votes are in order on legislation, the Chair will recognize during the 1-minute speech period at the beginning of the day for requests that committees sit provided that the Chair has been notified and has received assurance that the minority leader, or his designee, has been notified at 5 minutes before the request is to be entertained.

Fourth, the Chair will bestow recognition at times during the legislative day other than during the 1-minute period only when he is assured that the ranking minority member of the committee or subcommittee involved supports the request for the hearings or meeting.

Requests that have been objected to by 10 or more Members pursuant to clause 2(i) of rule XI may not be renewed on the same day unless the Chair is assured that the objections have been withdrawn.

The Chair will in no instance entertain requests after the legislative business of the day has been concluded; that is, after leaves of absence have been laid down or unanimous consent requests from the majority and minority tables have been entertained at the end of the day.

GOVERNMENT BUREAUCRATS EMERGENCY READING AND WRITING SKILLS PROFICIENCY ACT OF 1983

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, today's news indicates that we might need to get together and draft a bill entitled "The Government Bureaucrats Emergency Reading and Writing Skills Proficiency Act of 1983."

This morning I learned that the National Highway Traffic Safety Administration felt compelled to pay a consultant $23,000 to write a readable letter explaining to consumers that their car has a defect and is being recalled. Apparently the Director felt he could not write such a letter because he is not skilled in linguistics.

Mr. Speaker, how can a man be appointed to a position such as this if he cannot even write a simple letter of this nature?

At a time when the administration is telling us that we cannot afford to feed, house, or care for the more than 14 million Americans its policies have thrown out of work or the millions of other unfortunate Americans who are poor, elderly, and disabled, how can one of our top administrators squander this kind of money in such a wasteful manner?

Does the administration feel that only highly paid linguists are capable of writing a simple, understandable letter?

I am interested in learning what sort of competitive bidding procedures were used to let this contract. Several members of my staff have asked me to volunteer their services and have assured me they would be willing to write the Highway Safety Administration's letter for considerably less than $23,000.

This type of waste should not go unnoticed. I hope the administration might like to take some steps to deal with it.

EMERGENCY JOBS LEGISLATION IS OVERDUE

(Mr. BOUCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOUCHER. Mr. Speaker, later today, this House will vote on the emergency jobs legislation that has been the subject of extended public debate. It is a bill that is overdue; it is a bill that must be passed.

With 12 million Americans out of work, and with the President in his own Economic Report to the Congress predicting that unemployment will remain over 10 percent throughout 1983, it is incredible to me that some in this Chamber would suggest that the crisis has passed and that action is no longer necessary.

The truth is that the crisis has not passed. If there are doubters among you, I say, come to southwest Virginia where overall unemployment exceeds 17 percent. Four of our counties have jobless rates above 25 percent. In one county, more than 30 percent are unemployed.

From the factories to the farms, to the mines, people are out of work. In the country stores and around the dinner table, people are waiting—waiting for this Congress to recognize the crisis and take action.

The American people are not interested in partisan politics; they want action. I urge my colleagues to support this critically needed legislation.

SECOND PHASE OF JOBS BILL NEEDED

● Mrs. KENNELLY. Mr. Speaker, today as we begin consideration of the jobs bill, we no doubt are going to hear a great deal about how the recovery has begun in this country. We are thankful for the many bright signs; however, for millions of Americans there has not been any recovery yet and there might not be one unless we do the right thing. Recovery will not begin unless we address training and retraining of the American people.

I am not saying that today's bill is not good, in fact it is a good jobs bill, but it is not enough. For example, over $700 million is designated to go toward public services, toward jobs that women usually hold. This is not anything; it is a lot of money. But we can use more as far as retraining and new training for women so that they who make up 43 percent of the work force, can have meaningful jobs and help to do for their families what they want.

The President, members of his administration, and many Members of this body that we sit in today have told us that there will be a second phase to the jobs bill. What I urge today is that we go forward with the jobs bill that we are addressing, but we remind those who have promised us a second phase that we need the second phase so that we can continue to train and, more importantly, retrain those who want to go back to work.●

LET US PUT A DENT IN DOUBLE-DIGIT UNEMPLOYMENT

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, yesterday was a day of optimistic and perhaps extravagant economic forecasts by various administration spokesmen.

Treasury Secretary Don Regan proclaimed that the economic recovery has already begun, and we hope that is true, but to be on the safe side we ought to remember that Treasury Secretary Don Regan, both during and after his days on Wall Street, has predicted 52 of the last 3 economic recoveries.

Let us suppose, however, that there is more than a smokescreen of rhetoric here, that the first fire of economic revival has indeed been lit.

□ 1030

In that case we need to be sure that this is not just an economic recovery for Wall Street alone but for Main Street as well. We have learned in the past that what is good for big banks on Wall Street is not necessarily what is good for the people. The people's need are the same as always—jobs, housing, and a real opportunity to pursue the American dream.

Mr. Speaker, today we take up the jobs bill, which will provide economic recovery for Main Street as well as for Wall Street. Let us not speak of recovery until we have put America back to work and put a dent in the awful statistical fact of double-digit unemployment.

"CRUCIAL POINT" IN EL SALVADOR IS REMINDER OF VIETNAM

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, yesterday the administration announced that it needed more military aid for El Salvador because right now are reaching a crucial point in that war.

As somebody who lived through and spent his formative years during the Vietnam war, I would hasten to remind the administration that many of us who lived through that time heard over and over again, in 1966, in 1968, in 1970, in 1972, and in 1973, that we were at crucial points, turning points in the war in Vietnam, and while we may have believed at first that this was the case, later on we did not believe it.

I would simply hasten to remind the administration that the many millions of Americans and a good number of Congressmen who lived through that time will be very reluctant, without positive proof, to accept increased military aid as a solution to the quagmire in El Salvador, because we saw that military aid did not relieve us from the quagmire in Vietnam.

SUPPORT FOR INDEXING OF INCOME TAX BRACKETS

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, I would like to take a moment to speak in opposition to efforts to repeal or postpone the indexing of income tax brackets.

As we all know, the average American taxpayer—especially those in the lower and middle income tax brackets—has suffered from years of bracket creep. We promised our constituents relief from bracket creep when we passed the Economic Recovery Tax Act of 1981 and I believe we must stand by that commitment.

But indexing raises an important question about the future growth of Federal spending. Indexing is simply a form of discipline. By placing a cap on the growth of Federal tax revenues, it would force Congress to recognize that limits to Federal spending do, in fact, exist. Indexing will force Congress to scrutinize all spending—defense as well as social—and budget accordingly. It will not create deficits. It will not lower taxes. But it will force this body to be honest about our spending priorities, and to choose either increased taxes or spending cuts.

Many of us were elected to Congress with the pledge that we would cut waste from Government and restore prudent responsibility to the budget process. I think we owe it to ourselves to be honest about spending limits and we can only do that if we retain indexing.

Next week I will be introducing a resolution which expresses the sense of the House that indexing should not be repealed or postponed.

Mr. Speaker, I hope you will join me as an original cosponsor.

JOBS BILL UNRESPONSIVE TO PUBLIC NEEDS

(Mr. GREGG asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GREGG. Mr. Speaker, today we take up a bill which is nothing more than a crass fraud executed at the expense of the American unemployed. This $4.6 billion in what is euphemistically called a jobs bill is being perpetrated for the sole purpose of political perception and the promotion of pet political projects.

This bill represents the politics of past failures. It is nothing more than a frenzied feeding at the public trough and at the expense of the American taxpayers. This Congress should hang its head that it would again foist upon the American public and the taxpayers of this country a bill which is not

responsive to their needs but is, rather, going to have a negative effect on those who are unemployed as it dampens our recovery by expanding the deficit, forcing up interest rates, and in effect slowing down the recovery which is the only real hope for people who are out of work.

WEATHERIZATION ASSISTANCE VITAL PART OF JOBS BILL

(Mr. McKERNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McKERNAN. Mr. Speaker, while we all know that the $4.6 billion jobs and recession relief bill coming before us today is no panacea for all the suffering of the unemployed and homeless of this Nation, nevertheless, it does constitute a much needed beginning for getting the country back on its feet, both in economic terms and in human terms. One objection which has been voiced against this legislation is that the relief provided in the bill will be too long in the pipeline, and will only reach those to whom it is directed long after the economy is recovering on its own. While it remains to be seen how long it will take for all the projects and programs contained in this bill to get underway, at lest one provision in the legislation is certain to provide swift effective assistance to many desperate families throughout the Northeast, where the recession has hit the hardest.

I am referring to the $150 million included in the jobs bill for the weatherization assistance program. Several weeks ago, I joined with several of my Republican colleagues from New England in sending a letter to the White House to urge that funding be included in the jobs package for low-income weatherization assistance. The original proposal submitted by the administration contained no such funding. Therefore, although our letter requested $250 million for low-income weatherization, we are convinced that even the compromise figure of $150 million will go a long way toward helping low-income families weatherize their homes.

In the State of Maine, the low-income weatherization program has resulted in more than 14,000 homes being weatherized. In 1982 alone, a total of 5,064 homes were weatherized through Maine's program. And the financial burden of this program has not been borne solely by the Federal Government. The State of Maine contributed a total of $1 million in each of fiscal years 1982 and 1983 toward this particular program. Clearly, the benefits of the low-income weatherization program have been felt by tens of thousands of individuals throughout the State of Maine. I know that the $2.4 million which will go to Maine under this legislation will benefit thousands more whose homes need weatherizing. I am pleased that the importance of this program was not overlooked in the final hours of crafting the jobs and relief legislation we have before us today.

SPENDING PRIORITIES CRITICAL IN CONSIDERATION OF JOBS BILL

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, in a matter of hours we will undoubtedly pass a multimillion-dollar jobs bill. Its support from my own party is predicated largely upon the assurances that the spending provided is really only accelerated spending of money we were planning on in the next several years.

But I must ask you, Can we truly expect that the projected spending down the road will simply not happen? Or can we assume that history will repeat and know that what we spend today will be spent again next year—on other new urgent programs. I make this point not to oppose the jobs bill, but to urge you in every way that I can to look for reductions as you put the necessary funds toward these jobs and look to defense procurement as we know that we must. I am today sending a letter to Secretary Weinberger asking that we reduce our expectations for more and more spending without priorities. Those of my colleagues who have joined me are remarkable in the range of political ideology they represent from the so-called hawks to the doves, yet they are even more remarkable as the only handful of Members who were willing to say we must reduce even if the defense contracts involved are in my own district.

When you vote on jobs today, remember that you are accepting the burden of reducing spending elsewhere, or you will have to accept the blame for the devastating deficits or higher taxes.

GOOD NEWS—ECONOMIC INDICATORS ARE UP

(Mr. LOTT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, the economic good news continues to roll in. Yesterday it was announced that the index of leading economic indicators, that is, the standard measure of economic performance, shot up 3.6 percent in January—the largest single increase since 1950.

My distinguished colleague, the gentleman from Arkansas, in his remarks said it was "extravagant." Well, so it is. It is extravagant, and I ask, "Isn't it wonderful?"

We are getting economic recovery, and there are signs all over the place that it is coming. As a matter of fact, the economic indicators were led by an increase in the average work week of almost eight-tenths of a percent and an increase in new business formations of a third of a percent, representing thousands of new businesses, and a dramatic increase in new building starts.

This is good economic news. Why are we not hearing more about it? Where are all the "expert" economic forecasters from the other side this morning, the ones who have been railing about the performance of the economy over the last few months? Could it be that they were wrong about an economic recovery under Reaganomics?

Mr. Speaker, I submit that they were. The continued upturn in the economy indicates that economic recovery, promised by this administration and implemented by the policies we have adopted over the last 2 years, is just beginning.

PROVIDING FOR CONSIDERATION OF H.R. 1718, EMERGENCY APPROPRIATIONS, 1983

Mr. BONIOR of Michigan. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 113 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 113

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not makework but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 311(a) of the Congressional Budget Act of 1974 (Public Law 93-344) and clause 7 of rule XXI are hereby waived, and all points of order against the bill for failure to comply with the provisions of clauses 2 and 6 of rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order except the following amendments printed in the Congressional Record of March 2, 1983, which shall be considered

only in the following order and which shall not be subject to amendment but shall be debatable as provided herein: (1) the amendment by, and if offered by, Representative Obey of Wisconsin, said amendment shall be considered en bloc and shall not be subject to a demand for a division of the question in the House or in Committee of the Whole, all points of order against said amendment for failure to comply with the provisions of section 311(a) of the Congressional Budget Act of 1974 (Public Law 93-344) and clause 2 of rule XXI are hereby waived, and said amendment shall be debatable for not to exceed one hour equally divided and controlled by Representative Obey and a Member opposed thereto; (2) the amendment by, and if offered by, Representative Howard of New Jersey, all points of order against said amendment for failure to comply with the provisions of section 311(a) of the Congressional Budget Act of 1974 (Public Law 93-344), clause 2 of rule XXI, and clause 7 of rule XVI are hereby waived, and said amendment shall be debatable for not to exceed thirty minutes equally divided and controlled by Representative Howard and a Member opposed thereto; (3) the amendment by, and if offered by, Representative Wise of West Virginia, all points of order against said amendment for failure to comply with the provisions of clause 2(c) of rule XXI are hereby waived, and said amendment shall be debatable for not to exceed thirty minutes equally divided and controlled by Representative Wise and a Member opposed thereto; and (4) the amendment by, and if offered by, Representative Edgar of Pennsylvania or Representative Coughlin of Pennsylvania, all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived, and said amendment shall be debatable for not to exceed one hour equally divided and controlled by the proponent of the amendment and a Member opposed thereto. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, and all points of order under section 311(a) of the Congressional Budget Act of 1974 (Public Law 93-344) and under clauses 2 and 6 of rule XXI are waived against instructions contained in a motion to recommit, and against any amendment required by said instructions to be reported back to the House.

The SPEAKER. The gentleman from Michigan (Mr. BONIOR) is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

Mr. Speaker, this is an extremely important bill which will be governed by a restrictive rule. I, therefore, hope that Members will lend their attention to its explanation.

The rule provides for 2 hours of general debate to be equally divided between the chairman and ranking minority member of the Appropriations Committee. The rule dispenses with the first reading of the bill to expedite consideration and waives points of order which may lie against the bill for violations of section 311(a) of the Congressional Budget Act concerning the surpassing of budget ceilings.

Violations of clause 7 of rule XXI are also waived. That clause deals with the availability of committee hearings and reports at least 3 calendar days prior to consideration, due to the nature of this legislation and the urgent need to replenish various unemployment funds at the administration's behest, the committee felt it wise to provide this waiver.

Finally, violations of clause 2 of rule XXI (pertaining to appropriations without authorization and legislation on an appropriations bill) as well as clause 6 of that rule (relating to the reappropriation of unexpended balances) are waived for the consideration of H.R. 1718.

After the 2 hours of general debate the bill shall be considered as having been read for amendment under the 5-minute rule.

Mr. Speaker, because of the necessity for expeditions consideration of this bill and its potential for uncontrolled expansion on the floor, the Rules Committee thought it necessary to limit the amendments made in order to a relative few which would address the major concerns of Members regarding the priorities established by the legislation before us, therefore, only the following four amendments have been made in order:

First, an amendment by, and if offered by, Mr. OBEY of Wisconsin which would provide approximately $200 million in additional funds for health care for the poor and unemployed. That amendment will be offered in bloc, indivisible, and debated not to exceed 1 hour equally divided between Mr. OBEY and an opponent of his amendment. Waivers are provided for violations of section 311(a) of the budget act and clause 2 of rule XXI.

Second, an amendment by, and if offered by, Mr. HOWARD of New Jersey relating to the earmarking of transit funds. This amendment is provided 30 minutes of debate to be equally divided between Mr. HOWARD and an opponent of his amendment and waivers are provided for violations of section 311(a) of the Budget Act, clause 2 of rule XXI and clause 7 of rule XVI (germaneness).

Third, an amendment to offer by Mr. WISE of West Virginia relating to the funding of construction for the Stonewall Jackson Dam in his district. This amendment shall be debated for 30 minutes equally divided between Mr. WISE and an opponent of his amendment and waivers for violation of clause 2(c) of rule XXI are provided.

Fourth, an amendment printed in the RECORD by Mr. EDGAR of Pennsylvania relating to targeting of assistance to pockets of unemployment wherever they may occur. This amendment may be debated for 1 hour equally divided between the proponents and opponents of the amendment. Waivers are provided for violations of clause 2 of rule XXI. This specific amendment printed in the RECORD by Mr. EDGAR could be offered by him or Mr. Coughlin of Pennsylvania.

These amendments are to be offered only in the order here listed and shall have been printed in the RECORD of March 2, 1983.

Finally a motion to recommit with or without instructions is provided with waivers of violations of section 311(a) of the Budget Act and clauses 2 and 6 of rule XXI on said instructions or any amendment required thereby.

Mr. Speaker, this is an extensive piece of legislation working through a host of programs both uniformly and particularly throughout the country. The Rules Committee has allotted, in total, 6 hours for debate on the bill and its amendments and I will, therefore, leave a more detailed explanation of its provisions to those more familiar with them than I.

I do, however, wish to touch briefly on its major points.

H.R. 1718 contains two titles. The first provides $4.6 billion for fiscal year 1983 for emergency employment and humanitarian economic assistance for food and shelter.

The largest single item is for the community development grant program which has been allocated $1.25 billion to be distributed based upon two formulas: One divided 70-30 between metropolitan areas and small cities; the second to areas of high unemployment.

The committee has also provided money for social programs not requested in the President's jobs program. These include; $150 million for low income energy assistance, $100 million for summer youth jobs, $75 million for displaced workers, and $100 million for the women, infants, and children feeding program.

The bill further provides $50 million to the Federal Emergency Management Agency for an emergency food and shelter program.

Additionally, money is included for such diverse purposes as mortgage assistance ($500,000), fish and wildlife facilities ($25 million), flood control ($404 million), military family housing ($243 million), and older Americans employment ($25 million). I would refer Members to pages 4 and 5 of the report for a more complete listing of appropriations.

Title II provides $5.033 billion to the Federal unemployment account. These funds were requested by the President to address their depletion which is expected by mid-March.

Finally, the bill provides $276.1 million in grants to States to process unemployment insurance claims.

Mr. Speaker, I am sure that the President never thought that his policies would result in an unemployment rate of nearly 11 percent. But they did. And I am sure that he had no idea that 12 to 14 million Americans would be unemployed at this time. No idea. But they are. And I am sure that all those unemployed Americans know that the President never thought that unemployment benefits in 1983 would cost $32.6 billion. But they will. And I am sure that the tinkerers and flimflams of economic recovery had no idea that the unemployed would line up thousands deep for a few dozen jobs. But they do, and we have yet to recover from their recovery.

There is virtually no district that is untouched to some extent by the suffering and anxiety of our current economic distress. For that reason, it would be silly to claim that this bill is the answer to that distress. It is far too pervasive and massive.

This bill is not all I would wish that it were. Quite frankly, there are provisions in this bill that I take strong exception to while other items are troublesome in their absence. I had hoped that a provision would have been included to deter the interest on unemployment loans owed to the Federal Government by the States. Michigan, for example, is still trying to repay debts incurred in 1974.

Nevertheless, it represents our first effort to inject money into the economy quickly to put some of our people back to work and to provide humanitarian relief to those who have despaired of seeing it.

I am confident that some of the amendments made in order, if adopted by the House, will make great improvements in this legislation.

It is my hope that the House will move expeditiously today to improve and pass this bill and move on to phase II of our recovery:

I would also like to commend to my colleagues attention an initiative authored by Mr. LUNDINE, Mr. HAMILTON, and myself. Phase III, if you will, would make institutional changes in industrial planning that might help us avoid future vicissitudes of domestic and global economic cycles.

I commend the bipartisan spirit reflected in today's legislation, a measure which should help prod our economy into a faster recovery. But our economic problems will not end with a mere swing in the business cycle.

In key industries, American productivity growth has slowed compared to that of our leading international competitors. The decline in those key industries has heightened the economic disparities between our regions.

Over the last decade, increasingly severe recessions have been followed by less robust recoveries. In each of these ways, and in others, it has become tragically clear that the best our economy can do keeps getting worse and that any recovery may only be a recovery for some.

The answer to our long-term economic problems is not more tax cuts for huge corporations and the wealthy that generate windfall income which never seems to find its way into productive investment. Nor is the answer nearly unlimited defense spending that pulls scarce research efforts away from productive civilian technology.

The Nation deserves better. It deserves a policy that helps our basic industries, which are linked to our entire economy, to replace old capacity with more productive facilities.

It deserves a policy that helps the companies of tomorrow find the high risk capital they need not just to conceive new ideas, but to pust those ideas into production and then out into the increasingly competitive world marketplace.

It deserves a policy that addresses the needs of workers, who after years of working and saving, have now lost their jobs, their homes, and their dignity to industrial change.

It deserves a policy driven by a credible industrial strategy, not ad hoc decisions, a policy arrived at, and supported by business, labor, and Government leaders working together. Our present challange cannot be meet with the old methods of interest advocacy that pit each of us against the other in excalating rounds of charge and counter charge.

The Nation deserves better, and I have been particularly proud that the Democratic leadership has committed itself to developing a long-term recovery program for consideration later this year.

The American dream will not be restored while drowsing in the shade, waiting for someone else to act, or for some magic market force to clear the way. At least this body will have the opportunity to point the way to a new prosperity. And so while this bill is a beginning in this Congress, and a second phase may come some time soon. The measure of this Congress to face up to our real economic curse will be measured by our willingness to seriously partake in a phase three national industrial strategy.

□ 1045

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the rule and the bill have been ably explained. I want to point out that yesterday in the Rules Committee we heard some 20 witnesses, many of whom had individual amendments they wanted to make in order. Unfortunately, that could not be done because of fiscal constraints. We did not want to present to the House a bill costing more than the agreement that had been reached by the White House and the majority party of this House.

So I think, as a whole, the rule was crafted in the right way, although I would like to have seen some other amendments made in order, but we had to be restrictive. And when we face the fact that we have the highest unemployment rate since World War II, something must be done. But I want to caution the Members of the House that haste makes waste. I think the way these funds are going to be apportioned to the various districts throughout the United States, will make some Members terribly disappointed because some pockets of unemployment are not going to be reached.

There is an amendment to be offered by the gentleman from Pennsylvania (Mr. EDGAR) and the gentleman from Pennsylvania (Mr. COUGHLIN) to target the funds to a degree that might be satisfactory. But I know in the rural areas that we have high unemployment, we have problems. We need to solve those problems hand in hand with the urban areas which have desperate problems. We cannot be selective in working out legislation to help only one segment of society. It must be worked out fairly across the board.

So haste makes waste. I do not know what this bill is going to accomplish in the end, or how many jobs it will create. But the sound way to create a basic recovery is for industry to go forward, leading to more production, and more permanent jobs, so that all of America will have a happy face. Hopefully, this measure will be fully debated on the floor. However you might feel on final passage, I see no objection to the rule, Mr. Speaker. I would urge adoption of the rule so that we can get down to business and discuss this measure thoroughly, along with the amendments made in order.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. GEKAS).

□ 1100

Mr. GEKAS. Mr. Speaker, I appreciate the gentleman yielding the approprite time.

I oppose the presentation of the rule as it was stated and I do so for some of the very same reasons that the gentleman from Tennessee (Mr. QUILLEN) has enunciated in support of the rule; namely, that we need to debate this bill in its fullest capactity on every measure therein.

In my judgment, Mr. Speaker, the most important feature of this bill is the one on which very little discussion has been conducted, and that is on the unemployment compensation portion.

We all seem to agree 100 percent in this Chamber that probably the only point in this whole package on which there is unanimity is the necessity to replenish the unemployment compensation fund of the United States in order to allow the State who have to meet their unemployment compensation obligations to continue to do so after March 15, we are told. We are all agreed on that.

But what is overlooked is that there has presented itself at this juncture a great opportunity to go one step further in the unemployment compensation and really help the States not just to allow them to have increased borrowing capacity to be able to continue their unemployment compensation payments, but here we have a grand opportunity to help the States at this point in the economic recovery where they most need help and where our citizens who are unemployed most need our help. That is not to, for the first time, impose additional penalties on the States of having to pay back the interest already owed to the United States on the unemployment compensation fund that they have already borrowed.

What I am saying is we are compounding a problem if we do not give them breathing space right at this moment when economic recovery is at hand.

All we have to do in order to make this particular provision on the unemployment compensation replenishment of the fund more basic, more useful to us as a nation, is to allow the several States some postponement, some delay, some deferral of the obligation to pay back interest on that total obligation to the unemployment compensation fund.

Why? If we do not do so we are going to be saying to the States that you now have to come up with the additional funds out of your general fund revenues, which in itself will crimp your own style to the individual States to do other measures to try to help the economic recovery, because each State I am certain is trying very hard to do with its tax moneys whatever is possible to put people back to work. But here while we are saying we are going to create jobs, we are going to help the job situation, we are going to give more money for unemployment compensation, and we are going to do all of the other things the rule proposes, we are also not going to take any steps on the question of interest owing and other obligations owing by the States on unemployment compensation.

On one hand we are saying here is more money that you can borrow, but you had better pay back this other money that is owed in interest right away. That makes no sense right at the time when we have to leave the States with as much capability, fiscally, to deal with their problems, to get their people back to work.

That is what this whole bill is about. If we do not have a jobs provision within the unemployment compensation provisions, we have no jobs bill at all.

So I would urge we defeat the rule so that the Rules Committee can have another opportunity to review this situation and to take into account this basic element of the fiscal problems which a majority of our States face; namely, the dilemma of having to borrow more money from the unemployment compensation fund, and then having to borrow from its taxpayers additional money which they could use for economic recovery to pay back interest on the loan.

We are not saying erase the interest. What we are saying is postpone it to such a time in the cycle of the impending economic recovery so it will allow for more jobs to be created and the Federal Government will lose not one penny. It will simply allow the States to do it in a repayment plan that we all understand and support.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Ohio.

Mr. LATTA. I want to commend the gentleman for the statement he has been making in the well of the House and also for the effort he has been giving on behalf of the States in trying to solve this unemployment interest problem to which he has addressed himself.

Yesterday I proposed an amendment to the rule in the Rules Committee to permit such an amendment to be offered on the floor and it was voted down. But perhaps we will live to fight another day.

Mr. GEKAS. I thank the gentleman and personally want to state my appreciation to the gentleman from Tennessee (Mr. QUILLEN), for permitting me this time and also the gentleman from Ohio (Mr. LATTA), for helping in this situation.

Mr. BONIOR of Michigan. Mr. Speaker, I allocate myself such time as I may consume in order to respond to the gentleman from Pennsylvania.

He has correctly stated my position on this issue. I would have hoped that we could have included this provision, this amendment, along with the other four amendments in this rule. We had a vote, as the gentleman from Ohio (Mr. LATTA) indicated. He offered the amendment. I was supportive of the amendment, but we did not have enough votes.

I think it is important for the gentleman to understand, though, that one of the reasons that this amendment was not made available to this House, or the reason the Rules Committee would not accept it, is the fact that the President has told us that he is not going to go beyond a certain figure, $4.3 billion or $4.4 billion.

There is a cost to this amendment, there is no question about it. The cost will be $200-some million in Michigan over a 2-year period. I think, and it is $180 million in Ohio.

I think the gentleman's points are absolutely on target, but the gentleman ought to understand the reason this amendment will not be considered, and the reason we will not have a chance to deal with these critical problems in Ohio, in Michigan, and in about 27 other States, is because the President has artificially set a limit.

Mr. GEKAS. Mr. Speaker, will the gentleman yield on that point?

Mr. BONIOR of Michigan. I yield for purposes of debate only.

Mr. GEKAS. Mr. Speaker, is it not so that the President has opposed some of the other features of this package which the gentleman has proposed be adopted by virtue of the description of the rule that he presented to the House?

I am sure if the gentleman will look at it circumspectly and follow the President's limitations that he would not be proposing this rule at all in the form he has presented it.

So I cannot accept, and I do respectfully accept the gentleman's agreement that I am on the right track with this, but I cannot accept the argument that that President has put some parameters on the unemployment compensation.

While he has not done so, I believe verbally and every other conceivable way he has stated that the Christmas treeing that some of us think is happening by virtue of your rule is also objectionable to the President.

Mr. BONIOR of Michigan. I would say to the gentleman the rule allows no Christmas treeing. There are only four amendments allowed, and the only amendment in which there is a financial factor involved is the amendment to be offered by the gentleman from Wisconsin (Mr. OBEY), which will be at a cost of about $200 million, which many Members of the minority have agreed with.

The other amendments to be offered do not deal specifically in increases in dollar amounts. The Wise amendment, for example, which we have allowed to be in order, would actually decrease money by doing away with the Stonewall Jackson Dam.

Second, the amendment to be offered by the gentleman from New Jersey (Mr. HOWARD) would not cost an additional amount of money.

Also the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR) which is allowed under the rule would distribute the money on a more equitable basis.

So there is no increase in terms of what we allowed or a Christmas tree with respect to this bill.

The real issue here is whether the President wants to deal with this unemployment compensation problem in our States, and if he does he should support the measure that was offered by the gentleman from Ohio (Mr. LATTA), and as suggested by you and others. But the fact of the matter is he does not.

I yield back the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Mr. Speaker, I simply want to restate that I do not believe that it is rationale enough to sway this body, that we should not commit this measure back to the Rules Committee to do something more about unemployment compensation on the basis that the President would oppose that because if we look at this thing very analytically I believe that it would not pass muster on the President's desk in its present form in any way. So I will not accept that argument.

I simply want to raise the level of consciousness of this body that we must do something about the unemployment compensation problems that are faced by a majority of the States.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. Mr. Speaker, I would urge that the House reject this rule as a rule which does not permit the kind of amendments which this supplemental appropriations bill needs.

We have before us a bill that is being called a jobs bill, an emergency jobs bill. That implies that we are going to do something to help the unemployed, that we are looking at this tragic problem of unemployment out across the country and that Congress is going to do something to help those people.

This bill does not do that. As a matter of fact, this bill may be harmful to those people in terms of getting the economy moving again so that it ends up eliminating jobs. This bill is no assurance whatsoever that those unemployed are going to be given work.

There is an old adage in politics that a lot of us like to use. We say hindsight is always 20-20. Well, hindsight is telling us something. It is telling us that when we have tried this approach before, the unemployed have not gotten employed.

How can I say that? The Office of Management and Budget in 1979 did a study of the program that was passed in the 1976-77 time frame of exactly the same kind that we have here. They found that only 12 percent of the people who were employed as a result of that program had been previously unemployed. They found that only 2 percent of the moneys in the bill actually got to the unemployed; 98 percent of the money went somewhere else. Heaven only knows where. But it did not go to the unemployed.

People were not being employed who were previously unemployed. The people being employed were people who already had jobs because that bill was more about pork than it was about jobs. That is exactly what is wrong with this bill. It is more about pork than it is about jobs.

I asked yesterday before the Rules Committee to offer an amendment. I wanted to offer an amendment which said that 90 percent of the jobs created by this bill had to come from the ranks of the people who were now unemployed. In other words, let us really employ the unemployed. If we are going to spend 4.5 billion bucks, why do we not really offer some employment to the unemployed?

That amendment was turned down by the Rules Committee. They said you cannot even offer that amendment. It was turned down, by the way, on a party line vote. The Democrats all voted against that. The Republicans all voted for it.

In other words, we Republicans were saying that we want to employ the unemployed if we are going to spend this money. The Democrats were saying oh, no, we are more concerned about our pork than we are about the jobs.

It disturbs me. That disgusts me. If we are really talking about jobs in this place why do we not get about jobs?

History teaches us, when this kind of bill passes we are not going to get the unemployed employed. We are really going to employ everybody but the jobless.

The one way to get around that, and the one way to assure we can offer amendments to say that the people employed by this bill are those who come from the ranks of the unemployed is by defeating this rule.

Let us go back and get another rule. Let us even have an open rule. Let us come out here with a rule that will permit us to do some things that will correct the mistakes of the past.

I think it is high time that we begin to look at these things in a way that assures the country that we are really doing what we say we are doing because that is what this bill does not do. This rule does not do that. And I would ask for its rejection.

I thank the gentleman for yielding me this time.

Mr. BONIOR of Michigan. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from New Mexico (Mr. RICHARDSON).

Mr. RICHARDSON. Mr. Speaker, I come before you and my distinguished colleagues today to try to insure that this jobs bill helps the unemployed people who need it the most; regardless of whether they live in cities or in rural areas.

I strongly favor Congressman ROBERT EDGAR's amendment that will set aside at least 75 percent of the jobs bill money, not related to humanitarian aide, to communities with the highest actual rate of unemployment. Congressman EDGAR's amendment, supported by other freshmen like myself, is a fair and just compromise that will bring jobs to those areas that need it the most—those areas with the highest rate of unemployment.

I represent the Third Congressional District in New Mexico which is a sparsely populated rural area. The unemployment rate in many communities in my district has soared far beyond the national average—and the unemployment projections show no sign of improvement. In Mora County, N. Mex. 33 percent of the people who live in that mountain community are out of work. The employment prospects for Native Americans are even bleaker. On the Navajo Indian Reservation in northwestern New Mexico, unemployment is running anywhere from 60 to 80 percent. Should the people of my district be penalized because they do not live in an urban area? I hope not.

I want to make sure, Mr. Speaker, that you and my colleagues give serious consideration to the wisdom of Congressman EDGAR's amendment and that the majority of funds generated by the jobs bill are focused where the unemployment rate is the highest, not simply on where the population is the greatest.

Let us not make the mistake of favoring location over need, of favoring cities over rural areas, but let us target labor-intensive projects in areas with the highest rate of unemployment.

□ 1115

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Does the gentleman know that in the last time we had a similiar kind of bill in 1977 that we had it targeted the way Mr. EDGAR suggests and I will probably vote for the Edgar amendment, but does he know that we had it targeted but even so that only 12 percent of the jobs went to the unemployed, the targeting to unemployment areas does not necessarily help, because you still end up with massive numbers of people who are already employed, taking the jobs? And is the gentleman at all disturbed about the fact that even with targeting we might not end up really employing the unemployed?

Mr. RICHARDSON. I agree, but at the same time I think we have to go

wherever there are the most unemployed and targeting is the only answer for areas like mine, rural, not especially favored by a bill like this unless a targeting amendment passes.

Mr. WALKER. If the gentleman will yield further, would he have agreed with my amendment that would have assured that 90 percent of the jobs would have gone to people that are now unemployed?

Mr. RICHARDSON. No; I would not have.

Mr. WALKER. I would ask the gentleman why not? Why not give the jobs provided in this bill to people now unemployed? Is that not what we should be all about? Would that not help the gentleman's district, to make sure that the jobs are going to the people who are unemployed right now?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, I wonder whether or not we are dealing with a jobs bill, as has been pointed out by the gentleman from Pennsylvania, or whether we are dealing with a pork bill. You know, if we are dealing with a pork bill and we just want to spend $4.6 billion, that is one thing. If we are trying to pass a jobs bill to put people back to work, that is something else.

As I look over all the ways they are going to spend money in this bill, I wonder how many people are going to be put back to work. I wonder whether or not they just have not put a lot of projects, a lot of things into this bill that have been on the shelf for a long time that this Congress has already turned down.

I hope that the Members will take a look at the proposed ways they are going to spend this money and then ask themselves: Will this really put people back to work.

Let me say, I have been around this Congress for 25 years and certainly this bill in its present form, with the exception of the unemployment compensation provisions and a few other rare items, is the purest, rarest, most unadulterated pork I have ever seen. Now, if you want to vote for pork, this is it. I want to commend it to you and say vote for it. But then I want you to go back home and try to explain it, unless you happen to be one of the select and favored few who got money for their districts in this bill, by being at the right place at the right time. You go back home and try to explain why you voted for pork instead of jobs.

For example, there is supposed to be $110 million for mass transit; right? And mass transit is a problem of the urban areas in this country. Well, just take a look at the 11 places—11 places that they have selected to get this $110 million. And also check whose districts encompass the projects. Now, we had a little discussion before the Rules Committee yesterday as to why a third of it, get that, a third of it is going to one area, Dade County, Fla.; $33 million. Well, we never did get a satisfactory answer as to why one-third of the money was going to one county. So let us not go out and say that this is going to help other areas of the country with their mass transit problems. Then to dig a little deeper, you wonder whether or not they are really going to put people on city buses or whether down there they are going to take care of the garage and parking needs of the transit system. So, I just do not think that this bill has been subjected to the light that it needs.

You know the press has now started to look into this bill and how it was put together. Yesterday before the Rules Committee I alluded to an article which appeared in the New York Times about some of the pork in this bill. I am not going to take the time to read it to you, but I am going to insert it in the RECORD in its entirety in case you missed it. Or you might just want to go outside the House Chamber and read it before you vote on this rule and vote on this bill.

Now, the only way, the only way that we can possibly put this bill into shape, if we can do that, is to adopt some of the amendments the Rules Committee has made in order. Even then I question whether or not you can really put it in the shape it has to be in in order to pass it and to secure the President's signature.

You know, when the President indicated that he would go along with the spending of x number of dollars for a jobs bill, I am sure he did not have in mind a pork bill.

As I understand it the gentleman from Massachusetts will be offering a substitute in a motion to recommit and hopefully you will take a look at that. It might correct some of the flaws in this bill, which are in my humble judgment fatal, if we are talking about putting people back to work.

At this point I will insert the New York Times article mentioned earlier:

MONEY IN JOBS BILL IS SPREAD AROUND

WASHINGTON, March 1.—Representative Robert J. Mrazek of Long Island, a first-term Democrat with scarcely two months in Congress, got his first look recently at how the House Appropriations Committee works. It was worth $15 million for a section of the Long Island Rail Road that runs through his district.

As the junior Democrat on the Transportation Subcommittee of the House Appropriations Committee, Mr. Mrazek recalls being surprised at how quickly the decision was made to include the money in a $4.6 billion jobs bill.

The $15 million would provide electrification for a section of the railroad, a project that is not listed in the Long Island's five-year plan.

But, Mr. Mrazek recalls, "all members of the subcommittee worked together to select worthwhile projects which would produce a substantial number of jobs." Then he added, "Needless to say, for most of us these projects were in our districts."

There were no public hearings, no public drafting sessions, no public notice of where the money would go until a draft bill appeared last Friday for a full Appropriations Committee meeting.

PRIVATE MEETING HELD

But several people confirm that the chairman of the subcommittee, Representative William Lehman, Democrat of Florida, met privately with other members of the panel and told them how much money would be allocated in the bill for transportation.

"If you've got a project let me know," is how one person recalls Mr. Lehman's message.

Critics deride this behind-the-scenes process as "pork barrel," saying Federal money is allocated on the basis of political influence rather than strictly by national need.

Despite the possible criticism, however, subcommittee members have been very successful at getting a piece of the action for their areas.

There is $110 million in the bill for mass transit, most of it earmarked for the districts represented on the 10-member transportation subcommittee, and the balance set aside for areas represented by members of the full committee or the House Speaker, Thomas P. O'Neill Jr., a Massachusetts Democrat. The biggest amount, $33.8 million, would go for parking garages and a bus repair garage in the Dade County, Fla., area represented by Mr. Lehman.

There is $110 million in the bill for Amtrak, $12 million of which would be used for rail service projects sponsored by committee members and $90 million for a priority list of improvements sought directly by Amtrak.

There is $33 million for highway demonstration projects, and while there is no mention of how the money would be spent, Republicans and Democrats alike say they expect the funds to end up in the Mississippi district of the Appropriations Committee chairman, Jamie L. Whitten, a Democrat.

OTHER AREAS INVOLVED

The practice of funneling money to those with influence has not been limited to transportation funds. Many Democrats are upset, for example, that the jobs bill contains $404 million for emergency flood control, about half of which would go to Mississippi River areas, a program important to Mr. Whitten.

"That's the way it goes," said Kevin Lynch, an aide to Representative William R. Ratchford, a Connecticut Democrat and subcommittee member who gained $6 million for a bus garage in Hartford.

"That's just normal politics," agreed John Shelby, an aide to Mr. Lehman.

The only member of the subcommittee who did not get money for a transportation project in his state was Representative Jack Edwards, an Alabama Republican. Asked about that, he replied through an aide, "Am I really the only one who doesn't have anything in there?"

MANY MEMBERS HAVE PROJECTS

Other members with projects in the bill include:

Carl D. Pursell, Republican of Michigan, who picked up $3.5 million for a "people mover," or moving sidewalk, that is not in

his district, but in nearby Detroit. He also got $1 million to renovate an Amtrak station in Jackson, Mich., and $350,000 for a "dial-a-ride" bus project in Hillsdale, Mich.

William H. Gray, a Democrat, and Lawrence Coughlin, a Republican, who teamed up to secure $7.2 million to improve Philadelphia's commuter railroad.

Bob Carr, a Michigan Democrat, who got $1 million for a railroad station in East Lansing, Mich.

Silvio O. Conte of Massachusetts, the senior Republican on the Appropriations Committee and a subcommittee member, who saw to it that there was $10 million to improve rail service in an area of the state away from his district. The area was not on Amtrak's list of priority projects, agency officials said.

In addition, there is $20 million for mass transit in Boston and its suburbs, an area represented by Mr. O'Neill.

There also is $8 million in mass transit money for Vic Fazio, a California Democrat from the Sacramento area. Mr. Fazio is a former member of the transportation subcommittee, and earlier had gained $25 million for the project. But one House source said committee members also wanted to reward him for taking the lead last year in securing a pay raise for House members.

Mr. BONIOR of Michigan. Mr. Speaker, I yield myself such time as I may consume.

As I indicated earlier in my remarks this is not a perfect bill, it is the workings of many people to try to reach a solution to a very serious problem.

We have worked with Republicans, we have worked with Democrats, we have worked with Members of both bodies in this Congress.

You know, it is easy to label something as "pure pork," but I would suggest to my colleagues there are some very fine things in this bill, some very needed things: Low energy assistance, money for displaced workers, summer youth jobs. There are some very decent humanitarian things in this bill: Food and shelter for literally tens of thousands of people who are going without in this country—$100 million for women, infants and children. And of course Mr. OBEY's amendment to deal with the tremendous health crisis.

The gentleman from Ohio (Mr. LATTA) said you know if the President knew some of the pork was in this bill he would not want to be a part of it. Was he referring to the repair of GSA Federal buildings? Is he referring to mass transit grants to move our people? Is he referring to the Amtrak grants? Is the President opposed to that, is the President opposed to the community block grant development programs? Is he opposed to the women, infant, and children feeding programs? Is he opposed to the food distribution and shelter in this bill?

There are some very good things in this bill. I would suggest to my colleagues before they consider this as a pure pork bill they ought to take a look on pages 4 and 5 in the report and see just exactly what is in this bill. It puts people to work in needed areas of this country. It is not a panacea, but it is a first step.

I look with great anticipation to help from my colleagues on the right side of the aisle when we come in with phase 2 to deal with putting, as Mr. WALKER refers to, the people who are unemployed back to work.

We will have a component in there for Mr. WALKER, we will have a component that deals with putting the people who are unemployed back to work in terms of public services jobs. We will see how much support we get.

Mr. Speaker, I would hope my colleagues look at this bill with fair eyes to understand it is not the cure-all and the panacea for all the problems that we have but it is a beginning, a start.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. BONIOR) has 9 minutes remaining and the gentleman from Tennessee (Mr. QUILLEN) has 11 minutes remaining.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I have been listening to the debate here. There has really been nothing new said, apart from my colleagues picking up on my comments at the beginning of this debate about targeting assistance to areas of high unemployment. I have been working with Congressman EDGAR from the very beginning on the targeting amendment, and have included it in my motion to recommit. I feel very, very strongly that anything in this bill should go to areas of high unemployment, and our amendment provides that at least 75 percent of the job-creating money in title I of this bill shall go to areas of high unemployment.

I will have a motion to recommit. As we move along in debate today I will explain that motion to recommit in greater detail. I think it straightens out a lot of the things that are in here. It still does not make it a perfect bill. I do not like the bill. I think it is a real turkey—I mentioned that earlier. I have said before that this bill is like a suppository. It will give you temporary relief, but it is going to hurt like anything down the line, and this bill is really going to hurt down the line, let me tell you.

Nevertheless, i think we ought to adopt the rule. As I said before the Rules Committee yesterday, we have over $5 billion in this bill for unemployment compensation, some 29 States are going to be running out of funds by March 15. So, we are in a crisis situation.

Let us work our will here, today, let us see what amendments are adopted, let us see what happens to the motion to recommit.

We will take some of the boondoggles out of this bill in our motion to recommit, and will try to direct this money to more labor-intensive projects and to those areas of the country with high unemployment that desperately need this assistance.

I therefore urge my colleagues to vote for the rule and let the Congress work its will.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume. I have no further requests for time but I want to urge the House to adopt the rule. However we may feel about the bill, itself, I think it deserves thoughtful consideration.

Mr. Speaker, I yield back the balance of my time.

Mr. BONIOR of Michigan. Mr. Speaker, I would concur with the remarks of my dear colleague and friend, the gentleman from Tennessee. I hope we do adopt the rule.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GEKAS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 299, nays 117, not voting 17, as follows:

[Roll No. 16]

YEAS—299

Ackerman	Chappell	Emerson
Addabbo	Clarke	English
Akaka	Clay	Erdreich
Albosta	Clinger	Erlenborn
Alexander	Coats	Evans (IA)
Anderson	Coelho	Evans (IL)
Andrews (NC)	Coleman (MO)	Fascell
Andrews (TX)	Coleman (TX)	Fazio
Annunzio	Collins	Feighan
Anthony	Conable	Ferraro
Applegate	Conte	Flippo
Aspin	Conyers	Florio
AuCoin	Cooper	Foglietta
Barnard	Coughlin	Foley
Barnes	Coyne	Ford (MI)
Bates	Crockett	Ford (TN)
Bedell	D'Amours	Fowler
Beilenson	Daniel	Frank
Berman	Daschle	Frost
Bevill	Davis	Fuqua
Biaggi	de la Garza	Garcia
Boehlert	Dellums	Gaydos
Boggs	Derrick	Gejdenson
Boland	Dicks	Gephardt
Boner	Dingell	Gibbons
Bonior	Dixon	Glickman
Bonker	Donnelly	Gonzalez
Borski	Dorgan	Gore
Bosco	Dowdy	Gray
Boucher	Downey	Green
Bouquard	Duncan	Guarini
Boxer	Durbin	Hall (IN)
Breaux	Dwyer	Hall (OH)
Britt	Dymally	Hall, Ralph
Brooks	Dyson	Hall, Sam
Brown (CA)	Early	Hamilton
Bryant	Eckart	Hammerschmidt
Burton (CA)	Edgar	Hance
Carper	Edwards (AL)	Harkin
Carr	Edwards (CA)	Harrison

Hatcher
Hawkins
Hefner
Hertel
Hightower
Hillis
Howard
Hoyer
Hubbard
Huckaby
Hutto
Ireland
Jenkins
Johnson
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Levitas
Lipinski
Long (LA)
Lowry (WA)
Luken
Lundine
MacKay
Madigan
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McGrath
McHugh
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Montgomery
Moody
Moore
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Nelson
Nichols
Nowak
O'Brien
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Parris
Patman
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Rinaldo
Roberts
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Shelby
Sikorski
Simon
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Valentine
Vandergriff
Vento
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wise
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zablocki

NAYS—117

Archer
Badham
Bartlett
Bateman
Bennett
Bereuter
Bethune
Bilirakis
Bliley
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Campbell
Carney
Chandler
Chappie
Cheney
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Dannemeyer
Daub
DeWine
Dickinson
Dreier
Edwards (OK)
Fiedler
Fields
Fish
Franklin
Frenzel
Gekas
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hansen (ID)
Hartnett
Hiler
Holt
Hopkins
Horton
Hughes
Hunter
Hyde
Jacobs
Jeffords
Kasich
Kindness
Kramer
Lagomarsino
Latta
Lent
Lewis (CA)
Lewis (FL)
Livingston
Loeffler
Lott
Lujan
Lungren
Mack
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCandless
McCollum
McDonald
McEwen
McKernan
Miller (OH)
Molinari
Moorhead
Nielson
Oxley
Packard
Pashayan
Paul
Petri
Porter
Pritchard
Ridge
Ritter
Robinson
Roemer
Roth
Rudd
Sawyer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stenholm
Stump
Tauke
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Winn
Wolf
Young (FL)
Zschau

NOT VOTING—17

Byron
Forsythe
Gilman
Hansen (UT)
Heftel
Jones (TN)
Long (MD)
Lowery (CA)
Morrison (WA)
Neal
Savage
Smith, Denny
Stangeland
Stratton
Udall
Washington
Weaver

□ 1130

Messrs. McEWEN, STENHOLM, and LAGOMARSINO changed their votes from "yea" to "nay."

Mr. COYNE changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 300, nays 103, not voting 30, as follows:

[Roll No. 17]

YEAS—300

Akaka
Albosta
Anderson
Andrews (NC)
Annunzio
Anthony
Aspin
AuCoin
Barnard
Barnes
Bateman
Bates
Bedell
Beilenson
Bennett
Berman
Bevill
Biaggi
Bliley
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Bouquard
Boxer
Breaux
Britt
Brooks
Brown (CA)
Broyhill
Bryant
Burton (CA)
Carper
Carr
Chandler
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Cooper
Coughlin
Coyne
Crockett
D'Amours
Daniel
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Dorgan
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Goodling
Gore
Gradison
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hammerschmidt
Hance
Harkin
Harrison
Hatcher
Hawkins
Hefner
Hertel
Hightower
Hillis
Howard
Hoyer
Hubbard
Huckaby
Hutto
Hyde
Ireland
Jenkins
Johnson
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kemp
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lipinski
Livingston
Long (LA)
Lott
Lowry (WA)
Luken
Lundine
MacKay
Madigan
Markey
Martin (NC)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCloskey
McCurdy
McDade
McGrath
McHugh
McKinney
Mica
Michel
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Nichols
Nielson
Nowak
O'Brien
Oberstar
Obey
Ortiz
Ottinger
Owens
Panetta
Pashayan
Patman
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Pritchard
Pursell
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Rinaldo
Roberts
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Scheuer
Schneider
Schulze
Schumer
Seiberling
Shannon
Sharp
Shelby
Sikorski
Simon
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Solarz
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torricelli
Towns
Traxler
Udall
Valentine
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zablocki

NAYS—103

Archer
Badham
Bartlett
Bereuter
Bethune
Bilirakis
Broomfield
Brown (CO)
Burton (IN)
Campbell
Carney
Chappie
Cheney
Conyers
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Dannemeyer
DeWine
Dickinson
Dreier
Edwards (OK)
Fields
Frenzel
Gekas
Gingrich
Gonzalez
Gramm
Gregg
Gunderson
Hansen (ID)
Hartnett
Hiler
Holt
Hopkins
Horton
Hughes
Jacobs
Jeffords
Kasich
Kazen
Kindness
Kramer
Lagomarsino
Latta
Leach
Leath
Lewis (CA)
Lewis (FL)
Loeffler
Lujan
Lungren
Mack
Marlenee
Marriott
Martin (IL)
McCandless
McCollum
McDonald
McEwen
McKernan
Miller (OH)
Molinari
Moore
Moorhead
Oakar
Oxley
Packard
Parris
Paul
Petri
Porter
Ridge
Ritter
Robinson
Roemer
Roth
Rudd
Sawyer
Schroeder
Sensenbrenner
Shaw
Shumway
Shuster
Siljander
Skeen
Smith, Robert
Snowe
Snyder
Solomon
Spence
Stenholm
Stump
Sundquist
Tauke
Thomas (CA)
Vander Jagt
Walker
Weber
Young (FL)
Zschau

NOT VOTING—30

Ackerman
Addabbo
Alexander
Andrews (TX)
Applegate
Byron
Donnelly
Erlenborn
Fiedler
Forsythe
Gilman
Hansen (UT)
Heftel
Hunter
Jones (TN)
Long (MD)
Lowery (CA)
McNulty

Morrison (WA)	Savage	Stangeland
Neal	Sisisky	Torres
Nelson	Smith, Denny	Washington
Olin	Spratt	Weaver

□ 1200

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORTS ON DEFERRAL DISAPPROVAL RESOLUTIONS

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file privileged reports on seven deferral disapproval resolutions, House Resolutions 73, 74, 75, 76, 77, 80, and 90.

The SPEAKER pro tempore (Mr. MINISH). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 1718) providing emergency expenditures to meet national needs, and that I may include tabular and extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

SEARCH COMMITTEE SEEKS REPLACEMENT IN POSITION OF CBO DIRECTOR

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, I take the floor to notify all Members of the House of the procedures we intend to follow to secure a replacement for the Director of the Congressional Budget Office. As we all know, the current Director of the Congressional Budget Office, Dr. Alice Rivlin, has announced that she will not seek reappointment to that position.

Dr. Rivlin has served two terms in the position of CBO Director. She has built a distinguished reputation in that position and assembled a first-class staff at CBO to aid Congress in its work.

Some of us can recall the time when Congress had no Congressional Budget Office to help analyze the fiscal and economic effects of our actions. The Congressional Budget Office, which was created as part of the Budget Control and Impoundment Act of 1974, has made a major difference in our ability to compete with the executive branch in economic and monetary analysis. Much of the credit for that success goes to Alice Rivlin, who approached her job in a nonpartisan manner and ably defended her analysis when challenged.

Congress will miss her expertise and hard work. I am sure that she will not absent herself from future policy debates, but the immediate task we face is to choose her successor as Director of CBO.

The Congressional Budget Act provides that the House and Senate Budget Committees have the responsibility to recommend a candidate for CBO Director to the Speaker and President pro tempore of the Senate, who must then jointly sign the appointment papers to confirm the Director of CBO.

Because the institution of CBO is so important to Congress, I have explored the proper method to select a new Director for the CBO with our leadership, the ranking minority member of our committee, and with Chairman DOMENICI of the Senate Budget Committee. We are all in agreement that Congress will be best served if the search for a new CBO Director can be conducted in a bicameral manner through the auspices of a joint House-Senate Search Committee, made up members of the House and Senate Budget Committees.

The Search Committee will examine nominees for the job of CBO Director, and will interview leading candidates in closed session with the intention of making a recommendation of a name or names to the full Budget Committees after the Easter district work period. The full Budget Committee of each Chamber will consider the recommendation of the Search Committee and in turn make a recommendation to the leadership of each Chamber for appointment.

Because this process will take place at the same time that the first budget resolution for fiscal year 1984 is being constructed, the Search Committee will try to move as quickly as possible in order to appoint a CBO Director. Dr. Rivlin has graciously agreed to remain in her post until after the first budget resolution for fiscal 1984 is passed, and we must be mindful of her needs and the importance to CBO as an institution of moving quickly to find a suitable replacement. Because of this need for timely action, the Search Committee will be constituted immediately so that the necessary work may begin. With the consent of the Speaker, I have asked the distinguished majority leader of the House, JIM WRIGHT, to serve as a member of the Search Committee. I have also asked the gentleman from South Carolina, Mr. DERRICK, to serve as the other majority member of the Search Committee, along with me. The ranking minority member of the Budget Committee, Mr. LATTA, will serve on the committee, and he has asked that Mr. FRENZEL also be appointed. Thus the Search Committee House delegation will reflect a 2-to-1 ratio. The chairman of the Senate Budget Committee will cochair this Search Committee with me, and it will be comprised of three members of the majority and two members of the minority of the other body.

Because of the difficult task that lies ahead, the Search Committee would like all nominations for the new Director of the Congressional Budget Office to be turned into the chairman of the Search Committee by March 11, 1983, at the close of business. That will be the cutoff day for nominations to be considered by the Search Committee. Further meetings of the Search Committee will be held in public. Nevertheless, because of the nature of the process, and because personalities will be discussed, the Search Committee will undoubtedly choose to close most of its sessions to preserve confidentiality for nominees under consideration.

It is my sincere hope, and I believe the hope of Chairman DOMENICI, that all Members will feel free to participate in furthering the consideration of this matter.

EMERGENCY APPROPRIATIONS, 1983

The SPEAKER pro tempore. Pursuant to House Resolution 113 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1718.

The Chair appoints the gentleman from Michigan, Mr. BONIOR, to preside over the Committee of the Whole.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1718), making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not make-work but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, with Mr. BONIOR of Michigan in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Mississippi (Mr. WHITTEN) will be recognized for 1 hour, and the gentleman from Massachusetts (Mr. CONTE), will be recognized for 1 hour.

The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, may I say that the job we have here today—and it is a job in itself—is one that I did not volunteer for, but I was more or less drafted to do. However, being drafted as I was, I felt it is an area where we need, as I see it, to work together for the good of the country.

There is no question that unemployment is rampant over the country. There is no question that many, many people are in bankruptcy, and the situation is growing worse. I read in the papers that the stock market has picked up, but we know that the stock market has picked up in times past when the bottom was falling out. Now is the time that we do something for the unemployed people of our country.

May I trace briefly with the Members the legislative situation that we have here. Last year I was asked to deal with a bill that was referred to our Committee on Appropriations that amounted to jobs relief to be distributed over the United States. It was my advice that there was no way that the Congress should pass such a bill as it was proposed. After conferring with my friends who had introduced it, the authors, the gentleman from Kentucky (Mr. PERKINS), the gentleman from Texas (Mr. WRIGHT), the gentleman from Minnesota (Mr. OBERSTAR), and the gentleman from California (Mr. HAWKINS), we rewrote it into a jobs bill in the Committee on Appropriations.

May I say that when the pressure was on us to come up with a jobs bill, I did not know any better way to approach it than the way we did.

Then during December in connection with the continuing resolution, we developed a jobs bill which the House passed, and which the President had said in the newspapers he was going to veto. Later in conference, it was withdrawn with the approval of the leadership of the House. This year I called the subcommittee chairman of the Appropriations Committee together and asked them to bring to us those projects in their respective jurisdictions which take care of our country's needs and create jobs. Many of these programs have been justified but not funded. I do not know how we could go about getting a better base on which to start, because the Appropriations Committee and its 13 subcommittees each year holds hundreds of days of hearings before the committees. That is an annual procedure. In the last Congress, the 97th Congress, we had over 11,000 witnesses, Americans, that come before us and testify in behalf of various projects.

So there is no better starting point, in my opinion, than to ask the subcommittee's who are familiar with it and the subcommittee chairmen to bring forward the needed projects, again those which had been justified but had not been funded, as a starting point toward putting people back to work.

Please remember, last year's bill was passed by the House, and it went to the Senate. We were in process of working out a compromise with our counterpart on the other side, and the President announced that he was going to veto it if we tried to move with a jobs title. At that point I came to our leadership and said, "The President has said in advance that he is going to veto it, and we might just as well withdraw it." So we went ahead and did withdraw it.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I will yield in just a moment. On January 6 of this year I reintroduced virtually the same jobs bill, figuring that when we came back here, we doubtless would take up that jobs bill again.

Mr. Chairman, I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I thank the committee chairman for yielding.

May I ask, why is this not called a supplemental appropriations bill rather than a jobs bill?

Mr. WHITTEN. Well there are so many different programs in there that I believe are needed to describe the efforts being made here because they said they hated just to have jobs created.

May I briefly describe the situation? In the other jobs bill, it was sold to the country as creating jobs. The difference between this bill and that bill is that we get something of real value for our dollars in this bill. We are doing some work to improve and protect our country. The person gets a job working for the country, and the country ends up in better shape and richer. So this creates a job, it creates work which improves our country and adds to our basic wealth. That is the difference here.

One of my friends said to me that we have a bill that intends to create jobs. We have got plenty of jobs to do if we look around our country, and that is what this bill does. The jobs have been provided, but it has not been played up in just that way, the emphasis is different.

Mr. CONYERS. Mr. Chairman, will the gentleman yield further?

Mr. WHITTEN. I will be glad to yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I thank the committee chairman for that information.

My inclination is not to support this legislation because it insults the obvious fact that there are somewhere between 16 million and 20 million people out of work, and calling this a jobs bill in March 1983 is to mislead millions of people out of work and millions more that are probably going to end up out of work.

Mr. WHITTEN. Mr. Chairman, if the gentleman will allow me to proceed, I will touch on that.

Let me say that with the constraints in which I was put in this case, instead of calling up my bill which I had introduced on January 6, there was a meeting between the leadership and the President's representative, in which an agreement was reached, according to the press, of around $4.3 billion in relief. The intention, as I understand it was to get a bill that could be signed. This was not my decision. I would not say I was dissatisfied with it, but it was not my decision.

Then I was more or less drafted again into bringing out a bill that would stay within the reasonable limit, so that would be signed. So we had those wraps around us to start with.

So with that understanding, let me go into how we proceeded. Again let me say that I have not heard any complaint here up to now that we are paying out $32 billion a year on unemployment compensation, and in this bill we are providing an additional $5 billion to pay unemployment compensation.

Keep in mind that however necessary that is to the individual who gets it, it does not contribute one activity to the wealth of this country. May I say to my colleagues that if we had passed the bill which we had last year, which was in effect vetoed in advance, I think the $5 billion in this bill for unemployment compensation would be down to about $3 billion. We need to get the economy moving, and the best place to do it is to get value received, plus the jobs and plus the economic activity. Again I say that I was under an overall constraint, and I daresay that most members on the Appropriations Committee were not satisfied to have those wraps put around us. But if we are going to get a bill signed, we were told that was necessary.

□ 1215

So may I say again that in the Appropriation Committee we went to the subcommittees who know the most about these problems, this was during the February recess. I have cleared this with the subcommittee, we arranged it by jurisdiction, by those folks who understand the problems in their own areas.

Now, in this bill there are many things that are a must in my opinion. If we are going to get value received—and maintain and improve the real wealth of our country rather than our

paper money. If our money was backed by gold and silver and had an intrinsic value, it would be one thing. But in order to protect the paper money viewpoint or the bookkeeping as it shows, they are letting our country go down the drain.

So here we are getting worthwhile work which provides jobs. And I think, in view of the way the country has been sold on jobs, we should have spelled out that to a greater degree. But here we are getting value received for what we spend.

Now, you come and say, "Well, what did you do about the various areas?"

We have had three of the so-called 100-year floods in the Mississippi Valley, which drains 40 percent of your country. Unless it is repaired, those gaps in the levees, and those things that are broken down completely will not protect our land from the next rain and it will do 10 times the damage that has already been done.

We had the disastrous snow problem in New England and the entire Eastern side of our country, where the watersheds are, if you do not keep the watersheds safe and get them restored, you are going to have more and more flooding and future problems. In this Mississippi Valley area, water drains from Minnesota and Wisconsin, moves down the Mississippi, and these past few months we had over 9 million acres flooded. We had over 3 million acres down around New Orleans flooded. These problems cannot be ignored they must be restored. Why not put our people to work where they get back to paying taxes, get off of the unemployment rolls, and at the same time you end up a richer country because you restored it.

In this bill we have provisions for that which restores our country, and protects our country.

In the community development program we provided that of the $1 billion that will be distributed would be on a 70-30 basis, which is the law. But in an effort to reach the urban areas, where there is a higher rate of unemployment, we added a quarter of a billion dollars directed toward those urban areas where you have high unemployment conditions.

So may I go back, then, to say that your committee has tried every way it could to see that we reduce the money that is going out at the same time that we see some of it go out for productive employment. Nobody should complain about that.

Mr. CONYERS. Mr. Chairman, if the gentleman will yield, using the gentleman's theory, which I think is as good as any around, why did we not then make this a $30 or $40 billion emergency assistance supplemental appropriation package?

Mr. WHITTEN. Because there was an agreement between our leadership and the President that if they stayed in this area, he would sign it. Now, as I told the gentleman, I was not a party to it. I was called in afterwards. I cannot take issue——

Mr. CONYERS. An agreement with the President beforehand?

Mr. WHITTEN. May I say that this was not my decision. Let me finish if I may, because, having said that, those who feel that that is the best approach will have to answer that question. May I proceed?

Now, in connection with this overall situation, may I point out again that our real wealth is our land, our houses, our roads, our factories, our harbors, the country itself. Unfortunately, our money is paper money today. It is not gold and silver. It does not have an intrinsic value.

I have had a number of people call me and say, "Why did you put this humanitarian money in here?" I tell them that when people are unemployed, out of work, they need to be housed and fed, and I make no apologies for it. And what gets me is that you do not have to go to Mexico or to South or Central America to find people living on the streets. Recently they were forced to come out at night during the snow storm. And I am proud of having recognized this need and having put it in here.

We also took care of our hungry by soup kitchens, going along the line of looking after people. But you look after people at the same time you protect the real wealth that we have, which is our country. And whatever may be said about economics and making our bookkeeping look good, it is far more important to protect our wealth.

May I say, you can leave all of your children and your children's children all of the money in the world, but without a strong country you have got nothing. In this bill we protect and restore the country and get value received.

We have leaned over backward to see that the formulas are handled in such a way that it goes to rural areas where people are facing bankruptcies and where small businesses are going into bankruptcy. We have also tried to reach northern cities where the situation moneywise and peoplewise is far more acute. We put special language in for that, and even though they got 70 percent of the original billion dollars. We put in another quarter of a billion dollars to reach those areas. So I say we have been fair.

I would like to touch on the Edgar amendment. Mr. EDGAR is a very conscientious Member of Congress. But when I read his amendment, it would slow down rather than accelerate programs, and nobody here, including Mr. EDGAR, in my opinion, wants that. I have serious questions what the effects will be except that it will throw wrenches into the works of this program and delay it, because goodness only knows how it would be construed.

And there is another thing. Let me say this: The worst thing you could do with the economic situation that we all face is to drive a wedge between the 85 percent of small towns and the 15 percent in the cities in this Nation. I have done my best here, and I have always tried to do so. In the past I supported the Chrysler loan, and I voted to support New York City, both of these are vital parts of our country. And to say that folks affected by these things should look after themselves, let me tell you this: A man who handles a national program and leaves his district out, better not go back home. I want to say something else: Those of you who may want to leave this up to the executive branch, you better read the record. Our committee is conducting hearings now that show that everything the Congress wrote into its bills has been stricken out, and what is left is what the executive branch wants. I am not just talking about this administration. Every administration.

Our Committee on Appropriations spends its time listening to our colleagues and constituents and we try to do something about it. I want to keep on trying to do something about it. Those who might want to turn this selection over to the executive branch, have not read the record. And I cannot understand their being shortsighted enough to ever do that, because it is a constant effort, regardless of who controls the administration.

So, I tell you that what we have is a bill where you get something for what you spend; we have the resulting jobs; we end up a richer country instead of a poorer country. And we try to reduce this $32 billion in unemployment compensation that everybody is willing to spend each year for continuing to be unemployed. Nobody mentions that.

Again, let me tell my friends, the leadership fought in the best interest of the country to get a bill signed. That was their decision. I cannot say that I have to argue with it, because if it does not get signed, while it might have some political benefit, we would be losing the jobs, we would not get anything and the country would suffer. So the decision was made. And I just want to tell you how I was drafted into this. All I had to do here was to get along with 435 of my colleagues, the President, our leadership, Mr. HATFIELD in the Senate and others. I honestly do not know how we could have done better. I ask my colleagues not to have some last minute gadgets put in here that turns the selection of these things over to the executive branch. Do not put something in here now that will have the effect of slowing it down. Let us look after our country.

I am proud of the record of our committee, and I am proud of having brought this bill here. I came here today under constraints with about half a dozen things to do, and I could not have done them without the help of the subcommittee chairmen, because each subcommittee chairman handled his section of the bill, and they will handle it here today. My job has been to try to bring it together. I do not know of a better way to bring it together than this proposition we have before us today.

I would like at this point in the RECORD to insert the highlights of the bill that we have before us today and ask for all of your support.

BILL HIGHLIGHTS

Title I—Meeting Our Economic Problems With Essential and Productive Jobs

	Amount
Business and housing plans	$500,000
GSA—repairing Federal buildings	125,000,000
Highway demonstration projects	33,000,000
Mass transit grants	110,000,000
Amtrak grants	110,000,000
Repairing VA hospitals	75,000,000
Expedite emergency mortgage assistance	500,000
Community development block grants	1,250,000,000
Urban development action grants (deferral disapproval)	(244,000,000)
Economic Development Administration	200,000,000
SBA—new direct loans	202,000,000
SBA—natural resources development	50,000,000
Repairing urban parks	50,000,000
Improving and maintaining our national parks	50,000,000
Preserving our national forests	45,000,000
Indian health facilities	39,000,000
Fish and wildlife facilities	25,000,000
Bureau of Indian Affairs	20,000,000
Rural water and sewer grants	200,000,000
Farmers Home Administrative expenses	6,500,000
Resource conservation and development	15,000,000
Soil Conservation Service—flood prevention	160,000,000
Corps of Engineers—emergency flood control	404,000,000
Bureau of Reclamation	101,000,000
Tennessee Valley Authority	40,000,000
Repairing prison facilities	90,000,000
Family housing for the military	243,000,000
Low-income weatherization—DOE	150,000,000
GSA—Federal motor vehicle replacement	75,000,000
Employment and training assistance:	
Jobs Corps	32,400,000
Summer youth	100,000,000
Displaced workers	75,000,000
Older Americans employment	25,000,000
Community and home health services	30,000,000
Home health services	(10,000,000)
Maternal and child health	10,000,000
Alcohol, drug abuse and mental health	30,000,000
Social services block grants	150,000,000
Day care	(50,000,000)
Head Start	30,000,000
Community services block grants	25,000,000
School facilities	35,000,000
Humanitarian assistance plan	250,000
Distribution of agricultural commodities	75,000,000
Women, infant and children feeding program	100,000,000
Food distribution and shelters—FEMA	50,000,000
Subtotal, title I	4,637,150,000

Title II—Supplemental Unemployment Appropriations

Advances to the unemployment trust fund	$5,033,000,000
Grants to States for unemployment insurance and employment services (trust funds)	(276,100,000)

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague, the gentleman from Florida.

Mr. PEPPER. I thank the gentleman for yielding.

Mr. Chairman, I understand this bill provides $1,250,000,000 for community development block grants and that funds under this program may be used for public works and public facilities. The school district which I represent has already identified over $760 million in school improvement projects for which there are no funds. Many of these projects required minimum startup time and could put some of our unemployed people back to work in labor-intensive jobs without delay.

Is it the intent of the gentleman's distinguished committee that some of the funds provided for community development block grants can be used for public school facilities?

Mr. WHITTEN. That is the intention of the committee.

Mr. PEPPER. But school districts are to be considered like any other?

Mr. WHITTEN. The gentleman is correct insofar as the committee bill is concerned, it provides for that.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I just have a couple of questions on the gentleman's statement that I would appreciate his answering for me.

The gentleman says that he is proud of the bill that he brings forward, and I believe that to be the case.

Mr. WHITTEN. I thank the gentleman and I trust he agrees that when we put people back to work and get value received for the country, the country benefits.

Mr. WALKER. If the gentleman will remember, this gentleman is for having 90 percent of the jobs go to people who are now unemployed. But the question I have——

Mr. WHITTEN. Do I understand the gentleman is for a different bill than what we have got?

Mr. WALKER. I am for having a bill that actually employs the unemployed. The approach that the gentleman had supported before has ended up by having 88 percent of the people coming from the ranks of the unemployed.

Mr. WHITTEN. Does the gentleman mean he is for Government jobs as against letting contractors get busy restoring the damages of a flood from one coast on down to the——

Mr. WALKER. I am saying that this gentleman is for having 90 percent of the jobs go to the unemployed, and that is not in the gentleman's bill.

But let me ask the gentleman about some of these things. The gentleman's bill, in the transportation area, has as one of the high priority items in mass transit in this country the building of, I think it is, bus sheds in Dade County and a moving sidewalk somewhere in Michigan. Does the gentleman really tell me these are some of the high priority projects that this country needs to address?

Mr. WHITTEN. To those who live in that area—I am sure this is of interest and need. If the gentleman would yield I would like to continue my statement. The gentleman makes it clear that he is against all of this. Is it all right with him to pay unemployment compensation, where you get nothing in return? But is he against anything where the country gets value received in those areas—where you have mass transit?

Mr. WALKER. Including moving sidewalks?

Mr. WHITTEN. I have every reason to believe that the President will sign it. I did not talk directly to him. So I do not know.

Let me tell you one other thing we have in here. With about 40 percent of small businesses and others facing bankruptcy, we could not put the big money in here, but what we did was this: We put $500,000, and called on the Secretary of the Treasury to send up a plan for a HOLC type organizations or corporations to prevent foreclosure of homes. We also asked them to send up a plan for a RFC type organization where the lenders and borrowers could go in and correct the matter.

□ 1230

Then we also set up a plan to examine farm credit problems. We asked them to do what was fair and right. We asked them to stop foreclosures of homes, stop putting people out, and

let them rearrange their debts so they could pay it.

I do not believe you can improve on that. I cannot find any fault with it, and you cannot find any fault.

I repeat: We tried to treat everybody in every section of the country fairly, and we left enough latitude so that whoever runs it can adjust to the realities of each situation.

We have tried to protect people in their homes, tried to protect them in their jobs, and provide productive employment so when they work, the country ends up a richer country.

Mr. YATES. Mr. Chairman, the Interior and related agencies appropriations programs in this bill total $379,000,000 to stimulate jobs and at the same time enhance our Nation's resources and the energy conservation effort.

The largest single item is for the low-income weatherization program for which we have provided $150,000,000. We believe this is a wise investment for several reasons. Most importantly, it will put people to work. Direct employment created as a result of this program is estimated to be 8,000. This includes those who install the insulation materials and those who manufacture insulation materials. There is a strong demand for the program. A conservative estimate is that 6,000,000 low-income homes remain to be weatherized. These funds are sufficient to weatherize 150,000 of those homes. The mechanism to get the work done in a timely manner exists and as an extra benefit energy is saved where there is the least ability to conserve. Providing the money now has the added advantage of having the weatherization in place for the next heating season.

Many of you have asked about a jobs program patterned after the civilian conservation program of the 1930's. Unfortunately, the framework for reestablishing that most valuable program no longer exists. Similarly, the YACC program, the Young Adult Conservation Corps, is not authorized. We have, however, included $50,000,000 for the National Park Service for cyclic and operational maintenance and for rehabilitation of structures, roads, trails, fences, and other facilities of the national park system. As we stated in the report accompanying the bill, we would support the use of these funds to transport and house urban and rural unemployed to parks with vacant residential YCC or YACC facilities to do productive work.

In addition to the $50,000,000 for the Park Service, the bill also includes $25,000,000 for maintenance of forest roads, trails, and facilities of the Forest Service and $25,000,000 to permit the Fish and Wildlife Service to contract for maintenance and rehabilitation of structures, roads, trails, and other facilities at wildlife refuges, hatcheries, and research stations.

For related improvements in the Forest Service, there is $20,000,000 for health and safety rehabilitation projects in national forest recreation areas. Many of the forest recreation sites are old, or have developed potentially unsanitary conditions and this program will accelerate revitalization and correct problems at 150 sites.

For our Indian people, where unemployment is currently running as high in some areas as 60 to 80 percent, we have two programs. There is $39,000,000 in the bill for construction and/or provision of domestic water supplies, waste disposal facilities, and other essential sanitation facilities for Indian homes, communities, and lands. The Indian community will also benefit from $20,000,000 for acceleration of planned activities on Indian reservations. Included are such activities as brush control, seeding, sodding, and drainage of agricultural and rangelands, as well as forestation and timber stand improvement activities.

We have not been negligent in providing resources for urban areas either. There is $50,000,000 for the urban park and recreation recovery program to stimulate jobs and to serve as a catalyst for the revitalization of many urban neighborhoods, especially those where unemployment is high.

Mr. Chairman, we have been selective in the programs for this bill. We have placed a premium on those programs where the mechanism for quickly using the appropriated funds exists, where the maximum number of people will be put to work and where all of the people will benefit. I urge everyone to support the bill.

Mr. CONTE. Mr. Chairman, I yield myself as much time as I need.

Mr. Chairman, the most essential portion of this legislation is contained in title II, which provides slightly more than $5 billion for urgently needed advances to the Federal and extended unemployment accounts.

Representatives of the Department of Labor have testified, and as recently as yesterday the Office of Management and Budget has confirmed, that by March 15 the Federal Government and some 29 States will run out of money with which to pay unemployment benefit compensation. It is clear, therefore, that we must pass title II of this bill, and as quickly as possible.

Title I of this measure has been characterized by some as a jobs bill, designed to create jobs and meet national needs. In my view, such a characterization is unfair to the American public, because it claims too much.

Certainly this bill does contain some funds for worthwhile programs that will help put people to work within a reasonable time, proving that if you fire over 4.6 billion shots, some of them are bound to hit the target, even if it is only by chance alone.

Among the more productive proposals in this bill are the provisions of $125 million to repair Federal buildings; $200 million for the Economic Development Administration, to stimulate local economic development in both urban and rural areas; $50 million for the Federal Emergency Management Agency, to provide emergency food and shelter to needy individuals through private voluntary organizations; $75 million to provide surplus food for the needy; $25 million for community service employment for older Americans; $75 million for training and employment services for displaced workers; and $100 million for summer youth employment.

Unfortunately, the catchall, something-for-everyone approach that was used in drafting this bill misses the mark more times than not.

Let us look at the $200 million for rural water and waste disposal grants, a 160-percent increase over the regular fiscal year 1983 appropriation of $125 million. The spend out rate for this program is so slow, that it would take until 1989 to spend $200 million. Less than $80 million would even be spent by the end of 1984. We have checked this with the Department.

That reminds me of that old song, "You take the high road and I'll take the low road, and I'll get to Mississippi before you."

Mr. Chairman, just look at some of the items in this bill. It has $50 million for a Small Business Administration "natural resources development grant program." In my 24 years on the Small Business Committee, I have never heard of such a program. It does not exist. This money is for tree planting, and I can tell you that the small businessmen and women in my district do not want to plant trees—they want the Federal Government to reduce the deficit and stop crowding the capital markets, so that they can get back in.

The bill contains $33 million for an unidentified project to demonstrate methods of accelerating the widening of existing highways. The committee report does not say whose district that project is supposed to pave, but I bet we will find out by the time the conference report is adopted.

We have the same problem with the proposed $150 million for the Soil Conservation Service's flood prevention program. This money is supposed to be for quick action on flood repair and control, yet it appears that less than $50 million of this money could be spent in 1983.

At a time when we are facing budget deficits approaching $200 billion, how can we justify simply "priming the pipeline" of long-term projects? How can we go home to the long-term unemployed in the industrial cities of the

Northeast and Midwest or the rural areas of the South and tell them that we are spending money on studies and surveys and planning?

Then there are the water projects. Under the committee bill, funding for water projects of the Army Corps of Engineers and the Bureau of Reclamation comes to over one-half billion dollars, more than 10 percent of the total funding available under title I. Yet these programs will provide fewer jobs per dollar than almost any other major program in the bill.

Furthermore, the committee would apparently give a blank check to these agencies to decide which projects are to be funded, instead of publishing the usual project-by-project allocations as would be contained in a regular energy and water appropriations bill report.

The question of allocation is critical. If the funding in this bill is to serve its purpose, it must be carefully targeted to areas of high unemployment, or used to hasten the completion of projects with strong multiplier effects upon the local economy.

Unfortunately, the committee's lump sum appropriation to the major corps and bureau construction accounts is a blunt instrument where a scalpel is required. How can we explain the funding of the WEB rural water development project in South Dakota, a State that had a 6.6-percent unemployment rate at the end of 1982, the second lowest in the Nation? How can we justify additional funds at this time for the McGee Creek project in Oklahoma, a State that had an unemployment rate of 6.8 percent at the end of 1982, the third lowest in the Nation?

Perhaps the greatest defect of this bill, Mr. Chairman, is that it does not target its economic stimulus to those areas of greatest need. For this reason, I am pleased to cosponsor and will urge my colleagues to support the amendment to be offered by the gentleman from Pennsylvania, Mr. EDGAR, that would require at least 75 percent of the funds in title I to be directed at areas of high unemployment. As a matter of keeping faith with those unemployed Americans who are looking to us for assistance, passage of this amendment is essential. I am sorry to say there are no water projects in Detroit.

I will also be urging my colleagues to support the amendment of our colleague from West Virginia, Mr. WISE, to prohibit funding of the Stonewall Jackson Dam. A bill such as this is no place to fund projects of dubious economic merit with harmful environmental consequences.

Finally, Mr. Chairman, I will be offering a motion to recommit, with instruction directing the committee to report back a substitute bill. That measure will offer more bang for the buck in terms of job creation and will respond more effectively to the humanitarian needs of our people than does the committee bill. My substitute will provide for targeting of assistance to areas of high unemployment; will provide more assistance for unemployed women, who have been shamefully ignored by the committee's heavy construction-oriented bill; and will provide less money for slow spendout programs and more money for quickly implemented, labor intensive approaches to solving the unemployment problem.

Mr. Chairman, I urge my colleagues to support the various perfecting amendments that are offered today, and especially urge their support for the substitute measure.

COMMERCE, JUSTICE, STATE

Concerning programs under the jurisdiction of the Commerce, Justice, State, and the Judiciary Subcommittee, the Conte substitute deletes two of the five programs funded in the committee bill and retains unchanged the other three.

My substitute does not include the $50 million in the committee bill for a tree planting program funded by the Small Business Administration, nor does it include the $200 million for SBA direct loans.

The SBA tree planting program is wasteful and unnecessary. While some communities might engage in park and recreation projects in order to obtain Federal grant funds, it is doubtful that the supposedly small nurseries they would use would need to hire a substantial number of new employees to do the work.

The SBA direct loan program is an extremely wasteful use of SBA resources. The default rate on these loans is high. The loans have been limited in the past to a very small portion of the small business community, and the special loan terms are resented by that community. Guaranteed loans are far more effective and efficient.

My substitute does include $200 million for the public works grants program of the Economic Development Administration, $2 million for the SBA certified development company program, and $90 million to modernize and expand Federal, State, and local prison facilities.

The EDA public works grants program is a popular and effective job creator in urban and rurual areas alike. It is estimated that the $200 million included in my substitute would provide about 33,000 jobs in such activities as industrial park development, water and sewer development, street and railway improvements, and rehabilitation of inner city housing for residential use.

The SBA certified development company program requires only a small amount, $2 million, of budget authority to generate $100 million in financing for small businesses for plant expansion and the purchase of equipment. As pointed out in the committee report on this bill, 23,000 jobs have been created since the initiation of this program in 1980 with almost no direct outlay of Federal funds. This is a good investment.

The $90 million included in my substitute of Federal, State, and local prison modernization is badly needed and can be used immediately. Federal prisons are now more than 20 percent over capacity, and nearly 40 States are under court orders to alleviate overcrowding in their facilities. New mandatory sentencing laws and special anticrime and antidrug initiatives at all levels will compound these problems in the future. Of the total amount provided, $60 million is for the modernization and repair of existing Federal buildings and facilities, and $30 million is to meet Federal responsibilities under cooperative agreements with States and localities which house Federal prisoners awaiting trial or transfer to Federal penal institutions. The latter amount will be used to expand and improve the State and local facilities.

HOUSING AND URBAN DEVELOPMENT

The substitute that I will propose includes the same funds for community development grants as Mr. WHITTEN's bill. But, I propose an additional $240 million for section 312 direct loans to low- and moderate-income homeowners to rehabilitate and in some cases, refinance their homes and bring them up to local code. This is an existing Federal program in HUD which has been used successfully. It is a good idea because:

First, the money can be spent this year.

Second, jobs are created this year.

Third, the "Little guy," the old couple, and the poor who are barely hanging on to their homes can finally get some help from their own government to live decently.

Fourth, we take advantage of the lower interest rates for rehab and refinancing like the higher income homeowners are doing.

Fifth, it preserves and upgrades the Nation's housing stock.

Sixth, it improves old neighborhoods.

Seventh, it coincides with the interest cities have in revitalizing their older neighborhoods.

Eighth, it is not a giveaway. It is an investment by this Government which creates jobs this year in the building trades and materials industries.

MILITARY CONSTRUCTION

These funds are retained in the substitute because they are needed to bring housing up to date and because the funds can be committed and spent quickly and efficiently, creating jobs in the near term.

These funds will be used for improvements as well as repair and maintenance on existing housing. None is to be used for new construction.

Each base or facility has on hand details of what improvements or repairs are needed. No time-consuming design is required. Contracts can be let within a very short time after funds are available.

Also, it makes sense to maintain and improve existing military housing rather than building new units in the United States.

The funds in this bill are allocated to enhance the short-term employment picture with $67.5 million for modernization and $175.5 million for maintenance and repair projects, the faster spendout projects.

The majority bill stated these funds would create 10,000 new jobs and we cannot take issue with that projection.

TREASURY, POSTAL SERVICE, GENERAL GOVERNMENT

Under the heading "Maintaining and Protecting Public Investment in Federal Buildings," my substitute provides $150 million to go to the Federal buildings fund in the General Services Administration for repairs and alterations of Federal buildings for projects which do not require prospectuses.

Under this category, labor-intensive jobs would be provided on such projects as repairs to buildings to reverse deterioration and protect the life of the property, installing aids for the handicapped, installing fire prevention devices, retrofitting for energy conservation and altering building floor plans to promote space utilization.

I put $150 million in this category, up $25 million from the chairman's version because I felt that since some 1,000 more jobs would be created by this increase, and since the name of the game is to create jobs, the $25 million increase would be better spent in this category than it might somewhere else.

With this figure of $150 million, the General Services Administration estimates that some 6,000 jobs could be created as bids go out to contractors in such businesses as roofing, painting, electrical wiring, and so forth projects forecasted for the near future could be speeded up so that a large part of the funds under this heading could be obligated very quickly. Again 6,000 jobs instead of 5,000 jobs provided in the other version—that is the benefit of my $25 million increase over the other bill.

This Federal buildings category is important because throughout the Federal regions around the country, there are numerous Federal buildings in need of repair which have not been tended to for the simple reason that funds have not been provided. With an extra $150 million in the building fund, the GSA can move ahead with these repairs, and at the same time, provide the labor-intensive jobs to accomplish them.

Under the heading "Scheduled Motor Vehicle Procurement," $75 million is provided to the General Services supply fund for the purchase of approximately 12,000 new motor vehicles to upgrade Federal fleets which presently have older, fuel-inefficient vehicles on hand.

Given the problems the automobile industry is having, and the spinoff problems being experienced by the industries which support that economic mainstay, I felt that efforts to provide some support in this area were worthwhile.

With the provision of this $75 million, some 1,500 jobs can be created in the automobile and support industries. According to the General Services Administration, the full $75 million could be outlayed in fiscal year 1983 as the orders could go to bid in about 90 days from receipt of funds.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman, my good friend from Michigan (Mr. CONYERS).

Mr. CONYERS. Will it be bigger?

Mr. CONTE. Unfortunately, no. It is not any bigger. I know what the gentleman is driving at, but let me say that you have something here to work with and you might as well make the best of what you have.

You mentioned those projects, and it was mentioned here in the well of the House that if you represent the Congress you should try to get these projects. Unfortunately, I say to my friend from Michigan (Mr. CONYERS) you were not in the cookie store when it was handed out.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Did I understand the gentleman correctly that some of the money in this bill is going to places that are distinctly not high unemployment areas, that there are places where the bill allocates money which are among the lowest of the unemployment areas in the Nation?

Mr. CONTE. Definitely. There are quite a few.

Mr. WALKER. So, in other words, if you were in the proper place at the proper time; namely, on the committee, you got a project and you are taking care of your district, even though it has nothing to do with unemployment. But if you were not and if you did not get a project, then you were unfairly discriminated against, even though you might be in a very high unemployment area? Is that what seems to be going on here?

Mr. CONTE. That is right.

Mr. WALKER. That is a shame and I thank the gentleman.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Michigan (Mr. SILJANDER).

Mr. SILJANDER. Just in response to the point by my friend from Pennsylvania, I understand that Hyannis, Mass., which is an area of relative affluence, if I am not mistaken, has $10 million targeted into this bill to improve the Amtrak rail line in that area while areas such as the area that I represent in Benton Harbor, Mich., which suffers from 33.7 percent unemployment, that they are not receiving a nickel in this whole porkbarrel legislation.

So, in response to the question, I think that is just one of many examples where affluent areas are receiving millions of dollars and where riddled areas of real unemployment are receiving virtually nothing.

Mr. CONTE. I know the gentleman is an expert now in jobs, being on the task force, and I hope he will support my railroad bill which will spread money out to all of the railroads in this country to repair their railbeds. We will pick up the tab for the employees and the railroads will pick up the material, the ties, the spikes, and the rail line, and this will put a lot of people to work 4 days after it is passed.

I hope you can get on to that bill.

The CHAIRMAN. The gentleman from Massachusetts (Mr. CONTE) has consumed 11 minutes.

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia (Mr. WISE).

Mr. WISE. Mr. Chairman, I would ask the chairman of the Subcommittee on Energy and Water Development of the Committee on Appropriations to enter into a colloquy and answer a question.

Mr. Chairman, from your Subcommittee on Energy and Water of the Appropriations Committee, I would like to inquire whether there is any money in the emergency supplemental appropriation to construct the Stonewall Jackson Dam in West Virginia.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. WISE. I yield to the gentleman.

Mr. BEVILL. I can assure the gentleman from West Virginia that the Army Corps of Engineers is fully funded for the construction of the Stonewall Jackson Dam by previous appropriation, and no funds will come from this emergency supplemental appropriation for the construction of that project.

Mr. WISE. I thank the chairman of the subcommittee and thank the Chairman, Mr. WHITTEN for yielding.

Mr. Chairman, while I am pleased that we have reached this understanding whereby no funds under this bill be appropriated for the Stonewall

Jackson Dam in Lews County, W. Va., I intend to carry on my fight against the project through the regular appropriations process.

The gentleman from Alabama (Mr. BEVILL) will be holding hearings later this month or early next, at which time I plan to testify in opposition to the dam.

It makes no sense to spend money on a project that will flood thousands of acres of prime farmland, displacing 1,800 people from their homes. The General Accounting Office has reported the dam will not provide effective flood control. Flood control can be better accomplished, at less cost, through a series of smaller watershed projects.

When the House Government Operations Subcommittee on Energy, Environment and Natural Resources—a panel on which I now serve—considered the feasibility of the dam during the post-election session of Congress last fall, a bipartisan cross-section of the panel were decidedly against it.

Opposition to the dam comes from agriculture interests, environmental groups, the United Mine Workers, and the National Taxpayers Union, among a number of other organizations.

There are many more reasons why the dam should not be constructed. Since we have resolved my immediate concern, I will not take further time now to elaborate. But I believe that when we have thoroughly studied this project, Congress will decide that tax dollars can be better spent on more worthwhile pursuits.

Thank you, Mr. Chairman.

Mr. WHITTEN. Mr. Chairman, I yield myself 2 minutes.

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Maryland (Mr. MITCHELL.)

Mr. MITCHELL. I thank the gentleman for yielding. During the course of the 1-minute speeches this morning a Member on that side made the statement that any funds that would be expended under this bill would be taken away from funds to be spent in the future. In other words, they are taking the position that this does not really represent any new money, that it is really an early drawdown. Is that correct?

Mr. WHITTEN. May I say that the recommendations of the President had that in there, but in this bill that is not true.

May I also add this, with regard to this bill I have had requests to include certain other things which I understand might be included in the other body, but this is new money and the earlier statement is not true.

The original proposition was along that line, but we did not buy it.

Mr. MITCHELL. All right. That is new money.

Then would you respond to just one more brief question? Do we have any kind of guarantee or commitment on the part of the Democratic leadership that there will be no change of compromising down the line on future moneys to be spent?

Mr. WHITTEN. Insofar as I am concerned, I am committed to bringing up the supplemental and including those things that are necessary. Others would have to speak for themselves.

Mr. MITCHELL. I thank the gentleman. I heard this morning very distinctly that this was a tradeoff and this was why the Republicans who will vote for the bill were going to be persuaded to vote for it.

But I take your assurances that it is not being done that way.

Mr. WHITTEN. I have not been included in any such agreement and would not. But I realized that we have to deal with other things and we have spending proposals now in several other supplementals that are musts in themselves.

We have about $11 billion that is requested, recommended by the President. So there will be other bills coming up. What they will contain I cannot say, but I know what my feelings are.

Mr. MITCHELL. I thank the gentleman for his information.

□ 1245

Mr. CONTE. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Chairman, the economic report of the President, transmitted to the Congress in February 1983, states that unemployment is the most serious economic problem now facing the United States. This statement should not come as a surprise to us when statistics show that by December 1982 the number of unemployed had risen by more than 4 million since the beginning of the recession in mid-1981. The unemployment rate is higher than at any point since the Depression, with over 12 million persons counted as unemployed. Even with economic recovery, which is the best creator of jobs, it is likely that the unemployment rate will remain high and eventually plateau between 6 and 7 percent.

We all recognize the need to address this devastating problem and its subsequent affects on the physical, mental, and social well-being of unemployed people and their families. The financial losses of the unemployed are not the only costs associated with prolonged economic decline.

All of us in the Congress have a stake and an interest in cooperating to produce emergency jobs legislation to meet the most immediate unemployment problems, and then to work together to develop legislation that will lessen the intensity of our structural unemployment problem. We must demonstrate publicly that we want to work expeditiously in this Congress to improve employment opportunities and deal with the Nation's economic problems immediately and effectively.

I serve as the chairman of the Republican Task Force on Employment Opportunities appointed by Mr. MICHEL to examine alternative strategies in attacking both short- and long-term unemployment. In order to give careful consideration to emergency employment legislation we developed a set of basic principles. These principles are:

First, the utilization of existing programs and projects to best serve the immediate employment needs of the Nation.

Second, the adherence to the basic spending limitations recommended by the administration in order to minimize any adverse impact on current deficit projections and interest rates.

Third, the selection of public works projects that will enhance national productivity or directly address the problems of a neglected national infrastructure in those areas where these problems are the most severe.

Fourth, the selection of public works projects that are the most labor intensive.

Fifth, the selection of projects, with the exception of those meeting the criteria of No. 3, located in urban and rural areas of high unemployment.

Sixth, the special consideration of the employment needs of women and youth in the implementation of programs and projects funded under emergency jobs legislation.

In light of these principles our review of the jobs proposal before us did not yield uniformly prositive results. What is the basic goal of this legislation? Are we really serious about trying to help the unemployed? Will the bill really create jobs? The answers to these questions are quite revealing.

If we intend to generate jobs through this legislation, then the allocation of $500,000, in this bill, to provide for administrative expenses to develop plans for three new bureaucracies certainly should be questioned. How can such an expenditure create jobs, let alone aid the unemployed, particularly when there are many other programs already in existence to meet the specified needs that these new bureaucracies are supposed to resolve? What we do not need is more bureaucracy to cure our unemployment problems.

The members of the task force agree that it is the long-term unemployed who are of special concern, considering that 16.6 percent of the unemployed have been without jobs for longer than 26 weeks. Our concern should be primarily for unemployed heads of

households. The share of unemployment among husbands, wives, and family heads in families without a working spouse reached 24 percent in 1982. We know also that youth continue to comprise a disproportional share of the unemployed and that women head a major segment of those families with income below the poverty level. Few of the items funded under this proposal target on the long-term unemployed or heads of households. It also strikes us that for the most part, the skills that will be required to fill the few jobs that are created are not those typically held by youth or women. This legislation is not designed to assist the major populations most severely affected by unemployment. Instead, the funding under the act appears to be targeted by congressional district rather than on the unemployed.

It is hard to understand why an agency that is targeted to receive funding for projects under this bill has not been consulted as to whether it can use the additional funding or for what purposes or priorities the funds should be used. We must also note that some agencies were not confident that the additional funding to be received could be spent in fiscal year 1983. Therefore, how can we be certain that the projects listed are of high priority or can be implemented quickly?

A further concern is that for under water resource funding, only vague reference is made to the areas of the country that would receive funds for projects. This leads us to believe that projects which have been opposed by the Congress—and environmental groups—may be funded by these provisions. Water projects tend to be capital intensive rather than labor intensive thereby creating fewer jobs for the dollars spent. Additionally, it appears that the water reclamation projects to be funded are located in Western States where the average unemployment rate is below the national average, diverting the investment of scarce resources from areas where unemployment is highest.

Additionally, is it possible to justify a highway demonstration project that shows methods to accelerate the widening of existing highways as a job-creation strategy? I question the contribution of such projects to our efforts in repairing our infrastructure.

With just a quick review, the Republican Task Force on Employment Opportunities was able to raise these significant questions regarding the provisions in the emergency supplemental bill.

Our intention is not to thwart meaningful legislation that would effectively and quickly generate jobs as a start toward meeting the needs of this Nation's unemployed. Rather we would support such a bill.

Some of the provisions of the bill do meet the criteria the task force has established. I urge my colleagues to carefully weigh the few amendments allowed by the Rules Committee in the light of our desire to extend near-term relief for the unemployment situation. I also commend for your attention the motion to recommit with instructions that will be offered by the gentleman from Massachusetts (Mr. CONTE). It may yet be possible to redirect this bill to meaningful, near-term relief and away from the "pork barrel" slant that the media have observed and commented upon.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut (Mr. RATCHFORD).

Mr. RATCHFORD. Mr. Chairman, we have heard it said all day that this is not the best of bills. I would remind those saying it: it is the only jobs bill, it is the only show in town and today is the day, not tomorrow, or the next day, or the day after. We need this bill as a start. We need it as a symbol and we need it more significantly as a signal to 12 million unemployed Americans, Americans on the edge of despair, that finally in Washington there will be the beginning of a movement that will put Americans back to work.

I would like to talk about three areas that are very significant in my part of the country, significant in the North, significant in the Northeast, and significant specifically in my State, the State of Connecticut.

The first, and I am glad the gentleman from Massachuesetts agrees, is the whole issue of the displaced worker.

We have in this part of the country older workers who have been put out of work because of imports, put out of work because of industries that are operating below capacity. These displaced workers need this commitment now for their retraining for new jobs.

A second significant factor is the older workers' portion of the Older Americans Act.

I would say to you, Mr. Chairman, that for every one of the positions in American today under this section there are six or seven older Americans waiting for an opportunity so that they can preserve decency and dignity and they can stave off unemployment or, above all, going on welfare.

Finally, in our part of the country nothing is more significant than economic development. I would say to you, Mr. Chairman, that the $200 million in here for economic development in my part of the country, in the frost belt, is the most significant part of the bill.

More jobs, not public service jobs, not make-work jobs, not CETA jobs, but more private-sector jobs have been created as a result of economic development than any other Federal program. In my district alone, which is the economic heartland of Connecticut, 20,000 jobs have been retained or created since 1979 under economic development programs.

These are jobs in the private sector. These are jobs replacing those that have been lost in footwear, lost in chemicals, lost in copper, lost in brass, lost in steel. These are jobs that are available now if this program can be approved.

The best bill, no; a perfect bill, no; but the only bill that says to those in America who are in despair: "Finally in Washington we are on a road back, we are on a road back for those Americans who live in despair and seek hope that has not been there."

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, in debating the jobs bill today we are engaging in something more than an idle forensic contest. The issue is one of recovery, not merely for the big banks and investment houses but for the people of this country. Imagine the awful cries emanating from Wall Street—and, for that matter, the actual state of disaster—if there had been, these last several months, an 11-percent failure rate among banks. Yet 11-percent unemployment is the rate at which our people have been asked to endure this long recession, and in my own State of Arkansas, the rate has been even higher and more catastrophic for most of these dreary months.

So it is relevant, as a means of focusing on the statistics and the rhetoric and the abstract arguments which we will hear in this Chamber today, to point out in concrete terms what the acutal, beneficial effect of the proposed jobs bill might be on my constituents in the First Congressional District of Arkansas—an area which is typical of the rest of America both in the degree to which it has been hurt by the recession and in the extent to which its recovery is dependent on competent, far-sighted legislation—or at least related to it.

And I think that such a partial itemization of benefits to the First Congressional District of Arkansas would reveal also—in the form of projects which have been deferred too long—a vision of progress which we used to take for granted in this country before the onset of hard times and indifferent national policies.

To begin with defense, the one aspect of national policy which has greatest claim to bipartisan support, the bill would speed up funding for new construction at the Strategic Air Command base at Blytheville, Ark.—specifically, an estimated $1,533,000 for support and maintenance facilities

and an estimated $3.6 million for dormitories. Blytheville Air Force Base is not only an economic keystone to the northeast Arkansas area, but it is a vital element in the Nation's defense structure—as President Carter recognized by confirming the base's importance in 1979 and as President Reagan, with his well-known emphasis on an enhanced defense posture, has acknowledged in his turn.

Under the jobs bill, some $1,250,000 would be provided for community development block grants, under programs operated by the Department of Housing and Urban Development. Of this amount, some $375 million is earmarked for nonmetropolitan towns and cities. All of the First Congressional District except for Crittenden County is eligible for a share of this funding, and Crittenden is free to compete for a share of the other $875 million. Some of the purposes for which these funds can be used are public works and public facilities; construction and repair of streets and highways; demolitions and site improvements; parks and open spaces; historic preservations; and redevelopment activities. A recent survey of cities and counties in roughly one-third of my district showed no less than 171 specific and identifiable needs that would be covered by the block grant provisions of this bill—with road repairs and housing for the elderly being typical of the list.

Of special interest to Arkansas and the First Congressional District, of course, is the $200 million in additional funding which the jobs bill provides for the Economic Development Administration. The EDA has already invested more than $130 million in Arkansas, and has thereby created or saved more than 67,000 jobs with annual payrolls of more than $500 million. As a general rule, it has been estimated that the taxes paid by these jobholders over a 2-year period more than repay the total EDA investment.

And in 1983 the need for EDA funding in Arkansas is especially acute. On Wednesday, at Speaker O'NEILL's request, I briefed the national press on the enormous and catastrophic damage inflicted in the State, and in my district in particular, by last December's floods. EDA would appropriate money for an assortment of flood control projects, including hydroelectric dam construction.

Other possible EDA projects would be industrial park development, central business district improvements, and renovations of streets, railways, and public buildings. In the east Arkansas planning and development district alone, there are 45 identifiable projects that could be put under contract within 90 days and completed within 1 year.

The jobs bill proposes an additional $200 million for water and sewer grants by the Farmers Home Administration and an additional $600 million in new loan authority. And an important aspect of the bill is that it would prohibit the FmHA from applying its new, unduly restrictive median family income provisions to the new money made available for grants. In a letter to Charles W. Shuman, FmHA Administrator, incidentally, I have protested in the strongest terms those provisions—which would render 19 of the 24 counties in the First Congressional District ineligible for help under the water and waste disposal grant program. The jobs bill functions as a signal to the FmHA that its new formula is unacceptable; our communities should not be penalized merely because their modest standard of living is not at rock bottom on the FmHA scale.

Incidentally the aforementioned survey of one-third of the First Congressional District turned up identifiable needs for: 17 water system improvements or installations and 28 sewer system improvements or installations.

So the FmHA provisions of the jobs bill are especially needful.

Another category of the jobs bill which is especially meaningful for my constituents in the First Congressional District is the provision of $25 million in additional funding for the older Americans employment program. More than 25 percent of the First District population is of an age that could benefit from this employment program—designed for citizens 55 years of age or older. Auxiliary services for local senior citizen government programs, senior citizen centers, and transportation programs will all benefit from the bill, as will Green Thumb in Arkansas, an extremely popular and useful service.

These are merely highlights—and only a few, at that—designed to show how practical the jobs bill is in what it will do for people and, more importantly, in what it allows people to do for themselves and for their communities. In its entirety, the bill would serve, not as the perfect remedy for the lingering social consequences of the recession, but as a first step designed to get us focused on the goal of recovery. The people of my district and my State are certain to welcome it enthusiastically, and it is no wonder, surely, why the President—hesitant about a jobs bill as recently as this past December—should be willing to embrace one now.

He has heard from the people, who want this bill. It was the people's will last November that such a bill be enacted into law, and it is the people's will now. We who helped prepare this bill offer it to the Nation—and to our separate constituencies—in that knowledge.

Mr. PURSELL. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. GRAMM).

Mr. GRAMM. Mr. Chairman, it would be wonderful if we had $4.5 billion stuck in a mattress somewhere that we could use for humanitarian purposes. Who would say if we had that money hidden away, that we ought not spend it to try to put people to work? There are those here more knowledgeable about this bill than I am who would argue if we had that $4.5 billion, we ought to spend it better, to try to train people for the jobs that are available, we should use it as a transition bill. But, Mr. Chairman, we do not have $4.5 billion. Every dollar that we spend by this bill we are going to have to go out and borrow.

What a paradox it is that we are here today talking about spending $4.5 billion we do not have on programs that we worked for 2 years to try to cut, to try to free capital for private growth, on the day after the leading economic indicators for January were released showing that economic activity in January rose at the highest rate in 33 years. We are on the verge of an economic recovery.

Housing starts are up 46 percent over 1 year ago. There is a clear growth in the demand for private capital to build new homes, new farms, new factories, to modernize the steel industry, to modernize the automobile industry, to make America competitive on the world market again.

But what we are doing here is adding to the one barrier that stands between the American economy and a strong economic recovery in a period of stable prices and declining interest rates; and that is why we are here today, with the best intentions, adding $4.5 billion to the deficit.

By adding $4.5 billion to the deficit we are going to deny that $4.5 billion to those who would build and buy their own homes; we are going to deny that money to those who would modernize the steel industry and automobile industry; we are going to deny that money to those who want to create jobs in the private sector and I am convinced that we are going to destroy more permanent, productive, tax-paying jobs than the temporary dead end public and private jobs we create here today.

If we are concerned about getting the economy moving we need to deal with the root cause of our problem and the root cause of our problem is the deficit which has pushed interest rates up and which has collapsed private investment. There are those who believe that this compromise minimizes the damage, that in the absence of a compromise a larger so-called jobs bill would become law and the destruction of jobs would be even greater.

□ 1300

I cannot speak for that thinking, but it is clear to me and I believe it is clear to most of the American people that we are not going to create jobs with this bill here today. We are going to destroy more private jobs that are permanent, that represent an improvement in technology, that represent a permanent commitment to growth and employment than we create jobs through this bill.

I think it is, indeed, a strange tragedy that here on the very verge of a strong economic recovery, we are passing a bill that will drive up the deficit and that will slow the recovery.

Therefore, Mr. Chairman, I intend to oppose this bill and I intend to support any amendment or any motion to recommit that reduces the deficit.

Our problem today is the deficit. We will vote on a jobs bill and that jobs bill will be the 1984 budget. Those who are for jobs, who are for lower interest, who are for economic growth, will vote to reduce the deficit. Those who want to continue the recession and those who want to continue unemployment will vote for big deficits and will vote for tax increases.

I thank the gentleman for yielding.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I respect the views of the gentleman who preceded me, but I do not agree in the least about the effect of the theories the gentleman espouses.

We have had now something over 2 years of these theories, and what is the result? We have unemployment of 10.4 percent on a national basis, reaching 17.8 percent in West Virginia; 12.6 percent in Illinois; 15.5 percent in Michigan; 14 percent in Ohio, 13.6 percent in Pennsylvania, and in my State of Mississippi, 17.5 percent in my home county. Unemployment compensation has now reached the annual level of $32 billion. Business failures are up 49 percent from 1 year ago. Only 35.7 percent of the raw domestic steel capacity is currently utilized, which represents the lowest capacity since 1932. The American farmer is more than $215 billion in debt. Financed at rates ranging between 15 and 20 percent for last year.

I think, Mr. Chairman, we have had about all of our friend's views that we can afford in 2 years.

May I also point out here, that on April 26, 1982 I requested the General Accounting Office to investigate the actions of the Federal Reserve Board, and the effect on interest rates, and see how it is operating.

On April 26 the GAO started investigating the Federal Reserve System. I have been with Mr. Volcker when he said, "You can't control us. We are not going to do this and we are not going to do that."

Well, when they started investigating the Federal Reserve System, beginning April 26 last year, they pointed out that the Federal Reserve System did have control of the interest rates. I received oral reports all along during the GAO investigation. The first formal report from GAO was due in August. The Federal Reserve got busy in July, knowing they were being investigated with the spotlight on them, and that is when you saw interest reductions come.

Now, I will be frank with the gentleman. The Federal Reserve has to be careful and not let the money supply expand too much, because of the very magnitude of it, it will get high again. But the overly restrictive policy of the FED had driven up interest rates to the extent it was choking off business growth, but it is within their control. And this committee, by getting the General Accounting Office to investigate, was ahead of everyone in focusing the public eye on the Federal Reserve. That is when you began to get some relief.

So I say, Mr. Chairman, I can see as a student of economics myself—I think down to earth economics—the wealth of this country is not in paper money. You can leave all the money in the world to our children, but without land you would not have anything.

But we have had just about all of the economic policies espoused by the gentleman that we can stand in one administration.

Mr. PURSELL. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. SILJANDER).

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. For 30 seconds, yes.

Mr. GRAMM. Mr. Chairman, we are suffering from a recession today that started in June 1981, 4 months before any budget cut or tax cut of the Reagan administration went into effect. From the passage of the first Reagan budget, inflation is down by three-fourths, prime interest rates have fallen by 50 percent, and in the last month the prime economic indicators rose to a 33-year high.

The recovery is underway and if we will continue to try to control spending, we will have one of the strongest recoveries in American history through a period of stable prices and declining interest rates.

I thank the gentleman for yielding.

Mr. SILJANDER. Mr. Chairman, we have been considering jobs legislation to put the most people that we possibly can back to work. Yet as of this moment there is no provision in the bill to give areas of highest unemployment first priority. This is not kosher; this bill is riddled with pork. Instead the guts of this bill are going to special interest pork barrel projects that will provide partisan opportunity for a few members of our body.

I question that logic when in Hyannis, Mass., an area of relative affluence, there is $10 million targeted in the bill to improve the AMTRAK railline, while a city like Benton Harbor, Mich. suffers 33.7-percent unemployment. What Michigan needs more than a few "porks" for unnecessary projects is a 1-year delay of unemployment compensation interest charges. If, however, the Government allows Michigan to borrow more money to pay unemployment, it will be like the IMF giving more money to Mexico. It will cause higher debt that Michigan can only pay by increasing taxes—burdening the people and driving business out of the State.

As a member of the Republican Task Force on Employment Opportunity, I have the specific honor of serving with 10 other members who have approached the unemployment problem with a spirit of national interest—coming up with alternatives that will be fairly and evenly distributed to those areas of our country hit hardest. Along with the rest of the committee, I initially supported the concept of this bill but now that manipulation has become very evident, I cannot in good conscience continue that support.

I know by and large that this body also has that spirit of national interest that transcends local political constituencies. As you have heard and will hear many of us speak today, bear in mind that we have two major responsibilities with this legislation. One, is to insure that we maximize the number of jobs in those areas where unemployment has become akin to any natural disaster that has hit this country, and two, that this money will put those heads of households back to work and put bread back on the tables of their families instead of gold in the pockets of those who have the right political connections.

We can now choose between acceptance of this special interest, pork barrel legislation, or really helping those areas of our country hit hardest by unemployment. I sincerely hope that you, as my colleagues in Congress, will take the time to review this legislation and accept the Edgar amendment proposed to shift 75 percent of the moneys in the jobs bill to areas of high unemployment. If this amendment is adopted this bill becomes supportable. Rather than use this jobs bill as a purely selfish piece of legislation, let us make the responsible decision, as entrusted in us by the American people, and come forth out of this session with a truly substantive piece of legislation.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, I think all of us are truly faced with a dilemma on this bill. I think everyone here is trying to make a good faith effort to do what they think is right in dealing with the agonizing problems of unemployment.

I recognize that everybody is operating under severe limitations, because of the administration's refusal to support anything other than a very small initiative on the jobs front. That means that at best even if this bill works exactly the way its supporters hope it will work, it means that at best this bill will be providing only marginal impact on the unemployment situation. That is not just true of the bill under consideration, it is true of any bill that could be fashioned, given the limitations which have been imposed upon us by the White House.

Under those circumstances, it has seemed to me that therefore the most practical thing to do would be to not pretend that we are passing anything that has a really significant effect upon the employment situation itself, because as I say, it will have at best a marginal impact.

It seems to me, therefore, that what we ought to be doing is trying to provide as many mercy initiatives as we can for people who are suffering because of the consequences of the economic situation. We need a better balance than we have in the bill at the moment between brick and mortar items for construction and flesh and blood items for human beings. That is why when the proper time comes, I will be offering the amendment made in order by the Rules Committee to add $200 million to this bill for health services for those who are unemployed and, therefore, who have lost their health insurance coverage.

I want the Members of the House to know that in the Appropriations Committee I tried to add $450 million to these various health programs to provide at least some assistance to persons whose only crime is that they were unlucky and therefore had lost their jobs and therefore were not being covered by the health care system.

When I lost that amendment, I also tried to provide that additional health care coverage by reducing other less necessary brick and mortar items by about $450 million in order to finance that amendment.

The committee saw fit not to accept either one of those amendments, so I went to the Rules Committee and asked the committee to make them in order. In an attempt to reach a compromise, the Rules Committee allowed us to offer an amendment which will add $200 million for health services for the unemployed and the destitute.

It would seem to me that that is the minimum, in fact, it is far less than the minimum that any civilized society would provide. When you lose your job, what happens is that, first of all, you lose your health coverage, then, in fact, as the gentleman from Massachusetts (Mr. CONTE) has pointed out, in many instances if you wind up in the hospital and you are too sick to go down to the employment service or too sick to conduct a job search regularly, you also stand the risk of losing your unemployment check.

No civilized society would treat its most unfortunate people in that manner.

Incidentally, I am joined in the amendment by Chairman DINGELL of the Commerce Committee, by Chairman WAXMAN of the Health Subcommittee on that committee, and by Congressman EARLY on the Labor-HEW Subcommittee on the Appropriations Committee. What we are simply trying to do is to provide a very minimal amount of health care for people who have nowhere else to turn but to us.

I frankly think we ought to do a lot more. It would be possible, for instance, to provide health insurance coverage for those on unemployment. If we were to deduct a small amount from the unemployment check of every person receiving unemployment compensation, we could raise about $1,700 million. We could match that on an 80–20 basis between the Federal and the States and provide at least minimum health care coverage for everybody who is on unemployment compensation. We have not tried to do that in our amendment. We simply tried to provide a tiny effort at providing some mercy for people who otherwise have no place to go to get very needed health care.

I would urge you when the time comes to support the amendment.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. RUDD).

Mr. RUDD. Mr. Chairman, there is no doubt that something must be done to ease the suffering of widespread unemployment, but I think we must consider the manner in which we must attack the problem in order to achieve success.

For the first time in several years the economy is beginning to experience an explosive recovery that for at least the present has no inflationary component.

Last month in a very slight upturn in the economy, over 500,000 persons went back to work, which is more than this bill would put to work.

Yesterday the Department of Commerce announced that the leading economic indicators jumped by 3.6 percent in February, the highest monthly economic growth in the past 33 years.

Clearly, we are on the road to economic recovery, a recovery that looks much stronger than had been previously predicted or estimated.

I recognize that this Congress can and does want to assist in that recovery. The best way to do it is to adopt policies that are consistent with growth and minimal intervention by the Government itself.

□ 1315

One way to do that is to help by tax incentives which we have relied on in the past, such as incentives in the housing industry. For example, I have a bill, H.R. 675, which would do that, rather than pour public funds into a spending program such as this, we should let the recovery continue. In any case this legislative program will have no effect for at least 2 years on actual employment. Legislative tax incentives put into effect such as the one I mentioned will hasten the recovery.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. FOGLIETTA).

Mr. FOGLIETTA. Mr. Chairman, this jobs is a day late and a dollar short. Congress should have passed a jobs bill last year, but President Reagan threatened veto. And for the last 2 years, Federal job-creating programs should have been given full funding, but President Reagan said no.

The urban development action grant program is one which should have been enjoying the full support of Congress and the President these last 2 years. Between 1978 and 1982, $2.3 billion in urban development action grant funds leveraged $14 billion in private investment and created or retained 450,000 jobs. That is as many jobs as we can expect to be generated by the $4.3 billion we will spend today. Yet, the Reagan administration has cut urban development action grants by 35 percent.

The jobs bill before us gives a funding shot-in-the-arm to job-creating programs like urban development action grants.

The Economic Development Administration will get $200 million, the community development block grant program will get $1.25 billion, and the urban development action grant program will get $244 million.

But because we did not put Americans to work last year, more is needed than this jobs bill provides.

Fully 50 percent of the unemployed, which is now 11.5 million Americans, lose their health insurance coverage within 1 month of being laid off from their jobs. And only 20 percent of the Nation's unemployed are covered for 3 months or more after layoff. The average duration of joblessness is now approximately 19½ weeks and one-sixth of all those unemployed in 1982 were out of work for 27 weeks or more. Yet, this jobs bill does nothing for the unemployed who have lost their health insurance coverage.

During 1982, home mortgage defaults reached a record level. At the end of September 1982, 172,000 mortgages were in foreclosure proceedings. The unemployed of this Nation cannot afford to keep their homes. Yet, this legislation provides only "planning" money for mortgage payment assistance.

Even with the oft-predicted economic recovery, as many as 1.2 million Americans will find the jobs they once held gone forever. The $75 million provided in this jobs bill for these economically dislocated workers is not enough.

Next week, I will introduce comprehensive employment and jobless assistance legislation. My legislation will supplement today's jobs bill by:

One. Authorizing health care assistance for the unemployed and their families.

Two. Authorizing Federal loans to out-of-work homeowners to help them meet their mortgage payments.

Three. Reauthorizing and increasing funding for Federal job-generating programs slated for discontinuance or funding cuts by the Reagan administration (such as urban development action grants, the Department of Housing and Urban Development's public housing modernization program, the programs of the Economic Development Administration).

Four. Expanding the availability and increasing the amount of the targeted jobs tax credit to include economically dislocated workers.

Mr. Chairman, too many Americans have been unemployed for too long. We must pass this jobs bill today and then move forward on the work that still must be done.

Mr. CONTE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. I thank the gentleman from Massachusetts for yielding this time to me.

Mr. Chairman, if ever there was an indication that the Democratic Party has become the party of doom and gloom rather than the party of hope and opportunity, they had only to listen to the gentleman from Mississippi as he presented this bill today.

The gentleman from Mississippi sought to deal with the gloomy aspects without ever once referencing the fact that there are many things in the economy that are beginning to look up. He refused to even acknowledge the fact that the leading economic indicators were up yesterday in the biggest jump in 33 years. He refused to acknowledge that housing starts are up dramatically, that automobile production is up dramatically, that savings are up dramatically.

If he did acknowledge that a little bit a little later on, he said that this is because the Committee on Appropriations had brought about a change in monetary policy because they sent a letter somewhere along the line. What nonsense. What nonsense.

The spending patterns of that committee under the leadership of the gentleman from Mississippi have done more to undermine monetary performance than any single thing in our society.

I think it is high time that we recognize that what we spend here is what causes economic problems out there. That is exactly what the problem with this bill is. The gentleman from Mississippi has admitted this is a deficit add-on bill. This adds deficit to the $200 billion deficits that we are already faced with. Evidently the people in Mississippi do not think that $200 billion deficits are big enough. The people in my district think that they are too big.

But we do know one thing: that every time we have deficit add-on we cost jobs in the private sector of the economy; that people out there are not going to work as a result of what we add on in deficit in this body.

I think there is another major problem with the bill that we have before us, and that is that the bill really does not go to the heart of what it says it is going to do, and that is create jobs. It seems to me that if you look at what happened when we have had similar approaches in the past, you find that instead of employing the unemployed, they end up reemploying the already employed. We ended up the last time we had a similar bill with the people who were already employed getting the jobs. Eighty-eight percent of those who got the jobs the last time were people who were already employed, and only 12 percent came from the unemployed ranks. Only 2 percent of the total money got spent on the unemployed, and this bill has not done one thing to correct that problem.

It seems to me that what we ought to be doing is making certain that the unemployed get the jobs, and we could have done that with a simple amendment to say that 90 percent of the jobs should go to the people who are now unemployed, but the Committee on Rules refused to allow that amendment to be considered on the House floor.

By a straight party line vote, by the way, the Democrats voted not to do that; the Republicans voted to do that. Why? Because the Democrats are more concerned about the pork barrel aspects of this bill than they are about jobs. It is more important to them. And the gentleman from Mississippi said that he is proud of the bill that distributes the money by congressional district and primarily by seniority, rather than by proof of need based upon real unemployment problems.

Mr. NATCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. BROOKS).

Mr. BROOKS. Mr. Chairman, I rise in support of this legislation and would urge that priority be given to projects that will fit into other ongoing federally supported local projects.

In my congressional district in Texas, where the city of Port Arthur has 20 percent unemployment, local and private interests have invested in a large project to revitalize the city, a part of which is a new community under the Department of Housing and Urban Development criteria which is well on its way to completion.

The city has two areas which are critical for its economic survival. The first is bounded by Highway 347 on the east, Port Arthur Road on the west, and from Highway 73 on the south to the north city limits line. This broad area already includes a combination of commercial and residential complexes, including low- and middle-income housing, and a portion meets all the criteria for a new community development.

The second area, desperately in need of job-creating commercial and industrial facilities, includes an expanded port, a governmental complex, Lamar University campus, and related light industry and a housing complex. This area is bounded by the ship channel on the south, 19th street on the north, K.C.S. Railroad on the west, and Lake Charles Avenue on the east.

As a result of these efforts and other earlier investments, this area is particularly well prepared to provide the job opportunities and training that are required. Residing in the immediate area is possibly the largest group of skilled labor in the United States—who, although presently unemployed, are well on their way to the level of skills that the new technologies require. This pool of capable and ready-to-be-trained individuals have available the educational resources of Lamar University (formerly Lamar State College of Technology). This institution can provide any necessary upgrading, training, or retraining that may be required.

It is just areas such as this that need priority for grants, loans, guarantees, and other Federal assistance under the proposed legislation in order to enable the local public entities to meet and overcome the severe problem of unemployment they are now experiencing. I urge that such priorities be extended to both public and private entities which can expedite the effects of such legislation in the targeted areas.

Mr. Chairman, to encourage the quickest employment and speediest economic recovery the funds provided in the legislation under consideration must be properly targeted. We should target those ongoing projects which

have proved effective, are proceeding on schedule and, therefore, have the maximum potential for success in our local and national efforts to restore economic vitality and full employment.

Mr. NATCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. DIXON).

Mr. DIXON. Mr. Chairman, although I rise in support of this emergency appropriations legislation, my enthusiasm is tempered by the realization that it does not begin to address the unemployment crisis and the attendant social problems resulting from the economic policies of this administration.

While in support of this measure, I ask how long the American people must wait before a comprehensive approach stimulating employment, economic productivity, and community renewal will be enacted for our Nation. This emergency package may put out some brush fires, but America's bitter economic stagnation will continue to smolder and flame until meaningful jobs legislation is addressed.

It was also disappointing that unseccessful amendments in committee to increase funding for essential health and human service programs were defeated not on their merits, but because additions beyond the President's minimal program might prompt a Presidential veto. Such action is testimony that this package is more a political accommodation than a full and needed effort to help those most affected by unemployment.

The proposed second phase of jobs legislation must not be similarly limited or compromised because of this administration's marginal commitment to alleviate joblessness. Just 3 months ago, the President forced Congress to abandon a program similar to this bill by threatening his veto. America cannot wait for unemployment to sufficiently worsen so the President might finally acknowledge a Federal role in stimulating job creating and economic productivity. Legislation which would have a meaningful effect on reducing unemployment has been introduced and should be expeditiously considered by Congress.

Congress must have the courage and resolve to promptly consider a comprehensive employment and economic stimulus program, and that the legislation before us today is only acceptable when paired with a measure completing the task which this legislation only begins.

Mr. NATCHER. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. WYDEN).

Mr. WYDEN. Mr. Chairman, Congress has long recognized the national interest in encouraging and promoting the recovery and conservation of discarded materials.

The significant role the Federal procurement process could play in stimulating the growth of the emerging resource recovery industry was explicitly recongnized when Congress enacted section 6002 of the Resource Conservation and Recovery Act of 1976.

Section 6002 requires each procuring agency—under the guidance of the EPA and the Office of Procurement Policy—to procure items composed of the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

The law mandates the EPA to develop guidelines for the procuring agencies to follow in encouraging and promoting the use of recovered materials. The Office of Procurement Policy in the Executive Office of the President was charged with implementing this policy and coordinating it with the other policies for Federal procurement in such a way as to maximize the use of recovered resources.

The law specifically called for EPA to develop guidelines for no less than five product categories by September 1982. Yet, despite explicit timetables in the law, the EPA just produced the first guideline in late January of 1983, for procurement of concrete or cement containing fly ash.

The Office of Federal Procurement Policy has also been unresponsive to the law, and has failed to encourage the procuring agencies to make goodfaith efforts to purchase recycled materials to the maximum extent that is practicable and to review their specifications to insure recycled materials are not discriminated against.

Sadly for our Nation's resource and energy conservation programs—and unfortunately for city and State programs aimed at reducing solid waste disposal costs as well—almost nothing effective has been done so far to comply with these congressional mandates for maximum promotion of recycling of critical materials in the national interest.

I am disturbed over the lapse in implementation of this provision. Since this statutory mandate is already part and parcel of Federal law, I wish to inquire of the distinguished floor manager, if it is the intent of the Appropriations Committee that the Federal procurement policy in RCRA also govern the disbursement of new Federal moneys provided by this legislation?

Mr. NATCHER. Mr. Chairman, if the gentleman will yield to me at this time, the answer to the gentleman's question is yes.

Mr. WYDEN. I very much appreciate the gentleman's answer, and he will yield further, I would just like to ask the distinguished minority member of the Committee on Appropriations if he concurs in the remarks of the chairman.

Mr. CONTE. If the gentleman will yield to me, I agree with my good friend, the gentleman from Kentucky (Mr. NATCHER), and it is appropriate that with the new Federal money provided by this legislation, Congress also reaffirms its recognition that Federal procurement policy can play a very large role in stimulating the market for recovered materials and create jobs in the emerging resources recovery indusry.

Mr. WYDEN. I thank the gentleman and I am very grateful to him and to the distinguished chairman for this discussion on the applicability of section 6002 of RCRA to the procurement process under this legislation.

Mr. NATCHER. Mr. Chairman, I yield 1 minute to the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. I thank the gentleman from Kentucky for yielding this time to me.

Mr. Chairman, this bill contains $50 million for emergency food and shelters to be distributed through a board made up largely of voluntary organizations. I want to be clear that any voluntary organization, whether or not it is a part of one of the umbrella organizations on the board, can be eligible to receive reimbursement under this authority if it meets the requirements of the section.

Also, will the Appropriation Committee ask to audit the $50 million to insure that it all goes to the truly needy and is not ripped off?

Mr. NATCHER. Mr. Chairman, if the gentlewoman will yield to me at this time, I will answer the gentlewoman's question.

In our report on page 33, and I quote in part as follows:

> Participation in the program shall not be limited to private voluntary organizations that are part of a national organization.

And further, I would like to say to the gentlewoman, down about five sentences the report states the following:

> After the funds have been expended, the Federal Emergency Management Agency is to conduct a postaudit of fund utilization.

The answer to the gentlewoman's question is "Yes."

Mrs. SCHROEDER. I thank the gentleman from Kentucky. I appreciate that.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. SHUMWAY).

Mr. SHUMWAY. Mr. Chairman, our Nation faces no greater challenge than that of providing jobs for the unemployed men and women of America. The unacceptably high unemployment rate we currently face is our most serious economic problem. The human and social costs of a situation where over 10 percent of the national work force cannot find jobs is obvious; the direct economic costs, in terms of fore-

gone production and higher budget deficits, are substantial as well.

The Federal Government can play a meaningful role in reducing unemployment. However, it makes little sense for the Government to spend billions of dollars for the creation of temporary public works programs of the type proposed here. The jobs creation value of such programs is highly suspect; one of the problems with the bill is that no one really knows how many jobs would actually be created. Estimates have ranged from a high of 340,000 to a low 90,000. With over 12 million unemployed the jobs created by the legislation before us would at most be a very small drop in the unemployment bucket.

Not only would few jobs be created by the expenditures proposed, the jobs created would be extremely expensive. The high cost of the materials and equipment demanded by public works programs of the type contemplated here results in relatively few jobs per dollar spent. It has been reported in the press that in the first 2 years of existence, each direct and indirect job created by public programs would cost almost $50,000 a year.

The plan before us calls for the acceleration of construction and maintenance projects which include work on highways, mass transit projects, Federal buildings, dams, and veterans' hospitals. Mr. Chairman, I have traditionally supported funding for necessary public works projects throughout the Nation which have been authorized through the required legislative process. In my district, for example, I have supported the construction of the Auburn Dam but believe that the dam should be debated in the House on its own merits, not on the number of jobs it would provide in central California.

Public works projects are a wholly inadequate way of fighting the problem of unemployment. Mr. Speaker, I submit that the passage of this legislation will not have a direct impact on unemployment for a minimum of 18 months. In fact, with recent signs that our economy is emerging from recession, these expenditures could well be counterproductive. The injection of additional stimulus into a strong and expanding economy will only serve to fuel inflation and exacerbate the cyclical swings of the economy.

The capability of public works programs to combat unemployment is limited and, simply put, these programs are too late and too little. The most effective way to reduce unemployment is not through symbolic legislation which appropriates billions of dollars for projects that do little to help the unemployed. Such programs result in larger deficits and higher interest rates and thus threaten to increase unemployment in the long run.

Rather, the most effective way to reduce unemployment is to stimulate economic recovery and growth, so that permanent employment opportunities can be provided by the private sector. I am greatly encouraged by recent signs of economic recovery. For the month of January, unemployment fell from 10.7 percent to 10.2 percent, housing starts grew by 35.9 percent, and the index of leading economic indicators jumped 3.6 percent, the largest such increase since 1950. Key industries such as steel and automobiles are also showing signs of improvement. These figures underscore the growing strength of the U.S. economy—an increasingly healthy economy which is, without a doubt, the best cure for the problem of long-term unemployment.

The expenditure of Federal funds for the creation of jobs is the wrong approach at the wrong time. A jobs program is an inadequate substitute for economic recovery. I therefore urge my fellow colleagues to oppose this symbolic legislation; the greatest contribution Congress can make to reducing unemployment is not through legislating public works programs, but through supporting policies which encourage savings and investment, cut wasteful and unnecessary Federal spending, and slow the growth of Government generally. A strong economic recovery is underway; a healthy economy is what is needed if we are to return our Nation's unemployed to the work force.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma (Mr. WATKINS).

Mr. WATKINS. Mr. Chairman and Members of the House, I rise in support of this bill, and let me say, Mr. Chairman, I think we all hope and pray for a speedy economic recovery for the people of this country.

Let me add: When the United States is at the lowest economic point in nearly 50 years, when you are near the bottom, there is only one way to go, and that is up. That is up and hopefully that is where we are headed.

Mr. Chairman, I want to take a moment to address something the ranking minority Member mentioned in his debate concerning the McGee Creek project in Oklahoma. He mentioned Oklahoma has 6.7 percent unemployment, and that is probably true for the entire State of Oklahoma. The ranking minority Member from Massachusetts is a friend of mine. And hopefully, there might be some money for that project if the Bureau of Reclamation sees fit. In Atoka County where that project is, there is 13.4 percent unemployment. There is 17.3 percent unemployment in the neighboring Pushmataha County. There is 16.4 percent in the coal county just north of Atoka County and there is 15.4 percent in Choctaw County to the south.

That is an economic rural depressed area of chronically unemployed and underemployed in this Nation, that has not been addressed by this Congress or by this administration. The people in rural America are the underdogs of the underdogs. They are the forgotten people.

I regret very much when I find people coming up and attacking a project or an area who do not have the facts concerning the economic situation. Sixty-eight percent of the people have left many of these counties in the 50 years in the search for a job. They have left trying to find a decent fulltime job. Our children still outmigrate and the Grapes of Wrath of our educated young people is continuing.

I ask the people to take these facts into consideration when they vote on this jobs bill. I have asked the leadership of the House and I have asked the administration not to just look at State statistics, but ask, "What about economically deprived, depressed rural areas of this country?" They have been ignored in the past, but hopefully this bill will meet a few of those needs.

I ask you to support this bill.

□ 1330

The CHAIRMAN. The time of the gentleman from Oklahoma (Mr. WATKINS) has expired.

Mr. CONTE. Mr. Chairman, I will yield the gentleman from Oklahoma (Mr. WATKINS) 1 additional minute if he will yield to me.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. WATKINS) request additional time?

Mr. WATKINS. Yes, I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Oklahoma (Mr. WATKINS) is recognized for 1 additional minute.

Mr. WATKINS. I yield to the gentleman from Massachusetts.

Mr. CONTE. Let me tell the Members that when they vote for the Conte-Edgar amendment which targets 75 percent of the money in here for areas of high employment, the gentleman's county will be all right. There will be other places in Oklahoma that will not be all right, but they can gush on those oil wells they have got; they do not need this money.

Mr. WATKINS. Mr. Chairman, I appreciate the gentleman's comments, and I appreciate his concern. I want to invite him to come down to my part of the country one of these days. We have a few endangered species down there, and we have a lot of human beings endangered if we do not build some needed jobs.

I want the Members to know that there is a good Republican or two around this country, too.

Mr. CONTE. Mr. Chairman, I yield 3 minutes to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Chairman, I listened to the speaker immediately before me, and I am sorry that I cannot agree with him.

There will be shouts of triumph and boasts that we have done great things for the unemployed at the end of this day, for this bill's locomotive, extension of unemployment benefits, is powerful and on a fast track. It is the freight it carries, heralded as "hope for the unemployed," that concerns me. It is basically a sham. This is basically a no-work public works package.

When jobs bills are considered, there is a misguided, nostalgic preoccupation with public works. Most of us have heard of the excellent results of public works in the Great Depression. But these are the 1980's, not the 1930's. What was done in the 1930's with shovels and wheelbarrows is now done with bulldozers and trucks. For comparable amounts of money, in equal real dollars, where millions could be put to work in the 1930's, only thousands of unemployed will be put to work in the 1980's.

The reasons for this are fairly simple. The programs of the New Deal were targeted to the unemployed. Jobs under the Work Projects Administration, for example, were given almost exclusively to men and women who were unemployed heads of households who had exhausted their assets. Roughly 95 percent of WPA workers came from the ranks of the unemployed. Few unemployed workers will be hired as a result of the bill before us today.

The workers who will be hired will be mostly from the skilled construction trades. Again, the model of the New Deal does not serve us well. The vast majority of workers under the New Deal programs were unskilled workers.

The proportion of labor to nonlabor costs has changed even more dramatically. Under the WPA, three-quarters of the money went to wages. Under our public works program of the late 1970's, only a quarter of the funds did.

With national unemployment at devastatingly high levels, the temptation is strong to advocate massive, New Deal-style public works programs. Unfortunately, the economic climate of 1983 does not lend itself to the same responses as 1933. A trillion dollar national debt and a $200 billion deficit will simply not accommodate a large public works program designed more to stimulate the economy than to create jobs. By increasing pressure on the limited funds available for capital investment, such programs would most likely be counterproductive.

When one considers the fiscal restraints placed on us by the $200 billion deficit, the predominant use of public works programs, as against other alternatives, is irresponsible, if not criminal.

A little math makes it apparent why public works programs, while they might be justifiable on other grounds, cannot be justified as a good way to create jobs. Every billion dollars we spend can accommodate a million participants in summer youth jobs programs. Or we could pay for 1 million participants in vocational rehabilitation for the unemployed handicapped. That same $1 billion would pay for 500,000 training slots for disadvantaged workers, or 400,000 training slots for dislocated workers—assuming a State match of 40 percent. Or it could pay for 400,000 Youth Conservation Corps slots, or 130,000 Job Corps slots, or 100,000 public service jobs. But if we put the $1 billion into capital-intensive public works projects, we will create only 15,000 to 30,000 jobs.

I just spent the morning listening to panels of unemployed individuals. This past week I talked with unemployed Vermonters. I asked them what their priorities were. They emphasized basically two groups of needs, humanitarian, with emphasis on the unemployed whose benefits have expired, and jobs or training to get jobs.

What are the humanitarian needs? Nutrition, health care, and preserving the home. How much of this bill's baggage is dedicated to this issue? As written, about 5 percent, largely untargeted.

What about jobs? About $3.6 billion is dedicated to public works. That is close to 80 percent. In the last public works go-around, each job cost $64,500 and only 13 percent of those jobs went to individuals who were unemployed. Few if any jobs go to youth, to women, or to unemployed minorities. Nor does this bill target money to areas of high unemployment. It is conceivable that this bill could result in less than 20,000 being hired in a sector which is only 6 percent of our industry.

Yes; this train will go full throttle through the House. But it is bound for something less than glory, and its riders are not quite holy. I reluctantly will support it. It does provide much-needed humanitarian relief. It also shores up the ailing unemployment compensation system. Without it, the unemployment checks will stop in my home State within a week.

In summary, whereas we will spend from $40,000 to $400,000 for each unemployed person helped by untargeted public works, we can train a person to be employed for $2,000 to $4,000, or give meaningful work in other areas for $10,000 per person.

At a time when we need imaginative legislative initiatives to maximize utilization of our limited resources to help the unemployed, we are instead building brick and mortar monuments of monumental waste out of these meager resources.

Mr. Chairman, as to this so called jobs bill, I say a pox on this $4.6 billion hoax.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina, Mr. TALLON.

Mr. TALLON. Mr. Chairman, last year when unemployment in the United States climbed over 10 percent, a national reporter called me and asked for my reaction. Unfortunately, I had to simply tell him that it was nothing new for my district where the unemployment rate had been over 10 percent for the past 2 years. In many of the counties, it was well over twice that percentage.

As I travel in my district, the most depressing sight I see are the hundreds of men and women who want jobs, need jobs to support their families, and for their own self-respect.

This is a serious drain on our economy. We are paying out in unemployment benefits and losing valuable tax revenues. But more importantly, we are letting our most valuable natural resource—our people—sit idle.

We must provide relief for these people who are willing, able, and ready to work, all they need is the opportunity, and this bill is the first step.

As well, this bill provides substantial relief for those unable to work for whatever reasons through humanitarian aid for those who are the greatest victims of this recession.

Other features of this bill that I am particularly pleased to see include the timely and vitally necessary funds for the Small Business Administration. This section of our business economy is suffering greatly, while at the same time, has the capability of providing the majority of American jobs.

As well, the additional funding for the Farmers Home Administration will assist many of those in our rural communities where the recession is bringing back memories of the Depression.

The causes of our national recession are too numerous to mention and too complex to easily explain. There are no easy cures, no magic wand to wave to solve our problems. But we can take action to start the process of recovery by putting our people back to work, by improving our highways, waterways, rails, water and sewer systems, so that the basic structures for industrial growth and economic prosperity will be in place for the future. This bill will provide training for our youth, our displaced workers, and our senior citizens.

But most importantly, I believe the passage of this bill will demonstrate to the American people that their representatives in Government are compassionate people who are willing and ready to use the resources available to

promote the general welfare of its people as stated in our Constitution.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I rise in qualified support of this bill.

There is no question that unemployment and the great need to create productive jobs are our most pressing national problems. The $5 billion urgent supplemental for unemployment compensation is of vital importance to 28 States in the United States, including my own State of Ohio. We are going to have to borrow from the trust fund to pay benefits for this month. So that is very important to us.

Title I is designed to accelerate existing jobs programs. I have reservations, as I say, that the bill does not do all the things we would want it to do, but it does use existing programs and does avoid pressures on the budget. I think President Reagan and House Speaker TIP O'NEILL are to be commended for working together in a bipartisan way to help address our most pressing national problem.

As far as this bill is concerned, some have said that it does not do enough, but as far as the State of Ohio is concerned, using the community block grant program will help Ohio and the country. Our Republican task force which was appointed by the gentleman from Illinois, Mr. BOB MICHEL to study this problem came up with a recommendation that the community block grant program be implemented to help employment. The gentleman from Illinois (Mr. ERLENBORN), the chairman of our task force suggested was of like mind.

I note that if we use the CDBG formula that is presently in place, my city of Columbus will get an additional $2.5 or a total of $8.8 million and the State of Ohio will realize an additional $49 million for a total of $167.6 million. That is a considerable amount of money going into a State which is now third or fourth in the whole United States in unemployment.

Mr. Chairman, I realize that there are signs on the horizon that economic recovery is underway, and these are certainly encouraging signs. We see lower inflation rates, lower interest rates, and a 3.6-percent rise in the leading economic indicators, the highest rise in 30 years. But I do feel that we need this bill for this transition period.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, I thank the subcommittee chairman for yielding this time to me.

Mr. Chairman, there can be no joy in this body today as we begin consideration of this legislation or even if we pass this legislation. I support this legislation. But if there is any question in the people's minds in this country about whether or not the policies of the last 2 years have been an economic disaster, let them understand that for the first time in 30 years, the Congress of the United States is voting humanitarian aid for Americans. Humanitarian aid has been reserved for Third World countries and for countries that had experienced natural disasters, economic disasters, or great poverty. We find that in America today, we have experienced all three. And so this legislation provides us emergency medical care for those who are without.

This bill also provides food for those who lack nutrition. This bill provides for blankets for those who do not have heat, and it provides jobs for those who do not have jobs. No longer will this country allow this Congress to debate real jobs versus make-work jobs, Republican jobs versus Democratic jobs. What the 12 million unemployed in this country want is jobs. Let us debate that after the fact.

So I would hope that we understand that we can measure the last 2 years' economic performance by the fact that this is only the first phase. We still have to come back and ask for additional money for the unemployed, additional health services for those without health care, and additional nutritional dollars for those without adequate diets in this country, and they number in the tens of millions.

So I would hope that the Congress would understand that this is a sad day in this country and a sad day in this Congress, because we have followed an economic policy that has led to the Congress voting disaster aid for the United States of America, supposedly the most wealthy economy in the world.

Mr. Chairman, I would like to ask the subcommittee chairman a question with respect to one section of the legislation.

The CHAIRMAN. The time of the gentleman from California (Mr. MILLER) has expired.

Mr. NATCHER. Mr. Chairman, I yield myself 1 minute, and I yield to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, the gentleman is well aware of the tremendous costs being incurred by school districts throughout the country involved in the detection and abatement of hazardous asbestos materials. It is my understanding that funds included in the emergency jobs legislation before us today may be used for the purposes of detecting and abating hazardous asbestos materials in schools and public buildings, specifically those in the sections entitled, "Maintaining and Protecting Public Investment in Federal Buildings," "Community Development Grants," "To Aid Local Economic Development To Offset Present Business and Plant Closures," and "Providing Urgently Needed School Facilities."

Mr. NATCHER. Yes. Let me state to the gentleman from California, that funds from the sections of this legislation you have just referred to may be used to alleviate the costs of detecting and abating asbestos materials in schools. We are also aware that asbestos materials in public buildings pose a potential health hazard to Federal employees.

Mr. MILLER of California. Mr. Chairman, it is my understanding that this legislation will not mandate any action, but will grant discretion to State and local agencies to use Federal funds in this bill to remedy asbestos emergencies in their communities.

Mr. NATCHER. That is correct, I say to the gentleman from California, (Mr. MILLER). State and local agencies will be able to use funds contained in this emergency jobs legislation, if they so choose, to detect and abate asbestos materials in schools and public buildings.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from Kentucky (Mr. NATCHER) for his answers.

Mr. CONTE. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. DAVIS).

Mr. DAVIS. Mr. Chairman, I have heard some of my colleagues from rural districts around the country talk about their unemployment rates, and allow me to read some distressing, in fact alarming, unemployment statistics for countries in my northern Michigan district:

	Percent
Cheboygan	29.0
Delta	23.2
Montmorency	32.6
Schoolcraft	32.1
Mackinac	40.1
Chippewa	28.4
Ontonagon	42.7

These figures compel me to comment on the so-called jobs bill we are considering today.

Now, let me share with my colleagues the unemployment rates for areas in other parts of the country:

	Percent
Boston	5.6
Miami	9.6
Long Island	5.9
Philadelphia	8.6
Sacramento	11.9
Hartford	6.1

The most glaring difference between these communities and those in my district is not the obvious disparity in unemployment rates, but that they will be the benefactors of this bill, in Federal construction projects, and my district will not.

The almost 50,000 unemployed forest products employees, iron ore miners, copper miners, shipbuilders, cement and other workers in my district can expect no relief from this bill.

With the exception of funds for military housing improvements to K. I. Sawyer AFB and those funds that will find their way to northern Michigan from the formula funded humanitarian programs, we have been ignored.

Few of my colleagues can appreciate what it is like to have almost one of every four constituents out of work. When people in certain parts of our country are suffering the effects of our present economy at a rate three or four times the national average, those citizens must be helped first. The time has come to put parochial interests aside.

No Member of this body was as heartened as I at the prospect of a jobs bill. I had hoped that high unemployment areas would be targeted when determining those Federal projects to be funded. The traditionally ignored rural areas have been forgotten again. I will vote for this bill, but only because to do otherwise would deny my district even those small benefits from the humanitarian programs and because I recognize the national need. I am deeply disappointed with this bill.

□ 1345

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, this bill would appropriate $4.6 billion in additional funding in fiscal year 1983 for programs to create jobs for repair and rehabilitation of public facilities, resource conservation projects, park improvement and maintenance and urban renewal and community development programs.

Of the total amount in this bill, there is $75 million for maintenance and repair at various VA facilities. According to the committee report, some 3,000 jobs would be made available by the $75 million appropriation. According to the Congressional Quarterly and other news stories which recently appeared in various papers and periodicals, the $75 million for the Veterans' Administration is a compromise that has been worked out.

I commend my good friend, Chairman BOLAND of the HUD-Independent Agencies Subcommittee for including in the bill funds for maintenance and repair of VA facilities; however, I am disappointed that veterans programs are not given the priority they should be in this bill. For example, $90 million is contained for repair in prison facilities—$15 million more than that for repair of VA hospitals. This emergency jobs bill contains $32.4 million for employment and training assistance for the Job Corps; $100 million for summer youth; and $75 million for displaced workers. It contains $25 million for older Americans employment.

Mr. Chairman, I am not being critical of the funds contained in this bill for these programs, but I take the time to call to the attention of my colleagues that no group of American citizens deserves higher priority than do Vietnam era and disabled veterans. I want my colleagues to know that our Subcommittee on Education, Training and Employment, chaired by the distinguished gentleman from Texas, MARVIN LEATH and the ranking minority member, GERRY SOLOMON, is developing legislation that would create a 2-year emergency jobs program for these veterans, and we have asked the Budget Committee to make certain that the budget resolution contains funding levels necessary to fund this program. We cannot justify employment and training assistance for all of these other groups of citizens while ignoring veterans.

Mr. LEATH will be introducing the legislation within the next 3 or 4 weeks, and I hope that my colleagues will join him in cosponsoring the bill.

The latest statistics show that in January, 883,000 veterans were out of work. Most tragic is that there are 217,000 Vietnam veterans between the ages of 25 and 34 that have been unemployed for 15 weeks or longer.

Mr. Chairman, I know the leadership of the House will support us in our efforts to assist veterans in obtaining jobs. I want everyone to be aware that the Veterans' Affairs Committee is not forgetting the terrible difficulty being encountered by so many veterans who are being displaced and out of work. We are moving to do something about it, and I hope we will have a bill reported by the full committee no later than May 15 so that we can consider it on the House floor.

Mr. CONTE. Mr. Chairman, I yield 5 minutes to my good friend, the gentleman from Michigan (Mr. PURSELL).

Mr. PURSELL. Mr. Chairman, I think many of us have been seriously concerned not only with the national unemployment figure but the lack of targeting and probably the lack of retraining money in this bill. I see two major flaws. The first is the lack of targeting to the high unemployment areas that have been expressed by some Members in areas of high unemployment.

So I want to congratulate the gentleman from Pennsylvania (Mr. EDGAR) and the gentleman from Massachusetts (Mr. CONTE) for sponsoring an amendment yet to be debated this afternoon in regard to targeting, particularly the discretionary money that will be used in States and areas of high unemployment in the Nation.

Without that amendment in the bill, the bill lacks a lot of credibility and should be defeated.

The second concern is that we have no retraining money in the bill. We are looking for quick fixes here, and Congress and legislative bodies generally talk about quick fixes which is usually bad public policy. I think we ought to look at retraining, because many people who have been unemployed are simply older Americans, displaced people who are in need of new jobs mostly different jobs. I think one of the major weaknesses of this bill is the lack of retraining funds.

A final comment, the Edgar amendment will be discussed later: This is not a regional problem just basically in the Northeast, Midwest. In the States with over 10.5-percent unemployment, the national average, you will find that eight of them are in the South, seven States in the North and three in the West.

So I suggest that we look at this in terms of national interest and concern.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. PURSELL. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I would like to commend the gentleman on his statement. It is not a regional issue, and it is important to target.

The gentleman from Pennsylvania, who is going to offer the amendment on behalf of the gentleman from Massachusetts (Mr. CONTE) and the gentleman from Pennsylvania (Mr. COUGHLIN), and other Members who have expressed a need for targeting to be part of this bill, will be on the floor. I plan to stay here and help Members understand the targeting provisions of my amendment. It does in fact, zero in on those pockets of poverty, those people in areas of high unemployment who most need the resource of a jobs bill.

Mr. PURSELL. I thank the gentleman from Pennsylvania.

Mr. NATCHER. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. LUNDINE).

Mr. LUNDINE. Mr. Chairman, I rise in support of this legislation. I do so not because I believe the provisions of this bill are perfectly drawn, or because I believe that it is a panacea for all that ails our troubled economy. Rather, I am supporting this legislation because I am convinced that it is an important first step in a program that can help our economy become healthy once again.

This bill concentrates on creating jobs and on providing some badly needed assistance to those in our society who have borne the brunt of the economic recession—the unemployed and less fortunate. In addition, this bill lays some important groundwork for further legislation and actions which can form the basis of a lasting economic recovery.

Currently, more than 11 million people remain unemployed. While the economy is sending some early signals that an economic recovery is beginning, most analysts acknowledge that it will be painfully slow. Such a weak recovery will not generate anywhere

near the jobs that are going to be needed to put most of these 11 million Americans back to work within any reasonable period of time.

An argument can also be made that this legislation will only provide a small fraction of the jobs that will be needed to put 11 million people to work. But, by putting 250,000 or more of these people to work we will be providing the economy with some stimulus. In addition, if we can target these jobs to areas of the country with the highest levels of unemployment and if we can take steps to see that these jobs are created quickly, some of the most severe economic dislocation will be diminished.

This bill is not a make work jobs bill. The bill is drawn to utilize some economic development tools that have been effective in the past.

COMMUNITY DEVELOPMENT BLOCK GRANTS

I strongly support the provision which provides an additional $1.25 billion in funding for community development block grants under the Department of Housing and Urban Development. These grants have been used very effectively by both large and small cities to expand public facilities, promote commercial and industrial programs, and encourage other economic development and job creating activities.

I must object, however, to the Appropriations Committee's plans to subject only $1 billion of this additional funding to the traditional 70- to 30-percent allocation between urban entitlement communities and nonmetropolitan communities. The remaining $250 million is placed in a special fund for distribution only among urban communities. This has the effect of reducing the rural share of this additional assistance where in many instances unemployment is just as severe.

URBAN DEVELOPMENT ACTION GRANTS

I also support the committee's rejection of the administration's request to rescind $244 million in prior year funding for the urban action grant program. Nearly 70 percent of these funds had been allocated for projects submitted by smaller cities. Recision of this funding would have meant the cancellation of numerous UDAG grants. Progress on expenditure of these funds have been stalled by the inability of cities to coordinate appropriate financing in this weakened economy and by the administration's reluctance to aggressively administer this program. Disapproval of the administration's request for deferral will continue to make these funds available. However, I do urge that in addition to this everything possible be done to facilitate use of these funds in the areas most in need.

DEPARTMENT OF INTERIOR WATER AND SEWER ASSISTANCE

Another important provision in this legislation is the addition of $39 million in construction funds for sanitation facilities on Indian reservations. In recent years, millions of dollars in Federal financing for the construction of Indian housing has gone unused because of a lack of water or sewer facilities. The additional funding provided will permit the construction or rehabilitation of more than 6,500 Indian housing units, providing hundreds of new jobs within Indian reservations and in nearby communities.

SOIL CONSERVATION

The addition of $25 million in loan funds for soil conservation activities is also urgently needed to provide additional jobs in rural communities and in protecting future employment in agriculture. Recent reports indicate that the levels of wind and water erosion on our Nation's farmland have reached critical proportions. The additional funding for soil conservation efforts provided in this bill offer important steps toward addressing the serious problem of farmland preservation.

OTHER IMPORTANT ASPECTS OF THE BILL

This legislation will also finance efforts to assist small businesses, to improve the quality of our parks and recreational facilities, and to support energy conservation efforts for low-income homes. Services will be provided and programs continued to help meet the needs of our senior citizens and the unemployed; $75 million will be made available to purchase, process, and distribute surplus perishable commodities to those who need food assistance. An additional $50 million will be appropriated to private voluntary organizations for emergency assistance for shelter and food for the homeless. Finally, $5 billion is to be made available under the terms of this bill to provide additional weeks of unemployment compensation to those who are unemployed. Without this assistance, by the middle of March, funding shortfalls will begin to occur in the unemployment compensation program.

As careful examination of many of these provisions reflects, this bill is indeed needed to address the fallout from the prolonged economic recession of the past year and to contribute to getting the economy moving again.

Beyond this, however, I am supporting this legislation because it candidly recognizes that this is only the first step toward solving our economic problems. The American people know our economy is not functioning properly. And they know that this bill by itself will not bring it back to health. They expect and deserve more from us in the future months.

As a step in the right direction, this bill recognizes that we must have a responsive monetary policy to continue to encourage economic recovery. I support the language included in the committee report accompanying this legislation urging the Federal Reserve to continue to take action to reduce interest rates. As was recently stated in the March 7 issue of Business Week,

> The course of interest rates continues to pose a threat to the economy. . . . In the near term, stable or falling rates would be a big help to such interest-sensitive sectors of the economy as housing and autos. But over the longer run, relative low interest rates will be vital to maintaining the expansion. Although consumers can get the recovery started and sustain it for a while, capital investment will have to kick in to keep the economy moving.

The article goes on to point out that capital spending is still falling.

The authors of this legislation also wisely acknowledge this as only one phase in what must be a much larger legislative effort by the 98th Congress. The bill appropriates $500,000 to the Department of Treasury to prepare a plan within 30 days for submission to the Congress for creation of a Reconstruction Finance Corporation-type governmental entity to help restore economic vitality to our economy.

In doing so, this legislation is correctly recognizing the fact that many of the problems which plague our economy are structural and long term in nature. Solutions to these problems are going to require Federal financial assistance to insure that funds are available to address this economic transition at a pace that will facilitate modernization of our industrial base and enhance our international competitiveness.

I will be especially interested in the attitude the administration takes toward the mandate in this legislation for recommendation of a plan for a development bank. I urge the members of this body to be particularly attentive to it as well. Such a developmental institution does not have to be, as many fear, an institution which picks "winners" and "loosers." Rather, it can be designed to react to market signals and to support and industrial strategy that is based on the development of consensus between the major stakeholders in our society—high tech and declining industry, government, labor, and public interest groups such as small business, environmentalists, and consumers.

DAVE BONIOR, LEE HAMILTON, and I have introduced legislation we initially proposed last year to establish a National Industrial Development Board. This board is designed specifically to assist with coordination of an industrial strategy aimed particularly at goods which are traded internationally. It would be designed: First, to provide credible information and an early warning mechanism regarding the problems plaguing these industries now and in the future; second, to forge

consensus between the major stakeholders in our society regarding the necessary tradeoffs that must be made to insure stability and long-term economic growth in the industrial sector; and third, to make recommendations to the Congress regarding policy initiatives needed to maintain international competitiveness so that we can keep our economy moving.

An advisory board such as we have proposed, properly structured, and coupled with a development bank which places equal emphasis and importance on rationalization and modernization of declining industries, support for emerging industries, and development of public infrastructure improvements to complement industrial development can take us a long way down the road toward implementation of a long-term economic program for our country.

Without such an effort, we will not be able to compete effectively internationally and long-term economic growth will continue to elude us. In the interest of advancing the dialog in this body on this very important subject, I commend the committee for including in this bill moneys for the administration to develop a recommendation for long-term economic recovery for our country.

In summary, this bill is a necessary first step, not alone a sufficient measure to restore economic vitality to our country. It will create badly needed jobs, and provide badly needed relief to the hungry and the homeless. But, in order to avoid having to come back time and again to pass additional emergency bills of this type, we need as soon as possible to get on with development of additional legislation to address the problem of long-term economic recovery for our country.

Mr. CONTE. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, let me briefly outline some differences between the substitute that I plan to offer and the committee bill.

I will just try to hit some of the highlights of my substitute.

There will be some general provisions in my substitute. The first would target at least 75 percent of the job creating funds in title I to be spent in areas of high unemployment or labor surplus areas. I have been working on this amendment with the gentleman from Pennsylvania, Mr. EDGAR. He has the right to offer it to the committee bill, and will do so. And if that amendment is adopted, it will appear again in my substitute. For my colleagues information; my substitute will include everything that is in the Committee bill, plus an amendment that are adopted, except for the changes that I am suggesting.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, I appreciate what the gentleman is doing, and I am particularly interested in the targeting to high unemployment areas.

How does the gentleman describe "high unemployment"? And how would it be targeted?

Mr. CONTE. Seventy-five percent of the funds will be targeted to areas of high unemployment, which is defined as 90 percent of the national average, which today would be, roughly 9.5 percent.

Mr. KAZEN. Let me tell the gentleman, what worries me in the bill that is before us now and probably in the bill that the gentleman is going to offer, I have counties in my district with as high as 38-percent unemployment and we need work.

Mr. CONTE. The gentleman's district would be in good shape under our amendment.

Mr. KAZEN. This is what I wanted to find out.

Mr. CONTE. The gentleman's district is going to be all right under our amendment, you can count on that.

Second, I have included strong language prohibiting discrimination on the basis of sex, and requiring equal opportunity in all hiring under this bill. That language also contains a strong commitment to equal pay for equal work, which will go a long way toward opening this bill up to unemployed women who make up a very small portion of the construction trades, toward whom the committee bill is geared.

My third general change will make funds available for all programs in this bill only to the end of fiscal year 1983. This is supposed to be an emergency bill, a job creating bill. And, as it appears from the morning news report, we are finally moving on to economic recovery. Any stimulus that needs to be applied should take effect this year. Funds that would not be obligated until fiscal year 1984 and beyond can and should be included, if necessary, in our regular fiscal year 1984 appropriations bills.

In addition, in part to reflect the impact of targeting and our fiscal year limitation provisions, certain programs are proposed to be funded at higher or lower levels than are contained in the committee bill. I proposed to cut a highway demonstration project of $33 million. The SBA tree planting program will be gone. Now that we have passed the American Conservation Corps legislation, that should take care of our tree-planting needs. For rural sewers, I will propose a $120 million cut, no more than $80 million can be spent on this program this year. From Soil Conservation Service, flood control, I would cut $100 million, since no more than $50 million can be spent this year. From the Corps of Engineers, construction, I propose to cut $50 million, since no more than $75 million can be spent in 1983.

From the Corps of Engineers, Mississippi River flood control, I will cut $128 million. I understand that not more than $75 million under this program can be spent this year. For the Bureau of Reclamation, construction, I will cut $25 million, since not more than $25 million can be spent.

And then, Mr. Chairman, I have added $25 million for the repair of Federal buildings. I have added $50 million for airport development grants. There is a backlog of $1.4 billion in approved projects under this program. I will add $240 million for direct loans to low and moderate income homeowners for housing rehabilitation and refinancing, to enable them to bring their homes up to local code. I have added $50 million for the Youth Conservation Corps, which will bring this program to its authorized level, and I have added $135 million—listen to this, Mr. Chairman—I have added $135 million for school and hospital weatherization over and above the committee bill. This is one of the most labor-intensive and worthwhile programs we have, and we might also be able to use it to help take care of the asbestos problem. I have added $15 million for increases in employment and training assistance funds. I have added $30 million to provide for training of unemployed teachers in much needed math and science skills, consistent with the legislation that we passed yesterday. I have added $50 million for grants to States for labor employment services. I have added $100 million for emergency flood relief to California. I have done all of this, and I am still $31 million below the Chairman's mark. I was able to do all this because I took the pork out of here and I gave my colleagues something that they all could vote for.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Chairman, I would like to rise in very strong support of the substitute which the gentleman is offering. I think it is an enormous improvement over what we are being offered here today.

Mr. Chairman, while the bill we have before us today represents an improvement—albeit a lodestone—over the so-called jobs bill we considered during the lameduck session it still leaves a great deal to be desired. Last year's $5.4 billion bill contained a huge $1 billion emergency makework jobs provision. It was my experience as Chief Counsel of the Economic Development Administration that such efforts have been tried and failed. The cost per job was too high; a new bureaucracy needed to be treated; and

the program was fully implemented only long after the recession had ended.

There are some provisions of this bill that are worthy of support—indeed the supplement of $5 billion for unemployment compensation benefits for those who have exhausted their sole means of support short of public welfare assistance—cries out of our support. I am also pleased to see $200 million included for the economic development administration's traditional programs. Because of the failure of EDA to obligate funds for projects which are ready to go to construction, there are a great many of such projects in the pipeline which could be gotten underway immediately.

But as reported from committee H.R. 1718 contains many, many offensive aspects. I am particularly offended by the public works components in the bill. I am a member of the Republican Jobs Task Force which drew up a number of standards on principles by which to judge any jobs proposal.

Those six basic principles are:

First. The utilization of existing programs and projects to best serve the immediate employment needs of the Nation;

Second. The adherence to the basic spending limitations recommended by the administration in order to minimize any adverse impact on current deficit projections and interest rates;

Third. The selection of public works projects that will enhance national productivity or directly address the problems of a neglected national infrastructure in those areas where these problems are the most severe;

Fourth. The selection of public works projects that are the most labor intensive;

Fifth. The selection of projects, with the exception of those meeting the criteria of No. 3, located in urban and rural areas of high unemployment; and

Sixth. The special consideration of the employment needs of women and youth in the implementation of programs and projects funded under emergency jobs legislation.

The public works portions of this bill fail to satisfy almost all of these principles. Too many of these projects will not get underway until too late. They will help balloon the deficit because substantial amounts of new money are authorized. There is no effort made to insure that the most labor intensive projects are funded.

But by far the most egregiously offensive aspect is the blatant pork barrel approach. The Republican Jobs Task Force recommended that public works projects should be targeted on neglected infrastructures in areas of highest unemployment. The only areas that are targeted in this bill are the congressional districts of members of the Appropriations Committee.

In the designation of specific projects for highway demonstrations, for mass transit, for Amtrak, and rumor has it, for flood protection there is no consideration given as to the unemployment rates in those areas. Are these really the areas that are really the most distressed and deserving of our largess. We do not know but I doubt. There is also no evidence that these projects are the most needed when compared with competing projects from other areas.

That is why I believe that we must correct this critical defect in this bill by passing the amendment that will be offered by Mr. EDGAR. This amendment will insure not only that the money is equitably distributed but that it is distributed to areas of greatest need—those with the highest unemployment. If we are going to have a jobs bill—let us at least put the money where the jobs are desperately needed.

Mr. CONTE. I only hope that our colleagues are watching this debate on television in their offices, because after hearing this description, I do not see how they can vote against my substitute bill.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN of Florida. Mr. Chairman, I rise in strong support of this legislation and urge all my colleagues to support this effort to accelerate our Nation's economic recovery.

As reported, the transportation component of this bill would provide additional obligations of $753 million. This includes $533 million for highways, $110 million for mass transit and $110 for railroad improvements.

There have been several allegations that these transportation funds are targeted to just a few areas. Such allegations are misleading unfounded and incorrect. The truth is, every State in the Union would receive part of this $753 million, and no one State would receive more than 8 percent of these funds. For example, under our recommendations, Pennsylvania would receive the largest amount, $59.6 million; New York would receive $53 million; California would receive approximately $50 million; Texas nearly $30 million; Florida about $52.5 million; and New Jersey nearly $32 million.

The following list shows a State-by-State breakdown of the transportation funding recommended by the committee:

Alabama	$10,322,000
Alaska	6,671,000
Arizona	6,874,000
Arkansas	5,364,000
California	49,919,000
Colorado	7,811,000
Connecticut	22,606,000
Delaware	4,414,000
Florida	52,497,000
Georgia	15,657,000
Hawaii	4,697,000
Idaho	3,389,000
Illinois	25,201,000
Indiana	9,028,000
Iowa	6,779,000
Kansas	7,015,000
Kentucky	10,191,000
Louisiana	13,804,000
Maine	2,753,000
Maryland	33,721,000
Massachusetts	42,914,000
Michigan	18,667,000
Minnesota	13,483,000
Mississippi	6,091,000
Missouri	11,255,000
Montana	4,722,000
Nebraska	4,787,000
Nevada	3,133,000
New Hampshire	2,553,000
New Jersey	31,783,000
New Mexico	4,311,000
New York	52,966,000
North Carolina	11,237,000
North Dakota	3,489,000
Ohio	15,312,000
Oklahoma	6,819,000
Oregon	8,149,000
Pennsylvania	59,639,000
Rhode Island	5,407,000
South Carolina	6,724,000
South Dakota	3,590,000
Tennessee	10,130,000
Texas	29,042,000
Utah	5,166,000
Vermont	2,475,000
Virginia	12,740,000
Washington	13,296,000
West Virginia	7,541,000
Wisconsin	7,259,000
Wyoming	3,571,000
District of Columbia	3,004,000
Puerto Rico	2,032,000
Unallocated	41,000,000
Total	753,000,000

As the table indicates, contrary to some recent misleading statements and inaccurate articles, the transportation component of this bill is national in scope.

I also believe that all of these transportation funds can be obligated on a timely basis. Estimates which we have received from AASHTO indicate that at least $12.6 billion, the level recommended in the bill, can be obligated during the current fiscal year for highway projects.

The National Railroad Passenger Corporation, Amtrak, has assured us that the full $110 million included in the bill can be obligated rapidly and will assist in rebuilding our Nation's railroad infrastructure.

With regard to the mass transit section, the bill includes $110 million. Under the rule, the gentleman from New Jersey (Mr. HOWARD) will, as I understand it, offer a motion to increase this amount to $171 million and will insert language disapproving the deferral of $229 million in transit formula grant funds provided by the recently enacted gas tax legislation. I certainly have no objection to this effort to provide increased funds for mass transit and intend to vote for that amendment.

Clearly, this bill will improve our Nation's transportation system. It will provide funds to every State in the Nation to put our citizens back to work and to help them get to work.

I urge all Members to support this bill.

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Mr. CONTE. Mr. Chairman, I yield 5 minutes to my good friend the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, there needs to be some perspective applied to our debate here today.

Nearly all of the economic indicators we have seen in recent weeks tell us that this Nation is on the road to economic recovery. We are indeed on the threshold of a sustained period of economic growth.

It is up to us in Government to nurture that growth and to help it all we can.

While the prospects for economic recovery across this Nation are good, they are not good enough for me. They are not sufficient for many in this House who represent districts like mine.

In Peoria and Pekin and Decatur and other areas of my district the unemployment rate is not 10 percent or even 12 percent. It is upwards of 17 percent.

Some of that unemployment in my district has been caused by a 6-month old strike in my largest industry that continues today. Some of it was caused by the worldwide recession. Some of it was caused by two decades of criminal neglect of our industrial base, our ability to produce our commitment to a free and competitive system of private enterprise.

Regardless of the cause for us, it is not enough to wait for recovery. The problems are too severe, the solutions too long in coming and the needs too pressing.

That is why we have this bill before us today. The intent is to deal with the present problems, the immediate needs of those in Peoria and elsewhere who are running out of time, running out of resources.

The administration recognized those immediate needs. The Congress has recognized them as well. The administration knows and this House knows that we can shift money from one place to another, move up funding from future budgets and offer a small, but significant measure of relief now, without jeopardizing recovery, without refueling inflation, without exacerbating our deficit woes.

That is what H.R. 1718 is supposed to be all about.

Unfortunately, it does not live up to the expectations of those of us who encouraged its creation.

The legislation is inefficient, misdirected, exploitive, and politically tainted.

It is in a word, mediocre.

How on Earth are we going to offer hope and help to someone who has been out of work for months, by spending $50 million planting trees?

How are we going to get a worker back on the job this spring or summer by giving the Corp of Engineers money it cannot physically spend this year, or may very well spend in a State where unemployment is literally not a problem?

How can we fund programs that will create 1,000 jobs when we could spend the same amounts for programs that could create 2,000 jobs?

How can we do that to people in areas with 17 or 18 or 20 percent unemployment? Why would the Congress move in such a misguided way? Look at the programs. Look at the projects. You will find your answer.

This legislation does not target in on the chronic unemployed. We are being asked to send $4.6 billion up in a plane to be scattered across the landscape with little hope of it ever reaching those who need it the most. Some of it will hit the mark, too much of it will not.

This legislation, as well, represents entirely new money. It represents a total disregard for the critical deficit problems we face and throws fiscal responsibility to the wind.

The legislation drafted by the ranking member of the Appropriations Committee restores reason and rationality to the allocation of these funds, and I hope my colleagues will support it.

The Member from Massachusetts directs expenditures to existing programs that stand the best chance of producing the most jobs at the least cost. The Conte provisions rifle shot the assistance to areas of high unemployment and offers the most help to those who need it the most.

That makes sense. That is what this Congress ought to do.

Is it so difficult for us to simply do what is right?

Is it so difficult for us to produce quality legislation?

Is it so difficult to put partisan and personal considerations aside long enough to really accomplish something worthwhile without wasting time, the taxpayers money or the energies of the people who are ready to go to work?

Let us clean up this bill and send it to the other body today with the confidence that what we have done is the best we can do.

Mr. NATCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, this is really our second attempt at putting together a jobs bill that will provide essential work as soon as possible. The Members will recall that last December we had included a $5.4 billion jobs bill in the continuing resolution. The President made it very clear to the Appropriation Committee conferees that if that $5.4 billion was included in the continuing resolution, he would veto it. In short, we did not have much choice. It was either shut down the Government for 3 or 4 days with no assurance an attempt to override would succeed—or give up at that time and come back with the proposal that we have before you today.

I know that there has been a number of Members express views that this is not a jobs bill—that it is not a good bill. I would agree that it is not perfect. But I would challenge any chairman or subcommittee chairman in this House to tell me, that he brings out a perfect bill. This bill was not easy to put together. What we tried to do is to draw some kind of balance between those programs that provide jobs quickly—those programs that involve humane issues such as $50 million for soup kitchens—and those programs that are targeted at areas of higher unemployment.

We may not have arrived at a perfect balance—we did the best job we could in a very short period of time. So while this may not be a perfect bill—the President has said he can support about 75 percent of it—and I believe we should send it down to the White House in its present form and get it signed and get the money out there and start providing jobs. We can stand around here for the next 5 weeks and debate what should go into a jobs bill. But that is not going to get the money out and get it to work.

The HUD Subcommittee has several items in this bill. Let me review them for you.

We have provided an extra $75 million on top of the approximately $70 million assumed in the 1983 appropriation for maintenance and repair projects at Veterans' Administration hospitals. This type of work is handled at the local level for the smaller types of construction projects—and I might say for the smaller contractors. These projects usually run anywhere from $50,000 to $400,000. These projects are capable of generating jobs in a very short time and it will be extremely helpful to hospitals to get these small construction projects underway. Very often, in the budget crunch each year, it is the maintenance and repair line item that gets either cut or severely restricted. This small amount of extra funding is just the kind of thing that meets the ticket for the Veterans' Administration and creates jobs.

We have included $1,250,000,000 for additional jobs under the community development block grant program. It is anticipated that this will create about 80,000 jobs—and in that connection, I want to point out that the

CDBG program produces jobs at one of the lowest cost per job rates of any program we have here before us. The cost per job is roughly $15,000.

Now the $1,250,000,000 is broken down as follows. The first billion dollars is allocated on the basis of the 70-30 formula currently carried in the existing authorization law. That means that 70 percent of the billion dollars will be made available under the formula entitlement provisions to the metropolitan cities. The remaining 30 percent will be made available primarily through the State governments, to the small cities—which are those of under 50,000 population.

The second part of the CDBG funding is contained in the $250 million provided only for metropolitan entitlement formula cities. We have also included language that these funds shall be available in metropolitan cities that have high unemployment.

In connection with the CDBG funding, we also added a provision which sets aside the 10-percent limitation on the amount of funds that can be made available under this program for public service jobs. Public service type jobs include mental and health counseling—day care centers—et cetera. The 10-percent limitation was contained in the Omnibus Budget Reconciliation Act of 1981—and I want to make clear that we are setting aside that limitation only for the purposes of this jobs bill in order to insure that there is an equal opportunity for both women and men to share in these emergency jobs.

The report accompanying the bill also restricts the use of the moneys primarily to "light construction" work. That restriction should help put these funds to work as quickly as possible. I know that CBO has estimated that a substantial part of these funds will not be outlayed until fiscal years 1984 and 1985. However, the important point to remember is that the projects will get under way within 6 months to a year and will insure that the construction industry has a strong and vigorous recovery from the recession.

Mr. Chairman, we have also included $50 million for a new program to help private charitable organizations feed the very needy and unemployed. What we have done is very similar to last December. We have appropriated the money to the Federal Emergency Management Agency—which will be responsible for auditing the funds—and directed that the funds be granted to a national board that consists of representatives of major voluntary organizations and FEMA.

Now I will be the first to admit that we are charting some new ground here—and we may have to make some minor adjustments in this approach. But I do believe that if you have watched television during the past 8 to 10 weeks you cannot help but come away with the feeling that the private agencies are doing a good job of setting up soup kitchens and trying to feed people who have just plain run out of money—or have not got a place to sleep. Last Sunday, for example, there was an excellent article in the New York Times on St. George's Episcopal Church in Manhattan which is running a temporary refuge for about a dozen homeless men and women. These private agencies, such as the Salvation Army and the local church in your community or local charity under the United Way, have put together these programs with very limited resources. The fact is that they are strapped for money and we felt they could do the best job in getting out funds for food and shelter to those people who need it immediately. What we are hoping for is that this effort will provide the kind of a one-time emergency shot in the arm to get hot meals and some decent shelter for an increasing number of Americans that simply cannot afford it.

I know some of you might ask the question "Isn't that what food stamps are for?" The answer is that there are literally hundreds of thousands of Americans that slip through the cracks in connection with the food stamp program. Very often these people do not have kitchens—or they have nowhere they can really call home—and therefore, they do not really have cooking facilities. That is the group we are targeting, and regrettably, that group is getting larger with each passing month.

I know that there are many of you here that will ask, "Why did you not fund this through the States? Why did you not fund this through some existing program in the Department of Health and Human Services? Why did you not fund it this way or that way?" I will grant you we could have taken other approaches. But we felt that this was the best approach to get the money out as quickly as possible with the least bureaucratic delays and with the least administrative costs.

In addition to the jobs bill items, we have included language disapproving two deferrals—one relating to assisted housing and one related to the urban development action grants program. The committee report spells out the details.

Mr. Chairman, an amendment will be offered to this bill to increase funding for health services to the unemployed. The amendment will increase funding for direct health services to unemployed and destitute families by $200 million. It is estimated that these funds would permit 1 million additional patient visits over the next 12 months and create about 10,000 new jobs. Approximately one-half of the money will be focused on maternal and child health and the remainder will be divided between community health centers and grants to States to assist public hospitals and emergency services at community hospitals. This amendment makes sense and I intend to support it.

I would hope that you will give this bill a chance to work and I think it will work.

Mr. NATCHER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Louisiana (Mrs. BOGGS).

Mrs. BOGGS. I thank the chairman for yielding.

Mr. Chairman, I rise to pay particular expressions of gratitude to the members of the committee and the leadership of the committee on both sides of the aisle for recognizing that over 40 percent of the work force in this country is made up of 50 percent of the population, women; also to recognize that among those people who are numbered among the unemployed, 43 percent of them are women.

Also I would recognize further that among the households with children in the family that are headed by a single parent, 15.9 percent of those households are headed by women and among those women the percentage of unemployment is 11.9 percent.

So I was especially grateful to the committee for seizing the leadership role making the supplementary funds in the community development block grant program available to the public service jobs in which women are usually employed. These are very labor-intensive jobs and are very important to the employment of women.

I would like especially to say that lifting the cap of 10 per centum on the amount that can be spent in these public service areas has probably done more to assure the working women of America and the women who wish to be at work in America, more than anything else I can think of, that this Congress and this committee is truly dedicated to making certain that women share equally in the economy of this country.

I thank the committee with all my heart for having included them in this bill.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

I just want to make one point. I want to commend the gentlewoman in the well for her remarks. Because of her interest in community development grants, I wanted her to know that in the substitute that we will offer, we provide $240 million for this program over and above the so-called Whitten bill, intended for housing rehabilitation. I also wanted to draw the gentlewoman's attention to the fact that I have included strong language in my substitute prohibiting discrimination on the basis of sex and requiring equal opportunity in all hiring under this bill. That language also contains a strong commitment to

equal pay for equal work which goes a long, long way, I think, toward opening this bill up to unemployed women.

I just wanted to bring those facts to the gentlewoman's attention once again.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. I thank the gentleman for yielding because there has been no stronger advocate of women's rights and women's promotion than the gentleman from Massachusetts.

I would like to say, however, that I thought the purposes of our bill and the report language that accompanied it did indeed lift the cap completely so that the resources in whatever amounts deemed advisable would be made available to the communities who under the law must indeed vote on the kind of grants they wish to participate in.

Mr. CONTE. I thank the gentlewoman.

Mr. NATCHER. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. DERRICK).

Mr. DERRICK. Mr. Chairman, I rise in support of H.R. 1718, which will provide emergency expenditures to meet national needs.

There can be no doubt that the national needs are great at this moment. There are some 11.4 million Americans unemployed. We are paying unemployment compensation to these unemployed workers at a rate of $32 billion a year. Business failures are up 49 percent over last year. Nearly one-third of our industrial capacity is not being used.

In my own district in South Carolina the unemployment rate is 12.5 percent 2.1 percent above the national average. The textile industry, which employs one-third of the labor force in South Carolina and produces one-third of all fabrics made in the United States, is in dire straits. There were 17 textile plant closings in South Carolina last year, 16,000 textile workers are now unemployed. These people have very few job opportunities now, and little chance of ever returning to the jobs they have been trained for. We need to offer people like these—the victims of the current recession and the long-term structural changes in our economy—both immediate help in the form of short-term job opportunities and humanitarian aid and long-term help in the form of retraining for jobs in the emerging sectors of our economy.

I support this bill because it does provide some of this help. It does not do nearly enough. Less than $5 billion simply will not meet all of the needs of this Nation's unemployed. I support this bill, however, because I understand the political pressures from the White House that prevent us from doing more at this time, and because I hope that we will move quickly to do more.

Let me just mention one example of how we should be doing much more. The displaced workers program, established by the Jobs Training Partnership Act, provides exactly the kind of retraining that the displaced textile workers in my district need to prepare themselves for work in the new industries we all hope will flourish in the coming years. Piedmont Technical College in my district has obtained funds under this program and already has a class of 30 displaced workers preparing for new careers. The problem is that we have not allocated nearly enough money to this program. The program is authorized for $250 million in fiscal 1983, but we have only appropriated $25 million for it. This legislation before us today will add $75 million for the program. This addition helps, but the structurally unemployed workers in my district, and in 434 other districts around this country, deserve more. I hope that this Congress acts quickly to provide more of this and other kinds of assistance to the 11.4 million unemployed workers in the country.

More than 4 hours of testimony yesterday by Members from all around the country before my colleagues and me on the Rules Committee made clear the concerns that we all have about the unemployment crisis in this country. It also made it clear that this bill will not solve all of the problems we face. I believe that the amendments that we made in order, especially the Edgar amendment to target the money toward areas with particularly severe unemployment, will help this bill to do more to ease the suffering of our unemployed citizens and their families, but we are kidding ourselves and our constituents if we think that this ends our responsibility to deal with the problem.

I hope my colleagues will support this bill, and the amendments that will be offered to it. It does not go nearly far enough, and it contains some provisions I take strong exception to, but I cannot turn my back on a chance to provide at least some relief for the acute distress of more than 11 million Americans. I urge you to join me in voting for this bill, and then join me in working to enact legislation which will do more to meet the national needs.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in the explanation of my substitute I left out a couple of I think very important items that we are putting into this substitute.

I add $50 million to the State employment services under title II to fund 3,300 additional staff to help our unemployed locate jobs. Labor groups have been after this committee to add this money ever since the supplemental started kicking around. I think this is a very, very important item, and it is strongly supported, I might say, by the AFL-CIO and all labor groups.

I have also added $15 million more in my substitute to jobs training money for displaced homemakers entering the labor force. This program is authorized in the Jobs Training Partnership Act, and this is one more example of how this substitute is more responsive to the needs of unemployed women than the committee bill.

Again I emphasize the strong anti-sex discrimination provisions. I have not seen too many women on these big dredges down there on the Mississippi River.

Mr. NATCHER. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Chairman, I have a very deep interest in this bill because I think I represent one of the highest unemployment areas in the entire United States and am looking for help in its provisions. Let me just give some figures.

I stand here and listen to you people that are complaining because your districts have 14 percent unemployment. In my district, Webb County has 27.4 percent unemployment. Maverick County has 38.2 percent. Dimmitt County has 14 percent. Zavala County has 19.8 percent unemployment, and so it goes in my district, keeping in mind that the average rate in the county is 11.4 percent.

Therefore, my interest in this bill is intense. I wish I had the time, and probably will take the time under the 5-minute rule, to ask some questions about which one of these bills, and which of these amendments are going to help my district.

I want to get work for my people who are unemployed, and have been unemployed for such a long time. I want to make sure that funds are being targeted into areas like mine.

Mr. NATCHER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I am pleased to stand in the well as a person who will offer the amendment on targeting. I think it is appropriate following my colleague's comments previously to simply state that his communities will be helped very much more under a targeting provision of either the Conte substitute or the committee resolution.

Let me be very specific. There are $4.6 billion worth of funding in the bill. The targeting amendment which I will offer relates to $2,450 million of that, or a total of 52.7 percent of the entire bill.

Let me explain specifically what the targeting provisions would do. (A) At

least 75 percent of the discretionary funds in the legislation would go into area of high unemployment. (B) The definition of areas of unemployment conforms with the Labor Department's designation under the definition "labor surplus area." (C) Eligible criteria are as follows, at least 90 percent of the national average unemployment rate over the last 12 months. That figure is 9.7 percent.

The bottom line is that my amendment targets to pockets of poverty.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. EDGAR) has expired.

Mr. CONTE. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. I thank the gentleman.

Let me just take 15 seconds of that 1 minute to commend the gentleman from Massachusetts (Mr. CONTE) for his leadership not only to the substitute but particulary his leadership in both areas of trying to talk about targeting.

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The gentleman from Massachusetts and the gentleman from Pennsylvania (Mr. COUGHLIN) and others on the Republican side I think have done an excellent job in reminding us we ought not to simply take $4.6 billion and send it out across the Nation to every community, but in fact we ought to target a portion of those funds to the areas in greatest need.

Let me conclude by just pointing out that the eligibility criteria suggest that at least 90 percent of the national average is covered under the bill; presently that would be about 9.7 percent over the last 12 months; 90 percent of that figure is 8.7 percent. So, all of the communities above that would get top priority or 75 percent of the funding. Communities below that would get 25 percent.

I should point out to all Members of the House that exempted programs like humanitarian relief are not covered by the amendment. I urge my colleagues to support this targeting amendment.

Let me clearly explain the Edgar amendment.

My amendment to the emergency supplemental appropriation, H.R. 1718, reported by the Appropriations Committee, contains funding for 45 programs, totaling $4.6 billion. While the report language does contain specific projects and locations for some of the bill's provisions, an area's level of economic distress was not used as an indicator in the selection process. As a result, there is no certainty that the discretionary funds to be appropriated under this bill will go to those people and places suffering the greatest economic hardship.

My amendment requires that 75 percent of the funds for each program included in the Appropriation Committee bill be spent in areas where unemployment is most severe. Exempted from this amendment are the humanitarian aid programs and programs that distribute funds on the basis of a formula. As a result, the Edgar amendment would affect approximately 52.7 percent or $2.45 billion of the $4.6 billion in the bill reported by the Appropriations Committee.

Under the provisions of this amendment, an area would be eligible to receive funds for the 75-percent share if it met one of the following criteria:

It had an average unemployment rate over the past year no less than 90 percent of the national unemployment rate during the same period; or

It was designated a labor surplus area; or

It met the criteria necessary to be eligible for funds under the Urban Development Action Grant (UDAG) program; or

It met the criteria necessary to be considered a pocket of poverty under the UDAG program.

The amendment is purposely flexible in defining eligible areas to insure that the needs of the most economically distressed communities—urban and rural, large and small—are met in the distribution of funds under this amendment.

Finally, passage of my amendment would correct a serious flaw with the emergency jobs bill reported by the Appropriations Committee. The failure to require that the funds under this bill be targeted to those areas of highest unemployment seriously undermines the intent of the bill and brings into question the ability of this bill to meet the goals of providing assistance to those people and areas in greatest need.

Mr. CONTE. I yield myself such time as I may consume.

Let me close by saying one other thing I want to emphasize in our substitute bill for job creation; it is that we add $30 million over and above the chairman's bill to immediately fund part of the emergency math and science bill that passed this House only yesterday; $30 million to fund scholarships to encourage the training of math and science teachers. In my own State of Massachusetts where we have proposition 2½, there are 3,000 teachers that are unemployed, and this $30 million will help retrain those teachers. We have one college already, Westfield State College, which has already started a 9-month program of retraining teachers so they can get back into the classroom, to teach math and science. This bill provides $30 million for that purpose. I yield back the balance of my time.

Mr. DANNEMEYER. Mr. Chairman, this morning the rains and heavy wind endanger many citizens and homes in my home State of California. Evacuations, emergency relief measures, pulling together is the order of the day for those weathering the storm.

This morning we in this Congress threaten a fiscal flood of equal proportions, but that one that will threaten the entire economy. H.R. 1718, the emergency supplemental appropriations bill is nothing less than cloud seeding in an economy that is awash in high real interest rates. And yet we hear this morning that the index of leading economic indicators shot up 3.6 percent in January, the largest increase since 1950.

Let me be clear: I object to the $4.6 billion side of this bill, the one that provides such things as: $75 million for new cars for the Federal Government; States to maintain welfare spending if they want to get any additional title XX money; and funds for fish hatchery rehabilitation.

This is a cynical bill. It hides behind the unfortunate lines of the unemployed. It puts its arm around the unemployed and then reaches deep into their pockets to fund yet another pork barrel project, when some of those families have not seen that kind of meat on their table. It seeks to provide funds to weatherize homes with a bill that can only raise interest rates for those who want to buy their first home.

Let us stop and consider where the $4.6 billion is going to come from. Not from taxes. We are running a deficit. Not from the Federal Treasury. Again, we are running a huge deficit. There is only one other mattress the Congress can look under for funding this program: The private sector captial markets. It is the mattress which supports our economy and which has become terribly shredded in recent years from the excessive weight of Federal spending and deficits. Indeed, Dr. Irwin Kellner, senior vice president and economist for the Manufacturers Hanover has estimated that total Federal borrowing in 1983 may consume more than 90 percent of the net national savings in this country. We are literally draining the pool of savings in this country that will provide for more jobs, more affordable homes, and an expanding economy, a bigger pie.

The economy needs bucks, not Federal spending. The essential ingredient for job creation is capital. This is the very same capital which the lack thereof has so far inhibited such growth. And the shortfall is driven by two forces: Inflation in times past which has resulted in diminished buying power and savings rates, and Federal spending which has consumed as much as 90 percent of our net national savings. What we are faced with as a consequence of inflation and the crowding out of investment captial is a deteriorating industrial base. Hence high unemployment. A so-called jobs

bill will do absolutely nothing but continue, in fact guarantee, the roller coaster ride.

This bill does not create jobs, it takes jobs. Experience has shown that there is litle net job creation when Federal public works jobs program are enacted. This is because the program will cause a reduction in spending for some other Federal program, an increase in taxes, or the displacement of private expenditures due to crowding out.

This bill is not only cynical but unrealistic. Experience shows that public works job bills do not create jobs in time. Although the 1960-61 recession ended in February 1961, antirecessionary measures were still being taken in September 1962 when Congress adopted a $900 million accelerated public works program. The public works impact program was approved in 1972 to fight the recession that ended in 1970. Two public works programs were enacted in response to the 1973-75 recessions. A 1976 program was used to fight the 1973 recession, and a 1977 program was used to fight the 1975 recession. By the time we get the Interior Department wound up to charge into those fish hatcheries with this public works bill, the fish will be long gone.

These programs are not only too late, but too little. The jobs are often of short duration, an average of 4.1 weeks of employment under the 1972 public works program. And these jobs are too little for those unemployed. Very few of the jobs are actually filled by unemployed workers. Only 12 percent of all such jobs under the 1976 and 1977 public works programs went to the unemployed.

I can only join my colleague, Mr. CONTE of Massachusetts, who has stated that this "so-called jobs bill (which) is supposed to create jobs and meet national needs will do neither very well."

Are we really serious about unemployment? I think that is a fair question. If we are really serious we will take a close look at unreasonable requirements in the Clean Air Act that are strangling development; at the Natural Gas Policy Act that is forcing consumers to pay more for gas than they should; at transfer programs that maintain the cycle of dependency for too many people; and yes, we should scrutinize weapons procurement policy that lock us into costly, and ineffective defense systems.

If we are serious about unemployment, we will reject this bill and vote to recommit it. Higher and higher deficits have chased people out of work and out of homes and off their farms. This bill puts jobs and homeownership further out of reach for our people.

We are now at a critical point in this economy. There are signs, unmistakable signs of recovery from the long night of inflation. Let us not darken the future with the false promise of another jobs bill.

● Mr. PERKINS. Mr. Chairman, I shall vote for the passage of H.R. 1718, the emergency appropriations bill for 1983, and I urge my colleagues to also vote for it.

My major concern is not what the bill proposes to do by the way of creating jobs, but what it fails to do—and this Congress should be doing.

Some are saying that, taken in toto, the bill will create fewer than 90,000 jobs. While this is about 90 million jobs too few, it is 90,000 jobs and deserves every Member's support.

Some analysts of the legislation are saying that the projects funded are not targeted to the areas of most critical need—to those areas where the unemployment is the highest and where people are desperately looking to their Government for assistance.

This may be true, but operating under the restraints that this is an appropriations bill, utilizing to the fullest extent possible authorizations for public works where they exist, it does call for the construction of much-needed public works.

I am very hopeful that—

The $200 million provided to the Economic Development Administration;

The $200 million provided the Farmers Home Administration for water and sewer grants;

The $150 million to the Department of Energy for low-income weatherization; and

The funds provided for day care, Head Start, and the food and nutrition program will make meaningful impact on the suffering of the people of eastern Kentucky who are facing hardships and unemployment equal to those that confronted us in the thirties.

At this point in the RECORD, I ask that there be inserted the unemployment figures for the counties of the Seventh Congressional District of Kentucky for the most recent month that these data are available.

KENTUCKY LABOR FORCE ESTIMATES, PRELIMINARY DECEMBER 1982

County	Civilian labor force	Employment	Unemployment	Unemployment rate
Total	1,710,548	1,517,726	192,822	11.3
Bath	4,230	3,421	809	19.1
Boyd	23,115	20,189	2,926	12.7
Breathitt	7,548	6,762	786	10.4
Carter	9,128	7,250	1,878	20.6
Elliott	2,975	2,618	357	12.0
Fleming	5,149	4,563	586	11.4
Floyd	17,791	14,576	3,215	18.1
Greenup	17,331	14,231	3,100	17.9
Johnson	8,749	7,581	1,168	13.4
Knott	5,857	4,339	1,518	25.9
Lawrence	3,942	3,323	619	15.7
Letcher	9,185	5,747	3,438	37.4
Lewis	5,267	4,374	893	17.0
Magoffin	6,295	5,446	849	13.5
Martin	8,890	8,343	547	6.2
Mason	9,754	8,935	819	8.4

KENTUCKY LABOR FORCE ESTIMATES, PRELIMINARY DECEMBER 1982—Continued

County	Civilian labor force	Employment	Unemployment	Unemployment rate
Menifee	1,552	1,103	449	28.9
Morgan	4,762	4,040	722	15.2
Perry	14,090	11,666	2,424	17.2
Pike	36,586	30,220	6,366	17.4
Powell	4,438	3,720	718	16.2
Rowan	9,029	8,108	921	10.2
Wolfe	2,128	1,738	390	18.3

Overall unemployment of Kentucky is 11 percent.

As you can see from the county breakdown, unemployment is much more severe in the Seventh Congressional District—which leads me again to the concerns that I have about the passage of this legislation.

I hope that my colleagues—and indeed the Congress—in enacting this into law—and I believe that it will certainly be enacted—will not then declare a victory over unemployment and an end to our legislative efforts to solve the serious economic problems confronting the Nation.

This in only a beginning and only a bare beginning at that.

In one instance, the legislation could have been easily made stronger and could have justifiably been made stronger. This occurs in the last paragraph of section 101 containing the congressional findings, Here it is stated:

It is essential that interest rates, which have been reduced following a General Accounting Office investigation of the Federal Reserve System at the request of the committee, continue at present or lower rates for industrial and agricultural recovery.

To the extent that this statement may be construed to indicate congressional tolerance of the present level of interest rates, we should immediately repudiate that notion. To the extent that it is telling the Federal Reserve System to get interest rates lower, then we should applaud it.

On this point Congress has only itself to blame, as Prof. Lester Thurow, MIT economist, testified on February 1, 1983, before the Committee on Education and Labor:

The Federal Reserve Board is legally independent of the President, but it is not legally independent of the Congress. Congress has just never exercised its inherent powers. The Federal Reserve Board will shortly be giving Congress its money supply targets for the year. Congress can insist on real interest rate targets and, if necessary, use its legal powers to lower short-term real interest rates if the Fed targets are too high. If Congress doesn't exercise its rights and responsibilities, it has no one but itself to blame for a sinking economy.

We cannot begin to eliminate the causes of cyclical unemployment until interest rates are much much lower.

They are breaking the back of the small businessman.

They are breaking the back of the farmer.

They are destroying the small coal truck operator,

The small coal companies.

And, if present high interest rates are maintained, we are simply writing these people out of the economy.

Mr. Chairman, we can take a big step forward in eliminating the causes of cyclical unemployment by bringing interest rates down to a rational level.

It will take far more imaginative efforts to solve the causes of structural unemployment.

As Dr. Gar Alperovitz, codirector of the Center for Economic Alternatives, put it before the committee on February 3 this year:

> What they involve and what they require, I think, are pretty self-evident. First, there needs to be a very massive retraining program. Secondly, we need a program for short-term jobs in areas that can be fast start-up and low skilled. Third, we need to bring on stream those longer-term investments from housing, roads, ports, back to energy conservation. Fourthly, larger public investment to support some of our basic and/or high technology industries.
>
> But I do want to stress that it must be part of a comprehensive strategy, not just a little one-dab program, something that could actually promise to deliver the goods and get the economy back into motion.

The pace of technological change is such that jobs are being eliminated daily but at the same time the evidence is that new jobs are emerging.

The Committee on Education and Labor in preparation for submission of its March report to the House Budget Committee has conducted 8 days of hearings on the subject of underlying causes of unemployment. It has heard the testimony of economists, educators, administrators, and representatives of management and labor with special knowledge in the field of economics, commerce, training, and employment.

Taking into account those working only part time, those who have given up the search of employment and have dropped from the job market, as many as 20 million Americans are carrying the brunt of the worst economic depression since the Great Depression of the thirties.

The sharp cuts in domestic programs under the jurisdiction of the Committee on Education and Labor have resulted in disappearing opportunities for education, training, and retraining which are essential paths for millions of Americans to reach employment.

Almost as rapidly a jobs change due to technological change or relocation, it is expected that new employment opportunities should emerge. To address these structural changes in our job picture, it is essential that training programs exist with full opportunity for participation. Training as used in this sense must equip the very young entering the elementary and secondary grades with a fundamental knowledge of math, language, and science that will prepare them to enter a technologically advancing society.

We took a step forward yesterday in the House by passing H.R. 1310, the math and science education bill. This legislation will assist in preparing students at every level of education to be better prepared for the emerging jobs of the future.

In addition, we need to enlarge and strengthen retraining and education programs for unemployed adults so as to enable them to reenter the market.●

● Mr. ROYBAL. Mr. Chairman, I rise in support of H.R. 1718, the emergency supplemental appropriations for fiscal year 1983. At last, we all seem to agree that we are faced with a crisis situation in this country. Unemployment has risen to double digits—in human terms that means that over 12 million people are without jobs. Countless others are so discouraged they have stopped looking. Our productive plant capacity has reached a postwar low. Businesses are filing for bankruptcy at an incredible pace, and thousands of our people are without the most basic necessities of life.

We recognized the need for some action on a national level last year when we passed a $5.4 billion jobs package as part of the continuing resolution. Unfortunately, the President had not yet grasped the seriousness of the situation, or did not want to admit it, and threatened a veto of the measure. We were forced to withdraw the jobs portion of the bill, but we now have to take some action soon. Fortunately, the administration has finally begun to comprehend the desperate straits of thousands of Americans. Frankly, having been inundated with discouraging facts and figures for the past couple of years. I do not see how anyone could have failed to grasp the urgency of the situation.

Can we even begin to imagine the depth of frustration felt by the jobless and their families? According to the National Institute of Mental Health, a series of studies underway since 1977 have found that declines in the work force are significantly related to reported child abuse. Other studies have demonstrated that increases in unemployment are usually followed by increases in the rates of suicide and other health problems. These findings are being confirmed by figures released from sources all over the country who are currently studying the effects of this recession. It is certainly not difficult to figure out how a loss of income and self-esteem, coupled with related events, can lead to violence, alcoholism, drug abuse, and a host of other physical and mental problems. These problems will exist even after our economy begins to recover, and at a terrible price to society. Without question, it is in the national interest to act now.

The emergency jobs bill we are considering today will not be a panacea for all our ills, but it will at least be a start. We will be putting up to 600,000 Americans back to work, in one way or another, if we pass this measure. I don't view these as make-work jobs either, but rather as productive jobs that will contribute to the strength of our Nation, both now and for the future. Let us take a look at how we would be spending the $4.6 billion this bill would allocate for jobs creation and humanitarian aid:

The sum of $1.6 billion for Federal construction and repair projects. As chairman of the Appropriations Subcommittee on Postal Service, Treasury, and General Government, I am especially gratified that we have allocated $125 million to GSA for projects that will be of benefit to both the Federal Government and to the people who will get the jobs. We were even able to provide a boost to the beleaguered auto industry by appropriating $75 million for the purchase of motor vehicles to replace those that are old and fuel-inefficient. We estimate that this will cause the creation of 1,500 auto and auto-related jobs.

The sum of $720 million for flood prevention and control and water resource projects.

The sum of $110 million for mass transit projects.

The sum of $1.25 billion for community development block grants. This is especially important to communities such as my own district of Los Angeles, which has had to let many important projects lapse due to severe budget constraints.

The sum of $400 million for economic and business development, including $200 million for loans to small businesses for plant and capital expansion and improvement and inventory enhancement. This has to be gratifying to anyone who has seen recent figures on the rate of small business failures.

The sum of $839 million for rural water and sewer development, including funds for Indian homes and communities.

The sum of $1 million for assistance to businesses and homeowners to help them meet their financing and mortgage obligations.

The sum of $240 million for natural resource enchancement, preservation and improvement projects. These funds, while only a drop in the bucket, might help undo some of the damage caused by the Department of the Interior's callous, unfeeling, and often dangerous attitude toward our public lands, our wildlife, and our resources.

The sum of $232.4 million for employment and training programs, including $75 million for retraining. It is my feeling that we are going to have to focus much more of our employment and training efforts in this direc-

tion. Technological changes and advances are sweeping this Nation, and our work force must be prepared for them. At least we are beginning to recognize this fact and are starting to deal with it.

Also included is $25 million for part-time community service jobs for older Americans. As chairman of the Aging Committee, I must applaud the recognition of the valuable contributions older workers make to our society.

The sum of $425 million for social services. We will be providing funds for programs we urgently need right now, including those dealing with alcohol, drugs, mental health, and child abuse. A large portion of these funds will be targeted to the areas of highest unemployment, and therefore greatest need.

The sum of $225 million for emergency food and shelter for the needy.

The sum of $5 billion for the unemployment compensation trust funds.

While it is true that the targeting of specific projects is not always perfect, it can truthfully be said that the vast majority of the funds contained in this measure will go to worthwhile, necessary projects. Most of the activities will fill an important void in existing funding priorities, while providing thousands of jobs in the very occupations that have been hardest hit by the recession.

I urge the passage of H.R. 1718. We cannot ignore the desperate situation in which so many Americans are finding themselves. We must get this country back to work—there will be no economic recovery until this is accomplished. Our society will be feeling the effects of this recession for a long time to come. We must do what we can to minimize the impact. It is past time for action.●

● Mr. HEFTEL of Hawaii. Mr. Chairman, I rise in support of H.R. 1718, the first step in this Congress resumed battle against the recession and its resulting unemployment and poverty.

Mr. Chairman, this measure does not please any of us completely, yet it is a program which I believe permits us to get the beginnings of aid quickly to many of those who need it desperately.

Hawaii's jobless banks are filled with those who have remained without employment for extremely lengthy periods. Seventy percent of the unemployed have remained so for 5 weeks or longer; a full 30 percent have been jobless 14 weeks or more. Those who are suffering as a result of Honolulu's ailing construction industry will certainly benefit from the infusion of community development block grant (CDBG) and other construction funds provided by this legislation.

I am, however, deeply concerned that the measure before us will not adequately aid the rest of our long-term unemployed. A more direct and substantial means of providing jobs must be produced to assist these structurally unemployed in Hawaii and the rest of the Nation.

Accordingly, Mr. Chairman, I urge my colleagues to swiftly adopt H.R. 1718, but just as swiftly develop further legislation with far greater job-creation value.●

● Mr. McDADE. Mr. Chairman, I rise in support of H.R. 1718 providing $4.6 billion in emergency expenditures to create new jobs and to urge its approval by the House.

Mr. Chairman, the committee report cites a 13.6 unemployment rate in my home State of Pennsylvania. In some sections of my congressional district it is nearly double that figure. And for those of us who have wished prosperity and those of us who have supported policies we thought would speed that prosperity these are cold and grim and disappointing statistics. For in themselves they contain those who have given up the hope for work and those who are now saying "I'll do anything for a job." They do not speak to those just entering the job market fearing their skills will have no place to be put to the test.

We agreed to meet those needs and I believe today this bill takes a positive step in that direction. I know there will be members and critics who will deride this bill as another make-work bill. In these days of high unemployment the term make-work carries less of a stigma than in times of prosperity. We have to make work and we have to make more work than is even dreamed of in this bill if our Nation is to prosper.

Before the Members of this House raise the roof over the issue of make-work jobs, let me ask you to take a look at the $5 billion you are about to appropriate to keep the unemployment compensation fund solvent and keep benefits flowing to the unemployed. Ask yourselves whether or not we should put those people to work or whether we ought to meet here again in 6 months and vote for another multibillion-dollar replenishment.

My friends, I call your attention to the segments of the bill relating to the Interior and related agencies appropriations. We provided funds for activities with a quick payout. We funded programs that were already in place and ready to go. and we funded programs where we knew that there were a meaningful number of jobs created for the money spent.

We added funds for the successful weatherization program. This program not only helps save energy it puts roughly 50 people to work full time in a construction program for every million dollars we spend. We added $50 million for cyclic maintenance to the National Park Service, relying heavily on the administration's priority needs and committing money now for this work in time for the spring construction season. Likewise we added another $45 million for maintenance and construction needs of the national forest system, another $40 million for badly needed Indian health construction and $25 million for cyclic maintenance at the Nation's fish and wildlife refuges and hatcheries.

This bill also contains significant outlays of money for our existing community development block grant program, urban action grant program and to the programs of the Economic Development Administration. Mr. Chairman, I can think of no quicker way to get jobs, especially construction jobs, underway on vital public improvements than to expand the community development program. To those who believe as I do that the Federal dollar is a carrot on the stick that builds private investments into public expenditures let me suggest that the urban action grant program and the economic development grant program leverage private dollars from a tight economy that otherwise might not be invested. These programs have proven track records of generating as much as five and six private dollars for every one Federal dollar invested in the creation of new jobs.

Mr. Chairman, the most optimistic among us must concede that at most we may be creating 300,000 jobs. The most pessimistic among us may say that is not enough. Both are right. But I will vote for this bill rather than sit idly by and wait for our appropriations committee to come forth with the next installment in the replenishment of the unemployment compensation fund.

This bill is not perfect. It contains no new ideas on job creation. It relies mostly on existing programs. It requires few if any new structures. I intend to support it and I am hopeful that the investment we make here today will create new jobs tomorrow.●

● Mr. HAMMERSCHMIDT. Mr. Chairman, last Wednesday, the director of the Employment Security Division in Arkansas notified me that as of this Friday, March 4, due to insufficient funds they would be forced to resort to mailing IOU's to over 70,000 unemployed citizens. Fortunately; however, information was received today advising that $8,030,461 has been allocated, to Arkansas in addition to the $6,524,000 which was provided earlier. This total of $14,554,461 will now be sufficient to provide funds through March 15. I know my colleagues will agree that it is preposterous to think that unemployment checks would not have been issued had this not occurred. It is my understanding that at least 29 States were similarly situated.

The $5 billion for advances to the unemployment trust fund contained in

this bill is indeed an emergency supplemental in the truest sense of the word. These moneys will enable Congress to fulfill a fundamental responsibility to the unemployed people of this Nation and their families. It would be a cruel paradox if this body fails to act swiftly in securing these funds and averting this crisis. Congress must not show such insensitivity to the complicated and difficult plight of the unemployed worker.

Amidst the many provisions that have been tacked on to this appropriation measure, it is important that Members be alerted to the critical nature of this $5 billion for urgently needed advances to the Federal and extended unemployment accounts. I deeply regret that this important issue has not been considered promptly on its own merits rather than being buried under other extraneous concerns.

Hopefully my colleagues will approve this much needed expenditure today to avoid the recurrence of this situation again on March 15.●

● Mr. HARKIN. Mr. Chairman, today we are considering an emergency jobs bill that will hold out hope to millions of unemployed people across the country, and will offer help to some. For Democrats, it is a victory in that the President has finally faced reality and admitted that something must be done to relieve the suffering of the men, women, and children who have been affected by the worst recession since the Great Depression. Contrary to his past statements, Mr. Reagan has come to realize that the Federal Government does have an important role to play in our country's economy. In fact, during a time such as this, the Government's role in stimulating the economy is crucial.

It is estimated that the legislation we are discussing today will create 600,000 jobs and will not add to the budget deficit. While this is commendable, it will scarcely make a dent as far as the 10 million and more unemployed are concerned. Much more is needed to correct the damage done during the past 2 years. The best way to reduce the budget deficit is to reorder Government spending in a more rational manner, and create jobs that will take people off the unemployment rolls and turn them into productive taxpayers and consumers.

Both Republicans and Democrats say they are committed to a second jobs bill that will go further than this one. I, for one, am disappointed in the decision to limit the scope of this bill. One of our major concerns should be to reduce the startup time necessary to get projects going so that those who need help receive it as soon as possible. This problem has plagued previous public works programs, and delaying action by waiting for Congress to pass yet another bill will mean that those who have borne the brunt of the economic hard times must wait even longer for relief.

Under this bill, an extra $4.6 billion is provided for fiscal year 1983 programs to create jobs in repair and rehabilitation of public facilities, resource conservation projects, park improvement and maintenance, and urban and rural development programs. Humanitarian aid is also provided in the form of emergency food and shelter services. Major funding areas include: $1.25 billion for community development block grants, to be divided on a 70 percent urban, 30 percent rural basis; $720 million for Federal land and water projects; $225 million for food and shelter distribution, including $100 million for the women, infants, and children program (WIC); and $207.4 million for Job Corps, summer youth employment, and displaced worker training under the Jobs Training Partnership Act.

The measure also provides $5 billion to the Federal unemployment compensation trust funds.

Unfortunately, another problem common to past jobs bills is present in this one; that is, the inclusion of "pork barrel" programs. These programs generally benefit a very limited group, and are of questionable value in terms of creating jobs where they are most needed. For example, over one-half billion dollars are provided for water projects to be carried out by the Army Corps of Engineers and the Bureau of Reclamation. Much of this funding cannot be effectively spent during the remainder of this fiscal year, and more jobs per dollar could be produced by putting the money in other areas. Even worse, by not specifying which water projects are to be funded, there is no assurance that the money will not be spent on costly boondoggles such as the Tennessee-Tombigbee Waterway, the O'Neil unit, and other impractical ventures. Previous public works/public service programs developed a bad reputation in the minds of many due to a lack of quality control and safeguards to assure that money was spent in the best possible way. I am hopeful that the next jobs bill we consider here in Congress will be more stringent in targeting its funds.

Unemployment places a tremendous strain on our country. Its effects are felt from the corner store to the solvency of the social security system. For many, unemployment means homelessness, and the breaking up of families. Recession is not just numbers on a chart; it is broken lives, pain, and suffering. I have talked with people in my home State who have told me of their sense of hopelessness, and their willingness to do anything to get a job. I have received letters from some who speak of heart attacks and even death in the family due to the pressure caused by economic hardship. In 1980, Iowa's average unemployment rate was 5.7 percent. In January 1983, the average had risen to 10.9 percent. Delinquency payments on Farmers Home Administration loans doubled between 1981 and 1982.

Even if every available job were filled tomorrow, we would achieve only a slight reduction in the unemployment count. With the national unemployment rate at 10.4 percent, the number of unemployed persons most likely exceeds the number of vacant jobs by about a factor of 10. Thus, the current situation cannot be blamed on the unemployed lacking interest in work. Even training, though necessary, is not the answer. The economy is simply not generating enough jobs to go around.

Although inflation has dropped significantly during the past 2 years, I do not believe the country is better off. I do not believe that a sound economic policy would have created the circumstances we are in today. I believe the past 2 years prove that it is wrong to look at the economy simply in terms of numbers, indicators, and statistics. People make up the economy. If economic policy ignores the human aspect, as I believe it has during the past 2 years, our economy will not work.

This emergency jobs bill should be passed, but our larger effort here in Congress must be to formulate an integrated economic policy that will create jobs by getting the economy moving again.●

● Mr. BIAGGI. Mr Chairman, at long last—after we see 11 million of our fellow citizens endure the indignity of unemployment—at long last after we see men and women reduced to the indigity of homelessness—at long last when soup kitchens—the symbol of despair from another era—begin sprouting up in the neighborhoods of our Nation—are we finally able to emerge with a bipartisan response—and that is the bill before us, H.R. 1718.

This bill is appropriately titled, "the jobs bill," although it does provide a great deal more. However, it is proper to give it this designation because its emphasis is on tackling the unemployment problem—the only way we can—by providing funds to put people back to work. Unemployment has become a gaping national wound which is infecting our national economy—and our sense of national pride. Last October, unemployment broke through the 10-percent barrier—something people always feared but never felt would actually happen. A closer examination of the unemployment problem as presented by the Appropriations Committee makes for an even more graphic situation.

Unemployment among black workers has jumped to 20.8 percent;

Unemployment among hispanic workers has jumped to 15.5 percent;

Unemployment among women who maintain families has jumped to 13.2 percent; and

Unemployment in the construction industry is now at 20 percent.

Perhaps the most devastating statistic I have seen is that we are now spending some $32 billion annually on unemployment compensation. Finally with the consideration and hopeful passage of H.R. 1718—we can begin to spend billions on employment compensation.

All told H.R. 1718 appropriates $4.6 billion in additional funding for this fiscal year for programs to create jobs in repair and rehabilitation of public facilities and a host of other important work—creating endeavors. Some of the components of this $4.6 billion include some $1.25 billion for community development block grants which will be targeted to our urban areas suffering from high levels of unemployment or structural unemployment. Another $207 million will be provided for Job Corps, summer youth employment, elderly employment and retraining of displaced workers under the Job Training Partnership Act. It is felt that the job-creating features of this legislation will provide anywhere from 300,000 to 600,000 bona fide new jobs for those Americans who want so desperately to work.

It makes both good fiscal and common sense to target a portion of these jobs to trying to fix our decaying infrastructure. There are far too many bridges in this Nation that are unsafe for normal commuter requirements. Our highways and sewers are deteriorating—we have too many schools laden with asbesto which must be repaired. The list of available work goes on and on in every community in this Nation. Therefore people's apprehensions about public service employment being make-work type of jobs are unfounded. The jobs which would be created under this bill, and more importantly the funds expended for jobs in this bill, will make for a good investment.

There are a number of other provisions related to this part of the bill that I would like to address. I am pleased that the committee chose to disapprove a deferral request of $244 million in fiscal year 1983 funding for urban development action grants. UDAG has been a highly successful program in my home city of New York—and the decision of the administration not to provide fiscal year 1983 funds was a matter of great concern to me.

As a main cosponsor of the 1978 and 1981 Older Americans Act, I am especially supportive of the committee's decision to provide an additional $25 million in funds for title V the Senior Community Service Employment Act. There are few Federal programs which have been more successful over time than title V. Today some 54,200 low-income elderly are employed in a variety of public service jobs in the communities and more than one-half of them are working with other seniors. Last year—Congress overwhelmingly reaffirmed its support for title V when it voted to override the veto of the President to the supplemental appropriations bill which had restored $277 million in funds for this program. Earlier the fiscal year 1983 administration budget had proposed eliminating separate funding for the program. However, the CONGRESSIONAL RECORD is complete with supportive statements on a bipartisan basis for title V—as an employment program that works. The additional $25 million proposed as part of this bill should provide an additional 4,900 jobs for low-income elderly and will allow this program to have some needed expansion.

I might note for the record my continued concern about the revision made in the way title V funds are distributed and would hope that by the time we reach the fiscal year 1984 appropriations for this program, we could return to the original formula of 76 percent national contractors and 24 percent State and area agencies.

I believe that the job-creating features of this legislation are going to help restore people's faith in the fact that government does have a role to play in alleviating the problems of unemployment. It is ludicrous to expect the private sector to assume all responsibilities for the employment of individuals especially without special incentives to do so. If we are serious about reducing unemployment we need a partnership of purpose between all levels of government and the private sector. It should be a concerted goal and should be pursued with vigor.

Let me also note that any efforts we embark on to reduce unemployment will have corresponding benefits for the social security system which is in desperate need of new workers to provide contributions to the trust funds.

The committee has recommended that a total of $425 million be provided for increased funding for a variety of social services including low-income home weatherization—social service block grants, community services block grants, community and home health services, maternal and child care, and drug abuse and mental health programs. I consider this to be a most urgently needed commitment on the part of government to the growing human needs developing as a result of these difficult economic times.

It is estimated that by providing additional funds for such important services as child abuse and neglect prevention day care—nutrition education and other programs that this too can produce new jobs, as many as 10,000 temporary jobs to be exact.

A total of $225 million is provided in this legislation for emergency food and shelter services for the unemployed and needy. Almost one-half of this total is directed toward the all important WIC program which provides needed nutritional food to high-risk women and children from low-income families.

A vitally important provision of this bill is the allocation of some $75 million for the purchase and distribution of perishable surplus foods. For the past several months I have been deeply involved in trying to rectify a serious shortcoming in the USDA surplus commodity food program which was threatening its very effectiveness. The Department is estimated to spend in the vicinity of $2 billion a year purchasing and storing commodity foods. Money for distribution of said commodities has not been provided by USDA and is left to State and local discretion. The results, with few exceptions have been disastrous. Thousands upon thousands of tons of foods such as cheese and butter sit in warehouses—rotting because localities and organizations do not have the money necessary for distribution. In response, I introduced H.R. 1162 and H.R. 1513, which called upon USDA to include actual distribution of surplus foods within their budget.

While people are going hungry in our Nation—USDA estimates that there is more than 1 billion pounds of nonfat dry milk, 762 million pounds of cheese and 436 million pounds of butter sitting in warehouses. This is an absurd situation.

The bill before us takes some important steps in relieving this situtation. It provides some $75 million to be used to "purchase, process, and distribute surplus perishable commodities." It would be my sincere hope that these funds will be used effectively to allow neighborhood organizations to be provided with direct aid for distribution of surplus foods including but not limited to funds being used to establish more localized distribution sites. It is time to get surplus food to the people—where it is needed.

Let me also make a reference in support to the provisions in this bill aimed at providing extra help for those of our citizens who because of the times have to rely on soup kitchens and food banks for their daily meals. Many of these same people have had to resort to emergency shelters to live. H.R. 1718 provides $50 million to be made available to private voluntary organizations for emergency food and shelter programs for the needy.

All in all—the bill before us is a bill of conscience. We are all having to admit—perhaps from different per-

spectives—that we are in the midst of severe economic times—which is presenting genuine hardships to millions of American people. There is only so long one can ignore these dramatically human problems. There is only so long when relief can be held hostage by ideology or political considerations. There is only so long that government can abdicate on its responsibilities to help those of its citizens in need. Passage of this legislation today will send an important message that we view reduction of unemployment and alleviation of human suffering as our single most important priority. It would be advantageous for us to pass this legislation now—at a time when economic recovery is beginning to occur. The combination could provide real improvements in the lives of many Americans.●

● Mr. BROWN of California. Mr. Chairman, we have before us today a bipartisan emergency supplemental appropriations bill which will, it is hoped, help to stimulate the economy. I am pleased that both Congress and the President now agree that we must act.

While this bill has been formulated, I have been listening to the arguments on both sides. In addition to creating jobs, this bill provides money for relief services, including $425 million for social programs and $225 million for programs to feed and shelter victims of the recession. But the severity and length of the recession have created an unbearable strain on the social service budgets of Federal, State, and local governments, and private charitable organizations. Due to previous budget cuts, this problem has been exacerbated.

Anywhere from 300,000 to 600,000 desperately needed jobs will be created by this bill. But it is not enough in the face of 11 million unemployed, nor is the bill specifically targeted to high unemployment areas. This bill concentrates primarily on forward funding of Federal construction projects. While these projects are needed and will be of value, the problems of youth, minorities, and women who have been hurt severely by the recession have not been addressed.

While jobs will obviously be created, I am also concerned about who will get them. It does not appear that it will be the long-term unemployed, nor the unskilled. Far too little money will be spent on training and retraining. I fear this is merely a temporary, stop gap measure, that while perhaps needed, will have little effect upon our long-term fundamental economic problems.

Mr. Chairman, this bill is a collection of projects and programs designed to deal with the current economic emergency. Some needed projects are funded, such as: the much needed additional $5 billion for unemployment compensation; the $545 million for flood prevention and damage repair projects which will help to offset recent damage done by the torrential rains to southern California; an additional $75 million has been appropriated to the new displaced workers program; $150 million goes to the low-income weatherization project; $75 million is allocated for surplus commodity distribution, a program I am intimately familiar with and endorse wholeheartedly; and $243 million for family housing for the military, including $5.7 million for March Air Force Base.

Let us not delude ourselves, however. These are the very same programs that have been unhesitantly cut over the last 2 years. This bill is just enough in the right direction to perhaps be of some help to those who have been adversely affected by the recession.

But we have far too many unanswered problems which we must address. I understand that phase II of the emergency supplemental appropriations bill will be proposed shortly, and I hope that it will address these problems. Like many others, I have been pleased to hear the good economic news of the last few days, and I am cautiously optimistic that the worst recession since the Great Depression may be over. However, unemployment traditionally lags behind a recovery, and so we should not forget that the need to create a wide spectrum of jobs is paramount.●

● Mr. LOWERY of California. Mr. Chairman, I, along with each and every one of my colleagues, am deeply concerned with our current unacceptably high unemployment rates, and feel that we must seek the most effective way to deal with this problem. Unfortunately, there are several reasons why this legislation is definitely not the most effective solution.

As others have mentioned today, there is a real question of timing. There is increasing evidence, culminating in the most recent economic indicators, that we are, on the verge of an economic recovery in this country. The most effective jobs program of all is sustained economic growth.

A second very obvious problem is the distribution of funds. Are the funds in this bill really going to the areas of the country that have the highest unemployment rate? It certainly appears that they are not. Is this effective legislation? I feel that it is not.

Third, there is the matter of the cost per job created. Estimates range from a low of $1,000 per job for summer youth program, to a high of $27,500 for the Corps of Engineers. While I do not wish to criticize any specific group, the purpose of this legislation is meet neglected urgent needs, and we are looking at unprecedented Federal budget deficits. Are we really appropriating these funds in the most effective way possible to meet these needs?

These are general issues. As a member of the Banking Committee, I wish to address some more specific provisions.

First of all, this bill appropriates $500,000 for administrative expenses for HUD to implement a homeowner's emergency mortgage assistance program, effective upon enactment of such a program. And what is the status of the legislation that would enact the program? Hearings have been concluded. The subcommittee markup will be held next Tuesday. Obviously there is a long way to go in the legislative process. Why are the administrative expenses covered in this bill, and not in H.R. 1330? Why are we creating a bureaucracy to administer a program that does not yet exist, and in fact may not ever exist? Most important, these funds, in and of themselves, do nothing to provide new jobs.

Another $500,000 is appropriated to the Department of the Treasury under this legislation for administrative expenses to develop plans for three new entities—a Reconstruction Finance Corporation to address business problems; a Home Owners Loan Corporation for housing problems; and a Farm Credit Agency to meet the problems of farmers. Frankly, I question the choice of Treasury for this planning, in spite of the fact that the legislation does specify that "in preparing the plans, the Department of the Treasury is authorized and expected to obtain the views of experts in other government departments." Would it not be more direct and effective to have HUD, with its expertise in housing finance, develop plans for a Home Owners Loan Corporation? Beyond that question, do we need a Home Owners Loan Corporation? There are numerous HUD programs to assist housing, and Federal regulators and insurance funds for those financial institutions that finance housing. I submit to my colleagues that this sum, although relatively small, does not have a positive short-term jobs impact.

We all want to help those Americans who, through no fault of their own, find themselves unemployed. We owe it to these same people to provide assistance in the most responsible way possible. This legislation is not the answer.●

● Mr. ANNUNZIO. Mr. Chairman, this is the fourth time in less than a year that the House of Representatives has had the opportunity to pass legislation to significantly help the Nation's unemployed. Our past three efforts have been thwarted by vetoes, the Republican Senate, and threats of vetoes. Now, once again, we have a bill which I sincerely hope will be the start of some meaningful expenditures of limited Federal Government funds.

I agree with many of my colleagues that this bill does not go far enough to help those who have been ravaged by this recession. But I also believe that we must be realistic. Let us not sacrifice what we can obtain now in the hope of getting more. Let us get this bill enacted, and then work from there.

I have advocated, supported, pushed for, and endorsed programs similar to those outlined in this bill for years. It gives me great satisfaction to see them so close to reality. I have always said that the beauty of public improvement programs is that results ultimately save the amount expended many times over. It is a simple and clear proposition of having to spend money to save money.

The provisions of this bill will not just get people back to work and provide needed social services. While both of these ends are highly desirable and long overdue, the programs in this bill will also provide needed tangible services to this country. Activity which you can see and results which you can touch.

We are not talking about digging ditches and filling them up again. We are talking about putting people to work repairing, improving, and maintaining public facilities that need attention. We are talking about creating up to 600,000 jobs within 90 days from enactment.

And still there are those who cry "make work" at the programs outlined here. Let me ask them, What takes more work, repairing a bridge or rebuilding one which has collapsed? And what takes more money?

With programs such as these, time is the worst enemy, both in human terms and in terms of what is to be physically accomplished.

Wait—and the cost goes up monetarily and in human suffering.

Wait—and this $4.6 billion will be swallowed up elsewhere.

Wait—and the opportunity is lost, especially given the past performance and monetary preferences of this administration.

I fear that trying to amend this legislation to accomplish more will jeopardize its enactment. Let us get this one through and prove that it is the Democratic ideas that work for this country. And then let us work at getting more legislation to do more.●

● Mr. GONZALEZ. Mr. Chairman, yesterday all of us heard that the so-called leading economic indicators suggest that economic recovery is at last on the horizon. If it is, we owe no thanks to the administration. We owe thanks to the fall of oil prices, which puts money in the pockets of our people. And we owe thanks to ourselves that the Federal Reserve heard the results of the last election, and moved to stop killing the economy.

Even if we have a strong economic recovery, and even if it is now underway, it will take months, even years, to undo the human damage of these past 2 years. It is a long and uncertain way between an economic indicator and a decent job. It is a long and treacherous route between the promise of a better tomorrow and the reality of being able to put a meal on the table.

There are probably 2½ million Americans who have been looking for jobs for better than 6 months, with no success. It is an absolute certainty that we have no less than 5 million citizens who have been jobless for better than 3 months. For these millions, and for the millions of others who do not draw unemployment benefits—and for the added millions who will soon find themselves broke because of long-term unemployment—recovery is already too late.

It is too late for Toledo, whose Republican mayor only this week appealed for food, because the city is overwhelmed by desperate need. It is too late for Pittsburgh, where mass mortgage foreclosure is already a reality. It is too late for the homeless who hover about our cities in vast and growing numbers. It is too late for the half million who lost their homes during the closing months of 1982.

That is why we have this jobs bill. And that is why this bill represents only a start toward repairing the damage of a callous, indifferent policy of economic calamity.

The committee has been wise to provide a $1.25 billion expansion of the community development block grant program. As chairman of the Subcommittee on Housing and Community Development, I can assure the committee, and assure the House, that these are funds that can be used immediately. Every city in the country has an efficient, effective planning process for community development block grant funds. This planning process has generated concrete programs that need only funding in order to put in place. This process also has administrative agencies and all the necessary skills in place. Expanding CDBG is one of the fastest and most efficient ways of meeting two needs—creating jobs, and helping cities and towns meet some of their most urgent needs.

I am happy to note also that the committee has anticipated the enactment of an emergency mortgage assistance program, which I expect to report from my subcommittee early next week. By providing funds to set up the necessary administrative machinery, the committee has made it possible for the mortgage assistance program to get underway promptly, once the authorization can be cleared.

Let me commend also the action to provide $50 million to assist in emergency shelter operations, a matter of great need in a nation that is overwhelmed by the need for shelter for homeless people.

Last December, my subcommittee held a hearing to learn about the plight of homeless people. This was the first hearing of its kind since the Great Depression. What we learned was that the homeless are ordinary people. They are people who would work if they could only find jobs. These are people who have worked all their lives, who have saved and done their best. Some, even with fine educations, could find no job at all; some not only lost their jobs, but found that the companies they worked for had disappeared altogether. Women, and especially women with children, find it difficult to locate emergency shelter. The needs are vast. We came close to getting an emergency shelter program in the last Congress, only to see it abandoned because of adamant opposition from the President. This time, we must not fail. I want to tell the House that I expect my subcommittee to report a $100 million emergency shelter authorization, in H.R. 1330, the Emergency Housing Act.

The bill before us today is only a beginning. There is much that remains to be done. As I have indicated, my own subcommittee is fashioning a program that dovetails with the bill before the House today. In H.R. 1330, which we will report out of subcommittee next week, there is funding for emergency mortgage assistance—for which administrative groundwork will be laid through today's legislation. Also, that bill will provide for emergency shelter, building on what is in today's bill. Later this month, my subcommittee will report H.R. 1, the Housing Act of 1983, and it will contain an expanded community development block grant program, again dovetailing with what is being initiated today.

We have to remember, all of us, that the same administration that now accepts this legislation, opposed nearly identical efforts only a few weeks ago. This is only because they see enactment of today's bill as politically necessary. It does not mean that there has been a sudden change of heart in the White House. Far from it. For when we get down to the real business of economic reconstruction, and when we get down to the real efforts to return fairness and decency to our Federal program, we can expect a hard fight every step of the way. The people who brought disaster upon the land have not repented. They are only retreating a step, in the face of the wrath of the people of this country. Let us resolve that today's step will only be the first of a long road back, a road to decency and prosperity, a road toward a rebuilt confidence among the sorely abused people of our country.●

● Mr. STARK. Mr. Chairman, I, too, rise in support of this jobs bill and am paticularly gratified to see a provision in this legislation which will provide $50 million in emergency aid for the homeless.

There are now some 2 million homeless, many of whom are middle class families, and their numbers are growing at a frightening pace. Local communities are being literally overwhelmed with requests for food and shelter. Private charities by themselves cannot bridge the gap because, as the Urban Institute points out, some 300,000 private charities will lose $33 billion in Federal aid between 1982-85. The administration's budget documents show that they are planning on several more years of high levels of unemployment.

Thus, knowing that the problem of the homeless will be with us for the next several years I will be asking the Public Assistance and Unemployment Compensation Subcommittee, on which I serve, to enact permanent legislation—H.R. 927—with a different administrative formula. The goal of any proposal should be to get the money out to the shelters as quickly as possible with the least amount of administrative costs. I believe that utilizing the existing State welfare agencies will do just that. The State welfare agencies have an existing structure designed to address the kinds of needs about which we are concerned. In fact, a number of States, such as my home State of California, as well as Michigan and New York, have already set up quick-response programs to provide for the homeless. Not only can the States provide fast and cost efficient aid but they offer a sure means of accounting for the expenditure of Federal funds.

I hope that the Congress will soon be able to consider my proposal to place this assistance for the homeless on a more orderly basis.

Mr. Chairman, I would also like to make it clear that domestic violence shelters would not be precluded from applying for the money contained in the emergency food and shelter provision contained in this bill.●

● Mr. RODINO. Mr. Chairman, I strongly support the emergency supplemental appropriations bill before the House, and also the four amendments to it which have been made in order.

I think we all recognize that this measure is only the first step in the recession relief and jobs creation program we are working to enact. It certainly does not solve the many problems we face, but it offers some immediate and most essential aid.

Of particular concern to me is the humanitarian assistance provided for victims of the recession—those of our citizens who every day struggle to find food and shelter to keep alive, and who have been deprived of vital health, education, and social services. The bill contains $225 million, and of this $100 million will go for the women, infants, and children supplemental food program. New Jersey's share should be about $2 million, enabling the State to serve an additional 6,000 individuals; $75 million is provided for the purchase and distribution of agricultural commodities and $50 million for aid to voluntary organizations to provide food and shelter. These funds will be distributed according to need, and with New Jersey's growing and increasingly organized network of food centers we should be able to quickly use funds available.

In the area of employment and training, $232 million is available for four existing programs: the Jobs Corps, the summer youth program, displaced workers, and the Older Americans program. New Jersey is likely to receive about $5.7 million—$3.3 million for summer youth, $1.7 million for the displaced workers program, and $700,000 for the Older Americans program. It is estimated that 3,900 more young people will be placed this summer as a result of these funds and that 540 more displaced workers will be assisted.

It is anticipated that $12 million will be allocated for repair and improvements at Fort Dix, Fort Monmouth, and Maguire Air Force Base, thus creating employment in the housing and construction industries. We expect about $3.8 million under the low-income weatherization program which can certainly generate jobs speedily.

The provisions authorizing $1.25 billion for the community development block grant program are intended to create 80,000 jobs in the light construction industry nationally. Of this amount, $250 million will be targeted to high unemployment entitlement areas. New Jersey can expect to receive about $42 million under this program—$39 million in entitlement funds and $3 million in small cities funds.

One most encouraging provision in this bill is the inclusion of $50 million for the urban parks program, which was not funded in fiscal year 1983. The program provides matching grants to local governments to repair recreational facilities in urban areas on a competitive basis.

Mr. Chairman, the four amendments to be proposed will further improve this bill in several areas. Representative OBEY's amendment to add $200 million for health services to unemployed and destitute families will permit 1 million additional patient visits over the next 12 months and create about 10,000 new jobs. Representative WISE's amendment to delete funding for the Stonewall Jackson Dam, described by him as "a wasteful construction project in my congressional district," is certainly important in trying to eliminate unnecessary spending.

Representative EDGAR's amendment would target 75 percent of all discretionary funds in the bill to communities with high unemployment, so that transportation, construction, infrastructure, and other specific projects could be directed into these areas. New Jersey's 10th District should greatly benefit from such targeting, for our average unemployment rate in the state for 1982 was a distressing 9 percent.

Of special importance to New Jersey is Chairman HOWARD's amendment to the bill's mass transit provisions. It would increase total funding for mass transit capital projects from $110 million to $400 million, partly by disapproving the requested deferral of $229 million for mass transit generated by the gasoline tax bill. Of the restored $229 million, New Jersey would receive approximately $12 million. The amendment would provide $171 million for the discretionary grant program and eliminate all earmarking of projects in the committee bill. Since none of the earmarked projects are in New Jersey, and since New Jersey has been able to compete effectively under the discretionary grant program in the past, it is likely that this amendment would increase funds for New Jersey's mass transit needs.

Mr. Chairman, this is a bill which should have been passed in the last Congress. Let us move swiftly to bring about its enactment as soon as possible to meet the desperate needs of so many of our citizens.●

● Ms. FERRARO. Mr. Chairman, last December this House considered a jobs bill. The need was clear—more than 11 million American men and women were out of work—a postwar record.

Although, I strongly supported that bill, I was concerned, and I expressed concern, that the bill would not provide job opportunity for a major sector of our work force—women.

A lot has happened in the intervening 3 months. The administration has come to recognize, as we did then, that unemployment is a severe and crushing condition that must be addressed.

And the jobs bill on which we vote today is different from the December version. It clearly recognizes the important role women play in our economy.

The leadership of this House and the chairman and members of the Appropriations Committee have done an outstanding job in making this bill one which will give new hope to all unemployed Americans.

Others have spoken here today about the overall impact of this legislation. I just want to highlight the provisions which are of special impor-

tance to women—in the work force and on the unemployment rolls.

Women are 43 percent of the Nation's work force and they are over 40 percent of the unemployed. The unemployment rate for women who are supporting families on their own—15.5 percent of all households—is 11.7 percent—well about the overall jobless rate.

Modifications made in this legislation will directly assist women who need jobs and will also help women and families who have been deprived of vital services. These services have been squeezed by Federal budget cuts, even as the need has been increasing, due to unemployment.

H.R. 1718 contains about $700 million specifically designed to create jobs while also providing services to needy people.

In addition, H.R. 1718 allows local communities the flexibility to use community development block grant money to create even more service jobs, as well as providing money for light construction and infrastructure repairs.

A coalition of unions and women's organizations fought for the removal of the 10 percent services expenditure cap on community development block grants. Let there be no mistake about their intention and our intention. The intent is to permit a greater share of the $1.25 billion emergency allocation to CDBG to be used to create useful work in child care, health care, and other areas of great need.

Immediate job openings for thousands of women will result from this combination of enriched funding for service programs and community development block grant flexbility.

As I said in December, when I addressed this same subject, there is no reason why women, too, cannot benefit from the creation of construction jobs by this bill.

No reason except the fact that, right now, 80 percent of all women work in just 20 job classifications. Only 6 percent of highway and street construction workers are women.

No reason except a traditional pattern of discrimination which this administration is virtually ignoring.

But while we work to break down these employment barriers, women need jobs here and now.

So, Mr. Chairman, I enthusiastically endorse this bill as an excellent first step in our fight against unemployment. This step assures America's women workers a fair chance to participate in economic recovery while meeting their immediate pressing needs.●

● Mr. WEISS. Mr. Chairman, we are today considering the emergency supplemental appropriations bill, H.R. 1718, which would provide a $4.6 billion in fiscal year 1983 to create jobs in repair and maintenance of public facilities, parks, and conservation projects, and in urban and rural community development programs. Although this legislation is inadequate in many ways and not enough of the jobs created will go to women and minorities, I support this emergency legislation as a means of helping to relieve the human misery brought on by intolerable levels of unemployment, and I urge my colleagues to join with me in passing this sorely needed initiative.

The need for this emergency jobs bill, measured in the deep despair of nearly 12 million unemployed Americans, is staggering. The administration's myopic and ill-advised economic programs over the last 2 years have not delivered the prosperity based on the private sector initiative that Mr. Reagan promised. On the contrary, we now have the largest number of unemployed, involuntary part-time workers, and discouraged workers who have dropped out of the labor force since the beginning of World War II.

Perhaps more telling is the fact that the numbers of individuals and families ravaged by joblessness who find themselves homeless, forced to live with family, friends, or in the public facilities, continues to grow. This is the bitter legacy of administration policies that put the lowering of inflation rates above the health, safety, and dignity of millions of Americans.

H.R. 1718 deserves our support not only because it provides jobs; it also provides $275 million of badly needed humanitarian relief for those Americans most desperately in need of aid.

However, we cannot let the red lights of alarm over our current economic decline and dismal levels of unemployment blind our vision of our Nation's long-range economic and employment needs. Cyclical change notwithstanding, many projections of the future include changing demographic trends leading to a tightened labor market and the continued transition of our economy toward the production of high-technological goods and labor-intensive services. If these projections are correct, our Nation will benefit tremendously from the public investment we make now to educate, train, and retrain our labor force to adapt to these new tasks. Moreover, we must make a special effort to expand, not limit, the paths toward economic achievement of those now at the bottom of the economic ladder. The economic revitalization of America will require the participation of all our citizens, not just a privileged few.

The future manpower needs of our society, and consequently the economic viability of the Nation, require a bold legislative package that emphasizes training and employment programs and public infrastructure improvements. Less than a year ago, I offered several principles for a national policy to achieve full employment. I offered them in light of a then-astonishing 8.8 percent level of unemployment. With unemployment now well above 10 percent and showing no signs of abating significantly in the near future, I again offer these proposals.

First, increased appropriations for current training and employment programs that are designed to increase self-sufficiency of the disadvantaged and meet the present and future skill needs of the economy. The degree of national commitment to these programs is vastly more important than programmatic changes in structure, administration, and ideology.

Second, expand existing youth programs to provide work experiences. We have learned that supported work experiments for youth have led to a reduction in crime. Why, then, do we allow the teenage unemployment rate to remain over 20 percent? In New York City, the unemployment rate of minority teenagers is over 45 percent, as it is in many cities. We cannot afford this loss in potential productivity. Yet, while jobs for youth are needed, we must not allow them to become second-class workers by paying them subminimum wages, as the Reagan administration has proposed.

Third, establish a structure for countercyclical public works projects that enables all levels of government to plan rationally necessary improvements in our Nation's infrastructure so that they can be rapidly undertaken during periods of rising unemployment.

Fourth, additional discretionary funding should be provided to State and local employment programs to assist older, dislocated, or reentering workers through specially designed education, training, or retraining programs; through improved labor market information, placement, and counseling; and relocation assistance. For these forms of transitional aid, a matching grant or voucher could be given directly to the individuals considered most in need and most likely to benefit.

Fifth, countercyclical public employment programs should be reestablished to serve as employer of last resort for people who have exhausted their unemployment insurance benefits, and phased out gradually whenever unemployment rates decline to below a specified level. In a society in which the work ethic is so widely and strongly held, we must not neglect public employment programs, especially as unemployment lines remain at record lengths.

Sixth, continued experimentation with partial wage subsidies for targeted groups of disadvantaged workers such as the handicapped should be attempted and evaluated. This form of assistance may be necessary for some

willing workers with special handicaps to acquire jobs and sustain employment.

I fully realize that these suggestions may be considered bold and consequently intimidating to some. But the magnitude of the problem of unemployment and the certainty that emergency relief—while sorely needed—will not solve our long-range economic problems demand that we seriously consider this sort of program. It is imperative that Congress exercise strength and foresight now if we are to avert a cataclysmic disaster.●

● Mr. ROYBAL. Mr. Chairman, I rise in support of H.R. 1718, the emergency supplemental appropriations for fiscal year 1983. This bill will be lifesaver for many unemployed workers throughout the Nation.

In particular, Mr. Chairman, I would like to commend Chairman WHITTEN and my colleagues on the Appropriations Committee for their support of older worker programs. This bill includes an appropriation of $25 million for employment of older Americans through the senior community service employment program. It also appropriates $75 million for job training of displaced workers, many of whom are middle-aged and older. I assure you that this will be money well spent.

The senior community service employment program now provides minimum wage part-time jobs for more than 54,000 low-income workers age 55 and older. The appropriation provided in this bill will fund an additional 4,891 jobs. More importantly, I am told by those who administer this program that these jobs can be filled literally overnight.

This legislation comes at a critical time for many older Americans. Unemployment is devastating at any age, but it is much worse when you are older. Older workers find it much more difficult to locate another job than young people. Once unemployed, older workers remain out of work more than 20 weeks, which is nearly twice as long as young workers. My committee has heard testimony from some older people that their social security just is not enough. People need to work, and when they cannot, some use up their savings or sell their homes. A few, reluctantly, become burdens on their families or on their government.

Critics argue that older people do not want to work, that they would rather stay at home in their rocking chairs and spend their remaining days in unproductive activities. The facts suggest otherwise. Studies show that as many as one-half of all retired persons would like to be working in a paid job. These are healthy individuals who need to work and who have much to contribute.

Those who are fortunate enough to have a job will fight to hang on to it. You will recall last summer when the President vetoed legislation which included an appropriation for the older worker program, that there was a huge outcry from older workers across the country. There was such an outpouring of support for this employment program that the President's veto was overridden.

I am confident that the President learned a lesson from last year's appropriations struggle. Providing jobs for older workers is as important as providing employment for all other age groups. The President has indicated he will support this legislation, and I encourage all the Members of this body to do the same.●

● Mr. LELAND. Mr. Chairman, the emergency supplemental appropriations bill for fiscal year 1983, H.R. 1718, is a necessary first step in providing immediate benefits for the Nation's 11 million known unemployed. This bill is intended to ease human suffering and hardship the quickest way possible, by funding essential social services, as well as labor-intensive projects targeted for the areas experiencing the highest unemployment.

Considering the 1982 annual average unemployment rate was 9.7 percent—the highest annual jobless rate in the postwar period—I urge my colleagues to support this bipartisan effort in order to create almost 600,000 jobs. One need only look at the abysmal statistics characterizing our Nation today: Adult men experienced the greatest increase in unemployment at 10.1 percent; the proportion of adult women without jobs was 9.2 percent; the percentage of teenagers out of work was 24.5 percent as of December 1982.

This bill would particularly assist the employment problem that blue collar workers are currently experiencing, since the recession has affected their situation more so than any other occupational group—at 16.3 percent, up 29 percent from December 1981 figures. It has been estimated that the mean duration of unemployment exceeded 4 months in December 1982 compared to 3 months in the same month in 1981. We must also keep in mind the unknown percentage of individuals who became sufficiently discouraged about finding jobs that they have withdrawn from the labor force.●

● Mr. ST GERMAIN. Mr. Chairman, the emergency jobs and assistance package is one small step for the unemployed. It will be a step toward recovery if it is followed by a full-scale effort to attack the causes of unemployment and if a major effort is launched to revitalize the economy from the grassroots up.

For those of us who tried desperately to sound the alarm when the Reagan administration pushed the economy down the icy supply side slopes in 1981, it is gratifying to see, at long last, a semblance of bi-partisan recognition of problems that have been all too apparent to the people for all too long. I hope that the "bi-partisanship" does not fade when the tougher economic issues come before us.

Faced with a timetable designed to move assistance quickly, the Appropriations Committee is to be commended for pulling together this package. It is a start which will signal that this Congress will not sit idly by and allow the unemployed and the disadvantaged to sink further into the swamp of hopelessness created by this administration. It is a beginning on which we can build a true recovery.

We on the Banking Committee are especially pleased to see an acceleration of funding for community development and urban development action grants and additional money for weatherization of homes of low-income families. The legislation provides $1,250,000,000 for community development grants, which is estimated to provide for 80,000 jobs, and to insure that jobs are created quickly the committee provided that these funds would be distributed within 30 days of enactment. The legislation also provides $150,000,000 for wetherization—so important to Rhode Island and the Northeast.

Certainly, the Appropriations Committee should be commended for reordering priorities which will now allow funding for nutrition programs for women and children and money for local nonprofit agencies to provide food and shelter for jobless people.

The small business community has been devastated by the administration's policies—particularly high interest and tight money—and the committee wisely included funds for direct loans to small businesses. I am also pleased that some additional funding is in the bill to upgrade Amtrak in the Northeast and to improve mass transit facilities. And certainly, no one can argue against the need to do more in the area of summer jobs for youths where the unemployment levels are staggering.

As soon as phase 1—this first step—moves we must go back to work on programs to attack jobless problems and to set in motion actions which will move the economy forward.

The Banking, Finance and Urban Affairs Committee, for example, has a number of initiatives. These include:

First, housing stimulus, particularly for low- and moderate-income units. We need the units and the jobs which are produced throughout the economy when the housing industry revives.

Second, emergency programs, to "work out" and limit foreclosures on homes of families who have been hit by unemployment in the current economic crisis. The Appropriations Com-

mittee bill before us today includes administrative funds for a "foreclosure forbearance" program. The Banking Committee is currently working on authorizing legislation to provide assistance to families who face the loss of their homes because of economic conditions beyond their control.

Third, amendments to the Defense Production Act which would provide funds to train, retain, and upgrade skills of workers and creation of a National Development Bank to provide funding for job producing industries.

Fourth, efforts to push for lower interest rates and a fair flow of credit to small businesses, job-producing industries, homebuyers, and similar areas starved by funds in recent years. This includes a hard look at credit controls and an effort to upgrade the reporting and economic targeting by the Federal Reserve.

These are a few of the areas in which the Banking Committee will move during this Congress. As I promised the House in December, we intend to explore every niche of the committee's jurisdiction to discover what can be done to push the economy forward and to provide jobs.

We must regard today's action as a beginning; as a start on the long road to economic sanity and stability; as a signal of hope to the millions who were forgotten in the great economic experiment of the past 2 years.●

● Mrs. SCHNEIDER. Mr. Chairman, I rise in support of H.R. 1718, the emergency supplemental appropriations for 1983. Although I stand opposed to several provisions of the legislation, I feel the bill, with amendments, will serve to assist those 11 million people currently unemployed. Immediate action is necessary to alleviate some of the damage done to those whose lives have been hard pressed during the recession.

Mr. Chairman, the seriousness of the employment issue demands that this Congress lay down partisanship for the sake of providing gainful employment for America's jobless. In my eyes, dollars targeted toward pork barrel water projects could better be used for school and hospital energy conservation programs, Youth Conservation Corps, and other more labor-intensive projects. We in Congress must put the needs of the Nation's unemployed before any of our own special interests. I trust that amendments to the bill, designed to rectify some of its inadequacies, will gain the approval of the House.

Despite these weaknesses, however, I feel that a great number of its provisions will prove valuable to many Americans. The $100 million appropriation for the women, infants and children program, for instance, is essential to the welfare of many Rhode Islanders. Presently, the waiting list for those eligible for WIC, but unable to enter the program, stands at 150 women. In Rhode Island alone, $96,000 more dollars are needed to sustain this year's program at the same level of service. With every $1 spent on WIC saving $3 in future health care costs, this additional appropriation is money well spent.

Child care funding, through the Day Care and Head Start programs, also serves to make this bill more palatable. These programs are essential for increasing the numbers of women in full-time and skilled employment.

I am particularly pleased to see included in the legislation a $25 million appropriation for title V of the Older Americans Act. This successful program, which last year provided 300 jobs to seniors in Rhode Island and 52,000 seniors nationwide, has proven its value and most certainly deserves the support of this Congress. Seniors also stand to gain from the inclusion of a $150 million appropriation for low-income weatherization. In addition to providing quick employment for unskilled and semiskilled workers, the program, by cutting energy bills by 20 percent, puts money directly in the pockets of the elderly and low-income families hardest hit by the recession.

Last, I am pleased by the specific targeting of funds within the health care area. The need for expanded community care programs for alcohol and drug abuse, as well as mental illness, is well recognized.

I am also supportive of the $30 million appropriation for health care aimed at the disadvantaged and umemployed, with $10 million of the funds directed toward home health care at community health centers.

Mr. Chairman, this bill, while in need of revision, provides the dollars necessary to put thousands of Americans back into the work force, thereby making them productive and contributing members of the society. I urge each of my colleagues to assist those who have carried the burden of the recession by voting for H.R. 1718.●

● Mr. MARKEY. Mr. Chairman, I wish to join with my colleagues today in support of H.R. 1718 which will make appropriations for emergency expenditures to meet neglected economic needs. I find it ironic that this jobs bill contains many of the elements of the Democratic proposal that was killed at the end of the 97th Congress by the threat of an administration veto. It is unfortunate that the administration realized 4 months later that this type of legislation was needed. It is outrageous that thousands of American workers and their families have had to suffer an extra 4 months so that the administration could save face.

This measure will create over 500,000 jobs and prime the economic pumps of the construction industry. It will also provide badly needed maintenance and repair that has been deferred by hard-pressed State and local governments.

We must not forget that this administration has shown no concern for the unemployed other than in terms of political rhetoric. The empty promises of imminent economic recovery are no longer enough for the American jobless. Rather, this legislation must serve as a small step on the long road to economic recovery. It must serve as a solid foundation for a second phase of job creation. Because, as so many of my colleagues have pointed out today, the United States is a "work ethic" society, providing meaningful work to the unemployed of our Nation should be our top priority. This bill will accomplish this goal in a way which, although small, moves us in the right direction.●

● Mr. BOUCHER. Mr. Chairman, I rise in strong support of H.R. 1718, the emergency jobs legislation.

In southwest Virginia, which I represent, unemployment exceeds 17 percent. In one county, the jobless rate is over 30 percent. This level of unemployment tears at the very fabric of our society, and in the communities of southwest Virginia, you can see the suffering.

Because of unemployment, families have been forced to change their way of life. Families are hungry, health care coverage has been lost, and savings accounts have been depleted. In thousands of cases, unemployment benefits have been exhausted, leaving families destitute. Those hardest hit by this recession are living on little more than their powerful faith, and on the hope that their government will take action to put people back to work.

Short of a broad-based resurgence in every sector of the economy, we must help provide jobs to the unemployed. To those who object to this bill with the disparaging cry of "make work," I say, listen to the cries of those who need work. Explain to the people of Buchanan County, Va., where unemployment is over 30 percent and where the actual rate may be double that level, that some jobs are not good enough, and that they would be better off without the income a job from this bill might provide.

For the unemployed in the coalfields of southwest Virginia, the issue is family survival—not economic philosophy.

The emergency jobs bill will provide up to 600,000 jobs across the country. People will be employed on such projects as repairing veterans hospitals, improving national parks, weatherization of homes for low income families, flood control senior citizen employment, and soil conservation.

With unemployment remaining in the double-digit range, the American

people will be justified in finding this Congress guilty of malfeasance should we fail to pass this emergency jobs legislation.

Title II of H.R. 1718 addresses the critical problem facing States that have been forced to borrow from the Federal Government in order to meet their regular obligations for unemployment benefits. Without title II, States would rapidly be forced to terminate benefits as their State trust funds run dry. My own State of Virginia has already been forced to borrow more than $19 million to pay regular unemployment benefits.

I regret that H.R. 1718 does not amend the extended unemployment benefits program to make eligible those people living in high unemployment areas within low unemployment States. Virginia's relatively low unemployment rate statewide is well below the trigger to qualify for extended benefits. But in my district, unemployment is more than twice the statewide average and is nearly 70 percent above the national rate. I will be working to close this unfortunate loophole which discriminates against the unemployed in southwest Virginia.

In the meantime, today's bill is urgently needed. Titles I and II represent a genuine effort by the Congress to help those hurt most by the recession. I urge my colleagues to support the emergency jobs legislation.●

● Mr. FRENZEL. Mr. Chairman, this amalgam, euphemistically characterized as a jobs bill, has already been unmasked by the press as a bulging barrel of pork.

I cannot further embellish the revelations which have been shown nightly on our television set. All the House and Appropriations Committee big shots have lorded their particular projects into the bill with the customary disregard for need.

But, even if the projects were the neediest, the concept of the bill is wrong. Public works bills have proved again and again to be slow, expensive and ineffective ways to stimulate real jobs or the general economy. More spending for personal public works projects is an old House habit, but it has not worked.

If we want to provide the best stimulus for permanent jobs in this recovery period, we must concentrate on reducing spending, cutting the out year deficits and lowering interest rates. That is how to build jobs.

Merely titling a bill as jobs bill does not create jobs. Voting for a title or a symbol does not create jobs. All it does is to spend money, and to build deficits.

So when this little piggy goes to market, it will go without my support, and the taxpayers will cry all the way home.●

● Mr. FORD of Michigan. Mr. Chairman, I rise in support of H.R. 1718, the emergency supplemental appropriations for fiscal year 1983. As we are all aware, Mr. Chairman, jobs are America's No. 1 priority. In my hard hit district and throughout the depression-torn State of Michigan, jobs are needed to get us back on track to economic growth.

Job creation, phase I, as this bill is sometimes called, is only the beginning of our efforts. It is simply an emergency package of accelerated public works programs and humanitarian aid for the jobless. There are many similarities between this measure and the measure passed last December, which was scrapped because of President Reagan's threatened veto. There will be a phase II jobs package which will include a more comprehensive approach to stimulating the economy.

The importance of this legislation cannot be overlooked, however. One of the most important features concerns unemployment insurance. Over 800,000 Americans exhausted some form of unemployment insurance during December, 1982, of whom 300,000 exhausted their supplemental benefits. The administration estimates that the supplemental program will deplete its funds by the middle of this month. The $5.1 billion in the bill for this program is designed to carry it through the end of 1983.

The supplemental bill we are considering today contains funds to assist the jobless in a multitude of ways. There is money to help local communities provide emergency shelters, to assist with day care services, to provide immediate jobs in Federal building repair and maintenance, necessary work on local community projects, and most importantly funds for essential efforts such as the nutrition program for women, infants, and children (WIC), and weatherization help for low-income Americans.

Mr. Chairman, this bill can take effect almost immediately and it is good news to know that the machinery is in place to administer the funds contained in the legislation. Reaganomics sent this country into a tailspin and this legislation will not create enough jobs to repair all the damage done. It is a start, though, and I am happy to have the opportunity to tell my constituents in the 15th District of Michigan that we in Congress understand that America's jobless need productive employment, not just money and other aid to wait out this recession.●

● Mr. STOKES. Mr. Chairman, I rise in strong support of H.R. 1718, the Emergency Supplemental Appropriations Act of 1983, providing jobs and humanitarian relief for the millions of Americans who now find themselves without work and without hope of securing a job in the near future. Our Nation has just emerged from the depths of one of the deepest recessions ever—a recession which has cut a wide swath of misery and human suffering touching nearly every American family. As a result, of the Nation's slide into economic chaos, a record 18 million Americans find themselves out of work or working part time because no full-time jobs are available. People have lost their homes and their self respect. Unemployed workers have had to leave their families, moving from town to town and State to State looking for work. Families have had to forego not the luxuries, but the basic necessities of life, such as food and medical care.

Yes, Mr. Chairman, an emergency jobs bill should have passed long, long ago before unemployment escalated into America's No. 1 domestic tragedy—before thousands of families were pushed over the edge of economic disaster. H.R. 1718 is a long overdue and a much needed step, but still a small step. I strongly believe that Congress has a responsibility and an obligation to do much more than this because our Nation is only as strong as its people. And, our people need and deserve more help from their Government than this limited bill can provide. H.R. 1718 takes one small step, but a giant leap is needed.

Therefore, Mr. Chairman, I urge this body to pass the measure before us as only phase 1 of an employment and economic stimulus package, and I urge my colleagues to press for phase 2 legislation—as I will be doing—to complete the task of providing real relief to the American people.

Now, I would like to address my remarks to some of the specific provisions of the bill before us, which provides $4.6 billion in emergency job-creating appropriations, humanitarian relief, and an emergency supplemental to keep the unemployment compensation system from running out of funds this spring.

There are some who believe that this measure is not targeted sufficiently to communities experiencing very high unemployment. They may or may not be right. I do know, however, that there are a number of provisions in H.R. 1718 which will provide important and significant aid to Ohio and to Cleveland—my own State and congressional district—currently experiencing the pain of nearly the highest unemployment rates in the country.

For example, Ohio and Cleveland will benefit significantly from the $1.25 billion appropriation in H.R. 1718 for community development block grants. Cleveland's share of about $12 million will provide jobs for housing rehabilitation, parks improvements, and other projects essential to maintaining the vitality of Cleveland's neighborhoods. This bill also disapproves a deferral in UDAG funds for which Cleveland has a number of applications pending. These projects can

be implemented quickly and will create many needed construction jobs in Cleveland.

The $232.4 million for employment and training assistance in this bill is already targeted to high unemployment areas under existing formulas for summer youth and displaced worker programs. About 50,000 to 60,000 persons in Cleveland qualify for this type of job training assistance and some will benefit from the funds provided in this measure.

Mr. Chairman, several days ago I participated in a walking tour of several hunger service centers in Cleveland and the things I saw were shocking. Clevelanders are routinely waiting 2 hours for free Government cheese and bread; church soup kitchens and hunger centers are filled to capacity. Several thousand women in Cleveland are on the waiting list for nutritious food supplements under the WIC program. Mr. Chairman, it became painfully clear to me that the $75 million for the distribution of surplus food, the $50 million for emergency food and shelter services, and the $100 million for WIC included in H.R. 1718 will only begin to address the need for emergency assistance which exists in Cleveland and in the Nation.

Cleveland and Ohio also desperately require congressional approval of the $5.033 billion in this bill for advances to the States for unemployment compensation benefits. The onerous burden of nearly 15 percent unemployment has forced Ohio to borrow heavily from the Federal Government to meet unemployment compensation payments. The approval of this supplemental funding will enable Ohio and 28 other States to continue life-sustaining unemployment compensation benefits to thousands of people who have no other resources.

In closing, Mr. Chairman, I believe strongly that congressional passage of this bill is critical to my own community, Cleveland, to the State of Ohio, and to the Nation. I urge its swift adoption, granting essential jobs and relief to the unfortunate victims of the Nation's economic problems.●

Mr. NATCHER. I yield myself the balance of my time.

The CHAIRMAN. The gentleman is recognized to conclude debate.

Mr. NATCHER. Mr. Chairman, certainly H.R. 1718 does not answer all of the problems that we are confronted with today in this country concerning unemployment. With 10.4 percent unemployed, a little over 11 million people, much more needs to be done. This bill does provide some $4.6 billion to deal with some of our most pressing problems on an emergency basis. The amount in the bill approximates the total suggested by the administration. The committee recommendations represent an immediate first step in responding to the grave economic situation in which we find ourselves. Title I of the bill provides additional funds in some 38 different programs, all designed to create jobs by stimulating economic activity, or to provide assistance to those who have been most adversely affected by unemployment.

Title II of the bill provides $5,033 million for adverses to the unemployment trust fund. This money must be provided as soon as possible to make loans to States whose funds for payment of unemployment benefits have been, or will soon be, depleted. Title II also contains $276.1 million for additional funds for processing unemployment claims. The amounts in title II were requested by the President, and should be provided without further delay.

As my Chairman pointed out at the beginning of the debate on this bill, we are today spending $32 billion a year in unemployment compensation. It makes good sense to spend money to create employment—productive employment. That is what this bill will do. It also makes sense to use the programs which are now in place to provide food, shelter, and health services to the needy. This bill does that, as well. This is an important bill. As I said a few moments ago, certainly, Mr. Chairman, it does not answer all the problems confronting our people today, but it is a step in the right direction. Mr. Chairman, we ask approval of this bill by the committee.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule. No amendments are in order except the following amendments printed in the CONGRESSIONAL RECORD of March 2, 1983, which shall be considered only in the following order and which shall not be subject to amendment but shall be debatable as provided in House Resolution 113:

First, the amendment by, and if offered by, Representative OBEY which shall be considered en bloc;

Second, the amendment by, and if offered by, Representative HOWARD;

Third, the amendment by, and if offered by, Representative WISE; and

Fourth, the amendment by Representative EDGAR, and if offered by Representative EDGAR or Representative COUGHLIN.

The text of the bill is as follows:

H.R. 1718

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 1983, and for other purposes in order to increase the wealth of the Nation, putting women and men back to productive work made necessary by the conditions described as follows:

TITLE I—MEETING OUR ECONOMIC PROBLEMS WITH ESSENTIAL AND PRODUCTIVE JOBS

CONGRESSIONAL FINDINGS

SEC. 101. The Congress finds that unemployment has increased to 10.4 per centum on a national basis, reaching 17.8 per centum in West Virginia, 12.6 per centum in Illinois, 15.5 per centum in Michigan, 14.0 per centum in Ohio, and 13.6 per centum in Pennsylvania. This is exclusive of the military, which, though essential, is not of any substantial economic benefit. Actual filings of business-related bankruptcies for the year ending June 30, 1982, reached a total of seventy-seven thousand five hundred and three as compared with a prior year figure of sixty-six thousand three hundred and thirty-two and business failures, as reported by Dun and Bradstreet, are up 49 per centum compared to one year ago. Delinquencies are many times greater. Only 35.7 per centum of the raw domestic steel industry's capacity is currently being utilized which represents the lowest capacity since 1932. The American farmers are more than $215,000,000,000 in debt. Financed last year at rates of interest varying from 15 to 20 per centum, unless fortunate enough to have inherited their land, hundreds of thousands of farmers are faced with bankruptcy. Local papers are filled with announced sales of farm equipment and machinery, most of it selling for a small percentage of its worth, benefiting neither the creditor nor the debtor. While our farm commodities are held off world markets at competitive prices, those in the business of supplying agricultural equipment, chemicals, seeds and other supplies, including those from whom they borrow, are in desperate financial condition, either bankrupt or near it.

The result is a financial breakdown of the Nation, for agriculture is an integral part of the Nation's production and by far the biggest customer of industry and labor. History shows that if agriculture goes down, the rest follows.

The news media carry the pitiful picture of thousands of unemployed seeking a few hundred jobs; people who have spent a lifetime buying a home put out into the streets, having lost everything; businesses closed, with the owner having nowhere to go. We must prevent further imposition on the agricultural industry of the cost of United States foreign policy since heretofore the burden of embargoes or the failure to export has been borne solely by those engaged in agriculture. Today every possible means must be made to increase American production to sell American, instead of continuing to make competitors out of former customers. The current unacceptable level of unemployment which has not existed since the Great Depression prior to World War II creates an economic and humanitarian problem requiring immediate action. This bill does not provide for make-work employment but does provide for neglected needs of the Nation at a cost of less than one-seventh the cost of unemployment compensation for this year which has reached the staggering total of $32,000,000,000. The Nation must take immediate steps such as those contained in this bill to retain and restore our physical wealth.

It is essential that interest rates, which have been reduced following a General Accounting Office investigation of the Federal Reserve System at the request of the committee, continue at present or lower rates for industrial and agricultural recovery.

THE NEED FOR NEW CORPORATIONS OR AGENCIES WITH NEW AUTHORITY

SEC. 102. In view of—

(a) the current economic crisis in the private sector and the need for specific emphasis toward long-term economic recovery; and

(b) the successful history of past Federal activities, such as the Reconstruction Finance Corporation, which had a proven track record for assisting banks and other corporations in getting back into a viable position; and

(c) the need to find a means to avoid wholesale foreclosures on homes, farms, and small and large businesses; and

(d) the need to establish an appropriate corporate structure required for such an activity to maximize a Government and industry partnership that will foster cooperation in the rebuilding of our national economy;

there is hereby appropriated to the Department of the Treasury $500,000 for administrative expenses to enable such Department to develop plans for (1) a Reconstruction Finance Corporation type governmental entity to help meet business problems, (2) a Home Owners Loan Corporation type governmental entity for housing problems, and (3) a farm credit type agency to help avoid forced sale under mortgage. Such plans, based on prior experience, should be made within thirty days to the appropriate legislative committees of the House and Senate, and the Appropriations Committees of the House and Senate. In order to reduce foreclosures and defaults, the plans should address the benefits of providing operating capital to give debtors and creditors a chance to work out their financial problems under supervision. In preparing the plans, the Department of the Treasury is authorized and expected to obtain the views of experts in other government departments.

COMPETITION IN WORLD MARKETS

SEC. 103. The Secretary of the Treasury and the Secretary of Commerce, with the cooperation of the American business community are directed to analyze and report on the current trade crisis with the objective of keeping American exports competitive in world markets and strengthening our commitment to sell what we have and don't need to those who have a great need.

REDUCING AND STABILIZING INTEREST RATES

SEC. 104. The Board of Governors of the Federal Reserve and the Federal Open Market Committee should continue such actions as are necessary to achieve and maintain a level of interest rates low enough to generate significant economic growth and thereby reduce the current intolerable level of unemployment as they have since the Committee on Appropriations on April 26, 1982 obtained an investigation of the Federal Reserve System by the General Accounting Office.

MAINTAINING AND PROTECTING PUBLIC INVESTMENT FEDERAL BUILDINGS

In order to assist in reducing the backlog of needed maintenance and repair of Federal buildings across the Nation, $125,000,000 for payment to the "Federal Buildings Fund", General Services Administration, to remain available until expended, which shall be available under the subactivity "Alterations and repairs" for projects which do not require prospectuses.

REBUILDING AMERICA'S HIGHWAYS

To accelerate the construction and reconstruction of the Nation's highways and to improve safety on the Nation's highways, which will result in productive jobs, an additional amount of $33,000,000, to remain available until expended, to demonstrate methods to accelerate the widening of existing highways: *Provided*, That nothing in this Act shall be construed to modify the policy for purchases set forth in Public Law 97-424: *Provided further*, That, notwithstanding any other provision of law, the total of all obligations for Federal-aid highways and Highway safety construction programs for fiscal year 1983 shall not exceed $12,600,000,000: *Provided further*, That this limitation shall be administered in accordance with section 104 of Public Law 97-424.

TO SPEED UP IMPROVEMENT OF MASS TRANSPORTATION

To accelerate the construction, modernization and improvement of urban mass transportation systems, to increase the mobility of the urban work force which will result in productive jobs, an additional amount of $44,000,000, to remain available until expended, for "Interstate transfer grants—transit" and an additional amount of $66,000,000, to remain available until expended, for "Urban discretionary grants".

REBUILDING RAILROAD INFRASTRUCTURE

To provide for the improvement of railroad rights-of-way and facilities, the Secretary of Transportation shall make capital grants to the National Railroad Passenger Corporation of $110,000,000, to remain available until expended, of which $90,000,000 shall be for improvements of railroad rights-of-way and $10,000,000 shall be made available only for the rehabilitation, renewal, replacement, and other improvements on the line between Attleboro, Massachusetts, and Hyannis, Massachusetts, to insure that such track will meet a minimum of class III standards as prescribed by applicable Federal Railroad Administration regulations.

IMPROVING FACILITIES AND SERVICES PROVIDED TO VETERANS

For an additional amount for "Medical care", Veterans Administration, $75,000,000, which will result in productive jobs to improve the facilities and care being provided to veterans throughout the country.

PROTECTION FROM FORECLOSURE—EMERGENCY MORTGAGE ASSISTANCE

For an additional amount for "Salaries and expenses", Department of Housing and Urban Development, for administrative expenses to expedite the implementation of a program of emergency mortgage assistance for homeowners pursuant to legislation to be enacted by the Ninety-eighth Congress in response to the growing number of foreclosures, defaults, and delinquencies attributable to continuing adverse economic conditions, $500,000, which shall become available only upon enactment of such legislation.

COMMUNITY DEVELOPMENT GRANTS

For an additional amount for "Community development grants", to be made available in accordance with the provisions of title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), for worthwhile and necessary projects which will result in productive jobs in communities, including towns and villages, throughout the country through the funding of local community development programs, $1,000,000,000, to remain available until September 30, 1985; and an additional amount of $250,000,000, to remain available until expended, for "Community development grants", to be made available to metropolitan cities and urban counties in accordance with the provisions of section 106(b) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), to fund programs in areas of high unemployment: *Provided*, That the Department of Housing and Urban Development shall submit detailed quarterly reports to the appropriate committees of Congress on the use of these funds: *Provided further*, That the 10 per centum limitation on the amount of funds for public services activities contained in section 303(a)(1) of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, approved August 13, 1981) shall not apply to the funds provided under this heading in this Act.

URBAN DEVELOPMENT ACTION GRANTS

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D83-32A relating to the Department of Housing and Urban Development, Community Planning and Development, Urban development action grants, as set forth in the message of January 6, 1983, which was transmitted to the Congress by the President. This disapproval shall be effective upon the enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D83-54 relating to the Department of Housing and Urban Development, Housing Programs, Annual contributions for assisted housing, as set forth in the message of February 1, 1983, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation: *Provided*, That all contract authority and budget authority, including the amounts disapproved for deferral in this Act, which is available to make reservations to incur obligations in fiscal year 1983 shall be used in accordance with the provisions included in Public Law 97-377, approved December 21, 1982, under the heading "Annual contributions for assisted housing" to carry out the following budget program:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING—GROSS RESERVATIONS, FISCAL YEAR 1983

	Units (approximate)	Cost (approximate)	Contract authority	Term	Budget authority
Use of authority:					
Public housing:					
Indian	2,000	$6,460	$12,920,000	28	$361,760,000

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING—GROSS RESERVATIONS, FISCAL YEAR 1983—Continued

	Units (approximate)	Cost (approximate)	Contract authority	Term	Budget authority
Amendments	NA	NA	25,000,000	NA	782,000,000
Interest rate adjustments	NA	NA	11,652,200	NA	405,000,000
Lease adjustments	NA	NA	23,800,000	1	23,800,000
Modernization: From new authority	NA	NA	125,000,000	20	2,500,000,000
Sub. Rehabilitation set-aside	NA	NA	4,466,086	20	89,321,727
Subtotal, public housing	2,000	NA	202,838,286	NA	4,161,881,727
Section 8:					
New/Sub. Rehabilitation: Section 202	14,000	6,550	91,700,000	20	1,834,000,000
Property disposition	10,000	4,560	45,600,000	15	684,000,000
Conversions:					
Section 23	5,000	2,820	14,100,000	15	211,500,000
Rent supplement	60,000	2,730	163,800,000	15	2,457,000,000
Subtotal, conversions	65,000	NA	177,900,000	NA	2,668,500,000
Existing	67,146	3,755	252,133,230	15	3,782,000,000
Moderate rehabilitation	15,000	4,800	72,000,000	15	1,080,000,000
Amendments:					
New/Rehabilitation	NA	NA	43,600,000	23	1,048,000,000
Existing	NA	NA	20,792,860	10	208,160,160
Loan management	NA	NA	15,000,000	10	150,000,000
Subtotal, amendments	NA	NA	79,392,860	NA	1,406,160,160
Subtotal, section 8	171,146	NA	718,726,090	NA	11,454,660,160
Total, all programs	173,146	NA	921,564,376	NA	15,616,541,887

Provided further, That the limitation on the Department's fiscal year 1983 official reception and representation expenses contained in Public Law 97-272, approved September 30, 1982, under the heading "Salaries and expenses" is increased by $2,000: *Provided further,* That of the amount made available to the Department of Housing and Urban Development under the heading "Research and technology" in Public Law 97-272, no less than $950,000 shall be made available to the Housing Assistance Council within 45 calendar days of enactment of this Act.

TO AID LOCAL ECONOMIC DEVELOPMENT TO OFFSET PRESENT BUSINESS AND PLANT CLOSURES

Toward the objective of restoring the prior level of Federal support for economic development purposes throughout a wide geographic area as provided for by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, an additional amount of $200,000,000 is appropriated for "Economic development assistance programs", Economic Development Administration.

INCREASING SMALL BUSINESS ACTIVITIES

For additional capital for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $2,000,000, to remain available without fiscal year limitation; and for additional capital for new direct loan obligations to be incurred by the "Business loan and investment fund", authorized by section 7(a) of the Small Business Act, as amended, $200,000,000, to remain available without fiscal year limitation, to help small businesses throughout the Nation to employ additional personnel where economically feasible.

DEVELOPING PARKS AND RECREATION AREAS

An additional amount of $50,000,000, to remain available until expended, is appropriated for "Salaries and expenses", Small Business Administration to be available only for grants to any State government or agency thereof or public institution of higher education for small business oriented employment or natural resources development programs, pursuant to section 21(a)(1) of the Small Business Act.

REPAIRING AND RESTORING PARKS AND RECREATIONAL FACILITIES

There is appropriated for expenses necessary for the "Urban Parks and Recreation Fund" for rehabilitation grants and repairs, under the provisions of the Urban Park and Recreation Recovery Act of 1978 (title 10 of Public Law 95-625), $50,000,000, to remain available until expended.

To accelerate programs of improvement and maintenance of National Park Service roads, trails, and other existing facilities which will receive an estimated three hundred and fifty-eight million visits in 1983, there is appropriated an additional $50,000,000 for "Operation of the National Park System", National Park Service, under the same conditions provided for under this appropriation in Public Law 97-394, to remain available for obligation until September 30, 1984.

PRESERVING THE NATIONAL FOREST SYSTEM

To restore, repair, and provide forest roads, trails, and other existing facilities which are part of the real wealth of this country, there is appropriated an additional amount of $25,000,000, to remain available for obligation until September 30, 1984, for the "National Forest System".

In order to provide jobs which will result in the construction of real assets for this country, an additional amount of $20,000,000 is appropriated, to remain available until expended, for "Construction", Forest Service.

IMPROVING INDIAN HEALTH FACILITIES

In order to provide for construction, repair and improvements, and other services to Indians there is appropriated an additional amount of $39,000,000, to remain available until expended, for "Indian Health Facilities", Indian Health Service.

IMPROVING FISH AND WILDLIFE SERVICE FACILITIES

To accelerate programs for the rehabilitation and maintenance of wildlife refuges, fish hatcheries, and research facilities, of real benefit to people across the Nation under the jurisdiction of the United States Fish and Wildlife Service, Department of the Interior, there is appropriated an additional $25,000,000, for "Resource Management", to remain available for obligation until September 30, 1984.

IMPROVING NATURAL RESOURCES ON INDIAN RESERVATIONS

To accelerate programs to improve natural resources on Indian reservations, including range and agricultural improvements, reforestation and timber stand improvement, there is appropriated an additional amount of $20,000,000 for "Operation of Indian Programs", Bureau of Indian Affairs.

ASSISTING IN RURAL DEVELOPMENT AND RESOURCE CONSERVATION

In order to provide assistance for basic human amenities, to alleviate health hazards, to promote stability of rural areas by meeting the need for new and improved rural water and waste disposal systems and to meet national safe drinking water and clean water standards, there is appropriated an additional amount of $200,000,000 under the 1981 formula and regulations for "Rural Water and Waste Disposal Grants", Farmers Home Administration, Department of Agriculture, to remain available until expended.

In order to assist eligible borrowers such as communities and others to provide assistance for basic human amenities, alleviate health hazards and promote the orderly growth of rural areas by meeting the need for the financing of new and improved rural water and waste disposal systems and meet the National Clean Water Standards and the Safe Drinking Water Act and to assist in achieving these objectives which create and conserve real wealth throughout the country, $600,000,000 for additional loans to be insured, or made to be sold and insured, under the "Rural Development Insurance Fund", Farmers Home Administration, Department of Agriculture in accordance with and subject to the provisions of 7 U.S.C. 1928 and 86 Stat. 661-664.

For an additional amount for "Salaries and Expenses", Farmers Home Administration, Department of Agriculture, $6,500,000 for 500 additional permanent full-time staff at the county office level for the purpose of handling and supervising loans in an effort to avoid foreclosures.

In order to assist States, local units of government, groups and individuals in develop-

ing area plans for resource conservation and development and to create jobs to increase and conserve the real wealth of this country, there is appropriated an additional amount for "Resource Conservation and Development", Soil Conservation Service, Department of Agriculture, $15,000,000, to remain available until expended.

INCREASING THE EFFECTIVENESS OF SOIL CONSERVATION ACTIVITIES

In order to assist in installing works of improvement and rehabilitation of existing works; reduce damage from floodwater sediment and erosion; for the conservation, development, utilization, and disposal of water; and for the conservation and proper utilization of land, there is appropriated an additional amount for "Watershed and Flood Prevention Operations", Soil Conservation Service, Department of Agriculture, and to assist in providing jobs which will increase and conserve the real wealth of this country, and to meet the needs for emergency work, including repairs to local roads and bridges, to remedy damages resulting from recent floods, $150,000,000, to remain available until expended: *Provided*, That an additional $25,000,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (86 Stat. 663).

For an additional amount for emergency measures to repair flood damage as authorized by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), $10,000,000, to remain available until expended.

ENHANCEMENT OF WATER RESOURCE, HYDROELECTRIC POWER BENEFITS AND FOR EMERGENCY FLOOD CONTROL WORK

To improve flood control, shore protection, and other measures as authorized by law, to provide water resource and hydroelectric power benefits, to meet emergency requirements and remedy damages resulting from disastrous rains and floods, which will result in productive jobs, an additional amount of $125,000,000, to remain available until expended, is hereby appropriated for "Construction, general", Corps of Engineers—Civil, Department of the Army.

To maintain harbor channels and other navigable waterways essential to the conduct of commerce, to preserve and operate existing river and harbor and flood control measures which will protect the real wealth of the Nation, to meet emergency requirements and remedy damages resulting from disastrous rains and floods, which will result in productive jobs, an additional amount of $76,000,000, to remain available until expended, is hereby appropriate for "Operation and maintenance, general", Corps of Engineers—Civil, Department of the Army.

To plan, construct, and maintain flood control measures for the river system which drains more than two-fifths of the Nation, to perform necessary rescue work, and repair and restoration of flood control projects including local roads and bridges; together with cooperative projects with the Soil Conservation Service authorized by law, to meet emergency requirements and remedy damages resulting from disastrous rains and floods, and to prevent future damages, an additional amount of $203,000,000, to remain available until expended, is hereby appropriated for "Flood control, Mississippi River and tributaries", Corps of Engineers—Civil, Department of the Army.

RECLAMATION AND IRRIGATION PROJECTS

To accelerate the completion of projects which will provide additional industrial and municipal water, irrigation water, and hydroelectric capability, an additional amount of $50,000,000, to remain available until expended, is hereby appropriated for "Construction program", Bureau of Reclamation, Department of the Interior.

To accelerate hydrogenerator uprating, soil and moisture conservation operations on reclamation projects, levee construction, repair and restoration, improvements of recreation areas, and to assist in creating new productive jobs, an additional $21,000,000, to remain available until expended, is hereby appropriated for "Operation and maintenance", Bureau of Reclamation, Department of the Interior.

To accelerate loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies, an additional $30,000,000, to remain available until expended, is hereby appropriated for "Loan program", Bureau of Reclamation, Department of the Interior.

In order to provide for improved maintenance, renovation, construction, and repair of Tennessee Valley Authority facilities, there is appropriated an additional amount of $40,000,000, to remain available until expended, for the Tennessee Valley Authority Fund.

FEDERAL, STATE, AND LOCAL PRISON MODERNIZATION

For planning, acquisition of sites and remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, for "Buildings and facilities", Federal Prison System, Department of Justice, $90,000,000, to remain available until expended: *Provided*, That of this amount, $30,000,000 shall be transferred to "Support of United States Prisoners", Legal Activities for the Cooperative Agreement Program for the purpose of renovating, constructing, and equipping State and local jail facilities that confine Federal prisoners.

CONSTRUCTION AND MODERNIZATION OF HOUSING UNITS FOR MILITARY FAMILIES

In order to accelerate the construction and maintenance of family housing, to increase the quality of life of military personnel and their families, which will result in jobs in the construction industry and its related trades, there is appropriated for expenses of family housing for the Army for maintenance, $100,600,000.

In order to accelerate the construction and maintenance of family housing, to increase the quality of life of military personnel and their families, which will result in jobs in the construction industry and its related trades, there is appropriated for expenses of family housing for the Navy and Marine Corps for construction, including addition, expansion, extension and alteration, and for maintenance, as follows: for construction, $16,230,000; for maintenance, $34,301,000; in all, $50,531,000: *Provided*, That the amount provided for construction shall remain available until September 30, 1984.

In order to accelerate the construction and maintenance of family housing, to increase the quality of life of military personnel and their families, which will result in jobs in the construction industry and its related trades, there is appropriated for expenses of family housing for the Air Force for construction, including addition, expansion, extension and alteration, and for maintenance, as follows: for construction, $47,501,000; for maintenance, $44,368,000; in all, $91,869,000: *Provided*, That the amount provided for construction shall remain available until September 30, 1984.

Notwithstanding the provisions of Sections 102, 202, 302, and 605 of the Military Construction Authorization Act, 1983, funds appropriated by the Military Construction Appropriation Act, 1983 may be used to carry out projects otherwise authorized.

LOW-INCOME ENERGY CONSERVATION

There is appropriated an additional amount for "Energy conservation," Department of Energy, $150,000,000, to remain available until expended for low-income weatherization: *Provided*, That funds for low-income weatherization activities appropriated under this Act shall be expended according to the regulations pertaining to the maximum allowable expenditures per dwelling unit which were in effect on October 1, 1982, and to the regulations pertaining to priority in providing weatherization assistance which were in effect on October 1, 1982.

SCHEDULED MOTOR VEHICLE PROCUREMENT

In order to assure the timely replacement of planned Federal motor vehicle replacement by American plants in accordance with established practices, $75,000,000 for the General Services Administration to increase the capital of the General Supply Fund, established by section 109 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 756), for the purchase of motor vehicles: *Provided*, That the funds made available by this appropriation may be used only to procure domestically manufactured vehicles.

INCREASING EMPLOYMENT AND TRAINING OPPORTUNITIES

(EMPLOYMENT AND TRAINING ASSISTANCE)

To improve the opportunity for productive work through job training and job creation, an additional $207,400,000 for "Employment and Training Assistance", Department of Labor, of which $32,400,000 shall be for the Job Corps, $100,000,000 shall be for summer youth employment and $75,000,000 shall be for services to displaced workers under title III of the Job Training Partnership Act: *Provided*, That none of the amounts made available by this paragraph for summer youth employment shall be paid to any individual except upon written certification by the supervising official that the assigned job was performed.

INCREASING EMPLOYMENT OPPORTUNITIES FOR OLDER AMERICANS

(COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS)

For an additional amount to carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, $19,500,000.

For an additional amount to carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, $5,500,000.

INCREASING ESSENTIAL COMMUNITY AND HOME HEALTH SERVICES

(HEALTH SERVICES)

To expand the availability of essential health care services for the disadvantaged and unemployed, including those in rural towns and villages, an additional $30,000,000 for "Health Services", Department of Health and Human Services, for carrying out titles III and XIX of the Public Health Service Act with respect to community and migrant health centers: *Provided*, That $10,000,000 of these funds shall be for the provision of home health care services at such centers.

INCREASING MATERNAL AND CHILD HEALTH SERVICES

(HEALTH SERVICES)

To increase the availability of essential health services for disadvantaged children and mothers, an additional $10,000,000 for "Health Services", Department of Health and Human Services, for maternal and child health grants under title V of the Social Security Act: *Provided*, That such funds shall be available notwithstanding section 502 for special grants to title V agencies in those States experiencing high levels of unemployment: *Provided further*, That no grant shall be made to a State unless such State offers assurances satisfactory to the Secretary that it will use such amounts in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

INCREASING ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES

(ALCOHOL, DRUG ABUSE AND MENTAL HEALTH)

To expand community care programs for the prevention and treatment of mental illness, alcoholism and drug abuse, especially to meet problems associated with extended unemployment, an additional $30,000,000 for "Alcohol, Drug Abuse, and Mental Health", Department of Health and Human Services, for carrying out the Alcohol, Drug Abuse and Mental Health Block Grant: *Provided*, That no grant shall be made to a State unless such State offers assurances satisfactory to the Secretary that it will use such amounts in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

INCREASING DAY CARE AND SOCIAL SERVICES

(SOCIAL SERVICES BLOCK GRANTS)

To expand the availability of day care and other social services available to unemployed and disadvantaged Americans, which also shall include Expanded Food and Nutrition Education (Nutrition Aides), an additional $150,000,000 for "Social Services Block Grants", Department of Health and Human Services, for carrying out title XX of the Social Security Act of which $50,000,000 shall be used only for child day care services: *Provided*, That the State allotment for fiscal year 1983 shall not be reduced to offset any reduction in a prior year allotment made pursuant to the Department of Health and Human Services, OIG control number 030550 and 030551: *Provided further*, That no grant shall be awarded to a State under this paragraph unless such State offers assurances satisfactory to the Secretary that it will use these funds in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

INCREASING HEADSTART SERVICES

(HUMAN DEVELOPMENT SERVICES)

To expand the availability of essential early childhood education programs serving disadvantaged families, an additional $30,000,000 for "Human development services", Department of Health and Human Services for carrying out the Headstart Act of 1981.

INCREASING COMMUNITY AND HUMANITARIAN SERVICES

(COMMUNITY SERVICES BLOCK GRANT)

To expand the availability of essential humanitarian assistance to the unemployed and disadvantaged including those in rural towns and villages, an additional $25,000,000 for "Community Services Block Grant", Department of Health and Human Services, for carrying out the Community Services Block Grant Act.

PROVIDING URGENTLY NEEDED SCHOOL FACILITIES

(SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS)

To construct or improve school facilities to assure adequate, safe, and barrier-free buildings in school districts demonstrating an immediate and urgent need, there is appropriated an additional $35,000,000 to remain available until expended for "School Assistance in Federally Affected Areas", Department of Education for carrying out the Act of September 23, 1950, as amended (20 U.S.C., Ch. 19): *Provided*, That $15,000,000 shall be for sections 5 and 14(c), $10,000,000 shall be for section 10, and $10,000,000 shall be for sections 14 (a) and (b).

RELIEVING HUMAN SUFFERING OF INDIGENT PEOPLE

For an additional amount for "Food and Nutrition Service", Department of Agriculture, for administrative expenses to accelerate the implementation of programs to provide emergency feeding for the truly needy pursuant to legislation subsequently enacted by the Congress in response to the recognized and growing problem of individuals in the country suffering from malnutrition or undernutrition, $250,000, which shall become available only upon enactment into law of such legislation.

In carrying out the feeding programs provided for by this Act, participation in the programs shall be limited to those individuals certified by a local unit of government or charitable organization. Funds or commodities provided under this Act except for WIC shall be matched by a 25 per centum non-Federal contribution which may be monetary or represented by in-kind contributions such as volunteer labor and operating expenses including buildings, utilities, equipment, rent, and supplies.

DISTRIBUTION OF AGRICULTURAL COMMODITIES

For an additional amount to be added to and merged with the funds currently available to the Department of Agriculture for surplus removal operations in connection with perishable agricultural commodities (7 U.S.C. 612c), $75,000,000. Such funds shall be used to acquire and distribute surplus agricultural commodities in areas of high unemployment for use in cooperative emergency feeding facilities for indigent persons and shall be accounted for separately and in addition to existing funds held in reserve to support the price of perishable commodities as the need may arise. The Secretary's ability to support prices is contingent upon maintaining reserves adequate to announce large scale purchase. Prices tend to stabilize based on the announcement of intent to purchase, thereby reducing the need for actual purchase.

FEEDING PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

In order to provide supplemental food to low-income pregnant, postpartum and breastfeeding women, their infants and young children up to five years of age who are at nutritional risk due to inadequate income resulting from the serious decline in the economy and the unacceptably high levels of unemployment, funds shall be made available to local health clinics through State departments of health and to Indian groups; and upon determination of nutritional risk by competent health care professionals supplemental food shall be provided to such needy individuals to prevent health problems and to improve the future status of their health, $100,000,000.

FOOD DISTRIBUTION AND EMERGENCY SHELTERS

There is hereby appropriated $50,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the Council of Churches, the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $50,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with

the Federal Emergency Management Agency.

TITLE II—SUPPLEMENTAL UNEMPLOYMENT APPROPRIATIONS

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For an additional amount for "Advances to the Unemployment Trust Fund and Other Funds", $5,033,000,000, to remain available until September 30, 1984.

GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For an additional amount for "Grants to States for unemployment insurance and employment services", $276,100,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund and which shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based, which cannot be provided for by normal budgetary adjustments: *Provided*, That any portion of the funds granted to a State in the current fiscal year and not obligated by the State in that year shall be returned to the Treasury and credited to the account from which derived.

AVAILABILITY OF FUNDS

No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment which is made in order under the rule.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY:

Page 24, line 10, strike out "$30,000,000" and insert in lieu thereof "$78,000,000".

Page 24, line 14, insert "up to" after "That" and insert ", to the extent practicable," after "shall".

Page 24, line 15, insert before the period the following: ": *Provided further*, That each center may apply up to 20 percent of these funds provided to the center for the purchase (at rates not exceeding those prevailing under the applicable State plan approved under title XIX of the Social Security Act) of inpatient hospital services for delivery and postpartum care to pregnant women and infants who have no other source of payment for the care".

Page 24, line 20, strike out "$10,000,000" and insert in lieu thereof "$110,000,000".

Page 24, beginning on line 24, strike out "in those States experiencing high levels of unemployment" and inserting in lieu thereof the following: "and shall be allotted among the States based on the product, for each State, of the number of children under six years of age in the State and the unemployment rate in that State".

Page 25, after line 4, insert the following new paragraph:

INCREASING ASSISTANCE FOR PUBLIC HOSPITALS AND EMERGENCY ROOM SERVICES

(Preventive Health Services)

For an additional amount for allotments to States under part A of title XIX of the Public Health Service Act, $52,000,000 to be allotted among the States on the basis of the number of unemployed individuals in each of the States: *Provided*, That funds provided herein may only be used to provide financial assistance to public hospitals and to provide financial assistance to community hospitals to compensate for some portion of free emergency room services. *Provided further*, That funds provided herein may only be used to provide services to persons unable to pay for them: *Provided further*, That no grant shall be made to a hosptial unless the hospital offers assurances that it will use such amounts in addition to rather than in lieu of existing Federal, State, or local funds currently available for these purposes.

Mr. OBEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. Before the gentleman proceeds, the Chair will state that pursuant to House Resolution 113, the gentleman from Wisconsin (Mr. OBEY) will be recognized for 30 minutes, and a Member opposed to the amendment will be recognized for 30 minutes.

Does any Member seek recognition for opposition to the amendment? The Chair will inquire later after the gentleman addresses the issue.

Mr. OBEY. Mr. Chairman, for the moment I yield myself 9 minutes.

Mr. Chairman, this amendment is being offered on behalf of myself, Chairman DINGELL of the Committee on Energy and Commerce, Chairman WAXMAN of the Subcommittee on Health of the Commerce Committee and Mr. EARLY, a member of the Appropriations Subcommittee on Labor—HEW.

Very briefly, it adds $200 million for health services for the unemployed and the destitute by providing $48 million above the amount listed in the bill for community health centers, $110 million above the amount listed in the bill for maternal and child health care and $52 million to States under the preventative health services block grant, again to provide assistance to the health institutions who are being deluged about requests for services by the unemployed.

It is supported, among other groups, by the American Medical Association, the American Hospital Association, the American Academy of Pediatrics, the American Public Health Association, AFL-CIO and various other organizations who on many occasions do not normally find themselves on the same side.

Mr. Chairman, this amendment is here for a variety of reasons. It is here for instance because on January 16, an unemployed Michigan man was convicted of falsifying documents in order to get health care for bleeding ulcers. He was sentenced to 5 years. In February, an Alabama hospital announced that it was closing its emergency room on weekends to stem the flood of requests for free health care that were threatening to bankrupt the institution.

It is here because the long and steady decline in infant mortality, which we experienced in this country for over 30 years, is tragically being reversed today in high unemployment areas of the country. In a large number of areas in the country the chances of an infant living to age 1 are actually declining.

We ought to find that a disgraceful situation.

The CBO estimates that there are more than 10 million people who lost health insurance coverage last year because they became unemployed. Added to that the 20 million people in the society who for a variety of other economic reasons have no health coverage at this time and you have some idea of the problem.

The reality today is that when you lose your job and you go on unemployment, you also lose your health benefits. Some people keep them for 30 days, some people are not that lucky. It also means if you get sick during that time and you are unlucky enough to wind up in the hospital so sick you cannot get up, so sick you cannot go down to the unemployment office and keep up an active job search, you do not just lose your health insurance, you can also lose your unemployment compensation as well. A civilized society ought to be able to do a little better than that.

This bill provides, and I commend the committee for it, this bill provides a fairly ambitious plan for the distribution of food to the poor. It provides a modest program of shelter for the homeless. It provides not so modest proposals and programs for brick and mortar; it provides next to nothing in the area of health care.

As I said earlier in general debate, I think you have a real philosophical problem in dealing with this bill, because we are so restrained by the administration's unwillingness to go beyond $5 billion that we cannot do much to really attack the unemployment problem.

So, that means that we are really, in effect, going to be affecting unemployment only on the margins. Under those circumstances, rather than pretend we are doing something grand for jobs, we should use as large a portion as possible of the funds under this bill simply for mercy initiatives, for people

who we know are going to be out of luck and down on their luck for a long time. People have a right to know that if they are sick, they are going to get taken care of, at least to a minimal degree.

I am embarrassed by the fact that this proposal does so little in that regard but it is certainly better than nothing. As I indicated I tried to add $445 million in committee and when that failed I tried to finance these health programs with cuts in other areas that I thought were less essential. We failed.

So, I went to the Rules Committee and asked them just in the interest of mercy to people who are in this incredible crunch because of unemployment to at least provide a small initiative on health care. That is why this amendment is here. It seems to me if we are going to provide money for all of the brick and mortar items in the bill, we ought to provide a little better balance; we ought to provide a little more assistance to flesh and blood as well. We have an item in here for instance for prison construction. I have no objection to it, our prisons are a national disgrace. We have $90 million in here to upgrade prison construction.

But, it seems to me that you have an imbalance. If you are a prisoner and you have a heart attack, your needs are going to be taken care of. If you are an unemployed steelworker down on your luck and you have a heart attack you are going to have to beg for health care. I think we ought to strike a better balance than that. The only argument against this amendment, last week, that I thought anybody really believed was the argument that the bill would be vetoed if it were added. I think it is now clear this bill is not going to be vetoed if we add this embarrassingly small effort to deal with the basic health needs of human beings.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Pennsylvania.

Mr. McDADE. I thank my colleague from Wisconsin for yielding to me and for bringing this entire matter to the attention of the House.

I am personally going to vote for the gentleman's amendment which I know has been substantially reduced from what it was in committee. I know that you asked the Rules Committee to try to let you get an offsetting provision here on the floor and were not able to get it. I am deeply concerned about this problem of people who are unemployed losing their health benefits. I am happy to be able to say to the House that in my own State of Pennsylvania, which has a terribly unacceptable rate of unemployment, a bipartisan group has gotten together, and trying to work on this problem, to seeing that those who lose their employment, their jobs, do not lose that health component that protects them and their families. I am going to work on the bill and I invite my colleague; I hope to next week have a comprehensive bill that will address this problem. I am shocked to see such things as the rise in infant mortality and all sorts of consequences because of individuals suffering health deprivation because of job losses. So, I say to my friend, I think what he has done in bringing this to the attention of the House is important. I am going to support his initiative. I commend him for it and I hope it passes.

I want to commend the gentleman from Wisconsin for his efforts, as represented by his proposed amendment to increase funding for medical care.

I, myself, am particularly concerned about the immediate medical needs of the families of unemployed workers who, with the loss of their job, have also lost lost their medical insurance protection.

We have been shocked by reports that infant mortality may have been increasing. Field professionals are sending back reports of a greater incidence of tragic infant death even before our data-collecting mechanisms can give us any real figures on the scale of the problem.

The State of Pennsylvania has been out in front in attempting to develop a program to provide medical insurance to the families of those who are on the unemployment compensation roles. Our State, of course, has a very high unemployment rate—12.5 percent in December, 2 points above the national average.

I believe, however, that the problem of protecting the health of the families of the jobless requires a comprehensive approach—one that may utilize both the private insurance network and the public health system.

I am working on such a program, working with the State of Pennsylvania. It might incorporate several different elements:

First, each State should be involved in planning the details and carrying out an emergency program to assure medical care for those hurt by the recession.

Second, some form of short-term, interim medical insurance should be provided for workers whose families are not eligible for medical care either under their spouse's insurance plan or from public health facilities.

Third, we should make the fullest possible use of State and community hospitals and health services. Our own State General Hospital in Scranton, Pa., for example, has been underutilized and has not been able to provide full staffing.

I know that many, if not all, of our colleagues share these concerns.

A sound, comprehensive, fiscally responsible program to provide medical care for the jobless and their families is needly as quickly as possible. Even as recovery from the recession begins to show signs of arriving, we know that it will take a number of years to bring down the unemployment rate. We need a program that is designed to cover a period of several years at least. At this point I include the following article:

[From the Scranton Times, Feb. 24, 1983]

STATE HOSPITAL OPERATING AT DEFICIT

(By Jim Haggerty)

State General Hospital ran up at $1.7 million deficit in the past seven months as result of spiraling operating costs and because SGH still is suffering from the stigma of being a facility for indigents.

The hospital's board of trustees received news of the deficit, which was less than expected, and the reasons for the shortfall during a meeting Wednesday night.

Marie Brutico, SGH's acting business manager, reported that the facility ran up $8,138.240 in expenses since the beginning of the fiscal year July 1, while collecting $6,429,700. The deficit stands at $1,708.540.

Peter Yestrumsaks, director of administrative services for the Northeast Region of the state Welfare Department reported in February 1982 that SGH was expected to enter its current fiscal year with a $1.9 million deficit.

Board chairman Michael Schipp cited higher hospital operating costs as the major reason for the facility's continuing deficit.

He noted, however, that lack of occupancy historically has created deficit problems at SGH. Although occupancy there has been reported higher now than it has been in several years. Schipp said the facility still bears a stigma as the local hospital for indigents and lacks the "prestige" of the city's three other hospitals.

Schipp pointed out that the other city hospitals have been leaning toward medical specialties which he believes has contributed to SGH's occupancy problems.

He also said SGH has lagged behind other local hospitals in several medical specialties because of the low wage scale established by the state for those fields.

In another development, Schipp said the hospital board is awaiting word from the state Department of Welfare on the appointment of a firm to manage SGH.

Mediqu of Pennsauken, N.J., was awarded a contract in January by the state to manage SGH but the Welfare Department has not approved the pact. The hospital is operating under Mrs. Brutico's acting direction and a temporary administrator, Dr. Edward Gombar, who also is the hospital's medical director.

Schipp said he has not been told by Welfare Department officials why the management contract approval has been delayed. He said appointment of a permanent administrator at SGH will not necessarily follow soon after the contract is approved by the Welfare Department because the hospital board must interview candidates and reach a consensus as to who should be named to the position.

Dr. Gombar reported to the board that the state has lifted a hiring freeze at SGH in order to reopen a section of the hospital where some 20 beds have not been used because of a shortage of nurses.

Dr. Gombar said several nurses have been hired but more are needed before the closed

area of the hospital is to be reopened. Dr. Gombar said he has experienced a problem in finding nurses willing to work at SGH.

Mr. OBEY. I thank the gentleman. I have also been working on a proposal to provide health insurance coverage for the unemployed and I appreciate his compassion.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman.

I believe the gentleman already answered one question that I had. I understand it the amount of money that you propose in your amendment will be an increase over what is in the bill?

Mr. OBEY. Yes.

Mr. KAZEN. How much is that?

Mr. OBEY. $200 million.

Mr. KAZEN. $200 million, that is a very modest amount. Let me ask the gentleman the procedure of earmarking. How does it really work? Suppose I am out there without a job, without any health insurance and I get sick and I do not have any money, how does this bill help me?

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Mr. OBEY. Well, we do not create new programs under this amendment, we simply expand funding for existing programs so that those people can go to a community health center, so that they can go to a public hospital for instance if they require in-patient treatment, or they can go to a community hospital for example if they require emergency service.

Mr. KAZEN. But what I am asking is these funds flow to those clinics, to those centers, to those hospitals for the purpose of taking care of these people; is that the way it works?

Mr. OBEY. That is right. And we specifically limit the usage of these moneys to persons who are unemployed.

Mr. KAZEN. I thank the gentleman.

The CHAIRMAN. The gentleman from Wisconsin (Mr. OBEY) has 29 minutes remaining.

PARLIAMENTARY INQUIRY

Mr. KAZEN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KAZEN. Mr. Chairman, may I ask, which Member controls the time on the other side on this amendment?

The CHAIRMAN. The Chair will state that any Member who wishes to respond may control the time.

Mr. CONTE. Mr. Chairman, is the gentleman opposed to the bill?

Mr. KAZEN. No, I just wanted to know. The chairman said that he would not recognize the gentleman awhile ago because time was controlled and I wondered who controlled the time.

The CHAIRMAN. The Chair will advise the gentleman from Texas that the gentleman from California (Mr. DANNEMEYER) was recognized for a insertion of remarks into the RECORD, but the Chair will advise the gentleman that no Member has requested time in opposition to the amendment.

Mr. OBEY. Mr. Chairman, I yield myself 2 minutes simply for an explanation of a narrow point.

I have been asked by Mr. WAXMAN whether the intent of this amendment with respect to funds appropriated for the community and migrant health centers program whether the intent is that the $78 million be obligated before the end of fiscal 1983, but be available for distribution through March 31, 1984, and I simply want to make it clear in the RECORD that that is our intention, that this be spent over a 12-month period. And it is also the intention of the amendment that in allocating funds among the States under the maternal and child-health-care block grant that the Secretary accept applications and give due consideration to Indian tribes and tribal organizations with high unemployment and infant mortality rates.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from North Carolina.

Mr. HEFNER. I thank the gentleman for yielding.

One question. In the case of an unemployed automobile worker or steel worker who has lost his job, do I understand that some of these moneys would be used to pay the premium?

In the case that the gentleman mentioned that many times they were ill, if they did not appear, they would lose their unemployment checks, how does this work for their health care? They would be paying a premium while they were employed, but their existing insurance after a certain amount of time if they were not working, they could not pay them, does this go to pay premiums?

Mr. OBEY. I wish it did, it does not. You would need many more dollars than we have in the amendment to do that. This simply provides money to the health institutions to whom they would be most likely to go in order to receive services.

Mr. HEFNER. I thank the gentleman.

● Mr. LELAND. Mr. Chairman, I rise in support of my colleague from Wisconsin. Congressman OBEY's amendment will increase the funding for three health care programs by $200 million. Of particular importance are the sections that will provide a $100 million block grant for maternal and child health care.

Few programs have had the startling beneficial achievements of this program. A study in Boston, Mass. in 1978 found that 18 percent of the children were malnourished; 27 percent were obese, and 23 percent had short stature—a measure of chronic malnutrition. These statistics were comparable to developing countries in Latin America. However, after the inception of the WIC program in the course of less than 3 years, little or no serious malnutrition was found. Few other Federal programs can claim such achievement of their goals.

This amendment will insure the survival of a good program, and more importantly protect our Nation's greatest resource, our children.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HOWARD

Mr. HOWARD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOWARD: Page 7, strike out line 20 and all that follows through line 2 on page 8 (relating to mass transportation) and insert in lieu thereof the following:

TO SPEED UP IMPROVEMENT OF MASS TRANSPORTATION

To accelerate the construction, modernization and improvement of urban mass transportation systems, to increase the mobility of the urban work force which will result in productive jobs, an additional amount of $171,000,000, to remain available until expended, for "Urban discretionary grants", to be obligated at the discretion of the Secretary of Transportation in accordance with section 3 of the Urban Mass Transportation Act of 1964.

The Congress disapproves the proposed deferral of budget authority in the amount of $229,000,000 for the Mass Transportation Capital Fund (deferral numbered D83-59), as set forth in the President's special message which was transmitted to the Congress on February 1, 1983. This disapproval shall be effective on the date of enactment of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

The CHAIRMAN. Pursuant to House Resolution 113, the gentleman from New Jersey (Mr. HOWARD) will be recognized for 15 minutes, and a Member opposed to the amendment will be recognized for the other 15 minutes.

Is there a Member opposed who wishes to control that time?

No Member has responded, and the Chair recognizes the gentleman from New Jersey (Mr. HOWARD) for 15 minutes.

Mr. HOWARD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me begin by explaining why my amendment is needed.

The bill before us today, the Emergency Supplemental Appropriations Act for fiscal year 1983, provides a total of $110 million for mass transit. Of this amount, $44 million is for interstate transfer grants and $66 million is for urban discretionary grants.

The Appropriations Committee report earmarks all of these funds—each and every penny. The interstate transfer money is earmarked for projects in Boston, Mass.; northern Illinois; Oregon; Sacramento, Calif.; and Twin Cities, Minn. The urban discretionary funds are earmarked for projects in Dade County, Fla.; Hartford, Conn.; Long Island, N.Y.; Philadelphia, Pa.; Detroit, Mich.; and Hillsdale, Mich.

I have some problems with this approach, Mr. Chairman.

For one thing, I am opposed to earmarking the entire $110 million for a handful of sites around the country. The only areas that would receive any of the $110 million are the 11 areas named in the Appropriations Committee report. The Secretary of Transportation would not have any discretion with respect to any of the funds, even though other projects might be more worthy or might create more jobs.

Transit-intensive cities such as Buffalo, Los Angeles, New York, Atlanta, or Houston would not receive one penny of this money. Nor would any money go to the rural areas of the country. The only areas that would benefit are the chosen 11.

In addition, I have a second problem with the provision in the appropriations bill. The $110 million for mass transit is far less than the $400 million which was included in the bipartisan jobs package agreed to by the President and the House leadership. Frankly, Mr. Chairman, this administration has not been a strong supporter of mass transit, and I can find no justification for reducing the level of funding it has proposed.

For the reasons, Mr. Chairman, I have concluded that the mass transit portion of the bill needs to be amended. My amendment is in lieu of, not in addition to, the provision in H.R. 1718. Briefly stated, the purposes of my amendment are to: Restore the funding level for mass transit to the $400 million level agreed to in the bipartisan jobs package, and provide for equitable nationwide distribution of the funds.

My amendment is made up of two parts.

The first part provides an additional $171 million for discretionary capital grants under section 3 of the Urban Mass Transportation Act. Consistent with our efforts to create jobs, these funds would be available at the discretion of the Secretary of Transportation, with emphasis given to projects which are labor intensive and which can begin construction or manufacturing within the shortest possible time.

All communities would not eligible to apply for a discretionary grant. Not one penny of the $171 million would be earmarked. The projects listed in the appropriations committee report will be eligible for funding but will not have a higher priority than any other project.

The second part of my amendment would have the effect of disapproving the President's deferral of $229 million in mass transit capital funding.

The Surface Transportation Assistance Act of 1982 provided contract authority of $779 million for fiscal year 1983 to be funded from the newly established mass transit account of the highway trust fund. This funding was to be distributed to both cities and rural areas in accordance with a new block grant formula and was to be available for capital expenditures only.

Less than 1 month after the President signed the historic piece of legislation, the administration took action to defer $229 million or nearly one-third of the authorized funds.

My amendment would disapprove this deferral, and thus would have the effect of making available the full $779 million in authorized gas tax funds.

These funds would be made available to both cities and rural areas in accordance with the formula in the Surface Transportation Assistance Act. Each city or rural area receiving mass transit funds would receive about one-half of the amount it received under its initial apportionment. The initial apportionments were printed in the Federal Register of January 24, 1983, starting on page 3303, and were also printed in yesterday's CONGRESSIONAL RECORD on pages 3704 through 3707 Staff has copies if any Member would like to see how much various localities would receive.

As I mentioned previously, you can calculate how much an area will roughly receive by multiplying the amount in the chart by one-half.

One final point: The total cost of my amendment is $400 million. However, this needs some explanation. Since $229 million is simply the freeing up of budget authority already on the books, only $171 million of the $400 million is actually new budget authority. This is only $61 million more than the $110 million currently in H.R. 1718.

In summary, Mr. Chairman, let me say that I believe that my amendment has a number of advantages over the provision in H.R. 1718.

Instead of earmarking funding for 10 or 11 localities, my amendment will distribute funds nationwide. All 376 cities will receive funds. And all 50 States will receive funds for the rural areas of the country.

Instead of providing only $110 million, my amendment will provide $400 million—the amount agreed to in the bipartisan jobs package.

And most importantly, the amendment will result in spending all the funds collected from the 5-cent-gas-tax increase—a committee that was made to win passage of the Surface Transportation Assistance Act.

Mr. Chairman, I urge the adoption of my amendment.

Mr. LEHMAN of Florida. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. Mr. Chairman. I thank the gentleman for yielding.

Mr. Chairman, I certainly have no objection to the gentleman's amendment.

The amendment provides additional funding for mass transportation, which I support. The amendment also permits these funds to be allocated at the discretion of the Secretary. I am confident that when Secretary Dole reviews the administration's list of potential transit projects, she will find that those items identified by the committee are meritorious projects which will put people to work on a timely basis.

Finally, the amendment would disapprove the deferral of $229 million. I also support this part of the amendment and would have recommended that it be included in the committee bill, but we were unsure of whether or not this properly came within the jurisdiction of the Appropriations Committee.

I, personally, intend to vote for the Howard amendment and will make every effort I can to retain as much of this funding as is possible in conference with the other body.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Arkansas (Mr. HAMMERSCHMIDT), a member of the committee.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

Mr. Chairman, I also am pleased to rise in support of the amendment offered by the gentleman from New Jersey (Mr. HOWARD), which addresses one of the main problems I have with this bill.

As a matter of principle and a matter of equity, the requested deferral of $229 million in contract authority, authorized to be apportioned by formula for transit capital in fiscal year 1983 should be rejected. Any measure which could conceivably be called a jobs bill should do that at minimum.

It seems a little odd to come to the floor with a measure which appropriates general funds for the creation of jobs, and to ignore the fact that obligations can be increased without further appropriations by insisting that the full $779 million in transit capital authorized by the Surface Transporta-

tion Assistance Act of 1982 be made available for obligation.

The public transportation account in the highway trust fund, supported by the earmarked 1 cent of the 5-cent gas tax increase just enacted into law, assures that the full amount can be obligated without adding to the deficit.

If this deferral is rejected, the total amount of transit capital made available by formula to Arkansas will be increased by $512,000, from $1,256,000 to $1,768,000. I ask unanimous consent that a breakdown of those figures by system or category be included in the RECORD at the conclusion of my remarks.

I also support the other element of the gentleman's amendment; namely, the appropriation of an additional $171 million for transit capital projects allocated at the discretion of the Secretary of Transportation. This is consistent with my long-held belief that public investment in public works can best serve both the long-term and short-term needs of the Nation.

The administration estimates that each billion dollars of transit capital spending produces 10,240 onsite jobs plus 14,812 offsite jobs, for a total of 25,052. To this you can add roughly another 30,000 induced jobs also in the private sector. I will concede that this does not provide as many jobs per amount of investment as programs which simply go for salaries or payments to subsidize individual needs.

But the construction programs have a plus in the form of enduring physical facilities which—in the highway and transit area—contribute to economy and efficiency of transportation and the physical environment in which economic activity is carried on.

This has been my position as ranking minority member of the Economic Development Subcommittee for several Congresses and now the Aviation Subcommittee.

I urge adoption of the amendment.

FISCAL YEAR 1983 PRELIMINARY ESTIMATE OF APPORTIONMENT OF FUNDS MADE AVAILABLE FROM THE MASS TRANSIT ACCOUNT OF THE HIGHWAY TRUST FUND AS PROVIDED UNDER THE FEDERAL PUBLIC TRANSPORTATION ACT OF 1982

[In thousands of dollars]

State/urbanized area	100 percent [1]	71 percent level [2]	Difference
Arkansas:			
Little Rock-North Little Rock	825	586	239
Fort Smith, Arkansas-Oklahoma	197	140	57
Pine Bluff	177	126	51
Fayetteville, Springdale	129	92	37
Nonurbanized	440	312	128
State total	1,768	1,256	512

[1] 100 percent apportionment based upon current data.
[2] 71 percent level, based upon 29 percent less in obligational authority under President's deferral.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the able ranking member of the full Committee on Public Works and Transportation, the gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment of the gentleman from New Jersey (Mr. HOWARD), the chairman of the Committee on Public Works and Transportation, to provide $400 million in mass transit capital funding for fiscal year 1983.

This amendment is a substitute for language in the bill before us, and differs in the following respects:

First, it would disapprove of the administration's deferral of $229 million out of a total $779 million in transit capital authorized for fiscal year 1983 by the Surface Transportation Assistance Act of 1982.

Second, it would appropriate an additional $171 million in transit capital granst allocated at the discretion of the Secretary of Transportation—This is in addition to $1.606 billion already appropriated for discretionary transit capital in fiscal year 1983.

Third, this combination of $229 million and $171 million in new money would equal the $400 million add-on contemplated by the bipartisan jobs package negotiated by the administration and the House leadership, rather than the $110 million in the appropriations bill.

Fourth, it would put out most of the funds by statutory formula and the remainder at the discretion of the Secretary, unlike the appropriations bill which targets its entire $110 million to 11 communities.

Mr. Chairman, the sum of $229 million which the administration would defer is authorized from the newly created public transit account of the highway trust fund and is derived from 1 cent of the 5-cent gas tax increase.

I think most of us believed a certain principle was built into the relationship between authorization and revenue provisions in the 1982 act: When you impose on the taxpayer a specific tax—or you increase an existing tax—for a specific purpose, you ought to make those funds available to the fullest extent for the intended purpose.

That is not happening here. In its budget request affecting both fiscal years 1983 and 1984, the administration is attempting to hold obligations in both years to the amounts of revenue generated by the fund in those years.

This totally ignores the provisions of the revenue title of the 1982 act, which permits reliance on future-year funding to pay future year bills which result from current year obligations. Recognizing the slow payout rate associated with construction projects, the Committee on Ways and Means carefully examined this principle, reaffirming it in the case of the highway trust fund extension and expansion, applying it to the new transit fund as well.

If we permit these constraints in the form of deferrals and similar limitations, the relatively slow spend-out rate of this program—only 5 percent in the first year—will mean the following: Unnecessary buildup of the transit account balance, deferral of needed construction projects, and a reduction—paper—of the deficit in the unified budget.

I have consistently opposed attempts of this sort in connection with other programs under other administrations of both parties. It is wrong here and I oppose it.

I urge adoption of the amendment.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding.

I would appreciate a clarification from the gentleman. I support the amendment in tandem with my subcommittee chairman, the gentleman form Florida (Mr. LEHMAN), but I am interested in knowing whether or not the chairman of the Committee on Public Works and Transportation has any concern for the inclusion of interstate transfer funds.

As the gentleman knows, many areas of the country have foregone freeway development and are attempting to develop transit systems with those dollars. They have not been coming back, and I know the gentleman shares my concern for this, with the rate of speed that we would like. And many transit developments are behind for that reason.

With regard to the development of the light rail project in Sacramento, for example, we received only $18.5 million last year although we requested $25.5 million for the final design and construction phase. The amount appropriated in this bill simply makes up the difference and will allow for the initiation of construction on grading, drainage, some bridges, and a maintenance and storage shop for light rail cars.

And in addition this project would create 350 to 375 jobs in an area with 12.9 percent overall unemployment and a 40 percent unemployment rate in the construction trades.

In light of that, does the gentleman have any objection to including at some point in the process interstate transfer funding?

Mr. HOWARD. At some point in the process, I would like to state to the gentleman, we do have the ongoing legislation which does provide for interstate transfer in the legislation we passed last December. I believe

there perhaps is more money available under that portion to be utilized. I would hope it would be utilized. I would hope in the end we could get almost a cap off that transfer so that we could get rid of the interstate program, complete it, and get rid of the transfers and get on with a lot of other things we have to do over the next 20 years.

Mr. FAZIO. If the gentleman will yield further, I appreciate his comments. I am in support of that. I would hope that this bill, the jobs bill that we are talking about right now, before it is finally put to bed, might at some point include some funding for these projects. I know the gentleman is supportive of seeing us move ahead on it.

Mr. HOWARD. We have a technical amendment bill coming up from our committee. If there is any fooling around with the transportation legislation, I would hope that the authorizing changes might come in the future from the Public Works Committee rather than another committee.

Mr. FAZIO. I have no problem with that, but these projects do not need to be authorized. The Appropriations Committee has appropriate jurisdiction to expedite the funding for the administration.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

I would say to my colleague that as the gentleman knows through the years the Appropriations Committee has worked very closely with the gentleman's Committee on Public Works and Transportation. I am sure that we will continue to do so. There are some differences that might come up as to how we solve this and that detail but I am sure we can agree on major objectives.

The gentleman deserves great credit for the job he has done through the years. As I say there is a little difference about how we should handle this, that, and the other, personally I hope we can work those out.

Mr. HOWARD. If we can do as well in the future as we have done in the past, I say to the gentleman I thank him very much for his remarks.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Michigan.

Mr. PURSELL. I thank the gentleman for yielding.

I serve on the Subcommittee on Transportation and we were asked to submit component pieces line items for specific projects which we did, in keeping with our committee. So our committee is one of the few subcommittees that has input to this bill.

Mr. HOWARD. I would like to say the Public Works and Transportation Committee had none.

Mr. PURSELL. I know it. And other subcommittees on appropriations had none, too. But the point I wanted to make is that I do not quarrel with the gentleman's overall perspective position and I will support it, because I think we can work with the Secretary and authorization appropriations committee, but why did the gentleman not include the next section under transportation with respect to railroads which lists eight States including the gentleman's which gives New Jersey $19 million. And I am asking my question, I come from Michigan, the highest unemployment State in the Nation, some of us are criticized for putting some projects into high unemployment areas in our State and yet this amendment that the gentleman is proposing does not address transportation or railroads which gives certain States money including New Jersey.

Mr. HOWARD. I tell the gentleman the reason I did not include it is because that does not come under the purview of the Public Works and Transportation Committee. That is with Amtrak and that comes under the Committee on Energy and Commerce and while we are very protective of our committee jurisdiction, we do not want to delve into others. And that is exactly why we did not get ourselves involved in trying to change something that was under the jurisdiction of another committee.

Mr. PURSELL. I appreciate that. But we are arguing a case of principle here to have not earmarked specific projects either for a city or State which I can readily support. I am just suggesting that were it not consistent in this bill that military housing projects have earmarked projects, Corps of Engineers, parks, harbors, and all of the other projects marked in this bill are line item. But I am suggesting that your policy is a good one and I would suggest that maybe it apply to the whole bill and we be consistent philosophically with the gentleman's position, which I happen to support.

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Mr. HOWARD. I thank the gentleman. I want to try to say that everyone should have the same principles as the Public Works and Transportation Committee.

Mr. MRAZEK. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the gentleman from New York.

Mr. MRAZEK. Mr. Chairman, I thank the gentleman. I rise to commend my colleague, the gentleman from New Jersey for this amendment, which I do plan to support.

I think the augmented funding that will be provided for a number of different mass transit systems that were not taken care of in the original bill drafted by the Appropriations Committee are going to be very important for systems all over the country.

I would like to talk just very briefly about the system, as a perfect example of one that would provide a number of jobs in as productive a fashion as I can conceive of and that is to relieve the misery of commuters on what is the largest commuter rail line, suburban commuter rail line in the United States of America, and that is the Long Island Railroad. It is a line where commuters have been promised for as long as I can remember, and I have lived in the same town all my life, major improvements in that service and it seems to have gotten just worse.

Anything I can do to see that funds are included for electrification on that railroad, I know will serve a productive purpose for those people I represent and I am going to work hard with the gentleman on those kinds of issues.

Mr. HOWARD. Mr. Chairman, I thank the gentleman for his statement.

I would like to say that in my district I have an awful lot of commuters coming from the other side of New York City with electrification. I know the problems the gentleman has and I know the problems are the same and I believe the priorities for the railroad that the gentleman speaks of, I know so well is certainly a priority item. I believe the amount of money that would have been earmarked ought properly to go to that under the discretionary program. I believe that even more is needed if we are going to adequately provide for our people who live in the suburban areas.

I thank the gentleman.

Mr. MRAZEK. I thank the gentleman for the time and I commend him for the amendment.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Pennsylvania, a member of the committee.

Mr. CLINGER. I thank my chairman for yielding.

The chairman's amendment would have a beneficial impact on both rural and urban areas?

Mr. HOWARD. Absolutely. There is a list of how much will go in each State to nonurban areas and in each State that is in the record at the desk available for the Members' perusal as well as the formula to cities throughout the country.

Mr. CLINGER. I think what we see is that in many areas there would be a great reduction in the amount of money that would be available for very important transportation problems.

Mr. HOWARD. In almost every place in the country, it would be reduced to zero without this amendment.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to tell the gentleman so that we set the record straight, that if the gentleman's amendment is adopted, and I see with the gentleman from Florida (Mr. LEHMAN) agreeing to it, it will be adopted, we will take the gentleman's amendment in our substitute bill, so everyone knows where we stand on this issue.

Mr. HOWARD. I thank the gentleman. The gentleman and I have discussed already this whole issue and I thank him very much for his statement.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I am happy to yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I just would like to commend the gentleman for his amendment. I think it is right. It is targeted to the areas that really have the need in public transportation. I think the gentleman makes a contribution to the legislation.

Mr. HOWARD. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Are the Members opposed to the amendment who wish to control the time? Seeing none, the question is on the amendment offered by the gentleman from New Jersey (Mr. HOWARD).

For what reason does the gentleman from Michigan rise?

Mr. PURSELL. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman has to rise in opposition, to control the time.

Mr. PURSELL. I am supporting the amendment also.

The CHAIRMAN. The proper procedure would be to have the gentleman from New Jersey (Mr. HOWARD) yield time to the gentleman.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. Mr. Chairman, how much time do I have?

The CHAIRMAN. The gentleman has 2½ minutes left.

Mr. HOWARD. Mr. Chairman, I first yield for a brief statement to the chairman of the Subcommittee on Surface Transportation, the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON. Mr. Chairman, I rise in strong support of the amendment offered by the chairman of the Public Works Committee, my colleague from New Jersey.

The amendment would accomplish several tasks. First, it would overturn the administration's deferral of $229 million in budget authority from the public transit trust fund account established in the Surface Transportation Assistance Act of 1982. These funds are generated by a penny from the 5-cent fuel tax increase that was included in that legislation. Mr. Chairman, it was not easy for any of us to support legislation that increased that tax. We could do so only with the knowledge that our constituents would have the benefit of an improved transportation network as a result. But now, the administration would delay that benefit. It has not been even 3 months since those of us who were privileged to serve in this body in the 97th Congress stood in this Chamber and passed the Surface Transportation Assistance Act. And it has been less than 2 months since the President signed that bill into law with his signature at the White House ceremony. But now, he would have us forget those events. He would say, I suppose, that he did not really like that section of the bill; even though, I might add, that the administration has never for a moment denied the legitimate Federal role in financing transit capital projects.

Or the administration might protest that it needs to cut back on Federal spending; and there are certainly few among us who would argue that cuts do not need to be made. But let me point out to our colleagues that, by the administration's own admission, only 5 percent of transit funds obligated for a typical capital project are paid out the first year, with 20 percent paid out in the second year, 30 percent in the third year, and the remaining 45 percent by the sixth year.

So, the deferral this amendment would overturn will not fuel inflation. But it will delay the construction and purchase of needed capital projects by transit properties, large and small, around the country. The money the President would defer is distributed on a formula basis, so it impacts upon all of our constituents.

Mr. Chairman, this amendment, when approved by both bodies and enacted by the President, would have the same impact in overturning the deferral as does House Resolution 97, which I introduced 10 days ago.

If this were the only provision of the amendment before us, it would merit the support of all of us. But this amendment does more. It deletes the $110 million in general funded capital money that the report accompanying this legislation conveniently earmarks to the penny, and provides instead for $171 million in urban discretionary grants that will be apportioned at the discretion of the Secretary. And, under provisions of Public Law 97-424, the Secretary is directed to emphasize projects that are labor intensive and that can begin construction or manufacturing in the shortest possible time. In other words, it helps promote the "jobs" concept of this legislation.

I urge the support of all our colleagues for this fine amendment.

PARLIAMENTARY INQUIRY

Mr. SNYDER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SNYDER. Mr. Chairman, since no one has risen in opposition, would it be permissible to ask unanimous consent to transfer 5 minutes of the opposition time to the gentleman from New Jersey?

The CHAIRMAN. Under unanimous consent, yes.

Mr. SNYDER. Mr. Chairman, I make that request.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey (Mr. HOWARD) is recognized for 5 additional minutes.

Mr. HOWARD. I thank the Chair and I thank the gentleman from Kentucky for getting this additional 5-minute time. I do not wish to drag the proceedings on, but I do think it would be proper to recognize the gentleman from Michigan who has expressed some concern.

Mr. PURSELL. Mr. Chairman, I congratulate the chairman and the chairman of the committee.

I am not in opposition to the amendment.

Mr. HOWARD. I understand.

Mr. PURSELL. I support the gentleman's amendment, but I just want to recognize for Members of Congress that we ought to look at the other parts of the bill.

When I go through the military part of the bill, I see family housing for the Army, every single item on this page, in the committee report, page 22: Alabama, Red Stone Arsenal, $1,100,000.

I just want to point out that the entire military portion of this bill, which is very, very significant, is all earmarked in all line items.

I just think what we have here is an inconsistency in public policy of setting aside some mass transit projects, particularly for a State that has major unemployment, No. 1 in the Nation, No. 2 now, and yet we are looking at military renovation and rehabilitation in all the military projects in this Nation with no relevance to unemployment and targeting; so I am very hopeful that the Edgar amendment, which is yet to be debated, will be supported. I think this will help alleviate the problem overall.

I appreciate the leadership of the gentleman. I just wish the gentleman's amendment would apply to the rest of the bill.

Mr. HOWARD. Well, I am happy that the Public Works and Transportation Committee amendment has been cleared up.

I would like to say to the gentleman that in the earmarking, with the $110 million, I believe that the total projects for the State of Michigan is somewhere about $4.5 million or $5 million.

Mr. PURSELL. Under a figure of $5 million for a State with the highest unemployment.

Mr. HOWARD. Well, under my amendment, just under the $229 million in the rejection of the deferral, the State of Michigan will receive about $7 million just for that and still be eligible under the discretionary segment of $171 million.

Mr. PURSELL. I have no argument with the gentleman's amendment and the gentleman's issue. There may be additional dollars, but I think we miss the point, that we are not applying this amendment universally across all the committee jurisdictions. That is what we ought to do in terms of public policy and not play games with certain subcommittees and not with others.

Mr. HOWARD. I agree with the gentleman.

Mr. PURSELL. We ought to be uniform.

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Chairman, I just would like to answer one point that the gentleman from Michigan makes as regards military construction.

Now, what we tried to do in military construction, as the gentleman knows, all across the country, it is no respector of States, the housing industry, and the construction trades are in depression all across the country. What we tried to do in Milcon, military construction, was go to areas that had projects that were ready to go within 6 months. We got no new starts, but we felt that all across the country the construction trades are in depression. Any place you go in the building trades, you are going to hit high unemployment.

Mr. PURSELL. Mr. Chairman, if the gentleman will yield, I have no qualms about putting military money in this bill for areas that need it. Why do we not look at the military bases that are in high-unemployment States and put the money where the target should be?

Also, it should be discretionary. I am just arguing the case that we ought to apply public policy here of earmarking money or not earmarking money, the discretionary money ought to be throughout the entire bill and it should be consistent.

Mr. HEFNER. Mr. Chairman, if the gentleman will yield further, what we tried to do was work within the constraints that we had to have projects that were ready to go within 6 months, so we looked at these areas all across the country.

Mr. PURSELL. Regardless where the unemployment is, and that is my point.

Mr. HEFNER. The unemployment in the construction trades is 18 to 20 percent in every State in that particular area.

Mr. HOWARD. Mr. Chairman, I thank the gentleman. Before we get too far on military construction, I would like to yield back the balance of my time so that we may vote on a transit amendment.

● Mr. GREEN. Mr. Chairman, I rise in support of the amendment.

First, let me say that I think mass transit money in this or any other bill should be distributed fairly, and, by that, I mean in accordance with the regular formula contained in current law. I do not think mass transit money should be earmarked for any special projects anywhere around the country, including New York City. I just do not think that the earmarking in the bill as it came from my committee is fair. The amendment by the gentleman from New Jersey would remove that earmarking, would leave distribution of the funds to the regular formula contained in current law, and, thus, would make this bill much fairer.

Second, this amendment is not a budget buster. The effect of the amendment would be simply to put mass transit funding at the $400 million level which the administration had originally proposed for this legislation.

When we on the appropriations committee considered this legislation last Friday, I offered an amendment which, when coupled with the denial of the deferral request, would have brought us up to the same level; that is, $400 million. Unfortunately, the committee defeated any amendment which would have increased funding in any area. I am pleased that the gentleman has pursued the matter I began last Friday, and I am pleased to join him today in a simple amendment which would add basic fairness to the mass transit provisions.●

● Mr. LELAND. Mr. Chairman, I rise in support of my colleague from New Jersey, Mr. HOWARD'S amendment to the jobs bill we are considering today. Congressman HOWARD'S amendment would provide $400 million for funding of local mass transit systems. The Appropriations Committee's bill provides only $110 million for mass transit, and all of that money would be earmarked for just 11 cities. Many localities, such as my home district of Harris County, Tex., which is developing a mass transit system, would be totally excluded from funding under the Appropriations Committee bill.

The amendment would provide for equitable distribution of funding for mass transit, and would insure that all States and localities would be eligible for such funding. The amendment also proposes a disapproval of the administration's proposed deferral of $229 million in gas tax money for mass transit funding. Last December, when the Congress approved the gas tax, the expectation was that moneys realized from that tax would be used for mass transit funding. This amendment provides that funds from the gas tax be distributed to State and local governments, which can use the money for any eligible mass transit program.

Passage of this amendment will result in jobs where they are needed, and equally important, increased funding for local mass transit systems. I urge my colleagues to support this amendment.●

● Ms. FERRARO. Mr. Chairman, I rise in support of the amendment offered by the distinguished chairman of the Public Works and Transportation Committee. Little more than 2 months ago, the House passed landmark legislation, the Surface Transportation Assistance Act of 1982.

That act addresses two of the most critical problems facing this country—providing jobs for the unemployed and rebuilding our transportation infrastructure. For the first time, we forged a coalition in support of the creation of a mass transit fund within the highway trust fund. This fund would provide approximately $1.1 billion a year in new revenue for transit and would assure our Nation's public transportation systems a stable, reliable source of funding. For New York State and New York City, the Surface Transportation Act means more than $2 billion for mass transit over a 4-year period.

Yet less than a month after this act was signed into law, the Reagan administration proposed budget reductions totaling nearly $1 billion. These proposed cuts in funding for mass transit essentially would wipe out the increase in revenue resulting from the gas tax. These proposals are an affront to the Congress, and to the broad-based coalition of transit officials, labor, local elected officials, environmental, business, and citizens groups who worked so diligently on behalf of this legislation.

While the jobs bill does not provide adequate funding for mass transit, the amendment offered by the chairman is an important step in upholding the principles and commitments that are central to the Surface Transportation Act. It provides for a substantial increase in funding for transit and rejects the administration's request for deferral of $229 million in section 9 money in the current fiscal year. Mr. Chairman, the need for Federal transit assistance was clearly recognized when the House passed the Surface Transportation Act, and this amendment will restore funds that are vital both to the Nation's transit systems

and to the economic well-being of the country.

I urge my colleagues to support this amendment.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. HOWARD).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDGAR: On page 31, after line 9, insert the following general provision:

"TARGETING JOBS TO AREAS OF HIGH UNEMPLOYMENT"

"Of the budget authority provided in this title, at least seventy-five percentum shall be made available only for projects and activities in civil jurisdictions with high unemployment, or in political units or in pockets of poverty that are currently or should meet the criteria to be eligible under the urban development action grant program administered by the Department of Housing and Urban Development. For purposes of this section, a "civil jurisdiction" is:

(1) A city of 50,000 or more population on the basis of the most recently available Bureau of the Census estimates; or

(2) A town or township in the state of New Jersey, New York, Michigan, or Pennsylvania of 50,000 or more population and which possesses powers and functions similar to those of cities; or

(3) A county, except those counties which contain any of the types of civil jurisdictions defined in paragraphs (1) or (2) of this section; or

(4) A 'balance of county' consisting of a county less any component cities and townships identified in paragraphs (1) or (2) of this section; or

(5) A county equivalent which is a town in the states of Massachusetts, Rhode Island, and Connecticut.

(6) A portion of a city or jurisdiction that meets the pockets of poverty criteria as defined by the Department of Housing and Urban Development.

"For purposes of this section, a 'civil jurisdiction with high unemployment' is a civil jurisdiction that has been so classified by the Assistant Secretary for Employment and Training, United States Department of Labor. The Assistant Secretary shall classify a civil jurisdiction as having high unemployment whenever, as determined by the Bureau of Labor Statistics, the civil jurisdiction has had an average unemployment rate over the previous twelve months no less than ninety percent of the National Average unemployment rate during the same period, or if the civil jurisdiction is currently or should become designated a Labor Surplus Area by the Department of Labor. The Assistant Secretary, upon petition submitted by the appropriate state agency, may classify a civil jurisdiction as having high unemployment whenever the civil jurisdiction has experienced or is about to experience a sudden economic dislocation resulting in job loss that is significant both in terms of the number of jobs eliminated and the effect upon the employment rate of the area. The Assistant Secretary shall publish a list of civil jurisdictions with high unemployment, together with geographic descriptions thereof, within thirty days after enactment of this act, and on a monthly basis thereafter.

"The provisions of this section shall not apply to any program or portion of a program under which funds are allocated by formula, or for humanitarian aid and training programs, including Emergency Mortgage Assistance; Indian Health Facilities; Operation of Indian Program; Community and Home Health Services; Maternal and Child Health Services; Head Start; Feeding Programs for Women, Infants and Children; and Food Distribution and Emergency Shelters."

Mr. EDGAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Pursuant to House Resolution 113, the gentleman from Pennsylvania (Mr. EDGAR) will be recognized for 30 minutes, and a Member opposed to the amendment will be recognized for 30 minutes.

The Chair will inquire at this point if a Member seeks recognition in opposition to the amendment?

The gentleman from Pennsylvania (Mr. EDGAR) is recognized for 30 minutes.

Mr. EDGAR. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I stand in the well to offer an amendment dealing with targeting of this legislation to areas of high unemployment and economic distress. I stand here as the author of the amendment, but in deep gratitude to many Members on both sides of the aisle who have played an enormous role in putting together language in the targeting amendment that meets the needs of dealing with unemployment.

I would like to pay special attention and note to the gentleman from Pennsylvania (Mr. COUGHLIN) who had a similar amendment and agreed to cosponsor this amendment and at the appropriate time I will yield time to him.

I also would like to pay special attention to the gentleman from Massachusetts (Mr. CONTE) who, I believe, has made a good contribution to this debate, particularly in the area of targeting. Both his substitute and, if this amendment passes, the committee bill should, in fact, have language in it which targets the funds to areas of economic distress.

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I would also like to recognize that the freshmen Members of Congress also were very anxiously aware that if we simply pass the jobs bill without a targeting provision, much of the money might go to communities that, in fact, had very low levels of unemployment and, in fact, neglect those areas of high unemployment in Michigan and Ohio and Mississippi and Alabama and California.

I think that the amendment that all of us have drafted today is fair and equitable, and I urge all of my colleagues to support it.

Let me share some specifics of what the amendment will do.

At least 75 percent of the discretionary funds in the bill would be targeted specifically to areas of high unemployment. What does that mean? Of the $4.6 billion in this bill, $2.45 billion of it deals with discretionary programs. Of that $2.45 billion, which is approximately 52.7 percent of the entire bill, 75 percent of those discretionary funds would, in fact, be targeted into the areas of highest unemployment, approximately $1.8 billion of the total appropriation.

Mr. Chairman, this particular targeting amendment does take into account the need to zero the money into areas that are pockets of poverty, areas that are UDAG eligible, areas that are labor surplus eligible. It does take into account the need for small cities as well as large cities, rural areas as well as urban areas. The bottom line is that it states that as we place before the House and hopefully before the President of the United States a jobs package, that that jobs package, as limited as it is, should be targeted to those who are in most need. I believe that as you study the implications of this targeting amendment, everyone—Democratic, Republican, Conservative, and Liberal—would agree that this package can be improved by having a targeting amendment with it.

A number of Members are interested in the legislation. A number of Members care deeply about this targeting amendment. I would like to announce to my colleagues that I do plan to have a recorded vote because I think we need to tell the other body, we need to tell the President of the United States, that whatever version of this jobs legislation appears from Congress, that we, as Members of Congress, believe that the legislation should be carefully and specifically targeted to areas of high unemployment.

In Michigan there are thousands and thousands of people unemployed. In Philadelphia, in some of the pockets of poverty within that city, there is a high percentage of people who are without work. In Mississippi and Alabama and Florida and California, there are areas of this country where the unemployment rate reaches 20 and 25 percent. There are areas where unemployment rates simply have led to the total decay and problems that those communities are facing.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from California.

Mr. FAZIO. I appreciate the gentleman yielding to me, and I appreciate his amendment.

Mr. Chairman, as one who comes from an area with a high rate of unemployment, perhaps 3 percent above the national average in the urban area and higher in the rural counties that surround it, I particularly want to applaud the gentleman for the way he presented this amendment because I think too many of our colleagues perceive our unemployment problems as perhaps regionally based in the Northeast or the Midwest.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. EDGAR) has expired.

Mr. EDGAR. Mr. Chairman, I yield myself 1 additional minute.

Mr. FAZIO. Mr. Chairman, I know the gentleman, as the leader of the coalition that is so effective on this floor representing that area may be somehow, in some people's minds, identified with an effort to target this bill to solely those areas. But I know that the gentleman understands, as many others of us from other parts of the country do, that unemployment rates are high in many sectors.

The construction unemployment rate, for example, has gone up so rapidly in so many parts of California that we have 40 to 50 percent of our workers in the building trades out of work at this time.

With the sensitivity with which the gentleman has drafted this amendment, I know most if not all Members of this body can readily accept it and it can be, I hope, integrated into the final enactment that we make in several weeks.

Mr. EDGAR. I thank the gentleman for his comments.

Mr. Chairman, I would like now to yield 5 minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Finally, Mr. Chairman, I want to include at this point a list of those programs in the bill that would be included under the amendment and those which would be exempted:

Programs to be exempted in the amendment[1]

Program	Amount
Emergency mortgage assistance	$500,000
Community development block grants	1,250,000,000
Indian health facilities	39,000,000
Bureau of Indian Affairs	20,000,000
Low-income weatherization—DOE	150,000,000
Jobs Corps	32,400,000
Summer Youth	100,000,000
Displaced Workers	75,000,000
Older Americans employment	25,000,000
Community and home health services	30,000,000
Maternal and child health	10,000,000
Alcohol, drug abuse, and mental health	30,000,000
Social services block grant	150,000,000
Day care	(50,000,000)
Head Start	30,000,000
Community services block grant	25,000,000
Humanitarian assistance plan	250,000
Distribution of agricultural commodities	75,000,000
Women, infant, and children feeding program	100,000,000
Food distribution and shelters—FEMA	50,000,000
Total	2,192,150,000

[1] 47.3 percent of the funds are to be exempted from this amendment (of the $4.63 billion).

Note: To be exempted: Programs that distribute funds by a formula; humanitarian aid programs and training programs.

Programs to be included in the amendment[1]

Programs	Amount
Business and housing plans	$500,000
GSA—Repairing Federal buildings	125,000,000
Highway demonstration projects	33,000,000
Mass transit grants	100,000,000
Amtrak grants	120,000,000
Repairing VA hospitals	75,000,000
Economic Development Administration	200,000,000
SBA—New direct loans	202,000,000
SBA—Natural resources development	50,000,000
Repairing urban parks	50,000,000
Improving and maintaining our national parks	50,000,000
Preserving our national forests	45,000,000
Fish and wildlife facilities	25,000,000
Rural water and sewer grants	200,000,000
Farmers Home administrative expenses	6,500,000
Resource conservation and development	15,000,000
Soil Conservation Service—Flood prevention	160,000,000
Corps of Engineers—Emergency flood control	404,000,000
Bureau of Reclamation	101,000,000
Tennessee Valley Authority	40,000,000
Repairing prison facilities	90,000,000
Family housing for the military	243,000,000
GSA—Federal motor vehicle replacement	75,000,000
School facilities	35,000,000
Urban development action grants—UDAG[2]	(244,000,000)
Total	2,445,000,000

[1] 52.7 percent of the $4.63 billion.

[2] The UDAG program moneys are a deferral disapproval and not new moneys—it is not counted in the $4.6 billion total.

Mr. COUGHLIN. I thank the gentleman from Pennsylvania for yielding this time to me.

Mr. Chairman, I want to commend the gentleman from Pennsylvania (Mr. EDGAR) and the gentleman from Massachusetts (Mr. CONTE) who were instrumental in drafting this version of the amendment. It is a good amendment which I urge on my colleagues.

As it stands title I of this bill reminds me of the old song "Roll Out the Barrel." Roll out the barrel, we will have a barrel of pork. Roll out the barrel, there will be none left for New York—or Pennsylvania or Ohio or Illinois or Michigan or Mississippi for that matter.

This amendment would require that 75 percent of the funds for each discretionary program in the bill be made available in areas where unemployment is highest.

Jurisdictions eligible for this 75 percent of $1.84 billion of targeted jobs assistance would be those with average unemployment at least 90 percent of the national jobless rate—or 8.7 percent unemployment— during the past year, those designated as labor surplus areas, those eligible for funds under the urban development action grant program, or those meeting the criteria for pockets of proverty under the UDAG program.

Let us be clear, our amendment would exempt from the targeting requirement the $2.1 billion provided in the bill for programs with existing allocation formulas as well as humanitarian aid and training programs such as emergency mortgage assistance, community and home health services, Head Start, feeding programs and food distribution and emergency shelters. These programs are already targeted to need.

Let us also be clear. It would still leave $600 million to be allocated to projects in areas including those with lower rates of unemployment.

Mr. Chairman, the economic recession has affected the lives of individuals in every city, town, county, and rural area of the Nation. Yet, it is clear that the recession has impacted the country far more severely in some areas than in others. The Bureau of Labor Statistics reports that in December of 1982, unemployment in major metropolitan areas ranged from 4 percent in Stamford, Conn., to 22.7 percent in Johnstown, Pa.

It makes no sense that a major economic stimulus bill, which is being trumpeted as an "emergency jobs and recession-relief package," fails to make even a modest effort to target assistance to those areas where it is most desperately needed. The amendment which we are offering today corrects this flaw in the bill.

The emergency supplemental appropriations bill under consideration today has been criticized because of the many "pork barrel" projects included in it. I share in that criticism and urge adoption of the Edgar-Coughlin amendment in order to redirect funds to projects in areas where the need for jobs is most critical.

Mr. SMITH of Iowa. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Iowa (Mr. SMITH) rises in opposition to the amendment, and under the rule the gentleman is allocated 30 minutes.

Mr. SMITH of Iowa. Mr. Chairman, I yield myself such time as I may consume.

The debate on this amendment started out as if it were going to be a love fest and no one was going to bring up the adverse points of this amendment. There are some very serious adverse points to this amendment that I believe should be pointed out.

To start with, it assumes that we have accurate measurements of unemployment in this country, and we do not have them. The Labor Department has been working for 5 or 6 years to try to develop some more accurate measurements, but we do not have them today. What they measure today more than anything else is how many have been lucky enough to have had jobs in the past and drawn unemployment compensation.

We have areas in this country that have a greater percentage looking for a job this is the case in other areas which according to the statistics have higher unemployment but show up as having less unemployment because they have more people who have never had a job. Everyone in Detroit about 3 or 4 years ago who wanted a job had a job but today they have terribly high unemployment and they have terribly high unemployment under our statistics, but that does not mean that there are any more people looking for a job per job available than there are in some other areas which show up as having lower unemployment because those who have never had a job felt there was not any use going to the employment office are not sufficiently reflected.

I will just give you one example. Back under the poverty program we had a study of this for 6 or 7 months. At the time, Seattle had measured 15-percent unemployment. Iowa had 5.4-percent unemployment. Yet the study showed that there were more people looking for jobs per job available in Iowa than there were in Seattle.

That is one of the things that is wrong with this amendment. It assumes that we can take these inaccurate statistics and distribute money on that basis, and we should not be trying to do it.

□ 1510

Second, the amendment assumes that someone is not suffering as much unless 9.7 percent of their neighbors are unemployed. Well, whether they live in an 8.4-percent unemployment area, as it is overall in Iowa—although we have some areas where more than 20 percent are unemployed—whether it is 8.4-percent unemployed or 10-percent unemployed, that does not mean the suffering is any less for those who are unemployed. So why should they be excluded from any of these job programs, especially if it is a more worthy application that can give more people immediate employment when some of the so-called higher unemployment areas do not have a project or program which can provide the employment opportunities.

Let us take EDA. EDA projects are funded on the basis of need already, and the project eligibility criteria takes into account unemployment rates in project areas. What we are doing is adding another layer of determinations on top of what we have already. That is going to delay it. I do not know how long, but for weeks at least. The amendment says they should identify the areas eligible within 30 days. Baloney. They are not going to make a report in 30 days. They cannot do it. There is no way they can do it.

There are SBA funds in here, and we have guarantees, and EDA, and a number of things that the administration does not want. What this amendment does is to deliver to the administration an excuse to kill any one of these jobs programs that they do not like by delaying determinations. It will take them so long to figure out where this money is supposed to go, whether or not the contractor is in the right area or the employees reside in the right area or under what rules he will have to proceed in order to hire these people that they can kill any program without openly opposing it. They will just delay it to death administratively.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I will yield in just a minute.

Let us talk about this pork barrel business. What is this? It says: "A town or township in the State of New Jersey, New York, Michigan, or Pennsylvania of 50,000 or more population." What is wrong with the other cities?

Mr. EDGAR. Mr. Chairman, will the gentleman yield at that point?

Mr. SMITH of Iowa. I will yield in just a minute.

The amendment also says: "A county equivalent which is a town in the States of Massachusetts, Rhode Island, and Connecticut." What is wrong with the other States?

Mr. Chairman, I will yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I thank the gentleman for yielding.

The language that is included in the amendment which the gentleman is referencing is already language that is in public law designating labor surplus. The reason for the designation the gentleman asked about, the "town or township in the State of New Jersey, N w York, Michigan, or Pennsylvania," is that they are the only States that have that unique jurisdiction, towns or townships, as opposed to cities.

If the gentleman will go down further, he will see that it says: "A county equivalent which is a town in the States of Massachusetts, Rhode Island, and Connecticut." That is not the language of the gentleman from Pennsylvania; that is language that is in the law. That is language in the law that defines what is meant by civil jurisdictions, and it is used in present law that we in this Congress have developed for labor surplus areas.

The only addition we made was an addition that was requested by the Democratic freshmen, and that was in paragraph (6), which says:

> A portion of a city or jurisdiction that meets the pockets of poverty criteria as defined by the Department of Housing and Urban Development.

Mr. SMITH of Iowa. Mr. Chairman, the gentleman helps to make my point. We have tried targeting around here for several years, and the more we write regulations and the more we write rules into law, the more we find out it does not work as planned. This kind of thing has been tried, it has been perfected, it has been reperfected, and it still has serious problems. It is a bad way to do it.

Mr. EDGAR. Mr. Chairman, will the gentleman yield further?

Mr. SMITH of Iowa. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, one of the reasons for suggesting this particular targeting language the way it is, is that all the agencies covered by this bill have already written regulations that are already part of the Federal Register and part of the Federal rules and regulations according to these criteria.

I also point out to the gentleman that there is a provision in the amendment that within 30 days of enactment and signing into law of this particular bill each agency would have to give a list of the jurisdictions covered. So that is in answer to the gentleman's point of delay.

Mr. SMITH of Iowa. There is no way, absolutely no way that they can do it in 30 days. In fact, they say they cannot do it in 6 weeks, or 7 weeks, or 8 weeks.

Mr. EDGAR. Mr. Chairman, if the gentleman will yield further, I have three documents with me. One is a computer printout of the communities that would be covered by county. I also have two computer printouts on listings from the Federal Register which lists small cities and large cities that would be eligible by the criteria laid out.

So much of the work of the agencies has already been handled by these three separate documents that are already part of the procedure.

Mr. SMITH of Iowa. Mr. Chairman, the gentleman is assuming that the agency wants to go ahead and implement this as soon as possible. But we combine this with the language in the recommittal of the gentleman from Massachusetts (Mr. CONTE) that says that it has got to be spent in this fiscal year—and incidentally I think it ought to be—we combine the two together and we are not going to get the money spent. That is what is going to happen. They will just delay it and delay it, and we are giving the agencies a blank check to delay this as long as they want to.

Mr. Chairman, I think this is a bad amendment, and members ought to be aware of the problems involved before its goes to conference.

The CHAIRMAN. The gentleman from Iowa (Mr. SMITH) has consumed 7 minutes of his 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I yield 11 minutes to my colleague, the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN of Michigan. Mr. Chairman, in the sections of this bill dealing with funds for health and social services, the committee report makes it clear that those funds shall be targeted based on unemployment and the greatest demand for services. This amendment assures that the provisions of the bill aimed at job creation shall be focused on the areas where there is the greatest need for job creation. Therefore, the amendment is both necessary and consistent with other portions of the bill.

This Nation has reached a point where CARE packages are being sent to the unemployed in Michigan from West Germany and the mayor of Cleveland states that his city is running out of ways to feed its hungry. It is time for action.

This is the sentiment that has strongly prevailed among new Democratic Members as we have spent hours working on the jobs issue. Influenced by this work, Congressman BRUCE MORRISON and I presented to the Rules Committee a targeting amendment, a proposal now incorporated in this amendment; 12 days ago when I was talking to unemployed women and men in a suburban Detroit unemployment compensation office, an unemployed worker said to me: "The toughest job in Michigan today is finding a job."

This amendment is critical if we are to respond to that poignant commentary on the state of the Nation in March 1983.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. Mr. Chairman, I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, this targeting amendment is one of the most important goals we should have in considering this bill. This is a jobs bill. This is a bill that is intended to bring relief to millions of unemployed people in this country, and if we are to bring that relief, we should to the greatest extent possible target it in accordance with the need.

Now, there is some concern that had been expressed about individuals who have been out of the work force for so long that they are not counted among the unemployed. There are many such individuals in my community, in one of the towns I represent, New Haven, Conn. In fact, New Haven, Conn., has the seventh largest rate of poverty in the United States, and, in fact, New Haven, Conn., has a relatively low unemployment rate. It is true that when individuals have been so long out of the work force, they stop being counted as unemployed.

But something else happens. They are counted as poor. They enter the statistic about the poverty rate, and one critical element of this amendment is that it takes that fact into account. The poverty rate, as well as the unemployment rate, is being used to target these funds. That is being done by using the urban development action grant program which targets on communities in distress.

We have achieved in this amendment a way of targeting that group that the distinguished gentleman from Iowa (Mr. SMITH) has referred to, the unemployed poor who have been out of work for so long that they are no longer counted as unemployed. We have done that for all jurisdictions, towns, townships, cities, and counties, and we have also done it for pockets of poverty within jurisdictions where the poverty rate or unemployment itself is not high.

Targeting is a key to this bill, and the addition of this amendment will give us the targeting that we need, both in those communities of high unemployment and in those communities of high rates of poverty.

□ 1520

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I rise in support of the Emergency Supplemental Appropriations Act of 1983 because the unemployment situation in the United States is intolerable. Aid to the jobless and humanitarian relief are essential elements of this measure. I view this bill as our first, positive step in translating the message of last November's congressonal elections into legislation for our people.

However, I believe that the impact of this bill would be greater if it would target its benefits to those areas of the country suffering from the greatest unemployment. I thus strongly stand in favor of the Edgar amendment which establishes in our first major piece of jobs-related legislation in this Congress the important principle of targetting funds on the basis of unemployment and poverty rates.

Although the rates of unemployment and the extent of dislocation are severe throughout the Nation, many areas like my own in the Greater Toledo area have been especially hard hit. Our Nation's industrial areas are in a depression, facing unemployment rates far in excess of the national average. In Ohio, for example, the January rate of unemployment was 14.9 percent, almost 50 percent more than the rate for the Nation. Well over one-half million Ohioans are out of work and in my own area over 50,000 are jobless. All of you are well aware of the pain that accompanies the erosion not only of a manufacturing base, but of human dignity. Thus, members of the Ohio delegation were active in trying to get targetting language in this bill and I strongly support this amendment.

The prospects for either short- or long-term economic recovery are dismal for the hard-hit regions of this country. Though the national unemployment rate dropped from 10.8 percent to 10.4 percent from December to January, the unemployment rate in Ohio rose from 14.1 percent to 14.9 percent. The average duration of unemployment is also growing with over one-third of the unemployed being out of work for over 17 weeks. In my district, unemployment has risen again recently, now to a level of 14.3 percent. The Toledo area has lost 10,800 manufacturing jobs in the last 2 years and 25,000 jobs in the last 10 years.

The working people of these depressed regions must be rescued and the most effective way to do that is to channel benefits directly to their area. Unless benefits are targetted to areas with the highest levels of unemployment—from Laredo, Tex., Pittsburgh, Youngstown, Milwaukee, Seattle, Yuba City, Calif., to Buffalo, N.Y., and Birmingham, Ala., and yes, Toledo—this Congress will have failed the American people. To do so, would be unconscionable. I urge your support for the Edgar amendment.

Mr. WISE. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from West Virginia.

Mr. WISE. I thank the gentleman for yielding.

Mr. Chairman, I come from a State at the top of the list of page 2 of your bill. That State is West Virginia, and it is listed at 17.8 percent unemploy-

ment. I can tell you factually that many counties I come from, coal mining counties, manufacturing counties, the number is double that.

We have got a problem under the present bill. We are not urban, so where are we? We are not populous so who considers us? What we are, Mr. Chairman, are unemployed, and unemployed in record numbers in my State.

Mr. Chairman, I would like to make a special plea for targeting, such as the Edgar amendment embraces. I am seeing something in my State I have not seen in 15 years. When I was a boy cutting brush on the roadside in a rural county, I used to see the commodity trucks from the Department of Welfare come through, and they would drop off cheese and milk. That was the way you distributed and fed people in those days. Then we had food stamps, and we had economic redevelopment.

Mr. Chairman, the other night in Nicholas County, a county of unemployed coal miners, they came and asked me how we could get the commodity trucks back.

Mr. Chairman, I urge that you target help for us and that we adopt the Edgar amendment.

Mr. EDGAR. Mr. Chairman, if the gentleman will yield for a moment, I would like to commend the gentleman for his statement. I think the gentleman points out that this amendment helps rural and suburban areas as much as it does urban areas, and the gentleman's level of unemployment would be better served under a targeting amendment. I thank the gentleman for his statement.

Ms. FIELDER. Mr. Chairman, will the gentleman yield for a question?

Mr. LEVIN of Michigan. I yield to the gentlewoman from California.

Ms. FIEDLER. Mr. Chairman, I have a question regarding this. I am wondering whether or not the EPA sanctions which were brought against 150-plus counties in this country would be held to deem them unable to have some of these special projects as a result of the sanctions. I wonder if the gentleman or the Chairman might be able to answer that question.

Mr. EDGAR. Mr. Chairman, if I can respond to the gentlewoman's question, we do not go into that level of detail. Twenty-five percent of those discretionary funds are still available to EPA to target to those areas if they are included in the language of the bill itself. It simply says that 75 percent of their effort has to be in areas of high unemployment. And if the gentlewoman would like, I can show the small city, county, and large city in her district, to know what areas would be qualifying under the language of the amendment.

Ms. FIEDLER. But my question goes to the fact that right now that would leave the discretion to EPA, if I understand the gentleman's response. I am concerned that there are 150 counties in the country which would not be eligible because of those sanctions, and I am wondering whether or not there might be any waiver provisions, either in the gentleman's amendment or in the bill, to cover that issue.

Mr. EDGAR. Our amendment would not cover any waiver conditions at all. Under the committee bill, the agencies are left to do what they want with all of the money. All we are simply saying is that in that discretionary area, 75 percent of it has to be targeted to areas that meet the criteria in the Edgar amendment.

Ms. FIEDLER. So, in essence, it is silent, both in the bill and the gentleman's amendment, to that issue?

Mr. EDGAR. That is right.

Ms. FIEDLER. Thereby leaving the existing law in place.

Mr. PHILIP M. CRANE. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Illinois.

Mr. PHILIP M. CRANE. Mr. Chairman, Congress is an immensely compassionate body. If there is an identifiable problem in society, Congress rarely misses it. Sooner or later, major—and sometimes minor—problems become the focus of congressional attention.

Unemployment is one of those problems. I remember debates over public works jobs in this body in 1976 to alleviate the problems of the 1973-75 recession. I remember similar debates over public works legislation in 1972 to deal with the problems arising from the recession of 1970.

Some colleagues in this body remember the public works legislation in 1962 designed to deal with the unemployment arising from the 1960 recession.

The significant fact is that in every instance, Congress acted to address the problem well after it was in the process of disappearing.

You have all heard or seen the encouraging economic statistics of late. Since President Reagan took office, inflation has dropped from a high of 13.5 percent under President Carter to 2 percent today. The prime rate under President Carter hit 21.5 percent. Today it is 10.5 percent and expected to drop another 1 percent very soon. Housing starts are up almost 100 percent over a year ago. Automakers are rehiring and plan to increase production 35 percent this spring over a year ago.

But the most encouraging economic indicator—and the most reliable—is Congress itself. By the time this body gets around to dealing with unemployment—which has already started to decline—you can rest assured that the economy is well on its way to recovery.

Now what are the inherent flaws in this legislation?

First, we are proposing to spend $4.6 billion that we do not have. Since we are not proposing to raise this unanticipated spending burden with a $4.6 billion tax increase, we must go into the capital markets and borrow it in competition with the private sector at the very time business will be borrowing aggressively in a business recovery. This can only retard a healthy recovery in the private sector. The loss of $4.6 billion to the private sector represents a loss of over 100,000 productive jobs in the private sector, jobs that give workers a future and improve the overall state of our economy.

Second, OMB studies reveal that public works jobs result in hiring no more than 12 percent to 27 percent of the unemployed; 75 percent, almost 90 percent of these jobs will go to people already employed.

Third, the jobs that sponsors of this legislation intend to promote are not jobs in the areas of greatest unemployment. Why are we taking precious capital out of our economically distressed heartland—with the highest levels of unemployment in the land—to spend it in areas that have infinitely less suffering? That is why I support this amendment.

But if jobs are really at issue, there are any number of preferable positive actions that could and should be taken by this body instead of resorting to counterproductive, misplaced, and misguided legislation such as we have under consideration today.

For example, if we were to repeal the anachronistic Davis-Bacon legislation, we could save the taxpayer an estimated $2 billion and simultaneously create an estimated 100,000 new jobs, many of which would offer expanded opportunities to minorities and the disadvantaged.

If we provided a youth differential under the minimum wage, we could generate another 50,000 jobs for the young, especially black teenagers who are hurt the most.

By accelerating scheduled social security tax hikes to 1984, the chamber of commerce estimates we will be losing another 500,000 jobs that otherwise would be created.

By granting eminent domain to coal slurry pipelines, we could create another 150,000 jobs.

If we refrain from cutting the defense budget by $10 billion, according to the Christian Science Monitor, we can save another 350,000 jobs.

There are many other positive steps we could take as well, but just these few examples would net us over a million jobs.

Mr. Chairman, this bill is cosmetic as far as affecting unemployment. Moreover, it is injurious to the economy. And finally, it seriously aggravates an already depressing budget deficit. I urge my colleagues to defeat

the resolution and go back to the drawing boards.

Mr. EVANS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Illinois.

Mr. EVANS of Illinois. Mr. Chairman, I rise in support of the Edgar amendment. I thank the gentleman from Michigan for yielding to me, and I want to commend him for his efforts to target needed assistance to areas of highest unemployment.

I also want to express my appreciation for the effort that the gentleman from Mississippi and the committee has put into this bill. I believe that this first phase of action by the Congress to aid the unemployed of our Nation is essential.

But if Noah had worked on this scale, he would have built a rowboat instead of an ark.

I was elected 4 months ago to take action against the unemployment that afflicts one of every five of my constituents. I support this jobs bill because it provides badly needed benefits extensions for our unemployed and emergency assistance for those hardest hit by the recession.

However, this bill, by itself, is not enough.

The Edgar amendment is a necessary and important addition to this preliminary fight against unemployment.

We also need an immediate followup bill to provide a million jobs by January 1 of next year. We could pay for it by canceling the July 1 tax cut.

Millions of Americans are desperate for jobs. We cannot wait for a gradual and uncertain recovery to supply those jobs. Congress must not conclude its job-creating efforts with the bill we are voting on today.

The floodwaters of unemployment are unabated. We need an ark, not a rowboat.

I wish to thank the gentleman for yielding and ask permission to revise and extend my remarks.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. LEVIN) has expired.

The gentleman from Iowa (Mr. SMITH) has 23 minutes remaining, and the gentleman from Pennsylvania (Mr. EDGAR) has 9 minutes remaining.

Mr. SMITH of Iowa. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, as I pointed out earlier, we have worked through the recess and other times trying to reach what it is said this amendment will reach. I agree with the gentleman from Iowa (Mr. SMITH) that, on the face of it, it could lead to all sorts of delays. But the description of its intent is certainly in line with what we have done from the start.

Our friends from Michigan and elsewhere have called on me to try to target funds to these areas, and at that time I agreed and got the committee to agree that we have a quarter of a billion dollars in the community development block grant program specifically targeted to areas of high unemployment. The gentleman's description of what his amendment will do is in line with what we have tried awfully hard to do already.

Now, the gentleman from Iowa (Mr. SMITH) has arguments on his side as to whether it could be used as written, to delay the job being done. So I would rise in support of the intent of it, with the right to see what we can do to be sure that it is not used to delay but that it is used to carry out the projects.

I mention that to you, having worked all of this time to try to bring something we can agree on. Certainly we need balance between rural and city, between North and South, between everybody, to meet this problem because it is national and it needs correction.

So I rise to say that I am in favor of the intent, and I suggest that we do accept the amendment on this side and that we work it out with the author to be sure that it does not delay the process but that it be carried out as he intends.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Pennsylvania.

□ 1530

Mr. EDGAR. I would just like to thank the gentleman for his acceptance and also his commitment to work within the conference committee for a strong targeted amendment.

Mr. WHITTEN. I have spent days trying to do just what you intended to do, to give this to somebody intentionally, and I will be glad to work with you and the other body to accomplish this.

Mr. EDGAR. I thank the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the distinguished chairman of the subcommittee for yielding. I rise to enter into a colloquy with the chairman of the committee.

I understand, Mr. Chairman, that the WIC program is exempted under the Edgar amendment. My State is particularly concerned with how that money is to be funded and I would ask the following question.

Mr. Chairman, it is my understanding that the USDA has considerable discretion in allocating funds to the States under the WIC program. In order to assist the State agencies responsible for administering this program to plan their caseloads, is it not the intent of the Congress that the additional $100 million included in this bill for the WIC program be allocated to the States on the same basis as the allocation of the funds appropriated in the fiscal year 1983 agriculture appropriations bill?

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the chairman.

Mr. WHITTEN. That is my understanding. May I say that these funds are included in the bill because with the depressed conditions quite evidently the size and the need for this program has grown. We intend that the funds will be allocated under the present requirements.

Mr. HOYER. I thank the chairman for his assurance.

Mr. SMITH of Iowa. I yield 1 minute to the gentleman from South Dakota (Mr. DASCHLE).

Mr. DASCHLE. Mr. Chairman. I must rise in opposition to the amendment before us which would designate that 75 percent of funds for each program in this bill be spent in what are defined as "high unemployment" areas. I do so not because I think that these funds should not go to areas where there is high unemployment, but because the statistical methods used to determine these unemployment rates work a disservice to low population, rural States like my one.

Consider, for instance, the following figures from the Bureau of Labor Statistics report of February 15, 1983. In December of 1981, South Dakota's civilian labor force was estimated at 323,000. In December of 1982, however, that same labor force was given as 313,000. Though to some areas of the country, this drop of 10,000 members of the work force might not be considered substantial, in a low population State like South Dakota it represents a significant percentage of the total work force. In contrast, for example, in the same time period, Pennsylvania's work force increased from 5,437,000 to 5,523,000. Michigan's work force increased from 4,261,000 to 4,327,000, and California's work force increased from 11,884,000 to 12,236,000.

Looking through the BLS statistics, it becomes apparent what is happening. Predominantly rural States like South Dakota, Iowa, and Mississippi all lost numbers in their work force, while other agricultural States like North Dakota, Minnesota, and Nebraska stayed about even. This leads to the conclusion that, in fact, these States are experiencing a serious outmigration of their working people. There are simply no jobs, or the hope of future jobs, available in these largely rural, unindustrialized States, and the depressed state of the farm economy is drying up what nonagricultural jobs in sales and services are available. These people are leaving our States and

adding to the unemployment picture of other States.

By doing so, however, a false picture is painted of the unemployment situation in rural States. If jobs were available in our States, people would stay. We would not be subject to the serious outmigrations which apparently give us a low unemployment rate but, in truth, paint instead a dark picture of an economic climate in which even the prospect of employment is so dim that people are forced to leave the State.

One other factor must be spoken of in talking about South Dakota's low unemployment. A little over 6 percent of my State's population consists of Native Americans, primarily residing on reservations. Estimates of unemployment on these reservations run at about 80 percent, giving an underlying employment rate in the State as a whole of 4.8 percent. These figures, however, are generally not used in computing South Dakota's unemployment rate, further distorting the overall picture. Therefore, the Edgar amendment might not even benefit the unemployed on Indian reservations.

My State has been trying very hard, in recent years to bring in as many new businesses as possible to diversify our largely agricultural economy, and provide jobs in the private sector so that our young people and working men and women would not be forced to leave our State. We will continue these efforts. However, the false unemployment figures painted by Federal statistics should not be used as a tool to punish my State, or other rural States experiencing the same outmigration. It is for this reason that I oppose the amendment, and urge my colleagues to do likewise.

Mr. Chairman, the commitment made by the Federal Government to adequately compensate the State of South Dakota for the loss of 536,875 acres of productive land sacrificed for the construction of mainstream dams to provide residents of the Lower Missouri River Basin protection against devastating dams has not been honored. The WEB rural water development project, authorized by section 9 of the Rural Development Policy Act and reauthorized by Public Law 97-273, provides recognition and partial payment of the debt owed to the State of South Dakota for this sacrifice. Accelerated design, construction, and completion of the WEB rural water development project is an important, if small, step toward adequately compensating the people of South Dakota for the sacrifice made in the interest of protecting and preserving the life and property of the residents of the Lower Missouri River Basin.

The Missouri National Recreation river project was originally conceived by local citizens of South Dakota and Nebraska in the early 1970's when bank erosion along the 57.9-mile stretch of river between Yankton, S. Dak., and Ponca, Neb., was beginning to become severe. After forming the Missouri River Bank Stabilization Association in 1971, landowners in the area obtained the support of Congress, and the project was finally authorized in section 707 of Public Law 95-625, the National Parks and Recreation Act of 1978. The project is unique in that it combines the planning capabilities and efforts of the Department of the Interior and the Army Corps of Engineers in a dual purpose project to both stabilize the bank erosion along the river and provide additional recreational opportunities for the citizens of Nebraska, South Dakota, and Iowa.

I stress the seriousness of the continual loss of prime farmland, a loss which is occuring at a phenomenal rate in this area. Erosion rates exceeding 90 acres per mile of bankline per year—90 acres per mile a year, Mr. Chairman—are not uncommon. Erosion has created ever-widening floodways and vast areas of sandbars to replace the eroded crop and woodlands, and chronic bank erosion continues to damage or threaten numerous public works, farms, and irrigation activities along this stretch of river.

Mr. Chairman, annual erosion rates of up to 90 surface acres per river mile are far larger than normal. The fact is that this 57.9 acre stretch of the Missouri River is immediately below the last downstream Pick-Sloan mainstream dam. The scheduling of released flows from the Gavins Point Dam contribute to that excessive erosion rate. Yes, the very worthy Corps of Engineers' efforts are a major cause of the erosion, but we have failed to protect the downstream property owner from the resulting huge erosion losses. This is inequitable and the Congress ought to act to correct this continuing inequity. I urge the House to earmark a substantial amount of funding in this bill for this urgent project.

Mr. Chairman, I wish to direct a question to the distinguished Chairman of the Energy and Water Development Subcomittee, Mr. BEVILL.

Are the design and construction of riverbank protection works on the Missouri River between Yankton, S.D. and Ponca State Park, Neb., as authorized by section 707 of the National Parks and Recreation Act of 1978 and are design and constuction of the WEB rural water development project, as authorized by section 9 of the Rural Development Policy Act of 1980 and reauthorized by Public Law 97-273, eligible under the provisions of the bill?

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from Alabama.

Mr. BEVILL. The answer to my colleague, the gentleman from South Dakota, is "Yes."

Mr. DASCHLE. I thank the subcommittee chairman.

Mr. SMITH of Iowa. Mr. Chairman, I yield such time as he may consume to the gentleman from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 1718, the emergency supplemental appropriations bill.

This legislation is a solid, timely and extremely important congressional response which will stimulate the economy by providing immediate and productive employment opportunities.

But it is much, much more than that.

This bill is also a signal to all of the American people, including the more than 3.2 million American citizens in Puerto Rico, that Congress, on a bipartisan basis has honored a commitment to the citizens of this Nation.

The commitment is that the elected officials to the Congress of the United States have recognized that vigorous steps have to be taken to respond to the current economic dilemma in which many ordinary citizens find themselves.

At the outset, I wish to commend the House leadership and the gentleman from Washington Mr. FOLEY who, working with Speaker O'NEILL, the majority leader Mr. WRIGHT and the committee chairman have participated in the lengthy and complex negotiations with the White House that made it possible for this legislation to reach the House floor.

Mr. Chairman, all of us must commend Chairman JAMIE WHITTEN who, by bringing this bill speedily to the House floor, once again displays his extraordinary legislative expertise in molding different viewpoints and ways to stimulate the economy into this package which we consider today.

This is a temporary measure. We do not want to raise false expectations that this bill will solve all of the current economic problems.

But, as I speak today, our Nation faces an unemployment of 10.4 percent and Puerto Rico is suffering under a staggering 25.3 percent unemployment rate.

No one today needs a recitation of the litany of problems which have confronted States and every congressional district in this Nation.

Like others, Puerto Rico has experienced cutbacks in Federal programs that have provided business opportunities, loans and "ladders of opportunity" for citizens in such programs like the Economic Development Administration, Farmer's Home Administration, and the Small Business Administration.

As in every State of the Union, unemployment lines have grown, business bankruptcy levels have risen, and outmigration from the island of some

of our most skilled and productive talent has increased.

This has to stop. It has to stop in West Virginia and in Ohio and in Michigan, and in every other part of the United States.

This immediate injection of Federal funds, amounting to slightly more than $4.6 billion, is not a panacea, and the committee report makes it clear that the Congress will—in coming months—hopefully resolve our current dilemma and come up with a more comprehensive and enduring program to achieve and sustain a healthy national economy.

But, in the meantime, for Puerto Rico this legislation is welcome news.

The additional $1.250 billion national appropriation level of the community development block grant program will allow entitlement cities in Puerto Rico and our smaller municipalities, all of which participate in the CDBG program, to expect additional funds for construction of facilities and local public works contributing to the development of our economy when this supplemental bill is signed into law.

I am particularly pleased by the committee's allocation of $250 million in additional CDBG funds, part of the $1.250 billion total, for areas of high unemployment.

This will immediately target the CDBG stimulus to areas of greatest need.

There are other provisions of the emergency appropriations bill which I welcome.

With a high unemployment rate, Puerto Rico can make immediate use of some portion of the $200 million in additional funds to continue the programs of the Economic Development Administration.

These funds will stimulate the private sector and new projects—many of them already on the drawing board—can be undertaken for water and sewer developments, industrial park development, improvement of inner city housing, and other activities which have traditionally been funded by EDA. The UDAG program will also be provided with more resources as a result of the action taken in this bill.

In other areas such as employment and training assistance, Puerto Rico will speedily put to use the island's share of an estimated $648,000 for Job Corps activities, $2.5 million to help summer youth employment in a few months, and $1.7 million to support displaced workers.

I am happy to note that there will be $25 million in new funds for older Americans community service employment.

In the areas of social services, I welcome the wide variety of programs for maternal and child health, day care, Head Start, and expansion of the community services block grant program.

In other areas of this legislation, the injection of additional funds for construction of Farmer's Home Administration rural and water sewer grants will help our island's rural areas continue time-tested expansion of vital infrastructure facilities.

Mr. Chairman, the House Appropriations Committee has done a commendable job in reporting this legislation, as I have noted before. I am hopeful that this legislation will pass the Senate in a similar fashion, and that the House-Senate conferees will send this bill speedily to the President for his signature.

It is only a first step toward national recovery, but it is one that sends a signal of hope to your more than 3.2 million fellow American citizens in Puerto Rico that this strong and prosperous Nation will not turn its back on a segment of the American population in great need of help.

Mr. SMITH of Iowa. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I rise to congratulate the committee on the composing of a good bill and to urge all of our colleagues to support it on final passage and to reject the Republican substitute which has been somewhat hastily thrown together and which will be offered in just a few moments.

This is not a perfect bill but it is, indeed, a very good bill. It is a much needed piece of help for people who desperately need help.

This is not by any manner of means all that needs doing, nor, may I assure my colleagues, is it by any manner or means all we intend to do.

I have heard some apprehensions expressed for fear if we pass phase 1 in this somewhat modified form there will not be any phase 2. I would remind anybody who feels that already in this week we have taken two very decisive actions which set the stage for portions of phase 2—two needed and extremely important actions: The creation of the American Conservation Corps, which will provide wholesome outdoor employment for many hundreds of thousands of American youth, and the science and math and foreign languages provision that was adopted yesterday after a full day's debate.

So this legislative session has begun with a very active start.

In this bill today we are doing things that will help the helpless. we are providing measures that will feed the hungry. We are providing some help that will house the homeless.

There are an estimated 2 million Americans today who have been rendered homeless. We see the reemergence of soup lines in all of our major cities and in many of our average cities throughout America.

To respond to that urgent need, the committee has done a very good job and so I want to commend them. They have provided projects that are ready to go. They have provided work for those who are without work. They have provided certain activities that will be undertaken by people who have no high school education, by people who have exhausted their unemployment compensation. There are such things as local parks and recreation projects that permit the unskilled to have immediate work in communities throughout America where work is most desperately needed, and doing things that need doing for those communities.

I understand that is one of the things that would be left out in the Republican substitute.

The Bureau of Reclamation and the soil conservation activities which this bill encourages will allow portions of this help to go to badly smitten unemployed areas in rural America. These would be drastically reduced by the terms of the Republican substitute that would be offered.

Small business loans would be eliminated from the bill by that substitute. Historically in the private sector small business, newly created entrepreneural businesses have provided 80 percent of all of the new jobs that have been created in America, either privately or publicly.

It seems to me that by shutting off the well springs for small business, were we to adopt the Republican substitute, we would be going counter to the direction in which we desire to move.

So for all of those reasons, recognizing that this bill is not a perfect vehicle, but believing that it is probably the best that we can put together under the circumstances, recognizing that the need exists immediately and should be addressed immediately, accepting and welcoming the degree of cooperation that has been received from the administration and from the other party, I would just like to end by a whimsical poem that came to mind when certain Members were criticizing certain projects in the bill:

To hold this job that we have got,
And earn the pay we're makin',
Each works with might to gain some fame
As one who brings home the bacon.
A project in another state
As "pork," despised and utter;
The same thing in our own hometown
Is wholesome bread and butter.

This is a bread and butter bill. This is not a pork barrel bill. This is a bill which provides help where help is needed and it provides it in a simple way. For that reason I commend the committee and commend my colleagues for having drafted and brought this bill to the floor. And here are four more lines of whimsy:

The Conte bill's a seductive thing,
Attractive as Alberghetti;
But it isn't pork he complains about:
It's good old American spaghetti.

I urge all of my colleagues to support this bill and to reject any effort to weaken it.

Mr. EDGAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. HARRISON).

Mr. HARRISON. Mr. Chairman, I rise in strong support of the amendment of my colleague from Pennsylvania (Mr. EDGAR).

This bill has been called, by us and by the press, a jobs bill. More than that it has been called an emergency jobs bill. And yet, as it is before us now, it talks in terms of specific projects and not in terms of creating jobs where unemployment is the greatest.

Mr. EDGAR'S amendment addresses the purpose for which this bill was intended, and is understood throughout the country, by insuring limited funds will be directed precisely to those areas where unemployment is the greatest, and, therefore, the need for relief is most pressing.

This amendment has been carefully contructed to insure that the needs of both large and small cities and urban and rural areas would be met in distribution of funds. It would exempt humanitarian aide programs and those programs that distribute funds on the basis of a formula. As a result, this amendment would affect approximately $2.45 billion of the amount appropriated, and direct that money to those areas of the country where the need is greatest.

In my judgment, Mr. Chairman, this amendment significantly improves upon the reported bill and is worthy of all our support.

Mr. EDGAR. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. Mr. Chairman, I wish to speak in support of the jobs bill we are now considering and I commend the leadership for its efforts on behalf of the unemployed in our country. Any efforts to relieve their increasingly desperate plight are to be welcomed.

It is well known that we are in the midst of the most difficult economic times in the last 50 years. The difficult situation of my own State of Ohio deserves particular mention. Four years ago in January 1979, the unemployment rate in Ohio was 6.6 percent. In January of this year, the Ohio Bureau of Employment Services reports a tragic 14.9-percent unemployment rate for the State. Only the neighboring State of Michigan with its 17 percent unemployment rate exceeds Ohio's depression-level joblessness.

Clearly, any jobs bill must be targeted toward the area of greatest need. Ohio is a major manufacturing and agricultural center of our country. The same is true of our neighbors, Michigan, Pennsylvania, Indiana, West Virginia, and Illinois which have all suffered from double-digit unemployment for a long time now. The problems of these States are national problems, not just regional ones. Any jobs bill must target jobs legislation to the areas of greatest need. The humanitarian relief that this legislation will provide is essential. The stimulus to the economies of the States with greatest needs will have a national impact. For those reasons, I feel the Edgar amendment will significantly improve this bill by insuring that the funds spent under this emergency legislation will be targeted to those people and places suffering from the greatest economic hardship.

It is my hope that the administration, which supports this bill, will also seek other means in its power to target Federal spending toward the areas of greatest need, which means toward those areas where Federal spending will do the greatest good. Its efforts to speed up projects that are already planned are to be commended. An acceleration of that policy at this time would be welcome and useful. The Surface Transportation Assistance Act of 1982, for example, places three Ohio bridges on the Secretary of Transportation's priority list for discretionary funding. Prompt allocation of funds for these projects—the Main Avenue Bridge and the Brooklyn-Brighton Bridge, both in Cleveland and the Tinker's Creek Bridge on State Route 8—would help to relieve some of Ohio's enormous unemployment and would assist the State's economy by insuring that vitally needed access routes are safe and functioning. There are many similar projects in Ohio and elsewhere which could be started to help us cope with the lingering problem of joblessness.

The unemployed of our country face a daily problem of economic survival. Many of us have heard heart-rending stories of individuals who have lost their jobs in the last number of years and endure an unhappy existence and face an uncertain future. It is these people that we must consider and I urge passage of this bill as amended by the Edgar amendment.

Mr. EDGAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Chairman, I thank the gentleman for yielding and rise in support of the gentleman's amendment.

Earlier this afternoon, I outlined my concerns with this bill. Some $3.6 billion will go to public works, which are just about the worst way of putting people to work that we, in our collective wisdom, could dream up.

The Edgar amendment will make a bad situation a little bit better. it requires that 75 percent of the funds that are not allocated by formula or for humanitarian purposes will go to the areas with the most unemployment. The Edgar amendment will direct about half of this package to areas of high unemployment.

My own State, Vermont, is characterized by a relatively low unemployment rate statewide. However, this rate hides the fact that the State contains areas with severe unemployment problems. I understand from the author of this amendment that parts of the Northeast Kingdom, including Essex and Orleans Counties, will qualify as jurisdictions of high unemployment. Many other communities severely affected will be eligible as pockets of poverty meeting the criteria of the urban development action grants. And still other cities and towns, such as St. Johnsbury, Springfield, and Windsor, hard hit by recent layoffs, will most likely qualify due to harsh economic dislocation.

Since our purpose today is ostensibly to do something about unemployment, it seems reasonable to direct this money to those areas where the problem is the worst, rather than those areas that have the good fortune to be represented on the Appropriations Committee.

Public works of the type contemplated by this bill will never do much for the unemployed. But Mr. EDGAR'S amendment, the product of serious thought and reasonable compromise, will do much for this bill. I urge my colleagues to support it.

Mr. EDGAR. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I am pleased to cosponsor and rise in support of this amendment to require that 75 percent of the funds for the job creating programs in title I of this bill be spent in those areas of the country that are experiencing the most serious unemployment.

I have enjoyed working with BOB EDGAR on this. From the very beginning when this bill came up, this was one of the sore points as far as I was concerned, and although it might be easier in other circumstances simply to spread the money in this bill all across the country with a flat brush, our current economic conditions do not permit that kind of a luxury.

We face a budget deficit of $200 billion and we simply cannot afford to squander the limited amount of money in this bill on areas that are experiencing little need.

□ 1540

Mr. Chairman, this is simply a matter of equity—limited Federal

funds must be targeted to those areas that need them the most.

Let me clear up some misconceptions. First of all, this does not discriminate against rural areas in favor of cities. The amendment has been constructed to insure that both large and small cities and urban and rural areas would have equal access to funds, dependent upon meeting the criteria of high unemployment.

Second, this amendment would not affect the distribution of funds that are allocated according to a formula, or that are intended for humanitarian assistance such as emergency food and shelter or the various health programs. The only funds affected would be the approximately $2.45 billion that are clearly intended to provide job-creating ecomomic stimulus under title I of this bill.

Mr. Chairman, probably the greatest defect of the committee bill is that it permits the funding of projects in some of the lowest unemployment areas in the country. This bill has park money for Hawaii, which at the end of 1982 had an unemployment rate of 6.3 percent, the lowest in the country.

And I gave you some earlier today.

Frankly, Mr. Chairman, we will wind up with egg on our face if we permit the "cover-the-Earth with money" approach currently embodied in this bill to remain. I urge the adoption of the amendment. It will not take much time. The gentleman from Iowa says this will slow down the issuance of funds. The mechanism for creating a list of eligible areas can be done through a Department of Labor computer run. Just because projects in areas of low unemployment have already been planned and they are ready to go, is no reason for us to throw our scarce resources where they are not truly needed. Let me say, Mr. Chairman, in answer to my good friend, JIM WRIGHT, for whom I have nothing but the greatest respect: He says, "What is wrong, what is wrong if we get a couple of slices of bacon for our district?" That is right. That is right, as long as you were in the butcher shop when the hog was being slaughtered and you were able to get nice big chunks of bacon to take home. But you guys and gals that were not in the butcher shop when the hog was slaughtered you are gong home with pretzels and not bacon. Let me say we have a good notion to recommit. The National Wildlife Federation said just now:

DEAR MR. CONTE: We wish to extend our support to your motion to recommit the Emergency Supplemental Appropriations Bill with instructions to report the bill in amended form. As reported by the Appropriations Committee on February 25, the bill contained over a half billion dollars for Federal water projects—projects known to be environmentally damaging and economically questionable. Given the wide range of useful public investment that might be funded at this time, additional spending for new dams, canals, and irrigation projects cannot be justified.

Of particular note, your substitute would maintain needed funding for fish and wildlife facilities and urban parks; increases funding for energy conservation and the Youth Conservation Corps; and substantially reduce funding for the water projects of Army Corps of Engineers, Bureau of Reclamation, and Soil Conservation Service. In our judgment, your proposal strikes a far better balance in the distribution of funds for natural resource programs than the bill as reported by the committee.

We urge the adoption of your motion.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the amendment. Just very briefly I say to my colleagues that we are not here looking out for areas, we are here looking out for people. I thought this was a jobs bill for people. All of a sudden we have an amendment offered that is to take care of areas. I would like to submit, Mr. Chairman and my colleagues, people who are unemployed are having serious, serious problems. Whether they live in the high unemployment area of 15 to 20 percent or in an area where the unemployment rate is 5 to 6 percent; does not make that much difference to the person who is unemployed. If he is out of a job he needs a job. I think we ought to be very careful about denying money or projects or support to those parts of the country that have a lower percentage of unemployment but still have people out of a job. I oppose this amendment. I would hope we could allow the money to be distributed fairly throughout the country, so someone unemployed in a rural area, or an area that has maybe 8 percent unemployment, can be helped with a job just as much as a worker in an area with 10 or 12 percent unemployment or even more. I think we ought to make sure this is a people bill rather than an area bill.

The CHAIRMAN. The gentleman from Iowa (Mr. SMITH) has 11 minutes remaining, and the gentleman from Pennsylvania (Mr. EDGAR) has 4 minutes remaining.

Mr. EDGAR. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. I rise in strong support of the Edgar amendment.

Mr. Chairman, as we debate the Emergency Supplemental Appropriations Act, I want to express support for its major provisions. It is imperative that we immediately take steps to put Americans back to work. However, to make this bill more effective, we must target its funds to areas of greatest need. West Virginia is one of those areas. With a staggering 17.8 percent unemployment rate that shows no sign of abating, my State's situation is critical.

Without Congressman EDGAR's amendment, there will be no mechanism in this legislation which will target discretionary spending of the bill's programs to economically crippled areas such as West Virginia. Because this is the first major jobs bill to be considered by the House in this Congress, and because there is no guarantee that an anticipated second jobs bill will address our urgent concerns, it is vital that this emergency program be a commitment to the millions who are waiting for us to take firm action. A targeting amendment will accomplish this goal as it would transform that part of the bill which is basically public works into a jobs bill.

As a representative of thousands of workers who have been directly affected by the economic ills that have plagued our Nation. I urge the adoption of the Edgar amendment which will insure that our efforts are aimed at their distress.

Mr. EDGAR. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR.)

Mr. EDGAR. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. MOODY.)

Mr. MOODY. Mr. Chairman, I rise to urge strong support of the Edgar amendment to target the benefits of this bill to areas of high unemployment and specific pockets of poverty. I represent a district with both high and moderate levels of unemployment, and urge that we concentrate the benefits of this bill to the areas that have been hurt the most.

Everyone agrees that the $4.6 billion in this bill is far from adequate to meet the need. In fact, only $2.45 billion of this money will be distributed for job creation, with the rest being allocated to humanitarian aid or distributed by formula. This $2.45 billion will probably create jobs for no more than 250,000 people—far less than the 12 million unemployed Americans now looking for work. With this scarcity of funds relative to the need, nothing is more important than targeting the money to where the need is greatest.

This amendment, which I helped draft, would require that 75 percent of the available money go to areas where the unemployment rate is at least 90 percent of the national average over the preceding 12 months. Money would also be targeted to special pockets of poverty, as defined in statutory law, where the unemployment rate in-

adequately captures the true level of economic deprivation.

These two components of the amendment insure that the $2.45 billion will be carefully focused so that areas of little unemployment will not receive a disproportion amount of the money. That would have happened in the bill's original version.

Mr. Chairman, I urge support of this amendment.

Mr. SMITH of Iowa. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. FAZIO).

Mr. FAZIO. Mr. Chairman, those of us who have been through these afternoons with Mr. CONTE and his colleagues are aware of the fact that occasionally we end up in a bidding war in terms of where we can seek additional political coalitions and support. Mr. CONTE is a very avid newspaper reader, he is a great admirer, I am sure, of Queen Elizabeth and he has been paying a great deal of attention to the weather in California. Mr. CONTE, as I understand it, will include in his motion to recommit an amendment which would grant the California delegation, I suppose, some very seductive candy, in effect, a request for $100 million in additional support to battle the damage that has occurred in the storms we have encountered out there this winter.

□ 1550

I think it is important to point out that the bill as drafted is adequately written to meet and address the problems that all of us from California and indeed those from other parts of the country, the Southeast for example, which earlier this winter had tremendous flooding problems, will need resolved in this bill. In order to have our problems rectified by the Corps of Engineers, we will need some inclusions in this jobs bill.

This measure would improve flood control, shore protection and allow for other measures authorized by law to meet emergency requirements and remedy damage resulting from disastrous rains and floods.

That is in the bill as currently drafted. I think it is important for all the Members to realize that if we want a signature on this bill, however, imperfect it may be, we are going to need to have the kind of fiscal restraint that all of us have come to understand is fundamental.

This bill provides for the kind of attention that we need for our problems in California, and, indeed, all Members on this floor need, across the country, for the problems that we have encountered through the disastrous weather we have had this year.

There is $200 million in the corps construction and operation and maintenance accounts and FEMA, the Federal Emergency Management Agency, has over $600 million available for obligation as of February 15 for areas declared disasters.

This amendment is superfluous, it is not needed to resolve our problems in California. The corps has already identified areas of Federal and non-Federal damage to beaches, rivers, and streams and assessed the problem. I would like to attach the list and the assessment for the RECORD:

DAMAGES IN CALIFORNIA

(Federal and non-Federal)

Serious damage to beaches and adjacent coastal property and facilities: Seal Beach, San Diego, Santa Monica, Huntington Beach, Santa Barbara, Imperial Beach, Mission Beach, San Clemente, Oceanside, Newport Beach, Surfside-Sunset, Malibu, Redondo Beach, Venice Beach, Carpenteria, Rincon, Oxnard, Santa Benecia, Corte Madera, Stinson Beach, Mendocino, Sea Cliff State Beach, Half Moon Bay, Edgerly Island, San Francisco, San Pablo Bay Island, Mill Valley, Attos, and Capitola.

Shoaling: Ventura Harbor and Santa Barbara Harbor.

Flooded streams: Eel River, Russian River, Napa River, San Rafael Canal, Alviso Creek, Novata Creek—levee break, Van Duzen Creek, Petaluma River, Corte Madera Creek, Guadalupe River, Sacramento River, Cashe Creek.

Also: 20 mud slides statewide; 2 bridges damaged; 4 bridges closed including Golden Gate Bridge; $100 million in damages; 10 deaths; 4,000 persons displaced; 30 homes destroyed; 3,500 homes damaged; Public Law 99 funds committed $1.3 million; SP railroad tracks damaged in Ventura County; 4 sewage pumping stations damaged in La Jolla; Kern County—power outages;

Eight delta islands inundated: Van Sickle, Mildred, Fay, Little Trunk Shiva, Joice, Prospect, and Grizzly.

In addition, 43 other islands in delta partially inundated sewage treatment and shoreline of Clear Lake damaged Cashe Creek, Yolo County roads damaged.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from California.

Mr. LEHMAN of California. I thank the gentleman for yielding.

The 18th District of California is as diverse as California itself.

Small towns nestled in the foothills.

Delta farmlands new ravaged by floods.

Farming communities and large urban centers—and everywhere hard-working men and women have seen their jobs lost.

One worker out of five in my district is now without a job. It's impossible to see an imminent recovery when the latest unemployment figures from all over my district show more not less people out of work. In large parts of my district unemployment has nearly doubled since 1980. The latest January unemployment figures illustrate that point more eloquently than anything I could say—Fresno County—17 percent unemployed; San Joaquin County—19.8 percent unemployed; Calaveras County—21.6 percent unemployed; and Tuolumne County—23.9 percent unemployed.

My district is not an urban district but of small towns and cities, and our problems are just as bad, if not worse, than the unemployment we see reported in big cities.

This bill will put people to work on reclamation and conservation projects in Calaveras and Tuolumne Counties. It will allow the Army Corps of Engineers to do more flood control work in the delta farmlands and it will put people to work preserving our Nation's parks and forests.

Mr. Chairman, this Congress will be judged on what we do to spur economic recovery. Putting people back to work is the first step in that recovery.

I urge an aye vote.

The CHAIRMAN. The time of the gentleman from California (Mr. FAZIO) has expired.

Mr. SMITH of Iowa. I yield 1 additional minute to the gentleman from California.

Mr. LEHMAN of California. If the gentleman will yield further, I am confident in the language in this bill. I think it is what we need. It is a comprehensive package.

Mr. FAZIO. I appreciate the gentleman's comments. I think it points out that not only is this targeted by high rates of unemployment, but it is also targeted to areas of great concern.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Massachusetts.

Mr. CONTE. First of all, let me say there is no money in this bill for that disaster. Sure I read the paper like anyone else. I have been here 25 years and I have always responded to disasters, whether they were in Italy or Yugoslavia or California.

Mr. FAZIO. I supported all of those.

Mr. CONTE. I cleared this amendment before I put it in with O&M. Now if the gentleman does not want to give those poor people in California this money, move to strike it out now and I will accept the gentleman's amendment.

Mr. FAZIO. I do not want to move to strike it out. I just want the Members to get truth in packaging. I want them to know what it is in the version reported out by the Appropriations Committee and I want them to feel confident they can vote for it without doing any damage to California.

Mr. SMITH of Iowa. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. ALBOSTA).

Mr. ALBOSTA. Mr. Chairman, I rise today to speak in support of this vitally important piece of legislation, the emergency supplemental appropriations for jobs bill. The key here, I believe, is jobs, emergency jobs for those people in depressed areas of our country with high unemployment like my

home State of Michigan that is bleeding to death. Let me emphasize here that this jobs bill, which I wholeheartedly support, is just a first step in our fight to get people back to work. But it is an important first step, for it demonstrates this Congress commitment to assisting our unemployed in their time of need.

With an unemployment rate in Michigan of 17 percent, and reaching upward of 25.7 percent in many parts of my congressional district, I can tell you first hand of the pain and human suffering associated with high unemployment. The unemployed are facing uncertainty about their present and future financial security. When will the unemployment benefits run out? Will the unemployed ever to able to find a job again?

This jobs bill addresses both of these questions. Without this emergency legislation, unemployment funds, which aid States in paying their regular and extended unemployment benefits, will run out in March. This bill provides the necessary $5 billion to the trust fund to insure that benefits can continue for those who have been hardest hit by unemployment—the long termed unemployed.

In order to make the emergency jobs bill effective it must be targeted to States like Michigan with high unemployment. I will not allow my State of Michigan to continue to be bled to death by our economic depression. Yes—depression because that is exactly what we have in Michigan where our unemployment rate has averaged over 13 percent for the last 3 years.

The time has come to say enough—we will not continue to finance the rest of the country with Michigan tax dollars while we do not receive the help our residents to desperately need. I am sick and tired of these voodoo doctors of economics that tell us recovery is just around the corner. Our State will be dead by the time we reach the corner unless the Federal Government acts now in a prompt and effective way to start taking people off the unemployment rolls instead of putting them on unemployment rolls. Joblessness has caused high increases in alcoholism, family abuse, and crime. We absolutely must deal with these problems.

The way to deal with 15 percent unemployment is to target Federal aid to those States with high unemployment. The amendment offered by the gentleman from Pennsylvania will do just that by requiring that 75 percent of the funding for job creation in the bill must be spent in areas with highest unemployment during the past 12 months. We need the Edgar amendment so that the funds from the emergency jobs bill will go to parts of the country that have suffered the most from the failure of Reaganomics and its half baked economic theories.

For example, the employment and training administration will receive $232 million which will among other things be directed to assist Michigan in providing for the retraining of displaced workers. In addition, another $25 million will go to assure that our older workers can continue to work under the popular and beneficial title V community service job program.

The very important community development block grant program, funded at $1.25 billion, will be directed to areas of high unemployment as well and used for programs such as housing rehabilitation and the construction of public facilities and parks. This provision alone is expected to create over 80,000 new jobs.

Rural areas will receive additional aid through new grant and loan programs for the construction of sewer and water systems administered by the Farmers Home Administration. The Economic Development Administration will get a $200 million shot in the arm for public works programs such as industrial park development and water and sewer improvements. These kinds of programs are crucial to the recovery of our Michigan economy and for the creation of jobs for my constituents in the 10th District.

As well as a job, the American dream of owning our own home has been indefinitely postponed for many Americans during our present recession. This bill includes a provision to restore hope in this dream. An additional $500,000 has been included to assist in expediting implementation of a homeowner's emergency mortgage assistance program. We need to put the American dream back within the grasp of Americans. I feel that this bill begins to do that.

Last, and very importantly, I would like to express my support for the more than 10,000 temporary jobs that will be created to provide social services to our poor, hungry, and unemployed Americans. No State has been hit harder by the recession—or in the case of our State, depression—than Michigan has. Not only a loss of jobs and economic security are facing my constituents in the 10th district, but the horrifying reality of a sharply declining standard of human health and in some cases, human life. Michigan has in recent months experienced a dramatic increase in the infant mortality rates due to the Federal and State cutbacks in essential maternal and child health care grants and nutrition programs. This is a tragedy that can only be remedied through the allocation of funds in this area. This bill will provide the desperately needed funding of $40 million to communities with high unemployment such as is the case in Michigan and direct these funds for the purpose of nutrition and health programs, and thus, improve the quality of health and life for Americans.

In closing, I would like to reemphasize to my colleagues that this is only a first step. It is not enough to cure all of the economic and human problems created by this recession. We need additional programs focusing on aid to our farmers and small business people who are experiencing unprecedented bankruptcies and foreclosures, and to make sure our unemployed receive adequate health care protection. As one of my top priorities in the next few months, I will work with my colleagues in the House to insure that phase II of this anti-recession package addresses these concerns. The time for rhetoric is over, the time for action is now. Let us get on with the job of putting America back to work by passing the emergency jobs bill.

Mr. SMITH of Iowa. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. FROST).

Mr. FROST. Mr. Chairman, I thank the gentleman for yielding.

I do intend to support the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR) and I would like to ask the gentleman from Pennsylvania a question.

If I understand correctly the pockets of poverty language in this amendment, it would mean that cities that have 6, 7, 8 percent unemployment, cities like Dallas, Fort Worth, San Antonio, and Houston, who otherwise would not be eligible for funds would be if sections of that city were UDAG eligible under the pockets of poverty concept, sections of that city that had a great degree of high concentration of poverty.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. FROST. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I would like to suggest to the gentleman that the answer to the gentleman's question is yes, the gentleman who serves on the Rules Committee provided great leadership yesterday as we crafted this compromise amendment to make sure the pockets of poverty were in fact included.

Mr. FROST. I thank the gentleman and I thank his acceptance of that provision in the amendment.

Mr. EDGAR. I thank the gentleman for his leadership.

Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. DURBIN).

Mr. DURBIN. Mr. Chairman, I fear that our action today on the phase 1 jobs bill by this action Congress will let loose a great roar across this Nation and deliver a mouse. Many of us appreciate the obvious shortcomings of this effort today, both in its scope and level of funding.

But if our efforts are limited let them at least be just.

I support the Edgar amendment. I would sincerely hope that by this amendment we will focus our efforts on the committees, urban and rural, that have been so sorely hurt by this recession. With this amendment, I say to the gentleman from Massachusetts (Mr. CONTE), let us hope that those of us who are returning to our districts with either bacon or pretzels do not go home emptyhanded to face the unemployed who have suffered so long in this recession.

Mr. EDGAR. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania (Mr. WALKER).

Mr. WALKER. I thank the gentleman for yielding.

And I want to congratulate the gentleman for his amendment. We very badly needed to have the money targeted toward the real unemployed in the country. This amendment goes part of the way toward that. I would prefer to see it targeted toward specific unemployed people.

The gentleman from Massachusetts is going to have that in his substitute. But I think the gentleman goes a long, long way and I intend to support the amendment.

Mr. EDGAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. RITTER).

Mr. RITTER. Mr. Chairman, I rise in support of my colleague's amendment.

Mr. Chairman, I rise in support of the amendment offered by my colleague and fellow Pennsylvanian. Pennsylvania's 15th Congressional District, which I represent, like much of the Northeast, is weighted down by high unemployment. Unemployment in the L.V. region stood greater than 13 percent as of December 1982. While the emergency supplemental appropriations bill provides $4.6 billion for job creation, it makes no provision to target these funds to areas of highest unemployment.

Congressman EDGAR'S amendment significantly improves this bill by targeting 75 percent of the funds for each program to areas of greatest economic distress. The intent of this emergency supplemental is to help those with unemployment levels at 90 percent or above the national average. It would be inconsistent with this intent to ignore those areas with highest unemployment. If Federal tax dollars must be spent for job creation, they should be spent as wisely as possible. Congressman EDGAR'S amendment attempts to do just that.

However, as we deliberate the pros and cons of this bill and the amendment before us, we cannot overlook the fact that a Federal jobs bill is still only a short-term solution to the unemployment problem. What we really need is a strong and growing economy. But, we in Congress have a lot of work ahead of us if we want an economy that can maintain the jobs we have and create jobs to put our people back to work.

Mr. SMITH of Iowa. Mr. Chairman, I yield myself the balance of the time remaining.

A number of speakers here have talked about not putting the money in areas that do not need it. I would like to know where any of these areas are. Could anybody in this House tell me an area in this country that does not have high unemployment. It must be near an aircraft factory or a defense plant. I just do not understand that if you have an area of 8-percent unemployment, even though you have a contractor who can provide jobs he cannot have the project because the unemployment rate is below the national average, but somebody who is in an area that has 10 percent can have the contract.

It just does not make sense to me.

Now, for example, the gentlewoman from California brought up EPA. There is not any question about it, this amendment will interfere with those cities that need the money the worst. They will have to first go through the process of proving that they are within the 25-percent allotment and then they will have to find out how much money there is for those places and where the money should go.

There is no question about it that it is going to interfere with that process. And that is what is wrong with this kind of amendment. It is just a signal to those administering the program, to administer to death any of the programs in the bill they do not like. They will take all the time they want to draw up regulations and administrative procedures and then by next October 1 we will find out that people have not been employed.

A number of speakers today have spoken of people whose unemployment compensation has run out. We have millions of unemployed who have never had a job and they do not all live in ghettos; they do not all live in so-called pockets of unemployment. Many of them are minorities, but not all of them are minorities. The point is that they are unemployed and need a job whether they have not had one for 3 or 4 years or since they graduated from high school, whether they live in one of these pockets of poverty or they live just outside one of these pockets, the approach taken in this amendment is just simply a bad way to do it.

What we have done is take a national bill and turn it into a nonnational bill. We have splintered it up. We have taken a white dog and made a Dalmatian out of it. And it is not the way to treat a national jobs bill.

Now I know the amendment is going to pass. We are all expecting it to pass, but I thought that it was important to bring these points out in this debate so that when we go to conference people are not expecting the provision to come back in exactly the same form that it went to conference. There are a lot of improvements which could be made in this amendment and I hope that there is more reflection on it and that it will be improved in conference.

□ 1600

Mr. EDGAR. Mr. Chairman, I yield myself the balance of my time.

Mr. RIDGE. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Pennsylvania.

Mr. RIDGE. Mr. Chairman, is it the gentleman's intent that those administration officials that will be monitoring this program will give favorable or even preferential treatment to those applications that demonstrate that unemployed people, actually people that have been suffering from long-term unemployment, go back to work through this program?

Mr. EDGAR. It is my hope, that is the intention of the language of the legislation, although it does not say so specifically and I thank the gentleman for his question.

Mr. Chairman, we have come down to the last minute on this amendment. There has been a lot of controversy.

This amendment is the sum total of a lot of thought that went in by both Democrats and Republicans who came together and said, "Can't we target these funds to those who are in the greatest need?"

I think it is important to say to all of you that it is really tough to find work when there are 12 million people out of work. It is tough to find work when there is 10.4 percent unemployment and in pockets of poverty in States throughout the Nation there are areas that have astronomically high unemployment. This amendment will help.

It is tougher to find work in areas of high unemployment when there is a higher number of people who are in fact out of work.

This amendment tries as best it can to focus the attention of the House on the need to target this legislation to help the largest number of people who are presently out of work, many of whom are structurally unemployed, many of whom lack the basic skills needed for work.

I commend all of my colleagues who spoke on behalf of the amendment. I urge adoption of the amendment.

I will repeat, I am going to ask for a recorded vote so that we can send a message to the other body and to the President that we want a jobs bill that is targeted.

● Mr. LAFALCE. Mr. Chairman, I rise in support of the amendment being offered by our colleague from Pennsylvania (Mr. EDGAR).

The amendment would target 75 percent of the funds appropriated under title I of the emergency jobs bill to high-unemployment areas.

Title I appropriates $4.6 billion in additional funding in fiscal year 1983 to create jobs in repair and rehabilitation of public facilities, resource conservation projects and park improvement and maintenance, and urban and rural community development projects. It also provides humanitarian aid in the form of emergency food and shelter services.

The Edgar amendment incorporates legislation I introduced last week to target the $1.2 billion in supplementary community development block grant (CDBG) assistance to high-unemployment areas. It is also similar to a bill I introduced along with our former colleague Gary Brown in 1976. That bill passed the House but was defeated in conference with the Senate in favor of a countercyclical aid program in the public works jobs bill.

Today, 7 years later, our country lies mired in a national recession. But recession is too mild a word to describe the economic dislocation affecting many communities throughout the country. In several areas, Mr. Chairman, we are confronting a depression.

In New York State, for example, the unemployment rate for January 1983 stood at 9.6 percent, a full percentage point increase over the previous month. But in the Buffalo SMSA, which includes Erie and Niagara Counties unemployment stands at 14.7 percent. In Niagara County 17.4 percent of the work force, 17,800 workers, are "officially" unemployed, while 3,200 workers in Orleans County, 15.7 percent of the work force, are idle.

We are suffering a regional depression, and I believe that we must address the depression in western New York and in other areas throughout the country in the bill before us today.

Under the Edgar amendment, high-unemployment areas are defined as: First, areas where the average unemployment rate over the past 12 months is no less than 90 percent of the national average; second, labor surplus areas; or third, in the event of severe economic dislocation, areas so designated by the Department of Labor.

Mr. Chairman, I believe that our emergency jobs program should address unemployment at both the individual and community levels. We must put Americans back to work in productive jobs. But it is equally important to salvage entire communities that are literally on the edge of total economic collapse.

I am encouraged by the degree of cooperation exhibited by the White House and congressional leadership in putting together this package of jobs and unemployment assistance. I am heartened by the President's agreement to a package similar to one that he threatened to veto just 3 months ago. However, I am chagrined that the package does not target funds to high-unemployment communities. We can correct this oversight by adopting the Edgar amendment.

The bill before us is an emergency program, and I believe that the allocation of funds should reflect the emergency that affects individuals and families, as well as whole communities.

Mr. Chairman, I would like to take a few moments to highlight the CDBG program and how the amendment would effect implementation of the supplementary CDBG funds appropriated by the emergency jobs bill.

Most major cities, plus many urban counties are participating in the CDBG program. CDBG entitlement communities are prepared to take the supplementary funds appropriated by the bill and put them to work creating jobs immediately.

I think the very fact that almost 25 percent of the funds appropriated by title I of the emergency jobs bill are allocated through the CDBG program is ample evidence that we will get an immediate employment bang from our $1.2 billion. Use of the CDBG program insures that we will avoid the creation of make-work projects and that benefits will remain in the communities for years to come. The supplementary CDBG funds appropriated by title I are not only an investment in individuals, returning hope to lives that have been shattered by unemployment, but it is an investment in entire communities.

If we adopt the Edgar amendment, we can target this investment in individuals to communities where we will get the highest return on our investment.

In addition to stimulating the local economy with "new" money, targeted, supplemental CDBG aid will allow depressed communities to attract and keep new industry and stabilize and improve declining neighborhoods. These activities will create private sector jobs and improve local economies, without the need to set up new programs.

Using the existing block grant administrative structure to allocate targeted, supplementary CDBG funds practically eliminates startup costs and will result in funds being available immediately for the creation of jobs for our unemployed, and revitalization of depressed communities.

Mr. Chairman, unemployment is a national disgrace, but, as we in western New York know all too well, it is a regional tragedy. We have an opportunity to address ourselves to the depression that afflicts too many communities throughout the country today.

I urge my colleagues to support the Edgar amendment.●

Mrs. JOHNSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania. This amendment targets the spending authorized by this bill to areas of high unemployment and thereby corrects a major weakness of the legislation.

Before becoming a Member of this body and since as a member of the Republican jobs task force, I have supported and worked for legislation that would address the unemployment crisis that grips our Nation.

Our national unemployment statistics describe individuals, families, and communities that have been devastated by this recession, the impact of prolonged joblessness on people, and the discouragement of life without opportunity.

Out of deep concern for the unemployed people of our Nation, Congress has joined with the President to provide some remedy. I am very pleased with some parts of this funding package. I have advocated the use of community development block grants, since before I became a Member of this body, as a way of expeditiously turning Federal money into local jobs with a minimum of administrative cost. I therefore welcome the inclusion of the $1.25 billion contained in this bill for CDBG's. The $200 million for the Economic Development Administration and $75 million for displaced workers implement recommendations proposed by the Republican task force with which I strongly concurred.

In addition, the Appropriations Committee included $150 million for low-income weatherization. I and a number of my colleagues specifically requested such an investment as a means of both creating jobs and fuel savings at a time when both are badly needed.

Unfortunately the bill before us, while improved by adoption of the amendment of the gentleman from Pennsylvania, has a negative side. The commendable parts of the legislation are counterbalanced by other spending proposals that will not create jobs, but by increasing the deficit threaten the recovery that is the only real solution to unemployment. Appropriated are $1 million solely to fund the Administrative expenses of developing planning programs not in existence. This is supposed to be an emergency jobs bill to create immediate employment for those among us so personally devastated by this recession. These million dollars are wasted on bureaucrats being paid to create new bureaucracies for programs that Congress may never authorize.

"Pork barrel" is the only appropriate description of parts of this legislation. The committee report identifies

projects and towns with little resemblance to the high unemployment areas the bill is supposed to target. The distribution of money is also something short of reasonable; $404 million go to the Corps of Engineers, over one-half of these funds earmarked for Mississippi River programs. Since corps projects must yet undergo lengthy periods before work is actually commenced, we can only guess how much of this money will find its way to job creation in the near future. The bill provides $33 million to finance a highway demonstration project in Mississippi, the purpose of which is to demonstrate methods to accelerate the widening of existing highways.

I will support the motion to recommit which will be offered by the gentleman from Massachusetts (Mr. CONTE). His substitute funding proposal eliminates most of this pork barrel. It adds $250 million to CDBG's and doubles the amount in the bill for weatherization. His is a reasonable, intelligent, and targeted approach to immediate job creation. The Conte substitute includes the amendment offered here by Mr. EDGAR. I endorse both efforts, and urge my colleagues to do the same.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. EDGAR. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 335, noes 83, not voting 15, as follows:

[Roll No. 18]

AYES—335

Ackerman	Britt	Daub
Addabbo	Brooks	Davis
Akaka	Broomfield	de la Garza
Albosta	Brown (CA)	Dellums
Alexander	Brown (CO)	Derrick
Anderson	Broyhill	DeWine
Andrews (NC)	Bryant	Dicks
Andrews (TX)	Burton (CA)	Dingell
Annunzio	Burton (IN)	Dixon
Anthony	Byron	Donnelly
Applegate	Campbell	Dowdy
Aspin	Carper	Duncan
AuCoin	Carr	Durbin
Barnes	Chandler	Dwyer
Bates	Cheney	Dymally
Bedell	Clarke	Eckart
Beilenson	Clay	Edgar
Bennett	Clinger	Edwards (AL)
Berman	Coats	Edwards (CA)
Bethune	Coelho	Edwards (OK)
Bevill	Coleman (MO)	Emerson
Biaggi	Coleman (TX)	Erdreich
Bilirakis	Collins	Erlenborn
Boehlert	Conable	Evans (IA)
Boggs	Conte	Evans (IL)
Boland	Conyers	Fascell
Boner	Cooper	Fazio
Bonior	Coughlin	Feighan
Bonker	Courter	Ferraro
Borski	Coyne	Fiedler
Bosco	Craig	Fish
Boucher	Crane, Daniel	Flippo
Bouquard	Crane, Philip	Florio
Boxer	Crockett	Foglietta
Foley	Lipinski	Roe
Ford (MI)	Long (LA)	Rostenkowski
Ford (TN)	Long (MD)	Roth
Forsythe	Lott	Roybal
Frank	Lowry (WA)	Russo
Franklin	Luken	Sabo
Frost	Lundine	Savage
Fuqua	Lungren	Sawyer
Garcia	Mack	Scheuer
Gaydos	Madigan	Schneider
Gejdenson	Markey	Schroeder
Gekas	Marriott	Schulze
Gephardt	Martin (IL)	Schumer
Gibbons	Martinez	Seiberling
Gilman	Matsui	Sensenbrenner
Gingrich	Mavroules	Sharp
Gonzalez	Mazzoli	Shelby
Goodling	McCandless	Shumway
Gore	McCloskey	Shuster
Gradison	McCollum	Sikorski
Gray	McDade	Siljander
Green	McEwen	Simon
Gregg	McGrath	Sisisky
Guarini	McHugh	Skelton
Gunderson	McKernan	Smith (FL)
Hall (IN)	McKinney	Smith (NJ)
Hall (OH)	McNulty	Smith, Robert
Hall, Ralph	Michel	Snowe
Hall, Sam	Mikulski	Snyder
Hamilton	Miller (CA)	Solarz
Hammerschmidt	Miller (OH)	Spence
Harkin	Mineta	Spratt
Harrison	Minish	St Germain
Hartnett	Mitchell	Staggers
Hefner	Moakley	Stangeland
Heftel	Molinari	Stark
Hertel	Mollohan	Stokes
Hiler	Montgomery	Stratton
Hillis	Moody	Studds
Holt	Moore	Sundquist
Hopkins	Morrison (CT)	Swift
Horton	Murphy	Tallon
Howard	Murtha	Tauke
Hoyer	Natcher	Taylor
Hubbard	Nichols	Torres
Huckaby	Nielson	Towns
Hughes	Nowak	Traxler
Hunter	O'Brien	Udall
Hyde	Oakar	Vander Jagt
Ireland	Oberstar	Vandergriff
Jacobs	Obey	Vento
Jeffords	Ortiz	Vucanovich
Johnson	Ottinger	Walgren
Jones (NC)	Owens	Walker
Kaptur	Oxley	Watkins
Kasich	Packard	Weiss
Kastenmeier	Panetta	Wheat
Kazen	Parris	Whitehurst
Kemp	Patterson	Whittaker
Kennelly	Pease	Whitten
Kildee	Pepper	Williams (MT)
Kindness	Perkins	Williams (OH)
Kogovsek	Petri	Wilson
Kolter	Pickle	Winn
Kostmayer	Porter	Wirth
Kramer	Price	Wise
LaFalce	Pritchard	Wolf
Lagomarsino	Pursell	Wolpe
Lantos	Quillen	Wortley
Latta	Rahall	Wright
Leach	Rangel	Wyden
Lehman (CA)	Ratchford	Wylie
Lehman (FL)	Regula	Yates
Leland	Reid	Yatron
Lent	Richardson	Young (MO)
Levin	Ridge	Zablocki
Levine	Ritter	Zschau
Lewis (CA)	Rodino	

NOES—83

Archer	Dickinson	Hightower
Badham	Dorgan	Hutto
Barnard	Downey	Jenkins
Bartlett	Dreier	Jones (OK)
Bateman	Dyson	Leath
Bereuter	Early	Levitas
Bliley	English	Lewis (FL)
Breaux	Fields	Livingston
Carney	Fowler	Loeffler
Chappell	Frenzel	Lujan
Chappie	Glickman	MacKay
D'Amours	Gramm	Marlenee
Daniel	Hance	McCain
Dannemeyer	Hansen (ID)	McCurdy
Daschle	Hatcher	McDonald
Mica	Roemer	Stump
Mrazek	Rogers	Synar
Myers	Rose	Tauzin
Nelson	Roukema	Thomas (CA)
Olin	Rowland	Thomas (GA)
Pashayan	Rudd	Torricelli
Patman	Shannon	Valentine
Paul	Shaw	Volkmer
Penny	Skeen	Weber
Ray	Slattery	Whitley
Rinaldo	Smith (IA)	Young (AK)
Roberts	Smith (NE)	Young (FL)
Robinson	Stenholm	

NOT VOTING—15

Corcoran	Martin (NC)	Smith, Denny
Hansen (UT)	Martin (NY)	Solomon
Hawkins	Moorhead	Washington
Jones (TN)	Morrison (WA)	Waxman
Lowery (CA)	Neal	Weaver

□ 1620

Messrs. BARTLETT, HANSEN of Idaho, SHANNON, EARLY, and PASHAYAN changed their votes from "Aye" to "No."

Messrs. HUGHES, TALLON, LELAND, and HEFTEL of Hawaii changed their votes from "No" to "Aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

● Mr. HARKIN. Mr. Chairman, I support Mr. CONTE's substitute to the emergency jobs bill.

The Conte substitute would cut hundreds of millions of dollars in the bill for unspecified Army Corps of Engineers and Bureau of Reclamation projects.

We must make these cuts. In my view, much of this money will be wasted.

The substitute does reduce the funding for rural waste-water and sewer system construction. In my home State of Iowa, the chief of the department of environmental quality's sewer construction grant program, Joseph Obr, states that it is the rare exception, not the rule, for a city not to dump raw sewage into a ditch, lake, river, or creek during a rainstorm. In some Iowa towns, raw sewage is dumped into a creek because the treatment plant simply cannot handle the flow of water and waste during even moderate rain showers. The public health implications of a situation such as this are critical. In the future more money should be put toward this problem.

However, the Conte substitute keeps all of the funds that can be spent in this calendar year for rural, sewer, and waste-water grants. Hopefully, the budget we enact for fiscal year 1984 will increase these needed funds.

I agree with Mr. CONTE that long-term Army Corps of Engineers and Bureau of Reclamation programs should not have been included in the jobs bill. The programs involved are highly capital intensive rather than labor intensive. I would have gladly supported an amendment to delete some of these funds from the bill.

The other aspects of the Conte substitute are commendable, particularly the addition of $50 million for the Youth Conservation Corps, and the shifting of $150 million to provide matching grants for school and hospital energy conservation projects. These programs that combine a relatively quick startup time, employ a large number of people per dollar spent, and meet clear national needs in both the short- and long-term view are the types of priority projects that should be targeted in a jobs bill.

This is a jobs bill. It must be targeted where people can be put to work quickly, in 1983. The Conte substitute does that.●

● Mrs. SCHNEIDER. Mr. Chairman, I rise in support of the motion to recommit with instructions. The gentleman from Massachusetts has proposed a series of funding shifts that will target this jobs bill toward cost-effective programs aimed at putting the unemployed back to work. The motion singles out the schools and hospitals conservation program for a $150 million increase, which is an excellent example of the kind of Federal investment in employment that we should be encouraging.

Several facts about the schools and hospitals conservation program are worth noting. First, the program will put unskilled and semiskilled laborers back to work at a little over $10,000 per job, making the investment much more labor intensive than some of the initiatives provided for in the committee bill. Second, the nonprofit institutions participating in the program have to match the Federal contribution on a 50-50 basis. This insures that the Federal investment is targeted toward those projects that have active support at the local level.

Third, the program can actually cut down on the $3.4 billion in medicare payments used to reimburse hospitals for their energy costs. The conservation grants also help relieve the State and local tax base of the $7.6 billion that is paid out annually in energy costs for public schools and hospitals. Finally, of course, the program is part of our national commitment to an energy efficient economy. Our investment in the schools and hospitals program to date has saved our country 6 million barrels of oil per year. I think we all recognize that cutting energy costs is one way to free capital for the kinds of productive investments that create long-term employment opportunities.

We know this program has earned the enthusiastic support of State and local officials—for every applicant receiving a grant, there are five more that qualify but are turned away for lack of funds.

The motion to recommit contains a number of other employment initiatives as imaginative and cost effective as the schools and hospitals conservation program. It is the result of long hours of hard work on the part of the distinguished ranking minority member and his staff, and I believe it deserves our wholehearted support.●

● Mr. MAZZOLI. Mr. Speaker, my district—which includes Louisville and Jefferson County, Ky.—is in serious trouble.

In December of 1982, the latest official statistics available, unemployment in Louisville and Jefferson County was a staggering 12.4 percent. That translates into over 54,000 unemployed residents of the Third District. And, some have been unemployed for a long time making the pain of joblessness even more acute.

In the construction industry alone, 27.5 percent of the Kentucky work force is idle.

We have more homeless than there are shelters to accommodate them. We have the new phenomenon of whole families showing up at emergency shelters. Citizens are turning up in droves at soup kitchens.

It goes without saying that the bill before us today, emergency supplemental appropriations for fiscal year 1983, does not answer the long-term questions. But, it is a response. It is a beginning.

H.R. 1718 offers some immediate relief and it must be passed without delay so we can move quickly to phase II—additional substantive relief for the jobless and their families, solutions to the more structural problems which have produced unemployment.

You will recall, Mr. Speaker, that in one of our Steering and Policy Committee strategy meetings on jobs, I underscored my feelings on the need for quick action when I said that whatever we decided to do should "show up on the 6 o'clock news within a month." Well, we are within that timeframe if we pass H.R. 1718 today.

I approach phase II of our job creation efforts with that same sense of urgency. The human suffering in my district—nationwide—cannot be allowed to continue.●

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BONIOR of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1718) making appropriations to provide emergency expenditures to meet neglected urgent needs, to protect and add to the national wealth, resulting in not makework but productive jobs for women and men and to help provide for the indigent and homeless for the fiscal year 1983, and for other purposes, pursuant to House Resolution 113, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CONTE. In its present form, I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONTE moves to recommit H.R. 1718 to the Committee on Appropriations, with instructions to that committee to report the bill back to the House forthwith, with the following amendment: Strike all after the enacting clause, and all that follows through the end of the bill, and insert in lieu thereof:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 1983, and for other purposes, namely:

TITLE I

MAINTAINING AND PROTECTING PUBLIC INVESTMENT FEDERAL BUILDINGS

In order to assist in reducing the backlog of needed maintenance and repair of Federal buildings across the Nation, $150,000,000 for payment to the "Federal Buildings Fund", General Services Administration, which shall be available under the subactivity "Alterations and repairs" for projects which do not require prospectuses.

REBUILDING AMERICA'S HIGHWAYS

Nothing in this Act shall be construed to modify the policy for purchases set forth in Public Law 97-424: *Provided*, That, notwithstanding any other provision of law, the total of all obligations for Federal-aid highways and Highway safety construction programs for fiscal year 1983 shall not exceed $12,600,000,000: *Provided further*, That this limitation shall be administered in accordance with section 104 of Public Law 97-424.

TO SPEED UP IMPROVEMENT OF MASS TRANSPORTATION

To accelerate the construction, modernization and improvement of urban mass transportation systems, to increase the mobility of the urban work force which will result in productive jobs, an additional amount of $171,000,000 for "Urban discretionary grants", to be obligated at the discretion of the Secretary of Transportation in accordance with section 3 of the Urban Mass Transportation Act of 1964.

The Congress disapproves the proposed deferral of budget authority in the amount of $229,000,000 for the Mass Transportation Capital Fund (deferral numbered D83-59), as set forth in the President's special message which was transmitted to the Congress on February 1, 1983. This disapproval shall be effective on the date of enactment of this

Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

REBUILDING RAILROAD INFRASTRUCTURE

To provide for the improvement of railroad rights-of-way and facilities, the Secretary of Transportation shall make capital grants to the National Railroad Passenger Corporation of $110,000,000 of which $90,000,000 shall be for improvements of railroad rights-of-way and $10,000,000 shall be made available only for the rehabilitation, renewal, replacement, and other improvements on the line between Attleboro, Massachusetts, and Hyannis, Massachusetts, to insure that such track will meet a minimum of class III standards as prescribed by applicable Federal Railroad Administration regulations.

FUNDS FOR AIRPORT DEVELOPMENT

SEC. 302 of the Department of Transportation and Related Agencies Appropriations Act, 1983 (P.L. 97-369) is amended by striking "$600,000,000" and substituting in lieu thereof "$650,000,000."

IMPROVING FACILITIES AND SERVICES PROVIDED TO VETERANS

For an additional amount for "Medical care", Veterans' Administration, $75,000,000, which will result in productive jobs to improve the facilities and care being provided to veterans throughout the country.

PROTECTION FROM FORECLOSURE—EMERGENCY MORTGAGE ASSISTANCE

For an additional amount for "Salaries and expenses", Department of Housing and Urban Development, for administrative expenses to expedite the implementation of a program of emergency mortgage assistance for homeowners pursuant to legislation to be enacted by the Ninety-eighth Congress in response to the growing number of foreclosures, defaults, and delinquencies attributable to continuing adverse economic conditions, $500,000, which shall become available only upon enactment of such legislation.

COMMUNITY DEVELOPMENT GRANTS

For an additional amount for "Community development grants", to be made available in accordance with the provisions of title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), for worthwhile and necessary projects which will result in productive jobs in communities, including towns and villages, throughout the country through the funding of local community development programs, $1,000,000,000, to remain available until December 30, 1983; and an additional amount of $240,000,000, to remain available until expended for rehabilitation of single family residential properties in accordance with Section 312 of the Housing Act of 1964 as amended (Public Law 88-560), 78 stat. 769, 790; 42 U.S.C. 142b). The Secretary of the Department of Housing and Urban Development shall allocate these rehabilitation funds to local and private agencies within 60 days after enactment of this Act and shall report to the Congress on such allocation at that time.

An additional amount of $250,000,000 shall remain available until expended, for "Community development grants", to be made available to metropolitan cities and urban counties in accordance with the provisions of section 106(b) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), to fund programs in areas of high unemployment: *Provided*, That the Department of Housing and Urban Development shall submit detailed quarterly reports to the appropriate committees of Congress on the use of these funds: *Provided further*, That the 10 per centum limitation on the amount of funds for public services activities contained in section 303(a)(1) of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, approved August 13, 1981) shall not apply to the funds provided under this heading in this Act.

URBAN DEVELOPMENT ACTION GRANTS (DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D83-32A relating to the Department of Housing and Urban Development, Community Planning and Development, Urban development action grants, as set forth in the message of January 6, 1983, which was transmitted to the Congress by the President. This disapproval shall be effective upon the enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING (DISAPPROVAL OF DEFERRAL)

The Congress disapproves the proposed deferral D83-54 relating to the Department of Housing and Urban Development, Housing Programs, Annual contributions for assisted housing, as set forth in the message of February 1, 1983, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation: *Provided*, That all contract authority and budget authority, including the amounts disapproved for deferral in this Act, which is available to make reservations to incur obligations in fiscal year 1983 shall be used in accordance with the provisions included in Public Law 97-377, approved December 21, 1982, under the heading "Annual contributions for assisted housing" to carry out the following budget program:

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING—GROSS RESERVATIONS

	Fiscal year 1983				
	Units (approximate)	Cost (approximate)	Contract authority	Term	Budget authority
Use of authority:					
Public housing:					
Indian	2,000	$6,460	$12,920,000	28	$361,760,000
Amendments	NA	NA	25,000,000	NA	782,000,000
Interest rate adjustments	NA	NA	11,652,200	NA	405,000,000
Lease adjustments	NA	NA	23,800,000	1	23,800,000
Modernization: From new authority	NA	NA	125,000,000	20	2,500,000,000
Sub. rehabilitation set-aside	NA	NA	4,466,086	20	89,321,727
Subtotal, public housing	2,000	NA	202,838,286	NA	4,161,881,727
Section 8:					
New/sub. rehabilitation: Section 202	14,000	6,550	91,700,000	20	1,834,000,000
Property disposition	10,000	4,560	45,600,000	15	684,000,000
Conversions:					
Section 23	5,000	2,820	14,100,000	15	211,500,000
Rent supplement	60,000	2,730	163,800,000	15	2,457,000,000
Subtotal, conversions	65,000	NA	177,900,000	NA	2,668,500,000
Existing	67,146	3,755	252,133,230	15	3,782,000,000
Moderate rehabilitation	15,000	NA4,800	72,000,000	15	1,080,000,000
Amendments:					
New rehabilitation	NA	NA	43,600,000	23	1,048,000,000
Existing	NA	NA	20,792,860	10	208,160,160
Loan management	NA	NA	15,000,000	10	150,000,000
Subtotal, amendments	NA	NA	79,392,860	NA	1,406,160,160
Subtotal, section 8	171,146	NA	718,726,090	NA	11,454,660,160
Total, all programs	173,146	NA	921,564,376	NA	15,616,541,887

Provided further, That the limitation on the Department's fiscal year 1983 official reception and representation expenses contained in Public Law 97-272, approved September 30, 1982, under the heading "Salaries and expenses" is increased by $2,000: *Provided further*, That of the amount made available to the Department of Housing and Urban Development under the heading "Research and technology" in Public Law 97-272, no less than $950,000 shall be made available to the Housing Assistance Council

within 45 calendar days of enactment of this Act.

TO AID LOCAL ECONOMIC DEVELOPMENT TO OFFSET PRESENT BUSINESS AND PLANT CLOSURES

Toward the objective of restoring the prior level of Federal support for economic development purposes throughout a wide geographic area as provided for by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, an additional amount of $200,000,000 is appropriated for "Economic development assistance programs", Economic Development Administration.

INCREASING SMALL BUSINESS ACTIVITIES

For additional capital for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $2,000,000.

REPAIRING AND RESTORING PARKS AND RECREATIONAL FACILITIES

There is appropriated for expenses necessary for the "Urban Parks and Recreation Fund" for rehabilitation grants and repairs, under the provisions of the Urban Park and Recreation Recovery Act of 1978 (title 10 of Public Law 95-625), $50,000,000.

To accelerate programs of improvement and maintenance of National Park Service roads, trails, and other existing facilities which will receive an estimated three hundred and fifty-eight million visits in 1983, there is appropriated an additional $50,000,000 for "Operation of the National Park System", National Park Service, under the same conditions provided for under this appropriation in Public Law 97-394.

PRESERVING THE NATIONAL FOREST SYSTEM

To restore, repair, and provide forest roads, trails, and other existing facilities which are part of the real wealth of this country, there is appropriated an additional amount of $25,000,000, for the "National Forest System".

In order to provide jobs which will result in the construction of real assets for this country, an additional amount of $20,000,000 is appropriated for "Construction", Forest Service.

IMPROVING INDIAN HEALTH FACILITIES

In order to provide for construction, repair and improvements, and other services to Indians there is appropriated an additional amount of $39,000,000, for "Indian Health Facilities", Indian Health Service.

IMPROVING FISH AND WILDLIFE SERVICE FACILITIES

To accelerate programs for the rehabilitation and maintenance of wildlife refuges, fish hatcheries, and research facilities, of real benefit to people across the Nation under the jurisdiction of the United States Fish and Wildlife Service, Department of the Interior, there is appropriated an additional $25,000,000, for "Resource Management".

IMPROVING NATURAL RESOURCES ON INDIAN RESERVATIONS

To accelerate programs to improve natural resources on Indian reservations, including range and agricultural improvements, reforestation and timber stand improvement, there is appropriated an additional amount of $20,000,000 for "Operation of Indian Programs", Bureau of Indian Affairs.

ASSISTING IN RURAL DEVELOPMENT AND RESOURCE CONSERVATION

In order to provide assistance for basic human amenities, to alleviate health hazards, to promote stability of rural areas by meeting the need for new and improved rural water and waste disposal systems and to meet national safe drinking water and clean water standards, there is appropriated an additional amount of $80,000,000 under the 1981 formula and regulations for "Rural Water and Waste Disposal Grants", Farmers Home Administration, Department of Agriculture.

In order to assist eligible borrowers such as communities and others to provide assistance for basic human amenities, alleviate health hazards and promote the orderly growth of rural areas by meeting the need for the financing of new and improved rural water and waste disposal systems and meet the National Clean Water Standards and the Safe Drinking Water Act and to assist in achieving these objectives which create and conserve real wealth throughout the country, $600,000,000 for additional loans to be insured, or made to be sold and insured, under the "Rural Development Insurance Fund", Farmers Home Administration, Department of Agriculture in accordance with and subject to the provisions of 7 U.S.C. 1928 and 86 Stat. 661-664.

For an additional amount for "Salaries and Expenses", Farmers Home Administration, Department of Agriculture, $6,500,000 for 500 additional temporary full-time staff at the county office level for the purpose of handling and supervising loans in an effort to avoid foreclosures.

In order to assist States, local units of government, groups and individuals in developing area plans for resource conservation and development and to create jobs to increase and conserve the real wealth of this country, there is appropriated an additional amount for "Resource Conservation and Development", Soil Conservation Service, Department of Agriculture, $15,000,000.

YOUTH CONSERVATION CORPS

There is appropriated an additional amount of $50,000,000 for "Youth Conservation Corps", Forest Service, Department of Agriculture, of which $17,000,000 is hereby transferred to "National Forest System", $16,500,000 is hereby transferred to "Operation of the National Park System", National Park Service, and $16,500,000 is hereby transferred to "Resource Management", United States Fish and Wildlife Service, for high priority projects which shall be carried out as if authorized by Public Law 93-408.

INCREASING THE EFFECTIVENESS OF SOIL CONSERVATION ACTIVITIES

In order to assist in installing works of improvement and rehabilitation of existing works; reduce damage from floodwater sediment and erosion; for the conservation, development, utilization, and disposal of water; and for the conservation and proper utilization of land, there is appropriated an additional amount for "Watershed and Flood Prevention Operations", Soil Conservation Service, Department of Agriculture, and to assist in providing jobs which will increase and conserve the real wealth of this country, and to meet the needs for emergency work, including repairs to local roads and bridges, to remedy damages resulting from recent floods, $50,000,000: *Provided*, That an additional $25,000,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (86 Stat. 663).

For an additional amount for emergency measures to repair flood damage as authorized by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), $10,000,000.

ENHANCEMENT OF WATER RESOURCE, HYDROELECTRIC POWER BENEFITS AND FOR EMERGENCY FOOD CONTROL WORK

To improve flood control, shore protection, and other measures as authorized by law, to provide water resource and hydroelectric power benefits, to meet emergency requirements and remedy damages resulting from disastrous rains and floods which will result in productive jobs, an additional amount of $75,000,000 is hereby appropriated for "Construction, general", Corps of Engineers—Civil, Department of the Army.

To maintain harbor channels and other navigable waterways essential to the conduct of commerce, to preserve and operate existing river and harbor and flood control measures which will protect the real wealth of the Nation, to meet emergency requirements and remedy damages resulting from disastrous rains and floods, which will result in productive jobs, an additional amount of $76,000,000 is hereby appropriate for "Operation and maintenance, general", Corps of Engineers—Civil, Department of the Army: *Provided*, That no appropriation or fund made available by this bill be used for the Stonewall Jackson Lake project, West Virginia.

To plan, construct, and maintain flood control measures for the river system which drains more than two-fifths of the Nation, to perform necessary rescue work, and repair and restoration of flood control projects including local roads and bridges; together with cooperative projects with the Soil Conservation Service authorized by law, to meet emergency requirements and remedy damages resulting from disastrous rains and floods, and to prevent future damages, an additional amount of $75,000,000 is hereby appropriated for "Flood control, Mississippi River and tributaries", Corps of Engineers—Civil, Department of the Army.

RECLAMATION AND IRRIGATION PROJECTS

To accelerate the completion of projects which will provide additional industrial and municipal water, irrigation water, and hydroelectric capability, an additional amount of $25,000,000 is hereby appropriated for "Construction program", Bureau of Reclamation, Department of the Interior.

To accelerate hydrogenerator uprating, soil and moisture conservation operations on reclamation projects, levee construction, repair and restoration, improvements of recreation areas, and to assist in creating new productive jobs, an additional $21,000,000 is hereby appropriated for "Operation and maintenance", Bureau of Reclamation, Department of the Interior.

To accelerate loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies, an additional $30,000,000, is hereby appropriated for "Loan program", Bureau of Reclamation, Department of the Interior.

In order to provide for improved maintenance, renovation, construction, and repair of Tennessee Valley Authority facilities, there is appropriated an additional amount of $40,000,000, for the Tennessee Valley Authority Fund.

FEDERAL, STATE, AND LOCAL PRISON MODERNIZATION

For planning, acquisition of sites and remodeling, and equipping necessary buildings and facilities at existing penal and correc-

tional institutions, including all necessary expenses incident thereto, by contract or force account, for "Buildings and facilities", Federal Prison System, Department of Justice, $90,000,000: *Provided*, That of this amount, $30,000,000 shall be transferred to "Support of United States Prisoners", Legal Activities for the Cooperative Agreement Program for the purpose of renovating, constructing, and equipping State and local jail facilities that confine Federal prisoners.

CONSTRUCTION AND MODERNIZATION OF HOUSING UNITS FOR MILITARY FAMILIES

In order to accelerate the construction and maintenance of family housing, to increase the quality of life of military personnel and their families, which will result in jobs in the construction industry and its related trades, there is appropriated for expenses of family housing for the Army for maintenance, $100,600,000.

In order to accelerate the construction and maintenance of family housing, to increase the quality of life of military personnel and their families, which will result in jobs in the construction industry and its related trades, there is appropriated for expenses of family housing for the Navy and Marine Corps for construction, including addition, expansion, extension and alteration, and for maintenance, as follows: for construction, $16,230,000; for maintenance, $34,301,000; in all, $50,531,000.

In order to accelerate the construction and maintenance of family housing, to increase the quality of life of military personnel and their families, which will result in jobs in the construction industry and its related trades, there is appropriated for expenses of family housing for the Air Force for construction, including addition, expansion, extension and alteration, and for maintenance, as follows: for construction, $47,501,000; for maintenance, $44,368,000; in all, $91,869,000.

Notwithstanding the provisions of Sections 102, 202, 302, and 605 of the Military Construction Authorization Act, 1983, funds appropriated by the Military Construction Appropriation Act, 1983 may be used to carry out projects otherwise authorized.

LOW-INCOME ENERGY CONSERVATION

There is appropriated an additional amount for "Energy conservation," Department of Energy, $285,000,000: *Provided*, That of this amount, $150,000,000 shall be available for schools and hospitals weatherization assistance as authorized by the National Energy Conservation Policy Act (Public Law 95-619) (42 U.S.C. 6371-6372) and $150,000,000 shall be available for low-income weatherization: *Provided further*, That funds for low-income weatherization activities appropriated under this Act shall be expended according to the regulations pertaining to the maximum allowable expenditures per dwelling unit which were in effect on October 1, 1982, and to the regulations pertaining to priority in providing weatherization assistance which were in effect on October 1, 1982.

SCHEDULED MOTOR VEHICLE PROCUREMENT

In order to assure the timely replacement of planned Federal motor vehicle replacement by American plants in accordance with established practices, $75,000,000 for the General Services Administration to increase the capital of the General Supply Fund, established by section 109 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 756), for the purchase of motor vehicles: *Provided*, That the funds made available by this appropriation may be used only to procure domestically manufactured vehicles.

INCREASING EMPLOYMENT AND TRAINING OPPORTUNITIES (EMPLOYMENT AND TRAINING ASSISTANCE)

To improve the opportunity for productive work through job training and job creation, an additional $222,400,000 for "Employment and Training Assistance", Department of Labor, of which $32,400,000 shall be for the Job Corps, $100,000,000 shall be for summer youth employment and $75,000,000 shall be for services to displaced workers under title III of the Job Training Partnership Act and $15,000,000 shall be for services to persons facing particular disadvantages in obtaining employment, including the handicapped and displaced homemakers, under Section 453 of the Job Training Partnership Act; *Provided*, That none of the amounts made available by this paragraph for summer youth employment shall be paid to any individual except upon written certification by the supervising official that the assigned job was performed.

INCREASING EMPLOYMENT OPPORTUNITIES FOR OLDER AMERICANS (COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS)

For an additional amount to carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, $19,500,000.

For an additional amount to carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, $5,500,000.

INCREASING ESSENTIAL COMMUNITY AND HOME HEALTH SERVICES

(HEALTH SERVICES)

To expand the availability of essential health care services for the disadvantaged and unemployed, including those in rural towns and villages, an additional $78,000,000 for "Health Services", Department of Health and Human Services, for carrying out titles III and XIX of the Public Health Service Act with respect to community and migrant health centers: *Provided*, That up to $10,000,000 of these funds shall to the extent practicable be for the provision of home health care services at such centers: *Provided further*, That each center may apply up to 20 percent of these funds provided to the center for the purchase (at rates not exceeding those prevailing under the applicable State plan approved under title XIX of the Social Security Act) of inpatient hospital services for delivery and postpartum care to pregnant women and infants who have no other source of payment for the care.

INCREASING MATERNAL AND CHILD HEALTH SERVICES

(HEALTH SERVICES)

To increase the availability of essential health services for disadvantaged children and mothers, an additional $110,000,000 for "Health Services", Department of Health and Human Services, for maternal and child health grants under title V of the Social Security Act: *Provided*, That such funds shall be available notwithstanding section 502 for special grants to title V agencies and shall be allotted among the States based on the product, for each State, of the number of children under six years of age in the State and the unemployment rate in that State: *Provided further*, That no grant shall be made to a State unless such State offers assurances satisfactory to the Secretary that it will use such amounts in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

INCREASING ASSISTANCE FOR PUBLIC HOSPITALS AND EMERGENCY ROOM SERVICES

(PREVENTIVE HEALTH SERVICES)

For an additional amount for allotments to States under part A of title XIX of the Public Health Service Act, $52,000,000, to be allotted among the States on the basis of the number of unemployed individuals in each of the States: *Provided*, That funds provided herein may only be used to provide financial assistance to public hospitals and to provide financial assistance to community hospitals to compensate for some portion of free emergency room services: *Provided further*, That funds provided herein may only be used to provide services to persons unable to pay for them: *Provided further*, That no grant shall be made to a hospital unless the hospital offers assurances that it will use such amounts in addition to rather than in lieu of existing Federal, State, or local funds currently available for these purposes.

INCREASING ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES

(ALCOHOL, DRUG ABUSE AND MENTAL HEALTH)

To expand community care programs for the prevention and treatment of mental illness, alcoholism and drug abuse, especially to meet problems associated with extended unemployment, an additional $30,000,000 for "Alcohol, Drug Abuse, and Mental Health", Department of Health and Human Services, for carrying out the Alcohol, Drug Abuse and Mental Health Block Grant: *Provided*, That no grant shall be made to a State unless such State offers assurances satisfactory to the Secretary that it will use such amounts in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

INCREASING DAY CARE AND SOCIAL SERVICES

(SOCIAL SERVICES BLOCK GRANTS)

To expand the availability of day care and other social services available to unemployed and disadvantaged Americans, which also shall include Expanded Food and Nutrition Education (Nutrition Aides), an additional $150,000,000 for "Social Services Block Grants", Department of Health and Human Services, for carrying out title XX of the Social Security Act of which $50,000,000 shall be used only for child day care services: *Provided*, That no grant shall be awarded to a State under this paragraph unless such State offers assurances satisfactory to the Secretary that it will use these funds in addition to rather than in lieu of existing Federal or State funds currently available for these purposes.

INCREASING HEADSTART SERVICES

(HUMAN DEVELOPMENT SERVICES)

To expand the availability of essential early childhood education programs serving disadvantaged families, and additional $30,000,000 for "Human development services", Department of Health and Human Services for carrying out the Headstart Act of 1981.

INCREASING COMMUNITY AND HUMANITARIAN SERVICES

(COMMUNITY SERVICES BLOCK GRANT)

To expand the availability of essential humanitarian assistance to the unemployed

and disadvantaged including those in rural towns and villages, and additional $25,000,000 for "Community Services Block Grant", Department of Health and Human Services, for carrying out the Community Services Block Grant Act.

PROVIDING URGENTLY NEEDED SCHOOL FACILITIES

(SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS)

To construct or improve school facilities to assure adequate, safe, and barrier-free buildings in school districts demonstrating an immediate and urgent need, there is appropriated an additional $15,000,000 for "School Assistance in Federally Affected Areas", Department of Education for carrying out the Act of September 23, 1950, as amended (20 U.S.C., Ch. 19): *Provided*, That $5,000,000 shall be for sections 5 and 14(c), $5,000,000 shall be for section 10, and $5,000,000 shall be for sections 14)a) and (b).

MATH AND SCIENCE RETRAINING FOR UNEMPLOYED SCHOOLTEACHERS

To encourage the training of an adequate number of teachers of mathematics and sciences. $30,000,000 for scholarships under Part B of Title I of H.R. 1310, as passed by the House of Representatives on March 2, 1983: *Provided*, That preference for such scholarships shall be given to teachers who are unemployed and who hold no appointment to teach in the current or subsequent school years.

RELIEVING HUMAN SUFFERING OF INDIGENT PEOPLE

For an additional amount for "Food and Nutrition Service", Department of Agriculture, for administrative expenses to accelerate the implementation of programs to provide emergency feeding for the truly needy pursuant to legislation subsequently enacted by the Congress in response to the recognized and growing problem of individuals in the country suffering from malnutrition or undernutriton, $250,000, which shall become available only upon enactment into law of such legislation.

In carrying out the feeding programs provided for by this Act, participation in the programs shall be limited to those individuals certified by a local unit of government or charitable organization. Funds or commodities provided under this Act except for WIC shall be matched by a 25 per centum non-Federal contribution which may be monetary or represented by in-kind contributions such as volunteer labor and operating expenses including buildings, utilities, equipment, rent, and supplies.

DISTRIBUTION OF AGRICULTURAL COMMODITIES

For an additional amount to be added to and merged with the funds currently available to the Department of Agriculture for surplus removal operations in connection with perishable agricultural commodities (7 U.S.C. 612c), $75,000,000. Such funds shall be used to acquire and distribute surplus agricultural commodities in areas of high unemployment for use in cooperative emergency feeding facilities for indigent persons and shall be accounted for separately and in addition to existing funds held in reserve to support the price of perishable commodities as the need may arise. The Secretary's ability to support prices is contingent upon maintaining reserves adequate to announce large scale purchase. Prices tend to stabilize based on the announcement of intent to purchase, thereby reducing the need for actual purchase.

FEEDING PROGRAM FOR WOMEN, INFANTS, AND CHILDREN

(WIC)

In order to provide supplemental food to low-income pregnant, postpartum and breastfeeding women, their infants and young children up to five years of age who are at nutritional risk due to inadequate income resulting from the serious decline in the economy and the unacceptably high levels of unemployment, funds shall be made available to local health clinics through State departments of health and to Indian groups; and upon determination of nutritional risk by competent health care professionals supplemental food shall be provided to such needy individuals to prevent health problems and to improve the future status of their health, $100,000,000.

FOOD DISTRIBUTION AND EMERGENCY SHELTERS

There is hereby appropriated $50,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a national board for the purpose of determining how the program funds are to be distributed to individual localities. The national board shall consist of seven members. The United Way of America, the Salvation Army, the Council of Churches, the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., the American Red Cross, and the Federal Emergency Management Agency shall each designate a representative to sit on the national board. The representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for $50,000,000 to the national board within thirty days after enactment of this Act for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency.

SEC. . Of the budget authority provided in this title, at least seventy-five percentum shall be made available only for projects and activities in civil jurisdictions with high unemployment, or in political units or in pockets of poverty that are currently or should meet the criteria to be eligible under the urban development action grant program administered by the Department of Housing and Urban Development.

For purposes of this section, a "civil jurisdiction" is:

(1) a city of 50,000 or more population on the basis of the most recently available Bureau of the Census estimates; or

(2) a town or township in the states of New Jersey, New York, Michigan or Pennsylvania of 50,000 or more population and which possesses powers and functions similar to those of cities; or

(3) a county, except those counties which contain any of the types of civil jurisdictions defined in paragraphs (1) or (2) of this section; or

(4) a "balance of county" consisting of a county less any component cities and townships identified in paragraphs (1) or (2) of this section; or

(5) a county equivalent which is a town in the states of Massachusetts, Rhode Island, and Connecticut; or

(6) a portion of a city or jurisdiction that meets the "pockets of poverty" criteria as defined by the Department of Housing and Urban Development.

* * * * *

The Assistant Secretary shall classify a civil jurisdiction as having high unemployment whenever, as determined by the Bureau of Labor Statistics, the civil jurisdiction has had an average unemployment rate over the previous twelve months no less than ninety percentum of the national average unemployment rate during the same period, or if the civil jurisdiction is currently or should become designated a labor surplus area by the Department of Labor.

The Assistant Secretary shall publish a list of civil jurisdictions with high unemployment, together with geographic descriptions thereof, within 30 days after enactment of this Act, and on a monthly basis thereafter.

The provisions of this section shall not apply to any program or portion of a program under which funds are allocated by formula, or for humanitarian aid and training programs, including emergency mortgage assistance; Indian health facilities; operation of Indian program; community and home health services; maternal and child health services; alcohol, drug abuse and mental health services; head start; math and science retaining; feeding programs for women, infants and children (WIC); and food distribution and emergency shelters.

SEC. . None of the funds appropriated by this title shall be used to discriminate against any individual on the basis of sex, or to deny equal opportunity according to the principles of the Equal Pay Act of 1963, title VII of the Civil Rights Act of 1965, Executive Order 11246, or any existing antidiscrimination provisions of programs for which funds are appropriated under this title.

SEC. . Notwithstanding any other provision of this title, no part of any appropriation or any other obligational authority contained in this title shall remain available for obligation beyond September 30, 1983, unless specifically so provided in this title.

SEC. . In administering the programs for which funds are provided by this title to provide productive employment, priority shall be given to providing employment for persons who are unemployed, 90 percent of whom shall be able to certify that they have been unemployed for at least six weeks prior to the date of their application for employment.

TITLE II—SUPPLEMENTAL UNEMPLOYMENT APPROPRIATIONS

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For an additional amount for "Advances to the Unemployment Trust Fund and Other Funds", $5,033,000,000, to remain available until September 30, 1984.

GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For an additional amount for "Grants to States for unemployment insurance and employment services", $326,100,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund of which $281,600,000 shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based, which cannot be provided for by normal budgetary adjustments: *Provided*, That any portion of the funds granted to a State in the current fiscal year and not obligated by the State in that year shall be returned to the Treasury and credited to the account from which derived.

TITLE III—EMERGENCY DISASTER RELIEF

FEDERAL EMERGENCY MANAGEMENT AGENCY

FUNDS APPROPRIATED TO THE PRESIDENT, DISASTER RELIEF

For necessary expenses in carrying out the functions of the Disaster Relief Act of 1970, as amended (42 U.S.C. 4401), and the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 et seq.), for disaster relief in the State of California, $100,000,000.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The gentleman from Massachusetts (Mr. CONTE) is recognized for 15 minutes in support of his motion to recommit.

Mr. CONTE. Mr. Speaker, I rise in support of my motion to recommit, which would require the Appropriations Committee to report back forthwith a substitute bill.

I have already outlined my substitute and change from the committee bill. The real key here is that we propose to target this aid on those who can really use it. The effect of the substitute is reduced funding for programs where we have been assured that the additional money cannot be spent this year.

In addition, we have increased funds for those worthwhile programs to create jobs quickly and really produce something to show for the money that we are investing, both in terms of employment and lasting benefits to the American public.

And, furthermore, we have included language making these funds available only through the end of the current fiscal year. The last thing that we need as we turn the corner on economic recovery is to have this extra money dribbling over the next 6 years, as would occur in some of the programs in the committee bill.

This amendment does more for unemployed women than the committee bill. It does more for high unemployment. It does more for the American taxpayer who is, after all, picking up the bill.

Mr. Speaker, in addition, this substitute includes the other amendments that have been adopted earlier today, the Obey amendment and the Jim Howard amendment and the Edgar amendment. We have also included language—we worked with the gentleman from Pennsylvania (Mr. WALKER)—that would require hiring under this bill to give preference to the unemployed.

It seems to me that we have a fundamental choice here between the committee bill, which adopts a heavy construction, brick and mortar pork-barrel approach of the past, or this substitute which offers us something to look to the future. You do not find the schools and the hospital weatherization program in the committee bill, which is one of the most effective quick job programs today.

The committee bill does not have funds to retrain unemployed teachers to meet the need for math and science instructors. And the committee bill does not contain funds for displaced homemaker assistance or increased labor employment service, but it does contain a great deal of pork.

Strong language, as I said, prohibiting discrimination, language requiring all appropriations to be obligated by September 30, and also contains the four amendments.

The Conte substitute does contain $240 million for rehabilitation of single family properties to be allocated within 60 days; $135 million for schools and hospital weatherization over and above the bill; $30 million to retrain unemployed school teachers in the critical shortage of math and science instructors; $100 million for disaster relief for the California flood; $50 million for State employment service workers to find jobs for the unemployed; $50 million for airport construction and expansion; $50 million more for the Youth Conservation Corps; $15 million for dislocated homemaker training.

I wish everyone were here during the general debate of this bill. The committee bill was hastily put together.

Now, as I said earlier, if you were in the slaughterhouse when the pig was being slaughtered and you got a piece of the bacon, then you can go home and say, "I voted for a jobs bill." But if you got there and the door was locked, and you did not get in, you are going home with pretzels. This is a substitute bill that everybody goes home with a little bit of something. It puts people back to work, from Oregon to Oklahoma, from New York to Connecticut, and it does not favor a few.

As I said earlier, there is an old song, "You take the low road, I will take the high road, and I will get to Mississippi before you." Vote for the committee bill, that is what you are going to get.

□ 1630

Mr. WHITTEN. Mr. Speaker the gentleman who preceded me, Mr. CONTE, called attention to how serious the situation is. It just shows what happens to us by following our good friend's lead. We have been following the line of the gentleman from Texas (Mr. GRAMM) and his viewpoint for quite a while and my friend on the committee just described what a serious situation we face.

I would like for my colleagues to listen to me at this time. You had better follow our Democratic lead where we have a proven track record. I am proud to say that when some years ago we had the disastrous flood in Pennsylvania, we did not hesitate, we came in with $350,000,000 immediately.

May I say in the State of Washington, after we had gotten a supplemental appropriations bill through our committee, Mount St. Helens blew up. We killed the bill and went back to the committee with a new bill so that our friends in the House from the area could indicate aid and get some credit for it.

Now, our friend SILVIO, talked about his bill being gotten up in quick order. I am sure he was talking about his bill because we have been working on this bill since last December.

Incidentally, when I say a proven track record, some of my friends in the freshman class came here because of the jobs bill that we passed and my friend SILVIO CONTE from Massachusetts, voted against it. Here is the record.

I note that at the last minute he added $100 million in relief funds for California to his substitute. He did not tell you there is more than $600 million, in the disaster relief fund already, unobligated.

So his track record is not very strong on what he talks about now. But I want to tell my colleagues on the Democratic side, one of the reasons we got in this present terrible situation is that my Republican friend split us up last year. We were unable to accomplish many things because some of our friends went to that side. But goodness knows, with the picture that Mr. CONTE describes himself about unemployment, bankruptcies, and all of the rest, goodness knows why he wants to follow the same course as last year.

My friend from Massachusetts had a whole lot of ugly things to say about the bill in general terms in the committee. That it was rotten and all, but he adopts about nine-tenths of my bill in his motion to recommit. But is does not bother him to be on this side, then that side, then this side, then that. But I would hate to follow a leader like that all of the time. I could not keep up with the change.

You can enjoy him and I do too. He makes television on almost everything. In the public markup, he said if his district was taken care of in the bill he would not oppose it. Of course, he really did not mean it, but he made the news media because of what he said.

I will tell you again that I will match my record against anybody's here for trying to help us out of this depression. Listen, if you will, we are going to have a second supplemental and a third supplemental, based on the present budget request of the President.

I believe I can remind you that when we had the Chrysler loan, affecting Michigan, and many States, I supported the loan for Chrysler believing I was right, I went through the depression in my State of Mississippi. Believe me, we cannot stand another.

I agreed with the objectives of my friend, Mr. EDGAR, and I want to be sure that his amendment does what he believes it will, yet like my colleague NEAL SMITH says we must be sure the provision does not delay relief in providing productive jobs.

I will work closely with BOB, to see that aid reaches quickly the places where it is badly needed.

So I ask you to stay with us. Do not let our friend from Massachusetts again split our ranks. We paid for it last time. Let us do not do it now.

I assure you there is going to be a second supplemental. There has to be. There is going to be a third supplemental, too, based on the recommendations by the President.

Let us realize that wealth is different from paper money. We have some economists on my left who seems to think that to make the books look good, even though it is paper money, that that is wealth. Again real wealth is in material things our land, our buildings, our factories, our harbors, and our paper money is only a medium of exchange.

The bill we have before you, will provide jobs, and the Nation will be receiving value for what you spend. But you cannot get any money until you work and produce. May I say to my friends, we are trying our best to help and we have a good track record of helping. Do not split us up and go back like it was 2 years ago.

Insofar as our friend from Massachusetts is concerned, it did not bother him to accept most of my bill if he could split us up. But I will tell you, at heart he voted his conscience last year when he said no on the public works bill—here is the record.

You had better stay with us.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 158, nays 256, not voting 19, as follows:

[Roll No. 19]

YEAS—158

Archer	Gunderson	Paul
Badham	Hamilton	Petri
Bartlett	Hansen (ID)	Porter
Bateman	Harkin	Pritchard
Bedell	Hartnett	Pursell
Bereuter	Hiler	Quillen
Bethune	Hillis	Regula
Bilirakis	Holt	Ridge
Bliley	Hopkins	Ritter
Boehlert	Horton	Robinson
Broomfield	Hunter	Rogers
Brown (CO)	Hyde	Roth
Broyhill	Ireland	Roukema
Burton (IN)	Jacobs	Sawyer
Campbell	Jeffords	Schneider
Chandler	Johnson	Schroeder
Chappie	Kasich	Schulze
Cheney	Kemp	Seiberling
Clinger	Lagomarsino	Sensenbrenner
Coats	Latta	Sharp
Conable	Leach	Shaw
Conte	Leland	Shumway
Coughlin	Lent	Shuster
Courter	Lewis (CA)	Siljander
Craig	Lewis (FL)	Skeen
Crane, Daniel	Loeffler	Smith (NE)
Crane, Philip	Lujan	Smith (NJ)
Crockett	Lungren	Snowe
D'Amours	Mack	Snyder
Daniel	Madigan	Solomon
Dannemeyer	Marlenee	Spence
Daub	Martin (IL)	Stangeland
Davis	Martin (NY)	Studds
Dellums	McCain	Stump
DeWine	McCandless	Sundquist
Dickinson	McCollum	Tauke
Dreier	McDade	Taylor
Duncan	McDonald	Thomas (CA)
Edgar	McEwen	Vander Jagt
Erlenborn	McGrath	Vento
Fiedler	McKernan	Vucanovich
Fields	McKinney	Walgren
Fish	Michel	Walker
Forsythe	Miller (OH)	Weber
Frenzel	Molinari	Whitehurst
Gekas	Myers	Winn
Gilman	Nielson	Wolf
Gingrich	O'Brien	Wortley
Goodling	Ottinger	Wylie
Gradison	Oxley	Young (AK)
Gramm	Packard	Young (FL)
Green	Parris	Zschau
Gregg	Pashayan	

NAYS—256

Ackerman	Frank	Natcher
Addabbo	Franklin	Nelson
Akaka	Frost	Nichols
Albosta	Fuqua	Nowak
Alexander	Garcia	Oakar
Anderson	Gaydos	Oberstar
Andrews (NC)	Gejdenson	Obey
Andrews (TX)	Gephardt	Olin
Annunzio	Gibbons	Ortiz
Anthony	Glickman	Panetta
Applegate	Gonzalez	Patman
Aspin	Gore	Pease
AuCoin	Gray	Penny
Barnard	Guarini	Pepper
Barnes	Hall (IN)	Perkins
Bates	Hall (OH)	Pickle
Beilenson	Hall, Ralph	Price
Bennett	Hall, Sam	Rahall
Berman	Hammerschmidt	Rangel
Bevill	Hance	Ratchford
Biaggi	Harrison	Ray
Boggs	Hatcher	Reid
Boland	Hefner	Richardson
Boner	Heftel	Rinaldo
Bonior	Hertel	Roberts
Bonker	Hightower	Rodino
Borski	Howard	Roe
Bosco	Hoyer	Roemer
Boucher	Hubbard	Rose
Bouquard	Huckaby	Rostenkowski
Boxer	Hughes	Rudd
Breaux	Hutto	Russo
Britt	Jenkins	Sabo
Brooks	Jones (OK)	Savage
Brown (CA)	Kaptur	Scheuer
Bryant	Kastenmeier	Schumer
Burton (CA)	Kazen	Shannon
Byron	Kennelly	Shelby
Carney	Kildee	Sikorski
Carper	Kindness	Simon
Carr	Kogovsek	Sisisky
Chappell	Kolter	Skelton
Clarke	Kostmayer	Slattery
Clay	Kramer	Smith (FL)
Coelho	LaFalce	Smith (IA)
Coleman (MO)	Lantos	Smith, Robert
Coleman (TX)	Leath	Solarz
Collins	Lehman (CA)	Spratt
Conyers	Lehman (FL)	St Germain
Cooper	Levin	Staggers
Coyne	Levine	Stark
Daschle	Levitas	Stenholm
de la Garza	Lipinski	Stokes
Derrick	Livingston	Stratton
Dicks	Long (LA)	Swift
Dingell	Long (MD)	Synar
Dixon	Lott	Tallon
Donnelly	Lowry (WA)	Tauzin
Dorgan	Luken	Thomas (GA)
Dowdy	Lundine	Torres
Downey	MacKay	Torricelli
Durbin	Markey	Towns
Dwyer	Marriott	Traxler
Dymally	Martinez	Udall
Dyson	Matsui	Valentine
Early	Mavroules	Vandergriff
Eckart	Mazzoli	Volkmer
Edwards (AL)	McCloskey	Watkins
Edwards (CA)	McCurdy	Weiss
Edwards (OK)	McHugh	Wheat
Emerson	McNulty	Whitley
English	Mica	Whittaker
Erdreich	Mikulski	Whitten
Evans (IA)	Miller (CA)	Williams (MT)
Evans (IL)	Mineta	Williams (OH)
Fascell	Minish	Wilson
Fazio	Mitchell	Wirth
Feighan	Moakley	Wise
Ferraro	Mollohan	Wolpe
Flippo	Montgomery	Wright
Florio	Moody	Wyden
Foglietta	Moore	Yates
Foley	Morrison (CT)	Yatron
Ford (MI)	Mrazek	Young (MO)
Ford (TN)	Murphy	
Fowler	Murtha	

NOT VOTING—19

Corcoran	Moorhead	Smith, Denny
Hansen (UT)	Morrison (WA)	Washington
Hawkins	Neal	Waxman
Jones (NC)	Owens	Weaver
Jones (TN)	Patterson	Zablocki
Lowery (CA)	Rowland	
Martin (NC)	Roybal	

□ 1650

Mr. MARRIOTT, Mr. MOORE, and Mr. WHITTAKER changed their votes from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there—ayes 324, noes 95, not voting 14, as follows:

[Roll No. 20]

AYES—324

Ackerman	Dorgan	Horton
Addabbo	Dowdy	Howard
Akaka	Downey	Hoyer
Albosta	Duncan	Hubbard
Alexander	Durbin	Huckaby
Anderson	Dwyer	Hughes
Andrews (NC)	Dymally	Hutto
Andrews (TX)	Dyson	Hyde
Annunzio	Early	Ireland
Anthony	Eckart	Jacobs
Applegate	Edgar	Jeffords
Aspin	Edwards (AL)	Johnson
AuCoin	Edwards (CA)	Jones (NC)
Barnes	Emerson	Jones (OK)
Bates	English	Kaptur
Bedell	Erdreich	Kasich
Bennett	Erlenborn	Kastenmeier
Berman	Evans (IA)	Kazen
Bevill	Evans (IL)	Kennelly
Biaggi	Fascell	Kildee
Bilirakis	Fazio	Kindness
Boehlert	Feighan	Kogovsek
Boggs	Ferraro	Kolter
Boland	Fields	Kostmayer
Boner	Fish	LaFalce
Bonior	Flippo	Lagomarsino
Bonker	Florio	Lantos
Borski	Foglietta	Leach
Bosco	Foley	Lehman (CA)
Boucher	Ford (MI)	Lehman (FL)
Bouquard	Ford (TN)	Leland
Boxer	Forsythe	Levin
Breaux	Fowler	Levine
Britt	Frank	Lewis (CA)
Brooks	Franklin	Lewis (FL)
Broomfield	Frost	Lipinski
Brown (CA)	Fuqua	Long (LA)
Bryant	Garcia	Long (MD)
Burton (CA)	Gaydos	Lowry (WA)
Byron	Gejdenson	Lujan
Carper	Gephardt	Luken
Carr	Gibbons	Lundine
Chandler	Gilman	Madigan
Clarke	Glickman	Markey
Clay	Gonzalez	Marlenee
Clinger	Goodling	Marriott
Coats	Gore	Martin (NY)
Coelho	Gradison	Martinez
Coleman (MO)	Gray	Matsui
Coleman (TX)	Green	Mavroules
Collins	Guarini	Mazzoli
Conyers	Gunderson	McCain
Cooper	Hall (IN)	McCloskey
Coughlin	Hall (OH)	McCurdy
Coyne	Hall, Ralph	McDade
Crockett	Hall, Sam	McEwen
D'Amours	Hamilton	McHugh
Daschle	Hance	McKernan
Davis	Harkin	McKinney
de la Garza	Harrison	McNulty
Dellums	Hatcher	Mica
Derrick	Hefner	Michel
Dicks	Heftel	Mikulski
Dingell	Hertel	Miller (CA)
Dixon	Hightower	Miller (OH)
Donnelly	Hillis	Mineta
Minish	Richardson	Stratton
Mitchell	Ridge	Studds
Moakley	Rinaldo	Sundquist
Mollohan	Ritter	Swift
Moody	Rodino	Synar
Morrison (CT)	Roe	Tallon
Mrazek	Rogers	Tauzin
Murphy	Rose	Thomas (GA)
Murtha	Rostenkowski	Torres
Myers	Roukema	Torricelli
Natcher	Roybal	Towns
Nelson	Russo	Traxler
Nichols	Sabo	Udall
Nielson	Savage	Valentine
Nowak	Sawyer	Vander Jagt
O'Brien	Scheuer	Vandergriff
Oakar	Schneider	Vento
Oberstar	Schroeder	Volkmer
Obey	Schulze	Walgren
Olin	Schumer	Watkins
Ortiz	Seiberling	Weiss
Ottinger	Shannon	Wheat
Owens	Sharp	Whitley
Packard	Shelby	Whittaker
Panetta	Sikorski	Whitten
Pashayan	Siljander	Williams (MT)
Patman	Simon	Williams (OH)
Patterson	Sisisky	Wilson
Pease	Skelton	Winn
Penny	Slattery	Wirth
Pepper	Smith (FL)	Wise
Perkins	Smith (IA)	Wolpe
Pickle	Smith (NE)	Wortley
Price	Smith (NJ)	Wright
Pritchard	Smith, Robert	Wyden
Pursell	Snowe	Wylie
Quillen	Solarz	Yates
Rahall	Spratt	Yatron
Rangel	St Germain	Young (AK)
Ratchford	Staggers	Young (MO)
Regula	Stark	Zablocki
Reid	Stokes	Zschau

NOES—95

Archer	Gekas	Oxley
Badham	Gingrich	Parris
Barnard	Gramm	Paul
Bartlett	Gregg	Petri
Bateman	Hammerschmidt	Porter
Beilenson	Hansen (ID)	Ray
Bereuter	Hartnett	Roberts
Bethune	Hiler	Robinson
Bliley	Holt	Roemer
Brown (CO)	Hopkins	Roth
Broyhill	Hunter	Rudd
Burton (IN)	Jenkins	Sensenbrenner
Campbell	Kemp	Shaw
Carney	Kramer	Shumway
Chappell	Latta	Shuster
Chappie	Leath	Skeen
Cheney	Lent	Snyder
Conable	Levitas	Solomon
Conte	Livingston	Spence
Courter	Loeffler	Stangeland
Craig	Lott	Stenholm
Crane, Daniel	Lungren	Stump
Crane, Philip	Mack	Tauke
Daniel	MacKay	Taylor
Dannemeyer	Martin (IL)	Thomas (CA)
Daub	McCandless	Vucanovich
DeWine	McCollum	Walker
Dickinson	McDonald	Weber
Dreier	McGrath	Whitehurst
Edwards (OK)	Molinari	Wolf
Fiedler	Montgomery	Young (FL)
Frenzel	Moore	

NOT VOTING—14

Corcoran	Martin (NC)	Smith, Denny
Hansen (UT)	Moorhead	Washington
Hawkins	Morrison (WA)	Waxman
Jones (TN)	Neal	Weaver
Lowery (CA)	Rowland	

□ 1700

The Clerk announced the following pairs:

On this vote:

Mr. Rowland for, with Mr. Corcoran against.

Mr. Jones of Tennessee for, with Mr. Lowery of California against.

Mr. Hawkins for, with Mr. Moorhead against.

Mr. Morrison of Washington for, with Mr. Denny Smith against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. AKAKA. Mr. Speaker, this Member was unavoidably detained on Wednesday, March 2, 1983, when the House acted on final passage of H.R. 1310, the Emergency Mathematics and Science Education Act.

Had I been here, I would have voted "aye."

I ask unanimous consent that my statement appear in the permanent record.

The SPEAKER pro tempore. (Mr. GLICKMAN). Is there objection to the request of the gentleman from Hawaii?

There was no objection.

□ 1710

OCEAN FREIGHT COMPETITION ACT OF 1983

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, today I have introduced a bill entitled the "Ocean Freight Competition Act of 1983." The intent of this legislation is to exempt agricultural commodities from the provisions of the Merchant Marine Act of 1936 which established the practice of cargo preference in the United States.

I need not remind this body what shape of our agricultural sector, the single largest industry, is in. USDA economist tell my Agricultural Appropriations Subcommittee that farmers and ranchers will be facing their fourth straight year of depressed income. Exports are expected to decline for the second straight year.

Producers are being told that they have to tighten their belts, borrow less, spend less, produce less, hold the line on target price increases and lower loan rates—all so they can be more competitive on the world market. This world market has been hit by a recession, high interest rates, record harvests—but worst of all—highly subsidized exports from competitor countries.

As ranking minority member of the Agricultural Appropriations Subcommittee, I am well aware of the effects cargo preference provisions have on Government generated cargoes. In particular, cargoes generated by the USDA—food for peace—Public Law 480 program and now more recently,

the Egyptian wheat flour Export-PIK arrangement.

Last year our committee appropriated $109 million just to fund the difference in cost between shipping Public Law 480 title I commodities on U.S.-flag ships. The administration's budget for 1984 includes $104 million for this shipping rate differential. A 1981 GAO report indicates that the differential between U.S.-flag ship rates and other vessels was $57.14 per ton and in some cases was more than $100 higher.

This bill is especially timely because of the recent administration decision to subject the Egyptian wheat flour trade to cargo preference rules. The wheat flour deal was the first real indication that the administration was serious about stepping in to protect U.S. agricultural markets against unfair export practices.

This particular cargo preference action will not adversely affect the flour agreement because the additional subsidy required to offset higher shipping costs will be paid in the form of wheat. However, if any cargo preference rules are extended to the successful blended credit program, this new marketing tool will be effectively destroyed.

There are currently certain maritime supporters who believe that expanding cargo preference to commercial trade would be beneficial to the merchant marine. This is probably true, but the benefits would come at the expense of our country's exporters—namely farmers.

I support a strong merchant marine, but making it strong by guaranteeing business is not the way to make U.S.-flag ships competitive. Farmers are being told to get competitive by bringing down cost of production, but these efforts will be fruitless if transportation costs are not competitive, too.

LEGISLATION TO ESTABLISH A NATIONAL CEMETERY IN ARIZONA

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUDD. Mr. Speaker, today I, along with Arizona's four other House Members Mr. UDALL, Mr. STUMP, Mr. MCCAIN, and Mr. MCNULTY, am sponsoring a bill to establish a national cemetery in Arizona at the currently existing site of the Arizona Veterans Memorial Cemetery near Cave Creek.

Presently the closest national cemetery with available burial space near the Phoenix metropolitan area, populated by about a million and a half persons, is in Riverside, Calif. This is over 300 miles away, a long distance for families of those buried in a national cemetery to travel.

In 1976, the State of Arizona established the Arizona Veterans Memorial Cemetery in Maricopa County. This was accomplished through the diligent efforts of the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars, with the majority of funds being provided by the State of Arizona.

The site selected includes approximately 836 acres of raw desert land. The terrain suits the requirements of the national cemetery system and provides a beautiful setting for such a facility. With this acreage, the cemetery has burial space for about 500,000 internments, making it one of the largest in the national cemetery system if it is so designated. With diminishing space available in the present system, this in an important consideration.

Currently some 2,100 veterans and dependents are buried in the Arizona Veterans Memorial Cemetery. The State of Arizona has recently established the Arizona Veterans Service Commission which, among its other duties, has a primary goal of establishing and then supporting a national cemetery in Arizona at the above-mentioned site. On behalf of the Commission and all veterans in the State of Arizona, I urge my colleagues to recognize the need for a national cemetery of this size in the Southwest and to support the efforts of me and my Arizona colleagues in designating the Arizona Veterans Memorial Cemetery as a national shrine.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I take this time for the purpose of receiving the schedule for next week, and I would be happy to yield to the gentleman from Louisiana.

Mr. LONG of Louisiana. I thank the gentleman for yielding.

The schedule of the House for the remainder of the day and following this colloquy on the outline for the schedule for today and for next week, there will be three commemorative bills by unanimous consent.

H.J. Res. 502, H.J. Res. 22, and H.J. Res. 62 all handled by the gentleman from New York.

Then the House will adjourn until Monday, and we will meet on Monday, March 7, in pro forma session.

On Tuesday, the House will meet at noon. There are three bills under suspension. They are:

H.R. 1296, tax treatment of the payment-in-kind program of the Department of Agriculture.

H.R. 1213, Public Lands and National Parks Act of 1983.

H.R. 174, the Gladys Noon Spellman Parkway.

Recorded votes on these three suspensions will be postponed until later, after debate on all three of the suspensions.

On Wednesday and the balance of the week, March 9, 10, and 11, the House will meet at 3 p.m. on Wednesday, and 11 a.m. on Thursday and the balance of the week. The major item of business, the only item of business remaining for the week is the Social Security System Amendments of 1983, subject to a rule being granted.

For the information of the Members of the House, the matter will be considered, as I understand it, before the Committee on Rules on Tuesday.

Mr. LOTT. I would like to inquire of the gentleman, is it anticipated at this time that we may come in earlier than 3 o'clock on Wednesday?

Mr. LONG of Louisiana. It may be necessary that we would make the request to do that, depending upon the circumstances and what the outlook is for the amount of time that would be required in order to be able to perhaps complete the social security bill, we would hope, on Thursday, and that in turn means that if we could finish it on Thursday, if we can complete the business on Thursday, that we might not have to be in on Friday.

Mr. LOTT. So there is a strong likelihood we would not have a session on Friday.

Mr. LONG of Louisiana. A strong likelihood we would not. If the rule comes out with a rather modified and restricted provision and we can restrict the debate on it, we ought to be able to finish it certainly by the close of business on Thursday.

Mr. LOTT. I thank the gentleman.

ADJOURNMENT TO MONDAY, MARCH 7, 1983

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

NATIONAL EYE DONOR MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Commit-

tee on Post Office and Civil Service be discharged from further consideration of the Senate Joint Resolution (S.J. Res. 15) designating the month of March 1983 as "National Eye Donor Month," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. GUARINI. Mr. Speaker, reserving the right to object, and I will not object, I am privileged to be the sponsor of Senate Joint Resolution 15 to designate March 1983 as National Eye Donor Month. With this resolution, we will bring to the public's attention the urgent need for human eye donations. More importantly, we will contribute to the noble goal of bringing light to those whose world is dark.

Many thousands of Americans suffer from impaired vision caused by corneal disease or injury. For an estimated 30,000 each year, sight can be improved or restored by means of a corneal transplant operation. This surgery can only be done following the donation of a human eye at the time of death. Although cornea transplants are highly successful operations, an ever-growing demand exceeds the limited supply of donated corneal tissue available today.

In research programs throughout the country, tremendous advances into the causes and treatments of blinding diseases have been made using donated corneal tissue. Despite the encouraging progress in eye disease research, inadequate supplies of donated corneal tissue continue to delay possible cures for many blinding diseases.

To address this shortage, over 80 eye banks across the country encourage people to pledge and ultimately donate their eyes at death. The eye banks coordinate the nationwide distribution of donated human eye tissue for corneal transplants, research, and medical education.

We need to bring attention to this worthy cause and emphasize the need for more corneal tissue donations. By designating March 1983 as "National Eye Donor Month," we will further the humanitarian efforts to restore sight to the visually impaired.

I am gratified by the overwhelming interest and support my colleagues have shown for this measure, and urge them to join me in supporting passage of Senate Joint Resolution 15 today.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 15

Whereas eye banks in the United States have grown from a single institution in 1944 to eighty in 1982;

Whereas over fifteen thousand children and adults in the United States have benefited as a direct result of efforts made by eye banks;

Whereas eye banks have sought to encourage research into the prevention and treatment of eye disease and injury in the United States; and

Whereas increased national awareness of benefits rendered through eye donation may add impetus to efforts to expand research activities, and benefit those persons affected by blinding diseases: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of March 1983 is designated as "National Eye Donor Month", and the President is authorized and requested to issue a proclamation calling on all citizens to join in recognizing this humanitarian cause with appropriate activity.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WOMEN'S HISTORY WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate Joint Resolution (S.J. Res. 37) providing that the week containing March 8, 1983, shall be designated as "Women's History Week," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Ms. MIKULSKI. Mr. Speaker, reserving the right to object, and I shall not object, I do wish to comment just very briefly.

I would like to thank the gentleman from New York for advocating this legislation, and we appreciate his support.

Mr. Speaker, as the principal sponsor, I am pleased to address my colleagues today regarding House Joint Resolution 70, designating the week of March 6, 1983, as "Women's History Week." As you know, we celebrated Women's History Week last year with ceremonies and activities across the Nation that honored the enormous contribution women have made to this country.

This resolution is consponsored by more than 225 Members and has the backing of many national organizations ranging from the Girl Scouts to the National Federation of Business & Professional Women and the American Historical Association. I would like also to make special note of the efforts of the national Women's History Week project. Without their energy and leadership, we may not be celebrating this important event.

Just as women who are half of the population of this country have not yet been written into the Constitution, they have also not been written into our history. And yet, they were there beside their husbands, their fathers, their brothers, and their friends. They sailed the seas, tilled the soil, built the cities, and raised the families.

It is only in the last decade that women have begun to achieve the recognition that they have been earning for the past 20 decades. And that recognition has not been given freely. Women have had to fight for it. They have had to fight for their rights, just as they are now fighting for their values. Since the birth of this Nation, women have been fighting for the same basic values that they are fighting for today. They have been fighting for the right to a decent home and a decent education for their children. They have been fighting to make this planet safe from annihilation. They have been fighting for the assurance that their children will have a good life, and they have been fighting to be recognized as first-class citizens with a history and a future.

"Women's History Week" is one step forward in the evolving recognition of those values, and of those rights. "Women's History Week" says to people across this Nation, "Women are achievers, women are important, women are half of all that this country is."

For as we take that step, to honor those women who wrote the history of the United States by leading the lives that they did, we are making a conscious effort to think in new ways. We are making a conscious effort to support the values that women have and do represent. We are saying "Yes" to the traditional values of strong families, a secure future, and a safe world. I believe the time has come to say "Yes" and I welcome your enthusiastic support for this resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Ms. OAKAR. Mr. Speaker, reserving the right to object, and I shall not object, I simply rise to join my colleague from Maryland and congratulate her on this very fine resolution, and I associate myself with her remarks.

I am delighted that at least in this Congress we could get this resolution passed. We had a little problem in the last Congress, but that is water over the dam, as they say, and we are very, very pleased with the chairman of the subcommittee for all of his fine work also.

Elizabeth Cady Stanton, Susan B. Anthony, Clara Barton, Harriet Tubmann, Louisa May Alcott, Emily Dickinson, Harriet Beecher Stowe, Bess Truman, Eleanor Roosevelt, Georgia O'Keffe, and Ella Fitzgerald are just a few of the women who have—in one way or another—shaped our Nation. They and many others have dedicated their time and energy to certain causes. Whether it be something as important as fighting for peace, staving poverty, educating our young, or something as lasting and beautiful as writing and painting, women have participated.

The passage of House Joint Resolution 70, proclaiming a "Women's History Week" gives us an opportunity to acknowledge the fine work that women have done in shaping our country's history. I urge all my colleagues to support this resolution and participate in the local activities that will be planned through the country.

It is important that this week be observed so that our youth will be inspired and encouraged to continue these leaders' fine work. I commend my colleague, BARBARA MIKULSKI for introducing this legislation and working so hard to insure its success.

Mrs. BOGGS. Mr. Speaker, will the gentlewoman from Ohio yield to me?

Ms. OAKAR. Further reserving the right to object, I yield to the gentlewoman from Louisiana.

□ 1720

Mrs. BOGGS. I thank the gentlewoman for yielding.

Mr. Speaker, I would like to say that, yes, there are 225 cosponsors of this legislation. But, with the gentlewoman from Ohio, I, too, would like to congratulate our colleague, the gentlewoman from Maryland, for her leadership in this regard for initiating the sponsorship of this resolution.

● Mr. ROTH. Mr. Speaker, I join with my colleagues in support of the resolution to designate the week of March 6, 1983, as "Women's History Week." Every Member can certainly point with pride to specific women active in our communities who do so much to enrich our lives. The historical records of this great country will detail the important role women continue to play.

The natural beauty and landscape called Wisconsin is highlighted by historic markers and monuments celebrating lasting impressions and vibrant lives of our women. In my hometown, Appleton, Edna Ferber worked as the first female reporter for the Daily Crescent. In love with her job, she covered the daily news by rushing between the jail and courthouse to Pettibone's dry goods store, all for $3 per week. Following a 4-year stint for a big city newspaper, she returned to Appleton with a battered typewriter to peck out the first of her 25 books. This dynamic Pulitzer Prize winner wrote of America's success fantasy, and offered it in the person of accomplished and ambitious women.

Many of today's residents of Appleton and readers of the Post Crescent recall the 45-year career of Mrs. Lillian Mackesy who followed in the footsteps of Ms. Ferber, cub reporter. As the historian in residence with the paper, she too served the press and public assiduously and accurately with news and views. Her love of history was expressed in work with the Outagamie County Historical Society. A Girl Scout leader for 61 years, she was awarded the Golden Eaglet by the founder of the Girl Scouts of America. Mrs. Mackesy's interest in the public sector is marked by her tireless efforts with the League of Women Voters. This great lady was both tutor and adviser to me during my tenure in the State legislature. Our mutual interest in local and State history resulted in many hours of animated discussion.

From an even earlier historical perspective, I comment on the Green Bay bride of the first lawyer admitted to the Wisconsin Bar back in the early 1800's. Mrs. Elizabeth Baird quickly found that her husband's desire to be a farmer and a lawyer meant that he would be the lawyer and she the farmer's wife. This talented and energetic young part-French, part-Indian writer penned the "Reminiscences of Early Life in Territorial Wisconsin," one of the most valuable historical accounts of our pioneer settlers.

Wisconsin's Mrs. Mary Arndt Cotton was one of the only five American women mustered into the Army as a nurse during the Civil War. This "angel of mercy" spent more than a year bandaging and treating the wounded in the Virginias. In the early years of this century, Dr. Kate Newcomb attended the medical needs of northeastern Wisconsin. With her special car outfitted with skis on the front wheels and tractor treads on the rear and often on snowshoes, she responded to calls for assistance signaled by red rags tied on branches and fence posts. She is aptly remembered as the "Angel on Snowshoes" and founder of a modern hospital in the area today.

The long list of women contributing to our nearly 200-year period of growth from territorial status to statehood is impressive as suggested by this small sampling. On every trip back home, I am proud to find women, who, today as in the past, contribute to our State's rich historic legacy. We Wisconsinites are eager to share our remembrances of these very active, interesting women. Thus, I enthusiastically support this legislation according overdue recognition to women in history.●

● Mr. MATSUI. Mr. Speaker, I join a majority of my colleagues today to express support for Senate Joint Resolution 37, designating March 6, 1983, as "Women's History Week." It is most appropriate that we recognize the substantial contributions that women have made in shaping our society.

Each Member of Congress is privileged to represent a host of talented and noteworthy individuals from the areas' historical past and its present. I feel particularly fortunate as the Sacramento area has produced countless persons who have dedicated their lives to community service.

It is fitting that the individual I profile this afternoon for his selfless gifts to Sacramento's citizens will herself be better appreciated by the renaissance in women's history. Margaret Eleanor Crocker influenced the cultural tastes of several generations of Californians by providing Sacramento with the first art gallery established on the west coast.

Margaret Crocker was born in 1822 and moved west to Sacramento with her husband Edwin in 1852. After many early trials and difficulties, the Croker family fortunes blossomed and Margaret assumed the role of lady bountiful—dispensing land, money, and moral support to those around her in need. The city of Sacramento in particular benefited from her generosity by receiving land for a school playground and an addition to the cemetery. She founded the Bell Conservatory, a nursery, and florist shop, where the poor could obtain free flowers to decorate the graves of their loved ones. Again she came to the aid of a distressed home for aged gentlewomen, the Marguerite Home, with ample housing and a generous endowment. When she finally moved to New York, she gave her Sacramento home as a shelter for unmarried mothers.

Without doubt, Margaret Crocker is remembered today for her art collection that is housed in the E. B. Crocker Museum. During her day, Mrs. Crocker entertained California's political and cultural leaders at her renowned gallery. Lilioukalani, deposed queen of Hawaii; Gen. Ulysses S. Grant, and Oscar Wilde traveled to Mrs. Crocker's gallery to review its treasures.

As indicated by her story, American history has been made by millions of courageous women, like Margaret Crocker, whose efforts have gone unsung for too long. The passage of the resolution before us provides the Nation an opportunity to reflect on the sacrifices and services of America's women pioneers.●

● Mr. REID. Mr. Speaker, I am pleased to see our country recognize the many contributions of women to our Nation's history which is why I am a cosponsor of Senate Joint Resolution 37 which designates the week of March 6, 1983, as "Women's History Week."

This resolution clearly recounts women's role in our history noting that American women of every race, class, and ethnic background helped found the Nation in countless ways as slaves, nurses, homemakers, industrial workers, teachers, reformers, soldiers, and pioneers. In addition, American women have played and continue to play a critical economic, cultural, and social role in every sphere of our Nation's life by constituting a significant portion of the labor force working in and outside of the home. They have also played a unique role throughout our history by providing the majority of the Nation's volunteer labor force, and have been particularly important in the establishment of early charitable philanthropic and cultural institutions in the country. American women also served as early leaders in the forefront of every major progressive social change movement, not only to secure their own right of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor movement, and the modern civil rights movement.

I would like to take this opportunity to share with my colleagues the outstanding contributions of Nevada women in the history of our country.

Helen Stewart was an example of the strong spirit of our early pioneer women. Having arrived in southern Nevada with her husband in 1882, she was the first non-Indian woman in this area. After her husband was murdered, she raised five children and managed her ranch alone, overcoming many obstacles and hardships.

Hannah Clapp of Carson City opened our State's first formal school and later became the first librarian at the University of Nevada, Reno. She is also known for winning the bid to construct the iron fence around the Nevada State Capitol, using her initials H. K. Clapp in the bidding process to disguise her sex. She used the profits from constructing the fence to add to her school.

Nevada's first newspaperwoman was Nellie Mighels Davis, who reported for the Carson City Appeal. Her byline was seen across the country when she covered a prize fight in Reno in 1877, which women seldom even attended at that time.

Sarah Winnemucca, the wife of an Army officer, received national recognition with her book "Life Among Paiutes" and traveled throughout the country to speak about the Indians. Of course, the town of Winnemucca in northern Nevada is named after her.

Ann Martin, a native Nevadan, was very active in the women's suffragette movement. In fact, she was the first woman in Nevada to run for the U.S. Senate, which she did in 1918.

Maude Frazier was an outstanding woman from southern Nevada. She was the first woman from Clark County to hold an elected position when she was voted into the Nevada State Assembly in 1951. She originally came to Las Vegas as a high school teacher and was later principal of Las Vegas High School. She also was the only woman to serve as Lieutenant Governor in Nevada, having been appointed to that post at the death of Rex Bell.

Eva Adams was another Las Vegas High School teacher who excelled. After working for three U.S. Senators, including Sen. Pat McCarran, she was appointed director of the U.S. Mint in 1961, a position she held for 8 years.

Flora Dungan, who had her own accounting firm in Las Vegas, served in the Nevada State Assembly with me and was a member of the board of regents of the University of Nevada system. She was the founder of Focus, a drug rehabilitation center for youth, as well as numerous other humanitarian projects.●

● Mr. FRANK. Mr. Speaker, I would like to take this opportunity to express my support of Ms. Mikulski's House Joint Resolution 70 making the week of March 6, 1983, as Women's History Week.

In my own State of Massachusetts, there have been numerous examples of women who have contributed to the history of our Nation. One outstanding example is Emily Green Balch. Born on January 8, 1867, Balch was educated as a sociologist. She worked extensively with juvenile delinquents and was a founder and first director of the Dennison Settlement House in Boston. A union activist, she joined the Federal Labor Union which was a part of the American Federation of Labor, she attended State labor meetings as a representative of the Cigar Maker's Union.

In 1897 she joined the faculty of Wellesley College as an assistant professor of economics and became a full professor in 1913. While teaching courses on the labor movement, socialism, and immigration, Balch remained active in social causes. In 1903, she helped found the Women's Trade Union League. She worked on drafting a Massachusetts minimum wage bill and was among the organizers of the first State conference of charities in Massachusetts.

Balch took a sabbatical from Wellesley College from 1904 to 1906 to study Austria-Hungary emigration. The resulting publication "Our Slavic Fellow Citizens" is one of the more frequently cited books on the history of immigration.

After the outbreak of World War I she began her career as a peace activist. In 1915 she attended the International Congress of Women at The Hague with Jane Adams and 42 other American women. With Jane Adams and Alice Hamilton she wrote "Women at the Hague." The following year she participated in an unofficial Neutral Conference for Continuous Mediation. She continued to participate in many peace conferences around the world.

In 1918, despite student and faculty protest, the Wellesley College trustees decided not to reappoint her because of her social and pacifist views. In that year her book "Approaches to the Great Settlement," regarding the impending peace negotiations was published. She spent a year on the editorial staff of the Nation and in 1919 she helped establish the Women's International League for Peace and Freedom, headquartered in Geneva.

World War II strained Balch's pacifism; her concern for the victims of fascism however was great and she reluctantly supported the war. She helped European refugees settle in the United States and worked to get the interned Japanese-Americans out of the relocation camps.

In 1946 the Nobel Peace Prize was jointly awarded to Balch and international YMCA leader John R. Mott. She donated her prize money to the Women's International League for Peace and Freedom and related causes. She remained active in the peace movement until her death on January 9, 1961.●

● Mr. WEISS. Mr. Speaker, I wish to join my colleagues in support of Senate Joint Resolution 37, designating the week of March 6, 1983, as "Women's History Week." I support this important designation even though 1 week is not enough to fully recognize the significant role of women in American history. The variety and volume of women's contributions require wide acknowledgment throughout the year.

We have consistently overlooked and undervalued women's role in the history of our Nation. History courses, as they have been taught in our schools and universities, have largely ignored the achievements of women. Instructors, for the most part, have neglected the female role in shaping history, and textbooks have portrayed women almost exclusively as tradition helpmates to men.

Yet women have played and continue to play a critical role in every sphere of our national life through their work both outside and inside the home. Women have served as early leaders in every major social change movement in this country. Individual American women who deserve our attention include Anne Hutchinson, a reformer and leader of women; Sojourner Truth, a courageous abolitionist; Susan B. Anthony, an international political leader; Elizabeth Blackwell, the first woman medical doctor in the United States and a pioneer in hygiene and medical education for women;

Margaret Sanger, a pioneer advocate of birth control; and many others.

Despite these contributions, the male role has been featured almost exclusively in our historical records. As a result, we have a lopsided view of the past in which women are relegated to an inferior position. Without more education about women in history, progress will be slow in advancing women toward equality in our society.

Today women are still the majority of our secretaries but few of the executives. They are still far more likely to be nurses than doctors. They comprise only small proportions of our political leadership—only 4.3 percent of the Members of Congress, and 13 percent of the State legislators.

While progress has been too slow, let us nevertheless acknowledge women's entry into nontraditional spheres and afford higher status to those professions dominated by women. With the passage of Senate Joint Resolution 37, Women's History Week will be celebrated across the country. We must spend this week and the entire year remembering the significant role of women in building our Nation and making it strong.●

● Mr. LELAND. Mr. Speaker, I believe no occasion so merits our attention and public recognition as does Women's History Week. It is not possible, however, to give the women of this Nation the accolades they are due. Their contributions have been too numerous, their impact, individually and collectively, of so vast a nature as to be beyond our ability to detail them. But what we can do is to note, publicly and emphatically, what we all recognize: The American woman—past, present, and future—is, simply put, the soul of her society and her Nation.

America's history is heavy with examples of the strength, the courage, the sacrifice, the unbending determination and the glorious spirit of the women who have nurtured us and inspired us and led us and held us together.

American women have stood fast, in peril, before our enemies and those who would subdue us. They have provided, spiritually and physically, the strength to cross our frontiers and endure their hardships. American women have fought for the rights of minorities, of the poor, of the downtrodden, and of those in need in spite of the prejudice and ignorance and intransigence of the society around them.

In many cases, they have fought—and bested—the men of America who would have bound them with our old-world notion of our preeminence and their weakness. They have forced us to confront not only our narrow-mindedness but the most difficult of social issues. They have done all this in spite of the obstacles men have placed in their way. We denied them the franchise, we relegated them to the home, we ignored their opinions, and with them their perceptiveness, and our Nation was the worse for it.

But while they were yielding up their sons to defend their country; while they were toiling in the fields and the factories; while they were holding families together despite poverty and sickness and ignorance, they were also giving us great art and music and literature and thought. They were enriching the cultural life of the Nation as they were its social and economic life.

It is shameful, in my opinion, that while we waited more than a century to allow women into the voting booth and we have yet to recognize their obvious equality in the Constitution, foreign observers saw their essential role in our society while America was still a fledgling Nation.

In 1840, Alexis de Tocqueville, who came from France to observe the young United States, wrote the following:

> If I were asked to what the singular prosperity and growing strength of the American people ought mainly to be attributed, I should reply: To the superiority of their women.

I have found, Mr. Speaker, that observation to be particularly true for black America. From the very day that we were brought to this continent in chains, black women have summoned courage from seemingly endless reservoirs to fight for their families, to uphold human rights and dignity against overwhelming odds and to teach and lead and inspire. They have paid for these countless acts of selfless courage with pain and lifetimes of struggle, and with their lives.

I am sure every one of us could recount the example of a woman who held a family together, despite the worst of circumstances. We have all benefited from the wisdom, born in pain, that they have imparted. We owe them so much.

Women's History Week affords us an opportunity not only to honor the women of America, but to express our gratitude and our regret at the delays and frustrations and impediments society has given them as the reward for their contributions and sacrifice. This week also yields us the opportunity to predict, with certainty, that their leadership holds the key to the Nation's future. We will need their gifts and their example.

A century from now, the words of Longfellow will be as true as they are today, and were when he wrote them:

> A lady with a lamp shall stand, in the great history of the land, a noble type of good—herioc womanhood.●

● Mr. GUARINI. Mr. Speaker, I am pleased to have the opportunity to lend my support to Senate Joint Resolution 37, designating the week beginning March 6, 1983 as Women's History Week.

Throughout our history, women have been active participants in the development of our distinctly American culture, institutions and national character. Women have been outspoken, courageous leaders in the movements for civil rights, universal suffrage, union representation, world peace and equal rights.

Despite women's varied and vital contributions, tales of very few women's lives and activities are included in textbooks or classroom discussions. As a result, both men and women grow up with a distorted understanding of women's important part in shaping our unique history and building contemporary American society.

Commemorating Women's History Week allows us to focus on some of the women whose work has been instrumental in our past. By encouraging special observances in universities, schools, communities, libraries, and museums, we can reclaim a missing part of our rich American heritage. When we identify and honor the countless women who helped build America, we fill in the gaps which have served to mislead and misinform us about women's role in our society.

I support the proposal for Women's History Week and the goal of providing role models from the past for young women of today. We have a responsibility to insure that our youth are prepared to assume the leadership roles that will be theirs.

Women's History Week provides a link between tomorrow's women, who are critical to the future of a vibrant America, and their foremothers, who were crucial to our dynamic past. I urge my colleagues to give the measure their hearty support.●

● Mr. STARK. Mr. Speaker, today I am proud to join my colleague the gentlewoman from Maryland, and 225 other Members of Congress in calling on the President to declare the week of March 6, 1983, "Women's History Week."

Senate Joint Resolution 37 will help to encourage appreciation for the achievements of all American women whose lives and work have made our heritage much richer.

The enactment of Women's History Week will serve several important functions. This special week will give recognition to the exceptional, outstanding women of the past. It will also help us to remember the contributions women have made in major historical events. But most of all, Women's History Week will encourage the reevaluation of the study of American history as it is presently taught.

This tribute by Congress and the President will reaffirm America's

strong support for the improved status of women.

I urge my colleagues to join me in enthusiastically endorsing Women's History Week.●

● Mr. COURTER. Mr. Chairman, I rise in support of Senate Joint Resolution 37 designating the week of March 6, 1983, as Women's History Week.

I would like to take this opportunity to acknowledge the many individuals and organizations who have worked to make this week possible. A week which provides a special occasion on which to note the civic, educational, and political contributions of our Nation's women.

Women's role in America spans race, class, and ethnic background. It includes every socioeconomic contribution and in many instances has been consistently overlooked and undervalued in American history.

As legislators, I feel it is our responsibility to future generations of women to recognize the significant contributions of women today and to distill the stereotype of the marginal woman.

We as Americans live in one of the most open and free societies in the world today. It is time for us all, both men and women to join together as one people, a people who can continue to work toward maintaining a free and just society.

I urge my colleagues to join me in supporting this resolution.●

● Mr. MARKEY. Mr. Speaker, I would like to take this opportunity to voice my support for House Joint Resolution 70, which was introduced by my colleague BARBARA MIKULSKI of Maryland.

This resolution calls on President Reagan to declare the week of March, 6, 1983, as "Women's History Week."

The history of this great Nation revolves around the history of American women. Indeed, American women of every race, class, and ethnic background helped found this Nation in countless ways in each and every capacity imaginable—teachers, reformers, homemakers, politicians, and so forth.

Despite these contributions, the role of the American woman has been consistently downplayed. Thus, I urge all my colleagues to join with BARBARA MIKULSKI and myself to declare the week of March 6, 1983, as "Women's History Week."●

● Ms. FERRARO. Mr. Speaker, as we observe Women's History Week I want to call particular attention to those generations of women who have made, and are making, history in my own home borough of Queens.

It is especially fitting that we honor these women, some of them famous, some lesser known, in this, the year Queens observes its tricentennial—its 300th birthday.

Queens is, in fact, the only county in the United States, as far as I know, which is named for a Queen—Queen Catherine of Braganza, a Portugese princess who married King Charles II of England.

Gertrude Ederle, the first woman to swim the English Channel in the 1920's, was from Queens. Achievement in sports continues into the present—star basketball player Nancy Lieberman also grew up in the borough.

In the early years of flight, famous women aviators, including Amelia Earhart, used the airfields of Queens, the predecessors of La Guardia and Kennedy airports, as home base.

The Queens movie studios attracted actresses such as Eva Tanguay, Dolores Costello, and Lillian Gish to work and live in the borough. I am happy to say that the Queens movie industry is currently undergoing a revival.

Women have been active in Queens politics. Our deputy borough president is Clare Shulman and there are many other women in important civic positions.

I hope, Mr. Speaker, to have opportunities through this tricentennial year to bring the great history of Queens to the attention of my colleagues. I am proud to have begun with the history of Queens women.●

● Mr. UDALL. Mr. Speaker, I am honored to have this opportunity to celebrate Women's History Week. One should never let this week go by without bragging about one of his or her State's local historical figures. We have many brave, strong pioneer women who lived in Arizona Territory worthy of remembering today. Perhaps the most difficult task in celebrating Women's History Week is choosing one woman to commemorate.

Today, I would like to tell the story of Nellie Cashman. Nellie can best be described as a prospector, businesswoman, philanthropist, adventurer, and pioneer. She was one of those rare individuals that did so many interesting things in her life we cannot pigeonhole her into one career category. She pursued the promise of gold and silver from Mexico to the Yukon. She traveled extensively around the United States, opened numerous businesses, and made mamy friends in her lifetime.

Nellie settled in Tucson in 1878. She was the first white single businesswoman in the area, and owned and operated the Delmonico Restaurant. But the call of silver came to Nellie in 1879 and she rushed off for Tombstone. By the spring of 1880, Nellie opened two stores in Tombstone—Nellie's Nevada Boot and Shoe Store and the Tombstone Cash Store. Tombstone was a pretty rough town in those days and Nellie felt the town needed a church. She struck a deal with the bishop of Arizona Territory—she would build the church if he would supply the priest. Nellie singlehandedly raised enough money to start the first Catholic Church in Tombstone. She also helped to organize the Miner's Hospital Association and the Tombstone branch of the Irish National League. Before she left Tombstone permanently in 1897, whe operated two hotels and another restaurant, traveled to Mexico in search of gold, and took on many charitable causes in the area.

In 1897, Nellie Cashman headed to the Yukon and formed the Midnight Sun Mining Co. At the age of 74, she earned the title of champion woman musher of all Alaska when she led a team of dogs over 750 miles in 17 days. Nellie died in Seattle on January 4, 1925.

I wouldn't be surprised in Members from California, Washington, Alaska, and Arizona chose to remember Nellie Cashman this week. She was a unique person and every State that has been honored by her residency must be proud of her.●

● Mr. HOYER. Mr. Speaker, my State of Maryland joins the rest of the country this week in recognizing the important roles women have played in the Nation's life and history. This is the second year our country has celebrated National Women's History Week. In so doing, we hope to begin to correct the glaring omission of the contribution of women in the record of American history.

Many historians have neglected the history of women's lives. For every woman mentioned in history, there are countless others whose stories ought to be told. In a nation such as ours, with strong strains of ethnic, cultural, and religious differences, the contributions of ethnic women in America also have been wrongly overlooked.

In the State of Maryland, women today represent about 100 different nationalities and cultures; nearly 30 percent of the State's women are black, Hispanic, Asian, or native American in descent. Countless others reflect European ethnic heritage. The two most populous cultural groups in the State are the black and European ethnic origins.

The Maryland Commission on Women has pointed to the great lack of printed history available on the multicultural history of the State's women. That organization has compiled an excellent collection of "personal reflections," recounting the life stories and experiences of accomplished women, past and present, throughout the State. The commission, in attempting to create a new awareness of the need to recognize all types of women who have enriched our country, has distributed this collection to educators at schools across the State. I will attempt to highlight

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several of these valuable recollections here.

In understanding the value of their contributions, we must realize that women, especially of ethnic minorities, have had great struggles to overcome in their search for opportunity and equality; they have faced social and economic discrimination; lower pay and higher unemployment, as well as fewer educational and occupational opportunities. They have had to live with blatant and subtle prejudice while trying to maintain a cultural identity.

During this period in which we have just celebrated Black History Month, it is important to recognize that not enough about the history of black Americans, and particularly black women, has been printed. Most information must be obtained through materials such as letters, diaries, and slave narratives. Maryland has been the birthplace and home of numerous outstanding black women, yet their role in shaping the State's cultural and history has been obscured.

Historically, the roots of black women go back as far as any in Maryland. The first records of black women—both free and slave—coming to Maryland are dated around 1650, when the slave trade grew rapidly because of Maryland's dependence on tobacco farming. Among many slave families, an older woman usually held the family together by maintaining contact with her children and grandchildren throughout plantations in the State.

Abolitionist Harriet Tabman, born a slave on a plantation in Dorchester County, was one of Maryland's most famous black women. She escaped to freedom at the age of 25, but returned to Maryland to establish the well-known underground railroad, through which she led more than 300 slaves to freedom. During the war, Tubman served as a nurse and a spy for the Union. Later, she worked to help many blacks, both children and adults, obtain schooling and equality.

Black women in the 19th century had few opportunities for formal education. In the early 1820's, Mary Elizabeth Lange, a black woman from Haiti, established a school for black girls in Baltimore. The first order of black nuns was also established in Maryland. Organized religion continued to provide a vehicle for black women to make social and civic contributions to Maryland, and is still a vital force in this way.

In the past century, minority women have broken through many barriers of discrimination based on race and sex and as a result have contributed greatly to our communities.

One such outstanding woman, Henrietta Szold, a Jewish immigrant and Baltimore resident, was a lifelong Zionist who gained worldwide fame as a writer, scholar, educator, and humanitarian. During the 1880's when Russian persecution of Jews worsened and refugees came streaming into Baltimore, she started the city's first night school to teach immigrants English. By the time the city took over the school, more than 5,000 people had studied there. In 1912, Szold started Hadassah, the well-known woman's service organization that sent modern medical science to Palestine, where Szold moved in the 1920's to supervise the building of hospitals, schools, and playgrounds. When Hitler rose to power, she was in her seventies, but she never slowed her efforts to evacuate Jewish children from Germany. She is credited with saving the lives of 13,000 German children who would have perished had they remained in Europe.

Dr. Louise Young, a native Marylander, worked as an obstetrician and gynecologist and in 1932 became the first black woman physician licensed to practice medicine in the State.

Marie Von Hatter Sheim Bavernschmidt, born in 1875 to a father who was a German immigrant and a mother who was a member of an established Maryland German family, was a well educated, wealthy woman in Baltimore. She became active in several public service activities, which included organizing a fund to support city-run clinics for young mothers and helping establish a prenatal clinic associated with Johns Hopkins Hospital. She became well known as the conscience of Baltimore and was a vocal activist, greatly influencing Baltimore civic, educational, and political affairs. Her positions on issues and political candidates were aired over radio stations and circulated throughout Maryland in columns in the Baltimore Sun. She continued her outspoken commentary on Maryland and national issues until her death at the age of 87.

A present day Marylander, Carmen Delgado Votaw, served as president of the Inter American Commission of Women of the Organization of American States from 1978 to 1980 and as the U.S. representative to the Commission from 1977 to 1981. As the elected president of the Commission, she traveled across the hemisphere, meeting with government officials to promote the advancement of all women. Votaw was a participant in two world conferences on women, at the United Nations, in 1975 and 1980 and was chosen to be cochair of the National Advisory Committee on Women. Of Puerto Rican descent, Votaw is listed in "Who's Who of American Women" and "International Who's Who."

Another outstanding present-day Marylander, Verda Welcome, was elected as a member of the Maryland Legislature in 1959. She served in the house of delegates for 4 years as one of the first two black women to hold such an office. In 1962, she was the first black woman elected to the State senate, where she served with distinction for 20 years. Her legislative activities have been many and varied—she served on the education, judicial proceedings and labor and public building committees. Welcome was invited by President Johnson to serve on the National Citizens Committee for Community Relations. Also listed in the "Who's Who of American Women," she has received many citations and awards for her civic and political work.

By studying the stories of such women as these, we can gain an appreciation of the contributions and strength of women, both the famous and the unsung, throughout our history. Not all women in our history are as well known as Harriet Tubman or as prominent as Verda Welcome, but many have contributed greatly to the benefit of our society. Women are an important component of our heritage; to truly understand the path of our country, we must study the history of women and their contributions to all facets of our culture.

The women of Maryland have given much to enrich our State; we must take the opportunity during National Women's History Week to examine their important roles in establishing our heritage.●

Ms. OAKAR. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 37

Whereas American women of every race, class, and ethnic background helped found the Nation in countless recorded and unrecorded ways as servants, slaves, nurses, nuns, homemakers, industrial workers, teachers, reformers, soldiers, pioneers; and in professions and occupations representative of all walks of life;

Whereas American women have played and continue to play a critical economic, cultural, and social role in every sphere of our Nation's life by constituting a significant portion of the labor force working in and outside of the home;

Whereas American women have played a unique role throughout our history by providing the majority of the Nation's volunteer labor force and have been particularly important in the establishment of early charitable philanthropic and cultural institutions in the country;

Whereas American women of every race, class, and ethnic background served as early leaders in the forefront of every major progressive social change movement, not only to secure their own right of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor union movement, and the modern civil rights movement; and

Whereas despite these contributions, the role of American women in history has been consistently overlooked and undervalued in

the body of American history: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week containing March 8, 1983, is designated as "Women's History Week", and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL CHILD ABUSE PREVENTION MONTH

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 21) to designate April 1983 as "National Child Abuse Prevention Month," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. HILER. Mr. Speaker, reserving the right to object, and I will not object, I want to thank my colleagues who cosponsored and helped insure passage of this resolution, which authorizes the President to designate April as "National Child Abuse Prevention Month."

I especially want to thank the gentleman from New York (Mr. GARCIA) for the expeditious manner in which he brought this bill to the floor. I also want to extend a special thank you to the gentlewoman from Ohio (Ms. OAKAR) and the gentleman from California (Mr. BATES). Both were very helpful in the effort to obtain the necessary cosponsors to insure this bill's approval.

Child abuse continues to be a very serious problem, Mr. Speaker. Passage of this bill today will help largely volunteer organizations such as Parents Anonymous, the National Exchange Club for the Prevention of Child Abuse, and other members of the National Child Abuse Coalition. These organizations are perhaps our best hope of bringing this national tragedy to an end.

I would like to make special mention, Mr. Speaker, of a nationwide conference on child abuse awareness that will be held in South Bend, Ind. next month. I am very honored to be cohosting this conference with Parents Anonymous, the National Committee for Prevention of Child Abuse, Childhelp International, and the Swanson Center of LaPorte County, Ind.

● Mr. COURTER. Mr. Speaker, I rise in support of Senate Joint Resolution 21 designating April 1983 as "National Child Abuse Prevention Month."

I would like to take this opportunity to commend the gentleman from Indiana, my friend and colleague, Mr. HILER, for again bringing this resolution to the attention of the House.

By passing this resolution we are simply bringing to the attention of the American people one of the most disgusting realities which exist in our Nation today. Each year millions of our young children fall victims to child abuse and in many instances death by their parents or relatives. Organizations such as Parents Anonymous, National Exchange Club Foundation for the Prevention of Child Abuse, the National Committee for the Prevention of Child Abuse, the National Child Abuse Coalition, and the American Humane Association are volunteer organizations who work with parents and relatives to combat child abuse. It is for these people and their dedication that I strongly urge my colleagues to support this resolution.●

● Mr. GUARINI. Mr. Speaker, I am pleased to rise in support of Senate Joint Resolution 21, designating the month of April as "National Child Abuse Prevention Month." It is critical that we focus national attention on this tragic contemporary problem.

Across America every day, hundreds of children are abused, beaten, tortured, and sometimes killed at the hands of adults who are responsible for the children's well-being. These innocent children are often unable to speak up for their rights or defend themselves from the abuse, which sometimes spans years. And unfortunately, many of these children learn by example and become abusive parents when they are grown.

An important first step in breaking this cycle is the identification of the origins and scope of the problem. There can be little hope of curbing the widespread incidence of child abuse until this destructive behavior is recognized and understood.

Efforts toward increasing awareness of this painful problem and its remedies are being undertaken by a number of agencies and organizations, many of them staffed by volunteers. Designating April as "National Child Abuse Prevention Month" will contribute to the efforts to address this tragedy and stem its increase.

It has been said that children are this country's most precious natural resource, and I agree. We cannot afford to overlook any avenue which may enhance their healthy development and well-being. I strongly support Senate Joint Resolution 21 and urge my colleagues to join me in favor of its passage.●

● Mr. OLIN. Mr. Speaker, children are one of the most vulnerable groups in our society, and too many of them suffer abuses. Today, I join my colleagues in supporting Senate Joint Resolution 21, designating April as National Child Abuse Prevention, as a means to call attention to the tragedy of child abuse and focus public attention on solutions.

The Commonwealth of Virginia has shown admirable sensitivity to the problems of child abuse and has adopted far-reaching programs to come to the aid of these small victims and their families. Virginia provides child protective services in every locality throughout the State, and the Department of Social Services offers mini-grants to communities for child abuse prevention programs. Last year, the Virginia General Assembly approved an increase in the marriage license fee, with the revenues to be used for child and spouse abuse programs. This provides counseling, education, clinics, crisis assistance, and other programs to help victims of domestic violence.

Last year, Child Abuse Prevention Month was observed in Virginia with conferences, speeches, billboards, radio shows, and sermons. Many people gained a new awareness of the roots of family violence and ways to head it off. We cannot estimate how many troubled parents or concerned friends and relatives, discovered that they could get help in fighting this tragic violence. I am sure the Commonwealth will match this success this year during Child Abuse Prevention Month.

One of our Nation's great leaders once said that the moral test of a society is how it treats "those in the dawn of life, the children . . . those who are in the twilight of life, the elderly . . . and those in the shadows of life, the sick, the needy, and the unemployed."

Today we are calling on our society to help ease the suffering of the many Americans who become victims in the dawn of their lives.●

Mr. HILER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 21

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1983 is designated as "National Child Abuse Prevention Month" and the President is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the Senate joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. GUARINI. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks and to include therein extraneous material on the subject of the special order speech today by the gentleman from Florida (Mr. FUQUA).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

NATIONAL ALZHEIMER'S DISEASE MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. LOWERY) is recognized for 5 minutes.

● Mr. LOWERY of California. Mr. Speaker, today I am introducing legislation declaring the month of November 1983 as National Alzheimer's Disease Month.

Alzheimer's disease is a surprisingly common disorder that destroys certain vital cells of the brain, producing intellectual disability or senile dementia, primarily in older Americans. This mind-ravaging disease accounts for more than 50 percent of all nursing home admissions, and affects more than 1.5 million Americans at an anticipated cost of up to $20 billion annually. The disease, which is not a normal consequence of aging, is the fourth most common cause of death among older Americans—behind heart disease, cancer, and stroke—accounting directly or indirectly for up to 120,000 deaths a year.

Surprisingly enough, however, considering the vast number of Americans who suffer from it, Alzheimer's disease is relatively unknown. It is, in fact, a silent epidemic.

The symptoms of Alzheimer's disease are slow and insidious, with the earliest impairment being that of recent memory. As the disease progresses, memory loss increases and reasoning deteriorates. Soon simple daily tasks become impossible chores: Balancing a checkbook, following a recipe, even putting together coherent sentences. Usually the victim becomes depressed, agitated, irritable, and restless. In come cases, the victim becomes violent, and, in others, placid and inert. In the final stages of the disease, the victim is totally unable to care for himself, and deteriorates to a vegetative state, requiring constant, round-the-clock care.

There is no known cure for Alzheimer's disease. No way to reverse or retard the unrelenting process of deterioration. It is one of the most ignored and uniquely tragic diseases of our time—not just for what it does to the victim, but for its devastating effect on families and friends. In the earliest stages of the diseases, the victim can be cared for at home by the spouse and family. However, as the disease progresses, he becomes increasingly combative, unreasonable, and finally, incontinent.

Ultimately, the vast majority are committed to nursing homes, placing a tremendous financial, as well as psychological burden on family members. An estimated average of $17,000 a patient will be spent on nursing home care for Alzheimer's victims this year—an expense virtually uncovered by private insurance or medicare until the family finances are depleted to public aid level. Thus, in their "golden years," husbands and wives must dip into their savings and pensions to provide private home or nursing home care for their loved ones, with no possible hope for improvement or recovery.

The Alzheimer's Disease and Related Disorders Association is comprised of family and friends of Alzheimer's victims who serve as a support group for one another. I am an honorary member of the board of directors of the San Diego Association, which recently opened the Alzheimer's Family Center, a day care center for Alzheimer's disease patients. For a nominal fee, the center provides professional care in a home-like setting, allowing family members who otherwise would be confined to the house with the patient, an opportunity to get out for a few hours to take care of business, or simply to relax. Services such as these help to delay the trauma and expense of institutionalization. They also help to alleviate the physical and emotional stress on the victim's family.

The cause of Alzheimer's disease is, as yet, unknown. Currently, doctors diagnose the disease by ruling out everything else: metabolic diseases, strokes, tumors, and psychiatric depression. However, a number of extremely committed individuals across the country are working to unravel the mystery. One of my constituents, Dr. George Glenner, has established the world's first brain bank for the exclusive study of Alzheimer's disease at the University of California San Diego's School of Medicine. Dr. Glenner is optimistic that his research project, sponsored jointly by the San Diego Alzheimer's Disease and Related Disorders Association and UCSD, will help to pinpoint the cause and thus find a way to prevent Alzheimer's disease.

Mr. Speaker, I feel that the declaration of the month of November as National Alzheimer's Disease Month will help to increase the national awareness of the problem of Alzheimer's disease, stimulating the interest and concern of the American people. This, in turn, will hopefully lead to increased research and eventually to the discovery of a cure for this mind-ravaging disease.●

EXTENDING THE RENEWABLE ENERGY BUSINESS TAX CREDITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 10 minutes.

● Mr. FUQUA. Mr. Speaker, last year, on July 13, 1982, Mr. FISH and I introduced H.R. 6735, the Business Energy Tax Credit Act of 1982, extending the termination date for existing business tax credits for solar, wind, geothermal, and ocean thermal energy equipment from 1985 to 1990.

At the time, I cited the success of those tax credits in promoting third-party financing of alternative energy systems, and the need to preserve those benefits for new technologies such as photovoltaics, large wind systems, OTEC, and solar thermal central receivers, which will not achieve commercial readiness until the late 1980's.

Since then, however, the situation for renewable energy business investments has deteriorated significantly. The "basis adjustment" provisions of the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 effectively reduce the value of the solar business tax credits from 25 percent to 20 percent. The softening of world oil prices and the recent decline in energy demand have decreased the value of the energy produced by renewable systems by as much as 30 percent. This double blow has placed in jeopardy many excellent renewable energy projects that seemed certain to proceed as recently as 6 months ago.

As a result of these development I am reintroducing the Business Energy Tax Credit Act with some important new provisions:

First, the tax credit would be raised to 25 percent to compensate for the effect of TEFRA and the soft world energy market.

Second, an affirmative commitments clause would be included which allows projects which are not completed by December 31, 1990, to be eligible for the tax credits if they have received

all necessary permits and completed engineering design by that date. This clause is needed to protect large solar projects such as wind farms and central receivers, which often take 3 or 4 years to complete.

With these changes in the solar business tax credits, I am convinced that the renewable energy technologies that have been developed at considerable taxpayer expense by the Department of Energy over the last few years can be turned over to the private sector in the late 1980's with reasonable prospect for commercial success.

This will not be a permanent subsidy from the U.S. Treasury for renewable energy equipment. The business tax credit simply serves to stimulate an early market to cover the expense of tooling up for mass production. Once volume production begins, there is strong evidence that the renewable technologies will be able to compete unassisted in the energy marketplace. At that time the tax credit will have served its purpose and will be terminated.

I was pleased to hear Secretary of Energy Hodel express his personal support for extension of the solar business tax credits at the DOE Posture Hearing, February 8, 1983. I hope he will work to persuade the administration to support this initiative.

I am convinced that the benefits of extending the tax credits—in terms of reducing our use of conventional fuels, opening up new business opportunities in a high technology area, and providing for jobs and economic growth—will more than compensate for the direct costs to the Treasury. One study I have seen indicates that the Treasury could even come out ahead after all secondary effects are considered. Therefore, I hope this initiative will receive widespread support from individuals and groups in both parties and both branches of the Government.●

● Mr. LUJAN. Mr. Speaker, today I am jointly introducing legislation with the distinguished chairman of the Science and Technology Committee, the honorable gentleman from Florida (Mr. FUQUA), to help our Nation tap the potential of our renewable energy resources. This legislation, the Renewable Energy Tax Credit Act of 1983, would extend the termination date for the business energy tax credits for solar, wind, geothermal, and ocean thermal energy systems until December 31, 1990. These tax incentives, originally enacted as part of the Crude Oil Windfall Profit Tax Act of 1980, are currently scheduled to expire at the end of 1985. In addition, this legislation would increase the amount of the tax credit from 15 to 25 percent, effective on January 1, 1984.

Our energy situation is certainly much brighter than it has been in the past. The recent trends in oil imports and energy conservation have indeed been quite encouraging. It is gratifying to see that we are now importing significantly less oil than we did during the high point of 1978.

But I hope that we will not be lulled into a false sense of complacency by our current situation. Future world conditions are difficult to predict. Recent developments in the Middle East, as well as projected oil market conditions, indicate that we must continue to reduce our current dependence on uncertain foreign oil supplies.

This situation makes it imperative that we press forward with the development of our domestic renewable energy resources. the need for solar and other forms of alternative energy is just as real today as it was in 1974, when the Federal Government embarked on the development of these promising resources. Numerous studies have indicated that these energy resources can play a significant role in meeting our Nation's future energy needs.

The Science and Technology Committee has spent a great deal of time in determining the appropriate means to help our Nation maintain its leadership in the energy area, and in particular, in the development of promising renewable energy technologies. Many energy experts have strongly recommended investment tax incentives as the most effective means to stimulate the development of these technologies. Without these incentives, these technologies will be unable to successfully compete in scarce capital markets.

The legislation we are introducing today would permit businesses to receive a 25-percent energy investment tax credit through the year 1990 for investments in solar, wind, geothermal, and ocean thermal energy equipment. This credit would be in addition to the regular 10-percent capital investment tax credit already available in many instances. It will help the infant alternative energy industry in the development of new energy technologies and in raising the venture capital or third-party financing necessary for initial commercial projects. The credit will also provide industry manufacturers with more predictable energy markets.

Even though the Congress had previously passed a tax incentive in 1980, many renewable technologies are still in their infancy stages. Various technical barriers must still be covercome before they can be commercialized. These new technologies include solar thermal, wind, solar photovoltaics, and ocean thermal energy systems, as well as advanced geothermal technologies.

Mr. Speaker, our Nation must prepare now for the day when petroleum will be a scarce resource. This legislation represents a significant step in this direction. We can ill afford to suffer another national energy crisis.

Our Nation has been a world leader in the development of new energy technologies. The legislation which we are introducing today will help us maintain this leadership. This proposal is consistent with the administration's approach that near-term technologies should be the responsibility of the private sector. It will encourage the private sector to move forward aggressively in the development of promising new energy technologies with minimal Federal involvement. For this reason, I encourage my fellow colleagues to support this legislation.●

THE ADMINISTRATION'S REQUEST FOR $11 BILLION INCREASE IN OUR COMMITMENT TO THE INTERNATIONAL MONETARY FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, today the House passed this jobs bill, and it is going to be under very serious consideration and revision and attack by those who, just 2 months ago in the administration, from the President on down, were saying, "Never, never, never this kind of expenditure for domestic purposes."

At the same time, what has been a little bit less reported is the emergency request on the part of the President, the administration, for an $11 billion increase in our commitment to the IMF, the International Monetary Fund. As a matter of fact, it was given such high priority that our committee—that is, the committee that I had the honor to serve on, or with, in the lameduck session in December—held the first series of hearings that were promptly picked up the moment we were organized in this new Congress, just as soon as the committee was organized.

The thing that seems to be so impossible to believe and accept is that we would have a request of this nature, of $11 billion, by the same President, the same administration, that is telling us that if we dare push out a housing emergency bill in the form of an emergency homestead—or Mortgage Assistance Act for those American families who are under the shadow and threat of losing their homes through no fault of their own, and with the foreclosure rate having exceeded the highest such point during the Depression, some of us who feel the responsibility of responsiveness to this acute need in this very substantial area of need in our own country cannot comprehend the constant opposition on the part of the

administration and its supporters in the House and on the committee level.

So when we met this opposition and then suddenly confronted this emergency request for an $11 billion increase in our contribution to the IMF, I asked a question of our chairman that went this way. I said: "Mr. Chairman, how is it that we are being asked to pass on an emergency basis a substantial $11 billion increase and not reconcile that with a budget busting request when the administration tells us that even a $250 million emergency housing program for the homeless would be budget-busting and apparently responsible for recurrence of inflation and every other bad thing that could happen to an economy?"

□ 1730

I said I have looked up the record and I find that when our committee has come out in the past years—and the last one being in 1980—with legislation to increase our commitment and our contribution to the IMF, it has been the minority party that has resisted.

As a matter of fact, the Director of the Office of Management and Budget, Mr. Stockman, in 1980 ferociously voted against that contribution, and on the basis that I find it hard to reconcile his joining in the request that we appropriate $11 billion on this occasion.

Either he was right then and wrong now or he was right now and wrong then.

Therefore, I am going to request that you invite Mr. Stockman to appear before the committee and reconcile this.

The first witness called happened to be the Chairman of the Federal Reserve Board. As I pointed out to him, I said, "This is very unusual, Mr. Chairman. I remember in 1978 and 1979 when we were having difficulty," because I was then chairman of the Subcommittee on International Finance, "in getting the legislation that would even satisfy the commitments already made by our country to such regional institutions as the Inter-American Development Bank and one or the other of the similar type of multinational financial institutions, you told me at the White House in the presence of President Jimmy Carter that you could not come before the Congress and that that would be unprecedented.

"Here we find you now insisting that if we do not appropriate this as quickly as it is possible, in fact if we could do it today you would have us do it today, questions to one side, because if we did not we would be responsible for international financial catastrophe."

Of course, being that I have introduced resolutions of impeachment toward the Chairman of the Federal Reserve Board, I did not expect to have too much of a serious reply to that and he brushed it off.

But I think there was a reason, and the reason was, as I have charged in one of my bill of particulars last year in what will turn out to be the resolution of impeachment in specific terms, the fact that what the law charges the Federal Reserve Board and its Chairman with being, which is the fiscal agent of the U.S. Treasury, has turned out to be that the Treasury and the Government and the people and the Congress are not only the agents but the servants of this master—not only the Chairman, but the whole apparatus known as the Federal Reserve Board.

I have pointed out ad infinitum that the Federal Reserve Board is not an entity of the Federal Government. Almost every American I know thinks it is and that it is a Federal Government agency. It is not.

What it has turned out to be now is a Frankenstein, created by the Congress of the United States in 1913, but which has since delegated to itself such a capacity, such a power, that was never visualized, but feared by the very founders of our Nation who had this as a central issue confronting them even before we had the adoption of the Constitution.

Here is a Chairman now saying what you might think, as a Representative of the people, is an emergency locally, is significant and inconsequential because my constituency and what that constituency has turned out to be for the Federal Reserve Board is not the 14,000 or so commercial banks but about 7 of the 14,000.

As a matter of fact, just as in the case of former Secretary of State Henry Kissinger, the moment he leaves this position he will go back on the payroll of the Chase Manhattan where he comes from, as Mr. Kissinger is now a paid consultant on the payroll of the Chase Manhattan.

So it is unbelievable that our country at this juncture, and with what this request on an emergency basis really symbolizes, and that is almost—it is not only ironic, it is shattering, almost a replication and a duplication, a repetition of exactly the way our country was duped and cheated after World War I, except that in this case, though it was the bankers, too, that sold us out, literally, and the countries involved were Germany, getting from underneath the Treaty of Versailles, and threatening the repudiation of their debts and reparations; and England and France were teaming up, sensing that they could contrive a ruse that would avoid their having to pay back the taxpayers of the United States at that time better than $10 billion in governmental debts, in governmental loans that our taxpayers had made at the time and before we entered into the war, and 2 years after the war had terminated.

These funds, incidentally, were used to recoup and to build housing projects, for example, not only in France and England but in Germany, of all things, and these nations orchestrated and sashayed so successfully, so successfully while our bankers in the meanwhile were eagerly going out and buying the bonds of the Government of Germany, of even Japan, for instance. All of our credit allocations that these bankers had from the American people were going into these speculative bonds and purchases thereof. Those payments being in default a few years later, it led finally to the international breakdown such as we are now on the threshold of witnessing for similar reasons.

For example, why do we need on an emergency basis the $11 billion bailout of these institutions? The Chairman of the Federal Reserve Board says "Do not call it a bailout; it is not a bailout," even though they admit that if these funds are not forthcoming to these debtor nations, where our nine principal banks have such an overhang and such a perilous dependence on the bad loans they have given out of their greed, that if they do not get even a rollover on the payment of the interest some of these principal banks are insolvent, are even broke.

In fact, if one of them were a small bank in my home State it would have already been declared broke.

□ 1740

But they are the ones that have been the power behind the decision-making on the Federal Reserve Board. They are the ones that are determining such things as interest rates. They are the ones that are determining even the matters—and this is what I think ought to concern us—war and peace.

How did it come about?

In effect, GEORGE BUSH was quoted in today's newspaper—Vice President GEORGE BUSH—and in yesterday's newspaper Secretary of State Shultz was quoted simply, that they could not understand how priests in the church could consort and work in these countries like El Salvador and Nicaragua with Marxist-Leninists.

I could not believe it. Where was my fellow Texan when Mr. David Rockefeller late last year was saying that there were some Communist countries that he could do business with; not all of them were bad and that he had just come back from one. Of course, what he did not say was that Chase Manhattan had a tremendous stake in those entities.

As a matter of fact, wittingly or unwittingly, the bankers such as Chase Manhattan, such as David Rockefeller and the oil and gas people of our Nation actually have given what would

be tantamount by any other definition foreign aid to Russia, itself, the master Communist country of all, this horrible demon. But let me read some statistics: The top nine U.S. banks, accounting for nearly two-thirds of the overseas activities of all of our U.S. banks, derived 50 percent of their earnings from overseas business in 1977. The Chase Manhattan, in 1976, earned 78 percent, which was a tremendous jump from 1972's 34 percent.

Now, all of this was done in the name of recycling petrodollars. But in effect, what it was, was very similiar to the shell game that the greed of these interests managed to perpetrate on our people, like the same greed in the twenties perpetrated on our people then.

Then, under the rubric, remember, of détente, interdependence, Richard Nixon toasting, cheek by jowl, with the Russian leaders and announcing détente, peace. But in effect what we did was give foreign aid to Russia.

The West entered upon a massive foreign aid program of Government credits and guarantees to the Soviet bloc. They got so massive that they exceeded the U.S. credits to Western Europe, even under the Marshall plan and even after allowing for inflation.

So, without the American people or this Congress, apparently, revealing any awareness, our bankers and big moguls, our lords of creation, themselves created and carried through a gigantic Marshall plan of aid for Comecon, or the Communist economy, including Russia. But now the day of reckoning is there, because it was apparent by 1977, at that time for the first time I spoke out in the well of this House, and pointed out, and said so in those terms, that I was very, very distressed, because for the first time since 1932, all of the factors were back in that equation called world depression equation. And that it was now possible to confront, naturally not the same but naturally a similar and perhaps far more devastating equivalent of what we remember as the Depression, because the factors, one or two of those variables having been absent for various reasons in that interregnum between 1932 and 1977, were now obviously present.

And that even by the standards of the official bankers who had not lost their sense of reality in Europe and in the United States, that what we called the 22-to-1 factor was now present. That is, all the aggregate substance of assets were a ratio of 1-to-22 of the outstanding liabilities.

And at that point the bankers very formula, 22-to-1, that they consider irreversible then. I spoke out then. I was ignored except for one thing: The next day I had a telephone call from the then-Chairman of the Federal Reserve Board, Arthur Burns. He wanted to know if I would have breakfast with him and I did, the next day, the next morning at the Federal Reserve in that real nice little office the Chairman has there. And he said the reason he was calling me was because he was aware of the remarks I had made and that he wanted me to know that he too was troubled, because I pointed out that in just less than a 3-year period, 1974 through 1977, the amount of overhang in these loans to these so-called developing nations had grown from an insignificant billion figure, three or four, to over $42 billion alone, from the U.S. principal banks.

He said, "I share your concern but I wanted you to know that there is nothing I can do. As a matter of fact I have been concerned about this for some time. And at the last convention in Hawaii I just a few weeks ago tried to address myself and to admonish the bankers but they got so angry at me they almost chased me out." I said, "Mr. Chairman, I am surprised. I am a student of the Federal Reserve Act and I think that you are charged with the responsibility. There is a specific section. In fact, you have implementation through statute that the Congress later passed which places a greater responsibility on the Federal Reserve with respect to the activities of the banks in the nature of the business that you could define as this, which causes your apprehension. What do you mean there is nothing you can do other than moral suasion and pressing the flesh?" He seemed to think that there was not. I know there is, and I know there was. But I say that for the record only to show that what I am saying here now is not an afterthought, is not because I did not offer solutions then, which I have.

There are some other statistics: Price increases of 1973, 1974, because of this same petrodollar crisis, you remember the boycott of our oil and all of that, was disastrous to our national economy.

□ 1750

As a matter of fact the downward trend now is very salutory from the standpoint because at the bottom of the so-called complex stagflation issue and the peculiar kind of inflation was that unprecedented political increase quadrupling the price of oil into our economy, devastating as it was. But while it was devastating to the average American and his economy, the banks made a bonanza.

It was a bonanza for the banks. Why? Their international earnings between 1970 and 1975 were $177 million, more or less. By 1975 they had gone to $836 million. And, of course, in 1977, as I said, their outlay and their commitments had grown exponentially to the point where in the case of finding that they could not keep on piling more investment in their Communist Marshall plan because they found out—and this they did not find out until about 1977—that the debt they were creating exceeded the annual supply of foreign currency being generated by the Comicon to service the debt. This is why we have had these prices in Poland, Romania, the other Eastern bloc nations, and now of course, Mexico, Argentina, Brazil, with our banks so perilously overcommitted that unless they get this bailout of the IMF; that is, taxpayers' bailout. And when they try to deny it by saying, "No, it is not a bailout; it is a bailin, because this is a jobs bill." This is why I am speaking today. The House passed the so-called jobs bill.

The witnesses we had from the Secretary of the Treasury to the Chairman of the Federal Reserve Board to some distinguished economists, who have served in past administrations, said it is not a bailout, it is a bailin because this will create jobs for Americans.

I cannot think of a more absurd and outlandish statement to make to us on the event of these decisions we must make. It will not create one job. As a matter of fact what it is going to do is the very opposite. It will do the same thing that was done, and incidentally, it was done under the same name—that the American economy and its products would suffer unless we desisted from making the demand of payment from England and France of the war debts, and Germany its reparations.

While that money, unbelievably, was being used to generate other than international payments and accountability, they were doing what in the meanwhile the economy in the United States was finding it impossible to do, and that was to build houses for Americans and of course jobs; there was the Depression where you had over 23 million unemployed Americans, with the size of a population then in relation to what it is now you can imagine what that was. I am old enough to remember and I am old enough to remember some of these details. And I am old enough to remember how successfully the ruse was perpetrated and so deceptively and almost in the identical words, with the identical terms, with the identical approaches that we are confronting today.

My question to my colleagues is: As much as we have a responsibility of confronting this issue, because the IMF is there and it is the only thing that is there, but the idea that we would give this additional $11 billion with no questions asked, no terms imposed, no record being established as to what really must be done to really correct the situation, while at the same time bludgeoned under as budget-busters because we are saying let us invest in America. Let us invest our resources, as meager as they may

be now, but for heaven's sakes let us invest them in our own permanent substance. What we ask for is not a waste of substance, it is an addition to the commonwealth. And above all, the priceless ingredient, which is the well-being of our human element, the only real value of a nation, and its only real genuine resource is its people—the young, the middle-aged, and the old.

And if we continue to fall victims to the masters who in turn are obedient to foreign and alien necessities and needs instead of giving priority to our own, then should we complain when this house of cards tumbles all around our ears?

So I am further communicating with the chairman of the committee and requesting that we not only summon Mr. Stockman to appear before us and tell us how he can say that there is no adverse budgetary impact with this $11 billion outlay.

VIETNAM VETERANS NATIONAL MEDAL ACT INTRODUCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, today I am introducing legislation which calls for the U.S. Government to pay tribute to the veterans of the Vietnam war by striking a national medal in their honor.

For most Americans the war in Vietnam ended more than 7 years ago when the last U.S. troops pulled out of Southeast Asia. Politicians stopped talking about it. Musicians stopped singing about it. Students stopped marching about it. Television networks stopped bringing combat scenes into our living rooms via the evening news. Many were relieved that the long and unpopular war and the controversy surrounding it were finally over. And everyone wanted simply to forget.

But when America decided to forget the war it also forgot to remember the the veterans. It forgot the 2.7 million men and women who went overseas to serve their country. It forgot that close to 58,000 died in the attempt, and that another 300,000 suffered injuries. When the veterans of the Vietnam war came home, they returned not to welcoming parades but to silence.

Though America forgot to remember them, the Vietnam veterans have not forgotten each other. They still remember how they helped one another on the battlefield. They still remember enemy fire and injured comrades. They still remember fear and pain, and individual acts of courage. And they still remember those who could not come home.

I believe that it is time for America to remember the men and women who went to Vietnam—those loyal Americans who went to fight a foreign war because their Government asked them to. It is time to remember their suffering and their bravery; their dedication and their patriotism. It is time for America to stop trying to forget.

By enacting the Vietnam Veterans National Medal Act, the Congress would finally give our Vietnam war veterans the official recognition they deserve. The medal would become part of the Bureau of the Mint's medal series. Americans would be able to purchase these medals as they do any of the others sold by the mint. The price of the medals would be sufficient to cover the Government's production costs.

As you know, the rules of the Consumer Affairs and Coinage Subcommittee require that all medal bills have 218 cosponsors before they can be considered. I am therefore calling on all of my colleagues to join me in sponsoring this long-overdue salute to the courageous and honorable Americans who served this country in Vietnam. I think that it is time for us to express our thanks and gratitude to these fine Americans. And the Vietnam Veterans National Medal Act is certainly a suitable way to do it.●

THE INDIAN HOUSING ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. UDALL) is recognized for 10 minutes.

● Mr. UDALL. Mr. Speaker, today I am introducing a bill entitled the "Indian Housing Act of 1983" which establishes a comprehensive Indian housing program within the Bureau of Indian Affairs. This bill is very similar to the bill, H.R. 5988, which I introduced in the last Congress and which was favorably reported by the Committee on Interior and Insular Affairs with amendments.

The service population of the Bureau of Indian Affairs is fast approaching 1,000,000 people. BIA has estimated that, as of 1981, this population comprised approximately 165,000 families. These families are living in approximately 136,400 housing units, 59,600 of which are in substandard condition. Many are two- or three-room houses of tar paper or like construction, housing 10 or more persons. In some cases, they are no more than car bodies. Thirty-six percent of all Indian families are now living in substandard housing. Over 43 percent of all Indian housing is in a substandard condition, as compared with only 12 percent for the rest of the Nation.

This deplorable, unacceptable state of Indian housing derives primarily from three causes. First, unemployment and poverty is the norm on most Indian reservations. The overwhelming majority of Indian families exist at or below the poverty level and unemployment rates of 50 percent or more are not uncommon. Indian people simply cannot afford housing.

Second, Indian reservations are remote and geographically isolated. The general lack of housing opportunities in rural America is magnified on Indian reservations and in Indian communities. The general unavailability of mortgage credit in rural areas is the inflexible rule on Indian reservations. In addition, the support facilities of water, sanitation, and roads are woefully inadequate.

Finally, Mr. Speaker, the trust or restricted status of Indian lands, both tribal and individual, make the extension of private credit, even with Federal subsidies or guarantees, unrealistic.

In 1937, Congress enacted national housing legislation which set as a goal the attainment of a safe, decent, and sanitary house for all Americans. Comprehensive Federal housing assistance programs were developed to achieve that goal, with a primary emphasis on the housing needs of urban areas. It was not until the mid-1960's that Indian tribes were deemed eligible to apply for this assistance and it was not until the early 1970's that the HUD Indian housing program began to be available to meet the critical housing needs of Indians.

Since then, Indian tribes and people have received most of their housing assistance from HUD public assisted housing programs. In some cases, the urban-oriented housing programs of HUD have had to be twisted to meet the special needs and conditions on Indian reservations, not always with complete success.

Through February 1981, nearly 39,000 units were made available for occupancy through the HUD Indian housing program. This primary source of housing assistance has been supplemented by funding from BIA's housing improvement program for housing repair and, in isolated cases, new construction; by minimal financing through BIA's credit program; and by a few houses financed through conventional financing. While serious problems have been identified in the implementation and administration of the HUD program on Indian reservations and in Indian communities, it has met the housing needs of Indians with some degree of success.

The HUD public assisted housing program, including the Indian program, has been targeted by the administration for termination. The administration has charged that this program, and in particular the Indian program, is excessively costly. This is based upon the deep principal and interest subsidy feature of the HUD program. For instance, the 4,000 units set aside for Indian housing in the fiscal year

1982 HUD budget requires the United States to obligate $703,000,000 over a 30-year period. This cost coupled with charges of waste and inefficiency in the program and the operating subsidies, including utilities and maintenance, has led the administration to target the program for elimination. In line with this decision, the administration requested no money for this program in fiscal year 1983 and, again in its fiscal year 1984 budget request.

Mr. Speaker, I continue to support the continuation of the HUD public assisted housing program as it has operated in the past. While, as I have already noted, it has problems of cost and administration, I am sure the Committee on Banking, Finance and Urban Affairs can amend the basic law to address those concerns. Nevertheless, Mr. Speaker, as chairman of the Interior Committee which has primary responsibility for the welfare of Indian people, I am greatly concerned about the prospect of reauthorization of that program as it serves Indian tribes. As noted, the administration for the past 2 fiscal years has targeted the HUD public assisted housing program for dismantlement and has done so again in its fiscal year 1984 budget request. They have vigorously pursued this aim and I cannot but believe that they will continue to do so in the future.

As the Members are aware, Congress failed to pass legislation reauthorizing the HUD program in the last Congress, although funds were included in the fiscal year 1983 HUD budget to support 2,000 units of Indian housing without this authorization. In the last Congress, Mr. Speaker, I agreed to withhold a request for floor action on my Indian housing bill until the HUD reauthorization bill had a fair chance to pass. As noted, it did not.

The administration has proposed an alternative Indian housing program in lieu of the existing HUD Indian program. This program would be funded at $76,000,000. In addition, the administration proposes to increase the amount of funds appropriate in fiscal year 1983 for the Indian community block grant program by $44,000,000 for a total of $75,000,000 and to amend the law to make housing construction an eligible activity under the CBG program. This totals $151,000,000. However, all the Indian reaction to this proposal that I have heard is negative on the grounds that the proposed program is unworkable.

Mr. Speaker, while I continue to hope for the reauthorization of the existing HUD program, I am not sanguine about the prospects of that occuring. Therefore, I feel obliged, as chairman of the Interior Committee, to take all reasonable steps to insure that the Indian people have a viable alternative to meet their critical housing needs. I am, therefore, reintroducing the Indian Housing Act legislation and will move expeditiously to report it to the House for action.●

BIPARTISAN NATIONAL COMMISSION ON INDUSTRIAL COMPETITIVENESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

● Mr. LAFALCE. Mr. Speaker, I am today introducing legislation to create a Bipartisan National Commission on Industrial Competitiveness based on the model of the recent Social Security Commission.

The preeminence of the United States in international industrial competition and the insulation of U.S. domestic markets from competition ended during the past decade, but this Nation has been slow to adapt to the reality and ramifications of a highly competitive global marketplace. Helping to support the competitiveness of American industry is a proper and necessary role of Government, working in concert with the private sector. Indeed, if we fail to do this now, industrial competitors will continue to cut into our economic strength with disastrous long-term structural consequences to our economy, our workers, and our entire social fabric.

At present, industrial policy in the United States is composed of a myriad of Government programs, subsidies and regulatory oversight functions which are neither coordinated, cohesive, or consistent. I believe that it is imperative that Government, business, labor, and academia act together now to develop and coordinate long-range strategies for helping to assure the international competitiveness of U.S. industries.

Creation of a National Commission on National Competitiveness is a first step in this process. The type of Commission which I envision and support would not only study various aspects of the industrial competitiveness of U.S. industry but would also make specific recommendations regarding long-term strategies to promote our international competitiveness, and develop specific proposals for mechanisms to implement those strategies. While this Commission is meeting, the House Subcommittee on Economic Stabilization, which I chair, would also be holding comprehensive hearings into the issue of industrial policy with a view toward making legislative proposals during the course of this Congress. We would want, therefore, the Commission to make its recommendations no later than 1 year from the date of its creation.

At this time, it is my understanding that the administration is seriously considering creation of a National Commission on Industrial Competitiveness. If such is the case, I would hope that such a Commission would be bipartisan in nature and be action-oriented. The country does not need yet another study to confirm what it already knows, or even worse, an excuse to defer what must be done. If we allow the competitive position of American industry to erode further, we risk irreparable damage to many of our country's basic industries.

It is with this sense of importance and urgency that I introduce the legislation.●

INTRODUCTION OF ADMINISTRATION'S IMF LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

● Mr. ST GERMAIN. Mr. Speaker, I am today—along with the Banking Committee's ranking minority member, Mr. WYLIE—introducing, by request, the administration's legislation providing for increased U.S. participation in the International Monetary Fund.●

THE PRESIDENT IS ATTEMPTING TO AVOID CONGRESSIONAL REVIEW OF MILITARY AID TO EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BARNES) is recognized for 5 minutes.

● Mr. BARNES. Mr. Speaker, along with 12 of my colleagues, I am today introducing legislation to repeal section 506 of the Foreign Assistance Act, an authority that the President is misusing to finance the war in El Salvador without congressional approval. There are very strong indications that the President intends to invoke this authority again to provide an additional $60 million in military assistance to El Salvador without our review.

Under the current law, section 506 of the Foreign Assistance Act, the President is authorized, in event of an unforeseen emergency which requires immediate military assistance to a foreign country, to direct the drawdown of defense articles, defense services and military education and training from the Department of Defense in an amount not to exceed $75 million each year. No congressional review is required.

The President has already invoked this authority three times in order to provide military aid to El Salvador. Since the resumption of military assistance to El Salvador in 1980, more than 65 percent has been provided through this authority. It is clear that section 506 is being used not for emergencies, but to provide unauthorized supplemental military aid.

I think that Congress must make clear that we will not stand for this. It is important to remember that the emergency in El Salvador is not unforeseen; on the contrary, it has been accurately predicted by the Members of and witnesses before the Subcommittee on Western Hemisphere Affairs on numerous occasions over the past 2 years. The administration has yet to devise a policy for dealing with it.

It is tragic and ironic that the President is undermining his own flexibility by once again attempting to end-run Congress on policy toward El Salvador. I believe that Congress should grant the President reasonable authority to act in emergency situations when there is not sufficient time to seek congressional authorization. However, we cannot close our eyes to the abuse of these authorities.

I hope it will not be necessary to move this bill. If the President submits his request to the normal congressional process, I will not do so.●

RESTORE ANTITERRORISM EXPORT CONTROLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BERMAN) is recognized for 10 minutes.

● Mr. BERMAN. Mr. Speaker, I am introducing today a bill to reimpose controls that were lifted a year ago on two critical categories of exports: Those to countries which support international terrorism, and those to the South African Government and its military and police.

Until March of last year, Iraq was included in the U.S. Government's list of countries that have "repeatedly provided support for acts of international terrorism." The Departments of State and Commerce were required to notify Congress of sales which would contribute to Iraq's ability to support terrorist activities.

Until March of last year, advance congressional notification was required on sales of aircraft and helicopters to countries which support international terrorism.

Until March of last year, the U.S. Government maintained a rigorous arms embargo against South Africa, prohibiting all sales to that country's military and police.

Until March of last year, validated licenses were required on all sales of computers to the South African Government, which relies on computers to monitor and strictly control the lives of black citizens.

Rationales were similar for exempting from policy review sales of aircraft to countries supporting international terrorism and sales of computers to the South African Government. U.S. market shares have been declining in affected countries, it was argued, because America was regarded as an unreliable supplier.

Similar reasons were given for taking Iraq off the list of countries that support terrorism, and for relaxing the South African arms embargo. By improving ties with these two governments, it was believed, the United States could work more effectively with them to further peace in their regions and to curtail violence against civilians.

Today, a year after U.S. export restrictions were relaxed, it is clear that this policy has not had the intended effects. Terrorist factions based in Iraq have continued their attacks on innocent civilians—Israelis, European Jews, and moderate Arabs. South Africa's military has mounted major invasions of neighboring countries, and Pretoria's controls over black South Africans have grown more harsh.

Over the years, substantial evidence has been accumulated that Iraq provides funding as well as a haven for Palestinian terrorist factions. Since the United States took Iraq off the list of nations supporting international terrorism, Abu Nidal has returned to Iraq and established his headquarters there. Abu Nidal is the leader of an active terrorist Palestinian faction, Black June. In the past year, according to press reports, Nidal's followers have been convicted of the attack on a Vienna synagogue and the murder of a Vienna city counselor, have been charged with the shootings of Israel's Ambassador to London in June and a Kuwaiti diplomat in Madrid, and have provided guns for the assault on the Ankara airport. A team of investigators from five European countries believes that the Abu Nidal group also is responsible for recent attacks on a restaurant in Paris and a synagogue in Rome, and against Jews in Antwerp and Brussels. A Nidal follower arrested by Swiss police for possession of bombs claimed to be part of a Europewide terror campaign.

Iraq is the only Arab nation which will provide a haven for Abu Nidal and his followers. It also serves as headquarters for the terrorist organization known as May 15. May 15 has planted bombs on Pan American aircraft, one of which exploded last August, killing a Japanese youth.

The legislation I am introducing not only would put Iraq back on the list of countries that support international terrorism; it also would establish clear, concrete standards for a country being removed from the list in the future. Before rescinding a certification that a country supports terrorism, the President would be required to submit to Congress a report that the country in question has not provided support for terrorism, or for groups engaged in terrorism, for the previous 12 months.

Some may argue that despite the tragic terrorist attacks by Iraq-based factions in the past years, the United States still should refrain from placing Iraq back on the list of nations that support terrorism. To so criticize Iraq, some would argue, would jeopardize chances of gaining Iraqi support for the Middle East peace process.

Yet there is a fundamental contradiction in a policy that relaxes U.S. opposition to international terrorism in order to further peace in the Middle East. Following the PLO's military defeat in Lebanon, some Palestinian extremists advocate intensified terrorism, as opposed to acquiescence in efforts toward peace. It is now more important than ever that the United States take the firmest possible stand against such terrorism.

This legislation would not prohibit sales to Iraq, Syria, or the People's Democratic Republic of Yemen of aircraft of any other items that might enhance their ability to support international terrorism. The bill would simply require prior notification to Congress of such sales, allowing public debate and scrutiny of their possible impact on the struggle against terrorism.

Under its relaxed restrictions on sales to the South African police and military, the administration has licensed sales in the following areas:

Six aircraft for the South African Air Force, which would be used as air ambulances in South Africa's military campaigns in Namibia and against neighboring countries, and also would be useful for border patrols.

Two powerful computers, useful in nuclear weapons developments, which have been sold to the government-controlled Council for Scientific and Industrial Research, and other equipment which may be used to develop nuclear weapons.

Police shock batons, which are useful in torture as well as against protestors.

In addition, a wide variety of items, ranging from computers to chemicals, may now be sold to the South African military and police under general license, with no U.S. Government review required.

This easing of the arms embargo against South Africa has come at the worst possible time. In the past year, the South African military has escalated its attacks on Angola and has raided Lesotho's capital, killing 42 civilians in their homes. After 6 years of negotiations to resolve the Namibian problem, led by the United States and other Western countries, South Africa persists in its illegal military occupation of that territory.

South Africa also has stepped up its covert activities against neighboring countries. South African-supported insurgents have blown up Zimbabwe's oil pipeline to the sea at Beira and disrupted other economic activity in Mo-

zambique. White soliders from a training camp in South Africa were killed during a foray into Zimbabwe.

The United States should make clear its opposition both to South Africa's escalating external military aggression, and to its mounting internal police repression.

Relaxation of U.S. export controls against South African police were announced just days after labor leader Neil Aggett died in detention. This was the first death of a South African political prisoner since the international outcry at Steve Biko's murder in 1977, and the subsequent tightening of the arms embargo which the United States first imposed in 1963. Since the United States relaxed controls on sales to South African military and police, another political prisoner has died in South Africa, and many more have been detained without charge and tortured.

The South African Government is imposing harsher controls on average black citizens at the same time that repression is increasing against their political leaders. New measures have been introduced which tighten controls that prevent millions of blacks from seeking work outside of barren, overcrowded reserves, and prevent millions more from living together as families. Such controls would not be possible without the use of computers supplied by the outside world. This bill would restore the requirement that validated licenses be issued for all computers sold to the South African Government, in order to provide for a thorough investigation of whether the American technology would be used to enforce apartheid.

Mr. Speaker, I believe that the United States should follow the same basic principle in its relations with Iraq and other nations that support international terrorism, and in its relations with South Africa. America should not reward mounting violence and repression by easing restrictions on military and police sales to those responsible. If nations like Iraq and South Africa do contribute to the cause of peace and justices, then the United States should improve relations with them. Even then, however, the hand of friendship should be extended first in areas of nonmilitary and nonpolice trade and exchange.

H.R. 1877

A bill to amend the Export Administration Act of 1979 to reimpose certain foreign policy export controls which ceased to be effective on March 1, 1982, September 15, 1982, and January 20, 1983

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) is amended by adding at the end thereof the following new subsection:

"(1) EXTENSION OF CERTAIN CONTROLS.—Those export controls imposed under this section which were in effect on February 28, 1982, and ceased to be effective on March 1, 1982, September 15, 1982, and January 20, 1983 (except those controls with respect to the 1980 summer olympic games), shall become effective on the date of the enactment of this subsection, and shall remain in effect until one year after such date of enactment. At the end of that one-year period, any of those controls made effective by this subsection may be extended by the President in accordance with subsections (b) and (e) of this section.".

(b) Subsection (i) of such section 6 is amended by adding at the end thereof the following new sentence: "Any such determination which has been made with respect to a country may not be rescinded unless the President first submits to the Congress a report justifying the rescission and certifying that the country concerned has not provided support for international terrorism, including support for groups engaged in such terrorism, for the preceding 12-month period.".

(c) The amendment made by subsection (b) shall apply with respect to any export control made effective by the amendment made by subsection (a).●

WILL EL SALVADOR BE OUR VIETNAM?

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. OAKAR) is recognized for 5 minutes.

● Ms. OAKAR. Mr. Speaker, there are times when, as a nation, events present us with an opportunity for exercising extraordinary leadership and moral courage.

We are faced in the next few weeks with just such an opportunity in El Salvador. Over $400 million in American military and economic assistance has been ineffectual in bringing the civil violence there to an end. More than three times as much money has left El Salvador in capital flight than we have poured into that torn and bleeding land. Secretary Enders testified this week that the amount of military equipment and assistance being received by the insurgent forces from outside El Salvador does not begin to compare with the amount we have sent to the Government of El Salvador. Yet, by all accounts, the government forces are in danger of losing the war—in such danger that the American people are again asked to invest another $60 million in emergency aid. It seems as though nothing will insure failure more than more assistance from the United States of America.

But this week a sign of hope dawns in Central America. Pope John Paul II, a staunch adversary of repressive Marxism and a champion of the poor, visits the suffering peoples of mid-America. His presence, as well as his words, will call for dialog and negotiations to end the strife in El Salvador. It will be an unambiguous message, a mandate for reconciliation that the people will embrace. It is a moment when nations and armies can revise policy, can change their minds, without losing face. Will we continue to be the only major nation in our hemisphere that has not recognized that guerrillas do not lose their homegrown, democratic revolutions? They will go on for generations unless they are somehow incorporated into a new El Salvador.

We hear much from this administration and from the State Department about Soviet adventurism in our hemisphere. But we have a brand of our own right here on Capitol Hill. At least 65 to 70 percent of the military aid we have sent thus far to El Salvador has been sent without congressional approval—namely, under the 506A emergency drawdown provision. Let us, as elected representatives of the American people—who are overwhelmingly opposed to increasing military aid to El Salvador—let us put a stop to this covert action designed to evade Congress. In addition, I am appalled at the administration's desire for additional military aid.

Today we have an opportunity to be part of the solution in Central America instead of the problem. We have an opportunity to be a partner in influencing the reconciliation of factions, in building a coalition of interests that will be our best defense against the appeal of a Cuban solution. Let us open a window to peace and close the door on American adventurism. Will El Salvador be our Vietnam?●

LEGISLATION AMENDMENT INTERNAL REVENUE CODE DEALING WITH UNRELATED BUSINESS TAXABLE INCOME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. JENKINS) is recognized for 5 minutes.

● Mr. JENKINS. Mr. Speaker, on January 25, 1983, my colleague, BILL FRENZEL, and I introduced H.R. 821 which seeks to remove a barrier to investment by pension plans and college endowments, while providing a new source of capital for domestic oil and gas production. We introduced similar legislation in the 97th Congress and an identical bill was introduced in the Senate last December by Senators ARMSTRONG, DURENBERGER, and LONG.

This legislation amends section 512 of the Internal Revenue Code dealing with unrelated business taxable income (UBTI). Current law provides for the taxation of all tax-exempt organizations on income unrelated to the purposes that entitle them to exemption. This is designed to eliminate competition to taxable businesses. Generally, interest and dividends earned on stocks and bonds and royalties are excluded in arriving at taxable income from an unrelated trade or business.

Currently, pensions and college endowments can receive tax free income from oil royalties but cannot receive tax free income from working interests in oil producing properties—that is, investments wherein the exempt organization pays a share of the development and operating costs.

H.R. 821 would allow pensions and endowments to invest in such working interests through limited partnerships without being subject to the unrelated business income tax. The bill permits these funds to only passively invest in oil and gas production, in a limited partnership, which prohibits them from involvement in business decisions.

A more technical explanation follows. I welcome my colleagues' comments and support of this legislation.

TECHNICAL EXPLANATION

H.R. 821 amends Section 512 of the Internal Revenue Code of 1954 (relating to the unrelated business taxable income of exempt organizations). The Bill would permit qualified pension funds and certain educational organizations to invest in working interests in oil and gas properties without incurring unrelated business taxable income, if such interests are held by such trust or organization as a passive investor (i.e., a limited partner) in a qualifying limited partnership. The amendment applies to pension funds that are qualified trusts under IRC Section 401 and exempt organizations ("qualified exempt organizations") described in Section 170(b)(1)(A)(ii) (generally, schools, colleges and universities) and in Section 170(b)(1)(A)(iv) (generally, exempt organizations created by public educational institutions with the purpose of holding an investment property for their benefit).

The definition of a working interest incorporates that which is contained in the regulations of the Internal Revenue Service, that is, an interest where the owner "is not relieved of its share of the development costs by the terms of any agreement with an operator." Treas. Reg. § 1.512(b)-1. The amendment is limited to investments in domestic oil and gas wells and is intended to employ the same description for those wells as is used in IRC § 613A, subject to application of IRC § 638.

To assure that partnership income is received by a qualified trust or qualified exempt organization as a passive investor, the Bill requires that the income must be allocated to such trust or organization in its capacity as a limited partner, which means a limited partner for tax purposes.

A limited partnership described in the amendment is one subject to a statute corresponding to the Uniform Limited Partnership Act, both as originally adopted in 1916 and as revised by the National Conference of Commissioners on Uniform State Laws in 1976 (and, in the case of Louisiana, to equivalent partnerships subject to the In Commendam law, as amended). A common aspect of the status of a limited partner under such laws is that such partner cannot take part in the control of the business of the partnership without becoming liable as a general partner. It is intended that the Bill will not apply to any pension fund or qualified exempt organization that fails to maintain its status under state law as a limited partner by virtue of having taken part in the control of the business of the partnership.

Income from a working interest held by a partnership may carry with it certain deductions—such as the partnership's administrative costs and the deduction for intangible drilling costs and the investment tax credit—that are allocated to all partners, including limited partners, under the partnership agreement. The amendment provides that all such deductions and credits, and any item thereof, will be excluded or disallowed in the case of any qualified trust or qualified exempt organization to which such item is allocated. Therefore, no such item would be available as a deduction or credit with respect to other taxable income of any such trust or organization.

The bill precludes potential abuse through use of certain special partnership allocations. Allocations of larger amounts of deductions, losses or credits, relative to allocations of income or gain, would not be permitted to be made to taxable partners instead of exempt limited partners. The Bill provides three conditions that must be met by the limited partnership with respect to the allocation of income, gain, losses, deductions and credits among partners. First, under the partnership agreement, the partnership cannot allocate a lesser share of any item of deduction, loss or credit to the limited partners than their share of each item of income or gain. This requirement is intended to prevent the partnership agreement from allocating larger deductions, losses, or credits in relation to income or gain from the limited partners as a whole (who may consist in part or entirely of qualified trusts or qualified exempt organizations) to a general parter or partners; however, it is not intended to prevent special allocations under Section 704(b) that may have substantial economic effect from being allocated from the general partner or partners to the limited partners as a whole or to prevent the allocation of revenues to a general partner for services rendered to the partnership. Also, the Bill is not intended to prohibit the shift of sharing arrangements between the general partner and the limited partners, as is customary in the oil and gas industry, within a taxable year, so long as before and after such shift the conditions of the Bill are met.

Second, the Bill requires that, as between limited partners, there can exist no different allocation of any item of deduction, loss or credit. This is to assure that it will not be possible to allocate deductions that are available to the limited partners as a whole to taxable instead of exempt limited partners. However, this limitation does not apply to disproportionate deductions between partners arising as a consequence of the partners having different bases in their partnership interests or in their partnership properties, as, for example, resulting from a Section 754 election.

Third, cash distributions must be made in no different manner from the allocation of income or gain.

The Bill further provides that disproportionately lesser allocations of deductions, losses or credits to exempt limited partners cannot, subject to regulations to be prescribed by the Secretary, be effectuated indirectly, by use of multi-tier partnerships or other entities such as trusts or Subchapter S corporations. This limitation is intended to apply only to situations in which a partnership or other entity is used as a purposeful device primarily to achieve a material misallocation of tax benefits from exempt to taxable investors. It is not, for example, intended to prevent a limited partnership that otherwise meets the conditions of the Bill from entering, directly or indirectly, into a general partnership, joint venture, operating agreement or "farm out" arrangement for the acquisition, exploration or development of oil and gas properties under the terms of which the other partner, venturer or operator bears the economic burden of paying all or part of the costs of such acquisition, exploration or development and is allocated or assigned the deductions or credits associated with the costs borne by it.

The Bill further provides that pension funds and qualified exempt organizations will not receive exempt income from working interests held by a limited partnership if either organization is related to any general partner. The purpose of the related party provision is to assure that a pension trust or qualified exempt organization (or a group of such trusts or organizations) cannot control, directly or indirectly, the activities of a limited partnership by means of a related entity without becoming subject to tax on income from such activities. Under the Bill, income from a limited partnership interest would not be excluded from unrelated business taxable income if the combined holdings of all such trusts and organizations in a general partner were to represent 35 percent or more of the total interest in the general partner. For purposes of making this determination, the holding of certain related persons are aggregated with the holdings of the exempt pension trusts and qualified exempt organizations.

Many limited partnership drilling programs often, for administrative reasons, employ more than one tier of partnerships to effect investment in operating properties. For example, the investors may invest in an upper tier parternship (which may be either a general or a limited partnership) which in turn invests all its assets as a limited partner in a lower-tier partnership. It is intended that the amendment will apply to investors in such "two tier" partnerships, if the income is distributed to them either as a limited partner or as a partner in a partnership that is itself a limited partner (subject to the limitations of the Bill on the disproportionate allocation of losses, deductions and credits).

The Bill also contains a conforming amendment to Section 514(c) (relating to unrelated debt-financed income) which provides that acquisition indebtedness in the case of a qualified trust or a qualified exempt organization includes neither indebtedness incurred by the limited partnership to acquire or improve oil and gas properties or that incurred by such trust or organization in acquiring its limited partnership interest. This amendment provides that the objectives of the Bill in exempting income from working interests, will not fail to be achieved because the partnership has incurred debt for purposes of acquiring or developing its properties, as is customary in the oil and gas industry, or in exempting gain in the sale of a partnership interest because the trust or organization has incurred debt which might be deemed attributable to the acquisition of such interest.

It is not believed that the Bill will result in any material revenue loss, since, to the extent qualified trusts or qualified exempt organizations choose to invest in oil and gas drilling programs as a consequence of it, they will forego other investments producing dividend, interest and other passive income that would also be exempt in their

hands. In addition, deductions, losses and credits allocated to an exempt limited partner will not be available to reduce the taxable income of that partner or any other partner. The Bill will take effect with respect to partnership taxable years beginning after December 31, 1982.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FRANKLIN) to revise and extend their remarks and include extraneous material:)

Mr. LOWERY of California, for 5 minutes, today.

Mr. LEACH of Iowa, for 30 minutes, today.

Mr. FIELDS, for 5 minutes, today.

(The following Members (at the request of Mr. GUARINI) to revise and extend their remarks and include extraneous material:)

Mr. FUQUA, for 10 minutes, today.

Mr. LELAND, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. UDALL, for 10 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. BARNES, for 5 minutes, today.

Mr. BERMAN, for 10 minutes, today.

Ms. OAKAR, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. JENKINS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DANNEMEYER, at the conclusion of general debate on H.R. 1718, in the Committee of the Whole today.

(The following Members (at the request of Mr. FRANKLIN) and to include extraneous matter:)

Mr. MCKERNAN in two instances.

Mr. PARRIS.

Mr. ROTH.

Mr. SCHULZE.

Mr. WHITEHURST.

Mr. CORCORAN in two instances.

Mr. WOLF in two instances.

Mr. KEMP in five instances.

Mr. ERLENBORN.

Mr. BROOMFIELD.

Mr. SUNDQUIST in two instances.

Mr. PHILIP M. CRANE.

Mr. EDWARDS of Oklahoma.

Mr. GUNDERSON.

Mr. DAUB.

Mr. BEREUTER.

Mr. PAUL.

(The following Members (at the request of Mr. GUARINI) and to include extraneous matter:)

Mr. SWIFT in two instances.

Mr. BONIOR of Michigan.

Mr. ADDABBO.

Mr. MCDONALD in 10 instances.

Mr. OTTINGER in five instances.

Mr. FLORIO.

Mr. ROYBAL.

Mr. UDALL.

Mr. STARK in two instances.

Mr. CORRADA in two instances.

Mr. APPLEGATE.

Mr. RALPH M. HALL in two instances.

Mr. MILLER of California in two instances.

Mr. MOAKLEY.

Mr. LEHMAN of Florida.

Mr. NOWAK in three instances.

Mr. SIMON in five instances.

Mr. LELAND.

Mr. MAZZOLI.

Mr. SIKORSKI.

Mr. TRAXLER.

Mr. HOYER in two instances.

Mr. DASCHLE in five instances.

Mr. GORE in two instances.

Ms. FERRARO.

Mr. JONES of North Carolina.

Mr. WEISS of New York.

Mr. PEASE.

Mr. HERTEL of Michigan.

Mr. MATSUI.

Mr. MARKEY.

Mr. FORD of Tennessee.

Mr. BOUCHER.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 37. Joint resolution providing that the week containing March 8, 1983, shall be designated as "Women's History Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 58 minutes p.m.), under its previous order, the House adjourned until Monday, March 7, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

469. A letter from the Secretary of State, transmitting certification by the International Atomic Energy Agency that Israel is allowed to participate as a member nation in the activities of that Agency, pursuant to section 159 of Public Law 97-377; to the Committee on Appropriations.

470. A letter from the Assistant Secretary of Defense, transmitting the defense manpower requirements report for fiscal year 1984, pursuant to 10 U.S.C. 138(c)(3); to the Committee on Armed Services.

471. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to provide for a Department of Defense military retirement and disability fund, and for other purposes; to the Committee on Armed Services.

472. A letter from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the proposed conversion to contractor performance of the grounds maintenance function at the Navy Public Works Center, Pearl Harbor, Hawaii, pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

473. A letter from the Secretary of Commerce, transmitting the Council's special report on the proposed increase in the resources of the International Monetary Fund; to the Committee on Banking, Finance and Urban Affairs.

474. A letter from the vice president, Chesapeake & Potomac Telephone Co., transmitting a statement of receipts and expenditures of the company for calendar year 1982, and a comparative general balance sheet for 1982, pursuant to chapter 1628, acts of Congress 1904, and paragraph 14 of the act of March 4, 1913, respectively; to the Committee on the District of Columbia.

475. A letter from the Secretary of Education, transmitting a proposal to make certain amendments to the act of September 30, 1950 (Public Law 874, 81st Congress) and the act of September 23, 1950 (Public Law 815, 81st Congress), and for other purposes; to the Committee on Education and Labor.

476. A letter from the Director ACTION, transmitting a draft of proposed legislation to authorize appropriations for programs under the Domestic Volunteer Service Act of 1973, and for other purposes; to the Committee on Education and Labor.

477. A letter from the President and Chief Executive Officer, Communications Satellite Corporation, transmitting the 18th annual report of the Corporation, pursuant to section 404(b) of the Communications Satellite Act of 1962, as amended; to the Committee on Energy and Commerce.

478. A letter from the Executive Secretary, National Mediation Board, transmitting a report of the Board's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

479. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting a report on the Board's activities under the Freedom of Information Act during calendar year 1982, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

480. A letter from the Chairman, National Endowment for the Arts, transmitting a report on the agency's activities under the Freedom of Information Act during calendar year 1982 pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

481. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Land and Water Conservation Fund Act of 1965, as amended, to dedicate certain fees to the protection and improvement of facilities and resources of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

482. A letter from the Chairman, Merit Systems Protection Board, transmitting a report on the number of appeals filed during the 1982 calendar year, pursuant to 5 U.S.C. 7701(i)(2); to the Committee on Post Office and Civil Service.

483. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend "An Act to provide for the reporting of weather modification activities to the Federal Government," as amended to authorize appropriations to carry out the provisions of such act for fiscal years 1983, 1984, and 1985; to the Committee on Science and Technology.

484. A letter from the Comptroller General of the United States, transmitting the third report on the status of two contracts awarded by the Navy to Litton Systems, Inc., Ingalls Shipbuilding Division, Pascagoula, Miss., (PLRD-83-26, March 3, 1983); jointly, to the Committees on Government Operations, Armed Services, and Appropriations.

485. A letter from the Chairman, U.S. Nuclear Regulatory Commission, transmitting of proposal to authorize appropriations, to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

486. A letter from the Assistant Secretary, Department of the Interior, transmitting a proposal to amend section 7 of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7706) to extend authorizations for appropriations, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Science and Technolgy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. Report on oversight plans of the committees of the U.S. House of Representatives (Rept. No. 98-17). Referred to the Committee on the Whole House on the State of the Union.

Mr. SMITH of Iowa: Committee on Appropriations. House Resolution 73. Resolution to disapprove the business loan and investment fund deferral (Rept. No. 98-18). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Iowa: Committee on Appropriations. House Resolution 74. Resolution to disapprove the economic development assistance programs deferral (Rept. No. 98-19). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Iowa: Committee on Appropriations. House Resolution 75. Resolution to disapprove the Operations and Administration, International Trade Administration deferral (Rept. No. 98-20). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Iowa: Committee on Appropriations. House Resolution 76. Resolution to disapprove the pollution control equipment contract guarantees revolving fund deferral (Rept. No. 98-21). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Iowa: Committee on Appropriations. House Resolution 77. Resolution to disapprove the surety bond guarantees revolving fund deferral (Rept. No. 98-22). Referred to the Committee of the Whole House on the State of the Union.

Mr. YATES: Committee on Appropriations. House Resolution 80. Resolution to disapprove the strategic petroleum reserve deferral (Rept. No. 98-23). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. House Resolution 90. Resolution disapproving the deferral of certain budget authority (D83-36) relating to the Department of Agriculture, Agricultural Stabilization and Conservation Service (Rept. No. 98-24). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALBOSTA (for himself and Mr. HYDE):

H.R. 1869. A bill to amend title 18 of the United States Code to provide additional penalties for certain criminal conduct; to the Committee on the Judiciary.

By Mr. ANNUNIZIO:

H.R. 1870. A bill to require the Secretary of the Treasury to coin and sell a national medal in honor of the members and former members of the Armed Forces of the United States who served in the Vietnam conflict; to the Committee on Banking, Finance and Urban Affairs.

By Mr. APPLEGATE (by request):

H.R. 1871. A bill to amend title 38, United States Code, with respect to the preservation of disability ratings: to the Committee on Veterans' Affairs.

H.R. 1872. A bill to amend title 38, United States Code, to provide that for purposes of veteran's benefits total deafness shall be rated as a 100-percent disability: to the Committee on Veterans' Affairs.

By Mr. BARNES:

H.R. 1873. A bill to amend the Foreign Assistance Act of 1961 to prohibit U.S. support for military or paramilitary operations in Nicaragua; jointly, to the Committees on Foreign Affairs and the Permanent Select Committee on Intelligence.

By Mr. BARNES (for himself, Mr. STUDDS, Mr. GEJDENSON, Ms. MIKULSKI, Ms. OAKAR, Mr. MILLER of California, Mr. FEIGHAN, Mr. TORRICELLI, Mr. HARKIN, Mr. OBERSTAR, Mr. EDGAR, Mr. AUCOIN, and Mr. SOLARZ):

H.R. 1874. A bill to repeal section 506 of the Foreign Assistance Act of 1961 which provides the President with a special drawdown authority for providing military assistance to foreign countries; to the Committee on Foreign Affairs.

By Mr. BENNETT:

H.R. 1875. A bill to amend the Agricultural Act of 1949 to modify the dairy price support program for the 1983 through 1985 fiscal years, and for other purposes; to the Committee on Agriculture.

By Mr. BEREUTER (for himself and Mr. HEFTEL of Hawaii):

H.R. 1876. A bill to amend the Internal Revenue Code of 1954 to provide for an energy tax credit for property used in producing methane-containing gas for fuel or electricity produced by anaerobic digestion from nonfossil waste materials; to the Committee on Ways and Means.

By Mr. BERMAN (for himself, Mr. WOLPE, Mr. GEJDENSON, and Mr. LEVINE of California):

H.R. 1877. A bill to amend the Export Administration Act of 1979 to reimpose certain foreign policy export controls which ceased to be effective on March 1, 1982, September 15, 1982, and January 20, 1983; to the Committee on Foreign Affairs.

By Mr. BIAGGI (for himself, Mr. JONES of North Carolina, Mr. SNYDER, and Mr. FORSYTHE):

H.R. 1878. A bill to improve the international ocean commerce transportation system of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. BONIOR of Michigan:

H.R. 1879. A bill to amend the Congressional Budget Act of 1974 to require that each congressional budget resolution fix the level of tax expenditures for the fiscal year involved as well as the recommended aggregate level of Federal revenues; to the Committee on Rules.

By Mr. MOAKLEY (for himself, Ms. MIKULSKI, Mr. WHITTAKER, Mrs. COLLINS, Mr. BEDELL, Mr. BROWN of California, Mr. BURTON of California, Mr. CORRADA, Mr. EDGAR, Mr. FAUNTROY, Mr. FRANK, Mr. HUGHES, Mr. HUTTO, Mr. JACOBS, Mr. LEHMAN of Florida, Mr. MILLER of California, Mr. MITCHELL, Mr. MURPHY, Mr. OBERSTAR, Mr. OWENS, Mr. PATTERSON, Mr. SCHUMER, Mr. SMITH of Florida, Mr. STARK, Mr. VENTO, Mr. WASHINGTON, Mr. WILSON, Mr. WISE, and Mr. WON PAT):

H.R. 1880. A bill to require persons who manufacture cigarettes or little cigars for sale or distribution in commerce to meet performance standards prescribed by the Consumer Product Safety Commission, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DINGELL:

H.R. 1881. A bill to grant a Federal charter to the National Society, Daughters of the American Colonists; to the Committee on the Judiciary.

By Ms. FERRARO:

H.R. 1882. A bill to amend section 3109 of title 5, United States Code, to clarify the authority for appointment and compensation of experts and consultants, to provide statutory guidelines concerning the award of contracts for the procurement of consulting services, management and professional services, and special studies and analyses, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Government Operations.

By Mr. FOWLER (for himself, Mr. HEFTEL of Hawaii, Mr. ADDABBO, Mr. BARNARD, Mr. BARNES, Mr. BOLAND, Mr. DASCHLE, Mr. D'AMOURS, Mr. DAUB, Mr. DICKINSON, Mr. DUNCAN, Mr. EDGAR, Mr. EDWARDS of California, Mr. FASCELL, Mr. FAZIO, Mr. FISH, Mr. FOGLIETTA, Mr. FRANK, Mr. FROST, Mr. GARCIA, Mr. GINGRICH, Mr. HATCHER, Mr. HOWARD, Mr. HUGHES, Mr. JEFFORDS, Mr. KILDEE, Mr. LEWIS of California, Mr. MARKEY, Mr. MARLENEE, Mr. MARRIOTT, Mr. MATSUI, Mr. MAVROULES, Mr. NEAL, Mr. NELSON of Florida, Mr. NOWAK, Mr. PICKLE, Mr. RATCHFORD, Mr. SCHEUER, Mrs. SCHNEIDER, Mr. STANGELAND, Mr. STOKES, Mr. STUDDS, Mr. WALGREN, Mr. WILLIAMS of Mon-

tana, Mr. WYDEN, Mr. WYLIE, Mr. YATES, Mr. YATRON, Mr. DE LUGO, and Mr. WON PAT):

H.R. 1883. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to homebuilders for the construction of residences incorporating certain solar energy utilization characteristics; to the Committee on Ways and Means.

By Mr. FUQUA (for himself and Mr. LUJAN):

H.R. 1884. A bill to amend the Internal Revenue Code of 1954 to increase and extend the energy investment tax credit for solar, wind, geothermal, and ocean thermal property; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself, Mr. TAYLOR, Mr. EMERSON, Mr. WHEAT, Mr. YOUNG of Missouri, Mr. CLAY, and Mr. VOLKMER):

H.R. 1885. A bill to amend the National Flood Insurance Act of 1968 to allow individual property owners to receive flood insurance on a discretionary basis; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HAMMERSCHMIDT:

H.R. 1886. A bill to require the Secretary of Agriculture to establish a program under which persons sustaining losses of grain as a result of warehouse insolvencies shall be entitled to receive surplus commodities owned by the Commodity Credit Corporation as compensation for such losses; to the Committee on Agriculture.

By Mr. HEFTEL of Hawaii (for himself, Mr. FRENZEL, Mr. SHANNON, Mr. SCHULZE, Mr. MOORE, Mr. MARTIN of North Carolina, Mr. THOMAS of California, Mr. MATSUI, Mr. HANCE, Mr. VANDER JAGT, Mr. STARK, Mr. ANTHONY, Mr. CONABLE, Mr. JENKINS, Mr. GEPHARDT, Mr. ARCHER, Mr. CAMPBELL, Mr. PICKLE, Mr. JACOBS, Mr. DUNCAN, and, Mr. PHILIP M. CRANE):

H.R. 1887. A bill to amend the Internal Revenue Code of 1954 to treat research and experimental expenses attributable to activities conducted in the United States as allocable to sources within the United States; to the Committee on Ways and Means.

By Mr. JENKINS:

H.R. 1888. A bill to extend for 5 years the existing suspension of duty on crude feathers and down; to the Committee on Ways and Means.

By Mr. HERTEL of Michigan:

H.R. 1889. A bill to provide for actions for declaratory and equitable relief for protection of the air, water, and other natural resources of public lands, and for other purposes; to the Committee on the Judiciary.

By Mr. HOWARD:

H.R. 1890. A bill to extend through June 30, 1987, the suspension of import duties on synthetic rutile; to the Committee on Ways and Means.

By Mr. HUNTER:

H.R. 1891. A bill to expand Japan's market for a U.S. agricultural products; to the Committee on Ways and Means.

H.R. 1892. A bill to impose parity fees on automobiles imported into the United States from Japan; to the Committee on Ways and Means

By Mr. JACOBS:

H.R. 1893. A bill to amend the Federal Election Compaign Act of 1971 to provide for public financing of advertising and related expenses in campaigns for the House of Representatives and to prohibit contributions by multicandidate political committees to candidates who accept such financing; to the Committee on House Administration.

H.R. 1894. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of receiving certain assistance under such act that law enforcement agencies have in effect a binding law enforcement officers' bill of rights; to the Committee on the Judiciary.

By Mr. JONES of North Carolina (for himself and Mr. FORSYTHE):

H.R. 1895. A bill to exempt certain fishing vessels from the Federal Unemployment Tax Act; to the Committee on Way and Means.

By Mr. LaFALCE:

H.R. 1896. A bill to amend the Defense Production Act of 1950 to create a Bipartisan National Commission on Industrial Competitiveness; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LANTOS:

H.R. 1897. A bill to amend the Internal Revenue Code of 1954 by repealing certain provisions enacted by the Tax Equity and Fiscal Responsibility Act of 1982 relating to the reporting by employers of tips in the cases of certain food and beverage establishments; to the Committee on Way and Means.

By Mr. LATTA:

H.R. 1898. A bill to apply duty-free treatment to imported water chestnuts and bamboo shoots; to the Committee on Way and Means.

By Mr. LEACH of Iowa:

H.R. 1899. A bill to provide that, unless the Government of El Salvador actively participates in negotiations with all major parties to the conflict which are willing to participate unconditionally in negotiations for the purpose of achieving a cease fire and an equitable political solution to hostilities, U.S. military support for El Salvador shall be terminated, with military assistance funds to be transferred for use for development and humanitarian assistance; to the Committee on Foreign Affairs.

By Mr. ROSTENKOWSKI (for himself, Mr. PICKLE, and Mr. CONABLE):

H.R. 1900. A bill to assure the solvency of the social security trust funds, to reform the medicare reimbursement of hospitals, to extend the Federal supplemental compensation program, and for other purposes; to the Committee on Ways and Means.

By Mr. McKINNEY (by request):

H.R. 1901. A bill entitled: "the Housing and Community Development Act of 1983"; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MARRIOTT (for himself, Mr. NOWAK, Mr. McDADE, Mr. CONTE, Mr. WILLIAMS of Ohio, Mr. DAUB, Mr. DREIER of California, Mr. ROTH, Mr. BOEHLERT, Mr. BILIRAKIS, Mr. ECKART, Mr. WILSON, Mrs. SNOWE, Mr. GINGRICH, Mr. BADHAM, Mr. DANIEL B. CRANE, Mr. HANSEN of Utah, Mr. NIELSON of Utah, Mr. LEWIS of Florida, Mr. McEWEN, and Mr. LAGOMARSINO):

H.R. 1902. A bill to amend the Internal Revenue Code of 1954 to provide incentives for investments in small business through small business participating loans; to the Committee on Ways and Means.

By Mr. MRAZEK:

H.R. 1903. A bill to prohibit the importation into the United States of certain kangaroos and products made therefrom; to the Committee on Merchant Marine and Fisheries.

By Mr. MURPHY (for himself, Mr. ERLENBORN, Mr. BIAGGI, Mr. BARTLETT, Mr. SIMON, Mr. JEFFORDS, Mr. MILLER of California, Mr. GOODLING, Mr. CORRADA, Mr. GUNDERSON, Mr. GAYDOS, and Mr. WILLIAMS of Montana):

H.R. 1904. A bill to extend and improve the provisions of the Child Abuse Prevention and Treatment Act and the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978; to the Committee on Education and Labor.

By Mr. PARRIS:

H.R. 1905. A bill to amend the Internal Revenue Code of 1954 with respect to deductions for the payment of certain expenses by ministers who receive housing allowances; to the Committee on Ways and Means.

By Mr. RUDD (for himself, Mr. McCAIN, Mr. UDALL, Mr. McNULTY, and Mr. STUMP):

H.R. 1906. A bill to provide for the establishment of a national cemetery in Maricopa County, Ariz.; to the Committee on Veterans' Affairs.

By Mr. ST GERMAIN (for himself and Mr. WYLIE) (by request):

H.R. 1907. A bill to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the General Arrangements To Borrow; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SCHULZE:

H.R. 1908. A bill relating to the marking of containers of imported mushrooms; to the Committee on Ways and Means.

H.R. 1909. A bill to amend the Federal Food, Drug, and Cosmetic Act to require foods containing imported mushrooms to bear labeling stating the country of origin of the mushrooms; to the Committee on Energy and Commerce.

By Mr. SHANNON (for himself, Mr. MARTIN of North Carolina, Mr. CAMPBELL, and Mr. JENKINS):

H.R. 1910. A bill to correct any misinterpretation in the classification of textile fabrics, articles, and materials, coated, filled, or laminated with rubber or plastics; to the Committee on Ways and Means.

By Mr. SIMON:

H.R. 1911. A bill to require the Secretary of Commerce or his designee to study the feasibility of operating a computerized foreign language business and job referral service and to submit a report to the President and the Congress with respect to such a study; to the Committee on Education and Labor.

H.R. 1912. A bill to require the Secretary of Labor to conduct a study regarding the establishment and use of a consumer price index for older persons; to the Committee on Education and Labor.

H.R. 1913. A bill to amend title 5, United States Code, to provide that three extra points be awarded on the civil service examination to individuals demonstrating foreign language proficiency; to the Committee on Post Office and Civil Service.

H.R. 1914. A bill to amend title 38, United States Code, to provide for service-connected compensation to be paid to veterans—and their families—who were exposed to nuclear radiation or to toxic chemicals and who are suffering from radiological or chemical disabilities, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. SMITH of Nebraska:

H.R. 1915. A bill to exclude agricultural commodities obtained or financed by the

United States from certain requirements that such agricultural commodities be transported on privately owned U.S.-flag commercial vessels and vessels of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. SOLOMON:

H.R. 1916. A bill to amend title VII of the Civil Rights Act of 1964 relating to nondiscrimination in employment by the House of Representatives; to the Committee on Education and Labor.

H.R. 1917. A bill to amend the Occupational Safety and Health Act of 1970 to require the House of Representatives to establish and maintain an effective and comprehensive occupational safety and health program; to the Committee on Education and Labor.

By Mr. ANDERSON (for himself, Mr. HOYER, Mr. QUILLEN, Mr. JEFFORDS, Mr. STANGELAND, Mr. MARLENEE, Mr. YATRON, Mr. MCEWEN, Mr. SUNIA, Mr. DAVIS, Mr. COYNE, Mr. DASCHLE, Mr. HUGHES, Mr. SMITH of New Jersey, Mr. DICKS, Mr. DWYER of New Jersey, Mr. LANTOS, Mr. BOLAND, Mr. DYMALLY, Mr. FISH, Mr. MOLINARI, Mrs. SCHROEDER, Mr. ROE, Mr. HORTON, Mr. MOAKLEY, Mr. PRICE, Mr. TAYLOR, Mrs. SCHNEIDER, Mr. MCGRATH, Mr. FLIPPO, Mr. FORD of Michigan, Mr. MARTIN of New York, Mr. HARTNETT, Mr. YOUNG of Florida, Mr. HUTTO, Mr. WOLF, Mr. KILDEE, Mr. WYDEN, Mr. EMERSON, Ms. FIEDLER, Mr. MILLER of Ohio, Mr. DOWDY of Mississippi, Mr. LEHMAN of Florida, Mr. PERKINS, Mr. FRANK, Mr. HERTEL of Michigan, Mr. SABO, Mr. CONTE, Mr. RUDD, Mr. OTTINGER, Mr. JONES of North Carolina, Mr. WAXMAN, Mr. TAUKE, Mr. TRAXLER, Mr. FAUNTROY, Mr. RATCHFORD, Mr. WALGREN, Mr. BEVILL, Mr. EDGAR, Mr. ADDABBO, Mr. MATSUI, Mr. BONIOR of Michigan, Mr. FIELDS, Mr. FAZIO, Mr. FROST, Mr. PANETTA, Mr. LOTT, Mr. WON PAT, Mr. CORRADA, Mr. PORTER, Mr. DUNCAN, Mr. GUNDERSON, Mr. SKEEN, Mr. STOKES, Mr. WILLIAMS of Ohio, Mr. COELHO, Mr. WHITEHURST, Mr. IRELAND, Mr. GAYDOS, Mr. ALBOSTA, Mr. MINISH, Mr. RAHALL, Mr. FORSYTHE, Mrs. BYRON, Mr. YOUNG of Alaska, Mr. WINN, Mr. SOLARZ, Mr. BONER of Tennessee, Mr. BEDELL, Mr. ROBERTS, Mr. LEWIS of California, Mr. MITCHELL, Mr. MOORHEAD, Mr. GINGRICH, Mr. MARRIOTT, Mr. GILMAN, Mr. SHELBY, Mr. ENGLISH, Mr. FORD of Tennessee, Mr. ZABLOCKI, Mr. HUCKABY, Mr. CLINGER, Mr. SMITH of Iowa, Mrs. ROUKEMA, Mr. WILLIAMS of Montana, Mrs. COLLINS, Mr. BIAGGI, Mr. FOGLIETTA, Mr. DERRICK, Mr. WEAVER, Mr. WHITTAKER, Mr. MAVROULES, Mr. SYNAR, Mr. CROCKETT, Mr. MARKEY, Mr. EVANS of Iowa, Mr. MCKINNEY, Mrs. KENNELLY, Mr. SHUSTER, Mr. BARNARD, Mr. MCCOLLUM, Mr. SHARP, Mr. WORTLEY, Mr. DIXON, Mr. NELSON of Florida, Mr. PETRI, Mr. LONG of Louisiana, Ms. OAKAR, Mr. WEBER, Mr. ROYBAL, Mr. HOWARD, Mr. MICA, Mr. WASHINGTON, Mr. LEACH of Iowa, and Mr. PEPPER):

H.R. 1918. A bill to amend title 38, United States Code, to authorize a service pension of $150 per month for veterans of World War I and for certain surviving spouses of such veterans; to the Committee on Veterans' Affairs.

By Mr. SOLOMON:

H.R. 1919. A bill to amend the Fair Labor Standards Act of 1938 relating to employees of the House of Representatives; to the Committee on Education and Labor.

H.R. 1920. A bill to impose mandatory sentences for violent felonies committed against individuals of age 65 or over, and for other purposes; to the Committee on the Judiciary.

H.R. 1921. A bill to provide that increases in the rate of compensation for Members of the House of Representatives and the Senate shall not take effect until the start of the Congress following the Congress in which such increases are approved; to the Committee on Post Office and Civil Service.

H.R. 1922. A bill to amend the Impoundment Control Act of 1974 respecting the rescissions of budget authority; to the Committee on Rules.

H.R. 1923. A bill to amend title II of the Social Security Act to eliminate the earnings test for individuals age 65 and over; to the Committee on Ways and Means.

H.R. 1924. A bill to provide mandatory social security coverage for Members of Congress and certain congressional employees; to the Committee on Ways and Means.

H.R. 1925. A bill to amend the Internal Revenue Code of 1954 to allow certain married individuals who file separate returns to be taxed as unmarried individuals; to the Committee on Ways and Means.

H.R. 1926. A bill to amend the Age Discrimination in Employment Act of 1967 to provide that individuals who are 40 years of age or older shall be protected by the provisions of such act, and for other purposes; jointly, to the Committees on Education and Labor and Post Office and Civil Service.

By Mr. STRATTON (for himself and Mrs. HOLT):

H.R. 1927. A bill to authorize appropriations for the Department of Energy for national security programs for fiscal year 1983, and for other purposes; to the Committee on Armed Services.

By Mr. UDALL (for himself, Mr. BURTON of California, Mr. CORRADA, Mr. DASCHLE, Mr. KILDEE, Mr. KOGOVSEK, Mr. LOWRY of Washington, Mr. MCNULTY, Mr. MARKEY, Mr. MOLLOHAN, Mr. OBERSTAR, Mr. SWIFT, Mr. SYNAR, Mr. WATKINS, Mr. WILLIAMS of Montana, and Mr. WON PAT):

H.R. 1928. A bill to provide for an Indian housing program for construction and financing of housing for Indians and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. UDALL (for himself, Mr. COLEMAN of Texas, Mr. EDWARDS of California, Mr. FROST, Mr. KAZEN, Mr. LOEFFLER, Mr. MCNULTY, Mr. ORTIZ, and Mr. SKEEN):

H.R. 1929. A bill to amend the Small Business Act to restore the authority to make loans for economic dislocation and to clarify that such dislocations include foreign currency devaluations; to the Committee on Small Business.

By Mr. WEISS (for himself, Mr. HORTON, Mr. CONYERS, Mr. TOWNS, and Mrs. BOXER):

H.R. 1930. A bill to extend and amend the provisions of title 31, United States Code, relating to the general revenue sharing program; to the Committee on Government Operations.

By Mr. WOLF:

H.R. 1931. A bill to direct the Secretary of the Interior to construct, between Spout Run Parkway and the approaches to the Theodore Roosevelt Bridge, additional lanes on the George Washington Memorial Parkway, Va., for the purposes of alleviating traffic congestion and improving safety; to the Committee on Interior and Insular Affairs.

By Mr. BIAGGI (for himself, Mr. JONES of North Carolina, Mr. HOWARD, Mr. ROE, Mr. BATEMAN, Mr. BONKER, Mr. BORSKI, Mrs. BOXER, Mr. BREAUX, Mr. BROOKS, Mr. CARNEY, Mr. CARPER, Mr. D'AMOURS, Mr. DAVIS, Mr. DONNELLY, Mr. DYSON, Mr. FIELDS, Mr. FOGLIETTA, Mr. FRANKLIN, Mr. GILMAN, Mr. HUGHES, Mr. HUTTO, Mr. LENT, Mr. LIPINSKI, Mr. MCKERNAN, Ms. MIKULSKI, Mr. OBERSTAR, Mr. ORTIZ, Mr. PRITCHARD, Mr. SUNIA, Mr. SAWYER, Mr. SHUMWAY, Mr. TALLON, Mr. TAUZIN, Mr. THOMAS of Georgia, and Mr. YOUNG of Alaska):

H.J. Res. 173. Joint resolution to authorize and request the President of the United States to issue a proclamation designating the 7-day period commencing October 2, 1983 as National Port Week; to the Committee on Post Office and Civil Service.

By Mr. ERDREICH:

H.J. Res. 174. Joint resolution to authorize and request the President to designate February 27, 1986, as "Hugo LaFayette Black Day"; to the Committee on Post Office and Civil Service.

By Mr. GARCIA:

H.J. Res. 175. Joint resolution to authorize and request the President to proclaim May 1983 as "National Amateur Baseball Month"; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ:

H.J. Res. 176. Joint resolution designating the week beginning May 8, 1983, as "Municipal Clerk's Week"; to the Committee on Post Office and Civil Service.

By Mr. GORE:

H.J. Res. 177. Joint resolution recognizing the year of international scientific inquiry which is being conducted into the environmental consequences of nuclear war and urging wide dissemination of the conclusions reached during this international year of research; to the Committee on Foreign Affairs.

By Mr. KEMP (for himself and Mr. SOLARZ):

H.J. Res. 178. Joint resolution to authorize and request the President to issue a proclamation designating May 21, 1983, as "National Sakharov Day"; jointly, to the Committees on Post Office and Civil Service and Foreign Affairs.

By Mr. LOWERY of California (for himself and Mr. HEFTEL of Hawaii):

H.J. Res. 179. Joint resolution designating November 1983 as "National Alzheimer's Disease Month;" to the Committee on Post Office and Civil Service.

By Mr. RITTER:

H.J. Res. 180. Joint resolution designating March 21, 1983, as "Afghanistan Day"; to the Committee on Post Office and Civil Service.

By Mr. ST GERMAIN:

H.J. Res. 181. Joint resolution designating May 1983 as "Fraternal Insurance Counselor Month"; to the Committee on Post Office and Civil Service.

By Mr. SOLOMON:

H.J. Res. 182. Joint resolution to oppose efforts by the United Nations Educational, Scientific, and Cultural Organization to attempt to regulate news content and to formulate rules and regulations for the operation of the world press; to the Committee on Foreign Affairs.

By Mr. ZABLOCKI (for himself, Mr. BROOMFIELD, Mr. FASCELL, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. BONKER, Mr. STUDDS, Mr. MICA, Mr. BARNES, Mr. WOLPE, Mr. CROCKETT, Mr. GEJDENSON, Mr. DYMALLY, Mr. LANTOS, Mr. KOSTMAYER, Mr. TORRICELLI, Mr. SMITH of Florida, Mr. BERMAN, Mr. REID, Mr. LEVINE of California, Mr. FEIGHAN, Mr. WEISS, Mr. GARCIA, Mr. WINN, Mr. GILMAN, Mr. LAGOMARSINO, Mr. PRITCHARD, Mr. LEACH of Iowa, Mr. ROTH, Mrs. SNOWE, Mr. HYDE, Mr. SOLOMON, Mr. BEREUTER, Mr. SILJANDER, and Mr. ZSCHAU):

H.J. Res. 183. Joint resolution to authorize and request the President to proclaim the week of April 10 to 16, 1983, as "A Week of Remembrance for the 40th Anniversary of the Warsaw Ghetto Uprising"; to the Committee on Post Office and Civil Service.

By Mr. JACOBS:

H. Con. Res. 76. Concurrent resolution declaring the sense of Congress regarding periods of silence in the public schools; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. WHITEHURST:

H. Con. Res. 77. Concurrent resolution calling for a regional conservation treaty to protect Northern Hemisphere pinnipeds; to the Committee on Foreign Affairs.

By Mr. SOLOMON:

H. Con. Res. 78. Concurrent resolution expressing the sense of Congress that the executive branch will recognize the traditional commitment of the United States to the right of all people to independence and autonomy as it applies to the situation in Afghanistan; to the Committee on Foreign Affairs.

H. Con. Res. 79. Concurrent resolution expressing the sense of the Congress concerning the compliance by the Soviet Union with certain international agreements on human rights; to the Committee on Foreign Affairs.

H. Con. Res. 80. Concurrent resolution expressing the sense of the Congress with respect to the United States making full use of its potential to improve the effectiveness of the Voice of America, Radio Free Europe, and Radio Liberty; to the Committee on Foreign Affairs.

By Mr. JACOBS:

H. Res. 121. Resolution establishing a Commission to recommend an appropriate memorial to former U.S. Representative Allard K. Lowenstein: to the Committee on Rules.

By Mr. MILLER of California:

H. Res. 122. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Select Committee on Children, Youth, and Families in the 1st session of the 98th Congress; to the Committee on House Administration.

By Mr. RANGEL (for himself and Mr. GILMAN):

H. Res. 123. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Select Committee on Narcotics Abuse and Control in the 1st session of the 98th Congress; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

23. The SPEAKER presented a memorial of the Legislature of the State of South Dakota, relative to veterans that may have been exposed to atomic radiation; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CORRADA:

H.R. 1932. A bill for the relief of Mireille Laffite; to the Committee on the Judiciary.

By Mr. GEPHARDT:

H.R. 1933. A bill relating to the duty-free entry of certain scientific equipment imported for the use of the Ellis Fischel State Cancer Hospital, Columbia, Mo.; to the Committee on Ways and Means.

By Mr. HARTNETT:

H.R. 1934. A bill for the relief of Siu Kee Tong and Yuan Kiang Chou; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 82: Mr. FAZIO.

H.R. 171: Mr. CLINGER, Mr. BILIRAKIS, Mr. ARCHER, Mr. CHAPPIE, and Mr. HOPKINS.

H.R. 388: Mr. LOEFFLER, Mr. GINGRICH, Mr. FRENZEL, and Mr. CORCORAN.

H.R. 705: Mr. MAZZOLI.

H.R. 777: Mr. WON PAT, Mr. BEILENSON, Mr. MARKEY, Mr. STARK, Mr. SCHUMER, Mr. LELAND, Mr. MATSUI, Mr. MCNULTY, Mr. FAUNTROY, Mrs. BOXER, Mr. FRANK, Mr. RAHALL, and Mr. BONIOR of Michigan.

H.R. 785: Mr. SKEEN and Mr. CORCORAN.

H.R. 786: Mr. OXLEY.

H.R. 800: Mr. STRATTON.

H.R. 918: Mr. DAUB and Mr. MARRIOTT.

H.R. 1067: Mr. SHELBY, Mr. LUKEN, Mr. DANIEL, Mr. WEBER, Mr. SMITH of New Jersey, Mr. HARTNETT, Mr. HORTON, Mr. SENSENBRENNER, Mr. DAUB, Mr. BOSCO, Mr. GINGRICH, Mr. MCEWEN, Mr. MURPHY, Mr. HAMMERSCHMIDT, and Mr. CLINGER.

H.R. 1097: Mr. FORSYTHE, Mr. BEVILL, Mr. FAUNTROY, Mr. HANCE, Mr. VANDERGRIFF, Mr. DWYER of New Jersey, Mr. CHAPPELL, Mr. HIGHTOWER, Mr. OWENS, Ms. MIKULSKI, Mr. MARTIN of North Carolina, Mr. STOKES, Mr. HANSEN of Idaho, Mr. MILLER of California, Mr. MITCHELL, Mr. ANDREWS of Texas, Mr. MONTGOMERY, Mr. SPRATT, Mrs. COLLINS, Mr. PENNY, Mr. RICHARDSON, Mr. FORD of Tennessee, Mr. MRAZEK, Mrs. HALL of Indiana, Mr. WHITLEY, Mr. BATEMAN, Mr. STAGGERS, Mr. SHELBY, Mr. PATMAN, Mr. MOLLOHAN, and Mr. WASHINGTON.

H.R. 1131: Mr. DAUB and Mr. BATEMAN.

H.R. 1180: Mr. CLINGER, Mr. MITCHELL, Mr. HATCHER, Mr. BARNARD, Mr. MURPHY, Mr. SIMON, and Mr. DE LUGO.

H.R. 1199: Mr. CONTE, Mr. LONG of Maryland, Mr. WON PAT, and Mr. WALGREN.

H.R. 1206: Mr. OWENS and Mr. YOUNG of Alaska.

H.R. 1222: Mr. BROWN of California, Mr. EDGAR, Mr. FORD of Tennessee, Mrs. HALL of Indiana, Mr. HARRISON, Mr. HUBBARD, Mr. KOSTMAYER, Mr. MAZZOLI, Mr. MITCHELL, Mr. MOLLOHAN, Mr. MURPHY, Mr. OBERSTAR, Mr. ROE, Mr. STOKES, Mr. SUNIA, and Mr. YATRON.

H.R. 1234: Mr. FEIGHAN, Mr. MAVROULES, Mrs. JOHNSON, and Mr. MATSUI.

H.R. 1249: Mr. BEILENSON, Mr. MCEWEN, and Mr. ANDREWS of North Carolina.

H.R. 1287: Mr. GRADISON, Mr. FORSYTHE, Mr. MCNULTY, Mr. SPRATT, Mr. PURSELL, Mr. FRENZEL, Mr. COATS, and Mr. CORCORAN.

H.R. 1340: Mr. ADDABBO, Mr. NOWAK, Mr. SCHUMER, Mr. OTTINGER, Mr. KEMP, Mr. GARCIA, Mr. HORTON, Mr. SCHEUER, Mr. LUNDINE, Mr. BIAGGI, Mr. STRATTON, and Mr. OWENS.

H.R. 1544: Mr. FORSYTHE, Mr. DAUB, Mr. VANDER JAGT, Mr. WINN, Mr. DERRICK, Mr. SAM B. HALL, JR., Mr. WILSON, Mr. DANIEL, Mr. LAGOMARSINO, Mr. WYLIE, Mr. ROGERS, Mr. SUNIA, and Mr. TALLON.

H.R. 1555: Ms. MIKULSKI.

H.R. 1599: Mr. LOWRY of Washington.

H.R. 1694: Mr. WEISS, Mr. MATSUI, Mr. WIRTH, Mr. MARKEY, and Mr. WINN.

H.J. Res. 22: Mr. GREGG and Mr. BOEHLERT.

H.J. Res. 113: Mr. SHELBY.

H.J. Res. 126: Mr. ADDABBO, Mr. ALEXANDER, Mr. BATEMAN, Mr. BOLAND, Mr. BONER of Tennessee, Mrs. BOUQUARD, Mr. BREAUX, Mr. BROWN of California, Mr. BROYHILL, Mr. BURTON of California, Mr. CHANDLER, Mr. CHAPPIE, Mr. CROCKETT, Mr. DAVIS, Mr. EVANS of Illinois, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FRENZEL, Mr. GRAY, Mr. GUARINI, Mr. HOWARD, Mr. JEFFORDS, Ms. KAPTUR, Mr. LEACH of Iowa, Mr. MCCOLLUM, Ms. MIKULSKI, Mr. MURPHY, Mr. PATTERSON, Mr. RANGEL, Mr. RITTER, Mr. SCHEUER, Mr. STAGGERS, Mr. WASHINGTON, Mr. WIRTH, Mr. WON PAT, Mr. WYDEN, Mr. YATRON, Mr. YOUNG of Alaska, Mr. BILIRAKIS, Mr. ERDREICH, and Mrs. SCHNEIDER.

H.J. Res. 139: Mr. LEVIN of Michigan, Mr. BROWN of California, Mr. SKEEN, Mr. YATRON, Mr. LOWERY of California, Mr. MARKEY, Mr. WEAVER, Mr. KOGOVSEK, Mr. FROST, Mr. HORTON, Mr. LONG of Louisiana, Mr. MURPHY, Mr. BERMAN, Mr. FRENZEL, Ms. KAPTUR, Mr. WASHINGTON, Mr. TALLON, Mr. HANSEN of Idaho, Mrs. BOXER, and Mrs. HALL of Indiana.

H. Con. Res. 11: Mr. MCCURDY.

H. Con. Res. 12: Mr. SMITH of New Jersey, Mrs. SCHROEDER, Mr. OBERSTAR, and Mr. WEAVER.

H. Con. Res. 20: Ms. MIKULSKI, Mr. CLAY, and Mr. FEIGHAN.

H. Con. Res. 43: Mr. HATCHER, Mr. KOGOVSEK, Mr. YATRON, Ms. OAKAR, Mr. DELLUMS, Mr. MAVROULES, Mr. CLAY, Mr. DOWDY of Mississippi, Mr. JEFFORDS, Mr. WEISS, Mr. DASCHLE, Mr. CROCKETT, Mr. YOUNG of Missouri, Mr. SAVAGE, Mrs. SCHROEDER, Mr. SCHEUER, Mr. COUGHLIN, Mr. BORSKI, Mr. MRAZEK, Mr. HUBBARD, Mr. HUGHES, Mr. LUJAN, Mr. ROE, Ms. MIKULSKI, Mr. COELHO, Mr. GUARINI, Mr. LAFALCE, and Mr. SABO.

H. Con. Res. 45: Mr. MCKINNEY, Mr. REID, Mr. ALBOSTA, and Mr. SAWYER.

H. Con. Res. 47: Ms. KAPTUR, Mr. SAM B. HALL, JR., Mr. BURTON of Indiana, Mr. DOWDY of Mississippi, and Mr. SOLOMON.

H. Res. 34: Mr. MCCAIN, Mr. LOEFFLER, Mr. GINGRICH, Mr. MURTHA, Mr. MCDONALD, Mr. MONTGOMERY, Mr. BURTON of Indiana, Mr. MARTIN of New York, Mr. SUNDQUIST, Mr. WILSON, Mrs. BYRON, Mr. DANIEL, Mr. SISISKY, Mr. DANNEMEYER, Mr. CARNEY, Mr.

SUNIA, Mr. WINN, Mr. ROBINSON, Mr. RUDD, and Mr. SHELBY.

H. Res. 37: Mr. LEVINE of California, Mrs. SCHNEIDER, Mr. HUCKABY, Mrs. HALL of Indiana, and Mr. SIMON.

H. Res. 70: Mr. OBERSTAR.

H. Res. 78: Mr. KILDEE, Mrs. JOHNSON, Mr. BARNARD, Mr. STUDDS, Mr. RATCHFORD, Mr. GEJDENSON, Mr. HORTON, Mr. DOWNEY of New York, Mr. SEIBERLING, Mr. DE LUGO, Mr. SHANNON, Mr. LUNDINE, Mr. MARKEY, Mr. MCKINNEY, and Mr. SAVAGE.

H. Res. 97: Mr. CLINGER, Mr. MOODY, Mr. RAHALL, Mr. SUNDQUIST, and Mr. YOUNG of Missouri.

PETITIONS, ETC.

Under clause 1 of rule XXII,

37. The SPEAKER presented a petition of St. Charles Parish, Hahnville, La., relative to general revenue sharing, which was referred to the Committee on Government Operations.

EXTENSIONS OF REMARKS

SPEECH BY HON. CARLOS ROMERO-BARCELÓ, GOVERNOR OF PUERTO RICO, ON PUERTO RICO'S ROLE IN THE CARIBBEAN BASIN

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. CORRADA. Mr. Speaker, one of the issues left over from the 97th Congress is President Reagan's Caribbean Basin Initiative (CBI).

The proposal was approved by the House of Representatives on December 17, 1982, but was not considered by the Senate. President Reagan has repeatedly stated that passage of the CBI remains of top priority and I look forward to its consideration by the House of Representatives.

President Reagan proposed the initiative in early 1982 and it represents our Nation's first major effort in over 20 years to help spur the economic development of countries in the Caribbean Basin region.

As one of the two U.S. domestic areas in the region, Puerto Rico is very interested in this proposal. Both Governor Romero-Barceló and I have participated at many levels in the development of the Caribbean Basin Initiative.

On September 28, 1982, Governor Romero-Barceló delivered an address on "Puerto Rico's Role in the Caribbean Basin" before the Yale Political Union at Yale University. Because of the timeliness and importance of his topic as we begin the 98th Congress, I include his speech in the RECORD and urge my colleagues to read it. The speech follows;

PUERTO RICO'S ROLE IN THE CARIBBEAN BASIN

(An address by the Honorable Carlos Romero-Barceló, Governor of Puerto Rico)

Europe, Asia, the Middle East: these are the regions which have traditionally attracted most of the attention of American scholars and government officials concerned with foreign affairs. Africa has now been added to the list during the past couple of decades.

Of course, it was from these areas that most immigrant Americans originally came, so in that sense it is hardly surprising that these parts of the world have continued to generate substantial interest.

Then too, down through the years, the Eastern Hemisphere has provided the United States with many of its most important trading partners, as well as its most formidable military adversaries.

Given these circumstances, therefore, it is perhaps entirely understandable that people in the United States have rarely displayed very much interest in the other nations of our own hemisphere. And perhaps this also explains why the United States, as the overwhelmingly dominant economic and military power in this half of the world, has so often seemed to view its immediate neighbors with patronizing condescension, and to treat them all too frequently as junior partners on the international scene.

This pervasive attitude brings to mind a remark made several years ago by a prominent journalist, when he was asked why it was that the American media reported so few stories from south of the border. His answer was this: "Americans will do almost anything for Latin America except read about it."

Latin America, he continued, is one of those topics which news people describe as a "MEGO." That is an acronym for "My Eyes Glaze Over." What he was trying to say, in other words, was that Latin American news tended to put North American readers to sleep.

Times do change, however. And one current change involves public awareness of the significance of events occurring in the Western Hemisphere.

Canada is now in the news much more frequently than it used to be, and of course the conflict in the Falkland Islands was in the headlines for weeks, earlier this year.

Day in and day out, though, the principal foreign story from the Americas has without question become the economic, social, and political evolution of the Caribbean Basin.

Why? Because the Caribbean Basin is finally being recognized as one of the several world arenas in which the Soviet Union and the United States are intensely engaged in head-to-head competition. Moreover, this particular point of confrontation happens to be located on the very doorstep of the continental United States.

The largest Caribbean island is Cuba. And it is no secret that Cuba's communist regime has been extremely aggressive in seeking to undermine pro-American governments throughout the region; most notably in Central America, where the Soviet Union's long-term goal is to acquire a reliable base of operations from which to pursue influence—and possibly outright control—over the huge petroleum reserves of Mexico, as well as the vital sea lanes which pass through the Panama Canal.

The fourth largest Caribbean island is Puerto Rico, the home of 3.2 million American citizens.

As a Caribbean people ourselves, we in Puerto Rico have for many years been conscious of regional realities that, until recently, had escaped the attention of most mainland Americans. In response to these realities, we have been working energetically, for some time now, to assist our neighbors in achieving the twin goals of democratic stability and economic progress.

We have undertaken this task because we believe it is the right thing to do, as a matter of principle. But, as I shall explain in a moment, we have also undertaken it because a freer, more prosperous Caribbean Basin will directly benefit both Puerto Rico and the United States as a whole.

Although the political status of Puerto Rico is not my main topic this evening, a few words are in order at this point about how Puerto Rico's political status affects our role in the Caribbean.

As I have already indicated, the widespread perception throughout Latin America is that the United States views the area with patronizing condescension. In other words, that North Americans feel superior, and that they usually behave with arrogance and insensitivity toward their neighbors to the south.

Puerto Rico's current political status reinforces these perceptions.

Racially, culturally, linguistically, and geographically, Puerto Rico is a Latin society. But it is a Latin society whose inhabitants are natural-born citizens of the United States.

The peoples and governments of the Caribbean, and of Central and South America, are acutely conscious of the fact that residents of Puerto Rico are, by law, second class U.S. citizens. They know that Puerto Ricans on the island lack political rights at the federal level: that we cannot vote for President, and that we have no voting representation in Congress, even though the President can send our sons to fight in time of war, and even though Congress enacts the laws which govern many aspects of our daily lives.

Despite the individual liberties which Puerto Ricans enjoy as American citizens, the political status of Puerto Rico nonetheless retains definite vestiges of colonialism, due to our lack of participation in the decision-making processes of the federal government. Puerto Rico's political inferiority is recognized by our neighbors, and is frequently cited in international forums as a clear manifestation of a so-called "Yankee imperialist" mentality toward Latin American peoples.

Entirely apart from its many other virtues, therefore, the admission of Puerto Rico as America's 51st state will remove one of the major barriers to better relations between our nation and its southern neighbors.

When Puerto Rico becomes a state, Latin Americans will be obliged to re-examine their attitudes toward the U.S., because they will have seen the United States accept the people of Puerto Rico as equals, with full respect for our Spanish language and our Hispanic Afro-Caribbean culture.

This will constitute tangible action by the United States; it will speak far louder and far more convincingly than all the rhetoric of diplomats or politicians. Moreover, by removing the label of "colonial lackeys" from the international image of the Puerto Rican people, statehood will simultaneously increase Puerto Rico's ability to win new friends, and new dignity, for ourselves and for the United States, throughout the hemisphere.

In this connection, I should mention that Moscow and Havana fully appreciate how valuable Puerto Rico can be as a U.S. state. This explains why, year after year, they have consistently advocated Puerto Rico independence, both by applauding terrorist acts perpetrated by fanatics, and by campaigning openly for independence in a whole host of international organizations, even though they realize that independence

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

is the preference of only one out of every twenty voters within Puerto Rico itself.

Now let me get back to the role which Puerto Rico has been, and will be, playing in the Caribbean Basin.

Prior to World War Two, Puerto Rico was actually worse off, economically, than even the poorest of our island neighbors.

Like most of them, we depended almost entirely on a one-crop agricultural economy. In our case, that meant sugar cane.

During the years immediately following Puerto Rico's annexation by the United States in 1898, federal health-care programs drastically reduced infant mortality, with the result that by 1940 our population had increased tremendously. With so many mouths to feed, and so few resources, Puerto Rico—which had never been wealthy—sunk to an unprecedented level of poverty.

Following World War Two, however, the Government of Puerto Rico, with federal backing, launched a drive for industrialization, which proved to be successful beyond anyone's most optimistic expectations. Manufacturing replaced agriculture as the backbone of the economy, and gradually the island moved into the mainstream of modern society.

When you take into account our population density—fifteen times the U.S. national average—plus our total lack of income from mineral resources, you can begin to appreciate that our economic development has been an achievement of incredible magnitude. And it has all come about within the space of just a few decades.

What this means, in regional terms, is that Puerto Rico has set an example for its neighbors. Faced initially with circumstances even more challenging than theirs, we have acquired a vast amount of economic development experience. Others can learn from our many remarkable successes; and there are valuable lessons to be learned, too, from the mistakes we made along the way.

I am pleased to report that the Department of State, and other federal departments and agencies, have recognized Puerto Rico's potential. Thus, as we have begun to launch programs of cooperation with other Caribbean peoples, we have consistently had the support and encouragement of Washington. But the initiative has been ours, and the men and women engaged in carrying out these programs have, for the most part, been government and private sector officials from Puerto Rico.

Following President Reagan's inauguration in January 1981, the first foreign head of government to visit him at the White House was Prime Minister Edward Seaga of Jamaica. Just three months earlier, Mr. Seaga had scored a smashing electoral victory over a socialist regime which for eight years had systematically ruined the Jamaican economy, while openly flirting with the Castro government in Cuba.

In October 1981, on the first anniversary of his election, Prime Minister Seaga conferred with me in San Juan, during a visit which he himself described at a press conference as "historic."

On that occasion, the Prime Minister and I laid the groundwork for a wide-ranging program of mutual cooperation. Since then, Puerto Ricans and Jamaicans have been working together on a regular basis.

Experts from the University of Puerto Rico have assisted the Jamaican Ministry of Education in establishing a new curriculum for its agricultural college, and will provide temporary personnel for its faculty. A similar program has been put in place to upgrade the research and teaching capability of Jamaica's Institute of Science and Development.

Six agencies of the Puerto Rican government, working through our Economic Development Administration, have collaborated with their Jamaican counterparts, to draw up a joint agreement which will be signed formally next month. With the backing of the U.S. Agency for International Development, this agreement will provide for Puerto Rican technical assistance to Jamaica in such fields as construction, agriculture, industrial promotion, and the establishment of joint ventures in manufacturing.

These joint manufacturing projects illustrate perfectly one of the ways in which Puerto Rico can benefit directly from Caribbean cooperation.

When Puerto Rico first began to industrialize, we sought to attract low-wage, low-skill industries. But later on, as our educational facilities improved, and as the island acquired an outstanding reputation for its reliable, easily trained, and highly productive work force, we were able to move ahead from there, and begin to promote investment by firms manufacturing much more sophisticated products. So it is that today, our hundreds of corporate citizens include many of the world's biggest names in pharmaceuticals, precision instruments, medical equipment, and electronics. These enterprises pay better wages because they require more highly skilled workers.

By contrast, most of our neighbor islands remain at about the stage where we were thirty years ago. And this has created an opportunity: the opportunity to develop what is known as the "twin plant concept."

In essence, the twin plant concept works as follows: a corporation manufacturing complicated products can carry out simple, preliminary assembly operations in a country where wages and skill levels are low, and then ship the semi-finished goods to Puerto Rico to complete the more sophisticated final steps in the process.

Puerto Rico is already participating in twin-plant projects with Intel Corporation in Barbados, and with GTE/Sylvania in Trinidad/Tobago. And we expect soon to inaugurate such projects with the Dominican Republic and Jamaica—and on a bigger scale, since they are much larger countries.

Through these joint ventures, both Puerto Rico and our developing neighbors can benefit from investments which might otherwise not have been made in the Caribbean at all.

At an executive seminar in Puerto Rico earlier this month, the U.S. Assistant Secretary of Commerce for International Economic Policy, Raymond Waldmann, praised the twin-plant concept. Referring to our island neighbors, Secretary Waldmann said, and I quote, "This is ideal, because their lower wage costs will be complementary to your mature infrastructure, management, and marketing expertise." Mr. Waldmann also noted that Puerto Rico's economy has in the past been, in his words, "almost exclusively tied to the U.S. mainland, while ignoring the rest of the Caribbean." He applauded our determination to concentrate more on the growing market of 40-million people in the Caribbean.

That constitutes one more reason why Puerto Rico's effort to aid our neighbors is a mutually beneficial proposition. As the economies of the Caribbean grow stronger, and as their democratic political institutions become more firmly established, Puerto Rico stands to gain a whole array of new and expanding markets for the products and services we produce.

And this brings me to another observation about our political status situation.

Almost invariably, one manifestation of a colonial mentality is an inferiority complex with respect to the outside world. And the Puerto Rican politicians who oppose de-colonization have clearly reflected this character trait, in connection with our drive to increase Puerto Rico's contacts with our Caribbean neighbors.

These perennial adversaries of Puerto Rican political equality have expressed great concern that helping our neighbors will have the effect of making these other Caribbean localities more attractive to investors, and that this in turn will damage our own economy by making Puerto Rico relatively less attractive to new industry.

The Puerto Ricans who take this position are totally mistaken. Not only is their outlook exceedingly shortsighted, but it fails completely to take into account the level of progress we have achieved in Puerto Rico.

I have already mentioned several of the ways in which Puerto Rico will benefit directly from Caribbean cooperation. And as to the alleged competitive hardships that it supposedly could bring about, I need say only this: Puerto Rico is decades ahead of the average Caribbean country, in terms of economic development, and social and physical infrastructure: by the time our neighbors begin to approach Puerto Rico's current level of progress, we shall unquestionably have advanced much further forward. For example, through the expansion of our relatively recently established complex of service industries: within a few years, Puerto Rico can and should become the data-processing, financial, warehousing, and distribution center for much of the entire region.

When an economically disadvantaged community grows more prosperous, the people who were ahead at the beginning are invariably among the principal beneficiaries. I have no doubt that the same principle will apply to Puerto Rico within the Caribbean community. We are far ahead of our neighbors today, and as they grow more prosperous, Puerto Rico will leap ahead by an even greater margin.

Now, before closing, let me add a few more details on our programs of Caribbean outreach.

In addition to the countries I have already mentioned, Puerto Rico has had direct bilateral contacts with the governments of Panama, Dominica, Saint Lucia, and Curacao.

Puerto Rico has played host to major inter-American conferences on topics ranging from development financing and tropical agriculture, to energy conservation, environmental protection, and even the recovery of archeological treasures from the floor of the sea.

In these and several other ventures, our government has collaborated when appropriate with the federal government, the United Nations, and the Organization of American States. Our island's location, as the crossroads of the Caribbean, combined with our extensive facilities for accommodating visitors and providing technical support—including such essential services as simultaneous translation—make Puerto Rico the ideal site for regional meetings, and we are taking maximum advantage of these opportunities.

Elsewhere, Puerto Rican officials have begun to participate frequently as members of United States delegations at high-level international conferences on topics affecting our region. Earlier this year, I was invited to New York City for a five-nation meeting of foreign ministers, hosted by the United States, at which the topic was Caribbean Basin Economic Development. And our Secretary of State, Carlos Quirós, traveled to Paris in March with the U.S. delegation to a World Bank meeting that concerned the Caribbean. Likewise, Puerto Rican specialists have accompanied federal officials on technical assistance missions to a variety of nations throughout the Caribbean Basin during the past two years.

In summary, one of my greatest sources of satisfaction as Governor has been the progress we've made in establishing closer and more constructive ties with our neighbors.

Yet we have barely scratched the surface, in terms of our potential. In this regard, the coming years should be very exciting, and extremely productive.

Cuba is twelve times the size of Puerto Rico, has substantial mineral resources and yet has only three times as many people. In theory, Cuba should be able to exercise far more constructive influence than Puerto Rico.

Cuba has had the misfortune, however, to be ruled for generations by nearly dictatorial or dictatorial regimes like the present one, while Puerto Ricans have been practicing democracy and private enterprise.

So it is that a totalitarian Cuba exercises international influence through military power and subversion, while Puerto Rico is able to do so through education, training, commerce, and friendship.

As the U.S. Ambassador to the crucially important Caribbean Basin country stated last year, and I quote, "In dealing with the problems of the Caribbean, Puerto Ricans enjoy two advantages over other United States citizens: credibility, and a greater ability to relate to the countries of the area."

The Ambassador's point was that people always feel more comfortable in familiar surroundings; common experience improves communication, and mutual comprehension facilitates constructive interchange.

For too long, and with too many disappointing results, the United States has been awkwardly trying to win friends in Latin America. For example, Uncle Sam has done things like generously sending fancy tractors and award-winning midwestern agronomists into underdeveloped tropical countries, in a sincere effort to aid local farmers. Farmers who may never have even seen a tractor before; farmers whose crops and climate and soil conditions are completely different from those of Kansas or Iowa; farmers whose lifestyle and language may be completely foreign to a mainland American. All too often, such an aid program accomplishes little, at a very high cost.

But from now on, if all goes well, more and more of the nation's professional expertise in Caribbean countries will be provided by American citizens from Puerto Rico. Men and women who will know in advance what machinery is useful; who can relate easily to the people they meet; and who can speak, in Spanish or English, on the basis of past experiences which will closely approximate those of the people being assisted.

We in Puerto Rico are very proud of our own progress, and we look forward with enthusiasm to the increasingly important regional contributions which we expect to be making in the future.●

WHY DISARM UNILATERALLY?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McDONALD. Mr. Speaker, the strange rush to cut the Defense budget just does not make sense. Has a great breakthrough in the disarmament negotiations been achieved? Are there indications that the Soviet arms production lines have slowed? Has the Central Committee of the Soviet Union declared that from now on there will be no more subversion, propaganda, or espionage directed from Moscow? The answer to all the above questions is obviously no. Therefore, it is incredulous to see how many persons now advocate cutting our Defense budget when modernization of our Armed Forces is just becoming a reality.

Mr. Herbert Stein discussed this topic in the Wall Street Journal on February 11, 1983, in a very able manner. My hope is that many of my colleagues will read this column and come to their senses.

WHY DISARM UNILATERALLY?

(By Herbert Stein)

I cannot understand the mad rush for unilateral disarmament on the part of usually sensible, cautious and responsible people. I refer, if you didn't immediately recognize the description, to a large number of members of the Congress—probably a majority.

Two years ago the president, on the advice of the secretary of defense and the Joint Chiefs, recommended an increase of defense expenditures for the succeeding five years. Congress approved this. According to polls it had overwhelming support in the country. The authorized defense expansion was a response to a common observation that a decade of very low defense expenditures in the U.S. and very high outlays in the U.S.S.R. had left the U.S. in a seriously weakened relative position. Moreover, Soviet behavior, notably in Afghanistan, and the behavior of Soviet accomplices in many parts of the world, left little doubt that Soviet military power was intended to be used whenever it would be effective. The increase in U.S. defense spending was an answer to the threat posed by the relative strength and the intentions of the Soviet Union.

Now there seems to be wide demand for a substantial cut in this program. Polls show that a majority of the public thinks the defense program is too large. Businessmen, editorialists and other leaders call for cuts. And there is hardly any congressman or senator too conscious of his own ignorance to assert that the program should be cut.

What is going on here? I suppose that there is very wide support for agreed reductions or limitations of arms on both sides. But that isn't what we are talking about. We are talking about unilateral disarmament by us. We are talking about actions which would make the U.S. defense forces in 1986 or 1987 or in any other year weaker than they would otherwise be, and we are talking about doing that without asking or expecting any reciprocal reductions from the Soviets. Why are we in effect telling Mr. Andropov that the reason he doesn't have to negotiate mutual arms reduction in Geneva is that Congress will reduce U.S. arms for him?

FOUR PROPOSITIONS

Congressmen and others who assert the need for cutting the defense program hardly make any argument about the Soviet threat. The assertion is almost always based on one or more of the four following propositions, which must surely constitute as flimsy a basis as has ever been offered for a major national decision.

1. *There is waste in the defense program.* By some ideal standard that is certainly true, but it is also irrelevant. The relevant question is whether, if the defense program is cut, the cut will come entirely or almost entirely out of the waste. The cuts will be made by the same people whose decisions led to the waste. It is pitiful to hear congressmen plead with defense officials to tell them where the waste is.

There is and always will be waste in the Defense Department, just as there is in General Motors and in my household and yours. If we cut the defense program there will be some cut in waste and some cut in muscle. The notion of the defense spending cut that doesn't impair security is simply another illustration of the free-lunch fallacy.

The waste argument often casts doubt on specific weapons. MX in dense pack is the leading example. I do not myself find the dense-pack idea reassuring. But the conclusion that dense pack doesn't work wouldn't mean that the defense budget could be cut. We would still need a survivable land-based missile, and the superior alternative might be more expensive. There isn't any reason to think that correcting the mistakes of the Pentagon will save money.

2. *Increasing defense expenditures while non-defense expenditures are being cut is "unfair."* This is the typical reaction of a congressman who regards the whole function of government as the passing out of goodies among special interest groups in accordance with the principle of greasing the wheel that squeaks loudest. They think of the defense program as a handout to a special class—like our handouts to peanut farmers. But defense is a program for the benefit of the nation and for everyone now in it and yet to be born into it. To cut defense isn't "fair" to anyone.

There is a fairness issue about defense. That is the issue of how to pay for it. That is certainly debatable, but it isn't an issue about the size of the program.

3. *The survival of the free democratic system depends not only on military defense against aggressors but also on internal support for the system.*

That is probably true but surely irrelevant to our present situation. It implies that we are on the verge of great general disaffection with the system because of government's failure to provide some social benefits. The picture conjured up is of mobs rioting in the streets of Moscow on the eve of the Russian Revolution because there wasn't enough to eat. The whole idea is absurd. To suggest that the danger to our system comes not from Soviet missiles but from internal disaffection—in a country which in its last four presidential elections chose Richard Nixon twice, Jimmy Carter

and Ronald Reagan, where the whole active political spectrum runs from Alan Cranston to Jesse Helms, where poverty even by generous American standards afflicts less than 10 percent of the population, where real per capita consumption is at an all-time high—is sheer fantasy. We may need to spend more on school lunches, food stamps or fixing potholes. But they are not alternatives to defense.

The increase in the defense program will weaken the economy upon which our security ultimately depends. This is the favorite argument of "hard-headed" people—businessmen, budget-conscious congressmen and such. It sounds like an argument should be expressible in numbers. How much will the increase of defense spending reduce real output, investment, consumption or whatever else is supposed to be the content of the weakening of the economy? I have never heard any critic of the defense program attempt an answer to such questions. All we get is adjectives—"disastrous," "horrendous," "frightening," etc.

I would like to make a stab at quantifying the economic consequences of cutting or not cutting the defense program. The program included in the president's budget would raise defense spending from about 6.2% of GNP in fiscal 1982 to about 7.9% in fiscal 1988. What would be the effect on real GNP if the defense program were cut by 1% of GNP—meaning a cut of about $30 billion this year rising to about $50 billion in 1988? The answer depends on how much of the cut in defense goes into increased investment and how much goes into increased consumption. I will assume that all of the cut in defense goes into increased investment, because that is the assumption which makes the effect on real GNP greatest.

DEFENSE PROGRAM IS IMPORTANT

So the question is how much difference it would make if investment were 1% higher as a fraction of GNP than it would otherwise have been. This is a question on which economists are divided, but from the standpoint of the defense issue the division isn't very great. One of our leading students of the sources of economic growth is Edward F. Denison. The conclusion of his work, as I simplify it, is that if net investment were increased permanently by 1% of GNP, the annual rate of increase of real output would be raised by one-tenth of one percentage point. That is, if the growth rate would otherwise have been 4%, it would be raised to 4.1%. Many economists think that is too low an estimate. But at the other extreme, if all economic growth that doesn't result from an increase of hours of work is attributed to capital investment—which means that none is attributed to research, education, increases of scale, etc.—increasing net investment by 1% of GNP might raise the growth rate from 4% to 4.33%.

The Council of Economic Advisers estimates that real output will rise by 4% a year from 1983 to 1988, reaching a total of $1.819 trillion in 1972 dollars in 1988. By my estimates in the preceding paragraph, cutting the defense program by 1% of GNP and devoting the savings to private investment, starting right now, would raise 1988 real GNP by between 0.5% and 2%. That is, it would give us between $9 billion and $36 billion of real output in 1972 dollars in 1988. I can hardly believe that is what people mean when they say that cutting the defense program is needed to keep the economy strong.

I do not claim any great precision for these estimates, though I would be extremely surprised if the truth were different enough to alter the conclusion that spending 1%, 2%, or 3% more or less of GNP on defense would have little effect on the economy. But the main point is that those who see disastrous effects have an obligation to spell out the size and nature of these effects. The size of the defense program is too important to be decided by frightening but fuzzy adjectives.

[Mr. Stein is the A. Willis Robertson professor of economics at the University of Virginia, a senior fellow at the American Enterprise Institute, former chairman of the Council of Economic Advisers under Presidents Nixon and Ford and a member of the Journal's Board of Contributors.]●

SHIPPING ACT OF 1983

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. BIAGGI. Mr. Speaker, I am today introducing the proposed Shipping Act of 1983. This bill is identical in substance to H.R. 4374—which I introduced and which was passed by the House by a vote of 350 to 33 in the last Congress. A companion bill failed to come to a vote in the Senate in the last days of the session. The Senate, however, has now passed a modified version of that bill.

It is my intention and that of the distinguished chairman of the Merchant Marine and Fisheries Committee to try to match the fast action by the other body with equally quick action in this House. In view of the extensive study this legislation received in the 96th and 97th Congresses, it is appropriate that we give it early consideration now and move it as quickly as possible. The reforms proposed by the bill are long overdue.

The underlying purpose of this bill is to facilitate the revitalization of the ocean liner segment of our maritme industry. It is designed to enable our ocean common carriers to compete on a more equitable basis with foreign carriers. It will remove those constraints in our laws that render our merchant marine less efficient and less competitive.

The bill will accomplish these purposes by reinstating the exemption of the ocean liner industry from the antitrust laws. This exemption was originally provided by the Shipping Act of 1916.

Second, the bill will provide shippers with the ability to negotiate flexible terms of carriage while retaining the common carrier concept in ocean liner transportation.

A third feature of the bill is the streamlining of the processes of the Federal Maritime Commission—the regulatory agency that is charged with the enforcement of the laws governing ocean liner shipping.

It is clear to me that a healthy merchant marine is essential to our economic security and to our national defense. The bill I am introducing today is only a step—but a significant one—in achieving those objectives. It deserves the support of all Members of the House.●

AN INTERNATIONAL PERSPECTIVE ON BREEDER REACTORS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. OTTINGER. Mr. Speaker, we are often told by the supporters of the Clinch River breeder reactor about the development efforts being undertaken in other countries on breeder reactors. Proponents often claim that these efforts alone are ample justification for the expenditure of roughly $8 billion of the Clinch River breeder project. The argument for supporting breeder development seems to be one of "technological development for the sake of technological development."

A recent editorial in the highly regarded journal Nuclear Engineering International posits a frank reappraisal of the need for these programs in light of high costs and the nonexistent need for alternatives to light water reactors. Entitled "Facing Facts on East Breeders," the editorial asks: "Is this continuing level of expenditure appropriate if one takes a rational view of future trends in energy demand and fuel supply?" It quotes Sir Walter Marshall, the former head of the breeder program in the United Kingdom, as accepting that "in view of the demand for electricity and the fall in the price of uranium there is a strong a priori reason for saying that the right economic decision is to slow up."

The editorial asserts that caution is evident in all other Western countries with fast breeder reactor programs including France, "* * * where the utility Electricite de France is showing no enthusiasm for a commercial programme of fast breeder reactors to follow Super Phenix." The editorial could have added that the French originally planned to complete six Super Phenix breeders, not the single breeder they now have under construction.

The editorial also points out that although the United States is the country with the least need for the breeder, we are spending more on it than any other country. The journal states "it is difficult to see any economic or technical justification now for proceeding with Clinch River."

Last December, by more than 20 votes, a majority of Members of the House of Representatives voted to delete funds for the Clinch River breeder reactor. I predict that the House will do so again by an even

wider margin in the 98th Congress. We would do well this time to see to it that our decision is upheld.

The editorial even suggests an alternative to fast breeder reactor development; one which I have advocated for years as a more sensible, economic approach to nuclear energy use. That alternative is simply to improve the uranium fuel utilization of existing reactors. It is clear that uranium supplies will not be suddenly exhausted or become excessively expensive until the next century, if then. Moreover, world uranium supplies can be stretched by improving uranium fuel utilization in existing light water reactors and by the introduction of advanced, more fuel efficient light water reactors in the future if they are needed.

In spite of these possibilities the Department of Energy has called for a fiscal year 1984 nuclear fission R&D budget that would allocate 76 percent of the funds to the breeder program. Moreover, it has requested zero funds for the extended burnup program, a jointly funded, Federal/private sector effort aimed at improving the uranium utilization in existing light water reactors by 15 percent. Nor has DOE requested any funds to study advanced designs of light water reactors that could cut uranium consumption by 30 percent at a fraction of the cost of a breeder reactor.

By daring to say that "the Emperor has no clothes," the Nuclear Engineering International editorial provides an educated international perspective for those of us in the Congress who must decide the pace and scale of fast breeder reactor development. I commend the article to my colleagues:

FACING FACTS ON FAST REACTORS

(By Richard Masters)

The large amounts of money being spent world-wide by the nuclear industry on the development of fast breeder reactors is becoming increasingly difficult to justify.

Is this continuing level of expenditure appropriate if one takes a rational view of future trends in energy demand and fuel supply? Will it ever be possible to recoup the vast sums that have been spent and the much greater sums that will need to be spent before the fast reactor can become a commercial option for electricity utilities?

The present nationalistic and quasi-commercial approach to the development of the fast reactor in many countries is premature and can damage the prospects for the acceptance of nuclear technology. Serious reappraisal is needed of national expenditures on fast reactor r and d, and measures are urgent to bring about effective savings and improved results through international cooperation.

It is not enough to compare the production costs of one kilowatthour from an FBR with those from an LWR. This ignores all the other factors, including the time scale, involved in bringing FBRs into commercial operation. There should in each country be a systematic quantification of the costs of introducing FBRs and comparison with expected benefits, all discounted to an appropriate date with due allowance for the risks. Similar studies are also needed on an international scale. An international project does not automatically justify what does not make sense nationally.

For the past 30 years the conventional wisdom in the nuclear industry has been that fast breeder reactors will eventually take over the base load generation of electricity, at least in industrialized countries.

More generally the fast reactor has been seen as offering energy independence and a more than transitory existence to the nuclear industry.

The need to press ahead with the development and application of FBRs has been seen as urgent. In 1967 the IAEA predicted that "if only the current types of nuclear reactor continue to be built, then by 1980 all known reserves of low cost uranium would be committed". And some 10 years later the UK Atomic Energy Authority was confidently predicting an installed capacity of 33GWe of breeder capacity in Britain by 2000, with a huge expansion to follow.

Even at that time serious independent observers of the industry in Britain were questioning whether the FBR could ever be economic and there has been growing acceptance that Britain cannot justify going it alone. How many countries can?

TIMESCALE

Every year the timescale gets longer and the economics more uncertain. The British Central Electricity Generating Board in its evidence to the Sizewell inquiry says it might need to order fast reactors in 25 years from now, but adds: "There is considerable uncertainty about this date; it could be somewhat earlier or perhaps considerably later." The Board's new chairman, Sir Walter Marshall, who as chairman of the UKAEA was until recently in charge of Britains' fast reactor programme, has said that the first truly commercial fast reactor with its fuel cycle could not possibly be operating in Britain until 2013 and in practice it was more likely to be commissioned a decade later.

Sir Walter believes it would be "irresponsible" to abandon a fast reactor programme but accepts that "in view of the demand for electricity and the fall in the price of uranium there is a strong *a priori* reason for saying that the right economic decision is to slow up".

Similar caution is evident in all other western countries with fast reactor programmes including France, where the utility Electricité de France is showing no enthusiasm for a "commercial" programme of fast reactors to follow Superphenix.

The United States has the least "need" for fast reactors (and is spending the most on them) and it is difficult to see any economic or technical justification now for proceeding with Clinch River. Unfortunately here as elsewhere arguments based on national prestige are brought to bear on what should be economic decisions. The utilities and vendors in the United States, as elsewere, are putting little or none of their own money into the fast reactor. The push is coming from the scientists in the national research establishments, the existence of which is at stake.

The recent statement on fast reactors by the British government has the merit of recognizing the real position. The UKAEA, under its new chairman Sir Peter Hirsch, has been asked to draw up a development programme that is geared to the longer timescale for the likely introduction of FBRs and which takes account of the potential for securing the maximum benefits from international collaboration.

The timing is good. The Authority has an opportunity for taking a lead in specifying with a realistic r and d programme for keeping the fast reactor option open should consist of in present circumstances and how effective international co-operation might be achieved. Britain could, for example, buy into Superphenix for operating experience and offer PFR at Downreay as a test bed for components. It has unrivalled expertise on the FBR fuel cycle and also plutonium to contribute to an FBR club. In this way Britain's current r and d expenditure on fast reactors of £100 million a year could be reduced considerably. There is a precedent here in the approach by the AEA to expenditure on fusion which lead to the setting up of Jet.

Uranium will not be suddenly exhausted or become excessively expensive in the early years of the next century. There will be plenty of time to identify the trend and decide when it is worth ordering FBRs instead of thermal reactors. In any case there is scope for stretching out supplies by improving uranium utilisation in light water reactors and the introduction of reactors with better neutron economies.

But perhaps of greater significance to fast reactor economics than the availability of uranium is the fact that with advances in techniques for the storage of irradiated fuel from light water reactors utilities can avoid reprocessing. The uncertain and growing costs of reprocessing are then properly loaded on the fast reactor and with limited reprocessing there will be doubts about the availability of plutonium to fuel a large programme of fast reactors. In these circumstances the fast reactor may never be economic.

There still remains the strategic argument but the benefits must still be properly quantified and balanced against the premium it is worth paying for an insurance policy of fast reactors. At present it seems excessive. If the nuclear industry is to win support and acceptance for the fast reactor it will have to provide effective answers nationally and internationally. Evangelical fervour is not a substitute for sound technical and economic argument.●

HIGH-TECH IS NOT THE ANSWER

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. APPLEGATE. Mr. Speaker, as we all well know, American basic industries such as steel, auto and truck and appliance manufacturers, just to name a few, have been devastated by the ongoing recession. These conditions have brought about many statements indicating that we as a nation should not fight the inevitable and should, therefore, rely on the so-called high-tech field to supply jobs for the millions of workers currently unemployed. This suggestion might be considered worthwhile if there was some solid indication that high-tech would be our saving grace. However, as is indicated by an article that appeared in

the Wednesday, February 23, 1983, edition of the Wall Street Journal, there is strong evidence that we cannot rely on high-tech to supply these jobs. It was announced that Atari, Inc., a division of Warner Communications, Inc., is in the process of eliminating 1,700 jobs in California and moving them to Hong Kong and Taiwan.

This shift has not come about as a result of the elimination of a particular product, but rather is an attempt by the company to cut costs in order to remain competitive in the home computer and video game industry. Regardless of these reasons or situations that have brought them about, it is clear that having reliance on high-tech is not the answer and that we must continue to maintain our standard basic industries, though obviously not in the exact same fashion as up to this point.

The United States needs a strong manufacturing base as well as continued leadership in the high-tech areas. There needs to be a combination of the two and I believe it is incumbent upon Congress to adopt whatever policies are necessary that will allow for these types of industries to continue. Whether it be in the area of trade laws, environmental regulations, or methods of capital foundation, we must move in a direction that will benefit industry to grow and prosper. It will be up to these basic industries to also diversify, such was the case with Japan's second largest steel producer who will soon begin to manufacture volleyball shoes—you can well imagine the reaction by our steel producers if such a suggestion were made to them, but it will take this type of action to restore financial solvency to many manufacturing firms.●

LETTER TO PRESIDENT D'AUBISSON OF EL SALVADOR

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McDONALD. Mr. Speaker, on January 21, 1983, a number of groups sent a letter of support to President Robert D'Aubisson of El Salvador in response to the interview conducted with him by the Washington Times on January 12, 1983. In the letter sent to D'Aubisson, it is stressed that our foreign policy needs to be changed to really assist those nations fighting communism with the aim of defeating communism, not merely to strive for some sort of nebulous coalition.

The letter follows for the attention of my colleagues:

COALITIONS FOR AMERICA,
January 21, 1983.

President ROBERT D'AUBISSON,
San Salvador, El Salvador.

DEAR PRESIDENT D'AUBISSON: We note with great approval your comments in an interview on the current situation in El Salvador published in the Washington Times for January 12, 1983.

The situation in El Salvador today is a repetition of a pattern developed by the totalitarian communists for the subversion of free societies and the establishment of their inhuman regimes, a pattern applied with increasing effectiveness in the last decade in such places as Vietnam, Cambodia, Rhodesia, and Nicaragua.

A central element of this pattern in its recent variants is the role of the United States—acting through the carrot of military and economic aid to a government besieged by communist-armed terrorists usually incapable of taking power by themselves—in undermining the confidence and prestige of our true friends in such countries, in applying pressure for "negotiations" with the communists, for the establishment of "coalition" governments which serve as a stepping-stone for the installation of a totally communist government and the fall of yet another country to the enemies of humanity. In the case of your country, the despicable role of underminer has been played by such men as the former American Ambassador, Robert White.

The hypocrisy of the foreign policy establishment in our country has been nowhere more starkly exposed than in its reactions to free elections in Rhodesia and your country; since the results of those elections did not suit our "experts" on foreign policy, they have done their best to undo them. You have been the victim of unjustified calumny in this area, but you defend yourself ably.

Recently, however, a small ray of hope has appeared in Central America. Both the leader of the Nicaraguan freedom fighters and you yourself have evidently realized you must act as you believe best to defeat communism in your country, with American aid if possible, but without it if accepting American aid means that you must bow to the dictates of the American foreign policy establishment, dictates which have in the past led to catastrophe for a whole series of our friends and allies across the world.

It is difficult for the political leaders of small countries to believe that the government of the United States—even under a Reagan Administration—could actively assist in the overthrow of friendly governments through political pressure and the manipulation of economic and military aid. But that, unfortunately, is the case.

Under these conditions, you are absolutely correct in your intention to pursue the objective of a free and democratic El Salvador, without regard to the wishes of the United States, and if necessary without aid from our country. We applaud your courage, and extend to you our wholehearted support.

For our part, we pledge to work untiringly to alter the catastrophic foreign policy of the United States which constantly seeks accommodation with an implacable enemy, one with whom accommodation is impossible. When that occurs, the United States will actively support, with arms and supplies, the freedom fighters in Afghanistan, Angola, Vietnam, Cambodia, Nicaragua, and elsewhere, as well as governments under siege like yours, with the single objective of the destruction of communist tyranny throughout the world.

With respect and best wishes,

Paul M. Weyrich, Coalitions for America; Amy Moritz, National Center for Public Policy Research; Dr. Ronald S. Godwin, Moral Majority; Joan Hueter, National Association of Pro-America; Karen McKay, Committee for a Free Afghanistan; Geheral Albion Knight, Conservative Caucus; L. Francis Bouchey, Council for Inter-American Security; F. Andy Messing, Jr., Conservative Caucus; Bruce Slagle, National Defense Council; Admiral Mark Hill, Association of Naval Aviation; Douglas R. Graham, House Republican Study Committee; Bill Billings, National Christian Action Coalition; General Daniel Graham, High Frontier; Rev. Enrique Rueda, Catholic Center at the Free Congress Foundation.

(NOTE.—Titles for identification purposes only.)●

SAVE THE KANGAROO

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. MRAZEK. Mr. Speaker, recently we received the welcome news that international pressure forced a ban on the slaughter of baby harp seals in Canada. The incident provided proof that economic pressure on those responsible for animal slaughter can be effective in preserving endangered species of wildlife.

Now, with the harp seals at least granted a temporary reprieve, it is time that we turned our attention to the plight of another endangered animal species—the Australian kangaroo. A ban on the importation of kangaroo hides and other products gleaned from the slaughter of kangaroo resulted from the Endangered Species Act of 1973. In fact, the kangaroo and the grizzly bear were the first two species to be covered by this landmark legislation. But the ban was lifted in 1981, and world demand for the hides of kangaroos has precipitated the often-brutal slaughter of approximately 6 million kangaroos annually.

Granted, Mr. Speaker, there are lots and lots of kangaroos in Australia. Estimates range up to 30 million. But when 6 million of the animals are sacrificed for American footwear and other products every year, and when the current drought conditions in Australia are the worst in the nation's history, it is easy to see that 30 million kangaroos can disappear in a hurry.

An Australian documentary entitled "Goodbye Joey" illustrates another facet of this issue. The film is a horrifying exposé of the methods employed by kangaroo hunters in Australia. These methods include throwing young kangaroos against trees to kill them, and allowing seriously wounded animals to suffer overnight before

being killed in the morning, apparently to keep the meat fresher.

Today, Mr. Speaker, I am introducing legislation to reimpose the ban in this country on the importation of certain species of kangaroos. As James Cairns, a former Minister for Trade and Environment in Australia has said, "The truth is that we probably won't do anything to save the kangaroo until America does." Let us do it.●

A HOUSE JOINT RESOLUTION PROCLAIMING NATIONAL PORT WEEK THE FIRST WEEK IN OCTOBER 1983

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. BIAGGI. Mr. Speaker, today, I, along with the leadership of the Congressional Port Caucus—Mr. JONES, Mr. HOWARD, and Mr. ROE—introduce a House joint resolution authorizing and requesting the President to proclaim the first week of October 1983 as National Port Week. Since 1978, the Congress has recognized the major contributions of commercial ports to our domestic and international trade—economic well-being—and national defense through the passage of a joint resolution declaring the first week in October as National Port Week. For all those men and women who work in and around our four seacoasts, National Port Week is an expression of appreciation—and a recognition of a job well done.

The significance of our ports to the vitality of our Nation is demonstrated by the fact that 20 percent of all our goods are produced for export. Ninety-five percent of those exports go through our national ports. From 1970 to 1980, exports increased from 4 percent of our gross national product to 8 percent. Similarly, imports increased from 4 percent of our GNP to 9 percent. These figures amount to $35 billion of our GNP and over $1.5 billion to our balance of payment accounts.

The commitment of our ports to intermodal movements has facilitated this enormous jump in trade over the last decade and a half. These figures attest not only to the viability of American goods in international markets, but also to the ability of American port facilities to handle this increase in traffic. National Port Week reminds Americans how important ports are to our economic well-being.

The port industry is responsible for more than 1 million jobs in the national economy. As well as paying more than $10 billion in Federal taxes and $5 billion in State taxes, the $6 billion they collect annually in customs receipts represents the fourth largest source of revenue to the Federal Treasury.

In these times of economic distress it is important that the United States continues to expand its foreign trade and develop new markets for our goods. Our ports are crucial if we are going to increase the overseas sale of U.S. goods. Even in the midst of these poor economic times, the ports of our country are true examples of American ingenuity—perseverance—and dedication. National Port Week recognizes their fine accomplishments and the major role ports play in our national goal of economic recovery.

We should further recognize the ports for the role they play in our Nation's security. The strength and efficiency of American ports during sustained international crisis has assured peace through strength. The diversity—depth—and efficiency of our ports contributes to our Nation's defense. Our ports enable quick movement of troops and cargo from a wide range of areas.

In these times of high military spending, we should rejoice in the existence of our posts—a vital defense resource, costing the Federal Government practically nothing. National Port Week also recognizes the importance of our ports to our Nation's deterrence strategy.

I call upon my colleagues in the Congress to cosponsor National Port Week and enact this resolution, which recognizes the importance of our ports to the Nation's economy and security.●

HALSTEAD SCHOOL

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. OTTINGER. Mr. Speaker, I would like to take this opportunity to commend the directors of the Halstead School in Yonkers, N.Y., on their efforts to raise funds for scholarships and building improvements, as well as on their record of providing top-quality education.

The Halstead School was founded in 1874 under guidance of Maria Dana Halstead, the school's first headmistress. From that time on, Halstead's reputation as a high-quality college preparatory school for women grew, as did its enrollment. In 1916 it moved from a small frame house to a modern facility. The school has had a succession of able administrators since Miss Halstead retired, including Mary Sicard Jenkins, Ruth Smith Leonard, Henry G. Krumwiede, and its present headmistress, Kathleen S. Ermini.

Halstead now provides an excellent education to both girls and boys from kindergarten through 12th grade. To broaden access to this education, the school offers academic, athletic, and special assistance scholarships. In addition to scholastics, athletics, student government, and arts are encouraged. Just this year, the Joan and Constance Bennett Theatre Arts Workshop was added and will expand to support community participation.

The school will hold a fundraiser on March 12, 1983, to raise urgently needed money to keep the facilities in good condition and to continue its scholarship program. I wish Halstead the best of luck in achieving its worthy goals.●

A GOOD DEFENSE PROGRAM

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SIMON. Mr. Speaker, as most of you know I am not a supporter of the excesses in the defense budget and I have often taken the floor to question the waste and gold plating in some defense programs. For that reason, I am particularly pleased to be able to report a visit to a military installation where I found funds well spent and resources directed to programs I can enthusiastically support as essential to our national security.

Mr. Speaker, I recently visited the U.S. Army Russian Language Institute and had the opportunity to meet with the Commander of the Institute, Lt. Col. Jeff Kleb, his staff, and the students. I am pleased to report that I was favorably impressed with the operation of the Institute and with the obvious dedication of the commander, the faculty, and the students.

In addition, Mr. Speaker, I was pleased to see that the Army recognizes the importance of acquiring a pool of language-qualified officers in Russian, and other languages. I only wish this need were as well understood throughout the Nation.●

SOVIETS INFLUENCING GERMAN ELECTIONS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McDONALD. Mr. Speaker, the March 6 elections in West Germany may become the most crucial political occurrence in that country since World War II.

The events leading directly to these premature elections started on October 1, 1982, when small Free Democratic Party (FDP) abandoned its 13-year-old government coalition with the Social Democratic Party (SPD) headed by Chancellor Helmut

Schmidt and entered into a new coalition with the Christian Democrats (CDU/CSU). Helmut Kohl, Chairman of the CDU, became the new Chancellor.

The new coalition could remain in power until the next regular elections in October 1984, but Helmut Kohl wanted to have a clear mandate from the electorate. He arranged for an artificial "vote of no confidence" in the Bundestag on December 17, and, consequently, the new elections are scheduled for March 6.

The Soviet post-World War II policies toward Western Europe were always dominated by one principal purpose of destabilizing and disuniting the countries of Western Europe and "decoupling" them from the United States. This basic goal of the Soviet Union had been promoted by a two-tier policy. On the first level, the Soviet Union conducts direct bilateral negotiations with separate West European nations arranging for short- and long-term collaboration and series of understandings and treaties with the country in question. The resulting economic and political bond with the Soviet Union helps to detach the target country from its natural West European-United States alliance. This policy produced very positive results for the Soviet Union in France in 1966. General de Gaulle was reelected for a second term as President of France in December 1965. The intensive Franco-Soviet negotiations produced a series of agreements and a prolonged visit of General de Gaulle in the Soviet Union. The Franco-Soviet Friendship Society propagated the idea that political independence of France suffered from her NATO membership. Finally, on March 11, 1966, de Gaulle announced the withdrawal of France from NATO. When this decision took effect in 1967, it was a major turning point in the post-World War II history, a setback for the free-world and an achievement for the Soviet policymakers.

On the second level, the Soviet Union uses the so-called active measures in order to subvert, weaken, and disrupt the West European countries from within. This is the area of direct and indirect infiltration, peace movements, terrorism (Red Brigades, Bader-Meinhof gangs and others), protest marches, demonstrations, et cetera. Sometimes the overzealous efforts on one level interfere with the other, causing delays and reverses.

After the 1969 elections in West Germany, the SPD-FDP coalition was headed by SPD Chairman, Chancellor Willy Brandt. The new era of Soviet-German relations was launched under the name of an "Ostpolitik" policy. A treaty with the U.S.S.R. signed in Moscow in August 1970 was followed by similar understandings with Poland and Czechoslovakia 3 months later. Both German states, East and West, were admitted to the Union Nations in 1973 and Willy Brandt was a winner of a Nobel Peace Prize for his foreign policies. But then a KGB spy scandal exploded when one of the closest associates of Chancellor Brandt, Gunter Guillaume, was accused and proven to be an espionage agent of the East German MFS (Ministry for Security) which is an extension agency of the Soviet KGB. Brandt was forced to resign in May 1974. He was succeeded by a moderate Social Democrat, Helmut Schmidt, who did not continue Brandt's pro-Soviet policies as vigorously as his predecessor. The relative lack of cooperation from Schmidt annoyed Soviet decisionmakers and they started using active measures against him. That was the origin of the terrorist activity in West Germany in 1975 and 1976 which became especially severe in 1977. This led to the passage of a new law increasing the authority of the policy in 1978, and that in turn evoked a controversy in Schmidt's party, the SPD.

The Soviet Union exploited effectively the leftist groups within the SPD and in particular among the Jusos, the Young Socialist League. They demanded reforms within the party and the change of leadership. Protest marches and massive demonstrations previously unknown in West Germany became a constantly growing phenomenon. By 1978 the national tension reached its peak. This was the time when the Soviet operatives discovered Petra Kelly as she wrote her famous letter of resignation from membership in the SPD to Chancellor Schmidt.

Petra Karin Kelly is not a person; she is a special occurrence of the post-World War II Germany. A free spirit and free soul, she is greatly offended if accused or suspected of being manipulated or influenced by an outside force. When Petra was 7, her father abandoned the family, and her mother married an American officer, John Kelly, stationed in Germany. Several years later, Kelly was transferred back to the United States. Petra graduated from American high school and with honors from the School of International Service of American University. A talented and inquisitive young woman, Petra was involved in the Vietnam war debates of that time, participated in Bobby Kennedy's Presidential campaign, and, after graduation obtained a scholarship to study in Amsterdam where she secured her master's degree. In 1973, Petra Kelly returned to Germany and joined the Social Democratic Party, becoming very active in the Jusos. Like many young left-wing Social Democrats, she was unhappy with the moderate policies of Helmut Schmidt, and, in December 1978, wrote her letter of resignation from the SPD. This is how the Greens were born.

The new pacifist, antinuclear, clean environment, nonconformist group, which called itself the Green Party and was started in 1979 by Petra Kelly and a bunch of former Jusos and Marxists, rapidly became a political force. The Marxist and Communist elements in the Greens are better organized and more talented than the rest of the naive and good-natured environmentalists. The tone of the movement was pro-Soviet from the very beginning and became more pronounced with time, when the main line of the attacks has been directed toward the stationing of American missiles in Germany, against pro-United States orientation of West Germany's governments. Says Petra Kelly "I'm very tolerant of Communists" and "There is a great sympathy toward Russians in Europe—they suffered 20 million casualites in World War II."

The main theme of the Soviet diplomacy for the March 6 elections revolves around the concept of "We Europeans," in which the Soviets on one hand attempt to intimidate the West Europeans by their overwhelming military presence in close proximity to their borders, and, on the other, invite the program of close economic cooperation if corresponding political arrangements are made. The Soviet push is direct and persistent. They invited SPD candidate for chancellorship, Hans-Jochen Vogel, for a long, 2½-hour conference with Yuri V. Andropov, the new Soviet leader, and transmitted through him a new disarmament proposal, thus boosting his standing in West Germany.

Soviet Foreign Minister A. A. Gromyko visited Bonn in February to speak about the inadvisability of stationing U.S. missiles (Pershing II) in Europe, and on February 24 gave an interview with the Soviet newspaper Pravda urging the West Europeans to "show the signs of political maturity" by resisting by their voting the deployment of the U.S. missiles. This interview and an article in the next day's Pravda entitled "Sanity Must Prevail" were massively distributed in West Germany in German translation last Sunday preceding the election by only 1 week.

Chancellor Helmut Kohl accused the Soviet Union of blatant interference in the internal political processes in West Germany, but this response and the presence of Vice President GEORGE BUSH for a short visit in West Germany seems not to have changed the minds of many West Germans.

But some other problems created a turn toward the Christian Democrats in the last 2 weeks. The February un-

employment figure reached 2,500,000 a level which was considered for some time to be the watershed for the SPD's irresponsible economic policies of the last 13 years. Helmut Kohl's appeal of returning to the market economy as opposed to 13 years of social market economy has a strong attractiveness to practical minded Germans.

The other SPD problem is the recent Franke scandal which revived the old case of Gunter Guillaume which forced the resignation of Willy Brandt in 1969. Last September, a Soviet spy, Aleskey M. Kozlov, was brought to West Germany from South Africa under heavy escort by South African commandos for a swap for West German inmates in East Germany arranged as previously by an East German lawyer, Wolfgang Vogel (no relation to SPD chancellor-candidate). It was later established, after the Ministry of Inter-German Affairs headed by Egon Franke was transferred to the new CDU minister, Hans Barzell, that during this transfer of prisoners, 460,000 German marks were paid (and not officially reported) to the East German or Soviet recipient known only as Boris. An investigation of several weeks established that these uncontrolled money transfers took place in many instances of the prisoner swaps (including Gunter Guillaume) and that the overall missing account funds amount to not less than 5.6 million marks. This issue revived all previous dark shadows over the SPD; and Willy Brandt's, Helmut Schmidt's and other assurances of former Minister Franke's integrity notwithstanding, the affair will take many votes from the SPD.

In general, Helmut Kohl, who is not very charismatic, conducts a very positive campaign, appealing to traditional German values of diligence, thrift and a strong family. He seems to have increased considerably the vote-getting power of the CDU. The reckless accusations by the left-wing SPD who call Kohl the Raketenkanzler, the missile chancellor, may have added to his popularity instead of detracting from it.

The polls of February 25, show the CDU/CSU at about 47-49 percent of the total and the SPD about 42-43 percent. It is still not clear if either the Green or the FDP will make the 5 percent hurdle to be represented in the Bundestag, both now being below this figure.

If the Greens and not the FDP achieve 5 percent, then the "red-Green" government will prevent the deployment of American missiles, and, in the long run, can completely decouple West Germany from the United States.●

THREE CRITICAL ISSUES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. PHILIP M. CRANE. Mr. Speaker, one of my constituents, Mr. Richard B. Clark, of McHenry, Ill., has written to me expressing his views on three topical issues currently under consideration by the Congress.

While I recognize that each Member of this body receives numerous letters, I would urge them, as parents and as legislators, to take a few moments to consider this brief and perceptive missive from Mr. Clark:

McHENRY, ILL.,
February 16, 1983.

Hon. PHILIP M. CRANE,
Representative in Congress, Longworth House Office Building, Washington, D.C.

DEAR MR. CRANE: Several pieces of legislation have been in the headlines recently that are apparently very controversial. I, therefore, would like to express my opinions on those issues.

Regarding the disclosure to parents of the use of contraceptives by teenagers, I believe that the parents have a right, even a responsibility to know, if their minor child is using these medications or devices. Since parents are held morally, legally, and financially responsible for their children until they reach maturity how can anyone support the withholding of information from parents without also absolving them of the other responsibilities? However, to remove this responsibility from the parents is totally against the family structure upon which this country was founded and would make children responsible for their own behavior when they are not yet mature enough to make their own decisions.

The withholding of 10 percent of any interest earned on savings accounts will be an additional expense incurred by the Government that we, the taxpayers, can ill afford. It will generate no new revenues, although revenues will be collected during the year instead of at the end, but expenses, which will add to the existing huge deficit, will be incurred. I, therefore, favor the repeal of this existing tax law.

Finally, in regard to the jobs program currently being addressed by the Congress, I am not in favor of this program, as it will only become another welfare program under a different name, which will prolong the existence of the huge federal deficit, keep interest rates high, and ultimately prolong the stagnation of our economy. As pointed out in the "Wall Street Journal", the jobs program implemented by the Carter administration was held partly responsible for the high inflationary period we were in as well as leading us into this current economic downturn.

Sincerely,

RICHARD B. CLARK.●

USIA YOUTH EXCHANGE

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. KEMP. Mr. Speaker, President Reagan and Charles Wick, the Director of the U.S. Information Agency (USIA), have begun the President's International Youth Exchange Initiative (PIYEI) which is an important program designed to promote understanding between American youth and young people from foreign countries.

This program is an ideal combination of education and diplomacy. And now, the local PIYEI in Boston, Mass., has added a new dimension—focusing its activities on inner-city youth exchanges.

I want to recommend to my colleagues the following article from the Christian Science Monitor which outlines the excellent headway President Reagan and USIA Director Wick are making on this program.

[From the Christian Science Monitor, Feb. 28, 1983]

SPINOFF OF '82 VERSAILLES SUMMIT: STUDENT EXCHANGES

REAGAN'S ENTHUSIASTIC BACKING FOR PROJECT SURPRISES SKEPTICS

(By Rushworth M. Kidder)

Can American teen-agers ease the strains in the Atlantic alliance?

Twenty million dollars say, "Yes."

That's the amount of money President Reagan has called for in his President's International Youth Exchange Initiative (PIYEI)—a public/private partnership designed to increase the number of exchanges of 15- to 19-year-olds between the United States and the other six nations that met at the Versailles summit in June of 1982.

And if the local PIYEI coordinating group in Boston has its way, some of that money will be steered toward inner-city students—a group that traditional youth-exchange programs have left almost untapped.

When he kicked off the program last May, the President noted that "one of the best ways to develop more accurate perspectives on other nations and on ourselves is for more Americans to join, for a time, a family and a community in another land."

The initiative, now headed by Charles Z. Wick, director of the United Staes Information Agency (USIA), caught many youth-exchange officials by surprise. Coming from a President not noted for international concerns—and whose conservative constituency seems to some observers to be oriented more toward protectionism than overseas interests—it was greeted with some skepticism.

But the Versailles summit partners joined in the initiative, and last October the US Senate passed a resolution supporting it. Now, after months of planning, it is moving ahead on three fronts:

Local. Committees in 19 "pilot project" communities around the country, from Charlotte, N.C., to Salem, Ore., are researching ways to promote international exchanges within their communities. The local committees work through such established programs as AFS, Youth for Understanding, and the Experiment in International

Living—tying the project closely to international support groups already in place in the communities. The pilot projects were established through grants from the USIA and the Kettering Foundation.

National

A national Council for International Youth Exchange has been formed to coordinate private-sector fund raising. Composed of some 100 top US leaders in business, industry, and education, it met in January and established the goal of raising $10 million. It already has some $2.4 million on hand: $1 million in private funds originally contributed to but never needed for President Reagan's 1981 inaugural, and $1.4 million from corporate and foundation donors. The money will be used to double (from 5,000 to 10,000 a year) the numbers of US exchange students travelling abroad over the next three years.

International

Representatives from the summit countries—Canada, France, Germany, Italy, Japan, Britain, and the US—held a three-day meeting in Williamsburg, Va., late last month to plan the exchanges. "Every country has the complete freedom to define its collection of activities which it wants to call youth activities," says USIA official Molly Raymond. She says the meeting produced "a real sense of commitment" from the member nations.

There are still some rough patches to be ironed out, however. One close observer, full of praise for the community-level approach, expressed concern that the USIA was turning the project into a "top down" effort orchestrated from Washington.

Some youth-exchange organizations initially felt excluded from the planning process. The plans named a consortium of eight groups as potential recipients for the money—and left out others, such as the YMCA. But Alice Mairs, the YMCA's director of international program services, says she's now been assured consortium members will not be the only ones to receive funding.

Some exchange officials also worry that the program is too narrowly conceived. Ms. Mairs notes that German officials, with whom she met in December, hope to expand their exchanges beyond the teen-age, home-hosted, full-term academic programs encouraged by the PIYEI. They would like to include nonstudent farm youth, for example, or sports teams. AFS official Susan Steel says her program, in order to remain nonideological and apolitical, must spread its funding across all 60 countries it serves. Any proposal it makes for PIYEI funding, she says, will be designed to "expand international exchanges with all our countries"—and not just those in the Western alliance.

But Mr. Wick says he is "very satisfied" with the progress—adding that "In taking soundings, we are encouraged that we are on a sturdy, sound course."

At this point, much of the planning remains in flux. The local community group in Boston, for example, is apparently unique among the 19 in focusing on inner-city exchanges.

The problems, say those close to the process, are formidable. Inner-city students sometimes lack adequate preparation in a second language. City schools often have no traditions of accepting foreign students, and the communities frequently lack suitable host homes. "It is too often considered by many of our students a broadening cultural experience to go from one neighborhood to another," says Boston School Committee president Kevin McCluskey.

But exchanges do occur. Kitty Flynn, a mother in the inner-city Boston neighborhood of Dorchester, has hosted students from Colombia, Finland, Norway, Belgium, and Germany through Youth for Understanding. "This exchange business really does work," she says.

EUROPEAN TOUR FOR AN INNER-CITY GIRL

Designer jeans, red belt, pearl-buttoned blouse—Sharon Brown fits right in with the rest of the predominantly black student body at the once-elegant Jeremiah E. Burke High School in a run-down section of Roxbury.

Except for one thing. Sharon, a junior who lives just around the corner from the school, spent five weeks last summer in Europe. By her own admission, it changed her life.

Sitting in a cramped basement office set aside for an interview, she recalled her trip to London, Paris, and Spain—including the three weeks of living in a dormitory at the University of Salamanca and studying Spanish. "It made me respect other people's cultures more—to learn how they act and see how they do," she says.

"I didn't think I was going to be speaking as much Spanish," she added with a smile. But she says that while "there's not that many black people in Spain," she "didn't feel any prejudice."

Sharon is one of very few American inner-city students who have had such an opportunity. When a Roxbury community-based agency, Freedom House, announced plans to send two students abroad on a trip organized by the American Institute for Foreign Study of Greenwich, Conn., she was recommended by her Spanish teacher. Funds for her trip—about $3,300, all expenses paid—came from a local chapter of National Links Inc., a nationwide organization of black women. Muriel Snowdon of Freedom House says that while her group has helped organize exchanges for 15 years, "funding these programs is not an easy job." Her organization has no plans to send Burke students abroad this summer.

Part of the problem: finding students prepared to go. Spanish classes at Burke, for example, stop after sophomore year—and typically focus much more on reading and writing than on speaking.

So, for all she has learned, Sharon will have to wait until college to pursue her Spanish. Does she speak Spanish at all now? she was asked. "Nope," she said. Does she wish she could? "Yep," she grinned.●

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the House of Representatives here in the CONGRESSIONAL RECORD. I strongly believe that the people of Arizona have a right to know where I stand on the issues decided by the House, and I have found that printing my record here is the best way to provide that information.

This is not an all-inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for specifics, or to visit my district office at 300 North Main in Tucson or 1419 North 3d Street, suite 103, in Phoenix.

The list is arranged as follows:

KEY

1. Official rollcall number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of issue being voted on;
5. The date of the action;
6. My vote, in the form Y=yes, N=No, and NV=not voting;
7. The vote of the entire Arizona delegation, in the form (Yes-No-Not voting);
8. An indication whether the motion or amendment was passed or rejected; and
9. The total vote.

140. H.R. 5922. Urgent Supplemental Appropriations, Fiscal 1982. Adoption of the rule, (H. Res. 502) waiving points of order against the conference report on the bill to provide supplemental appropriations of $8,924,835,000 for fiscal 1982 and to rescind previous appropriations of $5,678,120,000. Adopted 257-155: Y (1-3-0), June 16.

141. H.R. 5922. Urgent Supplemental Appropriations, Fiscal 1982. Motion that the House concur in a Senate amendment, with an amendment, to rescind fiscal 1982 budget authority of $4,098,640,000 for annual contributions for assisted housing and $1,579,480,000 for the rent supplement program. Motion agreed to 312-96: Y (4-0-0), June 16.

142. H.R. 5922. Urgent Supplemental Appropriations, Fiscal 1982. Motion that the House concur in a Senate amendment to rescind $3,340,000 of fiscal 1982 contract authority in the rent supplement program. Motion agreed to 299-104: Y (4-0-0), June 16.

143. H.R. 5922. Urgent Supplemental Appropriations, Fiscal 1982. Motion that the House concur in a Senate amendment to establish a $3,000 annual limit on business related tax deductions for Washington, D.C., living expenses claimed by individual members of Congress, with an amendment to limit annual outside income earned by members of Congress to 30 percent of their annual congressional salaries. Motion agreed to 381-29: Y(4-0-0), June 16.

144. H.R. 6094. International Trade Commission Authorization. Ways and Means Committee amendment to remove the $25,000 cap on overtime pay for U.S. Customs Service employees. Adopted 220-178: Y(1-3-0), June 16.

145. H.R. 6094. International Trade Commission Authorization. Passage of the bill to authorize appropriations for fiscal year 1983 of $19,737,000 for the U.S. International Trade Commission, $568,801,000 for the U.S. Customs Service and $10,100,000 for the Office of the U.S. Trade Representative. Passed 337-67: Y(2-2-0), June 16.

147. H.R. 5879. Refugee Assistance Act Amendments. Adoption of the rule (H. Res. 499) providing for House floor consideration of the bill to reauthorize programs that reimburse states for cash, social services and medical assistance to refugees. Adopted 388-3: Y(4-0-0), June 17.

148. H.R. 4326. Small Business Innovation Development Act. Adoption of the rule (H. Res. 501) providing for House floor consideration of the bill to strengthen the role of small firms in federally funded research and development. Adopted 388-6: Y(4-0-0), June 17.

149. H.R. 4326. Small Business Innovation Development Act. Motion that the House resolve itself into the Committee of the Whole for consideration of the bill to strengthen the role of small firms in federally funded research and development. Motion agreed to 383-5: NV(3-0-1), June 17.

150. H.R. 4326. Small Business Innovation Development Act. Amendments to exempt the Department of Defense and the Department of Energy's atomic energy defense programs from the provisions of the bill. Rejected 90-295: N(2-1-1), June 17.

151. H.R. 4326. Small Business Innovation Development Act. Amendment to exempt all health-related research conducted under the Department of Health and Human Services from the scope of the bill. Rejected 164-193: Y(2-1-1), June 17.

153. S. Con. Res. 92. First Budget Resolution, Fiscal 1983. Motion to approve the substitute resolution, agreed to by Senate-House conferees but reported in technical disagreement, to set budget authority, $822.39 billion; outlays, $769.8 billion; revenues, $665.9 billion; deficit, $103.9 billion. the resolution also set preliminary goals for fiscal 1984-85, revised budget levels for fiscal 1982 and included reconciliation instructions requiring House and Senate committees to recommend legislative savings to meet the budget targets. Motion agreed to 210-208: N(2-1-1), June 22.

154. H.R. 5879. Refugee Assistance Act Reauthorization. Passage of the bill to reauthorize for one year refugee assistance programs established in 1980 and to place new conditions on refugee eligibility for public assistance. Passed 357-58: Y(2-1-1), June 22.

155. H.R. 4326. Small Business Innovation Development Act. Amendment to eliminate the mandatory set-asides and require certain federal agencies to reserve a portion of their research and development budgets for small firms, while allowing Congress to decide through the authorization and appropriations process the actual amount spent on small businesses. Rejected 118-290: Y(2-1-1), June 22.

156. H.R. 4326. Small Business Innovation Development Act. Amendment to exempt the National Institutes of Health from the set-aside provisions of the bill. Rejected 169-228: NV(1-1-2), June 22.

158. H.R. 4326. Small Business Innovation Development Act. Motion that the House resolve itself into the Committee of the Whole for consideration of the bill to strengthen the role of small, innovative firms in federally funded research and development. Motion agreed to 389-2: Y(3-0-1), June 23.

159. H.R. 4326. Small Business Innovation Development Act. Passage of the bill to strengthen the role of small, innovative firms in federally funded research and development. Passed 353-57: Y(1-2-1), June 23.

160. H.R. 6631. Relief for Lebanon. Passage of the bill to authorize $50 million in emergency aid to relieve suffering in Lebanon resulting from the June 6 invasion by Israel. Passed 334-70: Y(1-2-1), June 23.

161. S. Con. Res. 98. Thailand's Bicentennial. Adoption of the resolution to congratulate Thailand on the Rattanakosin Bicentennia, the 200th Year of the Charki Dynasty. Adopted 398-1: Y(3-0-1), June 23.

162. H.R. 6337. Energy Emergency Preparedness. Amendment to require the president to fill the Strategic Petroleum Reserve at the rate of 200,000 barrels of petroleum products per day until the reserve has reached the level of 750 million barrels, and to require that at least 140 million barrels be stored in new steel tanks. Rejected 110-282: N(0-3-1), June 23.

163. H.R. 6337. Energy Emergency Preparedness. Passage of the bill to set a minimum fill rate for the Strategic Petroleum Reserve of 200,000 barrels of petroleum products per day until the reserve has reached the level of 500 million barrels of oil, to extend until June 30, 1985, the immunity from antitrust laws granted oil companies that share information with the International Energy Agency, and to require the president to report to Congress on various aspects of the administration's plans for dealing with an energy emergency. Passed 396-3: Y(3-0-1), June 23.

165. H.R. 5922. Urgent Supplement Appropriations, Fiscal 1982. Passage, over President Reagan's June 24 veto, of the bill to provide supplemental appropriations of $8,924,835,000 and to rescind previous appropriations of $5,678,120,000. Rejected 253-151: Y(1-1-2), June 24.

166. H.R. 6682. Urgent Supplemental Appropriations, Fiscal 1982. Passage of the bill to provide supplemental appropriations of $5,924,835,000 and to rescind previous appropriations of $5,678,120,000. Passed 267-106: Y(1-1-2), June 24.

167. H.R. 6685. Urgent Supplemental Appropriations, Fiscal 1982. Passage of the bill to provide supplemental appropriations of $4,524,123,000 and to rescind previous appropriations of $4,098,640,000. Passed 342-25: Y(2-0-2), June 24.

169. H.R. 6198. Copyright Manufacturing Clause Protection Act. Passage, over President Reagan's July 8 veto, of the bill to extend for four years the "manufacturing clause" in U.S. copyright law, which requires that English language books and periodicals by U.S. authors be printed and bound in the United States or Canada to receive full copyright protection. Passed 324-86: Y(2-2-0), July 13.

170. H.R. 6682. Urgent Supplemental Appropriations, Fiscal 1982. Passage, over President Reagan's June 25 veto, of the bill to provide supplemental appropriations of $5,924,835,000 and to rescind previous appropriations of $5,678,120,000. Rejected 242-169: Y(1-3-0), July 13.

171. H. Res. 518. House Ethics Investigation. Motion to suspend the rules and adopt the resolution to authorize the House Committee on Standards of Official Conduct to investigate allegations of improper sexual conduct or illegal drug use by members, House officers or employees, particularly House pages. Motion agreed to 407-1: Y(4-0-0), July 13.

172. H.J. Res. 494. El Salvador Aid Conditions. Motion to suspend the rules and pass the joint resolution conditioning further U.S. aid to El Salvador on the president's certification to Congress that El Salvador was making "good faith efforts" to investigate and to bring to justice those responsible for the murders of six U.S. citizens in 1980 and 1981. The president also would have to certify that El Salvador was taking "all reasonable steps" to investigate the disappearance of journalist John Sullivan in 1981. Motion agreed to 399-1: Y(4-0-0), July 13.

173. H.J. Res. 400. Roosevelt Memorial. Amendment to prohibit expenditure of funds authorized under the bill except in the context of a balanced federal budget. Rejected 158-247: N(2-2-0), July 14.

174. H.J. Res. 400. Roosevelt Memorial. Passage of the joint resolution to authorize the expenditure of such sums as may be necessary to construct a memorial to the late President Franklin Delano Roosevelt in West Potomac Park in Washington, D.C. Passed 254-151: Y(2-2-0), July 14.

176. H.R. 6685. Urgent Supplemental Appropriations, Fiscal 1982. Motion that the House agree to the Senate amendment, with an amendment, embodying the conference report on the bill, to provide $5,448,452,000 in new budget authority and $5,849,120,000 in rescissions. Motion agreed to 389-13: NV(2-0-2), July 15.

177. H.R. 5617. Coast Guard Authorization. Adoption of the rule (H. Res. 520) providing for House floor consideration of the bill to authorize appropriations for Coast Guard activities in fiscal 1983 and 1984. Adopted 394-1: NV(2-0-2), July 15.

178. H.R. 5617. Coast Guard Authorization. Passage of the bill to authorize $2.55 billion in fiscal 1983 and $2.759 billion in fiscal 1984 for Coast Guard activities. Passed 348-25: Y(3-0-1), July 15.

179. H. Con. Res. 278. Older Americans Employment. Motion to suspend the rules and adopt the concurrent resolution to express the sense of Congress in support of maintaining current employment levels in the community service employment for older Americans program. Motion agreed to 407-4: Y(4-0-0), July 20.

180. H.R. 5228. Physical Protection of Nuclear Materials. Motion to suspend the rules and pass the bill to make it a federal crime to unlawfully obtain nuclear materials and use them to terrorize or harm individuals. Motion agreed to 396-9: Y(4-0-0), July 20.

181. H.R. 6258. International Travel Act Authorization. Motion to suspend the rules and pass the bill to authorize $10 million in fiscal 1983 for the U.S. Travel and Tourism Administration. Motion rejected 241-167: N(1-3-0), July 20.

182. H. Con. Res. 310. Cyprus Dispute. Motion to suspend the rules and adopt the concurrent resolution stating the sense of Congress that the president should consider appointing a personal representative to seek an end to the dispute over Cyprus between Greece and Turkey, should urge Turkey to take steps to withdraw its forces from Cyprus and should support United Nations efforts to end the dispute. Motion agreed to 405-6: Y(4-0-0), July 20.

183. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to delete from the bill $699 million for one Trident missile-firing submarine. Adopted 344-65: Y(3-1-0), July 20.

184. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to delete from the bill $2.07 billion for various Army, Navy and Air Force procurement programs. Adopted 406-6: Y(4-0-0), July 20.

185. H.R. 6030. Defense Department Authorization, Fiscal 1983. Amendment to delete from the bill $398.5 million for various operations and maintenance programs. Adopted 386-19: Y(4-0-0), July 20.

186. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to reduce the bill by $50.9 billion and prohibit procurement of MX, Pershing II or cruise missiles, B-1 bombers and nuclear-powered aircraft carriers. Rejected 55-348: N(0-4-0), July 20.

188. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Substitute for the

Mavroules, D-Mass., amendment, to authorize $1,141,900,000 for the MX intercontinental missile; the $259,900,000 of the amount for MX basing and deployment could not be obligated until the 30 days after the president notified the Congress that a basing mode had been selected. The Mavroules amendment would have deleted all money for the MX missile. Adopted 212-209: N(3-1-0), July 21.

189. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Substitute for the Dicks, D-Wash., amendment, to prohibit use of any funds in the bill for purchase of new strategic airlift aircraft for the Air Force, except for the KC-10 aircraft. The Dicks amendment prohibited use of funds in the bill to purchase additional C-5 aircraft and authorized $350,000,000 for procurement instead of the "most cost-effective" commercial wide body aircraft. Rejected 74-344: N(0-4-0), July 21.

190. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to prohibit use of funds in the bill to purchase additional C-5 aircraft and to authorize $350,000,000 for procurement instead of the "most cost effective" commercial wide-body aircraft. The intent of the amendment was to require the Air Force to buy Boeing 747 aircraft. Rejected 127-289:Y (3-1-0). July 21.

191. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to delete from the bill $508,600,000 for procurement of Pershing II ballistic missiles. Rejected 74-311: N(0-3-1). July 21.

192. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Motion that the House resolve itself into the Committee of the Whole for further consideration of the bill to authorize fiscal 1983 appropriations for the Defense Department. Motion agreed to 388-1: Y(2-0-2). July 22.

193. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to prohibit the use of any authorized funds for procurement of binary chemical munitions of production equipment for such weapons. Adopted 232-181: Y(1-2-1). July 22.

194. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to ban the production of binary munitions unless once existing chemical weapon were destroyed for each new binary weapon built. Rejected 192-225: N(2-1-1). July 22.

195. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to delete $54 million earmarked for procurement of binary chemical munitions and barring the use of any authorized funds for that program. Adopted 251-159: Y(1-2-1). July 22.

196. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to delete $4.03 billion for procurement of the B-1 bomber. Rejected 142-257: Y(1-2-1). July 22.

197. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to delete $6.87 billion for two nuclear-powered aircraft carriers. Rejected 83-303: N(0-3-1). July 22.

198. H.R. 6030. Defense Department Authorizations, Fiscal 1983. Amendment to delete $10.5 billion for nuclear weapons authorizations. Rejected 21-355: N(0-3-1). July 22.

199. H.R. 2329. Cherokee Indian Claims. Passage of the bill to waive the statute of limitations and grant jurisdiction to the Court of Claims or U.S. District Court for the Eastern District of Oklahoma to resolve two longstanding compensation claims of the Cherokee, Choctaw and Chickasaw Indian Nations of Oklahoma. Passed 293-26: Y(1-0-3). July 23.

200. H.R. 2643. Airport and Airway System. Motion to order the previous question (thus ending debate and the possibility of amendment) on the rule (H. Res. 489) providing for the House floor consideration of the bill. Motion rejected 135-178: Y(1-0-3). July 23.●

THE POVERTY TRAP

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SIMON. Mr. Speaker, Don Wycliff and Alan P. Henry had an article in the Chicago Sun-Times recently, and had some conclusions about what they call the poverty trap.

It is a substantial article that I urge my colleagues in the House and Senate to read.

At one point, they have this key statement:

Jobs are the key to solving not just the financial problems of the poor, but many of the other problems that grow out of poverty, such as crime and family dissolution. However, some people see the Reagan program as an effort to condition the country to accept more unemployment, not less.

It may well be, as the article asserts, that we are getting accustomed to high unemployment and do not see its evil as we once did.

I hope that is not the case.

I urge my colleagues in the House and Senate to read this article.

[From the Chicago Sun-Times, Nov. 21, 1982]

FINDING HOPE FOR THE POOR

(By Don Wycliff and Alan P. Henry)

By any yardstick—the dollars it costs, the people it envelops, the scars it leaves on whole cities—poverty remains a deep and intractable problem.

But the tragedy of it may have been expressed best by a West Side girl who, at 19, should be on the threshold of young womanhood, looking ahead to career and family.

Instead, she is an unmarried mother of two and a high school dropout, and her words are those of a person much older and tragically careworn:

"Seems like all the excitement is leaving out of my life instead of coming in."

George Gilder, the reigning conservative economic guru, observes that poverty is less a matter of finances than of prospects. If that is so, then the young woman's prospects, her life chances, would seem to have been very nearly extinguished.

And merely by being born to someone of her demographic description—teenager, black, unmarried, dropout, on welfare—her two young sons have entered life with severely diminished prospects for anything except to become members of what urbanologists now called the permanent underclass.

After burrowing for weeks among the statistics, the literature and the people of the so-called underclass, certain conclusions seem inescapable.

Before anything can be changed, attitudes must change.

Initially, mainstream America must come to more realistic terms with its own perception of the problem. The very term "underclass," so casually and universally accepted now by the public, politicians, academics and the media, suggests the first step toward understanding of poverty has still not been taken.

Why? The term is a convenient label. A quick and easy compartmentalization. A means to make it easier for most of us to say, "OK, these people are underclass and there is nothing that can be done for them."

If poverty is less a matter of finances than of prospects, then prospects are largely a matter of finances. According to Sar A. Levitan, director of George Washington University's Center for Policy Research, during the first year of Ronald Reagan's economic recovery program, the 5 percent of the population with the highest annual incomes received a net gain of $9 billion in overall wealth, while those with incomes below the national median had a net loss of $18 billion. So far, the promised payoff in greater capital investment and more jobs hasn't materialized.

Jobs are the key to solving not just the financial problems of the poor, but many of the other problems that grow out of poverty, such as crime and family dissolution. However, some people see the Reagan program as an effort to condition to accept more unemployment, not less.

"It's like highway accidents," says John Connelly of Jobs for Youth Inc. "You'll have 65,000 people killed in automobile accidents in this country this year and no one will say anything about it because social tolerance has set that level as acceptable. Reagan is setting those limits now for unemployment."

There must be an awareness that few welfare recipients want to be on welfare, but as the system is presently set up, many can't afford not to be.

If a poor woman works, her monthly assistance grant will be cut by whatever amount she earns. If she manages to save more than $1,500, she will be cut off aid. Government does not provide enough subsidized day care to make it worth her while to look for a job. The child-support enforcement system that could help her pay the freight is overloaded and generally ineffective.

In a very real sense, then, welfare has become a sort of fiscal methadone for the nation's poor, a cure very nearly as degrading and every bit as habit-forming as the pain it was supposed to alleviate.

And, in the process, the welfare bureaucracy has become an insidious multilevel monitoring device, keeping tabs on—and ultimately controlling the movement of—the part of the population that society has no room for.

Mainstream America must also rid itself of the perception that "poor people programs" are bankrupting the country. In fact, as a percentage of total government payments to individuals, money laid out for welfare has remained constant over the past decade while expenditures for the twin sacred cows of Social Security and Medicare have grown.

In fiscal 1982, spending for public assistance, food, housing and Medicaid totaled an estimated $64 billion and amounted to 18 percent of the U.S. government's payments to individuals, the same percentage as in 1975. Spending for Social Security and Medicare, by contrast, came to roughly $209 bil-

lion, or 57 percent of total payments, as compared to 53 percent in 1975.

Nor do welfare recipients "have it easy" on their monthly allotments. Unlike Social Security recipients, who year in and year out have seen their checks outpace inflation, AFDC recipients have seen their monthly payments increase on average by only $11.34 in the last seven years. As a result, their buying power has been nearly halved. The same is true for general assistance recipients, whose grants have gone up an average of $2.04, to $141.10 in the last seven years.

Among blacks of the underclass, the family has been devastated by a variety of factors, including joblessness, the welfare system and the growth of a "victim" mentality among many poor blacks. As a result, one of the most important family functions—child-rearing—has suffered.

In 1980, 35 percent of the nation's black population were children 18 and under. Forty-two percent lived in intact families, but 46 percent lived in families with only one parent present, most often the mother, who must make her way in the world under the dual disadvantages of racial and sexual bias. (The remainder were in institutions or in some other non-family setting.)

Bruce R. Hare, an assistant professor of sociology at the State University of New York, described the devastating consequences to the current generation of black youth in a paper written last summer for the National Urban League:

"The soaring rates of 'illegitimacy,' 'babies having babies' among increasingly young black girls, the rising crime and drug-abuse rates, and the *increasing violence committed* by our youth against each other and our elders . . . speak to a rising despair and declining discipline among our black youth."

While it has been estimated that as many as one-third of blacks nationwide are members of the underclass, at least two-thirds are not. And one of the most encouraging developments is the growing involvement of middle-class blacks in addressing problems of the black underclass.

One of those pressing hardest for such involvement is Dr. Effie Ellis, a Chicago physician and a recognized authority on maternal and child health. Black people as a group must address themselves to the quality of their lives, she says, and not simply "live and breathe our time away and call it life."

The program of Alpha Phi Alpha fraternity to curb teenage pregnancy by discouraging teenage fatherhood is an example of what is needed, says Dr. Ellis. "The men can break the problem down if they want to."

And while money is important, attitudinal changes are more important, she says. "A lot that must be accomplished can't be without a change of attitude, no matter how much money you have."

Racism remains alive and strong throughout this society and accounts in large measure for the fact that a disproportionate number of blacks remain in poverty, that black men with some college still are more often unemployed than white high school dropouts, that a whole range of economic and social deficits seems to follow a color line.

In Chicago especially, the close correspondence between the geography of the black population and the geography of the poor seems a direct result of individual and institutional racism.

What the Kerner Commission said in 1968 remains true today:

"What white Americans have never fully understood—but what the Negro can never forget—is that white society is deeply implicated in the ghetto. White institutions created it, white institutions maintain it and white society condones it."●

STAYING AFLOAT IN THE TIDE OF RUIN

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. DASCHLE. Mr. Speaker, it now appears likely that some type of jobs program will soon be approved by the Congress, although the scope and nature of it is as yet undetermined. However, running throughout the more than 2-year debate on this issue, there has been one consistent theme. That is that the administration has adamantly refused to fund any make-work jobs.

What exactly a make-work job is usually escapes definition, but normally the ghosts of the Roosevelt-era WPA are called up as specters of what this awful beast is. Perhaps the passage of time has made us all much more sophisticated than people living through the 1930's were, but I still could not help but be touched by a brief article that appeared in the 50th anniversary issue of Newsweek magazine. This article briefly tells the story of Jerry Bacon, a man who lived through the thirties, and what the make-work jobs of the WPA meant to him.

As I said, perhaps we are all much more sophisticated now, and perhaps the experiences of a Jerry Bacon have no relevance in the high-tech 1980's. But I would ask my colleagues to read the following article, and then simply ask themselves one question. Jerry Bacon's job may seem make-work to us, but what did it mean to him and his family?

THE BACONS—STAYING AFLOAT IN THE TIDE OF RUIN

When Jerry Bacon was growing up in back-country Tennessee, the old folks used to sit around nodding sagely at one another and prophesying that times were going to get hard for the people one day. Yeah, his own grandmother would say, real hard. They were just being old, Bacon had thought then with a boy's impatience, but now, looking at the devastation of black Springfield all around him, he was beginning to think they had been right. The Depression had laid waste to the stores and businesses that once lined Washington and Center streets, leaving behind a ghost town of padlocked doors and empty shop windows. Nothing much more was left on Center than a doctor's office, a Methodist church and Patterson's funeral home; even the old Center Street Y, long the hub of the black community, had closed up. Bacon's own livelihood had gone under with Joe Mitchell's laundry; he was pushing 30 with a wife and two kids at home, and until old Delano Roosevelt's WPA came along, he didn't know how he was going to feed them. The old folks knew what they were talking about all right, he told himself at low ebb. They knew and I didn't.

In his boyhood, he had preferred the word of an uncle who had been North and come home laden with little gifts for all the children in the family. "Money grows on trees up there," he had said, and Jerry Bacon had believed him. He had lived his young life then in the tiny east Tennessee hamlet of Rockwood, the grandson of slaves and the son of a Holiness church preacher named Martin Bacon, and even as a boy he had begun chafing at its segregated way of life. His Grandpa Bacon had taught him the story of slavery, all about how black men and women had been torn out of Africa and flogged into submission like children. "Don't ever forget it, son," the old man said, his eyes smoldering in the firelight, and Jerry did not. The white clerks at the general store initiated him in the etiquette of Jim Crow, regularly ignoring him till all the whites had been served and only then demanding, "What you want, nigger?" Jerry never forgot that, either, or the flush of suppressed anger it brought to his cheeks.

The problem in Springfield in the bleak middle '30s was that there was no one to get mad at—only the blind economic tides of ruin and despair washing over the city. Bacon had been elated when the bishop down home had sent his father north to open a little church in a black neighborhood on the southwest side of town. But the Reverend Bacon had had to take factory work to support himself, and now his son, Jerry, had come into his own inheritance of hard times. His Dorothy had borne him two fine boys, Jerome Jr. in 1929 and Charles in 1932. It would be 11 years before they had their third child; there was no work in town and no money coming in to support the family they already had.

For a time after Joe Mitchell's cleaning shop closed, Bacon scratched out a living for them by taking in washing at home—they were living with Dorothy's grandmother—and pressing it himself with a hand iron. But laundries had beome an insupportable luxury in neighborhoods reduced nearly to rags by the Depression. The business withered and died, and Bacon, in despair, moved Dorothy and the boys to Columbus, settled them in a little house on Ontario Street and started pounding the pavement in search of something to do. He got a job pressing clothes at $6 a week in a white-owned laundry, until it foundered and sank. He drifted to another laundry, and another; they went under, too. He washed dishes at Mills Restaurant for 75 cents a day, as long as it lasted. Then he was back on the streets again, with only a night gig playing trumpet and sometimes trombone in a dance band called Archie Hall's Safarians between him and desperation.

He was on relief when the WPA opened an office in Columbus in 1935; it was instantly besieged by a long queue of the dispossessed. Bacon showed up early that morning and found scores of the hungry already there. He took his place in line and shuffled along in its inchmeal progress; it was mid-afternoon before he got far enough even to see the registration window, and the queue behind him stretched out of sight down the street. I'm one of the lucky ones, he thought, and for a time he was. The WPA took him on and put him to work sweeping streets on a road gang.

He hadn't been at it very long when he showed up at the house on Ontario Street well before quitting time one afternoon, looking beaten.

Dorothy was surprised. "What're you doing home?" she asked.

"I got it," he answered glumly. "They laid me off."

"But you're a married man," she protested. "They're not supposed to lay off the married men."

"I don't care what the rules say," Jerry said. "I got it."

Dorothy Bacon brooded for a while, then sat down with a pen and a sheet of paper and started writing, "Dear Mr. President." It won't do any good, Jerry muttered to himself, watching her pen fly. She'll never get an answer. But Stanford Woodford Anderson's great-granddaughter was not built for silent suffering; she filled the page with what had happened to her husband and reminded the president that he himself had said on the radio that married men were not to be laid off by the WPA.

A few days later Dorothy Bacon opened her mailbox and found an official-looking envelope from The White House, Washington, D.C. She tore it open, her hands trembling, and glanced at the signature first. It said "Franklin D. Roosevelt." Then she read the letter. She had been right, it said; her husband had been wrongly laid off from his job and should be reinstated.

Jerry Bacon went back to the WPA office the next morning, bearing the president's note like some magic talisman. He had to wait in line all day again, but when he got to the hiring window, he presented the letter as Roosevelt had instructed and announced, with an air of great authority, "This is from the president's desk."

The lady behind the counter read it once, looked quizzically up at Bacon, then read it again. "You weren't supposed to be laid off," she said at length.

"I couldn't tell you people that," he answered, hitching up his pants.

The woman stepped away from her desk. Bacon could see her conferring with her supervisor. Then both of them came back to the window, effusively apologetic. It had all been a mistake; Jerry could have his old job back.

Bacon smiled then, and, savoring the memory years later, smiled again. The president was getting upward of 3,000 letters a day in those years, many from petitioners in distress as the Bacons had been, and saw that all of them were answered. It was good politics to do so, old-fashioned precinct politics raised to a continental scale; it served its pragamatic purpose with Jerry Bacon, who became a willing integer in the new and powerful coalition of need Roosevelt was building for himself and his party. But the letter and the happy ending it brought about made the bond between the two men—between the president and the black WPA street sweeper—seem warm, real and personal. Delano Roosevelt come along and got us out of a mess, Bacon thought. I'm never going to forget it, he thought, and he never did.●

THE MAKING OF A COMMUNIST

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McDONALD. Mr. Speaker, the case of Michael Straight who has recently revealed that he was a deep cover Soviet agent for many years is one that should concern everyone interested in the security of America. How did an American, with all the right background and with everything going for him become a Communist? The column by M. Stanton Evans that appeared in Human Events for February 26, 1983, is very instructive in that regard, and I commend it to the attention of my colleagues.

The article follows:

MICHAEL STRAIGHT'S CONFESSION: THE MAKING OF THE COMMUNIST

(By M. Stanton Evans)

If you wonder why the United States and the Western world at large are in such perilous condition, consider the sad, instructive case of Michael Straight.

Scion of a wealthy American family, Straight was chiefy raised in England and in the 1930s attended Cambridge, where he was recruited into the Communist party. He subsequently came back to America where he obtained jobs in the State Department and as a Roosevelt speech writer, before moving on to the liberal New Republic magazine, which his parents had founded.

While working for the government, Straight had numerous meetings with a Soviet agent, to whom he turned over copies of documents he was preparing. Most of the attention now accorded Straight—stirred by the appearance of his autobiography—has focused on his actions while he was a Communist, and his failure to come forward on these matters for better than two decades after he says he parted company with his former comrades.

These are indeed important topics worth exploring. But there are other issues involved as well, of potentially greater moment. For the authobiography Straight has given us tells us not only what he did (usually in sketchy, episodic fashion), but why he did it.

His explanation shows us a representative sample of the liberal mind at work—how it is formed, the way it operates, and the qualities which make it prey to Marxist dogma. Since this is the mind that has shaped our era, the lesson is worth learning.

First, the facts as Straight provides them. He was recruited into Communist ranks by Cambridge art historian Anthony Blunt. In these circles, he met a number of other youthful Communists, notable among them the traitor and spy-to-be, Guy Burgess. In 1937, Blunt told the author that Communist higher-ups wanted him to return to America to act as a "mole" in behalf of the Kremlin.

Straight balked at some of the original particulars, but felt "trapped" into accepting the over-all assignment. Back in America, while working for the State Department, he gave copies of documents he was writing to a Soviet agent. In the late '40s and early '50s, he had several encounters with Burgess, who had wormed his way into the British Foreign Office and was spying on America for the Soviets.

Straight says he broke with the Communists in 1941, that the papers he gave the Soviet agent were worthless, and that he told Burgess to get out of the Foreign Office or face exposure. Yet knowing what he did of Burgess, and what his treachery would cost America during the Korean War, Straight did not speak out. Only in 1963, when he was up for an appointment by the Kennedy Administration, did he tell his story to the FBI—a step which led to the downfall of Blunt, among others.

Most of Straight's discussion—interspersed with personal and family reminiscences—is an effort to explain this long delay. What it boils down to is that he felt hopelessly divided between his obligation to oppose the Soviets and his friendship for the individual Communists he would be required to expose. The resulting ambivalence of feeling is apparent in his handling of other matters—such as the Communist-controlled campaign of Henry Wallace in 1948.

Such ambiguity, be it said, is seldom evident in Straight's treatment of anti-Communists such as the late Sen. Joe McCarthy. Back in the 1950s, while Straight was still keeping mum about his own past and the likes of Burgess, he bitterly denounced McCarthy and other anti-Communist investigators. There is a fair amount of this in the present book—although Straight does tell us he "sensed" that Whittaker Chambers was telling the truth about Alger Hiss.

All of this is presented in a self-justifying way that puts Straight's performance in the most plausible and innocent light, with a number of details one would like to know conspicuously omitted. (For instance, Straight's knowledge of, and relationship to, the people at the Institute of Pacific Relations, mentioned only in passing). Even so, the resulting picture is not too flattering for Straight.

How an intelligent man could get in this kind of fix is suggested by Straight's discussion of his upbringing: deprived of his father at an early age, raised without strong feelings of national identity, guilty about his inherited wealth, educated on "progressive" principles by a mother who sounds much like Eleanor Roosevelt, he was sent off to the London School of Economics and then to Cambridge—where he was immersed in a witch's brew of intellectual moonshine, collectivist hogwash, and revolutionary agitation.

The Cambridge atmosphere, as Straight portrays it, was fetid to the point of suffocation. It seems that every other person he refers to (including Burgess, Blunt, John Maynard Keynes and numerous others) was, or had been, a homosexual (Straight himself was an exception). The place was also full of self-righteous dolts imagining themselves as an elite that would create some kind of secular utopia through revolution. Straight, the rootless cosmopolitan awed by their sense of "brotherhood," fell for it.

The story is a sad one, not merely for what it says of Michael Straight, but for its description of the forces that produced him. They are the same forces, after all, that have corrupted the counsels and palsied the will of Western powers for upwards of two generations.●

TRIBUTE TO DORES RICHARD (D. R.) MILLER, OWNER AND OPERATOR OF THE CARSON & BARNES CIRCUS

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. WATKINS. Mr. Speaker, today I call upon my colleagues to join me in paying tribute to Dores Richard (D. R.) Miller, long-time owner and operator of the world's largest tent show, the Carson & Barnes Circus. The general offices and winter quarters of the Carson & Barnes Circus are located in my congressional district at Hugo, Okla., where D. R. enjoys wide renown and respect. He has dedicated his life to the circus, and is well deserving of our recognition and tribute. His dedication is best expressed in his own words:

I want to leave a lifelong impression on each child who comes to visit my circus. The warm memories of the day spent with mom and dad watching the mammoth tent being pulled up by the elephants; the sensation of having a baby giraffe eat out of a young child's hand; the excitement he feels when watching the lion tamer work with the big cats; the kaleidoscope of unique smells, sounds, and images of the tent circus that greets each youngster when he visits the showgrounds. When a young person comes to the circus he is greeted by so much activity and excitement that he will never forget the experience. I remember the special wonder and joy that I felt when I saw my first circus as a child, and I want to multiply that joy. I want to be the man who brings the circus to town. It's like playing Santa Claus every day of the year, and I will keep bringing that special joy to the kids until the day the good Lord decides that its time for me to stop."—Dores R. Miller.

This season marks the 47th consecutive year that Dores Richard (D. R.) Miller has owned and operated the circus. No individual in all of circus history has had the drive, determination, and luck necessary to maintain a tent circus on the road for this record number of years.

D. R. started working for his father, Obert Miller, in 1924, at the ripe old age of 8. Although he only rode a trick pony and worked on the sideshow bally platform, the responsibilities he was given at that time helped to shape his life. This was the golden age of the monster tent circus, when huge tent shows crisscrossed the continent. This is when he decided to, someday, own one of these outdoor giants.

After taking Isla Beach as his wife in 1934, the Millers joined the Seils-Sterling Circus as performers. D. R. was a wire-walker and trick rider. Isla performed in a five-girl aerial display and swinging ladder act. They received the grand salary of $10 per week with a $15 bonus for their troubles.

In 1937, D. R. joined with his father and brother, Kelly, to start a two-monkey, 4-pony, 6-person wagon show. During good times and bad, the Miller family worked and built that show into what is now the world's largest tent circus. D. R. Miller is the only surviving founder, and he has continued to bring this 80-vehicle show, complete with 25 elephants, 2 giraffes, rhino, hippo, 75 horses and ponies, and various other animals, 200 employees and a big top bigger than a football field to millions of Americans in all parts of the United States. The show, being based in Hugo, Okla., has brought millions of dollars into the local economy, and has helped to support several local businesses.

Retirement is out of the question. D. R. will continue to push, pull, and guide his circus into the dreams of children—of all ages—until its no longer possible. In the process he is sparking joy and imagination, and keeping an American tradition alive.●

REMEMBRANCE OF WAR

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. WHITEHURST. Mr. Speaker, the "Thinking Things Over" column by Vermont Royster which appeared in the Wall Street Journal on Wednesday, March 2, was a particularly good one, and I am taking this opportunity to share it with my colleagues.

I know that millions of Americans watched and enjoyed "The Winds of War," on television, and many more have read both that book and its sequel, "War and Remembrance." I commend the two books to anyone who may have not yet read them; Herman Wouk has combined a fascinating story with scholarly research and produced memorable works of historical fiction.

But Vermont Royster's commentary goes deeper than just a review of "The Winds of War." It serves as a reminder to all of us, whether we remember World War II or not, that, to paraphrase another author, "It can happen here."

THINKING THINGS OVER

(By Vermont Royster)

REMEMBRANCE OF WAR

For those who survive a great war, be they soldiers or civilians, the experience is unforgettable. All else is anticlimax.

If you think not so, listen to old soldiers gather talk of Dunkirk, Anzio, Okinawa or more lately even of Vietnam. Or to civilians who lived through the terror of London or Coventry.

So when the television recently brought us that 18-hour marathon account of the coming of World War II, there were two separate audiences among the millions who watched. Those who remember. And those who can't.

I can speak only for those who remember. And as I watched Herman Wouk's tale, with all the contrivances and coincidences of story the critics harped upon, I couldn't help wondering if those too young to remember drew from it the lessons those times have to offer.

Some of the lessons may have been obscured in the television telling. Hitler's Mein Kampf, for example, is mentioned in passing. Was it clear to the young that Hitler told the world then exactly what he planned to do—and no one believed him?

The destruction of Poland, the fall of France, the plight of beleaguered Britain, all this was vividly told. Was it clear to the young that none of this need have happened if Poland, France, Britain had not ignored the gathering storm?

To many younger viewers Mr. Wouk's fictionalized Jewish Scholar, Aaron Jastrow, seemed merely a naive, even foolish, old man in his refusal to flee the menace of Nazism. Did they understand he was symbolic of many who said what was true, that there were good Germans as well as bad ones, and so were long blind to the evil that engulfed them all?

Through the figure of President Roosevelt, our own effort to rearm at the last minute was recounted. Do the young know that even after Hitler came to power in 1932 we left our arms in disrepair? that on the very eve of being engulfed by the war our soldiers were drilling with brooms as make-believe rifles, driving trucks as make-believe tanks, because we had none other?

Thus when my own time came to be wrenched from a happy civilian home, I was put aboard a destroyer that had no radar, no sound-searching gear, no modern guns to defend the convoys we were supposed to shepherd against marauding submarines. Those called to man land armies were no better served.

Yet that is the way it was. With Europe already conquered by Nazi legions, with Great Britain upon the edge of defeat, with Pearl Harbor but a few weeks away, our country preferred to think the war would not come our way. Were there not, after all, two great oceans that lay like moats to keep us safe? to politicians in Congress were not alone in asking what need we had of calling our young to arms, of spending our treasure on the arms for them, when there were so many other needs here at home in a nation still suffering from the Great Depression.

I hope the young will not suppose that this myopia, from Munich to Pearl Harbor, sprang from selfish or immoral motives. It was rooted in one of the deepest desires of the human spirit, to live in peace. It was expressed clearly in a slogan heard everywhere in those days, "Peace, it's wonderful!" It was said in prayers, sung where good people gathered, chanted in street parades to protest the horrors of war.

That war came anyway despite the prayers, and brought with it horrors up to then unimagined, was not the fault of those of good will and one cannot fault them for those prayers. War came anyway because not all men are men of good will, because evil has not been banished from the earth.

Nor can one fault those men of good will, either, when the trial came. Once it became clear the choice was war or surrender to evil, men of good will went off and died by the millions lest evil triumph unopposed.

The truth is that peace is easy to achieve. The Poles, the French, the Belgians, the British, could have easily had their peace. All they had to do was say "better to be Nazi than dead," lay down their arms, fight no more, and they would have had their

peace. The question is whether the world would have been better for such a peace.

That is why those of us who remember, watching the unfolding story on a television screen, have a sense of deja vu the young cannot know, seeing the parades today of those who once more cry, "Peace, it's wonderful!" and seek it by laying down arms while, across the world, others build arms and more arms.

We find it strangest when this cry is heard in Europe. In that last war our country was spared the worst largely because people far away bore the brunt of war before us. Our own country has never been invaded and occupied. But the peoples of Europe, from the coast of Norway to the Mediterranean Sea, lived under a brutal heel until at long last, and after much dying, it was removed.

Can they really have forgotten how it was? Have those who remember nothing to say to the young who cannot? Can the young, looking eastward to neighbors already under a brutal heel, think peace so wonderful as to be bought at such a price?

For now, as before, it can be bought at a price. Western Europe can easily have its peace, as can we. All that is required is to lay down arms, to think it better to be red than dead, and all danger of another war will vanish. Conquerors have no need of war when there are neither arms nor will to resist them.

As one who remembers how it was before, I wonder if the voices of surrender speak today for the peoples of Europe. Perhaps I can find out if I go back again—and listen.●

TARGET AID PROJECTS

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SIMON. Mr. Speaker, recently, the House adopted an amendment I proposed calling for 50 percent of AID money to help those in absolute poverty in the various nations in which we have AID projects.

The continuing resolution finally compromised at 40 percent. Let me express my appreciation to my colleagues CLARENCE LONG, TONY HALL, and BEN GILMAN particularly for their help. In the conference committee CLARENCE LONG's work was particularly critical.

Someone has called my attention to an article written by Herman J. Cohen, Deputy Assistant Secretary for Intelligence and Research with the Department of State and former Ambassador to Senegal and Gambia.

His article also suggests that we should be targeting our AID projects for more immediate specific results.

The only point in the article that I would question at all is that he wants to get coal to Africa from Hampton Roads, Va.

Being slightly provincial from southern Illinois, I would prefer that it be southern Illinois coal which goes through the port of New Orleans, but I confess a provincial bias on that.

[From the Open Forum Journal, Issue No. 25, 1980, Department of State]

IS AID'S BASIC HUMAN NEEDS APPROACH WORKING? A VIEW FROM AFRICA

(By Ambassador Herman J. Cohen)

I have just completed a 3-year assignment as Ambassador to Senegal and The Gambia. Since our economic assistance programs constitute the most significant activity of the U.S. Government in these two countries, I have come to know well the programs of AID and the Peace Corps, as well as those of private voluntary and international organizations.

When I arrived to take up my new assignment, I found that the congressional mandate to address basic human needs was at the top of the list of priorities for both AID and the Peace Corps. The mandate was defined as having the objective of bringing maximum quantifiable benefits to the most disdavantaged populations of the developing countries. In carrying out this mandate, AID was faced with the problem of fulfilling another objective simultaneously, namely the requirement to foster development.

AID has resolved this problem essentially by designing its projects to have an impact on the populations living in the rural areas. The theoretical payoff in most of the projects includes greater cash incomes and better living conditions for the rural farmers. The main vehicle for attaining these objectives is technical assistance to indigenous institutions, almost always government agencies or government parastatal organizations, that exist to provide technical services to rural communities. Most of the aid, therefore, consists of the training of trainers—the extension workers, managers, and technical personnel who will be responsible for guiding the rural farmers into new and more productive practices. Whenever the indigenous institutions are themselves just getting started, AID's assistance might include the construction of offices, laboratories and even staff housing.

After 3 years of observing this process unfold, I ask myself if AID's current approach is addressing basic human needs in a more effective manner than previous approaches which included a certain amount of infrastructure development (i.e., road building, dam construction, communications systems). It is difficult to answer this question because institution-building and stengthening are long-term propositions. We can't really expect to see a payoff in less than 7 to 10 years. On the basis of my observations, however, I cannot suppress a certain amount of skepticism about AID's current approach. My feeling is that the rural farmer would probably benefit more from investment in infrastructure that has a relatively early impact, than from long-range institution-building. On the basis of my experience, I would advocate the construction of rural farm-to-market roads, village water systems, small dams and irrigation systems.

I have strong doubts about the capability of government agencies and government-controlled development organizations to translate their acquired expertise into benefits for the rural farmers. My experience to date indicates that government bodies exist mainly as an end in themselves—to provide jobs, salaries, perquisites, and partronage to the people lucky enough to obtain employment. There is virtually no accountability in terms of quantifiable results in the rural areas. The whole purpose of education in the minds of parents is to help young people escape from the rural areas to urban centers. Extension workers, therefore, often prefer to stay in their air-conditioned offices doing paperwork rather than going out and working with villagers. This is a general conclusion that obviously does not cover every case. There are some dedicated people in rural development agencies. But I have traveled extensively in the interior of Senegal and The Gambia, and the people I usually see working at the village level are Peace Corps volunteers, employees of private voluntary organizations, missionaries, and an occasional AID contract technician. Ironically, the one Senegalese Government-owned entity that I have seen that appears to be closer to the rural farmer than any other is the only one not receiving any foreign assistance. Representatives of this agency, which is seeking to develop irrigated rice production, took me around to visit the villages they are working in, and I discerned a certain confidence among the villagers in that organization.

When I ask Senegalese villagers what their greatest needs are, they invariably say water and market roads. Senegal is in the Sahel semi-drought area, and water is scarce, just as it is in southern California. The villagers want wells, deep bore holes, and pumps. Many of the isolated villages, which are in the majority, need adequate farm-to-market roads to transport the produce they grow, or could grow if they had water. There is potential for a lot more production among the rural peasantry if they could have water and roads, and this could be accomplished with minimal or no extension work from government agencies.

My overall instinct is to favor the independence of the farmer who should have maximum incentives to produce more and earn more on his own without government interference. The building of government-controlled institutions which are supposed to help farmers could have the opposite effect of stultifying farmer motivation to produce more. These institutions will probably serve as a drain on rural resources rather than as a stimulus to their growth. Not only will these institutions fail to help the farmer, but they will also buy his crops at questionable prices, sell him fertilizer and give him credit, with none of these procedures working to the farmer's advantage.

The Government of Senegal has recognized the phenomenon of the negative impact of government organizations on rural farmers, and is actually working to return much of the marketing and other services to private enterprise. There is a new emphasis on cooperatives and local power structure.

In view of the foregoing, how should we proceed from here? First, I would fulfill all commitments to institution-building already on the books. These projects should be completed. I hope that my skepticism is all misplaced, and that by the year 1990 we will have something to show for our aid. But the payoff has to be evaluated in terms of increased production and standards of living in the specific rural areas targeted by these projects. We cannot evaluate it by listing numbers of people trained and numbers of technical assistance hours worked. I would, however, place a halt to all new institution-building projects. There is a sufficient number on the books right now, in my view, to make a positive impact if everything goes according to plan.

For new money that becomes available, I would divide our efforts into two categories. First, I would engage in quick impact rural infrastructure projects. In Senegal, we could make a commitment to construct 200 wells

per year with simple pumps that could be maintained by villagers themselves. The private voluntary organizations are already doing this on a much smaller scale, and generally the experience has been positive. I would also upgrade and construct rural farm-to-market roads, working with indigenous construction entities. In Senegal, for instance, the Army is using American Foreign Military Sales (FMS) engineering equipment to undertake this type of work under contract to the Ministry of Public Works. Again, there is some irony in the fact that some of the most effective development work in Senegal is being done with U.S. military assistance. This whole effort could serve as a controlled experiment to determine which is more effective—institution-building which trains the trainers, or rural infrastructure which brings direct benefits to the rural farmers and gives them some tools to develop themselves.

Secondly, I would allocate as much new money as possible to the search for alternative energy possibilities. The 1978-80 oil price increases are just killing the non-oil producing African countries. There may be nothing left of these economies to develop if something isn't done in this area. And I am not talking about the installation of experimental solar electric water heaters in village maternity centers. What Africa needs is innovative thinking about big projects to convert major installations away from oil-fired energy production. For example, why shouldn't municipal power plants in African coastal cities like Dakar be converted to coal? Coal energy imported from Hampton Roads, Virginia would be cheaper for Dakar than imported oil right now, and the disparity will undoubtedly grow. American planners, designers, and soft loans (yes, it is time for AID to get back into the loan business for certain types of projects in Africa) could help achieve these conversions, and help U.S. exports to boot.

Hydroelectric power is another area that deserves considerable emphasis. When I was on the Zaire desk in 1970, people said Zaire was crazy to borrow all that money for the Inga hydroelectric power complex. But that vast amount of energy is going to save Zaire and several neighboring countries much money on oil imports in the next few decades. There are other potential hydroelectric energy sources in Africa which need our help, and the help of donor consortia such as the recently established Association for the Coordination of Development in Africa (ACDA), to which the U.S. belongs.

In summation, we need innovative thinking to address basic human needs in both the micro- and macroeconomic contexts. What AID is doing now looks very good on paper, and should have a favorable impact if everything works out according to design. But after 3 years of closer observation, I do not see that basic human needs are being addressed any more now than under previous policies. And, I am highly skeptical about the capability of public institutions to transmit developmental skills, or to motivate farmers to produce more. The farmer needs help to function independently, and he needs it in a shorter time frame. I also fear that congressional appropriations committees may become impatient and disillusioned before the results of institution-building can demonstrate a developmental payoff.●

NUCLEAR RADIATION

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. DASCHLE. Mr. Speaker, I would like to bring to the attention of my colleagues the following article which appeared in the January 15, 1983, Economist news magazine:

NUCLEAR RADIATION—DEADLY TESTS

British servicemen who were exposed to the nuclear weapons tests in the South Pacific in the 1950s are contracting leukaemia at an astonishing rate, and there seems little doubt that the radiation from the explosions is the cause. The problem was highlighted by a BBC television programme (Nationwide) in December. After this broadcast, more reports came in from servicemen who took part in the tests. The results were analysed by an independent medical statistician, Dr. Alice Stewart, of Birmingham University, and formed the basis of a second programme this week.

Dr. Stewart calculated that there were about 6,000 men under 25 involved in the 1957-58 tests at Christmas Island and at Malden Island, 400 miles to the south. In round figures, 75 of these men would normally have been expected to have died, from all causes, between 1976 and 1982; of the 75 four would have been expected to have died from leukaemia. So far, although reports of only 10 deaths during this period have been received, eight of them were caused by leukaemia.

At least six more leukaemia victims are still alive. Many other men still living have reported recurring rashes and cataracts: both are typical of radiation victims. Dr. Stewart is convinced that the radiation from the nuclear tests caused most of the trouble.

The ministry of defence, which ran the tests, did not want to know. It is, by tradition, starkly unsympathetic to exservicemen who ask for special consideration because of problems related to their active duty. It has received six claims from cancer victims over the past 10 years and turned down all of them. It has not yet received any claims as a result of the BBC's investigations, but it probably will. The official line was that the statistics that the defence ministry had seen so far did not indicate that the men who were in the tests are getting leukaemia at a greater rate than would be expected.

Faced with similar claims, the Australian government is doing the decent thing. Alarmed by an increasing number of reports of cancer-related diseases among the 9,000 Australians who worked with Britain on the atomic tests, it has sent questionnaires to all the survivors. The American administration has behaved as badly as the British government in the face of claims from those who say they suffered from nuclear tests in Nevada. It is embroiled in a case where 1,192 people are claiming damages.

As a result of all the television publicity (Channel 4 also screened a documentary on the subject this week) the British defence ministry has been spurred, at last, into action. It plans to contact the 12,000 who took part in the tests and examine them to see if they are suffering from radiation diseases. Its next step should be to make arrangements to compensate those who are, along with the relatives of those who have died.●

PARRIS URGES SUPPORT FOR CIVIL SERVICE RETIREMENT

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. PARRIS. Mr. Speaker, two House committees are meeting this morning to discuss the impact the proposed Federal budget will have on civil service retirement. The proposed changes would have a disastrous effect on the Federal work force and if implemented, could jeopardize the quality of services that the Federal Government is currently providing your constituents. Although you may not have a great number of Federal workers in your congressional districts, the proposals contained in the budget will mean less services for more tax dollars unless we act swiftly to make some reasonable modifications.

During the past few years, Federal workers have been required to bear an unfair burden in attempts to reduce Federal spending. Cost-of-living increases have been inadequate, falling far behind the rate of compensation recommended by the President's own pay advisers. Health benefits under the Federal employees health benefits program have been reduced substantially while the insurance premiums have increased. In addition, Government employees have been subjected to an insensitive and demening reduction-in-force process with the new threat of eliminating seniority as an element to be considered when implementing new RIF's.

The combination of these items and other factors have had a disastrous affect on the Federal work force. Morale is at an alltime low and each week seems to produce new attacks on our work force.

The civil service retirement proposals contained in the fiscal year 1984 budget add insult to injury. The new budget would increase the contribution rate to the retirement from the current 7 percent to 11 percent. In order to retire at full benefits, an employee would be forced to work until age 65 instead of the current age of 55. In addition, the new budget changes the basis for computing future annuities from an employee's average high 3 years salary to a high 5 formula.

I am adamantly opposed to the proposed pay freeze and the budget proposals. If the Congress approves this package, it will be destroying a retirement system that works well and it will be breaking a commitment to every Government employee by changing the rules in the middle of the game.

The civil service retirement system has proven itself over the years. In 1981, the system paid annuities to 1.5 million retirees or their spouses and dependents, providing an average yearly benefit of $11,000. The system is funded through matching employee-employer contributions totaling 14 percent of payroll. It is my understanding that the Government has been contributing for more than its 7-percent share to make up for the nearly 40 years, 1920-56, it failed to match employee contributions.

Unfortunately, the size of the CSRS makes it an easy target for budget cutters in Congress. I have heard Members say that the civil service retirement program is too generous when compared to private sector plans. These types of comparisons are inaccurate and unfair. Private plans are supplemented by social security and 95 percent of the employees participating in private plans do not contribute to their own plans.

Since 1976, Federal Government retirees were subjected to taxes on disability pensions, reductions in benefits for spousal benefits, the COLA was reduced for new retirees, the biannual COLA was eliminated, and COLA's were reduced by one-half for retirees who are under the age of 62.

Any other reductions in retirement benefits are totally unacceptable. The retirement program is one of the major reasons people decide to pursue a career in Government service. Employees should be able to rely on the idea that when they retire, the retirement benefits will be provided to them that were promised when they took their jobs. These benefits are just as much a part of the employment contract as are salary and job responsibilities. We have a moral and contractual obligation to see that these benefits are not reduced or delayed.

These retirement proposals, the RIF regulations being promoted by OPM, and the proposal to bring new Federal workers into social security will ruin the Federal work force. For some time now, I have been hearing from managers and supervisors who complain that they are unable to keep their most skilled, dependable workers. These new proposals will make it even more difficult to attract and retain qualified people to serve in Government.

While I agree with the idea that we must reduce Federal spending and restore some vitality to our economy, destroying the Federal work force is not the way to achieve cost savings. There are many other more desirable alternatives which should be pursued.

One other point I would like to make in closing. When we talk about Federal workers as a group, it is easy to forget the types of services and duties these people provide. Government employees work on finding cures for diseases at NIH, they serve as drug enforcement agents working to keep drugs out of our children's schools, they are FBI agents, they are the people that provide health care services, and get the social security checks out on time.

If we do not preserve the retirement system, we will undoubtedly lose our best workers to join in the private sector which provides better benefits and more security. Rather than achieve cost savings, we will end up spending more tax dollars for few services because we will have a work force comprised of individuals who cannot find employment any place except with the Federal Government.

I urge my colleagues to join me in preserving the integrity of the Federal work force by honoring the commitment we have made to our employees. We must act now to remove these disastrous proposals from the budget.●

RUSSIA—THE SICK MIND OF EUROPE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McDONALD. Mr. Speaker, the Soviets recently withdrew from the World Psychiatric Association rather than face the debate and possible expulsion over the routine commitment by the KGB of Soviet dissidents to mental institutions for special treatment. Many Soviet dissidents have survived and lived to tell about these cruel confinements so that they have become common knowledge in the Western World. It is yet another manifestation of a society without morals that permits such practices. The editorial on this subject written by Mr. Ian Ball that appeared in the London Daily Telegraph for February 12, 1983, follows for the benefit of my colleagues.

[From the Daily Telegraph, Feb. 12, 1983]

RUSSIA—THE SICK MIND OF EUROPE

(In a nation where the normal are sent to psychiatric hospitals because of their political stand, doctors who sent them there may not be party tools but members of a warped profession in a warped society.)

In the city where Sigmund Freud first tried to diagnose and calm troubled minds through talk, an entire medical profession—supposedly sick, in ways unsuspected by Freud—was to have come under full international analysis later this year.

At its seventh congress in Vienna, the World Psychiatric Association had been planning to resume its debate on whether psychiatry in the Soviet Union has become a political tool of the KGB in its dealings with dissidents. With the meeting still five months away, quiet but intensive lobbying was already being conducted by all parties involved.

Then came yesterday's startling announcement: to pre-empt Western efforts to suspend or expel the Soviet psychiatrists for collectively tearing up the Hippocratic oath, the 22,000-member Soviet national organisation, the All-Union Society of Psychiatrists and Neuropathologists, was quitting the 78-nation world body forthwith.

It is political with a capital P, of course. And it is among the most fascinating examples we have had since Brezhnev's death in November of how the Kremlin under Andropov intends to play the global game.

The Brezhnev Kremlin, according to Western doctors who have had contact recently with influential figures in the Soviet psychiatric profession, would probably have decided to tough it out, let the West prove that sane dissidents are being held in Soviet asylums.

Where Brezhnev was ready to use a cleaver in approaching potential trouble abroad, Andropov's choice seems to be a scapel. Why risk a propaganda reverse in Vienna when things are going so well, image-wise, in Europe and elsewhere on the peace front?

The background here is the roughing-up the Soviet psychiatric profession received when the international body last met, in Honolulu in 1977, and adopted a resolution condemning "the systematic abuse of psychiatry for political purposes in the USSR."

Ever since there has been a growing but quietly conducted debate among psychiatrists the world over on the most effective way of applying pressure on what the majority still seems to regard as a thoroughly corrupted brother institution. To their credit, British and American psychiatrists have been in the forefront.

Now, however, whatever disciplinary or supervisory powers the world body might have hoped to exercise have been snatched away. Andropov's doctors are not about to stand in anybody's dock.

The debate in Vienna—and what irony that a congress which meets every six years happens to be assembling for this political row in the birthplace of psychoanalysis—had been expected to revolve around two resolutions.

The Royal College of Psychiatrists, having seen the horror stories multiplying since the condemnatory resolution was adopted in Honolulu, had formally proposed the expulsion of the Soviet organisation. The American Psychiatric Association had decided on a less drastic course of action—suspension pending proof that the present cloud over Soviet psychiatry has been removed.

With the Russians no longer in the club, all this is shunted on to the theoretical plane. Yet the cream of the world's mind doctors might still want to consider adapting an idea which has intriguing possibilities and universal application. It has been advanced by an American whose special field of studies is the use and misuse of psychiatry in the Soviet Union—Dr. Walter Reich, a psychiatrist by training who is a fellow at the Kennan Institute for Advanced Russian Studies in Washington. He is proposing, in effect, the psychiatric equivalent of on-site inspection.

His idea is that the world body could be empowered to send representatives to any country to examine individuals reported to have been dispatched to mental institutions for political reasons. If permission were denied, the association would hold that country's psychiatric establishment in international contempt.

"This would give us a mechanism for continuing to press for re-examination of Soviet dissidents seen as victims of "misdiagnoses," he argues. "The Russians either would have to allow such re-examination by outside psy-

chiatrists or acknowledge they have something to hide."

Dr. Reich spent some time last year examining Soviet psychiatry on its home couch (in truth, the metaphor hardly applies since there is very little talk therapy practiced in the country which two generations ago declared Freud's ideas to be inconsistent with Marxist science) and had a rare sitdown talk with the two men who control Soviet psychiatry, Dr. Andrei Snezhnevsky, 78, and Dr. Marat Vartanyan, in his early 50s.

He returned from that meeting convinced that the Russians were still smarting from the scolding they got in Honolulu and determined that nothing like this would occur in Vienna. If necessary, even though they put great importance in being seen as civilized men of medicine by their international colleagues, the Russians, he judged would walk out of the world body rather than face another vote of censure.

Reports of Soviet psychiatric abuse began reaching the West in the late 1960s. Not even during the darkest years of Stalinism had Soviet psychiatrists been accused of distorting their knowledge in the service of political masters. That this all began when it did may have special relevance in our dealings today with the man who sits in the seat of supreme power in the Kremlin: the charges were first carried out of Russia by dissidents soon after Mr. Andropov was officially named head of the KGB in 1967 and non-conforming citizens found themselves being diagnosed as "sluggish" schizophrenics—a unique theory developed by Dr. Snezhnevsky—and bundled off to institutes for the criminally insane.

Was the theory concocted to serve a political need? Many Western psychiatrists are convinced now the answer is yes.

They point out that once a dissident has been declared cuckoo and in need of hospital treatment, his or her trial is much less demanding on the authorities.

Yet there possibly is an even more sombre interpretation to be placed on all this! Could a sick profession have developed almost unconsciously within a sick society, without any sinister direction from above?

Dr. Reich, who has examined dissidents declared psychotic by the Soviet doctors and found them eminently sane when they reached the United States, suspects this may be the case. After all, he says, both the KGB agent who rounds up the dissident and the psychiatrist who examines him have grown up within the same ideological environment, their minds shaped by similar ideas of what is usual and expected in Soviet society.

Dissenting behaviour in this atmosphere may genuinely strike everyone on the Government's side as evidence of a warped mind. The true horror, then, is that "sluggish schizophrenic" now is being stamped on the dossiers of hundreds of mentally sound individuals by Soviet doctors with no conscious intent to please Andropov and Co. with a misdiagnosis.●

ISRAEL'S WEIZMANN INSTITUTE OF SCIENCE—SLOAN KETTERING CANCER CENTER OFFER NEW HOPE TO PATIENTS

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. ANNUNZIO. Mr. Speaker, a new technique for separating marrow cells has been developed by researchers at Israel's Weizmann Institute of Science and the Memorial Sloan-Kettering Cancer Center in New York, and offers new hope for victims of life-threatening blood disorders because bone-marrow transplants can now be administered with greater safety and to larger numbers of patients.

I invite the attention of my colleagues to a press release on this subject from the Weizmann Institute of Science, which follows:

A bone-marrow transplant, often the last ray of hope for many victims of life-threatening blood disorders, can now be administered with greater safety and to larger numbers of patients thanks to a new technique for separating marrow cells developed by researchers at Israel's Weizmann Institute of Science and the Memorial Sloan-Kettering Cancer Center in New York.

In initial clinical testing at Sloan-Kettering and later at five other major medical centers in the U.S. and West Germany, marrow subjected to the new cell-separation procedure has been grafted successfully into over 20 infants suffering from severe combined immunodeficiency disease and for whom compatible donor marrow was unavailable. Prior to this advance, these children could not have received transplants, currently the only proven cure for their condition, since noncompatible marrow would surely have induced fatal graft-vs-host disease (GVHD).

However in the toddlers recently treated with the specially processed marrow, no GVHD was evident, and some of these former "bubble children"—now possessing functioning immune defenses against infection—have already left their prison-like plastic isolation chambers to play for the first time with other youngsters. Because it often requires over six months before a patient can be permitted to leave his protective enclosure, it is still too early to predict how many of the treated children will eventually be considered as cured, early evidence, however, is encouraging: the first three patients given the improved marrow transplants more than a year ago now live at home like other children of their age.

The cell-sorting technique, an outgrowth of bone marrow studies in mice carried out by Prof. Nathan Sharon and Dr. Yair Reisner, at the Weizman Institute's Department of Biophysics, has enabled the safe use of bone marrow from noncompliance donors. Application of the animal work to human therapy was carried out by Dr. Reisner at Sloan-Kettering in collaboration with Drs. Richard J. O'Reilly, Neena Kapoor, and Robert Am. Good, and appears in the leading biomedical journal Blood.

Explains Dr. Reisner: Today, a broad spectrum of major blood disorders, involving massive malfunction of the blood-forming tissue, is still among the most difficult-to-treat medical conditions. However, the use of donor marrow to replace the entire blood-forming system in these patients has provided a valuable new approach to handling these often hopeless situations. Till now, the use of marrow transplants has been largely limited to the 30 to 40 percent of patients having a brother or sister with HLA (human leukocyte antigen) markers on their blood cells identical to those of the recipient. Use of noncompatible marrow would invariably lead to a lethal form of GVHD. Moreover, even when grafting marrow from matched donors, GVHD develops in as many as 50 to 70 percent of recipients. Fortunately, these cases tend to be comparatively mild and controllable by chemo- or immuno-therapies. Nevertheless, 15 percent of these GVHD victims will also die from its effects.

Numerous studies over the last 15 years with animals revealed the cause of GVHD: Marrow, even from a compatible donor, contains sufficient numbers of mature lymphatic cells capable of recognizing the recipient's tissues as foreign and destroying them. When these mature, thymus-derived T lymphocytes are removed, the remaining stem marrow cells, which cannot yet recognize antigenic material, provide no danger. The grafted immature cells act much like children adopted at a very early age who, when they mature, have no memories of their natural parents and accept their new home as their own.

The problem, however, was that previous attempts to separate out the damage-causing T lymphocytes in order to obtain the cells needed for human transplant all failed.

The basic studies leading to the new cell-sorting process to eliminate GVHD-causing marrow cells is an outgrowth of 20 years of research carried out by Prof. Nathan Sharon at the Weizmann Institute on lectins, plant proteins with the useful ability of specifically recognizing and binding to sugar entities on cells. Mice engrafted with the processed marrow did not develop GVHD.

In proceeding from mouse to monkey to human transplants, Dr. Reisner and colleagues at Sloan-Kettering had to make some major changes in the original cell-sorting procedure. They had discovered that the sugar entities appearing on monkey or human lymphocytes differ from those found in mice. However, by using a revised agglutination protocol, involving, TH the first stage, the soybean lectin followed by treatment with red blood cells of sheep, non detectable levels of mature T cells were obtained in the final preparation. The procedure is simple, and large volumes of bone marrow cells can be readily separated.

"We're really just at the beginning of the road with the new technique," Dr. Reisner notes. "We made our initial trials on bubble children because these patients, with no immune systems of their own, are more likely to accept grafts from noncompatible donors than patients with functioning immune defenses. We hope that our lectin separation technique will also permit the use of mismatched marrow for treatment of other diseases. Additionally, it is possible that—if this procedure were applied routinely to clear GVHD-causing lymphocytes from donor-compatible marrows—the number of successful transplants in patients with HLA-matched relatives might also be significantly increased."●

SUPPORT LANGUAGE STUDY

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SIMON. Mr. Speaker, recently a group of Americans from all over our Nation met in Chicago for the purpose of conducting a U.S. Language Policy Conference. This is an issue about which I have addressed the House many times during the 8 years I have been privileged to represent the people of southern Illinois. It is an issue that grows in importance each day. We simply must improve our knowledge and understanding of other languages and cultures if we expect to communicate effectively with the rest of the world. And as our language minority groups continue to grow in the United States, we may find ourselves unable to even understand each other if we continue our let-them-learn-English attitude.

I urge my colleagues to read the following report from the U.S. Language Policy Conference and to seriously consider their proposal for Federal support of language study.

POTEET & LANDRY,
Lafayette, La., January 25, 1983.

To all interested persons: Chairman's Report, U.S. Language Policy Conference, Chicago, Ill., January 8-10, 1983:

The U.S. Language Policy Conference held at the Holiday Inn, Rosemont (Chicago), Illinois, Jan. 8-10, 1983, had delegates in attendance representing the following Ethnic Language groups in the United States:

1. Armenian (Armenian Benevolent Union),
2. French (Association of Franco-Americans),
3. Hungarian (Hungarian School Care Club),
4. Italian (Joint Civic Committee of Italian Americans),
5. Polish (Polish American National Congress),
6. Spanish (League of United Latin American Citizens),
7. Ukrainian (Ukrainian National Association),
8. German (German-American National Congress).

While many of the smaller Ethnic Language groups did not send delegates, it is noteworthy that the five largest Ethnic Language groups, namely the German, Hispanic, Italian, Franch, and Polish Americans were represented.

In addition, the following organizations or institutions sent representatives:

1. Illinois Consultation on Ethnicity and Education,
2. State of Illinois, Governor's Special Assistant on Ethnic Affairs,
3. University of Pennsylvania, Dept. of Educational Linguistics,
4. University of Wisconsin-Madison, Center for Demography & Ecology.

The following persons were elected Officers of the Conference:

Walter J. Landry, Association of Franco-Americans, Chairman;

Werner I. Juretzko, German-American National Congress, Vice-Chairman;

Susan Papp, Hungarian School Care Club, Secretary;

Jill Kincaid, League of United Latin American Citizens, Treasurer.

After extensive deliberations, the Proposed U.S. Language Policy Statement, which is attached, was adopted by the Conference. It is to be circulated to all known U.S. Ethnic Language Organizations for their respective endorsements which are requested by October 1, 1983. Raymond Pelletier, Executive Director of the Association of Franco-Americans will seek and collect the endorsements.

A National Caucus of U.S. Ethnic Language Organizations that have endorsed the Statement will gather in Manchester, New Hampshire in the fall to seek the support of U.S. Presidential Candidates running in the New Hampshire Primary for our Policy position. Mr. Robert Raiche of Manchester is Coordinator for the National Caucus which will be held in conjunction with Franco-American activities designed to attract the Presidential Candidates. (New Hampshire is 35% Franco-American).

A liaison committee consisting of the following persons:

1. Myron B. Kuropas, Chairman, (Ukrainian National Association),
2. Edwin Cudecki, (Polish American National Congress),
3. Jill Kincaid, (League of United Latin American Citizens),
4. Emile J. Lagrandeur, (Association of Franco-Americans),
5. Artemis Nazerian, (Armenian General Benevolent Union),
6. Dr. Gabor Papp, (Hungarian School Care Club),
7. Elsbeth M. Seewald, (German American National Congress),
8. Anthony Sorrentino, (Joint Civic Committee of Italian Americans),
9. Nessa Wolfson, (Academic Community),

will seek to spread the word and encourage a large number of endorsements and a large attendance at the National Caucus.

For further information on future events, contact one or more of the following persons: Raymond Pelletier, Executive Director, Association of Franco-Americans, 114 Shibles Hall UMO, Oronto, ME 04469, Tel. (207) 581-2492 or 581-2476; Myron B. Kuropas, Chairman, Liaison Committee for the National Caucus, 107 Ilehamwood, DeKalb, Illinois 60225; Robert Raiche, Coordinator for the National Caucus, 814 Elms Street, Suite 200, Manchester, New Hampshire 03101.

Respectfully submitted,

WALTER J. LANDRY,
Chairman, 1983 U.S. Language Policy Conference.

P.S.—Send endorsements by your organization directly to Mr. Pelletier.

P.P.S. The attached letter from Senator Cranston arrived too late for reading at the Conference.

PROPOSED U.S. LANGUAGE POLICY STATEMENT [1]

PREAMBLE

The United States is a nation of nations. We have always prided ourselves on our ability to accommodate and incorporate the contributions of all peoples. Our multicultural and multilingual heritage is a national resource and strength.

As we review our recent past and realize that the United States faces increasing domestic and international pressures, it becomes apparent that our diversity can be instrumental in resolving many of our problems. In our pluralistic society, it is imperative that we understand, accept and appreciate each other. This requires culturally sensitive and meaningful communication in more than one language. Cross-cultural sensitivity and multilingual competency is even more critical in an increasingly interdependent world.

Therefore, it is in the best interest of the United States to adopt a public policy which preserves, protects and promotes our vast wealth of languages and cultures.

PLATFORM

A significant problem with regard to utilizing the vast wealth of languages and cultures in our country is the serious lack of linguistic census data. The federal census should enumerate the population in the basis of each person's lenguistic heritage.

Federal and state laws requiring English as the only medium of instruction in public schools should be relaxed in favor of local communities deciding such questions.

Government funding should be allocated:

*for the establishment of community-based public elementary and secondary schools in ethnic languages.

*to create and/or support university departments devoted to teaching and research in ethnic languages and cultures.

*for the development and publication of curriculum materials in ethnic languages and for instructional staff development.

*to disseminate information about ethnicity in the United States.

[1] Adopted at the U.S. Language Policy Conference, Chicago, Ill. Jan. 8-10, (January 8-10, 1983).

APPENDIX I.—THE LINGUISTIC HERITAGES OF THE INHABITANTS OF THE UNITED STATES AND ITS OUTLINE AREAS

	Estimated 1983 (in millions)	Principal Languages of persons worldwide estimated 1983 (in millions)
Total population	236	4,500
German	36	120
English	29	360
Spanish	23	265
Gaelic	20	1 —
Italian	13	56
French	10	121
Polish	9	38
Swedish	8	10
Dutch	7	20
Sicilian	6	6
Yiddish	4	3
Greek	3	10
Norwegian	3	5
Russian	3	154
Finnish	2	5
Portuguese	2	156
Arab	2	159
Danish	2	5
Hungarian	2	13
Czech	2	10
Welsh	2	1 —
Ukrainian	1	43
Lithuanian	1	3
Bantu languages [1]	30	
(Swahili)		35
Subtotal	220	

[1] The linguistic heritages of blacks in the United States include dozens of Bantu languages that are difficult to correlate in terms of the present U.S. black population. Swahili is now the most widespread Bantu language with 35 million speakers. ●

HAZARDOUS WASTE CREATES PUBLIC ANGER

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SUNDQUIST. Mr. Speaker, there have been literally thousands of media reports in recent months about hazardous waste, but the one I include here, written by Carroll Brumfield of Mid-South Business, particularly shores up public sentiment on this subject. To me, this article illustrates clearly that the harsh public focus on hazardous waste landfills will prohibit construction of new dumps. The public is demanding alternatives to dumping chemical waste, and it is up to Congress to seek out positive solutions to this nationwide dilemma. H.R. 1671 is a piece of legislation I introduced recently as a move in that direction. It will provide a tax incentive for companies that choose to recycle their hazardous waste as opposed to dumping it. In addition to alleviating the public's concern about the health and safety aspects of landfilling, recycling incentives would develop an entire new industry, thus creating jobs and offsetting any revenue losses to the Treasury.

I urge all Members to closely examine this balanced, insightful piece of journalism on the hazardous waste problem.

[From Mid-South Business, Feb. 14, 1983]

PUBLIC BACKLASH ERECTS BARRIER TO WASTE SITES

(By Carroll Brumfield)

Jim Scarbrough has been read to out of the Bible, called everything under the sun, and even invited outside to the parking lot.

Scarbrough doesn't look for fights. But as Southeastern regional administrator for the Environmental Protection Agency's hazardous waste program, he finds them. It's part of his job to conduct public hearings when companies want to create commercial landfills for potentially dangerous industrial garbage.

The treatment he gets at such events is symptomatic of growing public resistance to new landfills. And, so far it's been pretty effective in keeping any from being developed in Mississippi, Arkansas or Tennessee. None of the Mid-South states has an approved hazardous waste dumping ground.

That makes some folks worry about economic growth. The lack of approved landfills, they say, eventually could discourage new industries, increase illegal "midnight dumping," and create such hefty disposal costs that Mid-South products could be priced out of the market.

Mid-South industries must ship their hazardous wastes at least 500 miles away to secure landfills in Alabama, Louisiana or South Carolina at price tags ranging from $5,000 to $10,000 a truckload.

Some, like Memphis' United Paint Co., have managed to pass on these costs in the price of their products. Others, like Buckman Laboratories, Inc., simply eat some of those bills.

"Have you tried to sell anything lately?," says James Grannen, Buckman vice president. "In today's market, people are seriously resisting any kind of price increase."

Tennessee's latest victim of the harsh public focus is Browning-Ferris Industries, a company with Memphis roots now headquartered in Houston, Texas. BFI's proposal for a hazardous waste landfill in sparsely populated Henderson County, Tenn., just about 100 miles from Memphis, drew such angry protests that the company scotched its plans last month. In the aftermath, the county grudgingly adopted zoning usually resisted in rural communities.

BFI WAITING IN THE WINGS

"On the one hand we have no specific plans to investigate any particular sites in that area (the Mid-South)," say BFI's Jack Lurcott, vice president for hazardous waste operations. "However, we are actively interested in investigating sites in market areas that have a need."

BFI operates hazardous waste sites in several states and just acquired a New York company that added more. However, all those sites were established in the mid-1970s—before the current tide of public concern.

Another big name in waste management, SCA Services, Inc., still is struggling after two years to win permission for its proposed 240-acre landfill in north Shelby County. Responding to wary constituents in the Lucy-Woodstock community, where the dump would be installed, county officials blocked SCA's plan. In the process, they sent SCA to court, where the issue remains.

Tennessee—until recently ranked No. 8 on the nation's list of hazardous waste generators—has caught the eye of companies like BFI and SCA because there's gold in burying such industrial byproducts. Proximity to Memphis is important to them, too, because of the city's high concentration of chemical, paint, and related industries that keep Tennessee near the top of the list.

STATE TOTALS NOW FUZZY

State officials responsible for regulating hazardous waste disposal say they're no longer certain how much of the stuff is being created by Tennessee industries, however.

"Any kind of information I could give you would be based on a faulty data base and it might be very misleading," says Dwight Hinch of the state health department's solid waste management division. He explains the statistics were generated by surveys that preceded industrial closings and cutbacks. According to earlier data, Tennessee factories were producing an estimated 4.5 million metric tons of potentially harmful wastes each year.

Today, Hinch guesses that figure has dropped to somewhere between 1.5 to 2 million metric tons annually. The department is conducting a new survey, but won't have data from it for several months.

Mississippi industries, meanwhile, end up with about 2 million metric tons of hazardous wastes each year. Unlike those in Tennessee, which ship wastes elsewhere, most manufacturers in the Magnolia state handle their own byproducts through approved means, says Jack McMillan, director of the Mississippi solid waste management program.

SELF CONTROL IN MISSISSIPPI

Filtrol Corp. in Jackson, DuPont on the Gulf Coast and a Pascagoula chemical firm account for a large percentage of the state's hazardous waste, most of which is disposed of through deep-well injection, McMillan says.

Across the Mississippi River, Arkansas' hazardous waste problem seems like small potatoes. Industries there generate only about 117,000 metric tons of such byproducts annually, according to Sandra Perry, hazardous waste ccordinator for the state's Department of Pollution Control.

Arkansas hasn't managed to score any hazardous waste sites, either, although a court case is pending with a firm from Houston that wants to put one in the southwestern corner of the state near Hope. The story is much the same in Mississippi, where several landfill plans have been torpedoed, says McMillan.

"This is getting to be so emotional in the public mind that it's a real problem. I'm not being critical, but they're not accepting the fact that lack of a facility presents a greater danger," says McMillan, arguing that the risks have been shifted to the highways as industries were forced to ship wastes away.

TRANSPORTATION WORST OF ALL

"More environmental degradation occurs in transportation than anywhere else," he adds.

While few North Mississippi industries generate volumes of hazardous wastes, companies there still must comply with complicated disposal regulations.

The Conoco Chemicals Co. plant in Aberdeen is one of them. Another is Formby's Olive Branch plant, which produces furniture refinishing and care products. For Formby's, getting rid of small volumes of such wastes is "expensive." But John Friend, Conoco's plant manager, doesn't think he has much of a problem.

"We generate such a small amount that I would really characterize it as a non-problem," says Friend.

The company's out-of-state shipments include only two to three drums of officially classified hazardous wastes each year. But Conoco also sends about 200 drums of technically nonhazardous wastes to an out-of-state facility as well. Like many industries, Conoco uses recycling to hold down its byproduct volume.

For Mid-South firms with significant amounts of environmentally threatening waste, however, compliance can be a big expense.

COSTS FOR DISPOSAL NOT CHEAP

"I don't know that I have a breakdown, but it's very costly," says Stan Harshfield, technical director for United Paint in Memphis, which ships its wastes to Alabama. For example, United spends $5,000 a year just for permits required by the state of Tennessee, and that "sticks in my craw," he says.

The high cost is due to the way the state's "manifest" system is structured, Harshfield argues. Manifesting means tracking hazardous waste from the cradle to the grave. In Tennessee, companies like United must have separate permits to generate, store and transport such wastes.

Harshfield complains, too, about the ever-changing regulatory environment that began six or seven years ago.

"There have been a succession of regulations, and every time we've thought, 'That's that and we can start making arrangements.' Then it would be back to the drawing boards, and now everybody in the industry is doubtful and fearful that these are the last ones," Harshfield says.

REGULATORS ALSO GET THE BLAME

Buckman's Grannen believes some of the regulators have been overreacting as much as the public, though he gives Hinch and his fellows in the Tennessee health department high marks for balancing the need to protect the environment with industry's concerns.

However, he thinks EPA generated irrational fear in Shelby County three years ago when its investigators wore protective suits while surveying the Frayser area for forgotten wastes. Despite a number of investigations, no chemical dumping grounds were found there, but some residents continue to believe buried chemicals were making them ill.

Because of the high costs they face in shipping their byproducts elsewhere, managers like Grannen and Harshfield share BFI's concern over public distrust.

"If someone were able to establish a facility in our area, it would reduce our cost very substantially," says Grannen, noting that Buckman must fork out big payments in shipping wastes to Louisiana.

PUBLIC POSITION HAS SYMPATHY

Still, many industrial executives are quite sympathetic to the folks who show up at public meetings to grill folks like EPA's Scarbrough.

"It's very definitely a serious problem," says Harshfield. "Nobody wants it in their back yard, including the people in Henderson County. I don't blame them—I'd like to have one in Henderson County but not in Shelby County."

The Tennessee Manufacturers Association had hoped for a bill in the legislature this year that would provide financial incentives to communities accepting hazardous waste landfills nearby. Via fees charged to industry, counties could sweeten their own coffers while holding down taxes imposed against their residents.

But the outfall from the BFI episode in Henderson County means any legislation along those lines probably won't get off the ground, says Rep. Ray Johnson of Murfreesboro, chairman of a special legislative committee studying the issue.

"I think it's questionable that we, as a committee, can come up with a compromise," says Johnson, who has been working toward a pact between industry and environmentalists. In exchange for financial incentives to site landfills, industry would accept fees toward building a state "superfund" to clean up existing, unsafe dumps.

Johnson had no role in the Henderson County-BFI dispute, but he has felt the blast nonetheless.

"Just because I am chairman of the study committee, they would run me out of the county right now. I've gotten phone calls and letters from people who didn't understand what the situation was," Johnson says.

And, while a number of bills may be put forward this year, he thinks it's unlikely any will pass.

While Tennessee looks at incentives, Mississippi legisators just killed two bills the state manufacturers association feared would stop hazardous waste landfill development altogether. One bill would have required public hearings and approval from local elected officials before a dump could be built. Another would have required approval from local voters in the landfill's county.

"I don't know who the author is, but I can tell you where those bills are coming from—public resistance," says Hugh Ketchum, executive director of the Mississippi Manufacturers Association.

PANIC AT FEAR OF UNKNOWN

"Everybody panics," Ketchum says. "It's just like an airplane. When planes first started flying, everybody was scared of an airplane falling out of the sky, and you saw a lot of attempts to legislate where they could fly."

Last year, Mississippi adopted a financial incentives program to make hazardous waste sites more attractive to its communities. Today Ketchum worries the public backlash, should it be ensconced in state law, would be a deterrent to industrial development.

Down the road, for example, public resentment may make it too expensive to haul wastes to Alabama, Louisiana or South Carolina. In those states and others, fear is leading to constituent pressure for higher taxes on out-of-state wastes, and state officials can bog them down in mountains of red tape.

"Our current concern is in those states prohibiting shipments from out of state," says Tennessee's Hinch. "Federal law restrictions on interstate commerce won't let them do it outright, but there's nothing to prevent them from setting up fee structures that make it very expensive. As they perceive themselves as being the dumping grounds for the country, we expect to see more of that."

GOVERNMENT TO HELP?

In Washington and state capitals, there has been talk of using government authority to override public objections by applying the same principles of eminent domain that built the nation's highways. So far, only a few states, like Georgia, have established state authorities to help mitigate site problems.

Frequently, however, the state officials who should be able to rationally weigh a site end up being "thrown into the hoop with the bad guys," says BFI's Lurcott.

EPA's Scarbrough can attest to that statement, even though he has no role in choosing sites or determining need. Under current law, EPA's only role is to assess the technical aspects of a landfill proposal to ensure it meets safety specifications.

"We don't make any sort of judgments like that," says Scarbrough. "But we are not so naive as to not see that it's a problem."

Today's site-finding problems are the legacy of past disposal practices, which involved both industry intransigence and ignorance.

Carbon-tetrachloride, an organic compound suspected as causing cancer, "used to be the standard industrial solvent. I used to wash my hands in it. Now you wouldn't get within 20 feet of it. We just know so much more about it," says Buckman's Grannen.

West Tennesseans are particularly leery of proposals like BFI's as publicity continues over abandoned chemical dumps. Just as BFI backed off, Velsicol Chemical Corp. was preparing its defense of a $2.5-billion lawsuit stemming from water pollution from its site in Hardeman County, Tenn.

Genuine problems like that one have been "exploited rather heavily," says Lurcott. "Being on the positive side hasn't helped anybody get elected, and exploitation was seen as necessary to get legislation passed to deal with these problems."

But, he says "once Frankenstein is loose, it's difficult to control him."

Mississippi's McMillan thinks the U.S. should begin following Europe's example in coping with hazardous wastes. There, approved landfills are incorporated as another utility in industrial parks. Wastes are treated before being placed in them, and industries rely heavily on recycling.

PROBLEM BEING ATTACKED HERE

Meanwhile, alternatives are beginning to emerge. The Tennessee Manufacturers Association has a year-old program called the Waste Exchange to help link industries who can use one another's byproducts. Its success has been limited so far.

A number of Mid-South industries rely on treatment at facilities like the North Shelby County plant operated by Earth Industrial Waste Management, Inc. Still, many industrial wastes must be buried instead.

Even so, it may be years before any secure landfills are carved out in the Mid-South states.

Says BFI's Lurcott: "It will be a lengthy period of time. It sure isn't going to happen quickly."●

TAX EXPENDITURE STATEMENT

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. BONIOR of Michigan. Mr. Speaker, today I am reintroducing legislation which I first introduced in the 97th Congress to amend the Congressional Budget Act of 1974. This bill would mandate the inclusion of ceilings for tax expenditures in the first and second budget resolutions and the reconciliation process.

Tax expenditures, as defined by the Budget Act, are those "revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability." They are designed to reduce a tax burden or encourage particular economic behavior for a targeted segment of the population.

In practice, they are realized in the form of tax deductions for the elderly and the blind as well as the expensing of exploration and development costs for oil companies. They are the deductability of mortgage interest and special tax treatment of royalties on coal.

For fiscal year 1983, the Congressional Budget Office has identified 104 tax expenditure programs affecting corporations and individuals and although a cost estimate must be accompanied by a strong caveat—about which, more later—the CBO has estimated it at greater than $273 billion. When tax expenditures are added to direct expenditures, the former constitute one-fourth of the Federal budget.

The Congress has, in the past 2 years, been through a tortuous budget process which, assuming the best in all of us, was designed to bring the Federal budget under control. Leaving aside any discussion on the manner in which

it was done, one can only wonder that the Congress implicitly consented to allow $1 of every $4 in expenditures to remain outside the parameters of its deliberations.

When the first tax expenditure budget was produced in 1968, there were some 40 different programs accounting for $44 billion in foregone revenues. The figure for 1983, as mentioned earlier, now stands at $273 billion and 5 years hence is expected to reach $439 billion.

Further, the CBO has predicted that by 1987, tax expenditure costs will have grown by 1,102 percent over 1967 costs while the corresponding figure for direct outlays will be 532 percent.

Despite the enormity of the tax expenditure budget, the budget resolutions must include only ceilings on direct expenditures and floors on revenues and tax expenditures properly fall into neither category.

They are revenues foregone, not raised, and thus do not constitute a tax and yet are not distinctly an expenditure because they are not subject to the regular authorization and appropriations process. As in entitlement programs, any individual or corporation which can meet the criteria established for the program in the IRS Code can use the benefit by simply indicating thusly on their tax return. The individual or corporation in essence gets money that would otherwise accrue to the treasury. It has the same effect as a direct expenditure but is not subject to an appropriation and, in most cases, is not subject to reauthorization, Federal review, or congressional oversight. $273 billion.

The Budget Act itself only requires that a tax expenditure budget be included in the report accompanying the first budget resolution but does not require that any ceilings for tax expenditures be included therein. It may be argued that tax expenditures are controlled through the establishment of revenue floors in the second resolution and that any tax expenditure which would lower the floors of the binding resolution would be subject to a point of order. Such control is oblique at best.

Most existing tax expenditures are not sunsetted or zero budgeted, and, therefore the revenue floors communicated in the resolutions assume their continuance. Therefore, only new or revised tax expenditures subsequently considered on the floor are subject to a point of order if they reduce revenue floors.

Alice Rivlin, Director of the Congressional Budget Office, testified before the House Rules Committee in 1980 that more than 70 percent of the Federal budget was outside of congressional control because of entitlements, defense contracts, and various other uncontrolled spending programs. When tax expenditures are added to this list of uncontrollables, it is no wonder that direct expenditure cuts have been so difficult. The burden of reduction must be borne by the less than 30 percent of the Federal budget which goes through the regular authorization and appropriation process.

Several factors, it seems to me, will accelerate the use of tax expenditures in the future.

First, the limits placed on direct expenditures by the budget resolutions will beg for creative circumvention for those seeking to establish new programs without creating new expenditures or bumping up against expenditure ceilings.

Second, tax expenditures are not subject to appropriations and rarely to the authorization process. Sole jurisdiction for their creation and continuation rests with Ways and Means Committee in the House and the Finance Committee in the Senate although the authorizing committees have been provided authority to review tax expenditures within their areas of jurisdiction. The usually cumbersome route to program creation or reauthorization is thus truncated.

Third, these programs create no new or extensive bureaucracy. There is no process of application, review, and approval—and the paperwork that entails—of a Government agency. The cost of administration, unlike spending programs, is negligible. The taxpayer merely assumes the deduction or credit in his tax return subject only to the possibility of an IRS audit.

While each of these points may be seen to have positive aspects, the damage sustained to the congressional institution far outweighs the benefits derived.

Increasing use of tax expenditures to avoid spending ceilings will further diminish that portion of the budget "controllable" by the Congress. More responsibility for reaching fiscal goals will be shifted away from the authorizing committees with a commensurate enhancement of authority for the Ways and Means Committee, sought or unsought. That committee cannot possibly conduct regular oversight and reauthorization for 104 or more tax expenditure programs.

To illustrate the uncontrolled nature of this fiscal tool one need not delve very far into the research material available to realize that there is only a lowest common-denominator approach to exactly what items constitute tax expenditures. We have a difinition in the Budget Act but there is no certainty with regards to which specific items constitute a deviation from the normal tax structure—the operational effect of tax expenditures—because differences exist as to the definition of the normal tax structure. For example, a deduction for investment in capital equipment is considered a tax expenditure while business entertainment deductions are not.

There is also no agreement on the cost of tax expenditures other than the agreement that any estimate produced to this point is tenuous at best. "A lot" might be the most accurate response to an inquiry concerning costs.

The GAO, in 1979, stated:

> The cost of all tax expenditures is the difference between the revenue raised by the normal tax structure and that raised by the existing structure. In the real world, these costs cannot be determined directly. No one knows what revenue the normal tax structure would raise. The present system creates incentives for people to alter their behavior and so presumably influences the way they act. They would probably act differently under another system, with consequent effects on revenue, but there are too many unknowns to estimate the differences * * * Although it is common to make such a summation, the figure is of limited usefulness.

Additionally, the cost of a tax expenditure cannot simply be derived by summing the amounts claimed on a tax return. For instance, a tax credit for businessmen hiring Vietnam veterans does not depict the true costs if we consider the income taxes lost if that program were ended plus the costs of unemployment benefits that would have to be provided. Secondary or spinoff effects, however, are difficult to estimate even in direct spending programs.

Nevertheless, the point remains valid that we have a fiscal tool of formidable effect and increasing use, of imprecise dimensions, of imprecise costs, under negligible control.

The budget process as it now exists is a one-armed wheelbarrow. It is self-deception for this body to pretend to be a partner in the budget process when it allows itself access to only one-third of that budget.

In proposing this legislation, I am not arguing for the elimination or diminution of any particular tax expenditure or class of tax expenditures—although like everyone else in the Congress I would have my candidates for revision. Some tax expenditures, like deductions for charitable contributions and interest paid on home mortgages, have proven their worth in increasing the general welfare and propagating societal values.

However, the Congress might want to consider a sliding scale for the investment tax credit instead of the flat 10 percent or it might want to lower the deductions for mortgage interest on second homes or very expensive homes. It may want to eliminate the expensing of exploration and development costs to large oil companies and have expenses deducted from income as it is produced as is the normal procedure. Perhaps, the Congress may want to change the mix of tax expenditures and increase or decrease the 23 percent that currently goes to corpora-

tions or alter the regressive nature of a sizable proportion of individual tax expenditures. The point is not that we should pursue any of these particular actions but that we should be able to.

The bottom line is that Congress, in its yearly budget deliberations, should be able to place ceilings on tax expenditures and consequently make some tough but well-considered decisions about the mix of those tax expenditures. In doing so, it would be providing itself access to revenues which could relieve pressure on the 30 percent of the budget we now use as the tail to wag the dog.

I am aware that ceilings for tax expenditures have been considered in the past and for one reason or another were not implemented. Unlike some proposals in the past, however, my legislation does not seek to set any type of fixed limit on tax expenditures that would be imposed upon future Congresses. Quite the contrary, by requiring yearly deliberations and ceilings, Congress will be newly allowed to work its will on tax expenditures as part of the Federal budget.

In adopting this approach, the Congress would merely be following the central purpose of the Budget Act of 1974 which sought to provide order to fiscal decisionmaking.

Whatever the problems in the past, times and circumstances change and create new dicta for response. Paraphrasing Thomas Jefferson:

To ask institutions to live by unchanging guidelines is like asking a man to wear the same coat he did as a child.

Anyone who feels the Budget Act, as now constituted, is adequate, need only examine the record of recent attempts at fiscal management. I hope that this legislation will become the first of several needed reforms.●

PERSONAL EXPLANATION

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. CORCORAN. Mr. Speaker, on Tuesday, March 1, I was unavoidably absent from the floor of the House of Representatives. Had I been present, I would have voted "aye" to suspend the rules and pass H.R. 999, a bill to establish the American Conservation Corps program. As a cosponsor of this legislation, I regret I was unable to record a positive vote on this important bill.●

SAVING FACE FOR MOSCOW

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McDONALD. Mr. Speaker, in spite of repeated denials from highly placed persons in the Reagan administration that it is trying to discourage investigation of KGB links to the attempted assassination of the Pope, the evidence to the contrary continues to accumulate and methinks they protest too much. One of the first persons to call attention to the KGB links to the attempted assassination was Hilaire Du Berrier, who recently wrote a followup item on this subject for the Review of the News of February 23, 1983. The item follows for the benefit of my colleagues.

SAVING FACE FOR MOSCOW

In early April of 1981 the then-director of French foreign intelligence, Alexandre de Marenches, learned through reliable contacts in Hungary and Romania that Moscow had made the decision to murder Pope John Paul II, who was seen as the catalyst animating the Solidarity workers movement that was threatening Communist rule in Poland. The code name for the plot was "Rasputin." By mid-April the reports had been solidly confirmed and, around April 20, de Marenches sent two emissaries to warn the Pope that an attempt might be made within a month. Finding the warning both explosive and nearly incredible, the Vatican decided not to make it public.

After the attempt on the Pope's life took place on May 13th, Paris and Bonn were joined by top C.I.A. officials in pressuring the Vatican to keep the Soviet involvement under wraps on the astonishing ground that disclosure would only worsen international tensions. Fortunately, chief Italian investigator Ilario Martello refused to go along with the coverup and pursued the case doggedly until the major pieces fell into place. Thanks to Judge Martello's courageous work the Soviet origin of the conspiracy is now admitted by everyone except Moscow and (outrageously) our Establishment-controlled media.—H. du. B.●

TOWN OF LANCASTER, N.Y. MARKS SESQUICENTENNIAL

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. NOWAK. The new 33d Congressional District of New York, which I am privileged to represent, includes the town of Lancaster, a suburban community of Erie County, N.Y., near the city of Buffalo.

Residents of the town of Lancaster this week are launching the observance of its 150th anniversary, the sesquicentennial.

As the town commemorates the achievement of this milestone in its history, I would like to bring to my colleagues' attention a thumbnail sketch of this community prepared by the Erie County Industrial Development Agency. I believe it concisely describes some of the community assets that make for a high quality of life in Lancaster and the Greater Buffalo, New York area.

WELCOME TO LANCASTER

The Town of Lancaster, New York is a rural-suburban community located just 9 miles east of the City of Buffalo. Founded in 1833, the Town offers all the advantages of a smaller community lifestyle with immediate access to a major metropolitan area.

Including its two Villages, Depew and Lancaster, the Town of Lancaster has a population of just over 30 thousand residents and is 35.6 square miles in size. The area's diverse ethnic make-up provides for a strong work ethic and an abundance of available labor at every skill level.

Residents of Lancaster are afforded a multitude of cultural and recreational activities. Golf courses, tennis courts, swimming pools, and four municipal parks provide for a host of outdoor activities, and Lancaster International Speedway offers the finest in auto racing to be found anywhere in New York State. Within less than a half an hour drive, Lancaster residents have the opportunity to explore the treasures of Buffalo's Albright-Knox Art Gallery, attend performances of the Buffalo Philharmonic Orchestra and the City's major theaters, hear the thunder of Niagara Falls, and experience the thrill of professional baseball, football, hockey, and soccer.

Religious and educational opportunities are readily available in the Town of Lancaster. The Lancaster Central School District is the major public educational system serving over 5,000 of the area's youth. One Catholic high school and six religiously-sponsored elementary schools offer private-parochial educational programs. Seventeen area community colleges, colleges and universities located throughout Western New York offer Lancaster residents a variety of undergraduate and graduate curriculi at every level from vocational trades to professional practice. Two public libraries serve the Lancaster community and nineteen churches, six Catholic and thirteen Protestant, offer religious services.

Lancaster Town government consists of a Town Supervisor and a four-member Town Council. The Town's 21-officer police force provide protective services and over 150 volunteers from four companies serve the Town's fire and emergency rescue needs. The Town also sponsors a free volunteer, emergency ambulance service.

Single housing units in the Town of Lancaster have a median housing value of $42,100. Most residences are served by municipal water and sewer systems, and have access to cable television programing.

Lancaster is home for such nationally known firms as Figgy International's Scott Aviation, Dresser Industries, Sealing Devices, PCB Piezotronics, Hercules Products, Mohawk Containers, United Silicone, Young Fire Equipment, Henry & Henry and Lancaster Machine Knife.

Companies locating or expanding in Lancaster have long recognized the benefits of Erie County's many resources. A central location in the heart of the Northeastern North American marketplace. Plenty of water and energy. A skilled labor force. And, access to a multitude of financial and indus-

trial development incentives through the Erie County Industrial Development Agency (ECIDA).●

H.R. 555: A GOOD START

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. OTTINGER. Mr. Speaker, I want to state my strong support for H.R. 555. This legislation, introduced by my colleague from Iowa, Mr. HARKIN, would amend the Federal Power Act to limit certain costs of construction work in progress (CWIP) from being recovered through utility rate increases.

Congressman HARKIN has developed a sensible solution to dealing with the issue of CWIP in wholesale electric rate bases regulated by the Federal Energy Regulatory Commission. The issue, like many electric regulatory issues, has been the focus of controversy and ratepayer anger for many years. No wonder; CWIP in the rate base has a very simple effect: It transfers the risk of powerplant cancellation away from utility shareholders to utility customers during construction. It also creates strong incentives like conservation, cogeneration, and better interutility coordination are often much less costly means to meet demand. Nonetheless, there may be certain very limited instances in which, as a last resort for a financially strapped utility, inclusion of CWIP In wholesale rate bases is appropriate.

Congressman HARKIN's bill is an excellent start toward the objective of limiting CWIP to only those relatively rare situtations in which the remedy is appropriate. That is why I am a cosponsof. However, I do think that the bill needs to be clarified in certain areas. Congressman HARKIN assures me that he agrees with my concerns and supports the largely technical changes which I believe necessary.

I am pleased with our joint approach to the CWIP issue at this point in time, because it is likely that the Subcommittee on Energy Conservation and Power, which I chair, will consider H.R. 555 in the near future.●

ARGONNE NATIONAL LABORATORY ACCOMPLISHMENTS CITED

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. ERLENBORN. Mr. Speaker, Argonne National Laboratory, a Department of Energy's multipurpose laboratory in my district, was recently cited by the Department of Energy for scientific accomplishments in research that will have national importance in the development of safe storage for nuclear wastes.

The bulletin from the Department of Energy's Office of Energy Research lists 36 outstanding energy research projects conducted at laboratories all over the country in 1982. Six of the projects were credited to Argonne Lab, more than any other facility mentioned.

The storage of radioactive materials is complicated by their tendency to contaminate surrounding areas. For example, through a process called leaching, small amounts of radioactive substances can be dissolved out of glass or ceramic containers and carried to other locations where they are deposited. In one experiment dealing with this problem, it was found that when the glass-enclosed plutonium was surrounded by water and exposed to high radiation, leaching increased significantly.

Three other studies dealing with the nature and properties of radioactive elements are commended in the bulletin.

One series of experiments showed that plutonium dissolved in natural bodies of water will change in form and settle at the bottom of the water when iron deposits are added.

In other tests it was found that contact with basalt, a rock rich in magnesium and iron, immobilizes the nuclear waste product neptinium. These experiments support the placement of deep nuclear waste repositories in basalt or other materials containing iron.

The first detection of near-infrared light (fluorescence) from a plutonium compound (plutonium hexafluoride) was achieved in another study. This knowledge will help in the development of methods to separate plutonium isotopes and, again, increases basic knowledge of this element and its characteristics.

In research that will help to design safe and efficient nuclear powerplant systems, computer programs were developed that actually assist human reasoning. Using symbolic logic equations, computers can reduce the time and effort required to analyze proposed systems, and work out problems before they occur.

Finally, Argonne was cited for preparing the first materials for experiments to exhibit the coexistence of magnetism and superconductivity. The two supposedly competing properties were both found to be present in a special class of materials containing erbium, rhodium, and boron, at temperatures near absolute zero.

The people at Argonne Laboratory can be proud of these accomplishments. They are working toward solving problems that could eventually affect all of us, demonstrating their unique scientific talents at a very special place.

A complete listing of the 36 projects follows:

ACCOMPLISHMENTS UNDER THE BASIC ENERGY SCIENCE PROGRAM DURING 1982

1. Coexistence of Ferromagnetism and Superconductivity Observed for the First Time Using Neutron Scattering Techniques (Argonne National Laboratory, Brookhaven National Laboratory, Oak Ridge National Laboratory, University of Maryland).
2. Method for Inhibition of Intergranular Stress Corrosion Cracking Provided by Mechanistic Study (Brookhaven National Laboratory).
3. Improvement in Sulfur Isotope Ratio Measurements Significant for Identifying Acid Rain Sources (Idaho National Engineering Laboratory).
4. Experimental Observation of "Hot Carriers" Could Lead to Doubling Efficiency of Photoelectrochemical Solar Devices (Solar Energy Research Institute).
5. General Purpose Computer Program to Assist Human Reasoning Processes Used to Evaluate Nuclear Power Plant Systems Designs (Argonne National Laboratory).
6. Scientific Feasibility Demonstrated for Producing Batteries with Electrodes Made of Polyacetylene Sheet (University of Pennsylvania).
7. Progress Attained in Determining How Plants "Sense" Temperature (Michigan State University).
8. Low Temperature Neutron Irradiation Facility Provides Data Critical for Fusion Magnet Shielding Design (Oak Ridge National Laboratory).
9. Ion Implanation Production of Amorphous Layer on Iron Surfaces Greatly Reduces Friction (Sandia National Laboratories—Albuquerque).
10. Detailed Measurement of Charged Particle Production by 14 NeV Neutrons Made Possible by a Specially Designed Spectrometer System (Lawrence Livermore National Laboratory, Ohio University).
11. Columbia River Basalts Found to Have Chemical Properties that Significantly Assist in Immobilization of Long Lived Radioactive Elements (Argonne National Laboratory).
12. Accelerated Radiation Damage Study Shows Bulk Swelling of Proposed Nuclear Waste Storage Medium Larger than Previously Projected (Los Alamos National Laboratory, Pacific Northwest Laboratory).
13. Leaching of Plutonium from Glass Host Materials into Water Increased by High Radiation Fields (Argonne National Laboratory).
14. Clarified Picture of the Chemistry of Plutonium in Environmentally Important Aqueous Media (Argonne National Laboratory).
15. Natural Soil Substances Shown Likely to Retard Migration of Plutonium and Other Actinides (Florida State University).
16. Chemical Vapor Deposition Used to Produce Zirconium Diboride with Superior Solar Energy Absorption Properties (Sandia National Laboratories—Albuquerque).
17. One-Step Route for Direct Gasification of Carbon to Methane at Relatively Low Temperature (Lawrence Berkeley Laboratory).
18. New, Organometallic Chemistry May Help Coal Conversion and Industrial Chemicals (Lawrence Berkeley Laboratory, Brookhaven National Laboratory).
19. Experiments Impact Widely Held Theory by Showing Reaction of Oxygen

Atoms with Unsaturated Hydrocarbons Does Not Involve Carbon-Carbon Bond Breakage (Lawrence Berkeley Laboratory).

20. Improved Understanding of Hydrogen Embrittlement Phenomonon and Methods to Prevent it Result from Ion Implantation Research (Sandia National Laboratories—Albuquergue).

21. Synchrotron radiation Used to Obtain for First Time Both Surface Structure and Temperature Distribution for Silicon on Laser Heating (Oak Ridge National Laboratory).

22. Molecular Clusters Generated Having Hundreds to Thousands of Molecules Bearing a Single Unit of Electric Charge (Brookhaven National Laboratory).

23. Major Advance in Atomic Physics Permits Spectroscopic Study of X-rays Produced at Instant of Collision of an Ion and an Atom (Brookhaven National Laboratory).

24. Mathematical Theory Shows Onset of Chaotic Phenomena Follows a Precise Law Independent of Size, Boundaries, or Other System Details (Los Alamos National Laboratory).

25. First Detection of Fluorescence Emission from Electronically Excited Plutonium Hexafluoride Has Been Achieved (Argonne National Laboratory).

26. New Process to Recover Silver from Waste Developed Which Meets Stringent Environmental Standards (Oak Ridge National Laboratory).

27. Mathematical Description Developed of the Transition of One Stable State of a System to Two Others Has Been Applied to Combustion Processes (Northwestern University).

28. Computer Modeling Studies Support Concept of Using Heat Derived from Magma Bodies to Convert Water—Biomass Mixtures to Gaseous Fuels (Sandia National Laboratories—Albuquerque).

29. Electrical Conductivity in Oil Shale During Retorting is Orders of Magnitude Different from that of Pre- or Post-retorted Material (Lawrence Livermore National Laboratory).

30. New Pathway of Energy Conversion Using Inorganic Phosphorous as a Substrate Has Been Discovered (University of Georgia).

31. Adaptation of Plants to Water Submersion Stress (Michigan State University).

32. Water Soluble Product from Fungal Degradation Not Previously Observed Has Been Isolated (University of Idaho).

33. Extension of Vibrational Control Theory to Operation of Catalytic Reactors (Illinois Institute of Technology).

34. Instrumentation Developed and Demonstrated for Detection of Internal Cracks in Large Structures (Ames Laboratory).

35. Have We Seen a CO2 Warming? (Lawrence Livermore National Laboratory).

36. Capabilities, Limitations and Prospects—Simulating CO2-Induced Climate Change (Oregon State University).●

THE BULGARIAN SECRET POLICE DO NOT REPRESENT THE BULGARIAN PEOPLE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McDONALD. Mr. Speaker, the Bulgarian National Front, Inc., an organization of Bulgarian-Americans, which has been in existence since 1958, sent a memorandum on the subject of the attempted assassination of the Pope to President Reagan, Vice President Bush, the U.S. Senate and House. In this memorandum, they pointed out the sufferings of the Bulgarian people under communism and how Bulgarian Secret Police complicity in the attempted assassination of the Pope is just one more sad chapter in Bulgaria's history under Communist domination. As the memorandum points out, the trail of the Bulgarian Secret Police is becoming clear for all to see and footprints are very bloody. The memorandum follows:

Memorandum to Hon. Ronald Reagan, President of the United States of America, Hon. George Bush, Vice President of the United States of America, Hon. Members of the Senate of the United States of America, Hon. Members of the Congress of the United States of America:

DEAR SIR: In the past months the international press and television brought out a series of reports in connection with the assassination attempt on the life of His Holiness Pope John Paul II. The "Bulgarian connection" mentioned in the reports refers to the oppressive government of Bulgaria but it also presents the Bulgarian people in false and unfavorable light. We, American citizens of Bulgarian descent, feel it is our obligation to introduce some clarification in defense of the people of Bulgaria, who are now unable to express freely their feelings about crimes such as the attempt on His Holiness' life, a terrorist act most probably done with the knowledge of the Bulgarian communist government.

In fact crimes such as this one are nothing new for the Bulgarian communists. The first victims of their terror were Bulgarian citizens. Here are some illustrations of their terrorist activities in recent history:

1. The detonation of the St. Nedelya Cathedral in Sofia, on April 20, 1925, where over 700 worshippers were killed or seriously wounded;

2. The assassinations of distinguished Bulgarian citizens, such as General Hristo Lukov, on February 13, 1943, Member of Parliament Sotir Yanev, on April 10, 1943, and the Chairman of the Appellate Court Atanas Pantev, on May 2, 1943;

3. On September 9, 1944 the communists seized power in Bulgaria and subjected the country to an unheard of regime of terror. The members of three successive administrations including three Regents, 22 Cabinet Ministers, 86 Members of Parliament and 12 State Counselors were executed on February 2, 1945. Additionally, more than 3,200 persons were summarily executed in the countryside by orders of the so called "People's Tribunals";

4. In the period after September, 1944 brutal terror swept the country and in less than a year over 100,000 Bulgarians—including a large part of the nation's intelligentsia, clergy, army and administration—were murdered without being formally charged, prosecuted, or sentenced.

5. Over 250,000 Bulgarian citizens, out of a total population of six and a half million at that time, were imprisoned, or, sent to concentration camps, such as Rossitsa, Belene, Bogdanov Dol, Kutsian, Lovech etc.

6. A striking example of atheistic violence was the murder of the Bishop of Nevrokop, H. H. Boris, who was shot in front of His church on November 8, 1948. Hundreds and hundreds more priests and Bishops belonging to various religious denominations were also murdered, or sent to vanish to concentration camps.

After the transformation of Bulgaria from "The Land of Roses" to the Land of Blood and Tears, the communist rulers expanded their infamous activity beyond the borders of the country. Following are few examples of Bulgarian communist terrorist activities abroad:

1. The well known Bulgarian patriot Boris Arsov was kidnapped from Denmark in September, 1978. Two months later he was found dead in the Central Prison in Sofia, Bulgaria;

2. The Bulgarian emigrant-writer George Markov was assassinated with a poisoned unbrella in London, England, on September 11, 1978;

3. The BBC announcer and commentator in Bulgarian language Mr. Vl. Simeonov was killed at about the same time, also in London, England;

4. In May, 1979 a communist terrorist made an unsuccessful attempt on the life of the emigrant-publisher Vladimir Kostov in the manner that killed George Markov. Quick medical intervention, however, saved his life. Keeping in mind the endless list of terrorist activities of the Bulgarian communists, one should not be surprised that their "expertise" was utilized by their Soviet masters in organizing the monstrous crime against His Holiness Pope John Paul II.

Communist violence and terror most probably will not stop in Rome. We have all the reasons to believe in the existence of well organized groups also in this country. Most of the members of cultural, business, or, religious delegations sent to this country by the Bulgarian government are their communist agents.

We strongly recommend the imposition of a very strict control over such groups, and, particularly those who under the pretense of religious activities organize pro-communist centers.

United States grants should not be given to students who are selected and sent to this country by the Bulgarian communist government. Legal action should be taken against communist who come to visit, or live in the United States of America, and who conceal their party affiliation. The safety of all Americans of Bulgarian descent should be assured against eventual terrorist actions attempted by communists or their agents.

Dear Sir, we present this Memorandum to your attention believing that we are fulfilling our citizen obligations towards our country, as well as towards our old country. Bulgaria is now enslaved, suffering and denied rights and freedoms of any kind; her people is without any possibility to raise a voice of protest against the terrorist rule of communism imposed on it by a foreign power. As loyal American citizens we are deeply concerned about the principles of liberty and democracy, and hope that our concerns will be considered.

Sincerely yours,

GEORGE PETROFF,
Secretary.
DR. GEORGE PAPRIKOFF,
President.●

THE NATIONAL KIDNEY FOUNDATION "GIFT OF LIFE WEEK"

HON. JACK KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. KEMP. Mr. Speaker, the National Kidney Foundation, an organization dedicated to helping millions of Americans, is conducting a nationwide drive aimed at educating the public on the need for organ donations. The funding which has made this drive possible is the Charity of the Year Grant from the American Contract Bridge League. This league is selective in their choice for recipients of the Charity of the Year Grant and they stipulate that the funds are to be used for research as well as for education of the organ donor program.

In view of the fact that the National Kidney Foundation is able to fill only one-third of the need for kidney transplants, it is indeed time to lend support to this effort in improving the quality of life for thousands of Americans. Much has been achieved through the efforts of the National Kidney Foundation and they hope to achieve even more through their national drive. They would like March 1-4 to be recognized as the "Gift of Life Week" in honor of their national campaign. In light of the benefits that the National Kidney Foundation has given to many, it can be said that they do give a gift of life.●

NICARAGUA LOAN REQUEST OPPOSED

HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. EDWARDS of Oklahoma. Mr. Speaker, I strongly oppose the $30 million loan request by the Government of Nicaragua which is currently under consideration by the Inter-American Development Bank and call on my colleagues in Congress to also express their vigorous opposition.

While I well recognize that the United States has global responsibilities and cannot refrain from relationships with govenments not identical to ours, there comes a time when we must oppose the continuation of policies adverse to our own national interest. Support of the Sandinista regime in Managua is not in the interest of the United States.

In April of 1981, the President determined that Nicaragua was in violation of the Foreign Assistance Act as a result of its support for the Salvadoran guerrillas. Nicaraguan support for the guerrillas continues. No United States assistance to Nicaragua should be considered for that Government until it halts its attempts at creating unrest in the region.

The American people and the U.S. Congress have a right to object to the Inter-American Development Bank granting this loan request. The fiscal year 1983 budget called for more than $1.1 billion to be provided to the bank as a part of our growing contributions and the fiscal year 1984 budget request is more than $1.4 billion.

Two previous requests by the Nicaraguan Government for this loan have failed. This one should also.●

PUBLICIZED FELINE LEAVES LOVING FANS

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SUNDQUIST. Mr. Speaker, the following article appeared in the Memphis Tennessee Press-Scimitar on Friday, February 4, 1983:

PUBLICIZED FELINE LEAVES LOVING FANS

(By Bill E. Burk)

If there is such a thing as cat heaven, Harold Streibich and his daughter Margaret are convinced the Black Witch of Endor is there today.

"Blackie," as she was known, used up the ninth of her lives last weekend on a veterinarian's operating table. She was 19 years old when she died.

Streibich is a stout man, a music-oriented lawyer who has tackled many a tough case in courts, but when he called to report that "Mama Cat is dead," his voice shook.

"Blackie had quite a history and, of course, after 19 years, she was as much a part of the family as our children," he said.

The saga actually began 20 years ago. A tom cat hung around the house and the Streibiches fed it but the tom, which they called "Satan," never woud dare venture one paw inside the house.

Not, that is, until the great snow of 1963, Satan made an exception and stayed inside and slept and ate to his heart's content.

Until the snow melted. Then it was back outside.

The following spring, Satan brought what the Streibiches believe was one of his offspring to the house.

"We wanted an unusual name so we named her Black Witch of Endor," said Streibich. "Endor was where King Saul would go to consult with the witches. We called her Blackie."

Margaret was a lass of 6 at the time. She dressed Blackie in doll clothes and trimmed her hair, once clipping a portion of Blackie's ear.

But Blackie was destined for greater things.

"In 1965 we had Becky Publishing Co. operating, and it was publishing all the Sam the Sham tunes," said Streibich, a director of the National Academy of Recording Arts & Sciences. "We wanted to open a new publishing company, so we came up with II Gatto Music Publishing Co. *II Gatto* is Italian for 'the cat.' It was named for Blackie. Our logo was a black cat.

"In 1969, Billboard magazine ran a story featuring Memphis music. Blackie was pictured with singer Dickey Lee."

Blackie was musical herself.

"She used to run across the keyboard of our piano, making all kinds of tinkling sounds," said Streibich.

Margaret married Dan Hovel, a TV newsman, last year and they moved to Cincinnati, leaving Blackie behind. Her age, they decided, made the move impossible.

The Streibiches decided not to bury the Black Witch of Endor in an animal cemetery.

"We buried her in the back yard," he said. "We wanted her near us, just like she has been the last 19 years."

Blackie's song has ended, but the melody of her memories linger on.

PLAQUE INSTALLED

A permanent plaque has been installed at Memphis State University to record in bronze the names of recipients of MSU's Distinguished Achievement Award.

The award is presented annually at "Salute to Memphis Music" ceremonies to honor the memory of Elvis Presley and to recognize outstanding contributions in the performing arts.

The plaque in the foyer of the Communication and Fine Arts building already bears the names of B. B. King, Charlie Rich, Jerry Lee Lewis and Sam Phillips. Efforts to honor Johnny Cash have been bogged down through most of the past two years. The planning committee must soon get an affirmation from Cash that he will be available to receive the honor in August, or another recipient must be chosen.●

STILL MORE MOLES IN BRITAIN

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McDONALD. Mr. Speaker, there has been a great deal of discussion in the press, both here, and in England, over the disclosures of Mr. Michael Straight—who recently confessed to being a Soviet spy—over the extent of Soviet intelligence recruitment among Britain's best and brightest people. Once one of these moles confesses all, the question naturally arises as to how many others are running around undetected. Mr. Straight gave the estimate of 150 moles he knew of in Britain. Mr. Nigel West gives a further estimate of a possible 200. Would anyone care to hazard a guess as to the number running around the United States under false colors? I commend the article on this matter that appeared in the London Daily Telegraph on February 4, 1983, to the attention of my colleagues.

[From the Daily Telegraph, Feb. 4, 1983]

STILL MORE MOLES IN BRITAIN

(By Richard Beeston)

Mr. Michael Straight, the American who exposed Anthony Blunt, says there are to his knowledge still 30 to 40 people in Britain who have held important public office and had lived the lives of "moles."

In an interview with the Canadian Broadcasting Corporation Mr. Straight said that when he denounced Mr. Blunt as a KGB recruiter to M15 in Britain in 1963 he also gave British intelligence the names of at least 150 other people.

"Of those 150 I would guess that 30 to 40 have been living the lives of moles in England, that is to say, as members of the Labour party in Parliament, as barristers and judges, various other people in public life, one or two in the Foreign Office, the Home Office and the Treasury who have been allowed to retire," he said.

"I don't know what happened to them," he added, "I am sure British intelligence does know."

Mr. Straight, who last week published his autobiography "After Long Silence" which recounts his dealing with Blunt and Guy Burgess, said there were "plenty of other people in England" with similar knowledge to his own "who have chosen not to speak."

Questioned whether there were a "fifth, sixth and seventh man" and whether "big shots" were still protected he replied: "I think so."

TWENTY-SIX YEAR SECRET

Mr. Straight comes from a prominent American family and his book, in which he acknowledges that he kept his secrets about the working of a powerful KGB network for 26 years before informing Western intelligence, has aroused much criticism against him.

Among the reaction to the book has been a letter to the Washington Post from his English former wife Mrs. Belinda Straight declaring: "I in no way participated in Michael's activities, nor do I condone them."

Mrs. Straight said that she was 20 years old and just married when her husband told her he had been recruited in England by the Communists to work in America through a Soviet agent codenamed Michael Green.

"I extracted from him a promise that he would stop all further secret activity but failed to understand how hard it became for him to extricate himself," she added.

SPIES AND TRAITORS

A recent article in the Washington Times said that if Mr. Straight had informed American intelligence he could have crippled "the most damaging ring of spies and traitors in the history of British intelligence, saved the lives of scores of Russian patriots, Communist defectors and British agents betrayed to the Soviets by the comrades of Burgess and Blunt during the Cold War."

Mr. Straight, who admits he was "morally wrong" says he has written his book to explain his behaviour to his grandchildren.

OXBRIDGE STUDY, 200 SUSPECTS

Mr. Nigel West, author of "A Matter of Trust," which gives a account of M15 between 1945–72, said that after the Burgess and Maclean spy scandal, British security services, began a comprehensive review of the British Communist party's infiltration at both Oxford and Cambridge universities.

It resulted in the preparation of a special report dealing with Communist influence among undergraduates and gave a list of some 200 suspected of being either active or secretly supporting the party.

The list as passed to Mr. Straight who finally identified four or five as being very strongly implicated in spying, including Blunt and Leo Long, a former British intelligence officer who confessed in November 1981 that he spied for the Russians after being recruited by Blunt.

As a result of information gathered at the two universities, many undergraduates were interviewed by M15 officers. Those who were covert members of the Communist party were offered immunity from prosecution if they were prepared to reveal their contacts.●

THE REAGAN IMPACT ON THE FEDERAL WORK FORCE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. STARK. Mr. Speaker, from national defense to ocean research, from operating our Nation's parks to inspecting food, from promoting American exports to delivering the mail, the Federal employee performs tasks essential to this Nation. The Federal employee affects almost every aspect of the lives of our citizens. Without the Federal employee, our Nation could not function.

When President Reagan submitted the Federal budget to Congress, he called for many sacrifices to help balance the budget. Federal employees have been making more than their share of these sacrifices. I would like to quote from the recent testimony of Kenneth T. Blaylock, president of the Public Employee Department, AFL–CIO, before the Ways and Means Subcommittee on Social Security.

But let us examine ways in which the pocketbooks of Federal employees and retirees have been hit over the past two years:

Elimination of the twice-a-year COLA: Average cost, $500 per retiree.

Required payment of 1.3 percent Medicare tax: Average cost per employee, $250 per year.

Limitations on retiree COLA by granting 50 percent of COLA to retirees under age 62 and delaying the COLA by one month in fiscal years 1983–85: Average cost per retiree under 62, $70 per year.

Increase in employee health premiums of an average 31 percent.

Since 1981, nearly 22,600 Federal employees have been adversely affected through reduction in force movements including: RIF's (11,400), lateral job assignments, downgrading, and early retirement.

Furloughs of 2 days per month, or a loss of 1/10th of salary.

Limitations on pay increases well below comparability:

[In percent]

	Actual	Comparability
Fiscal year 1981	4.8	15.1
Fiscal year 1982	4.0	18.5

But the Reagan administration is not content with these sacrifices. They have launched into a full-scale blitzkrieg against Federal workers and retirees. The attack is on all fronts and includes raising the retirement age, eliminating cost-of-living adjustments for both current workers and retirees, putting a pay freeze on current workers, calculating retirement benefits on a high-5 average annual salary rate as opposed to the current high-3, and raising the amount of gross salary that an employee must contribute into the retirement fund. Many Federal workers' jobs are in jeopardy by proposed changes in the reduction-in-force rules and proposed changes in contracting out.

If there is any doubt that the Reagan administration wants this package of destruction for the Federal worker, one can look at both their rhetoric and their actions. While Reagan has not used the old phrase "pointy-headed bureaucrats," he might as well have. It summarizes his attitude toward Federal employees. The wiping out of the air traffic controllers' union shows that Reagan has no sympathy for the plight or problems of the Federal employee and he fully demonstrated it with this deed.

It is time that these attacks on Federal workers are stopped. It is time the Reagan administration and OPM Director Donald Devine stop abusing the Federal worker. Devine says that he wants to make working for the Government more like working for the private sector. Yet, no quality private sector employer would deal with their work force in such a publicly derisive fashion.

Reagan demands a quality, hard-working, efficient Federal work force, yet proposes virtually everything humanly possible to prevent top-notch people from working for the National Government. Private companies do not attract workers with insults and reductions in every form of compensation that a person takes a job for. Federal workers and retirees are faced with the same economic conditions as everyone else. Yet, in the face of continuing inflation, which reduces real wages, the Office of Personnel Management pursues policies that further erode the pay position of the Federal employee.

In fact, rather than attacking the Federal worker, the Reagan administration should be thinking in terms of what it can do to make employment in the Federal Government more attractive, so that talented people are enlisted, making Government more effective and efficient in the years to come.

But if Reagan and Devine continue their current assault on the Federal worker, what they will do is create a generation of ineffective Government. They will destroy worker morale and stop good, qualified people from working in the Federal Government. The Federal Government will become the employer of last resort. Nobody wants that, Mr. Speaker.

I urge my colleagues to resist administration attempts to put the burden of the huge Reagan deficits squarely on the already bent backs of the Federal employee and retiree.●

SO-CALLED CONSUMPTION TAX

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. DASCHLE. Mr. Speaker, there have been many press reports recently about trial balloons that the administration has been floating in the area of tax reform. Along with standby taxes, not to take effect until some distant date, and abolition of the corporate income tax, one of the most persistent of these trial balloons has been that of the so-called consumption tax.

My own perception of this proposal is that it is but another ploy on the part of some members of the administration to continue the path they have begun in shifting more and more of this country's tax burden away from the wealthy, and unto the backs, and into the pockets, of the poor and middle-class.

That perception notwithstanding, it does appear that, like it or not, the discussion will probably be with us for some time. As a contribution to this dialog, I find an article in the February 1983 issue of Financier to be particularly timely. While recognizing the surface attractiveness of the consumption tax, the article points our several of the weaknesses in the proposal in a balanced, nonpartisan manner. I recommend this article to my colleagues, and ask permission that it be printed in its entirety.

The article follows:

TAX CONSUMPTION—NOT INCOME? THE LONG CONSIDERATIONS BEGIN

(By John M. Berry)

The Reagan Administration, hoping to capitalize on public unhappiness with the personal income tax, has launched a tax-reform effort centered on turning the income tax into a consumption tax. The point, of course, is to eliminate taxation of the returns paid on invested savings so as to encourage more saving and investment. That in turn, Administration economists say, would increase the long-term growth of productivity and thus the nation's standard of living.

Such a massive reorientation of the Federal Government's largest source of revenue won't come easy or soon, officials candidly acknowledge. In the short run, neither the Administration nor its Congressional allies actually expect to make much headway in reducing taxation of capital. But for the long run, they have now made a start.

During the next two years, some modest expansion of the Individual Retirement Account made available last year for the first time to everyone with earned income is about all that will be seriously considered on Capitol Hill, according to W. Henson Moore (R., La.), an influential member of the House Ways and Means Committee. And even that will encounter serious opposition in a new Congress far less hospitable than the last to such ideas.

As for more comprehensive changes, Mr. Moore told a tax seminar last month in Washington, "I don't see this Congress doing anything along that line. A shift to a consumption tax is attractive to conservatives," he said, because "the graduated income tax is counterproductive."

But Mr. Moore, who played a significant role in shaping the big 1981 tax bill, cautioned that it will "take an immense amount of education before Congress will react" to the consumption tax idea.

NOTHING CONSERVATIVE

Meanwhile, with the Democratic gains in the last election, "we don't have the votes to do anything that can be considered conservative or helping rich people or hurting poor people," he declared.

Such political realities, however, have done nothing to dampen the ardor of many economists and politicians for reducing the taxation of capital. That ardor was bright at last month's seminar, which was organized by the American Council for Capital Formation and underwritten by such companies as IBM, Citibank, Mobil, Weyerhaeuser and Arthur Andersen.

Martin Feldstein, Chairman of the Council of Economic Advisers, declared in one speech: "Increasing the rate of capital accumulation must remain one of the central and continuing long-run goals of economic policy. A higher rate of capital formation is the dependable way to increase productivity and to raise our nation's rate of economic growth."

And after a nod to what has been accomplished in the last several years—lowering the maximum tax rate on capital gains, lowering the personal income tax's top marginal rate from 70 percent to 50 percent, greatly increasing depreciation allowances for many types of business investment, and so on—Mr. Feldstein said: "There is no reason for complacency. More can be done and should be done to strengthen the incentives to save and to invest in business plant and equipment."

What Mr. Feldstein would like, as he made clear in a seven-page portion of his text, is a consumption tax to replace the income tax. The CEA Chairman did not deliver that part of his speech, however, because furious Treasury officials complained that he had failed to clear it with that Department, which, after all, is in charge of tax policy.

By the time the flap arose, however, copies of the text had already been distributed and there was no way to get them back. In a bow to Treasury, Mr. Feldstein agreed he would not deliver that part of his text.

Mr. Feldstein had lots of company favoring a consumption tax of one form or another. But there was also significant support for outright tax reduction, particularly by reducing the progressivity of the personal income tax and by eliminating the corporate income tax.

DELIBERATE FLAGELLATION

Former Treasury Secretary John B. Connally opened the three-day seminar by attacking the personal income tax as so complex that it "borders on national disgrace" and "unfair" in the way it treats people at different income levels. "The progressivity of the existing system goes too far," he argued. "It could be justified only as a socially-oriented goal of income redistribution. It borders on deliberate flagellation of the American middle class."

Whatever one's view of the tax system's progressivity, Mr. Connally's supporting figures seem to border on deliberate flagellation of any attempt at rational analysis. His examples are worth a detailed look because they repeat a common misunderstanding about the true levels of income in the U.S. and use a comparison of tax burdens that exaggerates the progressivity of the personal income tax.

"Consider, if you will," Mr. Connally said, "how our individual income tax system treats two middle-income families—one at the lower end of the range, with annual income of $15,000, and one at the higher end, with annual income of $60,000. [This year] the annual tax bills of these two families will be $952 and $9,706, respectively.

"With four times the income, the higher-earning middle-income family will pay 10 times the taxes of the lower-earning family! That is manifestly unfair," he asserted.

STARTLINGLY DIFFERENT

Most tax analysts, however, believe the important comparison is not in terms of tax paid but in terms of after-tax income. The results are startlingly different.

The $15,000 family has $14,048 left after taxes, and the $60,000 family has $50,294. Looked at that way, the $60,000 family has four times the pre-tax income and 3.6 times the after-tax income of the $15,000 family.

Or take another comparison. The lower-income family pays 6.3% of its income in tax while the higher-income family pays 16.2%, or only 2.6 times as much. That's just as valid as saying the actual tax bill is 10 times as high.

The true distortion in Mr. Connally's figures, however, was his characterization of a family with $60,000 as "upper-middle income." No income distribution numbers are available for 1983, of course, but it is possible to deflate the $15,000 and $60,000 and restate them in equivalent 1979 dollars, a year for which income distribution figures are available both from the Census Bureau and the Internal Revenue Service.

According to the Census data, about one-third of all families had incomes below that year's equivalent of today's $15,000 worth of income. On the basis of IRS figures for 1979, 48% of all returns showed income of less than that equivalent.

Certainly Mr. Connally's $15,000 family could reasonably be called lower-middle income. But what about the $60,000 family? That is not a middle-income family at all. The Census data and the IRS give nearly the same answer: Only about 4 to 6% of all families have incomes higher than that.

In short, this nation is not nearly as wealthy as some people seem to think it is. Individuals in the top 5 or 10% in terms of income think of themselves as "middle income" and wonder why their taxes seem so high.

PANDER TO MISUNDERSTANDING

Politicians like Mr. Connally pander to that misunderstanding as they issue statements and make speeches about the "unfairness" of taxes.

But distortions and misunderstandings aside, many respected economists believe that the nation's economic future will suffer if the taxes levied on income from capital are not reduced.

Michael Boskin, a Stanford University economist, is one of that group. "There is substantial reason to believe that we have

been, and continue to be, saving a substantially smaller fraction of our national income than is socially desirable," he told the seminar. "Policies designed to increase investment will only succeed in increasing investment demand" and the rise in interest rates accompanying it.

Mr. Boskin believes that lowering taxes on the return on invested savings is the way to go, with elimination of the corporate income tax and a shift to a consumption tax over a period of 10 years or so.

Increasingly, economists addressing these issues are taking cognizance of the fact that the U.S. economy is far more open to the rest of the world than it used to be. They are raising such questions as whether it is possible for one nation to take steps to raise its saving rate without running the risk that the added capital will flow to other nations for investment.

Mr. Feldstein, in work done before he came to Washington, concluded that added savings would lead to added investment in the same country—but other economists are challenging his results.

International complications also arise affecting the corporate income tax. Commonly the tax is regarded as a form of double taxation of capital, since the ultimate owners of the corporation, the shareholders, also are taxed on its income.

NEEDED SAFEGUARD

Joseph Pechman, a tax expert from the Brookings Institution, defended the corporate tax on the grounds that it "is needed to safeguard the individual income tax. Without it, individuals could amass huge amounts of wealth in corporations which would never be subject to tax or would be taxed at preferential rates."

Arnold C. Harberger, another noted tax economist from the University of Chicago, attacked the corporate tax. But he also defended it on the practical grounds that in a world in which most nations levy such a tax, a country dropping it would find itself at a substantial disadvantage in coping with taxation of multinational corporations.

Mr. Pechman scored a telling point in the discussion about tax burdens on income from capital when he noted that last year's legislation that reduced some of the depreciation breaks provided in the 1981 bill was intended to make sure that no companies ended up with what amounted to a negative tax rate—that is, a subsidy—on the income flow generated by new investments.

But Mr. Pechman also pointed out that it makes no difference in figuring depreciation on an investment whether it was bought with borrowed funds.

With depreciation allowances approaching the equivalent of expensing of investments, or writing them off in the year purchased, permitting deduction of interest on money borrowed to finance the investment constitutes a major subsidy. If the allowed write-off plus the investment-tax credit is exactly equal to expensing, then the corporate tax has been neutralized, Mr. Pechman noted.

In these circumstances, "given a 46% corporate tax rate, if you can borrow $100 million for an investment that will yield 15%, the Government will give you a tax break of $6.9 million on top of the $15 million the lender will earn net of corporate tax on his investment," he pointed out.

"Not a bad deal," he concluded.

LATEST AND HOTTEST

There were also discussions about the flat tax, the Value Added Tax and other elements of the tax system. But the latest and hottest item is the consumption tax applauded by Messrs. Feldstein, Boskin and others.

In the undelivered portion of his text, Mr. Feldstein called it "a very attractive approach to tax reform" and said it would work this way:

"Each individual would add up all of his cash receipts for the year and then subtract all of his savings, including additions to bank accounts, purchases of stocks or other assets, and repayments of loans. The difference between total receipts and total savings-investment outlays would be the amount on which he paid tax.

"Capital gains as such are not taxed. Instead, the individual would pay tax on the entire value of the sale if those funds were used to finance consumption but would pay no tax at all if those funds were reinvested.

"Funds obtained by borrowing are included in total receipts subject to taxation. However, to the extent that such funds are used for investment in financial or real assets, those outlays are subtracted from the taxable amount."

ANY DESIRED PROGRESSIVITY

Mr. Feldstein stressed that this form of consumption tax is not a VAT or a national sales tax, and that any desired degree of progressivity could be used in setting up the rate schedule. And some major deductions now allowed could be kept, if desired, while still keeping the tax base consumption-oriented.

For instance, state and local taxes could be deducted on the grounds that those payments certainly do not represent personal consumption on the part of the taxpayer.

Similarly, charitable contributions could be thought of as transferring the power to consumer from the taxpayer to the charity.

Stolen property and casualty losses might be deducted as constituting a capital loss that reduces wealth and therefore should reduce total receipts in a given year.

Even personal health-care costs conceivably could be deducted on the theory that they "offset personal losses in a way that is analogous to losses or property," he noted.

Mr. Feldstein also argued—as must anyone seeking these days to change the tax system—that a consumption tax "would significantly simplify personal tax reporting by emphasizing cash receipts and outlays instead of complex accounting definitions."

NOT ALL THAT SIMPLE

Well, on close examination, the consumption tax is not really all that simple.

One particularly thorny point involves the treatment of consumer purchases of housing and other durables such as automobiles.

Strictly speaking, the theory requires that a taxpayer buying, say, a $10,000 automobile or a $100,000 house, with any combination of down payments and borrowed money, would have to treat the entire purchase price as consumption in the year such items were bought—and would see his tax rise accordingly.

Treasury tax analysts working on the matter have realized that that approach would not fly, at least for housing. Thus, they are considering not counting the borrowed money as income used for consumption, except as the loan is repaid. Such an approach would encourage buyers to put down as little as possible on any such purchase, so as to postpone payment of taxes as long as possible.

That is just one of many difficult areas. The transition problems are enormous.

For instance, people who now own assets of whatever type have generally acquired them with after-tax dollars—pension plan rights, IRAs and Keogh Plan assets are exceptions. How can a shift to a consumption based tax that would tax those assets again as they are consumed, say, in retirement?

As Mr. Moore put it, sadly in his view: "It's time has not yet come."

Finally, there was another point that came through again and again at the seminar, a point that the Reagan Administration and Congress ignored in 1981: The first thing to do in devising a tax system is to figure out how much revenue you need to raise.

For all the concern about the impact of taxes on saving and investment, it may just be that the enormous Budget deficits flowing from the 1981 decision to change the tax system and then worry about how much revenue is needed will do more to damage the level of investment than all of the tax burdens put together.●

U.S. ARMS CONTROL POLICY: OUR QUEST FOR PEACE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. BROOMFIELD. Mr. Speaker, all too often, I hear comments that the administration is not serious about the concept of arms reductions of any type. with equal frequency, I see foreign-generated stories accusing the United States of duplicity in our public statements about reducing tension between East and West.

I want to take this opportunity to set the record straight on the issue of America's present and past seriousness about arms control. Since the end of World War II, our Government has been the world leader in serious disarmament and arms control proposals. Many of America's initiatives have focused on controlling the spread of nuclear weapons. Our efforts in this direction began in 1946 with the Baruch plan for the international control of nuclear weapons and nuclear energy. In 1955, President Eisenhower presented his "Open Skies" proposal. Under this agreement, the United States and the Soviet Union would have exchanged blueprints of military establishments and provided for aerial reconnaissance. True to form, the Kremlin rejected both plans.

The United States initiated and is an active party to many treaties. These are just a few of them: The Limited Test Ban Treaty (1963), which prohibits nuclear weapons tests in the atmosphere, in outer space, and under water; the Outer Space Treaty (1967), which bans placing nuclear weapons in outer space; the Non-Proliferation Treaty (1968), which is intended to prevent the further spread of nuclear weapons; the Seabed Arms Control Treaty (1971), which prohibits the emplacement of nuclear weapons on the ocean floor; the ABM Treaty (1972),

which imposes limitations on defense against ballistic missile weapons; and the Interim Agreement on Strategic Offensive Arms (1972), which froze the quantity of strategic ballistic missile launchers on either side. I believe that America has complied with the spirit and the letter of these agreements.

In addition, the United States is party to two international arms control agreements affecting chemical and biological weapons. It is unfortunate that both agreements contain a fundamental flaw. Neither incorporates adequate means to verify compliance. Soviet involvement in using chemical weapons in both Afghanistan and Southwest Asia is testimony to the fact that effective verification provisions are essential to future agreements of this nature.

Since 1973, the United States has also been actively participating in the MBFR talks between NATO and the Warsaw Pact. Very little progress has been made because of the pact's refusal to accept permanent inspection teams and the disagreement over Warsaw Pact troop levels.

In continuing the efforts of past administrations, President Reagan is equally committed to the quest for peace. In order to achieve more lasting progress in future negotiations, the President ordered an intense review of our Government's arms control policy. We seek arms control agreements which reduce the arsenals on both sides, and result in equal levels of arms on both sides. In addition, our Government wants accords which are verifiable and are designed to reduce the risk of war.

With these guidelines in mind, the administration pursued with the Soviets the ongoing INF talks. Our Government offered to cancel deployments of the Pershing II and ground-launched cruise missiles if the U.S.S.R. would remove its SS-20, SS-4, and SS-5 missiles. It is significant to note that it was the Soviet Union which destabilized the previous rough parity of missiles in Europe by introducing new and more powerful missiles into the equation. Only after America's intentions to counter the Soviet buildup were announced, did the Kremlin decide to go to the negotiating table in Geneva.

More recently, the President announced his zero option plan which basically offers to cancel America's planned deployment of Pershing and cruise missiles in Europe, if the Soviets are willing to remove their newly emplaced missiles.

In the current START negotiations, our Government is proposing reductions in the number of ballistic missile warheads on each side by one-third. We are also seeking further reductions in the overall destructive power of each side's arsenal.

Mr. Andropov's counterproposal to our zero option offer was a weak one, at best. I now realize that the Soviets know that their SS-20's in Europe give them a decided strategic advantage over the West in that area. They are willing to do just about anything to maintain that advantage. An additional critical factor is verification. Arms control agreements with a highly secretive adversary like the Soviet Union cannot be based on trust alone.

Our Government must have effective means of verification that enable us to know with confidence whether agreements are being honored. We must be able to assure Soviet compliance and take steps to offset the effects of any noncompliance. This administration has quite properly made clear that the United States will insist on verification procedures.

Even though our Nation has shown not only interest but integrity in complying with arms control agreements, we cannot overlook the fact that there are nations in the world whose views on international agreements may be very different from our own. In the past, the Soviets have used agreements to befuddle and mislead Western nations and will undoubtedly use this ploy in the future.

I believe that we should look long and hard before signing agreements which involve the basic survival of our Nation. America should avoid putting its signature on accords with a party which refuses to accept verification procedures and insists on maintaining its advantage over the West in Europe. Let us not forget the Helsinki accords and proceed ahead with caution.●

MAINE BOY SCOUTS HONORED

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. McKERNAN. Mr. Speaker, I join my colleagues today in honoring four Boy Scouts from the State of Maine who have recently received the highest Scouting award—the coveted Eagle Scout Award.

Three of the four Scouts are members of troop 428 in Pittsfield, Maine, and attend Maine Central Institute. They are Dale Rowley, 16, son of Mr. and Mrs. David Rowley; Robert Speed, 15, son of Mr. and Mrs. Richard Speed, Jr.; and Scott Hallett, 15, son of Mr. and Mrs. Richard Hallett.

The fourth Scout is William R. Savage, a member of troop 342 in West Buxton. He is the 15-year-old son of Mr. and Mrs. David Savage, and is a freshman at Bonny Eagle High School in West Buxton.

I commend their Scout leaders, parents, friends, and members of their respective communities for assisting and encouraging these young men in their pursuit of excellence. I would like to wish the new Eagle Scouts equal success in all their future endeavors.●

DEFICITS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 2, 1983, into the CONGRESSIONAL RECORD:

DEFICITS

No one can be blamed for being confused about deficits in the federal budget. For many years in this country, policy makers wanted a balanced budget every year. That view passed away, only to be replaced by the view that the budget did not need to be balanced every year, but only over the course of the business cycle. That view soon disappeared, too, as deficits continued even in prosperity. A new rule emerged: budgets should be figured so as to promote high employment, and deficits occurring in a period of less than full prosperity should be regarded as desirable stimulants to the economy. In 1983, we are told that deficits will be essential in the months ahead to stimulate the economy and to pull it out of the recession, but we are also told that the same deficits will make economic recovery slow and uncertain. We apparently cannot cure the recession without deficits, but as long as they persist we apparently will get no sustained economic growth. One wonders whether the huge deficit is a cause of or a cure for the ailing economy.

The rationale for our present gigantic deficits escapes me. No one seems to want them, but we do not seem to be able to get rid of them.

Our deficit for 1983 ($111 billion) was the first in history to exceed $100 billion, and it was by far the largest in our history. It was twice as large as the peak wartime deficit of 1943, and it almost equalled the combined deficits of 1942, 1943, and 1944.

The future looks darker still. The experts tell us that our deficits have only begun to mount. The deficit for 1983 is expected to reach an astounding $208 billion. The Congressional Budget Office is projecting deficits of $150 billion or more in 1984 and 1985. According to the Reagan Administration, we face such deficits for the balance of the decade, with as much as $300 billion in red ink in 1988 unless major changes are made in economic policy. Yet the national debt already exceeds $1,100 billion. It costs every American family nearly $1,500 per year just to pay the interest on that debt. If trends continue, the interest payment will be closer to $2,000 this year.

Many of us believe that deficits were controllable, and some of us thought that economic growth would generate enough revenue to wipe deficits out. We know differently now. In fact, the Reagan Administration has confirmed that even a 3.5% rate of economic growth will not bring future deficits below $150 billion. The real cause for alarm is that strong economic growth will not cure the deficits. So, a major objective of economic policy must be to cure them directly without relying solely on economic growth.

Deficits must be reduced so that interest rates can come down. If they do not come down, we will not see much of a recovery.

The deficits make it clear that the federal budget, if not out of control, is close to it. It is producing deficits of enormous proportions year after year. That surely is not a sensible course for us to follow. Deficits generate inflation by boosting demand; they crowd the private sector out of credit markets as the government borrows a large portion of the available savings; they put pressure on the Federal Reserve to increase the money supply and thus add to inflation in order to ease the strain on the credit markets. The importance of each of the consequences of deficits varies depending on what else is happening in the economy—whether it is growing or stagnating, for example—but all the consequences are important to some degree.

An economy with a high deficit and a restrictive monetary policy, which we have had in recent years, tends to be an economy with high consumption, low growth, and a high government share of total economic activity. The massive deficits projected for the next several years will absorb savings which are urgently needed for investment in plant and equipment, infrastructure, research and development, training, and education. Without such investment, productivity will sag, inflation will resurface, and interest-sensitive industries, such as housing and automobiles, will decline, as will exports.

We must confront the question of the appropriate size of the deficit. We must decide what difference the size of the deficit really makes. There are arguments against deficits, but balancing the budget each year is not a moral imperative. It is also true that deficits do not always cause inflation, nor do they inevitably lead to unemployment and recession. But deficits can, and sometimes do, cause inflation, and they absorb savings which otherwise would be dedicated to private investment and the improvement of productivity. I believe that government policy should aim to reduce the size of the deficit relative to the gross national product. However, I expect the process of budget-balancing to be an extended one, and I understand the need to weigh other economic priorities—including taxes on the one hand and spending for national defense and social programs on the other—as that process unfolds. It is obvious that any decision about the size of the deficit involves a judgment as to how much of the national output should go into private investment, national defense, and other key functions.

The deficits confront Congress with several problems. First, they require a multi-year budget plan. They are simply too large for us to expect major progress against them in a single year. Second, they require hard decisions on whether to cut spending, raises taxes, or pursue a policy which combines the two. Additional taxes burden taxpayers, discourage work effort and saving, and distort economic choices, but cuts in spending exact a price as well in roads not built, in research left undone, in armed forces not ready for combat, and in young people left uneducated.

The American economy faces unprecedented risks in the years ahead unless we take steps to reduce the deficits. Closing the gap between revenue and spending must rank among the highest of all governmental priorities.●

INSURING THAT OLDER AMERICANS ARE PROTECTED FROM OVERPAYMENT OF INCOME TAXES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. BIAGGI. Mr. Speaker, I am pleased to bring to the attention of my colleagues an annual checklist that is prepared by the House Select Committee on Aging which will assist older Americans in the payment of their Federal taxes for 1982. This list is most helpful to seniors who often encounter a number of obstacles each year when filing their tax forms, and points out those items which are often overlooked. This year, the following checklist will be especially useful in light of a number of changes in the new tax laws. In addition, this list includes information on assistance that is provided by the Internal Revenue Service and its local branches. Seniors who encounter special problems should not hesitate to contact their local offices.

For the benefit of my colleagues, I wish to insert the first part of this checklist and will insert the second section tomorrow.

NEW FEATURES FOR 1982 FILING EZ FORM

For 1982 a new simplified return, form 1040 EZ, has been constructed. In order to file this simplified form you must be:

a. single,

b. claim no exemptions for age or blindness,

c. claim no dependents,

d. have income of less than $50,000 that is only from wages, salaries and tips, and from interest of $400 or less.

CHARITABLE CONTRIBUTIONS

You may deduct a part of your charitable contributions even if you do not itemize deductions.

CHILD AND DEPENDENT CARE

The tax credit for child and dependent care expenses has been increased. Also, expenses for care of a disabled dependent or a spouse may include expenses for out-of-home care.

RATE REDUCTION

Individual income tax rates have been reduced. This reduction is included in the Tax Table and Tax Rate Schedules.

ASSISTANCE IN PREPARING FORMS

The Internal Revenue Service (IRS) distributes a number of publications which are designed to assist the Federal taxpayer in the preparation of his tax forms. Moreover, the IRS offers a tax counseling program for older taxpayers and the local office of the IRS may always be contacted by phone to seek assistance in the preparation of your return. The following publications are free and copies may be obtained by using the order form contained in your tax package.

IRS PUBLICATIONS

The IRS offers the following free publications relating to income taxes of particular interest to older taxpayers.

Publication 17, "Your Federal Income Tax".

Publication 505, "Estimated Tax and Withholding".

Publication 554, "Tax Benefits for Older Americans".

Publication 524, "Credit for the Elderly".

Publication 553, "Highlights for 1982 Changes".

Publication 910, "Taxpayer Guide to IRS Information Assistance".

SPECIAL IRS PROGRAMS

The IRS offers a tax counseling for the elderly (TCE) program which assists individuals age 60 and over with the preparation of their Federal tax returns. IRS trained volunteers are available at various neighborhood locations to provide this assistance. In addition, certain volunteer income tax assistance (VITA) preparers have been trained to assist older taxpayers with the preparation of their returns. Your local IRS office will be able to furnish you information concerning where and when these services will be available.

TELEPHONE ASSISTANCE

Beginning in January 1983, IRS will begin a new telephone service called Tele-Tax. This service will provide recorded tax information tapes on over one hundred topics covering such areas as filing requirements, dependents, itemized deductions, and tax credits. Tele-Tax will be available 24 hours a day, 7 days a week to taxpayers using push-button telephones. Brochures with listings of covered topics and telephone numbers for your area will be available in local banks, libraries and other public facilities. Also, telephone inquiries of your local IRS office may be made to obtain over-the-phone taxpayer assistance.

Who must file a Federal tax return is generally determined by your income and your filing status

You must file a return for 1982, even if you owe no tax:	And your income was at least:
1. If you were single, divorced, or married with a dependent child and living apart from your spouse for all of 1982 and were:	
Under age 65	$3,300
Age 65 or over	4,300
2. If you were married filing a joint return and were living with your spouse at the end of 1982 or on the date your spouse died and:	
Both were under 65	5,400
One was age 65 or over	6,400
Both were 65 or over	7,400
3. If you were married filing a separate return or married but you did not share the same household at the end of 1982	1,000
4. If you were a qualifying widow(er) with a dependent child and:	
Under age 65	4,400
Age 65 or over	5,400

5. If you received any advance earned income credit (EIC) payments from your employer(s) during 1982.

6. If you were self-employed and your net earnings from this work were at least $400, you must file a return to pay self-employment tax. You are self-employed if you carry on a trade or business as a sole proprietor, a member of a partnership, an independent contractor, or otherwise. This includes certain part-time work that you do at home or in addition to your regular job. This rule applies regardless of your age; whether or not you are receiving Social Se-

curity benefits; and even if you are otherwise not required to file a Federal tax return.

7. If income tax was withheld from your pay, you should file a return so that you can get a refund of the tax withheld, even if you are not required to file a return.

WITHHOLDING/ESTIMATED TAX

It is important to note that, unless tax is withheld for you by your employer or by the institution which is making pension, annuity or other income payments to you, you must estimate and make quarterly payments meeting your tax liability to the IRS. Typically, it is the responsibility of your employer under the Federal income tax system to withhold income tax from wages, salary and other forms of compensation.

WITHHOLDING FOR PENSIONS AND ANNUITIES

Beginning January 1, 1983, Federal income tax will be withheld from the taxable part of most pension and annuity payments. If you receive periodic pension or annuity payments, you can help make sure that the right amount of tax is withheld by giving the payer of your pension or annuity a Form W-4P, or similar statement, showing your marital status and the number of withholding allowances to which you are entitled. If you do not give the payer a Form W-4P, tax will be withheld as if you are married and claiming three withholding allowances. You may also use this form to tell the payer that you do not want any tax withheld. If you receive a non-periodic distribution, the payer can tell you the amount that will be withheld.

WITHHOLDING FOR INTEREST AND DIVIDENDS

Beginning July 1, 1983, tax will also be withheld from many interest and dividend payments. The amount withheld will be 10 percent of each payment. However, individuals will not be required to withhold tax. Certain other payers may be allowed to delay withholding until 1984. You may choose not to have tax withheld from the interest and dividends you receive if:

(1) Your tax for last year was $600 or less,

(2) Your age 65 or older, and your tax was $1,500 or less,

(3) You filed a joint return for last year, and your tax was $1,000 or less,

(4) Either you or your spouse (or both) is age 65 or older, you filed a joint return last year, and your tax was $2,500 or less, or

(5) You (or you and your spouse) were not required to file an income tax return for last year.

If you qualify as exempt from withholding and you do not want tax withheld, you should give the payer of your interest or dividends an exemption certificate (Form W-6 or other form provided by the payer) so that tax will not be withheld.

Remember, if no tax or not enough tax is withheld from your income, you may need to pay estimated tax.

ESTIMATED TAX REQUIREMENTS

The requirement to estimate and pay tax also applies to income which is not subject to withholding, or income from which not enough tax is being withheld. This includes income from self-employment, alimony, rents, capital gains, and other income from which Federal income tax is not withheld. For these items of income, you must pay estimated tax using Form 1040-ES.

Your estimated tax generally is the total of your expected income tax and self-employment tax minus your expected withholding and credits. Form 1040-ES provides a worksheet for making this computation.

If your estimated tax for 1983 is $300 or more and your estimated gross income not subject to withholding includes more than $500 of taxable income, you must use Form 1040-ES and pay estimated taxes. Installment payments are due: April 15, June 15, September 15, and January 15.

You may incur a tax penalty if you do not meet all of your estimated tax liability. Such a penalty however, will not apply if all payments are made on time and:

(1) The payment represents at least 80 percent of the amount of estimated tax due based on the tax shown on your return or,

(2) The payment is based on one of four exceptions shown on Form 2210, Underpayment of Estimated Tax by Individuals.

TAX TABLE

The tax table enables you to more easily determine your tax liability based upon your taxable income if it is less than $50,000 (line 16, Form 1040A; line 7, Form 1040 EZ; line 37, Form 1040). You must use this table unless you compute your tax using Schedule G (income averaging). In that case you must use the tax rate schedules. The tax table is designed to be used by individuals (other than Schedule G filers) whether or not they itemize their deductions. This is possible because of an adjustment made on the Schedule A and an amount built into the tax table known as the "zero bracket amount." This flat amount (formerly, the standard deduction) is the portion of an individual's income which is not subject to tax. The zero bracket amount is (1) $3,400 for married persons filing jointly, or qualifying widows or widowers; (2) $2,300 for single individuals, or heads of households; and (3) $1,700 for married individuals filing separately.

DEDUCTIONS FOR TWO-EARNER MARRIED COUPLES

Two-earner married couples filing jointly are allowed a deduction based upon the earnings of the spouse with the lesser income. The 1982 deduction is 5 percent of the first $30,000 of income for the lesser income, or a maximum deduction of $1,500. (Beginning in 1983, the deduction will be 10 percent of the first $30,000, for a maximum deduction of $3,000.)

EXEMPTIONS

You are allowed a $1,000 deduction for each exemption shown on your tax return (line 5e, Form 1040A; line 6, Form 1040 EZ; line 6e, Form 1040). You and your spouse are allowed an additional $1,000 exemption if either or both of you are age 65 or older as of the last day of the tax year.

Moreover, you or your spouse may be able to claim a $1,000 blindness exemption (refer to your tax instruction booklet for more details on this exemption). Age and blindness are determined as of the last day of your tax year. This is December 31 for most taxpayers. You are considered age 65 on the day before your 65th birthday. Thus, if your 65th birthday was on January 1, 1983, you can take the extra exemption for age for 1982.

TAX CREDITS

Tax credits are used to reduce the amount of tax you owe. All credits must be taken on Form 1040, with the exception of the credit for contributions to candidates for public office and the earned income credit which may be taken on Form 1040A. No credits may be taken on Form 1040EZ.

CREDIT FOR THE ELDERLY

You may be able to claim this credit and reduce taxes by as much as $375 (if single) or $562.50 (if married filing jointly) if you are: (1) Age 65 or over, or (2) under age 65 and retired under a public retirement system.

For more information, see the instructions for Schedule R & RP.

EARNED INCOME CREDIT

If you have a dependent child who shares your principal residence in the United States, you may be entitled to a special payment or credit of up to $500. This is called the earned income credit. It may come as a refund check or be applied against any taxes owed. Generally, if you reported earned income and had adjusted gross income (line 33, Form 1040 or line 12 Form 1040A) of less than $10,000, you may be able to claim the credit.

Earned income means wages, salaries, tips, strike benefits, other employee compensation, disability pensions, and net earnings from self-employment (generally the amount shown on Schedule SE (Form 1040), line 9). A married couple must file a joint return to be eligible for the credit. Certain married persons living apart with a dependent child may also be eligible to claim the credit.

For more information, see instructions for Form 1040 or 1040A.

CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES

A portion of certain payments made for child and dependent care may be claimed as a credit against tax.

If you maintained a household that included your dependent under age 15 or a dependent or spouse incapable of self-care, you may be allowed a credit for employment related child and dependent care expenses. These expenses must have been paid during the taxable year in order to enable you to work either full or part time, or to attend school full time.

The amount of credit is 30 percent of your qualifying expenses if your adjusted gross income (line 33, Form 1040) is $10,000 or less. The 30 percent rate is reduced by one percent for each additional $2,000 of adjusted gross income (or part of $2,000) until the percentage is reduced to 20 percent for adjusted gross income above $28,000.

The maximum amount of expenses that may be used to compute the credit is $2,400 for one qualifying person and $4,800 for two or more qualifying persons.

See Form 2441 for more information, including a special rule for divorced of separated taxpayers.

RESIDENTIAL ENERGY CREDITS

The residential energy credits were designed to encourage energy saving and the development of renewable energy sources. There are two energy credits, each with its own conditions and limits. These credits are based on: (1) Costs for home energy conservation, and (2) costs for renewable energy source property.

A credit of up to $300 may be claimed for expenditures for energy conservation property installed in or on your principal residence, whether you own or rent it. This credit is equal to 15 percent of the qualified energy conservation expenditures during a taxable year, up to $2,000 of such expenditures. The residence must have been substantially completed by April 20, 1977. Items eligible for the credit are limited to the following: Insulation (fiberglass, cellulose, etc.) for ceilings, walls, floors, roofs, water heaters, etc.; exterior storm (or thermal) windows or doors; or weatherstripping for exterior windows or doors; a furnace replace-

ment burner that reduces the amount of fuel used; a device to make flue openings (for a heating system) more efficient; an electrical or mechanical furnace ignition system that replaces a gas pilot light; an automatic energy-saving setback thermostat; and a meter that displays the cost of energy usage.

For years beginning after 1979, the maximum credit for renewable energy source property is $4,000. This credit is equal to 40 percent of qualified renewable energy source expenditures, up to $10,000 of such expenditures. Equipment used in the production or distribution of heat or electricity from solar, geothermal, or wind energy sources for residential heating, cooling, or other purposes may qualify for this credit.

Examples of items which do not qualify for energy credits are the following: Carpeting, drapes, awnings, shades, wood paneling, fire screens, new or replacement walls (except for insulation inside the walls), exterior siding, heat pumps, wood or peat burning stoves, fluorescent lights, hydrogen fueled residential equipment, equipment using wind energy for transportation, expenditures for a swimming pool used as an energy storage medium, and greenhouses.

For further information, consult the instructions for Form 5695, Residential Energy Credits, and IRS Publication 903, Energy Credits for Individuals.●

THE ALASKAN GAS TURKEYS STRIKE AGAIN: HOW CONSUMERS WILL BE SWINDLED UNLESS CONGRESS ACTS

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. CORCORAN. Mr. Speaker, today I received a copy of an analysis of Energy Secretary Hodel's proposal on natural gas. Secretary Hodel's proposal was transmitted by the President in legislative form to the Congress on February 28. That legislation was introduced on February 28 by Senator McCLURE as S. 615 and yesterday by six of my Energy and Commerce Committee colleagues and me as H.R. 1760.

Mr. Speaker, the analysis to which I refer is entitled "A Preliminary Analysis of Secretary Hodel's Legislative Initiative." My conclusion after reviewing this particular analysis is that the Hodel proposal is even better than I had hoped. The reason is that this particular analysis was prepared by the lawyers for the Alaskan natural gas pipeline. They do not like the Hodel proposal, not at all. They go on and on and on in shrill and phony rhetoric about the impact on the consumer.

But, Mr. Speaker, not all of us will be so easily fooled. If the Hodel proposal is bad for $18 (per mcf.) Alaskan natural gas—which we may have to pay for whether it is ever delivered or not—and bad for further imports of $5 Canadian gas, then it must be good for the American consumer. The Hodel bill is a low-cost gas proposal. It does indeed penalize high-cost gas; the higher the cost, the more it penalizes them.

Mr. Speaker, if I have to pick between the $18 Alaskan gas turkey and increased development of existing, low-cost American gas reserves, the choice for me—as a consuming State representative—is an easy one. I pick the Hodel proposal. It will moderate today's ridiculous gas prices. Compared with how prices will explode under current laws, prices will, I believe, come down under the Hodel proposal.

Between imports—which are roughly $5 from Canada and Mexico and roughly $7 from Algerian liquefied natural gas (LNG)—and domestic prices—which today are $2.50 to $3, on average—the Alaskan gas pipeline sponsors would pick more imports and would impose a total freeze on more domestic production. This means more price increases to the consumer.

What they want, quite frankly, is for this Congress to artificially create, after great harm to our consumers, a spotlight in the market for totally unmarketable gas. They would accomplish this by freezing domestic producer prices, shutting in domestic production, and conspiring to inflate the price that marginal supplies can command.

Mr. Speaker, we cannot allow ourselves or even this fine institution to be so easily misled again. The natural gas bills of our consumers will skyrocket to unconscionable levels if we pick the Alaskan gas pipeline proposal instead of the Hodel proposal or a variation of the Hodel proposal. It is that simple.

Another reason the Alaskan pipeline folks dislike the Hodel proposal is that it puts the pressure of market competition and FERC regulation on the pipelines to only purchase gas which can be marketed. Under the administration bill, producers are encouraged to undercut their competition, to sell for less—less than imports—less than deep gas—less than some new gas. Pipelines are held to their present costs plus inflation. And increases above that amount be subject to regulatory review by FERC and eventually the courts. As someone who has undertaken the initiative and hard work to actually intervene as a party to FERC proceedings, I look forward to this new procedure. I think, frankly, I could win more cases on behalf of consumers. The exact wording of the regulatory review provision in the administration bill may need some revision but, in concept, it is a plus. Perhaps the Alaskan natural gas pipeline sponsors are afraid that their expensive gas will be denied passthrough to consumers by lower cost gas and by FERC, or by the courts. I would worry too, if my fortunes depended on the continuation of the NGPA's automatic passthrough of overpriced gas.

The current market—a buyer's market—may well be the rule rather than the exception under the administration bill. Why does this bother these particular pipelines?

No one wants to buy their $18 Alaskan gas, even if they could deliver it. No one wants to buy their massive quantities of Canadian gas. While Alaskan gas is a distant possibility, these same companies continue to import Canadian gas in larger quantities than the market can absorb—this is largely dictated by promises made by them to the Canadian Government in exchange for the Canadian's support of the first segments of the Alaskan natural gas pipeline.

They need to cut back on their costs somewhere—and they have the lower cost American producers in mind. If the administration bill becomes law, along the general lines of its design today, we would quickly see the fortunes of $18 gas and $5 imported gas fade as much cheaper American gas production comes in to back out these expensive, politically favored supplies.

They cannot win in the market so they want to rig the law in their favor.

In 1981, I said that the special interest, $50 billion Alaskan natural gas pipeline waiver package was potentially the greatest consumer rip-off in the history of the United States. Perhaps I spoke too soon. The single biggest consumer rip-off will occur if we give in again.

Mr. Speaker, I notice that a new movie is now showing in theaters across the country. It is called the Sting Part II. Let us make sure it does not play in the House of Representatives.●

COMPREHENSIVE SMOKING PREVENTION EDUCATION ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. WAXMAN. Mr. Speaker, I am pleased to announce the introduction of H.R. 1824, the "Comprehensive Smoking Prevention Education Act." The legislation is intended to increase public knowledge about a subject the Surgeon General has characterized as "the most important public health issue of our time."

The need for this legislation is clear. An estimated 54 million Americans smoke and the number of young smokers—particularly young women—is frighteningly high.

Cigarette smoking claims the lives of over 300,000 Americans each year. It kills more than six times the number of Americans who die on our Nation's highways. Thousands more are crip-

pled by emphysema or heart attack. Others must undergo painful and debilitating therapy for treatment of diseases like cancer.

We know much more about the health effects of smoking than we did when Surgeon General Luther Terry sounded his warning in 1964. Today, we know that smoking is our Nation's most preventable cause of premature death and illness.

Cigarette smoking is a major cause of cancer of the lung, larynx, oral cavity, and esophagus and is a contributory factor in cancer of the urinary bladder, kidney, and pancreas.

Cigarette smoking is a major cause of chronic bronchitis and emphysema.

Cigarette smoking is associated with one-third of the deaths attributed to cardiovascular disease.

Pregnant women who smoke have an elevated risk of miscarriage, stillbirths, premature births, and birth weight deficiencies.

Cigarette smoking is addictive and is the most widespread example of drug dependence in the United States.

Obviously there are excellent reasons to quit smoking. There are even better reasons for never starting.

Tragically, a significant portion of the public—particularly smokers—are unaware of this information. Numerous opinion polls indicate that large numbers do not believe that they will personally suffer the health consequences of smoking. Others do not know that smoking is addictive or that it contributes to the risk of heart attack.

The level of public ignorance and misunderstanding about the health effects of smoking and the trend of smokers to start at younger and younger ages highlight the need for legislative action. Steps must be taken to make smokers and potential smokers more aware that smoking is a certain and potent killer.

For years, the cigarette industry has sponsored advertising campaigns which attribute healthy, robust lifestyles to smoking. Every day references are made to social and financial success or beautiful, glamorous, rugged lifestyles associated with cigarette use. These techniques represent the cigarette industry's efforts to educate the public by belittling the scientific facts about smoking and health.

H.R. 1824 proposes a new, comprehensive strategy for reducing the incidence of smoking by making Americans aware of the dangers to their health when they light up. The legislation has four major provisions.

The first replaces the current health warning label with three, more specific statements. The current label reads; "Warning: The Surgeon General has determined that cigarette smoking is dangerous to your health." This warning is seriously outdated and has not been revised since 1970. The labels proposed by the legislation are up to date and reflect the current state of scientific knowledge about the relationship between smoking and health. The new labels will appear an equal number of times on cigarette packages and advertising during a 12-month period. Without objection I would ask that a copy of the three warnings be printed in the RECORD at this point.

WARNING: Cigarette Smoking, causes Lung Cancer and Emphysema, is a major cause of Heart Disease, is addictive, and may result in death.

WARNING: Cigarette Smoking by Pregnant Women may result in Miscarriage, Premature Births, or Birth Weight Deficiencies.

SMOKERS: No matter how long YOU have smoked, Quitting Now greatly reduces the risks to your health.

The second requires the disclosure of tar, nicotine, and carbon monoxide content on cigarette packages and advertising.

The third requires that tobacco companies submit a complete list of ingredients used in the manufacture of cigarettes to the Secretary of the Department of Health and Human Services. In recent years, the cigarette manufacturers have increased their reliance on flavor additives of unknown nature and toxicity. While assuring the protection of trade secrets, the provision would permit scientists to begin to assess the human health effects of these substances.

The fourth would specify in statute the Secretary of DHHS's responsibility to increase public knowledge about the health effects of smoking. The Secretary's responsibilities would include: First, sponsorship of research on the effects of smoking on health; second, improved coordination of DHHS research and educational programs with those of other Federal agencies and private sector organizations; third, purchase of broadcast time on radio and TV to disseminate information on smoking and health; and fourth, creation of an Interagency Committee on Smoking and Health.

Mr. Speaker, I am pleased to say that H.R. 1824 has broad support among organizations concerned about public health and disease prevention. Through the commitment and national leadership of organizations like the American Heart Association, American Lung Association, and American Cancer Society smoking prevention has become a major public health priority for the 1980's. The legislation also has the enthusiastic endorsement of the following organizations:

American Academy of Pediatrics; American Alliance for Health, Physical Education, Recreation and Dance; American Association for Respiratory Therapy; American College of Chest Physicians; American College of Obstetricians and Gynecologists; American College of Preventive Medicine; American College of Radiology; American Council on Science and Health; American Medical Student Association; American Public Health Association; American Society of Internal Medicine; Association of State and Territorial Health Officials; National Interagency Council on Smoking and Health.

Mr. Speaker, cigarettes are among the most dangerous drugs in use today. The body of scientific knowledge documenting the adverse health effects of smoking is overwhelming. The linkage between smoking and serious illness or death is unequivocal.

We have been too casual in our efforts to discourage smoking. Late night public service announcements, understaffed public information programs and a generalized, overexposed health warning are inadequate responses to a problem that causes one out of seven deaths in this country.

By making changes in the health warning label, by giving greater visibility to smoking prevention activities at the Federal level and by working closer than ever before with the voluntary health sector, the number of Americans who smoke can be reduced.

I urge Members to join me as cosponsors of this important health initiative.●

H.R. 1657—ADOPTION EXPENSE DEDUCTION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. LEHMAN of Florida. Mr. Speaker, one of the changes enacted in the passage of the Economic Recovery Tax Act of 1981 now in effect for the 1982 taxable year is a tax deduction for reasonable expenses incurred in the legal adoption of disadvantaged or hard-to-place children who receive public assistance.

I believe that this deduction will result in increased adoptions of children in our severely overburdened foster care system where, more often than not, children are the blameless victims of an inadequate child welfare system. Reducing the numbers of children in our foster home system is undoubtedly a long-range goal of this tax change and will in the long run reduce the costs of foster care, the largest single item in the child welfare budget.

All children deserve stable, caring homes. Because the existing law does not apply to all adoptable children, I have introduced legislation, H.R. 1657, to amend section 222 of the Internal Revenue Code of 1954 which relates to the deduction for adoption expenses. My bill would amend existing law so that the adoption expenses of all chil-

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dren adopted by taxpayers will be deductible.

Adoption expenses mean the reasonable and necessary adoption fees, court costs, attorney fees, and other expenses which are directly related to the legal adoption of a child by the taxpayer and which are not incurred in violation of State or Federal law.

There is a great need for this legislation. At a time when the budget has adversely affected social programs, especially those affecting children, when teenage pregnancies are increasing, and when there are so many Americans who would adopt if given more opportunity to do so, I believe that my bill is a step in the right direction.

Both inside and outside foster care are many children right now awaiting adoption. Helping to break the financial barrier to adoption would mean that more of these children could be more easily adopted. It is estimated that up to one-third of the foster children could be adopted if barriers were removed.

For the adoption of foreign-born children, placing needy children in loving homes will become more accessible for many single people who wish to adopt.

It is time that birth and adoption were placed on equal terms as modes of family formation. Adoption is just another way of having a child and deserves more public support.

I urge my colleagues to join in cosponsoring this legislation. The text of H.R. 1657 follows:

H.R. 1657

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That (a) section 222 of the Internal Revenue Code of 1954 (relating to deduction for adoption expenses) is amended to read as follows:

"SEC. 222. ADOPTION EXPENSES.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction for the taxable year the amount of the adoption expenses paid or incurred by the taxpayer during such taxable year.

"(b) DENIAL OF DOUBLE BENEFIT.—

"(1) IN GENERAL.—No deduction shall be allowable under subsection (a) for any expense for which a deduction or credit is allowable under any other provision of this chapter.

"(2) GRANTS.—No deduction shall be allowable under subsection (a) for any expenses paid from any funds received under any Federal, State, or local program.

"(c) ADOPTION EXPENSES.—For purposes of this section, the term 'adoption expenses' means reasonable and necessary adoption fees, court costs, attorney fees, and other expenses which are directly related to the legal adoption of a child by the taxpayer and which are not incurred in violation of State or Federal law."

(b) Section 62 of such Code (defining adjusted gross income) is amended by inserting after paragraph (16) the following new paragraph:

"(17) ADOPTION EXPENSES.—The deduction allowed by section 222."

(c) The amendments made by this Act shall apply to taxable years beginning after December 31, 1982.●

TRIBUTE TO JOHN BASILONE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. FLORIO. Mr. Speaker, every war produces those who stand out as individuals who expressed their unique abilities through acts of uncommon courage and valor. The most supreme acts of heroism are recognized with the Medal of Honor.

This recognition by the President in the name of the Congress may only be accorded an individual who "distinguished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty".

New Jerseyite John Basilone distinguished himself not once, but many times, on the field of battle as American forces engaged the enemy in the Pacific some 40 years ago. Basilone's herosim at Guadalcanal was awarded by the presentation of first Congressional Medal of Honor to be received by an enlisted Marine in World War II. Forsaking stateside duty, Sergeant Basilone was reassigned to combat duty at his own request; 38 years ago this month, Basilone died in service to his country. Basilone was posthumously awarded the Navy Cross, the Navy's second highest military decoration, for gallantry displayed as he led his unit through Iwo Jima enemy lines.

It is sad that more people do not remember John Basilone and his uncommon contributions. I support the efforts of Mayor Steve Del Rocco and the people of Raritan, N.J., Basilone's hometown, to gain greater recognition for this special American. Donato Sodano of the New Jersey Army and Navy Union has also been tireless in supporting efforts to honor Basilone.

Perhaps the greatest honor we may bestow upon John Basilone, and the over 1 million other Americans to have died in war, is to remember those who still suffer as a result of having survived war.

Our great task now as a nation is to insure that those who served, and suffered in defense of our liberties, are not denied the respect, benefits, and rights they have earned. I urge my colleagues to join me in this task.

Mr. Speaker, I would like to share John Basilone's story for the benefit of my colleagues.

[From the Sunday Star-Ledger, Feb. 13, 1983]

GREATER RECOGNITION SOUGHT FOR JERSEY WAR HERO

FRIENDS PUSHING STATE TO HONOR MEMORY OF MARINE AT IWO JIMA

(By James Benson)

New Jerseyan John A. Basilone will forever be remembered in United States military annals, but today few residents in his home state know about the heroic Marine who was killed at Iwo Jima.

The Raritan resident was the first enlisted Marine in World War II to win the Congressional Medal of Honor, the nation's highest military decoration, for heroism at Guadalcanal.

Given a stateside tour of duty promoting the sale of war bonds after Guadalcanal, Basilone requested a return to combat.

He was killed by a mortar blast during the invasion of Iwo Jima 38 years go this Saturday, on Feb. 19, 1945, after an amazing display of courage on the battlefield for which he was posthumously awarded the Navy Cross.

He is buried in Arlington National Cemetery, Arlington, Va.

Some people say he should have received a second Medal of Honor for his heroism on Iwo Jima.

Many contend that despite a number of monuments to Basilone erected around the state, he has never been appropriately memorialized in New Jersey.

Now a longtime admirer of Basilone, Donato Sodano of Maplewood, is calling again for "proper recognition" of the sergeant and his deeds.

Sodano took part in memorial ceremonies for Basilone on the anniversary of his death almost every year until 1973. Since then, health problems have forced him to stay home.

"I don't think the state of New Jersey has done enough to honor this outstanding man," remarked Sodano, 75, a retired insurance agent who served in the Army during World War II.

As an official of the New Jersey chapter of a veterans' organization, the Army and Navy Union, Sodano spearheaded a drive in 1950 to have the New Jersey Turnpike, then under construction, named for Basilone.

The Turnpike authority turned down Sodano's group and other veterans' organizations supporting the proposal.

Pike officials said legislation authorizing construction of the superhighway required that it be named as it was, the New Jersey Turnpike.

As a gesture to the vets' groups, the turnpike officials agreed to name the turnpike bridge over the Raritan River in New Brunswick for Basilone.

Sodano and his group were not invited to the dedication of the bridge, he said.

"I intend to confer with our Department of New Jersey Army and Navy Union officials to start a statewide campaign in conjunction with other veteran groups to have the state of New Jersey take some action to accord proper recognition to one of its most illustrious sons and one of our country's outstanding heroes," Sodano said.

October 1942, the month when John Basilone won the Medal of Honor, was a grim and desperate time for Americans struggling to hold the strategic airbase called Henderson Field on the island of Guadalcanal.

The outcome of the first American Pacific offensive of World War II was uncertain as

land, air, and sea battles raged for control of the island.

On Oct. 15 the American Pacific naval commander, Admiral Nimitz, and his staff made an estimate of the situation, according to Guadalcanal historian Herbert Christian Merillat:

"It now appears that we are unable to control the sea in the Guadalcanal area," they concluded. "Thus our supply of the position will only be done at great expense to us. The situation is not hopeless, but it is certainly critical."

On the same day, Merillat wrote, the Marine commander on the island, Gen. Alexander A. Vandegrift, sent a secret message to the region's naval commander, Vice Admiral Robert L. Ghormely, which said that Japanese forces were shelling positions around the airfield "at will" and "enemy surface craft move at will in surrounding waters and shell" the airfield "destructively both day and night." The Americans, Vandegrift said, "will be unable indefinitely to hold these positions if this continues."

A major Japanese counteroffensive to retake the airfield was launched in the final days of October 1942. It failed.

On Oct. 24 and 25, 25-year-old Gunnery Sgt. John A. Basilone was in charge of two sections of heavy machine guns of the 1st Battalion, 7th Regiment, 1st Marine Division.

The 7th Marines held a section of the perimeter south of the airfield that stretched east from the Lunga River across a portion of a ridge known as Lizard Hill. The hill had another name. Marines who fought a desperate engagement there earlier called it "Bloody Ridge."

The area was soon to be a battleground again. On Oct. 24 the Japanese launched an attack against the Bloody Ridge area.

The official citation for Basilone's Medal of Honor states:

"While the enemy was hammering at the Marines' defensive positions, Sergeant Basilone, in charge of two sections of heavy machineguns, fought valiantly to check the savage and determined assault.

"In a fierce frontal attack with the Japanese blasting his guns with grenades and mortar fire, one of Sergeant Basilone's sections, with its gun crews, was put out of action, leaving only two men able to carry on.

"Moving an extra gun into position, he placed it in action, then, under continual fire, repaired another and personally manned it, gallantly holding his line until replacements arrived.

"A little later, with ammunition critically low and the supply lines cut off, Sergeant Basilone, at great risk of his life and in the face of continued enemy attack, battled his way through hostile lines with urgently needed shells for his gunners, thereby contributing in large measure to the virtual annihilation of a Japanese regiment."

Basilone was credited with killing 38 enemy soldiers.

He was taken out of combat and sent home to help sell war bonds. He did this for nearly two years but then, at his request, he was reassigned to combat duty.

In 1976 Basilone was posthumously inducted into the Italian-American National Hall of Fame in Trenton.

In his hometown the sergeant is remembered. A statue depicting the way Basilone probably looked—a machine-gun in his hands—when he fought on Guadalcanal, has been erected in a small park in Raritan. It was sculpted by a grade school friend, Philip Orlando.

Last Nov. 7 borough officials and residents turned out for a parade and memorial service on "John Basilone Day." The event was prompted by letters from Raritan school children to borough officials.

"We hope to make that (the parade and ceremonies) annual," said Raritan Mayor Steve Del Rocco, noting that there have been other memorial services for Basilone in Raritan over the years.

A comrade said of him, "He was the kind of a guy men like to be with either in drink or a battle. Johnny went back into combat because he couldn't stand having his buddies die while he led a soft life stateside."

Thirty-eight years ago this Saturday, Basilone, recently married, was killed "by a bursting mortar shell" on the island of Iwo Jima, according to the citation accompanying the Navy Cross he was awarded posthumously.

The medal was awarded, the citation said, "for extraordinary heroism while serving as a leader of a machine-gun section of Company C, 1st Battalion, 27th Marines, 5th Marine Division, in action against enemy Japanese forces on Iwo Jima in the Volcano Islands."

According to the citation, shortly after Basilone landed, "when his company's advance was held up by the concentrated fire of a heavily fortified Japanese blockhouse, Gunnery Sergeant Basilone boldly defied the smashing bombardment of heavy caliber fire to work his way around the flank and up to a position directly on top of the blockhouse and then, attaching with grenades and demolitions, singlehandedly destroyed the entire hostile strong point and its defending garrison.

"Consistently daring and aggressive as he fought his way over the battle-born beach and up the sloping, gun-studded terraces toward Airfield Number One, he repeatedly exposed himself to the blasting fury of exploding shells and later in the day coolly proceeded to the aid of a friendly tank which had been trapped in an enemy mine field under intense mortar and artillery barrages, skillfully guiding the heavy vehicle over the hazardous terrain to safety, despite the overwhelming volume of hostile fire.

"In the forefront of the assault at all times, he pushed forward with dauntless courage and iron determination until, moving upon the edge of the airfield, he fell, instantly killed by a bursting mortar shell.

"Stouthearted and indomitable, Gunnery Sergeant Basilone, by his intrepid initiative, outstanding professional skill and valiant spirit of self-sacrifice in the face of fanatic opposition, contributed materially to the advance of his company during the early critical period of the assault, and his unwavering devotion to duty throughout the bitter conflict was an inspiration to this comrades and reflects the highest credit upon Gunnery Sergeant Basilone and the United States Naval Service. he gallantly gave his life in the service of his country."

John Basilone, the fifth of 10 children and son of an Italian immigrant, is scarcely remembered today by New Jerseyans outside his hometown.

A bronze plaque honoring Basilone is mounted on granite and sits unnoticed in a small plaza built across from Penn Station in Newark. The monument was sponsored by the Melvin Spitz chapter of Disabled American Veterans in Newark, and other groups.

The bridge of the New Jersey Turnpike which spans the Raritan River in New Brunswick is officially named the Basilone Memorial Bridge, but this is almost unknown to most who speed along the turnpike.

The escort destroyer USS Basilone was named for the hero after the war. It has been mothballed.

For some people who remember John Basilone, however, these memorials are not enough. Not nearly enough.

"If you went out today and asked the average man 'Who was Johnny Basilone?' They don't know who Johnny Basilone was," said Sodano.

"Anything to commemorate his memory I'd go along with," said Mayor Del Rocco. He suggested a renaming of Route 202, which runs through the borough. "John Basilone Drive or something like that. I'd rather see it right down home." But he repeated that he favors any appropriate monument to the hero.

Members of the sergeant's family still live in Raritan. His sister, Mary Basilone, does. She said she supports the idea of a bigger monument to her brother.

"I think they should have made a movie . . . The Marines have his story from the day he was born," she said. "Something should be done."

Her brother was known to friends as "Manilla John" because he had served some four years in the Army, including a tour of duty in the Philippines, before enlisting in the Marines in 1940.

"He was just an adventurous kid" Mary Basilone said. "He wanted to go in the Marines because he heard there was more action," she said.

Jim McEnery of Clifton, who served on Guadalcanal with the 1st Marine Division was a member of the parade committee in last year's observances in Raritan. He agrees that Basilone is not well known.

"I don't think he's as familiar as he should be," said McEnery. "He's an American hero in particular for New Jersey. And I think the people ought to know more about him."

Another admirer of Basilone, William Troy of Morristown, said the sergeant should have received a second Medal of Honor for his acts on Iwo Jima.

A second Basilone sister, Phyllis Basilone Cutter of Florida, agreed.

"It is my personal belief that had he not been awarded the first (Medal of Honor) for his exploits on Guadalcanal," she said, "his heroic deeds on Iwo Jima, would have resulted in another instead of the Navy Cross."●

GEORGE WASHINGTON PARKWAY/SPOUT RUN BOTTLENECK BILL

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. WOLF. Mr. Speaker, I am introducing legislation today which addresses a decade-old problem—a serious and hazardous traffic problem along a distance of just over 1 mile of the George Washington Memorial Parkway which has taken the lives of seven people since 1970.

My bill will improve safety, enhance traffic flow, and decrease motor vehicle emissions along an approximate 1.4 mile-stretch between the Spout Run intersection of the parkway and the Theodore Roosevelt Bridge.

This legislation will direct the National Park Service to construct a third lane, in each direction, between Spout Run and the Theodore Roosevelt Bridge while observing all environmental safeguards on the George Washington Memorial Parkway. The merging of two lanes into one lane on both the George Washington Parkway and the Spout Run interchange result in a bottleneck situation because of the sudden and abrupt transition from four to two lanes. During rush hours this transition contributes to major traffic congestion problems. Traffic volumes are so heavy during morning rush hour, that traffic backs up an average of 2 miles or more on the George Washington Parkway, sometimes as far back as Route 123 in McLean. Spout Run Parkway also bears extensive traffic backups.

This situation requires a Park Service officer to control traffic by physically stopping travel on specific lanes and alternating lane flow. In addition, it creates ideal circumstances for rear-end collisions because of stopping and starting which is particularly troublesome for visitors and tourists unfamiliar with the area roads and traffic management systems.

In 1978, The Washington Post listed the Spout Run intersection with the George Washington Parkway as one of the 10 most hazardous spots in the metropolitan area. Some 69 percent of all traffic accidents in 1981 on the GW Parkway between Boundary Channel at the 14th Street Bridge and Spout Run occurred between the Spout Run intersection and the Theodore Roosevelt Bridge. An average of almost 50 personal injury and property damage accidents a year occur between these two points. I believe my bill to add another lane from Spout Run to the Roosevelt Bridge will reduce these statistics.

The George Washington Parkway serves as a major arterial link for the Washington Metropolitan Area and is traveled by not only area commuters but also visitors to the Nation's Capital. I believe it is essential that the Spout Run bottleneck be eliminated without further delay and before any more lives are lost, persons injured or property damaged. A third lane would improve commuter and visitor travel not only at rush hour, but also during other times of the day and night, especially for those who do not know about the sudden lane-merge situation.

I urge my colleagues to join me in supporting this bill to appropriate the needed funds, estimated at $6 million, to allow the Park Service to take this action authorized under the George Washington Memorial Parkway Act of 1930.

The construction of an additional lane for this small area is an example of a basic relatively low cost and environmentally sound modification that can make a major improvement in traffic flow in Northen Virginia. It will reduce accidents, save energy, and it makes sense.

H.R. 1931

A bill to direct the Secretary of the Interior to construct, between Spout Run Parkway and the approaches to the Theodore Roosevelt Bridge, additional lanes on the George Washington Memorial Parkway, Virginia, for the purposes of alleviating traffic congestion and improving safety

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, to alleviate traffic congestion and improve safety, the Secretary of the Interior shall construct two additional lanes (one in each direction) on the George Washington Memorial Parkway, Virginia, authorized by the first section of the Act of May 29, 1930 (46 Stat. 482), between the intersection of such parkway with Spout Run Parkway and its intersection with the approach roads to the Theodore Roosevelt Bridge.

SEC. 2. There is hereby authorized to be appropriated for fiscal years beginning after September 30, 1983, $6,000,000 to carry out the first section of this Act.●

FUTA TAX EXEMPTION FOR FISHERMEN

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. JONES of North Carolina. Mr. Speaker, today I have introduced H.R. 1895 which seeks to rectify inconsistencies concerning the status of our fishermen and their responsibilities under the Federal Unemployment Tax Act (FUTA). I am pleased to have my colleague, Congressman ED FORSYTHE of New Jersey, cosponsor this legislation.

Many of our commercial fishermen have long considered themselves self-employed. Independent by nature, the fisherman does not receive the fixed salary of a traditional employee. Instead of receiving hourly wages or an annual salary as he works among one or more fishing boats, he receives his remuneration through "a share of the catch."

The 1976 Tax Reform Act permanently exempted owners of fishing vessels from paying Federal withholding income taxes and FICA taxes for the fishermen on their boat if their vessels were manned by fewer than 10 operating crew members and if the crew members' remuneration was only a "share of the catch." At that time, owners of fishing vessels under net 10 tons were exempted from paying FUTA taxes on their crew.

Hence, different stipulations governed FUTA and FICA exemptions available to self-employed fishermen. But with the adoption of the 200-mile fishing zone, fishermen found that larger vessels were safer and more economical to manuever further offshore while not increasing the size of the crew. Consequently, the Congress, through the Economic Recovery Act of 1981, provided that the crew members who were considered self-employed for purposes of FICA were likewise exempted from paying FUTA taxes throughout 1981. Thus, services rendered by operating crew members were exempted for purposes of FUTA and FICA if their remuneration was a share of the boat's catch and if the crew was composed of fewer than 10 operating crew, regardless of boat size.

The problem is that FICA and Federal withholding taxes are permanently exempted while the FUTA exemption must be renewed annually. The Congress has been extending FUTA tax exemptions on a yearly basis since 1981. The Miscellaneous Revenue Act of 1982 extended this exemption through December 31, 1982, but now the FUTA exemption, as of January 1, 1983, has again expired. Without congressional action, vessel owners face the confusing situation of treating crew members as self-employed persons for FICA and Federal withholding taxes, and as employees for purposes of FUTA.

This inconsistency should not be allowed to continue. We need to provide these fishing vessel owners the same considerations under FUTA that they have under FICA. My bill will correct this situation. I propose to make permanent the FUTA exemption for owners of fishing vessels if their boats are manned by a crew of fewer than 10 individuals and if the crew's remuneration is a share of the catch, regardless of boat size.

By treating Federal withholding income taxes, FICA, and FUTA taxes the same for this class of fishermen, we can rectify the existing inconsistency as well as adopt sound public policy.●

CONSEQUENCES OF NUCLEAR WAR

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. GORE. Mr. Speaker, during September of 1982, the Investigations and Oversight Subcommittee of the Committee on Science and Technology held hearings on the global health and ecological consequences of nuclear war. At that time, prominent scientists

and physicians who have considered the questions of what the Earth would be like after a nuclear war testified as to their findings and conclusions. Frankly, what they had to say was more chilling than what we had imagined to be the case. In short, they described a post-war world crippled by disease and ecological disaster—a world in which those lucky enough to escape the initial toll of the war would find survival to be an increasingly difficult struggle.

What struck us most about the testimony was not the great number of persons who might perish from the post-attack effects of a nuclear war. For, given the 155 to 165 million people who could be killed outright as a result of a major attack against the United States, how can any human being react with anything more than numbness at the prospect that millions more might die during the post-attack ecological aftermath? Rather, what impressed us most was that, for the first time, scientists were telling us that merely being removed from the scene of the attack might not be a sufficient predicate for survival. Instead, what they seemed to be saying is that not only might life after a nuclear war be ominously difficult, but that nature, itself, could conceivably whither under a major nuclear attack.

What are some of the postwar effects foreseen by the scientists who testified? Among the atmospheric effects is the possibility of sun screening from the debris of a nuclear war. As now postulated, the debris could be sufficiently widespread and enduring to prevent photosynthesis and kill crops. Other theorized effects include the possibility that oxides of nitrogen from multiple nuclear blasts could damage the Earth's protective ozone layer allowing blinding levels of ultraviolet radiation to penetrate down to the planet. On land, others foresee the likelihood of widespread, epidemic-level diseases, themselves capable of killing 20 to 30 percent of a war's surviviors. Further, since the subcommittee's hearing, others have predicted equally distressing postwar environmental effects. Among these is the possibility of widespread earthquakes, particularly in an intensive attack scenario such as a counterforce attack against a dense-pack-type missile field.

Because so many of the effects now postulated are the result of chance occurrences or isolated research efforts, it is very difficult to determine whether the theories now being put forward tell the whole story. In addition, though many of the propounded theories can be convincingly modeled, they cannot be conclusively established short of a nuclear war, itself. In my view, these considerations make it extremely important that the theories thus far postulated by subjected to vigorous scientific review, and that they be analyzed as part of a comprehensive and deliberate scientific effort.

To spur on the search for answers in this most serious of scientific inquiries, I recently called for an international research year in which scientists from the West and the East would exhaustively analyze the nuclear aftermath issue. I am pleased to report that such an international research effort is now underway. For the first time, at least three major scientific teams—two of them international and a third sponsored by the U.S. National Academy of Sciences—are being assembled to take the most thorough look to date at the ecological consequences of nuclear war. One of these efforts, the Conference on the Long-Term Worldwide Biological Consequences of Nuclear War is already underway with an international conference called for this fall.

Together, these research teams will examine the nuclear aftermath issue in a more comprehensive manner than has ever before been the case. What they ultimately report should be of paramount interest to every citizen and, in particular, to every leader who has some influence on the future direction of nuclear weaponry.

Unfortunately, the results of studies such as those that are now underway often get shoved aside because of competing demands placed on decision-makers or because of lack of understanding. This, we cannot let happen. We must not allow these studies to be treated as an interesting but, nevertheless, ignorable twist in the labyrinthian debate over the arms race. It is for this reason that Congress should lend its name and stature to these scientific efforts so that none, either on this side or the other side of the ocean, can ignore their import.

What many now suspect, but, which some will not accept absent the strongest scientific evidence, is that mankind's ability to wage a nuclear war and survive in any fashion is now a matter of significant doubt. If the studies now underway provide the keys to such an understanding, they may serve as a basis for persuading the leaders of the United States, the Soviet Union, and the other nuclear-weapon states that a "winnable" nuclear war is a myth and that preparing for such a war is folly, no matter what degree of suffering and death some lunatic might see as an acceptable price to pay in return for "victory."

In addition to recognizing the international year of research that is now underway, Congress and the administration should insure that the results of the several studies are provided the broadest dissemination possible both here and in the Soviet Union. Accordingly, the resolution provides that the results of the various scientific inquiries so widely disseminated to all branches of this Government, to the Government of the Soviet Union and to the governments of all other concerned nations.

In a historic live Russian broadcast that was received on public television in the United States on October 13, 1982, physicians from this country and the Soviet Union candidly discussed the medical horrors that would follow a nuclear war. No lesser treatment should attend the findings reached by the international scientific inquiries that are now underway. Through wide dissemenation of the results reached by the various research teams, Congress can insure that the message which these research efforts have to offer will not go unnoticed.●

ARTICLE BOOSTS BUFFALO

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. NOWAK. Mr. Speaker, the city of Buffalo, which is within the 33d Congressional District I am privileged to represent, has not fared well during this current recession.

Heavily dependent on the auto and steel industries, the community was already in the painful process of transition—from a heavy industrial base to a more diversified light manufacturing, high-technology, service-oriented economy—when this latest recessionary cycle struck. Such an evolution is not easy under any circumstances. Accompanied by a national economic downturn, it has been extremely painful for Buffalo and western New York.

Amid economic misfortune, however, Buffalonians remain proud of their community, proud of their quality of life, and proud of their ability to weather adversity. The force which binds us together is a sense of community, a sense that Buffalo is a unique place, a great place to live.

A former Buffalo resident, now a freelance writer in Washington, Sara Solovich, captured the city's sense of coummunity and flavor in a recent article that appeared in the Washington Post. Her story, which follows, conveys the poignant feelings of a person appreciative of the quality of life unique to the Buffalo area.

[From the Washington Post, Feb. 13, 1983]

HAIL TO THEE, OH BUFFALO!

(I like Buffalo. The lake's polluted. The elms are blighted. The weather is Gothic. The place is full of the phosphorescence of decay.—John Barth.)

(By Sara Solovich)

Hail Buffalo! City of snow, the nation does you wrong. Your houses (cheap!) have enough wainscoting to make Washingtonians climb their $200,000 walls. Your pizzerias deliver. And what pizza! Just the memory of your chicken wings, beer-bat-

tered fish fries and beef on kummelweck makes me weep with hunger. True, your downtown looks like postwar Dresden. But you have neighborhoods where priests still hear confessions in Polish, great bars (more per capita than any other city in the country) and white Christmases.

Now I live in Washington, closeted in an apartment that would fit into my old living room, homesick as I watch a blizzard bring the capital to its knees.

People find it amusing that I once lived in Buffalo, the nation's armpit. A most beloved armpit, I tell them. Being from Buffalo is like being Polish or Jewish: You can poke fun at it yourself, but outsiders watch out. When CBS newsman Morley Safer reviled Buffalo restaurants on the air two years ago as specializing in "greasy, impenetrable eggs, burnt bacon and slow service," the mailbags at CBS headquarters overflowed with more than 2,000 outraged complaints from Buffalonians. Safer, whose boss is from Buffalo, was prodded into making a public apology—in Buffalo—where he tried to undo the damage by explaining that "Buffalo is just one of those buzzwords."

But while the rest of the country chuckles at Johnny Carson's blizzard jokes (and where do you think his suits are made? That's right.), Buffalonians have the last laugh.

I had some friends come down from New York and they were thrilled. They were able to get the books they wanted because they weren't sold out. They were able to go to all the movies they wanted and not wait in line. Some of them are making six figures—and I live much better than they do. They're all envious of me because I live in Buffalo. See, I live in a neighborhood where I can walk around at night. Esthetically, I live like a millionaire. My house would cost half a million in Washington. So I'm not playing in Washington's philharmonic. Believe it or not, the Buffalo Philharmonic is just as good.—Monte Hoffman, cellist, Buffalo Philharmonic Orchestra and 20-year resident of Buffalo.

A millionaire businessman and philanthropist from Buffalo named Max Jacobs once told a reporter that his three favorite cities in the world are Jerusalem, New York and Buffalo—not necessarily in that order. "You think this city is nice?" An 11-year-old boy challenged every Israeli he met during his father's one-year sabbatical in Jerusalem. "You should see Buffalo."

Leaving Buffalo is one of the worst fates that can befall a Buffalonian. I know a federal train inspector, promoted to a prestigious job in New York City, who contemplated quitting before reaching a compromise: he commutes on weekends to Buffalo, much to the disbelief of his coworkers who think they live in the world's greatest city. Last year, a group of Buffalo lawyers exiled to Texas celebrated a Bills-Cowboys game with three pizzas, chicken wings and kosher corned beef all flown in from Buffalo.

I was thinking y'all might call this story 'The Spirit of Buffalo Lives On.' We moan for a good slice of kielbasa. They just don't know what pizza is here. Terrible stuff that tastes like cornmeal. And no one's every heard of chicken wings as an appetizer. And you know what I miss the most? John and Mary's submarines. God, what I'd give for a good hard Italian roll and the onions and the peppers. You know how they fry it up like that? —Larry Wolfish, lawyer, 1982.

I know, Larry.

My husband and I left Buffalo last November after 3½ years—and only because the newspaper that employed us both, the Courier-Express, folded. We were devastated, but it never occured to us that we should abandon our careers for a life in Buffalo. Friends, however, were shocked that we would leave. "You have to leave Buffalo?" one woman asked incredulously, on learning that my husband had accepted a job offer in Washington. "I am so sorry." When I told my dentist, he only grimaced and said, "Good luck, you're going to need it."

Visitors don't always see the attractions of this city. No wonder—its grain and steel mills are largely abandoned and many of the buildings on Main Street are window-smashed and inhabited by pigeons. But these visitors fail to look beyond the obvious—past the eight months of winter and the Chamber of Commerce's frenetic "Talking Proud" campaign ("Four distinct season! Buffalo's air is more than twice as clean as Houston's. Visitor's can sample a different restaurant every night of the week for more than five years without returning to the same place.")

No matter what the chamber says, Buffalo is not a good city to visit. It is meant to be lived in.

It is a city of neighborhoods: Polish, Irish, Black, Italian. It has pockets—big ones—where the English language will get you nowhere. Turn a corner and you'll run into a Polish restaurant serving czarnina, duck blood soup. Turn another, and you'll find one of five houses designed by Frank Lloyd Wright between 1903 and 1908. Mark Twain was once editor of The Buffalo Express, which later merged with the Courier to form my now-defunct newspaper. Though he later described that year-and-a-half as the worst in his life (his wife gave birth to a stillborn child in Buffalo), he retained enough feeling for the place to bequeath the original manuscript of "The Adventures of Huckleberry Finn" to the city's library.

Twain enjoyed rowing on Lake Erie and the Niagara River—so much so that Charles Brady, former chairman of the English Department at Canisius College in Buffalo, says, "I always had the feeling that something of Lake Erie and the Niagara got into the Mississippi of Huckleberry Finn.

The City of Buffalo has 350,000 people, 105,000 fewer than it did in 1970. It was founded in 1800 by Germans and Alsatians (who are generally held accountable for the nasal twang in the classic Buffalo accent—a Buffalonian is from "Buff-low"), incorporated as a city in 1832, and, in between, burned by the British after the Americans burned York, the capital of upper Canada.

Buffalo has sent two men to the White House—Millard Fillmore and Grover Cleveland. William McKinley was assassinated in Buffalo in 1901. It is the home of actress Kathrine Cornell, who opened a new play in Buffalo whenever possible, Buffalo Bob "Howdy Doody" Smith, humorist Mark Russell and funk star Rick James, who maintains an estate in a nearby wealthy suburb.

It is also the home of the roll-top desk, the Pierce-Arrow car (America's short-lived answer to the Rolls-Royce), the air conditioner and the electric chair. The first man to be electrocuted in that chair was from Buffalo. And, in 1896, Main Street, Buffalo became the first street in the United States to be lit with electricity.

Today, anyone with a job can live like a king in Buffalo. Less than $60,000 buys a sturdy Victorian house with stained glass windows, a turret or two, fireplaces, butler's pantry, beamed dining room ceiling and sliding oak doors. One Washington couple was forced to buy a mansion when they moved to Buffalo last year, simply to avoid the capital gains tax from the sale of their Capital Hill townhouse.

There are other amenities. Buffalo has one of the nation's finest modern art collections. Its philharmonic is first-rate. Delaware Park's 367.61 rolling acres were laid out by Frederick Law Olmsted, the designer of New York's Central Park and Buffalo itself was designed by Pierre de L'Enfant, the same engineer who designed Washington, D.C. The public schools' "magnet program" is fast becoming known as one of the country's most successful at creating integrated classrooms. There is a renowned cancer clinic and children's hospital. Its football fans are maniacs; the Bills draw among the largest crowds in the National Football League. When they complain about their city, Buffalonians usually point to the absence of a major league baseball team.

The weather—which is awful—doesn't bother them. Only Caribou, Me., Syracuse, N.Y., Sault Ste. Marie, Mich, Muskegon, Mich., Flagstaff, Ariz. and Lander, Wyo., receive more snow than Buffalo, according to the record books. But when "Best Friends," the movie starring Goldie Hawn and Burt Reynolds, was filmed in Buffalo last February, it was baseball weather outside. The filmmakers had to rent snow-making equipment from nearby ski resorts to meet the demands of the script. When Denver was buried under snow on Chirstmas Eve, it was 64 degrees in Buffalo. Did the national networks, those meticulous chroniclers of every snowflake that falls in the "Blizzard Capital," take note? Nooooo.

Buffalonians eat up the cold. Ice rinks are booked solid 20 hours a day, seven days a week in winter. An inch of snow may close Washington National Airport, but Buffalonians drive through anything. Only once were they forced to walk. That was during the Blizzard of '77, when hundreds of cars were buried under 12-foot drifts and the U.S. Army banned cars from the street.

The blizzard. Buffalonians try to shrug it off. They've even commemorated it with an annual "Blizzard Ball." But the blizzard has sunk into the city's consciousness. Four-wheel drives became mighty popular after the blizzard. Some Buffalonians get testy when the word "blizzard" is mentioned.

The blizzard? The blizzard? What about the blizzard? What about earthquakes and volcanoes out west? Why is their reputation any better than ours? This is something I don't understand. I'll tell you a story. A few years ago, there was a boy outside on the street. He walks by my house and uses the nastiest word, so I say to him, "There's no reason to use language like that." But he says the same four-letter word to me again, so the boy on the porch next door gets up and says to him, "Don't you talk to my aunt like that." And I'm not his aunt, I'm his neighbor. But that's Buffalo.—Josephine Bonda, a Buffalo resident since she arrived from Isnello, Italy, 70 years ago, when she was 4½.

So what's the problem? You say the whole country wouldn't be laughing if Buffalo was such a hot-shot city? You can't stomach the idea that you haven't lived unless you've live in Buffalo?

Well, Buffalo does have problems. Big ones.

It is a city where old friends renew acquaintance on the unemployment line. Joblessness is now 15.5 percent and that doesn't

include an additional 3,900 steelworkers, many of them Buffalo residents, who face permanent layoff sometime this year when Bethlehem Steel ends all steel production in nearby Lackawanna. In the last year, Mobil Oil closed its Buffalo refinery. The death of the Courier-Express put 1,100 people on the street. Two downtown department stores have closed. So have dozens of small businesses.

Soup kitchens and emergency food pantries are flourishing. One sociologist says that one of every three people in the Buffalo area is directly on public assistance or in a family with at least one major wage earner unemployed. That makes welfare the county's only growth industry.

The city is trying to turn itself around. There is about $1 billion in new construction downtown. Half is for a subway along Main Street. The city is betting this will bring the public back to Buffalo's business district. The rest of the money is being spent on waterfront development, a new hotel and two new office buildings.

But the city is bleeding. I'll never forget a walk I took up a deserted Main Street one Saturday afternoon last year. It was a ghost town. For a mile, my only company was a pack of wild dogs.

For the first time, friends wonder if Buffalo will pull out of its slump. They are bewildered. The city has suffered one blow after another. The immediate tragedy is that thousands of people are hungry or out of work. Over the long term, a style of life that people from the big city don't understand is threatened. For Buffalo offers balance. It has backyards. The country is 10 minutes away. One can comfortably raise a family there and still enjoy the cultural advantages of city life.

I can walk the 1½ blocks from my office to the courthouse and say hello to 10 guys I went to school with. That has a value. You can pick up the phone and make an oral arrangement with another attorney—you don't have to have a signed, sworn stipulation to do everything. If your word isn't worth something, that's very soon discovered. The courthouse is just around the corner from the BAC [Buffalo Athletic Club], so I can have a workout during lunch. The BAC is one block from the parking deck, so my little world is pretty comfortable. By the time I get out of the BAC after work, traffic is clear and I suppose the reduced stress level is worth something, too.—Bernard Brodsky, University of Buffalo law school graduate who worked in Washington, Atlanta and Hong Kong before coming home to Buffalo for the "quality of life."

Buffalo is a little big town where real estate agents can drive through familiar territory and identify each house by owner, price tag and present marriage. When my husband and I bought our house, the seller turned out to be buying his new house from our lawyer. To complete the cycle, the lawyer had just bought his new house from a woman who was bidding against us for the same house that we eventually purchased.

This, in a city of 350,000 people. But that's a typical Buffalo story.

Another: When my husband and I lost our jobs last year, my son's nursery school immediately offered him a scholarship. A scholarship for a 2-year-old! That he should have grown up in Buffalo.●

EMERGENCY MATHEMATICS AND SCIENCE EDUCATION ACT, H.R. 1310

HON. TOM CORCORAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. CORCORAN. Mr. Speaker, I would like to express my support for legislation which the House approved yesterday to assist the development of higher education in mathematics and science in America. As you are well aware, the U.S. currently faces an education crisis within these disciplines. The crisis is evidenced by severe shortages of qualified teachers in these subjects, fewer students taking science and math courses, and fewer skilled technicians and high level personnel emerging from our postsecondary institutions.

We are presently fighting to keep pace with the rapid growth of modern technology, but we are losing the battle. While we sit idly by, our foreign competitors continue to surpass us in areas of technology once associated exclusively with this country.

At the root of this problem is a general shortage of qualified math and science teachers, which has reached critical proportions in some States. Of 45 States responding to a national survey, 43 reported shortages of math teachers, 42 of physics teachers, and 38 of chemistry teachers. Stopgap measures to abate these shortages have resulted in the hiring of essentially underqualified teachers. In the midst of this confusion, skilled math and science teachers continue to be lured away from the classroom by private industry, which offers them significantly higher pay scales. While this exodus occurs, the source of qualified teachers dwindles at an alarming rate. In 1980, only 55 percent of the graduates prepared to teach math actually went into teaching, proof that young people with the necessary background are refusing to enter the teaching profession.

Thus, we have identified the problem. Although there is no definite solution to it, the House yesterday passed what I consider to be a promising proposal. The bill, which Education and Labor Committee Chairman PERKINS introduced, H.R. 1310, the "Emergency Mathematics and Science Education Act," would fund a variety of programs at the elementary, secondary, and postsecondary levels to improve math, science, and foreign language education, increase the supply and strengthen the qualifications of teachers of math and science, and encourage students to pursue teaching careers in math, science, and foreign language. The total authorization level for this program would be $400 million for fiscal year 1984, with an open-ended amount for fiscal year 1985. Under part A of title I, $250 million for math and science grants for elementary and secondary education would be authorized for fiscal year 1984; fiscal year 1985 would be left open ended. These funds would be distributed to States on a formula basis, with 25 percent going to State educational agencies and 75 percent to local educational agencies within the State. The purpose of part A is to improve inservice teacher training in math and science, as well as instructional programs within these disciplines. Part B of title I would provide assistance to postsecondary education through an authorization of $50 million for fiscal year 1984. The primary objective of this approach is to graduate a greater number of math, science, and foreign language teachers committed to teach at the elementary and secondary level; but more can be accomplished. Part B would also improve the math, science, and foreign language curricula at colleges, and provide basic research into the problems of instruction in these disciplines. Furthermore, it would call for the reauthorization of the minority institutions science improvement program at its current $5 million level. A scholarship to encourage students to become math and science teachers would also be authorized under part B. Up to 5,000 undergraduates and graduates would be eligible for the first year after enactment, and up to 10,000 the second year.

Title II of H.R. 1310 authorizes $100 million in each of fiscal years 1984–88 to establish a new engineering and science personnel fund to be administered by the National Science Foundation for the purpose of developing and promoting the quality of technical, scientific, and engineering manpower. The necessity of this provision is obvious if we consider that the United States produces less engineers per capita than the United Kingdom, Japan, and the Soviet Union. The National Science Foundation must report to Congress at least once every 2 years over the life of the fund on all expenditures, which may include grants for research, fellowships, capital equipment, salaries, instrumentation, and other activities. Grants made must receive matching funds from private or other public sector sources.

Undoubtedly, serious deficiencies do exist. However, if we choose to promptly adopt H.R. 1310, then we may well avert disaster later on. By channeling our limited resources into existing training and education programs rather than establishing new and burdensome ones, we enjoy a considerable savings. And by investing in prospective math and science teachers now, we insure the viability of math and science education for the future.

I sincerely believe that this bill will provide American higher education with the momentum necessary to carry us into the high technology era. I am pleased to support this legislation.●

BLACK EDUCATORS—EARNING AN "A" IN EDUCATION

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. PATTERSON. Mr. Speaker, on March 3, 1983, the California Alliance of Black School Educators and the Los Angeles County Office of Education will cosponsor the Fifth Annual Conference on Education and Social Concerns in Los Angeles, Calif. The conference is expected to draw together educators, administrators, and students from throughout the State to address several education issues.

This year, the conference coordinating committee has added a special ceremony to its agenda. The event will mark the induction of the first three members to the Educators' Hall of Fame. Among the distinguished honorees will be Dr. Wilson C. Riles, one of California's most dynamic educators.

As an educator, administrator, negotiator, and innovator, Dr. Riles has devoted his life to education. His range of experience spans from teaching Apache Indian children to advising U.S. Presidents on education policy. Wilson served as supervisor of public instruction in the State of California for 12 years. At a time when controversial issues such as busing, bilingual education, and shrinking revenue sources drew extensive media attention and political pressure, Dr. Riles remained dedicated to offering the highest quality education available to California's young people.

Among his many roles, Wilson Riles served as chairman of the U.S. Office of Education Task Force on Urban Education, president of the Task Force on Urban Educational Opportunities, and president of the National Council on Education Research. He is an educator of exceptional skill, who has made measurable contributions in the field of public education.

I invite my colleagues to join me in congratulating Dr. Riles upon his introduction to the Educators' Hall of Fame. We in California are grateful for the many contributions that he and the other inductees, Dr. Jewell Plummer Cobb and Dr. Benjamin E. Mays, have made to public education. On this day, let us pay tribute to their contributions and encourage their continued participation in education policy.●

MERIT PAY REFORM ACT OF 1983

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. WOLF. Mr. Speaker, I would like to submit, for the RECORD, a copy of H.R. 1841 Merit Pay Reform Act of 1983.

The bill follows:

H.R. 1841

A bill to amend chapter 54 of title 5, United States Code, to reform the merit pay system

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Merit Pay Reform Act of 1983".

PERFORMANCE MANAGEMENT AND RECOGNITION SYSTEM

SEC. 2. (a) Chapter 54 of title 5, United States Code, is amended to read as follows:

"CHAPTER 54—PERFORMANCE RECOGNITION

"Sec.
"5401. Purpose.
"5402. Coverage.
"5403. Performance management and recognition system.
"5404. Cash award program.
"5405. Report.
"5406. Regulations.

"§ 5401. Purpose

"It is the purpose of this chapter to provide for a performance management and recognition system which shall—

"(1) use performance appraisals as the basis for determining basic pay and performance awards;

"(2) within available funds, recognize and reward quality performance by varying levels of performance awards;

"(3) within available funds, provide for training to improve accuracy and fairness in the evaluation of performance;

"(4) regulate the costs of performance awards by establishing funding level restrictions; and

"(5) provide the means to reduce or withhold pay increases for less than fully successful performance.

"§ 5402. Coverage

"(a) This chapter shall apply to any supervisor or manager who is in a position which is in GS-13, 14, or 15 of the General Schedule described in section 5104 of this title and whose responsibilities include supervising the work of one or more professional-level employees. For the purposes of this chapter, managerial or supervisory status shall be determined in accordance with Office of Personnel Management classification standards.

"(b)(1) Upon application under paragraph (3) of this subsection, the President may, in writing, exclude an agency, any unit of an agency, or any class of employees within any such unit from the application of this chapter if the President considers such exclusion to be required as a result of conditions arising from—

"(A) the recent establishment of the agency, unit, or class, or the implementation of a new program,

"(B) an emergency situation, or

"(C) any other situation or circumstance.

"(2) Any exclusion under this subsection shall not take effect earlier than 30 calendar days after the President transmits to each House of the Congress a report describing the agency, unit, or class to be excluded and the reasons therefor.

"(3) An application for exclusion under this subsection of an agency, any unit of an agency, or any class of employees within any such unit shall be filed by the head of the agency with the Office of Personnel Management, and shall set forth reasons why the agency, unit, or class should be excluded from this chapter. The Office shall review the application and reasons, undertake such other review as it considers appropriate to determine whether the agency, unit, or class should be excluded from the coverage of this chapter, and upon completion of its review, recommend to the President whether the agency, unit, or class should be so excluded.

"(4) Any agency, unit, or class which is excluded pursuant to this subsection shall, insofar as practicable, make a sustained effort to eliminate the conditions on which the exclusion is based.

"(5) The Office shall periodically review any exclusion from coverage and may at any time recommend to the President that an exclusion under this subsection be revoked. The President may at any time revoke, in writing, any exclusion under this subsection.

"(c) This chapter shall not apply to individuals employed under the Office of the Architect of the Capitol or the Botanic Garden.

"§ 5403. Performance management and recognition system

"(a) In accordance with the purpose set forth in section 5401 of this title, the Office of Personnel Management shall establish a performance management and recognition system which shall provide for—

"(1) a range of basic pay for each grade to which the system applies, which range shall be limited by the minimum and maximum rates of basic pay payable for each grade under chapter 53 of this title, except as otherwise provided for in this section;

"(2) pay increases within such range, consisting of comparability pay increases and periodic step-increases (under section 5335 of this title), to the extent provided under subsection (c), based upon performance; and

"(3) performance awards, to the extent provided under subsection (d), based upon performance.

"(b) Under regulations prescribed by the Office, the head of each agency shall provide for increases within the range of basic pay for any employee covered by the performance management and recognition system.

"(c)(1) Determinations to provide comparability pay increases under subsection (a)(2) shall, for any pay adjustment period, be made based upon the level of performance of the employee involved, as most recently determined under chapter 43 of this title. If the employee's performance is rated at—

"(A) either of the two levels below fully successful, no comparability increase shall be provided; or

"(B) the fully successful level or either of the two levels above fully successful, the full comparability increase shall be provided.

"(2)(A) For purposes of section 5335 of this title, the performance of an employee under this chapter shall be considered to be

of an acceptable level of competence, within the meaning of subsection (a) of such section, if such employee's most recent rating under chapter 43 of this title was at the fully successful level or either of the 2 levels above fully successful.

"(B) For purposes of section 5335 of this title, and notwithstanding subsection (c) of such section, a determination that the work of an employee under this chapter is not of an acceptable level of competence (as described in subparagraph (A)) shall be subject to review only in accordance with and to the extent provided by procedures established by the head of the agency.

"(d)(1) If the employee's performance is rated above fully successful, the employee may be paid a performance award in accordance with the provisions of this subsection. Any such award shall be in addition to any increase in basic pay provided under subsection (c).

"(2) A performance award under this subsection may be made in such amount as the head of the agency considers appropriate, except that any such award may not exceed an amount equal to 20 percent of basic pay.

"(3)(A) For any fiscal year, the head of any agency may exercise authority under this subsection only to the extent of the funds available for the purposes of this subsection.

"(B) Performance awards under this subsection shall be paid from funds or appropriations available to the agency for pay of employees.

"(C) The funds available for the purposes of this subsection with respect to any agency may not exceed an amount equal to one and one-half percent of the aggregate amount of basic pay which will be payable to the employees of the agency who are covered by the performance management and recognition system for the fiscal year involved. Such amount shall be determined by the Office of Personnel Management before the beginning of such fiscal year.

"(e)(1) The comparability increase, for purposes of subsection (c)(1), shall be an amount equal to the basic pay of the employee involved multiplied by the percentage increase applicable to the grade or level of the position of such employee under section 5305 of this title at the beginning of the pay adjustment period.

"(2) For purposes of determining the comparability increase applicable to an employee under paragraph (1), such employee's rate of basic pay as of the day immediately preceding the pay adjustment period involved shall be used.

"(f) The pay adjustment period in any fiscal year shall be the period beginning on the first day of the first applicable pay period commencing on or after the first day of the month in which an adjustment takes effect under section 5305 of this title and ending at the close of the day preceding the following pay adjustment period.

"(g) Any employee whose position is brought under the performance management and recognition system shall, so long as the employee continues to occupy the position, be entitled to receive basic pay at a rate of basic pay not less than the rate the employee was receiving when the position was brought under the performance management and recognition system.

"(h) Under this section, an employee may be paid less than the minimum rate of basic pay of the grade of the employee's position to the extent that it is the result of a performance evaluation of less than fully successful.

"(i) Under regulations prescribed by the Office, the benefit of advancement through the range of basic pay for a grade shall be preserved for any employee covered by the performance management and recognition system whose continuous service is interrupted in the public interest by service with the armed forces, or by service in essential non-Government civilian employment during a period of war or national emergency.

"(j) For the purpose of section 5941 of this title, rates of basic pay of employees covered by the performance management and recognition system shall be considered rates of basic pay fixed by statute.

"§ 5404. Cash award program

"(a) The head of any agency may pay a cash award to, and incur necessary expenses for the honorary recognition of, any employee covered by the performance management and recognition system who—

"(1) by the employee's suggestion, invention, superior accomplishment, or other personal effort, contributes to the efficiency, economy, or other improvement of Government operations or achieves a significant reduction in paperwork; or

"(2) performs a special act or service in the public interest in connection with or related to the employee's Federal employment.

"(b) The President may pay a cash award to, and incur necessary expenses for the honorary recognition of, any employee covered by the performance management and recognition system who—

"(1) by the employee's suggestion, invention, superior accomplishment, or other personal effort, contributes to the efficiency, economy, or other improvement of Government operations or achieves a significant reduction in paperwork; or

"(2) performs an exceptionally meritorious special act or service in the public interest in connection with or related to the employee's Federal employment.

A Presidential cash award may be in addition to an agency cash award under subsection (a) of this section.

"(c) A cash award to any employee under this section is in addition to the basic pay of the employee, or any performance award paid to such employee, under section 5403 of this title. Acceptance of a cash award under this section constitutes an agreement that the use by the Government of any idea, method, or device for which the award is made does not form the basis of any claim of any nature against the Government by the employee accepting the award, or the employee's heirs or assigns.

"(d) A cash award to, and expenses for the honorary recognition of, any employee covered by the performance management and recognition system may be paid from the fund or appropriation available to the activity primarily benefiting, or the various activities benefiting, from the suggestion, invention, superior accomplishment, or other meritorious efforts of the employee. The head of the agency concerned shall determine the amount to be contributed by each activity to any agency cash award under subsection (a) of this section. The President shall determine the amount to be contributed by each activity to a Presidential award under subsection (b) of this section.

"(e) A cash award under subsection (a) may not exceed 20 percent of the basic pay of the employee involved.

"(f) The President or the head of an agency may pay a cash award under this section notwithstanding the death or separation from the service of an employee, if the suggestion, invention, superior accomplishment, or other meritorious effort of the employee for which the award is proposed was made or performed while the employee was covered by the performance management and recognition system.

"§ 5405. Report

"The Office of Personnel Management shall submit an annual report to the President and each House of Congress evaluating the effectiveness of the performance management and recognition system. Each such report shall be prepared after consultation with the respective heads of a sufficient range of agencies so as to permit an adequate basis for making a meaningful evaluation.

"§ 5406. Regulations

"The Office of Personnel Management shall prescribe regulations to carry out the purpose of this chapter.".

(b)(1) Title 5, United States Code, is amended—

(A) in sections 4501(2)(A), 5332(a), 5334(f), and 5336(c), by striking out "the merit pay system established under section 5402" each place it appears and inserting in lieu thereof "the performance management and recognition system established under section 5403";

(B) in section 5361(5), by striking out "merit pay system" and inserting in lieu thereof "performance management and recognition system"; and

(C) in section 5948(g)(1)(C), by striking out "Merit Pay System" and inserting in lieu thereof "performance management and recognition system".

(2) Section 1602 of title 10, United States Code, and section 5(b) of the General Accounting Office Personnel Act of 1980 (31 U.S.C. 52-4(b)) are each amended by striking out "5401(a)" and inserting in lieu thereof "5401".

PERIODIC STEP-INCREASE CONFORMING AMENDMENT

SEC. 3. Section 5335 of title 5, United States Code, is amended by striking out subsection (e) and inserting in lieu thereof the following:

"(e) This section does not apply to the pay of an individual appointed by the President, by and with the advice and consent of the Senate.

"(f) This section applies to individuals covered by the performance management and recognition system under chapter 54 of this title, as provided in section 5403(c)(2) of this title.".

PERFORMANCE APPRAISAL SYSTEM CONFORMING AMENDMENTS

SEC. 4. (a) Chapter 43 of title 5, United States Code, relating to performance appraisals, is amended by inserting after section 4302 the following new section:

"§ 4302a. Establishment of performance appraisal systems for performance management and recognition system employees

"(a) Each agency shall develop a performance appraisal system for employees covered by the performance management and recognition system established under section 5403 of this title which—

"(1) provides for periodic appraisals of job performance;

"(2) requires that the supervising official consult with the employee before establishing performance standards; and

"(3) uses the results of performance appraisals as a basis for setting the base pay

and performance awards for an employee in accordance with section 5403 of this title.

"(b) Under regulations which the Office of Personnel Management shall prescribe, each such performance appraisal system shall provide for—

"(1) 5 levels of performance ratings as follows:

"(A) 2 levels which are below fully successful;

"(B) a fully successful level; and

"(C) 2 levels which are above fully successful;

"(2) establishing performance standards and critical elements which will, to the maximum extent feasible, permit the accurate evaluation of job performance;

"(3) at the beginning of each appraisal period, communicating to each employee covered by the performance management and recognition system the performance standards and critical elements of the employee's position;

"(4) during the appraisal period, evaluating each such employee on the basis of such standards;

"(5) assisting such employees in improving less than fully successful performance;

"(6) reassigning, reducing in grade, or removing such employees who continually perform below fully successful, after providing an opportunity to provide fully successful performance; and

"(7) making base pay increase and performance award decisions as a result of annual performance appraisals made under this section.

"(c) Appraisals of performance under this section—

"(1) shall take into account individual performance,

"(2) may take into account organizational accomplishment, and

"(3) shall take into account such factors as—

"(A) any improvement in efficiency, productivity, and quality of work or service, including any significant reduction in paperwork;

"(B) cost efficiency;

"(C) timeliness of performance; and

"(D) other indications of the effectiveness, productivity, and quality of performance of the employee or other employees for whom the employee is responsible; and

"(4) shall be subject to review only in accordance with and to the extent provided by procedures established by the head of the agency.

"(d) The Office of Personnel Management may not prescribe, or require agencies to prescribe—

"(1) any preestablished distribution of levels of performance ratings among employees covered under chapter 54 of this title; or

"(2) any specific performance standard or element.".

(b) The table of sections for chapter 43 of title 5, United States Code, is amended by inserting after the item relating to section 4302 the following new item:

"4302a. Establishment of performance appraisal systems for performance management and recognition system employees.".

EFFECTIVE DATE; SAVINGS PROVISIONS; CONTINUATION OF AMENDMENTS

SEC. 5. (a) The amendments made by this Act shall take effect on the first day of the first applicable pay period commencing after the first September 30th following the date of the enactment of this Act.

(b)(1) An employee whose position was covered by the merit pay system immediately before the effective date of this Act but is determined not to be covered by the performance management and recognition system as a result of this Act shall be converted on such effective date to the General Schedule in accordance with regulations issued by the Office of Personnel Management pursuant to section 5334(a) of this title.

(2) The rate of basic pay for any employee whose position was covered by the merit pay system immediately before the effective date of this Act and is determined to be under the performance management and recognition system as a result of this Act shall be at least equal to the rate of basic pay payable for the position held by such employee immediately before the effective date of this Act.

(c)(1) The amendments made by this Act shall continue to have effect unless, during the first period of 60 calendar days of continuous session of the Congress beginning after 5 years after the effective date of such amendments, a concurrent resolution is introduced and adopted by the Congress disapproving the continuation of the performance management and recognition system. Such amendments shall cease to have effect on the first day of the first fiscal year beginning after the date of the adoption of such concurrent resolution.

(2) The continuity of a session is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 60-day period.●

THE CHILD ABUSE PREVENTION AND TREATMENT AND ADOPTION REFORM ACT AMENDMENTS OF 1983

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. ERLENBORN. Mr. Speaker, one of the greatest human tragedies is the neglect, maltreatment, and abuse of children. The public has become more aware of and deeply disturbed by reports of the growing and senseless incidence of child abuse and neglect. In my view, the ultimate child abuse is when the life of a helpless child is taken—often by a parent, relative, family friend, or one in whose care the child has been placed.

The recent "Bloomington baby" or "Baby Doe" tragedy added a shocking new dimension to the problem. We cannot overlook the intolerable fact that, within health care facilities, at-risk newborns with life-threatening congenital impairments may also be the innocent victims of negligent treatment. Lack of appropriate care and services would be unthinkable, if prescribed for nonhandicapped infants.

There is a compelling need to provide immediate and more effective protections for such newborns. We must insure that they are not denied nutrition, medically indicated treatment, and appropriate general care and social services.

The causes of child abuse and neglect are numerous and complex. The solution of this national social problem will not be a simple one. Nonetheless, through stronger preventive measures that are based on a better understanding of underlying causes, we must continue our efforts to reduce significantly the growing incidence and severity of child abuse and neglect cases.

I am pleased, therefore, to join the distinguished chairman of the Select Education Subcommittee, Mr. MURPHY of Pennsylvania, as an original cosponsor of the Child Abuse Prevention and Treatment and Adoption Reform Act Amendments of 1983. I wish to commend my colleague for his longstanding leadership in this area and to compliment him on his efforts to bring before us a measure that should enjoy strong, bipartisan support.

What are the major provisions incorporated in the 1983 amendments?

One, all activities authorized under title I (child abuse prevention and treatment) and title II (adoption opportunities) of the present act are extended from October 1, 1984 through September 30, 1987;

Two, fiscal year 1984 authorizations of appropriations for title I activities, programs relating to the sexual abuse of children, and title II of the act are set at $18,000,000, $3,000,000, and $2,000,000, respectively. This represents a slight increase over current funding levels. In addition, all authorizations are increased by 5 percent for each of the succeeding fiscal years.

Three, the Secretary of Health and Human Services, through the National Center on Child Abuse and Neglect, is required to conduct a current study of the national incidence and severity of the child abuse, including those cases involving the denial of basic care and services to infants at risk with life-threatening handicapping conditions. Based on the findings of this updated study, the Secretary must submit to the Congress, within 2 years of enactment of this legislation, recommendations for additional legislative or regulatory changes;

Four, the Secretary, by way of the National Center on Child Abuse and Neglect, must provide technical assistance and training to assist States in developing and implementing new or improved procedures to be followed by child protective service agencies, health care facilities, health and allied medical professionals, social service providers, and courts of competent jurisdiction to better insure that nutrition, medically indicated treatment, general care, and appropriate services

are provided to newborns with life-threatening impairments;

Five, states, as a condition for future State grant awards, must have implemented, within 1 year after enactment of the amendments of 1983, procedures designed to more fully protect the rights of such infants. These new or improved State procedures or protocols must include a means by which any interested person may report any known or suspected case of the denial of nutrition, medical treatment, or general care to an infant at risk with life-threatening, congenital impairments;

Six, the definition of "sexual abuse and exploitation" is broadened to make it consistent with the recent Supreme Court decision in *New York* v. *Ferber*.

Seven, title II (adoption opportunities) is amended to require that the Secretary of Health and Human Services review all model adoption legislation and procedures for the purpose of assisting the States in facilitating and expanding adoption opportunities for infants at risk with life-threatening congenital impairments; and

Eight, services and protections assured under section 504 of the Rehabilitation Act of 1973 must be continued.

Building on the existing legislative framework, the Child Abuse Prevention and Treatment and Adoption Reform Act Amendments of 1983 are designed to establish a stronger Federal-State-local partnership to insure that the very special needs of infants like the "Bloomington baby" are fully met. I believe that this measure represents an important, positive, and effective step forward in preventing future "Bloomington baby" tragedies.●

CONSULTING REFORM AND DISCLOSURE ACT OF 1983

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Ms. FERRARO. Mr. Speaker, today I am introducing the Consulting Reform and Disclosure Act of 1983. I believe that the 22-year history of agency mismanagement of consulting services contained in 30 critical General Accounting Office reports demonstrates why this legislation is necessary. In 1980, a GAO report cited serious and pervasive problems in consulting contracts in six civilian agencies. The GAO report which I received in 1981 found that several of the Department of Defense's management support services contracts reviewed "have preempted DOD's prerogative in directing national defense and in management and direction of the Armed Services."

Mr. Speaker, this legislation is necessary because the problems with consulting type contracts have not been corrected. The GAO supports this legislation even though it generally opposes legislative solutions to administrative problems.

When I held a hearing on identical legislation last Congress, the administration refused to testify. Instead it contended that adequate safeguards are "already prescribed by statute or by OMB * * *."

However, at the same time the administration was making this contention, they were pressing for legislation to eliminate statutory requirements for advance budget justification and an Inspector General evaluation of agency progress in instituting management controls over consulting service arrangements.

These two concurrent events emphasize the need for permanent law requiring disclosure of consulting contract information. The best way to eliminate waste is to make sure it is not hidden from the public. That is the purpose of my bill.●

THE 100TH ANNIVERSARY OF THE CIVIL SERVICE SYSTEM

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. FORD of Tennessee. Mr. Speaker, after reading the February 1 issue of the Public Administration Times, I am compelled to speak out on the fortitude and excellence of the civil service system on this, its 100th anniversary. Throughout my years in the U.S. Congress, I have found civil servants to be selfless and dedicated individuals. They are a source of pride for all of us who value the merit system under which they work. In addition to praising the high standards that the merit system inspires, I would also like to take exception to those who by making political appointments and innuendo dare to corrupt the legitimacy, and thereby, the effectiveness of the civil service system.

In the beginning stages, only 10 percent of the Federal workers were a part of the civil service system, which was established by the Pendleton Act of 1883. With succeeding Presidents, their members increased, until civil servants were a full 70 percent of the Government work force by the time of the Great Depression.

The numbers of the civil servants continued to grow during the administration of President Franklin D. Roosevelt, as World War II signaled a greater need for Government workers. Because of this high demand for civil servants during this period, there was pressure to exempt wartime emergency jobs from the existing requirements, but these efforts were resisted.

Throughout the 1950's and 1960's, the Federal civilian work force grew from 2,278,800 to 2,692,600 workers, and increased to a 91.3 percent share of the Federal Government work force.

This constant growth of the civil service system is not only reflected in numbers, however. As our country met the challenges of a changing society—the onslaught of two World Wars, a decade-long depression, and the growing influence of the Federal Government on our lives—so, too, did our Federal employees meet the challenges facing them. The transformation of our society in the past 100 years has inspired unparalleled achievements on the part of our civil servants. These public servants, with their responsiveness to our public needs, and their fine contributions to our governmental system, deserve only our sincerest appreciation and greatest admiration.

In recent times, some political candidates have unfairly attacked the civil servant for being unproductive and unessential. It is unfortunate that these workers are the victims of such unjust criticism. Their critics see only the few who abuse the civil service system, rather than the vast majority of civil servants, who are hardworking and honest individuals.

These same politicians, once in office, have used this power to make political appointments without regard to professional qualifications. These partisan choices have no place in a system where workers are chosen selectively through the use of competitive exams. The stability and strength of this system relies greatly on not only the superior qualifications of the workers, but also on their avowed neutrality. Political appointments corrupt both of these standards, and should not be tolerated.

In closing, I would once again like to acknowledge the great value of the civil service system to our society. Its record of attracting and selecting only the finest and most competent of employees for Government service is unparalleled. I commend the civil service system, and wish it another 100 years of success.●

COATED FABRIC TARIFF

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SHANNON. Mr. Speaker, I am pleased to introduce, on behalf of myself, Mr. MARTIN of North Carolina, Mr. CAMPBELL, and Mr. JENKINS, legislation to restore the traditional tariff treatment of coated fabric. By doing this, we intend to preserve an Ameri-

can industry which contributes well over $1 billion a year to our national product and provides tens of thousands of American jobs.

This legislation is similar to H.R. 7118, which I introduced in the last Congress on September 15, 1982. A number of technical changes have been made, but the intent and impact of this legislation remains the same.

Since the adoption of the "Tariff Schedules of the United States" in 1963, imitation leather and other plastic and rubber-coated, filled and laminated fabrics were classified as textile products for tariff purposes under schedule 3, series 355 of the "Tariff Schedules." Schedule 3 is entitled "Textile Fibers and Textile Products," and series 355 refers specifically to textile materials whether coated or filled.

The recent decision of the Court of Customs and Patent Appeals in *United States* v. *Elbe Products Corp.* (655 F. 2d 1107 (1981)), decided over the objection of the Treasury Department, has eroded the long standing classification of these products. In Elbe Products, the court held that imitation leather products consisting of plastic coating over fabric were properly classified not under schedule 3, series 355, but under schedule 7 ("Specified Products; Miscellaneous and Nonenumerated Products") series 771 (materials "almost wholly of" rubber or plastic).

The Treasury Department has consistently argued against this result, and the Customs Service has consistently classified imitation leather and other coated fabrics under schedule 3. However, as a result of Elbe Products, the Department on March 25, 1982, issued a ruling paper establishing for customs purposes the new rule under which virtually all imitation leather must be reclassified under series 771. Other coated, laminated, or filled textile materials must also be reclassified.

If this reclassification is allowed to stand, the continued existence of our domestic industry, which has long relied on the established tarriff treatment of its products, will be in severe jeopardy.

The fabrics in schedule 3 receive a duty rate as high as 13 percent plus 10 cents a pound. Fabrics reclassified to schedule 7 receive between 3.7 percent and 5.3 percent. In addition, when fabrics are reclassified to schedule 7, imports from developing countries such as Taiwan, Korea, Mexico, Venezuela, and Brazil, become eligible under the generalized system of preferences for duty-free entry to this country. Unless action is taken now to reverse this reclassification, the results for the American industry will be tragic.

Mr. Speaker, our bill is narrowly drawn to achieve no more than a reinstatement of the tariff treatment which these fabrics have traditionally received and on which American manufacturers have relied for decades. I call for its favorable consideration.

H.R. 1910

A bill to correct any misinterpretation in the classification of textile fabrics, articles and materials, coated, filled, or laminated with rubber or plastics

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Headnote 5 of Schedule 3 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended to read as follows:

"5 (a) Except as otherwise provided in subsection (b) of this headnote, for the purposes of parts 5, 6, and 7 of this schedule and parts 1 (except subpart A), 4, and 12 of schedule 7, in determining the classification of any article which is wholly or in part of a fabric coated or filled, or laminated, with nontransparent rubber or plastics (which fabric is provided for in part 4C of this schedule), the fabric shall be regarded not as a textile material but as being wholly of rubber or plastics to the extent that (as used in the article) the nontransparent rubber or plastics forms either the outer surface of such article or the only exposed surface of such fabric."

(b) Any fabric described in Part 4C of this schedule shall be classified under Part 4C whether or not also described elsewhere in the schedules.

SEC. 2. Subpart C of Part 4 of Schedule 3 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by:

(a) deleting item (vii) in its entirety from Headnote 1 thereto.

(b) inserting the words "or value" after the word "quantities" in Headnote 2(c) thereto.

SEC. 3. Part 12 of Schedule 7 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after Headnote 1 of Part 12 headnote the following new headnote:

"2. This part does not cover fabrics, coated or filled, or laminated, with rubber or plastics provided for in part 4C of Schedule 3."

SEC. 4. The amendments made by this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date or enactment of this Act.●

FEDERAL MEAT INSPECTION AMENDMENTS OF 1983

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. GUNDERSON. Mr. Speaker, I was pleased to join the gentleman from Vermont (Mr. JEFFORDS) and others yesterday in introducing H.R. 1795, the Federal Meat Inspection Amendments of 1983.

At the time the Wholesome Meat Act was passed in 1967, there were approximately 15,000 nonfederally inspected intrastate plants producing about 15 percent of the Nation's carcass meat and about 35 percent of the processed meat supply. And there was no consistency or uniformity among the States in meat inspection at these plants.

Accordingly the 1967 act created a requirement that State inspection standards be "at least equal to" to those of the Federal program. If a State fails to create or effectively enforce such standards, the Secretary of Agriculture will designate that State for Federal inspection.

Mr. Speaker, almost half of the States today have their own inspection programs that are at least equal to existing Federal standards. Yet, unlike federally inspected meat products, those meat products inspected under State programs cannot travel in interstate commerce.

This limitation works a particular hardship on thousands of small, family-owned meat processing plants located near State borders who simply cannot afford the expensive Federal inspection. These small businesses represent 42 percent of all the meat processors in our country but only market 5 percent of our Nation's processed meat.

Mr. Speaker, we are living in a different time and under different conditions than 15 years ago. There no longer is any dissimilarity between State inspection standards and the Federal requirements. If anything, State standards are more strict.

As such, the time has come to remove this artificial distinction between federally inspected meat products and State inspected meat products so that either one can travel in interstate commerce. And that is exactly what H.R. 1795 would do.

I, therefore, commend the attention of my colleagues to this important legislation. Its passage is, most assuredly, long overdue.●

CONGRESSIONAL LEADERSHIP AND AMERICA'S GOALS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. HUBBARD. Mr. Speaker, I have received an excellent letter from my constituent, William L. Harp, Jr., of Mayfield, Ky., Bill Harp's letter to me contains some perceptive views on various issues and his belief that Congress must assume its leadership role in such areas as income tax restructuring, industry capital investment incentives, and synthetic fuels, among others. I want to share his ideas with my colleagues, and the letter follows:

WILLIAM L. HARP, Jr.,
Mayfield, Ky., January 4, 1983.

CARROLL HUBBARD,
Representative,
Kentucky, First District.

DEAR CARROLL: I am concerned about our nation and the lack of leadership or national goals from Congress. I would like to use you to make my feelings known to your

fellow Congressmen. Please pass along these ideas to the proper committees for their consideration:

1. Congress should consider legislation to encourage private industry through better capital investment incentives so industry can update facilities and systems and become more competitive with worldwide markets.

2. Nationalize railroad right-of-ways. Modernize them and create terminals which would allow the rail system to complement the airlines, trucking, and highway systems. (We subsidize airlines, river traffic, trucking.) The rail system could create thousands of jobs on a permanent basis.

3. Push for the testing and proving methods to manufacture synthetic fuels from coal. Sooner or later, oil will be a thing of the past and we might as well be prepared.

4. Study and put into practice a flat rate tax for individual incomes and limit federal spending to the amount of income estimated from federal revenues.

Carroll, I believe that our nation is waiting for Congress, not the President, to come up with the leadership and goals required to get our economy expanding once more in a controlled manner.

Thank you for your efforts on our behalf as Congressman. I would be interested in hearing if any of these ideas are being or have been considered by Congress. I will watch for a signal from Congress showing that it has assumed its responsibilities and is willing to make proposals that might not necessarily please some of the lobbyists.

Yours truly,

BILL HARP.●

TRIBUTE TO QUINCY JONES

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. DIXON. Mr. Speaker, on March 11-13, 1983, the city of Seattle, Wash., will pay tribute to one of the country's most outstanding black musicians and composers, Mr. Quincy Jones, winner of 11 Grammy Awards. The Congressional Black Caucus is privileged to honor this internationally renowned musician who has set such a fine example of strong commitment to life and an uncompromising quest for excellence in all of his musical endeavors. An example of his selfless commitment will be exhibited this weekend as he will perform two concerts, the proceeds of which will be divided evenly between his alma maters, Garfield High School and Seattle Central Community College.

Well known for his numerous musical scores for famous motion pictures, animated films, and television, I would like to take this occasion to share with my colleagues just a few of his distinguished accomplishments.

Born in 1933 in Chicago and raised in Seattle, Quincy Jones by the age of 14 was playing trumpet for Billie Holiday, as well as composing and arranging with his good friend, Ray Charles. Instead of going on the road with Lionel Hampton at age 15, he was counseled to continue his education and won a scholarship to Berklee College of Music in Boston. Taking a phenomenal 10 courses a day and playing strip joints at nights, he made time for weekend sessions in New York, playing with the jazz greats of the era including Art Tatum, Miles Davis, and Theloniaus Monk. The hub of the jazz scene and the greats of the era became Quincy's classroom and teachers.

In 1951, Quincy Jones produced the first Ray Charles album, as well as the first sessions on the incomparable Cannonball Adderley album; 4 years later, he accepted an invitation from the State Department to arrange and conduct a world tour for the Dizzy Gillespie Orchestra. That tour took him through the Mideast, South Africa, South America, and Europe. While in Europe, Quincy signed with Mercury Records and later became the musical director at Barclay Desques in Paris. In 1961, Quincy was named vice president for artist relations with Mercury Records.

During the closing years of his tenure as the first black vice president at a major label, Quincy began his move into another territory formerly closed to blacks—the world of film scores. He scored his first film, Sidney Lumet's "The Pawnbroker," in 1963 and went on to score a total of 33 major motion pictures.

Quincy went to A&M Records in 1969 with a career total of 15 Grammy nominations and 1 Grammy to his credit. Since then his work has brought in over 50 nominations and 11 awards.

Establishing himself as an internationally known composer, conductor, arranger, and musical artist, Quincy has worked with musicians who include Diana Ross, Frank Sinatra, Duke Ellington, Andy Williams, and Henry Mancini. His Oscar nominations include the score for "In Cold Blood," the music adaptation of "The Wiz," and best songs for "The Eyes of Love" and "For Love of Ivy." He received his first Grammy award in 1963 for the instrumental arrangement of "I Can't Stop Loving You" and has accumulated 10 more over the past 20 years, 5 of which he won in 1982. In July 1982, Quincy was the recipient of the City of Hope's Spirit of Life Award, an award presented annually by the music industry.

The Congressional Black Caucus proudly acknowledges Quincy Jones' 35 years of musical achievement and joins the city of Seattle in commemorating his 50th birthday. Seattle has planned a weekend of music and civic activities sponsored by citizens who wanted to honor one of their distinguished natives while also providing an opportunity to aid two of the city's inner city schools, Garfield High and Seattle Central Community College.

On Saturday, March 12, following a Friday luncheon at which he is honored by State and local civic leaders as well as national entertainers, Mr. Jones will perform a benefit concert at the Paramount Theater. Donating his talents for the evening, Quincy will conduct an orchestra composed of his own musicians as well as some of the best professional musicians in Seattle. On Sunday, March 13, he will conduct a benefit concert primarily for the youth of Seattle.

Proceeds from the two concerts will be divided between Garfield High, which will use the funds to establish a Quincy Jones endowment scholarship fund and to enhance its music program and facilities, and Seattle Central Community College, which will use the funds for student scholarships and emergency student loan programs in Jones' name. The college will also use some of the proceeds to expand its day-care center and tutorial services program.

The members of the Congressional Black Caucus are especially pleased to pay tribute to Quincy Jones in recognition of his 50th birthday and appreciate this opportunity to share with our colleagues some of the outstanding contributions he has made to the music industry and the world.●

INTRODUCTION OF MUSHROOM LABELING BILLS

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SCHULZE. Mr. Speaker, the U.S. consumer has a right to know what he or she is buying. We all know that it is the informed consumer that makes the best choice. And yet when American consumers purchase a can of mushrooms from their local grocery store, they literally have no idea where on Earth those mushrooms originated.

Chances are good that they were not grown in the United States though. In the last several years, fewer and fewer of the processed mushrooms bought in this country actually originated here. So where do they come from, and what difference does it make anyway?

More and more of the canned mushrooms consumed in this country are grown in the People's Republic of China. In 1979, the PRC exported 263 thousand pounds of canned mushrooms to the United States; in 1982, over 35 million pounds reached our market, well over 100 times the amount of 4 years earlier. This expansion is even more remarkable when one realizes this occurred while an increased duty was in effect on all mushroom imports. The protective tariff resulted from a 1979 International

Trade Commission determination that imports had been a "substantial cause of serious injury" to the domestic mushroom industry.

The result of this brutal incursion into the U.S. market has been to drive American mushroom producers and processors out of business at an unprecedented rate. The PRC is engaging in classic predatory trading behavior with two goals in mind.

The first is to gain hard currency for its own economic expansion at the expense of our own domestic industry. There is no secret about this. Right now the American mushroom industry is engaged in an antidumping action filed with the Department of Commerce, through which it expects to demonstrate that the PRC has repeatedly set its prices below what mushrooms would sell for in China.

Second, the PRC aims to drive out not only American producers, but other foreign competitors as well. Communist China is using all the resources which its state controlled economy commands in order to do so. The clear targets of this policy are the traditional suppliers of mushroom imports, South Korea and Taiwan. In fact, it was American know-how and assistance which helped establish this industry for two of America's most important Asian allies.

What does this mean for American consumers? When mushrooms are grown and processed in this country, they are subject to rigorous health and quality standards. Such is not the case in the PRC. When U.S. Customs agents have randomly examined mushrooms entering this country from the PRC, they have found a variety of foreign matter, which has naturally made the product ineligible for entry into the United States. But not every can which arrives here is inspected, and one must wonder what the American consumer may be consuming. The Chinese are most reluctant to reveal their growing and processing techniques. The Pennsylvania State University possesses one of the most advanced programs on the study of mushroom production, and such critical health factors such as the composition of the mushroom-growing compost used in China are unknown to their specialists. In short, what arrives at our dinner table almost certainly is not up to the stringent standards we demand from our own farmers and processors.

Accordingly, I am today introducing several bills which will provide the consumer with the critical information about the origin of the mushrooms they purchase. H.R. 1908 would amend the Tariff Act of 1930 to require that containers of imported processed mushrooms disclose on their labels, in English, the country in which those mushrooms were grown. Current law requires only that the label identify the country that last processed the mushrooms. The consumer has no way of knowing whether the mushrooms were grown in a country other than that in which they were processed.

H.R. 1909 amends the Federal Food, Drug, and Cosmetic Act to require that containers of mushrooms processed but not grown in the United States disclose on their labels the country in which they were grown. This measure would address the problem of imported mushrooms which are reprocessed after entry into the United States market.

Mr. Speaker, these bills will provide a necessary informational service to the American consumers. I am confident that when they are permitted to be fully aware of the origin of the products they are offered, they will make the wise choice and purchase only quality American-grown mushrooms. I solicit my colleagues' support.●

J. DUDLEY DIGGES

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. HOYER. Mr. Speaker, I know my colleagues would want to join me in sending heartfelt condolences to the family of J. Dudley Digges, who died on Friday, February 25. There was probably no person more respected in the State than Judge Digges, as evidenced by the call of the Maryland Governor to have all flags flown at half mast upon his death—nor was there one more dedicated to the cause of justice, fairness, and equality under the rule of law.

Judge Digges, a life-long resident of Charles County, Md., had a long and distinguished career in the law. After attending St. Johns College in Annapolis and the University of Maryland School of Law, where he graduated in 1936, he joined former Congressman Lansdale Sasscer in the practice of law. In 1949, at the age of 37, he was appointed to the Circuit Court of the Seventh Judicial Circuit where he served until 1969, when then-Governor Marvin Mandel appointed him to the Court of Appeals of Maryland. He only recently retired from this position, in January 1982. Upon that occasion, I had the privilege of honoring him in this body for his outstanding contributions to the State of Maryland.

Judge Digges held the highest ethical principles, and he felt that legal ethics were the underpinning of the judicial system in this country. Many of his opinions were critical of his greatest concern—careless or dishonest lawyers. He extended this concern for the development of a sound, honest, and knowledgeable jurisprudence by sponsoring faculty fellowships at the University of Maryland School of Law for professors of legal ethics.

Judge Digges always presided with distinction, lending his quiet, self-effacing manner to all he did, and in so doing, he gained the respect and admiration of all who came to know him.

Mr. Speaker, Judge Digges was a fine man, and his contributions, not only to the court system of Maryland, but also to the people who found equity and justice in his courtroom, will long be remembered. J. Dudley Digges has left a legacy of public service and public spirit, and the memory of his tremendous dedication to the betterment of our country will always be with us.●

CIGARETTE SAFETY ACT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. MOAKLEY. Mr. Speaker, the story of the careless use of smoking materials leading to the destruction of life and property happens all too often. The time has come for the Congress to address the No. 1 national cause of residential fire fatalities and injuries—cigarette-related fires.

Today I am reintroducing for the 98th Congress the Cigarette Safety Act of 1983 which seeks to insure that cigarettes have a minimum capacity for igniting smoldering upholstered furniture and mattress fires.

The need for such legislation is obvious. According to the U.S. Fire Administration, in 1981 there were 63,518 smoking-related fires across the country and a resulting 2,144 deaths, 3,819 injuries, and $305 million in property loss. Most of these fires could have been prevented.

The Cigarette Safety Act mandates the Consumer Product Safety Commission to develop a performance standard that will help reduce the potential of cigarette-related fires from occurring based on objective research and studies.

A recently released study prepared by the U.S. Testing Co. and commissioned by the Burn Council found a significant difference between cigarettes currently available on the market. Tested were Sherman's, a New York brand of "natural" cigarettes which have no chemical additives—Sherman's are advertised as not having chemicals, such as salt peter, which are added to make the cigarette burn—More, and Benson & Hedges Menthol 100's.

Under testing procedures developed by the California Bureau of Home Furnishings, Sherman's and More

were found to either self-extinguish or burn their entire length without igniting the mockup upholstered furniture. The Benson & Hedges, however, was inconsistent in its propensity to ignite the upholstered furniture—one specimen ignited the chair assembly into open flame destroying the mockup assembly entirely, 46 minutes into test; three specimens generated an extreme amount of smoke, damage to the mockup assembly was excessive with glowing but no-flame ignition. The last two Benson & Hedges specimens burned their entire length but generated no ignition.

While this study is not conclusive, it does give support to the proposition that there is presently a considerable difference among the present commercially available cigarette brands.

Unfortunately, the cigarette manufacturing companies have not addressed this problem and until they do so, I believe the serious nature of this problem demands immediate congressional action.

In fact, when asked about the results of this testing, David Fishel, a spokesman for R. J. Reynolds, the maker of More noted that the low propensity to ignite furniture and mattress materials was by coincidence and not an intentional act of the manufacturer. According to the New York Times:

When R. J. Reynolds discovered in 1977 that More cigarettes tended to go out between puffs, the company adjusted the chemical composition of the cigarettes' paper to keep it burning.

Still, despite these efforts, More retains a good fire-testing record.

Past research has shown that a freshly lit cigarette will burn for approximately 20 to 45 minutes when placed on a flat surface. This is a reasonable period of time in which burning cigarette must remain in contact with upholstered furniture and mattresses before a fire will result.

Recent work by the National Bureau of Standards' Center for Fire Research indicates that there are cigarette construction characteristics that may reduce ignition propensity. Included in these parameters are: Low diameter—less contact with the substrate; low-packing density—low-fuel load; filter—no increase in airflow at the butt end and, consequently, no increase in heat flux; and high burning rates—short contact on heat source and substrate.

I would like to stress that this is not an antismoking bill. I believe the decision to smoke or not to smoke should be left to the individual. A performance standard should not interfere with an individual's smoking habits but rather address a proven fire hazard. In fact, the cigarette characteristics listed by the National Bureau of Standards as having the potential to reduce ignition propensity are already found in some cigarettes on the market.

We have received widespread support for this legislation from across the country. Groups whose members work daily with fire victims such as the International Association of Firefighters, International Association of Fire Chiefs, American Medical Association, Emergency Department Nurses Association, American Burn Association, and the American Trauma Society support this legislation. We also have the strong support of the Phoenix Society—a support group whose members include those that have been scarred, both physically and mentally, by the terrible effects of cigarette fires.

I believe that this legislation can go a long way in reducing the damage to life and property due to smoking-related fires. For us to simply accept the terrible toll that cigarette fires have on innocent victims is to ignore our responsibilities of protecting the public health and safety. I urge my colleagues to join with me in supporting this much-needed legislation.

A text of the bill follows:

H.R. 1880

A bill to require persons who manufacture cigarettes or little cigars for sale or distribution in commerce to meet performance standards prescribed by the Consumer Product Safety Commission, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Cigarette Safety Act".

DEFINITIONS

SEC. 2. For purposes of this Act, the terms—

(1) "cigarette", "commerce", "United States", and "little cigar" have the meanings prescribed in paragraphs (1), (2), (3), and (7), respectively, of section 3 of the Federal Cigarette Labeling and Advertising Act;

(2) "sale or distribution" includes distribution of samples or any other distribution not for sale;

(3) "Commission" means the Consumer Product Safety Commission; and

(4) "cigarette safety standard" means any performance standard or cigarette safety rule promulgated by the Commission.

FINDINGS

SEC. 3. (a) The Congress finds that—

(1) the United States Fire Administration has determined that the careless use of smoking materials is the leading cause of fire-related death and injury in residences in the United States;

(2) fires caused by cigarettes and the careless use of smoking materials in the United States annually—

(A) kill approximately two thousand three hundred people,

(B) injure approximately five thousand eight hundred people, and

(C) result in property damage amounting to approximately $210,000,000;

(3) laboratory experiments have shown that a cigarette will burn continuously for approximately twenty to forty-five minutes when placed on a flat surface and that this is a reasonable period of time in which a burning cigarette must remain in contact with upholstered furniture and mattresses before a fire will result;

(4) as presently marked, cigarettes and little cigars are a dangerous ignition source which present an unreasonable risk of injury; and

(5) it is feasible and practicable to produce cigarettes and little cigars which do not present an unreasonable risk of injury.

(b) The Congress declares it to be the policy of the United States—

(1) to reduce the loss of life and property in the United States by requiring that cigarettes and little cigars manufactured for sale or distribution in commerce be processed to ensure that such cigarettes or little cigars—

(A) if ignited, will stop burning within a time period designate by the Commission, if such cigarettes or little cigars are not smoked during such period, or

(B) meet some other performance standard promulgated by the Commission to insure that such cigarettes or little cigars do not ignite smoldering upholstered furniture and mattress fires; and

(2) that such processing be accomplished without the addition of any toxic elements to a cigarette or little cigar.

RULEMAKING

SEC. 4. (a)(1) The Commission shall promulgate, within twenty-four months after the date of enactment of this Act, final consumer product safety standards for cigarettes and little cigars which set performance standards ensuring that such cigarettes and little cigars have a minimum capacity for igniting smoldering upholstered furniture and mattress fires.

(2) Performance standards for cigarettes and little cigars shall be developed by the Commission based on objective studies, including studies conducted by the Bureau of Standards of the Department of Commerce.

(b) The Commission shall commence the proceedings for the development of the cigarette safety standards under this Act by the publication in the Federal Register of an advance notice of proposed rulemaking which shall—

(1) state that Congress has declared that a safety standard for cigarettes and little cigars is necessary and that such standard shall be promulgated by the Commission; and

(2) invite interested persons to present their views concerning such standards, orally or in writing, during a period of not less than thirty days immediately following publication of such notice.

(c) Within twelve months after publication of the notice required by subsection (b), the Commission shall publish in the Federal Register general notice of proposed rulemaking under section 553(b) of title 5, United States Code. Such general notice of proposed rulemaking shall include the terms and substance of the proposed cigarette safety standard.

(d) Within twenty-four months after the date of enactment the Commission shall promulgate the standard after interested persons have been given an opportunity to participate in the rulemaking through submission of written data, views, or arguments with an opportunity for oral presentation. A transcript shall be kept of any oral presentation.

(e)(1) In the event the Commission, at any stage of the proceeding before a final standard is published, finds that a standard for cigarettes and little cigars would be techno-

logically impracticable or economically unreasonable, it shall take steps to terminate the proceeding.

(2) Termination of the standard development proceeding shall be accomplished by publication in the Federal Register of a notice announcing the Commission's intention to terminate the proceeding based on a finding, which must be fully supported by detailed reasons, that a standard for cigarettes and little cigars is technologically impracticable or economically unreasonable. Public comment shall be invited on the notice of intent to terminate the proceeding for a period of not less than sixty days. The Commission shall evaluate the comments received and either publish a final notice in the Federal Register terminating the proceeding, or proceed with the next step in the development of the standard.

(3) The Commission shall prepare a report on the final termination of the standard development proceeding and transmit it to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives. Such report shall include the Commission's findings, submitted comments, and rationale supporting the Commission's final determination.

(f)(1) The final rule promulgating the cigarette safety standard shall specify the date such standard is to take effect, not to exceed forty-eight months after the date of enactment of this Act. If the Commission finds that by eighteen months after the date of enactment of this Act that it is unable to issue the rule within twenty-four months of the date of enactment, it shall prepare and transmit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives, outlining the reasons for the extension and designating the additional time period required, not to exceed one year, to issue a rule, and the Commission shall issue a notice of extension in the Federal Register.

(2) For purposes of this Act, the rulemaking provisions of sections 7 and 9 of the Consumer Product Safety Act, and rulemaking sections of any other acts administered by the Commission, shall not apply. Notwithstanding any other provision of law, the Commission shall not be required to make findings pursuant to these sections.

(3) The Commission may by rule prohibit a manufacturer of cigarettes or little cigars from stockpiling such products to which the standard promulgated pursuant to this section applies. For purposes of this paragraph, the term "stockpiling" means manufacturing or importing a product between the date of promulgation of such consumer product safety standard and its effective date at a rate greater than the rate at which such products were produced or imported during the one-year period immediately preceding the date of enactment of this Act.

JUDICIAL REVIEW

SEC. 5. (a) Any person who is adversely affected or aggrieved by the standard promulgated pursuant to this Act may, at any time prior to the sixtieth day after the Commission promulgates the final rule, file a petition with the United States court of appeals for the circuit in which such person resides or has his principal place of business for a judicial review of this rule. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commission. The Commission shall file in the court the record of the proceedings on which the Commission based its final rule as provided in section 2112 of title 28, United States Code.

(b) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there was no opportunity to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Commission in a hearing or in such other manner, and upon such terms and conditions, as the court deems proper. The Commission may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, and its recommendations, if any, for the modification of the final rule.

(c) Upon the filing of the petition under this section, the court shall have jurisdiction to review the final rule of the Commission, as modified, in accordance with chapter 7 of title 5, United States Code. If the court ordered additional evidence to be taken under subsection (b) of this section, the court shall also review the Commission's final rule to determine if, on the basis of the entire record before the court pursuant to subsections (a) and (b) of this section, it is supported by substantial evidence. If the court finds the final rule is not so supported, the court may require its modification or reversal.

(d) The judgment of the court affirming, setting aside or modifying, in whole or in part, the Commission's final rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

(e) Section 11 of the Consumer Product Safety Act and the judicial review section of any other Act administered by the Commission do not apply to judicial review of the Commission's final cigarette safety standard.

REMEDIES

SEC. 6. The cigarette safety standards, as promulgated in a final rule, shall be deemed to be a consumer product safety standard as defined under section 3 of the Consumer Product Safety Act, and shall be subject to all remedial and penalty provisions of the Consumer Product Safety Act.

CONFORMING AMENDMENTS

SEC. 7. Section 3(a)(1)(B) of the Consumer Product Safety Act is amended by adding after the word "products" the following: "except that cigarettes and little cigars are deemed to be consumer products for the purposes of regulating them as an ignition source".

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. For each of the first three fiscal years beginning after the date of enactment of this Act, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

TO HONOR RUTH BLOOM

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. ACKERMAN. Mr. Speaker, I would like to take this opportunity to offer my congratulations to the Honorable Ruth Bloom who will be receiving the "Woman of Valor Award" from Yeshiva Dov Revel, Forest Hill, N.Y. This award is the highest recognition that the Yeshiva can bestow on a woman.

Ruth Bloom has been one the most distinguished members of my community for many years as demonstrated by her exemplary dedication to the civic, education, and religious institutions. She has served as State committeewoman and district leader in the 28th Assembly District of New York. In addition, Mrs. Bloom has served faithfully on Community School Board 28 and the Youth Committee of Community Board 6 which permits her to take an active and important role in the training of our many young people. Mrs. Bloom has also been faithful to her religious beliefs which have enabled her to share her strong values with other members of her community. Ruth has distinguished herself as a delegate to the Queens Jewish Community Council, past president of the Yeshiva University Women of Queens County, member of the National Board of Emunah Women, and vice chairperson of the Raoul Wallenberg Committee in Queens.

Her work and actions prove that the Yeshiva Dov Revel have selected no finer or more worthy a person as "Woman of Valor."●

REPEAL THE NATURAL GAS POLICY ACT

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. RALPH M. HALL. Mr. Speaker, today I am proud to endorse legislation which seeks to ease the burden of rising prices being placed on the residential and industrial consumers of natural gas. Also noteworthy is the fact that H.R. 1760, helps to assure that an adequate supply will be available to consumers by providing incentives to producers to explore for new reserves.

The legislation which Secretary Donald Hodel has drawn up is an innovative approach which deserves praise. Many in this body will choose to do nothing and some may even advocate more rigid price controls. To those people I direct your attention to the falling price of oil. I suspect that those who would strike out against this proposal were also the same people who spoke out against the decontrol of oil. Now as the saying goes, "seeing is believing."

Those who support the "do nothing" approach are endorsing the yearly price increases which consumers have

experienced under the Natural Gas Policy Act. The American Gas Association's data shows that since the NGPA has been in force, residential consumers have faced an average increase in the cost of gas of 21 percent every year. Industrial users have faced a 19 percent increase. In my home State of Texas, this trend has been even worse. According to the Texas Railroad Commission's annual report, Texas residential consumers paid 23 percent more for gas in 1981 and it is expected when the numbers are completed that that figure will rise to 25 percent for 1982. So I ask my friends who say the NGPA is working whether they support increasing their constituents gas prices at the current NGPA track record rates.

In closing, I do not endorse the record of the NGPA. To do so would burden the people of Texas with continued unreasonable price increases. The Secretary of Energy has presented to the Congress a workable framework which is truly innovative and should be saluted for his leadership. I look forward to the challenge of fine tuning the bill so that equity can be reached in the natural gas market from the wellhead to the burner tip.●

CHILD ABUSE PREVENTION

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. HERTEL of Michigan. Mr. Speaker, it is estimated that as many as 10,000 children are severely beaten each year, 50,000 to 70,000 are sexually abused, 100,000 are emotionally neglected and another 100,000 are physically, morally, and educationally neglected.

Child abuse and neglect are problems that often go unreported because they usually occur within the confines of one's own home, and can be concealed with clothing or passed off as accidents. The problem is further complicated because courts and legislatures are reluctant to get involved in internal family matters.

The key to child abuse prevention is public awareness; that is why it is important that Congress passes House Joint Resolution 22, "National Child Abuse Prevention Month." An awareness month is an excellent way to inform and educate people across the Nation on the problems of child abuse and neglect. A well-informed public would be instrumental in identifying, treating, and preventing child abuse and neglect.●

THE PASSING OF AN AMERICAN HERO

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. BEREUTER. Mr. Speaker, it is with sadness that I note the passing of another of the Nation's heroes. Richard O. Joyce, a life-long resident and business leader of Nebraska, was also a participant in the B-25 raid on Tokyo led by Col. Jimmy Doolittle in 1942.

As a 22-year-old lieutenant, Joyce was the pilot of 1 of 16 B-25's which took off from an aircraft carrier in the Pacific and brought the war home to the Japanese. Although of little military significance, the raid proved to be a great morale boost for the Nation and its allies, and marked the beginning of our long and costly effort to vanquish the aggressor and restore world peace.

The courage and sense of duty displayed by Joyce and the others who participated in the historic raid should serve as an example of the fighting spirit of the American soldier, sailor, airman, and marine who is dedicated to maintaining freedom throughout the world.

I ask that the obituary of Richard O. Joyce be reprinted in the RECORD for the benefit of my colleagues:

[From the Lincoln (Nebr.) Star, Feb. 14, 1983]

RICHARD JOYCE, AIRPORT AUTHORITY CHAIRMAN, DIES

Richard O. Joyce, president of Henkle and Joyce Hardware Co. and chairman of the Lincoln Airport Authority, died Sunday. He was 62.

Services for Joyce, 1620 Skyline Drive, will be Tuesday at 11 a.m. at Holy Trinity Episcopal Church.

A Lincoln native and graduate of Lincoln High School, Joyce graduated from the University of Nebraska in 1940 with a degree in business administration.

He served in the U.S. Army Air Corp from 1940 to 1945, as a member of then-Col. Jimmy Doolittle's Raiders, participating in the famous Doolittle-led bombing of Tokyo on April 13, 1942.

In an 1980 interview, Joyce described the raid.

Joyce, then a 22-year-old lieutenant, was the pilot of one of 16 Mitchell bombers, specially modified with larger fuel tanks. The plan was for a carrier to sail within 400 miles of Japan and for the Army planes to land at Chinese bases after the raid.

It didn't work. The carrier was spotted by the Japanese 650 miles off the coast. Adm. William Halsey could have scrubbed the plan but allowed Doolittle's Raiders to go ahead, with a critical 250 miles added to their flight plan. They would ditch in the sea after hitting the Japanese capitol.

Joyce's plane was the 10th; it was his first takeoff from a carrier. He flew at 50 feet above the waves, staying under enemy radar.

After dropping his bombs, Joyce lost himself in the clouds to avoid pursuing fighters and headed for the Chinese coast. Bad weather and a heavy tail wind carried the plane far inland. Fourteen hours after takeoff the fuel was gone and the crew bailed out.

Joyce landed on a Chinese mountainside and eventually made his way to an anti-Japanese guerrilla base and three weeks later to Chungking.

The war didn't end there for Joyce. He flew in the China-Burma-India Theater, flying 27 bomber and 11 fighter missions and winning the Distinguished Flying Cross and Chinese Army-Navy Medal. He spent the rest of the war in the United States, training crews for B25s and B26s.

Joyce returned to Lincoln after the war and went into the family's wholesale hardware business. But he kept flying and kept up his interest in aviation. In 1964 he was appointed to the Lincoln Airport Authority.

Besides his work with the Airport Authority, Joyce was a director of the First National Bank of Lincoln and Century Western Corp. of Houston, and was treasurer of both the Lancaster County Red Cross and Lincoln General Hospital Foundation.

He is survived by his wife, Drucilla, three sons, a daughter, step-son and step-daughter.●

REPEATING PAST MISTAKES

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. SWIFT. Mr. Speaker, yesterday we passed H.R. 1699, the Emergency Math and Science Education Act, also known as the Sputnik II bill. I voted for it. It was necessary.

However, there was an element of deja vu in the debate, and I kept thinking of the admonition that those who ignore history are bound to repeat it.

In the years prior to Sputnik, America had permitted its funding of education to slip. The Soviet satellite startled us into realizing that we were not prepared to compete as well as we should be and we responded with an emergency funding of science and math.

Some time later we realized that we were also neglecting the humanities and we brought them along as well.

And then, with the immediate threat gone and our attentions diverted to other problems, we again let our funding of education at the local, State, and Federal level wane.

Yesterday we responded again—even using the term "Sputnik II." I was in high school in the early 1950's. But yesterday it was almost as if I had been in Congress then—voting on the Sputnik I funding of science and math education improvements.

One would hope that we will soon recognize the need for better funding of the humanities as we did before. And we could hope that, this time, we would not let our commitment to sound overall education fade away as other problems push to the forefront.

But with proposals for tuition tax credits, voucher systems, and the like, I am not optimistic. We do ignore the lessons of history and we do repeat our mistakes.●

REAUTHORIZATION OF GENERAL REVENUE SHARING

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. WEISS. Mr. Speaker, Congressman FRANK HORTON and I and a number of our colleagues have introduced a bill today to reauthorize the general revenue sharing program for an additional 5 years. The current revenue sharing authorization will expire on September 30 of this year.

Our bill would make the following changes in the existing program. It would restore the State share on an entitlement basis, and it would increase the total annual allocation by 16 percent, to $7.95 billion, to adjust for the loss in purchasing power of these funds due to inflation since the program's last reauthorization in 1980.

I also hope to introduce a bill to provide countercyclical fiscal assistance to State and local governments when they are adversely affected by serious declines in our national economy. This legislation is in the process of being developed, and I anticipate introducing it shortly.

Mr. Speaker, revenue sharing was originally passed in 1972 to provide discretionary funds to all local general purpose governments, as well as to their State governments as a supplement to the specific purpose categorical grants many of them were then receiving. Revenue sharing was designed to be an entitlement program that would automatically allocate funds to eligible governments for the entire period of the authorization without matching requirements and with a minimum of paperwork. While revenue sharing has never constituted a very sizable percentage of State or local budgets—and that percentage has been steadily declining—these discretionary funds are extremely important in budgets that are otherwise highly restricted.

We also believe it is tremendously important that Congress retain the entitlement feature of this legislation, since it is essential for local and State governments to have advance information on the amounts they will receive before adopting their budgets. Incorporating these funds in the budget process of State and local governments provides the best assurance to Congress that revenue sharing dollars will be wisely spent.

Revenue sharing, as originally conceived, was intended to help correct the imbalance at the State and local levels between growing service needs and limited revenue sources. However, as we know, revenue sharing has steadily lost ground since the program's inception in 1972, both the victim of inflation and as the result of discontinuance since 1980 of the State share.

Except for a small increase voted in 1976, the level of funding has remained constant despite very high inflation rates that have eroded the purchasing power of these dollars. I think this is wrong, and we should do something about it. Accordingly, our bill incorporates a modest 16-percent increase in the funding level of the 1980 reauthorization to compensate for the impact of inflation since that time.

We should also be aware that President Reagan's New Federalism initiatives, since 1981, have brought a reduction in budget authority for grants to State and local governments of $13.4 billion, or 12.7 percent, at the very time these governments have been rocked by the most severe recession since the 1930's.

I am sure the Members of this body are keenly aware that many State and local governments today are in desperate financial straits. They have been buffeted by taxpayer revolts in some instances, by the economic recession—depression would be more accurate a description for some parts of the Nation—and by the reduction of Federal grants.

How have these governments coped with these forces? In general, they have been forced to cut services, reduce their work forces, and increase taxes and user charges. These actions have entailed very painful decisions for our State and local governments.

To cite a few statistics, during the past 2 years 8 States were forced to raise their individual income taxes and 13 States raised their sales taxes. Both of these major taxes were increased in 5 States. In addition, 27 States raised their gasoline or motor vehicle taxes, 16 raised alcoholic beverage taxes, and 11 raised the cigarette tax. Tax increases of this kind are unprecedented in recent history. Obviously, the States and their local governments need and deserve a helping hand from Washington.

Revenue sharing, in my judgment, is an effective way to target Federal assistance, with a minimum of bureaucratic interference and redtape, to our local governments most in need of financial help. These communities include the smaller municipalities that generally do not benefit from categorical grants, and the large urban centers that have high concentrations of low-income people and, consequently, service needs that often exceed their taxing capacities. Revenue sharing has been successful in dealing with these special situations, while providing funds to all general purpose governments to be spent in accordance with local decisions and local priorities.

I think it clear that we must retain and strengthen this program which has been so valuable to our State and local governments during the past decade.

Mr. Speaker, the Intergovernmental Relations and Human Resources Subcommittee, which I am privileged to chair, will begin hearings on March 15 on my bill and other proposals to extend the revenue sharing program. Members wishing to testify are requested to contact the subcommittee office on extension 5-2548 to arrange a convenient time.

The text of the bill follows:

H.R. 1930

A bill to extend and amend the provisions of title 31, United States Code, relating to the general revenue sharing program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "State and Local Fiscal Assistance Amendments of 1983".

EXTENSION OF PROGRAM

SEC. 2. Section 6701(a)(1) of title 31, United States Code, is amended to read as follows:

"(1) 'entitlement period' means each one-year period beginning on October 1 of 1983, 1984, 1985, 1986, and 1987.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. Section 6703(b) of title 31, United States Code, is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) $2,648,667,000 for each entitlement period to pay entitlement amounts allocated to State governments for that period under section 6705 of this title; and

"(2) $5,297,333,000 for each entitlement period to pay entitlement amounts allocated to units of general local government for that period under sections 6708, 6709, and 6710 of this title.".

ENTITLEMENT OF STATE GOVERNMENTS TO PAYMENTS

SEC. 4. (a) Section 6702(a) is amended by striking out the first two sentences and inserting in lieu thereof the following: "Each State government and unit of general local government is entitled to an amount equal to any amount allocated to that government under this chapter.".

(b) Section 6705 of title 31, United States Code, is amended to read as follows:

"§ 6705. State government allocations.

"For each entitlement period, the Secretary of the Treasury shall allocate out of the amount authorized for the period under section 6703(b)(1) of this title an amount bearing the same ratio to the amount authorized as the amount allocated to the State under section 6707 of this title bears to the total amount allocated to States under such section.".●

ECONOMIC REPORTS IMPROVE OVERSIGHT

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. KEMP. Mr. Speaker, 2 weeks ago, in an op-ed piece which appeared in the Wall Street Journal, I made reference to an effort by the Subcommittee on Foreign Operations to secure from AID and Treasury a set of reports on the domestic economic policies of nations receiving bilateral or multilateral assistance from the United States. In that piece I expressed some frustration with the length of time it had taken to work out the reporting process and to receive what the subcommittee views as vital information.

I am pleased to report to my colleagues that the wait was well worthwhile. We have received reports on 22 nations, a geographical and economic cross-section of aid recipients. Each report contains a succinct description of the monetary and fiscal policies pursued in the countries and an analysis of the incentive structure for both domestic and foreign investment. These will be of tremendous assistance to the subcommittee, and, I believe, to the administration, in designing and evaluating our economic assistance program.

I compliment the Department of Treasury and the State Department for the effort that has been made and the fine products which we have received. As we complete the coverage of these reports and use them in our oversight work, I am confident that we will develop a very useful tool for improving our work.●

DAVY CROCKETT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. PAUL. Mr. Speaker, Davy Crockett gave his life for freedom at the Alamo, so we Texans have always considered him one of us, although he was in our State for only a few weeks.

Before coming to Texas, Crockett served as a Member of Congress, and his record was an outstanding one. He cast one wrong vote, but after a distinguished constituent, Horatio Bunce, explained to him why it was unconstitutional, Colonel Crockett never again voted that way.

The vote in question—giving tax money to a group of Georgetown residents who lost their homes in a fire—seems acceptable enough today. After all, the major activity of the U.S. Congress today is taking from one group to give to another.

But the great Davy Crockett—thanks to the wisdom of a constituent—came to see that this was neither moral nor constitutional.

The issue is honesty in Government, and because Crockett's words and actions are so relevant to today's politics, I would like to bring this excerpt from Edward Ellis' "Life of Colonel Davy Crockett" to my colleagues' attention.

The excerpt follows:

NOT YOURS TO GIVE

One day in the House of Representatives, a bill was taken up appropriating money for the benefit of a widow of a distinguished naval officer. Several beautiful speeches had been made in its support. The Speaker was just about to put the question when Crockett arose:

"Mr. Speaker—I have as much respect for the memory of the deceased, and as much sympathy for the sufferings of the living, if suffering there be, as any man in this House, but we must not permit our respect for the dead or our sympathy for a part of the living to lead us into an act of injustice to the balance of the living. I will not go into an argument to prove that Congress has no power to appropriate this money as an act of charity. Every Member upon this floor knows it. We have the right as individuals, to give away as much of our own money as we please in charity; but as Members of Congress we have no right so to appropriate a dollar of the public money. Some eloquent appeals have been made to us upon the ground that it is a debt due the deceased. Mr. Speaker, the deceased lived long after the close of the war; he was in office to the day of his death, and I have never heard that the Government was in arrears to him.

Every man in this House knows it is not a debt. We cannot, without the grossest corruption, appropriate this money as the payment of a debt. We have not the semblance of authority to appropriate it as a charity. Mr. Speaker, I have said we have the right to give as much money of our own as we please. I am the poorest man on this floor. I cannot vote for this bill, but I will give one week's pay to the object, and if every Member of Congress will do the same, it will amount to more than the bill asks."

He took his seat. Nobody replied. The bill was put upon its passage, and, instead of passing unanimously, as was generally supposed, and as, no doubt, it would, but for that speech, it received but few votes, and, of course, was lost.

Later, when asked by a friend why he had opposed the appropriation, Crockett gave this explanation:

"Several years ago I was one evening standing on the steps of the Capitol with some other Members of Congress, when our attention was attracted by a great light over in Georgetown. It was evidently a large fire. We jumped into a hack and drove over as fast as we could. In spite of all that could be done, many houses were burned and many families made houseless, and, besides, some of them had lost all but the clothes they had on. The weather was very cold, and when I saw so many women and children suffering, I felt that something ought to be done for them. The next morning a bill was introduced appropriating $20,000 for their relief. We put aside all other business and rushed it through as soon as it could be done.

"The next summer, when it began to be time to think about the election, I concluded I would take a scout around among the boys of my district. I had no opposition there, but, as the election was some time off, I did not know what might turn up. When riding one day in a part of my district in which I was more a stranger than any other, I saw a man in a field plowing and coming toward the road. I gauged my gait so that we should meet as he came to the fence. As he came up, I spoke to the man. He replied politely, but, as I thought, rather coldly.

"I began: 'Well, friend, I am one of those unfortunate beings called candidates, and—'

"'Yes, I know you; you are Colonel Crockett. I have seen you once before, and voted for you the last time you were elected. I suppose you are out electioneering now, but you had better not waste your time or mine. I shall not vote for you again.'

"This was a sockdolager . . . I begged him to tell me what was the matter.

"'Well, Colonel, it is hardly worth-while to waste time or words upon it. I do not see how it can be mended, but you gave a vote last winter which shows that either you have not capacity to understand the Constitution, or that you are wanting in the honesty and firmness to be guided by it. In either case you are not the man to represent me. But I beg your pardon for expressing it in that way. I did not intend to avail myself of the privilege of the constituent to speak plainly to a candidate for the purpose of insulting or wounding you. I intend by it only to say that your understanding of the Constitution is very different from mine; and I will say to you what, but for my rudeness, I should not have said, that I believe you to be honest. . . . But an understanding of the Constitution different from mine I cannot overlook, because the Constitution, to be worth anything, must be held sacred, and rigidly observed in all its provisions. The man who wields power and misinterprets it is the more dangerous the more honest he is.'

"'I admit the truth of all you say, but there must be some mistake about it, for I do not remember that I gave any vote last winter upon any constitutional question.'

"'No, Colonel, there's no mistake. Though I live here in the backwoods and seldom go from home, I take the papers from Washington and read very carefully all the proceedings of Congress. My papers say that last winter you voted for a bill to appropriate $20,000 to some sufferers by a fire in Georgetown. Is that true?'

"'Well, my friend; I may as well own up. You have got me there. But certainly nobody will complain that a great and rich country like ours should give the insignificant sum of $20,000 to relieve its suffering women and children, particularly with a full and overflowing Treasury, and I am sure, if you had been there, you would have done just as I did.'

"'It is not the amount, Colonel, that I complain of; it is the principle. In the first place, the Government ought to have in the Treasury no more than enough for its legitimate purposes. But that has nothing to do with the question. The power of collecting and disbursing money at pleasure is the most dangerous power that can be entrusted to man, particularly under our system of collecting revenue by a tariff, which reaches every man in the country, no matter how poor he may be, and the poorer he is the more he pays in proportion to his means. What is worse, it presses upon him without his knowledge where the weight centers, for there is not a man in the United States who

can ever guess how much he pays to the Government. So you see, that while you are contributing to relieve one, you are drawing it from thousands who are even worse off than he. If you had the right to give anything, the amount was simply a matter of discretion with you, and you had as much right to give $20,000,000 as $20,000. If you have the right to give to one, you have the right to give to all; and, as the Constitution neither defines charity nor stipulates the amount, you are at liberty to give to any and everything which you may believe, or profess to believe, is a charity, and to any amount you may think proper. You will very easily perceive what a wide door this would open for fraud and corruption and favoritism, on the one hand, and for robbing the people on the other. No, Colonel, Congress has no right to give charity. Individual Members may give as much of their own money as they please, but they have no right to touch a dollar of the public money for that purpose. If twice as many houses had been burned in this county as in Georgetown, neither you nor any other Member of Congress would have thought of appropriating a dollar for our relief. There are about two hundred and forty Members of Congress.

"If they had shown their sympathy for the sufferers by contributing each one week's pay, it would have made over $13,000. There are plenty of wealthy men in and around Washington who could have given $20,000 without depriving themselves of even a luxury of life. The Congressmen chose to keep their own money, which, if reports be true, some of them spend not very creditably; and the people about Washington, no doubt, applauded you for relieving them from the necessity of giving by giving what was not yours to give. The people have delegated to Congress, by the Constitution, the power to do certain things. To do these, it is authorized to collect and pay moneys, and for nothing else. Everything beyond this is usurpation, and a violation of the Constitution.

"So you see, Colonel, you have violated the Constitution in what I consider a vital point. It is a precedent fraught with danger to the country, for when Congress once begins to stretch its power beyond the limits of the Constitution, there is no limit to it, and no security for the people. I have no doubt you acted honestly, but that does not make it any better, except as far as you are personally concerned, and you see that I cannot vote for you.

"I tell you I felt streaked. I saw if I should have opposition, and this man should go to talking, he would set others to talking, and in that district I was a gone fawn-skin. I could not answer him, and the fact is, I was so fully convinced that he was right, I did not want to. But I must satisfy him, and I said to him:

"'Well, my friend, you hit the nail upon the head when you said I had not sense enough to understand the Constitution. I intended to be guided by it, and I thought I had studied it fully. I have heard many speeches in Congress about the powers of Congress, but what you have said here at your plow has got more hard, sound sense in it than all the fine speeches I ever heard. If I had ever taken the view of it that you have, I would have put my head into the fire before I would have given that vote; and if you will forgive me and vote for me again, if I ever vote for another unconstitutional law I wish I may be shot.'

"He laughingly replied: 'Yes, Colonel, you have sworn to that once before, but I will trust you again upon one condition. You say that you are convinced that your vote was wrong. Your knowledge of it will do more good than beating you for it. If, as you go around the district, you will tell people about this vote, and that you are satisfied it was wrong, I will not only vote for you, but will do what I can to keep down opposition, and, perhaps, I may exert some little influence in that way.'

"'If I don't,' said I, 'I wish I may be shot; and to convince you that I am in earnest in what I say I will come back this way in a week or ten days, and if you will get up a gathering of the people, I will make a speech to them. Get up a barbecue, and I will pay for it.'

"'No, Colonel, we are not rich people in this section, but we have plenty of provisions to contribute for a barbecue, and some to spare for those who have none. The push of crops will be over in a few days, and we can then afford a day for a barbecue. This is Thursday; I will see to getting it up on Saturday week. Come to my house on Friday, and we will go together, and I promise you a very respectable crowd to see and hear you.'

"'Well, I will be here. But one thing more before I say good-by. I must know your name.'

"'My name is Bunce.'

"'Not Horatio Bunce?'

"'Yes.'

"'Well, Mr. Bunce, I never saw you before, though you say you have seen me, but I know you very well. I am glad I have met you, and very proud that I may hope to have you for my friend.'

"It was one of the luckiest hits of my life that I met him. He mingled but little with the public, but was widely known for his remarkable intelligence and incorruptible integrity, and for a heart brimful and running over with kindness and benevolence, which showed themselves not only in words but in acts. He was the oracle of the whole country around him, and his fame had extended far beyond the circle of his immediate acquaintance. Though I had never met him before, I had heard much of him, and but for this meeting it is very likely I should have had opposition, and had been beaten. One thing is very certain, no man could now stand up in that district under such a vote.

"At the appointed time I was at his house, having told our conversation to every crowd I had met, and to every man I stayed all night with, and I found that it gave the people an interest and a confidence in me stronger than I had ever seen manifested.

"Though I was considerably fatigued when I reached his house, and, under ordinary circumstances, should have gone early to bed, I kept him up until midnight, talking about the principles and affairs of Government, and got more real, true knowledge of them than I had got all my life before.

"I have known and seen much of him since, for I respect him—no, that is not the word—I reverence and love him more than any living man, and I go to see him two or three times every year; and I will tell you, sir, if every one who professes to be a Christian lived and acted and enjoyed it as he does, the religion of Christ would take the world by storm.

"But to return to my story. The next morning we went to the barbecue, and, to my surprise, found about a thousand men there. I met a good many whom I had not known before, and they and my friend introduced me around until I had got pretty well acquainted—at least, they all knew me.

"In due time notice was given that I would speak to them. They gathered up around a stand that had been erected. I opened my speech by saying:

"'Fellow-citizens—I present myself before you today feeling like a new man. My eyes have lately been opened to truths which ignorance or prejudice, or both, had heretofore hidden from my view. I feel that I can today offer you the ability to render you more valuable service than I have ever been able to render before. I am here today more for the purpose of acknowledging my error than to seek your votes. That I should make this acknowledgment is due to myself as well as to you. Whether you will vote for me is a matter for your consideration only.'

"I went on to tell them about the fire and my vote for the appropriation and then told them why I was satisfied it was wrong. I closed by saying:

"'And now, fellow-citizens, it remains only for me to tell you that the most of the speech you have listened to with so much interest was simply a repetition of the arguments by which your neighbor, Mr. Bunce, convinced me of my error.

"'It is the best speech I ever made in my life, but he is entitled to the credit for it. And now I hope he is satisfied with his convert and that he will get up here and tell you so.'

"He came upon the stand and said:

"'Fellow-citizens—It affords me great pleasure to comply with the request of Colonel Crockett. I have always considered him a thoroughly honest man, and I am satisfied that he will faithfully perform all that he has promised you today.'

"He went down, and there went up from that crowd such a shout for Davy Crockett has his name never called forth before.

"I am not much given to tears, but I was taken with a choking then and felt some big drops rolling down my cheeks. And I tell you now that the remembrance of those few words spoken by such a man, and the honest, hearty shout they produced, is worth more than all the honors I have received and all the reputation I have ever made, or ever shall make, as a Member of Congress.

"Now, sir," concluded Crockett, "you know why I made that speech yesterday.

"There is one thing now to which I will call your attention. You remember that I proposed to give a week's pay. There are in that House many very wealthy men—men who think nothing of spending a week's pay, or a dozen of them, for a dinner or a wine party when they have something to accomplish by it. Some of those same men made beautiful speeches upon the great debt of gratitude which the country owed the deceased—a debt which could not be paid by money—and the insignificance and worthlessness of money, particularly so insignificant such as $10,000, when weighed against the honor of the Nation. Yet not one of them responded to my proposition. Money with them is nothing but trash when it is to come out of the people. But it is the one great thing for which most of them are striving and many of them sacrifice honor, integrity, and justice to obtain it."●

THE SOCIAL SECURITY BILL AS REPORTED BY THE WAYS AND MEANS COMMITTEE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. STARK. Mr. Speaker, because of the great interest concerning the social security bill reported by the Ways and Means Committee, on which I serve, I am inserting the press release by the committee announcing the committee's action on the social security financing package in the RECORD:

The committee's bill is based upon the recommendations of the National Commission on Social Security Reform and includes as well several miscellaneous and technical amendments to the Social Security Act. A summary of the committee's action on titles I, II and III follows:

TITLE I.—PROVISIONS AFFECTING THE FINANCING OF THE SOCIAL SECURITY SYSTEM

COVERAGE

New Federal employees ($9.3 billion)[1]

Provides for coverage under social security of the following groups: (1) all Federal employees hired on or after January 1, 1984, including those with previous periods of Federal service; (2) legislative branch employees on the same basis, as well as all current employees of the legislative branch who are not participating in the Civil Service Retirement System as of December 31, 1983; (3) all Members of Congress, the President and the vice-President effective January 1, 1984; (4) all new employees of the judicial branch, including judges, on or after January 1, 1984; (5) all elected officials and political appointees of all branches of government, including (in addition to elected officials mentioned above) all sitting Federal judges, and all executive level and senior executive service political appointees, as of January 1, 1984. Salaries of Federal judges under age 70 will be considered wages for purposes of the social security earnings test.

Nonprofit employees ($12.5 billion)

Extends social security coverage on a mandatory basis to all employees of nonprofit organizations as of January 1, 1984. Nonprofit employees age 55 or older affected by this provision would be deemed to be fully insured for social security benefits after acquiring a given number of quarters of coverage, according to a sliding scale set in the law (e.g., 20 quarters would be required for persons age 55 and 56, ranging down to 6 quarters for those age 60 and over).

Prohibit termination by State and local governments ($3.2 billion)

Prohibits state and local governments from terminating coverage for their employees if the termination has not taken effect by the date legislation is enacted, and allows State and local governments which have withdrawn from the social security system to voluntarily rejoin.

[1] All cost estimates are preliminary, subject to revision by the Office of the Actuary, Social Security Administration. The estimates are cumulative for 1983-1989.

COMPUTATION OF BENEFITS

Delay cost-of-living adjustment ($39.4 billion)

Delays the June 1983 cost-of-living adjustment until December (January 1984 check), and provides all subsequent cost-of-living adjustments in December (January checks). The SMI premium would not be adjusted until January 1, 1984. A cost-of-living adjustment would be provided in the January 1984 payment even if the increase in the CPI is less than 3 percent.

Stabilizer

Beginning with 1988, if the fund ratio of the combined OASDI Trust Funds as of the beginning of a year is less than 20.0 percent, the automatic cost-of-living (COLA) adjustment of OASDI benefits would be based on the lower of the CPI increase or the increase in average wages. A "catch-up" benefit payment would be made in a subsequent year whenever trust fund reserves reach at least 32 percent.

Windfall benefits ($0.3 billion)

Modifies the social security benefit formula (substituting 61 percent for the 90 percent in the first bracket of the formula) so as to reduce social security benefits received by workers who are eligible for a pension from noncovered work but who have worked long enough in covered employment to be eligible for social security benefits. This formula would apply only to those reaching age 60 after 1983.

Delayed retirement credit

Gradually increases the delayed retirement credit from 3 pecent to 8 percent per year between 1990 and 2010.

REVENUE PROVISIONS

Taxation of social security (OASDI) benefits for higher-income persons ($27.3 billion)

Includes in taxable income, beginning in 1984, a portion of social security benefits and Tier One benefits payable under the Railroad Retirement Act for taxpayers whose adjusted gross income combined with 50 percent of their benefits exceeds a base amount. The base amount would be $25,000 for an individual, $32,000 for a married couple filing a joint return and zero for married persons filing separate returns. The amount of benefits that could be included in taxable income would be the *lesser* of one-half of benefits or one-half of the excess of the taxpayers' combined income (adjusted gross income plus one-half of benefits) over the base amount.

The proceeds from the taxation of benefits, as estimated by the Treasury Department, would be transferred to the appropriate trust funds.

FICA tax rates (OASDI) ($39.4 billion)

Advances the payroll tax increase scheduled for 1985 to 1984 and part of the increase scheduled for 1990 to 1988, as indicated below. (Conforming changes would be made in the Tier One Railroad Retirement Tax rates.)

EMPLOYER-EMPLOYEE OASDI TAX RATE (EACH)

[In percent]

	Current law	Proposed
1984	5.40	5.70
1985	5.70	5.70
1986	5.70	5.70
1987	5.70	5.70
1988	5.70	6.06
1989	5.70	6.06
1990	6.20	6.20

Tax credit for 1984 FICA taxes

Provides for a one time credit of 0.3 percent of wages to be allowed against 1984 employee FICA and Tier One Railroad Retirement taxes. Appropriations to the Old Age and Survivors and Disability Insurance Trust Funds would be based on a 5.7 percent rate. Conforming changes would be made in Tier One Railroad Retirement Tax rates.

Tax on self-employment income ($18.5 billion)

Beginning in 1984, the OASDHI rates for self-employed persons would be equal to the combined employer-employee OASDHI rate. In addition, self-employed persons would be allowed a SECA tax credit of 2.1 percent of net self-employment income in 1984, 1.8 percent from 1985 through 1988 and 1.9 percent thereafter.

BENEFITS FOR CERTAIN SURVIVING DIVORCED AND DISABLED SPOUSES

Benefits for certain widows, divorced and disabled women (−$1.5 billion)

Four provisions were approved to continue benefits for a surviving divorced or disabled spouse who remarries, to increase benefits for disabled widows and widowers and for widows whose husbands died several years before the widow is eligible for benefits and to allow divorced spouses to draw spouses' benefits at age 62 whether or not the former spouse has retired.

MECHANISMS TO ASSURE CONTINUED BENEFIT PAYMENTS IN UNEXPECTEDLY ADVERSE CONDITIONS

Interfund borrowing

Authorizes interfund borrowing between the OASI, DI and HI trust funds for calendar years 1983-1987, with provision for repayment of the principal and interest of all such loans (including amounts borrowed in 1982) at the earliest feasible time but not later than the end of calendar year 1989.

Fixed monthly tax transfers

Provides for a revision of accounting procedures under which the Treasury would credit to the OASDHI trust funds, at the beginning of each month, the amount of payroll tax revenues that is estimated to be received during the month. These amounts would be invested by the trust funds as all other assets are invested, and the trust fund would pay interest to the general fund on these amounts.

Managing trustee report to the Congress concerning trust fund shortfalls

Requires the Board of Trustees to report immediately to Congress whenever the amount in *any* trust fund is unduly small and to recommend in that report a specific legislative plan to remedy the shortfall. Any plan must be enacted by Congress before taking effect and would go into effect no earlier than 30 days after enactment.

OTHER FINANCING AMENDMENTS

Reimbursement to trust funds for military wage credits and uncashed OASDI checks ($17.2 billion)

Military Wage Credits

Provides for a lump-sum payment to the OASDI trust funds from the General Fund of the Treasury for: (i) The present value of the estimated additional benefits arising from the gratuitous military service wage credits for service before 1957; and (ii) the amount of the combined employer-employee OASDHI taxes on the gratuitous military service wage credits for service approval by

Congress of a repayment plan that must be submitted after 1956 and before 1983.

Uncashed OASDI Checks

Provides for a lump-sum payment to the OASDI trust funds from the General Fund representing the amount of all uncashed benefit checks which have been issued in the past, and requires the implementation of a procedure to credit the trust funds on a regular basis with an amount equal to the value of all OASDI benefit checks which have not been negotiated for a period of six months.

TITLE II.—ADDITIONAL PROVISIONS RELATING TO LONG-TERM FINANCING OF THE SOCIAL SECURITY SYSTEM

Long-range benefit formula and tax rate changes

Reduces initial benefit levels by 5 percent by decreasing the factors in the benefit formula by two-thirds of 1 percent each year for 8 years beginning in the year 2000. Increases the OASDI tax rate by .24 percentage points for employers and employees each in the year 2015.

TITLE III.—MISCELLANEOUS AND TECHNICAL PROVISIONS

The bill also includes a series of miscellaneous and technical provisions relating to cash management, elimination of gender-based distinctions under the social security program, coverage, and other matters.

Trust fund investment procedures

Several changes would be made in the investment procedures of the social security trust funds. Most importantly, a new short-term rate would be added so that the trust funds would be invested at short-term or long-term rates in order to maximize return to the funds.

Social security as a separate function in the unified budget

Displays the OASI, DI, HI and SMI fund operations as a separate function 650 within the budget. Beginning with fiscal year 1988, these trust fund operations would be removed from the unified budget.

SSA as independent agency

Authorizes a feasibility and implementation study with respect to establishing SSA as an independent agency.

Public pension offset

Beginning in July 1983, the amount of a social security beneficiary's public pension offset would be one-third of the public pension.

Elective compensation

Provides that employer contributions to the following elective compensation arrangements will be includible in the FICA wage base: cash or deferred compensation (section 401(k) of the Internal Revenue Code), cafeteria plans (section 125) and tax-sheltered annuities (section 403(b)).

FICA wage base

Provides that the definition of wages subject to the FICA tax would be interpreted solely with reference to the FICA statute, not with reference to income taxes or income tax withholding. An explicit exclusion from FICA tax would be provided for meals and lodging excluded from income tax under section 119 of the Internal Revenue Code.

Simplified employee pensions

Provides that employer contributions to a simplified employee pension (SEP) would be exempt from FICA, but employee contributions would be subject to FICA. Conforming changes would be made in the Social Security Act definition of covered wages.

Income tax credit for elderly and disabled

The present Federal income tax credit for the elderly is increased and combined with the disability income exclusion. The resulting credit would be available for certain individuals under age 65 who have retired on permanent and total disability (to the extent of disability income) and individuals age 65 or over. The credit would no longer be available to those under age 65 who are not disabled and the disability exclusion is repealed. The credit would be 15 percent of a base amount equal to $5,000 for single individuals and $7,500 for joint return. As under present law, the base amount is reduced by amounts of social security or railroad retirement benefits and by one-half of adjusted gross income that exceeds $7,500 for a single return and $10,000 for a joint return.

Deposit rules for employment taxes

Provides more lenient rules for the deposit of FICA taxes and withheld income taxes.

Titles I, II, and III as approved by the committee produce savings and additional social security trust fund revenue through 1989 of $165.3 billion and eliminate the long-term deficit of 2.09 percent of taxable payroll.●

A GIFT OF BLOOD IS THE GIFT OF LIFE

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. RALPH M. HALL. Mr. Speaker, it is my privilege to draw attention to the wonderful record set by two blood donors in Tyler, Tex., who have given a pint of blood over 100 times.

Sam Hailton and Thornton Robinson have donated over 12½ gallons of blood at Stewart Blood Center the regional blood bank which furnishes blood and blood components to hospitals in 31 counties in east Texas. Of special interest is the fact that Mr. Robinson is continuing to donate blood regularly at age 70.

As volunteer donors, both of these men recognize the need for blood to sustain life of patients who cannot live without infusion of donor-given blood.

The marvelous record set by these two fine men serves as an example of true giving and an inspiration to other men and women in good health to share their life's blood with others.

This gesture is significant, for truly a gift of blood is a gift of life.●

OPTOMETRISTS OFFER SERVICES IN HONOR OF SAVE YOUR VISION WEEK

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. FLORIO. Mr. Speaker, as you are well aware, the U.S. Congress passed a joint resolution in 1963 designating the first full week in March as "Save Your Vision Week."

In accordance with this resolution, the New Jersey Optometric Association and more locally, the West Jersey Optometric Society and Camden Optometric Center are providing programs and free eye/vision screening to the community to further heighten public awareness of the vital role that vision plays in life.

I ask my colleagues to join with me in commending and supporting the many doctors, other health professionals, community leaders, and school leaders for their public service efforts on behalf of improved eye care.●

DISASTER AID FOR SMALL BUSINESSES

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. UDALL. Mr. Speaker, today I am joined by some of my distinguished colleagues who represent districts in the Southwest in introducing legislation which will provide relief to small businesses adversely affected by devaluations of the Mexican peso. My bill would amend the Small Business Act in order to allow small businesses that have experienced nonphysical disasters such as the peso devaluation to apply for low-interest SBA loans. The current economic recession has meant serious economic difficulties for small businesses everywhere. However, for businesses in the Southwest, highly dependent upon border traffic, these hard times have been compounded by the devaluation of the Mexican peso.

This legislation would restore the nonphysical disaster loan program established by the Small Business Act Amendments of 1977 and make it specifically applicable to economic dislocation arising from foreign currency devaluation. In its 1981 budget message the administration requested the termination of the nonphysical disaster loan program. The House voted to restructure the program while the Senate voted to do away with it entirely. In conference, restructuring of the program was agreed to but funding in fiscal year 1982, 1983, and 1984 was barred. In the course of restructuring

the program the eligibility of economic dislocation arising from foreign currency devaluation was dropped. So, even if the current loan program were funded, it would not apply to the disaster which devastates much of the Southwest.

Under the terms of the bill I am introducing, small businesses in a qualified disaster area would be eligible for low-interest loans with rates as low as 8 percent, depending upon the availability of conventional financing. Businesses could borrow up to $100,000 and the payment of all interest and principal would be deferred for 1 year. The loans could be used for working capital and to pay financial obligations which the small business owner could have met had the disaster not occurred. Funding for the program would come from the existing revolving fund for SBA physical disaster loans and be subject to the availability of those funds.

Last year the administration responded to this economic crisis by initiating a $200 million "peso pack" to be directed by the Small Business Administration. There are significant differences between the administration's "peso pack" and the legislation being introduced today. The "peso pack" offers qualifying small businesses regular SBA direct loans and SBA loan guarantees. Businesses applying for such loans can expect to pay an interest rate as high as 12 percent or higher, depending on the prime rate. Also, payment of principal and interest on regular SBA business loans is generally deferred only 3 months. Because of the prohibitive requirements, very few businesses have sought to apply for "peso pack" loans

What is needed in this instance is disaster aid, not the type of SBA business loan that is given in the ordinary course of business. I urge my colleagues to assist in the swift passage of this legislation.●

UNEMPLOYMENT: THE IMPACT ON CHILDREN AND FAMILIES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. MILLER of California. Mr. Speaker, during the last year, America has witnessed nearly a 50-percent increase in the unemployment rate; a development which is having a profound effect on the lives of millions of Americans. One out of ten Americans is out of work; there have been jobless wage earners in nearly 15 million households; 1 out of every 3 blacks, including 53 percent of black teenagers is unable to find work.

The impact of these figures goes beyond unemployment lines and empty factories. There is a human toll paid by the families and especially the children of jobless workers. Yet, at the very time that the need for basic assistance to the victims of unemployment is growing, a wide range of social services to the needy has been substantially reduced by the action of the Reagan administration and the Congress. As a result, nearly 60 percent of all unemployed families receive no Federal assistance, 82 percent received no food stamps, and fully 60 percent received no unemployment insurance.

Private organizations—charities, churches, and volunteer groups—are overwhelmed by the increased demand for services. Once, in partnership with Federal and State agencies, charities could provide food, clothing, shelter, and counseling to needy and homeless families. Operating on private donations alone, many charities simply cannot muster the resources to meet the demand.

Recent hearings by the Subcommittee on Labor Standards, of which I am the chairman, demonstrated that the cost of our Nation's recession is not just economic. Although many families successfully cope with job loss, testimony heard by the subcommittee presented conclusive evidence about the adverse impact which unemployment is having on vast numbers of families and children.

One need not look beyond the morning paper or the evening news to understand the financial hardships of jobless Americans. Few, however, appreciate the psychological, physical, and social scars left by unemployment on the individual and the family. Studies cited by witnesses before my subcommittee report that when unemployment increased by 1 percent, suicides increase by 4 percent; homicides by 6 percent; heart disease and cirrhosis (due to alcoholism) by 2 percent; and admissions to mental hospitals by over 3 percent.

An estimated 13 million children are the special, and largely invisible, victims of their parents unemployment. Serious decline in school performance, increases in malnutrition, child abuse and domestic violence, and a worsening of parent-child relationships have all been directly linked to increases in the unemployment rate.

For many of those who become unemployed during a recession, the loss of income is compounded by a loss of health care coverage. Although most plans provide some coverage to those who are laid off, 70 percent of today's unemployed have exhausted their benefits or were never eligible for compensation. An estimated 10.7 million people, including spouses and children, lacked health insurance at the end of 1982 because of job loss. Nearly 700,000 children nationally, have become ineligible for medicaid coverage since 1981. In Michigan alone, where unemployment is the highest in the Nation, one-half of a million Blue Cross/Blue Shield participants have been dropped since 1979.

EFFECTS ON THE WORKER

Judson Stone, executive director of the Elkgrove-Schaumberg Mental Health center in Elkgrove, Ill., trained as a child and adolescent therapist, and working with the unemployed for over a decade, has recently conducted extensive studies of the effects of unemployment on children and family stress. Before my subcommittee, he painted a portrait of the jobless worker as one who, without financial and health resources, rapidly loses his identity, dignity, and self-respect. Mr. Stone testified:

> Our culture teaches us that it is our fault if we are unable to find and keep a job. It is amazing how much personal guilt is associated with a lay-off that in no way was controlled by the employee.

These factors plus other events inevitably lead an unemployed person to a feeling of a loss of control over many aspects of individual and family life. Based on interviews with workers standing in unemployment lines, as well as in his work at the mental health center, Mr. Stone concludes:

> As the reality of unemployment sinks in, anxiety, frustration, anger, and depression follow—one often fails to see options in life that are available. What makes the experience worse is that each unemployed person has a tendency to want to disappear and isolate himself and his family—the worker feels he has failed.

Prolonged joblessness confirms the feeling of failure which leads to guilt and the cycle continues. Many eventually find work, but only at considerably lower levels of pay and responsibility than held previously. Mr. Stone stated that, "Most have serious scars to show for the experience."

Similar findings have been reported by Paula Rayman, a sociologist from Brandeis University who surveyed unemployed aircraft workers near Hartford, Conn. Professor Rayman found that of those surveyed, 18 percent reported increased alcoholism, 30 percent reported constant insomnia, and 37 percent reported increased anxiety after losing their jobs.

The problems affecting the individual worker and their family grow more serious the longer the unemployed searches for a job. Many workers who have been out of a job for 3 to 6 months begin to experience anger and to take the frustrations out on their families. By the end of 6 months, unemployment benefits end and the so-called safety net begins to fray. At the end of 10 months, the unemployed worker has lost his social network, affiliations with community institutions, and daily associations with other workers.

The permanent loss of a job is usually far more traumatic than a tempo-

rary layoff where a worker feels he will be recalled after the recession ends. Permanent job loss can mean the shattering of family and ethnic organizations and even communities that were centered around an industry. Looking for work in new and unfamiliar cities may prove unbearable for the worker and his family, who often return, without hope, to their community, seeking the emotional stability of their hometown.

IMPACT ON SPOUSES

The spouse especially feels the trauma of the unemployed. Terry Buss, director of urban studies at Youngstown State University, has reported that the wives of unemployed workers felt more aggressive, helpless, and victimized than the wives whose husbands were employed or retired. Studies have shown that wives of workers who have been unemployed for several months consistently exhibit depression, phobia, paranoia, and physical ailments. In many families, not only is the wife expected to meet the needs of her family with fewer resources but also must provide the major emotional support for her family.

Many of these women are forced into the work force for the first time, confronting not only their new role as breadwinner but also wage and sex discrimination which often accompany female employment. Worried that their husbands may never work again, wives feel compelled to work overtime in order to advance to a better position. Ironically, many of these women fear that their own success may threaten their spouse's morale. The unanticipated role reversal disrupts family and personal routines, and can result in tensions which may manifest themselves in bouts of physical violence.

Barbara Shaw, executive director of the Illinois Coalition Against Domestic Violence, testified about her experiences in domestic violence crisis intervention and the relationship of unemployment to increased spousal abuse. Last year, over 12,000 women and their children sought refuge and assistance from the Coalition, which Ms. Shaw considers a conservative estimate of the total number of abused persons.

Surveys of all the shelters in the Illinois network uncovered dramatic increases in the number of women reporting their abusers' unemployment as a factor in the violence. In fact, 75 percent of abuse victims participating in a recent survey cited their husbands' layoffs as precipitating first-time physical abuse. Ms. Shaw testified that when the Pabst Brewing Co. closed a brewery in Illinois, leaving 600 jobless, the percentage of women whose husbands were unemployed and who stayed at a local shelter for battered women, skyrocketed from 33 to 70 percent. When the Caterpillar Tractor Co. laid off 4,000 workers, the number of women and children staying at another Illinois shelter jumped from 85 to 120 per month for the subsequent 2 months.

Based on her research of the intake reports of women who sought help at the shelter, Ms. Shaw observed, "Women victims are not able or willing to leave their [home] situations because they lack the economic status." David Mills, another witness, reported similar observations by shelter directors in Wisconsin, "Victims were even less willing to leave the abuse situation because of fear that welfare and other supports would not be available," he reported, "the economy and reduced services made victims even more dependent on the abuser."

HEALTH OF MOTHERS AND INFANTS

Dr. Bailus Walker, director of the Michigan Department of Public Health, has conducted extensive studies of the impact of unemployment on the health of mothers and children in Michigan. Dr. Walker describes Michigan as in a state of emergency, with the highest unemployment rate in the Nation and more than 740,000 citizens out of work. Michigan's infant mortality rate increased from 12.8 deaths in 1980 to 13.2 per 1,000 live births in 1981; the most significant jump since World War II. In Detroit, where unemployment reached 20 percent in 1980, some areas report a 100-percent increase in infant mortality in 1 year. Dr. Walker reports that:

Persistently high unemployment combined with an unprecedented reduction in all public services positions Michigan for increase in its infant mortality rate. Poor nutrition, lack of prenatal care, unemployment, and poverty all contribute to the problem. The pervasiveness of the infant death increase in Michigan is certainly consistent with our poor economic conditions.

Helen Mager, a public health nurse from Mahoning County, Ohio, testified that the infant mortality rate has increased in six of the seven Ohio counties hardest hit by unemployment as has the rate of premature births in five of these seven counties. The Children's Defense Fund of Ohio projects that, over the next 3 years, 60,000 children will be born in Ohio to parents whose health insurance has lapsed due to unemployment or underunemployment. This loss, compounded by cutbacks in maternal and child health programs, is likely to continue to jeopardize pregnancy outcome and postnatal services.

WIC clinics, which provide nutritional supplements to high-risk, low-income women and children, were praised by Ms. Mager at the most beneficial Federal program ever given to people. In Mahoning County, where unemployment is 21 percent, the WIC clinics are treating twice the number of people they treated last year. Yet, 80 persons already certified as eligible for the WIC program, must endure a 2-month wait before receiving the benefits of the program. Increased demand is forcing WIC administrators to place more restrictions on eligibility which further eliminates mothers and children in need. "We are telling them", Ms. Mager stated, "the possibility of them ever receiving service is almost nonexistent."

EARLY CHILDHOOD IMPACTS

The long shadow of health depravation due to economic hardship is cast far beyond infancy. Lewis Margolis, a pediatrician at the Health Services Research Center at the University of North Carolina, has, for the past 3 years, been conducting a major study of the long-term health effects of parental unemployment on the health and behavior of children. Dr. Margolis concludes:

If I were to select one stress as the most damaging and disruptive to children, it would be the loss of work by their parents.

He noted that stressful changes for children are brought about by joblessness in the following ways:

Economics—Declines in income inevitably require familes to cut back on necessities for the children such as food, medical care and clothing.

A decline in status—Studies have shown that children are aware of changes in family status as a result of economic hardship and indeed, experience a decline in their self-esteem as well.

Changes in family roles—Unanticipated changes in the way family tasks and responsibilities are assigned disrupt family roles.

Dr. Margolis also noted that "unemployment appears to make children more vulnerable to the usual childhood illnesses such as respiratory infections and gastrointestinal infections." In families of the unemployed, most of whom lack health insurance, the decision to seek health care is a very difficult one. As a result, Dr. Margolis concludes, "many childhood illnesses will go untreated."

In addition to the common childhood illnesses, children in families where the father is unemployed are three times more likely to suffer physical abuse than in families where father is continuously working according to longitudinal studies.

David Mills, director of Wisconsin's Office of Children, Youth and Families documented the relationship between increases in unemployment rates and increased child abuse. Specifically, Mr. Mills found that:

In counties which experienced increases of 3.1 percent and above in actual unemployment rates, the simultaneous average increase in child abuse reporting was 122 percent.

Moreover, 8 out of 10 counties in Wisconsin experiencing decreased unemployment experienced concurrent decreases in child abuse. Summary information of the Wisconsin survey of

counties found that 51 percent of the counties had recorded increases in unemployment rates, 68.6 percent of which also showed increased child abuse.

JUVENILE CRIME

The link between unemployment and the resulting instability in the family extends beyond the home. Testimony from Judge Charles Schudson of Milwaukee's children's court, suggested that unemployment plays a role in the frequency and the severity of crimes committed by youths.

Judge Schudson reports an increase in the incidence of crimes committed by children with no prior history of criminal activity. With alarming frequency, notes Judge Schudson, "these crimes coincide with periods of family stress resulting from a parent's layoff or the end of unemployment compensation. In addition to these crimes of unemployment stress," he points out, "juvenile courts see the repeated and violent crimes by children who seem unresponsive to even the best system of education, counseling, probations, or corrections."

Judge Schudson reports that teenagers who commit crimes have a feeling of "hopelessness." As teens witness the joblessness of their parents, their siblings and their peers, Judge Schudson observes, there is a tendency "to seek the gratification of committing a crime" rather than confront "the reality of a future of hopelessness."

REACHING OUT

A theme which consistently emerged as witnesses testified was the severe shortage of resources in the face of increased demand. The inability of social service agencies to meet the growing needs is due, in a large part, to dramatic reductions in Federal support at the very time the need is rapidly increasing.

Can charities alone make up for Government's shrinking role in providing for the needy? Father William Kelligar, executive director of the United Catholic Social Services in Omaha, Nebr., testified on behalf of the National Conference of Catholic Charities that voluntarism is not enough to care for the physical and emotional needs of the unemployed.

In Metropolitan Omaha, where requests for basic services increased 35 percent in 1982, charities are finding it very difficult to collect enough resources to help these new needy. Omaha churches and volunteers which support food pantries to feed the needy and families of the unemployed managed a 100-percent increase in expenditures but were confronted with double the number of needy seeking help during the past year. But such assistance only scratches the surface, Father Kelligar notes, as the pantries only operate 3 days a week. Summarizing the situation in Omaha, Father Kelligar concludes: "Shelter facilities are strained beyond the bearable limits."

The impact of unemployment, says Father Kelligar, is particularly devastating on the new poor who fear that they may soon join the ranks of the chronic unemployed. Dismissing the Reagan administration's pledge to maintain a safety net for the poor, Father Kelligar stated that—

> Budget cuts have cut to the bone of [of social service programs] * * * not to it, but into it. Social service cuts have gone too far and they have begun to cost more than such cuts can ever be worth in monetary terms.

Today, the House is considering comprehensive emergency jobs legislation to relieve the hardship of unemployment. This proposed legislation will provide employment opportunities, training and essential humanitarian services to relieve the psychological trauma for many unemployed workers and their families.

But this effort is simply not enough. Millions of victims of unemployment have lost far more than their jobs, and it will take far more than a single jobs bill to respond to their needs. Millions have seen their jobs vanish and with them, their financial stability, their health, and their families. Many of the effects of unemployment will last far longer than unemployment itself.

The January 31, 1983, hearing by the Subcommittee on Labor Standards has produced a chronicle of the personal tragedies of unemployment that are affecting millions of men, women, and children across the country. Witnesses pleaded for a more compassionate and comprehensive role for the Federal Government as well as other segments of government and the private sector to help buffer the effects of joblessness.

Yet, once again the Reagan administration has endorsed a budget which cuts food assistance and child nutrition programs, reduces services for high-risk pregnant women, makes further cuts in medical programs for senior citizens, and reduces housing and home heating assistance.

Over the course of the next few weeks, the Congress will prepare the budget for the coming fiscal year, and in doing so, will set crucial national priorities. The record of the human suffering as documented by the hearing record I have presented here, must figure prominently in the development of that budget and those priorities. Rectifying the damages of 2 years of massive job losses, plant closings, lost homes, repossessed farms, and economic depression will require more than a reduction in the unemployment rate.

The test for this Congress, and for the administration, will be to meet those needs, to respond to this national crisis in a fiscally sound manner. We cannot simply initiate excessive spending in an effort to cure complex problems which have been aggravated by the depression. But neither can we consider the tragedies endured by the American families, and especially millions of children, and fail to respond to these legitimate and growing human needs.●

KEY VOTES

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. PEASE. Mr. Speaker, it has become my practice to periodically insert in the CONGRESSIONAL RECORD a list of key votes that I have cast in the U.S. House of Representatives.

The list is arranged in this manner: Each item begins with the number of the bill or resolution that the House was considering and is followed by a summary of the vote. This is followed by my own vote on the issue, whether the matter passed or failed, and the vote outcome.

This list of votes covers the period of June 24, 1982, through the end of the second session of the 97th Congress.

INTRODUCTION

(178) H.R. 6198. Copyright Manufacturing Clause Extension requiring that nondramatic literary works written by authors living in the United States must be printed and bound in the United States or Canada. Yes. Passed 324–86.

(179) H.R. 6682. Urgent Supplemental Appropriations for fiscal year 1982. Attempting to override Presidental veto. Yes. Failed 242–169. (two-thirds majority needed to override veto)

(180) H. Res. 518. House Ethics Investigation. Authorized the House Committee on Standards of Official Conduct to investigate allegations of improper sexual conduct or illegal drug use by members, House officers, or employees. Yes. Passed 407–1.

(181) H.J. Res. 449. Required the President to certify—before granting U.S. aid to El Salvador—that the Salvadoran government investigated the murders of American churchwomen. Yes. Passed 399–1.

(185) H.R. 6685. Urgent Supplemental Appropriations for fiscal year 1982. Repealed Congressional tax benefits approved earlier. Provided $5.4 billion in supplemental budget authority and rescinded $5.8 billion in existing budget authority. Yes. Passed 389–13.

(187) H.R. 5617. Authorized $2.55 billion in fiscal year 1983 and $2.76 billion in fiscal year 1984 for the U.S. Coast Guard. Yes. Passed 348–25.

(188) H. Con. Res. 278. Expressed sense of Congress to maintain current levels of public service jobs for low income and older Americans. Yes. Passed 407–4.

(189) H.R. 5228. Implementing the Convention on Protection of Nuclear Materials which establishes specific categories of crimes and punishments relating to the illegal diversion of nuclear material during shipment. Yes. Passed 396–9.

(190) H.R. 6258. Authorized a 25-percent increase in funding for FY83 for the U.S. Travel and Tourism Administration to promote tourism at a time when other pro-

grams were receiving cuts. No. Failed 241-167. (two-thirds majority needed to pass under suspension of the rules)

(191) H. Con. Res. 310. Sense of Congress that the President should urge the government of Turkey to withdraw its forces from Cyprus. Yes. Passed 405-6.

(192) H.R. 6030. Amendment to reduce Department of Defense Authorization for FY83 for Trident submarine program by $699 million and reduce the number of Tridents from 2 to 1. Yes. Passed 344-65.

(197) H.R. 6030. Amendment to the Department of Defense authorization to provide for FY83 $1.14 billion for procurement of MX missile but delay obligation of $259.9 million to be spent on basing and deployment pending selection of a permanent basing mode. No. Passed 212-209.

(204) H.R. 6030. Amendment to delete $54 million for the production of binary nerve gas and bar any funds in the bill for that purpose. Yes. Passed 251-159.

(206) H.R. 6030. Amendment to the Department of Defense authorization for fiscal year 1983 to delete $4 billion for the procurement of the first 7 of 100 B-1B bombers. Yes. Failed 142-257.

(215) H.R. 6782. Veterans' Disability Benefits. The bill provided a 7.4-percent cost-of-living increase in disability compensation for veterans and their survivors. Yes. Passed 400-0.

(219) H.R. 6030. Amendment to the Department of Defense authorization for fiscal year 1983 to allow state courts, in states that treat marital property as community property, to decide whether to include armed service members' military benefits in the property to be divided by a divorce settlement. Yes. Passed 332-74.

(220) H.R. 6030. Amendment authorizing a 1-year continuation of a defense test program that provides for a price differential on nonweapons contracts to firms located in areas of high unemployment. Yes. Passed 237-170.

(222) H.R. 6030. Amendment prohibiting individuals who failed to register for the draft from receiving any Federal assistance under title IV of the Higher Education Act. Yes. Passed 303-95.

(230) H.R. 6030. Amendment for a 1-percent across-the-board cut in defense spending. Yes. Passed 238-136.

(235) H.R. 6862. Civil Service Reconciliation. A motion to recommit the bill to the Post Office and Civil Service Committee which would have the effect of capping Federal retirement COLA's without requiring members to vote on this issue. No. Failed 160-236.

(244) H.R. 5320. Job Training Partnership Act. Permanent authorization providing employment and training assistance for the disadvantaged, training for displaced workers, the Job Corps, national employment and training programs and labor market information. Yes. Passed 356-52.

(249) H.J. Res. 521. Amendment to Nuclear Weapons Freeze calling for the United States and the U.S.S.R. to achieve nuclear reduction followed by an arms freeze. Opposition indicated support for an immediate freeze. No. Passed 204-202.

(256) H.R. 6892. Amendment to the Food and Agriculture Reconciliation Act for fiscal year 1983 that would have changed the bill's food stamp provisions to authorize a mandatory job search. Failed 181-210.

(264) H.R. 5203. An amendment to the Federal Insecticide, Fungicide, and Rodenticide Act striking provisions in the bill to limit the authority of States to regulate pesticides more strictly than the Federal Government. Yes. Passed 250-154.

(274) H.R. 6100. Amendment to the National Development Invest Act to waive the Davis-Bacon prevailing wage requirements if a contractor submitted a bid for a project funded by this bill that was 10 percent below the next lowest bid. No. Failed 140-237.

(283) H.R. 6323. A substitute amendment to fund the Environmental Protection Agency with $278 million FY83 and $291 million FY84. The previous amendment provided $225.5 million for the EPA in FY83. Yes. Passed 244-153.

(290) H.R. 6955. Adoption of the conference report on the bill to reduce the federal budget for FY83, 84, and 85 by approximately $13.3 billion. A "yea" was a vote supporting the president's position. No. Passed 243-176.

(294) H.R. 6863. Amendment appropriating $350 million in development aid to Caribbean countries. Yes. Passed 281-129.

(295) H.R. 6863. An amendment to the FY82 Supplemental Appropriations to provide $2 million and transfer $25 million for military assistance to Honduras, Somalia, Costa Rica, and Portugal during a time of sharp domestic budget cuts. No. Passed 237-175.

(303) H.R. 4961. Adoption of the conference report on the Tax Equity and Fiscal Responsibility Act raising taxes by $98.3 billion over 3 years to reduce the Federal budget deficit and authorizing an emergency supplemental unemployment program. Yes. Passed 226-207.

(308) H.R. 6307. Amendment to the Resource Conservation and Recovery Act deleting provisions applying the law's regulation to small quantity generators of hazardous waste. No. Failed 148-183.

(311) H.R. 6307. Resource Conservation and Recovery Act expanding and tightening the regulation of hazardous waste and authorizing the appropriation of $105.5 FY83 and $11.5 FY84. Yes. Passed 317-32.

(314) H.R. 5831. Authorized lending limits for FmHA programs for FY83-85 and requiring the Agriculture Department to forego foreclosure and defer repayments on loans under specific conditions in FY83. Yes. Passed 372-39.

(316) H.R. 6863. Overriding a Presidential veto of Supplemental Appropriations which appropriated $14.6 billion for government programs and for pay increases of military and civilian Federal employees. Yes. Passed 301-117.

(331) H.R. 6956. Amendment to prohibit the use of funds provided by the HUD-Independent Agencies Appropriations for FY83 to implement mandatory inspection and maintenance programs for automobile emissions. No. Passed 200-184.

(339) H.R. 562. Urgent Supplemental Appropriations for the Labor Department which provides approximately $1 billion for public service jobs and youth employment training. Yes. Passed 223-169.

(342) H.R. 7019. Amendment to Transportation Department Appropriation for FY83 which would cut $320 million from transportation programs. No. Failed 154-221.

(359) H.J. Res. 599. Continuing Appropriations for FY83 providing funds to operate federal programs through December 15, 1982. No vote indicated opposition to running the government through continuing resolutions. No. Passed 242-161.

(368) H.R. 5540. Amendment to strike all Davis-Bacon prevailing wage law provisions from the Defense Industrial Base Revitalization Act. No. Failed 162-189.

(373) H.R. 3252. Coastal Barrier Resources Act prohibiting the use of Federal financial assistance for the construction of roads, bridges, sewer systems, or other forms of development on undeveloped coastal barriers. Yes. Passed 399-4.

(374) H.R. 5949. Cable Copyright Bill clarifying the rights of cable television operators to retransmit copyright material broadcast by non-cable stations. Yes. Passed 347-53.

(375) H. Con. Res. 409. Expressing Congress' condemnation of the recent massacre of Palestinians in Lebanon and the assassination of President-elect Gemayel and calling for the removal of foreign forces from Lebanon. Yes. Passed 401-1

(379) H.R. 6838. Repeals sanctions against the Soviet Union 90 days after enactment of the bill, provided that the President certifies to Congress that the Soviet Union is not using forced labor on certain construction jobs. Yes. Passed 209-197.

(380) H.R. 5543. Ocean and Coastal Resource Management and Development Fund. Provides Federal revenues from offshore oil and gas leasing to fund State coastal resource management programs and the sea grant college program. Yes. Passed 260-143.

(387) H.J. Res. 350. Amendment to the Constitution requiring Congress to adopt a balanced Federal budget every year, except in time of war, unless a three-fifths majority of Congress agrees to deficit spending. No. Failed 236-187. (two-thirds majority vote required to propose a constitutional amendment)

(389) H.J. Res. 599. Amendment to the continuing resolution increasing the salaries of air traffic controllers 6.6 percent annually, with an amendment permitting the President to rehire former air traffic controllers. Yes. Failed 128-267.

(396) H.R. 3809. Amendment to the Nuclear Waste Policy Act that reduces the power of states to veto the location of a permanent nuclear waste repository within their borders. Yes. Passed 190-184.

(402) H.R. 7205. Labor Health and Human Services and Education Departments Appropriations providing $85.4 billion in new budget authority for these programs. Yes. Passed 330-70.

(403) H.R. 6995. Substitute amendment to the Federal Trade Commission Authorization Act of 1982 which would maintain the jurisdiction of the FTC over the commercial aspects of State-regulated professions. Yes. Failed 195-208.

(420) H.R. 6211. Amendment to the Surface Transportation Assistance Act of 1982 increasing the 4-cents per gallon fuel tax to 9-cents per gallon and increasing truck taxes. Yes. Passed 236-169.

(423) H.R. 7355. Amendment to Department of Defense Appropriations for FY83 deleting procurement funds for five MX missiles. Yes. Passed 245-176.

(427) H.R. 6957. Amendment prohibiting the use of Justice Department funds to require the transportation of students to schools other than those in their neighborhoods. No. Passed 243-153.

(428) H.R. 6957. Amendment reducing funds for the Legal Services Corporation. No. Failed 121-269.

(436) H.J. Res. 429. Resolution encouraging development of state commissions on teacher excellence. Yes. Failed 225-153. (two-thirds majority needed for suspension of the rules.)

(438) H.R. 7044. Mail order Consumer Fraud Protection Act strengthening the in-

vestigative and enforcement authority of the Postal Service to stop mail order fraud. Yes. Passed 320-61.

(439) S. 2059. Ethics in Government Act permitting the continued use of special prosecutors to investigate high-ranking Federal officials. Yes. Passed 347-37.

(441) H.R. 3191. Suspension of rules to permit deductions from taxable income for expenses incurred attending conventions or seminars held on cruise-ships. No. Failed 219-164. (two-thirds majority needed for suspension of the rules)

(445) H.J. Res. 631. Amendment establishing new pay caps for members of Congress and senior Federal executives to $69,800. Without this amendment salaries would have increased automatically to $77,300. Yes. Passed 303-109.

(446) H.J. Res. 631. Amendment continuing the existing pay cap and thereby allowing no salary increases for members of Congress or senior Federal executives. Yes. Failed 208-208.

(447) H.J. Res. 631. Amendment to delete all funds provided in the resolution for the Clinch River Breeder Reactor, except for termination cost. Yes. Passed 217-196.

(450) H.J. Res. 631. Motion killing $5.4 billion to create jobs and retrain displaced workers and provide other services to unemployed. No. Failed 191-215.

(459) H.R. 5133. Fair Practices in Automotive Practices Act. Amendment preventing any provision in the bill from superseding the requirements of existing international treaties, conventions, or agreements on tariffs and trade. No. Passed 195-194.

(460) H.R. 5133. Fair Practices in Automotive Products Act requiring auto manufacturers to use specific levels of American products in vehicles sold in the United States beginning with 1984 model year. Yes. Passed 215-188.

(469) H.R. 7019. Canceling the St. Lawrence Seaway's $110 million Federal debt for original construction cost. Yes. Passed 298-77.

(471) H.R. 632. Citing Anne Gorsuch, Administrator of the Environmental Protection Agency, for contempt of Congress for failure to provide subpoenaed documents relating to EPA's Superfund. Yes. Passed 259-105.

(476) H.R. 7397. Caribbean Basin Economic Recovery Act providing duty-free entry into the United States of certain articles from 28 Caribbean Basin countries and other tax advantages. No. Passed 260-142●

TRUE SPORTSMANSHIP IN OLYMPIC COMPETITION

HON. BALTASAR CORRADA

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 1983

● Mr. CORRADA. Mr. Speaker, next year we will be hosts, as American citizens, to thousands of ambassadors of good will from many countries during the 1984 Olympic games to be held in Los Angeles, Calif. I refer to the athletes, delegations, and officials participating in these games.

While this should be a joyous occasion for all of us, I am deeply concerned, as well as several of my colleagues here in Congress, with the designation made by the U.S. Olympic Committee of Mr. Bobby Knight as head coach of the U.S. basketball team.

Mr. Knight has made insulting remarks toward Puerto Ricans in particular and Hispanics in general on too many occasions.

The U.S. Olympic Committee has been insensitive about the serious allegations made against Mr. Knight by responsible persons and organizations such as the Governor of Puerto Rico, the Hispanic Congressional Caucus, the Territorial Congressional Caucus and the National Council of La Raza among others.

Today I am including in the record various documents concerning this matter, specifically a letter from the Governor of Puerto Rico to the U.S. Olympic Committee; the text of a resolution passed by the Puerto Rico House of Representatives; and a series of press articles published in San Juan and in the U.S. mainland on this issue.

These documents should provide all my colleagues with background information on an issue which should deeply concern those of us who really believe that to compete with dignity and true sportsmanship is as important as winning.

OFFICE OF THE GOVERNOR,

San Juan, Puerto Rico, January 21, 1983.

Col. F. DON MILLER,

Secretary General, U.S. Olympic Committee, Colorado Springs, Colo.

DEAR COLONEL MILLER: Although I appreciated receiving your replies of August 10, 1982 and September 27, 1982 to my letter of July 16, 1982, I was of course dismayed to learn that the Executive Board of the U.S. Olympic Committee elected to confirm the nomination of Bobby Knight as coach of the 1984 Olympic basketball team despite my explicit and emphatic recommendation to the contrary.

Now, in reviewing our 1982 correspondence, I am struck by the remarkable irony contained in the concluding sentence of your second and final letter. It reads as follows:

"While I understand the basis for your objections to the appointment of Coach Knight, I hope that you will use your best efforts to prevent the politicizing of the unfortunate situation that surrounded Coach Knight in Puerto Rico at the 1979 Pan American Games now that he has been confirmed as head coach of the 1984 Olympic Basketball Team."

In the months since you wrote those lines, as you undoubtedly are by now aware, only one individual can be characterized as having "politicized" the 1979 situation, and that individual is none other than Mr. Knight himself, as evidenced by a nationally syndicated Hispanic Link newspaper column; I enclose a copy of said column, as it was published in San Juan on December 14, 1982, and am also forwarding herewith some articles which have since appeared in response to that column.

The Olympic Games are still 18 months away, yet incredibly Bobby Knight is already reopening old wounds and setting the stage for severe discord at Los Angeles. His appalling statements at Gary, Indiana (which, to the best of my knowledge, he does not deny having made) demonstrate beyond a shadow of a doubt that his experience in Puerto Rico taught him nothing.

Accordingly, I must today renew, more energetically than ever, my adamant protest at the U.S. Olympic Committee's endorsement of Mr. Knight's participation in the 1984 Olympics.

Bobby Knight is an "Ugly American" and definitely lacks the sportsmanlike qualities and gentlemanly behavior that Olympic participants are supposed to display. He has gratuitously offended 3,200,000 fellow U.S. citizens in Puerto Rico, plus 2,000,000 other Puerto Ricans who reside in various states of the Union.

Politics are not an issue, and neither are personalities. No, the only issues at stake, clearly and unequivocably, are the ones I cited last July: namely, the well-being of the Olympic Movement as a whole, together with the honor and prestige of the United States as host for the Games of the XXIII Olympiad.

Urging that prompt and serious reconsideration of the Knight appointment be initiated at once, I thank you for your attention to this very important matter.

Sincerely,

CARLOS ROMERO-BARCELÓ.

Enclosures.

COMMONWEALTH OF PUERTO RICO

Resolution to repudiate Mr. Bobby Knight's racially-biased and disrespectful statements towards the People of Puerto Rico, most vehemently, and to express the House of Representatives' support of, and solidarity with the efforts being made by the various Hispanic and Puerto Rican organizations to have Mr. Bobby Knight replaced as coach of the United States Basketball Team for the 1984 Olympics, and to urge the United States Olympic Committee to consider this petition favorably

STATEMENT OF MOTIVES

The United States Olympic Committee recently chose Mr. Bobby Knight as coach of the 1984 Olympic Basketball Team. Immediately, a clamor arose, through written communications addressed to Colonel F. Don Miller, Executive Director of the Committee, to dismiss Mr. Knight from that position. The petition was motivated by several grave incidents that were provoked by Mr. Knight, intended to belittle and defame the Puerto Rican people.

The first of these incidents occurred in 1979, during the Pan American Games held in Puerto Rico, when this person slapped a policeman for having called upon him to keep calm and composed. His untoward actions were brought about when he found that the court on which his team was going to practice was already being used by the Brazilian women's team. Mr. Knight was convicted and sentenced for having assaulted the policeman who called him to order. Mr. Knight has not served the sentence, and when questioned about the lawsuit against him, Mr. Knight referred disrespectfully to Puerto Rico's judicial system.

The latest incident occurred recently, during a talk given in Gary, Indiana, when Mr. Knight demonstrated all his prejudices and scorn of the Puerto Rican people by making a contemptible and indecorous statement in connection with his anatomical gluteal region.

Therefore, it is quite evident that Mr. Corrada del Rio's petition for the dismissal of Mr. Bobby Knight from the position to which he has been appointed, is fully justified. It is also evident, in the light of Mr.

Knight's conduct, that this is a human being who lacks the qualities of nobility and chivalry which should be present in those who serve as ambassadors of good will in the realm of sports.

Mr. Knight's actions have been so censurable that they have moved other people and entities to request his immediate dismissal as coach of the United States Olympic Team.

For the above reasons, the House of Representatives expresses its support of and its solidarity with the efforts being made by the Resident Commissioner of Puerto Rico in Washington, Mr. Baltasar Corrada del Río, to have Mr. Bobby Knight dismissed as coach of the United States Basketball Team for the 1984 Olympics, and, at the same time, urges the United States Olympic Committee to consider this petition favorably.

Be it resolved by the House of Representatives of Puerto Rico:

Section 1. To express the most vehement repudiation of Mr. Bobby Knight's racially-biased and disrespectful statements toward the People of Puerto Rico.

Section 2. To express the support of this Body, and its solidarity with the efforts being made by Hispanic and Puerto Rican organizations to have Mr. Bobby Knight dismissed as coach of the United States Basketball Team for the 1984 Olympics, and, at the same time, to urge the United States Olympic Committee to consider this petition favorably.

Section 3. To deliver a copy of this Resolution to the Puerto Rico Olympic Committee, and to the News Media for its publication, and to send it to the Resident Commissioner of Puerto Rico in Washington, the Honorable Baltasar Corrada del Río, and to Colonel F. Don Miller, Executive Director of the United States Olympic Committee, after being duly translated into English.

Section 4. This Resolution shall take effect immediately after its approval.

[From the San Juan Star, Dec. 14, 1982]

OPEN LETTER TO INDIANA'S BOBBY KNIGHT

(By Carmelo Melendez)

My name is of no consequence to you at this moment, but after you read this letter, I expect that you will scratch your head and utter something like, "What's a (expletive) Puerto Rican doing in northwest Indiana?"

For your information, there are many Puerto Ricans living throughout Indiana, as well as all over this country of ours.

I live in Merrillville, Indiana, with my wife, Elsa (who is also Puerto Rican), and our two daughters. Oh, by the way, my wife is an alumna of Indiana University, where you have gained national fame as coach of one of the nation's top college basketball teams.

Recently, along with 900 others, my wife and I attended the Methodist Hospital dinner-dance in Gary, where (for a substantial four-figure fee), you delivered the keynote address.

I am a member of the Board of Trustees for the Methodist hospitals which invited you. Remember the night? Two of our community's outstanding citizens were honored for their humanitarian contributions to people of all ethnic backgrounds.

When you spoke, my wife and I listened courteously, even to your final remarks—remarks which upset both of us so much that when we got home, we wrote them down independently to make certain that our ears weren't deceiving us.

As a somewhat grim joke, the master of ceremonies had just presented you with a one-way ticket to San Juan, Puerto Rico—a reminder of the day 3½ years ago when you fled the island. Then you told your story:

"When I travel I usually sit on the aisle of the plane because of my size. But when I boarded the plane then—to my wife's surprise—I sat by the window. And when the plane was taxiing onto the runway and taking off, I stood up, unzipped my pants, lowered my shorts, and turned my bare ass, placed it on the window of that plane—because that's the last thing I wanted those people to see of me."

As one of those people (there are 5 million of us spread throughout the U.S.), I wondered whatever possessed you to conclude your remarks with such a venomous insult.

What happened in Puerto Rico to make you so bitter and disrespectful?

To try to find the answer, I spent an evening at the library reviewing the newspaper articles covering your visit in the summer of 1979. You coached the victorious United States team in the Pan American Games. Throughout the article, you were depicted as impolite and belligerent. You were reprimanded for unsportsmanlike conduct by the International Basketball Association. You were ejected from one of the games.

Then, according to the New York Times accounts, you punched a police officer named Jose de Silva in the jaw when he was attempting to write down your name.

In later court testimony, you were accused of referring to a team of Brazilian women players as "dirty people," shouting "to hell with all those people," and telling the police officer, "Get your dirty hands off me, nigger."

You weren't in court to hear that, of course. When you were convicted in San Juan District Court of assaulting a police officer, you had long since left the island. And, important man that you are, there was no way that you would extradicted from Indiana to face the 6-month sentence imposed on you. Two governors saw to that.

Mr. Knight, do you know what would happen instantly—faster than it takes to travel the length of the basketball court—if a Puerto Rican chose to punch a police officer in the jaw in Bloomington, Indiana? I think we all know what would happen.

After my visit to the library, I was more baffled than ever about your behavior the other evening. But I'm much more dismayed by the recent United States Olympic Committee decision certifying your nomination as coach of the U.S. basketball team for the 1984 Olympic Games in Los Angeles.

The Olympic torch is too valuable a world symbol to entrust in your hands.

Your image will mirror not just back on yourself, as it did on the airplane. Your intolerance will diminish the torch's glow and tarnish the games' legacy for tomorrow's children. With the whole world watching, your obscenities will reflect directly on all Americans, including me and my family.

Please, Mr. Knight, tell the Olympic Committee that you're occupied elsewhere in 1984.

[From the San Juan Star, Dec. 28, 1982]

LA RAZA TO FIGHT KNIGHT'S OLYMPIC APPOINTMENT

(By Harry Turner)

WASHINGTON.—The National Council of La Raza, perhaps the most influential of all Hispanic organizations in Washington, has joined the fight to keep Bobby Knight from being appointed coach of the U.S. Olympic basketball team.

Raul Yzaguirre, president of La Raza, in addition to calling for Knight's removal from consideration as coach, wrote to the Indiana University basketball coach and demanded an apology to all Hispanic and black Americans.

In a letter to the U.S. Olympic Committee, Yzaquirre said Knight's "blatant racism and vindictiveness against a significant segment of the U.S. population cannot be tolerated.

"We support the principle that coaching ability should be the basis for selection of individuals involved in the Olympic Games. At the same time, however, we are even more aware and supportive of the symbolism inherent in an individual's selection to participate in the Games.

"Persons who engage in obscene gestures and hurl racist epithets can hardly be considered role models for our youth."

The remarks by Knight that caused Yzaguirre's anger reportedly occurred at a recent dinner in Gary, Ind., where Knight was the keynote speaker.

Knight, who had had an altercation in Puerto Rico when he was coaching the U.S. team in the Pan American Games in 1979, told the audience, as a joke, that when he left San Juan he took a window seat and as the plane was leaving, lowered his pants and placed his bare buttocks against the window "because that's the last thing I wanted those people to see of me."

In his letter to the U.S. Olympic Committee, Yzaguirre also cited some racist remarks made in Puerto Rico by Knight in 1979, and said, "These racist comments are intolerable. If we do not vehemently protest the racism and bigotry we see around us, we will condone by our silence what we should condemn by our words and actions."

After getting into a dispute in Puerto Rico in 1979, Knight was actually arrested, but he left the island before his trial came up and he refused to return.

Although Gov. Romero refused to try to extradite Knight, he also urged the U.S. Olympic Committee not to appoint Knight coach of the 1984 basketball team.

[From the San Juan Star, Jan. 7, 1983]

OLYMPICS OFFICIAL MAY JOIN MOVE TO BAR BOBBY KNIGHT

(By Harry Turner)

WASHINGTON.—The nation's Hispanic community has an ally in a key position in its fight to block the appointment of Bobby Knight as basketball coach of the U.S. Olympics team.

He is Gil Vazquez, a well-known Los Angeles businessman who is on the board of the Los Angeles Olympics Organizing Committee and is also a member of the organization's Executive Planning Committee.

The National Council of La Raza, perhaps the most influential of all Hispanic organizations in Washington, has asked Vazquez, who is also on La Raza's board, to lead the fight against Knight's appointment.

Contacted Thursday in Los Angeles, Vazquez said he has not yet received the material on the Knight case sent him by La Raza and therefore hadn't made up his mind what to do.

But Vazquez said that if he becomes convinced that Knight has made racist remarks, he will use his influence with the other Olympics Organizing Committee board members and with the Hispanic community in general to try to block the appointment.

"It would be difficult to condone that kind of behavior," Vazquez said in the telephone inteview. However, he emphasized that he wants to hear both sides of the controversy before taking any possible action.

Knight, basketball coach at Indiana University, had his first run-in with Hispanics in 1979 when he was basketball coach of the U.S. team in the Pan American Games in Puerto Rico.

Knight got into an altercation with a Puerto Rican policeman and was arrested, but not before making some allegedly racist remarks. He left Puerto Rico before his court case came up and subsequently refused to return. Gov. Romero declined to try to extradite him.

Knight renewed the controversy when he spoke at a recent dinner in Gary, Ind. Knight told the audience as a joke that when he boarded the plane to leave San Juan he lowered his pants and placed his bare buttocks against the window "because that's the last thing I wanted those people to see of me."

[From the Washington Post, Jan. 7, 1983]

THE WRONG COACH

Why has the U.S. Olympic Committee appointed Bob Knight of Indiana University to coach the 1984 basketball team? True, Coach Knight wins games like few others ever have. But his record is marred by numerous unsportsmanlike outbursts on and off the basketball court—roughing up players and spectators, making crude comments about the competition, and the like.

The most troubling incident occurred while Mr. Knight was representing this country once before at the 1979 Pan American games in Puerto Rico. He assaulted a local police officer. There was testimony that he referred to a Brazilian women's team as "dirty people." After he left Puerto Rico, he was convicted in absentia of misdemeanor assault and sentenced to six months and $500. The governor declined to seek extradition, but if Mr. Knight happens to return to the island he could be arrested as a fugitive.

Recently, Mr. Knight made a public appearance during which he was jokingly reminded of the 1979 events. He then told an incredibly tasteless story, presumably false, about leaving Puerto Rico at the time and exposing his bare behind in the plane window "because that's the last thing I wanted those people to see of me". A Chicago journalist Carmelo Melendez, happened to be in the audience and wrote up the incident for the Hispanic Link News Service.

Surely there is reason here to disqualify Mr. Knight from representing this country at international events, no matter how good he is at coaching basketball players. In 1979, his action did much to divert attention from his team's victory and from the 262 medals won by other U.S. teams. He embarrassed the country in a manner that even enthusiastic sports fans should not dismiss as playful machismo. His reported behavior ran counter to ideals recognized in this country and in the Olympic games as being more important than scoring points. The 1984 Olympic basketball team needs a different coach.

USOC SAID NOT INTENDING TO FIRE KNIGHT

[From the San Juan Star, Jan. 14, 1983]

(By Harry Turner)

WASHINGTON.—A U.S. Olympic Committee spokesman said Thursday the committee has no intention of firing Bobby Knight, despite a mounting campaign by the nation's Hispanic community against the basketball coach.

The spokesman, Mike Moran, said the committee is "in full support" of Knight as this country's basketball coach in the 1984 Olympic Games.

Moran, assistant director of communications for the Olympic Committee, said the original incident in Puerto Rico in 1979 that began Knight's troubles was "exaggerated."

Moran said he and Don Miller, executive director of the committee, were in Puerto Rico during the 1979 Pan American Games and they feel Knight was "not guilty as charged."

During the Pan American Games, Knight, coach of the U.S. basketball team, got into an altercation with a Puerto Rican policeman. He was arrested but left the island before he could be brought to trial.

A warrant was issued for Knight's arrest, but Gov. Romero declined to extradite the Indiana University coach. Even so, Romero is one of those trying to get Knight dismissed as the Olympic coach.

The incident that caused the controversy surrounding Knight to flare up again occurred at a recent dinner in Gary, Ind., at which Knight was a speaker.

Knight told the audience that when his plane left Puerto Rico in 1979 he lowered his pants and stuck his buttocks against the window because "that's the last thing I wanted those people to see of me."

This remark caused The Washington Post, Resident Commissioner Baltasar Corrada del Rio and the National Council of La Raza, an influential Hispanic organization, to demand Knight's dismissal.

Moran, reached at the U.S. Olympic Committee headquarters in Boulder, Colo., said committee members weren't aware of the latest incident.

But he implied that it would take a lot to cause the committee to dismiss Knight, whom he described as "the best coach we could find."

Moran said, however, that procedures do exist to fire Olympic coaches and that any charges would have to be brought before the organization's Games Preparation Committee.

The next move may come from the National Council of La Raza, which is leading the drive against Knight.

La Raza's board chairman, Gil Vazquez, a Los Angeles businessman, is a member of the Los Angeles Olympics Organizing Committee and presumably has some influence within the organization.

Vazquez has said he is prepared to join the fight against Knight if he becomes convinced the coach has demonstrated anti-Hispanic behavior.●